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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: 625)

Managed by

RREEF China REIT Management Limited

INTERIM RESULTS ANNOUNCEMENT FOR THE PERIOD

FROM 1 JANUARY 2012 TO 30 JUNE 2012

2012 INTERIM RESULTS

The board of directors (the “**Board**”) of RREEF China REIT Management Limited as manager (the “**Manager**”) of RREEF China Commercial Trust (“**RREEF CCT**” or the “**Trust**”) hereby announces the unaudited interim results of RREEF CCT for the six months ended 30 June 2012 (the “**Reporting Period**”) as follows.

Key Highlights

- As at 30 June 2012, the unaudited net asset value attributable to the unitholders of RREEF CCT (the “**Unitholders**”) totalled HK\$12.14 million or HK\$0.026 per unit.
- RREEF CCT made a loss for the Reporting Period of HK\$1.58 million.
- On 11 May 2012, all cheques representing the 2012 Interim Distribution in an aggregate amount of HK\$141.6 million (being HK\$0.305 per Unit) were despatched to the relevant Unitholders by ordinary post.
- As at 30 June 2012, the cash balance held by the Trust is HK\$57.97 million.
- The Trust is in the process of the Proposed Liquidation.

- As disclosed in the 3 May 2012 Announcement, the Proposed Delisting and the Proposed Deauthorisation will occur as soon as practicable after the Claims have been finally adjudicated by the High Court of HKSAR (or otherwise withdrawn or determined) and after all of the assets of RREEF CCT at that time (if any) have been distributed to Unitholders pursuant to the Proposed Liquidation.
- Proceedings in relation to the Claims are on-going and the Claims are being vigorously defended by DB, the Manager and the Trustee.

In this announcement, the following definitions apply throughout unless otherwise stated. All other capitalised terms shall have the same meanings as defined in the circular dated 5 March 2010 (the “**Circular**”) unless otherwise stated in this announcement.

2012 Interim Distribution	means	the interim distribution of HK\$0.305 per unit declared and announced on 3 May 2012 comprising the available cash resources of RREEF CCT. Cheques for the per unit payment pursuant to the 2012 Interim Distribution were dispatched on 11 May 2012 to the Unitholders whose names appeared on the register of Unitholders on 23 April 2010. For details please refer to the Distribution Statement on page 13 of this announcement.
30 June 2011 Judgment	means	the judgment of the High Court of Hong Kong Special Administrative Region (“HKSAR”) issued on 30 June 2011 in relation to the Court Application.
3 May 2012 Announcement	means	the announcement of RREEF CCT dated 3 May 2012 in relation to, amongst other things, the 2012 Interim Distribution.
Appeal	means	the appeal lodged by Mr Tin Lik against the 30 June 2011 Judgment on 13 July 2011.
Claims	means	collectively the claims made by Mr Tin Lik pursuant to the Writ. For details, please refer to the Liquidation Section on page 5 in this announcement.
Court Application	means	the application which the Trustee has resolved to make to the Hong Kong courts for directions regarding the proper amount to be distributed to Unitholders in the Final Distribution.

DB	means	Deutsche Bank AG.
Disposal	means	the disposal of the entire issued share capital of Beijing Gateway Plaza (BVI) Limited (“BVI Gateway”) by the Trustee (acting as trustee of RREEF CCT) to Mapletree India China Fund Ltd pursuant to the sale and purchase agreement dated 3 February 2010.
Final Distribution	means	the balance of cash resources, after the satisfaction of outstanding payments to creditors, liquidation costs and costs associated with the Claims, will be potentially available for final distribution to Unitholders whose names appeared on the register of Unitholders on 23 April 2010.
Judgment of the Appeal	means	the judgment of the High Court of HKSAR issued on 21 December 2011 in relation to the Appeal.
Original Estimated Liquidation timetable	means	in the 2010 Interim Report, it was disclosed that, barring unforeseen circumstances, the Manager estimates that the Proposed Liquidation, the Proposed Delisting and the Proposed Deauthorisation would be completed by 31 December 2010.
Property	means	Beijing Gateway Plaza.
Proposed Deauthorisation	means	the proposed deauthorisation of RREEF CCT as a REIT by the Securities and Futures Commission of Hong Kong (the “SFC”) under section 104 of the Securities and Futures Ordinance (“SFO”). The Manager will make application to the SFC on behalf of RREEF CCT for the Proposed Deauthorisation upon completion of the Proposed Liquidation.
Proposed Delisting	means	the proposed delisting of RREEF CCT units from The Stock Exchange of Hong Kong Limited (the “SEHK”). The Manager has made application to the SEHK in relation to the Proposed Delisting in March 2010. The effective date and arrangement of the Proposed Delisting are subject to the SEHK’s approval.

Proposed Liquidation	means	the proposed liquidation of RREEF CCT in accordance with the trust deed between the Manager and the Trustee dated 28 May 2007 (the “ Trust Deed ”) and the Code on Real Estate Investment Trusts (the “ REIT Code ”) published by the SFC. The Manager has commenced procedures in respect of the Proposed Liquidation since 12 May 2010, being the effective date of the Termination.
Provision Amount		shall have the same meaning as defined in 3 May 2012 Announcement.
Termination	means	the termination of RREEF CCT in accordance with the REIT Code. The effective date of the Termination was 12 May 2010.
Tin Lik	means	the vendor, the original owner of the Property which was sold to RREEF CCT in June 2007.
Trustee’s Notice	means	the notice dated 29 October 2010 published by the Trustee in the Government of the Hong Kong Special Administrative Region Gazette, certain newspapers and other public channels pursuant to section 29 of the Trustee Ordinance (Chapter 29 of the Laws of Hong Kong) which provides amongst other things, that any person (other than a Unitholder) who claims to be entitled to the assets of RREEF CCT and/or is otherwise interested in them, is required to send full particulars its/his/her claim to the Trustee before 12 noon (Hong Kong time) on 30 December 2010. No claims were received by the Trustee in relation to the Trustee’s Notice.
Writ	means	the writ of summons issued by Mr Tin Lik on 5 July 2011 in the High Court of HKSAR as plaintiff against DB as first defendant, the Manager as second defendant and the Trustee as third defendant. For details please refer to Liquidation Section on page 5 in this announcement.

THE MANAGER'S REPORT

Liquidation

Writ of Summons issued by Mr Tin Lik

On 5 July 2011, Mr Tin Lik issued a writ of summons in the High Court of HKSAR as plaintiff against DB as first defendant, the Manager as second defendant and the Trustee as third defendant.

Pursuant to the Writ, Mr Tin Lik makes certain Claims, including amongst others:

1. against DB, the Manager and the Trustee, jointly and severally, challenging the amount under the set-off and claiming, amongst other things, an entitlement to the Initial Retention Amount¹ and an amount of HK\$289,426,166 which Mr Tin Lik claims to be refundable by the Trustee and/or the Manager; and
2. against DB and the Manager, jointly and severally for unspecified general damages.

Proceedings in relation to the Claims are on-going as of 30 June 2012. The opinion of the Board and the Trustee, on the basis of legal advice, is that the Claims are wholly without merit and are being vigorously defended by DB, the Manager and the Trustee. The Manager will update Unitholders as to any material developments in connection with the Claims.

Notes:

1. Initial Retention Amount includes (i) retention sum of HK\$156 million (US\$20 million) held by the Trustee as security pursuant to the sale and purchase agreement dated 4 June 2007 between Mr Tin Lik as vendor, the Trustee as purchaser and the Manager in respect of warranties made by the vendor therein; (ii) remaining balance of initial consideration unpaid to the vendor amounting of HK\$64.95 million; and (iii) HK\$50 million dividend declared by BVI Gateway in respect of year ended 31 December 2006 payable to the vendor prior to acquisition by RREEF CCT.

2012 Interim Distribution

- As disclosed in the 3 May 2012 Announcement, the Manager and the Trustee had reached agreement to take steps to proceed with an interim distribution of the majority of the net assets of RREEF CCT to the Unitholders.
- On 11 May 2012, all cheques representing the 2012 Interim Distribution in an aggregate amount of HK\$141.6 million (being HK\$0.305 per Unit) were despatched to the relevant Unitholders by ordinary post.

Final Distribution

After the Claims have been finally adjudicated by the Court (or otherwise withdrawn or determined), the balance of cash resources of RREEF CCT (if any), after the satisfaction of outstanding payments to creditors, liquidation costs and costs associated with the Claims, will be potentially available for Final Distribution.

The Proposed Delisting and the Proposed Deauthorisation will now occur as soon as practicable after the Claims have been finally adjudicated by the Court (or otherwise withdrawn or determined) and after all of the assets of RREEF CCT at that time (if any) have been distributed to Unitholders pursuant to the Final Distribution.

The Manager will update Unitholders by further announcement in relation to any material development and the timetable for the final distribution by RREEF CCT, the Proposed Liquidation, the Proposed Delisting and the Proposed Deauthorisation in accordance with applicable regulatory requirements.

Arrangement regarding the balance of the Provision Amount, and the Proposed Liquidation, the Proposed Delisting and the Proposed Deauthorisation

As disclosed in the 3 May 2012 Announcement, subject to withdrawals for settlement of costs and expenses as they arise from time to time, the Trustee will hold the balance of the Provision Amount on trust for the Unitholders pursuant to the Trust Deed until the Claims have been finally adjudicated by the Court (or otherwise withdrawn or determined).

As disclosed in the 3 May 2012 Announcement, as soon as practicable after the Claims have been finally adjudicated by the High Court of HKSAR (or otherwise withdrawn or determined), and after all costs, fees, expenses and other payables and accruals of RREEF CCT (including costs and expenses of the Manager and the Trustee) have been paid, pursuant to the Proposed Liquidation the balance of the Provision Amount (if any) shall be distributed to Unitholders on a pro-rata basis in proportion to the Units they hold, in each case, as of the date of the final liquidation of RREEF CCT. In the event there is a shortfall in the Provision Amount and there are additional costs, fees and expenses incurred in the name of either the Manager, the Trustee or RREEF CCT which are not covered by the Provision Amount, they will be borne by the Manager and/or the Trustee in such proportions as agreed between themselves. Accordingly, in such event, there will be no claims against Unitholders in respect of any such liabilities.

The Manager will update Unitholders by further announcement as soon as reasonably practicable as to the details of any proposed next steps and the timetable in relation to the Proposed Liquidation, the Proposed Delisting and the Proposed Deauthorisation in accordance with applicable regulatory requirements.

Financial Performance

As a result of the completion of Disposal in April 2010, RREEF CCT ceased to hold any interests in BVI Gateway and its subsidiaries, which constituted substantially all of the operating business and relevant assets of RREEF CCT and its subsidiaries. Accordingly, there is no turnover, property operating expenses and net property income associated with the Property during the Reporting Period.

For the six months ended 30 June 2012, the Trust recorded a loss for the period of HK\$1.58 million. The net asset value attributable to the Unitholders was reduced from HK\$155.3 million or HK\$0.335 per unit as at 31 December 2011 to HK\$12.14 million or HK\$0.026 per unit as at 30 June 2012.

Financial Management

As at the end of the Reporting Period, the Trust retained HK\$57.97 million in cash and bank balances. The Manager's financial strategy is to maintain an optimal level of cash to settle outstanding creditors and to meet the winding up expenses for the Proposed Liquidation.

Administrative Expenses

Administrative expenses for the Reporting Period were HK\$1.81 million and included the Manager's fee, Trustee's fee, auditor's remuneration, legal and other professional fees.

Net Assets Attributable to Unitholders

The net assets attributable to Unitholders as at 30 June 2012 totalled HK\$12.14 million, or HK\$0.026 per unit.

THE OUTLOOK

Proposed Liquidation (ongoing):

Since the effective date of the Termination on 12 May 2010, the Manager has commenced procedures relating to the Proposed Liquidation in compliance with the REIT Code and the Trust Deed and all applicable regulatory requirements. Please refer to page 5 for details on the progress of the Proposed Liquidation.

In compliance with Rules 11.8 to 11.10 of the REIT Code and the terms of the Trust Deed, following the completion of the Termination, the Trustee shall, as part of the process of the Proposed Liquidation, oversee the realisation of any remaining assets of RREEF CCT by the Manager. In addition, 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 or provision thereof.

Each Unitholder whose names appeared on the register of Unitholders on 23 April 2010 will be entitled to participate on a pro-rata basis in the Final Distribution.

The Manager will make further announcements providing status of the Proposed Liquidation and other information, including but not limited to, the final payment per unit pursuant to the Final Distribution and the dispatch date of the relevant cheques.

On completion of the Proposed Liquidation, the following shall be prepared in accordance with Rule 11.10 of the REIT Code and the Trust Deed:

- (i) the Manager's review and comments on the performance of RREEF CCT, and an explanation as to how the Property has been disposed of, the transaction prices and major terms of the Disposal;
- (ii) the Trustee's report that the Manager has managed and liquidated RREEF CCT in accordance with the REIT Code and the provisions of the Trust Deed;
- (iii) financial statements of RREEF CCT; and
- (iv) an auditor's report.

In compliance with Rule 11.11 of the REIT Code, copies of the financial statements shall be distributed to the Unitholders within three months of the completion of the Proposed Liquidation of RREEF CCT and a copy shall be filed with the SFC.

Proposed Delisting (ongoing):

The trading of RREEF CCT units on the SEHK has been suspended since 19 April 2010 and RREEF CCT's register of Unitholders has been closed since 23 April 2010. The units shall remain suspended and RREEF CCT's register of Unitholders shall remain closed until the effective date of the Proposed Delisting. The effective date and arrangement for the Proposed Delisting are subject to the SEHK's approval and the progress of the Claims.

Proposed Deauthorisation (ongoing):

The Manager will apply for deauthorisation of RREEF CCT as a REIT authorised by the SFC under section 104 of the SFO upon completion of the Proposed Liquidation. The effective date and arrangement for the Proposed Deauthorisation of RREEF CCT is subject to the SFC's approval.

Further announcements shall be made in relation to the details and timing of the above events in compliance with the Rules Governing the Listing of Securities ("**Listing Rules**") on the SEHK and the REIT Code.

FINANCIAL STATEMENTS

Statement of Comprehensive Income

For the six months ended 30 June 2012 — Unaudited

(Expressed in Hong Kong dollars unless otherwise indicated)

		Six months ended 30 June	
	<i>Note</i>	2012	2011
		<i>\$'000</i>	<i>\$'000</i>
Interest income from bank deposits		226	236
Administrative expenses		<u>(1,808)</u>	<u>(17,658)</u>
Loss before taxation and transactions with Unitholders	3	(1,582)	(17,422)
Income tax	4	<u>—</u>	<u>—</u>
Loss before transactions with Unitholders and total comprehensive income for the period		<u>(1,582)</u>	<u>(17,422)</u>
Loss per unit — basic and diluted	6	<u>(\$ 0.003)</u>	<u>(\$ 0.038)</u>

The above statement should be read in conjunction with accompanying notes.

Balance Sheet

As at 30 June 2012

(Expressed in Hong Kong dollars unless otherwise indicated)

		30 June 2012	31 December 2011
		<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>Note</i>	<i>\$'000</i>	<i>\$'000</i>
Current assets			
Other receivables		—	11
Cash and cash equivalents	7	<u>57,973</u>	<u>206,445</u>
		<u>57,973</u>	<u>206,456</u>
		<u>57,973</u>	<u>206,456</u>
Total assets		<u>57,973</u>	<u>206,456</u>
Current liabilities			
Other payables and accruals	8	34,935	40,236
Amount due to the Vendor	9	<u>10,900</u>	<u>10,900</u>
		<u>45,835</u>	<u>51,136</u>
Net current assets		<u>12,138</u>	<u>155,320</u>
Total assets less current liabilities		<u>12,138</u>	<u>155,320</u>
Total liabilities, excluding net assets attributable to Unitholders		<u>45,835</u>	<u>51,136</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>12,138</u>	<u>155,320</u>
Number of units in issue		<u>464,161,000</u>	<u>464,161,000</u>
Net asset value attributable to Unitholders per unit		<u>\$ 0.026</u>	<u>\$ 0.335</u>

The above balance sheet should be read in conjunction with accompanying notes.

Statement of Changes in Net Assets Attributable to Unitholders

Expressed in Hong Kong dollars unless otherwise indicated - Unaudited

	\$'000
Balance as at 1 January 2011	189,216 -----
Changes in net assets attributable to Unitholders for the six months ended 30 June 2011	
Loss and total comprehensive income for the period	<u>(17,422)</u>
Balance as at 30 June 2011 and 1 July 2011	171,794
Changes in net assets attributable to Unitholders for the six months ended 31 December 2011	
Loss and total comprehensive income for the period	<u>(16,474)</u>
Balance as at 31 December 2011 and 1 January 2012	155,320
Changes in net assets attributable to Unitholders for the six months ended 30 June 2012	
Payment of 2012 Interim Distribution	(141,600)
Loss and total comprehensive income for the period	<u>(1,582)</u>
Balance as at 30 June 2012	<u><u>12,138</u></u>

The above statement should be read in conjunction with accompanying notes.

Distribution Statement

For the period ended 30 June 2012 — Unaudited

(Expressed in Hong Kong dollars unless otherwise indicated)

	Six months ended 30 June	
	2012 \$'000	2011 \$'000
Loss after adjustments for the period, before transactions with Unitholders	<u>(1,582)</u>	<u>(17,422)</u>
Distributable income in respect of the period	—	—
Other distribution (note (ii))	<u>141,600</u>	<u>—</u>
Total distribution	<u><u>141,600</u></u>	<u><u>—</u></u>
Distribution per unit	<u>\$ 0.305</u>	<u>—</u>

Notes

- (i) Pursuant to the Trust Deed, RREEF CCT is required to ensure that the total amounts distributed or distributable to Unitholders shall be not less than 90% of its annual distributable income for each financial year. The policy of the Manager is to distribute to Unitholders at least 90% of RREEF CCT's annual distributable income for each financial year.

The Manager also has the discretion to distribute additional amounts if and to the extent the Trust has funds available, in the opinion of the Manager.

- (ii) Other distribution in 2012 of \$141,600,000 (\$0.305 per unit) is comprised of available cash resources of RREEF CCT as announced on 3 May 2012 and was paid to Unitholders on 11 May 2012 whose names appear on the register of Unitholders on 23 April 2010.

The above statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements — Unaudited

(Expressed in Hong Kong dollars unless otherwise indicated)

1 General

RREEF China Commercial Trust (“RREEF CCT” or the “Trust”) is in the process of termination and liquidation, details of which are set out in the relevant announcements of RREEF CCT and note 2 below.

The Manager’s registered office is located at Level 52, International Commerce Center, 1 Austin Road West, Kowloon, Hong Kong.

The interim financial report, which comprises the unaudited condensed interim financial statements, was authorised for issuance on 21 August 2012.

2 Basis of preparation

The interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Code on Real Estate Investment Trusts (the “REIT Code”) and the Rules Governing the Listing of Securities (the “Listing Rules”) on the SEHK, including compliance with Hong Kong Accounting Standard (“HKAS”) 34, Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The HKICPA has issued a few amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) that are first effective for the current accounting period of RREEF CCT. None of the developments are relevant to RREEF CCT’s financial statements and RREEF CCT has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The interim statements have been prepared in accordance with the same accounting policies adopted in the 2011 annual financial statements.

Pursuant to the sale and purchase agreement dated 3 February 2010, (“the Agreement”), on 12 April 2010, RREEF CCT sold the Gateway Plaza, the investment property, to Mapletree India China Fund Ltd, through the disposal of the entire issued ordinary share capital of Beijing Gateway Plaza (BVI) Limited (the “Disposal”), which holds the entire issued share capital of a property holding company, HK Gateway Plaza Company Limited. As a result, BVI Gateway and its subsidiaries were deconsolidated from the Trust as at 12 April 2010.

Subsequent to the Disposal, RREEF CCT had no real estate assets to fulfill the criteria for operating as a REIT and accordingly RREEF CCT was to be terminated, delisted from trading on the SEHK and liquidated in accordance with the REIT Code. The Original Estimated Timetable for the Proposed Liquidation, the Proposed Delisting and the Proposed Deauthorisation of RREEF CCT as disclosed in the interim financial report for the period ended 30 June 2010 and 2010 annual financial statements has been delayed following (1) a notice published by the Trustee pursuant to section 29 of the Trustee Ordinance, and (2) the court application by the Trustee (the “Court Application”).

Under the Court Application, the Trustee sought the court's direction including whether it may proceed with a distribution of the entirety of the net assets of RREEF CCT without retention (subject to deduction of relevant costs) to meet any possible claim which might otherwise be made by the Vendor (see note 9). On 31 May 2011, the Court Application was heard at the High Court of HKSAR. Judgment was issued on 30 June 2011. In the 30 June 2011 Judgment, the High Court of HKSAR granted the Trustee the declaration sought to proceed with a distribution of the entirety of the net assets of RREEF CCT without any retention to meet any possible claim by Mr Tin Lik.

On 13 July 2011, Mr Tin Lik lodged an appeal against the Judgment at the High Court of HKSAR (the "Appeal") on certain procedural grounds, including but not limited to the alleged fact that he did not receive proper notice of the court hearing for the Court Application held on 31 May 2011 and that the High Court judge refused to postpone the handing down of the Judgment to hear an inter-parties summons filed by Mr Tin Lik on 29 June 2011.

On 22 July 2011, the representatives of the Manager, the Trustee and Mr Tin Lik attended an appointment before the listing officer of Civil Appeal, and pursuant to the court's directions dated 29 July 2011 the Appeal was set down for hearing at the Court of Appeal of HKSAR on 23 November 2011.

On 23 November 2011, the Appeal was heard at the Court of Appeal of HKSAR. The Judgment of the Appeal was handed down on 21 December 2011. In the Judgment of the Appeal, the Court of Appeal of HKSAR has dismissed the Appeal. Accordingly, the declaration granted by the High Court of HKSAR in the 30 June 2011 Judgment, namely that the Trustee should proceed with a distribution of the entirety of the net assets of RREEF CCT without any retention to meet any possible claim by Mr Tin Lik, has been upheld.

As no application for leave to appeal to the Court of Final Appeal of HKSAR was filed by Mr Tin Lik on or before 18 January 2012, being the end of the appeal period for the Appeal, the appeal period for the Appeal has lapsed.

Separately, on 5 July 2011, Mr Tin Lik issued a writ of summons in the High Court of HKSAR as plaintiff against Deutsche Bank ("DB") as first defendant, the Manager as second defendant and the Trustee as third defendant.

Pursuant to the Writ, Mr Tin Lik makes certain claims, including amongst others:

1. against DB, the Manager and Trustee, jointly and severally, challenging the amount under the set-off (note 9) and claiming, amongst other things, an entitlement to the Initial Retention Amount under the sale and purchase agreement dated 4 June 2007 and an amount of HK\$289,426,166 which Mr Tin Lik claims to be refundable by the Trustee and/or the Manager; and
2. against DB and the Manager, jointly and severally for damages on certain matters as announced by the Manager on 7 July 2011.

Proceedings in relation to the Claims are on-going as of 30 June 2012. The opinion of the Board and the Trustee, on the basis of legal advice, is that the Claims are wholly without merit and are being vigorously defended by DB, the Manager and the Trustee.

As announced on 3 May 2012, the Proposed Delisting and the Proposed Deauthorisation will occur as soon as practicable after the Claims have been finally adjudicated by the High Court of HKSAR (or otherwise withdrawn or determined) and after all of the assets of RREEF CCT at that time (if any) have been distributed to Unitholders pursuant to the Proposed Liquidation.

RREEF CCT is no longer considered by the Manager to be a going concern. Accordingly, assets are valued at their estimated realisable amounts and liabilities are stated at their estimated settlement amounts, and provision for termination and liquidation costs has been made as at 30 June 2012.

3 Loss before taxation and transactions with Unitholders

Loss before taxation and transactions with Unitholders is arrived at after charging:

	Six months ended 30 June	
	2012	2011
	<i>\$'000</i>	<i>\$'000</i>
Manager's fees	312	426
Other legal and professional fees (note (i))	648	16,200
Trustee's fees	303	303
Auditor's remuneration	<u>192</u>	<u>300</u>

(i) Other legal and professional fees for the six months ended 30 June 2011 represented the legal cost provision in relation to the Appeal and the Claims.

RREEF CCT did not appoint any director nor did it enter into any employment contracts with counterparties during the current and prior periods.

4 Income tax

No provision for Hong Kong Profits Tax has been made as RREEF CCT did not earn any income assessable to Hong Kong Profits Tax during the current and prior periods.

5 Segment reporting

No segment information for the current and prior periods is presented as RREEF CCT did not generate any turnover in the period and the operating results for the period were solely for the head office following the Disposal.

6 Loss per unit before transactions with Unitholders

The loss per unit before transactions with Unitholders for the six months ended 30 June 2012 amounted to \$0.003 (2011: \$0.038). The calculation of the basic loss per unit before transactions

with Unitholders is based on RREEF CCT's loss for the period before transactions with Unitholders of \$1,582,000 (2011: \$17,422,000) and the weighted average number of 464,161,000 units in issue during the period (2011: 464,161,000).

Diluted loss per unit is not presented as there is no potential dilution of loss per unit for the current and prior periods.

7 Cash and cash equivalents

	30 June 2012	31 December 2011
	<i>\$'000</i>	<i>\$'000</i>
Deposits with bank	—	190,000
Cash at bank and in hand	<u>57,973</u>	<u>16,445</u>
	<u>57,973</u>	<u>206,445</u>

8 Other payables and accruals

	30 June 2012	31 December 2011
	<i>\$'000</i>	<i>\$'000</i>
Termination and liquidation costs (note (i))	3,311	3,711
Other legal costs provision (note (ii))	30,477	33,539
Other payables and accruals (note (iii))	816	2,848
Manager's fee payable	<u>331</u>	<u>138</u>
	<u>34,935</u>	<u>40,236</u>

(i) The amount represents the estimated termination and liquidation expenses of RREEF CCT.

(ii) Other legal costs provision represents estimated legal costs in relation to the Claims under relevant provisions of the Trust Deed.

Below are the details of the legal cost provision:

	30 June 2012	31 December 2011
	<i>\$'000</i>	<i>\$'000</i>
Manager's legal counsel, Clifford Chance	11,688	13,124
Trustee's legal counsel, Linklaters	<u>18,789</u>	<u>20,415</u>
	<u>30,477</u>	<u>33,539</u>

- (iii) Other payables and accruals are due within one month or on demand, and are expected to be settled within one year. Included in the other payables and accruals is an amount due to the Trustee of \$300,000 (31 December 2011: \$300,000).

9 Amount due to the Vendor

	30 June 2012	31 December 2011
	<i>\$'000</i>	<i>\$'000</i>
Retention of proceeds on acquisition	156,000	156,000
Balance of initial unpaid consideration	114,955	114,955
Retention of the Vendor's unit distribution	16,542	16,542
Amounts set off	<u>(276,597)</u>	<u>(276,597)</u>
	<u>10,900</u>	<u>10,900</u>

In the six months ended 30 June 2012, the Manager, on the basis of legal advice, has maintained its rights of set-off against the amount due to the Vendor to compensate the Trust's losses and/or additional expenses incurred.

This balance of \$10,900,000 as at 30 June 2012 represents the Manager's present and provisional calculation of the amount payable to the Vendor. This is a non-binding indication which remains subject to subsequent developments (see notes 2 and 10(i)).

The Manager has notified the Vendor in advance of the set-offs being exercised. In the Appeal and the Claims, the Vendor stated that he disputes the set-offs. The Appeal has been dismissed and the Claims are currently ongoing as outlined in note 2. Based on the legal advice received, the Manager remains of the view that those set-offs are appropriate and legitimate as at 30 June 2012.

10 Accounting Estimates

The key sources of estimation in applying the accounting policies are described below.

(i) Amount due to the Vendor

The amount due to Mr Tin Lik, the Vendor, is the net amount owing to the Vendor. This amount may be subject to future revisions by the Manager, based on legal advice.

(ii) Termination and liquidation costs and other legal costs provisions

The final amounts are dependent on the progress of the Claims.

As announced on 3 May 2012, in the event there is a shortfall in the provisions amounts, any additional costs, fees and expenses incurred in the name of either the Manager, the Trustee or RREEF CCT exceeding the amounts already provided will be borne by the Manager and/or the Trustee in such proportions as agreed between themselves.

Independent auditor’s review report

The auditor of RREEF CCT included a section of “Emphasis of Matter” in their independent auditor’s review report, the details of which are set out as follows:

Without qualifying their conclusion, the independent auditor’s review report on the Trust’s interim financial report for the period ended 30 June 2012 contains an emphasis of matter relating to the fact that the Trust is in the process of termination and liquidation. Details of the basis of preparation of the interim financial statements are set out in note 2 to the interim financial report.

Public Float

Based on publicly available information and to the best knowledge of the Manager, more than 25 per cent of the issued units of RREEF CCT were held in public hands as at 30 June 2012.

Units In Issue

The Manager confirms that there was no repurchase, sale or redemption of RREEF CCT units and that no new units were issued during the Reporting Period. The total number of units outstanding as at the date of this announcement is 464,161,000.

Employees

RREEF CCT is externally managed by the Manager and consequently does not employ any staff.

Corporate Governance

During the Reporting Period, RREEF CCT and the Manager had fully complied with the corporate governance policies laid down in the compliance manual. To the extent applicable, RREEF CCT and the Manager had also complied with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 to the Listing Rules on SEHK.

Review of Interim Results

The interim results for the Reporting Period have been reviewed by the Audit, Risk and Compliance Committee and the Disclosures Committee of the Manager in accordance with their respective terms of references. The financial information included in this announcement has also been agreed by the auditor of RREEF CCT.

Issuance of Interim Report

The interim report of RREEF CCT for the Reporting Period will be sent to Unitholders on or before 30 September 2012.

Forward-looking Statements

This announcement contains several statements that are “forward-looking” or may use certain “forward-looking” terminologies. These statements are based on the current beliefs, assumptions, expectations and projections of the Board regarding the industry and markets in which RREEF CCT operates. These statements are subject to risks, uncertainties and other factors beyond the Manager’s control.

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

Hong Kong, 21 August 2012

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 and Mr. Niel Thassim as Executive Directors; and Mr. Jack Richard Rodman, Mr. Mark Henry Ford and Dr. Meng Xiaosu as Independent Non-executive Directors.