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**HUI XIAN** REIT  
匯賢產業信託

## **Hui Xian Real Estate Investment Trust**

*(a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance  
(Chapter 571 of the Laws of Hong Kong))*

**(Stock Code: 87001)**

**Managed by Hui Xian Asset Management Limited**

### **PREPAYMENT OF LOAN AND ITS FINANCIAL IMPACT**

This announcement is made by Hui Xian Asset Management Limited 滙賢房託管理有限公司 (the “**Manager**”) (in its capacity as manager of Hui Xian Real Estate Investment Trust (“**Hui Xian REIT**”)) pursuant to 10.3 of the Code on Real Estate Investment Trusts, Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

On 31 May 2024, Hui Xian Investment Limited (being a limited company incorporated in Hong Kong and indirectly wholly-owned by Hui Xian REIT) made a prepayment in the amount of HK\$1.4 billion (the “**Prepayment**”) of an outstanding facility provided by a syndicate of banks (which are not connected persons of Hui Xian REIT), which had a principal amount of HK\$1.8 billion before the Prepayment and will mature on 29 November 2024.

As the functional currency and reporting currency for the consolidated financial statements of Hui Xian REIT are Renminbi (RMB) and due to depreciation of RMB against Hong Kong dollar since the initial drawdown of the loan, an exchange loss of approximately RMB159 million is realised in the consolidated accounts of Hui Xian REIT in respect of the Prepayment. Such exchange loss is expected to have a negative impact on the amount available for distribution to the unitholders of Hui Xian REIT (the “**Unitholders**”) for the six months ending 30 June 2024 as the amount otherwise available for distribution will be reduced by the amount of such exchange loss.

Solely for the purpose of illustration, such exchange loss is equivalent to approximately 65% of the amount available for distribution to the Unitholders for the six months ended 30 June 2023.

Interest expenses were and continue to be one of the major expenses for Hui Xian REIT. After taking into account the amount of cash available to the Hui Xian REIT group and the current funding requirements of Hui Xian REIT and that the Hong Kong interbank offered rate (to which the interest rate for the loan is linked) remains high in 2024, the board of directors of the Manager considers that it is in the interests of Hui Xian REIT to make the Prepayment to reduce the interest expenses notwithstanding the realisation of exchange loss as a result.

**Unitholders and potential investors should exercise caution when dealing in the securities of Hui Xian REIT.**

By order of the Board  
**Hui Xian Asset Management Limited**  
滙賢房託管理有限公司  
**(as Manager of Hui Xian Real Estate Investment Trust)**  
**CHEUNG Ling Fung Tom**  
*Chief Executive Officer and Executive Director of the Manager*

Hong Kong, 31 May 2024

*As at the date of this announcement, the Directors of the Manager are Mr. KAM Hing Lam (Chairman and non-executive Director); Mr. CHEUNG Ling Fung, Tom, 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).*