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**SpringREIT**

**Spring Real Estate Investment Trust**

春泉產業信託

(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: 01426)**

**Managed by  
Spring Asset Management Limited**

**ANNOUNCEMENT  
CONVERSION OF HK\$585,000,000 1.75%  
CONVERTIBLE BONDS DUE 2022**

The Board wishes to announce that the Issuer has received a conversion notice from the Subscriber, Alpha Great Global Limited, in respect of all of the Bonds held by it and, based on the Conversion Price of HK\$3.642 per Unit (being the Initial Conversion Price without any adjustments), a total number of 160,626,029 New Units has been issued and allotted to the Subscriber today, 12 February 2020, increasing the total number of Units in issue from 1,285,813,315 immediately prior to the issue and allotment of the New Units to 1,446,439,344 immediately following the issue and allotment of the New Units. Such New Units represent approximately 12.5% of the total number of Units in issue immediately prior to the issue and allotment of the New Units and approximately 11.1% of the total number of Units in issue as enlarged by the issue and allotment of the New Units.

The issue and allotment of the New Units will result in the Subscriber becoming a significant holder, and therefore a connected person, of Spring REIT pursuant to paragraph 8.1 of the REIT Code. Accordingly, (a) the directors, senior executives and officers of the Subscriber; (b) associates of such persons and the Subscriber (as defined in the REIT Code); and (c) controlling entities, holding companies, subsidiaries and associated companies of the Subscriber (as defined in the REIT Code), including Sino-Ocean Group, would also become connected persons of Spring REIT. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, there are no transactions between Spring REIT on the one hand and the Subscriber or any person connected through it on the other hand.

This announcement is issued pursuant to paragraphs 10.3 and 10.4(k) of the REIT Code.

## **BACKGROUND**

Reference is made to the announcement of Spring REIT dated 25 November 2019 in relation to, among other things, the proposed issue of the Bonds by the Issuer (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

## **CONVERSION OF BONDS**

The Board wishes to announce that the Issuer has received a conversion notice from the Subscriber, Alpha Great Global Limited, in respect of all of the Bonds held by it and, based on the Conversion Price of HK\$3.642 per Unit (being the Initial Conversion Price without any adjustments), a total number of 160,626,029 New Units has been issued and allotted to the Subscriber today, 12 February 2020, increasing the total number of Units in issue from 1,285,813,315 immediately prior to the issue and allotment of the New Units to 1,446,439,344 immediately following the issue and allotment of the New Units. Such New Units represent approximately 12.5% of the total number of Units in issue immediately prior to the issue and allotment of the New Units and approximately 11.1% of the total number of Units in issue as enlarged by the issue and allotment of the New Units. The accrued interest on the Bonds from (and including) 27 November 2019 to the Conversion Date is payable to the Subscriber.

Each of the Issuer and the Subscriber shall be responsible for their own costs and expenses (if any) arising from the conversion of the Bonds and the issue and allotment of the New Units.

## UNITHOLDING OF SPRING REIT

Upon the issue and allotment of the New Units, the Subscriber will hold more than 10% of the total number of Units in issue and thereby become a significant holder, and therefore a connected person, of Spring REIT pursuant to paragraph 8.1 of the REIT Code. Accordingly, (a) the directors, senior executives and officers of the Subscriber; (b) associates of such persons and the Subscriber (as defined in the REIT Code); and (c) controlling entities, holding companies, subsidiaries and associated companies of the Subscriber (as defined in the REIT Code), including Sino-Ocean Group, would also become connected persons of Spring REIT. For further information on the Subscriber, please refer to the Announcement.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, there are no transactions between Spring REIT on the one hand and the Subscriber or any person connected through it on the other hand.

The table below sets out a summary of the key unitholding in Spring REIT: (a) immediately prior to the issue and allotment of the New Units; and (b) immediately following the issue and allotment of the New Units (based on the Conversion Price of HK\$3.642 per Unit):

Unitholders	Immediately prior to the issue and allotment of the New Units		Immediately following the issue and allotment of the New Units	
	Number of Units	Approximate % of the total number of Units in issue	Number of Units	Approximate % of the total number of Units in issue
<b>Connected Persons</b>				
RCA Fund	363,654,000	28.3%	363,654,000	25.1%
PAG Unitholders	230,830,089	18.0%	230,830,089	16.0%
The Subscriber	0	0.0%	160,626,029	11.1%
The REIT Manager Group	62,484,924	4.9%	62,484,924	4.3%
Directors and Senior Executives of the REIT Manager	3,969,000	0.3%	3,969,000	0.3%
<b>Independent Third Parties</b>				
Other Public Unitholders	624,875,302	48.6%	624,875,302	43.2%
<b>Total</b>	<b>1,285,813,315</b>	<b>100.0%</b>	<b>1,446,439,344</b>	<b>100.0%</b>

This announcement is issued pursuant to paragraphs 10.3 and 10.4(k) of the REIT Code.

By order of the Board of  
**Spring Asset Management Limited**  
(as manager of Spring Real Estate Investment Trust)  
**Mr. Toshihiro Toyoshima**  
*Chairman of the REIT Manager*

Hong Kong, 12 February 2020

*As at the date of this announcement, the directors of the REIT Manager are Toshihiro Toyoshima (chairman and non-executive director); Nobumasa Saeki and Leung Kwok Hoe, Kevin (executive directors); Hideya Ishino (non-executive director); and Simon Murray, Lam Yiu Kin and Liping Qiu (independent non-executive directors).*