



The Link Real Estate Investment Trust

(a Hong Kong unit trust authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))

(stock code: 823)

New Disclosure of Interests Regime

With effect from 16 February 2006, The Link REIT will be subject to the New Disclosure Regime.

In essence, the relevant provisions set out in Part XV of the SFO will apply to The Link REIT from that date. Any person who is interested (or has a short position) in 5% or more of the Units will therefore have a duty of disclosure in respect of any acquisition of, cessation of or changes in such interest or short position.

Details of the New Disclosure Regime are set out below.

INTRODUCTION

Reference is made to the announcement dated 15 December 2005 made by The Link Management Limited (the “**Manager**”), as the manager of The Link Real Estate Investment Trust (“**The Link REIT**”), in relation to (amongst other things) the possible lowering of the percentage threshold for disclosure of interests in units of The Link REIT (“**Units**”).

The Manager has been informed by the Securities and Futures Commission (the “**SFC**”) that a new condition on authorisation of The Link REIT is imposed with effect from 16 January 2006 (the “**New Condition**”).

Pursuant to the New Condition, The Link REIT is required to amend the Trust Deed between the Manager and HSBC Institutional Trust Services (Asia) Limited (the “**Trustee**”) dated 6 September 2005 (as supplemented by a First Supplemental Trust Deed dated 4 November 2005 and a Second Supplemental Trust Deed dated 8 November 2005) constituting The Link REIT (the “**Trust Deed**”). The amendments involve the adoption of the disclosure of interests regime and the relevant provisions set out in Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”) and consequential changes to the Trust Deed (the “**Amendments**”).

DISCLOSURE REGIME

Under the Trust Deed before the Amendments (the “**Old Disclosure Regime**”), a person is required to notify the Manager and the Trustee if it acquires an interest in 10% or more of all the Units in issue, or if its holding of Units changes by a whole percentage point above such threshold. The duty of disclosure arises whether such interest is held directly or indirectly, or through any intermediary or other arrangement, and irrespective of whether the holder of Units (“**Holder**”) is involved. However, under the Old Disclosure Regime, short positions in Units are not covered and the types of interests and deemed interests are narrower.

As a result of the Amendments, the relevant provisions of Part XV of the SFO will effectively be deemed to apply to The Link REIT (the “**New Disclosure Regime**”) as if The Link REIT is a company with its shares listed on The Stock Exchange of Hong Kong Limited (the “**SEHK**”). In essence, the disclosure threshold will be lowered from 10% to 5%, and the types of interests which are subject to disclosure will be expanded significantly, in comparison to the Old Disclosure Regime. The New Disclosure Regime is in line with the SFO disclosure of interests regime which applies to real estate investment trusts listed on the SEHK subsequent to The Link REIT and companies listed on the SEHK.

The New Disclosure Regime will apply to The Link REIT from 16 February 2006. On or after 16 February 2006, any person who is interested (or has a short position) in 5% or more of the Units will therefore have a duty of disclosure in respect of any acquisition of, cessation of or changes in such interest or short position.

The New Disclosure Regime will come into effect on 16 February 2006, in order to give the Holders sufficient notice to adjust to the new regime and to take actions as they consider appropriate.

In order to implement the New Disclosure Regime, the Manager and the Trustee have entered into a Third Supplemental Trust Deed on 16 January 2006 to amend the Trust Deed. The full text of the Amendments concerning the adoption of the relevant provisions of Part XV of the SFO (the “**Relevant Provisions**”) are set out below.

The notification forms for the notification of interests under the New Disclosure Regime (which will be used from 16 February 2006 onward) are the standard forms prescribed by the SFC for the purposes of Part XV of the SFO. Such forms can be obtained from the websites of the SFC and the SEHK.

Notification of interests under the New Disclosure Regime will be published in the website of the SEHK from 16 February 2006 onward and the web page containing information in respect of significant Holders published in the website of the Manager will thereafter only provide a hyperlink to the SEHK’s website.

IMPLICATIONS FOR INVESTORS

In view of the above, potential investors should read the Relevant Provisions in details.

Investors are hereby cautioned that if they hold or acquire interests (as interpreted under Part XV of the SFO) in Units (whether pursuant to the initial public offering or through acquisition of Units on the SEHK or otherwise) amounting to 5% or more of the issued and outstanding number of Units from time to time, they will be subject to disclosure obligations under the Trust Deed with respect to their interests in the Units as if Part XV of the SFO were applicable to The Link REIT. Other notification obligations in respect of the interests and/or short positions, an/or any changes thereto, will also be deemed to apply in respect of the Units as if Part XV of the SFO were applicable to The Link REIT, *mutatis mutandis*. Potential investors should refer to paragraph 4 of the Relevant Provisions for the consequences of non-compliance with the notification obligations under the Trust Deed. Investors in the Units are advised to consult their professional advisers as to their obligations, if any, under the Trust Deed (as amended by the Relevant Provisions).

ACTIONS TO BE TAKEN

The prescribed form for the notification of interests under the Old Disclosure Regime (which will continue to be used and available for obtaining at the Manager’s website until 15 February 2006) and a copy of the Trust Deed and the Amendments can be obtained by Holders from the Manager’s registered office at 18/F, 8 Queen’s Road, Central, Hong Kong during normal business hours. Notification of interests under the Old Disclosure Regime are made to the Manager and the Trustee and such notifications are published in the website of the Manager.

For all persons who have a duty of disclosure under the New Disclosure Regime, such persons will need to make notification of such interests to the Manager and the SEHK under the New Disclosure Regime on or after 16 February 2006.

In that regard, a person who on 16 February 2006 has an interest or short position in Units, which is a notifiable interest within the meaning of Part XV of the SFO, comes under a duty of disclosure under the New Disclosure Regime whether or not such interest or short position has previously been disclosed to the Manager prior to 16 February 2006.

Further, if the Manager or any director or chief executive of the Manager has an interest or short position in Units on 16 February 2006, such person also comes under a duty of disclosure under the New Disclosure Regime whether or not such interest or short position has previously been disclosed to the Manager prior to 16 February 2006.

PROVISIONS OF THE TRUST DEED

The full text of the Relevant Provisions is as follows:

“THE THIRD SCHEDULE DISCLOSURE OF INTERESTS

1. Definition

In this Schedule, “**SFO**” means the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

2. Duty of Disclosure

2.1. Subject to paragraph 3 below, the provisions of Divisions 2 to 4 of Part XV of the SFO (other than section 328) shall apply to a person who:

2.1.1. is interested in Units, or who acquires an interest in or who ceases to be interested in Units; or

2.1.2. has a short position in Units, or who comes to have or ceases to have a short position in Units,

and, accordingly, a duty of disclosure shall arise hereunder in relation to that person on the occurrence of the relevant events described in section 310 of the SFO in the circumstances specified in section 313 of the SFO.

2.2. Subject to paragraph 3 below, the provisions of Divisions 7 to 9 of Part XV of the SFO (other than section 351) shall also apply to each of the Manager itself and a director or chief executive of the Manager who:

2.2.1. is interested in Units, or who acquires an interest in or who ceases to be interested in Units; or

2.2.2. has a short position in Units, or who comes to have or ceases to have a short position in Units,

and, accordingly, a duty of disclosure shall also arise hereunder in relation to the Manager and a director or chief executive of the Manager (as the case may be) on the occurrence of the relevant events described in section 341 of the SFO in the circumstances specified in that section.

2.3. A person who on 16 February 2006 has an interest or short position in Units, which is a notifiable interest within the meaning of Part XV of the SFO, comes under a duty of disclosure whether or not such interest or short position has previously been disclosed to the Manager prior to that date.

2.4. The Manager or any director or chief executive of the Manager who on 16 February 2006 has an interest or short position in Units comes under a duty of disclosure whether or not such interest or short position has previously been disclosed to the Manager prior to that date.

2.5. Where a duty of disclosure arises hereunder on the occurrence of the relevant events described under section 310 or 341 of the SFO by virtue of the provisions of this Schedule, the relevant person shall give notice to the Manager and the SEHK in accordance with the provisions of Part XV of the SFO.

2.6. The Manager shall promptly send a copy of any notification received by it to the Trustee.

3. Manner of application of Part XV of the SFO

3.1. Subject to paragraphs 4 to 6 below, the provisions of Part XV of the SFO (other than sections 328 and 351) shall have effect, *mutatis mutandis*, as if:

3.1.1. the Trust is a “**listed corporation**” for the purposes of Part XV of the SFO;

3.1.2. the “**relevant share capital**” of such listed corporation are references to:

(a) the Units which are issued and outstanding from time to time; and

(b) the Units which the Manager has agreed to issue, either conditionally or unconditionally, from time to time;

3.1.3. a Unit is a share comprised in the relevant share capital of such listed corporation;

3.1.4. a person who is interested in a Unit is interested in a share in the relevant share capital of such listed corporation;

3.1.5. the Manager itself is a director of such listed corporation;

3.1.6. the directors and chief executive of the Manager are the directors and chief executive respectively of such listed corporation;

3.1.7. “**percentage level**”, in relation to a notifiable interest, means the percentage figure found by expressing the aggregate number of Units in which the person is interested immediately before or (as the case may be) immediately after the relevant time as a percentage of all the Units in issue at the relevant time as published by the Manager and rounding that figure down (if it is not a whole number) to the next whole number; and

3.1.8. “**percentage level**”, in relation to a short position, means the percentage figure found by expressing the aggregate number of Units in which the person has a short position immediately before or (as the case may be) immediately after the relevant time as a percentage of all the Units in issue at the relevant time as published by the Manager and rounding that figure down (if it is not a whole number) to the next whole number.

3.2. A reference to:

3.2.1. an interest in Units of a person shall be construed in the same manner as an interest in shares under section 322 of the SFO;

3.2.2. a short position in Units of a person shall be construed in the same manner as a short position in shares under sections 308 and 322 of the SFO;

3.2.3. an interest in Units of the Manager or a director or chief executive of the Manager (as the case may be) shall be construed in the same manner as an interest in shares under section 346 of the SFO;

3.2.4. a short position in Units of the Manager or a director or chief executive of the Manager (as the case may be) shall be construed in the same manner as a short position in shares under sections 308 and 346 of the SFO;

3.2.5. the Manager shall not be construed as a controlled corporation of the Trustee for the purposes of section 316 of the SFO solely to the extent and for so long as the Trustee’s interests in the Manager arise in its capacity as trustee of the Trust.

4. Failure to Notify

4.1. If a person who has a duty of disclosure under this Schedule fails to make notification in accordance with the provisions of this Schedule, irrespective of whether that person is a Holder or not, the Units in which that person is (or is deemed to be) interested in (the “**Affected Units**”) shall be subject to the provisions in this paragraph 4 below.

4.2. When the person interested in the Affected Units is a person other than the Manager, the Manager may, in its absolute discretion, take any or all of the following actions in respect of any or all of the Affected Units:

4.2.1. declare that the voting rights attached to any or all of the Affected Units to be suspended (and, upon such declaration, such voting rights shall be suspended for all purposes in connection with the Trust);

4.2.2. suspend the payment of any distributions in respect of any or all of the Affected Units (and, upon such suspension, any such distributions shall be retained in a trust account in the name of the Manager pending the application of such distributions);

4.2.3. impose an administrative fee of up to HK\$0.10 per Affected Unit for each day of non-compliance from the date on which disclosure is due to be made by the person;

4.2.4. suspend registration and/or decline to register any transfer of part or all of the Affected Units,

until the provisions of this Schedule are fully complied with to the satisfaction of the Manager.

4.3. Subject to paragraph 4.5 below, the administrative fee referred to in paragraph 4.2.3 above shall be retained by the Manager for its use as it sees fit. If such fee is not paid by the relevant Holder or any other person, the Manager may (in its absolute discretion) withhold and deduct such fee from any distributions to be made in respect of the relevant Affected Units (and, pending the recovery of such fee, the Manager may (in its absolute discretion) exercise any of its rights set out in paragraph 4.2 above). To the extent that any money is held in the trust account referred to in paragraph 4.2.2 above, the Manager may apply such money against any such fee imposed in respect of the relevant Affected Units.

4.4. Subject to paragraph 4.5 below, irrespective of whether any Holder is in default of the provisions of this Schedule, each Holder shall be bound by the decision of the Manager under this paragraph 4 and each Holder’s Units shall be bound by such decision if the Manager declares (in its absolute discretion) that any or all of such Units are (or are deemed to be) Affected Units.

4.5. Where the person interested in the Affected Units is the Manager:

4.5.1. the Trustee may exercise the powers of the Manager under paragraph 4.2 above in respect of any or all of the Affected Units;

4.5.2. the Trustee may exercise the powers of the Manager under paragraph 4.3 above to retain the administrative fee for the benefit of the Trust and to take action if the fee is not paid; and

4.5.3. irrespective of whether the Manager is in default of the provisions of this Schedule, the Manager shall be bound by the decision of the Trustee under this paragraph 4.5 and its Units shall be bound by such decision if the Trustee declares (in its absolute discretion) that any or all of such Units are (or are deemed to be) Affected Units.

5. Register of Interests

5.1. The Manager shall keep a register for the purposes of this Schedule and it is under a duty to inscribe in the register, against a person’s name, the particulars provided pursuant to this Schedule and the date of the inscription. Upon the request of the Trustee, the Manager shall make available the contents of the register for inspection by the Trustee and Holders.

5.2. Unless the register is in such form as to constitute an index in itself, the Manager shall keep an index of the names entered in the register which shall (in respect of each name) contain a sufficient indication to enable the information entered against it to be readily found.

5.3. The register and any associated index:

5.3.1. shall be kept at the place at which the Register is kept; and

5.3.2. shall be available for inspection, during such hours as the Register is available for inspection, by Holders without charge.

Any such person may require a copy of any such register on payment of such fee as may be prescribed by the Manager from time to time.

6. Investigation of Interests

6.1. The Trustee and the Manager shall have the same powers and duties to investigate ownership of interests in Units as are conferred on a listed corporation under Division 5 of Part XV of the SFO to investigate ownership of interests in shares.

6.2. The powers and duties referred to in paragraph 6.1 above shall be exercised by or performed solely by the Manager except where the interest or short position (or deemed interested or deemed short position) relates to Units held by or in which the Manager is interested or has a short position, in which case the power shall be exercised by or the duty shall be performed solely by the Trustee.

6.3. Neither the Trustee nor the Manager shall have any liability for any action taken by it pursuant to this Schedule in good faith and each Holder shall be bound by the decision taken under paragraph 4 above, including as to whether any or all of such Units are Affected Units.

6.4. Without prejudice to Clause 4 of the Trust Deed, each Holder and all persons claiming through or under him (including without limitation, each participant of CCASS to whose account any Units are for the time being credited by Hong Kong Securities Clearing Company Limited) expressly acknowledge and agree to the grant of the rights and powers set forth in this Schedule and agree to be bound by any action taken hereunder in good faith.”

By order of the board of directors of
The Link Management Limited
(as manager of The Link Real Estate Investment Trust)
Mr. Cheng Ming Fun Paul
Chairman of the Manager

Hong Kong, 16 January 2006

As at the date of this announcement, the board of directors of the Manager is comprised as follows: The Chairman of the Manager (who is also an Independent Non-executive Director) is Mr. CHENG Ming Fun Paul. The Executive Director is Mr. SO Hing Woh Victor. The Non-executive Directors are Mr. LIEW Mun Leong and Mr. PUA Seck Guan. The Independent Non-executive Directors are Mr. ARNOLD Michael Ian, Mr. CHAO Tse Hou Leslie, Mr. FUNG Yuk Bun Patrick, Mr. KO Kam Chuen Stanley, Mr. LEE Nai Shee Harry, Mr. NEOH Anthony Francis, Mr. SUN Patrick and Mr. ZEMAN Allan.