

The Trust Deed is a complex document and the following is a summary only. Investors should refer to the Trust Deed itself to confirm specific information or for a detailed understanding of The Link REIT. The Trust Deed is available for inspection at the registered office of the Manager during normal business hours.

Investors should note that the trust deed entered into between the Manager and HSBC Trustee (Hong Kong) Limited in November 2004, that constituted the Former The Link REIT, has been terminated. The Link REIT was constituted pursuant to a new Trust Deed with a different trustee on 6 September 2005 and was authorised by the SFC under section 104 of the SFO on 8 November 2005.

The Trust Deed

The Link REIT is a REIT constituted by the Trust Deed and regulated by the SFO, the REIT Code, Chapter 20 of the Listing Rules and the Listing Agreement.

The Trust Deed was entered into on 6 September 2005 between The Link Management Limited and HSBC Institutional Trust Services (Asia) Limited. Pursuant to the Trust Deed, The Link REIT was constituted as a unit trust out of the proceeds of the issuance of two Founder Units which were issued at a price of HK\$100 each. One Founder Unit was issued and allotted to each of Mr. So Hing Woh Victor and Mr. Cheng Ming Fun Paul solely for the purposes of perfecting the trust prior to the IPO. A Supplemental Deeds amending the Trust Deed were entered into between The Link Management Limited and HSBC Institutional Trust Services (Asia) Limited on 4 November 2005 and 6 November 2005 in order to incorporate changes that had to be made to the Trust Deed to comply with the requirements of the REIT Code and to obtain the SFC's authorisation of The Link REIT under section 104 of the SFO. On the Listing Date, the two Founder Units will be compulsorily redeemed at their issue price and cancelled. The two Founder Units have not been transferred since they were issued and The Link REIT has not incurred any liabilities with respect to the Founder Units during the period from the date of their issue to the Latest Practicable Date. See the section headed "Material Contracts and other Documents and Information" in this Offering Circular for further details of the documents pursuant to which the two Founder Units were allotted and issued.

The Trustee (as trustee of The Link REIT) and the Manager (as manager of The Link REIT) have confirmed that The Link REIT has not engaged in any business or incurred any liabilities (in each case relating to the unit trust constituted by the Trust Deed on 6 September 2005) during the period between 6 September 2005 and the Latest Practicable Date, other than as was necessary for the authorisation of The Link REIT by the SFC and the initial public offering of the Units of The Link REIT as contemplated in this Offering Circular. The fees payable to the Manager and the Trustee pursuant to the Trust Deed will not begin to accrue until the date of the authorisation of The Link REIT by the SFC under section 104 of the SFO.

Upon completion of the Global Offering, Units will be issued to successful applicants under the Hong Kong Public Offering and the International Offering and the Strategic Partner. HKHA may also own Units upon completion of the Global Offering. See the section headed "Ownership of the Units" in this Offering Circular for further details.

The terms and conditions of the Trust Deed and any supplemental deeds are binding on each Unitholder (and persons claiming through or under such Unitholder) as if such Unitholder had been a party to and had executed the Trust Deed and any supplemental deeds and had thereby covenanted for such Unitholder and for all such persons to observe and be bound by the provisions of the Trust Deed and of any supplemental deeds and had thereby authorised and required the Trustee and the Manager, respectively, to do all such acts and things as the Trust Deed or any supplemental deeds may require or authorise the Manager and the Trustee, respectively, to do.

The REIT Code prescribes certain terms of the Trust Deed and certain rights, duties and obligations of the Manager, the Trustee and the Unitholders under the Trust Deed.

REIT Structure

The Link REIT has been established to invest in real estate (either directly or indirectly through special purpose vehicles) and the Manager must manage the assets of The Link REIT so that the principal investments of The Link REIT are real estate. In the case of The Link REIT, the completion of the acquisition of the HoldCo Shares by the Trustee on behalf of The Link REIT utilising the proceeds from the Global Offering is expected to take place on the Listing Date. The medium to longer term investment strategy of The Link REIT is to invest in quality income-producing properties, with particular focus on retail properties in Hong Kong. The Link REIT aims to generate returns for its Unitholders by owning, buying, selling and actively managing such properties in line with its investment strategy. For further details of the investment objectives and policies of the Manager, see the section headed “Strategy” in this Offering Circular.

The Units and Unitholders

The rights and interests of Unitholders are contained in the Trust Deed. Under the Trust Deed, the Trustee must exercise all due diligence and vigilance in protecting the rights and interests of Unitholders.

Each Unit represents an undivided interest in The Link REIT. A Unitholder has no equitable or proprietary interest in the underlying assets of The Link REIT and is not entitled to the transfer to it of any asset (or any part thereof) or of any estate or interest in any asset (or any part thereof) of The Link REIT.

Significant Holdings

Under the Trust Deed, a person (whether or not a Unitholder) that has an interest (that is, an interest in the exercise of any voting rights attached to any Unit and/or any beneficial interest in any distribution that may be made in connection with any Unit) in 10% or more of all the Units in issue is under a duty of disclosure to make notification to the Trustee and the Manager of such interest. If a person (whether or not a Unitholder) fails to comply with such notification requirements, the Manager may, in its absolute discretion, declare that the voting rights attached to any or all of the Units held by such Unitholder or for such person be suspended, suspend the payment of any distributions in respect of such Units, impose an administrative fee of up to HK\$0.10 per Unit for each day of non-compliance on such Units or suspend registration and/or decline to register any transfer of part or all of such Units. The Manager may require Unitholders to give such information as may be required by the Manager to determine whether such Unitholder has an interest in 10% or more of the Units in issue or is holding Units for any such person. Under the Trust Deed, Unitholders who are, or are suspected to be, holding Units for any such significant holder are also bound by the investigative and administrative powers of the Manager in respect of their holdings of Units as described above.

Issue of Units

The following is a summary of the provisions of the Trust Deed relating to the issue of the Units.

The Manager has the exclusive right to issue Units for the account of The Link REIT. The offer of Units for the purpose of the Global Offering shall be at the Offer Price initially stated to be in the range of HK\$9.70 to HK\$10.30 per Unit, with the actual Offer Price within such range to be determined by the Manager on the Price Determination Date.

In relation to the initial issue of Units by The Link REIT, the Manager is not bound to accept an initial application for less than one Unit. No fractions of a Unit shall be issued and the Manager shall, in respect of each Unitholder's entitlement to Units, truncate (but not round off) to the nearest whole Unit and any balance arising from such truncation shall be retained as part of the Deposited Property.

Units, when listed on the Hong Kong Stock Exchange, may be traded on the Hong Kong Stock Exchange and settled through CCASS. For so long as The Link REIT is listed on the Hong Kong Stock Exchange, the Manager may, subject to the provisions of the Listing Rules and the Trust Deed, issue further Units at issue prices to be determined in accordance with the following provisions:

The Manager may issue Units on any Business Day at an issue price equal to the Market Price or, in its discretion and subject to the provision of the Trust Deed, at a discount of no more than 20% to the Market Price (other than (i) a rights issue; (ii) a placing of Units for cash consideration where the Manager can satisfy the SFC that The Link REIT is in a serious financial position and that the only way it can be saved is by urgent action which involves an issue of Units at a discount of more than 20% to the Market Price or that there are other exceptional circumstances; and (iii) a capitalisation issue) or at a premium to the Market Price. For this purpose, “Market Price” shall mean the price as determined by the Manager, being the higher of:

- (i) the closing price of the Units on the Hong Kong Stock Exchange on the date of the relevant agreement for the proposed issue of Units; and
- (ii) the average closing price of the Units in the five trading days of the Hong Kong Stock Exchange immediately prior to the earlier of:
 - (a) the date of announcement of the proposed issue of Units;
 - (b) the date of the relevant agreement for the proposed issue of Units; and
 - (c) the date on which the Issue Price (as defined in the Trust Deed) is fixed.

Repurchase of Units

Upon the issuance of further Units pursuant to the Global Offering, the Founder Units will be compulsorily redeemed at their issue price and cancelled, and their proceeds will be returned to their holders. Subject to the foregoing and other than in respect of any stabilising activity, the Trust Deed does not permit the Manager to repurchase Units until permitted to do so by the relevant codes and guidelines issued by the SFC from time to time.

In relation to stabilisation action in connection with the Global Offering, arrangements for delivery of Units pending exercise or lapse of the Over-allotment Option are described in the section headed “Structure of the Global Offering — Over-allotment Option and Stabilisation” in this Offering Circular. Save as may result from these arrangements in the event (and to the extent) that the Over-allotment Option is not exercised, the Units are not redeemable at the option of Unitholders.

Rights and Liabilities of Unitholders

The key rights of Unitholders include rights to:

- (i) receive income and other distributions attributable to the Units held;
- (ii) receive the audited financial statements of the The Link REIT; and
- (iii) participate in the termination of The Link REIT by receiving a share of all net cash proceeds derived from the sale or realisation of the assets of The Link REIT less any liabilities, in accordance with their proportionate interests in The Link REIT at the date of the termination of The Link REIT.

No Unitholder has a right to require that any asset of The Link REIT be transferred to him.

The Trust Deed contains provisions that are designed to limit the liability of a Unitholder to the amount paid or payable for any Unit. The provisions seek to ensure that if the issue price of the Units held by a Unitholder has been fully paid, no such Unitholder, by reason alone of being a Unitholder, will be personally liable to indemnify the Trustee or the Manager or any creditor of The Link REIT in the event that the liabilities of The Link REIT exceed its assets.

The minimum number of Units a person may invest in is one Unit.

Amendment of the Trust Deed

Save where an amendment to the Trust Deed has been approved by a Special Resolution, no amendment may be made to the provisions of the Trust Deed by the Manager and the Trustee unless the Trustee certifies in writing that, in its opinion, such amendment:

- (i) does not materially prejudice the interests of Unitholders, does not operate to release to any material extent the Trustee or the Manager from any responsibility to the Unitholders and does not increase the costs and charges payable from The Link REIT;
- (ii) is necessary in order to comply with applicable fiscal, statutory or official requirements (whether or not having the force of law); or
- (iii) is necessary to correct a manifest error.

No such amendment shall impose upon any Unitholder any obligation to make any further payments in respect of its Units or to accept any liability in respect thereof.

Meetings of Unitholders

Under applicable law and the provisions of the Trust Deed, the Manager will at least once in every calendar year convene a general meeting of Unitholders as the annual general meeting. The Link REIT will not hold any additional meetings for Unitholders unless the Trustee or the Manager convenes a meeting or unless not less than two Unitholders registered as together holding not less than 10% of the Units for the time being in issue request a meeting to be convened.

A meeting of Unitholders when convened may, by Special Resolution and in accordance with the Trust Deed:

- (i) sanction any modification, alteration or addition to the Trust Deed which shall be agreed by the Trustee and the Manager as provided in the Trust Deed;
- (ii) remove the Trustee;
- (iii) remove the Manager;
- (iv) approve the disposal of an investment within two years from the date of its acquisition;
- (v) approve the disposal of the shares of the Manager before the termination of the Trust;
- (vi) approve the termination of the Trust (except in the circumstances described in the section headed “The Trust Deed — Special Provisions in Case of Successful Legal Challenge” in this Offering Circular);
- (vii) approve the merger of the Trust; and
- (viii) approve any change to the maximum fee payable to the Trustee or any change to the structure of the Trustee’s fee.

Any decision to be made by resolution of Unitholders other than the above shall be made by Ordinary Resolution, unless a Special Resolution is required by the REIT Code.

Except as otherwise provided for in the Trust Deed, 21 days’ notice at the least (exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every meeting shall be given to the Unitholders in the manner provided in the Trust Deed. The quorum at a meeting shall be two or more Unitholders present in person or by proxy registered as holding together not less than 10% of the Units for the time being in issue except for the purpose of passing a Special Resolution, in which case the quorum shall be two or more Unitholders present in person or by proxy registered as holding together not less than 25% of the Units for the time being in issue. Each notice shall specify the place, day and hour of the meeting, and the terms of the resolutions to be proposed. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolutions in respect of such special business.

Voting at a meeting shall be by way of a poll. Every Unitholder has one vote for each Unit it owns provided such Unit is fully paid up. The Trust Deed does not contain any limitation on non-Hong Kong residents or foreign Unitholders holding Units or exercising the voting rights with respect to their unitholdings.

The Trustee

The Trustee of The Link REIT is HSBC Institutional Trust Services (Asia) Limited, 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 capital of HK\$50,000,000.

Retirement and Replacement of Trustee

The Trustee may retire or be removed under the following circumstances:

- (i) the Trustee shall not be entitled to retire voluntarily except upon the appointment (with, for so long as The Link REIT is authorised by the SFC, the prior written consent of the SFC) of a new trustee (such appointment to be made in accordance with the provisions of the Trust Deed); and/or
- (ii) the Trustee may be removed by 30 Business Days' notice in writing to the Trustee by the Manager:
 - (a) if the Trustee goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Manager) or if a receiver is appointed over any of its assets or if a judicial manager is appointed in respect of the Trustee (or any such analogous process occurs or any analogous person is appointed in respect of the Trustee);
 - (b) if the Trustee ceases to carry on business;
 - (c) if the Trustee fails, or neglects after reasonable notice from the Manager, to carry out or satisfy any material obligation imposed on the Trustee by the Trust Deed; or
 - (d) if for good and sufficient reason(s), the Manager states in writing that a removal of the Trustee is in the best interests of the Unitholders and the Unitholders consent to such removal by Special Resolution (excluding any Units held by any connected person of the Trustee or any other Unitholder that has an interest in retaining the Trustee (determined at the sole discretion of the Manager)).

Trustee's Fee

The Trustee is entitled to receive a one-time inception fee of HK\$700,000, payable by HKHA. In addition, the Trustee is entitled to receive an annual trustee fee (calculated and paid monthly) at a rate of 0.008% per annum of the latest Property Value as determined in the latest annual valuation report of an independent property valuer recommended by the Manager and appointed by the Trustee for and on behalf of The Link REIT from time to time, subject to a minimum of HK\$150,000 per month. Such annual trustee fee shall begin to accrue from the date of the authorisation of The Link REIT by the SFC under section 104 of the SFO and, in respect of any broken period, shall be paid on a pro-rated basis.

Any increase in the Trustee's fee up to 0.02% will require the agreement of the Manager, such increase only to take effect upon the expiry of at least three months' notice to Unitholders. Any increase above this maximum permitted amount or any change in the structure of the Trustee's fees may only be permitted by a Special Resolution of Unitholders at a Unitholders' meeting convened under the provisions of the Trust Deed.

The Trustee is entitled to apply and to be reimbursed from Deposited Property to meet all costs and expenses and other liabilities incurred on behalf of The Link REIT.

Termination of The Link REIT

Under the provisions of the Trust Deed, The Link REIT may be terminated: (i) by Special Resolution of the Unitholders in accordance with the provisions in the Trust Deed; or (ii) without requiring any resolution of Unitholders in the circumstances specified under the sub-section headed “Special Provisions in Case of Successful Legal Challenge” below.

Where any proposal to terminate The Link REIT requires approval by Special Resolution of Unitholders, and is recommended by the Manager, the Manager and its connected persons shall abstain from voting if they hold interests in the Units and if their interest (at the sole determination of the Trustee) in terminating The Link REIT is different from that of all other Unitholders. The Trustee shall have no liability for any consequence arising out of such termination recommended by the Manager and approved by Special Resolution in the absence of fraud, bad faith, wilful default or negligence. The Manager shall inform Unitholders as soon as reasonably practicable of the intention to terminate The Link REIT by way of announcement.

In relation to any proposal to terminate The Link REIT which requires approval by Special Resolution of Unitholders, the Manager shall serve on the Unitholders, within 21 Business Days of the announcement referred to above, a circular convening an extraordinary general meeting containing the following information:

- (i) the rationale for the termination of The Link REIT;
- (ii) the effective date of the termination;
- (iii) the manner in which the Deposited Property (including the Manager) is to be dealt with;
- (iv) the procedures and timing for the distribution of the proceeds of the termination;
- (v) a valuation report of The Link REIT prepared by the Approved Valuer (as defined in the Trust Deed);
- (vi) the alternatives available to Unitholders (including, if possible, a right to switch without charge into another SFC authorised REIT);
- (vii) the estimated costs of the termination and the bearer of such costs; and
- (viii) such other material information that the Manager determines that the Unitholders should be informed of.

Upon any decision to terminate The Link REIT (whether by way of Special Resolution of Unitholders or in the circumstances described under the sub-section headed “Special Provisions in Case of Successful Legal Challenge” below), the Trustee shall oversee the realisation of the assets of The Link REIT by the Manager. Immediately prior to the termination of the Trust Deed and The Link REIT, the Trustee shall dispose of the assets of The Link REIT constituted by the Manager. Following such disposal and the distribution of the proceeds (if any) thereof, The Link REIT shall terminate.

In the event that the Units are not listed on the Hong Kong Stock Exchange by 30 April 2006 or such later date as may be agreed in writing by the Manager and the Trustee, The Link REIT will terminate.

Special Provisions in Case of Successful Legal Challenge

The Trust Deed provides that if, subsequent to completion of the Global Offering, a Future Challenge were to result (after exhausting all applicable appeal rights) in an order by a Court of competent jurisdiction which, in the opinion of the Trustee and the Manager, materially affects the validity of the Divestment and/or The Link REIT’s or Propco’s use or ownership of the Properties, the Trustee and the Manager will consider whether it is in the best interests of Unitholders and appropriate in the circumstances to terminate The Link REIT. If considered appropriate by the Trustee and the Manager in such circumstances, The Link REIT would be terminated in accordance with the termination arrangements described above under the sub-section headed “Termination of The Link REIT” but without requiring any Special Resolution or other approval of Unitholders. In these circumstances, Unitholders would be entitled to such distributions as would be made on termination,

but would have no further entitlement beyond any final distribution received on termination, and no further ability to participate in income or gains from the Properties. There would be no compensation arrangements in these circumstances. See the risk factor headed “Risk of Legal Challenge” in this Offering Circular. However, provided it is in the best interests of Unitholders, the Trust Deed requires the Trustee and the Manager to assume an active involvement in any relevant proceedings in respect of any challenge to the Divestment and make representations on behalf of The Link REIT and the Unitholders in connection with such proceedings and both the Manager and the Trustee will be indemnified in respect of their costs out of the Deposited Property. It would therefore be the intention of the Trustee and the Manager to make representations to the Court in the best interests of Unitholders with regard to any Future Challenge to the maximum extent they are permitted by the Court to do so. Nevertheless, the question of relief with respect to any successful Future Challenge would be in the discretion of the Court and, as indicated in this Offering Circular, it is not possible to rule out the granting of relief which could materially and adversely affect the validity of the Divestment and/or The Link REIT’s or Propco’s use or ownership of the Properties. The Trustee and the Manager will be bound and must abide by the ruling of the Court and, accordingly, will consider the question of termination of The Link REIT in light of any Court ruling on the basis stipulated above.

Merger of The Link REIT

The Link REIT can be merged subject to Unitholders’ approval by Special Resolution.

Where the proposal to merge The Link REIT is recommended by the Manager, the Manager and its connected persons shall abstain from voting if they hold interests in the Units and if their interest (at the sole determination of the Trustee) in merging The Link REIT is different from that of all other Unitholders. Where upon such merger the Trustee retires, any deed effecting the merger by which the Deposited Property and liabilities of The Link REIT are so merged shall include indemnification of the Trustee to its satisfaction. The Trustee shall cease to be liable for obligations and liabilities of The Link REIT subsisting at the time of merger to the extent such obligations and liabilities are subsequently discharged from and out of the merged entity, and shall have no other liability for the consequences arising out of any merger of The Link REIT recommended by the Manager and approved by Special Resolution (other than any liability arising from the fraud, wilful default, bad faith or negligence of the Trustee). The Manager shall inform Unitholders as soon as reasonably practicable of the intention to merge The Link REIT by way of announcement.

The Manager shall serve on the Unitholders, within 21 Business Days of the announcement referred to above, a circular convening an extraordinary general meeting containing the following information:

- (i) the rationale for the merger of The Link REIT;
- (ii) the effective date of the merger;
- (iii) the manner in which the Deposited Property is to be dealt with;
- (iv) the procedures and timing for the issuance or exchange of new Units arising from the merger;
- (v) a valuation report of The Link REIT prepared by an Approved Valuer (as defined in the Trust Deed);
- (vi) the alternatives available to Unitholders (including, if possible, a right to switch without charge into another SFC authorised REIT);
- (vii) the estimated costs of the merger and the bearer of such costs; and
- (viii) such other material information that the Manager determines that the Unitholders should be informed of.

Any merger pursuant to the provisions of the Trust Deed may only take effect upon transfer of the assets of The Link REIT constituted by the Manager (if the Manager forms part of the Deposited Property) to the merged trust or entity and the merged trust or entity assuming responsibility for the assets and liabilities of The Link REIT.