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## **Sunlight 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 : 435)**

**Managed by  
Henderson Sunlight Asset Management Limited**

### **PAYMENT OF BASE FEE AND VARIABLE FEE TO HENDERSON SUNLIGHT ASSET MANAGEMENT LIMITED BY WAY OF UNITS IN SUNLIGHT REAL ESTATE INVESTMENT TRUST**

The Board announces that on 30 October 2007 the Manager received a total of 11,562,789 new Units issued as to 4,235,465 Units, 2,153,499 Units and 5,173,825 Units at the prices of HK\$2.2125, HK\$2.1756 and HK\$2.2694 (being the Market Prices) per Unit respectively. The new Units are issued as payment of the Manager's Fees for the 4th Quarter of FY 2006/07, the Adjustment and the Manager's Fees for the 1st Quarter of FY 2007/08, and they represent approximately 0.7691% of the 1,503,341,222 Units in issue immediately after such issue.

The Manager had disposed of all Units previously received and did not hold any Units immediately before receipt of the new Units. With the new Units issued, the Manager will hold 11,562,789 Units immediately after such issue.

The Board announces that on 30 October 2007, the Manager received a total of 11,562,789 new Units, representing approximately 0.7691% of the 1,503,341,222 Units in issue immediately after such issue.

Out of the new Units received:

- (a) 3,287,909 Units (being payment of the Base Fee of HK\$7,274,500.00) and 947,556 Units (being payment of the Variable Fee of HK\$2,096,469.02) were issued at the price of HK\$2.2125 (being the Q4 Market Price) per Unit as payment (together with the remaining amounts of HK\$1.34 and HK\$1.37 respectively being paid in cash) in full of the Manager's Fees for the 4th Quarter of FY 2006/07;
- (b) 2,153,499 Units were issued at the price of HK\$2.1756 (being the Adjustment Market Price) per Unit as payment (together with the remaining amount of HK\$1.00 being paid in cash) in full of the Adjustment; and

- (c) 4,211,685 Units (being payment of the Base Fee of HK\$9,558,000.00) and 962,140 Units (being payment of the Variable Fee of HK\$2,183,481.89) were issued at the price of HK\$2.2694 (being the Q1 Market Price) per Unit as payment (together with the remaining amounts of HK\$2.06 and HK\$1.38 respectively being paid in cash) in full of the Manager's Fees for the 1st Quarter of FY 2007/08.

The basis of determination of the New Units (together with the relevant amounts in cash) as payment of the Base Fee, the Variable Fee and the Adjustment is consistent with the relevant provisions of the Trust Deed. The Manager had disposed of all Units previously received and did not hold any Units immediately before receipt of the new Units. With the new Units issued, the Manager will hold 11,562,789 Units immediately after such issue.

The Base Fee, as defined in the Trust Deed, is currently equal to 0.4% per annum of the Property Value (as defined in the Trust Deed) at the relevant time. The Manager is entitled to receive such number of Units as may be purchased for the relevant amount of the Base Fee at the prevailing Market Price.

The Variable Fee, as defined in the Trust Deed, is equal to 3.0% per annum of Net Property Income (as defined in the Trust Deed) (before deduction therefrom of the Variable Fee). The Manager is entitled to receive such number of Units as may be purchased for the relevant amount of the Variable Fee at the prevailing Market Price.

Pursuant to the Trust Deed, the Q4 Market Price, the Adjustment Market Price and the Q1 Market Price for the issue of Units mentioned above were determined based on the volume weighted average price for a Unit for all trades on the Stock Exchange in the ordinary course of trading on the Stock Exchange for the period of 10 trading days immediately preceding 30 June 2007, 18 September 2007 and 30 September 2007 respectively.

In accordance with the Trust Deed, the payment of the Manager's Fees for the 4th Quarter of FY 2006/07 was based on the aggregate acquisition value of the relevant properties as stated in the Offering Circular and the Net Property Income as per the unaudited management accounts of Sunlight REIT prepared by the Manager for that quarter whereas the payment of the Manager's Fees for the 1st Quarter of FY 2007/08 was based on the value of the relevant properties as per the published audited accounts of Sunlight REIT for the year ended 30 June 2007 and the Net Property Income as per the unaudited management accounts of Sunlight REIT prepared by the Manager for that quarter. The Manager's Fees for both quarters are subsequently adjusted in accordance with the Trust Deed.

The payment of the Manager's Fees (including the Adjustment) in Units is provided for in the Trust Deed and does not require specific prior approval of unitholders of Sunlight REIT pursuant to a waiver granted by the SFC. Under such waiver, the issue of Units to the Manager as payment of all or part of the Manager's Fee for each financial year will be counted as part of the 20% of outstanding Units that the Manager may issue in each financial year without unitholders' approval pursuant to paragraph 12.2 of the REIT Code. In addition, in respect of each financial year, the maximum number of Units that may be issued to the Manager as payment of all or part of the Manager's Fee for that financial year shall be limited to such number of Units as represents 3% of the total number of Units outstanding as at the last day of the immediately preceding financial year plus the number of Units (if any) issued in the relevant financial year for the purposes of financing any acquisition of real estate by Sunlight REIT. The 11,562,789 Units issued to the Manager as payment of the Manager's Fees for the 4th Quarter of FY 2006/07, the Adjustment and the Manager's Fees

for the 1st Quarter of FY 2007/08 represents approximately 0.7691% of the 1,503,341,222 Units in issue immediately after the issue.

This announcement is made pursuant to paragraph 10.4(k) of the REIT Code.

## **DEFINITIONS**

<b>4th Quarter of FY 2006/07</b>	the period from 1 April 2007 to 30 June 2007, being fourth quarter of the financial year ended 30 June 2007 of Sunlight REIT
<b>1st Quarter of FY 2007/08</b>	the period from 1 July 2007 to 30 September 2007, being first quarter of the financial year ending 30 June 2008 of Sunlight REIT
<b>Adjustment Market Price</b>	volume weighted average price for a Unit for all trades on the Stock Exchange for the period from 4 September 2007 to 17 September 2007, both days inclusive
<b>Adjustment</b>	adjustment of the Base Fee for the financial year ended 30 June 2007 pursuant to the Trust Deed
<b>Board</b>	the board of directors of the Manager
<b>Manager</b>	Henderson Sunlight Asset Management Limited, as manager of Sunlight REIT
<b>Manager's Fees</b>	the Base Fee and the Variable Fee, being components of the Manager's remuneration, both of which have the meaning given to these terms in the Trust Deed
<b>Market Price</b>	has the meaning given to that term in the Trust Deed
<b>Net Property Income</b>	has the meaning given to that term in the Trust Deed
<b>Offering Circular</b>	the offering circular dated 8 December 2006 issued by the Manager in connection with the initial public offering of the Units of Sunlight REIT
<b>Q4 Market Price</b>	volume weighted average price for a Unit for all trades on the Stock Exchange for the period from 15 June 2007 to 29 June 2007, both days inclusive
<b>Q1 Market Price</b>	volume weighted average price for a Unit for all trades on the Stock Exchange for the period from 14 September 2007 to 28 September 2007, both days inclusive
<b>REIT Code</b>	Code on Real Estate Investment Trusts
<b>SFC</b>	The Securities and Futures Commission of Hong Kong
<b>Stock Exchange</b>	The Stock Exchange of Hong Kong Limited

<b>Sunlight REIT</b>	Sunlight Real Estate Investment Trust
<b>Trust Deed</b>	the trust deed constituting Sunlight REIT dated 26 May 2006, as supplemented by two supplemental deeds dated 1 June 2006 and 28 November 2006 respectively
<b>Units</b>	units of Sunlight REIT

By order of the Board  
**Henderson Sunlight Asset Management Limited**  
**CHEUNG Kam Yee**  
*Company Secretary*

Hong Kong, 30 October 2007

*As at the date of this announcement, the Board of the Manager comprises : (1) Chairman and Non-executive Director : Mr. KAN Fook Yee; (2) Chief Executive Officer and Executive Director : Mr. WU Shiu Kee, Keith; (3) Non-executive Director : Mr. KWOK Ping Ho; and (4) Independent Non-executive Directors : Mr. KWAN Kai Cheong, Mr. MA Kwong Wing and Dr. TSE Kwok Sang.*