Hui Xian 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: 87001)

Managed by Hui Xian Asset Management Limited

滙賢房託管理有限公司

ANNUAL RESULTS ANNOUNCEMENT FOR THE PERIOD FROM 1 JANUARY 2022 TO 31 DECEMBER 2022

HUI XIAN REIT

Hui Xian Real Estate Investment Trust ("**Hui Xian REIT**") is a real estate investment trust constituted by a deed of trust entered into on 1 April 2011 between Hui Xian (Cayman Islands) Limited*, as settlor of Hui Xian REIT, Hui Xian Asset Management Limited (as manager of Hui Xian REIT), and DB Trustees (Hong Kong) Limited ("**Trustee**") (as amended, modified or supplemented from time to time) ("**Trust Deed**"). Units of Hui Xian REIT were first listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 29 April 2011.

REIT MANAGER

Hui Xian REIT is managed by Hui Xian Asset Management Limited (the "**Manager**"), a company incorporated in Hong Kong for the sole purpose of managing Hui Xian REIT. The Manager is a direct wholly-owned subsidiary of World Deluxe Enterprises Limited, which in turn is indirectly owned as to 70% by CK Asset Holdings Limited and 30% by ARA Asset Management Limited (a wholly-owned subsidiary of ESR Group Limited).

The annual results of Hui Xian REIT and its special purpose vehicles for the period from 1 January 2022 to 31 December 2022 are as follows:

* Dissolved on 9 April 2020

CHAIRMAN'S STATEMENT

At the time of this writing in March 2023, I could not help but observe the mixed feelings felt by the corporations doing business in China. On one hand, there is an increasing optimism of China's macro business environment. On the other hand, I am also well aware that many companies and industries have still not fully recovered from the pandemic pain, felt most acutely in 2022.

2022 was a Turbulent Year
During 2022, the global economy faced a multitude of complex and interconnected risks. The lingering effects of the protracted global pandemic, rising geopolitical tensions, soaring energy and food prices, and escalating interest rate hikes have conflated to batter and bruise the world economy. According to the International Monetary Fund ("**IMF**"), global economic growth slowed sharply to 3.4% in 2022 from 5.9% in 2021.

China's gross domestic product ("**GDP**") grew by 3.0% in 2022, a sharp slowdown from the 8.1% pace recorded in 2021. It was the second-slowest rate since the 1970s.

The RMB exchange rate experienced volatility over the course of the year. Against the Hong Kong Dollar, the RMB exchange rate as at 31 December 2022 had dropped by approximately 8.5%* compared to the previous year.

2022 was a turbulent year for China as the pandemic which led to strict public health measures weighed heavily on China's economy. In November and December when the pandemic swept across China, there was widespread business disruption due to staff shortages. Traffic volume in major cities declined significantly, and pedestrian streets and shopping areas were quiet.

* Based on the People's Bank of China RMB rate against Hong Kong Dollar

Distributions were Impacted by the Pandemic

	1 Jan – 31 Dec 2022	1 Jan – 31 Dec 2021	Percentage Change
Total Revenue *(RMB million)*	2,202	2,560	-14.0%
Net Property Income *(RMB million)*	1,300	1,540	-15.6%
Amount Available for Distribution *(RMB million)*	575	633	-9.2%
Distributions to Unitholders *(RMB million)*	517	570	-9.3%
Distribution per Unit *(RMB)*	0.0834	0.0935	-10.8%

2022 marked the third year of the COVID-19 pandemic, and it was also the toughest year ever experienced by Hui Xian REIT. Against this challenging backdrop, Hui Xian REIT's results were severely impacted.

During 2022, Hui Xian REIT's revenue was RMB2,202 million (2021: RMB2,560 million). Net property income ("**NPI**") was RMB1,300 million (2021: RMB1,540 million).

Amount Available for Distribution was RMB575 million (2021: RMB633 million). The payout ratio was 90% (2021: 90%). Distributions to Unitholders amounted to RMB517 million (2021: RMB570 million).

2022 DPU Dropped 10.8% Year-on-Year
During the period from July to December 2022, the final distribution per unit ("**DPU**") was RMB0.0318 (2021: RMB:0.0261). The final DPU will be paid on 15 May 2023, Monday to Unitholders whose names appear on the Register of Unitholders of Hui Xian REIT on 22 March 2023, Wednesday. Together with the interim DPU of RMB0.0516, Hui Xian REIT's total DPU for the financial year was RMB0.0834 (2021: RMB0.0935). Based on the closing unit price of RMB1.05 on 30 December 2022, the distribution yield was 7.9%.

All Sectors were Affected, with Varying Degrees of Severity
Hui Xian REIT's portfolio spans the office, retail, serviced apartment and hotel sectors in four key cities in China, covering an aggregate area of over 1.1 million square metres.

COVID-19 continued to exert a toll on China's economy in 2022. With the entirety of Hui Xian REIT's asset portfolio located in different cities of China, our businesses across all four sectors were negatively impacted, with varying degrees of severity.

Beijing, where our flagship property Beijing Oriental Plaza is located, was adversely affected by intermittent outbreaks of COVID during 2022. At the peak of the pandemic, Beijing citizens were required to undergo multiple rounds of mass testing. Strict containment measures were also imposed, such as the ban on dine-in services, the closure of a number of metro stations and shopping centres, and the lockdown of certain districts.

Our leasing business in the retail, office and serviced apartment sectors faced unprecedented challenges in view of the sporadic COVID-19 outbreaks and lockdowns throughout 2022, but the impact was relatively less pronounced compared to our hotel portfolio, given that revenue is protected by medium and long-term lease agreements.

COVID-19 shook the hotel industry particularly hard. People were deterred from travelling by a resurgence of infections, stringent containment measures and travel restrictions. Our hotel portfolio suffered its worst financial year in 2022.

(1) Hotel Portfolio - Incurred Operation Loss due to Pandemic-induced Restrictions
China's hotels continued to operate in a difficult environment during 2022, with significant challenges posed by COVID-19, including the implementation of pandemic-related restrictions on both international and domestic travel as well as community lockdowns. Many hotels suffered from COVID-induced financial losses.

Visa entry and quarantine measures for inbound international travellers remained highly restrictive in 2022. International flights to and from China were very limited. These restrictions significantly reduced international business and leisure travel.

Domestic travel was also negatively affected by the resurgence of COVID cases across China during 2022, leading to the reintroduction of stringent movement restrictions and lockdowns. Many major exhibitions and sports events were cancelled or postponed. Interprovincial travel was discouraged, especially during the typically heavy travel periods.

The hospitality industry suffered another major blow in the fourth quarter of 2022 when a sharp rise of infection cases was recorded across China. Domestic trips during the quarter fell nearly 50% from the first quarter of 2022 according to China's Ministry of Culture and Tourism. The number of domestic tourist trips and domestic tourism revenue during 2022 declined by about 22.1% and 30.0% year-on-year respectively according to official data.

Hui Xian REIT's hotel portfolio comprises four international chain hotels in four key cities in China. Sporadic local outbreaks and strict containment measures have not only impacted the demand for our hotel rooms, but also the revenue from banqueting and restaurants.

Extensive cost reduction measures remained in place at our four hotels. Every possible avenue to reduce costs has been proactively pursued. Despite our best efforts, the hotel portfolio recorded a negative NPI of RMB98 million in 2022 (2021: negative NPI of RMB31 million).

Grand Hyatt Beijing – Hit Hardest due to Stringent Measures
In the capital Beijing, COVID-19 preventive and quarantine measures were among the strictest in the country. The absence of international travellers had been adversely affecting Grand Hyatt Beijing's business since the early days of the pandemic in 2020.

Beijing experienced successive waves of COVID outbreaks throughout 2022, particularly in the second and fourth quarters. Domestic travel was severely restricted and demand for hotel rooms in the capital city was extremely weak. Grand Hyatt Beijing's revenue and occupancy were badly hit. Average occupancy rate fell to 16.5% (2021: 34.8%), and average room rate per night was RMB981 (2021: RMB995). Dine-in and large-scale gatherings were banned during peak outbreak periods, immediately halting the hotel's food and beverage and MICE revenue.

Sofitel Shenyang Lido – Impacted by Strict Measures and Citywide Lockdown
Shenyang had in place a very stringent quarantine policy for international travellers for most of 2022. A surge in infections in March and November 2022 triggered a citywide lockdown.

Sofitel Shenyang Lido's average occupancy rate was 31.1% (2021: 39.8%); average room rate per night was RMB449 (2021: RMB445).

Hyatt Regency Liberation Square Chongqing – Business Suffered from Strict Travel Restrictions
Chongqing is one of China's popular domestic tourism cities. At Hyatt Regency Liberation Square Chongqing, the average occupancy rate was 43.1% in 2022 (2021: 47.8%). Average room rate per night was RMB535 (2021: RMB582).

Sheraton Chengdu Lido Hotel – Affected by Citywide Lockdown
In September 2022, Chengdu was locked down in response to a spike in COVID cases.

Sheraton Chengdu Lido Hotel's average occupancy rate was 39.5% (2021: 60.0%); average room rate per night was RMB433 (2021: RMB473) during 2022.

(2) Retail Portfolio – Lackluster Demand Kept a Lid on New Lettings and Renewals
The COVID-19 pandemic has been wreaking havoc on China's retail industry since 2020. Many retailers in China have suffered severe business disruptions and a sharp downturn in revenue due to weak consumer sentiment. Retail shops also faced other challenges, such as cash flow and supply chain issues, as well as competition from online shopping. Struggling brands and department store chains were forced to reduce their number of stores, terminate their leases before expiration, or even withdraw from the China market.

Consumer confidence and spending took a major hit in 2022 from COVID outbreaks and widespread lockdowns. Consumer sentiment further deteriorated towards the end of 2022 as massive waves of infections swept across different regions of China. The ban on dine-in services at the height of the pandemic had dealt a severe blow to food and beverage operators and many of them ran at a loss.

Amid this challenging backdrop, demand for retail space remained subdued, and the leasing market was mostly quiet. During lockdowns, decision-makers of retail brands were unable to conduct site inspections as per normal practice.

Hui Xian REIT's retail portfolio consists of two shopping centres: (i) The Malls at Beijing Oriental Plaza, and (ii) The Mall at Chongqing Metropolitan Oriental Plaza. The intermittent COVID-19 outbreaks and ensuing lockdowns resulted in a drastic drop in foot traffic and retail sales at our shopping centres. The NPI during the Reporting Period was RMB522 million (2021: RMB690 million).

Pandemic containment measures were inevitably tightened in response to surges in COVID cases in Beijing, with the suspension of dine-in services, the closure of cinemas, gyms and entertainment venues, and the shortening of business hours or even temporary closure of shopping centres. Retail sales of consumer goods in Beijing for 2022 fell by 7.2% year-on-year, which was worse than the national average of 0.2% drop.

Some tenants sought rent relief, leased area reduction, or early termination of their tenancy agreements. During this challenging time, The Malls at Beijing Oriental Plaza supported its tenants by offering temporary rent relief, which lowered its revenue and passing rent during 2022. To retain quality retailers and maintain a balanced tenant mix, many of the new and renewal leases were signed at lower rates. Occupancy rate was 92.2% as at December 2022 (96.5% as at December 2021). Average monthly passing rent was RMB750 (2021: RMB948) per square metre. The financial impact of negative reversion will continue to affect 2023 and beyond.

During 2022, retailers in Chongqing also faced business disruptions due to the pandemic and power crisis caused by record-breaking heatwaves and droughts.

The Mall at Chongqing Metropolitan Oriental Plaza was closed intermittently due to the COVID outbreak in the city. The Mall also shortened its opening hours during the summer to conserve energy amid a record heatwave. The department store at The Mall, one of the anchor tenants in the mall for over ten years, did not renew its lease upon expiry. Average occupancy rate was 64.4% (2021: 85.8%), and the average monthly passing rent was RMB114 (2021: RMB169) per square metre.

(3) Office Portfolio – Leasing Momentum Slowed with Weakened Business Sentiment
The global economic outlook had deteriorated markedly throughout 2022. Corporations remained cautious as they faced mounting challenges, including the protracted pandemic, escalating geopolitical tensions, high inflation, global interest rate hikes and supply chain disruptions. When the number of infections rose sharply across China in late 2022, office workers were urged to work from home, and companies were encouraged to limit the number of staff in the office. The wider adoption of Work From Home and Hybrid Work models continued to affect the underlying leasing demand for offices in the short to medium term. Such behavioral changes were reflected in the weakening office leasing momentum in China.

The intermittent outbreaks of COVID and the unfavourable operating conditions continued to affect Hui Xian REIT's office leasing business, though the impact was less profound compared to other sectors. The office portfolio consists of (i) The Tower Offices at Beijing Oriental Plaza, and (ii) The Tower at Chongqing Metropolitan Oriental Plaza. During 2022, the NPI was RMB793 million (2021: RMB795 million).

Site inspection plans were deferred in view of tightened social distancing measures and lockdowns, disrupting the decision-making process of corporations. Businesses also remained cost-conscious and hesitant to commit long-term as uncertainty permeated the business environment.

As a result, leasing demand in Beijing was weak in 2022. The city's office vacancy rate stayed at a relatively high level of 16.3%[1] in the fourth quarter of 2022. With rents under continual pressure, landlords had to introduce more flexibility in lease negotiations to sustain a stable occupancy level.

To maintain a stable income stream and occupancy rate, The Tower Offices at Beijing Oriental Plaza focused on retaining existing quality tenants by offering competitive renewal packages. Average occupancy rate was 87.8% (2021: 87.4%); and average monthly passing rent was RMB265 (2021: RMB269) per square metre.

Chongqing's office leasing market remained in an adjustment phase. The city's office vacancy rate stood at a high level of 28.4%[2] in the fourth quarter of 2022. At The Tower at Chongqing Metropolitan Oriental Plaza, average occupancy rate was 79.2% (2021: 83.8%). Average monthly passing rent was RMB93 (2021: RMB100) per square metre.

Sources:
1. Savills, "Market in Minutes – Beijing Office", February 2023
2. Savills, "2022年重慶房地產市場回顧及未來展望", January 2023

(4) Serviced Apartment Portfolio – Difficult to Recruit New Tenants Amid COVID Restrictions

Leasing momentum of serviced apartments was slow in 2022, largely impacted by the prolonged pandemic. It was difficult to recruit and sign new tenants.

Expatriates working in China had always been a significant source of new tenants. There was a shortage of expatriates arriving into China during 2022 as they were dissuaded from entry by the mandatory quarantine procedures. Travel restrictions and intermittent lockdowns also hindered site visits by potential tenants based in China, thereby delaying their decision-making process.

Hui Xian REIT's serviced apartment portfolio comprises: (i) The Tower Apartments at Beijing Oriental Plaza (836 units) and (ii) The Residences at Sofitel Shenyang Lido (134 units). The NPI was RMB83 million (2021: RMB86 million) during 2022.

The pandemic measures, visa permits and border controls for expatriates entering China, particularly the capital city - Beijing, remained highly restrictive throughout 2022. Shenyang had also imposed one of the country's longest quarantines for foreigners entering the city.

In the absence of new expatriate tenants, the serviced apartment portfolio shifted focus to the growing affluent domestic market. During 2022, average occupancy rates of The Tower Apartments at Beijing Oriental Plaza and The Residences at Sofitel Shenyang Lido were 81.4% (2021: 82.7%) and 50.7% (2021: 63.0%) respectively.

Financial Position Remained Stable

During 2022, Hui Xian REIT repaid several loans amid a rising interest rate environment. Total debt was reduced to RMB7,840 million as at 31 December 2022 from RMB8,471 million as at 31 December 2021.

Debts to gross asset value ratio was 20.4% as at 31 December 2022 (31 December 2021: 20.6%). Bank balances and cash on hand amounted to RMB4,759 million as at 31 December 2022 (31 December 2021: RMB5,880 million).

Despite the volatility in interest and exchange rates in 2022, Hui Xian REIT's financial position remained stable.

Outlook – 2023 is a Year of Recovery Amid Improved Business Environment in China

Many of challenges and concerns in 2022, including rising geopolitical tensions, surging inflation, food and energy crises and climate emergencies, will continue to have a significant impact on the world economy in 2023. In its latest "World Economic Outlook" issued in January 2023, the IMF projected that global economic growth would fall from 3.4% in 2022 to 2.9% in 2023.

In late 2022, there was a major adjustment in China's COVID policy. The Chinese government issued a series of new COVID response guidelines, including the removal of mass testing, and lifting of travel restrictions and centralized quarantine requirements. There is renewed optimism that China's business environment will improve. The full reopening of China also paves the way for a faster-than-expected recovery. The IMF upgraded its forecast of China's 2023 GDP growth to 5.2% from 4.4% in October 2022. It is believed that China will resume the role as the engine of global economic growth in 2023.

The pace of recovery will likely vary across different sectors. Domestic tourism recorded a quick rebound over the Chinese New Year holidays in January 2023. Starting from January 2023, international visitors entering China were no longer required to undergo hotel quarantine. With the removal of restrictions on international flights, international travel is expected to resume gradually. The tourism and hotel sector is expected to stage a recovery to pre-pandemic levels by the end of 2023.

Chinese consumer sentiment is turning more positive. Retail and cinema box offices nodded encouraging rebounds during the 2023 Chinese New Year holiday. The Chinese government pledged to raise domestic consumption and boost growth in 2023. China's domestic consumption is expected to recover gradually.

As normalisation of economic activities gains further momentum, market conditions in China are anticipated to improve steadily. The leasing markets for offices and serviced apartments are expected to recover in 2023 but it is uncertain to predict when leasing demand will return to pre-pandemic levels.

The improved sentiment has already led to a marked increase in the occupancy and room rates of Hui Xian's hotel portfolio during the 2023 Chinese New Year holidays. The hotels will continue to refine their offerings in anticipation of a rebound in international and domestic tourism.

Despite the pandemic subsiding, the financial impact is expected to affect the retail portfolio's revenue in 2023 and beyond. Leveraging on our prime locations and long-established reputation, Hui Xian REIT's shopping centres will continue to strive for an optimal balance between tenant mix and occupancy and rental rates.

Hui Xian REIT's office and serviced apartment portfolios will continue to focus on building up occupancy and maximising retention rates by adopting competitive leasing strategies.

Exchange and interest rates are expected to be volatile continuously in 2023. We will closely monitor our funding needs and regularly review our financing strategy.

The COVID-19 pandemic has significantly impacted on many companies across different industries. It may take years for some of the industries to fully recover. Nevertheless, we are pleased to witness the recent improvement in the business environment in China and we are hopeful that the worst of China's COVID-19 situation is behind us.

Looking ahead, the lifting of pandemic restrictions coupled with the Government's policy stimulus are expected to improve the sentiment and enable the Chinese economy to recover. The road to recovery is paved with challenges, but positive steps taken in the right direction will lead to a full recovery in time.

2022 was a difficult year for Hui Xian REIT. On behalf of the Manager, I would like to take this opportunity to thank our stakeholders, in particular the Unitholders and Trustee, for their continuing support. I would also like to express my utmost gratitude to our colleagues across the group for their dedication, sacrifice, hard work and commitment in the face of considerable challenges.

In the coming year, I look forward to working closely with our stakeholders and colleagues to capture the growth and opportunities of the economic rebound, and set Hui Xian REIT on track for sustained recovery and long-term growth.

H L KAM
Chairman
Hui Xian Asset Management Limited
(as manager of Hui Xian Real Estate Investment Trust)
Hong Kong, 3 March 2023

MANAGEMENT DISCUSSION AND ANALYSIS

PORTFOLIO HIGHLIGHTS

As at 31 December 2022, Hui Xian REIT's portfolio included:
(1) investment in Hui Xian (B.V.I.) Limited, which in turn holds Hui Xian Investment Limited ("**Hui Xian Investment**"), the foreign joint venture partner of 北京東方廣場有限公司 (Beijing Oriental Plaza Co., Ltd.#) ("**BOP**"), which is a Sino-foreign cooperative joint venture established in the People's Republic of China ("**PRC**"). BOP holds the land use rights and building ownership rights of **Beijing Oriental Plaza**;

(2) investment in Chongqing Overseas Investment Limited, which in turn holds Chongqing Investment Limited. Chongqing Investment Limited owns the entire interest in 重慶大都會東方廣場有限公司 (Chongqing Metropolitan Oriental Plaza Co., Ltd#), which holds the land use rights and building ownership rights of **Chongqing Metropolitan Oriental Plaza**;

(3) investment in Shenyang Investment (BVI) Limited, which in turn holds Shenyang Investment (Hong Kong) Limited ("**Shenyang Investment HK**"), the foreign joint venture partner of 瀋陽麗都商務有限公司 (Shenyang Lido Business Co. Ltd#) ("**Shenyang Lido**"). Shenyang Investment HK is entitled to 70% of the distributions of Shenyang Lido, which is a Sino-foreign cooperative joint venture established in the PRC. Shenyang Lido holds the land use rights and building ownership rights of **Sofitel Shenyang Lido**;

(4) investment in Chongqing Hotel Investment Limited, which in turn holds Highsmith (HK) Limited. Highsmith (HK) Limited owns the entire interest in 重慶東廣飯店有限公司 (Chongqing Oriental Plaza Hotel Co., Ltd#), which holds the land use rights and building ownership rights of **Hyatt Regency Liberation Square Chongqing**; and

(5) investment in New Sense Resources Limited, which in turn holds Chengdu Investment Limited, the foreign joint venture partner of 成都長天有限公司 (Chengdu Changtian Co., Ltd.#) ("**Chengdu Changtian**"). Chengdu Investment Limited is entitled to 69% interest in Chengdu Changtian, which is a Sino-foreign cooperative joint venture established in the PRC. Chengdu Changtian holds the land use rights and building ownership rights in **Sheraton Chengdu Lido Hotel**.

The English name is shown for identification purpose only

OPERATIONS REVIEW

(1) Hotel Portfolio

For much of 2022, many pandemic-related measures, including entry visa and border controls for foreigners and quarantine measures remained in place in China, which had significantly reduced international business and leisure travel. International flights were also very limited. The absence of foreign travellers continued to affect the demand for hotel rooms.

China's hotel industry remained heavily reliant on domestic travel. The intermittent COVID outbreaks across the country throughout 2022 and accompanying travel restrictions had dashed hopes of revival in the hotel sector. Cross-provincial travel was discouraged, especially during the busy travel seasons. According to the China's Ministry of Culture and Tourism, the number of domestic tourist trips during 2022 dropped 22.1% year-on-year while domestic tourism revenue was down by 30.0% year-on-year.

Hui Xian REIT's hotel portfolio comprises four international chain hotels in four key cities in China: Grand Hyatt Beijing at Beijing Oriental Plaza, Sofitel Shenyang Lido (70% interest), Hyatt Regency Liberation Square Chongqing and Sheraton Chengdu Lido Hotel (69% interest). Revenue was RMB166 million (2021: RMB271 million). Notwithstanding aggressive cost-cutting measures implemented by the four hotels, the business had been weighed down by the pandemic. The hotel portfolio recorded a negative NPI of RMB98 million (2021: negative NPI of RMB31 million).

(i) Grand Hyatt Beijing

As the capital city and political centre of China, Beijing's COVID-19 pandemic restrictions were among the strictest in the country.

International business and leisure travellers had been an important source of revenue for Grand Hyatt Beijing. The absence of foreign travellers has been affecting the hotel's income since the pandemic started three years ago. The surge of COVID cases in Beijing in 2022, particularly in the second and fourth quarters, adversely impacted domestic travel. Demand for hotel rooms was weak. Dine-in and large-scale social gatherings were banned at the peak of the pandemic, affecting the hotel's food and beverage and MICE revenue. Grand Hyatt Beijing's average occupancy rate was 16.5% (2021: 34.8%). Average room rate per night was RMB981 (2021: RMB995).

(ii) Sofitel Shenyang Lido (70% interest)
For most of 2022, Shenyang had a very strict quarantine policy for inbound travellers. A resurgence of infections in March and November 2022 led to a citywide lockdown. Strict preventive measures and travel restrictions were implemented. Average occupancy rate was 31.1% (2021: 39.8%). Average room rate per night was RMB449 (2021: RMB445).

(iii) Hyatt Regency Liberation Square Chongqing
Chongqing is a popular domestic tourism city. During 2022, the average occupancy rate of Hyatt Regency Liberation Square Chongqing was 43.1% (2021: 47.8%), and average room rate per night was RMB535 (2021: RMB582).

(iv) Sheraton Chengdu Lido Hotel (69% interest)
Chengdu was locked down in September 2022 in response to a surge in COVID infection cases. Sheraton Chengdu Lido Hotel's average occupancy was 39.5% (2021: 60.0%); average room rate per night was RMB433 (2021: RMB473).

(2) Retail Portfolio
Multiple waves of COVID outbreaks and lockdowns across China have severely impacted the retail sector. Consumer sentiment further deteriorated in late 2022 when there were massive waves of infections across the country. China's total retail sales of consumer goods dropped 0.2% year-on-year in 2022 as compared to the 12.5% growth in 2021.

Hui Xian REIT's retail portfolio consists of two large-scale shopping centres: (i) The Malls at Beijing Oriental Plaza and (ii) The Mall at Chongqing Metropolitan Oriental Plaza; they together provide about 222,000 square metres of retail space.

During the Reporting Period, revenue was RMB779 million (2021: RMB1,008 million) and NPI was RMB522 million (2021: RMB690 million).

(i) The Malls at Beijing Oriental Plaza
The resurgence of COVID cases in Beijing during May and June 2022, and the massive wave of outbreaks in the fourth quarter led to the implementation of stringent measures and lockdown. All these adversely affected the Beijing economy.

According to the Beijing Municipal Bureau of Statistics, Beijing's GDP grew 0.7% year-on-year in 2022, as compared to the national average of 3.0% growth. Retail sales of consumer goods fell by 7.2% while the national average drop was 0.2%.

To support the tenants during this challenging time, rental relief was offered on a case-by-case basis. During 2022, revenue of The Malls at Beijing Oriental Plaza was RMB725 million (2021: RMB901 million) and NPI was RMB526 million (2021: RMB653 million). Average monthly passing rent was RMB750 (2021: RMB948) per square metre. Occupancy rate as at December 2022 was 92.2% (as at December 2021: 96.5%).

(ii) The Mall at Chongqing Metropolitan Oriental Plaza
Impacted by sporadic COVID outbreaks, Chongqing's GDP growth rate slowed down to 2.6% in 2022 from 8.3% in 2021 according to the Chongqing Municipal Bureau of Statistics. Retail sales of consumer goods dropped 0.3% year-on-year, as compared to a growth of 18.5% in 2021.

The Mall at Chongqing Metropolitan Oriental Plaza was closed intermittently due to the COVID outbreak in Chongqing. Shopping centres in the city, including The Mall, also shortened their opening hours during the summer to conserve energy amid a record heatwave. The department store at The Mall, one of the anchor tenants at The Mall for over ten years, did not renew its lease upon expiry. The Mall's average monthly passing rent was RMB114 (2021: RMB169) per square metre and average occupancy rate was 64.4% (2021: 85.8%).

(3) Office Portfolio
Hui Xian REIT's office portfolio consists of (i) The Tower Offices at Beijing Oriental Plaza and (ii) The Tower at Chongqing Metropolitan Oriental Plaza. Revenue was RMB1,086 million (2021: RMB1,101 million) and NPI was RMB793 million (2021: RMB795 million).

(i) The Tower Offices at Beijing Oriental Plaza
Office leasing momentum remained weak in Beijing during 2022. Demand further contracted in the fourth quarter of 2022 when the capital city and many parts of China were hit by another massive COVID outbreak. Economic activities decreased substantially. Beijing's vacancy rate remained at a relatively high level of 16.3%[1] in the fourth quarter of 2022. Many new projects originally scheduled to enter the market in late 2022 have been delayed till 2023. The continual influx in new supply would likely exert pressure on rents.

The Tower Offices at Beijing Oriental Plaza comprises eight towers, offering over 300,000 square metres of Grade A office space. It has a diversified tenant base across different industries, including finance and banking, insurance, accounting, technology, legal, pharmaceutical, media and advertising, and consumer products. There are also professional institutions and government-related organisations.

During 2022, revenue of The Tower Offices was RMB1,040 million (2021: RMB1,049 million). NPI was RMB767 million (2021: RMB760 million). Average occupancy rate was 87.8% (2021: 87.4%). Average monthly passing rent was RMB265 (2021: RMB269) per square metre while average monthly spot rent was RMB293 (2021: RMB270) per square metre.

(ii) The Tower at Chongqing Metropolitan Oriental Plaza
Chongqing's office vacancy rate was 28.4%[2] in the fourth quarter of 2022. New rental demand was weak, largely due to the uncertain business environment and the lingering pandemic.

Located at the heart of Jiefangbei Central Business District, The Tower at Chongqing Metropolitan Oriental Plaza is home to a number of consulates, government-related organisations and corporations from a wide array of industries, including insurance and financial services, retail and consumer products, logistics, professional consultation and healthcare.

During 2022, revenue was RMB46 million (2021: RMB52 million) and NPI was RMB26 million (2021: RMB35 million). Average occupancy rate was 79.2% (2021: 83.8%). Average monthly passing rent was RMB93 (2021: RMB100) per square metre, while average monthly spot rent was RMB90 (2021: RMB91) per square metre.

Sources:
1. Savills, "Market in Minutes – Beijing Office", February 2023
2. Savills, "2022年重慶房地產市場回顧及未來展望", January 2023

(4) Serviced Apartment Portfolio
Hui Xian REIT's serviced apartment portfolio consists of (i) The Tower Apartments at Beijing Oriental Plaza and (ii) The Residences at Sofitel Shenyang Lido. During 2022, revenue was RMB171 million (2021: RMB180 million) and NPI was RMB83 million (2021: RMB86 million).

The expatriate market had been an important source of revenue for our serviced apartments. Visa permits and border controls for foreigners entering China, especially Beijing, remained strict during 2022. Shenyang also has one of the country's most stringent quarantine policies for inbound travellers. As a result, there was an absence of new expatriate tenants.

Featuring a total of 836 units for leasing, The Tower Apartments at Beijing Oriental Plaza is one of the largest serviced apartment developments in downtown Beijing. Average occupancy rate was 81.4% (2021: 82.7%) during 2022. The Tower Apartments focused on the rapidly-growing affluent domestic market.

In Shenyang, The Residences at Sofitel Shenyang Lido offers 134 apartment units for leasing. The project has been popular among the expatriates in the city. However, Shenyang's long quarantine time requirement deterred expatriates from travelling to the city. During 2022, average occupancy rate was 50.7% (2021: 63.0%).

FINANCIAL REVIEW

Net Property Income

The net property income was RMB1,300 million for the year ended 31 December 2022.

Distributions

Distribution Amount

Hui Xian REIT will distribute a total of RMB198 million ("**2022 Final Distribution**") to Unitholders for the period from 1 July 2022 to 31 December 2022. The 2022 Final Distribution which will be paid in RMB represents 90% of Hui Xian REIT's total amount available for distribution during the period from 1 July 2022 to 31 December 2022. A total of RMB319 million has been distributed to Unitholders of Hui Xian REIT on 28 September 2022 for the period from 1 January 2022 to 30 June 2022. In total, Hui Xian REIT will distribute a total of RMB517 million to Unitholders for the year ended 31 December 2022. The distribution amount includes certain profit elements in the capital nature of Hui Xian REIT. The amount of capital nature items is RMB517 million (2021: RMB281 million).

Distribution per Unit

The final DPU for the period from 1 July 2022 to 31 December 2022 is RMB0.0318 based on the number of outstanding Units on 31 December 2022. Together with the interim DPU of RMB0.0516, Hui Xian REIT provides a total DPU for the year ended 31 December 2022 of RMB0.0834. This represents a distribution yield of 7.9% based on the closing unit price of RMB1.05 on 30 December 2022.

Closure of Register of Unitholders

The record date for the 2022 Final Distribution will be 22 March 2023, Wednesday ("**Record Date**"). The Register of Unitholders will be closed from 20 March 2023, Monday to 22 March 2023, Wednesday, both days inclusive, during which period no transfer of Units will be registered. The final distribution is expected to be payable on 15 May 2023, Monday, to Unitholders whose names appear on the Register of Unitholders on the Record Date.

Subject to obtaining authorisation from the Securities and Futures Commission of Hong Kong ("**SFC**"), a distribution reinvestment arrangement will be made available to Unitholders under which eligible Unitholders will be entitled to have a scrip distribution in lieu of a cash distribution. Eligible Unitholders can elect to receive their distribution in the form of cash, in the form of new Units of Hui Xian REIT (subject to any fractional entitlement being disregarded), or a combination of both.

In order to qualify for the 2022 Final Distribution, all properly completed transfer forms (accompanied by the relevant Unit certificates) must be lodged for registration with Hui Xian REIT's Unit Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on 17 March 2023, Friday.

Debt Positions

In February 2022, Hui Xian Investment Limited ("**Hui Xian Investment**") fully prepaid HK$600 million of a 3-year unsecured loan which was drawn down in March 2019. The loan was offered by DBS Bank Ltd, Hong Kong Branch and involved a revolving loan facility and a term loan facility.

In April 2022, Hui Xian Investment fully prepaid a 4-year unsecured term loan of HK$1,000 million which was granted by Bank of China (Hong Kong) Limited ("**BOC**") in August 2018.

In May 2022, Hui Xian Investment partially prepaid HK$800 million of a 3-year unsecured term loan which was drawn down in November 2020. The loan was offered by BOC, DBS Bank (Hong Kong) Limited ("**DBS**"), Bank of Communications (Hong Kong) Limited, Hang Seng Bank Limited, Sumitomo Mitsui Banking Corporation, The Bank of East Asia, Limited and China Construction Bank (Asia) Corporation Limited. As at 31 December 2022, the outstanding amount of the facility was HK$3,000 million.

In June 2022, Hui Xian Investment drew down a 3-year unsecured revolving loan of HK$800 million offered by DBS and Oversea-Chinese Banking Corporation Limited. The purpose of the facility was to finance the general working capital of the Group.

All facilities under Hui Xian REIT are unsecured and unsubordinated and rank pari passu with all other unsecured and unsubordinated obligations of Hui Xian Investment.

As at 31 December 2022, Hui Xian REIT's total debts amounted to RMB7,840 million (31 December 2021: RMB8,471 million). Based on Hui Xian REIT's net assets attributable to Unitholders of RMB22,728 million as at 31 December 2022 (31 December 2021: RMB24,455 million), Hui Xian REIT's debts to net asset value ratio stood at 34.5% (31 December 2021: 34.6%). Meanwhile, the debts to gross asset value ratio was 20.4% as at 31 December 2022 (31 December 2021: 20.6%).

Bank Balances and Asset Positions

As at 31 December 2022, Hui Xian REIT's bank balances and cash amounted to RMB4,759 million (31 December 2021: RMB5,880 million). The bank balances and cash are mainly denominated in RMB. No currency hedge was employed as at the year end date.

Hui Xian REIT is indirectly interested in a 132,584 square metre shopping centre, eight blocks of Grade A office, four serviced apartment towers and a five-star hotel in a 787,059 square metre building complex at 1 East Chang'an Avenue, Beijing, PRC which are collectively named as Beijing Oriental Plaza. Hui Xian REIT's interests in Beijing Oriental Plaza are held through its special purpose vehicle, Hui Xian Investment, which is the foreign joint venture partner of BOP. BOP holds the land use rights and building ownership rights of Beijing Oriental Plaza.

Knight Frank Petty Limited ("**Knight Frank**") valued the eight blocks of office towers, the shopping centre and car parking spaces at RMB25,058 million as at 31 December 2022 (31 December 2021: RMB26,218 million), translating into a decrease of 4.4% over the valuation as of 31 December 2021. The hotel and serviced apartment premises were valued at RMB4,845 million as at 31 December 2022 (31 December 2021: RMB4,929 million). The total valuation of Beijing Oriental Plaza was RMB29,903 million (31 December 2021: RMB31,147 million), while the total gross property value of the properties was RMB29,299 million as at 31 December 2022, as compared to RMB30,509 million as at 31 December 2021.

Hui Xian REIT indirectly owns the entire interest of Chongqing Metropolitan Oriental Plaza, a 164,360 square metre integrated commercial property development comprising a shopping centre and a Grade A office building. Chongqing Metropolitan Oriental Plaza is located at the Jiefangbei Central Business District, Yuzhong District, Chongqing.

As at 31 December 2022, the shopping centre, office building and car parking spaces were valued by Knight Frank at RMB2,840 million (31 December 2021: RMB3,074 million). Gross property value of the properties as at 31 December 2022 was RMB2,786 million (31 December 2021: RMB3,026 million).

Hui Xian REIT indirectly owns the entire interest of Highsmith (HK) Limited, which in turn indirectly owns the entire interest of Hyatt Regency Liberation Square Chongqing, a 38-storey hotel tower of 52,238 square metre. It is adjacent to Chongqing Metropolitan Oriental Plaza.

Knight Frank valued the hotel premises of Hyatt Regency Liberation Square Chongqing at RMB446 million as at 31 December 2022 (31 December 2021: RMB448 million). Gross property value of hotel premises as at 31 December 2022 was RMB299 million (31 December 2021: RMB343 million).

Hui Xian REIT also indirectly owns 69% interest of Sheraton Chengdu Lido Hotel through Chengdu Investment Limited. It is a 37-storey hotel tower of 56,350 square metre located to the north of the landmark Tianfu Plaza, Chengdu city centre.

Knight Frank valued the hotel premises of Sheraton Chengdu Lido Hotel at RMB622 million as at 31 December 2022 (31 December 2021: RMB609 million). Gross property value of hotel premises as at 31 December 2022 was RMB507 million (31 December 2021: RMB543 million).

Hui Xian REIT indirectly owns 70% of the entitlement in the distributions of Shenyang Lido, owner of Sofitel Shenyang Lido. Standing on Qingnian Street, 78,451 square metre, 30-storey Sofitel Shenyang Lido is located in the heart of the newly established central business district in southern Shenyang.

Knight Frank valued the hotel and serviced apartment premises of Shenyang Lido at RMB709 million as at 31 December 2022 (31 December 2021: RMB715 million). Gross property value of the hotel and serviced apartment premises as at 31 December 2022 was RMB494 million (31 December 2021: RMB532 million).

Net Assets Attributable to Unitholders
As at 31 December 2022, net assets attributable to Unitholders amounted to RMB22,728 million (31 December 2021: RMB24,455 million) or RMB3.6480 per Unit, representing a 247.4% premium to the closing unit price of RMB1.05 on 31 December 2022 (31 December 2021: RMB3.9900 per Unit, representing a 185.0% premium to the closing unit price of RMB1.40 on 31 December 2021).

Pledge of Assets
Hui Xian REIT has not pledged its properties to any financial institutions or banks. The Trustee (as trustee of Hui Xian REIT) and certain special purpose vehicles of Hui Xian REIT provide guarantees for the credit facilities of the Group.

Commitments
As at 31 December 2022, except for capital commitment in respect of the asset enhancement programmes for Grand Hyatt Beijing, Sheraton Chengdu Lido Hotel, Shenyang Hotel, Chongqing Metropolitan Oriental Plaza and Hyatt Regency Liberation Square Chongqing, Hui Xian REIT did not have any significant commitments.

Employees
As at 31 December 2022, Hui Xian REIT, by subsidiaries and through its branches, employed a total of 786 employees in Hong Kong and the PRC, of which 756 employees performed hotel operation functions and services, and 30 employees handled legal, regulatory and other administrative matters and provided commercial functions and services, including leasing and some other property management functions and services, other than the hotel operation functions and services.

Save as disclosed above, Hui Xian REIT is managed by the Manager and did not directly employ any staff as at 31 December 2022.

CORPORATE GOVERNANCE

With the objectives of establishing and maintaining high standards of corporate governance, certain policies and procedures with built-in checks and balances have been put in place. In particular, the Manager has adopted, and revised from time to time, a compliance manual which sets out the key processes, systems and measures the Manager applies in order to comply with the Trust Deed, the Code on Real Estate Investment Trusts ("**REIT Code**") and other applicable legislation, rules and regulations. The compliance manual also contains a corporate governance policy which regulates, among others, the activities of the board of directors of the Manager.

Throughout the 12 months ended 31 December 2022, both the Manager and Hui Xian REIT have in material terms complied with the provisions of the compliance manual, the corporate governance policy, the Trust Deed, the REIT Code and applicable provisions of the Securities and Futures Ordinance (Cap. 571 Laws of Hong Kong) ("**SFO**") and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

Authorisation Structure
Hui Xian REIT is a collective investment scheme authorised by the SFC under section 104 of the SFO and regulated by the provisions of the REIT Code. The Manager is licensed by the SFC under Section 116 of the SFO to conduct the regulated activity of asset management. As at the date of this announcement, Mr. CHEUNG Ling Fung, Tom (executive director and chief executive officer of the Manager), Mr. LEE Chi Kin, Casey (executive director and chief operating officer of the Manager), Ms. LAI Wai Yin, Agnes (executive director and chief financial officer of the Manager), Mr. CHING Sung, Eric (deputy chief project development officer of the Manager) and Ms. TANG Hiu Tung, Daisy (deputy chief corporate development officer of the Manager) are the responsible officers of the Manager as required by section 125 of the SFO and 5.4 of the REIT Code.

The Trustee, DB Trustees (Hong Kong) Limited, is registered as a trust company under Section 77 of the Trustee Ordinance (Cap. 29 Laws of Hong Kong). It is qualified to act as a trustee for collective investment schemes authorised under the SFO pursuant to the REIT Code.

Review of the Annual Results
The annual results of Hui Xian REIT for the year ended 31 December 2022 have been reviewed by the Audit Committee and Disclosures Committee of the Manager in accordance with their respective terms of reference.

New Units Issued
In the year ended 31 December 2022, (i) an aggregate of 93,489,553 new Units were issued to the Manager as payment of part of the Manager's fees; and (ii) an aggregate of 7,754,532 new Units were issued to Unitholders who elected scrip distribution pursuant to the distribution reinvestment arrangement in respect of the final distribution for the period from 1 July 2021 to 31 December 2021.

The total number of Units in issue as at 31 December 2022 was 6,230,359,272 Units.

Corporate Social Responsibility
The Manager recognises the importance of corporate social responsibility and will continue to commit appropriate resources to meet the environmental, social and governance standards and requirements in the day-to-day operations of Hui Xian REIT's properties. Detailed information in these areas will be published in the Annual Report of Hui Xian REIT for the year ended 31 December 2022.

Buy-Back, Sale or Redemption of Units
There was no buy-back, sale or redemption of the Units of Hui Xian REIT by the Manager on behalf of Hui Xian REIT or any of the special purpose vehicles that were owned and controlled by Hui Xian REIT in the year ended 31 December 2022.

Public Float of the Units
As far as the Manager is aware, more than 25% of the issued and outstanding Units of Hui Xian REIT were held in public hands as at 31 December 2022.

Issuance of the Annual Report 2022
The annual report of Hui Xian REIT for the year ended 31 December 2022 will be published on the respective websites of the Stock Exchange at www.hkexnews.hk and Hui Xian REIT at www.huixianreit.com, and will be sent to Unitholders on or before 30 April 2023.

Annual General Meeting of Unitholders
The 2023 annual general meeting of Hui Xian REIT will be held on or around 11 May 2023, Thursday, notice of which will be published and given to Unitholders in due course.

By order of the Board
Hui Xian Asset Management Limited
滙賢房託管理有限公司
(as Manager of Hui Xian Real Estate Investment Trust)
CHEUNG Ling Fung Tom
Chief Executive Officer and Executive Director of the Manager

Hong Kong, 3 March 2023

As at the date of this announcement, the Directors of the Manager are Mr. KAM Hing Lam (Chairman and non-executive Director); Mr. CHEUNG Ling Fung, Tom, Mr. LEE Chi Kin, Casey and Ms. LAI Wai Yin, Agnes (executive Directors); Mr. IP Tak Chuen, Edmond and Mr. LIM Hwee Chiang (non-executive Directors); and Professor LEE Chack Fan, Dr. CHOI Koon Shum, Jonathan, Mr. YIN Ke and Mr. WU Ting Yuk, Anthony (independent non-executive Directors).

FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTES	**2022** **RMB million**	2021 RMB million
Revenue	5	**2,202**	2,560
Other income	6	**136**	165
Decrease in fair value of investment properties	13	**(1,404)**	(1,516)
Inventories consumed		**(19)**	(29)
Staff costs		**(116)**	(162)
Depreciation		**(370)**	(385)
Other operating expenses	7	**(754)**	(799)
Finance costs, including exchange differences	8	**(867)**	118
Manager's fees	9	**(117)**	(124)
Real estate investment trust expenses	10	**(10)**	(13)
Loss before taxation and transactions with unitholders		**(1,319)**	(185)
Income tax expense	11	**(42)**	(70)
Loss for the year, before transactions with unitholders		**(1,361)**	(255)
Distributions to unitholders		**(517)**	(570)
Loss for the year, after transactions with unitholders		**(1,878)**	(825)
Other comprehensive income:			
Item that will not be reclassified to profit or loss			
Gain on revaluation of right-of-use assets upon transfer to investment properties, net of tax		**1**	-
Total comprehensive expense for the year, after transactions with unitholders		**(1,877)**	(825)
Loss for the year, before transactions with unitholders attributable to:			
Non-controlling interests		**(54)**	(36)
Unitholders		**(1,307)**	(219)
		(1,361)	(255)
Total comprehensive expense for the year, after transactions with unitholders attributable to:			
Non-controlling interests		**(54)**	(36)
Unitholders		**(1,823)**	(789)
		(1,877)	(825)
Basic loss per unit (RMB)	12	**(0.2112)**	(0.0361)

FINANCIAL INFORMATION

DISTRIBUTION STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 **RMB million**	2021 RMB million
Loss for the year, before transactions with unitholders	**(1,361)**	(255)
Less: loss for the year attributable to non-controlling interests	**54**	36
Loss for the year attributable to unitholders, before transactions with unitholders	**(1,307)**	(219)
Adjustments *(Note (i))*:		
Manager's fees	**85**	90
Decrease in fair value of investment properties	**-**	132
Deferred tax	**(6)**	(223)
Net unrealised exchange loss (gain) on bank loans and loan front-end fee	**665**	(129)
Net realised exchange gain (loss) on bank loans and loan front-end fee	**18**	(246)
Difference between cash and accounting finance costs	**14**	(32)
Other non-cash gain	**(7)**	-
	769	(408)
Total adjusted loss	**(538)**	(627)
Additional available amount *(Note (ii))*	**1,113**	1,260
Amount available for distribution	**575**	633
Payout ratio *(Note (iii))*	**90%**	90%
Additional amount distributed (*Note (ii)*)	**517**	570
Distributions to unitholders *(Note (iv))*		
- Interim distribution paid	**319**	410
- Final distribution payable	**198**	160
	517	570
Distribution per unit *(RMB) (Note (iv))*		
Interim distribution per unit	**0.0516**	0.0674
Final distribution per unit	**0.0318**	0.0261
	0.0834	0.0935

FINANCIAL INFORMATION

Notes:

(i) Adjustments for the year include:

(a) For the year ended 31 December 2022, Manager's fees paid and payable in units of RMB85 million (49,278,288 units issued and 40,349,729 units estimated to be issued) out of the total Manager's fees of RMB117 million. The difference of RMB32 million is paid or payable in cash.

For the year ended 31 December 2021, Manager's fees paid and payable in units of RMB90 million (29,575,723 units issued and 32,677,892 units estimated to be issued) out of the total Manager's fees of RMB124 million. The difference of RMB34 million is paid or payable in cash.

(b) Decrease in fair value of investment properties of RMB132 million for the year ended 31 December 2021, being reversal of fair value gains adjusted previously in the distribution statement.

(c) For the year ended 31 December 2022, deferred tax credit of RMB6 million in relation to accelerated tax depreciation.

For the year ended 31 December 2021, deferred tax charge of RMB2 million in relation to accelerated tax depreciation and deferred tax credit of RMB225 million in relation to change in fair value of investment properties.

(d) Net unrealised exchange loss on bank loans and loan front-end fee of RMB665 million for the year ended 31 December 2022 (2021: Net unrealised exchange gain on bank loans and loan front-end fee of RMB129 million).

(e) Accumulated net unrealised exchange gain of RMB18 million on bank loans and loan front-end fee previously adjusted out from the distribution statement have been realised and adjusted back upon loan repayment during the year ended 31 December 2022 (2021: Net realised exchange loss on bank loans and loan front-end fee of RMB246 million).

(f) Adjustment of RMB14 million in respect of accounting finance costs less cash finance costs during the year ended 31 December 2022 (2021: adjustment of RMB32 million in respect of cash finance costs less accounting finance costs).

(g) Other non-cash gain of RMB7 million for the year ended 31 December 2022 (2021: nil).

Pursuant to the Trust Deed (as defined in Note 1), annual distributable income is defined as the amount calculated by the Manager (as defined in Note 1) as representing the consolidated profit attributable to unitholders for the relevant financial year, as adjusted to eliminate the effects of certain Adjustments (as defined in the Trust Deed) which have been recorded in the consolidated statement of comprehensive income for the relevant financial year.

Notes: - continued

(ii) *Pursuant to clause 11.4.2 of the Trust Deed, the Manager determined that an amount of RMB1,113 million be available for addition (2021: RMB1,260 million) to arrive at the amount available for distribution during the year ended 31 December 2022 and additional amount distributed during the year ended 31 December 2022 is RMB517 million (2021: RMB570 million).*

(iii) *In accordance with the Trust Deed, Hui Xian REIT (as defined in Note 1) is required to distribute to unitholders not less than 90% of its annual distributable income for each financial year. While Hui Xian REIT had an adjusted loss of RMB538 million for the year ended 31 December 2022 (2021: RMB627 million), the Manager determined an amount of RMB575 million to be available for distribution for the year (2021: RMB633 million) as referred to in (ii) above.*

Distributions to unitholders for the year ended 31 December 2022 represent a payout ratio of 90% (2021: 90%) of such amount available for distribution for the year.

(iv) *The interim distribution per unit of RMB0.0516 for the six months ended 30 June 2022, paid on 28 September 2022, is calculated based on 90% of Hui Xian REIT's amount available for distribution of RMB354,398,707 over 6,181,080,984 units, representing issued units as at 30 June 2022. The final distribution per unit of RMB0.0318 for the six months ended 31 December 2022, payable on or around 15 May 2023, is calculated based on 90% of Hui Xian REIT's amount available for distribution for the year of RMB574,849,238, less distribution to unitholders for the six months ended 30 June 2022, over 6,230,359,272 units, representing issued units as at 31 December 2022.*

The interim distribution per unit of RMB0.0674 for the six months ended 30 June 2021, paid on 27 September 2021, is calculated based on 90% of Hui Xian REIT's amount available for distribution of RMB455,303,215 over 6,080,656,855 units, representing issued units as at 30 June 2021. The final distribution per unit of RMB0.0261 for the six months ended 31 December 2021, paid on 18 May 2022, is calculated based on 90% of Hui Xian REIT's amount available for distribution for the year of RMB632,814,747, less distribution to unitholders for the six months ended 30 June 2021, over 6,129,115,187 units, representing issued units as at 31 December 2021.

FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	NOTES	**2022** **RMB million**	2021 RMB million
Non-current assets			
Investment properties	13	**27,739**	29,127
Property, plant and equipment	14	**1,994**	1,996
Right-of-use assets	15	**3,759**	3,932
Goodwill		**2**	2
Total non-current assets		**33,494**	35,057
Current assets			
Inventories		**21**	24
Trade and other receivables	16	**126**	125
Bank balances and cash		**4,759**	5,880
Total current assets		**4,906**	6,029
Total assets		**38,400**	41,086
Current liabilities			
Trade and other payables	17	**472**	435
Tenants' deposits		**233**	255
Tax payable		**21**	23
Manager's fee payable		**56**	60
Distribution payable		**198**	160
Bank loans	18	**3,388**	1,307
Total current liabilities		**4,368**	2,240
Total assets less current liabilities		**34,032**	38,846
Non-current liabilities, excluding net assets attributable to unitholders			
Bank loans	18	**4,452**	7,164
Tenants' deposits		**393**	428
Deferred tax liabilities		**6,308**	6,594
Total non-current liabilities, excluding net assets attributable to unitholders		**11,153**	14,186
Total liabilities, excluding net assets attributable to unitholders		**15,521**	16,426
Non-controlling interests		**151**	205
Net assets attributable to unitholders		**22,728**	24,455
Units in issue ('000)		**6,230,359**	6,129,115
Net asset value per unit (RMB) attributable to unitholders	19	**3.6480**	3.9900

1. GENERAL INFORMATION

Hui Xian Real Estate Investment Trust ("Hui Xian REIT") is a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (the "SFO") (Chapter 571 of the Laws of Hong Kong). Hui Xian REIT was established on 1 April 2011 and had not carried on any operation prior to 29 April 2011 (date of listing) and its units were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "HKSE") since that date. Hui Xian REIT is governed by the Deed of Trust constituting Hui Xian REIT dated 1 April 2011 as amended by five supplemental deeds dated 24 May 2013, 16 May 2014, 28 May 2015, 19 May 2017 and 14 May 2021 (the "Trust Deed") made between Hui Xian Asset Management Limited (the "Manager") and DB Trustees (Hong Kong) Limited (the "Trustee"), and the Code on Real Estate Investment Trusts (the "REIT Code") issued by the Securities and Futures Commission of Hong Kong (the "SFC").

The principal activities of Hui Xian REIT and its subsidiaries (the "Group") are to own and invest in high quality commercial properties with the objective of producing stable and sustainable distributions to unitholders and to achieve long term growth in the net asset value per unit.

The consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of Hui Xian REIT.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). For the purpose of preparation of consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include the applicable disclosure requirements set out in Appendix C of the REIT Code issued by the SFC, the relevant provisions of the Trust Deed and the Rules Governing the Listing of Securities on the HKSE.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis, except for investment properties that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the Group's annual period on 1 January 2022 for the preparation of the consolidated financial statements.

Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendment to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use

3. SIGNIFICANT ACCOUNTING POLICIES – continued

Amendments to HKFRSs that are mandatorily effective for the current year – continued

Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018-2020

In addition, the Group applied the agenda decision of the Committee of the International Accounting Standards Board (the "Committee"), which is relevant to the Group. Given that HKFRSs contain wordings that are almost identical to the equivalent IFRS Standards except for minor differences, the agenda decision of the Committee is equally applicable to the Group.

The application of the amendments to HKFRSs and the Committee's agenda decision in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs issued but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but not yet effective:

HKFRS 17	Insurance Contracts[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[2]
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback[3]
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)[3]
Amendments to HKAS 1	Non-current Liabilities with Covenants[3]
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies[1]
Amendments to HKAS 8	Definition of Accounting Estimates[1]
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction[1]

[1] Effective for annual periods beginning on or after 1 January 2023.
[2] Effective for annual periods beginning on or after a date to be determined.
[3] Effective for annual periods beginning on or after 1 January 2024.

4. SEGMENT REPORTING

Hui Xian REIT determines its operating segments based on internal reports that are regularly reviewed by the chief operating decision maker (i.e. the Manager) for the purpose of allocating resources to segments and assessing their performance.

Identified operating and reportable segments are as follows:

Malls:	Renting of the shopping mall and car parking spaces in Oriental Plaza, Beijing, the PRC and Metropolitan Oriental Plaza in Chongqing, the PRC.
Offices:	Renting of office buildings in Oriental Plaza, Beijing, the PRC and Metropolitan Oriental Plaza in Chongqing, the PRC.
Apartments:	Operation of serviced apartment towers in Oriental Plaza, Beijing, the PRC and serviced apartment units in The Residences at Sofitel Shenyang Lido, Shenyang, the PRC.
Hotels:	Operation of Grand Hyatt Beijing in Oriental Plaza, Beijing, the PRC, Sofitel Shenyang Lido, Shenyang, the PRC, Hyatt Regency Liberation Square Chongqing, Chongqing, the PRC and Sheraton Chengdu Lido Hotel, Chengdu, the PRC.

(a) Segment revenue and results

For the year ended 31 December 2022

	Malls RMB million	Offices RMB million	Apartments RMB million	Hotels RMB million	Consolidated RMB million
Segment revenue	**779**	**1,086**	**171**	**166**	**2,202**
Segment profit (loss)	**522**	**793**	**83**	**(98)**	**1,300**
Decrease in fair value of investment properties					**(1,404)**
Finance costs, including exchange differences					**(867)**
Unallocated depreciation					**(343)**
Unallocated income					**130**
Unallocated expense					**(135)**
Loss before taxation and transactions with unitholders					**(1,319)**

4. SEGMENT REPORTING - continued

(a) Segment revenue and results – continued

For the year ended 31 December 2021

	Malls RMB million	Offices RMB million	Apartments RMB million	Hotels RMB million	Consolidated RMB million
Segment revenue	1,008	1,101	180	271	2,560
Segment profit (loss)	690	795	86	(31)	1,540
Decrease in fair value of investment properties					(1,516)
Finance costs, including exchange differences					118
Unallocated depreciation					(360)
Unallocated income					158
Unallocated expense					(125)
Loss before taxation and transactions with unitholders					(185)

The accounting policies of the operating segments are the same as the accounting policies described in Note 2. Segment profit (loss) represents the profit earned or loss incurred by each segment without allocation of the changes in fair value of investment properties, finance costs, including exchange differences, certain depreciation expenses, certain other income, certain Manager's fees, real estate investment trust expenses and certain other operating expenses that are not directly related to each segmental activities. This is the measure reported to the Manager for the purposes of resource allocation and performance assessment.

(b) Segment assets

The following is an analysis of the Group's assets by operating segment:

	2022 **RMB million**	2021 RMB million
Malls	**13,475**	14,743
Offices	**14,423**	14,538
Apartments	**2,246**	2,355
Hotels	**3,504**	3,567
Total segment assets	**33,648**	35,203
Unallocated bank balances and cash	**4,682**	5,801
Other assets	**70**	82
Consolidated total assets	**38,400**	41,086

For the purposes of monitoring segment performances and resources allocation, all assets are allocated to operating segments other than corporate assets (including certain right-of-use assets, certain bank balances and cash, certain equipment, certain inventories, certain other receivables and goodwill) which are unallocated.

4. SEGMENT REPORTING - continued

(b) Segment assets - continued

For the measurement of segment assets and results, property, plant and equipment, right-of-use assets and investment properties are allocated to segments while their corresponding depreciation and changes in fair value of investment properties are not allocated to segment results on the same basis.

Segment liabilities are not disclosed in the consolidated financial statements as they are not regularly provided to the Manager for the purpose of resource allocation and performance assessment.

(c) Geographical information

All of the Group's revenue is derived from activities and customers located in the PRC and the Group's non-current assets are all located in the PRC.

The Group did not have any major customers as no single customer contributed more than 10% of the Group's revenue during both years.

(d) Other segment information

For the year ended 31 December 2022

	Malls RMB million	Offices RMB million	Apartments RMB million	Hotels RMB million	Total reportable segments RMB million	Unallocated RMB million	Consolidated total RMB million
Depreciation	**1**	**1**	**2**	**23**	**27**	**343**	**370**
Additions to non-current assets	**6**	**5**	**1**	**217**	**229**	**1**	**230**

For the year ended 31 December 2021

	Malls RMB million	Offices RMB million	Apartments RMB million	Hotels RMB million	Total reportable segments RMB million	Unallocated RMB million	Consolidated total RMB million
Depreciation	1	1	3	20	25	360	385
Additions to non-current assets	8	5	1	85	99	3	102

5. REVENUE

For the year ended 31 December 2022

	Malls RMB million	Offices RMB million	Apartments RMB million	Hotels RMB million	Consolidated RMB million
Disaggregation of revenue					
Revenue from contracts with customers within the scope of HKFRS 15					
Room revenue	**-**	**-**	**-**	**103**	**103**
Food and beverage	**-**	**-**	**-**	**54**	**54**
Carpark revenue	**22**	**-**	**-**	**-**	**22**
Ancillary services income	**122**	**191**	**61**	**9**	**383**
	144	**191**	**61**	**166**	**562**
Rental income	**635**	**895**	**110**	**-**	**1,640**
Total revenue	**779**	**1,086**	**171**	**166**	**2,202**
Timing of revenue recognition					
A point in time	**34**	**25**	**4**	**60**	**123**
Over time	**110**	**166**	**57**	**106**	**439**
Revenue from contracts with customers within the scope of HKFRS 15	**144**	**191**	**61**	**166**	**562**

For the year ended 31 December 2021

	Malls RMB million	Offices RMB million	Apartments RMB million	Hotels RMB million	Consolidated RMB million
Disaggregation of revenue					
Revenue from contracts with customers within the scope of HKFRS 15					
Room revenue	-	-	-	173	173
Food and beverage	-	-	-	84	84
Carpark revenue	28	-	-	-	28
Ancillary services income	148	190	61	14	413
	176	190	61	271	698
Rental income	832	911	119	-	1,862
Total revenue	1,008	1,101	180	271	2,560
Timing of revenue recognition					
A point in time	61	35	5	93	194
Over time	115	155	56	178	504
Revenue from contracts with customers within the scope of HKFRS 15	176	190	61	271	698

All contracts with customers within the scope of HKFRS 15 are for period of one year or less, except for certain management services (included in ancillary services) which are provided for a period of one year or more. For management services, the Group applied the practical expedient in HKFRS 15 to recognise revenue in the amount that the Group has the right to invoice based on the terms of the relevant agreements in which the Group bills a fixed monthly amount in advance. As permitted under HKFRS 15, the transaction price of all these services allocated to the remaining performance obligations is not disclosed.

5. REVENUE - continued

The gross rental from investment properties includes variable lease payments that do not depend on an index or a rate of RMB7 million (2021: RMB14 million).

The direct operating expenses from investment properties (includes mainly certain other operating expenses, certain Manager's fees and staff costs) amounting to RMB554 million (2021: RMB630 million).

6. OTHER INCOME

	2022	2021
	RMB million	RMB million
Interest income from banks	**128**	156
Government subsidies	**3**	3
Others	**5**	6
Total	**136**	165

7. OTHER OPERATING EXPENSES

	2022	2021
	RMB million	RMB million
Advertising and promotion	**18**	34
Audit fee	**2**	2
Insurance	**5**	5
Lease agency fee	**15**	21
Property manager's fee	**60**	69
Property management fees	**64**	61
Repairs and maintenance	**78**	92
Other miscellaneous expenses (Note)	**156**	140
Stamp duty	**2**	3
Urban land use tax	**3**	3
Urban real estate tax	**242**	264
Utilities	**81**	88
Value added tax surcharges	**11**	13
Loss on disposal of property, plant and equipment	**17**	4
	754	799

Note: Other miscellaneous expenses comprise mainly cleaning and security expenses, guest supplies and labour service fees.

8. FINANCE COSTS, INCLUDING EXCHANGE DIFFERENCES

	2022 **RMB million**	2021 RMB million
Net unrealised exchange loss (gain) on bank loans and loan front-end fee	**665**	(129)
Net realised exchange gain on bank loans and loan front-end fee arising on settlement	**(4)**	(117)
Interest expenses on unsecured bank loans	**206**	128
	867	(118)

9. MANAGER'S FEES

	2022 **RMB million**	2021 RMB million
Base fee	**103**	106
Variable fee	**14**	18
	117	124

10. REAL ESTATE INVESTMENT TRUST EXPENSES

	2022 **RMB million**	2021 RMB million
Trustee's fee	**4**	4
Legal and professional fees	**1**	4
Trust administrative expenses and others	**5**	5
	10	13

11. INCOME TAX EXPENSE

	2022 **RMB million**	2021 RMB million
The income tax expense comprises:		
Current tax		
- PRC Enterprise Income Tax	**282**	316
- Withholding tax	**46**	44
Deferred taxation	**(286)**	(290)
	42	70

No provision for Hong Kong profits tax was made as the Group's profits neither arose in, nor was derived from, Hong Kong.

PRC Enterprise Income Tax was provided at the applicable enterprise income tax rate of 25% on the estimated assessable profits of the Group's PRC subsidiaries, except for a subsidiary operating in Chongqing which was granted a concessionary tax rate of 15% by the local tax bureau following the Catalogue of Encouraged Industries in Western Region which was promulgated by the National Development and Reform Commission of the PRC in 2014.

11. INCOME TAX EXPENSE - continued

The Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law also required withholding tax to be levied on distribution of profits earned by a PRC entity to non-PRC tax residents for profits generated after 1 January 2008. The applicable withholding tax rate is 5% for the Group. At the end of the reporting period, deferred taxation was provided for in full in respect of the temporary differences attributable to such profits.

12. LOSS PER UNIT

The loss per unit for the year ended 31 December 2022 is calculated by dividing the loss for the year attributable to unitholders before transactions with unitholders of RMB1,307 million (2021: RMB219 million) by the weighted average of 6,184,883,619 (2021: 6,077,949,711) units in issue during the year, taking into account the units issuable as Manager’s fee for its service for the year.

No diluted loss per unit for both years were presented as there were no potential units in issue for both years.

13. INVESTMENT PROPERTIES

	2022 **RMB million**	2021 RMB million
FAIR VALUE		
At the beginning of the year	**29,127**	30,629
Additions	**11**	12
Transferred from property, plant and equipment	**1**	2
Transferred from right-of-use assets	**4**	-
Decrease in fair value recognised in profit or loss	**(1,404)**	(1,516)
At the end of the year	**27,739**	29,127

(a) The Group's investment properties are located in Beijing and Chongqing, the PRC, and are measured using the fair value model.

(b) Investment properties were revalued on 31 December 2022 and 2021 by Knight Frank Petty Limited, independent professional valuer with appropriate professional qualifications and experiences in the valuation of similar properties in the relevant locations.

14. PROPERTY, PLANT AND EQUIPMENT

	Buildings						
	Hotels	Serviced apartments	Others	Plant and machinery	Construction in progress	Others	Total
	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million
COST							
At 1 January 2021	2,199	1,078	40	300	7	204	3,828
Additions for the year	-	1	1	6	75	5	88
Disposals for the year	(70)	(17)	-	(6)	-	(7)	(100)
Cost adjustments	(2)	-	-	-	(1)	-	(3)
Transfers	(31)	39	-	(3)	(16)	11	-
Transferred to investment properties	-	(10)	-	(7)	-	-	(17)
At 31 December 2021	2,096	1,091	41	290	65	213	3,796
Additions for the year	**2**	**1**	**-**	**3**	**209**	**4**	**219**
Disposals for the year	**(113)**	**(13)**	**-**	**(8)**	**-**	**(18)**	**(152)**
Cost adjustments	**(1)**	**(1)**	**-**	**-**	**-**	**-**	**(2)**
Transfers	**56**	**-**	**-**	**8**	**(95)**	**31**	**-**
Transferred to investment properties	**-**	**-**	**(1)**	**-**	**-**	**-**	**(1)**
At 31 December 2022	**2,040**	**1,078**	**40**	**293**	**179**	**230**	**3,860**
ACCUMULATED DEPRECIATION							
At 1 January 2021	996	452	11	144	-	93	1,696
Provided for the year	121	52	3	15	-	24	215
Eliminated on disposals	(70)	(17)	-	(5)	-	(4)	(96)
Transfers	(9)	17	-	(8)	-	-	-
Transferred to investment properties	-	(9)	-	(6)	-	-	(15)
At 31 December 2021	1,038	495	14	140	-	113	1,800
Provided for the year	**118**	**36**	**4**	**15**	**-**	**27**	**200**
Eliminated on disposals	**(106)**	**(9)**	**-**	**(3)**	**-**	**(16)**	**(134)**
At 31 December 2022	**1,050**	**522**	**18**	**152**	**-**	**124**	**1,866**
CARRYING AMOUNTS							
At 31 December 2022	**990**	**556**	**22**	**141**	**179**	**106**	**1,994**
At 31 December 2021	1,058	596	27	150	65	100	1,996

Depreciation is provided to write off the cost of property, plant and equipment other than construction in progress over their estimated useful lives and after taking into account their estimated residual values, using the straight-line method.

The assessment of the recoverable amounts of the Buildings and Right-of-use assets were performed on 31 December 2022 and 2021 by the Manager with reference to the valuations carried out by Knight Frank Petty Limited, being an independent valuer with appropriate professional qualifications and experiences in the valuation of similar properties in the relevant locations. The carrying amount of the relevant assets does not exceed the recoverable amount based on fair value less costs of disposal.

15. RIGHT-OF-USE ASSETS

	RMB million
As at 31 December 2022	
Carrying amount	**3,759**
As at 31 December 2021	
Carrying amount	3,932
For the year ended 31 December 2022	
Depreciation charge	**170**
For the year ended 31 December 2021	
Depreciation charge	170
Additions to right-of-use assets	2

16. TRADE AND OTHER RECEIVABLES

	2022 **RMB million**	2021 RMB million
Trade receivables	**37**	20
Deposits and prepayments	**17**	14
Advance to suppliers	**8**	8
Interest receivables	**31**	46
Other receivables	**33**	37
	126	125

Aging analysis of the Group's trade receivables by invoice dates at the end of the reporting period is as follows:

	2022 **RMB million**	2021 RMB million
Less than or equal to 1 month	**23**	11
1 - 3 months	**10**	6
Over 3 months	**4**	3
	37	20

17. TRADE AND OTHER PAYABLES

	2022 RMB million	2021 RMB million
Trade payables	**146**	110
Receipts in advance (Note (i))	**193**	192
Others (Note (ii))	**133**	133
	472	435

Notes:

(i) Included in receipts in advance are contract liabilities amounting to RMB56 million (31 December 2021: RMB55 million), which were related to advance receipts from customers under hotels segment, and ancillary services provided in malls, offices and apartments segments.

(ii) Others comprise mainly accrued salaries, accrued staff welfare and certain operating expense payables.

Aging analysis of the Group's trade payables by invoice dates at the end of the reporting period is as follows:

	2022 RMB million	2021 RMB million
Less than or equal to 3 months	**92**	71
Over 3 months	**54**	39
	146	110

18. BANK LOANS

	2022 RMB million	2021 RMB million
Unsecured term loans	**7,861**	8,503
Loan front-end fee	**(21)**	(32)
	7,840	8,471

The maturities of the above bank loans are as follows:

	2022 RMB million	2021 RMB million
Within one year	**3,388**	1,307
More than one year but not exceeding two years	**3,740**	3,746
More than two years but not exceeding five years	**712**	3,418
	7,840	8,471
Less: Amounts shown under current liabilities	**(3,388)**	(1,307)
Amounts due after one year	**4,452**	7,164

18. BANK LOANS - continued

In relation to the credit facility of HK$800 million drawn down by the Group on 20 March 2019, the Group fully prepaid the outstanding balance of the credit facility which was HK$600 million (equivalent to RMB492 million) in February 2022.

In relation to the credit facility of HK$1,000 million drawn down by the Group on 31 August 2018, the Group fully prepaid HK$1,000 million (equivalent to RMB814 million) of the credit facility in April 2022.

In relation to the credit facility of HK$5,000 million drawn down by the Group on 30 November 2020, the Group partially prepaid HK$800 million (equivalent to RMB653 million) of the credit facility in May 2022. The total amount of the credit facility utilised by the Group as at 31 December 2022 was HK$3,000 million (equivalent to RMB2,680 million) (31 December 2021: HK$3,800 million (equivalent to RMB3,107 million)).

In relation to the revolving credit facility of HK$800 million granted to the Group on 24 June 2022 to finance the general working capital of the Group, the total amount of the credit facility utilised by the Group as at 31 December 2022 was HK$800 million (equivalent to RMB715 million). It bears interest at floating interest rate of Hong Kong Interbank Offered Rate ("HIBOR") plus 0.93% per annum and is repayable in full in June 2025.

All bank loans are guaranteed by the Trustee (in its capacity as Trustee of Hui Xian REIT) and certain subsidiaries of Hui Xian REIT.

19. NET ASSET VALUE PER UNIT ATTRIBUTABLE TO UNITHOLDERS

The net asset value per unit is calculated based on the net assets attributable to unitholders as at 31 December 2022 of RMB22,728 million (2021: RMB24,455 million) and the total number of 6,230,359,272 units in issue as at 31 December 2022 (2021: 6,129,115,187 units).