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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

CONNECTED PARTY TRANSACTION NEW LOAN FACILITY

NEW LOAN FACILITY

On 10 November 2014, Hui Xian Investment, a special purpose vehicle wholly-owned by Hui Xian REIT, as proposed borrower, accepted and agreed to a commitment letter issued by BOCHK, China Construction Bank (Asia) Corporation Limited, DBS Bank Ltd., Hang Seng Bank Limited, HSBC and Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch as the Mandated Lead Arrangers, BOCHK as the Facility Agent, and BOCHK, China Construction Bank (Asia) Corporation Limited, DBS Bank Ltd., Hong Kong Branch, Hang Seng Bank Limited, HSBC and Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch as the Lenders as proposed lenders in a syndicated financing on a several basis. Pursuant to the Commitment Letter, the Lenders have conditionally agreed to grant a loan facility to Hui Xian Investment, which will be:

- (a) in the aggregate principal amount of HK\$5,000,000,000;
- (b) at an effective interest rate (inclusive of fees) equivalent to HIBOR plus 2.15% per annum; and
- (c) with the final maturity being three years from the date of drawdown of the Facility.

The Manager will monitor interest rate movements and may, depending on market conditions, consider putting in place interest rate swap arrangements in respect of the Facility.

The purpose of the Facility is to finance the general corporate funding requirements of the Group, including funding the repayment of any amounts outstanding under existing loan facilities and financing future acquisitions of the Group.

The Facility will be subject to conditions precedent, including without limitation the execution of relevant facility agreement and other related corporate guarantees by the Trustee, the present special purpose vehicles of the Group incorporated outside the PRC namely, Hui Xian (B.V.I.) Limited, Shenyang Investment (BVI) Limited, Shenyang Investment (Hong Kong) Limited, and any other future offshore special purpose vehicles of the Group. The Facility will be unsecured and unsubordinated and will rank pari passu with all other unsecured and unsubordinated obligations of Hui Xian Investment. The obligations of the Lenders under the Commitment Letter may be terminated by the Mandated Lead Arrangers (for themselves and on behalf of the Lenders) if the relevant facility agreement and other related corporate guarantees are not signed on or before 15 December 2014.

BENEFITS OF OBTAINING THE FACILITY

Should the Facility be made available by the Lenders, the liquidity and financial resources of the Group would be significantly enhanced with entailing readiness to capture business opportunities in the fast-moving real estate market. The capital structure of Hui Xian REIT would also be optimised by utilising external financial resources available and leveraging on the current low interest rate environment. Upon the Facility becoming available for drawing, it is the intention of the Manager to make a single lump sum drawing of the whole Facility, the proceeds of which will be used to finance the general corporate funding requirements of the Group. Part of the proceeds may also be applied to finance the consideration, in part, of the acquisition of an integrated commercial property development at Chongqing, the PRC as disclosed in our announcement dated 10 November 2014.

If the Facility were made available and drawn in full, the ratio of total debts to gross asset value of Hui Xian REIT would have been increased from approximately 9.2% as at 30 June 2014 to approximately 17.0%.

REIT CODE IMPLICATIONS

HSBC is one of the Lenders with a loan commitment of HK\$500 million, representing 10% of the total commitment of all the Lenders under the Facility, on a several basis. As one of the directors of Noblecrown, a significant holder of Hui Xian REIT holding 556,742,864 Units representing approximately 10.5% of all issued Units, is also a director of HSBC, HSBC is therefore an associate of that director and a connected person of Hui Xian REIT under the REIT Code. In light of the foregoing, the offer and acceptance of the Commitment Letter between, inter alia, Hui Xian Investment and HSBC and the transactions contemplated thereunder constitute a connected party transaction for Hui Xian REIT under the REIT Code.

As the applicable percentage under 8.9 of the REIT Code in respect of the loan commitment of HSBC under the Facility is less than 5% of the latest published net asset value of Hui Xian REIT, the Manager is of the view that the connected party transaction concerning the loan commitment of HSBC under the Facility is not required to be approved by the independent Unitholders under 8.9 of the REIT Code and the offer and acceptance of the Commitment Letter and the transactions contemplated thereunder are only subject to the reporting and announcement requirements under Chapters 8 and 10 of the REIT Code.

All applicable reporting and announcement requirements under the REIT Code in respect of the offer and acceptance of the Commitment Letter and the transactions contemplated thereunder are or will be complied with, including the requirement for this announcement to be issued pursuant to 8.14 and (where applicable) 8.16 of the REIT Code, and the requirement for a summary disclosure of particulars of the Facility to be made in the next published annual report or semi-annual report of Hui Xian REIT pursuant to 8.15 and (where applicable) 8.16 of the REIT Code. A further announcement will be made upon the drawing of the Facility which is expected to be on or before 31 March 2015.

After due consideration of the terms of the Facility and other relevant factors in connection with the refinancing needs and funding for future acquisitions of the Group, the Board of Directors (including the independent non-executive Directors) are satisfied that the offer and acceptance of the Commitment Letter and the transactions contemplated thereunder are at arm's length, on normal commercial terms, and are fair and reasonable and in the interests of Hui Xian REIT, the independent Unitholders and the Unitholders as a whole notwithstanding that the offer and acceptance of the Commitment Letter and the transactions contemplated thereunder is a connected party transaction under the REIT Code and that the Commitment Letter and the transactions contemplated thereunder are consistent with the investment objectives and strategy of Hui Xian REIT.

BOCHK is also a connected person of Hui Xian REIT. The transactions between Hui Xian Investment and BOCHK as contemplated by the Commitment Letter (in which BOCHK shall be one of the Mandated Lead Arrangers, the Facility Agent and one of the Lenders) are expected to constitute BOC Banking and Financial Services Transactions (as defined on page 124 of the 2011 Interim Report of Hui Xian REIT issued in August 2011, which include loans extended by BOCHK being a transaction in the ordinary and usual course of business of the Group and provided to, or arranged for, the Group on arm's length commercial terms). Details of the relevant waiver from connected party transaction requirements (including the waiver terms) have been set out on pages 121 to 127 of such interim report.

Based on the information available to the Manager, the Mandated Lead Arrangers and the Lenders, other than HSBC and BOCHK, are independent third parties and are not connected persons of Hui Xian REIT.

The Trustee has confirmed that it has no objection for the Manager to proceed with the transactions as contemplated under the Commitment Letter.

This is a mandatory announcement pursuant to 8.14, 10.3 and 10.4(d) of the REIT Code.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

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| “associate” | has the meaning ascribed to it under the REIT Code |
| “Board” | the board of directors of the Manager |

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| “BOCHK” | Bank of China (Hong Kong) Limited |
| “Commitment Letter” | a commitment letter issued by the Lenders (among others) and accepted by Hui Xian Investment on 10 November 2014 |
| “connected person” | has the meaning ascribed to it under Chapter 8 of the REIT Code |
| “Director(s)” | the director(s) of the Manager |
| “Facility” | a term loan facility of HK\$5,000,000,000 to be provided by the Lenders to Hui Xian Investment as contemplated by the Commitment Letter |
| “Facility Agent” | the facility agent under the Commitment Letter |
| “Group” | means Hui Xian REIT and its special purpose vehicles from time to time |
| “HIBOR” | Hong Kong Inter-Bank Offered Rate |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | The Hong Kong Special Administrative Region of the PRC |
| “HSBC” | The Hongkong and Shanghai Banking Corporation Limited, an indirectly-wholly owned subsidiary of HSBC Holdings plc and a licenced bank under the Banking Ordinance (Chapter 155 of the Laws of the Hong Kong) |
| “Hui Xian Investment” | Hui Xian Investment Limited (滙賢投資有限公司), a company incorporated in Hong Kong, being a special purpose vehicle indirectly wholly-owned by Hui Xian REIT |
| “Hui Xian REIT” | Hui Xian Real Estate Investment Trust, a collective investment scheme authorised by the SFC under section 104 of the SFO, the Units of which are listed on the Main Board of the Stock Exchange (Stock Code: 87001) |
| “Lenders” | Bank of China (Hong Kong) Limited, China Construction Bank (Asia) Corporation Limited, DBS Bank Ltd., Hong Kong Branch, Hang Seng Bank Limited, HSBC, and Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch |
| “Manager” | Hui Xian Asset Management Limited (滙賢房託管理有限公司), a company incorporated in Hong Kong, as the manager of Hui Xian REIT |
| “Mandated Lead Arrangers” | the mandated lead arrangers under the Commitment Letter |

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| “Noblecrown” | Noblecrown Investment Limited, a significant holder of Hui Xian REIT and an indirectly wholly-owned subsidiary of Cheung Kong (Holdings) Limited (Stock Code: 00001) |
| “PRC” | the People’s Republic of China, for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “REIT” | a real estate investment trust authorised under the REIT Code |
| “REIT Code” | the Code on Real Estate Investment Trusts published by the SFC, as amended, supplemented or otherwise modified for the time being |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “SFC” | the Securities and Futures Commission of Hong Kong |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “significant holder” | has the meaning ascribed to it under the REIT Code |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiary” | has the meaning ascribed to it in section 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) |
| “Trustee” | DB Trustees (Hong Kong) Limited, the trustee of Hui Xian REIT |
| “Unit(s)” | unit(s) of Hui Xian REIT |
| “Unitholder(s)” | holder(s) of the Unit(s) |
| “%” | per cent |

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 November 2014

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 (with Mr. Pang Shuen Wai, Nichols as his alternate director) (non-executive Directors); and Mr. Cheng Hoi Chuen, Vincent, Professor Lee Chack Fan and Dr. Choi Koon Shum, Jonathan (independent non-executive Directors).