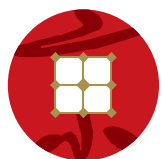


The Securities and Futures Commission of Hong Kong, Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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
滙賢房託管理有限公司

CONNECTED PARTY TRANSACTIONS

REIMBURSEMENT OF UTILITIES CHARGES IN RELATION TO THE CHONGQING PROPERTY AND THE CHONGQING HOTEL

Reference is made to (i) the circular dated 10 November 2014 issued by Hui Xian Asset Management Limited 滙賢房託管理有限公司 (as manager of Hui Xian REIT) (the “**Manager**”) to the Unitholders in relation to, among other things, the acquisition of the Chongqing Property (the “**Circular**”); (ii) the announcement of Hui Xian REIT dated 2 March 2015 in relation to completion of the acquisition of the Chongqing Property; and (iii) the announcement of Hui Xian REIT dated 23 April 2015 in relation to the Reimbursement Arrangement (the “**Announcement**”). Capitalised terms used in this announcement shall have the same meanings as those defined in the Circular and the Announcement unless otherwise stated in this announcement.

Reimbursement of Utilities Charges in relation to the Chongqing Hotel

On 23 April 2015, Hui Xian REIT announced that the Reimbursement Arrangement would be made between the Chongqing Company and the Hotel Owner, such that the Hotel Utilities Charges would be reimbursed to the Chongqing Company.

Subsequent to the issue of the Announcement, the Manager has continued to make efforts to arrange for the splitting of the bills between the Chongqing Property and the Chongqing Hotel with respect to the charges of the Public Utilities (the “**Utilities Charges**”). As at the date of this announcement, save for the electricity charges in respect of certain common areas shared by the Chongqing Property and the Chongqing Hotel (the “**Common Areas**”) for which it is commercially impracticable for the bills to be split, separate electricity bills have been and will be issued by the relevant Utilities Provider to the Hotel Owner for electricity consumed by the Chongqing Hotel as

from 25 December 2015. However, the relevant Utilities Providers have not yet split the bills in respect of the fuel gas charges and water charges and sewage treatment charges. Accordingly, the Reimbursement Arrangement relating to the electricity charges in respect of the Common Areas, fuel gas charges and water charges and sewage treatment charges (the “**2016 Reimbursement Arrangement**”) will continue to be made in the year of 2016 until the bills are split for the relevant Utilities Charges (where practicable).

Information on the Splitting of Bills with respect to Utilities Charges

As disclosed in the Announcement, the splitting of bills for electricity charges has been approved by the relevant Utilities Provider. The engineering/installation works for separate electricity meters had been completed, and save for the electricity charges in respect of the Common Areas, the Utilities Provider has billed and will bill the Hotel Owner directly for electricity consumed by the Chongqing Hotel as from 25 December 2015. As it is commercially impracticable to split the bills for the electricity charges in respect of the Common Areas, the 2016 Reimbursement Arrangement with respect to electricity charges in respect of the Common Areas is expected to continue.

With respect to fuel gas charges, there are already in existence separate gas meters for the Chongqing Property and the Chongqing Hotel respectively, and the Manager understands that the Hotel Owner is continuing to liaise with the relevant Utilities Provider with a view to obtaining their agreement on the splitting of the fuel gas bills. Accordingly the 2016 Reimbursement Arrangement with respect to fuel gas charges is also expected to continue. The Manager and the Chongqing Company will continue to follow up with and assist the relevant Utilities Provider and the Hotel Owner with a view to arrange for the splitting of the bills with respect to the fuel gas charges to the extent practicable.

In respect of water charges and sewage treatment charges, further implementation work plans have been considered by the Hotel Owner, but a commercially practicable plan has not yet been formulated. Accordingly the 2016 Reimbursement Arrangement with respect to water and sewage treatment charges is also expected to continue.

The unaudited aggregate amount of Utilities Charges reimbursed by the Hotel Owner to the Chongqing Company under the Reimbursement Arrangement for the period from 2 March 2015 to 31 December 2015 was approximately RMB6.4 million.

Implication of the 2016 Reimbursement Arrangement under the REIT Code

As the Hotel Owner is an “associated company” of Hui Xian Cayman which is a “significant holder” of Units (each within the meaning ascribed to it under the REIT Code), the 2016 Reimbursement Arrangement constitutes connected party transactions of Hui Xian REIT under the REIT Code.

Based on the historical figures and assuming that there will be no significant change in the circumstances such as temperature and unit price of the Public Utilities in the year ending 31 December 2016, it is expected that the aggregate amount payable by Hotel Owner to Chongqing Company under the 2016 Reimbursement Arrangement for the year ending 31 December 2016 would not exceed RMB4 million. As such amount is less than 5% of the net asset value of Hui Xian REIT as at 31 December 2014 (adjusted to take into account the acquisition of the Chongqing Property and the interim distribution for the period from 1 January 2015 to 30 June 2015), Independent Unitholders' prior approval for the 2016 Reimbursement Arrangement is not required.

A brief summary of the 2016 Reimbursement Arrangement will be included in Hui Xian REIT's next published semi-annual or annual report in accordance with 8.14 of the REIT Code, and subsequent annual reports in accordance with 8.15 of the REIT Code. The Manager will monitor the transaction amount under the 2016 Reimbursement Arrangement on a continual basis and where required, the Manager will comply with the relevant requirements under the REIT Code in relation to the 2016 Reimbursement Arrangement.

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, 11 January 2016

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).