
OFFERING CIRCULAR SUMMARY

The following summary is derived from, and should be read in conjunction with, the full text of this Offering Circular. This section is only a general summary of the more detailed information contained elsewhere in this Offering Circular. You should read carefully the entire Offering Circular to understand Sunlight REIT's business, statement of distributions, the Trust Deed, the rights attached to the Units, tax and other considerations that are important to your decision to invest in the Units. As an investment in the Units involves risks, you should pay particular attention to the section headed "Risk Factors" in this Offering Circular.

In making your investment decision, you should rely only on the information contained in this Offering Circular. Sunlight REIT has not authorised anyone to provide you with information that is different from that contained in this Offering Circular.

Statements contained in the following summary that are not historical facts may be forward-looking statements. Such statements are based on certain assumptions. While the Manager considers such assumptions to be reasonable, there are certain risks and uncertainties, which may cause actual results to differ materially from those projected. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Joint Global Coordinators, the Manager, Sunlight REIT, the Trustee or any other person or that these results will be achieved or are likely to be achieved. Capitalised terms not defined in this summary are defined in the section headed "Definitions" in this Offering Circular.

A REIT as an investment vehicle

A REIT is a collective investment scheme constituted as a unit trust that invests primarily in income-producing real estate assets and uses the income to provide stable returns to Unitholders. Purchasing a unit in a REIT allows investors to share the benefits and risks of owning the real estate assets held by the REIT. An investment in the units of a REIT in Hong Kong is governed primarily by the REIT Code and offers the following benefits:

- certainty as to business focus, as a REIT does not have the discretion to diversify outside of the real estate sector or to own significant non-real estate assets;
- a distribution which is required by the REIT Code to be at least 90% of the REIT's audited net income after tax for each financial year subject to certain adjustments (and, in the case of Sunlight REIT a further requirement under the Trust Deed to distribute at least 90% and a policy to distribute an amount equal to 100% of Annual Distributable Income for each financial year, which may be different from the net profit recorded for the relevant financial year after eliminating the effects of the Adjustments);
- significantly enhanced liquidity in comparison to direct investments in real estate;
- a manager licensed and regulated on an ongoing basis by the SFC; and
- a statutory and regulatory corporate governance framework and an internal corporate governance framework overseen by an independent trustee.

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Overview of Sunlight REIT

Upon Completion, Sunlight REIT will offer investors the opportunity to invest in a diversified portfolio comprising 20 office and retail properties in Hong Kong. The office properties comprise Grade A and Grade B offices primarily located in core business areas⁽¹⁾ and decentralised business areas⁽²⁾, with the retail properties mainly based in regional transportation hubs, New Towns and other urban areas with high population density throughout Hong Kong.

The key objectives of the Manager are to provide Unitholders with regular and stable cash distributions with the potential for sustainable long-term growth of such distributions and enhancement in value of the property portfolio. The Manager aims to accomplish these objectives by optimising the performance and enhancing the overall quality of a large portfolio of assets in Hong Kong through various business and investment strategies:

- **Active operational management and asset enhancement strategy:** Active operational management and asset enhancement initiatives to improve the long-term value of the portfolio
- **Investment and acquisition growth strategy:** Drive acquisition growth by identifying, evaluating and acquiring investment properties which have the potential to contribute to sustainable growth in distributions by Sunlight REIT and long-term enhancement in value of the portfolio
- **Capital management strategy:** Efficient capital management framework to support the Manager's operational and acquisition growth strategies
- **Business management strategy:** Ensure a quality work force, sound corporate governance practices, systems and infrastructure to support the Manager's fund management and asset management activities

The portfolio will initially comprise properties which are used for office and retail purposes in Hong Kong.

As part of its investment and acquisition growth strategy, the Manager will actively seek to identify, evaluate and selectively acquire income-producing investment properties under a disciplined and objective investment methodology aimed at evaluating opportunities which have the potential to provide attractive total returns to Unitholders through:

- Accretion in distribution yield;
- Sustainable growth in distributions; and/or
- Long-term enhancement in value of the portfolio.

⁽¹⁾ Core business areas include Central, Admiralty, Wanchai, Causeway Bay, Sheung Wan and Tsimshatsui.

⁽²⁾ Decentralised business areas include North Point/Quarry Bay, Mongkok/Yau Ma Tei, Cheung Sha Wan, Kowloon Bay and Kwun Tong.

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In evaluating acquisition opportunities, the Manager will consider a number of factors including:

- Competitive advantages of the properties including location, occupancy and tenant characteristics, access to infrastructure including major roads, public transportation and amenities and services, demographic developments and relevant government initiatives;
- Ability to add medium to long-term value through employing its active operational management and asset enhancement strategy; and
- Quality of the building and facilities specifications.

All properties to be acquired will be subject to assessment to identify, amongst other things, repairs, maintenance and capital expenditure requirements in the short to medium-term.

The Manager intends to invest in office and retail properties in Hong Kong. The Manager will follow a long-term approach to its property portfolio investment but will aim to deliver value to Unitholders over the near term through the implementation of its operational management and asset enhancement strategy.

The Manager has no current plans for Sunlight REIT to acquire any properties within the 12 month period from the Listing Date, but may do so if opportunities arise which meet its investment criteria.

As at 30 September 2006, the Properties had an aggregate Gross Rentable Area of approximately 1,294,389 sq.ft. For the three months ended 30 September 2006, the average occupancy rates of the office and retail Properties were 89.9% and 87.9% respectively.

The Properties also enjoy a diverse tenant base with 934 tenancies as at 30 September 2006 representing tenants from a wide range of business segments. The 10 largest tenants (in terms of Rental Income) across the portfolio contributed approximately 17.3% of the total Rental Income from the Properties for the month ended 30 September 2006, two of which being The Hongkong and Shanghai Banking Corporation Limited and Hang Seng Bank Limited are connected persons of Sunlight REIT because of their relationship with the Trustee. During the same period, no single tenant accounted for more than 2.9% of the total Rental Income from the Properties.

The Manager is an indirect wholly-owned subsidiary of HLD. Key senior executives of the Manager are highly experienced professionals who have extensive experience in the real estate industries in Hong Kong and elsewhere in Asia.

The Property Manager is an indirect wholly-owned subsidiary of HLD. It was formed to manage the properties owned or to be owned by Sunlight REIT. HLD is one of the largest developers in Hong Kong for residential, commercial and industrial properties.

Uplite Limited and Wintrade Limited (indirect wholly-owned subsidiaries of SKFE) and Cobase Limited and Richful Resources Limited (indirect wholly-owned subsidiaries of HLD), will subscribe for Units concurrently with, but separate from, the Offering and will hold approximately 15.1%, 10.1%, 2.7% and 1.8% respectively of the Units following the completion of the Offering (or approximately

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9.1%, 10.1%, 1.7% and 1.8% respectively if the Over-allotment Option is exercised in full). SKFE and HLD have agreed to a six-month lock-up period (subject to certain exceptions, as described in the section headed “Underwriting — Underwriting Arrangement and Expenses — Undertakings” in this Offering Circular) and have informed the Manager that they currently intend to be long-term investors in Sunlight REIT beyond the expiry of the lock-up period.

Key investment highlights of Sunlight REIT

Sunlight REIT’s diversified portfolio comprises quality office and retail properties strategically located throughout Hong Kong Island, Kowloon and the New Territories. Sunlight REIT seeks to offer Unitholders regular and stable distributions, with opportunities for growth through value-added asset management and a disciplined acquisition strategy supported by the experienced management teams of the Manager and the Property Manager.

The Manager believes that Sunlight REIT offers Unitholders an attractive investment proposition by virtue of:

Strategically located office Properties in core business areas and decentralised business areas as well as retail Properties in areas of dense and rising population

- The office Properties are primarily located in core business areas⁽¹⁾ and decentralised business areas⁽²⁾. Seven of the twelve office Properties are located in core business areas, including sizeable office buildings in Wanchai and Sheung Wan. The other office Properties are primarily located in decentralised business areas, including Mongkok, Kowloon and North Point where there is the potential for significant growth in rental rates.
- The retail Properties are primarily located in high population growth areas at regional transportation hubs and New Towns including Tseung Kwan O and Sheung Shui, as well as urban areas with high population density. Many of the retail Properties benefit from a large retail customer base from nearby residential developments. The portfolio also includes a variety of shops at street level in both urban and suburban areas.

Diversified office and retail properties

- The Property portfolio is diversified across the retail and office property segments in Hong Kong, including Grade A and Grade B offices in core business areas and decentralised business areas, as well as regional shopping centres and quality shops at street level.
- The Property portfolio is geographically diversified throughout Hong Kong Island, Kowloon and the New Territories. The office Properties are primarily located in core business areas and decentralised business areas, and the retail Properties are primarily located in regional transportation hubs and New Towns as well as urban and suburban areas with high population density.

⁽¹⁾ Core business areas include Central, Admiralty, Wanchai, Causeway Bay, Sheung Wan and Tsimshatsui.

⁽²⁾ Decentralised business areas include North Point/Quarry Bay, Mongkok/Yau Ma Tei, Cheung Sha Wan, Kowloon Bay and Kwun Tong.

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- In addition, the Property portfolio has a highly diversified tenant base across its retail and office properties, which spans a wide range of end user business segments and exhibits low tenant concentration. For the month ended 30 September 2006, no single tenant accounted for more than 2.9% of the total Rental Income from the Properties.

High occupancy rates and reversion in rental rates

- The portfolio has exhibited high occupancy rates across the Properties. For the three months ended 30 September 2006, the average occupancy rates of the office and retail premises were approximately 89.9% and 87.9% respectively. This provides Sunlight REIT with stable cash flows as well as considerable bargaining power when negotiating leases with tenants.
- The Manager believes that with 28.1% and 29.7% of leases as at 30 September 2006 (by Gross Rentable Area) coming due for renewal during the period from 30 September 2006 to 30 June 2007 and the year ending 30 June 2008 respectively, the portfolio is well-positioned to benefit from any upward reversion in rental rates. The property market in Hong Kong has experienced a strong rebound in rental rates since the SARS-related downturn in 2003⁽¹⁾, supported by robust macro-economic conditions. The growth in rental rates is expected to be further supported by the strong demand and limited supply environment for office and retail space in Hong Kong. For further details on the office and retail property markets in Hong Kong, see the section headed “Overview of Hong Kong Commercial Property Markets” and “Appendix VI — Letter from the Market Consultant in relation to its Hong Kong Grade A and Grade B office and retail property markets analysis report” in this Offering Circular.

Well-positioned to capitalise on opportunities to improve rental rates, tenancy mix and value of the portfolio

- The Manager believes the combination of strong demand for and limited supply of high grade office space will lead to rising rental rates for office properties in both core business areas and, as a result of “spill-over” demand, in decentralised business areas.
- The retail Properties are expected to benefit from growing demand due to their strategic locations, particularly in light of the current buoyant retail environment, the Government’s planned population growth and its committed infrastructure investments in such areas.
- Many of the office and retail Properties are located in areas identified by the Government for redevelopment, upgrade or infrastructure investments⁽²⁾. The Manager aims to take advantage of the likely increase in demand for office and retail space in these areas, and the expected improvement in rental rates, tenancy mix and long-term property value.

⁽¹⁾ According to the Rating and Valuation Department HKSAR, the overall Hong Kong retail, Grade A and Grade B office rental rates have increased by approximately 19%, 84% and 57% respectively between the third quarter of 2003 and third quarter of 2006.

⁽²⁾ Some examples of such Government initiatives include the Sheung Shui to Lok Ma Chau Spur Line which connects the existing Kowloon-Canton Railway (KCR) East Rail Sheung Shui Station to a new boundary crossing at Lok Ma Chau/Huanggang (expected to be completed in 2007), a composite commercial/residential development situated at Tai Yuen Street in Wanchai (expected to be completed in phases from 2006), and the Government’s planned population growth in the New Towns of Tseung Kwan O, Sheung Shui and Yuen Long.

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Active management approach

- The Manager and the Property Manager will work closely together to develop and implement an active asset enhancement and operational management strategy for the portfolio. They will actively manage, market and lease the Properties, with a strong emphasis on cost control and optimisation of Gross Rentable Area efficiency.
- The Manager will adopt a disciplined investment methodology aimed at identifying and evaluating opportunities which have the potential to provide attractive total returns to Unitholders through (i) accretion in distribution yield, (ii) sustainable growth in distributions and/or (iii) enhancement in long-term value of the portfolio.
- The Manager has put in place an efficient capital management framework to support its operational and investment strategies with the goal of maximising value for Unitholders while keeping some flexibility to implement its strategy.
- In addition, the Manager will implement measures designed to ensure a quality work force and sound corporate governance practices, systems and infrastructure to support its fund management and asset management activities.

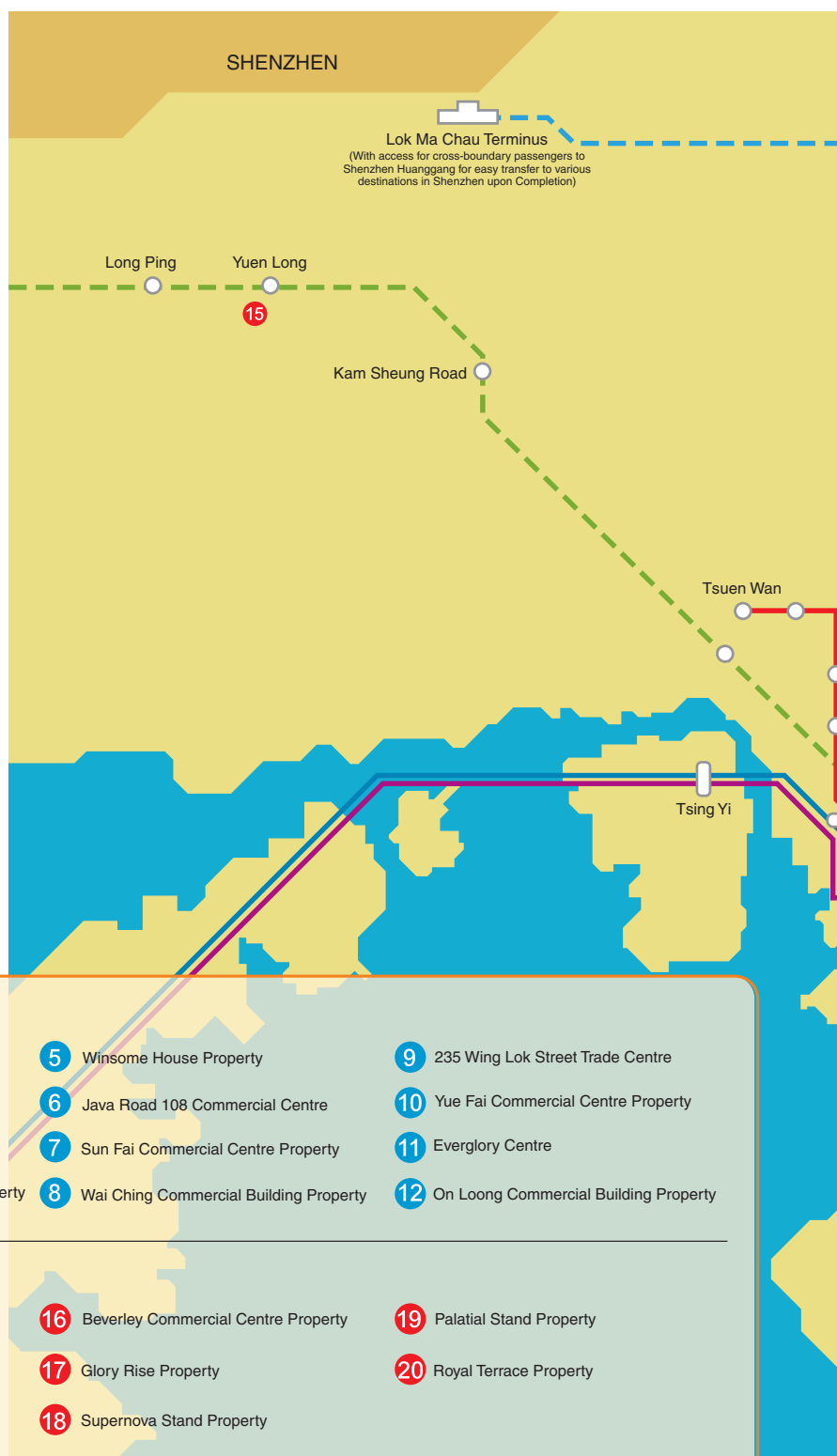
Experienced management teams of the Manager and the Property Manager with extensive expertise in managing property portfolios

- The Manager's ability to deliver regular and stable distributions is supported by the wealth of experience of the management teams of the Manager and the Property Manager, who are well-placed to drive long-term sustainable growth in such distribution and in the long-term portfolio value.
- The management team of the Manager has extensive experience in portfolio and asset management, leasing, property management and property investments in Hong Kong.
- The management team of the Property Manager has extensive experience in property leasing and property management in Hong Kong and an in-depth knowledge of the existing Properties and tenants.
- The Manager's investment strategy is supported by being positioned to source opportunities for acquisition growth by leveraging its, or Sunlight REIT's, relationship with SKFE and HLD as well as its own connections and networks.

Large and diversified portfolio provides operational efficiencies and a balanced and stable income stream

- The Properties have an aggregate Gross Rentable Area of approximately 1,294,389 sq.ft. as at 30 September 2006. The large and diversified office and retail portfolios provide operational efficiencies and a balanced and stable income stream.

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OFFICE

- | | | |
|---|--|--|
| 1 248 Queen's Road East | 5 Winsome House Property | 9 235 Wing Lok Street Trade Centre |
| 2 Bonham Trade Centre | 6 Java Road 108 Commercial Centre | 10 Yue Fai Commercial Centre Property |
| 3 Righteous Centre | 7 Sun Fai Commercial Centre Property | 11 Everglory Centre |
| 4 135 Bonham Strand Trade Centre Property | 8 Wai Ching Commercial Building Property | 12 On Loong Commercial Building Property |

RETAIL

- | | | |
|---------------------------------------|--|----------------------------|
| 13 Metro City Phase I Property | 16 Beverley Commercial Centre Property | 19 Palatial Stand Property |
| 14 Sheung Shui Centre Shopping Arcade | 17 Glory Rise Property | 20 Royal Terrace Property |
| 15 Kwong Wah Plaza Property | 18 Supernova Stand Property | |

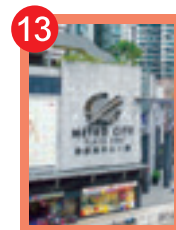
Note:

Properties 13 and 14 are connected to the MTR and KCR stations respectively by covered footbridges. Other properties are located at a short distance from the MTR / KCR stations shown, with the exception of Property 10 in Aberdeen, which is situated within a short walking distance of a bus terminus. For further details, please refer to the section headed "The Properties and Business" in this Offering Circular and the report of the Market Consultant in Appendix VI to this Offering Circular.

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* Source: Highways Department, The Government of the Hong Kong Special Administrative Region



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Overview of the Hong Kong Commercial Property Markets

The improving Hong Kong economy over the last few years has seen Hong Kong emerging from the 1997/8 Asian financial crisis and 2003 SARS period, regaining its economic strength and vitality. Nominal GDP in 2005 surpassed its previous peak in 1997 for the first time in eight years. Strong economic growth in 2004 and 2005 has seen the average rental levels of Grade A and Grade B offices rebound by approximately 84% and 57% respectively from the third quarter of 2003 to the third quarter of 2006 (according to the Rating and Valuation Department HKSAR).

The Market Consultant estimates the average new office supply for 2005 to 2010 in Hong Kong to be approximately 1.7 million sq.ft. per annum, which is approximately 50% below the 1995 to 2004 historical average of approximately 3.4 million sq.ft. per annum. With significant increases in rents, limited supply and choice of Grade A office space, particularly in core business areas, the Market Consultant estimates that the trend of decentralisation or ‘spill-over’ in demand for more economical Grade B office space in the core business areas and high quality office space in decentralised business areas will continue. The recent rental growth trend in both Grade A and Grade B offices is expected by the Market Consultant to extend into 2006 to 2007 and it is estimated by the Market Consultant that Grade B office rental growth rate is likely to grow at a faster pace than Grade A office rental growth rate as the rental gap is expected to narrow.

The Government’s continued efforts to enhance tourism and retail infrastructure coupled with strong domestic economic fundamentals have contributed significantly to the Hong Kong retail market. Since the third quarter of 2003, according to the Rating and Valuation Department HKSAR, average retail rents have rebounded by approximately 19% to the third quarter of 2006. Expectations of buoyant sales on the back of strong domestic consumption and increased tourism flow particularly from China have prompted many existing retailers to undertake expansion plans. The Market Consultant estimates the average new retail supply for 2005 to 2010 in Hong Kong to be approximately 1.1 million sq.ft. per annum, which is approximately 32% below the 1995 to 2004 historical average of approximately 1.6 million sq.ft. per annum. In general, demand for retail space is expected to remain strong and with moderate new retail supply, the industry-wide retail rental growth for 2006 and 2007 is expected to continue the ascending trend evidenced in 2004 and 2005 albeit at a more moderate but sustainable rate.

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The Portfolio

The following table sets forth certain information as at 30 September 2006 with respect to each of the Properties and by classifying them into two categories — office and retail. The categorisation of each Property has been determined by reference to the nature of the source of the majority of the income generated by that Property.

Property	Approximate percentage attributable to total Appraised Value of all Properties		Acquisition Value ⁽³⁾ (based on the Minimum Offer Price of HK\$2.45)		Acquisition Value ⁽³⁾ (based on the Maximum Offer Price of HK\$2.60)		Gross Rentable Area		No. of car park spaces	Year of Completion of Construction	Average occupancy rate ⁽¹²⁾	Number of leases as at 30 September 2006
	Appraised Value ⁽²⁾						Office ⁽⁴⁾	Retail ⁽⁴⁾				
	HK\$ million	%	HK\$ million	Discount %	HK\$ million	Discount %	sq.ft.	sq.ft.				
Office ⁽¹⁾												
248 Queen's Road East	2,341	25.75	1,817.2	22.4	1,873.4	20.0	369,891	6,490	46 ⁽⁸⁾	1998	95.6	77
Bonham Trade Centre	422	4.64	327.6	22.4	337.7	20.0	108,506	9,403	—	1998	89.9	114
Righteous Centre	329	3.62	255.4	22.4	263.3	20.0	41,004	10,763	—	1996	90.7	52
135 Bonham Strand Trade Centre Property	230	2.53	178.5	22.4	184.1	20.0	60,844	3,071	—	2000	87.3	71
Winsome House Property	254	2.79	197.2	22.4	203.3	20.0	37,937	2,177	—	1999	78.3	20
Java Road 108 Commercial Centre	147	1.62	114.1	22.4	117.6	20.0	35,694	2,229	—	1998	85.7	27
Sun Fai Commercial Centre Property	100	1.10	77.6	22.4	80.0	20.0	23,817	2,334	—	1998	90.5	37
Wai Ching Commercial Building Property	26	0.29	20.2	22.4	20.8	20.0	14,239	2,082	—	1997	60.4	21
235 Wing Lok Street Trade Centre	168	1.85	130.4	22.4	134.4	20.0	47,481	4,804	—	2000	77.7	53
Yue Fai Commercial Centre Property	124	1.36	96.3	22.4	99.2	20.0	41,272	1,479	—	1997	77.2	87
Everglory Centre	123	1.35	95.5	22.4	98.4	20.0	25,896	3,906	—	1999	95.0	30
On Loong Commercial Building Property	107	1.18	83.1	22.4	85.6	20.0	23,856	1,708	—	1984	95.0	35
Sub total/average	4,371	48.08	3,393.0	22.4	3,498.0	20.0	830,437 ⁽⁵⁾	50,446 ⁽⁵⁾	46		89.9 ⁽¹³⁾	624
Retail ⁽¹⁾												
Metro City Phase I Property	1,811	19.92	1,405.8	22.4	1,449.3	20.0	—	188,889	452 ⁽⁹⁾	1996	81.1	100
Sheung Shui Centre Shopping Arcade	2,190	24.09	1,700.0	22.4	1,752.6	20.0	—	122,339	297 ⁽¹⁰⁾	1993	93.2	125
Kwong Wah Plaza Property	458	5.04	355.5	22.4	366.5	20.0	39,101	25,741	—	1998	99.1	36
Beverley Commercial Centre Property	56	0.62	43.5	22.4	44.8	20.0	—	7,934	—	1982	75.4	32
Glory Rise Property	65	0.72	50.5	22.4	52.0	20.0	—	7,086	—	2003	60.0	4
Supernova Stand Property	46	0.51	35.7	22.4	36.8	20.0	—	4,226	—	2001	88.4	1
Palatial Stand Property	20	0.22	15.5	22.4	16.0	20.0	3,566	5,059	—	2001	100.0	5
Royal Terrace Property	73	0.80	56.7	22.4	58.4	20.0	—	9,565	49 ⁽¹¹⁾	2002	100.0	7
Sub total/average	4,719	51.92	3,663.1	22.4	3,776.5	20.0	42,667 ⁽⁶⁾	370,839 ⁽⁶⁾	798		87.9 ⁽¹³⁾	310
Total	9,090	100.0	7,056.1	22.4	7,274.5	20.0	873,104 ⁽⁷⁾	421,285 ⁽⁷⁾	844		89.3 ⁽¹³⁾	934 ⁽¹⁴⁾

Notes:

- (1) The table presents information by categorising each Property as either office or retail. The categorisations were determined by the nature of the source of the majority of the income generated by the relevant Property. Consequently, for any Property that has mixed office and retail usage but which was categorised as office, a portion of its net property income and Gross Rentable Area will actually be referable to retail usage, and vice versa for any mixed use Property which was categorised as retail.
- (2) The Appraised Value represents the value of each Property as determined by the Independent Property Valuer as at 30 September 2006.

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- (3) The Acquisition Value represents the agreed acquisition value for each Property for the purpose of computing the purchase consideration for the relevant Target Company or Target Property under the relevant Sale and Purchase Agreement.
- (4) These represent the Gross Rentable Area actually used for office and retail purposes within each Property (excluding car-parking spaces) and where applicable, differ from the overall classification of each Property as office and retail.
- (5) The aggregate Gross Rentable Area of all the 12 Properties in the office category above (including any retail component in those Properties) is 880,883 sq.ft.
- (6) The aggregate Gross Rentable Area of all the eight Properties in the retail category above (including any office component in those Properties) is 413,506 sq.ft.
- (7) The total Gross Rentable Area for all the 20 Properties is 1,294,389 sq.ft. (excluding car-parking spaces).
- (8) Includes 38 car-parking spaces and eight lorry-parking spaces.
- (9) In addition to the 452 car-parking spaces, it has 20 motor cycle-parking spaces and 14 bicycle-parking spaces.
- (10) Includes 269 car-parking spaces (of which 160 car-parking spaces are for parking private motor vehicles belonging to the residents of Sheung Shui Centre and 109 car-parking spaces are for parking private motor vehicles belonging to members of the public) and 28 lorry-parking spaces. In addition, it has six loading and unloading spaces and 226 bicycle-parking spaces.
- (11) In addition to the 49 car-parking spaces, it has 10 motorcycle-parking spaces.
- (12) Average occupancy rate for the three months ended 30 September 2006 is derived by dividing the sum of the occupancy rates at the end of each month during the three-month period for the relevant Property by the number of months in the period. The occupancy rates in respect of the relevant Property means the Gross Rentable Area in sq.ft. occupied under lease or licence by tenants or licensees as a percentage of total Gross Rentable Area of such relevant Property as at the end of the relevant month. For this purpose, “occupied” means that, in respect of an area, a lease or licence existed under an agreement in writing entered into at any time on or before 31 October 2006, which lease or licence was in effect or deemed to be in effect as at the end of the relevant month. For the purpose of calculating the average occupancy rate for the Properties with car parks, the occupancy of the car parks is not taken into account as some of the car parks are licensed on an hourly basis.
- (13) Calculated as a weighted average by total area of the above individual property average occupancy rates.
- (14) No car-parking spaces are included in the number of leases since car-parking spaces are occupied on a licence basis.

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Net Property Income

The Properties generated net property income of HK\$207 million for the year ended 30 June 2004, HK\$215 million for the year ended 30 June 2005 and HK\$210 million for the year ended 30 June 2006. The following table sets forth the contribution of each Property to these net property income figures and the average occupancy rate for each Property in these periods:

Property	For the year ended 30 June 2004			For the year ended 30 June 2005			For the year ended 30 June 2006		
	Net property income HK\$'000	Percentage of total net property income %	Average occupancy rate ⁽¹⁾ %	Net property income HK\$'000	Percentage of total net property income %	Average occupancy rate ⁽¹⁾ %	Net property income HK\$'000	Percentage of total net property income %	Average occupancy rate ⁽¹⁾ %
Office									
248 Queen's Road East	45,448	21.9	89.1	43,370	20.2	88.6	37,363	17.8	87.3
Bonham Trade Centre	7,220	3.5	86.4	9,556	4.5	91.3	11,359	5.4	94.6
Righteous Centre	8,027	3.9	93.0	6,811	3.2	94.1	7,721	3.7	93.8
135 Bonham Strand Trade Centre Property	5,174	2.5	94.3	5,653	2.6	95.9	6,269	3.0	92.9
Winsome House Property	4,797	2.3	96.4	5,177	2.4	96.9	5,514	2.6	91.5
Java Road 108 Commercial Centre	3,286	1.6	94.1	4,024	1.9	93.2	4,224	2.0	92.5
Sun Fai Commercial Centre Property	2,507	1.2	94.3	2,801	1.3	97.1	3,337	1.6	96.4
Wai Ching Commercial Building Property	342	0.1	78.3	199	0.1	70.0	287	0.1	64.1
235 Wing Lok Street Trade Centre	2,675	1.3	87.9	2,947	1.4	92.7	3,192	1.5	86.9
Yue Fai Commercial Centre Property	3,073	1.5	95.5	3,536	1.6	95.7	3,598	1.7	86.4
Everglory Centre	2,907	1.4	98.8	2,812	1.3	97.7	3,278	1.6	97.9
On Loong Commercial Building Property	2,648	1.3	96.1	2,685	1.2	99.1	2,819	1.3	93.2
Sub total	88,104	42.5	90.6⁽²⁾	89,571	41.7	91.5⁽²⁾	88,961	42.3	89.8⁽²⁾
Retail									
Metro City Phase I Property	45,415	21.9	93.2	44,089	20.5	95.6	39,506	18.8	85.0
Sheung Shui Centre Shopping Arcade	57,160	27.5	97.3	60,599	28.2	98.3	58,764	27.9	96.9
Kwong Wah Plaza Property	11,466	5.5	96.3	13,723	6.4	97.7	14,391	6.8	97.4
Beverley Commercial Centre Property	312	0.2	41.7	1,512	0.7	92.8	1,370	0.7	82.8
Glory Rise Property	1,263	0.6	43.5	1,569	0.7	64.6	2,167	1.0	71.1
Supernova Stand Property	1,602	0.8	88.4	1,623	0.8	88.4	1,883	0.9	88.4
Palatial Stand Property	237	0.1	51.1	240	0.1	61.5	508	0.3	90.1
Royal Terrace Property	1,905	0.9	73.3	2,009	0.9	84.1	2,812	1.3	93.6
Sub total	119,360	57.5	91.7⁽²⁾	125,364	58.3	95.1⁽²⁾	121,401	57.7	90.5⁽²⁾
Total	207,464	100	91.0⁽²⁾	214,935	100.0	92.6⁽²⁾	210,362	100.0	90.0⁽²⁾

Notes:

- (1) Average occupancy rate for the period is derived by dividing the sum of the occupancy rates at the end of each month during the period for the relevant Property by the number of months in the period. For the purpose of calculating the average occupancy rate for the Properties with car parks, the occupancy of the car parks is not taken into account as some of the car parks are licensed on an hourly basis.
- (2) Calculated as a weighted average by total area of the above individual property average occupancy rates.

OFFERING CIRCULAR SUMMARY

Tenant Profile

The major tenants of the Properties comprise entities in a range of business sectors, including community, social and personal services, trading/manufacturing, financial/professional and business services, logistics/transport services and other firms in Hong Kong. None of the 10 largest tenants (in terms of Rental Income) are connected persons of Sunlight REIT, except Hang Seng Bank Limited and The Hongkong and Shanghai Banking Corporation Limited. The following table sets out information on the 10 largest tenants of the Properties in terms of Rental Income as at 30 September 2006 and for the month ended 30 September 2006:

Tenant	Trade Mix	Expiry Date	Percentage of Total				
			Gross Rentable Area	Gross Rentable Area	Percentage of Rental Income ⁽¹⁾		
			sq.ft.	%	%		
Bank of Communications Co., Ltd.	Financial/professional and business services	10 March 2008 ⁽²⁾	3,935	}	0.6	}	2.9
		21 May 2008 ⁽²⁾	3,612				
Forever Sky (Asia) Limited	Restaurant	13 March 2010	20,261		1.6		2.3
A.S. Watson Group (HK) Limited	Other retail/wholesale	19 September 2009 ⁽³⁾	3,292	}	1.2	}	2.0
		9 November 2006 ⁽³⁾	2,939				
		12 January 2008 ⁽³⁾	9,430				
The Dairy Farm Company Limited	Food retail/supermarkets	30 November 2006 ⁽⁴⁾	2,619	}	0.7	}	1.9
		30 November 2006 ⁽⁴⁾	1,130				
		14 October 2007 ⁽⁴⁾	1,171				
		20 January 2008 ⁽⁴⁾	3,737				
		6 August 2009 ⁽⁴⁾	604				
Cosmos Inc. Limited	Restaurant	30 April 2009 ⁽⁵⁾	24,857	}	1.9	}	1.7
		6 January 2007 ⁽⁵⁾	—				
Hang Seng Bank Limited	Financial/professional and business services	16 February 2009	7,628		0.6		1.6
Anglo-Eastern Ship Management Ltd	Logistics/transport services	31 August 2008 ⁽⁶⁾	10,589	}	2.5	}	1.3
		31 August 2008 ⁽⁶⁾	22,490				
		31 August 2008 ⁽⁶⁾	—				
PCCW Teleservices (Hong Kong) Limited	IT/telecommunication services	31 July 2008 ⁽⁷⁾	11,146	}	2.2	}	1.3
		31 July 2008 ⁽⁷⁾	11,245				
		31 October 2008 ⁽⁷⁾	6,431				
		31 July 2008 ⁽⁷⁾	—				
		31 July 2008 ⁽⁷⁾	—				
The Bank of East Asia Limited	Financial/professional and business services	30 April 2009	3,863		0.3		1.2
The Hongkong and Shanghai Banking Corporation Limited	Financial/professional and business services	3 November 2008 ⁽⁸⁾	1,360	}	0.4	}	1.1
		3 November 2008 ⁽⁸⁾	3,266				
Sub-total			155,605		12.0		17.3
Other tenants			998,997		77.2 ⁽⁹⁾		82.7
Vacant Space			139,787		10.8		—
Total			1,294,389		100.0		100.0

OFFERING CIRCULAR SUMMARY

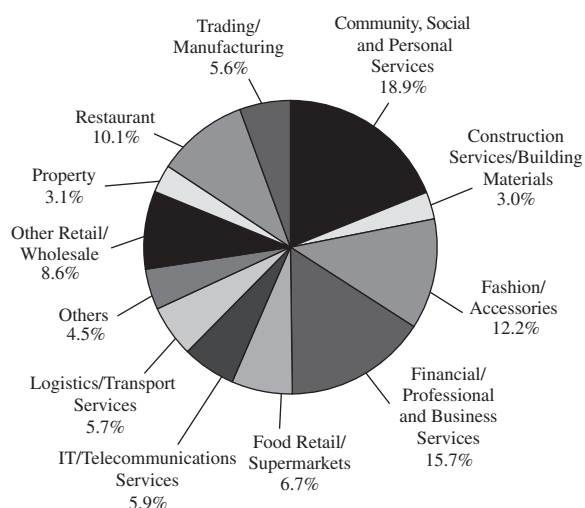
Notes:

- (1) Calculated on the basis of each tenant's percentage contribution to Rental Income of the Properties for the month ended 30 September 2006.
- (2) Tenant holds two separate leases expiring on two different dates.
- (3) Tenant holds three separate leases expiring on three different dates. As at the Latest Practicable Date, the lease which expired on 9 November 2006 was renewed for a further term of three years commencing from 10 November 2006.
- (4) Tenant holds five separate leases expiring on four different dates. As at the Latest Practicable Date, negotiations for renewal of the two leases expiring on 30 November 2006 at a higher rent were in progress, although there is no certainty as to whether renewal can ultimately be agreed upon, and if so, on what terms.
- (5) Tenant holds one lease and one licence for lightbox expiring on different dates.
- (6) Tenant holds two separate leases and one licence for installation of split type air-conditioning condenser units expiring on the same date.
- (7) Tenant holds three separate leases (expiring on two different dates) and three separate licenses for installation of split type air-conditioning condenser units and generators expiring on the same date.
- (8) Tenant holds two separate leases expiring on the same date.
- (9) With respect to the leases of other tenants, 27.6% of the total Gross Rentable Area is due to expire in the period from 30 September 2006 to 30 June 2007, 28.0% is due to expire in the year ending 30 June 2008, 21.6% is due to expire in the year ending 30 June 2009 and beyond.

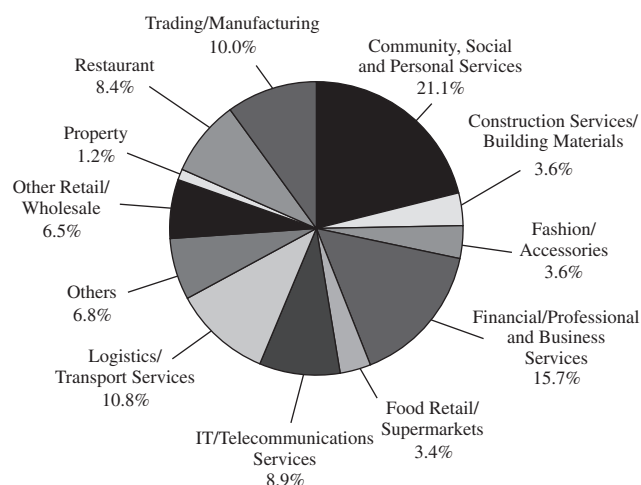
OFFERING CIRCULAR SUMMARY

The following charts provide an overview of Sunlight REIT's portfolio of the Properties.

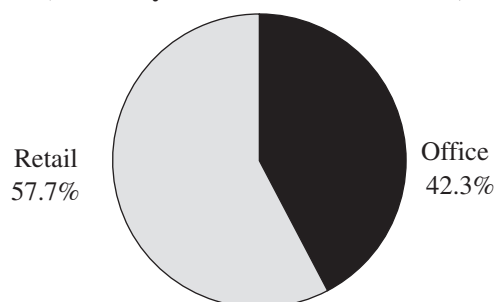
Rental Income by Tenants' Trades⁽¹⁾
(For the month ended 30 September 2006)



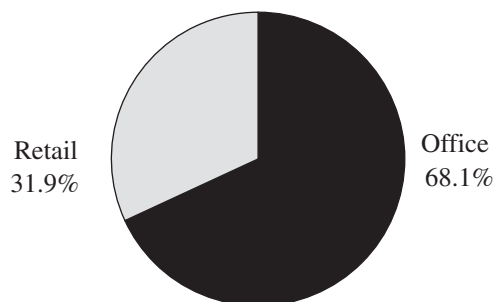
Gross Rentable Area by Tenants' Trades⁽¹⁾
(As at 30 September 2006)



Net Property Income by Property Category⁽²⁾⁽³⁾
(For the year ended 30 June 2006)



Gross Rentable Area by Property Category⁽²⁾
(As at 30 September 2006)

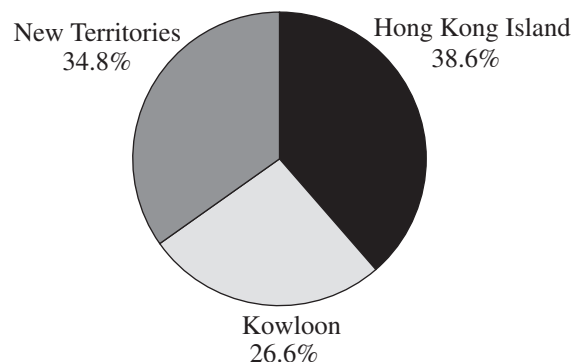


Notes:

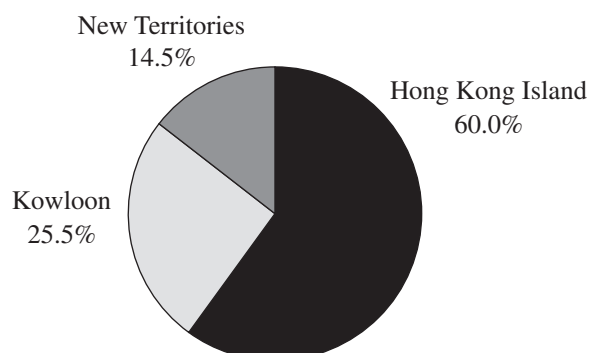
1. Tenants' trades have been classified into categories by the Manager.
2. The charts present information by categorising each Property as either office or retail. The categorisations were determined by the nature of the source of the majority of the income generated by the relevant Property. Consequently, for any Property that has mixed office and retail usage but which was categorised as office, a portion of its net property income and Gross Rentable Area will actually be referable to retail usage, and vice versa for any mixed use Property which was categorised as retail.
3. Net property income by property category is presented for the year ended 30 June 2006 on a basis consistent with the figures included in the section headed "The Properties and Business" in this Offering Circular.

OFFERING CIRCULAR SUMMARY

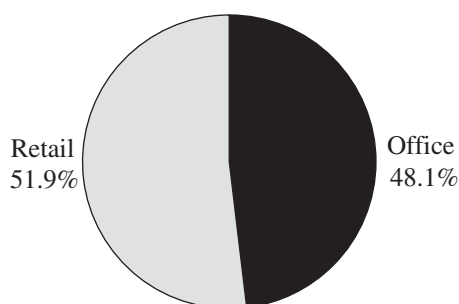
Net Property Income by Location⁽¹⁾
(For the year ended 30 June 2006)



Gross Rentable Area by Location
(As at 30 September 2006)



Appraised Value by Property Category⁽²⁾
(As at 30 September 2006)



Notes:

1. Net property income by location is presented for the year ended 30 June 2006 on a basis consistent with the figures included in the section headed "The Properties and Business" in this Offering Circular.
2. The charts present information by categorising each Property as either office or retail. The categorisations were determined by the nature of the source of the majority of the income generated by the relevant Property. Consequently, for any Property that has mixed office and retail usage but which was categorised as office, a portion of its net property income and Gross Rentable Area will actually be referable to retail usage, and vice versa for any mixed use Property which was categorised as retail.

Please refer to the section headed "The Properties and Business" in this Offering Circular for the details of the Properties in Sunlight REIT's property portfolio upon Completion.

OFFERING CIRCULAR SUMMARY

Summary of Risk Factors

There are certain risks involved in investing in Sunlight REIT. These risks can be categorised into (i) Risks Relating to Sunlight REIT's Organisation and Operations; (ii) Risks Relating to the Properties; (iii) Risks Relating to Investing in the Property Market; and (iv) Risks Relating to an Investment in the Units. For further information on these risks, please see the section headed "Risk Factors" in this Offering Circular.

Risks Relating to Sunlight REIT's Organisation and Operations

- The level of Annual Distributable Income available to Unitholders will be enhanced by the interest rate swap arrangements for a limited period. There is no assurance that Sunlight REIT will be able to service the potentially higher cash finance costs after the terms of such swaps or to make any distributions to Unitholders.
- Yield enhancement mechanisms, which will have the effect of increasing distributions per Unit, have been put in place for a limited period. When such mechanisms come to an end, distributions per Unit and/or the price of Units may be adversely affected.
- Distributions to Unitholders of Sunlight REIT may include certain amounts which are effectively return of equity, in addition to its reported net profit after tax.
- Adjustment Payments which effectively top-up the rental income from the Properties have a yield enhancing effect owing to the discrepancy between the Assured Minimum Rental and the current Consolidated Rental Income. This discrepancy means that any growth in Rental Income may be offset by a reduction in Adjustment Payments. Further, as no Adjustment Payments are payable after 30 June 2009, there may be a substantial drop in Annual Distributable Income and distributions to Unitholders.
- The Distribution Waiver will have a yield enhancing effect for a limited period. The number of Units in respect of which distributions have been waived will decrease from the year ending 30 June 2010 and the Distribution Waiver will cease to have effect for periods after 30 June 2011, which could materially adversely affect distributions per Unit.
- Sunlight REIT, the Manager and the Property Manager, which are each relatively newly established entities, do not have significant operating histories for prospective investors to rely on in making an investment decision.
- Sunlight REIT will operate principally through the Property Companies and its ability to make distributions to Unitholders is dependent on the financial performance and position of the Property Companies.
- Sunlight REIT will depend on external sources of funding which are outside of its control to finance capital expenditure and growth.
- The amount that Sunlight REIT may borrow is limited.

OFFERING CIRCULAR SUMMARY

- Sunlight REIT may face risks associated with debt financing.
- The Manager may not be able to achieve its objectives as outlined in the section headed “Strategy” in this Offering Circular and the Manager’s stated strategy may change.
- The fair value of the investment properties increased by 55.7% during the year ended 30 June 2006. The fair value of Sunlight REIT’s Properties may decline or be subject to a high degree of volatility in the future due to cyclical changes and volatility in the Hong Kong real estate industry.
- Decreases in property values as a result of the annual revaluation of Sunlight REIT’s properties could result in decreases in the annual consolidated net profit of Sunlight REIT for that year and may also trigger certain events of default which may lead to adverse consequences under the Facility Agreements.
- Sunlight REIT depends on certain key personnel of the Manager and the Property Manager, and the loss of any key personnel may adversely affect its business, financial performance and financial condition.
- The Manager’s operations are subject to regulation and its licensing conditions.
- There are potential conflicts of interest between Sunlight REIT, the Manager, SKFE and HLD.
- Sunlight REIT’s success depends on the ability of the Manager and the Property Manager to operate the Properties in an effective and efficient manner. Failure to do so may have a material adverse effect on the value of the portfolio and Sunlight REIT’s financial performance and condition.
- Sunlight REIT and the Manager will be dependent on HLD and its affiliates in relation to certain operational aspects, including IT infrastructure.
- The payment of the Manager’s fees in Units may adversely affect the amount of working capital available to the Manager.
- Many of the Property Companies are not newly-incorporated companies and may have outstanding liabilities, including tax liabilities which remain uncertain.
- Sunlight REIT is exposed to the risk that SKFE, HLD, HIL, HD, the other Vendors of the Target Company Shares, the HLD Subscribers or the SKFE Subscribers will not perform their obligations under the DPU Guarantees, the Deeds of Adjustment Payments or the Deeds of Distribution Waiver or that such obligations may be challenged under applicable insolvency or fraudulent transfer laws.
- Sunlight REIT is exposed to the risk that the Swap Counterparty will not perform its obligations under interest rate swap arrangements.
- Sunlight REIT relies on three of the Properties for a substantial portion of its net property income (constituting approximately 64.5% of net property income of the portfolio for the year ended 30 June 2006).

OFFERING CIRCULAR SUMMARY

- The Manager and the Property Manager may not be able to renew leases on terms which are acceptable to it and the failure of tenants to renew leases may have an adverse impact on occupancy rates and the abilities of Sunlight REIT to pay distributions to Unitholders.
- The failure of tenants to meet their lease commitments may have a material adverse effect on the income and value of Sunlight REIT's portfolio of properties.
- Sunlight REIT faces significant competition.
- The properties of Sunlight REIT may be disrupted by the redevelopment or renovation of those properties or neighbouring properties.
- Insufficient cash flows or distributable income of the REIT Group Companies or Sunlight REIT may adversely affect Sunlight REIT's ability to pay or maintain distributions to Unitholders.
- The value of Sunlight REIT's property portfolio is affected by local, regional and international economic conditions.

Risks Relating to the Properties

- Some of the Properties are parts of a building or development in which Sunlight REIT holds less than 100% of the undivided shares in that building or development, which gives the Manager more limited control and rights over these properties.
- The Properties are all located in Hong Kong, which exposes Sunlight REIT to cyclical economic and real estate market conditions in Hong Kong.
- The appraisals of the Properties are based on certain assumptions and the price at which it is able to sell a property may be different from the Appraised Value or initial Acquisition Value of such property.
- Income from, and expenditures in relation to, the Properties may not be as expected, which may adversely affect the financial condition of Sunlight REIT.
- The due diligence exercise on buildings and equipment may not have identified all material defects, breaches of laws and regulations and other deficiencies.
- Non-compliance with the terms of the Government Grant may allow the Government to terminate and re-enter the property.
- Losses or liabilities from latent building or equipment defects may adversely affect earnings and cash flow.
- Most of the Properties' leases are for periods of between two and three years or less, which exposes the portfolio to significant rates of lease expiry each year.

OFFERING CIRCULAR SUMMARY

- Any recurrence of severe acute respiratory syndrome, or SARS, or an outbreak of avian influenza A (H5N1) virus or another widespread public health crisis could adversely affect Sunlight REIT's business, financial condition and results of operations.

Risks Relating to Investing in the Property Market

- There are general risks attached to investments in the property market.
- Sunlight REIT may be adversely affected by the illiquidity of property investments.
- Sunlight REIT may not be able to procure appropriate insurance cover.
- The properties of Sunlight REIT or part thereof may be acquired compulsorily.
- Sunlight REIT could incur significant costs or liability related to environmental matters.
- The valuation analysis may not be representative of an investment in Sunlight REIT.

Risks Relating to an Investment in the Units

- The Units have never been publicly traded and the Offering may not result in an active or liquid market for the Units.
- The REIT Code has a limited history and the application and interpretation of its provisions may be uncertain.
- An investment in the Units may present taxation risks for prospective investors.
- Unitholders will be effectively subordinated to all existing and future claims of creditors of the REIT Group Companies.
- Unitholders have no right to require the redemption of their Units.
- The price of the Units may decline after the Offering.
- The forward-looking information in this Offering Circular may prove inaccurate.
- Rental yield on real estate to be held by Sunlight REIT is not equivalent to yield on the Units.
- The number of Units available for future sale could adversely affect the market price of the Units.
- Unitholders' interests will be diluted because all of the Manager's Base Fee and Variable Fee referable to the Properties will be paid in Units at least until 30 June 2011.
- The NAV of the Units will be diluted if further issues are priced below the NAV.

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- The Takeovers Code does not apply to Unit acquisitions and there may be limited information in relation to the interests held by significant holders and other connected persons of Sunlight REIT.
- Certain rights in relation to Units in which a person has an interest or is deemed to have an interest may be suspended under the provisions of the Trust Deed.
- Accounting standards in Hong Kong are subject to change.
- The Units may be delisted from the Hong Kong Stock Exchange.

Acquisition Arrangements

On 10 November 2006 and 2 December 2006, the Purchaser Companies entered into the Sale and Purchase Agreements with the relevant Vendors pursuant to which the Purchaser Companies have conditionally agreed to acquire the Target Company Shares, the Target Properties, the Finance Company Share and the Domain Name Company Share from the relevant Vendors.

The purchase consideration for each Target Company (other than that in relation to Metro City Phase I Property and Sheung Shui Centre Shopping Arcade) is based on the Acquisition Value (based on the Minimum Offer Price) of the Property owned by that Target Company directly or indirectly, after adjustment (on bases agreed between the relevant Purchaser Companies and Vendors) for the assets and liabilities of that Target Company (and its subsidiary or subsidiaries, where applicable) on Completion and a specified percentage of the Adjustment Sum. Any deferred tax liabilities of the Target Companies (and their subsidiaries, where applicable) will not be taken into account in the computation of the purchase consideration, but indemnities will be given under the Deeds of Tax Covenant in favour of the relevant REIT Group Companies in respect of any tax liability arising from re-classification upon Completion of the relevant Property from a trading stock to an investment property. Any deferred tax assets of the Target Companies (and their subsidiaries, where applicable) will not be taken into account in the computation of the purchase consideration payable on Completion, but will be paid for by the REIT Group Companies on a future date after Completion when, and to the extent, the tax loss benefit is utilised by Sunlight REIT or the REIT Group Companies to offset tax liabilities which would otherwise arise. In addition, the Existing Borrowings will be assigned to the Finance Company on Completion principally on a dollar for dollar basis.

The purchase consideration for Metro City Phase I Property and Sheung Shui Centre Shopping Arcade is each based on the Acquisition Value (based on the Minimum Offer Price) of the Property and a specified percentage of the Adjustment Sum.

OFFERING CIRCULAR SUMMARY

The Acquisition Value and the applicable portion of the Adjustment Sum of each of the Properties is set out below.

Property	Formula	Acquisition Value	
		Based on the Minimum Offer Price	Based on the Maximum Offer Price
		HK\$ million	HK\$ million
Office			
248 Queen's Road East (with Car Park)	HK\$1,817.2 million plus 25.75% of the Adjustment Sum	1,817.2	1,873.4
Bonham Trade Centre	HK\$327.6 million plus 4.64% of the Adjustment Sum	327.6	337.7
Righteous Centre	HK\$255.4 million plus 3.62% of the Adjustment Sum	255.4	263.3
135 Bonham Strand Trade Centre Property	HK\$178.5 million plus 2.53% of the Adjustment Sum	178.5	184.1
Winsome House Property	HK\$197.2 million plus 2.79% of the Adjustment Sum	197.2	203.3
Java Road 108 Commercial Centre	HK\$114.1 million plus 1.62% of the Adjustment Sum	114.1	117.6
Sun Fai Commercial Centre Property	HK\$77.6 million plus 1.10% of the Adjustment Sum	77.6	80.0
Wai Ching Commercial Building Property	HK\$20.2 million plus 0.29% of the Adjustment Sum	20.2	20.8
235 Wing Lok Street Trade Centre	HK\$130.4 million plus 1.85% of the Adjustment Sum	130.4	134.4
Yue Fai Commercial Centre Property	HK\$96.3 million plus 1.36% of the Adjustment Sum	96.3	99.2
Everglory Centre	HK\$95.5 million plus 1.35% of the Adjustment Sum	95.5	98.4
On Loong Commercial Building Property	HK\$83.1 million plus 1.18% of the Adjustment Sum	83.1	85.6
Retail			
Metro City Phase I Property (with Car Park)	HK\$1,405.8 million plus 19.92% of the Adjustment Sum	1,405.8	1,449.3
Sheung Shui Centre Shopping Arcade (with Car Park)	HK\$1,700.0 million plus 24.09% of the Adjustment Sum	1,700.0	1,752.6
Kwong Wah Plaza Property	HK\$355.5 million plus 5.04% of the Adjustment Sum	355.5	366.5
Beverley Commercial Centre Property	HK\$43.5 million plus 0.62% of the Adjustment Sum	43.5	44.8

OFFERING CIRCULAR SUMMARY

		Acquisition Value	
Property	Formula	Based on the Minimum Offer Price	Based on the Maximum Offer Price
		HK\$ million	HK\$ million
Retail (continued)			
Glory Rise Property	HK\$50.5 million plus 0.72% of the Adjustment Sum	50.5	52.0
Supernova Stand Property	HK\$35.7 million plus 0.51% of the Adjustment Sum	35.7	36.8
Palatial Stand Property	HK\$15.5 million plus 0.22% of the Adjustment Sum	15.5	16.0
Royal Terrace Property (with Car Park)	HK\$56.7 million plus 0.80% of the Adjustment Sum	56.7	58.4
Total		7,056.1	7,274.5

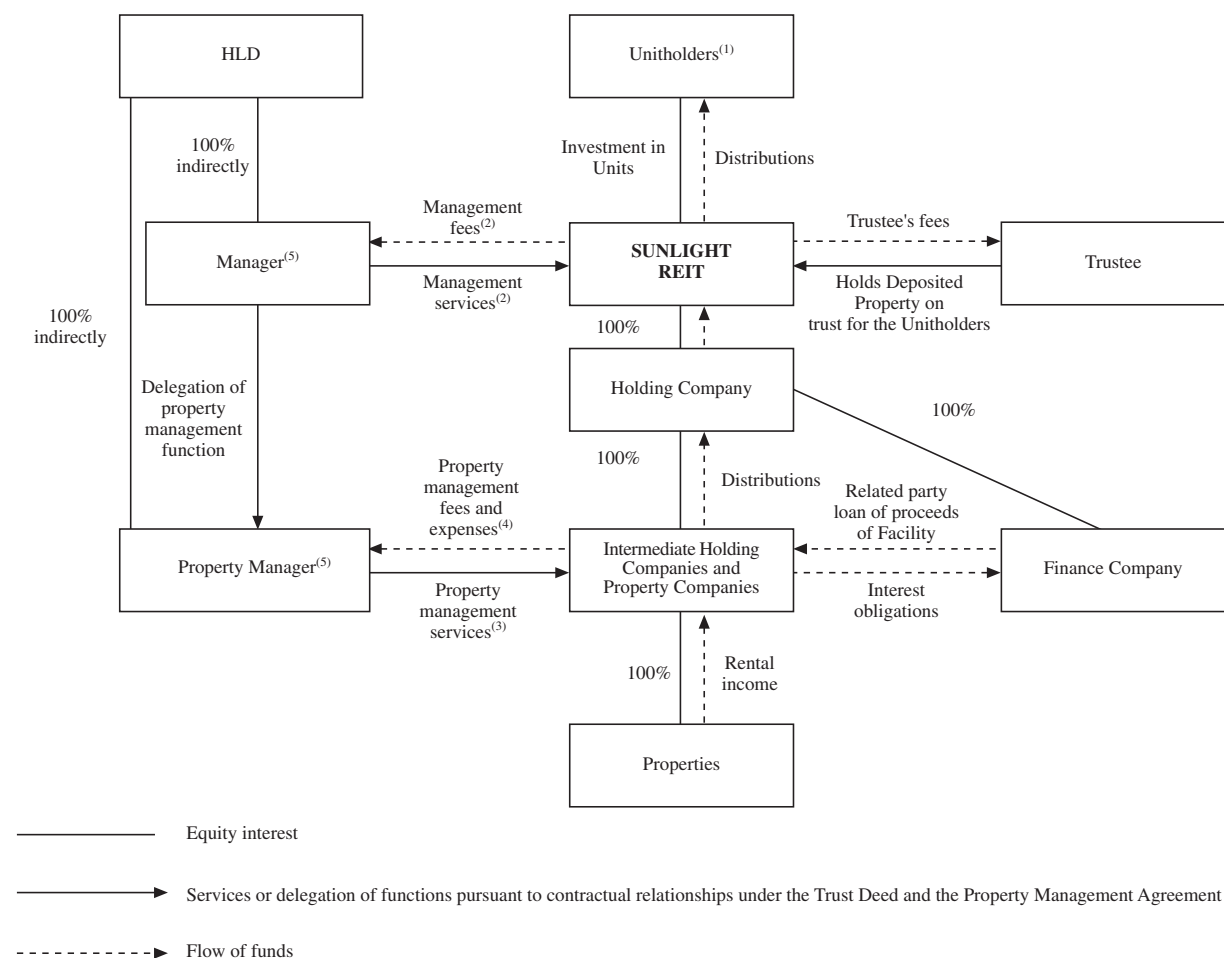
Pursuant to the Finance Company Sale and Purchase Agreement, Sunlight REIT will purchase the Finance Company Share from Corpson (a wholly-owned subsidiary of SKFE). The Finance Company has entered into the term loan agreement and the revolving credit facility agreement (as detailed below under the section headed “The Loan Facility”). In addition, it has also entered into interest rate swap agreements and an agreement in relation to the Novation (as detailed below under the section headed “Interest Rate Swaps”). The consideration for the sale of the Finance Company Share shall be an amount equal to the NTA of the Finance Company on the date of Completion (taking no account of the interest rate swap agreements or the Novation) and the Loans owed by the Finance Company will also be assigned to the Holding Company on Completion on a dollar for dollar basis. The Finance Company will be used as the financing vehicle for Sunlight REIT. It is envisaged that the primary functions of the Finance Company will include (i) entering into external borrowing arrangements with third party financial institutions, which funds may then be on-lent to the individual Property Companies in the form of related-party loans, and (ii) engaging in interest rate swaps and other arrangements with third-party counterparties in respect of Sunlight REIT’s external borrowing arrangements.

For further information regarding the Acquisition Arrangements, please see the section headed “Material Agreements and Other Documents Relating to Sunlight REIT — Description of the Agreements to acquire the Target Company Shares, the Target Properties, the Finance Company Share and the Domain Name Company Share” in this Offering Circular.

OFFERING CIRCULAR SUMMARY

Overview of Sunlight REIT Structure

Sunlight REIT will acquire direct or indirect beneficial ownership of all of the Properties through the Sale and Purchase Agreements on the Listing Date. For details of the Sale and Purchase Agreements, see the section headed “Material Agreements and Other Documents Relating to Sunlight REIT” in this Offering Circular. The following diagram depicts the ownership structure of Sunlight REIT and the primary structural and contractual relationships between, amongst others, Sunlight REIT, the Unitholders, the Manager, the Trustee and the Property Manager, upon completion of the Offering.



Notes:

- (1) The subsidiaries of SKFE together will hold 25.2% or 19.2% of all the Units; the subsidiaries of HLD together will hold 4.5% or 3.5% of all the Units and other Unitholders will hold 70.3% or 77.3% of all the Units (in each case assuming the Over-allotment Option is not exercised and is exercised in full, respectively).
- (2) The Manager will provide management services to Sunlight REIT and the Property Companies. Under the Trust Deed, the Manager will in return receive the Base Fee and the Variable Fee from Sunlight REIT and the Divestment Fee and Acquisition Fee where disposals and/or acquisitions respectively are subsequently made. See the section headed “The Manager — Fees, Costs and Expenses of the Manager” in this Offering Circular for further details.
- (3) The Property Manager will provide property management services to each Property Company pursuant to the Property Management Agreement.
- (4) Property management fees and expenses will be payable by each Property Company to the Property Manager.
- (5) The Manager and the Property Manager are both indirect wholly-owned subsidiaries of HLD.

OFFERING CIRCULAR SUMMARY

The Manager

The Manager, Henderson Sunlight Asset Management Limited, was incorporated in Hong Kong on 18 August 2005. The Manager is an indirect wholly-owned subsidiary of HLD. The Manager has a paid-up share capital of HK\$38,800,000 and its registered office is located at 30th Floor, 248 Queen's Road East, Wanchai, Hong Kong. The Manager is a fellow subsidiary of the Property Manager, which is also an indirect wholly-owned subsidiary of HLD. The Manager is licensed by the SFC to conduct the regulated activity of asset management, as required by the REIT Code. The Manager is responsible for Sunlight REIT's investment and financing strategies, asset enhancement, acquisition and disposal policies and overall management of the Properties. See the section headed "The Manager" in this Offering Circular for further details about the Manager.

Objectives and Strategies

The key objectives of the Manager are to provide Unitholders with regular and stable cash distributions with the potential for sustainable long-term growth of such distributions and enhancement in value of the portfolio. The Manager intends to accomplish these objectives by optimising the performance and enhancing the overall quality of a large portfolio of primarily office and retail real estate assets in Hong Kong through various business and investment strategies:

- **Active operational management and asset enhancement strategy:** Active operational management and asset enhancement initiatives to improve the long-term value of the portfolio;
- **Investment and acquisition growth strategy:** Drive acquisition growth by identifying, evaluating and acquiring investment properties which have the potential to contribute to the sustainable growth in distributions by Sunlight REIT and the long-term enhancement in the value of the portfolio;
- **Capital management strategy:** Efficient capital management framework to support the Manager's operational and acquisition growth strategies; and
- **Business management strategy:** Ensure a quality work force, sound corporate governance practices, systems and infrastructure to support the Manager's fund management and asset management activities.

For further details, see the section headed "Strategy" in this Offering Circular.

Corporate Governance

Detailed corporate governance policies and procedures have been established to promote the operation of Sunlight REIT in a transparent manner and with built-in checks and balances. The Trustee and the Manager are independent of each other, with their respective roles in relation to Sunlight REIT set out in both the REIT Code and the Trust Deed. The Manager is required by the REIT Code to act in the best interests of the Unitholders, to whom the Trustee also owes fiduciary duties.

OFFERING CIRCULAR SUMMARY

The Board currently comprises six members, consisting of the Chief Executive Officer, two non-executive Directors (including the Chairman) and three independent non-executive Directors.

Policies and procedures have been established for, amongst other things, monitoring and supervising dealings in Units by Directors and the Manager. For further details, see the section headed “Corporate Governance” in this Offering Circular.

The Trustee

The trustee of Sunlight REIT is HSBC Institutional Trust Services (Asia) Limited. The Trustee is a wholly-owned subsidiary of The Hongkong and Shanghai Banking Corporation Limited. The Trustee is a company incorporated in Hong Kong and registered as a trust company under section 77 of the Trustee Ordinance. The Trustee is qualified to act as a trustee for collective investment schemes authorised under the SFO pursuant to the REIT Code. As at the Latest Practicable Date, the Trustee had a paid-up share capital of HK\$50,000,000.

For details of the Trustee’s obligations under the Trust Deed and the REIT Code, see the section headed “The Trust Deed” in this Offering Circular.

The Property Manager

The Property Manager, Henderson Sunlight Property Management Limited, was incorporated in Hong Kong on 30 September 2005, with its registered office at Rooms 3101-3, 31st Floor, 248 Queen’s Road East, Wanchai, Hong Kong and is an indirect wholly-owned subsidiary of HLD. Under the Property Management Agreement, the Manager has appointed the Property Manager to operate, maintain, manage and market the Properties, subject to the overall management and supervision of the Manager for the benefit of the Property Companies. The Property Manager has undertaken to provide the services to each Property Company. Under the Property Management Agreement, the Property Manager shall provide services to each Property Company on matters such as lease renewal, tenants’ renting of additional space and tenancy related matters, rental collection and arrears management, evaluating government rates assessment, premises hand-over/taking over, tenants’ fitting out, customer relationship management, contract management, maintenance management, administrative management, building safety, financial/cost management and marketing.

For further information on the Property Manager, see the section headed “The Property Manager” in this Offering Circular.

OFFERING CIRCULAR SUMMARY

Summary Historical Financial Information

The following tables sets forth summary financial information on a combined historical basis for the Predecessor Operations. The Predecessor Operations comprise the real estate activities of the Target Companies and the owners of the Target Properties in so far as they relate to the Properties. The Target Companies and the Target Properties were owned by the Vendors and indirectly owned by SKFE, HLD and other parties, being principally parties related to Dr. Lee Shau Kee. No historical information for Sunlight REIT is presented because it has not undertaken any corporate activity since its formation on 26 May 2006.

The combined profit and loss data and the combined cash flow data for each of the financial years ended 30 June 2004, 2005 and 2006, and the combined assets and liabilities data as at 30 June 2004, 2005 and 2006 have been derived from the Predecessor Operations' audited combined financial information and related notes thereto which have been included in Appendix I to this Offering Circular. These audited combined financial information and the related notes thereto have been prepared in accordance with Hong Kong GAAP and have been audited by KPMG, the independent reporting accountants.

The historical combined financial information for the Predecessor Operations included below and set forth in Appendix I to this Offering Circular is not necessarily indicative of Sunlight REIT's future performance. You should read the following summary financial information together with the sections headed "The Properties and Business", "Management Discussion and Analysis of Financial Condition and Results of Operations" and "Management Discussion and Analysis of Future Results of Operations" in this Offering Circular and the historical financial statements for the Predecessor Operations and related notes thereto set forth in Appendix I to this Offering Circular.

OFFERING CIRCULAR SUMMARY

Combined Income Statements

	For the year ended 30 June		
	2004	2005	2006
	HK\$'000	HK\$'000	HK\$'000
Turnover	243,816	248,360	251,419
Rental related income	65,443	69,073	66,516
Direct costs	(101,795)	(102,498)	(107,573)
Gross profit	207,464	214,935	210,362
Other income	330	929	588
Increase in fair value of investment properties	519,360	706,429	2,469,077
Write back of provision for diminution in value of completed properties for sale	59,800	21,081	18,342
Profit on sale of completed properties for sale	105	779	164
Administrative expenses	(1,800)	(1,867)	(714)
Other operating (expenses)/income	(964)	789	(1,320)
Interest expenses	(15,456)	(23,787)	(26,164)
Profit before taxation	768,839	919,288	2,670,335
Income tax	(125,688)	(128,727)	(455,249)
Profit for the year	643,151	790,561	2,215,086

OFFERING CIRCULAR SUMMARY

Combined Balance Sheets

	As at 30 June		
	2004	2005	2006
	HK\$'000	HK\$'000	HK\$'000
Non-current assets			
Investment properties	3,726,360	4,432,860	6,902,000
Instalments receivable	3,264	2,747	—
Deferred tax assets	28,364	31,686	3,276
Other fixed assets	27	—	—
	3,758,015	4,467,293	6,905,276
Current assets			
Completed properties for sale	946,288	965,830	984,701
Instalments receivable	368	266	—
Accounts receivable, deposits and prepayments	19,520	17,080	20,874
Tax recoverable	2,791	1,758	—
Cash at bank	4	4	4
	968,971	984,938	1,005,579
Total assets	4,726,986	5,452,231	7,910,855
Current liabilities			
Tenants' deposits	(65,070)	(67,228)	(72,738)
Rent receipts in advance	(3,477)	(1,979)	(2,851)
Creditors and accrued expenses	(1,413)	(914)	(995)
Current taxation	(34,797)	(36,250)	(36,075)
	(104,757)	(106,371)	(112,659)
Non-current liabilities			
Amounts due to related companies	(1,917,219)	(1,829,060)	(1,760,687)
Deferred tax liabilities	(194,904)	(303,092)	(704,449)
	(2,112,123)	(2,132,152)	(2,465,136)
Total liabilities	(2,216,880)	(2,238,523)	(2,577,795)
Net assets	2,510,106	3,213,708	5,333,060
Capital and reserves			
Invested capital — Property Companies	60,052	60,052	60,052
Amounts due to Properties' Owners	2,078,437	2,247,265	3,437,072
Retained profits	371,617	906,391	1,835,936
	2,510,106	3,213,708	5,333,060

OFFERING CIRCULAR SUMMARY

Combined Cash Flow Statements

	For the year ended 30 June		
	2004	2005	2006
	HK\$'000	HK\$'000	HK\$'000
Net cash generated from operating activities	183,206	198,701	189,980
Net cash generated from investing activities	304	204	291
Net cash used in financing activities	(105,771)	(110,746)	(121,898)
	77,739	88,159	68,373
Net repayment to related companies	(77,740)	(88,159)	(68,373)
Net decrease in cash and cash equivalents	(1)	—	—
Balance at the beginning of the year			
— Cash and cash equivalents	5	4	4
— Amounts due to related companies	(1,994,959)	(1,917,219)	(1,829,060)
Balance at the end of the year			
— Cash and cash equivalents	4	4	4
— Amounts due to related companies	(1,917,219)	(1,829,060)	(1,760,687)

Summary Profit Forecast

Statements contained in the Summary Profit Forecast set out below that are not historical facts may be forward-looking statements. Such statements are based on the assumptions set forth in the section headed “Profit Forecast — Bases and Assumptions” in this Offering Circular and are subject to certain risks and uncertainties which could cause actual results to differ materially from those projected. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction by the Vendors, Sunlight REIT, the Manager, the Trustee, the Underwriters or any other person involved in the Offering that the underlying assumptions will materialise, nor that these results will be achieved or are likely to be achieved.

OFFERING CIRCULAR SUMMARY

The following table sets forth the historical profit and loss data of the Predecessor Operations for the year ended 30 June 2006, and Sunlight REIT's forecast consolidated profit and loss data and distribution for the period from the anticipated Listing Date to 30 June 2007.

	Historical	Forecast
	For the year ended 30 June 2006	For the period from the anticipated Listing Date to 30 June 2007 ⁽²⁾
	HK\$'000	HK\$'000
Rental income	231,223	166,876
Car park income	20,196	10,340
Total turnover	251,419	177,216
Rental related income	66,516	39,395
Property management fee	—	(5,006)
Government rent and rates	(14,392)	(9,110)
Car park operating costs	(6,249)	(3,416)
Other direct costs	(86,932)	(47,606)
Total direct costs	(107,573)	(65,138)
Total net property income	210,362	151,473
Other income	588	175
Adjustment Payments ⁽³⁾	—	46,361
Write back of provision for diminution in value of completed properties for sale	18,342	—
Profit on sale of completed properties for sale	164	—
Manager's fee	—	(23,799)
Trustee's fee	—	(1,516)
Administrative expenses	(714)	—
Trust-related expenses	—	(6,910)
Other operating expenses	(1,320)	—
Increase in fair value of investment properties ⁽¹⁾	2,469,077	—
Interest expenses	(26,164)	(94,458)
Profit before tax and transactions with Unitholders	2,670,335	71,326
Current tax	(25,482)	(5,164)
Deferred tax	(429,767)	(3,327)
Net profit, before transactions with Unitholders⁽⁴⁾	2,215,086	62,835
Net profit, before transactions with Unitholders ⁽⁴⁾		62,835
Adjustments ⁽⁵⁾		59,171
Annual Distributable Income		122,006

OFFERING CIRCULAR SUMMARY

	Forecast	
	For the period from the anticipated Listing Date to 30 June 2007 ⁽²⁾	
	Min	Max
Offer Price (HK\$) ⁽⁶⁾	2.45	2.60
Number of units in issue (million) ⁽⁷⁾	1,492	1,492
Number of units in issue excluding Base Distribution Waiver Units (million) ⁽⁷⁾⁽⁸⁾	1,050	1,050
Distributions per unit excluding Base Distribution Waiver Units (HK\$)⁽⁸⁾	0.1161	0.1162
Forecast annualised distribution yield⁽⁹⁾	9.01%	8.49%
Forecast annualised distribution yield⁽⁹⁾		
Excluding Adjustment Payments, excluding effective return of equity and before taking into account the effect of the Distribution Waiver ⁽³⁾⁽⁷⁾⁽¹⁰⁾	2.27%	2.14%
Including Adjustment Payments, excluding effective return of equity and before taking into account the effect of the Distribution Waiver ⁽³⁾⁽⁷⁾⁽¹⁰⁾	4.68%	4.41%
Including Adjustment Payments, including effective return of equity and before taking into account the effect of the Distribution Waiver ⁽³⁾⁽⁷⁾⁽¹⁰⁾	6.34%	5.98%
Including Adjustment Payments, including effective return of equity and after taking into account the effect of the Distribution Waiver⁽³⁾⁽⁷⁾⁽¹⁰⁾	9.01%	8.49%

Notes:

- (1) Since the extent of any changes in the valuation of the Properties in the future will be established by reference to the market valuation at the end of each financial year, the Manager has not made any assumption as to property valuation movements in arriving at the forecast net profit of Sunlight REIT for the period from the anticipated Listing Date to 30 June 2007. Should the valuation of the Properties as at 30 June 2007 drop below/rise above the market values of the Properties as at Completion, the resulting gain or loss less the effect of the related goodwill (if any) would be credited/charged to the income statement. Any resulting property valuation gain would be adjusted for and excluded in the calculation of Annual Distributable Income.
- (2) In preparing the profit forecast for the period from the anticipated Listing Date to 30 June 2007, the Manager has excluded any excess of the fair value of identifiable assets and liabilities of the Target Companies and Finance Company as at Completion over the cost of the acquisition of these companies before taking into account the effect of any purchase price adjustment for the assets/liabilities of the Target Companies and Finance Company on Completion and before taking into account any Adjustment Payments (refer to note (3) below) since the amounts of such excess will be determined in part by reference to the market value of the Properties as at Completion and the Manager has not made any assumption as to property valuation movements in any future date as mentioned in note (1) above.
- (3) Pursuant to the Deeds of Adjustment Payments, the Vendors of the Target Company Shares have agreed to make Adjustment Payments to Sunlight REIT, further details of which are described in the section headed "Material Agreements and Other Documents Relating to Sunlight REIT — Deeds of Adjustment Payments". The Manager forecasts that Sunlight REIT will receive Adjustment Payments amounting to HK\$46.4 million for the period from the anticipated Listing Date to 30 June 2007. The Adjustment Payments are subject to a cap in the event of Force Majeure in respect of payments relating to the years ending 30 June 2008 and 30 June 2009.

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Pursuant to the Deeds of Adjustment Payments, the Adjustment Payments are made effectively as adjustments to the consideration payable by Sunlight REIT and the REIT Group Companies to the Vendors of the Target Company Shares for the acquisition. Accordingly, under HKFRS, the recognition of such Adjustment Payments will result in an adjustment to goodwill arising on acquisition.

If the acquisition of the Target Companies gives rise to an excess of fair value of identifiable assets and liabilities acquired over the cost of acquisition of businesses, i.e. negative goodwill, such amount will be credited to Sunlight REIT's consolidated income statement upon acquisition under HKFRS. Accordingly, any subsequent adjustment to negative goodwill to reflect the Adjustment Payments will be recognised as income in the period in which the Adjustment Payments are received (assuming, as is the case under the profit forecast, that the acquisition of the Target Companies gives rise to negative goodwill).

- (4) The net profit for the year ended 30 June 2006, excluding the increase in fair value of investment properties and the related tax effect for that period, was HK\$166,435,000.
- (5) Refers to the following adjustments:

	Forecast
	For the period from the anticipated Listing Date to 30 June 2007
	HK\$'000
Manager's fee paid in units	23,799
Amortisation of upfront fee in relation to the interest rate swaps	29,914
Amortisation of debt establishment fees:	
— in relation to the term loan	2,036
— in relation to the revolving credit facility	95
Deferred taxation in respect of property valuation movements and commercial building allowances/capital allowances claimed	3,327
Total Adjustments	59,171

Certain of the adjustments detailed above (namely, the Manager's fee paid in Units and the amortisation of upfront fee in relation to the interest rate swaps), as well as the Adjustment Payments described in note 3 above and the Distribution Waiver described in note 8 below, are yield enhancement arrangements of Sunlight REIT which are designed to enhance Annual Distributable Income and DPU for a limited period to a level which is higher than that which would exist based solely on the results of the operating activities of Sunlight REIT. The arrangement for payment of the Manager's fee in Units is described in more detail in the sections headed "Profit Forecast — Non-Property Operating Expenses — Manager's Base Fee" and "Profit Forecast — Non-Property Operating Expenses — Manager's Variable Fee".

- (6) Assuming an Offer Price range of HK\$2.45 and HK\$2.60 per Unit, being the Minimum Offer Price and Maximum Offer Price, respectively.
- (7) Number of units in issue is the number of Units assumed to be outstanding as at 30 June 2007. The forecast DPU for the period from the anticipated Listing Date to 30 June 2007 is based on the number of Units assumed to be outstanding as at 30 June 2007, and includes the Units to be issued in lieu of Management Fees payable up to 30 June 2007 and assumes the Manager distributes 100% of Annual Distributable Income. The Units outstanding as at 30 June 2007 do not include the Units to be issued in lieu of Management Fees payable for the three months ending 30 June 2007, which will be issued after the Record Date for the distribution for the period from the Listing Date to 30 June 2007. The accumulated number of Units projected to be issued to the Manager in relation to the period from the anticipated Listing Date to 30 June 2007 is 9.7 million Units and 9.2 million Units based on the Minimum Offer Price of HK\$2.45 and the Maximum Offer Price of HK\$2.60, respectively.

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- (8) The SKFE Subscribers and the HLD Subscribers have agreed, under the Deeds of Distribution Waiver, to waive certain proportions of their entitlements to receive distributions of Sunlight REIT in respect of the period from the Listing Date until 30 June 2011, further details of which are described in the section headed “Material Agreements and Other Documents Relating to Sunlight REIT — Deeds of Distribution Waiver” in this Offering Circular.

For the purposes of the profit forecast, it is assumed that as at the relevant Record Date in relation to the distribution in respect of the Profit Forecast Period, the number of Units held by each of the SKFE Subscribers and the HLD Subscribers will be no less than the number of Base Distribution Waiver Units applicable to it. Accordingly, in the profit forecast it has been assumed that no Distribution Waiver Payments will be payable.

- (9) The forecast annualised distribution yields for the period from the anticipated Listing Date to 30 June 2007 are provided for illustrative purposes only and may differ from the annualised distribution yield after taxation set out in this table based on the number of Units outstanding for the period/year. Forecast annualised distribution yields have been calculated with reference to the Minimum Offer Price and Maximum Offer Price only.
- (10) The effective return of equity includes amortisation of upfront swap payments of HK\$29.9 million, and amortisation of debt establishment fees of HK\$2.1 million for the period from the anticipated Listing Date to 30 June 2007.

No forecast of profits or DPU whatsoever is made in respect of any period ending after 30 June 2007. Except as provided under the DPU Guarantees, none of Sunlight REIT, the Manager, the Trustee, SKFE, HLD nor any of the Underwriters guarantees the performance of Sunlight REIT, the repayment of capital or the payment of any dividends, or any particular return on the Units.

The forecast and projected yields stated in the table above are calculated based on the maximum and minimum subscription prices of the Offer Price range. Such yields will vary accordingly for investors who purchase Units in the secondary market at a price that differs from the maximum and minimum subscription prices of the Offer Price range.

Investors should note that distribution yield for the Profit Forecast Period includes the impact of yield enhancement mechanisms as described in footnotes (3), (5) and (8). Please see the section headed “Important: Information on Distribution Components” in this Offering Circular.

Certain Fees and Charges

The following is a summary of certain fees and charges payable by the Unitholders in connection with the subscription of the Units:

	Payable by the Unitholders directly	Amount Payable ⁽¹⁾
(a)	Brokerage	1% of Maximum Offer Price
(b)	Hong Kong Stock Exchange trading fee	0.005% of Maximum Offer Price
(c)	SFC transaction levy	0.004% of Maximum Offer Price

Note:

- (1) Subject to refund, if and to the extent the Offer Price is lower than the Maximum Offer Price.

OFFERING CIRCULAR SUMMARY

The following is a summary of certain fees payable by Sunlight REIT in connection with the establishment and ongoing management of Sunlight REIT:

	Payable by Sunlight REIT	Amount Payable
(a)	Manager's fees	• Base Fee Currently 0.4% per annum of Property Values (maximum 0.4% per annum of Property Values) • Variable Fee 3.0% per annum of NPI (before deduction therefrom of the Variable Fee) • Acquisition Fee Up to 1.0% of the acquisition price of property acquired (but no acquisition fee is payable for the acquisition of the Properties pursuant to the Acquisition Arrangements)⁽¹⁾ • Divestment Fee Up to 0.5% of the sale price of property divested⁽¹⁾
		See the section headed "The Manager — Fees, Costs and Expenses of the Manager" in this Offering Circular.

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	Payable by Sunlight REIT	Amount Payable
(b)	Trustee's fee	• Not more than 0.03% per annum of value of Deposited Property, subject to increase to a maximum of 0.06% per annum of value of Deposited Property and a minimum of HK\$50,000 per month ("Trustee's Annual Fee"). • Sunlight REIT will also pay to the Trustee a one-off inception fee of not more than HK\$200,000. • Additional fees on a time cost basis as agreed with the Manager ("Trustee's Additional Fees") are payable for services of an exceptional nature or otherwise outside the scope of the Trustee's normal duties in the ordinary and normal course of business of Sunlight REIT, including but not limited to the acquisition of or divestment or disposal of real estate by Sunlight REIT, provided that, unless otherwise approved by the Unitholders by way of an Ordinary Resolution: (i) the aggregate amount of Trustee's Additional Fees that may be charged by the Trustee in relation to each transaction to be entered into by Sunlight REIT shall not exceed 0.05% of: (a) the acquisition price (in the case of an acquisition of real estate); or (b) the sale price (in the case of a sale or disposal of real estate); and (ii) the aggregate amount of Trustee's Additional Fees that are not related to any acquisition or sale or disposal referred to in (i) above that may be charged by the Trustee for each financial year shall not exceed an amount equal to 20% of the Trustee's Annual Fee for that financial year. See the section headed "The Trust Deed — Trustee's Fees" in this Offering Circular.

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	Payable by Sunlight REIT	Amount Payable
(c)	Property management fee and certain costs and expenses (payable to the Property Manager by each property holding company)	• 3.0% per annum of Gross Property Revenue. • Employment costs, secondment costs (if any) and remuneration relating to (i) the employees of the Property Manager; and (ii) persons who are engaged by or (if any) under secondment to the Property Manager, solely and exclusively in the management of any one single property will be reimbursed, subject to budgeting and (in some cases) review and/or approval by the Manager. • Costs and expenses incurred by the Property Manager under contracts with third party service providers for the provision of various services, including without limitation, cleaning, maintenance, security, utilities, car park management, design services, administrative and technical services, legal services, coach and other vehicle leasing and other ancillary services for the relevant property will be reimbursed, subject to budgeting and (in some cases) review and/or approval by the Manager. • Costs and expenses incurred or to be incurred by the Property Manager in the operation, maintenance, management and marketing of the properties will be reimbursed, subject to budgeting and (in some cases) review and/or approval by the Manager.
(d)	Marketing services fee (payable to the Property Manager by each Property Company)	• one month's base rent for securing a tenancy of three years or more; • one half-month's base rent for securing a tenancy of less than three years; • one half-month's base rent for securing a renewal of tenancy irrespective of duration of the renewal term; and • 10% of the total licence fee for securing a licence for a duration of less than 12 months.

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	Payable by Sunlight REIT	Amount Payable
(e)	Others	Sunlight REIT and the Manager will also need to pay certain other ongoing fees and expenses for the daily operations of Sunlight REIT, such as annual listing fees, financial report printing fees, auditors' fees, legal advisers' fees, fees of its appointed independent property valuer and fees of other professional advisers. See the section headed "The Manager — Fees, Costs and Expenses of the Manager" in this Offering Circular.

Note:

- (1) Any payment to third party agents or brokers in connection with the acquisition or divestment of any real estate by Sunlight REIT will be paid by the Manager to such persons out of the Acquisition Fee or the Divestment Fee received by the Manager, and not additionally out of the assets of Sunlight REIT or the assets of any of the REIT Group Companies. For details, see the section headed "The Manager — Fees, Costs and Expenses of the Manager" in this Offering Circular.