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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.  
IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.**

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**If you are in any doubt** as to any aspect of this Circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all of your units in Prosperity REIT, you should at once hand this Circular, together with the accompanying form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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**

### **CIRCULAR TO UNITHOLDERS IN RELATION TO (1) PROPOSED GRANT OF GENERAL MANDATE TO BUY BACK UNITS (2) CONTINUAL SERVICE OF RELEVANT INDEPENDENT NON-EXECUTIVE DIRECTOR AND (3) NOTICE OF ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF UNITHOLDERS**

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A letter to the Unitholders is set out on pages 5 to 11 of this Circular.

A notice convening the AGM to be held at 2:30 p.m. on Wednesday, 29 May 2024 at Exhibition Venue A on Level 7, Fortune Metropolis, 6 The Metropolis Drive, Hunghom, Kowloon, Hong Kong is set out on pages N-1 to N-3 of this Circular. Whether or not you are able to attend and vote at the AGM in person, please complete and return the accompanying form of proxy to the Unit Registrar of Prosperity REIT, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

**There will be NO distribution of gifts or refreshments at the 2024 AGM.**

25 April 2024

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## CORPORATE INFORMATION

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**Prosperity REIT**

Prosperity Real Estate Investment Trust, a collective investment scheme constituted as a unit trust and authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) subject to applicable conditions from time to time.

**REIT Manager**

ARA Asset Management (Prosperity) Limited  
(in its capacity as manager of Prosperity REIT)  
Unit 901, Level 9, Fortune Metropolis  
6 The Metropolis Drive  
Hung Hom, Kowloon  
Hong Kong

**Directors of the REIT Manager***Non-Executive Directors*

Dr. Chiu Kwok Hung, Justin (*Chairman*)  
Mr. Lim Hwee Chiang  
Mr. Ma Lai Chee, Gerald

*Executive Director*

Ms. Wong Lai Hung

*Independent Non-Executive Directors*

Dr. Lan Hong Tsung, David  
Mrs. Sng Sow-Mei (alias Poon Sow Mei)  
Mr. Wong Kwai Lam  
Ms. Ng Shieu Yeing, Christina

**Trustee**

HSBC Institutional Trust Services (Asia) Limited  
(in its capacity as trustee of Prosperity REIT)  
1 Queen's Road Central  
Hong Kong

**Unit Registrar**

Computershare Hong Kong Investor Services Limited  
17M Floor, Hopewell Centre  
183 Queen's Road East, Wanchai  
Hong Kong

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## DEFINITIONS

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In this Circular, the following definitions apply throughout unless otherwise stated. Also, where terms are defined and used in only one section of this document, these defined terms are not included in the table below:

<b>AGM</b>	The annual general meeting of Unitholders to be convened on Wednesday, 29 May 2024 at 2:30 p.m., at Exhibition Venue A on Level 7, Fortune Metropolis, 6 The Metropolis Drive, Hunghom, Kowloon, Hong Kong.
<b>AGM Notice</b>	The notice included in this Circular in respect of the AGM to consider and, if thought fit, approve the resolution to be proposed at the AGM.
<b>Articles of Association</b>	The articles of association of the REIT Manager.
<b>Audit Committee</b>	The audit committee of the REIT Manager.
<b>Board</b>	The board of directors of the REIT Manager.
<b>Buy-back Mandate</b>	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 this Circular.
<b>Compliance Manual</b>	The compliance manual of the REIT Manager.
<b>Designated (Finance) Committee</b>	The designated (finance) committee of the REIT Manager.
<b>Directors</b>	The directors of the REIT Manager.
<b>Hong Kong</b>	The Hong Kong Special Administrative Region of the People's Republic of China.
<b>Hong Kong Stock Exchange</b>	The Stock Exchange of Hong Kong Limited.
<b>INED</b>	Independent Non-executive Director of the REIT Manager.
<b>Latest Practicable Date</b>	16 April 2024, being the latest practicable date prior to the printing of this Circular for the purpose of ascertaining certain information contained in this Circular.
<b>Listing Rules</b>	The Rules Governing the Listing of Securities on Hong Kong Stock Exchange as amended, supplemented or otherwise modified for the time being.

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## DEFINITIONS

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<b>Ordinary Resolution</b>	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 of the Unitholders by way of a poll, but with quorum of two or more Unitholders holding not less than 10% of the Units in issue.
<b>Prosperity REIT</b>	Prosperity Real Estate Investment Trust.
<b>REIT</b>	Real estate investment trust.
<b>REIT Code</b>	The Code on Real Estate Investment Trusts published by the SFC as amended, supplemented or otherwise modified for the time being.
<b>REIT Manager</b>	ARA Asset Management (Prosperity) Limited, in its capacity as manager of Prosperity REIT.
<b>Relevant INED Continual Service</b>	The proposed continual service of Mr. Wong Kwai Lam as an INED until the third annual general meeting of Unitholders following the AGM.
<b>SFC</b>	The Securities and Futures Commission of Hong Kong.
<b>SFC Circular</b>	The “Circular to Management Companies of SFC-authorized Real Estate Investment Trust – On-market Unit Repurchases by SFC-authorized REITs”, issued by the SFC on 31 January 2008.
<b>SFO</b>	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).
<b>Takeovers Code</b>	The Codes on Takeovers and Mergers and Share Buy-backs published by the SFC as amended, supplemented or otherwise modified for the time being.
<b>Trust Deed</b>	The trust deed entered into between the Trustee and the REIT Manager constituting Prosperity REIT, dated 29 November 2005 as amended, supplemented and/or restated from time to time.
<b>Trustee</b>	HSBC Institutional Trust Services (Asia) Limited, in its capacity as trustee of Prosperity REIT. All references to the Trustee in this Circular are, as the context may require, to the Trustee acting on behalf of Prosperity REIT and on the instruction of the REIT Manager.

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## DEFINITIONS

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<b>Unit</b>	One undivided unit in Prosperity REIT.
<b>Unit Registrar</b>	Computershare Hong Kong Investor Services Limited, in its capacity as the unit registrar of Prosperity REIT.
<b>Unitholder</b>	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.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a time of day in this Circular shall be a reference to Hong Kong time unless otherwise stated.

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LETTER TO UNITHOLDERS

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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**

***Directors of the REIT Manager:***

*Non-Executive Directors*

Dr. Chiu Kwok Hung, Justin (*Chairman*)  
Mr. Lim Hwee Chiang  
Mr. Ma Lai Chee, Gerald

*Executive Director*

Ms. Wong Lai Hung

*Independent Non-Executive Directors*

Dr. Lan Hong Tsung, David  
Mrs. Sng Sow-Mei (alias Poon Sow Mei)  
Mr. Wong Kwai Lam  
Ms. Ng Shieu Yeing, Christina

***Registered Office of the REIT Manager:***

Unit 901, Level 9  
Fortune Metropolis  
6 The Metropolis Drive  
Hung Hom, Kowloon  
Hong Kong

25 April 2024

*To: Unitholders of Prosperity REIT*

Dear Sir or Madam,

**(1) PROPOSED GRANT OF GENERAL MANDATE TO BUY BACK UNITS  
(2) CONTINUAL SERVICE OF RELEVANT INDEPENDENT  
NON-EXECUTIVE DIRECTOR  
AND  
(3) NOTICE OF ANNUAL GENERAL MEETING AND  
CLOSURE OF REGISTER OF UNITHOLDERS**

**1. INTRODUCTION**

The purposes of this Circular are to provide you with further information in respect of, *inter alia*, (i) the Buy-back Mandate; and (ii) the Relevant INED Continual Service, and to serve the AGM Notice.

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## LETTER TO UNITHOLDERS

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### 2. PROPOSED GRANT OF GENERAL MANDATE TO BUY BACK UNITS

At the annual general meeting of Unitholders held on 25 May 2023, 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 25 May 2023. 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 the 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 to the Buy-back Mandate is set out in Appendix I to this Circular.

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## LETTER TO UNITHOLDERS

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### 3. CONTINUAL SERVICE OF RELEVANT INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Wong Kwai Lam (currently an INED, chairman of the Nomination Committee and a member of each of the Audit Committee and the Designated (Finance) Committee) has served on the Board since 2011. At the annual general meeting of Unitholders held on 21 May 2021, Unitholders approved his continual service until the third annual general meeting of Unitholders following that annual general meeting. In accordance with the Articles of Association and the Compliance Manual, separate Ordinary Resolution will be proposed for Unitholders to consider and, if thought fit, approve the continual service of Mr. Wong until the third annual general meeting of Unitholders following the AGM.

The Nomination Committee (with Mr. Wong abstaining from participation in the discussion and voting on the resolution of the Nomination Committee) has assessed the independence of Mr. Wong, having regard to the criteria for independence under Rule 3.13 of the Listing Rules (as if they were applicable to Prosperity REIT) and the Compliance Manual, and considers him to be independent and has recommended to the Board that he should continue to serve as an INED. In such assessment, the Nomination Committee has considered, *inter alia*, (a) Mr. Wong's objective contribution in advising and giving independent guidance to the Board, and in observing high standards of corporate governance; (b) Mr. Wong's devotion of time and effort to his duties as an INED and his other listed company directorship commitments; (c) Mr. Wong's contribution to the Board's diversity; and (d) Mr. Wong's in-depth understanding to the REIT market.

Mr. Wong has always contributed objectively in advising and giving independent guidance to the Board in his capacity as an INED and as chairman or member of different Board committees. He places 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 confirmation from Mr. Wong regarding his independence in accordance with Rule 3.13 of the Listing Rules (as if they were applicable to Prosperity REIT) and the Compliance Manual, which have been tabled to the Nomination Committee and the Board for their respective review and consideration. The Nomination Committee is of the view, and the Board agrees, that Mr. Wong will continue to meet the INED's independence requirements stated therein.

Given that Mr. Wong holds no more than seven listed company directorships, has regularly attended the meetings of the Board and the Board committees of which he is a member (including all of such Board and Board committee meetings held during the last financial year) 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 skills and knowledge through ongoing training, the Nomination Committee is of the view, and the Board agrees, that he has devoted, and will be able to continue to devote, sufficient time and effort to the Board and discharge his duties effectively.

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## LETTER TO UNITHOLDERS

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The Nomination Committee has also considered Mr. Wong's contribution to the diversity of the Board and is satisfied that he 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. Mr. Wong possesses a wealth of knowledge and experience in commercial and investment banking industry, and financial management. In addition to his expertise which adds to the overall dynamism of the Board, Mr. Wong has demonstrated in-depth understanding, acquired over his years of service, of the REIT market in general. Taking into account the current Board composition and synergies, and Mr. Wong's contributions to the collective effectiveness of the Board in discharging its functions, the Nomination Committee believes, and the Board agrees, that the continued membership of Mr. Wong 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 Nomination Committee is of the view that the length of service of Mr. Wong has not, in any way, diminished his independence, and that Mr. Wong is independent notwithstanding the fact that he has served on the Board for more than nine years as at the date of this Circular. The Nomination Committee is also of the view that Mr. Wong has shown the requisite level of competency and commitment to effectively discharge his duties as an INED, and his contribution to the overall effectiveness of the Board has been instrumental in guiding the REIT Manager and Prosperity REIT through challenging economic cycles. Accordingly, the Nomination Committee believes that Mr. Wong possesses the required integrity and experience to continue fulfilling his role as an INED, and his continued tenure will continue to bring valuable insights and expertise to the Board. The Nomination Committee has also noted that Mr. Wong has historically enjoyed strong Unitholders' support for his continual service as an INED, as demonstrated by the high level of Unitholders' approval received during the annual general meeting of Unitholders held on 21 May 2021. As such, the Nomination Committee believes that Mr. Wong should continue to serve as an INED beyond the AGM, and that the Relevant INED Continual Service is in the best interests of Prosperity REIT and the Unitholders as a whole. The Nomination Committee has therefore recommended to the Board to recommend to Unitholders for approval of the continual service of Mr. Wong until the third annual general meeting of Unitholders following the AGM. Having considered the process by which the Nomination Committee has arrived at its recommendation, and the factors taken into account in its deliberations and in making such recommendation, the Board agrees with the Nomination Committee's views and recommendation, and in turn recommends that Unitholders vote in favour of the Ordinary Resolution in respect of the Relevant INED Continual Service. For the avoidance of doubt, Mr. Wong has abstained from participation in the discussion and voting at the Board Meeting regarding his continual service.

Subject to the passing of the abovementioned Ordinary Resolution, the continual service of Mr. Wong 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 Mr. Wong are set out in Appendix II to this Circular.

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## LETTER TO UNITHOLDERS

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### 4. VOTING AT THE ANNUAL GENERAL MEETING

Pursuant to Paragraph 9.9(f) of the REIT Code and Paragraph 3.2 of Schedule 1 to the Trust Deed, Unitholders shall be prohibited from voting their own units at, or counted in the quorum for, a meeting at which they have a material interest in the business to be contracted and that interest is different from the interests of all other Unitholders.

As at the Latest Practicable Date, Mr. Wong was not interested in any Units within the meaning of Part XV of the SFO, but will abstain from voting on the Ordinary Resolution to approve his continual service as an INED should he subsequently become interested in any Units as at the record date for the AGM.

As at the Latest Practicable Date, to the best of the REIT Manager's knowledge, information and belief, after having made reasonable enquiries, the REIT Manager is not aware of any Unitholder that is required to abstain from voting in respect of the resolution to be proposed at the AGM.

### 5. VIEWS AND RECOMMENDATIONS

#### 5.1 Board

##### 5.1.1 *Buy-back Mandate*

The Board considers that the granting of the Buy-back Mandate is in the interests of Prosperity REIT and the Unitholders as a whole, and accordingly, recommends Unitholders to vote in favour of the Ordinary Resolution in respect of the Buy-back Mandate.

##### 5.1.2 *Relevant INED Continual Service*

The Board (save for Mr. Wong in respect of his own continual service as an INED) considers that the continual service of Mr. Wong 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 accordingly, recommends Unitholders to vote in favour of the Ordinary Resolutions in respect of the Relevant INED Continual Service.

#### 5.2 Trustee

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 Circular.

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## LETTER TO UNITHOLDERS

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The Trustee has not made any assessment of the merits or impact of 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 Buy-back Mandate, to seek their own financial or other professional advice.

### **6. NOTICE OF THE ANNUAL GENERAL MEETING AND CLOSURE OF THE REGISTER OF UNITHOLDERS**

The AGM will be held at 2:30 p.m. on Wednesday, 29 May 2024 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, the resolutions set out in the AGM Notice, which is set out on pages N-1 to N-3 of this Circular.

The Register of Unitholders will be closed from Friday, 24 May 2024 to Wednesday, 29 May 2024 (both days inclusive), during which period 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 Thursday, 23 May 2024.

You can vote at the AGM if your name appears on the Register of Unitholder on Wednesday, 29 May 2024. You will find enclosed with this Circular the AGM Notice (please refer to pages N-1 to N-3 of this Circular) and a form of proxy for use for the AGM.

Your vote is very important. Accordingly, please complete, sign and date the enclosed form of proxy, whether or not you plan to attend the AGM in person, in accordance with the instructions printed on the form of proxy, and return it to the Unit Registrar of Prosperity REIT, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong. The form of proxy should be completed and returned as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

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## LETTER TO UNITHOLDERS

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### 7. RESPONSIBILITY STATEMENTS

The REIT Manager and the Directors, collectively and individually, accept full responsibility for the accuracy of the information contained in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this Circular misleading.

Yours faithfully,

By Order of the Board

**ARA Asset Management (Prosperity) Limited**  
**(as manager of Prosperity Real Estate Investment Trust)**

**Wong Lai Hung**

*Executive Director and Chief Executive Officer*

The following is the explanatory statement in connection with the proposed Buy-back Mandate:

### **1. ISSUED UNITS**

It is proposed that the Buy-back Mandate will authorise 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. As at the Latest Practicable Date, the number of Units in issue was 1,519,923,270 Units. On the basis of such figure (and if no new Units will be issued after the Latest Practicable Date and up to the date of passing such Ordinary Resolution), exercise in full of the Buy-back Mandate would result in the purchase by Prosperity REIT of up to 151,992,327 Units. The number of Units in issue as at the date of passing such Ordinary Resolution may not be the same as the number of Units in issue as at the Latest Practicable Date. For example, Units are expected to be issued to the REIT Manager as payment of part of the base fee and variable fee for the period from 1 January 2024 to 31 March 2024. Details of such Units expected to be issued to the REIT Manager will be disclosed by way of announcement on the date of issue.

### **2. REASONS FOR BUY-BACKS**

The Directors believe that the general mandate from Unitholders to enable buy-back of Units is in the interests of Prosperity REIT and the Unitholders as a whole. Buy-backs may, depending on the circumstances and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Unit. The Directors are seeking the grant of a general mandate to buy back Units to give Prosperity REIT the flexibility to do so if and when appropriate. The number(s) of Units to be bought back on any occasion and the price and other terms upon which the same are bought back will be decided by the Directors at the relevant time having regard to the circumstances then pertaining and the interests of the Unitholders and Prosperity REIT. Buy-backs of Units will only be made when the REIT Manager believes that such buy-backs will benefit Prosperity REIT and the Unitholders as a whole.

### **3. FUNDING OF BUY-BACKS**

Buy-backs of Units pursuant to the Buy-back Mandate will be made from funds legally available for such purpose in accordance with the Trust Deed and the applicable laws and regulations of Hong Kong. Subject to applicable law and regulation, the REIT Manager intends to use internal sources of funds of Prosperity REIT or external borrowings (or a combination of both) to finance the buy-back of Units pursuant to the Buy-back Mandate.

There could be a material adverse impact on the working capital or gearing position of Prosperity REIT (as compared with the position disclosed in its most recent audited financial statements) in the event that the Buy-back Mandate were exercised in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of Prosperity REIT or the gearing level which in the opinion of the Directors is from time to time appropriate for Prosperity REIT.

#### 4. DISCLOSURE OF INTERESTS

There are no Directors or, to the best of the knowledge of the Directors having made all reasonable enquiries, any associates (as defined in the REIT Code) of the Directors, who have a present intention, in the event that the Buy-back Mandate is approved and granted by the Unitholders, to sell Units to Prosperity REIT.

Up to the Latest Practicable Date, no connected persons (as defined in the REIT Code) of Prosperity REIT had notified the REIT Manager of a present intention to sell Units to Prosperity REIT and no such persons had undertaken not to sell Units held by them to Prosperity REIT, in the event that the Buy-back Mandate is granted by the Unitholders.

#### 5. DIRECTORS' UNDERTAKING

The Directors have undertaken to the SFC to exercise Prosperity REIT's power to buy back Units pursuant to the Buy-back Mandate in accordance with the provisions of the Trust Deed, the applicable laws of Hong Kong, the REIT Code, the Takeovers Code and the guidelines issued by the SFC from time to time.

#### 6. UNITS BOUGHT BACK

No buy-back of Units have been made by Prosperity REIT in the past six months prior to the Latest Practicable Date.

#### 7. EFFECT OF THE TAKEOVERS CODE

If, on exercise of Prosperity REIT's power to buy back Units pursuant to the Buy-back Mandate, a Unitholder's proportionate interest in the voting rights of Prosperity REIT increases, pursuant to Rule 32 of the Takeovers Code, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. As a result, a Unitholder, or group of Unitholders acting in concert, could obtain or consolidate control of Prosperity REIT and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code, unless a waiver is available.

For illustrative purposes only and as far as the REIT Manager is aware, as at the Latest Practicable Date, CK Asset Holdings Limited ("CK Asset") (being the holding company of the largest Unitholders of Prosperity REIT) had an approximately 18.11% interest in Prosperity REIT. In the event of full exercise of the Buy-back Mandate and assuming: (a) no Units are acquired by and/or bought back from CK Asset; and (b) no Units are issued by Prosperity REIT, CK Asset's interest in Prosperity REIT would increase to approximately 20.12%. In such case and based on the above assumptions, CK Asset would not be obliged to make a mandatory general offer pursuant to Rule 26 of the Takeovers Code.

**8. UNIT PRICES**

The highest and lowest prices at which Units were traded on the Hong Kong Stock Exchange in each of the previous 12 months before the Latest Practicable Date are as follows:

	<b>Highest</b> <i>(HK\$)</i>	<b>Lowest</b> <i>(HK\$)</i>
April 2023	2.05	1.89
May 2023	1.97	1.65
June 2023	1.84	1.66
July 2023	1.80	1.66
August 2023	1.72	1.49
September 2023	1.53	1.41
October 2023	1.47	1.35
November 2023	1.47	1.31
December 2023	1.42	1.31
January 2024	1.40	1.23
February 2024	1.32	1.22
March 2024	1.34	1.22
1 April 2024 to the date preceding the Latest Practicable Date	1.25	1.15

**Mr. WONG Kwai Lam**, aged 74, has been an Independent Non-executive Director of the REIT Manager since 2011. He is the Chairman of the Nomination Committee and a member of each of the Audit Committee and Designated (Finance) Committee. He is also an Independent Non-executive Director and Lead Independent Director of Hutchison Port Holdings Management Pte. Limited as the trustee-manager of Hutchison Port Holdings Trust (listed in Singapore), an Independent Non-executive Director of CK Hutchison Holdings Limited (listed in Hong Kong), K. Wah International Holdings Limited (listed in Hong Kong), Langham Hospitality Investments Limited (a company which together with Langham Hospitality Investments listed in Hong Kong) and LHIL Manager Ltd. as the trustee-manager of Langham Hospitality Investments. Mr. Wong is currently the Chairman of Hong Kong Grand Opera Company Limited and an Advisor to The Chamber of Hong Kong Listed Companies, Vice Chairman of the Board of Trustees and a member of the Investment Sub-committee of the Board of Trustees of New Asia College of the Chinese University of Hong Kong, a Director of CUHK Medical Centre Ltd. and a member of the Advisory Board of Continuing and Professional Studies of The Chinese University of Hong Kong. He was formerly a member of each of the Advisory Committee and Real Estate Investment Trust (REIT) Committee of the Securities and Futures Commission in Hong Kong and a member of the China Committee of the Hong Kong Trade Development Council. He was an Independent Non-executive Director of China Merchants Bank Co., Ltd. (listed in Hong Kong and Shanghai) from 2011 to 2018. Save as disclosed above, Mr. Wong has not held any other directorship in any listed public companies in the last three years.

Mr. Wong has over 30 years of experience in the commercial and investment banking industry. Mr. Wong worked with Merrill Lynch (Asia Pacific) Ltd. from May 1993 to August 2009 where he served as a Managing Director in the Asia investment banking division since January 1995. He was appointed as a Senior Client Advisor to Merrill Lynch (Asia Pacific) Ltd. in September 2009 and served in that position for 1 year. Prior to joining Merrill Lynch (Asia Pacific) Ltd., Mr. Wong had been a Director in the investment banking division of CS First Boston (Hong Kong) Ltd. and a Director and the Head of Primary Market in Standard Chartered Asia Limited.

Mr. Wong holds a Bachelor of Arts degree from the Chinese University of Hong Kong and a PhD from Leicester University, England. He was conferred with honorary fellowship by the Chinese University of Hong Kong.

Mr. Wong has entered into a service contract with the REIT Manager for a term of 12 months from 6 July 2011, which has been and will be automatically renewed for successive 12-month periods unless otherwise terminated prior to the expiry of the term. Mr. Wong's service agreement also requires him to retire and seek re-election by rotation at the annual general meetings of the REIT Manager in accordance with the Articles of Association. All remuneration payable to Mr. Wong will be paid and borne by the REIT Manager out of its own resources.

As at the Latest Practicable Date, Mr. Wong was not interested in any Units within the meaning of Part XV of the SFO. Save as disclosed above, he is not related to any directors, senior management, substantial or controlling shareholders of the REIT Manager or substantial or controlling unitholders of Prosperity REIT. Mr. Wong has confirmed to the Board that he has met the independence criteria contained in the Compliance Manual.

Save as disclosed above, there is no other matter in connection with Mr. Wong's continual service as an INED 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, as if they were applicable to Prosperity REIT.

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## NOTICE OF ANNUAL GENERAL MEETING

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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**

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an annual general meeting of unitholders (the “Unitholders”) of Prosperity Real Estate Investment Trust (“**Prosperity REIT**”) will be held at Exhibition Venue A on Level 7, Fortune Metropolis, 6 The Metropolis Drive, Hungghom, Kowloon, Hong Kong on Wednesday, 29 May 2024 at 2:30 p.m. for the following purposes:

- (1) To note the audited financial statements of Prosperity REIT together with the auditors’ report for the year ended 31 December 2023;
- (2) To note the appointment of the auditors of Prosperity REIT and the fixing of their remuneration; and
- (3) To consider and, if thought fit, pass with or without amendments, the resolution set out below.

Terms that are not expressly defined in this notice of annual general meeting shall bear the same meaning as that defined in the unitholder circular dated 25 April 2024 (the “**Circular**”).

### ORDINARY RESOLUTION

#### No. 1

1. **THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the REIT Manager during the Relevant Period (as defined below) of all the powers of Prosperity REIT to purchase the Units on the Hong Kong Stock Exchange, subject to and in accordance with the Trust Deed, the REIT Code, the circulars and guidelines issued by the SFC from time to time, and applicable laws of Hong Kong, be and is hereby generally and unconditionally approved;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) the aggregate number of Units which may be purchased or agreed to be purchased by Prosperity REIT pursuant to the approval in paragraph (a) of this resolution during the Relevant Period (as defined below) shall not exceed 10% of the total number of Units in issue as at the date of the passing of this resolution, and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purpose of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Unitholders; or
  - (ii) the expiration of the period within which the next annual general meeting of the Unitholders as referred to in sub-paragraph (i) above is required to be held by the Trust Deed, the REIT Code or any applicable laws; or
  - (iii) the revocation or variation of the authority given under this resolution by the passing of an Ordinary Resolution.

### ORDINARY RESOLUTION

#### No. 2

2. **THAT:**

- (a) approval (where relevant, shall include approval by way of ratification) be and is hereby given for the continual service of Mr. Wong Kwai Lam as an INED until the third annual general meeting of Unitholders following the AGM; and
- (b) authorisation be granted to the REIT Manager, any director of the REIT Manager, the Trustee and any authorised signatory of the Trustee to do all such acts and things (including executing all such documents as may be required) as the REIT Manager, such director of the REIT Manager, the Trustee or such authorised signatory of the Trustee, as the case may be, may consider expedient or necessary or in the interest of Prosperity REIT to give effect to the matters resolved upon in paragraph (a) of this resolution.

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

Hong Kong, 25 April 2024

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## NOTICE OF ANNUAL GENERAL MEETING

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*Registered Office of the REIT Manager:*

Unit 901, Level 9, Fortune Metropolis

6 The Metropolis Drive

Hunghom, Kowloon

Hong Kong

*Notes:*

- (a) A Unitholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one proxy or two separate proxies to attend and, on a poll, vote in his/her stead. The person appointed to act as a proxy need not be a Unitholder. If more than one proxy is appointed, the relevant proxy form(s) must specify the number of Units in respect of which each such proxy is appointed. Unitholders may also appoint chairman of the AGM as proxy to vote in his/her stead.
- (b) In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the registered office of the Unit Registrar of Prosperity REIT, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof. Completion and return of the proxy will not preclude you from attending and voting in person should you so wish. In the event that you attend the meeting or adjourned meeting (as the case may be) after having lodged a form of proxy, the form of proxy will be deemed to have been revoked.
- (c) Where there are joint registered Unitholders of a Unit, any one of such Unitholders may vote at the meeting either personally or by proxy in respect of such Unit as if he/she were solely entitled thereto, but if more than one of such Unitholders is present at the meeting personally or by proxy, that one of such Unitholders so present whose name stands first on the Register of Unitholders of Prosperity REIT in respect of such Unit shall alone be entitled to vote in respect thereof.
- (d) The Register of Unitholders will be closed from Friday, 24 May 2024 to Wednesday, 29 May 2024, both days inclusive, to determine which Unitholders will qualify to attend and vote at the AGM, during which period no transfer of Units will be effected. For those Unitholders who are not already on the Register of Unitholders, in order to qualify to attend and vote at the meeting convened by the above notice, all Unit certificates accompanied by the duly completed transfer forms must be lodged with the Unit Registrar of Prosperity REIT, Computershare Hong Kong Investor Services Limited, Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration by 4:30 p.m. on Thursday, 23 May 2024.
- (e) If a black rainstorm warning, signal or a tropical cyclone warning signal no. 8 or above, or "extreme conditions" announced by the Hong Kong Government is in force in Hong Kong at 11:30 a.m. on Wednesday, 29 May 2024, the AGM will be rescheduled. The REIT Manager will publish an announcement on the websites of Prosperity REIT at [www.prosperityreit.com](http://www.prosperityreit.com) and Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) to notify Unitholders of the arrangement of the rescheduled meeting.

*The directors of the REIT Manager as at the date of this notice 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), Mr. Wong Kwai Lam and Ms. Ng Shieu Yeing, Christina as Independent Non-executive Directors.*