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RREEF China Commercial Trust **睿富中國商業房地產投資信託基金**

(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: 0625)

Managed by

RREEF China REIT Management Limited

ANNOUNCEMENT

IN RELATION TO

- (1) PROPOSED VERY SUBSTANTIAL DISPOSAL**
- (2) PROPOSED TERMINATION AND PROPOSED DELISTING OF RREEF CCT**
- (3) RESUMPTION OF TRADING**

PROPOSED VERY SUBSTANTIAL DISPOSAL

The Board announces that on 3 February 2010, the Trustee (as the Seller) and the Manager on behalf of RREEF CCT have respectively entered into the Agreement for the disposal of BVI Company to the Buyer. BVI Company holds the entire issued share capital of HK SPV, which in turn holds the legal and beneficial title to the Property and all rights and interest related thereto. Following Completion, RREEF CCT will cease to hold any interest in the Disposed Group, which constitutes substantially all the operating businesses and assets of the Group.

The Initial Consideration of approximately HK\$1.9 billion (subject to post-Completion adjustment) payable by the Buyer for the Disposed Group is based on a value ascribed to the Property of RMB2.9 billion (approximately HK\$3.3 billion based on exchange rate HK\$1.1357= RMB1), which represents a discount of approximately 6.5% when compared against the Appraised Property Value of RMB 3.1 billion (approximately HK\$3.5 billion based on exchange rate HK\$1.1357= RMB1) as at 15 December 2009.

PROPOSED TERMINATION AND PROPOSED DELISTING OF RREEF CCT

Given the Disposed Group contains substantially all of the operating businesses and assets of the Group, the Board is of the view that following the sale of the Property, being the only material asset of RREEF CCT, RREEF CCT would have no remaining operating real estate assets to fulfil the criteria for operating as a REIT in accordance with the REIT Code and therefore, RREEF CCT should be terminated in accordance with the REIT Code and the Units should consequentially be delisted from trading on the Stock Exchange. As the termination and the consequential delisting are natural results of the Proposed Disposal, the Board understands that the Proposed Disposal should be treated as part and parcel of the Proposed Termination and the Proposed Delisting. The Proposed Disposal, the Proposed Termination and the Proposed Delisting are subject to the Unitholders' approval by way of a Required Voting Standard combined resolution at the EGM (further details of which will be disclosed in the Circular).

A Circular (which will be despatched to Unitholders no later than 21 days after the date of this announcement) containing, among other things: (1) a letter from the Board to the Unitholders containing details of the Proposed Disposal, the Proposed Termination, the Proposed Delisting and other related matters (including, but not limited to, a timetable listing the relevant dates of the Proposals); (2) the Property Valuation Report; (3) the Accountants' Report; (4) the summary of the unaudited pro forma financial information of the Remaining Group; (5) a letter from Rothschild to the Trustee; and (6) the Notice of EGM, will be sent out to the Unitholders as soon as practicable.

RESUMPTION OF TRADING IN THE UNITS

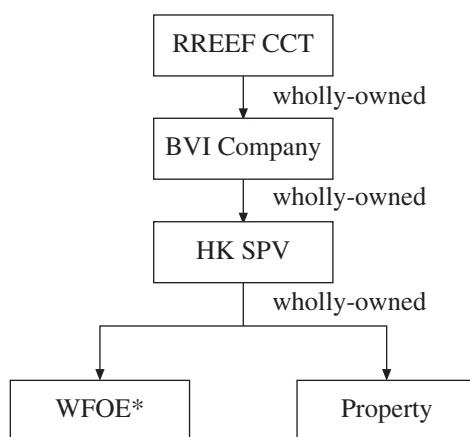
Trading in the Units on the Stock Exchange was suspended with effect from 9:30 a.m. on 4 February 2010 at the request of the Manager pending the issue and publication of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Units with effect from 9:30 a.m. on 11 February 2010.

As the Proposals may or may not complete, Unitholders and prospective investors of RREEF CCT are advised to exercise caution when dealing in the Units.

1. PROPOSED DISPOSAL

Reference is made to the announcements dated 3 September 2009 and 30 November 2009, which announced the Strategic Review conducted by the Manager, together with Goldman Sachs, to consider the strategic investment options for the future strategic direction of RREEF CCT, and the open tender process for the Proposed Disposal undertaken by the Board, respectively.

On 3 February 2010, the Trustee (as the Seller) and the Manager on behalf of RREEF CCT have respectively entered into the Agreement for the disposal of BVI Company to the Buyer. BVI Company holds the entire issued share capital of HK SPV, which in turn holds the legal and beneficial title to the Property and all rights and interest related thereto. Below is a diagram to illustrate the structure of RREEF CCT before completion of the Proposed Disposal:



* *WFOE is established in PRC solely to carry on administrative functions for HK SPV in PRC.*

Following Completion, RREEF CCT will cease to hold any interest in the Disposed Group which constitutes substantially all the operating businesses and assets of the Group.

1.1 Terms of the Agreement

Below are the key terms of the Agreement:

1.1.1 *Date*

3 February 2010.

1.1.2 *Parties*

Seller: The Trustee, as trustee of RREEF CCT.

Manager: The Manager, as manager of RREEF CCT.

Buyer: Mapletree India China Fund Ltd.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Buyer and its ultimate beneficial owners are third parties independent of RREEF CCT and of connected persons of RREEF CCT. Further details on the Buyer are disclosed in section 6.2 in this announcement.

1.1.3 *Assets being disposed of*

The Disposed Share, represents the entire issued share capital of BVI Company. BVI Company is a limited liability company incorporated in the British Virgin Islands and is wholly-owned by RREEF CCT. It is incorporated for the sole purpose of holding the entire issued share capital of HK SPV and has no other business activities.

HK SPV is a limited liability company incorporated in Hong Kong and is a wholly-owned subsidiary of BVI Company. It is incorporated for the sole purpose of holding the Property and has no other business activities. It holds the legal and beneficial title to the Property.

The Property known as "Gateway Plaza" is located at 18 Xiaguangli Road, East 3rd Ring Road, Chaoyang District, Beijing, PRC. RREEF CCT indirectly through HK SPV wholly owns the legal and beneficial interest in the Property. Further details on the Property, including among other information, the Appraised Property Value will be contained in the Property Valuation Report to be despatched to the Unitholders in the Circular.

Financial information for the Disposed Group for the financial years ended 31 December 2008 and 31 December 2009 will be included in the Accountants' Report as an appendix to the Circular.

1.1.4 *Escrow Arrangement*

(i) *Escrow Account*

The Seller, the Manager, the Buyer and the Escrow Agent entered into the Escrow Agreement, pursuant to which the Seller, the Manager and the Buyer appointed the Escrow Agent as escrow agent for the purposes set out in the Agreement, and the Escrow Agent agreed to set up the Escrow Account and undertake an obligation of escrow, payment and release in accordance with the Escrow Agreement.

(ii) *Deposit*

In accordance with the Agreement, the Buyer has paid the Deposit of HK\$180 million into the Seller's designated account on the first Business Day following the date of the Agreement, subject to which the Seller undertakes to instruct its bank to transfer an amount equal to the Deposit (together with any interest earned on such sum whilst in the Seller's designated account prior to such transfer) to the Escrow Account within two (2) Business Days of receipt of written notice from the Manager that the Escrow Account is open and operational.

In the case where Completion does not take place because any of the Conditions is not satisfied by the date falling five (5) Business Days before the Longstop Date or if either of the Seller or the Manager does not comply with certain specified obligations under the Agreement or Completion does not take place due to no fault of the Buyer, the Buyer shall be paid out of the Escrow Account an amount equal to the Deposit (together with interest as accrued in accordance with the Agreement) on the Longstop Date (15 May 2010).

If the Seller and/or the Manager elects to terminate the Agreement pursuant to their respective termination rights under the Agreement (further details under section 1.1.7 (iv) in this announcement), the Manager, the Seller and the Buyer shall jointly instruct the Escrow Agent to release to the Buyer's designated account an amount equal to the Deposit (together with interest as accrued in accordance with the Agreement).

In any other case where Completion does not take place (principally due to default by the Buyer), the Seller shall be paid out of the Escrow Account an amount equal to the Deposit (together with interest as accrued in accordance with the Agreement).

(iii) *Escrow Amount*

Interest accruing on the balance standing to the credit of the Escrow Account shall be added to the balance standing to the credit of the Escrow Account and shall form part of the Escrow Amount (HK\$150 million), with the costs of the Escrow Agent being met out of the balance standing to the credit of the Escrow Account.

The Escrow Amount is available for recourse for the Buyer in the event of (a) breaches by the Seller and/or the Manager of warranties or other provisions under the Agreement; and (b) downwards adjustment of the Initial Consideration (as further disclosed in section 1.1.5 (iii) in this announcement).

Absent any outstanding claims on the Escrow End Date, the balance standing to the credit of the Escrow Account (if any) shall be paid to the Seller on the Escrow End Date.

1.1.5 Consideration and payment of Consideration

(i) *Consideration*

The total consideration consists of Initial Consideration and post-Completion adjustment specified under the Agreement (as further described in section 1.1.5(iii) in this announcement).

The Initial Consideration of approximately HK\$1.9 billion (based on exchange rate HK\$1.1357= RMB1) (the “**Initial Consideration**”) is payable in cash by the Buyer to the Seller on Completion. This is calculated as follows:

- (a) negative HK\$1,439,888,000, being the target net asset value of the Disposed Group (the “**Target NAV**”) (which is approximately the net asset value of the Disposed Group as at 31 December 2009, excluding for these purposes the book value of the Property and the deferred tax liability); plus
- (b) an amount results from converting RMB2.9 billion (being the Buyer’s valuation of the Property pursuant to its agreement to acquire the BVI Company) into HK\$ at the exchange rate five (5) Business Days prior to the Completion Date (approximately HK\$3.3 billion based on exchange rate of HK\$1.1357=RMB1).

The total consideration was determined after arm’s length negotiations between the Parties with reference to various factors, including the Appraised Property Value of RMB 3.1 billion (approximately HK\$3.5 billion based on exchange rate HK\$1.1357= RMB1) as at 15 December 2009, the Buyer’s commercial assessment of the value of the Property, latest comparable market transactions and the current operating business of the Disposed Group.

The Initial Consideration payable by the Buyer for the Disposed Group of approximately HK\$1.9 billion (subject to post-Completion adjustment) is based on a value ascribed to the Property of RMB2.9 billion (approximately HK\$3.3 billion based on exchange rate HK\$1.1357= RMB1), which

represents a discount of approximately 6.5% when compared against the Appraised Property Value of RMB 3.1 billion (approximately HK\$3.5 billion based on exchange rate HK\$1.1357= RMB1) as at 15 December 2009.

The Circular will contain a statement as to the value attributable to the Proposals on a per Unit basis by reference to the unaudited pro forma financial information of the Remaining Group.

(ii) *Other Payments*

In addition to the Initial Consideration, at Completion, the Buyer shall procure payment by or on behalf of the relevant Disposed Group company of:

- (a) the Completion Bank Debt to the lender's account (details of which will be notified to the Buyer not less than five (5) Business Days prior to Completion); and
- (b) the Target Intra-Group Payable (HK\$181,098,000) to a Seller's designated account by transfer of funds for same day value.

(iii) *Adjustment Provisions*

The amounts payable by the Buyer to the Seller are subject to the following adjustment provisions in the Agreement by reference to the Completion Statements:

- (a) In the case of the Initial Consideration, if the actual net asset value (excluding any deferred tax and the book value of the Property) of the Disposed Group as set out in the Completion Statements: (i) exceeds (or is less negative than) the Target NAV, the Buyer shall pay the Seller an amount equal to such excess; or (ii) is less (or more negative) than the Target NAV, the Buyer shall be paid out of the Escrow Account an amount equal to such shortfall or the balance standing to the credit of the Escrow Account (whichever is less); and
- (b) in the case of the Target Intra-Group Payable, if the net amount owing from the Disposed Group to RREEF CCT reflected in the Completion Statements: (i) exceeds the Target Intra-Group Payable, the Buyer (for itself and on behalf of relevant companies within the Disposed Group) shall pay the Seller an amount equal to such excess; or (ii) is less than the Target Intra-Group Payable, the Buyer shall be paid out of the Escrow Account an amount equal to such shortfall or the balance

standing to the credit of the Escrow Account (whichever is less). Any adjustment in the Target Intra-Group Payable will be factored into the Target NAV adjustment of the Disposed Group such that there will be no net value shift to the Buyer on the Seller in respect of such adjustment.

Any payment made by or on behalf of the Seller or the Buyer (as applicable) pursuant to the adjustment provisions in the Agreement shall be made within five (5) Business Days of the date which the Completion Statements are determined by the Parties.

1.1.6 *Completion and Conditions Precedent*

(i) *Completion*

Completion shall take place on a date (the “**Completion Date**”) which is five (5) Business Days after the date on which the last of the Conditions is satisfied or (other than Condition 1.1.6(ii)(a) below) waived, or such other date as the Parties may mutually agree but in any event being a date no later than the Long Stop Date (15 May 2010).

(ii) *Conditions Precedent*

Completion is subject to and conditional upon satisfaction of the following Conditions:

- (a) approval of the Proposals by the Unitholders by the Required Voting Standard (or otherwise in accordance with the requirements of the SFC) at an extraordinary general meeting to be conducted;
- (b) no material adverse change having occurred by the date of the satisfaction of the Conditions; and
- (c) no material breach of warranty having occurred by the date of the satisfaction of the Conditions.

Save and except for the Conditions set out in this announcement, there are no other approvals or consents required for Completion to occur.

1.1.7 *Other major terms*

(i) *Warranties and Tax Indemnities*

The Agreement contains commercial warranties in line with market practice in a normal sale and purchase transaction and a tax indemnity in respect of pre-Completion tax liabilities of the Disposed Group.

(ii) *Limitation on quantum of claims*

The Buyer agrees that its recourse against the Seller and the Manager for any claims pursuant to the Agreement is limited to the balance standing to the credit of the Escrow Account from time to time, and the Buyer shall, with the absence of fraud or willful misconduct, not be entitled to take any further steps against the Seller or the Manager to recover any shortfall (if any).

Neither the Manager nor the Seller is liable in respect of claims under the Agreement unless the amount in respect of such claim (when aggregated with relevant claims arising out of substantially the same set of facts and circumstances) exceeds HK\$500,000; and unless and until the amount in respect of the relevant claim, when aggregated with any other amount or amounts recoverable in respect of other relevant claim (excluding any amount in respect of a relevant claim for which the Manager or the Seller has no liability because of the threshold aforementioned), exceeds HK\$10 million and in the event that the aggregated amounts exceed HK\$10 million the Manager or the Seller shall be liable for the whole amount and not the excess only.

(iii) *Time limits for bringing claims*

The Seller and the Manager are not liable pursuant to the Agreement unless the Buyer has notified the Manager of the relevant claim stating in reasonable detail the nature of the relevant claims and the amount claimed (detailing the Buyer's calculation of the loss thereby alleged to have been suffered on or before the earlier of: (a) the date following five (5) months after the Completion Date; and (b) the date on which the balance in the Escrow Account is reduced to zero.

Absent any outstanding claims on the Escrow End Date (i.e. the first Business Day falling on or after the date which is seven (7) months after the Completion Date), the balance standing to the credit of the Escrow Account (if any) shall be paid to the Seller on the Escrow End Date.

(iv) *Termination rights of the Seller and/or the Manager*

The Seller and/or the Manager shall have the right to terminate the Agreement by noticing the Buyer at any time prior to 1:00 a.m. (Hong Kong time) on the Completion Date if: (a) any payment by the Buyer pursuant to the Agreement is, or in the Manager's reasonable opinion potentially will be, subject to any deduction or withholding as required by tax authorities in

the PRC or under relevant laws in PRC; or (b) the Seller, the Manager or any Group company will or in the Manager's reasonable opinion potentially will be subject to any tax imposed by relevant PRC tax authorities solely by reason of the entry into the Agreement and/or execution of the transactions contemplated by the Agreement.

1.2 Proposed Interim Distribution

Subject to the Board's approval and in compliance with the Trust Deed (which provides that distributions of surplus cash of RREEF CCT over and above the minimum 90% annual distributable income can be made upon the instructions of the Manager) and the REIT Code, the net proceeds from the Proposed Disposal, together with the majority of the accrued cash reserves of RREEF CCT, shall be distributed as soon as reasonably practicable following Completion (and in any event prior to final liquidation of RREEF CCT in compliance with Rule 11.8 of the REIT Code, the detailed requirements of which are set out in the paragraph below) on a pro rata basis to the Unitholders whose names appear on the register of Unitholders on the record date (details of the record date and the book closure period will be disclosed in the Circular) in cash by way of the Proposed Interim Distribution.

In accordance with Rule 11.8 (Notes 2 and 3) of the REIT Code, the Trustee shall ensure that the liquidation of RREEF CCT is completed within twelve months from the effective date of the Proposed Termination. Where the Trustee considers it is in the best interests of the Unitholders, the liquidation of RREEF CCT may be completed within such longer period (in total not to exceed 24 months) as the Trustee deems appropriate. Unitholders shall be informed by way of announcement in such event. Further, all cash proceeds derived from the liquidation of RREEF CCT shall be distributed to Unitholders on a pro-rata basis. Where the liquidation of RREEF CCT exceeds six (6) months, an interim distribution shall be made in respect of the sale proceeds received by the end of every six-month period, except where no sales were made during such period. Upon completion of the liquidation of RREEF CCT, a one-off distribution shall be made to the Unitholders within one (1) month from the date of the completion of the liquidation of RREEF CCT. Distributions to Unitholders upon termination of RREEF CCT shall be made in cash only.

2. PROPOSED TERMINATION AND PROPOSED DELISTING

2.1 Rationale for the Proposed Termination and Proposed Delisting

Given the Disposed Group contains substantially all of the operating businesses and assets of the Group, the Board is of the view that following the sale of the Property, being the only material asset of RREEF CCT, RREEF CCT would have no remaining operating real estate assets to fulfil the criteria for operating as a REIT in accordance with the REIT Code and therefore, RREEF CCT should be terminated in accordance with the REIT Code and the Units should consequentially be delisted from trading on the Stock Exchange. As the termination and the consequential delisting are natural results of the Proposed Disposal, the Board understands that the Proposed Disposal should be treated as part and parcel of the Proposed Termination and the Proposed Delisting. The Proposed Disposal, the Proposed Termination and the Proposed Delisting are subject to the Unitholders' approval by way of a Required Voting Standard combined resolution at the EGM (further details of which will be disclosed in the Circular).

In compliance with the REIT Code, upon Unitholders' approval of the Proposed Termination, RREEF CCT shall cease to create, cancel or sell Units. Trading in the Units on the Stock Exchange will be permitted for a specified period following the EGM, following which the Board intends to apply for a suspension of trading of Units on the Stock Exchange with effect from Completion until RREEF CCT is delisted. Details of the trading arrangement, including the last day of dealing in the Units and the latest time for lodging transfers of the Units to qualify for entitlement of distribution upon Proposed Termination will be included in the Circular.

In compliance with Rules 11.09 and 11.10 of the REIT Code, while RREEF CCT is being wound up, it shall continue to prepare its annual report; and on completion of the liquidation of RREEF CCT, the following shall be prepared: (i) the Manager's review and comments on the performance of RREEF CCT; (ii) a report from the Trustee that the Manager has managed and liquidated the fund in accordance with the REIT Code and the provisions of the Trust Deed (as applicable); (iii) financial statements of RREEF CCT; and (iv) an auditors' report. Further, in compliance with Rule 11.11 of the REIT Code, copies of the financial statements of RREEF CCT shall be distributed to Unitholders within three (3) months of the completion of the liquidation of RREEF CCT and a copy shall be filed with the SFC.

2.2 Effective date and conditions for the Proposed Termination

Subject to compliance with the REIT Code and the Trust Deed, the date of the Proposed Termination shall be the first business day following the satisfaction of all the below conditions:

- (i) the approval of the Proposals by the Unitholders by way of Required Voting Standard;
- (ii) Completion; and
- (iii) the completion of the Proposed Interim Distribution.

2.3 Conditions of the Proposed Delisting

Subject to the condition that the Proposed Termination becomes effective (details in relation to Proposed Termination becoming effective in section 2.2 in this announcement), the Board will make an application to the Stock Exchange to withdraw the listing of the Units on the Stock Exchange for the purpose of the Proposed Delisting.

2.4 Valuation of the Scheme

For the purpose of compliance with Rule 11.4 (e) of the REIT Code, the Property Valuation Report will be despatched as an appendix to the Circular to provide a valuation of RREEF CCT.

2.5 Alternatives available to Unitholders

In the event that the Proposals are not approved by the Unitholders, the Board will reconsider the options under the Strategic Review for the purposes of analyzing and considering strategic investment options for the further strategic direction of RREEF CCT in light of the failure of the Proposed Disposal. The Board would like to make clear to Unitholders that there are no current negotiations or agreements relating to another transaction, and there is no certainty that another transaction would be proposed or pursued by the Board. Further details on the Strategic Review were disclosed in the announcements dated 3 September 2009 and 30 November 2009.

3. DIRECTORS' AND TRUSTEE'S VIEW

The Directors (including the independent non-executive Directors), having considered various factors, including financial advice provided by Goldman Sachs (which is discussed in more detail in section 8 of this announcement), are of the view that the Proposed Disposal, the Proposed Termination and the Proposed Delisting are fair and reasonable and in the interests of the Unitholders.

The Trustee has independently sought financial advice from Rothschild (who is independent of the Manager, the Trustee and the Buyer) with respect to the Proposed Disposal, the Proposed Termination and the Proposed Delisting. Based on the information provided to Rothschild, Rothschild has advised the Trustee to enter into the Agreement as per the instructions of the Manager to the Trustee. Accordingly, the Trustee has no objection to the Proposed Disposal. Further details on the view of Rothschild on the fairness and reasonableness of the Proposals in its letter to the Trustee will be despatched to Unitholders as an appendix to the Circular.

4. PROPOSED LIQUIDATION

The Board proposes, following the Proposed Termination becoming effective to liquidate RREEF CCT in accordance with the Trust Deed and the REIT Code.

In compliance with Rules 11.8 to 11.10 of the REIT Code and the Trust Deed, following termination of RREEF CCT, the Trustee shall, as part of the process of liquidation of RREEF CCT, oversee the realization of any remaining assets of RREEF CCT by the Manager and the Trustee shall ensure that the Manager shall repay any outstanding borrowings effected by or for the account of RREEF CCT (together with any interest thereon but remaining unpaid) and shall ensure the proper discharge of all other obligations and liabilities of RREEF CCT.

All the Unitholders whose names appear on the register of Unitholders on the record date (details of the record date and the book closure period will be disclosed in the Circular) will be entitled to participate on a pro-rata basis in any proceeds (including those arising from the realization of any remaining assets of RREEF CCT referred to in the preceding paragraph in this announcement) derived from the proposed liquidation available for distribution to the Unitholders after any creditors and the costs of the winding up have been paid. It is not anticipated that any material assets will remain in RREEF CCT following the completion of the Proposed Disposal and the Proposed Interim Distribution.

5. FINANCIAL INFORMATION AND FINANCIAL IMPACT ON RREEF CCT IN RELATION TO THE PROPOSED DISPOSAL

Following the Completion, RREEF CCT will cease to hold any interest in the Disposed Group which constitutes all the operating businesses and assets of the Group.

The unaudited net (loss)/profit after tax of the Disposed Group for the years ended 31 December 2008 and 2009 were approximately HK\$(151 million) and approximately HK\$22 million respectively. The occupancy rates for the Property for the years ended 31 December 2008 and 2009 were 88.6% and 76.5% respectively. The unaudited turnover of the Disposed Group for the years ended 31 December 2008 and 2009 were HK\$225,124,000 and HK\$111,766,000, respectively.

The audited net asset value of RREEF CCT as at 31 December 2008 was HK\$2,445,172,000 and the unaudited net asset value of RREEF CCT as at 30 June 2009 was HK\$2,312,520,000.

The Manager estimates the cost of the Proposed Termination and the Proposed Disposal to be HK\$5 million and HK\$80.3 million respectively. The HK\$80.3 million, includes HK\$16.5 million and HK\$1.6 million, being the Manager's fee and the Trustee's fee, respectively, which together represents 0.55% of the consideration attributed to the value of the Property of RMB 2.9 billion (approximately HK\$3.3 billion based on exchange rate HK\$1.1357= RMB1).

Based on the aggregated estimated costs of the Proposed Disposal and Proposed Termination being approximately HK\$85.3 million, the Initial Consideration of the Proposed Disposal being approximately HK\$1.9 billion (assuming the actual adjusted net asset value will be the same as the target adjusted net asset value and an exchange rate of HK\$1.1357 = RMB1) and the Appraised Property Value being RMB3.1 billion (approximately HK\$3.5 billion based on an exchange rate of HK\$1.1357 = RMB1) as at 15 December 2009, it is estimated that the Group may record an accounting loss from the Proposed Disposal on a going concern basis.

Further details on the financial information on the Disposed Group and the financial impact in relation to the Proposed Disposal will be disclosed in the Circular.

6. INFORMATION ON RREEF CCT AND THE BUYER

6.1 RREEF CCT

RREEF CCT is a real estate investment trust which was established to invest on a long term basis in a diversified portfolio of institutional quality office and mixed-use properties in major cities in PRC.

6.2 The Buyer

The Buyer is Mapletree India China Fund Ltd., a private fund constituted as a private company incorporated in the Cayman Islands, whose principal business is to invest in commercial, residential and mixed property developments in India and China to maximize total returns for its investors.

The Buyer is managed by Mapletree MIC Fund Management Pte Ltd, a fund management subsidiary of Mapletree Investments Pte Ltd. Mapletree Investments Pte Ltd is a leading Asia-focused real estate capital management company headquartered in Singapore. It owns about Singaporean Dollars \$6.2 billion of real estate assets comprising office, logistics, industrial, business park and retail/lifestyle properties. In addition, it manages Singaporean Dollars \$5.6 billion of third party assets across Asia through its listed REITs, which include Mapletree Logistics Trust and Lippo-Mapletree Indonesia Retail Trust, and other private real estate funds.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Buyer and its ultimate beneficial owners are third parties independent of RREEF CCT and of connected persons of RREEF CCT.

7. IMPLICATIONS UNDER THE REIT CODE, THE TRUST DEED AND THE LISTING RULES

The Proposed Disposal constitutes a very substantial disposal for RREEF CCT, and is therefore subject to, amongst other things, approval by the Unitholders at the EGM.

In compliance with the REIT Code, the Listing Rules and terms under the Trust Deed, the Board proposes to submit the Proposed Disposal, the Proposed Termination and the Proposed Delisting for the Unitholders' approval at the EGM by way of a combined resolution and will apply the Required Voting Standard (i.e. the approval (by way of poll) by the Unitholders representing at least 75% of the votes attaching to the Units held by the Unitholders voting

either in person or by proxy at the EGM) to the combined resolution. As at the date of this announcement, to the best knowledge of the Directors, the only Unitholders which are required to abstain from voting at the EGM are those members of the Board who hold Units, being those of the Manager's connected persons who hold an interest in the Units which is different from that of all other Unitholders.

8. REASONS FOR AND BENEFITS OF THE PROPOSALS

RREEF CCT was established in June 2007 as a real estate investment trust to invest on a long-term basis in a diversified portfolio of institutional quality office and mixed-use properties located in major cities in China, Hong Kong and Macau. RREEF CCT acquired the Property as the initial investment at the establishment of the REIT. The Disposed Group consists the Property, which is the only real estate asset.

The price of the Units has dropped 26.2% from the listing of RREEF CCT as at 3 February 2010, comparing to the closing price at the initial public offering, while the Hang Seng Index has decreased 5.8% over the same period. The daily closing price of the Units was between HK\$1.53 and HK\$5.19 from the listing of RREEF CCT, and the twelve-month volume weighted average price ("VWAP") was HK\$2.87. The closing price of the Unit as at 3 February 2010 (being the last trading day prior to the suspension of trading of Units on the Stock Exchange after the signing of the Agreement) was HK\$3.80, representing a discount of 23.7% to the unaudited net asset value of RREEF CCT as at 30 June 2009.

The average daily net asset value discount for: (i) the period commencing from the date of listing of RREEF CCT ending on 31 December 2007; (ii) the financial year ending 31 December 2008; (iii) the financial year ending 31 December 2009; and (iv) the period commencing from 3 September 2009 (being the date of the announcement of the Strategic Review) ending on the date of 3 February 2010 (being the date of the signing of the Agreement) are 20.4%, 45.9%, 46.6% and 36.0%, respectively. The average daily net asset value discount is calculated based on RREEF CCT's closing Unit price during the relevant period compared with the latest available announced financial statements of RREEF CCT at that point in time.

The Directors are of the view that, with such discount, the closing prices are not reflecting values attributable to the Property, and ultimately to the Unitholders. The discount of Unit price to net asset value as at 30 June 2009 as disclosed in the interim result announcement dated 14 August 2009 is 23.7%.

RREEF CCT is currently the smallest REIT listed in Hong Kong by asset value, market capitalization and enterprise value. There is insufficient research coverage of the REIT (i.e. only active coverage from two analysts) and there is limited liquidity in the stock with an average daily trading volume of HK\$3.8 million since listing of RREEF CCT and an average daily trading volume of HK\$2.2 million since 3 September 2009 (being the date of the announcement of the Strategic Review), representing 0.2% and 0.1% of current market capitalization, respectively. Given the current trading price and gearing restrictions as a Hong Kong-listed REIT, the Board believes that it will continue to be difficult to conduct an accretive acquisition to grow RREEF CCT.

The Board also believes that the office and property market in PRC may continue to be challenging for RREEF CCT's operations in the short term given: (i) the change in the economic and business environment; and (ii) the competition arising from the continued increase in supply of Grade A office in Beijing, PRC, all of which would negatively impact the near term organic earnings growth.

In light of the above-mentioned factors, the Manager, together with their financial adviser, Goldman Sachs, conducted the Strategic Review as announced on 3 September 2009 to analyse and consider the strategic investment options for the future strategic direction of RREEF CCT. Based on the recommendations from the Strategic Review, the Board decided to undertake an open tender process for the Proposed Disposal as announced on 30 November 2009.

For the open tender process, the Manager announced on 30 November 2009 for interested parties to submit a non-binding offer by 18 December 2009 for the Property. The notice was published in the South China Morning Post and the Economic Times in Hong Kong on 30 November 2009; in Wen Wei Po in Beijing on 30 November 2009 and in China Daily in Beijing on 1 December 2009. In addition, Goldman Sachs, through consultation with the Manager, solicited potential buyers for the Disposed Group through contacting potential interested parties, parties contacted during the aforementioned strategic review and responding to reverse inquiries in the market. Through the open tender process, 52 parties were approached, of which 22 parties executed a non-disclosure agreement to conduct detailed due diligence on the Disposed Group. At the conclusion of the open tender process, 11 preliminary non-binding offers were submitted by potential buyers of the Disposed Group by the prescribed deadline of 18 December 2009, 10 of which were compliant with the requirements for the offer. Following due consideration of these preliminary offers, six (6) bidders were selected for phase 2 of the bidding process and were provided a period commencing from 24 December 2009 until 4 January 2010 to reconfirm their preliminary offers and confirm their ability to execute the Agreement by end of

January 2010, and submit their detailed comments on a draft of the Agreement. After a two day extension requested by two bidders, Goldman Sachs received four reconfirmed offers and compliant offers on 6 January 2010 for phase 2 of the bidding process. Of these offers, in the opinion of the Board, the Buyer's offer represented the best combination of price, certainty of transaction, certainty of funding and contractual terms. The Board therefore granted the Buyer a three week period of exclusivity in order to conduct its confirmatory due diligence and to seek to reach final agreement on the terms of the Proposed Disposal. The exclusivity period expired on 29 January 2010, but the Board, after consideration of advice from its advisers, believed that a transaction with the Buyer on terms acceptable to the Board, and in the best interests of unitholders, was achievable within a short timeframe and discussions therefore continued with the Buyer until the Agreement was signed by the parties on 3 February 2009. Upon expiration of the exclusivity, Goldman Sachs contacted the interested bidders from phase 2 of the bidding process to inform them of the expiration of the exclusivity and did not receive any other offers for the Disposed Group.

In arriving at the decision to proceed with the Proposed Disposal, the Board and the Manager have assessed the different strategic alternatives available to RREEF CCT and believe that the Proposed Disposal is the option which maximizes value to the Unitholders and is most likely to ensure a successful transaction for the Unitholders' benefit.

9. GENERAL

A Circular (which will be despatched to Unitholders no later than 21 days after the date of this announcement) containing, among other things: (1) a letter from the Board to the Unitholders containing details of the Proposed Disposal, the Proposed Termination, the Proposed Delisting and other related matters (including, but not limited to, a timetable listing the relevant dates of the Proposals); (2) the Property Valuation Report; (3) the Accountants' Report; (4) the unaudited pro forma financial information of the Remaining Group; (5) a letter from Rothschild to the Trustee; and (6) the Notice of EGM, will be sent out to the Unitholders as soon as practicable.

10. RESUMPTION OF TRADING IN THE UNITS

Trading in the Units on the Stock Exchange was suspended with effect from 9:30 a.m. on 4 February 2010 at the request of the Manager pending the issue and publication of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Units with effect from 9:30 a.m. on 11 February 2010.

As the Proposals may or may not complete, Unitholders and prospective investors of RREEF CCT are advised to exercise caution when dealing in the Units.

11. DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the same meanings as set out below:

- “Accountants’ Report” means the accountants’ report to be included as appendix to the Circular in compliance with the Listing Rules;
- “Agreement” means the conditional sale and purchase agreement dated 3 February 2010 entered into by the Seller, the Buyer and the Manager in relation to the Proposed Disposal;
- “Appraised Property Value” means the appraised value of the Property of RMB 3.1 billion (approximately HK\$3.5 billion based on an exchange rate of HK\$1.1357 = RMB1) as at 15 December 2009. The Appraised Property Value is based on valuation of the Property in accordance with the HKIS Valuation Standards on Properties (First Edition 2005) published by the Hong Kong Institute of Surveyors. Further details on the Appraised Property Value will be disclosed in the Circular;
- “Board” means the board of Directors;
- “BVI Company” means Beijing Gateway Plaza (BVI) Limited, a company incorporated in the British Virgin Islands and wholly-owned by RREEF CCT;
- “Business Days” means a day other than a Saturday or Sunday or public holiday in Hong Kong, Singapore, New York or the PRC;
- “Buyer” means Mapletree India China Fund Ltd, a company incorporated in the Cayman Islands;
- “Circular” means the circular to be issued by RREEF CCT in connection with the Proposed Disposal, the Proposed Termination, the Proposed Delisting and other matters described in this announcement;

“Completion”	means the completion of the Proposed Disposal in accordance with the Agreement;
“Completion Bank Debt”	means all monies due in respect of the secured term loan facility of up to HK\$1,400 million made available to HK SPV (pursuant to a facility agreement between HK SPV and The Royal Bank of Scotland plc, Hong Kong Branch on 8 June 2007) to be repaid by the relevant Disposed Group company at Completion in order to discharge in full all of its respective liabilities in respect of such facility, the amount of which shall be notified to the Buyer by the Manager in writing not less than five (5) Business Days prior to Completion;
“Completion Date”	means the date, not being later than 15 May 2010, which is five (5) Business Days after the date on which the last of the Conditions is satisfied or (other than Condition 1.1.6(ii) (a)) waived, or such other date as the Parties may agree;
“Completion Statements”	means the completion accounts and statement for the Group as at the Completion Date, agreed or determined in accordance with the Agreement;
“Conditions”	means the conditions precedent to Completion under the Agreement;
“connected person(s)”	has the meaning ascribed to it in the REIT Code;
“Deposit”	means HK\$180 million payable by the Buyer to the Seller on the Business Day following the date of the Agreement;
“Directors”	means the directors of the Manager and each a “ Director ”;
“Disposed Group”	means collectively, BVI Company, HK SPV and WFOE;
“Disposed Share”	means one (1) share in BVI Company, representing the entire issued share capital of BVI Company;
“EGM”	means the extraordinary general meeting to be conducted for the Unitholders’ approval of the Proposals, further details of which will be disclosed in the Circular;

“Escrow Account”	means the separately designated interest bearing account with Standard Chartered Bank in the name of the Escrow Agent;
“Escrow Agent”	means Standard Chartered Bank (Hong Kong) Limited appointed pursuant to the Escrow Agreement;
“Escrow Agreement”	means the escrow agreement dated 3 February 2010 entered into by the Seller, the Buyer, the Manager and the Escrow Agent pursuant to the Agreement;
“Escrow Amount”	means HK\$150 million;
“Escrow End Date”	means the first Business Day falling on or after the date which is seven (7) months after the Completion Date;
“Goldman Sachs”	means Goldman Sachs (Asia) L.L.C, the financial adviser to the Manager;
“Group”	means RREEF CCT and its subsidiaries;
“HK SPV”	means HK Gateway Plaza Company Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of BVI Company;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Initial Consideration”	has the meaning as defined in section 1.1.5 of this announcement;
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Long Stop Date”	means 15 May 2010, or such later date as the Parties may agree;
“Manager”	means RREEF China REIT Management Limited, as manager of RREEF CCT;
“Notice of EGM”	means the notice to be despatched with the Circular in respect of the EGM to consider and, if thought fit, approve the Proposals;

“Parties”	means the parties to the Agreement;
“Principal Valuer”	means Colliers International (Hong Kong) Ltd, in its capacity as the principal valuer of RREEF CCT in compliance with the REIT Code;
“Property”	means the property known as “Gateway Plaza” and located at 18 Xiaguangli Road, East 3rd Ring Road, Chaoyang District, Beijing, PRC, a detailed description to be set out in the Property Valuation Report;
“Property Valuation Report”	means the property valuation report prepared by the Principal Valuer to be despatched as appendix to the Circular;
“Proposals”	means collectively, the proposals in relation to the Proposed Disposal, the Proposed Termination and the Proposed Delisting;
“Proposed Delisting”	means the proposed delisting of Units from trading on the Stock Exchange;
“Proposed Disposal”	means the proposed disposal of the entire issued share capital of BVI Company by the Seller to the Buyer pursuant to the Agreement;
“Proposed Interim Distribution”	means the proposed interim distribution in cash to the Unitholders, as disclosed in section 1.2 of this announcement;
“Proposed Termination”	means the proposed termination of RREEF CCT in accordance with the REIT Code;
“PRC”	means the People’s Republic of China;
“REIT”	means real estate investment trust;
“REIT Code”	means the Code on Real Estate Investment Trusts published by the SFC, as amended, supplemented or otherwise modified from time to time;
“Remaining Group”	means the Group as excluding the Disposed Group upon Completion (i.e. RREEF CCT);

“Required Voting Standard”	means the approval (by way of poll) by the Unitholders representing at least 75% of the votes attaching to the Units held by the Unitholders voting either in person or by proxy at the EGM in respect of the resolution relating to the relevant proposal;
“Rothschild”	means N M Rothschild & Sons (Hong Kong) Limited, the independent expert to the Trustee appointed by Trustee without any instruction or direction from the Manager;
“RREEF CCT”	means RREEF China Commercial Trust, a collective investment scheme constituted as a unit trust and authorized under section 104 of the SFO subject to applicable conditions from time to time;
“Seller”	means the Trustee, in its capacity as trustee of RREEF CCT;
“SFC”	means the Securities and Futures Commission of Hong Kong;
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“Strategic Review”	means the strategic review conducted in September 2009 by the Manager, together with its financial adviser, Goldman Sachs, for the purposes of analyzing and considering strategic investment options (such as investments, acquisitions, divestitures, financial restructurings, public or private financings (including the offering of securities), mergers or other business combination transactions, sale transactions involving all or a portion of RREEF CCT, joint ventures or other operations involving or available to RREEF CCT) for the further strategic direction of RREEF CCT. Further details on the Strategic Review were disclosed in the announcements dated 3 September 2009 and 30 November 2009;

“Target Intra-Group Payable”	means HK\$181,098,000, (being approximately the amount due to RREEF CCT by the Disposed Group as at 31 December 2009, a balance comprising a loan advanced from, and operating expenses paid by, RREEF CCT to/on behalf of the Disposed Group and repayments made by the Disposed Group, and which is unsecured, interest-free and payable on demand);
“Target NAV”	has the meaning as defined in section 1.1.5 of this announcement;
“Trust Deed”	means the trust deed dated 28 May 2007 between the Trustee and the Manager constituting RREEF CCT and includes any amendments thereto;
“Trustee”	means HSBC Institutional Trust Services (Asia) Limited, in its capacity as trustee of RREEF CCT;
“Unit(s)”	means unit(s) of RREEF CCT;
“Unitholder(s)”	means any person registered as holding a Unit including persons so registered as joint holders;
“WFOE”	means Gateway Plaza Property Operations (Beijing) Limited, a wholly-owned foreign enterprise established in PRC owned by HK SPV; and
“%”	means per centum or percentage.

This announcement is made by the order of the Board, the members of which individually and collectively accept responsibility for the accuracy of the statements contained herein. The Manager and its directors confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this announcement misleading.

By order of the board of
RREEF China REIT Management Limited
As manager of RREEF China Commercial Trust
Kurt William Roeloffs, Junior
Chairman of the Manager

Hong Kong, 11 February 2010

The directors of the Manager as at the date of this announcement are Mr Kurt William Roeloffs, Junior as Chairman and Non-executive Director, Mr Paul Thomas Keogh as Executive Director; Mr Brian David Chinappi, Mr Mark Bradley Fogle, Mr Niel Thassim and Mr So Tak Young as Non-executive Directors; and Mr Jack Richard Rodman, Mr Mark Henry Ford and Dr Meng Xiaosu as Independent Non-executive Directors.