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## **REGAL 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: 1881)**

**Managed by**



## **POLL RESULTS OF THE EXTRAORDINARY GENERAL MEETING HELD ON 15 JANUARY 2020**

Reference is made to the circular of Regal REIT dated 20 December 2019 in relation to (1) Lease Extensions/Amendments, Lease Guarantee Extensions and CCPT Waiver Extensions; (2) New Hotel Management Agreement and New CCPT Waiver; and (3) Extraordinary General Meeting and Closure of Register of Unitholders (the “**Circular**”). Capitalised terms referred to in this announcement shall have the same meanings as those defined in the Circular unless otherwise stated herein.

At the EGM, the Ordinary Resolutions in relation to:

- (1) the Lease Matters Requiring Approval (being, collectively, the Lease Extensions/Amendments, the Lease Guarantee Extensions and the CCPT Waiver Extensions) and related matters as set out in the Circular; and
- (2) the New Hotel Management Agreement, the New CCPT Waiver Application and related matters as set out in the Circular,

were proposed and decided on by way of poll.

As at the date of EGM,

- (1) the total number of Units in issue was 3,257,431,189; and

(2) the aggregate number of Units entitling the Independent Unitholders to vote for or against the EGM Resolutions was 814,398,087 (representing approximately 25.01% of the 3,257,431,189 Units in issue), and the aggregate number of Units in issue held by Regal Hotels and its Associates which were ineligible to vote for or against the EGM Resolutions was 2,443,033,102. The Independent Unitholders in attendance either in person or by proxy represented 21,205,959 Units carrying voting rights, or approximately 2.60% of the total number of Units carrying voting rights in relation to the EGM Resolutions. To the best of the Manager's knowledge, information and belief, after having made reasonable enquiries, the Manager takes the view that save as disclosed in the Circular, as at the date of the EGM, no other Unitholders are required to abstain from voting at the EGM in respect of the EGM Resolutions.

The Unit Registrar of Regal REIT, Computershare Hong Kong Investor Services Limited, acted as the scrutineer for the poll taken at the EGM.

## POLL RESULTS OF THE EGM

The Board is pleased to announce that the EGM Resolutions were duly passed, based on the poll results in respect of the EGM Resolutions put to vote at the EGM held on 15 January 2020 as set out below:

No.	Ordinary Resolutions	Number of votes (% of the total Units present and voted at the EGM)	
		For	Against
1.	To approve (which, where relevant, shall include approval by way of ratification) the Lease Matters Requiring Approval (being, collectively, the Lease Extensions/Amendments, the Lease Guarantee Extensions and the CCPT Waiver Extensions) and related matters as set out in the Circular.	20,200,959 (95.260766%)	1,005,000 (4.739234%)
2.	To approve (which, where relevant, shall include approval by way of ratification) the New Hotel Management Agreement, the New CCPT Waiver Application and the related matters as set out in the Circular.	20,200,959 (95.260766%)	1,005,000 (4.739234%)

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

**CCPT Waiver Extensions**

The Manager made a submission to the SFC to seek an extension of the CCPT Waiver (being the waiver from strict compliance with the disclosure and unitholders’ approval requirements under Chapter 8 of the REIT Code) in respect of the Lease Agreements, so that such waiver will only cease on the date of expiry (being 27 December 2028 for the Regal Airport Hotel and 31 December 2030 for the other Initial Hotels) or termination of such agreements, whichever is earlier. On 15 January 2020, the SFC granted the CCPT Waiver Extensions, subject to the following conditions:

*(i) Due approval by Independent Unitholders*

Due approval of Independent Unitholders and adoption of the Ordinary Resolution to approve the CCPT Waiver Extensions and the agreements pertaining thereto as set out in the EGM Notice dated 20 December 2019, without any material amendment thereto.

*(ii) Duration*

The waiver is for the periods set out in the table below for the relevant documents, provided that the connected party transactions are duly and properly carried out in accordance with the terms and conditions of the relevant documents.

<b>Agreement/Deed</b>	<b>Period of Waiver granted</b>
Lease Agreements (as supplemented and/or amended from time to time)	Listing Date to 27 December 2028 (in the case of Regal Airport Hotel) or 31 December 2030 (in the case of the other Initial Hotels) or date of termination, whichever is earlier
Lease Guarantees (as supplemented and/or amended from time to time)	Listing Date to last date of subsistence
Hotel management agreements in respect of the Initial Hotels	20 years from the Listing Date or date of early termination, whichever is earlier
Deed of Trade Mark Licence	Listing Date to date of expiry or termination, whichever is earlier

The Lessor of each Lease Agreement shall commence negotiations with the Lessee for the possible further extension of that Lease Agreement at least two years before expiry of the Extended Period, as applicable.

*(iii) No material change*

There shall be no material change to, or waiver or release by or on behalf of Regal REIT of any of its rights and any obligations of the relevant connected persons of Regal REIT under the terms and conditions of the documents, without the approval of Independent Unitholders by way of an ordinary resolution passed at a general meeting of Unitholders.

*(iv) Disclosure in reports and results announcements*

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

*(v) Chapter 10 of the REIT Code*

The Manager shall ensure compliance with any applicable disclosure requirements under Chapter 10 of the REIT Code. The Manager shall inform Unitholders by way of an announcement as soon as practicable of any information which is necessary to enable Unitholders to appraise the position of Regal REIT, including, without limitation, if there is: (a) any extension of the relevant completion date or long stop date and/or any delay in payment of liquidated damages or cash compensation as specified in the relevant documents; (b) any payments under the Lease Guarantees; (c) any payments of hotel management fees (where paid by Regal REIT to the Hotel Manager); (d) annual rent reviews under the Lease Agreements and details of the Market Rental Packages determined by the jointly appointed independent professional property valuer; and (e) any breach of terms of any of the above documents covered by this waiver.

*(vi) Auditors' review procedures*

The Manager shall engage and agree with the auditors of Regal REIT to perform certain review procedures on all of the connected party transactions in respect of each relevant financial period. The auditors will then report to the Manager on the factual findings based on the work performed by them (and a copy of such report will 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 the independent non-executive directors of the Manager (the "INEDs")); and
- (b) have been entered into in accordance with the terms of the agreements/deeds and the Manager's internal procedures governing the transactions.

*(vii) Review by the INEDs*

The INEDs shall review the relevant connected party transactions annually and confirm in Regal 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 Regal REIT;
- (b) on normal commercial terms (to the extent that there are comparable transactions) or, where there are insufficient comparable transactions to assess whether they are on normal commercial terms, on terms no less favourable to Regal REIT than terms available to or from (as appropriate) independent third parties; and
- (c) in accordance with the relevant agreements or deeds and the Manager's internal procedures governing them (if any) on terms that are fair and reasonable and in the best interests of the Unitholders as a whole.

*(viii) 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 Regal REIT sufficient access to their respective records for the purpose of reporting on the transactions.

*(ix) 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 and/or the INEDs will not be able to confirm the matters set out in (vi) and/or (vii) above.

*(x) 8.14 of the REIT Code*

The Manager shall comply in full with the requirements of 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' approvals.

## **New CCPT Waiver Application**

The Manager made a submission to the SFC to apply for a New CCPT Waiver (being the waiver from strict compliance with the disclosure and unitholders' approval requirements under Chapter 8 of the REIT Code) in respect of the New Hotel Management Agreement, so that such waiver will cease on the date of expiry (being 31 December 2030) or termination of such agreement, whichever is earlier. On 15 January 2020, the SFC granted the New CCPT Waiver, subject to the following conditions:

*(i) Due approval by Independent Unitholders*

Due approval of Independent Unitholders and adoption of the Ordinary Resolution to approve the New Hotel Management Agreement and the New CCPT Waiver Application as set out in the EGM Notice dated 20 December 2019, without any material amendment thereto.

*(ii) Duration*

The waiver is for a period set out in the table below, provided that the connected party transactions are duly and properly carried out in accordance with the terms and conditions of the relevant documents.

<b>Agreement/Deed</b>	<b>Period of Waiver granted</b>
New Hotel Management Agreement in respect of the iclub Wan Chai Hotel	1 January 2021 to 31 December 2030 or date of termination, whichever is earlier

The Owner shall commence negotiations with the Hotel Manager for the possible further extension of the New Hotel Management Agreement at least two years before expiry of the operating term.

*(iii) No material change*

There shall be no material change to, or waiver or release by or on behalf of Regal REIT of any of its rights and any obligations of the relevant connected persons of Regal REIT under the terms and conditions of the documents, without the approval of Independent Unitholders by way of an ordinary resolution passed at a general meeting of Unitholders.

*(iv) Disclosure in reports and results announcements*

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

*(v) Chapter 10 of the REIT Code*

The Manager shall ensure compliance with any applicable disclosure requirements under Chapter 10 of the REIT Code. The Manager shall inform Unitholders by way of an announcement as soon as practicable of any information which is necessary to enable Unitholders to appraise the position of Regal REIT, including, without limitation, if there is: (a) any extension of the relevant completion date or long stop date and/or any delay in payment of liquidated damages or cash compensation as specified in the relevant documents; (b) any payments of hotel management fees (where paid by Regal REIT to the Hotel Manager); and (c) any breach of terms of any of the above documents covered by this waiver.

*(vi) Auditors' review procedures*

The Manager shall engage and agree with the auditors of Regal REIT to perform certain review procedures on all of the connected party transactions in respect of each relevant financial period. The auditors will then report to the Manager on the factual findings based on the work performed by them (and a copy of such report will 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 INEDs); and
- (b) have been entered into in accordance with the terms of the agreements/deeds and the Manager's internal procedures governing the transactions.

*(vii) Review by the INEDs*

The INEDs shall review the relevant connected party transactions annually and confirm in Regal 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 Regal REIT;
- (b) on normal commercial terms (to the extent that there are comparable transactions) or, where there are insufficient comparable transactions to assess whether they are on normal commercial terms, on terms no less favourable to Regal REIT than terms available to or from (as appropriate) independent third parties; and

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

*(viii) 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 Regal REIT sufficient access to their respective records for the purpose of reporting on the transactions.

*(ix) 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 and/or the INEDs will not be able to confirm the matters set out in (vi) and/or (vii) above.

*(x) 8.14 of the REIT Code*

The Manager shall comply in full with the requirements of 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' approvals.

By order of the Board  
**Regal Portfolio Management Limited**  
**(as manager of Regal Real Estate Investment Trust)**  
**Simon LAM Man Lim**  
*Executive Director*

Hong Kong, 15 January 2020

*As at the date of this announcement, the Board comprises Mr. LO Yuk Sui as Chairman and Non-executive Director; Miss LO Po Man as Vice Chairman and Non-executive Director; Mr. Johnny CHEN Sing Hung and Mr. Simon LAM Man Lim as Executive Directors; Mr. Donald FAN Tung, Mr. Jimmy LO Chun To and Mr. Kenneth NG Kwai Kai as Non-executive Directors; and Mr. John William CRAWFORD, JP, Mr. Bowen Joseph LEUNG Po Wing, GBS, JP, Mr. Kai Ole RINGENSON and Hon. Abraham SHEK Lai Him, GBS, JP as Independent Non-executive Directors.*