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**Champion 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: 2778)**

Managed by

**Eagle Asset Management**

Eagle Asset Management (CP) Limited

**PAYMENT OF MANAGER'S FEE TO  
EAGLE ASSET MANAGEMENT (CP) LIMITED  
BY WAY OF UNITS AND CASH**

Reference is made to the announcement of Champion REIT dated 14 January 2011 in relation to the notification from the REIT Manager to the Trustee in writing that it elected to receive 60% of the Manager's Fee arising from the real estate owned by Champion REIT for the financial year 2011 in the form of Units and the remaining 40% in cash.

The Board announces that on 26 August 2011 the REIT Manager received 14,367,734 new Units (representing approximately 0.2899% of the 4,956,590,003 Units in issue immediately after such issue) issued by Champion REIT at the price of HK\$3.833 per Unit (being the Market Price) as payment of 60% of the Manager's Fee for the Period of approximately HK\$55,072,000. The remaining 40% of the Manager's Fee in the amount of approximately HK\$36,714,000 was received in cash.

The REIT Manager held 197,943,541 Units before the receipt of the new Units. With the new Units issued, the REIT Manager holds 212,311,275 Units (representing approximately 4.2834% of the 4,956,590,003 Units in issue immediately after such issue).

This announcement is made pursuant to paragraph 10.4(k) of the REIT Code.

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The Board announces that on 26 August 2011 the REIT Manager received 14,367,734 new Units (representing approximately 0.2899% of the 4,956,590,003 Units in issue immediately after such issue) issued by Champion REIT at the price of HK\$3.833 per Unit (being the Market Price) as payment of 60% of the Manager's Fee for the Period of approximately HK\$55,072,000. The remaining 40% of the Manager's Fee in the amount of approximately HK\$36,714,000 was received in cash. The basis of determination of the 14,367,734 Units as payment of 60% of the Manager's Fee is consistent with the relevant provisions of the Trust Deed. The REIT Manager held 197,943,541 Units before the receipt of the new Units. With the new Units issued, the REIT Manager holds 212,311,275 Units (representing approximately 4.2834% of the 4,956,590,003 Units in issue immediately after such issue).

As at the date of this announcement, the total number of Units issued to the REIT Manager as payment of Manager's fee for the financial year ending on 31 December 2011 did not exceed 3% of the total number of Units outstanding as at 31 December 2010 as required in the waiver condition (ii) mentioned herein below.

The net property income of Champion REIT for the Period was approximately HK\$764,882,000. Since the net property income for the Period exceeded the required threshold of net property income of HK\$200 million, pursuant to the Trust Deed, the REIT Manager is entitled to receive the Manager's Fee for the Period.

The payment of the Manager's Fee by way of Units is in accordance with the terms of the Trust Deed and does not require specific prior approval of the Unitholders pursuant to a waiver granted by the SFC. Principal provisions regarding the Manager's fee have been set out in details in the Offering Circular.

The waiver in respect of payment of the Manager's fee by way of Units was granted by the SFC subject to the following conditions:

- (i) the number of Units issued to the REIT Manager as payment of all or part of the Manager's fee for each financial year of Champion REIT will be counted as part of the 20% (or such lower percentage as permitted by the REIT Code from time to time) of outstanding Units that the REIT Manager may issue in each financial year without Unitholders' approval pursuant to paragraph 12.2 of the REIT Code;
- (ii) in respect of each financial year, the maximum number of Units that may be issued to the REIT Manager as payment of all or part of the Manager's fee for that financial year shall, in aggregate, be limited to such number of Units which represents 3% of the total number of Units outstanding as at the last day of the immediately preceding financial year plus the number of Units (if any) issued in the relevant financial year for the purpose of financing any acquisition of real estate by Champion REIT;

- (iii) any issuance of Units to the REIT Manager as payment of all or part of the Manager's fee shall be made strictly in accordance with the requirements of the Trust Deed; and
- (iv) in the event that any payment of all or part of the Manager's fee in the form of Units to the REIT Manager exceeds the relevant thresholds set out in paragraph 12.2 of the REIT Code and paragraph (ii) above, and Unitholders' approval is not obtained for the issue of Units for such purpose, then payment of that excess part of the Manager's fee, as the case may be, will be made by Champion REIT to the REIT Manager in cash.

## DEFINITIONS

“Board”	the board of directors of the REIT Manager
“Champion REIT”	Champion Real Estate Investment Trust
“Manager's Fee”	the fee of approximately HK\$91,786,000 payable by Champion REIT out of the real estate owned by Champion REIT to the REIT Manager calculated at 12% of the net property income of Champion REIT for the Period
“Market Price”	has the meaning ascribed to this term in the Trust Deed and in the case of issue of Units as payment for the Manager's Fee, Market Price shall mean the price as determined by the REIT Manager as being the higher of: <ul style="list-style-type: none"> <li>(1) the closing price of the Units on the Stock Exchange on the trading day immediately preceding the date on which the new Units are issued; and</li> <li>(2) the average closing price of the Units in the ten trading days immediately preceding the date on which the new Units are issued</li> </ul>
“Offering Circular”	the offering circular dated 11 May 2006 issued by the REIT Manager in connection with the initial public offering of the Units
“Period”	the six-month period ended 30 June 2011
“REIT Code”	the Code on Real Estate Investment Trusts
“REIT Manager”	Eagle Asset Management (CP) Limited (as manager of Champion REIT) and is a subsidiary of Great Eagle Holdings Limited
“SFC”	The Securities and Futures Commission of Hong Kong

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trust Deed”	the trust deed constituting Champion REIT dated 26 April 2006, as supplemented by a first supplemental deed dated 5 December 2006, a second supplemental deed dated 4 February 2008, a third supplemental deed dated 9 March 2009 and a fourth supplemental deed dated 23 July 2010 respectively, entered into between the Trustee and the REIT Manager
“Trustee”	HSBC Institutional Trust Services (Asia) Limited, as trustee of Champion REIT
“Unitholders”	holders of the Units
“Units”	the units of Champion REIT

By Order of the Board  
**Eagle Asset Management (CP) Limited**  
 (as manager of Champion Real Estate Investment Trust)  
**LO Ka Shui**  
*Chairman*

Hong Kong, 26 August 2011

As at the date of this announcement, the Board comprises:

*Non-executive Directors:*

Dr. Lo Ka Shui (*Chairman*), Mr. Cheng Wai Chee, Christopher, Mr. Ho Shut Kan and Mr. Lo Kai Shui

*Executive Director:*

Mr. Lee Ching Ming, Adrian (*Chief Executive Officer*)

*Independent Non-executive Directors:*

Mr. Cha Mou Sing, Payson, Mr. Shek Lai Him, Abraham and Mr. Ip Yuk Keung, Albert