



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

INTERIM REPORT 2024

HUI XIAN REIT

Hui Xian Real Estate Investment Trust (“Hui Xian REIT”) (Stock Code: 87001) is a real estate investment trust constituted by a deed of trust entered on 1 April 2011 between, amongst the others, Hui Xian Asset Management Limited (as manager of Hui Xian REIT), and DB Trustees (Hong Kong) Limited (“Trustee”) (as amended, modified or supplemented from time to time) (“Trust Deed”). Units of Hui Xian REIT were first listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 29 April 2011.



REIT MANAGER

Hui Xian REIT is managed by Hui Xian Asset Management Limited (the “Manager”), a company incorporated in Hong Kong for the sole purpose of managing Hui Xian REIT. The Manager is a direct wholly-owned subsidiary of World Deluxe Enterprises Limited, which in turn is indirectly owned as to 70% by CK Asset Holdings Limited and 30% by ESR Group Limited.



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CHAIRMAN'S STATEMENT

The macroeconomic challenges of 2023 continued to affect Chinese as well as global economies in the first half of (“H1”) 2024. Higher-for-longer interest rates, persistent geopolitical tensions, lingering effects of the COVID-19 pandemic and increasingly frequent and extreme weather events are conflating to pose significant downside risk.

According to the World Bank’s Global Economic Prospects (June 2024), global economic growth is projected to remain subdued at 2.6% in 2024, which is well below the 3.1% average in the decade prior to COVID-19.

1. A Higher-for-Longer Interest Rate Environment

Interest rates remained high throughout H1 2024. Higher borrowing costs continued to squeeze corporate profits, exerting tremendous pressure on corporations, and in some cases, pushing them into default. Effective management of corporate debt has become more important than ever.

2. Lingering Effects of the COVID-19 Pandemic

Although the COVID-19 pandemic officially ended in 2023, many corporations across different sectors continued to feel the lingering impact of the pandemic which weighed on a global economic recovery.

3. Geopolitical Tensions and Climate Disasters

Wars, rising geopolitical tensions, political elections in various major countries, as well as climate disasters continued to present challenges to the global economic outlook.

CHINA’S ECONOMIC GROWTH FELL SHORT OF EXPECTATIONS

China’s economy began to show signs of recovery in 2023. However, turmoil in the global economy, subdued domestic demand, weak RMB and property slowdown dragged on China’s economic recovery.

China’s economic growth fell short of expectations in the second quarter of (“Q2”) 2024. According to China’s National Bureau of Statistics, the country’s Gross Domestic Product (“GDP”) grew 4.7% in Q2 2024, down from 5.3% in the first quarter of (“Q1”) 2024.

HUI XIAN REIT'S 2024 INTERIM RESULTS

	1 Jan – 30 Jun 2024	1 Jan – 30 Jun 2023	YoY Change	Percentage Change
Total Revenue <i>(RMB million)</i>	1,158	1,142	+16	+1.4%
Net Property Income <i>(RMB million)</i>	665	700	-35	-4.9%
Amount Available for Distribution <i>(RMB million)</i>	19	243	-224	-92.1%
Distributions to Unitholders <i>(RMB million)</i>	19	219	-200	-91.2%
Distribution per Unit <i>(RMB)</i>	0.0030	0.0348	-0.0318	-91.4%

1. Revenue and NPI

Despite a challenging business environment, Hui Xian REIT's revenue increased to RMB1,158 million during H1 2024 (2023: RMB1,142 million).

Due to rising operating costs, Net Property Income ("NPI") decreased to RMB665 million (2023: RMB700 million).

2. Distribution and Interim DPU

Total Amount Available for Distribution for H1 2024 was RMB19 million (2023: RMB243 million). The decrease was mainly attributable to the impact of a realised exchange loss.

On 31 May 2024, Hui Xian REIT made a partial prepayment in the amount of HK\$1.4 billion of an outstanding facility that matures in late 2024. A realised exchange loss of approximately RMB159 million was incurred in respect of the prepayment, which impacted the distributions of H1 2024.

With the payout ratio of 100% for H1 2024 (2023: 90%), distributions to Unitholders was RMB19 million (2023: RMB219 million). Interim distribution per unit ("DPU") was RMB0.0030 (2023: RMB0.0348), which will be paid on 27 September 2024, Friday to Unitholders whose names appear on the Register of Unitholders of Hui Xian REIT on 28 August 2024, Wednesday.

CHAIRMAN'S STATEMENT

HUI XIAN REIT'S OPERATIONAL PERFORMANCE

Hui Xian REIT's portfolio spans the office, retail, serviced apartment and hotel sectors in four key cities in China, covering an aggregate area of over 1.1 million square metres.

While the pace of recovery for Hui Xian REIT's office and retail portfolio was slower than expected, its hotel and serviced apartment portfolio continued to see a rebound during H1 2024.

1. Hotel Portfolio – NPI Jumped 230% Year-on-Year

China's domestic travel began to recover gradually in 2023, driven by "revenge travel" after the lifting of pandemic restrictions. The Chinese government has also launched various campaigns and promotions to encourage domestic travel. The recovery trend continued during H1 2024, benefitting China's hotel industry. International travel also showed signs of recovery in Q2 2024.

Hui Xian REIT's hotel portfolio comprises four international chain hotels in four key cities in China. The NPI was RMB32 million, an increase of 230% year-on-year.

Sheraton Chengdu Lido Hotel – Occupancy Increased by 12.2 percentage points

Chengdu's domestic business and leisure travel continued to recover during H1 2024. The average occupancy rate at Sheraton Chengdu Lido Hotel increased from 62.0% in H1 2023 to 74.2% in H1 2024. Average room rate per night increased from RMB579 in H1 2023 to RMB610 in H1 2024.

Hyatt Regency Metropolitan Chongqing – Occupancy Increased to 75.6%

Chongqing remained a popular domestic travel destination. At Hyatt Regency Metropolitan Chongqing, the average occupancy rate increased from 73.3% in H1 2023 to 75.6% in H1 2024. Average room rate per night was RMB649 (2023: RMB671).

Grand Hyatt Beijing – Room and Occupancy Rates Picked Up

Hotels in Beijing recovered at a slower pace than those in other Chinese cities in 2023. Demand for hotel rooms in Beijing began to pick up in Q2 2024. Grand Hyatt Beijing's average occupancy rate increased from 32.5% in H1 2023 to 54.8% in H1 2024. Average room rate per night increased from RMB1,473 in H1 2023 to RMB1,529 in H1 2024.

The Westin Shenyang – Enhanced Brand Awareness

Rebranded as "The Westin Shenyang" in early 2023, the hotel succeeded in establishing positive brand recognition within a relatively short time. Average occupancy rate increased from 40.4% in H1 2023 to 49.7% in H1 2024. Average room rate per night increased from RMB535 in H1 2023 to RMB542 in H1 2024.

2. Retail Portfolio – Weaker-than-expected Recovery

The operating environment remained challenging for retailers in H1 2024. China's retail sales growth slowed from 3.2% to 2% in Q2 2024 – the weakest in 18 months. Consumer spending power was affected by falling property and stock prices and an uncertain economic outlook. With Chinese consumers spending less and saving more, the trend towards consumption downgrade has persisted.

Brick-and-mortar stores in China have also been impacted by the rapid growth of online shopping over the past few years. During H1 2024, China's total retail sales increased 3.7%, whereas online retail sales increased 8.8%. Some retailers reduced their number of stores or terminated their leases before expiration. Brands remained cautious in their outlook, resulting in subdued new and expansion leasing demand.

Hui Xian REIT's retail portfolio consists of two shopping centres: (i) The Malls at Beijing Oriental Plaza, and (ii) The Mall at Chongqing Metropolitan Oriental Plaza. The NPI during H1 2024 was RMB206 million (2023: RMB254 million).

The average occupancy rate at The Malls at Beijing Oriental Plaza was 91.8% (2023: 91.7%). New lease and renewal terms were mostly concluded at negative reversion rates to maintain the occupancy level amid a challenging retail environment. Average monthly passing rent was RMB660 (2023: RMB735) per square metre. The Mall at Chongqing Metropolitan Oriental Plaza continued its comprehensive asset enhancement programme, impacting occupancy rate and rental income.

3. Office Portfolio – Weak Leasing Demand amid Uncertain Macroeconomy

China's office leasing market remained weak during H1 2024. Corporations showed less confidence in committing to leases given the ongoing uncertainty in the business environment. After the pandemic, many companies continued to adopt "work-from-home" or hybrid work models. Such behavioral shifts continued to affect the demand for office space.

Hui Xian REIT's office portfolio consists of (i) The Tower Offices at Beijing Oriental Plaza, and (ii) The Tower at Chongqing Metropolitan Oriental Plaza. During H1 2024, the NPI was RMB384 million (2023: RMB397 million).

As Beijing's office vacancy rate was at a relatively high level of 19.8%¹ in H1 2024, landlords continued to offer competitive leasing incentives to secure tenants. At The Tower Offices at Beijing Oriental Plaza, the average monthly passing rent was RMB263 (2023: RMB266) per square metre. The average occupancy rate was 85.6% (2023: 85.5%).

CHAIRMAN'S STATEMENT

In Chongqing, office leasing demand remained weak. Vacancy rate increased to 34.9%² in H1 2024. At The Tower at Chongqing Metropolitan Oriental Plaza, average occupancy rate was 77.8% (2023: 80.5%), and average monthly passing rent was RMB87 (2023: RMB87) per square metre.

Sources:

1. "Market in Minutes – Beijing Office", Savills Research (July 2024)
2. "2024年上半年重慶房地產市場回顧及未來展望", Savills Research (July 2024)

4. Serviced Apartment Portfolio – Leasing Demand Remained Stable

During H1 2024, leasing demand for Beijing's high-end serviced apartments remained stable.

Hui Xian REIT's serviced apartment portfolio saw an improvement in both occupancy and NPI during H1 2024. The NPI increased to RMB43 million (2023: RMB39 million). Average occupancy rate was 86.3% (2023: 78.0%).

FINANCIAL POSITION

To mitigate the impact of high interest expenses, Hui Xian REIT continued to reduce its debt level. On 31 May 2024, Hui Xian REIT made a prepayment of HK\$1.4 billion for an outstanding facility using its cash on hand. The outstanding facility had a principal amount of HK\$1.8 billion before the prepayment and will mature in November 2024.

Hui Xian REIT's total debt decreased to RMB5,676 million as at 30 June 2024 (as at 31 December 2023: RMB6,601 million). Bank balances and cash on hand amounted to RMB2,776 million as at 30 June 2024 (as at 31 December 2023: RMB3,470 million). The debts to gross asset value ratio was down from 18.2% as at 31 December 2023 to 16.3% as at 30 June 2024.

Together with the repayment of HK\$1.5 billion in July 2023, Hui Xian REIT's total loan amount decreased by RMB2,420 million over the past 12 months, a reduction of approximately 30%.

Hui Xian REIT's revenue is in RMB while most of its debts are denominated in Hong Kong Dollar. Its distributions are sensitive to RMB exchange rate movements when there is a Hong Kong Dollar loan repayment. A realised exchange loss of approximately RMB159 million was incurred during H1 2024 in respect of the prepayment.

OUTLOOK – CHALLENGING BUSINESS CONDITIONS LIKELY TO PERSIST

Heading into H2 2024, the current challenging market conditions are likely to persist without major changes for the rest of the year. Hui Xian REIT will continue to face the operational challenges that persisted in H1 2024.

The hotel portfolio's occupancy rates will likely benefit from ongoing rebound in domestic tourism and gradual recovery of international travel. Room rates, however, will be under pressure because domestic travellers are becoming more budget conscious as economy doubts linger.

If consumer sentiment remains weak and online shopping continues to grow, retail rental rates are unlikely to return to pre-pandemic levels in the foreseeable future. Office rents and occupancy rates are also expected to be under pressure amid global economic uncertainty.

Hui Xian REIT will continue to face a challenging financial environment in H2 2024. Interest rates are likely to stay high in the near term; and the RMB exchange rate is expected to continue to fluctuate. Effective debt management will remain a key focus for Hui Xian REIT in H2 2024.

The Chinese government is expected to introduce more supportive policies to further boost domestic consumption and economic growth. While we remain mindful of ongoing macroeconomic challenges, we remain confident in the fundamental strengths of the Chinese economy.

On behalf of the Manager, I would like to take this opportunity to thank our stakeholders, in particular, the Unitholders and Trustees, for their continuing trust and support. I would also like to express my utmost gratitude to our colleagues across the group for their dedication, hard work and commitment.

H L KAM

Chairman

Hui Xian Asset Management Limited

(as manager of Hui Xian Real Estate Investment Trust)

Hong Kong, 9 August 2024

MANAGEMENT DISCUSSION AND ANALYSIS

PORTFOLIO HIGHLIGHTS

As at 30 June 2024, Hui Xian REIT's portfolio included:

- (1) investment in Hui Xian (B.V.I.) Limited, which in turn holds Hui Xian Investment Limited ("Hui Xian Investment"), the foreign joint venture partner of 北京東方廣場有限公司 (Beijing Oriental Plaza Co., Ltd.#) ("BOP"), which is a Sino-foreign cooperative joint venture established in the People's Republic of China ("PRC"). BOP holds the land use rights and building ownership rights of Beijing Oriental Plaza;
- (2) investment in Chongqing Overseas Investment Limited, which in turn holds Chongqing Investment Limited. Chongqing Investment Limited owns the entire interest in 重慶大都會東方廣場有限公司 (Chongqing Metropolitan Oriental Plaza Co., Ltd.#), which holds the land use rights and building ownership rights of Chongqing Metropolitan Oriental Plaza;
- (3) investment in Shenyang Investment (BVI) Limited, which in turn holds Shenyang Investment (Hong Kong) Limited ("Shenyang Investment HK"), the foreign shareholder of 瀋陽麗都商務有限公司 (Shenyang Lido Business Co. Ltd.#) ("Shenyang Lido"). Shenyang Investment HK is entitled to 70% of the distributions of Shenyang Lido, which is a limited liability company established in the PRC. Shenyang Lido holds the land use rights and building ownership rights of The Westin Shenyang;
- (4) investment in Chongqing Hotel Investment Limited, which in turn holds Highsmith (HK) Limited. Highsmith (HK) Limited owns the entire interest in 重慶東廣大都會酒店有限公司 (Chongqing Oriental Plaza Metropolitan Hotel Co. Ltd.#), which holds the land use rights and building ownership rights of Hyatt Regency Metropolitan Chongqing; and
- (5) investment in New Sense Resources Limited, which in turn holds Chengdu Investment Limited, the foreign shareholder of 成都長天有限公司 (Chengdu Changtian Co., Ltd.#) ("Chengdu Changtian"). Chengdu Investment Limited is entitled to 69% interest in Chengdu Changtian, which is a limited liability company established in the PRC. Chengdu Changtian holds the land use rights and building ownership rights in Sheraton Chengdu Lido Hotel.

The English name is shown for identification purpose only

OPERATIONS REVIEW

Hotel Portfolio

According to the Chinese Ministry of Culture and Tourism, the number of domestic travel trips in H1 2024 were 2.7 billion, an increase of 14.3% year-on-year. Domestic travel spending was RMB2.7 trillion, up by 19.0% year-on-year. During H1 2024, China's domestic travel continued to boom, benefitting the hotel industry. International tourism started to recover in H1 2024.

Hui Xian REIT's hotel portfolio comprises four international chain hotels in four key cities in China: Grand Hyatt Beijing at Beijing Oriental Plaza, Hyatt Regency Metropolitan Chongqing, The Westin Shenyang (70% interest), and Sheraton Chengdu Lido Hotel (69% interest).

During H1 2024, revenue was RMB229 million (2023: RMB161 million), and NPI was RMB32 million (2023: RMB10 million).

(i) Sheraton Chengdu Lido Hotel (69% interest)

During H1 2024, Chengdu's business and leisure travel continued to recover. Sheraton Chengdu Lido Hotel's average occupancy rate was increased to 74.2% in H1 2024 (2023: 62.0%); average room rate per night was RMB610 (2023: RMB579).

(ii) Hyatt Regency Metropolitan Chongqing

Chongqing is a popular domestic tourism city. During H1 2024, the average occupancy rate of Hyatt Regency Metropolitan Chongqing was 75.6% (2023: 73.3%), and average room rate per night was RMB649 (2023: RMB671).

(iii) Grand Hyatt Beijing

The recovery pace of Beijing's hotel industry in 2023 was relatively slower than other Chinese cities. Demand for hotel rooms in Beijing started to pick up in Q2 2024, driven by the rebound of domestic travel.

During H1 2024, Grand Hyatt Beijing's average occupancy rate was 54.8% (2023: 32.5%). Average room rate per night was RMB1,529 (2023: RMB1,473). The H1 2024's room rate also surpassed the pre-pandemic level of RMB1,271 in 2019.

(iv) The Westin Shenyang (70% interest)

Hui Xian REIT's hotel in Shenyang has been rebranded as "The Westin Shenyang" since March 2023 under the management of Marriott International. Average occupancy rate increased to 49.7% (2023: 40.4%), and average room rate per night was RMB542 (2023: RMB535).

MANAGEMENT DISCUSSION AND ANALYSIS

Retail Portfolio

Hui Xian REIT's retail portfolio consists of two large-scale shopping centres: (i) The Malls at Beijing Oriental Plaza, and (ii) The Mall at Chongqing Metropolitan Oriental Plaza; they together provide about 222,000 square metres of retail space.

During H1 2024, revenue was RMB326 million (2023: RMB368 million) and NPI was RMB206 million (2023: RMB254 million).

(i) The Malls at Beijing Oriental Plaza

During H1 2024, revenue of The Malls at Beijing Oriental Plaza was RMB318 million (2023: RMB357 million) and NPI was RMB222 million (2023: RMB263 million). Average monthly passing rent was RMB660 (2023: RMB735) per square metre. Average occupancy rate was 91.8% (2023: 91.7%).

(ii) The Mall at Chongqing Metropolitan Oriental Plaza

The Mall at Chongqing Metropolitan Oriental Plaza continued its comprehensive asset enhancement programme, and its occupancy and rental income were inevitably affected. Average occupancy rate was 32.6% (2023: 40.5%); and average monthly passing rent was RMB48 (2023: RMB57) per square metre.

Office Portfolio

Hui Xian REIT's office portfolio consists of (i) The Tower Offices at Beijing Oriental Plaza and (ii) The Tower at Chongqing Metropolitan Oriental Plaza. Revenue was RMB523 million (2023: RMB532 million) and NPI was RMB384 million (2023: RMB397 million).

(i) The Tower Offices at Beijing Oriental Plaza

During H1 2024, many corporations have remained cost-conscious in view of a more conservative sentiment towards business outlook. The wider adoption of work-from-home and hybrid work mode also affected leasing demand.

Beijing's office leasing demand remained soft during H1 2024. Vacancy rate in Beijing stayed at a high level of 19.8%¹ in H1 2024. Landlords were under pressure to offer lower rents and more incentives to attract and retain tenants.

The Tower Offices at Beijing Oriental Plaza consists of eight towers, offering over 300,000 square metres of Grade A office space. It has a diversified tenant base across different industries, including finance and banking, insurance, accounting, technology, legal, pharmaceutical, media and advertising, and consumer products. There are also professional institutions and government-related organisations.

MANAGEMENT DISCUSSION AND ANALYSIS

During H1 2024, revenue of The Tower Offices was RMB502 million (2023: RMB510 million). NPI was RMB372 million (2023: RMB385 million). Average occupancy rate was 85.6% (2023: 85.5%). Average monthly passing rent was RMB263 (2023: RMB266) per square metre while average monthly spot rent was RMB244 (2023: RMB287) per square metre.

(ii) The Tower at Chongqing Metropolitan Oriental Plaza

Chongqing's office vacancy rate was 34.9%² in H1 2024. New leasing demand was weak, largely due to the uncertain business environment.

Located at the heart of Jiefangbei Central Business District, The Tower at Chongqing Metropolitan Oriental Plaza is home to a number of consulates, government-related organisations and corporations from a wide array of industries, including insurance and financial services, retail and consumer products, logistics, professional consultation and healthcare.

During H1 2024, revenue was RMB21 million (2023: RMB22 million) and NPI was RMB12 million (2023: RMB12 million). Average occupancy rate was 77.8% (2023: 80.5%). Average monthly passing rent was RMB87 (2023: RMB87) per square metre, while average monthly spot rent was RMB94 (2023: RMB86) per square metre.

Sources:

1. "Market in Minutes – Beijing Office", Savills Research (July 2024)
2. "2024年上半年重慶房地產市場回顧及未來展望", Savills Research (July 2024)

Serviced Apartment Portfolio

During H1 2024, revenue of Hui Xian REIT's serviced apartment portfolio was RMB80 million (2023: RMB81 million); and NPI was RMB43 million (2023: RMB39 million). Average occupancy rates of The Tower Apartments at Beijing Oriental Plaza was 86.3% (2023: 78.0%).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Net Property Income

The net property income was RMB665 million for the six months ended 30 June 2024.

Distributions

Distribution Amount

Hui Xian REIT will distribute a total of RMB19 million (“2024 Interim Distribution”) to Unitholders for the six months ended 30 June 2024. The 2024 Interim Distribution represents 100% of Hui Xian REIT’s total amount available for distribution during the period from 1 January 2024 to 30 June 2024 and will be paid in RMB. The distribution amount includes certain profit elements in the capital nature of Hui Xian REIT. The amount of capital nature items is RMB19 million (2023: RMB219 million).

Distribution per Unit

The interim DPU for the period from 1 January 2024 to 30 June 2024 is RMB0.0030 based on the number of outstanding Units on 30 June 2024. The closing unit price is RMB0.66 on 28 June 2024.

Closure of Register of Unitholders

The record date for the 2024 Interim Distribution will be 28 August 2024, Wednesday (“Record Date”). The Register of Unitholders will be closed from 26 August 2024, Monday to 28 August 2024, Wednesday, both days inclusive, during which period no transfer of Units will be registered. The interim distribution is expected to be payable on 27 September 2024, Friday to Unitholders whose names appear on the Register of Unitholders on the Record Date.

In order to qualify for the 2024 Interim Distribution, all properly completed transfer forms (accompanied by the relevant Unit certificates) must be lodged for registration with Hui Xian REIT’s Unit Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on 23 August 2024, Friday.

Pursuant to the Trust Deed, in the event that any distribution is not claimed by unitholder(s) of Hui Xian REIT entitled thereto within six years after the date of declaration of such distribution, such distribution shall be forfeited and transferred to the assets of Hui Xian REIT.

MANAGEMENT DISCUSSION AND ANALYSIS

Debt Positions

In May 2024, Hui Xian Investment partially prepaid HK\$1,400 million of a 3-year unsecured term loan which was drawn down in December 2021. The loan was offered by Bank of China (Hong Kong) Limited, Oversea-Chinese Banking Corporation Limited (“OCBC”) and Sumitomo Mitsui Banking Corporation. As at 30 June 2024, the outstanding amount of the facilities was HK\$400 million.

In June 2024, Hui Xian Investment drew down an unsecured 3-year term loan of RMB300 million out of RMB700 million loan facility offered by OCBC. The purpose of the facility was to finance the general working capital of the Group.

All facilities under Hui Xian REIT are unsecured and unsubordinated and rank pari passu with all other unsecured and unsubordinated obligations of Hui Xian Investment.

As at 30 June 2024, Hui Xian REIT’s total debts amounted to RMB5,676 million (31 December 2023: RMB6,601 million). Based on Hui Xian REIT’s net assets attributable to Unitholders of RMB21,763 million as at 30 June 2024 (31 December 2023: RMB22,084 million), Hui Xian REIT’s debts to net asset value ratio was 26.1% (31 December 2023: 29.9%). Meanwhile, the debts to gross asset value ratio was 16.3% as at 30 June 2024 (31 December 2023: 18.2%).

Bank Balances and Asset Positions

As at 30 June 2024, Hui Xian REIT’s bank balances and cash amounted to RMB2,776 million (31 December 2023: RMB3,470 million). The bank balances and cash are mainly denominated in RMB. No currency hedge was employed.

Hui Xian REIT is indirectly interested in a 132,584 square metre shopping centre, eight blocks of Grade A office, three serviced apartment towers and a five-star hotel in a 787,059 square metre building complex at 1 East Chang’an Avenue, Beijing, PRC which are collectively named as Beijing Oriental Plaza. Hui Xian REIT’s interests in Beijing Oriental Plaza are held through its special purpose vehicle, Hui Xian Investment, which is the foreign joint venture partner of BOP. BOP holds the land use rights and building ownership rights of Beijing Oriental Plaza.

Kroll (HK) Limited (“Kroll”) valued the eight blocks of office towers, the shopping centre and car parking spaces at RMB24,129 million as at 30 June 2024 (31 December 2023: RMB24,651 million), translating into a decrease of 2.1% over the valuation as of 31 December 2023. Together with the hotel and serviced apartment premises, gross property value of BOP was RMB28,139 million as at 30 June 2024, as compared to RMB28,756 million as at 31 December 2023.

MANAGEMENT DISCUSSION AND ANALYSIS

Hui Xian REIT indirectly owns the entire interest of Chongqing Metropolitan Oriental Plaza, a 164,360 square metre integrated commercial property development comprising a shopping centre and a Grade A office building. Chongqing Metropolitan Oriental Plaza is located at the Jiefangbei Central Business District, Yuzhong District, Chongqing.

As at 30 June 2024, the shopping centre, office building and car parking spaces were valued by Kroll at RMB2,436 million (31 December 2023: RMB2,480 million). Gross property value of the properties as at 30 June 2024 was RMB2,436 million (31 December 2023: RMB2,450 million).

Hui Xian REIT indirectly owns the entire interest of Highsmith (HK) Limited, which in turn indirectly owns the entire interest of Hyatt Regency Metropolitan Chongqing, a 38-storey hotel tower of 52,238 square metre. It is adjacent to Chongqing Metropolitan Oriental Plaza.

Kroll valued the hotel premises of Hyatt Regency Metropolitan Chongqing at RMB405 million as at 31 December 2023. Gross property value of the hotel premises as at 30 June 2024 was RMB251 million (31 December 2023: RMB272 million).

Hui Xian REIT also indirectly owns 69% interest of Sheraton Chengdu Lido Hotel through Chengdu Investment Limited. It is a 37-storey hotel tower of 56,350 square metre located to the north of the landmark Tianfu Plaza, Chengdu city centre.

Kroll valued the hotel premises of Sheraton Chengdu Lido Hotel at RMB583 million as at 31 December 2023. Gross property value of the hotel premises as at 30 June 2024 was RMB532 million (31 December 2023: RMB532 million).

Hui Xian REIT indirectly owns 70% of the entitlement in the distributions of Shenyang Lido, owner of The Westin Shenyang. Standing on Qingnian Street, The Westin Shenyang, has 30-storey with 78,451 square metre, is located in the heart of the newly established central business district in southern Shenyang.

Kroll valued the hotel premises of Shenyang Lido at RMB673 million as at 31 December 2023 while gross property value of the hotel premises as at 30 June 2024 was RMB496 million (31 December 2023: RMB509 million).

MANAGEMENT DISCUSSION AND ANALYSIS

Net Assets Attributable to Unitholders

As at 30 June 2024, net assets attributable to Unitholders amounted to RMB21,763 million (31 December 2023: RMB22,084 million) or RMB3.3955 per Unit, representing a 414.5% premium to the closing unit price of RMB0.66 on 28 June 2024 (31 December 2023: RMB3.4762 per Unit, representing a 282.0% premium to the closing unit price of RMB0.91 on 29 December 2023).

Pledge of Assets

Hui Xian REIT does not pledge its properties to any financial institutions or banks. The Trustee (as trustee of Hui Xian REIT) and certain special purpose vehicles of Hui Xian REIT provide guarantees for the credit facilities of the Group.

Commitments

As at 30 June 2024, except for capital commitment in respect of the asset enhancement programmes for Beijing Oriental Plaza, Grand Hyatt Beijing, Sheraton Chengdu Lido Hotel, Chongqing Metropolitan Oriental Plaza and Hyatt Regency Metropolitan Chongqing, Hui Xian REIT did not have any significant commitments.

Employees

As at 30 June 2024, Hui Xian REIT, by subsidiaries and through its branches, employed a total of 854 employees in Hong Kong and the PRC; of which, 826 employees performed hotel operation functions and services, and 28 employees handled legal, regulatory and other administrative matters and provided commercial functions and services, including leasing and some other property management functions and services, other than the hotel operation functions and services.

Save as disclosed above, Hui Xian REIT is managed by the Manager and did not directly employ any staff as at 30 June 2024.

CORPORATE GOVERNANCE

The Manager was established for the purpose of managing Hui Xian REIT. The Manager is committed to the establishment of good corporate governance practices and procedures. The corporate governance principles of the Manager emphasise a quality board of directors, sound internal control, diversity, transparency and accountability to all Unitholders. The Manager has adopted and revised from time to time a compliance manual which sets out the key processes, systems and measures applied by the Manager in order to comply with the Trust Deed, the REIT Code and other applicable legislation, rules and regulations. The compliance manual also contains a corporate governance policy, which regulates, among others, the activities of the board of directors of the Manager.

Throughout the six months ended 30 June 2024, both the Manager and Hui Xian REIT have in material terms complied with the provisions of the compliance manual, the corporate governance policy, the Trust Deed, the REIT Code and applicable provisions of the SFO and the Listing Rules.

AUTHORISATION STRUCTURE

Hui Xian REIT is a collective investment scheme authorised by the SFC under section 104 of the SFO and regulated by the provisions of the REIT Code. The Manager is licensed by the SFC under Section 116 of the SFO to conduct the regulated activity of asset management. As at the date of this report, Mr. CHEUNG Ling Fung, Tom (chief executive officer and executive director of the Manager), Mr. LEE Chi Kin, Casey (chief operating officer and executive director of the Manager), Ms. LAI Wai Yin, Agnes (chief financial officer and executive director of the Manager), Mr. CHING Sung, Eric (deputy chief project development officer of the Manager) and Ms. TANG Hiu Tung, Daisy (chief corporate development officer of the Manager) are the responsible officers of the Manager as required by section 125 of the SFO and 5.4 of the REIT Code.

The Trustee, DB Trustees (Hong Kong) Limited, is registered as a trust company under Section 77 of the Trustee Ordinance (Cap. 29 of the Laws of Hong Kong). It is qualified to act as a trustee for collective investment schemes authorised under the SFO pursuant to the REIT Code.

ROLES OF THE TRUSTEE AND THE MANAGER

The Trustee and the Manager are independent of each other. The Trustee is primarily responsible under the Trust Deed for the safe custody of the assets of Hui Xian REIT and holds the assets in trust for the benefit of the Unitholders. The Manager's role under the Trust Deed is to manage Hui Xian REIT and its assets in accordance with the Trust Deed in the sole interest of Unitholders and to fulfil the duties imposed on it under general law as manager of Hui Xian REIT and, in particular, to ensure that the financial and economic aspects of Hui Xian REIT are professionally managed in the sole interest of the Unitholders.

BOARD OF DIRECTORS OF THE MANAGER

The Board of Directors of the Manager currently comprises ten directors, four of whom are independent non-executive directors.

The Board is responsible for corporate governance and the overall management of the Manager. It establishes goals for the management and monitors the achievement of these goals. The Board is also responsible for the strategic business direction and risk management of Hui Xian REIT. All Board members participate in matters relating to corporate governance, business operations and risks, financial performance and nomination and review of directors. The Board has established a framework for the management of the Manager and Hui Xian REIT, including a system of internal control and a business risk management process.

Directors of the Manager in the six months ended 30 June 2024 were Mr. KAM Hing Lam (chairman and non-executive director); Mr. CHEUNG Ling Fung, Tom, Mr. LEE Chi Kin, Casey and Ms. LAI Wai Yin, Agnes (executive directors); Mr. IP Tak Chuen, Edmond and Mr. LIM Hwee Chiang (non-executive directors); and Professor LEE Chack Fan, Dr. CHOI Koon Shum, Jonathan, Mr. YIN Ke and Mr. WU Ting Yuk, Anthony (independent non-executive directors).

There were no changes to the composition of the Board or any of its committees in the six months ended 30 June 2024.

BOARD COMMITTEES

The Manager has established the following Board committees:

- (1) Audit Committee, whose role is to monitor and evaluate the effectiveness of the Manager's internal control. It also reviews the quality and reliability of information prepared for inclusion in financial reports and is responsible for the nomination of external auditors and internal auditors, reviewing the adequacy of existing audits in respect of cost, scope and performance, in respect of both the Manager and Hui Xian REIT and its special purpose vehicles;
- (2) Disclosures Committee, which is responsible for reviewing matters relating to the disclosure of information to Unitholders and public announcements;
- (3) Designated (Finance) Committee, which is responsible for reviewing matters relating to hedging strategies, financing and re-financing arrangements, and transactions involving derivative instruments for hedging purposes; and
- (4) Nomination Committee, which is responsible for establishing nomination procedures and the process and criteria to identify, select and recommend candidates for directorship of the Manager.

CORPORATE GOVERNANCE

CONFLICTS OF INTERESTS

All conflicts of interests are managed by the Board in accordance with the articles of association of the Manager and applicable laws, rules and regulations. In general, the Manager ensures that all conflicts of interests relating to Hui Xian REIT are either managed or avoided. The Manager has established the following measures to deal with conflicts of interests issues:

- (1) unless with the approval from the SFC, the Manager does not manage any REIT other than Hui Xian REIT nor does it manage any real estate assets other than those in which Hui Xian REIT has an ownership interest or investment;
- (2) the Manager has established internal control systems to ensure that connected party transactions between Hui Xian REIT and its connected persons are monitored and undertaken according to procedures and/or on terms in compliance with the REIT Code (or where applicable, in compliance with the waiver conditions imposed by the SFC) and that other potential conflicts of interest situation that may arise are monitored;
- (3) all conflicts of interests are required to be managed by the full Board, including the INEDs; and
- (4) any director of the Manager who has a material interest in a matter which is the subject of a resolution proposed at a board meeting of the Manager is required to abstain from voting on the resolution concerned and not to be counted in the quorum at the board meeting at which such resolution is proposed.

REVIEW OF THE INTERIM REPORT

The interim results of Hui Xian REIT for the six months ended 30 June 2024 have been reviewed by the Audit Committee and the interim report has been reviewed by the Board and the Disclosures Committee of the Manager in accordance with their respective terms of reference. Hui Xian REIT's condensed consolidated financial statements for the six months ended 30 June 2024 have not been audited but have been reviewed by Messrs. Deloitte Touche Tohmatsu, Certified Public Accountants, Hui Xian REIT's independent auditor in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

CODE GOVERNING DEALINGS IN UNITS BY THE DIRECTORS, OR THE MANAGER AND THE MANAGEMENT PERSONS AND DISCLOSURE OF INTEREST IN UNITS

The Manager has adopted a Code Governing Dealings in Units by the Directors or the Manager (the “Units Dealing Code”) contained in the compliance manual which governs dealings in the Units by the Directors, the Manager as well as certain chief executives of the Manager or the special purpose vehicles of Hui Xian REIT (collectively the “Management Persons”). Specific enquiry having been made with each of the Directors, the Manager and the Management Persons, all of them confirmed that they have complied with the required standard set out in the Units Dealing Code (which they must measure their conduct regarding transactions in securities of Hui Xian REIT and are on terms no less exacting than those of the Code for Securities Transactions by Directors of Listed Companies as set out in Appendix C3 of the Listing Rules) in the six months ended 30 June 2024.

CHANGES IN INFORMATION OF DIRECTORS

There was no change in the information of the Directors since the last published annual report save as the following:

- Mr. IP Tak Chuen, Edmond was re-designated from position of “Deputy Managing Director” to “Deputy Chairman” of CK Asset Holdings Limited with effect from 1 April 2024.

NEW UNITS ISSUED

In the six months ended 30 June 2024, 56,190,010 new Units were issued to the Manager as payment of part of the Manager’s fees.

The total number of Units in issue as at 30 June 2024 was 6,409,289,762 Units.

BUY-BACK, SALE OR REDEMPTION OF UNITS

There was no buy-back, sale or redemption of the Units of Hui Xian REIT by the Manager on behalf of Hui Xian REIT or any of the special purpose vehicles that were owned and controlled by Hui Xian REIT in the six months ended 30 June 2024.

PUBLIC FLOAT OF THE UNITS

As far as the Manager is aware, more than 25% of the issued and outstanding Units of Hui Xian REIT were held in public hands as at 30 June 2024.

CONNECTED PARTY TRANSACTIONS

A. CONNECTED PARTY TRANSACTIONS AND RELATED WAIVERS

Waivers from Strict Compliance with Certain Requirements under the REIT Code

At the time of authorisation of Hui Xian REIT under section 104 of the SFO in April 2011 and from time to time thereafter, waivers from strict compliance with the disclosure and Unitholders' approval requirements under Chapter 8 of the REIT Code in respect of certain connected party transactions involving Hui Xian REIT (the "Waivers") were granted by the SFC. Some of the Waivers were subsequently applied, modified and/or extended, with the approval of Unitholders where required. The terms and conditions pursuant to which the Waivers were granted and disclosed in the 2011 Interim Report of Hui Xian REIT and subsequent announcements issued by the Manager from time to time. Throughout the six months ended 30 June 2024, Hui Xian REIT has complied with the relevant terms and conditions of the Waivers.

Connected Party Transactions

Set out below is a summary of the information in respect of the connected party transactions entered into in the six months ended 30 June 2024, other than those transactions that are exempted from disclosure and/or excluded pursuant to the waivers granted by the SFC and/or the Listing Rules.

Connected Party Transactions – Income

The following table sets out information on connected party transactions from which Hui Xian REIT derived its income for the six months ended 30 June 2024:

Name of Connected Party	Relationship with Hui Xian REIT	Nature of Connected Party Transaction	Income for the six months ended 30 June 2024 RMB'000
CK Asset Holdings Limited	Indirect holding company of a substantial holder ¹	Leasing and licensing transaction	50
北京港基世紀物業管理有限公司 (Beijing Citybase Century Property Management Ltd.*)	Associate of a substantial holder ¹	Leasing and licensing transaction	1,008
北京高衛世紀物業管理有限公司 (Beijing Goodwell Century Property Management Ltd.*)	Associate of a substantial holder ¹	Leasing and licensing transaction	1,075
北京穩得高投資顧問有限公司 (Beijing Wondergrow Investment and Consulting Co., Ltd.*)	Associate of a substantial holder ¹	Leasing and licensing transaction	38
北京匯賢企業管理有限公司 (Beijing Hui Xian Enterprise Services Limited*)	Subsidiary of the Manager	Leasing and licensing transaction	252
瀋陽麗都商務有限公司 (Shenyang Lido Business Co. Ltd.*)	Connected subsidiary	Interest income	3,568
Total			5,991

CONNECTED PARTY TRANSACTIONS

Notes:

- Substantial holder being Noblecrown Investment Limited ("Noblecrown").

The terms "associate", "substantial holder" and "connected subsidiary" have the same meanings as they are defined under the REIT Code and the Listing Rules.

- * The English name is shown for identification purpose only.

Connected Party Transactions – Expenses

The following table sets out information on connected party transactions in which Hui Xian REIT incurred its expenses for the six months ended 30 June 2024:

Name of Connected Party	Relationship with Hui Xian REIT	Nature of Connected Party Transaction	Expenses for six months ended 30 June 2024 RMB'000
北京港基世紀物業管理有限公司 (Beijing Citybase Century Property Management Ltd.*)	Associate of a substantial holder ¹	Property management fee	10,167
北京高衛世紀物業管理有限公司 (Beijing Goodwell Century Property Management Ltd.*)	Associate of a substantial holder ¹	Property management fee	12,532
家利物業管理(深圳)有限公司 (Cayley Property Management (Shenzhen) Limited*)	Associate of a substantial holder ¹	Property management fee	8,900
北京匯賢企業管理有限公司 (Beijing Hui Xian Enterprise Services Limited*)	Subsidiary of the Manager	Property Manager's fee	31,297
Total			62,896

Notes:

- Substantial holder being Noblecrown Investment Limited ("Noblecrown").

The terms "associate" and "substantial holder" have the same meanings as they are defined under the REIT Code and the Listing Rules.

- * The English name is shown for identification purpose only.

CONNECTED PARTY TRANSACTIONS

Terms and Remuneration of Services Provided by the Manager and the Trustee

Pursuant to 8.7E of the REIT Code, services provided by the Manager and the Trustee to Hui Xian REIT as contemplated under the constitutive documents of Hui Xian REIT shall not be deemed connected party transactions. Such services are therefore not disclosed in the above sections. The aggregate amount of fees (in cash and/or units) payable by Hui Xian REIT to the Trustee and to the Manager under the Trust Deed for the six months ended 30 June 2024 were RMB1,637,000 and RMB56,248,000 respectively. Particulars of the services provided by the Trustee and the Manager are set out in notes 1(b) and 1(c) respectively to the Consolidated Financial Statements of Hui Xian REIT for the six months ended 30 June 2024 on pages 35 to 36 of this Interim Report.

DISCLOSURE OF INTERESTS

INTERESTS OF CONNECTED PERSONS

Based on the information available to the Manager as at 30 June 2024, each of the following persons was a connected person of Hui Xian REIT under the REIT Code and, so far as the Manager is aware, held or was interested in the Units of Hui Xian REIT as follows:

Name	As at 30 June 2024	
	No. of Units held	Percentage of Units held ¹
Subsidiaries of CK Asset Holdings Limited (“CKAH”) ²	2,210,955,470	34.49%
Subsidiaries of China Life Insurance (Group) Company ³	865,406,000	13.50%

Notes:

The terms associate, connected person, subsidiary and substantial holder are as defined in the REIT Code or the Hong Kong Listing Rules.

1. Based on the total number of 6,409,289,762 Units in issue as at 30 June 2024.
2. These subsidiaries of CKAH were Noblecrown Investment Limited (“Noblecrown”) (held 1,091,083,328 Units as at 30 June 2024), Wisdom Ally Limited (“Wisdom Ally”) (held 346,481,743 Units as at 30 June 2024), Wealth Finder Limited (“Wealth Finder”) (held 119,407,917 Units as at 30 June 2024), Heathcliff Developments Limited (“Heathcliff Developments”) (held 586,884,405 Units as at 30 June 2024) and Hui Xian Asset Management Limited (“Manager”) (held 67,098,077 Units as at 30 June 2024). All these companies were associates of the Manager which is a connected person of Hui Xian REIT.

Separately, by virtue of the deemed application of Part XV of the SFO and based on information available to the Manager:

- (i) as at 30 June 2024, each of CKAH and the intermediate holding companies through which CKAH was interested in the share capital of Noblecrown and Heathcliff Developments (namely, Mighty State Limited, Novel Trend Holdings Limited, Paola Holdings Limited and Burgeon Force Limited) was taken to have an interest in the Units that Noblecrown and Heathcliff Developments were interested in;
 - (ii) as at 30 June 2024, Noblecrown, of which Wisdom Ally, Wealth Finder and the Manager were its subsidiaries, was taken to have an interest in the Units held by Wisdom Ally, Wealth Finder and the Manager respectively; and
 - (iii) as at 30 June 2024, CKAH, in view of its interest in the above intermediate holding companies through which Noblecrown and Heathcliff Developments were held, was taken to have an interest in the Units held by Wisdom Ally, Wealth Finder and the Manager.
3. The subsidiaries were China Life Insurance (Overseas) Co. Ltd and Po Lian Enterprises Limited which were substantial holders or deemed to be substantial holders of Hui Xian REIT.

DISCLOSURE OF INTERESTS

Interests of the Manager

As at 30 June 2024, the Manager held 67,098,077 Units in Hui Xian REIT.

Interests of the Directors and Chief Executive of the Manager

As at 30 June 2024, each of the following persons was a director and chief executive of the Manager and thus a connected person of Hui Xian REIT under the REIT Code and/or the Hong Kong Listing Rules, so far as the Manager is aware, held or was interested in the Units in Hui Xian REIT as follows:

Name	As at 30 June 2024 Number of Units held
KAM Hing Lam	841,316 ¹
IP Tak Chuen, Edmond	1,100,000 ²
CHEUNG Ling Fung, Tom	107,522 ³
TONG BARNES Wai Che, Wendy	142,856 ⁴

Notes:

1. These Units were held by Mr. KAM Hing Lam, chairman and non-executive director of the Manager, as a bare trustee and this is a voluntary disclosure made by Mr. KAM.
2. These Units were held by Mr. IP Tak Chuen, Edmond, non-executive director of the Manager, as beneficial owner.
3. These Units were held by Mr. CHEUNG Ling Fung, Tom, executive director and chief executive officer of the Manager, as beneficial owner.
4. These Units were held by Mrs. TONG BARNES Wai Che, Wendy, deputy chief executive officer of the Manager, as beneficial owner.

Save as disclosed above, the Manager is not aware of any connected persons of Hui Xian REIT holding any units of Hui Xian REIT as at 30 June 2024.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Deloitte.

德勤

TO THE BOARD OF DIRECTORS OF HUI XIAN ASSET MANAGEMENT LIMITED

(as Manager of Hui Xian Real Estate Investment Trust)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Hui Xian Real Estate Investment Trust (“Hui Xian REIT”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 26 to 57, which comprise the condensed consolidated statement of financial position as at 30 June 2024 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in net assets attributable to unitholders and non-controlling interests, condensed consolidated statement of cash flows and distribution statement for the six months period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. Hui Xian Asset Management Limited, as manager of Hui Xian REIT, is responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

9 August 2024

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2024

	NOTES	2024 RMB million (unaudited)	2023 RMB million (unaudited)
Revenue	5	1,158	1,142
Other income	6	40	63
Decrease in fair value of investment properties		(571)	(481)
Inventories consumed		(17)	(14)
Staff costs		(75)	(63)
Depreciation		(157)	(155)
Other operating expenses	7	(401)	(361)
Finance costs, including exchange differences	8	(260)	(438)
Manager's fees	9	(56)	(58)
Real estate investment trust expenses	10	(7)	(5)
Loss before taxation and transactions with unitholders		(346)	(370)
Income tax expense	11	(31)	(83)
Loss for the period, before transactions with unitholders		(377)	(453)
Distribution to unitholders		(19)	(219)
Loss for the period, after transactions with unitholders		(396)	(672)
Other comprehensive income:			
Item that will not be reclassified to profit or loss			
Gain on revaluation of right-of-use assets upon transfer to investment properties, net of tax		23	23
Total comprehensive expense for the period, after transactions with unitholders		(373)	(649)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2024

	<i>NOTES</i>	2024 RMB million (unaudited)	2023 RMB million (unaudited)
Loss for the period, before transactions with unitholders attributable to:			
Non-controlling interests		(11)	(15)
Unitholders		(366)	(438)
		(377)	(453)
Total comprehensive expense for the period, after transactions with unitholders attributable to:			
Non-controlling interests		(11)	(15)
Unitholders		(362)	(634)
		(373)	(649)
Basic loss per unit (<i>RMB</i>)	<i>12</i>	(0.0574)	(0.0699)

DISTRIBUTION STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2024

	2024 RMB million (unaudited)	2023 RMB million (unaudited)
Loss for the period, before transactions with unitholders attributable to unitholders	(366)	(438)
Adjustments (<i>Note (i)</i>):		
Manager's fees	28	41
Deferred tax	(3)	(3)
Net unrealised exchange loss on bank loans and loan front-end fee	38	252
Net realised exchange loss on bank loans and loan front-end fee	(124)	–
Difference between cash and accounting finance cost	6	4
Other non-cash gain	(1)	(3)
	(56)	291
Total adjusted loss	(422)	(147)
Additional available amount (<i>Note (ii)</i>)	441	390
Amount available for distribution	19	243
Payout ratio (<i>Note (iii)</i>)	100%	90%
Additional amount to be distributed (<i>Note (ii)</i>)	19	219
Distribution to unitholders	19	219
Distribution per unit (<i>RMB</i>) (<i>Note (iv)</i>)	0.0030	0.0348

DISTRIBUTION STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2024

Notes:

- (i) Adjustments for the period include:
- (a) For the six months ended 30 June 2024, Manager's fees payable in units of RMB28 million (41,975,792 units estimated to be issued) out of the total Manager's fees of RMB56 million. The difference of RMB28 million is payable in cash.
- For the six months ended 30 June 2023, Manager's fees payable in units of RMB41 million out of the total Manager's fees of RMB58 million. The difference of RMB17 million is payable in cash.
- (b) For the six months ended 30 June 2024, deferred tax credit of RMB3 million (2023: RMB3 million) in relation to accelerated tax depreciation.
- (c) Net unrealised exchange loss on bank loans and loan front-end fee of RMB38 million for the six months ended 30 June 2024 (2023: RMB252 million).
- (d) Accumulated net unrealised exchange loss of RMB124 million on bank loans and loan front-end fee previously adjusted out from the distribution statement have been realised and adjusted back upon loan repayment during the six months ended 30 June 2024 (2023: Nil).
- (e) Adjustment of RMB6 million in respect of accounting finance costs less cash finance costs during the six months ended 30 June 2024 (2023: RMB4 million).
- (f) Other non-cash gain of RMB1 million for the six months ended 30 June 2024 (2023: RMB3 million).

Pursuant to the Trust Deed (as defined in Note 1), interim/annual distributable income is defined as the amount calculated by the Manager (as defined in Note 1) as representing the consolidated profit attributable to unitholders for the relevant financial period/year, as adjusted to eliminate the effects of certain Adjustments (as defined in the Trust Deed) which have been recorded in the consolidated statement of comprehensive income for the relevant financial period/year.

- (ii) Pursuant to clause 11.4.1 of the Trust Deed, the Manager determined that an additional amount of RMB441 million be adjusted (2023: RMB390 million) to arrive at the amount available for distribution during the six months ended 30 June 2024, and additional amount to be distributed during the six months ended 30 June 2024 is RMB19 million (2023: RMB219 million).
- (iii) In accordance with the Trust Deed, Hui Xian REIT (as defined in Note 1) is required to distribute to unitholders not less than 90% of its distributable income for each financial period. While Hui Xian REIT had an adjusted loss of RMB422 million for the six months ended 30 June 2024 (2023: RMB147 million), the Manager determined an amount of RMB19 million to be available for distribution for the period (2023: RMB243 million) as referred to in (ii) above.

Distributions to unitholders for the six months ended 30 June 2024 represent a payout ratio of 100% (2023: 90%) of such amount available for distribution for the period.

- (iv) The distribution per unit of RMB0.0030 for the six months ended 30 June 2024 is calculated based on 100% of Hui Xian REIT's amount available for distribution of RMB19,145,209 over 6,409,289,762 units, representing issued units as at 30 June 2024. The distribution per unit of RMB0.0348 for the six months ended 30 June 2023 is calculated based on 90% of Hui Xian REIT's amount available for distribution of RMB242,784,085 over 6,286,793,211 units, representing issued units as at 30 June 2023.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	NOTES	30.6.2024 RMB million (unaudited)	31.12.2023 RMB million (audited)
Non-current assets			
Investment properties	13	26,565	27,057
Property, plant and equipment	14	1,994	2,050
Right-of-use assets	15	3,428	3,547
Goodwill		2	2
Total non-current assets		31,989	32,656
Current assets			
Inventories	16	19	18
Trade and other receivables	17	100	116
Bank balances and cash	18	2,776	3,470
Total current assets		2,895	3,604
Total assets		34,884	36,260
Current liabilities			
Trade and other payables	19	507	546
Tenants' deposits		232	224
Tax payable		28	8
Manager's fee payable		56	55
Distribution payable		19	8
Bank loans	20	3,283	3,801
Total current liabilities		4,125	4,642
Total assets less current liabilities		30,759	31,618

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	<i>NOTES</i>	30.6.2024 RMB million (unaudited)	31.12.2023 RMB million (audited)
Non-current liabilities, excluding net assets attributable to unitholders			
Bank loans	<i>20</i>	2,393	2,800
Tenants' deposits		360	378
Deferred tax liabilities		6,128	6,230
Total non-current liabilities, excluding net assets attributable to unitholders		8,881	9,408
Total liabilities, excluding net assets attributable to unitholders			
		13,006	14,050
Non-controlling interests		115	126
Net assets attributable to unitholders			
Units in issue ('000)	<i>21</i>	6,409,290	6,353,100
Net asset value per unit (RMB) attributable to unitholders	<i>22</i>	3.3955	3.4762

The condensed consolidated financial statements on pages 26 to 57 were approved and authorised for issue by the Board of Directors of the Manager on 9 August 2024 and were signed on its behalf by:

CHEUNG Ling Fung, Tom
DIRECTOR

LEE Chi Kin, Casey
DIRECTOR

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AND NON-CONTROLLING INTERESTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

	NOTE	Net assets attributable to unitholders RMB million	Non-controlling interests RMB million	Total RMB million
Net assets as at 1 January 2024 (audited)		22,084	126	22,210
Units issued for settlement of Manager's fees	21	41	-	41
		22,125	126	22,251
Loss for the period, before transactions with unitholders		(366)	(11)	(377)
Interim distribution payable to unitholders		(19)	-	(19)
Other comprehensive income for the period		23	-	23
Total comprehensive expense for the period, after transactions with unitholders		(362)	(11)	(373)
Net assets as at 30 June 2024 (unaudited)		21,763	115	21,878

	Net assets attributable to unitholders RMB million	Non-controlling interests RMB million	Total RMB million
Net assets as at 1 January 2023 (audited)	22,728	151	22,879
Units issued for settlement of Manager's fees	42	-	42
Units issued pursuant to the distribution reinvestment arrangement in respect of 2022 final distribution	20	-	20
	22,790	151	22,941
Loss for the period, before transactions with unitholders	(438)	(15)	(453)
Interim distribution payable to unitholders	(219)	-	(219)
Other comprehensive income for the period	23	-	23
Total comprehensive expense for the period, after transactions with unitholders	(634)	(15)	(649)
Net assets as at 30 June 2023 (unaudited)	22,156	136	22,292

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

<i>NOTE</i>	2024 RMB million (unaudited)	2023 RMB million (unaudited)
Net cash from operating activities	510	491
Net cash (used in)/from investing activities		
Placement of deposits in banks	(1,647)	(3,399)
Withdrawal of deposits in banks	1,342	4,824
Additions to property, plant and equipment and investment properties	(54)	(141)
Other investing activities	45	60
	(314)	1,344
Net cash used in financing activities		
Distribution payments to unitholders	(8)	(178)
Repayment of bank loans	(1,303)	–
Proceeds from new bank loan raised	300	–
Other financing cash flows	(184)	(168)
	(1,195)	(346)
Net (decrease)/increase in cash and cash equivalents	(999)	1,489
Cash and cash equivalents at the beginning of the period	3,470	2,170
Cash and cash equivalents at the end of the period	2,471	3,659

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

1. GENERAL INFORMATION

Hui Xian Real Estate Investment Trust (“Hui Xian REIT”) is a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (the “SFO”) (Chapter 571 of the Laws of Hong Kong) and its units were listed on The Stock Exchange of Hong Kong Limited (the “HKSE”) since 29 April 2011. Hui Xian REIT is governed by the Deed of Trust constituting Hui Xian REIT dated 1 April 2011 as amended by five supplemental deeds dated 24 May 2013, 16 May 2014, 28 May 2015, 19 May 2017 and 14 May 2021 (the “Trust Deed”) made between Hui Xian Asset Management Limited (the “Manager”) and DB Trustees (Hong Kong) Limited (the “Trustee”), and the Code on Real Estate Investment Trusts (the “REIT Code”) issued by the Securities and Futures Commission (the “SFC”).

The principal activities of Hui Xian REIT and its subsidiaries (the “Group”) are to own and invest in high quality commercial properties with the objective of producing stable and sustainable distributions to unitholders and to achieve long term growth in the net asset value per unit.

The condensed consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of Hui Xian REIT.

The Group has entered into various service agreements in relation to management of Hui Xian REIT and its property operations. The fee structures of these services are as follows:

(a) Property Manager’s fee

Under the operations management agreement and supplemental agreement entered by Beijing Oriental Plaza Co., Ltd. (“Beijing Oriental Plaza”) controlled by Hui Xian REIT and Beijing Hui Xian Enterprise Services Limited (the “Beijing Property Manager”) on 29 April 2011, 22 June 2017, 27 December 2020 and 8 December 2023, the Beijing Property Manager will receive a property manager’s fee with details as described in Note 1(c) and reimbursements for the employment costs and remuneration of the employees of the Beijing Property Manager for provision of business advisory and management services, marketing and lease management services and property management co-ordination services.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

1. GENERAL INFORMATION (CONTINUED)

(a) Property Manager's fee (Continued)

Under the Chongqing property manager agreement and supplemental agreement entered into by Chongqing Metropolitan Oriental Plaza Co., Ltd ("Chongqing Company") controlled by Hui Xian REIT and the Chongqing branch of the Beijing Property Manager (the "Chongqing Property Manager") on 2 March 2015, 31 December 2017, 31 December 2020 and 1 December 2023, the Chongqing Property Manager will be fully reimbursed by Chongqing Company for (i) employment costs and remuneration of the personnel provided or procured by the Chongqing Property Manager engaged solely and exclusively for the provision of its services relating to Metropolitan Plaza and Metropolitan Tower (collectively referred to as "Metropolitan Oriental Plaza"); and (ii) management expenses incurred by the Chongqing Property Manager on Metropolitan Oriental Plaza, including but not limited to the costs and expenses incurred under contracts entered into with third party service providers by the Chongqing Property Manager (as agent for Chongqing Company) at the request of Chongqing Company for the provision of cleaning, maintenance, security, car park management and other services for Metropolitan Oriental Plaza.

(b) Trustee's fee

The Trustee is entitled to receive a one-off inception fee of not more than RMB100,000 and, in each financial year, an annual fee of such amount as is agreed between the Manager and the Trustee from time to time of not more than 0.02% of the fair values of the real estate properties (the "Property Values") as at the end of such financial year (which may be increased without obtaining unitholders' approval to a maximum of 0.06% per annum of the Property Values by giving at least one month's prior written notice to the Manager and the unitholders), subject to a minimum amount of RMB56,000 per month.

(c) Manager's fees

Under the Trust Deed, the Manager is entitled to receive the following remuneration for the provision of asset management services:

Base Fee

Under the Trust Deed, the Manager will receive a base fee from Hui Xian REIT at 0.3% per annum of the Property Values as at the end of such financial year.

The Manager may elect whether the base fee is to be paid in cash or in units. On 5 January 2024, the Manager has elected to receive 50% (2023: 70%) base fee in units and 50% (2023: 30%) in cash in respect of the financial year ending 31 December 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

1. GENERAL INFORMATION (CONTINUED)

(c) **Manager's fees** (Continued)

Variable Fee

The Trust Deed has been modified on 19 May 2017 in relation to the variable fee structure. Under the Trust Deed, the Manager will receive a variable fee ("Variable Fee") of 3% per annum of the net property income ("NPI") of that real estate (before deduction therefrom of the Variable Fee and, where the property manager is a subsidiary of the Manager, the property manager's fee) 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 in clause 14.1.2(i)(a) of the Trust Deed 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.

NPI means the amount equivalent to the gross revenue less property operating expenses as defined in the Trust Deed.

The Manager has elected that with effect from 1 July 2017, the 3% rate in respect of Beijing Oriental Plaza be split into 2 portions comprising a variable fee payable to the Manager which is equal to 1% per annum, and a property manager's fee payable to the property manager which is equal to 2% per annum, of NPI of Beijing Oriental Plaza (before deduction therefrom of the Variable Fee and, where the property manager is a subsidiary of the Manager, the property manager's fee).

The 3% rate in respect of the other real estates of Hui Xian REIT is all payable to the Manager at 3% per annum of NPI of the relevant real estate (before deduction therefrom of the Variable Fee and, where the property manager is a subsidiary of the Manager, the property manager's fee).

The Manager may elect whether the variable fee is to be paid in cash or in units in accordance with the provisions in the Trust Deed.

On 5 January 2024, the Manager has elected to receive 50% (2023: 70%) variable fee in units and 50% (2023: 30%) in cash in respect of the financial year ending 31 December 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the HKSE, Hong Kong Accounting Standard 34 (“HKAS 34”) “*Interim Financial Reporting*” and the relevant disclosure requirements set out in Appendix C of the REIT Code.

As at 30 June 2024, the Group has net current liabilities of RMB1,230 million. The Manager is of the opinion that, taking into account the headroom of the fair value of investment properties for obtaining additional banking facilities and the assumption that the bank loans will be successfully renewed upon maturity, the Group has sufficient financial resources to meet in full its financial obligation when they fall due for the next twelve months from the date of the issuance of the condensed consolidated financial statements. Hence, the condensed consolidated financial statements have been prepared on a going concern basis.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for investment properties that are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2024 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2023.

Application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), for the first time, which are mandatorily effective for the annual period beginning on 1 January 2024 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

4. SEGMENT REPORTING

Hui Xian REIT determines its operating segments based on internal reports that are regularly reviewed by the chief operating decision maker (i.e. the Manager) for the purpose of allocating resources to segments and assessing their performance.

The following are identified operating and reportable segments:

Offices: Renting of office buildings in Oriental Plaza, Beijing, the People's Republic of China (the "PRC") and Metropolitan Oriental Plaza, Chongqing, the PRC.

Malls: Renting of the shopping mall and car parking spaces in Oriental Plaza, Beijing, the PRC and Metropolitan Oriental Plaza, Chongqing, the PRC.

Apartments: Operation of serviced apartment towers in Oriental Plaza, Beijing, the PRC.

Hotels: Operation of Grand Hyatt Beijing in Oriental Plaza, Beijing, the PRC, The Westin Shenyang, Shenyang, the PRC, Hyatt Regency Metropolitan Chongqing, Chongqing, the PRC, and Sheraton Chengdu Lido Hotel, Chengdu, the PRC.

(a) Segment revenue and results

Six months ended 30 June 2024 (unaudited)

	Offices RMB million	Malls RMB million	Apartments RMB million	Hotels RMB million	Consolidated RMB million
Segment revenue	523	326	80	229	1,158
Segment profit	384	206	43	32	665
Decrease in fair value of investment properties					(571)
Finance costs, including exchange differences					(260)
Unallocated depreciation					(145)
Unallocated income					40
Unallocated expense					(75)
Loss before taxation and transactions with unitholders					(346)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

4. SEGMENT REPORTING (CONTINUED)

(a) Segment revenue and results (Continued)

Six months ended 30 June 2023 (unaudited)

	Offices RMB million	Malls RMB million	Apartments RMB million	Hotels RMB million	Consolidated RMB million
Segment revenue	532	368	81	161	1,142
Segment profit	397	254	39	10	700
Decrease in fair value of investment properties					(481)
Finance costs, including exchange differences					(438)
Unallocated depreciation					(145)
Unallocated income					61
Unallocated expense					(67)
Loss before taxation and transactions with unitholders					(370)

Segment profit represents the profit earned by each segment without allocation of the changes in fair value of investment properties, finance costs, including exchange differences, certain depreciation expenses, certain other income, certain Manager's fees, real estate investment trust expenses and certain other operating expenses that are not directly related to each segmental activities. This is the measure reported to the Manager for the purposes of resources allocation and performance assessment.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

4. SEGMENT REPORTING (CONTINUED)

(b) Segment assets

The following is an analysis of the Group's assets by operating segment:

	30.6.2024	31.12.2023
	RMB million	RMB million
	(unaudited)	(audited)
Offices	14,313	14,573
Malls	12,294	12,575
Apartments	1,741	1,915
Hotels	3,830	3,816
Total segment assets	32,178	32,879
Unallocated bank balances and cash	2,654	3,316
Other assets	52	65
Consolidated total assets	34,884	36,260

For the purposes of monitoring segment performances and resources allocation, all assets are allocated to operating segments other than corporate assets (including certain right-of-use assets, certain bank balances and cash, certain equipment, certain inventories, certain other receivables, certain deposits and prepayments, certain advance to suppliers and goodwill) which are unallocated.

For the measurement of segment assets and results, certain property, plant and equipment, certain right-of-use assets and investment properties are allocated to segments while their corresponding depreciation and changes in fair value of investment properties are not allocated to segment results on the same basis.

Segment liabilities are not disclosed in the condensed consolidated financial statements as they are not regularly provided to the Manager for the purpose of resources allocation and performance assessment.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

4. SEGMENT REPORTING (CONTINUED)

(c) Geographical information

All of the Group's revenue is derived from activities and customers located in the PRC and the Group's non-current assets are all located in the PRC.

The Group did not have any major customers as no single customer contributed more than 10% of the Group's revenue during both periods.

(d) Other segment information

Six months ended 30 June 2024 (unaudited)

	Offices RMB million	Malls RMB million	Apartments RMB million	Hotels RMB million	Total reportable segments RMB million	Unallocated RMB million	Consolidated RMB million
Depreciation	-	-	1	11	12	145	157
Additions to non-current assets	-	5	-	39	44	-	44

Six months ended 30 June 2023 (unaudited)

	Offices RMB million	Malls RMB million	Apartments RMB million	Hotels RMB million	Total reportable segments RMB million	Unallocated RMB million	Consolidated RMB million
Depreciation	1	-	1	8	10	145	155
Additions to non-current assets	1	16	1	107	125	-	125

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

5. REVENUE

For the six months ended 30 June 2024 (unaudited)

	Offices RMB million	Malls RMB million	Apartments RMB million	Hotels RMB million	Consolidated RMB million
Disaggregation of revenue					
Revenue from contracts with customers within the scope of HKFRS 15					
Room revenue	-	-	-	165	165
Food and beverage	-	-	-	57	57
Carpark revenue	-	11	-	-	11
Ancillary services income	91	54	28	7	180
	91	65	28	229	413
Rental income	432	261	52	-	745
Total revenue	523	326	80	229	1,158
Timing of revenue recognition					
A point in time	11	11	2	62	86
Over time	80	54	26	167	327
Revenue from contracts with customers within the scope of HKFRS 15	91	65	28	229	413

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

5. REVENUE (CONTINUED)

For the six months ended 30 June 2023 (unaudited)

	Offices RMB million	Malls RMB million	Apartments RMB million	Hotels RMB million	Consolidated RMB million
Disaggregation of revenue					
Revenue from contracts with customers within the scope of HKFRS 15					
Room revenue	-	-	-	114	114
Food and beverage	-	-	-	41	41
Carpark revenue	-	12	-	-	12
Ancillary services income	94	66	29	6	195
	94	78	29	161	362
Rental income	438	290	52	-	780
Total revenue	532	368	81	161	1,142
Timing of revenue recognition					
A point in time	13	18	1	46	78
Over time	81	60	28	115	284
Revenue from contracts with customers within the scope of HKFRS 15					
	94	78	29	161	362

All contracts with customers within the scope of HKFRS 15 *Revenue from Contracts with Customers* are for period of one year or less, except for certain management services (included in ancillary services) which are provided for a period of one year or more. For management services, the Group applied the practical expedient in HKFRS 15 to recognise revenue in the amount that the Group has the right to invoice based on the terms of the relevant agreements in which the Group bills a fixed monthly amount. As permitted under HKFRS 15, the transaction price of all these services allocated to the remaining performance obligations is not disclosed.

The gross rental from investment properties includes variable lease payments that do not depend on an index or a rate of RMB6 million (2023: RMB5 million).

The direct operating expense from investment properties (includes mainly certain other operating expenses, certain Manager's fees and staff costs) amounting to RMB260 million (2023: RMB251 million).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

6. OTHER INCOME

	2024 RMB million (unaudited)	2023 RMB million (unaudited)
Interest income from banks	39	58
Others	1	5
Total	40	63

7. OTHER OPERATING EXPENSES

	2024 RMB million (unaudited)	2023 RMB million (unaudited)
Advertising and promotion	10	11
Audit fee	1	1
Insurance	3	3
Agency fee	14	9
Property manager's fee (Note 1(a))	31	28
Property management fees	36	36
Repairs and maintenance	32	29
Other miscellaneous expenses (note)	93	69
Stamp duty	1	1
Urban land use tax	2	2
Urban real estate tax	113	113
Utilities	46	43
Value added tax surcharges	5	5
Loss on disposal of property, plant and equipment	14	11
Total	401	361

Note: Other miscellaneous expenses comprise mainly cleaning and security expenses, guest supplies and labour service fees.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

8. FINANCE COSTS, INCLUDING EXCHANGE DIFFERENCES

	2024 RMB million (unaudited)	2023 RMB million (unaudited)
Net unrealised exchange loss on bank loans and loan front-end fee	38	252
Net realised exchange loss on bank loans and loan front-end fee arising on settlement	34	–
Interest expense on unsecured bank loans	188	186
	260	438

9. MANAGER'S FEES

	2024 RMB million (unaudited)	2023 RMB million (unaudited)
Base Fee (Note 1(c))	49	51
Variable Fee (Note 1(c))	7	7
	56	58

10. REAL ESTATE INVESTMENT TRUST EXPENSES

	2024 RMB million (unaudited)	2023 RMB million (unaudited)
Trustee's fee (Note 1(b))	2	2
Legal and professional fees	3	1
Trust administrative expenses and others	2	2
	7	5

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

11. INCOME TAX EXPENSE

	2024 RMB million (unaudited)	2023 RMB million (unaudited)
Income tax expense comprises:		
Current tax		
– PRC Enterprise Income Tax	140	148
– Withholding tax	–	41
Deferred taxation	(109)	(106)
	31	83

No provision for Hong Kong profits tax was made as the Group's profits neither arose in, nor was derived from, Hong Kong for both periods.

PRC Enterprise Income Tax was provided at the applicable enterprise income tax rate of 25% on the estimated assessable profits of the Group's PRC subsidiaries, except for a subsidiary operating in Chongqing which was granted a concessionary tax rate of 15% by the local tax bureau following the Catalogue of Encouraged Industries in Western Region which was promulgated by the National Development and Reform Commission of the PRC in 2014.

The Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law also required withholding tax to be levied on distribution of profits earned by a PRC entity to non-PRC tax residents for profits generated after 1 January 2008. The applicable withholding tax rate is 5%. At the end of the reporting period, deferred taxation was provided for in full in respect of the temporary differences attributable to such profits.

12. LOSS PER UNIT

The loss per unit for the six months ended 30 June 2024 is calculated by dividing the loss for the period attributable to unitholders before transactions with unitholders of RMB366 million (2023: RMB438 million) by the weighted average of 6,382,585,538 (2023: 6,264,599,646) units in issue during the period, taking into account the units issuable as Manager's fee for its service for the period.

No diluted loss per unit for both periods were presented as there were no potential units in issue for both periods.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

13. INVESTMENT PROPERTIES

	30.6.2024	31.12.2023
	RMB million	RMB million
	(unaudited)	(audited)
FAIR VALUE		
At the beginning of the period/year	27,057	27,739
Additions	5	99
Transferred from property, plant and equipment	8	10
Transferred from right-of-use assets	66	74
Decrease in fair value recognised in profit or loss	(571)	(865)
At the end of the period/year	26,565	27,057

- (a) The Group's investment properties are located in Beijing and Chongqing, the PRC, and are measured using the fair value model.
- (b) Investment properties were revalued on 30 June 2024 and 31 December 2023 by Kroll (HK) Limited, independent professional valuer with appropriate professional qualifications and experiences in the valuation of similar properties in the relevant locations. The valuations of properties have been principally arrived at by using the income approach which is a method of valuation whereby valuation is the sum of capitalised value of the term income and the appropriately deferred reversionary income for the remaining term of the land use rights of the properties. The capitalised value of the term income is derived by capitalising the rental income derived from existing tenancies for their respective unexpired terms of contractual tenancies, while the capitalised value of reversionary income is derived by capitalising the current market rents for the remaining terms of the land use rights of the properties. Capitalisation rates are estimated with reference to the yield generally accepted by the market participants for comparable properties.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

As at 30 June 2024 and 31 December 2023, the investment properties were included in level 3 of the fair value hierarchy.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

14. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2024, the Group acquired property, plant and equipment of RMB39 million (six months ended 30 June 2023: RMB108 million).

Items of buildings with carrying value of RMB8 million were transferred to investment properties during the six months ended 30 June 2024 (six months ended 30 June 2023: RMB9 million).

Items of plant and equipment with a carrying value of RMB14 million were disposed of during the six months ended 30 June 2024 (six months ended 30 June 2023: RMB11 million).

15. RIGHT-OF-USE ASSETS

During the six months ended 30 June 2024, leasehold land with an amount of RMB66 million (six months ended 30 June 2023: RMB62 million) after revaluation was transferred to investment properties upon end of owner-occupation.

16. INVENTORIES

	30.6.2024 RMB million (unaudited)	31.12.2023 RMB million (audited)
Food and beverage	2	2
Other consumables	17	16
	19	18

17. TRADE AND OTHER RECEIVABLES

	30.6.2024 RMB million (unaudited)	31.12.2023 RMB million (audited)
Trade receivables	24	25
Deposits and prepayments	7	16
Advance to suppliers	8	6
Interest receivables	23	29
Other receivables	38	40
	100	116

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

17. TRADE AND OTHER RECEIVABLES (CONTINUED)

Trade receivables include receivables arising from leasing arrangements and receivables arising from contracts with customers. As at 30 June 2024, trade receivables arising from contracts with customers amounted to RMB19 million (31 December 2023: RMB14 million).

Aging analysis of the Group's trade receivables by invoice dates at the end of the reporting period is as follows:

	30.6.2024 RMB million (unaudited)	31.12.2023 RMB million (audited)
Less than or equal to 1 month	18	16
1 – 3 months	4	5
Over 3 months	2	4
	24	25

18. BANK BALANCES AND CASH

	30.6.2024 RMB million (unaudited)	31.12.2023 RMB million (audited)
Cash at bank or on hand	1,926	1,764
Time deposits (with original maturity of three months or less)	545	1,706
Cash and cash equivalents	2,471	3,470
Time deposits (with original maturity of more than three months)	305	–
	2,776	3,470

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

19. TRADE AND OTHER PAYABLES

	30.6.2024 RMB million (unaudited)	31.12.2023 RMB million (audited)
Trade payables	200	223
Receipts in advance <i>(note (i))</i>	175	182
Others <i>(note (ii))</i>	132	141
	507	546

Notes:

- (i) Included in receipts in advance were contract liabilities amounting to RMB62 million as at 30 June 2024 (31 December 2023: RMB60 million), which were related to advance receipts from customers under hotels segment, and ancillary services provided in malls, offices and apartments segments.
- (ii) Others comprise mainly accrued salaries, accrued staff welfare and certain operating expense payables.

Aging analysis of the Group's trade payables by invoice dates at the end of the reporting period is as follows:

	30.6.2024 RMB million (unaudited)	31.12.2023 RMB million (audited)
Less than or equal to 3 months	80	153
Over 3 months	120	70
	200	223

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

20. BANK LOANS

	30.6.2024 RMB million (unaudited)	31.12.2023 RMB million (audited)
Unsecured term loans	5,685	6,616
Loan front-end fees	(9)	(15)
	5,676	6,601
The maturities of the above bank loans are as follows:		
Within one year	3,283	3,801
More than one year but not exceeding two years	728	723
More than two years but not exceeding five years	1,665	2,077
	5,676	6,601
Less: Amounts shown under current liabilities	(3,283)	(3,801)
Amounts due after one year	2,393	2,800

Amount of HK\$1,400 million (equivalent to RMB1,303 million), being part of a credit facility of HK\$1,800 million drawn down by the Group on 22 December 2021, was prepaid in May 2024. The total amount of the credit facility utilised by the Group as at 30 June 2024 was HK\$400 million (equivalent to RMB365 million) (31 December 2023: HK\$1,800 million (equivalent to RMB1,631 million)).

A credit facility of RMB700 million was granted to the Group on 12 June 2024 to finance the general working capital of the Group, and the total amount of the credit facility utilised by the Group as at 30 June 2024 was RMB300 million. It bears interest at fixed interest rate and is repayable in full in June 2027.

All bank loans are guaranteed by the Trustee (in its capacity as Trustee of Hui Xian REIT) and certain subsidiaries of Hui Xian REIT.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

21. UNITS IN ISSUE

During the period/year, movements of units in issue are as below:

	Number of units	RMB million
Balance at 1 January 2023 (audited)	6,230,359,272	29,310
Payment of Manager's fees through issuance of new units during the year (<i>note (a)</i>)	82,688,030	83
Units issued pursuant to the distribution reinvestment arrangement in respect of 2022 final and 2023 interim distributions (<i>note (b)</i>)	40,052,450	39
Balance at 31 December 2023 (audited)	6,353,099,752	29,432
Payment of Manager's fees through issuance of new units during the period (<i>note (a)</i>)	56,190,010	41
Balance at 30 June 2024 (unaudited)	6,409,289,762	29,473

Notes:

(a) Details of units issued as payment of Manager's fees are as follows:

For the six months ended 30 June 2024

Issue date	Payment of Manager's fees for the period	Average price per unit determined based on the Trust Deed RMB	Number of units issued
4 June 2024	1 July 2023 to 31 December 2023	0.73	56,190,010

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

21. UNITS IN ISSUE (CONTINUED)

Notes: (Continued)

- (a) Details of units issued as payment of Manager's fees are as follows: (Continued)

For the year ended 31 December 2023

Issue date	Payment of Manager's fees for the year	Average price per unit determined based on the Trust Deed RMB	Number of units issued
12 May 2023	1 July 2022 to 31 December 2022	1.12	37,937,339
26 September 2023	1 January 2023 to 30 June 2023	0.91	44,750,691
			82,688,030

- (b) On 15 May 2023, 18,496,600 scrip units at an issue price of RMB1.09 per unit were issued to unitholders pursuant to the distribution reinvestment arrangement in respect of 2022 final distribution.

On 27 September 2023, 21,555,850 scrip units at an issue price of RMB0.88 per unit were issued to unitholders pursuant to the distribution reinvestment arrangement in respect of 2023 interim distribution.

22. NET ASSET VALUE PER UNIT ATTRIBUTABLE TO UNITHOLDERS

The net asset value per unit is calculated based on the net assets attributable to unitholders as at 30 June 2024 of RMB21,763 million (31 December 2023: RMB22,084 million) and the total number of 6,409,289,762 units in issue as at 30 June 2024 (31 December 2023: 6,353,099,752 units).

23. CAPITAL COMMITMENTS

	30.6.2024 RMB million (unaudited)	31.12.2023 RMB million (audited)
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided	167	148

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

24. CONNECTED AND RELATED PARTY TRANSACTIONS

During the period, the Group entered into the following transactions with connected and related parties:

Name of Connected/Related Party	<i>Notes</i>	1.1.2024 to 30.6.2024 RMB'000 (unaudited)	1.1.2023 to 30.6.2023 RMB'000 (unaudited)
Rent and rental related income			
CK Asset Holdings Limited	<i>(a) & (d)</i>	50	50
北京港基世紀物業管理有限公司 (Beijing Citybase Century Property Management Ltd.*)	<i>(a) & (d)</i>	1,008	899
北京高衛世紀物業管理有限公司 (Beijing Goodwell Century Property Management Ltd.*)	<i>(a) & (d)</i>	1,075	1,075
北京穩得高投資顧問有限公司 (Beijing Wondergrow Investment and Consulting Co., Ltd.*)	<i>(a) & (d)</i>	38	37
北京匯賢企業管理有限公司 (Beijing Hui Xian Enterprise Services Limited*)	<i>(a) & (d)</i>	252	252
Hotel room revenue			
北京匯賢企業管理有限公司 (Beijing Hui Xian Enterprise Services Limited*)	<i>(a) & (d)</i>	1	3
Food & beverages and other hotel income			
和記黃埔地產(重慶南岸)有限公司 (Hutchison Whampoa Properties (Chongqing Nanan) Limited*)	<i>(a) & (d)</i>	22	1
和記黃埔地產(重慶兩江新區)有限公司 (Hutchison Whampoa Properties (Chongqing Liangjiangxinqu) Limited*)	<i>(a) & (d)</i>	17	-
北京寶苑房地產開發有限公司 (Beijing Po Garden Real Estates Development Co., Ltd.*)	<i>(a) & (d)</i>	36	-
北京匯賢企業管理有限公司 (Beijing Hui Xian Enterprise Services Limited*)	<i>(a) & (d)</i>	4	1
Interest income from connected subsidiary			
瀋陽麗都商務有限公司 (Shenyang Lido Business Co. Ltd*)	<i>(c)</i>	3,568	2,489
Reimbursement of staff cost			
Hui Xian Asset Management Limited	<i>(a) & (d)</i>	818	561

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

24. CONNECTED AND RELATED PARTY TRANSACTIONS (CONTINUED)

Name of Connected/Related Party	Notes	1.1.2024 to 30.6.2024 RMB'000 (unaudited)	1.1.2023 to 30.6.2023 RMB'000 (unaudited)
Property management fee			
北京港基世紀物業管理有限公司 (Beijing Citybase Century Property Management Ltd.*)	<i>(a) & (d)</i>	10,167	10,585
北京高衛世紀物業管理有限公司 (Beijing Goodwell Century Property Management Ltd.*)	<i>(a) & (d)</i>	12,532	12,062
家利物業管理(深圳)有限公司 (Cayley Property Management (Shenzhen) Limited*)	<i>(a) & (d)</i>	8,900	10,004
Internet services fee			
CK Asset Holdings Limited	<i>(a) & (d)</i>	28	23
Trustee's fee			
DB Trustees (Hong Kong) Limited	<i>(b)</i>	1,637	1,648
Manager's fees			
Hui Xian Asset Management Limited	<i>(a) & (d)</i>	56,248	58,176
Property Manager's fee			
北京匯賢企業管理有限公司 (Beijing Hui Xian Enterprise Services Limited*)	<i>(a) & (d)</i>	31,297	27,640
Rent & rental related expense			
Turbo Top Limited	<i>(a) & (d)</i>	208	226
Other expenses			
Hotel Alexandra Resources Limited	<i>(a) & (d)</i>	3	-
The Kowloon Hotel Limited	<i>(a) & (d)</i>	3	-

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

24. CONNECTED AND RELATED PARTY TRANSACTIONS (CONTINUED)

Balances with connected and related parties as at 30 June 2024 and 31 December 2023 are as follows:

Name of Connected/Related Party	Notes	30.6.2024 RMB'000 (unaudited)	31.12.2023 RMB'000 (audited)
Loan receivable			
瀋陽麗都商務有限公司 (Shenyang Lido Business Co. Ltd*)	(c)	135,000	135,000
Deposits placed with the Group for the lease of the Group's properties			
CK Asset Holdings Limited	(a) & (d)	25	25
北京長樂房地產開發有限公司 (Beijing Chang Le Real Estates Development Co., Ltd.*)	(a) & (d)	13	13
北京港基世紀物業管理有限公司 (Beijing Citybase Century Property Management Ltd.*)	(a) & (d)	527	527
北京高衛世紀物業管理有限公司 (Beijing Goodwell Century Property Management Ltd.*)	(a) & (d)	538	538
北京穩得高投資顧問有限公司 (Beijing Wondergrow Investment and Consulting Co., Ltd.*)	(a) & (d)	19	19
北京匯賢企業管理有限公司 (Beijing Hui Xian Enterprise Services Limited*)	(a) & (d)	127	126
Deposits paid for the lease of property			
Turbo Top Limited	(a) & (d)	103	102
Other payable			
北京港基世紀物業管理有限公司 (Beijing Citybase Century Property Management Ltd.*)	(a) & (d)	3,567	440
北京高衛世紀物業管理有限公司 (Beijing Goodwell Century Property Management Ltd.*)	(a) & (d)	2,483	711
家利物業管理(深圳)有限公司 (Cayley Property Management (Shenzhen) Limited*)	(a) & (d)	1,713	659
Hui Xian Asset Management Limited	(a) & (d)	56,248	55,208
北京匯賢企業管理有限公司 (Beijing Hui Xian Enterprise Services Limited*)	(a) & (d)	5,539	3,194
Other receivable			
Hui Xian Asset Management Limited	(a) & (d)	121	139

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

24. CONNECTED AND RELATED PARTY TRANSACTIONS (CONTINUED)

Name of Connected/Related Party	Notes	30.6.2024 RMB'000 (unaudited)	31.12.2023 RMB'000 (audited)
Receipts in advance			
CK Asset Holdings Limited	<i>(a) & (d)</i>	9	9
北京穩得高投資顧問有限公司 (Beijing Wondergrow Investment and Consulting Co., Ltd.*)	<i>(a) & (d)</i>	7	7
北京匯賢企業管理有限公司 (Beijing Hui Xian Enterprise Services Limited*)	<i>(a) & (d)</i>	8	8
Prepayment			
家利物業管理(深圳)有限公司 (Cayley Property Management (Shenzhen) Limited*)	<i>(a) & (d)</i>	2,850	2,850
北京匯賢企業管理有限公司 (Beijing Hui Xian Enterprise Services Limited*)	<i>(a) & (d)</i>	677	94

Notes:

- (a) These companies are associates¹ of Noblecrown which is a substantial holder² of Hui Xian REIT, and/or are subsidiaries or associates¹ of CK Asset Holdings Limited (being an associate¹ of Noblecrown which is a substantial holder² of Hui Xian REIT).
- (b) This company is the trustee of Hui Xian REIT.
- (c) This company is a connected subsidiary⁴ of Hui Xian REIT by virtue of CK Asset Holdings Limited, (being an associate¹ of Noblecrown which is a substantial holder² of Hui Xian REIT), which at the same time holds more than 10% of the voting power of this company.

- (d) These companies are related parties³ of Hui Xian REIT.

¹ The term "associate" is defined under the Rules Governing the Listing of Securities on the HKSE (the "Listing Rules").

² As defined in the REIT Code, a unitholder is a substantial holder if it is entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the Hui Xian REIT or any of its subsidiaries.

³ The term "related party" is defined in HKAS 24 *Related Party Disclosures* issued by the HKICPA.

⁴ The term "connected subsidiary" is defined under the Listing Rules.

* The English name is shown for identification purpose only.

SUMMARY

FINANCIAL INFORMATION

The summary of the condensed consolidated statement of comprehensive income, distributions and the condensed consolidated statement of financial position of Hui Xian REIT are set out as below:

SUMMARY OF CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	1.1.2024 to 30.6.2024 RMB million	1.1.2023 to 30.6.2023 RMB million	1.1.2022 to 30.6.2022 RMB million	1.1.2021 to 30.6.2021 RMB million	1.1.2020 to 30.6.2020 RMB million
Revenue					
Gross rental from investment properties	830	869	919	1,008	1,018
Income from hotel operation	229	161	67	156	63
Income from serviced apartments operation	80	81	86	90	95
Rental related income	19	31	28	47	27
	1,158	1,142	1,100	1,301	1,203
(Loss) profit before taxation and transactions with unitholders	(346)	(370)	(1,202)	287	(1,863)
Income tax (expense) credit	(31)	(83)	114	(130)	243
(Loss) profit for the period, before transactions with unitholders	(377)	(453)	(1,088)	157	(1,620)
(Loss) profit for the period attributable to unitholders, before transactions with unitholders	(366)	(438)	(1,063)	173	(1,599)
	RMB	RMB	RMB	RMB	RMB
Basic (loss) earnings per unit	(0.0574)	(0.0699)	(0.1724)	0.0287	(0.2703)

SUMMARY FINANCIAL INFORMATION

SUMMARY OF DISTRIBUTIONS

	1.1.2024 to 30.6.2024	1.1.2023 to 30.6.2023	1.1.2022 to 30.6.2022	1.1.2021 to 30.6.2021	1.1.2020 to 30.6.2020
	RMB million	RMB million	RMB million	RMB million	RMB million
Distributions to unitholders	19	219	319	410	126
	RMB	RMB	RMB	RMB	RMB
Distribution per unit	0.0030	0.0348	0.0516	0.0674	0.0212

SUMMARY OF CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30.6.2024	30.12.2023	31.12.2022	31.12.2021	31.12.2020
	RMB million	RMB million	RMB million	RMB million	RMB million
Non-current assets	31,989	32,656	33,494	35,057	36,863
Current assets	2,895	3,604	4,906	6,029	5,891
Total assets	34,884	36,260	38,400	41,086	42,754
Current liabilities	4,125	4,642	4,368	2,240	1,231
Non-current liabilities, excluding net assets attributable to unitholders	8,881	9,408	11,153	14,186	16,230
Total liabilities, excluding net assets attributable to unitholders	13,006	14,050	15,521	16,426	17,461
Non-controlling interests	115	126	151	205	241
Net assets attributable to unitholders	21,763	22,084	22,728	24,455	25,052
	RMB	RMB	RMB	RMB	RMB
Net asset value per unit attributable to unitholders	3.3955	3.4762	3.6480	3.9900	4.1651

PERFORMANCE TABLE

	Notes	30.6.2024	31.12.2023	31.12.2022	31.12.2021	31.12.2020
Net assets attributable to unitholders (RMB million)		21,763	22,084	22,728	24,455	25,052
Net asset value per unit attributable to unitholders (RMB)		3.3955	3.4762	3.6480	3.9900	4.1651
Market capitalisation (RMB million)		4,230	5,781	6,542	8,581	10,887
Units issued (units)		6,409,289,762	6,353,099,752	6,230,359,272	6,129,115,187	6,014,651,998
Debts to net asset value ratio	1	26.1%	29.9%	34.5%	34.6%	35.4%
Debts to total asset value ratio	2	16.3%	18.2%	20.4%	20.6%	20.8%
		1.1.2024 to 30.6.2024	1.1.2023 to 31.12.2023	1.1.2022 to 31.12.2022	1.1.2021 to 31.12.2021	1.1.2020 to 31.12.2020
Highest traded unit price (RMB)		0.90	1.31	1.41	1.92	3.30
Highest premium of the traded unit price to net asset value per unit	3	N/A	N/A	N/A	N/A	N/A
Lowest traded unit price (RMB)		0.61	0.81	0.79	1.33	1.36
Highest discount of the traded unit price to net asset value per unit		82.0%	76.7%	78.3%	66.7%	67.3%
Distribution per unit (RMB)		0.0030	0.0361	0.0834	0.0935	0.0866
Annualised distribution yield per unit	4	0.91%	3.97%	7.94%	6.68%	4.78%

Notes:

1. Debts to net asset value ratio is calculated based on total debts over net assets attributable to unitholders as at the end of the reporting period.
2. Debts to total asset value ratio is calculated based on total debts over total assets as at the end of the reporting period.
3. The highest traded unit price is lower than the net asset value per unit attributable to unitholders at the end of the reporting period. Accordingly, premium of the traded unit price to net asset value per unit has not been recorded.
4. Annualised distribution yield per unit is calculated by dividing the annualised distribution per unit by the closing unit price as at the end of the reporting period.

INVESTOR CALENDAR

On or around

Interim results announcement for the six months ended 30 June 2024 announcing, among other information, the interim distribution for the six months ended 30 June 2024 (“2024 Interim Distribution”)	9 August 2024 (Friday)
Units quoted ex-2024 Interim Distribution	22 August 2024 (Thursday)
Closure of register of Unitholders (for ascertaining entitlement to the 2024 Interim Distribution)	26 August 2024 (Monday) to 28 August 2024 (Wednesday) (both dates inclusive)
Record date for 2024 Interim Distribution	28 August 2024 (Wednesday)
Payment of the 2024 Interim Distribution for cash distribution	27 September 2024 (Friday)

CORPORATE INFORMATION

MANAGER

Hui Xian Asset Management Limited
Unit 303 Cheung Kong Center
2 Queen's Road Central Hong Kong
Tel: (852) 2121 1128
Fax: (852) 2121 1138

BOARD OF DIRECTORS OF THE MANAGER

Chairman and Non-executive Director

KAM Hing Lam

Executive Directors

CHEUNG Ling Fung, Tom (*Chief Executive Officer*)
LEE Chi Kin, Casey (*Chief Operating Officer*)
LAI Wai Yin, Agnes (*Chief Financial Officer*)

Non-executive Directors

IP Tak Chuen, Edmond
LIM Hwee Chiang

Independent Non-executive Directors

LEE Chack Fan
CHOI Koon Shum, Jonathan
YIN Ke
WU Ting Yuk, Anthony

BOARD COMMITTEES

Audit Committee

YIN Ke (*Chairman*)
LEE Chack Fan
CHOI Koon Shum, Jonathan
IP Tak Chuen, Edmond
WU Ting Yuk, Anthony

Disclosures Committee

CHEUNG Ling Fung, Tom (*Chairman*)
IP Tak Chuen, Edmond
LEE Chack Fan

Designated (Finance) Committee

IP Tak Chuen, Edmond (*Chairman*)
CHEUNG Ling Fung, Tom
CHOI Koon Shum, Jonathan

Nomination Committee

KAM Hing Lam (*Chairman*)
LEE Chack Fan
YIN Ke

COMPANY SECRETARY OF THE MANAGER

Fair Wind Secretarial Services Limited

TRUSTEE

DB Trustees (Hong Kong) Limited

AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors

PRINCIPAL VALUER

Kroll (HK) Limited

LEGAL ADVISER

Woo Kwan Lee & Lo

UNIT REGISTRAR

Computershare Hong Kong Investor Services
Limited
17M Floor Hopewell Centre
183 Queen's Road East Wanchai, Hong Kong
Tel: (852) 2862 8555
Fax: (852) 2865 0990

INVESTOR RELATIONS

TONG BARNES Wai Che, Wendy
Tel: (852) 2121 1128
Fax: (852) 2121 1138
Email: info@huixianreit.com

PROPERTY MANAGER

北京匯賢企業管理有限公司
(Beijing Hui Xian Enterprise Services Limited*)

STOCK CODE

87001

WEBSITE

www.huixianreit.com

GLOSSARY

Board	the board of directors of the Manager
BOP	北京東方廣場有限公司 (Beijing Oriental Plaza Co., Ltd.*), a Sino-foreign co-operative joint venture established in the PRC
Director(s)	director(s) of the Manager
DPU	distribution per unit
GDP	gross domestic product
Hui Xian Investment	Hui Xian Investment Limited
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 SFO
Hui Xian REIT group	Hui Xian REIT and other companies or entities held or controlled by Hui Xian REIT
Listing Rules	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
Manager	Hui Xian Asset Management Limited, a company incorporated in Hong Kong and a corporation licensed to carry on the regulated activity of asset management under the SFO
PRC	People's Republic of China
REIT Code	Code on Real Estate Investment Trusts
RMB	Renminbi
SFC	Securities and Futures Commission of Hong Kong
SFO	Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong)
Shenyang Investment BVI	Shenyang Investment (BVI) Limited

GLOSSARY

Shenyang Investment HK	Shenyang Investment (Hong Kong) Limited
Shenyang Lido	瀋陽麗都商務有限公司 (Shenyang Lido Business Co. Ltd*), a limited liability company established in the PRC
Stock Exchange	The Stock Exchange of Hong Kong Limited
Trust Deed	Deed of Trust constituting Hui Xian REIT dated 1 April 2011 as amended, modified or supplemented from time to time
Trustee	DB Trustees (Hong Kong) Limited, the trustee of Hui Xian REIT
Unit(s)	unit(s) of Hui Xian REIT
Unitholder(s)	any person(s) registered as holding a Unit or Units

* The English name is shown for identification purpose only.

The information as set out in this interim report is updated as of 9 August 2024.