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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



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 limits applicable to Relevant Investments and incorporate in the Trust Deed the requirements applicable to non-core investments of Regal REIT; (iii) broadly align the scope of and requirements for connected party transactions and notifiable transactions of Regal 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 23 March 2021.

A. INTRODUCTION

The Board wishes to announce that on 23 March 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 recently introduced REIT Code Amendments.

The Manager's investment policy and objective for Regal REIT under the pre-existing Trust Deed are to invest in a diversified portfolio of income-producing real estate which wholly or primarily comprises hotels, serviced apartments or commercial properties (including office properties) located anywhere in the world and other investments as permitted under the REIT Code. Following the REIT Code Amendments permitting, among others, investments by REITs in Minority-owned Properties, Regal REIT is authorised to invest in Minority-owned Properties subject to certain conditions and restrictions. Regal REIT will invest in Minority-owned Properties only if such properties are generally income-producing and wholly or primarily comprise hotels, serviced apartments or commercial properties (including office properties) located anywhere in the world in accordance with its investment policy and objective, and there are no proposed changes to the investment policy and objective of Regal 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 Regal REIT's investments in Minority-owned Properties;
- (ii) reflect in the Trust Deed the relaxation of the diversification limits 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 Regal REIT (including the Maximum Cap);
- (iii) broadly align the scope of and requirements for connected party transactions and notifiable transactions of Regal 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 Regal 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 Regal 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 26 of the Trust Deed and 9.6 of the REIT Code that, in its opinion, the Trust Deed Amendments: (i) do not materially prejudice the interests of the Unitholders, do not to any material extent operate to release the Trustee or the Manager from any liability to the Unitholders and do not increase the costs and charges payable from the Deposited Property; or (ii) are necessary in order to comply with applicable fiscal, statutory or official requirements (whether or not having the force of law).

The Manager hereby gives notice of the Trust Deed Amendments to the Unitholders. In compliance with clause 26 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 by prior appointment during normal office hours at the Manager's place of business, being Unit No. 2001, 20/F, 68 Yee Wo Street, Causeway Bay, Hong Kong.

C. DEFINITIONS

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

<i>Board</i>	the board of directors of the Manager.
<i>Deposited Property</i>	bears the meaning as defined in the Trust Deed.
<i>First Amending and Restating Deed</i>	the First Amending and Restating Deed dated 23 March 2021 amending and restating the Trust Deed between the Trustee and the Manager.

<i>Gross Asset Value of the Deposited Property</i>	bears the meaning as defined in the Trust Deed.
<i>Hong Kong</i>	the Hong Kong Special Administrative Region of the People's Republic of China.
<i>Listing Rules</i>	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).
<i>Manager</i>	Regal Portfolio Management Limited, in its capacity as manager of Regal REIT.
<i>Maximum Cap</i>	bears the meaning as defined in the REIT Code.
<i>Minority-owned Properties</i>	means jointly owned properties in which Regal REIT will not have majority ownership and control, including both Qualified Minority-owned Properties and Non-qualified Minority-owned Properties.
<i>Non-qualified Minority-owned Properties</i>	bears the meaning as defined in the REIT Code.
<i>Qualified Minority-owned Properties</i>	bears the meaning as defined in the REIT Code.
<i>Regal REIT</i>	Regal Real Estate Investment Trust.
<i>REIT</i>	real estate investment trust.
<i>REIT Code</i>	the Code on Real Estate Investment Trusts published by the SFC.
<i>REIT Code Amendments</i>	the amendments to the REIT Code gazetted and announced by the SFC on 4 December 2020.
<i>Relevant Investments</i>	bears the meaning as defined in the REIT Code.
<i>SFC</i>	the Securities and Futures Commission of Hong Kong.
<i>Stock Exchange</i>	The Stock Exchange of Hong Kong Limited.

<i>Trust Deed</i>	the trust deed dated 11 December 2006 between the Trustee and the Manager constituting Regal REIT (as amended and supplemented by seven supplemental deeds).
<i>Trust Deed Amendments</i>	the amendments to the Trust Deed pursuant to the First Amending and Restating Deed.
<i>Trustee</i>	DB Trustees (Hong Kong) Limited, in its capacity as trustee of Regal REIT.
<i>Unit(s)</i>	unit(s) of Regal REIT.
<i>Unitholder(s)</i>	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.
<i>%</i>	per cent.

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, 23 March 2021

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.