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Sunlight Real Estate Investment Trust

(a Hong Kong collective investment scheme authorized under section 104 of the Securities and Futures Ordinance
(Chapter 571 of the Laws of Hong Kong))
(Stock Code : 435)

Managed by
Henderson Sunlight Asset Management Limited
恒基陽光資產管理有限公司

OPERATIONAL STATISTICS OF SUNLIGHT REAL ESTATE INVESTMENT TRUST FOR THE QUARTER ENDED 31 MARCH 2020

Henderson Sunlight Asset Management Limited (the “**Manager**”), as manager of Sunlight Real Estate Investment Trust (“**Sunlight REIT**”), announces the operational statistics of Sunlight REIT for the third quarter of the financial year 2019/20.

At 31 March 2020, the occupancy rate of Sunlight REIT’s portfolio was 95.9% as compared to 96.1% at 31 December 2019. Office occupancy rate was largely unchanged at 95.6% (31 December 2019: 95.7%), while retail occupancy rate recorded a slight decrease to 96.4% (31 December 2019: 97.1%), principally caused by a higher vacancy rate at Metro City Phase I Property (“**MCPI**”).

Average passing rent of Sunlight REIT’s portfolio was HK\$49.3 per sq. ft. at 31 March 2020, while office and retail rental reversions for the quarter were 10.3% and 2.5% respectively. The reported statistics reflected the relatively stable office leasing demand in decentralized business areas where Sunlight REIT has a reasonable presence; however, they also signified an exceptionally difficult retail environment attributable to the COVID-19 outbreak. The Manager envisages that slower and/or negative rental reversion would be a more predominant feature for the retail portfolio until the COVID-19 situation comes under control.

In respect of the operating performance of Sunlight REIT’s key office properties, Sunlight Tower demonstrated its resilience in the midst of mounting economic headwinds, as its occupancy rate stayed at 96.4% with a decent rental reversion of 17.1% for the quarter. Meanwhile, Strand 50’s occupancy rate improved to 91.7%, as the renovation project involving the low zone of the building was nearing completion.

On the retail front, occupancy rate of MCPI decreased to 95.8% while rental reversion for the quarter was 1.4%. For Sheung Shui Centre Shopping Arcade, its occupancy rate stayed at a satisfactory level of 96.3%; however, the severe disruption to retail sales had clearly heightened tenants’ caution, resulting in a negative rental reversion of 1.3% for the quarter.

Operational statistics for the third quarter of the financial year 2019/20

Property	Location	Occupancy Rate (%) ¹		Passing Rent (HK\$/sq. ft.) ²	
		at 31 Mar 20	at 31 Dec 19	at 31 Mar 20	at 31 Dec 19
Office					
Sunlight Tower	Wan Chai	96.4	96.4	40.8	40.6
Strand 50	Sheung Wan	91.7	90.9	35.7	35.6
The Harvest	Mong Kok	100.0	100.0	51.4	51.4
135 Bonham Strand Trade Centre Property	Sheung Wan	95.8	98.0	30.1	30.1
Winsome House Property	Central	96.1	98.9	44.8	44.4
Righteous Centre	Mong Kok	98.5	98.9	35.4	36.1
235 Wing Lok Street Trade Centre	Sheung Wan	90.2	86.8	22.7	22.8
Java Road 108 Commercial Centre	North Point	100.0	100.0	26.4	26.4
On Loong Commercial Building	Wan Chai	96.0	98.0	32.7	32.6
Sun Fai Commercial Centre Property	Mong Kok	95.0	95.0	23.5	23.7
Wai Ching Commercial Building Property	Yau Ma Tei	94.5	94.5	17.7	17.4
Average		95.6	95.7	36.7	36.6
Retail					
Sheung Shui Centre Shopping Arcade	Sheung Shui	96.3	96.4	118.1	118.6
Metro City Phase I Property	Tseung Kwan O	95.8	97.2	58.5	58.9
Kwong Wah Plaza Property	Yuen Long	100.0	100.0	55.6	55.3
Beverley Commercial Centre Property	Tsim Sha Tsui	78.0	77.4	42.2	42.5
Supernova Stand Property	North Point	100.0	100.0	54.5	54.5
Average		96.4	97.1	76.3	76.5
Average		95.9	96.1	49.3	49.4

Notes :

1. Calculated on the basis of occupied gross rentable area (“GRA”) as a proportion of total GRA on the relevant date.
2. Calculated on the basis of average rent per sq. ft. for occupied GRA on the relevant date.

By order of the Board
HENDERSON SUNLIGHT ASSET MANAGEMENT LIMITED
 恒基陽光資產管理有限公司
 (as manager of Sunlight Real Estate Investment Trust)
CHUNG Siu Wah
 Company Secretary

Hong Kong, 27 April 2020

At the date of this announcement, the board of directors of the Manager comprises : (1) Chairman and Non-executive Director : Mr. AU Siu Kee, Alexander; (2) Chief Executive Officer and Executive Director : Mr. WU Shiu Kee, Keith; (3) Non-executive Director : Mr. KWOK Ping Ho; and (4) Independent Non-executive Directors : Mr. KWAN Kai Cheong, Dr. TSE Kwok Sang and Mr. KWOK Tun Ho, Chester.