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Spring Real Estate Investment Trust

春泉產業信託

(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: 01426)

Managed by

Spring Asset Management Limited

ANNOUNCEMENT AMENDMENTS TO THE TRUST DEED

The Board wishes to announce that amendments have been made to the Trust Deed to reflect recent REIT Code Amendments, including to: (i) incorporate in the Trust Deed the requirements under the REIT Code in respect of investments by REITs in Minority-owned Properties; (ii) reflect in the Trust Deed the relaxation of the diversification limit applicable to Relevant Investments and incorporate in the Trust Deed the requirements applicable to non-core investments of Spring REIT; (iii) broadly align the scope of and requirements for connected party transactions and notifiable transactions of Spring REIT with the requirements applicable to companies listed on the Stock Exchange under the Listing Rules; (iv) reflect in the Trust Deed the change in the borrowing limit of REITs under the REIT Code; and (v) incorporate in the Trust Deed miscellaneous REIT Code Amendments. The Trust Deed Amendments became effective on 28 May 2021.

A. INTRODUCTION

The Board wishes to announce that on 28 May 2021, the Manager and the Trustee entered into a First Amending and Restating Deed to amend the Trust Deed. The main purpose of the Trust Deed Amendments is to reflect the REIT Code Amendments.

Since the Manager's investment policy and objective for Spring REIT under the pre-existing Trust Deed are to invest in real estate as permitted under the REIT Code, following the REIT Code Amendments to, among others, permit investments by REITs in Minority-owned Properties subject to certain conditions and restrictions, Spring REIT is authorised to invest in Minority-owned Properties subject to such conditions and restrictions. Therefore, there is no change to the investment policy and objective of Spring REIT following the Trust Deed Amendments.

B. TRUST DEED AMENDMENTS

The key Trust Deed Amendments are as follows:

- (i) incorporate in the Trust Deed the requirements under the REIT Code for investments by REITs in Minority-owned Properties. Such amendments include, among others, specifying the conditions of and restrictions on Spring REIT's investments in Minority-owned Properties;
- (ii) reflect in the Trust Deed the relaxation of the diversification limit applicable to Relevant Investments issued by any single group of companies from 5% to 10% of the gross asset value of the Deposited Property and incorporate in the Trust Deed the requirements applicable to non-core investments (including ancillary investments) of Spring REIT (including the Maximum Cap);
- (iii) broadly align the scope of and requirements for connected party transactions and notifiable transactions of Spring REIT with the requirements applicable to companies listed on the Stock Exchange under the Listing Rules. Such amendments include, among others, revising the scope of connected persons of Spring REIT;
- (iv) reflect in the Trust Deed the change in the borrowing limit of REITs under the REIT Code from 45% to 50% of the gross asset value of the Deposited Property;
- (v) incorporate in the Trust Deed other miscellaneous REIT Code Amendments, such as:
 - (a) clarifying the basis for determining the value of the investments of Spring REIT;

- (b) removing the requirement to obtain a valuation report for new issues of Units; and
 - (c) removing the limitation on the use of two layers of special purpose vehicles; and
- (vi) implement miscellaneous amendments of an editorial or immaterial nature.

The Trustee has certified pursuant to Clause 31.1 of the Trust Deed and 9.6 of the REIT Code that, in its opinion, the Trust Deed Amendments: (i) are necessary to comply with fiscal or other statutory or official requirements (whether or not having the force of law); or (ii) do not materially prejudice the interests of the Unitholders, do not to any material extent release the Trustee, the Manager or any other person from any liability to the Unitholders and do not increase the costs and charges payable from the Deposited Property.

The Manager hereby gives notice of the Trust Deed Amendments to the Unitholders. In compliance with clause 31 of the Trust Deed and 9.6 of the REIT Code, the Trust Deed Amendments do not require specific approval from the Unitholders.

Pursuant to the REIT Code, a copy of the Trust Deed (including the First Amending and Restating Deed) is available for inspection by the public with prior appointment during normal office hours at the Manager’s place of business, being Room 2801, 28/F, Man Yee Building, 68 Des Voeux Road Central, Hong Kong.

C. DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions shall have the following meanings:

“Board”	the board of directors of the Manager.
“Deposited Property”	bears the meaning as defined in the Trust Deed.
“First Amending and Restating Deed”	the First Amending and Restating Deed dated 28 May 2021 amending and restating the Trust Deed between the Trustee and the Manager.
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China.

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange published by the Stock Exchange (modified as appropriate pursuant to 2.26 of the REIT Code).
“Manager”	Spring Asset Management Limited, in its capacity as manager of Spring REIT.
“Maximum Cap”	bears the meaning as defined in the REIT Code.
“Minority-owned Properties”	means jointly owned properties in which Spring REIT will not have majority ownership and control, including both Qualified Minority-owned Properties and Non-qualified Minority-owned Properties.
“Non-qualified Minority-owned Properties ”	bears the meaning as defined in the REIT Code.
“Qualified Minority-owned Properties ”	bears the meaning as defined in the REIT Code.
“REIT”	real estate investment trust.
“REIT Code”	the Code on Real Estate Investment Trusts published by the SFC.
“REIT Code Amendments”	the amendments to the REIT Code gazetted and announced by the SFC on 4 December 2020.
“Relevant Investments”	bears the meaning as defined in the REIT Code.
“SFC”	the Securities and Futures Commission of Hong Kong.
“Spring REIT ”	Spring Real Estate Investment Trust.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

“Trust Deed”	the trust deed dated 14 November 2013 between the Trustee and the Manager constituting Spring REIT (as amended and supplemented by the first supplemental deed dated 22 May 2015).
“Trust Deed Amendments ”	the amendments to the Trust Deed pursuant to the First Amending and Restating Deed.
“Trustee”	DB Trustees (Hong Kong) Limited, in its capacity as trustee of Spring REIT.
“Unit(s)”	unit(s) of Spring REIT.
“Unitholder(s)”	the person for the time being entered in the register of holders of Units as the holder of a Unit and (where the context so admits) persons jointly so entered.
“%”	per cent.

By order of the Board
Spring Asset Management Limited
(as manager of Spring Real Estate Investment Trust)
Mr. Toshihiro Toyoshima
Chairman of the Manager

Hong Kong, 28 May 2021

As at the date of this announcement, the directors of the Manager are Toshihiro Toyoshima (chairman and non-executive director); Leung Kwok Hoe, Kevin (Chief Executive Officer and executive director) and Chung Wai Fai, Michael (executive director); Hideya Ishino (non-executive director); and Simon Murray, Lam Yiu Kin and Liping Qiu (independent non-executive directors).