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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**

### **PAYMENT OF BASE FEE AND VARIABLE FEE TO THE MANAGER BY WAY OF UNITS IN HUI XIAN REAL ESTATE INVESTMENT TRUST AND CASH**

#### **PAYMENT OF THE MANAGER'S BASE FEE AND VARIABLE FEE FOR THE PERIOD FROM 1 JANUARY 2012 TO 31 MARCH 2012**

Reference is made to the announcement issued by the Manager dated 13 January 2012 in relation to the Manager's election that the Base Fee and the Variable Fee for the year ending 31 December 2012 shall be paid to the Manager in the form of cash as to 20% and in the form of Units as to 80%.

The Board announces that the Manager has received: (a) payment of the Base Fee in the amount of RMB25,374,821.92, of which RMB20,299,857.54 was paid in the form of Units by way of 5,245,441 Units issued to the Manager on 30 April 2012, and RMB5,074,964.38 was paid in the form of cash; and (b) payment of the Variable Fee in the amount of RMB8,225,204.57, of which RMB6,580,163.66 was paid in the form of Units by way of 1,700,300 Units issued to the Manager on 30 April 2012, and RMB1,645,040.91 was paid in the form of cash. The fees were paid to the Manager for the period from 1 January 2012 to 31 March 2012. The aggregate 6,945,741 Units so issued to the Manager represent approximately 0.14% of the total number of 5,021,544,003 Units in issue immediately after the Issue.

In accordance with the Trust Deed, the number of Units issued as mentioned above as aggregate payment of part of the Base Fee and part of the Variable Fee to the Manager shall be such number of Units as may be purchased for the relevant amount of the Base Fee at the price of RMB3.87 per Unit (being the prevailing Market Price as defined in the Trust Deed), rounded down to the nearest whole number. The above Issue of Units to the Manager is provided for in the Trust Deed and such issue does not require Unitholders' approval pursuant to a waiver granted by the Securities and Futures Commission.

The Manager held 14,598,262 Units immediately before the Issue. Immediately after the Issue of the 6,945,741 Units, the Manager holds 21,544,003 Units, representing approximately 0.43% of the 5,021,544,003 Units in issue.

#### **ADJUSTMENT TO THE MANAGER'S BASE FEE FOR THE PERIOD FROM 29 APRIL 2011 TO 31 DECEMBER 2011**

Pursuant to the Trust Deed, an adjustment amount of RMB933,863.01 is also payable, in cash, to the Manager in respect of the adjustment of the Base Fee for the period from 29 April 2011 to 31 December 2011.

#### **PAYMENT OF THE MANAGER'S BASE FEE AND VARIABLE FEE FOR THE PERIOD FROM 1 JANUARY 2012 TO 31 MARCH 2012**

Pursuant to the trust deed dated 1 April 2011 constituting Hui Xian REIT (the “**Trust Deed**”), Hui Xian Asset Management Limited, manager of Hui Xian Real Estate Investment Trust (“**Hui Xian REIT**”) (the “**Manager**”), is entitled to receive, commencing on and from and including 29 April 2011:

- (i) The base fee (the “**Base Fee**”) which is defined in the Trust Deed as 0.3% per annum of the Property Values (as defined in the Trust Deed) at the relevant time. The Base Fee is payable quarterly in arrears.
- (ii) The variable fee (the “**Variable Fee**”) which is defined in the Trust Deed as 3% per annum of the net property income of each real estate owned by Hui Xian REIT for each financial year (before deduction therefrom of the Variable Fee and, where the Property Manager (as defined below) is a subsidiary of the Manager, the Property Manager's fee), provided however that in respect of Oriental Plaza and as from the date on which 北京匯賢企業管理有限公司 (Beijing Hui Xian Enterprise Services Limited (*for identification purposes only*)) (the “**Property Manager**”) is appointed as the property manager of Oriental Plaza and for so long as the Property Manager is a subsidiary of the Manager, such rate shall be reduced to 2% (instead of 3% as stated above) per annum. The Variable Fee is payable quarterly in arrears.

Pursuant to the Trust Deed, the Manager may elect, annually on or before 15 January of each financial year, to receive the Base Fee and the Variable Fee in the form of cash and/or in the form of units of Hui Xian REIT (the “**Units**”) in respect of that financial year. Reference is made to the announcement issued by the Manager dated 13 January 2012 in relation to the Manager's election that the Base Fee and the Variable Fee for the year ending 31 December 2012 shall be paid to the Manager in the form of cash as to 20% and in the form of Units as to 80%.

The net property income of Oriental Plaza for the period from 1 January 2012 to 31 March 2012 amounted to approximately RMB387 million, whereas the net property income of the building located at No. 386, Qingnian Street, He Ping District, Shenyang for the period from 1 January 2012 to 31 March 2012 amounted to approximately RMB19 million.

The board of directors (the “**Board**”) of the Manager announces that the Manager has received: (a) payment of the Base Fee in the amount of RMB25,374,821.92, of which RMB20,299,857.54 was paid in the form of Units by way of 5,245,441 Units issued to the Manager on 30 April 2012, and RMB5,074,964.38 was paid in the form of cash; and (b) payment of the Variable Fee in the amount of RMB8,225,204.57, of which RMB6,580,163.66 was paid in the form of Units by way of 1,700,300 Units issued to the Manager on 30 April 2012, and RMB1,645,040.91 was paid in the form of cash. The fees were paid to the Manager for the period from 1 January 2012 to 31 March 2012. The aggregate 6,945,741 Units so issued to the Manager represent approximately 0.14% of the total number of 5,021,544,003 Units in issue immediately after the Issue.

In accordance with the Trust Deed, the number of Units issued as mentioned above as aggregate payment of part of the Base Fee and part of the Variable Fee to the Manager (the “**Issue**”) shall be such number of Units as may be purchased for the relevant amount of the Base Fee at the price of RMB3.87 per Unit (being the prevailing Market Price as defined in the Trust Deed), rounded down to the nearest whole number. The Market Price shall be, according to the Trust Deed, the volume weighted average price for a Unit for all trades on The Stock Exchange of Hong Kong Limited for the period of 10 trading days immediately preceding the date of issue of Units to the Manager. The number of Units under the Issue was determined on a basis which is consistent with the relevant provisions of the Trust Deed.

## **WAIVER OF REQUIREMENTS FOR UNITHOLDERS’ APPROVAL AND VALUATION**

The Issue of 6,945,741 Units as aggregate payment of part of the Base Fee and part of the Variable Fee to the Manager is provided for in the Trust Deed and pursuant to a waiver granted by the Securities and Futures Commission as disclosed in the offering circular (the “**Offering Circular**”) dated 11 April 2011 issued in connection with the initial public offering and listing of Units (the “**Waiver**”), the Issue does not require approval of the unitholders of Hui Xian REIT (the “**Unitholders**”) and does not require a valuation of the real estate held under Hui Xian REIT.

As mentioned in the Offering Circular, the Waiver was granted on the conditions, among others, that the number of Units issued to the Manager by way of payment of the Base Fee and Variable Fee will be counted as part of the 20% (or such lower percentage as permitted by the Code on Real Estate Investment Trusts (the “**REIT Code**”) from time to time) of the outstanding Units that the Manager may issue in each financial year without Unitholders’ approval pursuant to paragraph 12.2 of the REIT Code, and that the maximum number of Units to be so issued in respect of each financial year shall be limited to such number of Units as represents 3.0% of the total number of Units outstanding as at the last day of the immediately preceding financial year plus the number of Units issued in the relevant financial year for the purposes of financing any acquisition of real estate by Hui Xian REIT. Accordingly, the Issue will be counted as part of the 20% of outstanding Units that the Manager may issue in the financial year ending 31 December 2012 without Unitholders’ approval pursuant to paragraph 12.2 of the REIT Code.

## **TOTAL NUMBER OF UNITS ISSUED TO THE MANAGER IN RESPECT OF THIS FINANCIAL YEAR**

The 6,945,741 Units, being the total number of Units issued to the Manager so far as payment of the Manager's fees in respect of the financial year ending 31 December 2012, represent less than 3.0% of the Units outstanding as at 31 December 2011 (being the last day of the immediately preceding financial year). For the period from 1 January 2012 to the date of this announcement, no Unit has been issued for the purposes of financing any acquisition of real estate by Hui Xian REIT.

## **UNITHOLDING INTERESTS OF THE MANAGER**

The Manager held 14,598,262 Units immediately before the Issue. Immediately after the Issue of the 6,945,741 Units, the Manager holds 21,544,003 Units, representing approximately 0.43% of the 5,021,544,003 Units in issue.

## **ADJUSTMENT TO THE MANAGER'S BASE FEE FOR THE PERIOD FROM 29 APRIL 2011 TO 31 DECEMBER 2011**

Pursuant to the Trust Deed, an adjustment amount of RMB933,863.01 is also payable, in cash, to the Manager in respect of the adjustment of the Base Fee for the period from 29 April 2011 to 31 December 2011 (the "**2011 Relevant Period**"). Such adjustment amount represents the difference between (i) the total amount of the Base Fee payable to the Manager in respect of the 2011 Relevant Period calculated based on the published audited financial statements of Hui Xian REIT for the 2011 Relevant Period, and (ii) the total amount of the Base Fee already paid to the Manager quarterly in respect of the 2011 Relevant Period. Such adjustment to the Manager's Base Fee for the 2011 Relevant Period is consistent with the relevant provisions of the Trust Deed.

No adjustment amount is payable to or by the Manager in respect of the Variable Fee for the 2011 Relevant Period.

## **GENERAL**

This announcement is made pursuant to paragraph 10.4(k) of the REIT Code.

**By order of the Board of Directors of  
Hui Xian Asset Management Limited  
as the manager of Hui Xian Real Estate Investment Trust**  
**Kam Hing Lam**  
*Chairman of the Manager*

Hong Kong, 30 April 2012

*As at the date of this announcement, the Directors of the Manager are Mr. Kam Hing Lam (Chairman and non-executive Director); Mr. Chu Stephen Henry and Mr. Pang Shuen Wai, Nichols (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).*