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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 AND CASH**

Reference is made to the announcement of Sunlight REIT dated 19 June 2009, the Manager has notified the Trustee in writing that it elected for the Base Fee and the Variable Fee for the financial year 2009/10 to be paid in the form of cash as to 50% and in the form of Units as to 50%.

On 30 October 2009, the Manager received a total of 10,554,860 new Units issued as to 7,507,079 Units and 3,047,781 Units at the prices of HK\$1.5258 and HK\$1.9796 per Unit respectively. The new Units are issued as payment of the Manager's Fees for the 4th Quarter of FY 2008/09 (including the Adjustment) and 50% of the Manager's Fees for the 1st Quarter of FY 2009/10. The new Units represent approximately 0.68% of the 1,557,460,630 Units in issue immediately after such issue.

The Manager also received HK\$6,033,391.22 in cash, out of which HK\$2.38 being the residual amounts for payment of the Manager's Fees by way of Units for the 4th Quarter of FY 2008/09 and HK\$6,033,388.84 being the residual amounts for the payment of the Manager's Fees by way of Units and the remaining 50% of the Base Fee and Variable Fee for the 1st Quarter of FY 2009/10.

The Manager held 25,436,527 Units prior to the receipt of the new Units. With the new Units issued, the Manager will hold a total of 35,991,387 Units, representing approximately 2.31% of the 1,557,460,630 Units in issue immediately after such issue.

On 30 October 2009, the Manager received a total of 10,554,860 new Units, representing approximately 0.68% of the 1,557,460,630 Units in issue immediately after such issue.  
Of the new Units received :

- (a) 5,934,591 Units (being payment of the Base Fee of HK\$9,055,000.00 after deducting the Adjustment of HK\$309,000.00) and 1,572,488 Units (being payment of the Variable Fee of HK\$2,399,303.52) were issued at the price of HK\$1.5258 (being the Q4 Market Price) per Unit. Together with the residual amounts of HK\$1.05 and HK\$1.33 respectively being paid in cash, the issue of such Units to the Manager satisfies in full the Manager's Fees for the 4th Quarter of FY 2008/09; and
- (b) 2,365,124 Units (being payment of 50% of the Base Fee of HK\$9,364,000.00) and 682,657 Units (being payment of 50% of the Variable Fee of HK\$2,702,776.11) were issued at the price of HK\$1.9796 (being the Q1 Market Price) per Unit. Together with the residual amounts for the payment of Manager's Fees by way of Units and the remaining 50% of the Base Fee and Variable Fee being paid in cash for an aggregate amount of HK\$6,033,388.84, the issue of such Units to the Manager satisfies in full the Manager's Fees for the 1st Quarter of FY 2009/10.

The Manager held 25,436,527 Units prior to the receipt of the new Units. With the new Units issued, the Manager will hold a total of 35,991,387 Units, representing approximately 2.31% of the 1,557,460,630 Units in issue immediately after such issue.

The basis of determination of the new Units to be issued (together with the relevant amounts to be paid in cash) as payment of the Base Fee and the Variable Fee are consistent with the relevant provisions of the Trust Deed. On 18 June 2009, the Manager has notified the Trustee in writing that it elected for the Base Fee and the Variable Fee for the financial year 2009/10 to be paid in the form of cash as to 50% and in the form of Units as to 50%.

In accordance with the Trust Deed, the amount of the Manager's Fees for the 4th Quarter of FY 2008/09 and the 1st Quarter of FY 2009/10 was based on (i) the value of the relevant properties as per the published audited accounts of Sunlight REIT for the year ended 30 June 2009; and (ii) the Net Property Income as per the unaudited management accounts of Sunlight REIT prepared by the Manager for each quarter. The Manager's Fees for the financial year ended 30 June 2009 were subsequently adjusted in accordance with the Trust Deed by way of the Adjustment.

The payment of the Manager's Fees (including the Adjustment) by way of 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. The Manager is entitled to receive such number of Units as may be purchased for the relevant amount of the Base Fee and/or Variable Fee attributable at the Market Price. Under the waiver granted by the SFC, the issue of Units to the Manager as payment of all or part of the Manager's Fees 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 Fees 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 total number of Units issued to the Manager as payment of the Manager's Fees for the year ended 30 June 2009 is 32,867,785, which represents approximately 2.17% of the 1,514,195,650 Units in issue as at 30 June 2008.

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

## **DEFINITIONS**

<b>4th Quarter of FY 2008/09</b>	the period from 1 April 2009 to 30 June 2009, being fourth quarter of the financial year ended 30 June 2009 of Sunlight REIT
<b>1st Quarter of FY 2009/10</b>	the period from 1 July 2009 to 30 September 2009, being first quarter of the financial year ending 30 June 2010 of Sunlight REIT
<b>Adjustment</b>	adjustment of the Base Fee/Variable Fee for the financial year ended 30 June 2009 pursuant to the Trust Deed
<b>Base Fee</b>	the fee payable by Sunlight REIT to the Manager, which has the meaning given to that term in the Trust Deed, currently calculated at the rate of 0.4% per annum of the Property Value
<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>Property Value</b>	has the meaning given to that term in the Trust Deed
<b>Q4 Market Price</b>	volume weighted average price for a Unit for all trades on the Stock Exchange for the period from 16 June 2009 to 29 June 2009 (both days inclusive), being the period of 10 trading days immediately preceding the last day of the 4th Quarter of FY 2008/09
<b>Q1 Market Price</b>	volume weighted average price for a Unit for all trades on the Stock Exchange for the period from 16 September 2009 to 29 September 2009 (both days inclusive), being the period of 10 trading days immediately preceding the last day of the 1st Quarter of FY 2009/10

<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 amended, supplemented and/or modified from time to time
<b>Trustee</b>	HSBC Institutional Trust Services (Asia) Limited, as trustee of Sunlight REIT
<b>Unitholders</b>	holders of the Units
<b>Unit(s)</b>	Unit(s) of Sunlight REIT
<b>Variable Fee</b>	the fee payable by Sunlight REIT to the Manager, which has the meaning given to that term in the Trust Deed, currently calculated at the rate of 3.0% per annum of Net Property Income (before deduction therefrom of the Variable Fee)

By order of the Board  
**LO Yuk Fong, Phyllis**  
*Company Secretary*

Hong Kong, 30 October 2009

*As at the date of this announcement, the Board of the Manager comprises : (1) Chairman and Non-executive Director : Mr. TSE Wai Chuen, Tony; (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.*