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New Century Real Estate Investment Trust **開元產業投資信託基金**

(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: 1275)

Managed by
NEW CENTURY ASSET MANAGEMENT LIMITED

VOLUNTARY ANNOUNCEMENT

FURTHER BUSINESS UPDATE IN RELATION TO THE RECENT OUTBREAK OF NOVEL CORONAVIRUS (COVID-19)

Reference is made to the announcement issued by New Century Asset Management Limited (the “**REIT Manager**”), as manager of New Century Real Estate Investment Trust (“**New Century REIT**”) dated 13 March 2020 in relation to the recent outbreak of novel coronavirus (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meaning as those defined in the Announcement.

THE KAIFENG HOTEL

The Board has been notified by the Kaifeng Hotel Lessee that on 19 March 2020, the Henan province in the PRC (in which the Kaifeng Hotel is situated) has lowered the response level to level II. Consequently, operations at the Kaifeng Hotel have resumed on 19 March 2020. Operations at the Kaifeng Hotel were suspended for 54 days (the “**Kaifeng Suspension Period**”), which resulted in a downward adjustment of the base rent for the Kaifeng Hotel for the year ending 31 December 2020 by approximately RMB3.25 million from RMB22 million to approximately RMB18.75 million (representing an approximately 14.8% decrease).

In addition, given that operations at the Kaifeng Hotel were substantively suspended during the Kaifeng Suspension Period, New Century REIT Group also did not receive any variable individual rents (which is calculated as 20% of Kaifeng Hotel’s total monthly operating revenue plus 34% of the Kaifeng Hotel’s gross operating profit for the relevant month (or in the event of a gross operating loss, deduction of 34% of Kaifeng Hotel’s gross operating loss for the relevant month), which shall in any event not fall below zero) for the corresponding period.

Given the above, the REIT Manager remains of the view that taking into account (i) the reduction in the base rent and Individual Rents for the Initial Hotel Properties during the Suspension Period, and (ii) the reduction in Kaifeng Hotel Base Rent and variable individual rent for the Kaifeng Hotel during the Kaifeng Suspension Period, it is expected that the financial results of New Century REIT for the six months ending 30 June 2020 will be adversely impacted.

The Board will continue to closely monitor the development of the Epidemic and assess its impact on New Century REIT Group's operations and financial performance, and will make further announcement(s) as and when appropriate or if there is any further material update as to the impact of the Epidemic on New Century REIT Group.

The information contained in this announcement is only based on the assessment made by the Board with reference to information currently available. Unitholders and potential investors are advised to exercise caution when dealing in the Units of New Century REIT.

By order of the Board
New Century Asset Management Limited
as manager of New Century Real Estate Investment Trust
Mr. Jin Wenjie
Chairman of the REIT Manager

Hong Kong, 20 March 2020

As at the date of this announcement, the executive Director of the REIT Manager is Ms. Ho Wai Chu, the non-executive Directors of the REIT Manager are Mr. Jin Wenjie, Mr. Zhang Guanming, Mr. Tong JinQuan, and the independent non-executive Directors of the REIT Manager are Mr. Angelini Giovanni, Mr. Yu Hon To David and Professor He Jianmin.

* *for identification purposes only*