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**Prosperity 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: 808)**

Managed by



**ARA Asset Management (Prosperity) Limited**

**ANNOUNCEMENT**

**RENTAL SUPPORT PAYMENT UNDER THE DEED OF RENTAL SUPPORT**

The Board wishes to notify the Unitholders that the rental support payment payable by the Vendor to Prosperity REIT for the financial year ended 31 December 2014 calculated on a pro-rata basis by reference to the actual number of days from the Completion Date up to and including 31 December 2014 divided by the total number of days from 1 January 2014 to 31 December 2014 (both days inclusive) is HK\$2,272,391.56.

As an interim rental support payment of HK\$1,645,076.26 has already been paid by the Vendor to the Target Company on 30 July 2014, the final outstanding rental support payment for the financial year ended 31 December 2014 payable by the Vendor to Prosperity REIT (the "**Final 2014 Rental Support Payment**") shall be HK\$627,315.30. The Final 2014 Rental Support Payment (when aggregated with the interim rental support payment paid for the six months ended 30 June 2014) represents approximately 0.56% of the revenue of Prosperity REIT for the financial year ended 31 December 2014, and the cash amount of the Final 2014 Rental Support Payment will be paid by the Vendor to the Target Company on or before 20 March 2015 in accordance with the Deed of Rental Support.

Reference is made to the circular of Prosperity Real Estate Investment Trust ("**Prosperity REIT**") dated 16 December 2013 in relation to, among others, Prosperity REIT's acquisition of the Chong Yip Property (the "**Circular**") and the announcement of Prosperity REIT dated 22 August 2014 in relation to the payment of the interim rental support payment for the six months ended 30 June 2014. Unless the context requires otherwise, terms used in this announcement shall have the same meaning as those defined in the Circular.

The Board wishes to notify the Unitholders that the Rental Income for the financial year ended 31 December 2014 (as reflected in the Target Company's audited financial statements for the financial year ended 31 December 2014 and as notified by the Target Company to the Vendor in writing) is HK\$29,901,857.38, which is less than the agreed Rental Income support for the financial year of HK\$32.32 million by HK\$2,418,142.62.

Pursuant to the Deed of Rental Support, both the rental support payments in respect of the financial year ended 31 December 2014, as well as the Maximum Annual Rental Support Payment for the same period, shall be calculated on a pro-rata basis by reference to the actual number of days from the Completion Date up to and including 31 December 2014 divided by the total number of days from 1 January 2014 to 31 December 2014 (both days inclusive). On this basis, the pro rated rental support payment payable by the Vendor to Prosperity REIT for the financial year ended 31 December 2014 shall be HK\$2,272,391.56, which is less than the pro rated Maximum Annual Rental Support Payment (being HK\$4,698,630.14) for the same period.

As an interim rental support payment of HK\$1,645,076.26 has already been paid by the Vendor to the Target Company on 30 July 2014, the final outstanding rental support payment for the financial year ended 31 December 2014 payable by the Vendor to Prosperity REIT (the "**Final 2014 Rental Support Payment**") shall be HK\$627,315.30. The Final 2014 Rental Support Payment (when aggregated with the interim rental support payment paid for the six months ended 30 June 2014) represents approximately 0.56% of the revenue of Prosperity REIT for the financial year ended 31 December 2014, and the cash amount of the Final 2014 Rental Support Payment will be paid by the Vendor to the Target Company on or before 20 March 2015, which is within 15 Business Days after receipt of the invoice issued by or on behalf of Prosperity REIT to the Vendor in accordance with the Deed of Rental Support.

The Board (including the independent non-executive Directors) has reviewed and confirmed that the Final 2014 Rental Support Payment is in order. Details of the Final 2014 Rental Support Payment, including its quantum, will also be disclosed in Prosperity REIT's annual report for the financial year ended 31 December 2014.

Rental support payments are payable under the Deed of Rental Support for the period from Completion Date to two years after such date (the "**Payment Period**"). Each rental support payment made by the Vendor to Prosperity REIT for each relevant payment period under the Deed of Rental Support, as well as the aggregate of such payments in respect of any one financial year during the Payment Period, shall not exceed the Maximum Annual Rental Support Payment of HK\$5 million per annum. As at the date of this announcement, the aggregate amount of rental support paid/payable under the Deed of Rental Support (including the Final 2014 Rental Support Payment) is HK\$2,272,391.56, and the unutilised balance of the Maximum Annual Rental Support Payment for the financial year ended 31 December 2014 (calculated on a pro-rata basis by reference to the actual number of days from Completion Date up to and including 31 December 2014 divided by the total number of days from 1 January 2014 to 31 December 2014 (both days inclusive) is HK\$2,426,238.58.

By order of the board of directors of  
**ARA Asset Management (Prosperity) Limited**  
**(as manager of Prosperity Real Estate Investment Trust)**  
**Wong Lai Hung**  
*Executive Director and Chief Executive Officer*

Hong Kong, 5 March 2015

*The Directors of the REIT Manager as at the date of this announcement are Dr. Chiu Kwok Hung, Justin (Chairman), Mr. Lim Hwee Chiang and Mr. Ma Lai Chee, Gerald as Non-executive Directors; Ms. Wong Lai Hung as Executive Director; Dr. Lan Hong Tsung, David, Mrs. Sng Sow-Mei (alias Poon Sow Mei) and Mr. Wong Kwai Lam as Independent Non-executive Directors.*