

<p style="text-align: center;">MATERIAL AGREEMENTS AND OTHER DOCUMENTS RELATING TO HUI XIAN REIT</p>

The following is a summary of the material terms of the material agreements and other documents relating to Hui Xian REIT. The documents marked with an asterisk were executed prior to the date of this Offering Circular and are available for inspection free of charge at the office of Woo, Kwan, Lee & Lo at 26/F Jardine House, 1 Connaught Place, Central, Hong Kong during normal business hours up to the Listing Date.

JV Documents*

On 16 November 1998, Hui Xian Investment entered into a joint venture contract and an articles of association with the Domestic JV Partner to set up BOP. The aforesaid joint venture contract and articles of association were amended and supplemented by supplemental agreements thereto respectively entered into between the parties on 13 June 2008.

The joint venture period of BOP

The joint venture period of BOP is 50 years from 25 January 1999 to 24 January 2049. With the agreement of both Hui Xian Investment and the Domestic JV Partner and the unanimous consent of the board of directors of BOP, BOP can apply to the relevant PRC approving authority for extension of the joint venture period 6 months before the expiry of the said period. The extension, if granted, will become effective upon the grant of approval by the relevant PRC approving authority.

Total investment amount and registered capital of BOP

The total investment amount and the registered capital of BOP are US\$1,950 million and US\$600 million respectively. The registered capital of BOP was contributed entirely by Hui Xian Investment. Hui Xian Investment is responsible for arranging finance to meet the capital requirement of BOP to the extent of the difference between the total investment amount of BOP and the registered capital of BOP.

Initial roles

Pursuant to the JV Documents, the Domestic JV Partner was responsible for, among other things, assisting BOP in (i) its application for the grant of land use rights of a site located in Dongcheng District, Beijing for a term of 50 years for the development of Oriental Plaza; and (ii) the demolition of structures at and clearance of such site in the application for the required approvals; and (iii) applying for permits and preferential treatment (including that on tax); and (iv) its employment of both local and expatriate employees. On the other hand, Hui Xian Investment was responsible for, among other things, contributing the entire capital of BOP (including paying the entire registered capital of, and providing loans to, BOP) and managing and operating Oriental Plaza. The land use rights of the site on which Oriental Plaza is located were granted to BOP for a term of 50 years until 21 April 2049, and the registered capital of BOP was contributed solely by Hui Xian Investment.

Profit distributions

Before the supplemental agreements were signed in 2008 (which has been approved by the relevant PRC authority), the Domestic JV Partner was originally entitled under the original joint venture contract and articles of association of BOP to a specified annual payment from BOP throughout the term of joint venture as a compensation for clearing the relevant site for the development of Oriental Plaza. Following the amendments made pursuant to the aforesaid supplemental arrangements, the Domestic JV Partner would be entitled to (and has received in full) certain payments (the “**Relevant Amount**”) from BOP in replacement of the aforesaid annual payment. The Relevant Amount, totalling approximately US\$319 million, comprises approximately US\$48 million being certain annual payments made to the Domestic JV Partner up to 2006, and a lump sum in the amount of approximately US\$271 million which was fully settled in January 2009. Save and except the Relevant Amount and the

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Domestic JV Partner's right to distribution of assets of BOP (if any) after the expiry or early termination of the joint venture period of BOP, the Domestic JV Partner is not entitled to any profit distributions of BOP.

From January 2009 onwards, Hui Xian Investment is entitled to all the profit distributions of BOP for the remainder of the joint venture period of BOP.

Share of risks

Throughout the joint venture period, any guarantees required in connection with loans to BOP are to be given by Hui Xian Investment. In addition, Hui Xian Investment is responsible for all the loans, risks and guarantees of BOP, and the Domestic JV Partner is not responsible for any of these.

Assignment

Unless specified by the JV Documents or unless prior written approval of the other joint venture party and unanimous consent of the board of directors of BOP have been obtained, no joint venture party shall assign, sell or otherwise dispose of any of its injected capital in BOP or any of its interests in the registered capital of BOP to any third party.

Roles

Under the JV Documents, the main duties of Hui Xian Investment include, among others, (a) negotiating the terms and conditions of loans to BOP with banks or other financial institutions and signing the relevant loan agreements on behalf of BOP provided that the legal existence of BOP is not jeopardised and the legitimate interests of the Domestic JV Partner in BOP is not affected; (b) operating and managing BOP and its projects; and (c) handling other matters entrusted by the board of directors of BOP.

On the other hand, the major duties of the Domestic JV Partner include, among others, assisting BOP in certain aspects of its business and operation including employing local staff, handling matters in relation to the application for visa and working permit by foreign staff and any other matters entrusted by the board of directors of BOP.

The board of directors of BOP

According to the JV Documents, the board of directors of BOP shall be the body having the highest power, and shall decide on all important matters of BOP.

(i) Composition of the board

The board of BOP consists of 12 directors. Hui Xian Investment is entitled to nominate 9 out of the 12 directors to the board of BOP and the Domestic JV Partner is entitled to nominate the remaining 3 directors to the board of BOP. A waiver has been granted by the SFC from strict compliance with paragraph 7.5(f) of the REIT Code so as to allow certain directors of BOP not to be appointed by the Trustee. For details of such waiver, see the section headed "Modifications, Waivers and Licensing Conditions — Nomination Right for Directors in BOP" in this Offering Circular.

(ii) Board meetings

The quorum of board meetings of BOP shall be two-thirds of the directors of BOP. In the event that a board meeting is adjourned for being inquorate and the number of directors present at the adjourned meeting is still less than two-thirds of the directors of BOP, then the directors present at the adjourned meeting shall form a quorum of the adjourned meeting, and if any director who does not attend and has not appointed a representative to attend the board meeting, the director shall be regarded as having consented to the resolutions passed by the other directors at the meeting.

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Notice of any board meeting shall be duly served on all the three directors nominated by the Domestic JV Partner in the manner set out in the JV Documents, otherwise any resolutions passed at the relevant meeting shall be invalid.

Except for the matters which may affect the interests and rights of the Domestic JV Partner or Hui Xian Investment in BOP after the expiration of the term of the joint venture or specified by the relevant PRC laws and regulations, and a few important matters of BOP specified in the JV Documents and as mentioned below for which unanimous approval of directors of BOP present at a meeting is required, the board of directors of BOP will make its decisions by simple majority of directors present at the meeting. The specified important matters requiring unanimous approval of the directors of BOP present at a meeting referred to above are (i) amendment to the articles of association of BOP; (ii) increase, reduction or transfer of the registered capital of BOP; (iii) termination and dissolution of BOP; (iv) mortgage of assets of BOP; (v) merger, demerger or change in organisation structure of BOP; (vi) matters involving the right to use Oriental Plaza and other fixed assets ancillary to Oriental Plaza beyond 24 January 2049; and (vii) dealings with ownership in Oriental Plaza and other fixed assets ancillary to Oriental Plaza, and that resolutions regarding the matters mentioned in (vi) and (vii) above shall only become effective upon stamping with the company chop of Hui Xian Investment and the Domestic JV Partner.

In addition, under the JV Documents, the Domestic JV Partner undertakes that, so long as the legal existence of BOP is not jeopardised and the ownership by the Domestic JV Partner of the fixed assets as well as its interests in the distribution of the remaining assets of BOP after the expiration of the joint venture term is not affected, the Domestic JV Partner shall actively support all resolutions proposed for decision at the board meeting of BOP, so as to enable the business of BOP to be implemented and developed smoothly, and provided that notice of meeting of the board of BOP has been duly given in the manner as aforesaid, the Domestic JV Partner will procure the directors nominated by it to attend the board meeting and support the relevant resolutions.

Expiration of the joint venture period

According to the JV Documents, prior to the expiration of the joint venture period of BOP, BOP shall first use all its current assets (but not fixed assets) to discharge its liabilities which are secured by mortgage or charge on Oriental Plaza and other fixed assets ancillary to Oriental Plaza. If such current assets are not sufficient for the discharge of these liabilities of BOP, Hui Xian Investment shall be responsible for the shortfall so that the relevant mortgage or charge can be released.

Upon the expiration of the joint venture period of BOP (i.e. 24 January 2049 unless extended), after the discharge of the liabilities of BOP (including the repayment of shareholder's loan owing by BOP) and the liquidation of BOP, the capital injected to BOP by Hui Xian Investment will be repatriated to Hui Xian Investment out of the assets of BOP (including its fixed assets). After such repatriation of injected capital to Hui Xian Investment, the fixed assets of BOP (including Oriental Plaza) will pass to and belong to the Domestic JV Partner for no consideration. After that, any remaining assets of BOP will be distributed between Hui Xian Investment (as to 60.0%) and the Domestic JV Partner (as to 40.0%). If the assets (other than fixed assets) of BOP are insufficient for the repatriation of Hui Xian Investment's injected capital, the JV Documents provide that BOP is to realise part of its fixed assets upon the expiration of the joint venture term of BOP and use the proceeds to pay Hui Xian Investment for the shortfall. BOP will be dissolved after the expiration of the joint venture term.

Early termination of the joint venture period

(i) Force majeure or difficulty

Upon the termination of the joint venture period of BOP prior to the expiry of the joint venture period as a result of force majeure or difficulty in carrying out the terms of the JV Documents other than due to the default of Hui Xian Investment or the Domestic JV Partner, and such early termination occurs

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within the first 15 years of the joint venture period of BOP (including the 15th year), after discharging its liabilities and liquidation, all the assets of BOP will be distributed in the following manners :-

- (a) the Domestic JV Partner will be paid, out of the assets of BOP, the Relevant Amount that it is entitled to receive from the date of the early termination up to the 15th anniversary of the joint venture period of BOP; and
- (b) the capital injected to BOP by Hui Xian Investment will be repatriated to Hui Xian Investment, out of the assets of BOP, and be paid the return of such injected capital for the first 15 years of the joint venture. The relevant annual rate of return shall be 16.5%.

If the assets of BOP are insufficient for the payments to the Domestic JV Partner and Hui Xian Investment mentioned in the immediate preceding paragraph, the Domestic JV Partner and Hui Xian Investment will each be distributed the assets of BOP in proportion to the aforesaid amount they are entitled to receive respectively. If the assets of BOP are more than sufficient for the payments to the Domestic JV Partner and Hui Xian Investment mentioned in the immediate preceding paragraph, any remaining assets (including fixed assets, if any) of BOP will be distributed between Hui Xian Investment and the Domestic JV Partner in the proportions of 60.0% and 40.0% respectively.

However, if the aforesaid early termination occurs after the 15th anniversary of the joint venture period of BOP, after discharging the liabilities and liquidation, all the assets of BOP will be distributed in the following manners :-

- (a) the Domestic JV Partner will be paid, out of the assets of BOP, the Relevant Amount that it is entitled to receive from the date of the early termination up to the earlier of the 25th anniversary of the joint venture of BOP and the expiration of the joint venture period; and
- (b) the capital injected to BOP by Hui Xian Investment will be repatriated to Hui Xian Investment, out of the assets of BOP and be paid the return of such injected capital for the first 15 years of the joint venture period. The relevant annual rate of return shall be 16.5%. In addition, Hui Xian Investment will be paid an additional return of the capital injected to BOP by it at the annual rate of 10.0% for the period from the 16th anniversary of the issue of the business licence of BOP up to the relevant anniversary date in the year of the early termination of the joint venture period.

If the assets of BOP are insufficient for the payments to the Domestic JV Partner and Hui Xian Investment as mentioned in the immediately preceding paragraph, the Domestic JV Partner and Hui Xian Investment will each be distributed the assets of BOP in proportion to the aforesaid amount they are entitled to receive respectively. If the assets of BOP are more than sufficient for the payments to the Domestic JV Partner and Hui Xian Investment as mentioned in the immediate preceding paragraph, any remaining assets of BOP will be distributed between Hui Xian Investment and the Domestic JV Partner in the proportions of 60.0% and 40.0% respectively.

(ii) Default of Hui Xian Investment

Upon the termination of the joint venture period of BOP prior to the expiry of the joint venture period as a result of the default of Hui Xian Investment, after discharging its liabilities and liquidation, BOP will distribute to the Domestic JV Partner, out of its assets, an amount equal to present value of the Relevant Amount which the Domestic JV Partner is entitled to receive up to the expiration of the joint venture. After that, the capital injected to BOP by Hui Xian Investment will be repatriated to Hui Xian Investment. Thereafter, any remaining assets (including fixed assets, if any) of BOP will be distributed between Hui Xian Investment and the Domestic JV Partner in the proportions of 60.0% and 40.0% respectively. However, if the assets of BOP are insufficient for the aforesaid payment of the Relevant Amount to the Domestic JV Partner, Hui Xian Investment has guaranteed for the payment of the shortfall and each shareholder of Hui Xian Investment shall contribute to the payment of such shortfall in proportion to its respective shareholding in Hui Xian Investment. However, if Hui Xian Investment or

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BOP acts in contrary to the terms of the JV Documents and the entitlement of the Domestic JV Partner to receive the fixed assets of BOP upon expiry of the joint venture period is jeopardised as a result thereof, Hui Xian Investment shall compensate the Domestic JV Partner.

(iii) Default of the Domestic JV Partner

Upon the termination of the joint venture period of BOP prior to the expiry of the joint venture period as a result of the default of the Domestic JV Partner, BOP, Hui Xian Investment or any shareholder of Hui Xian Investment will not have to pay the Domestic JV Partner the Relevant Amount that the Domestic JV Partner was entitled to receive including and after the year of early termination of the joint venture period of BOP. After the repayment of liabilities of BOP, all assets of BOP (including fixed assets, if any) will belong to Hui Xian Investment which shall have the full right to dispose of such assets.

As stated above, since the Relevant Amount has already been fully paid to the Domestic JV Partner, as such the Domestic JV Partner is not entitled to receive again any of the aforesaid Relevant Amount upon expiration or early termination of the joint venture period of BOP.

Reorganisation Agreement*

Transfer of Hui Xian BVI

On 8 April 2011, the Trustee (as trustee of Hui Xian REIT) and the Manager entered into the Reorganisation Agreement with Hui Xian Cayman and Hui Xian Holdings pursuant to which Hui Xian Cayman has agreed to transfer and assign to the Trustee (as trustee of Hui Xian REIT) the Hui Xian BVI Share and interests in the Assigned Indebtedness.

Pro Forma Completion Balance Sheet for Hui Xian BVI Group

Under the Reorganisation Agreement, a pro forma completion balance sheet for Hui Xian BVI Group (“**Pro Forma Completion Balance Sheet**”) will be prepared, stating the “Adjusted Asset Value” of Hui Xian BVI Group as at Completion, which shall be the transfer value of Oriental Plaza for the transaction, with adjustments to be made for the other assets and liabilities of Hui Xian BVI Group as at Completion. For the purpose of preparing the Pro Forma Completion Balance Sheet and calculating the Adjusted Asset Value, the transfer value of Oriental Plaza is to be determined with reference to the market value of Oriental Plaza. Such transfer value, which will be within the range from RMB26,554 million to RMB28,237 million, shall be notified by Hui Xian Cayman to the Trustee and the Manager, and any deferred tax liability or deferred tax asset in respect of change in valuation of Oriental Plaza and capital allowance/depreciation (if any) will not be taken into account.

Assignment of the Assigned Indebtedness

The Assigned Indebtedness in respect of Hui Xian BVI Group is part of the Existing Indebtedness, of a principal amount of RMB1,000 million (or such other principal amount as may be agreed between Hui Xian Cayman and the Manager which shall be within the range from RMB700 million to RMB1,550 million). The Assigned Indebtedness will be assigned by Hui Xian Cayman to the Trustee (as trustee of Hui Xian REIT) on Completion.

The Trustee (as trustee of Hui Xian REIT), being the sole shareholder of Hui Xian BVI after Completion, will therefore in effect be extending shareholder loans to Hui Xian BVI on Completion, corresponding to the amount of the Assigned Indebtedness which will be assigned to the Trustee on Completion.

For further information relating to the Assigned Indebtedness, please refer to the “Use of Proceeds” section of this Offering Circular.

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Consideration, adjustment of payments and Completion

The consideration for the transfer and assignment of the Hui Xian BVI Share and the Assigned Indebtedness will be satisfied by the issuance of 2,700,000,000 Units (or such other number of Units as may be agreed between Hui Xian Cayman and the Manager), representing all the Units in issue as at the time of Completion, to Hui Xian Cayman. After Completion, a review of the Pro Forma Completion Balance Sheet will be conducted by auditors, and adjustment payments are to be made between Hui Xian Cayman and the Trustee (as trustee of Hui Xian REIT), to address any overstatement or understatement (as the case may be) of the assets and liabilities of Hui Xian BVI Group as at Completion as shown in the Pro Forma Completion Balance Sheet, provided that the amount of the Adjustment Payment payable by the Trustee to Hui Xian Cayman shall not exceed RMB50,000,000. Such adjustment payments (if any) shall be made in cash within fourteen days of the receipt of the adjustment statement which has been confirmed as to its accuracy by the auditors. If the Pro Forma Completion Balance Sheet or the adjustment (if any) to that balance sheet contains any price sensitive information, the Manager will make an announcement in relation to such price sensitive information. Also, if there is such adjustment, the Manager will make an announcement in relation to such adjustment.

The Reorganisation Agreement provides for Hui Xian Cayman to procure that prior to Completion, Hui Xian BVI Group must (i) dispose of all assets of Hui Xian BVI Group, other than Oriental Plaza and associated plant, equipment and chattels (if any) and the assets which are to be reflected in the unaudited completion management accounts of Hui Xian BVI Group and any other assets which are required to be kept by Hui Xian BVI Group under relevant laws and regulations; (ii) discharge all liabilities of Hui Xian BVI Group, other than (a) the Existing Indebtedness and inter-company liabilities within Hui Xian BVI Group, (b) the liabilities which are to be reflected in the Pro Forma Completion Balance Sheet, (c) any deferred tax liability which is to be reflected in the unaudited completion management accounts of Hui Xian BVI Group and (d) any other liabilities as agreed by the Trustee in writing; and (iii) duly perform and discharge its obligations in accordance with its contractual and other arrangements, and must pay and repay its creditors when due. The Reorganisation Agreement also contains restrictions on declaration of dividends or other distributions by Hui Xian BVI (except the Pre-Listing Distribution) during the period before Completion and restrictions on repayment of amounts owing by Hui Xian BVI Group to Hui Xian Cayman and on discharge or reduction of any liabilities of Hui Xian BVI Group, if the financial position or condition of Hui Xian BVI Group would as a result be materially and adversely affected.

Completion of the transfer of Hui Xian BVI Share to the Trustee (as trustee of Hui Xian REIT) will take place on or before 28 April 2011 (or such other date as may be agreed between Hui Xian Cayman and the Manager).

Warranties and limitations on liabilities

The Reorganisation Agreement contains certain representations and warranties made by Hui Xian Cayman in respect of, among other things, the Hui Xian BVI Share, the Assigned Indebtedness, the accounts, taxation, finance, business, litigation and assets of Hui Xian BVI Group, Oriental Plaza and the tenancy agreements for Oriental Plaza. A copy of the Reorganisation Agreement is available for inspection as referred to in Appendix X to this Offering Circular. Hui Xian Holdings has guaranteed Hui Xian Cayman's obligations to complete the transfer of Hui Xian BVI Share and the assignment of the Assigned Indebtedness under the Reorganisation Agreement and Hui Xian Cayman's obligations to pay the adjustment payment to address any overstatement of the assets and liabilities of Hui Xian BVI Group as at Completion as shown in the Pro Forma Completion Balance Sheet.

The Reorganisation Agreement also sets out limitations on the liability of Hui Xian Cayman in respect of any breach of representations and warranties.

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The aggregate maximum liability of Hui Xian Cayman and Hui Xian Holdings in respect of all claims under the Reorganisation Agreement (in aggregate with all claims under any other agreements which may be entered into between Hui Xian Cayman and the Trustee (as trustee of Hui Xian REIT) and/or other person(s) in relation to Hui Xian BVI Group, whether on or after the Reorganisation Agreement) shall not exceed an amount equal to the “Adjusted Asset Value” of Hui Xian BVI Group as at Completion as shown on the Pro Forma Completion Balance Sheet and as adjusted after the auditors’ review of that balance sheet.

The limitation period for claims in connection with those warranties or claims under the Reorganisation Agreement relating to the employment of BOP’s employees or prior employees shall be four years after the date of Completion and the limitation period for all other claims under or in respect of any breach of the Reorganisation Agreement shall be seven years after the date of Completion.

Deed of Tax Covenant

Before the Listing Date, the Deed of Tax Covenant will be entered into by Hui Xian Cayman in favour of the Trustee (in its capacity as trustee of Hui Xian REIT) and Hui Xian BVI, covenanting to indemnify Hui Xian BVI (for itself and on behalf of and as trustee for Hui Xian Investment and BOP) and the Trustee (in its capacity as trustee of Hui Xian REIT and for the benefit of Hui Xian REIT) in respect of:

- (i) any liability for taxation falling on any company in the Hui Xian BVI Group or the Trustee (in its capacity as trustee of Hui Xian REIT) resulting from or by reference to any transactions, events, matters or things occurred or effected before the Listing Date or in respect of any gross receipts, income, profits or gains earned, accrued or received, or alleged or deemed to have been earned, accrued or received by any company in the Hui Xian BVI Group before the Listing Date which is not provided for in the Pro Forma Completion Balance Sheet (subject to any audit adjustments to that balance sheet which have been settled and which is not the subject matter of a claim covered by and already satisfied by Hui Xian Cayman or Hui Xian Holdings under or pursuant to the Reorganisation Agreement);
- (ii) any and all liability of any company in the Hui Xian BVI Group or the Trustee (in its capacity as trustee of Hui Xian REIT) for or in respect of taxation resulting from the transfer of any share(s) in the issued share capital of Hui Xian BVI, assignment of any interest in loans owing by Hui Xian BVI, the Offering and listing of Units on the Listing Date, the repayment of indebtedness by Hui Xian BVI using the proceeds of the Offering, or any transactions of Hui Xian Cayman effected on or before the Listing Date; and
- (iii) all actions, claims, losses, damages, costs (including all legal costs), charges, expenses, interests, penalties or other liabilities to which any company in the Hui Xian BVI Group or the Trustee (in its capacity as trustee of Hui Xian REIT) is or may be subject or which any of those companies or the Trustee (in its capacity as trustee of Hui Xian REIT) may reasonably and properly incur in connection with: (a) any investigation, assessment or the contesting of any claim for any of (i) or (ii) above; (b) the settlement of any claim for any of (i) or (ii) above; (c) any legal proceedings or actions in which the Trustee (in its capacity as trustee of Hui Xian REIT) or any company in the Hui Xian BVI Group claims under or in respect of the Deed of Tax Covenant and in which judgment is given in favour of the Trustee (in its capacity as trustee of Hui Xian REIT) or any company in the Hui Xian BVI Group; or (d) the enforcement of any such settlement or judgment.

In this connection, Hui Xian BVI and the Trustee shall take or procure any company in the Hui Xian BVI Group to take such action relating to any taxation claim covered by the Deed of Tax Covenant as Hui Xian Cayman may reasonably request, subject, *inter alia*, to an indemnity for costs from Hui Xian Cayman and other provisions.

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The maximum aggregate liability for all claims under the Deed of Tax Covenant (in aggregate with all claims under the Reorganisation Agreement) will not exceed an amount equal to the “Adjusted Asset Value” of Hui Xian BVI Group as at Completion as shown on the Pro Forma Completion Balance Sheet and as adjusted after the auditors’ review of that balance sheet.

The limitation period for claims under the Deed of Tax Covenant is seven years after the Listing Date. The right of claim pursuant to the Deed of Tax Covenant is not prejudiced by any taxation action or proceeding in respect of the relevant tax liability which is the subject matter of the claim not being finally resolved before expiry of the applicable limitation period.

Hui Xian Holdings Subscription Agreement*

Hui Xian Holdings has entered into a subscription agreement with the Manager pursuant to which it has agreed to subscribe at the Offer Price for 300,000,000 Units, representing 6.0% of the Units following completion of the Hui Xian Holdings Subscription and the Offering. The subscription price will be satisfied by setting off the same amount which Hui Xian REIT will lend to Hui Xian BVI and which Hui Xian BVI will in turn apply towards repayment of the Existing Indebtedness (less the Assigned Indebtedness) to Hui Xian Cayman (and ultimately Hui Xian Holdings). The Units to be subscribed for by Hui Xian Holdings will rank pari passu in all respects with the fully paid Units in issue upon completion of such subscription and the Offering.

Conditions

Pursuant to the Hui Xian Holdings Subscription Agreement, the rights and obligations of the Manager and Hui Xian Holdings are conditional upon:

- the Hong Kong Stock Exchange granting the listing of, and permission to deal in, all the Units in issue and to be issued upon the terms and conditions set out in this Offering Circular;
- the SFC having authorised Hui Xian REIT and this Offering Circular in connection with the Offering, pursuant to the SFO; and
- the Underwriting Agreements having become unconditional (including as a result of the waiver of any conditions thereunder, excluding the requirement for the Hui Xian Holdings Subscription Agreement to be unconditional) and not having been terminated pursuant to their respective terms on or prior to the date on which the Units are issued at settlement under the Offering.

Completion

Subject to the abovementioned conditions having been fulfilled (or otherwise waived by Hui Xian Holdings and the Manager) on or before 29 April 2011 (or such later date as Hui Xian Holdings and the Manager may agree in writing), completion of the Hui Xian Holdings Subscription is expected to take place on the Listing Date and prior to the commencement of trading of the Units on the Hong Kong Stock Exchange.

Hui Xian Holdings’ Lock-up Undertaking

Hui Xian Holdings has undertaken to the Manager in the Hui Xian Holdings Subscription Agreement that, in respect of the Units to be issued to it pursuant to the Hui Xian Holdings Subscription Agreement and any Units which may be returned to it under the Unit Borrowing Agreement, it will not, whether conditionally or unconditionally, during the period starting from the Listing Date and ending on and including the date which is six months after the Listing Date:

- dispose of any such Units held by it or
- offer or agree or announce any intention to do the foregoing,

provided that these restrictions do not apply to (a) any sale or transfer of Units by Hui Xian Holdings pursuant to any exercise of the Over-Allotment Option; (b) any transfer of Units pursuant to the Unit

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Borrowing Agreement; (c) any use by Hui Xian Holdings of any such Units as security (including a charge or a pledge) in favour of an authorised institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan; or (d) any sale or transfer of Units by (i) Hui Xian Holdings to any of its wholly-owned subsidiaries or vice versa, or (ii) a wholly-owned subsidiary of Hui Xian Holdings to any other wholly-owned subsidiary of Hui Xian Holdings, provided that each such subsidiary has executed and delivered to the Manager an undertaking to comply with the above restrictions and must transfer such Units back to Hui Xian Holdings or another wholly-owned subsidiary of Hui Xian Holdings in the event such subsidiary ceases to be a wholly-owned subsidiary of Hui Xian Holdings.

Hotel Management Agreement*

The Hotel Manager currently manages Grand Hyatt Beijing under the Hotel Management Agreement, the principal terms of which are summarised below.

General

BOP and the Hotel Manager entered into a hotel management agreement on 27 July 2001 in respect of the management of the business of Grand Hyatt Beijing and two supplemental agreements to such management agreement on 13 September 2002 and 28 March 2011 respectively.

Operating term

The term of the Hotel Management Agreement commenced from the date on which the Hotel Management Agreement was approved by the Ministry of Foreign Trade and Economic Cooperation of the PRC and shall expire on 31 December 2019.

Operation of Grand Hyatt Beijing

Control of hotel operation

The Hotel Manager shall, through the Hotel General Manager, operate Grand Hyatt Beijing (a) on behalf of and for the benefit and interest of Grand Hyatt Beijing, (b) under standards comparable to those prevailing in first class international deluxe hotels; and (c) under standards comparable to those prevailing in “Grand Hyatt” hotels. The Hotel Manager shall conduct all activities of Grand Hyatt Beijing in a manner that is customary and usual to such an operation, and shall conduct the operations of Grand Hyatt Beijing in accordance with the laws of the PRC and, insofar as feasible and in its opinion advisable, local character and traditions. The Hotel General Manager shall have control and discretion with respect to the operations of Grand Hyatt Beijing, subject to the terms of the Hotel Management Agreement.

Leases and concessions

The Hotel Manager shall, through the Hotel General Manager, operate in Grand Hyatt Beijing all facilities and provide all services and shall not lease or grant concessions in respect of such services or facilities.

The retail and commercial space and the recreational center developed by BOP on the same site are not to be considered as part of Grand Hyatt Beijing. BOP shall have the right to lease or grant concessions in respect of such retail and commercial space and the rentals or other payments received by BOP under such lease or concession shall not be included in the revenue derived from the operation of Grand Hyatt Beijing.

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Hotel management services

During the operating term, the Hotel Manager shall, through the Hotel General Manager in consideration of its fees and subject to reimbursements of its expenses as provided in the Hotel Management Agreement, inter-alia:

- (a) Ask for, demand, collect and give receipts for all charges, rents and other amounts due from guests, patrons, tenants, sub-tenants, concessionaires and other third parties providing services to guests of Grand Hyatt Beijing and, when desirable or necessary, cause notices to be served on such guests, patrons, tenants, sub-tenants and concessionaires to quit and surrender space occupied or used by them;
- (b) Arrange for association with one or more credit card systems in conformity with Hyatt International's general policy in such regard;
- (c) Recruit, interview, and hire employees of Grand Hyatt Beijing and pay all salaries, wages, taxes thereon as appropriate, and social benefits (Note: The employer of the employees of Grand Hyatt Beijing shall be BOP, but not the Hotel Manager. For details of the employee arrangement of Grand Hyatt Beijing, see sub-section headed "Employees" below);
- (d) Establish purchasing policy for the selection of suppliers and negotiate supply contracts to assure purchases on the best available terms;
- (e) Arrange for the purchase of utilities (through BOP), and other services necessary for the operation of Grand Hyatt Beijing, and for the purchase of all food, beverages and such other services and merchandise necessary for the proper operation of Grand Hyatt Beijing;
- (f) Provide appropriate sales and marketing services;
- (g) Provide appropriate advertising and promotional services;
- (h) Cause its affiliates to furnish the sales and marketing services and centralised reservation services as provided for in the Hotel Management Agreement;
- (i) Make available its own and its affiliated companies' personnel in general for the purpose of eliminating operational problems or improving operations;
- (j) Establish and implement training and motivational programmes for employees;
- (k) Arrange for reasonable and adequate insurance coverage (comparable to the coverage required by other international five-star hotel management companies) to be maintained by the Hotel Manager, including: (i) public liability insurance for personal injury/bodily injury, property damage, innkeeper's liability and advertising liability, automobile liability; and crime insurance including employee fidelity in such amounts as the Hotel Manager shall deem necessary; (ii) workmen's compensation, employers' liability or other such insurance as may be required under applicable laws or which the Hotel Manager shall deem advisable; (iii) use and occupancy (business interruption) insurance covering loss of profits of BOP and fees of the Hotel Manager resulting from loss due to perils covered under standard fire and boiler and machinery policies, and such other perils as the Hotel Manager deems necessary; and (iv) such other insurance as the Hotel Manager shall deem necessary for protection against claims, liabilities and losses, wherever asserted, determined or incurred, arising from the operation of Grand Hyatt Beijing; and comply with the terms of all applicable insurance policies;
- (l) Recommend to BOP that appropriate lawsuits in connection with the operation of Grand Hyatt Beijing be instituted, and assist BOP in the conduct of such lawsuits, provided that BOP shall be responsible for any consequence of not instituting such lawsuits;
- (m) Install and maintain the accounting books and records and other information systems required for the efficient operation of Grand Hyatt Beijing;

<p style="text-align: center;">MATERIAL AGREEMENTS AND OTHER DOCUMENTS RELATING TO HUI XIAN REIT</p>

- (n) Subject the accounting books and records and operations systems of Grand Hyatt Beijing to review by internal auditors of Hyatt International or its affiliates; and
- (o) Maintain and enhance the computer software for Grand Hyatt Beijing operations management system.

Employees

The Hotel Manager shall, on behalf of and after consulting with BOP, select and appoint or remove the Hotel General Manager and the executive committee members of Grand Hyatt Beijing. Persons nominated to become the Hotel General Manager or executive committee members of Grand Hyatt Beijing shall be current employees either of the Hotel Manager, companies affiliated with the Hotel Manager or existing Hyatt International hotels. BOP shall also be consulted on the respective remuneration and benefit packages of the Hotel General Manager and the executive committee members of Grand Hyatt Beijing and Hotel Manager shall, in good faith, consider BOP's reasonable opinions & recommendations thereon prior to the confirmation of his/her appointment.

The Hotel General Manager shall, on behalf of BOP, and subject to the terms of the Hotel Management Agreement, select and appoint or remove all local employees of Grand Hyatt Beijing. Each employee of Grand Hyatt Beijing, including the Hotel General Manager and the executive committee members shall be the employee of BOP and not the Hotel Manager, which shall not be liable to such employees for their wages or compensation.

As at the Latest Practicable Date, BOP, through its branch, employed approximately 390 employees to perform hotel operation functions and services. After the Listing Date, they will continue to be employed by the branch of BOP, and that new hotel related employees subsequently engaged will be employed in a similar manner. There is not expected to be a substantial increase in the total number of directly employed hotel-related employees after the Listing Date. For details of the employee arrangement, see the section headed "Oriental Plaza and Business — General — Employees" in this Offering Circular.

Hotel Management Fees

Basic hotel management fee

The Hotel Manager is entitled to receive monthly as a preliminary installment of its basic management fee an amount equal to 2.0% of the cumulative revenue of Grand Hyatt Beijing during the current calendar year, after deducting from such basic management fee all basic management fees previously paid to the Hotel Manager during such calendar year.

Incentive fee

The Hotel Manager is entitled to receive an incentive fee during the operating term. Under the current arrangement, during the remainder of the operating term and any extension thereof, the Hotel Manager shall be entitled to receive monthly, as preliminary installments of its incentive fee, an amount equal to 5.0% of the cumulative Gross Operating Profit of Grand Hyatt Beijing during the current fiscal year, after deducting from such incentive fee payment all incentive fees previously paid to the Hotel Manager during such fiscal year.

Final installment

Within sixty days after the end of each calendar year during the operating term, the Hotel Manager is entitled to a final installment based upon the relevant percentages of revenue and Gross Operating Profit for the entire calendar year, after deducting therefrom, the amount of the preliminary installments of the basic management fee and incentive fee paid as set out in the above.

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Payment of fees

The basic management fee and incentive fee mentioned above shall be determined in RMB and shall be payable in US dollars at the official rate of exchange prevailing on such dates as such fees shall be remitted. However, if exchange control regulations of the PRC delay the conversion of fees of the Hotel Manager into US dollars, the Hotel Manager may elect to receive and retain such fees in RMB during the period of such delay.

Repairs and changes

Normal repairs and maintenance

Subject to the provision of adequate working capital by BOP pursuant to the Hotel Management Agreement, the Hotel Manager shall, through the Hotel General Manager (save for certain legally required or essential repairs, changes and replacements which shall be made by BOP), repair and maintain Grand Hyatt Beijing in good order and condition, ordinary wear and tear excepted.

Replacements of and additions to Hotel Furnishings and Equipment

An amount ranging from 2.0% to 3.5% of the revenue during the first fiscal year to the fourth fiscal year of the operating term and commencing with the fifth fiscal year and continuing for the remaining fiscal years of the operating term, an amount equal to 4.0% of the revenue, as a provision for the replacements of and additions to Hotel Furnishings and Equipment and all proceeds from the sale of certain Hotel Furnishings and Equipment no longer needed or in a condition appropriate for the operation of Grand Hyatt Beijing, shall be credited to a reserve for replacements of and additions to Hotel Furnishings and Equipment (the “**Replacement Reserve**”). The relevant amount shall be transferred monthly from the operating bank account(s) of Grand Hyatt Beijing into another bank account under the exclusive control of the Hotel Manager but for the benefit of Grand Hyatt Beijing (the “**Replacement Fund**”) bearing interest, which interest, less any income taxes assessed there against, shall be credited to the Replacement Reserve and accumulated in the Replacement Fund or, if the parties so mutually agree, otherwise invested. The Hotel Manager or the Hotel General Manager shall, in accordance with the approved budget, be entitled to withdraw from the Replacement Fund and shall charge against the Replacement Reserve any amounts required to make all replacements of and additions to Hotel Furnishings and Equipment deemed by it to be necessary (save for certain legally required or essential repairs, changes and replacements which shall be made by BOP) or desirable, which Hotel Furnishings and Equipment shall be and become, forthwith upon acquisition and installation and without further act or action, the property of BOP.

Damage to and destruction of Grand Hyatt Beijing

If Grand Hyatt Beijing or any portion thereof shall be damaged or destroyed at any time or times during the operating term by fire or any insured casualty, BOP shall, at its cost and expense and with due diligence, repair, rebuild or replace the same so that after such repairing, rebuilding or replacing, Grand Hyatt Beijing shall be substantially the same as prior to such damage or destruction. If BOP fails to undertake such work within a reasonable period of time after the fire or other casualty, or shall fail to complete the same diligently, the Hotel Manager may, but shall not be obligated to, undertake or complete such work for the account of BOP and shall be entitled to be repaid. BOP’s obligations shall be limited to the extent of the relevant insurance proceeds.

Condemnation

If the whole of Grand Hyatt Beijing shall be taken or condemned in any eminent domain, condemnation, compulsory acquisition or like proceeding by any competent authority for any public or quasi-public use or purpose, or if such portion thereof shall be taken or condemned so as to make it imprudent or unreasonable, in the Hotel Manager’s reasonable opinion, to use the remaining portion as

<p style="text-align: center;">MATERIAL AGREEMENTS AND OTHER DOCUMENTS RELATING TO HUI XIAN REIT</p>

a hotel of the type and class immediately preceding such taking or condemnation, then the operating term shall terminate as at the date of such taking or condemnation.

If only a part of Grand Hyatt Beijing shall be taken or condemned and the taking or condemnation of such part does not make it unreasonable or imprudent, in the Hotel Manager's reasonable opinion, to operate the remainder as a hotel of the type and class immediately preceding such taking or condemnation, the Hotel Management Agreement shall not terminate, but so much of any award made to BOP shall be made available as shall be reasonably necessary for making alterations or modifications of Grand Hyatt Beijing, or any part thereof, so as to make it a satisfactory architectural unit as a hotel of similar type and class prior to the taking or condemnation.

Defaults

Events of default

The following events shall constitute events of default:

- (i) The failure of either party to make any payment to the other provided for in the Hotel Management Agreement for a period of thirty calendar days after such payment is payable (other than any delay caused by the foreign exchange requirements and procedures of the PRC);
- (ii) The filing of a voluntary petition in bankruptcy or insolvency or a petition for reorganization under any bankruptcy or similar law by either party;
- (iii) The consent to an involuntary petition in bankruptcy or insolvency or for reorganization or the failure to vacate within sixty calendar days from the date of entry thereof of any order approving an involuntary petition by either party;
- (iv) The appointment of a receiver for all or any substantial portion of the property of either party;
- (v) The entering of an order, judgment or decree by any court of competent jurisdiction, on the application of a creditor, adjudicating either party as bankrupt or insolvent or approving a petition seeking reorganization in bankruptcy or insolvency or appointing a receiver, trustee, or liquidator of all or a substantial part of such party's assets, and such order, judgment or decree shall continue unstayed and in effect for any period of one hundred twenty consecutive calendar days;
- (vi) The failure by BOP substantially to build, equip, furnish and decorate Grand Hyatt Beijing in accordance with the plans, specifications, and designs approved by the Hotel Manager pursuant to the Hotel Management Agreement or to cure within a reasonable time major defects or deficiencies of which the Hotel Manager shall notify BOP under the Hotel Management Agreement;
- (vii) The failure by either party to perform, keep or fulfil any of the other material covenants, undertakings, obligations or conditions set forth in the Hotel Management Agreement, and the continuance of any such default for a period of thirty calendar days after notice of the said failure;
- (viii) The occurrence of any event as described under paragraph (ii), (iii), (iv) or (v) above to Hyatt International in which event the Hotel Manager shall be deemed to be the defaulting party.

In any of the above events of default, the non-defaulting party may give to the defaulting party notice of intention to terminate the Hotel Management Agreement after the expiration of a period of fifteen calendar days from the date of such notice, and upon the expiration of such period, the Hotel Management Agreement shall terminate. If, however, upon receipt of such notice, the defaulting party shall promptly and substantially cure the default, then such notice shall be of no force and effect or, when such default is not susceptible of being cured within fifteen calendar days, if the defaulting party shall take action to cure such default with all due diligence, then the effective date of the termination

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notice shall be extended for such reasonable time as shall be required for the defaulting party to cure such default.

Force majeure

Except as otherwise provided in the Hotel Management Agreement, should either party be delayed in or prevented, in whole or in part, from performing any obligation or condition hereunder with the exception of the payment of money, or from exercising its rights by reason or as a result of any force majeure, such party shall be excused from performing such obligations or conditions while such party is so delayed or prevented and for thirty days thereafter.

The term “force majeure” means acts of God, acts of government, strikes, lockouts, or other industrial disturbances, acts of a public enemy, blockades, wars, insurrections or riots, epidemics, landslides, fires, storms, floods, explosions or other similar causes beyond the control of such party.

Termination of the Hotel Management Agreement by the Hotel Manager

The Hotel Manager shall have the right, which may be exercised notwithstanding any claim of force majeure by BOP, to terminate the Hotel Management Agreement if:

- (1) BOP shall not have obtained, within a reasonable time, all necessary government approvals decrees, acts, orders, consents, licenses and permits to enable BOP to construct and the Hotel Manager, through the Hotel General Manager, to operate Grand Hyatt Beijing in accordance with the terms of the Hotel Management Agreement; or
- (2) BOP shall not, before 30 June 2002, have substantially completed the construction, equipping, furnishing and decorating of Grand Hyatt Beijing.

Trade name

During the operating term, Grand Hyatt Beijing shall at all times be known and designated as “Grand Hyatt Beijing at Oriental Plaza” in English and “東方君悅大酒店” in Chinese, except as may otherwise be mutually agreed by BOP and the Hotel Manager.

During the operating term, the Hotel Manager and its affiliates shall not own, manage or operate another hotel under the trade name “Grand Hyatt” in English and/or “君悅” in Chinese in Beijing.

Successors and assigns

The Hotel Manager shall have the right to assign its rights and obligations under the Hotel Management Agreement to any one or more wholly-owned subsidiaries of Hyatt International, provided that the Hotel Manager shall continue to be liable under the Hotel Management Agreement to the same extent as though such assignment had not been made. Any fees or expenses incurred in connection with such an assignment shall be borne entirely by the Hotel Manager, and there shall be no adverse cost impact on BOP. Save for the above, the Hotel Manager shall not assign the Hotel Management Agreement without the prior consent of BOP.

The Tower Apartments

The Tower Apartments adjacent to Grand Hyatt Beijing shall be operated by BOP. If BOP requires housekeeping and maintenance services from the Hotel Manager for The Tower Apartments, the Hotel Manager shall cause Grand Hyatt Beijing to provide such services and Grand Hyatt Beijing shall charge BOP the cost (plus 10.0% or such other percentage as may be agreed) of providing such services.

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Facility Agreement*

Hui Xian Investment has in place the Facility from Hui Xian Holdings in the aggregate amount of RMB1,400 million, comprising a RMB1,300 million revolving credit facility and a RMB100 million revolving credit facility.

The RMB100 million revolving credit facility under the Facility will be used to finance the general working capital requirements and general corporate funding of Hui Xian REIT and its Subsidiaries, and is available for multiple drawings on a revolving basis from the Listing Date until one month before and not including its final maturity date which falls on the expiry of 18 months of the date of the Facility Agreement (or such later date as Hui Xian Holdings and Hui Xian Investment may extend by mutual agreement in writing from time to time).

The RMB1,300 million revolving credit facility under the Facility will be used to support Hui Xian REIT's making of distributions in RMB and is available for multiple drawings on a revolving basis from the Listing Date until one month before and not including its final maturity date which falls on the expiry of 42 months of the date of the Facility Agreement (or such later date as Hui Xian Holdings and Hui Xian Investment may extend by mutual agreement in writing from time to time).

If at any time prior to the day when the notice of drawdown for the first advance shall have been given to Hui Xian Holdings the aggregate of the available RMB100 million revolving credit facility and the available RMB1,300 million revolving credit facility shall exceed 40% of the open market value of Oriental Plaza as set forth in the valuation report in respect of Oriental Plaza issued by a qualified appraisal firm of independent property valuers appointed by the Trustee and/or the Manager in compliance with the relevant requirement of the REIT Code (the "Property Valuation Report") which is dated no earlier than 180 days prior to the first advance made under the Facility Agreement and made available to Hui Xian Holdings under the Facility Agreement, the RMB100 million revolving credit facility and the RMB1,300 million revolving credit facility shall be reduced with immediate effect to the extent such that the aggregate of the available RMB100 million revolving credit facility and the available RMB1,300 million revolving credit facility so reduced shall not exceed 40% of such open market value of Oriental Plaza, provided that the available RMB1,300 million revolving credit facility shall be reduced in priority to the available RMB100 million revolving credit facility.

The Facility is subject to certain condition precedents being satisfied, including but not limited to, the provision of duly executed security (as stated below) and all other documents required to perfect such security.

Each loan under the Facility will bear interest at the rate of 1.0% per annum above the HSBC Standard RMB Rate. The HSBC Standard RMB Rate shall be determined based on the rate appearing under the heading "CNH DEPO" on the Reuters Page HSBCRMB (or if the Reuters page HSBCRMB is not available, its successor page as Hui Xian Holdings may determine) for a period comparable to the required period as Hui Xian Holdings may determine, at or about 11 a.m. on the first date of each interest period.

Hui Xian Investment may prepay the whole or any part of any advance or advances under the Facility, together with accrued interest on the amount prepaid, by giving not less than 15 business days' prior written notice to Hui Xian Holdings. The prepayment shall be made in a minimum amount of RMB3 million or an integral multiple of RMB1 million in case of an advance under the RMB100 million revolving credit facility, or in a minimum amount of RMB50 million and an integral multiple of RMB5 million in case of an advance under the RMB1,300 million revolving credit facility. According to the terms of the Facility Agreement, Hui Xian Investment may cancel the undrawn amount of the Facility. The Facility may also become prepayable in the event it is or becomes unlawful for an Obligor (as defined below) or the Trustee to perform or comply with any of its obligations under any Finance Document to which it is a party.

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Events of Default

The Facility contains customary events of default, the occurrence of which would allow Hui Xian Holdings to demand immediate repayment of the outstanding advances made under the Facility, together with accrued interest, fees and other sums, and cancel the lender's commitments under the Facility. Such events include, among others (subject to certain agreed exceptions):

- (i) failure to pay any sum payable under the Facility Agreement or any Finance Document on its due date; a breach by Hui Xian Investment, Hui Xian BVI and all other parties to the Finance Documents other than Hui Xian Holdings and the Trustee (collectively the "Obligors", and each an "Obligor") or the Trustee of their respective obligations under any of the Finance Documents and such default, if capable of remedy, is not remedied to the satisfaction of Hui Xian Holdings within 21 days; a breach of any of the representations made by any Obligor or the Trustee under any Finance Document and such default, if capable of remedy, is not remedied to the satisfaction of Hui Xian Holdings within 21 days;
- (ii) a default or acceleration in any indebtedness of Hui Xian Investment or BOP in respect of borrowed monies in an aggregate amount exceeding RMB10,000,000;
- (iii) the insolvency of any Obligor; a distress, attachment, execution or other legal process being levied, enforced or sued out on or against any material part of the assets of any Obligor and is not discharged or stayed within 21 days or bona fide proceedings with full disclosure to the satisfaction of Hui Xian Holdings to contest or discharge the same are not commenced within 21 days;
- (iv) any present or future encumbrance (other than Permitted Encumbrance (as defined in the Facility Agreement)) on or over all or any material part of the assets of any Obligor becoming enforceable and any step is taken to enforce that encumbrance which is not discharged or stayed within 21 days or bona fide proceedings with full disclosure to the satisfaction of Hui Xian Holdings to contest or discharge the same are not commenced within 21 days;
- (v) any step being taken by any person for the winding up of any Obligor, except such step is not commenced by such Obligor or its holding company and such step is either disputed or contested by such Obligor in good faith with full disclosure to the satisfaction of Hui Xian Holdings or discharged, stayed or dismissed within 21 days of its commencement;
- (vi) an order being made for the winding up of the Trustee and a replacement trustee of Hui Xian REIT is not appointed in accordance with the terms of the Trust Deed;
- (vii) all or a material part of the assets of any Obligor or the Trustee being seized, compulsorily acquired, expropriated or nationalised by any agency of any state and such seizure, compulsory acquisition, expropriation or nationalisation continues for a period of 21 days;
- (viii) the obligations of any Obligor or the Trustee under any Finance Document becoming illegal, invalid or unenforceable;
- (ix) Hui Xian Holdings in its reasonable opinion determining that there exists any event or circumstance which may have a material adverse effect on the ability of any Obligor or the Trustee to perform or comply with its obligations under any Finance Document or has a material adverse effect on such Obligor or the Trustee taken as a whole and such event or circumstance, if capable of remedy, is not remedied to the satisfaction of Hui Xian Holdings within 21 days of its occurrence;
- (x) Hui Xian Investment or any other Obligor or the Trustee ceasing or proposing to cease to carry on all or a substantial part of its business, provided that, in the case of the Trustee, it shall not be an event of default if a replacement or substitute trustee of Hui Xian REIT is appointed in accordance with the terms of the Trust Deed prior to such cessation; and

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- (xi) listing or trading of the units in Hui Xian REIT being suspended for more than 14 consecutive days (other than temporary suspensions arising from or as a result of Hui Xian REIT seeking necessary regulatory approvals for any proposed and voluntary transaction) or being ceased.

Covenants

The Facility contains customary covenants that restricts Hui Xian Investment (subject to certain agreed exceptions), from, among other things, creating security on its property, revenue or other assets. Affirmative covenants provide that Hui Xian Investment shall, among other things:-

- (i) obtain and comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations, approvals, licences and consents required in or by applicable laws and regulations to enable it lawfully to enter into and perform its obligations under any Finance Documents or to ensure the legality, validity, enforceability or admissibility in evidence in Hong Kong and/or BVI of such Finance Documents;
- (ii) after the delivery of any notice of drawdown and before the proposed making of the advance requested therein, notify Hui Xian Holdings of the occurrence of any event which results in or may reasonably be expected to result in any of the representations made under the Facility Agreement being untrue, inaccurate or misleading in any material respect at or before the time of the proposed making of such advance;
- (iii) notify Hui Xian Holdings of the occurrence of any Event of Default (as defined in the Facility Agreement) or Potential Event of Default (as defined in the Facility Agreement) immediately upon becoming aware of it and will from time to time on reasonable request deliver to the Hui Xian Holdings a certificate confirming that no Event of Default or Potential Event of Default has occurred;
- (iv) notify Hui Xian Holdings of details of any litigation, arbitration or administrative proceeding which, if it had been current or pending or, to its knowledge, threatened at the date of the Facility Agreement, would have rendered the representation made under the Facility Agreement untrue, inaccurate or misleading in any material respect, provided that Hui Xian Investment shall not be required to disclose any information the disclosure of which is prohibited by any applicable law or regulation;
- (v) ensure that its obligations under any Finance Document shall constitute its direct, unconditional and unsubordinated obligations and that the claims of Hui Xian Holdings against it under such Finance Document shall rank at least *pari passu* with the claims of all other unsecured and unsubordinated creditors of Hui Xian Investment;
- (vi) notify Hui Xian Holdings promptly if there is any change to the authorised signatories;
- (vii) continue to remain and be a direct or indirect wholly owned Subsidiary of Hui Xian REIT and Hui Xian BVI, and shall ensure and procure BOP shall continue to remain and be a sino-foreign co-operative joint venture established in the PRC with Hui Xian Investment as the sole foreign investor;
- (viii) ensure and procure all proceeds (net of expenses) arising or deriving as a result of or consequential upon sale, transfer or disposal of Hui Xian Investment's rights, title and interests in and to BOP and all or any part of the assets thereof shall promptly be applied in full towards the prepayment of the Facility (or any part thereof), provided that such obligation shall be (a) subject to the application of the relevant proceeds towards the mandatory repayment of the loans owing by BOP to BOC pursuant to the BOC Term Loan Agreement and the BOC Revolving Facility Agreement and (b) to the maximum extent that such proceeds are or may be validly distributable by BOP to Hui Xian Investment under applicable laws;
- (ix) ensure and procure, in respect of Hui Xian REIT, that each of the Trustee and the Manager, respectively, shall not be changed or removed from office;

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- (x) ensure and procure BOP shall maintain valid and effective insurance policy or policies with reputable insurer or insurers covering all risks for Oriental Plaza and any part thereof at replacement cost and for rental loss of not less than 12 months aggregate rentals;
- (xi) ensure and procure that Hui Xian REIT shall comply all applicable laws, rules and regulations including, without limitation, the SFO, the REIT Code and the Listing Rules in all material respects.

The Facility contains the following financial covenants:-

- (A) total borrowings of Hui Xian Investment and BOP shall not exceed 20.0% of the aggregate open market value of Oriental Plaza making up (a) in respect of the investment property portion of Oriental Plaza, the value or amount of that portion as set forth in the then latest available Property Valuation Report or the then latest published financial statements of Hui Xian REIT, whichever is the later; or (b) in respect of the non-investment property portion of Oriental Plaza, the value or amount of that portion as set forth in the then latest available Property Valuation Report;
- (B) earnings before interest, tax, depreciation and amortisation of Hui Xian REIT in respect of a financial year or the first six months of a financial year shall not be less than 3 times the total consolidated interest expenses of Hui Xian REIT; and
- (C) Hui Xian REIT shall ensure that total consolidated borrowings of it shall not exceed 45.0% of the consolidated gross asset value of Hui Xian REIT or any such other percentage which the REIT Code may from time to time permit,

provided that, in each case, the relevant ratio shall be determined in a manner which is consistent with the accounting practices and standards generally accepted in Hong Kong (including, without limitations, the classification and categorisation of investment and non-investment properties).

The negative covenants provide that Hui Xian Investment shall not:-

- (i) permit Hui Xian Investment and BOP to subsist any encumbrance over any or all of their assets, other than the Permitted Encumbrances (as defined in the Facility Agreement) and other security interest created in favour of BOC as continuing security pursuant to the BOC Term Loan Agreement and the BOC Revolving Facility Agreement over (a) Oriental Plaza (or any part thereof) and/or (b) the insurance policy or policies relating to Oriental Plaza (or any part of it);
- (ii) permit Hui Xian REIT and its Subsidiaries to enter into any amalgamation, merger, demerger, corporate re-construction or consolidation with any other person, except for any solvent restructuring, amalgamation or merger with the relevant member of Hui Xian REIT and its Subsidiaries (unless such activity involves Hui Xian Investment, in which case Hui Xian Investment) as the surviving entity;
- (iii) permit any member of Hui Xian REIT and its Subsidiaries to make any material change in the nature of the business it conducts at the date of the Facility Agreement;
- (iv) sell, transfer or otherwise dispose of or cease to exercise direct control over (a) any of its rights, title and interests in and to BOP and all or any part of the assets thereof (including, without limitation, Oriental Plaza) and (b) any and all indebtedness owing due and payable to it from time to time by any of Hui Xian REIT and BOP;
- (v) permit Hui Xian Investment and BOP to make any loans and any advances (in whatever forms), or grant any credit (in whatever forms), or otherwise provide any financial accommodation, to any person;

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- (vi) permit Hui Xian Investment or Hui Xian REIT, to declare, pay or make any dividends or other distributions when an Event of Default (as defined in the Facility Agreement) has occurred and is continuing;
- (vii) permit Hui Xian Investment or Hui Xian REIT to change the investment and/or distribution policies of Hui Xian REIT and/or any member of Hui Xian REIT and its Subsidiaries and/or the fee payment formula as effective and applicable to the Trustee and the Manager, in each case, in any material respect if, in the reasonable opinion of Hui Xian Holdings, any such change affects or would affect the repayment of the Facility by Hui Xian Investment hereunder; and
- (viii) permit Hui Xian investment or BOP to make any investment (in whatever forms) or acquire any subsidiary if, in the reasonable opinion of Hui Xian Holdings, any such investment or acquisition affects or would affect the repayment of the Facility by Hui Xian Investment hereunder.

Provision of Information

Under the Facility Agreement, Hui Xian Investment must submit:-

- (i) annual audited financial statements of Hui Xian Investment, and BOP and the annual financial statements of Hui Xian BVI within 180 days after the end of each financial year and their respective unaudited interim financial statements within 120 days after the end of the first six-month period of each financial year;
- (ii) the annual report of Hui Xian REIT within 180 days after the end of each financial year and its interim report within 120 days after the end of the first six-month period of each financial year;
- (iii) a Property Valuation Report at the same time when it delivers the relevant report under paragraph (ii) above and that the date of valuation of Oriental Plaza shall be the relevant half-year end date or, as the case may be, the financial year end date of Hui Xian REIT as long as such valuation report or a material part of the contents (in which case only such material part of the contents will be delivered to Hui Xian Holdings) of which shall have been disclosed to the Unitholders and/or the public;
- (iv) a copy of each document issued by the Manager (in its capacity as manager of and relating to Hui Xian REIT only), Hui Xian Investment, the Trustee (in the capacity as trustee of and relating to Hui Xian REIT only) and Hui Xian BVI, or any of them, to their respective shareholders (or any class of such shareholders), Unitholders and/or creditors generally at the same time as that document is so despatched (other than those which are or have been posted on the official website of HKEx in respect of Hui Xian REIT);
- (v) from time to time on request of Hui Xian Holdings, such information about the business and financial condition of Hui Xian REIT and its Subsidiaries as Hui Xian Holdings may reasonably require; and
- (vi) at the cost of Hui Xian Investment a Property Valuation Report once in every financial year of Hui Xian REIT (in addition to the valuation report(s) mentioned in paragraph (iii) above) upon request by Hui Xian Holdings after prior consultation with Hui Xian Investment and on a genuine need-basis.

Security

The Facility is secured by a joint and several unconditional and irrevocable guarantee by the Trustee (in its capacity as trustee for Hui Xian REIT) and Hui Xian BVI in favour of Hui Xian Holdings and a pledge over the shares held by Hui Xian BVI in Hui Xian Investment.

BOC Term Loan Agreement* and BOC Revolving Facility Agreement*

As at the Latest Practicable Date, (a) BOP was indebted to BOC for a term loan in the outstanding principal amount of RMB200 million which will be repayable in full on 8 January 2014; and (b) BOP

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was granted an RMB500 million revolving loan facility by BOC for a term until 11 February 2014, which had not been drawn down by BOP.

The BOC Term Loan

On 30 December 2008, BOP entered into the BOC Term Loan Agreement with BOC for a term loan in the total amount of RMB1,100 million. Pursuant to the BOC Term Loan Agreement, BOP borrowed the term loan of RMB1,100 million on 9 January 2009 for the use of settling the then outstanding Relevant Amount (for details of the Relevant Amount, see the section headed “Material Agreements and Other Documents Relating to Hui Xian REIT — JV Documents — Profit distributions” in this Offering Circular above), which loan should be repayable in full 60 months from the drawdown date (i.e. repayable on 8 January 2014). As principal amounts of RMB600 million, RMB200 million and RMB100 million were prepaid by BOP in December 2010, March 2011 and April 2011 respectively, the outstanding principal amount under the BOC Term Loan Agreement (i.e. the BOC Term Loan) was RMB200 million as at the Latest Practicable Date.

The BOC Term Loan shall be repayable in full on 8 January 2014. BOP may prepay any part of the BOC Term Loan by giving three business days’ prior written notice to BOC, and BOC shall be entitled to charge a compensation fee for any prepayment at the rate of 10.0% of the unrealised interest on such prepaid amount.

The BOC Term Loan bears a floating interest rate which shall be determined every 12 months from the date of drawdown with reference to the lending rate published by the PBOC. As at the Latest Practicable Date, the existing interest rate of the BOC Term Loan was 5.598% per annum and will be adjusted in January every year until the full repayment of the BOC Term Loan.

The BOC Term Loan may become mandatorily repayable in the case of an event of default.

The BOC Revolving Facility

On 12 February 2009, BOP entered into the BOC Revolving Facility Agreement with BOC for the BOC Revolving Facility in the total amount of RMB500 million. Pursuant to the BOC Revolving Facility Agreement, the BOC Revolving Facility shall be available to BOP for a term from 12 February 2009 to 11 February 2014. The BOC Revolving Facility shall be used as a short term RMB borrowing. As at the Latest Practicable Date, no amount had been drawn down by BOP under the BOC Revolving Facility.

The availability of the BOC Revolving Facility is conditional upon certain conditions precedent being satisfied. Such conditions include, without limitation, the provision of security as required under the BOC Revolving Facility Agreement and under the individual agreement for the drawing of the BOC Revolving Facility.

Events of Default

Each of the BOC Term Loan Agreement and the BOC Revolving Facility Agreement contains customary events of default, the occurrence of which would allow BOC to demand immediate repayment of all outstanding advances made by BOC, together with accrued interest, fees and other sums, and to cancel BOC’s commitments for facilities, under such agreements and all other agreements between BOP and BOC. Such events include:

- (i) failure to pay or repay any sums payable pursuant to the relevant loan or facility agreement;
- (ii) failure to apply the borrowed amount for the specified purpose of the borrowing;
- (iii) the warranties given by BOP under the relevant loan or facility agreement being untrue or any breach of undertakings by BOP under such loan or facility agreement;

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- (iv) BOC determines that there exists a circumstance which may have a material adverse effect on BOP's financial condition or ability to comply with its obligations or to repay debts, and BOP fails to provide a new security or change its guarantor pursuant to the relevant loan or facility agreement;
- (v) BOP's breach of any provision in connection with the major rights and obligations of the contracting parties under the relevant loan or facility agreement;
- (vi) BOP ceasing to operate or the dissolution, revocation or winding-up of BOP; and
- (vii) any material default by BOP under other agreements entered into with BOC or other entities of BOC, and such default having a material adverse effect on BOP's ability to repay.

Covenants

The BOC Term Loan Agreement and the BOC Revolving Facility Agreement contain certain customary covenants that restrict BOP from, among others:

- (a) prior to all indebtedness owed by BOP to BOC under all loan agreements entered into between them has been repaid in full, paying principal and interest on shareholders' loan or paying dividends to shareholders shall not be made before the current instalment of the outstanding principal of and accrued interest on the loans advanced by BOC which are then due and payable have been fully paid to BOC;
- (b) allowing the divestment of BOP's registered capital contributed by its shareholders prior to the full repayment of all indebtedness owing by BOP to BOC under all loan agreements entered into between them;
- (c) increasing the amount of its indebtedness unless with the prior consent of BOC;
- (d) permitting or entering into a counter-indemnity agreement or similar agreement in respect of the guaranteed obligations of its guarantor (if any) under the relevant loan or facility agreement which will be detrimental to the rights of BOC;
- (e) (only restricted under the BOC Term Loan Agreement) repaying similar indebtedness to other creditors before the repayment of the indebtedness owing by BOP to BOC; and
- (f) (only restricted under the BOC Term Loan Agreement) dealing with the ownership of its own assets which will undermine its ability to repay its debts.

Payments of the principal and interest on the loans advanced by BOC under the BOC Term Loan Agreement and the BOC Revolving Facility Agreement may draw Hui Xian REIT cash resources that may adversely affect the ability of Hui Xian REIT to make distributions to Unitholders in the manner set out in this Offering Circular (for details, see the section headed "Risk Factors — Risks Relating to Hui Xian REIT — Hui Xian REIT's current and future borrowings give rise to financial risk" in this Offering Circular).

Affirmative covenants under the BOC Term Loan Agreement and the BOC Revolving Facility Agreement provide that BOP will:

- (i) be subject to and assist BOC's checking and monitoring on BOP's credit and facilities, and (as required under the BOC Revolving Facility Agreement only) be subject to and assist BOC's checking and monitoring on BOP's business and financial activities; and
- (ii) set up a settlement account with BOC for the purpose of settlement in BOP's ordinary course of business, and the ratio of the amount of fund in such account to the aggregate amount of funds in all BOP's bank accounts shall not be lower than the ratio of the credit amount made available by BOC to BOP to the aggregate credit amount made available by all banks in the PRC to BOP.

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Also, under the BOC Term Loan Agreement, BOP undertakes that the amount guaranteed by it for third party's indebtedness shall not exceed BOP's net asset value and such guaranteed amount in aggregate shall not exceed the limit prescribed under its articles of association.

Provision of Information

Under the BOC Term Loan Agreement and the BOC Revolving Facility Agreement, BOP must:

- (i) submit its financial statements (including without limitation its annual reports, quarterly reports and monthly reports) and other relevant information to BOC, on a regular or timely basis at the request of BOC; and
- (ii) inform BOC and obtain the prior consent of BOC in the event of the occurrence of any circumstance which may have a material adverse effect on BOP's financial condition or ability to comply with its obligations, including without limitation (I) any change of its business mode by way of demerger, merger, association, joint venture, cooperation, contract operation, reorganization or listing; (II) any reduction of registered capital in, transfer of material assets or equity interests in, or assumption of material indebtedness of BOP; (III) creating security over the secured assets for material indebtedness, or the seizure of the security; (IV) the dissolution or revocation of BOP or BOP applying for or being applied for winding-up; (V) the involvement of BOP in any material litigation or arbitration proceeding; (VI) (as provided in the BOC Term Loan Agreement only) BOP experiencing difficulty in operation or there being deterioration in BOP's financial condition; or (VII) (as provided in the BOC Term Loan Agreement only) BOP being in material default of its obligation under other agreements.

Security

The BOC Term Loan and the BOC Revolving Facility are secured by a mortgage over Oriental Plaza pursuant to two mortgage agreements entered into by BOP and BOC on 30 December 2008 and 12 February 2009 respectively. BOP will be under the obligation to provide a new security or guarantor to secure or guarantee its indebtedness under the BOC Term Loan Agreement and the BOC Revolving Facility Agreement at the request of BOC, if, among other things, (i) there exists any circumstance which may have a material adverse effect on the ability of BOP to comply with its obligations, (ii) the security contract becomes invalid or is revoked or released, (iii) there is any deterioration in the financial condition of BOP or its guarantor, or BOP or its guarantor is involved in any material litigation or arbitration proceeding, or there exists any other circumstance, which may have a material effect on the ability of BOP or its guarantor to comply with its obligations; and (iv) any material depreciation in the value of, or damage in, or loss or seizure of the security, as a result of which the value of the security will be materially reduced or lost.

Hong Kong Underwriting Agreement*

The Hong Kong Underwriting Agreement was entered into on 8 April 2011. For a summary of the key terms and provisions of the Hong Kong Underwriting Agreement, see the section headed "Underwriting" in this Offering Circular.

Operations Management Agreement

General

It is proposed that, after the Property Manager is established, the Operations Management Agreement will be entered into by BOP and the Property Manager, pursuant to which the Property Manager will be appointed to provide certain services relating to the operation, management and marketing of Oriental Plaza (other than Grand Hyatt Beijing) for BOP. Some proposed major terms of the Operations Management Agreement are described below.

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Term

It is proposed that the initial term of appointment of the Property Manager under the Operations Management Agreement will commence on the date of the Operations Management Agreement and end on the last date of the third financial year after that.

The term of appointment of the Property Manager may be extended by mutual agreement between BOP and the Property Manager for a period not exceeding three months (or such other period as may be agreed between them), subject to any applicable regulatory requirements. Unless so extended, the appointment of the Property Manager shall terminate upon expiry of the initial term.

Property Manager's Services

With regard to Oriental Plaza (other than Grand Hyatt Beijing) under its management, the Property Manager shall provide services, 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 for engagement by BOP suitable service providers 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 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 the service providers.

To enable the Property Manager to monitor and supervise the performance of the service providers under the service contracts to be entered into with the service providers, it is proposed that information provision and reporting obligation will be imposed on the service providers so that the service providers will be subject to the monitoring and supervision of the Property Manager and to report directly and regularly to the Property Manager (in addition to BOP).

Property Manager's Obligation on Information Provision and Reporting

The Property Manager will be under the obligation to provide information to, and directly and regularly report to, parties designated by BOP (in addition to BOP), which will include the Manager.

Property Manager's Fees

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).

<p style="text-align: center;">MATERIAL AGREEMENTS AND OTHER DOCUMENTS RELATING TO HUI XIAN REIT</p>

Operating Expenses of the Property Manager

It is proposed that, 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 engaged solely and exclusively for the provision of its services relating to Oriental Plaza to BOP.

The Property Manager, as 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 be paid by BOP.

Termination by BOP

BOP may terminate the appointment of the Property Manager as property manager for Oriental Plaza (other than Grand Hyatt Beijing) under its management on the occurrence of certain specified events, including liquidation or certain change in ownership or control (except for intra-group change) of the Property Manager, or a sale of Oriental Plaza or sale of BOP. The appointment may also be terminated upon BOP's giving of not less than 14 days' prior written notice, if the Property Manager after receipt of a previous written notice fails within a specified period of receipt of the same to remedy any material breach of its obligations under the Operations Management Agreement.

Termination by Property Manager

The Property Manager may only terminate its appointment in relation to Oriental Plaza in the event that BOP is in material breach of any of its obligations under the Operations Management Agreement. Under such event, the Property Manager may by giving 14 days' written notice to BOP to terminate its appointment, if BOP after its receipt of a previous written notice fails within a specified period of receipt thereof to remedy any breach of their respective obligations under the Operations Management Agreement.

Other provisions

It is proposed that the Operations Management Agreement will also contain provisions relating to novation, assignment and licence to use the BOP Trade Marks.