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HUI XIAN REIT
匯賢產業信託

Hui Xian Real Estate Investment Trust

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

(Stock Code: 87001)

Managed by:

Hui Xian Asset Management Limited
匯賢房託管理有限公司

ELECTION OF RATIO OF APPORTIONMENT OF VARIABLE FEE RELATING TO BEIJING ORIENTAL PLAZA

Pursuant to clause 14.1.2(i)(b) of the Trust Deed, the Manager will elect that with effect from 1 July 2017, the 3% per annum rate of the variable fee which the Manager is entitled to receive in respect of Beijing Oriental Plaza be split between the Manager and the relevant Property Manager (being a wholly-owned subsidiary of the Manager) as follows:

- (i) a variable fee equal to 1% per annum of NPI payable to the Manager; and
- (ii) a Property Manager's Fee equal to 2% per annum of NPI payable to the relevant Property Manager.

This announcement is made pursuant to clause 14.1.2(i)(c) of the Trust Deed.

Reference is made to the circular dated 6 April 2017 issued by the Manager to the Unitholders in relation to, among other things, the modification of the Manager's variable fee structure in the trust deed constituting Hui Xian REIT and the relevant amendments to the trust deed (the "**Variable Fee Amendments**"). The Variable Fee Amendments were approved at the annual general meeting of Unitholders on 12 May 2017.

Pursuant to clause 14.1.2(i) of the Trust Deed:

- (a) the Manager is entitled to receive a variable fee of an annual amount equal to 3% per annum of the Net Property Income (as defined in the Trust Deed) (before deduction of the variable fee and, where the Property Manager is a subsidiary of the Manager, the Property Manager's Fee) ("**NPI**") in respect of each real estate of Hui Xian REIT for each financial year (the "**3% Rate**"); and

- (b) in respect of each real estate of Hui Xian REIT, for so long as the Property Manager is a wholly-owned subsidiary of the Manager, the Manager may elect at any time and from time to time, with effect from the date on which the Property Manager is appointed or the date of such election by the Manager, whichever is later, that the 3% Rate be split between the Manager and the Property Manager, in such proportion as the Manager in its sole discretion deems fit, into 2 portions comprising a variable fee payable to the Manager, and a Property Manager's Fee payable to the Property Manager; and
- (c) in the event that the Manager makes any election provided in (b) above, it shall disclose the same by way of an announcement to the Unitholders.

Prior to 1 July 2017, in respect of Beijing Oriental Plaza, the 3% Rate was split between the Manager and the relevant Property Manager (being a wholly-owned subsidiary of the Manager) as follows:

- (i) a variable fee equal to 2% per annum of NPI payable to the Manager; and
- (ii) a Property Manager's Fee equal to 1% per annum of NPI payable to the relevant Property Manager.

Pursuant to clause 14.1.2(i)(b) of the Trust Deed, the Manager will elect that with effect from 1 July 2017, the 3% Rate in respect of Beijing Oriental Plaza be split between the Manager and the relevant Property Manager as follows:

- (i) a variable fee equal to 1% per annum of NPI payable to the Manager; and
- (ii) a Property Manager's Fee equal to 2% per annum of NPI payable to the relevant Property Manager.

There will not be any change in the total fees payable by Hui Xian REIT to the Manager and the Property Manager which is a wholly-owned subsidiary of the Manager, as such fees will remain at 3% per annum of the NPI. Currently, the Manager has not made any election to adopt the structure for apportionment of variable fee in respect of the other real estates of Hui Xian REIT, as such the existing arrangement of election in respect of the other real estates of Hui Xian REIT remains at 3% per annum.

Should the Manager make any other election pursuant to Clause 14.1.2(i)(b) of the Trust Deed, further announcement will be made by the Manager in accordance with the Trust Deed.

DEFINITIONS

- “Beijing Oriental Plaza” the composite development known as Oriental Plaza (東方廣場) situated at No. 1 East Chang An Ave., Dong Cheng District, Beijing, the PRC
- “Board” the board of directors of the Manager

“Hui Xian REIT”	Hui Xian Real Estate Investment Trust, a collective investment scheme constituted as a unit trust and authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (Stock Code: 87001)
“Manager”	Hui Xian Asset Management Limited 滙賢房託管理有限公司, as manager of Hui Xian REIT
“Property Manager”	the property manager to which the Manager has delegated the property management functions in respect of any real estate of Hui Xian REIT held directly by the Trustee or indirectly held by the Trustee through a special purpose vehicle
“Property Manager’s Fee”	the fee periodically charged by the Property Manager from time to time in accordance with the relevant management agreement pursuant to which the Property Manager is delegated with the property management functions in respect of any real estate of Hui Xian REIT held directly by the Trustee or indirectly held by the Trustee through a special purpose vehicle
“Trust Deed”	the trust deed dated 1 April 2011 constituting Hui Xian REIT (as amended by supplemental deeds dated 24 May 2013, 16 May 2014, 28 May 2015 and 19 May 2017 respectively), and as may be further amended, modified or supplemented from time to time
“Trustee”	DB Trustees (Hong Kong) Limited 德意志信託 (香港) 有限公司, as the trustee of Hui Xian REIT, or such other person as may from time to time be appointed as the trustee of Hui Xian REIT
“Unitholders”	holders of units of Hui Xian REIT

By order of the Board
Hui Xian Asset Management Limited
滙賢房託管理有限公司
(as Manager of Hui Xian Real Estate Investment Trust)
KAM Hing Lam
Chairman of the Manager

Hong Kong, 22 June 2017

As at the date of this announcement, the Directors of the Manager are Mr. KAM Hing Lam (Chairman and non-executive Director); Mr. CHEUNG Ling Fung, Tom and Mr. LEE Chi Kin, Casey (executive Directors); Mr. IP Tak Chuen, Edmond, Mr. LIM Hwee Chiang and Mr. YIN Ke (non-executive Directors); and Mr. CHENG Hoi Chuen, Vincent, Professor LEE Chack Fan and Dr. CHOI Koon Shum, Jonathan (independent non-executive Directors).