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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**

POLL RESULTS OF THE EXTRAORDINARY GENERAL MEETING HELD ON 20 MAY 2015

The Board of the Manager announces that, at the EGM held on 20 May 2015, (1) each of the Special Resolutions was duly passed as a special resolution by way of a poll, and (2) the Ordinary Resolution was duly passed as an ordinary resolution by way of a poll. In connection with the Ordinary Resolution, the SFC has granted a waiver in relation to the 2015 Waiver Extension and the New Annual Caps subject to the waiver conditions described below.

POLL RESULTS OF THE EXTRAORDINARY GENERAL MEETING

Reference is made to the circular dated 16 April 2015 (the “**Circular**”) issued to the unitholders (the “**Unitholders**”) of Spring Real Estate Investment Trust (“**Spring REIT**”) in relation to: (a) proposed expansion of the scope of the investment policy and objective of Spring REIT and relevant amendments to the Trust Deed regarding (1) Property Development and Related Activities, (2) Relevant Investments, (3) property types, and (4) geographic scope; (b) proposed Distribution Formula Amendments; (c) other proposed amendments to Trust Deed; (d) proposed 2015 Waiver Extension and New Annual Caps; and (e) Notice of Extraordinary General Meeting of Unitholders held on Wednesday, 20 May 2015 (the “**EGM**”) to the Unitholders. Unless otherwise defined, all capitalized terms used in this announcement shall have the same meanings as those defined in the Circular.

At the EGM, the following resolutions (the “**Resolutions**”) were proposed and decided on by way of a poll:

Special Resolutions

- (1) the Expanded Investment Scope regarding Property Development and Related Activities, and the Property Development Activities Amendments;
- (2) the Expanded Investment Scope regarding Relevant Investments, and the Relevant Investments Amendments;
- (3) the Expanded Investment Scope regarding Property Types, and the Property Types Amendments;
- (4) the Expanded Investment Scope regarding Geographical Scope and the Geographical Scope Amendments;
- (5) the amendments to the Trust Deed relating to the Distribution Formula Amendments;
- (6) the amendments to the Trust Deed relating to proxies and voting arrangements;

- (7) the amendments to the Trust Deed relating to the powers of the Manager to buy-back Units and to redeem certain entitlements in the case of a rights issue and limitation of liability of the Manager and the Trustee in respect of distribution entitlement;
- (8) the amendments to the Trust Deed relating to the adoption by the Manager of an incentive scheme and to issue new Units pursuant to such incentive scheme;

Ordinary Resolution

- (9) to approve the 2015 Waiver Extension and the New Annual Caps.

As at the date of the EGM, the number of Units in issue was 1,114,886,108.

To the best of the Manager’s knowledge, information and belief, after having made reasonable enquiries, no Unitholder was required to abstain from voting in respect of any of the Special Resolution nos. 1 to 6 at the EGM. The total number of Units entitling the Unitholders to attend and vote for or against any of Special Resolutions nos. 1 to 6 was 1,114,886,108, representing all Units in issue as at the date of the EGM.

Pursuant to the REIT Code and the Trust Deed, by virtue of the Manager's material interest in 1) the limitation of liability in respect of distribution entitlement and 2) the issuance of Units pursuant to the incentive scheme, the Manager has abstained from voting on Special Resolutions no. 7 and no. 8 to approve the relevant amendments to the Trust Deed. On this basis, as at the date of the EGM, the total number of Units in issue which were ineligible to vote for or against each of Special Resolutions no. 7 and no. 8 was 13,255,108, held by the Manager. Accordingly, the total number of Units entitling the Independent Unitholders to vote for or against each of Special Resolutions no. 7 and no. 8 was 1,101,631,000, representing approximately 98.8% of the Units in issue.

Pursuant to the REIT Code and the Trust Deed, with respect to the Ordinary Resolution, each member of the Manager Connected Persons Group, including the Manager and all its directors, RCA Fund 01, L.P. and AD Capital Co., Ltd. (in its capacity as a Unitholder), by virtue of their material interest in the 2015 Waiver Extension and the New Annual Caps, has abstained from voting on the Ordinary Resolution. On this basis, as at the date of the EGM, the total number of Units in issue which were ineligible to vote for or against the Ordinary Resolution was 359,622,108, held by members of the Manager Connected Persons Group. Accordingly, the total number of Units entitling the Independent Unitholders to vote for or against the Ordinary Resolution was 755,264,000, representing approximately 67.7% of the Units in issue.

As at the date of the EGM, to the best of the Manager’s knowledge, information and belief, save as disclosed above, no other Unitholder is required to abstain from voting at the EGM in respect of the EGM Resolutions.

The poll at the EGM was scrutinized by the Unit Registrar of Spring REIT, being Computershare Hong Kong Investor Services Limited.

The Resolutions were duly passed based on the voting details set out below:

Special Resolutions	Number of Votes (%)	
	For	Against
1. To approve the Expanded Investment Scope regarding Property Development and Related Activities, and the Property Development Activities Amendments; and the Manager, any director of the Manager, the Trustee and each duly authorised officer of the Trustee each be and is hereby severally authorised to do or procure to be done all such acts and things (including executing all such documents as may be required) as the Manager, such director of the Manager, the Trustee and each duly authorised officer of the	763,377,756 (100.000000%)	0 (0.000000%)

Trustee (as the case may be) may consider desirable, expedient, necessary or in the interest of Spring REIT to implement or give effect to such approval (“ Special Resolution no. 1 ”).		
2. To approve the Expanded Investment Scope regarding Relevant Investments, and the Relevant Investments Amendments; and the Manager, any director of the Manager, the Trustee and each duly authorised officer of the Trustee each be and is hereby severally authorised to do or procure to be done all such acts and things (including executing all such documents as may be required) as the Manager, such director of the Manager, the Trustee and each duly authorised officer of the Trustee (as the case may be) may consider desirable, expedient, necessary or in the interest of Spring REIT to implement or give effect to such approval (“ Special Resolution no. 2 ”).	687,826,352 (90.103012%)	75,551,404 (9.896988%)
3. To approve the Expanded Investment Scope regarding Property Types, and the Property Types Amendments; and the Manager, any director of the Manager, the Trustee and each duly authorised officer of the Trustee each be and is hereby severally authorised to do or procure to be done all such acts and things (including executing all such documents as may be required) as the Manager, such director of the Manager, the Trustee and each duly authorised officer of the Trustee (as the case may be) may consider desirable, expedient, necessary or in the interest of Spring REIT to implement or give effect to such approval (“ Special Resolution no. 3 ”).	763,375,756 (99.999738%)	2,000 (0.000262%)
4. To approve the Expanded Investment Scope regarding Geographical Scope and the Geographical Scope Amendments; and the Manager, any director of the Manager, the Trustee and each duly authorised officer of the Trustee each be and is hereby severally authorised to do or procure to be done all such acts and things (including executing all such documents as may be required) as the Manager, such director of the Manager, the Trustee and each duly authorised officer of the Trustee (as the case may be) may consider desirable, expedient, necessary or in the interest of Spring REIT to implement or give effect to such approval (“ Special Resolution no. 4 ”).	763,314,756 (99.991747%)	63,000 (0.008253%)
5. To approve the amendments to the Trust Deed relating to the Distribution Formula Amendments; and the Manager, any director of the Manager, the Trustee and each duly authorised officer of the Trustee each be and is hereby severally authorised to do or procure to be done all such acts and things (including executing all such documents as may be required) as the Manager, such director of the Manager, the Trustee and each duly authorised officer of the Trustee (as the case may be) may consider desirable, expedient, necessary or in the interest of Spring REIT to implement or give effect to such approval (“ Special Resolution no. 5 ”).	763,375,756 (99.999738%)	2,000 (0.000262%)
6. To approve the amendments to the Trust Deed relating to proxies and voting arrangements; and	763,334,756 (99.991747%)	63,000 (0.008253%)

the Manager, any director of the Manager, the Trustee and each duly authorised officer of the Trustee each be and is hereby severally authorised to do or procure to be done all such acts and things (including executing all such documents as may be required) as the Manager, such director of the Manager, the Trustee and each duly authorised officer of the Trustee (as the case may be) may consider desirable, expedient, necessary or in the interest of Spring REIT to implement or give effect to such approval (“ Special Resolution no. 6 ”).		
7. To approve the amendments to the Trust Deed relating to the Manager’s power to buy-back Units and to redeem certain entitlements in the case of a rights issue and limitation of liability of the Manager and the Trustee in respect of distribution entitlement; and the Manager, any director of the Manager, the Trustee and each duly authorised officer of the Trustee each be and is hereby severally authorised to do or procure to be done all such acts and things (including executing all such documents as may be required) as the Manager, such director of the Manager, the Trustee and each duly authorised officer of the Trustee (as the case may be) may consider desirable, expedient, necessary or in the interest of Spring REIT to implement or give effect to such approval (“ Special Resolution no. 7 ”).	749,879,648 (99.999733%)	2,000 (0.000267%)
8. To approve the amendments to the Trust Deed relating to the adoption by the Manager of an incentive scheme and to issue new Units pursuant to such incentive scheme; and the Manager, any director of the Manager, the Trustee and each duly authorised officer of the Trustee each be and is hereby severally authorised to do or procure to be done all such acts and things (including executing all such documents as may be required) as the Manager, such director of the Manager, the Trustee and each duly authorised officer of the Trustee (as the case may be) may consider desirable, expedient, necessary or in the interest of Spring REIT to implement or give effect to such approval (“ Special Resolution no. 8 ”).	749,879,648 (99.999733%)	2,000 (0.000267%)

Ordinary Resolution	Number of Votes (%)	
	For	Against
9. To approve the 2015 Waiver Extension and the New Annual Caps; and the Manager, any director of the Manager, the Trustee and each duly authorised officer of the Trustee each be and is hereby severally authorised to do or procure to be done all such acts and things (including executing all such documents as may be required) as the Manager, such director of the Manager, the Trustee and each duly authorised officer of the Trustee (as the case may be) may consider desirable, expedient, necessary or in the interest of Spring REIT to implement or give effect to such approval.	734,181,648 (100.000000%)	0 (0.000000%)

As 75% or more of the votes were cast in favour of each of the proposed Special Resolutions no. 1, no. 2, no. 3, no. 4, no. 5, no. 6, no. 7, and no. 8, as set out in the EGM Notice, each of such resolutions was duly passed as a Special Resolution.

As more than 50% of the votes were cast in favour of the proposed Ordinary Resolution, as set out in the EGM Notice, the resolution was duly passed as an Ordinary Resolution.

Based on the poll result set out above, the Trustee and the Manager will enter into a supplemental deed to effect the relevant amendments to the Trust Deed as described in details in the Circular.

EXTENSION OF PERIOD OF WAIVER IN RESPECT OF EXISTING CONTINUING CONNECTED PARTY TRANSACTIONS AND NEW ANNUAL CAPS FOR CERTAIN CONTINUING CONNECTED PARTY TRANSACTIONS

In connection with the Ordinary Resolution, the Manager has made a submission on 15 April 2015 to the SFC to seek an extension of the initial waiver from strict compliance with the disclosure and Unitholder's approval requirements under Chapter 8 of the REIT Code granted by the SFC on 21 November 2013 so that it applies for the three full financial years ending 31 December 2017 (the "**2015 Extended Waiver**"). As part of its submission, the Manager has also proposed New Annual Caps for the Relevant Connected Party Transactions for the years ending 31 December 2015, 31 December 2016 and 31 December 2017 respectively. The SFC has, on 20 May 2015, granted the 2015 Waiver Extension and the New Annual Caps, subject to the following waiver conditions:

(i) *Due approval by Unitholders*

Due approval by Unitholders other than those who have a material interest in the relevant transactions, within the meaning of 8.11 of the REIT Code ("**Independent Unitholders**") and adoption of Ordinary Resolution to approve the 2015 Extended Waiver set out in the notice of EGM dated 16 April 2015, without any material amendment thereto;

(ii) *Duration and extensions or modifications*

The 2015 Extended Waiver has been granted for a period of three financial years ending 31 December 2017. The 2015 Extended Waiver may be extended beyond 31 December 2017, and/or the terms and conditions of the 2015 Extended Waiver may be modified from time to time, provided that:

- (a) the approval of Independent Unitholders is obtained by way of an Ordinary Resolution passed in a general meeting of Unitholders;
- (b) disclosure of details of the proposed extension and/or modification, as the case may be, shall be made by way of an announcement by the Manager of such proposal, and a circular and notice shall be issued to Unitholders in accordance with Chapter 10 of the REIT Code; and
- (c) any extension of the period of the 2015 Extended Waiver shall, on each occasion of such extension, be for a period which shall expire not later than the third full financial year end date of Spring REIT after the date on which the approval referred to in (a) above is obtained.

For the avoidance of doubt, any material change to the transactions covered by the 2015 Extended Waiver (including but not limited to the scope or nature of transactions) as set out in the Circular must be approved by the Independent Unitholders pursuant to (a) above, and details of the proposed changes shall be disclosed in the manner as referred to in (b) above.

(iii) *Annual caps*

The annual value of the connected party transactions subject to the 2015 Extended Waiver shall not exceed the respective annual caps set out in the following table:

Categories of connected party transactions	For the year ending 31 December 2015	For the year ending 31 December 2016	For the year ending 31 December 2017
Leasing transactions	RMB10,986,000	RMB14,831,000	RMB16,104,000
Transaction under the Property Management Agreement	RMB13,855,000	RMB15,933,000	RMB18,323,000

In respect of the leasing transactions first entered into or renewed on or after the date that the 2015 Extended Waiver becomes effective, an independent valuation shall be conducted for each of such transactions except where they are conducted on standard or published rates.

(iv) *Disclosure in semi-annual and annual report*

Details of the relevant connected party transactions shall be disclosed in Spring REIT's semi-annual and annual reports, as required under 8.14 of the REIT Code.

(v) *Auditors' review procedures*

In respect of each relevant financial period, the Manager shall engage and agree with the auditors of Spring REIT to perform certain review procedures on all of the connected party transactions. The auditors shall then report in the auditors' report of Spring REIT ("**Auditors' Report**") to the Manager on the factual findings based on the work performed by them (and a copy of such report shall be provided to the SFC), confirming whether all such connected party transactions:

- (a) have received the approval of the Board (including the approval of all of the independent non-executive Directors);
- (b) are in accordance with the pricing policies of Spring REIT;
- (c) have been entered into in accordance with the terms of the agreements governing the transactions; and
- (d) the total value in respect of which has not exceeded the respective annual limits (where applicable).

(vi) *Review by the independent non-executive Directors of the Manager*

The independent non-executive Directors shall review the relevant connected party transactions annually and confirm in Spring REIT's annual report for the relevant financial period that such transactions have been entered into:

- (a) in the ordinary and usual course of business of Spring REIT;
- (b) on normal commercial terms (to the extent that there are comparable transactions) or, where there are insufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favorable to Spring REIT than terms available to or from (as appropriate) independent third parties; and

- (c) in accordance with the relevant agreements and the Manager's internal procedures governing them, if any, on terms that are fair and reasonable and in the interests of the Unitholders as a whole.

(vii) *Auditors' access to books and records*

The Manager shall allow, and shall procure the counterparty to the relevant connected party transaction to allow, the auditors of Spring REIT sufficient access to their records for the purpose of reporting on the transactions.

(viii) *Notification to the SFC*

The Manager shall promptly notify the SFC and publish an announcement if it knows or has reason to believe that the auditors of Spring REIT and/or the independent non-executive Directors will not be able to confirm the matters set out in the above.

(ix) *Subsequent increases in annual caps with Independent Unitholders' approval*

If necessary, for example, where there are further asset acquisitions by Spring REIT thereby increasing the scale of its operations generally, or where there are changes in market or operating conditions, the Manager may, from time to time in the future, seek to increase one or more of the annual caps set out in the above, provided that:

- (a) the approval of Independent Unitholders is obtained by way of an Ordinary Resolution passed in a general meeting of Unitholders;
- (b) disclosure of details of the proposal to increase the cap amounts shall be made by way of an announcement by the Manager of such proposal, and a circular and notice shall be issued to Unitholders in accordance with Chapter 10 of the REIT Code; and
- (c) the requirements referred to in paragraphs (iii) to (viii) above shall continue to apply to the relevant transactions, save that the increased annual caps shall apply.

(x) *8.14 of the REIT Code*

The Manager shall comply with all requirements under 8.14 of the REIT Code where there is any material change to the terms of the relevant connected party transactions or where there is any subsequent change to the REIT Code which may impose stricter requirements in respect of disclosure and/or Unitholders' approval.

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, 20 May 2015

As at the date of this announcement, the directors of the Manager are Toshihiro Toyoshima (Chairman and non-executive director); Lau Jin Tin, Don (executive director) and Nobumasa Saeki (executive director); Hideya Ishino (non-executive director); and Simon Murray, Liping Qiu and Lam Yiu Kin (independent non-executive directors).