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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

- (1) EXTENSION OF CONTINUING CONNECTED PARTY TRANSACTION WAIVER
AND PROPOSED NEW ANNUAL CAPS FOR
CERTAIN CONTINUING CONNECTED PARTY TRANSACTIONS;
(2) CONTINUAL SERVICE OF
RELEVANT INDEPENDENT NON-EXECUTIVE DIRECTORS;
(3) PROPOSED GRANT OF GENERAL MANDATE
TO BUY BACK UNITS;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

**Independent Financial Adviser to the Independent Board Committee
of the REIT Manager, the Independent Unitholders and the Trustee**

BALLAS
C A P I T A L

The Board wishes to announce that the REIT Manager proposes to: (i) seek an extension of the 2016 Extended Waiver beyond 31 December 2019 and propose New Annual Caps for the New CPT Waiver Period; (ii) effect the Relevant INEDs Continual Service; and (iii) obtain the Buy-back Mandate.

The Circular containing among other things: (1) a letter from the Board to the Unitholders containing details of, among other things, the 2019 Waiver Extension and the New Annual Caps, the Relevant INEDs Continual Service, and the Buy-back Mandate; (2) a letter from the Independent Board Committee; (3) a letter from the Independent Financial Adviser; and (4) the AGM Notice, will be despatched to the Unitholders as soon as practicable.

The AGM will be held at 2:30 p.m. on Friday, 17 May 2019, at Exhibition Venue A on Level 7, Fortune Metropolis, 6 The Metropolis Drive, Hung Hom, Kowloon, Hong Kong, for the purpose of considering and, if thought fit, passing with or without amendments, each of the Ordinary Resolutions set out in the AGM Notice.

The Register of Unitholders will be closed from Tuesday, 14 May 2019 to Friday, 17 May 2019 (both days inclusive), during which no transfer of Units will be effected, to determine which Unitholders will qualify to attend and vote at the AGM.

This announcement is made pursuant to paragraphs 10.3 and 10.4 of the REIT Code.

The Board wishes to announce that the REIT Manager proposes to: (i) seek an extension of the 2016 Extended Waiver and propose New Annual Caps for the New CPT Waiver Period; (ii) effect the Relevant INEDs Continual Service; and (iii) obtain the Buy-back Mandate.

A. 2019 WAIVER EXTENSION AND NEW ANNUAL CAPS

1. Existing waivers in relation to certain continuing connected party transactions under Chapter 8 of the REIT Code

As disclosed in the offering circular dated 5 December 2005 of Prosperity REIT, the REIT Manager applied for, and the SFC granted, a waiver from strict compliance with the requirements of Chapter 8 of the REIT Code in respect of certain connected party transactions of Prosperity REIT on 30 November 2005. As disclosed in subsequent circulars and announcements, this waiver was subsequently modified and extended on 19 November 2008, 21 June 2011, 15 January 2014, 3 June 2015 and 6 May 2016.

2. Expiration of the 2016 Extended Waiver

The 2016 Extended Waiver will expire on 31 December 2019. In accordance with the terms of the 2016 Extended Waiver, it may be extended beyond 31 December 2019, and/or the terms and conditions may be modified from time to time, provided that:

- (a) the due 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 REIT 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 2016 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 Prosperity REIT after the date on which the approval referred to in paragraph (a) above is obtained.

3. Extension of the 2016 Extended Waiver

The REIT Manager expects that Continuing Connected Party Transactions will continue to be conducted between the Prosperity REIT Group, and the CK Asset Connected Persons Group and/or the Manager Group, beyond the expiry of the 2016 Extended Waiver.

Given the regular, ordinary and ongoing nature of the Continuing Connected Party Transactions, the REIT Manager is of the view that it will be unduly burdensome and not in the interests of the Unitholders for Prosperity REIT to be subject to strict compliance with the requirements under Chapter 8 of the REIT Code with respect to the Continuing Connected Party Transactions on each and every occasion they arise, and accordingly, the REIT Manager has applied to the SFC for an extension of the 2016 Extended Waiver (the “**2019 Waiver Extension**”) so that the resulting extended waiver (the “**2019 Extended Waiver**”) applies for the three financial years ending 31 December 2022 (the “**New CPT Waiver Period**”). The 2019 Extended Waiver shall cover the New CPT Waiver Period, and as part of its submission, the REIT Manager has also proposed New Annual Caps for the New CPT Waiver Period. Details of the 2019 Extended Waiver and the New Annual Caps for the New CPT Waiver Period are set out in the Circular.

The categories of Continuing Connected Party Transactions (including scope and nature) in respect of which the 2019 Extended Waiver is sought are the same as the Continuing Connected Party Transactions in respect of which the 2016 Extended Waiver was granted. The categories of Continuing Connected Party Transactions are:

- (a) Leasing or licensing transactions entered into by the Prosperity REIT Group with members of the CK Asset Connected Persons Group (the “**CK Asset Connected Persons Group Leases/Licences**”);
- (b) Leasing or licensing transactions entered into by the Prosperity REIT Group with members of the Manager Group (the “**Manager Group Leases/Licences**”); and
- (c) Property management arrangements, third party services and other operational transactions in respect of Prosperity REIT and its assets and operations entered into by the Prosperity REIT Group and members of the CK Asset Connected Persons Group (the “**Property Management Transactions**”).

Details of the CK Asset Connected Persons Group Leases/Licences, the Manager Group Leases/Licences and the Property Management Transactions are set out in the Circular.

The Independent Board Committee (which comprises all three of the current INEDs) has been established by the Board to advise the Independent Unitholders on the 2019 Waiver Extension and the New Annual Caps. Ballas Capital Limited has been appointed as the Independent Financial Adviser to provide its opinion on these matters to the Independent Board Committee, the Independent Unitholders and the Trustee. A letter from the Independent Board Committee, which contains the Independent Board Committee’s recommendation to the Independent Unitholders, and a letter from the Independent Financial Adviser, which contains the Independent Financial Adviser’s opinion, together with the principal factors taken into consideration, and assumptions and qualifications in arriving at such opinion, are set out in the Circular.

B. CONTINUAL SERVICE OF RELEVANT INDEPENDENT NON-EXECUTIVE DIRECTORS

Both Dr. Lan Hong Tsung, David (currently an INED and the chairman of the Audit Committee and a member of the Disclosures Committee and the Designated (Finance) Committee) and Mrs. Sng Sow-Mei alias Poon Sow Mei (currently an INED and a member of the Audit Committee) have served on the Board since 2005. At the 2016 EGM, Unitholders approved each of their continual service until the third annual general meeting of Unitholders following the 2016 EGM. In accordance with the Articles of Association and the Compliance Manual, separate Ordinary

Resolutions will be proposed for Unitholders to consider and, if thought fit, approve the continual service of Dr. Lan and Mrs. Sng until the third annual general meeting of Unitholders following the AGM.

Dr. Lan and Mrs. Sng have always contributed objectively in advising and giving independent guidance to the Board in their capacity as INEDs and as members of different Board committees. Both Directors place great importance on the REIT Manager observing high standards of corporate governance, and expressed impartial views on the strategy, business, operations, performance and risk management of the REIT Manager and Prosperity REIT. The REIT Manager has also received annual confirmations from Dr. Lan and Mrs. Sng regarding their independence in accordance with Rule 3.13 of the Listing Rules (as if they were applicable to Prosperity REIT) and the Compliance Manual, and the Board is of the view that both Directors will continue to meet the Director's independence requirements stated therein.

Given that each of Dr. Lan and Mrs. Sng holds fewer than six listed company directorships, has regularly attended the meetings of the Board and the Board committees of which he or she is a member and actively participated in the deliberations in such meetings and has continually kept abreast of current trends and issues relevant to the REIT industry and refreshed his or her skills and knowledge through ongoing training, the Board is of the view that each of them has devoted, and will be able to continue to devote, sufficient time and effort to the Board and discharge his or her duties effectively.

The Board has also considered the contributions of each of Dr. Lan and Mrs. Sng to the diversity of the Board and is satisfied that each of them has the requisite perspectives, skills and experience that would enhance the diversity of the Board as a whole in a manner relevant to the strategic objectives and business of the REIT Manager and Prosperity REIT. Dr. Lan possesses a wealth of knowledge and experience in the areas of macroeconomics, public sector management and corporate governance, and Mrs. Sng has wide experience in various fields of industrial investment, business development, strategic and financial management, and in particular, property investment and management. In addition to their respective individual expertise which add to the overall dynamism of the Board, both of them have demonstrated in-depth understanding, acquired over their years of service, of the REIT market in general. Taking into account the current Board composition and synergies, and the respective contributions of Dr. Lan and Mrs. Sng to the collective effectiveness of the Board in discharging its functions, the Board believes that the continued membership of Dr. Lan and Mrs. Sng on the Board will ensure continuity of experience without compromising the Board's oversight capabilities, the rigour of Board discussions and diversity of perspectives.

Taking into consideration of the above, the Board is of the view that the length of service of each of Dr. Lan and Mrs. Sng has not, in any way, diminished their independence, and that each of Dr. Lan and Mrs. Sng is independent notwithstanding the fact that each of them has served on the Board for more than nine years as at the date of this announcement. The Board is also of the view that each of Dr. Lan and Mrs. Sng has shown the requisite level of competency and commitment to effectively discharge their respective duties as INEDs. Accordingly, the Board believes that each of Dr. Lan and Mrs. Sng possesses the required integrity and experience to continue fulfilling their respective roles as INEDs, and their continued tenures will continue to bring valuable insights and expertise to the Board. The Board further notes that both Dr. Lan and Mrs. Sng have historically enjoyed strong Unitholders' support for their continual service as INEDs, as demonstrated by the high level of Unitholders' approval each of them received during the 2016 EGM. As such, the Board believes that each of Dr. Lan and Mrs. Sng should continue to serve as INEDs beyond the AGM, and that the Relevant INEDs Continual Service is in the best interests of Prosperity REIT and the Unitholders as a whole.

Subject to the passing of the abovementioned Ordinary Resolutions, the continual service of Dr. Lan and Mrs. Sng shall be subject to the annual retirement and re-election requirements under the Articles of Association applicable to all Directors.

Biographical details and other relevant information of each of Dr. Lan and Mrs. Sng are set out in the Circular.

Save as disclosed in the Circular, there is no other matter in connection with the continual service of Dr. Lan and Mrs. Sng as INEDs that needs to be brought to the attention of the Unitholders and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, with necessary changes being made, as if the provisions therein were applicable to REITs.

C. PROPOSED GRANT OF GENERAL MANDATE TO BUY BACK UNITS

At the annual general meeting of Unitholders held on 11 May 2018, an Ordinary Resolution was passed to grant a general mandate to the REIT Manager on behalf of Prosperity REIT to buy back Units of up to 10% of the aggregate number of Units in issue as at 11 May 2018. This general mandate will expire at the conclusion of the AGM. The REIT Manager proposes to seek Unitholders' approval at the AGM to grant a general mandate to the REIT Manager on behalf of Prosperity REIT to buy back Units on the Hong Kong Stock Exchange.

Under the Trust Deed, the REIT Manager shall not repurchase any Units until permitted to do so under the guidelines issued by the SFC from time to time. Pursuant to the SFC Circular, an SFC-authorized REIT may purchase its own units on the Hong Kong Stock Exchange provided that the REIT has followed the requirements as set out in the SFC Circular, including, *inter alia*, the despatch of an

explanatory statement of the repurchase mandate to the unitholders and a specific approval or a general mandate to make such repurchase(s) has been obtained from the unitholders of the REIT.

Having regard to the above, an Ordinary Resolution will be proposed for Unitholders to consider and, if thought fit, grant a general mandate to the REIT Manager on behalf of Prosperity REIT to buy back Units on the Hong Kong Stock Exchange. The Units which may be bought back pursuant to the Buy-back Mandate are up to 10% of the total Units in issue on the date of passing the relevant resolution. The Units bought back by Prosperity REIT pursuant to the Buy-back Mandate shall be automatically cancelled upon such buy-back. The REIT Manager will ensure that the documents of title of the Units bought back are cancelled and destroyed as soon as reasonably practicable following settlement of any such buy-back.

The Buy-back Mandate, if approved by Unitholders, will be in force for the period commencing from the date of the AGM and expiring on the earliest of the following dates: (a) the conclusion of the next annual general meeting of the Unitholders; (b) the expiration of the period within which the next annual general meeting of the Unitholders as referred to in (a) above is required to be held by the Trust Deed, the REIT Code or any applicable laws; or (c) the revocation or variation of the authority given under the resolution approving the Buy-back Mandate by the passing of an Ordinary Resolution.

Prosperity REIT shall also comply with other restrictions and notification requirements applicable to listed companies purchasing their own shares on a stock exchange under Rule 10.06 of the Listing Rules, with necessary changes being made, as if the provisions therein were applicable to REITs. These include, but are not limited to, the dealing restrictions, the restrictions on subsequent issues, the reporting requirements and status of purchased shares.

An explanatory statement in connection with the Buy-back Mandate is set out in the Circular.

D. RECOMMENDATIONS

1. Directors

Having regard to the reasons for, terms of, and factors and other information taken into consideration in relation to the Matters Requiring Approval as described in the Circular, the Board (including all the INEDs) considers that:

- (1) the 2019 Extended Waiver and the basis for the 2019 Extended Waiver (including the New Annual Caps and the basis for arriving at the same) are fair and reasonable as far as the Independent Unitholders are concerned and in the interests of Prosperity REIT, the Independent Unitholders, as well as the Unitholders as a whole;
- (2) each of the Continuing Connected Party Transactions subsisting as at the Latest Practicable Date has been entered into: (i) in the ordinary and usual course of business of Prosperity REIT and is consistent with the investment objectives and strategy of Prosperity REIT; and (ii) on terms which are normal commercial terms at arm's length and are fair and reasonable as far as the Independent Unitholders are concerned and in the interests of Prosperity REIT, the Independent Unitholders, as well as the Unitholders as a whole; and
- (3) each of the Continuing Connected Party Transactions to be entered into after the Latest Practicable Date for the three financial years ending 31 December 2020, 31 December 2021 and 31 December 2022: (i) shall be entered into in the ordinary and usual course of business of Prosperity REIT and shall be consistent with the investment objectives and strategy of Prosperity REIT; and (ii) shall be entered into on terms which are normal commercial terms at arm's length and be fair and reasonable as far as the Independent Unitholders are concerned and shall be in the interests of Prosperity REIT, the Independent Unitholders, as well as the Unitholders as a whole,

and accordingly, the Board recommends Independent Unitholders to vote in favour of the Ordinary Resolution in respect of the 2019 Waiver Extension and the New Annual Caps.

Further, the Board considers that: (i) the continual service of each of Dr. Lan and Mrs. Sng as an INED until the third annual general meeting of Unitholders following the AGM is in the interests of Prosperity REIT and the Unitholders as a whole; and (ii) the granting of the Buy-back Mandate is in the interests of Prosperity REIT and the Unitholders as a whole, and accordingly, recommends all Unitholders to vote in favour of the Ordinary Resolutions in respect of the Relevant INEDs Continual Service and the Buy-back Mandate.

2. Independent Board Committee

The Independent Board Committee (which comprises all three of the current INEDs) has been established by the Board to advise the Independent Unitholders on the 2019 Waiver Extension and the basis for the 2019 Extended Waiver (including the New Annual Caps and the basis for arriving at the same). The Independent Financial Adviser has been appointed to advise the Independent Board Committee, the Independent Unitholders and the Trustee as to whether (among other things) the 2019 Extended Waiver and the New Annual Caps are fair and reasonable.

The Independent Board Committee, having taken into account the opinion of the Independent Financial Adviser and the principal factors considered by it, considers that:

- (1) the 2019 Extended Waiver and the basis for the 2019 Extended Waiver (including the New Annual Caps and the basis for arriving at the same) are fair and reasonable as far as the Independent Unitholders are concerned and in the interests of Prosperity REIT, the Independent Unitholders, as well as the Unitholders as a whole; and
- (2) each of the Continuing Connected Party Transactions subsisting as at the Latest Practicable Date has been entered into: (i) in the ordinary and usual course of business of Prosperity REIT and is consistent with the investment objectives and strategy of Prosperity REIT; and (ii) on terms which are normal commercial terms at arm's length and are fair and reasonable as far as the Independent Unitholders are concerned and in the interests of Prosperity REIT, the Independent Unitholders, as well as the Unitholders as a whole,

and accordingly, the Independent Board Committee recommends Independent Unitholders to vote in favour of the Ordinary Resolution in respect of the 2019 Waiver Extension and the New Annual Caps.

3. Independent Financial Adviser

The Independent Financial Adviser considers that:

- (1) the 2019 Extended Waiver and the basis for the 2019 Extended Waiver (including the New Annual Caps and the basis for arriving at the same) are fair and reasonable as far as the Independent Unitholders are concerned and in the interests of Prosperity REIT, the Independent Unitholders, as well as the Unitholders as a whole; and
- (2) each of the Continuing Connected Party Transactions subsisting as at the Latest Practicable Date has been entered into: (i) in the ordinary and usual course of business of Prosperity REIT and is consistent with the investment objectives and strategy of Prosperity REIT; and (ii) on terms which are normal commercial

terms at arm's length and are fair and reasonable as far as the Independent Unitholders are concerned and in the interests of Prosperity REIT, the Independent Unitholders, as well as the Unitholders as a whole,

and accordingly, the Independent Financial Adviser recommends Independent Unitholders to vote in favour of the Ordinary Resolution in respect of the 2019 Waiver Extension and the New Annual Caps.

4. Trustee

Based on and in sole reliance upon: (1) the opinion of the Board in the letter from the Board to the Unitholders contained in the Circular and the information and assurances provided by the REIT Manager; (2) the letter from the Independent Financial Adviser contained in the Circular; and (3) the letter from the Independent Board Committee contained in the Circular, the Trustee, having taken into account its duties set out in the Trust Deed and the REIT Code, is of the view that the 2019 Extended Waiver and New Annual Caps are fair and reasonable and in the interests of Prosperity REIT, the Independent Unitholders, as well as the Unitholders as a whole. This view is being furnished for the sole purpose of complying with paragraph 10.10(o) of the REIT Code, and is not to be taken as a recommendation or representation by the Trustee of the merits of the 2019 Extended Waiver and the New Annual Caps.

Further, the Trustee has confirmed that the Buy-back Mandate complies with the requirements in the Trust Deed and, subject to Unitholders' approval, the Trustee does not have any objection to the buy-back of Units pursuant to the Buy-back Mandate. The Trustee's confirmation is being furnished for the sole purpose of complying with the SFC Circular, and is not to be taken as a recommendation or representation by the Trustee of the merits of the Buy-back Mandate or of any statements or information made or disclosed in this announcement.

The Trustee has not made any assessment of the merits or impact of the 2019 Extended Waiver, the New Annual Caps or the Buy-back Mandate, other than for the purposes of fulfilling its fiduciary duties set out in the Trust Deed and the REIT Code. Accordingly, the Trustee urges all Unitholders, including those who are in any doubt as to the merits or impact of the 2019 Extended Waiver, the New Annual Caps or the Buy-back Mandate, to seek their own financial or other professional advice.

E. GENERAL

The Circular containing, among other things: (1) a letter from the Board to the Unitholders containing details of, among other things, the 2019 Waiver Extension and the New Annual Caps, the Relevant INEDs Continual Service, and the Buy-back Mandate; (2) a letter from the Independent Board Committee; (3) a letter from the Independent Financial Adviser; and (4) the AGM Notice, will be despatched to the Unitholders as soon as practicable.

The AGM will be held at 2:30 p.m. on Friday, 17 May 2019 at Exhibition Venue A on Level 7, Fortune Metropolis, 6 The Metropolis Drive, Hunghom, Kowloon, Hong Kong for the purpose of considering and, if thought fit, passing with or without amendments, each of the Ordinary Resolutions set out in the AGM Notice.

The Register of Unitholders will be closed from Tuesday, 14 May 2019 to Friday, 17 May 2019 (both days inclusive), during which no transfer of Units will be effected, to determine which Unitholders will qualify to attend and vote at the AGM. For those Unitholders who are not already on the Register of Unitholders, in order to qualify to attend and vote at the AGM, all duly completed transfers of Units accompanied by the relevant Unit certificates must be lodged with the Unit Registrar of Prosperity REIT, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17/F., Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration by 4:30 p.m. on Friday, 10 May 2019.

F. DEFINITIONS

In this announcement, the following definitions apply throughout unless otherwise stated:

2016 EGM	The extraordinary general meeting of Unitholders held on 6 May 2016.
2016 Extended Waiver	The waiver granted by the SFC on 6 May 2016 as more fully described in the circular dated 5 April 2016 issued by the REIT Manager to the Unitholders.
2019 Extended Waiver	Has the meaning ascribed to it in section A.3 of this announcement headed “Extension of the 2016 Extended Waiver”.
2019 Waiver Extension	Has the meaning ascribed to it in section A.3 of this announcement headed “Extension of the 2016 Extended Waiver”.
AGM	The annual general meeting of Unitholders to be convened on Friday, 17 May 2019 at 2:30 p.m. at Exhibition Venue A on Level 7, Fortune Metropolis, 6 The Metropolis Drive, Hunghom, Kowloon, Hong Kong.
AGM Notice	The notice included in the Circular in respect of the AGM to consider and, if thought fit, approve the resolutions to be proposed at the AGM.
Articles of Association	The articles of association of the REIT Manager.
Audit Committee	The audit committee of the REIT Manager.

Board	The board of directors of the REIT Manager.
Buy-back Mandate	The general mandate authorising the buy-back by Prosperity REIT of up to 10% of the Units in issue at the date of passing the Ordinary Resolution to approve the Buy-back Mandate on the Hong Kong Stock Exchange, as more fully described in the Circular.
Circular	The circular to be despatched to Unitholders on 10 April 2019 which, among other things, provides the AGM Notice and further information on the 2019 Waiver Extension and the New Annual Caps, the Relevant INEDs Continual Service and the Buy-back Mandate.
CK Asset	CK Asset Holdings Limited (formerly known as Cheung Kong Property Holdings Limited), a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1113).
CK Asset Connected Persons Group	CK Asset and any person who is connected to CK Asset as described in paragraphs 8.1(e), (f) or (g) of the REIT Code, including: (i) any director, senior executive or officer of CK Asset; (ii) any associate (as defined in the REIT Code) of CK Asset or of any director, senior executive or officer of CK Asset; and (iii) any controlling entity, holding company, subsidiary or associated company (as defined in the REIT Code) of CK Asset.
CK Asset Connected Persons Group Leases/Licences	Has the meaning ascribed to it in section A.3 of this announcement headed “Extension of the 2016 Extended Waiver”.
Compliance Manual	The compliance manual of the REIT Manager.
Continuing Connected Party Transactions	The continuing connected party transactions between the Prosperity REIT Group on one part and the CK Asset Connected Persons Group and/or the Manager Group on the other part, the details of which are set out in the Circular.
Designated (Finance) Committee	The designated (finance) committee of the REIT Manager.
Directors	The directors of the REIT Manager.

Disclosures Committee	The disclosures committee of the REIT Manager.
Hong Kong	The Hong Kong Special Administrative Region of the People's Republic of China.
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited.
Independent Board Committee	The independent committee of the Board established to advise the Independent Unitholders on the 2019 Waiver Extension and the New Annual Caps, comprising Dr. Lan Hong Tsung, David, Mrs. Sng Sow-Mei (alias Poon Sow Mei) and Mr. Wong Kwai Lam, being all three of the INEDs.
Independent Financial Adviser	Ballas Capital Limited, a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising in corporate finance) regulated activities as defined under the SFO and in its capacity as the independent financial adviser for the purpose of paragraph 10.10(p) of the REIT Code.
Independent Unitholders	Unitholders other than those who have a material interest in the relevant resolutions, within the meaning of paragraph 8.11 of the REIT Code.
INED	Independent Non-executive Director of the REIT Manager.
Latest Practicable Date	1 April 2019, being the latest practicable date prior to the printing of the Circular for the purpose of ascertaining certain information contained in the Circular.
Listing Rules	The Rules Governing the Listing of Securities on Hong Kong Stock Exchange, as amended, supplemented or otherwise modified for the time being.
Manager Group	The REIT Manager and any person who is connected to the REIT Manager as described in paragraphs 8.1(e), (f) or (g) of the REIT Code, including: (i) any director, senior executive or officer of the REIT Manager; (ii) any associate (as defined in the REIT Code) of the REIT Manager or of any director, senior executive or officer of the REIT Manager; and (iii) any controlling entity, holding company, subsidiary or associated company (as defined in the REIT Code) of the REIT Manager.

Manager Group Leases/Licences	Has the meaning ascribed to it in section A.3 of this announcement headed “Extension of the 2016 Extended Waiver”.
New Annual Caps	The proposed annual monetary limits for Continuing Connected Party Transactions falling within the New CPT Waiver Period, the details of which are set out in the Circular.
New CPT Waiver Period	Has the meaning ascribed to it in section A.3 of this announcement headed “Extension of the 2016 Extended Waiver”.
Ordinary Resolution	A resolution passed by a simple majority of the votes of those Unitholders present and entitled to vote in person or by proxy at a duly convened meeting by way of a poll, but with a quorum of two or more Unitholders holding 10% of Units in issue.
Property Management Transactions	Has the meaning ascribed to it in section A.3 of this announcement headed “Extension of the 2016 Extended Waiver”.
Prosperity REIT	Prosperity Real Estate Investment Trust.
Prosperity REIT Group	Prosperity REIT and companies or entities held or controlled by it.
REIT	Real estate investment trust.
REIT Code	The Code on Real Estate Investment Trusts published by the SFC as amended, supplemented or otherwise modified for the time being.
REIT Manager	ARA Asset Management (Prosperity) Limited, in its capacity as manager of Prosperity REIT.
Relevant INEDs Continual Service	The proposed continual service of each of Dr. Lan Hong Tsung, David and Mrs. Sng Sow-Mei (alias Poon Sow Mei) as an INED until the third annual general meeting of Unitholders following the AGM.
SFC	The Securities and Futures Commission of Hong Kong.

SFC Circular	The “Circular to Management Companies of SFC-authorized Real Estate Investment Trusts — On-market Unit Repurchases by SFC-authorized REITs” issued by the SFC on 31 January 2008.
Trust Deed	The trust deed entered into between the Trustee and the REIT Manager constituting Prosperity REIT, dated 29 November 2005 and as amended, varied and supplemented from time to time.
Trustee	HSBC Institutional Trust Services (Asia) Limited, in its capacity as trustee of Prosperity REIT. All references to the Trustee in this announcement are, as the context may require, to the Trustee acting on behalf of Prosperity REIT and on the instructions of the REIT Manager.
Unit	One undivided unit in Prosperity REIT.
Unitholder	Any person registered as holding a Unit and any person holding Units through the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited.

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, 9 April 2019

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; and Dr. Lan Hong Tsung, David, Mrs. Sng Sow-Mei (alias Poon Sow Mei) and Mr. Wong Kwai Lam as Independent Non-executive Directors.