



SUNLIGHT REIT

Henderson Sunlight Asset Management Limited

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Press Release

Sunlight Real Estate Investment Trust ("Sunlight REIT") Operational Statistics for the Quarter Ended 30 September 2017

Hong Kong, 12 October 2017 — Henderson Sunlight Asset Management Limited (the "**Manager**") is pleased to announce the operational statistics of Sunlight REIT for the first quarter of the financial year ended 30 June 2018 ("**FY2017/18**").

At 30 September 2017, the overall portfolio occupancy of Sunlight REIT was 97.0%, compared with 96.9% recorded at 30 June 2017. Office occupancy decreased marginally to 96.9% (30 June 2017: 97.3%), while occupancy of the retail portfolio increased to 97.1% (30 June 2017: 96.2%) mainly attributable to improvement in the occupancy of Sheung Shui Centre Shopping Arcade ("**SSC**").

Passing rent of the overall portfolio was HK\$45.5 per sq. ft. at 30 September 2017, representing an increase of 1.3% from HK\$44.9 per sq. ft. at 30 June 2017. Rental reversion, calculated on the basis of leases that have been renewed and commenced during the quarter, were 10.3% and 8.5% for the office and retail portfolio respectively.

During the quarter, Sunlight Tower reported a rental reversion of 12.0% with a passing rent increase of 2.2% quarter on quarter. With regard to occupancy of the Sheung Wan/Central portfolio, the decline at Bonham Trade Centre as compared with the previous quarter was mainly due to the clustering of a few non-renewal cases. For Winsome House Property which had experienced a longer than expected period of double-digit vacancy, the prospect of occupancy rebound is good given the likelihood of new lease commitments in the coming months.

On the retail front, Metro City Phase I Property continued to steal the limelight, reporting a decent rental reversion of 14.1% and a 1.5% rise in passing rent from the previous quarter. Meanwhile, reflecting a more sanguine retail sentiment, SSC made reasonable headway during the quarter, as demonstrated by its improved level of occupancy of 94.1% and a rental reversion of 5.1%.

Remarks: Attached key operational statistics of Sunlight REIT for the first quarter of FY2017/18.

- End -

Press Release

Sunlight REIT's Operational Statistics for the Quarter Ended 30 September 2017

Page 2 of 3

Key operational statistics of Sunlight REIT for the first quarter of FY2017/18

| Property | Occupancy (%) ¹ | | Passing Rent (HK\$/sq. ft.) ² | | Rental Reversion (%) ³ |
|---|----------------------------|--------------|--|--------------|-----------------------------------|
| | at 30 Sep 17 | at 30 Jun 17 | at 30 Sep 17 | at 30 Jun 17 | |
| Office | | | | | |
| Sunlight Tower | 98.9 | 99.1 | 37.2 | 36.4 | 12.0 |
| Bonham Trade Centre | 90.3 | 96.1 | 29.3 | 28.9 | 10.8 |
| Righteous Centre | 98.9 | 93.4 | 33.8 | 34.7 | 4.2 |
| Winsome House Property | 85.9 | 85.9 | 43.4 | 42.9 | 3.2 |
| 135 Bonham Strand Trade Centre Property | 100.0 | 100.0 | 26.9 | 26.6 | 7.7 |
| 235 Wing Lok Street Trade Centre | 96.7 | 98.9 | 20.8 | 20.8 | 8.8 |
| Java Road 108 Commercial Centre | 100.0 | 96.1 | 24.0 | 24.1 | 8.9 |
| On Loong Commercial Building | 96.0 | 92.0 | 30.7 | 30.9 | 5.9 |
| Sun Fai Commercial Centre Property | 100.0 | 100.0 | 21.7 | 21.7 | 0.1 |
| Wai Ching Commercial Building Property | 97.2 | 94.5 | 14.0 | 13.8 | 9.2 |
| Average | 96.9 | 97.3 | 32.5 | 32.0 | 10.3 |
| Retail | | | | | |
| Sheung Shui Centre Shopping Arcade | 94.1 | 91.7 | 118.4 | 118.4 | 5.1 |
| Metro City Phase I Property | 99.2 | 98.7 | 54.9 | 54.1 | 14.1 |
| Kwong Wah Plaza Property | 100.0 | 100.0 | 49.7 | 49.6 | 6.3 |
| Beverley Commercial Centre Property | 92.0 | 96.7 | 45.1 | 45.1 | (3.6) |
| Supernova Stand Property | 100.0 | 100.0 | 54.0 | 54.0 | N/A |
| Palatial Stand Property | 75.2 | 75.2 | 12.0 | 12.0 | N/A |
| Average | 97.1 | 96.2 | 72.1 | 71.3 | 8.5 |
| Average | 97.0 | 96.9 | 45.5 | 44.9 | 9.7 |

Notes:

1. Calculated on the basis of occupied gross rentable area ("GRA") as a proportion of total GRA of the relevant building on the relevant date.
2. Calculated on the basis of average rent per sq. ft. for all occupied GRA on the relevant date.
3. Calculated on the basis of change in effective rent of the leases renewed and commenced during the relevant period.



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Page 3 of 3

About Sunlight REIT

Sunlight REIT (Stock Code: 435) is a real estate investment trust authorized by the Securities and Futures Commission and constituted by the trust deed dated 26 May 2006 (as amended and supplemented by six supplemental deeds) (the "**Trust Deed**"), and has been listed on The Stock Exchange of Hong Kong Limited since 21 December 2006. Sunlight REIT offers investors the opportunity to invest in a diversified portfolio of ten office and six retail properties in Hong Kong with an aggregate gross rentable area of approximately 1.2 million sq. ft.. The office properties are primarily located in core business areas, including Wan Chai and Sheung Wan/Central as well as in decentralized business areas such as Mong Kok and North Point. The retail properties are primarily situated at regional transportation hubs and new towns including Sheung Shui, Tseung Kwan O and Yuen Long, as well as in urban areas with high population density.

About the Manager

The Manager of Sunlight REIT is an indirect wholly-owned subsidiary of Henderson Land Development Company Limited (恒基兆業地產有限公司); its responsibility is to manage Sunlight REIT in the sole interest of the unitholders in accordance with the Trust Deed.

Disclaimer:

The information contained in this press release does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for units in Sunlight REIT in Hong Kong or any other jurisdiction.

This press release is issued by Cornerstones Communications Ltd. on behalf of the Manager. For further information, please contact:

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