

## USE OF PROCEEDS

The Manager estimates that the total proceeds to GZI REIT from the Global Offering will be approximately HK\$1,661.6 million based on the Minimum Offer Price and HK\$1,792.7 million based on the Maximum Offer Price.

The net proceeds from the Units issued under the Global Offering (which, for the avoidance of doubt, excludes the proceeds from the Over-allocation Option and the Offer for Sale), together with the funds drawn down from the Loan Facility, will be used to make partial payment on the Promissory Note (see the section headed “Material Agreements and Other Documents Relating to GZI REIT — Reorganisation Deed” in this Offering Circular).

The following table sets out the sources of GZI REIT’s funds following completion of the Global Offering and the intended application of those funds.

	Based on the Maximum Offer Price of HK\$3.075 (HK\$ million)	Based on the Minimum Offer Price of HK\$2.850 (HK\$ million)
<b>Sources</b>		
583,000,000 Units issued under the Global Offering	1,792.7	1,661.6
Loan Proceeds	1,287.0	1,287.0
<b>Total</b>	<b>3,079.7</b>	<b>2,948.6</b>
<b>Use of Funds</b>		
Payment on the Promissory Note <sup>(1)</sup>	2,952.1	2,824.3
Retention of funds due to GZI under the Promissory Note for proposed renovation works at the White Horse Units	26.7	26.7
Retention of funds due to GZI under the Promissory Note for payment of costs and expenses of the Global Offering and debt related costs <sup>(2)</sup>	98.8	95.5
Retention of funds in relation to Rental Income attributable to Partat in respect of the period from the Listing Date to 31 December 2005 (both dates inclusive) <sup>(3)</sup>	2.1	2.1
<b>Total</b>	<b>3,079.7</b>	<b>2,948.6</b>

*Notes:*

- (1) Taking into account the initial adjustment to the Initial Consideration in accordance with the Reorganisation Deed (see the section headed “Material Agreements and Other Documents Relating to GZI REIT — Reorganisation Deed” in this Offering Circular).
- (2) The portion of the expenses of the Global Offering that will be charged against the Unitholders’ equity of GZI REIT will be netted off from the proceeds of the Global Offering and thereby deducted from the final consideration to be paid to GZI under the Reorganisation Deed. All remaining expenses of the Global Offering will be borne by GZI.
- (3) Under the current leases for the White Horse Units, rent and property management fees are paid in an undivided amount by the tenants in the White Horse Units to White Horse Property Management Company. The majority of these leases will expire on 31 December 2005. The funds retained represent the Rental Income from the current leases in the White Horse Units for the period from the Listing Date to 31 December 2005, which amounts are due to Partat.