Annual Report 2021/2022

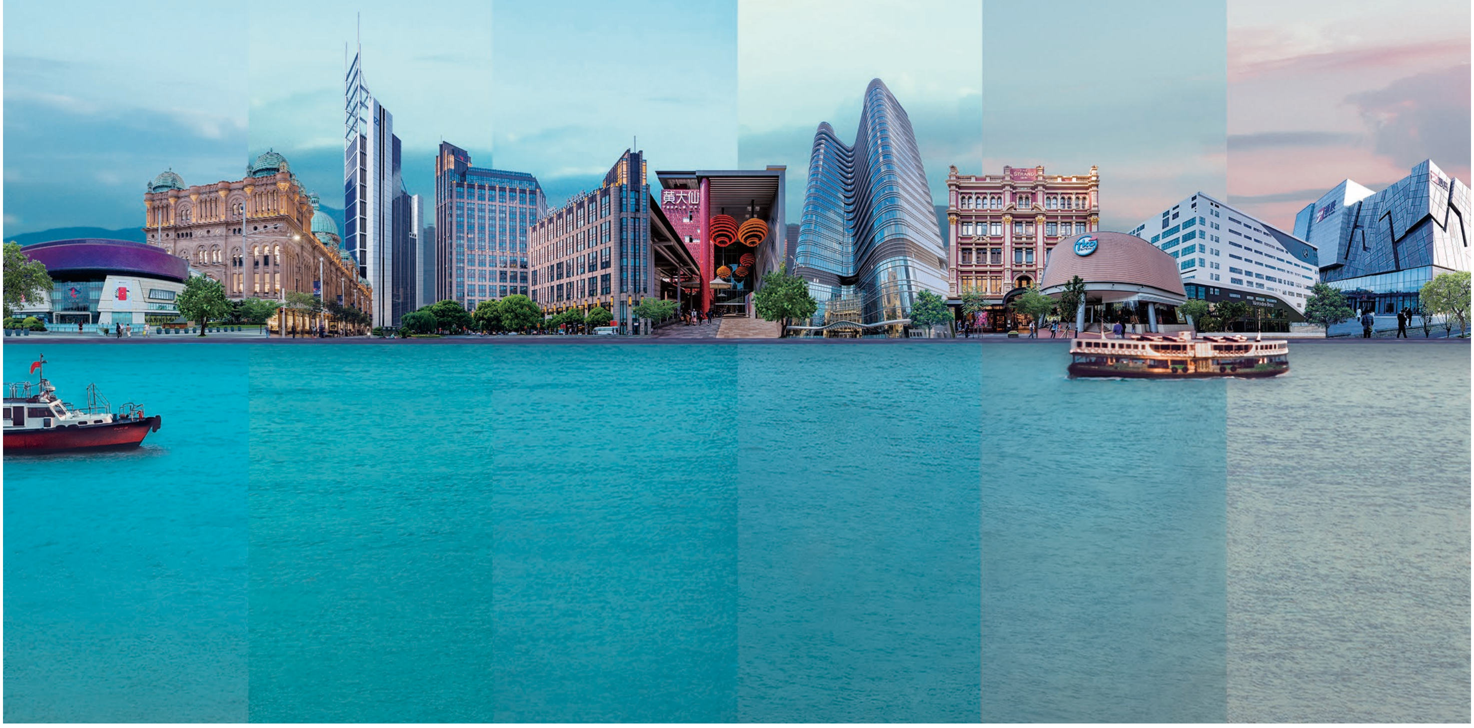
Strategic Report

領展
LINK

Link Real Estate Investment Trust

Stock code: 823

GROWING *Beyond*



About Link

Link Real Estate Investment Trust is one of the world's largest real estate investment trusts in terms of market capitalisation. With a diversified portfolio, we aim to deliver sustainable growth and create long-term value for our Unitholders and all our stakeholders.

About this Report

This report covers our performance from 1 April 2021 to 31 March 2022. In this report, we will discuss our gradual development along the path we outlined in previous years, highlight the interactions among financial, environmental, social and governance factors, and underline their influence on our long-term sustainable development. The information reported here is also consistent with indicators used for our internal management and Board reports and are comparable with our previous reports.

Materiality

This report has been structured according to Link's Vision 2025 and Value Creation Process. The Board believes that Vision 2025 represents the strategy and opportunities that will drive value creation for our stakeholders.

Complete 2021/2022 Reports and Presentations

Strategic Report

Our Strategic Report, compiled according to the International Integrated Reporting Council's International <IR> Framework, presents a comprehensive, but concise, overview of how we create value for different stakeholders and the progress we have made on Vision 2025.

Governance, Disclosures and Financial Statements

This report contains our detailed governance, disclosures and financial statements. The governance and disclosures sections are prepared in accordance with the REIT Code, applicable provisions of the Listing Rules, and other relevant laws and regulations, while the consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards, the requirements of the Trust Deed and the relevant disclosure requirements of the REIT Code and audited by PricewaterhouseCoopers.

Valuation Report

This report summarises the market value of Link's individual properties as valued by Colliers International (Hong Kong) Limited.

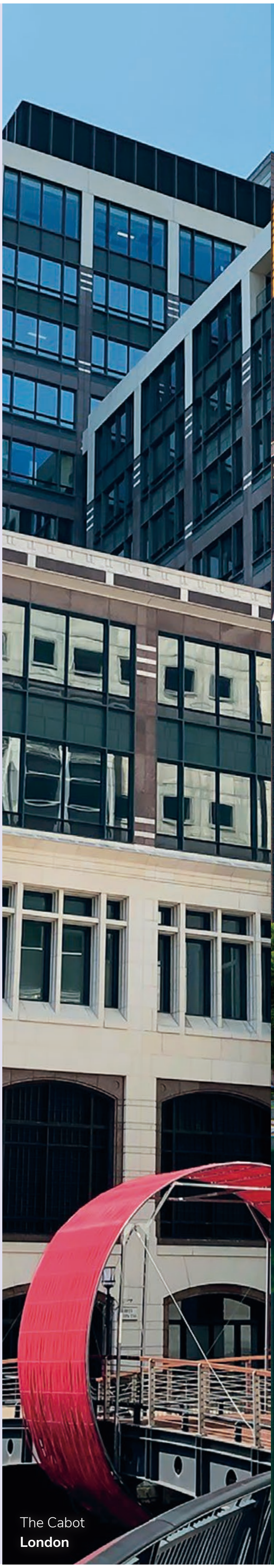
ESG Compliance

- Environmental, Social and Governance Reporting Guide (ESG Reporting Guide) of The Stock Exchange of Hong Kong Limited
- Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) – Core Options
- United Nations Global Compact
- Task Force on Climate-related Financial Disclosures (TCFD)
- International Sustainability Standards Board (ISSB) Exposure Draft IFRS S2 Climate-related Disclosures

Sustainability Compendium

The Sustainability Compendium, which does not form part of, but which is intended to complement our Integrated Annual Report, provides more details on our Sustainability Strategy, as well as approach and performance in each of our Sustainability Focus Areas.

Access the Sustainability Compendium here



The Cabot
London

Link Square
Shanghai

Contents

2021/2022 Highlights

Our key performance indicators reflect resilient business performance despite the ongoing macroeconomic challenges and uncertainties.

Financial

→ Page 24

97.7%
Hong Kong Retail Occupancy
+0.9% YoY

5.4%
DPU Growth (YoY)

22.0%[1]
Gearing Ratio

2.30%
Average Borrowing Cost
-36 basis points YoY

Strong Credit Ratings

A/Stable
Standard and Poor's

A2/Stable
Moody's

A/Stable
Fitch

Portfolio

→ Page 26

Investments in 17 properties[2]
Active Portfolio Management

3 Asset enhancement projects
Completed in Hong Kong and Mainland China. A total capex of HK$86 million and RMB286 million were spent in Hong Kong and Mainland China, respectively.

Talent

→ Page 28

Staff Diversity

52%
Female

48%
Male

Over
26,310
Training Hours

7
Awards and Recognitions

Days Working From Home

55
Hong Kong

23
Mainland China

Notes:
(1) After adjusting for the impact of the acquisition of 50% interests in a Sydney retail portfolio announced on 7 November 2021, the acquisition of 49.9% interests in a joint venture that owns interests in 5 prime office properties in Sydney and Melbourne announced on 10 February 2022 and completed on 1 June 2022, the acquisition of three logistics properties in Mainland China announced on 12 May 2022, and the final distribution declared, the gearing ratio of Link as at 31 March 2022 will increase to 24.9%.
(2) Refers to investments announced from April 2021 to date.

Natural

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Net Zero Carbon Emissions by 2035 – Two Interim Targets by 2025/2026

-5%

Electricity Intensity

-25%

Carbon Emissions Intensity

47 properties

Expanded Solar Panel Installation Roadmap in Hong Kong

Social & Relationship

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~220

Tenant Support Scheme (HK$ million)

Upward Mobility

Promote Local Employment via Upward Social Mobility Programme

13.1%

Hong Kong Retail Overall Rent-to-Sales Ratio Stayed in an Affordable Range

Innovation

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Sustainable Finance

Launched Sustainable Finance Framework

127 properties

Implemented FMIT Solutions for Property Management in Hong Kong

Link at a Glance

Our Vision, Mission and Values

Vision

To be a world class real estate investor and manager, serving and improving the lives of those around us

Mission

Building relationships with our stakeholders through providing value and quality services, partnering with local communities delivering sustainable growth

Values

Managing our business with
Respect
Excellence
Integrity
Teamwork

Investment in Brief (1)

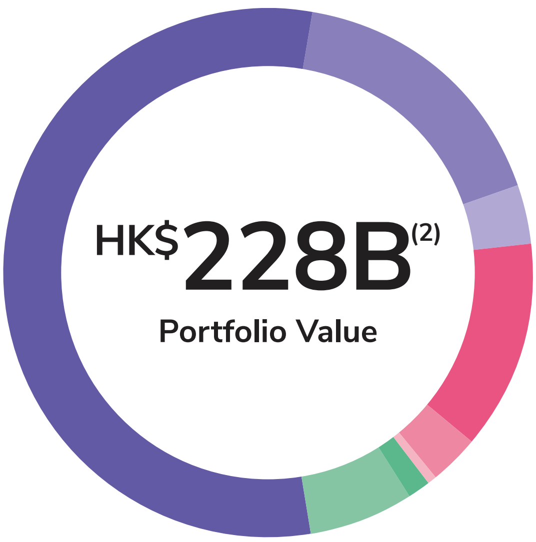
Our portfolio includes retail facilities, car parks and related business, offices and logistics properties across Hong Kong, major cities in Mainland China, Australia and the United Kingdom. These multiple segments form a solid and diversified platform to create sustainable value for our stakeholders.

129
Hong Kong
Retail, office and car parks and related business

12
Mainland China
Retail, office and logistics

10
Australia & United Kingdom
Retail and offices in Sydney, Melbourne and London

Portfolio Value



74.8%
Hong Kong

53.9% Retail | 17.6% Car park(3) | 3.3% Office

17.4%
Mainland China

13.1% Retail | 3.0% Office | 1.3% Logistics

7.8%
Australia & United Kingdom

1.4% Retail | 6.4% Office

Notes:

(1) Including three retail properties in Sydney (announced on 7 November 2021), five prime office properties in Sydney and Melbourne (announced on 10 February 2022 and completed on 1 June 2022) and three logistics properties in Jiaxing and Changshu (announced on 12 May 2022).

(2) As at 31 March 2022, total valuation of investment properties, plus 50% property value of Qibao Vanke Plaza, plus the agreed property value of 50% interest in three retail properties in Sydney, which was announced on 7 November 2021, the agreed property value of 49.9% interest in a joint venture that owns interest in 5 prime office properties in Sydney and Melbourne, which was announced on 10 February 2022 and completed on 1 June 2022, and the agreed property value of the acquisition of Mainland China logistics properties which was announced on 12 May 2022, on a pro-forma basis.

(3) Car parks and related business includes two car park/car service centres and godown buildings in Hong Kong.

Reasons for Investing in Link

No. 1
Largest REIT in Asia

17 years
Consistent track record of growing DPU

Resilient
Non-discretionary retail, car parks and related business, prime grade offices and logistics

100%
Free float

Only 1
Only internally-managed REIT in Asia

25%
Board comprises female directors contributing to diversity and strong corporate governance

2021/2022 Financial Highlights

We are pleased to present another set of robust results despite unprecedented challenges. We are committed to providing Unitholders prudent growth and steadily increasing DPU.
As we pursue Vision 2025, we will continue our diversification strategy and grow our portfolio in markets where suitable opportunities arise.

11,602
Revenue (HK$ million)
+8.0% YoY

8,776
Net Property Income (HK$ million)
+6.5% YoY

305.67
Distribution per Unit (HK¢)
+5.4% YoY

77.10
Net Asset Value per Unit (HK$)
+1.1% YoY

Occupancy Rates

Retail

97.7%	92.3%(1)	95.5%(2)
Hong Kong	Mainland China	Overseas

Logistics

100%
Mainland China

Office

96.6%(3)	97.0%	100%
Hong Kong	Mainland China	Overseas

Reversion Rates

Retail

4.8%	8.8%
Hong Kong	Mainland China

Office

-8.1%
Mainland China

Notes:
(1) Excluding Happy Valley Shopping Mall in Guangzhou.
(2) As at end of April 2022.
(3) Committed occupancy as of 17 May 2022.

Chairman's Statement

While clearly clouds loom on the horizon – continued market volatility and geopolitical instability, inflation, and supply chain disruptions – our activities over this past year leave us well positioned to build and transform our portfolio to meet the challenges.

As I pen this statement to you reporting on our progress over this past year, I can look ahead with confidence in Link's sustainable enterprise development. While clearly clouds loom on the horizon – continued market volatility and geopolitical instability, inflation, and supply chain disruptions – our activities over this past year leave us well positioned to build and transform our portfolio to meet the challenges.

One thing we learned during this past year was how to be resilient to disruption. Few could have predicted that the COVID pandemic would continue for so long and with such dire consequences. Most global economies were caught on the back foot with a return of lockdowns and social distancing measures. Opening of economies in UK and Australia were tempered by reintroduction of severe restrictions in Hong Kong and Mainland China towards the end of the financial year. However, Link's own earlier experiences enabled us to respond quickly and acutely to this latest wave, keeping health and safety as priorities and financial impact to a minimum. Our Business as Mutual mindset once again proved instrumental in our collaboration with partners across our value chain to support tenants, business associates, staff and the community.

I am pleased to report overall stable and improving performance for the year, with some bold moves taken to diversify and strengthen Link's sustainable portfolio growth. We continued to maintain strong occupancy across all markets with revenue up 8.0% and total distributable amount up 6.8%. Our asset enhancement programme has extended to Mainland China, where we completed our first shopping mall enhancement project, unlocking further value. The project applied stringent environmental and social targets, and will serve as the model for future enhancements in Mainland China.

Medium and longer-term external industry and geopolitical trends will challenge our organisational resilience. Guided by our solid business acumen and insights into potential industry opportunities, Link is making continuous refinements to its business model in scope, platform and approach.

We have widened our scope of business to include a new asset class – logistics, acquiring two, and agreeing to acquire an additional three, logistics warehouses in Mainland China, two car park/car services centres and godown buildings in Hong Kong. Each of these asset types complement our existing portfolio. We also expanded our presence in Australia, investing in eight retail and office properties in prime city environments of Sydney and Melbourne. Using our entrepreneurial approach, strong governance and ethos of hands-on value creation, and collaboration with our partners, we will ensure these assets remain as market leaders.

To leverage this significant portfolio growth, we have increased joint-venture undertakings in which we take partial stakes, but are still actively involved in asset management and value creation. While this marks a departure from our well-practiced wholly owned and managed approach, this alternative format maximises our capital resources while minimising business risks and diversifying our portfolio at an opportune time.

To manage these new fields of operations, by design, we rely on our joint venture partners' expertise, placing ourselves on the logistics operations learning curve, and increasing our expertise in Australia. This purposeful approach allows us to learn and acclimatise to new operating environments and reinforce our team with best management practices that will serve us well as we pursue further opportunities in these markets.

This past year brought into sharp focus the important role the real estate industry has to play in addressing climate change. In the post COP26 environment, the response to more transparent and globally aligned management of ESG issues, in particular decarbonisation, is influencing our approach to how we govern and manage assets and the business over various time horizons. We have updated our Climate Change and Energy Policy, the Corporate Governance Manual as well and introduced the Stakeholder Engagement Policy and Responsible Investment Policy to reflect updated regulatory compliance as well as institutionalise best ESG governance and practice.

We are taking action through our Net Zero 2035 initiative which places us well on our way to meeting the HKSAR's mandated target of 20% reduction in energy consumption by 2035. Our purpose is not just reduction, but to climate proof our portfolio and assets for long-term net zero performance and empower our new generation of Linkers with the skills to lead and manage the innovation needed.

We are committed to nurturing our future generation of community leaders. Our flagship Link Together Initiatives continued to support eight community projects and 220 students under the Link University Scholarship, with a total funding of HK$15.5 million committed over the financial year.

While much has been achieved by Link this year, we have not taken these steps lightly. We remain committed to creating a resilient and productive portfolio. Our strong governance ethos continues to guide strategy and decision making, even as we enter new areas of growth. I remain confident of our pathway.

During the second half of the financial year the Board bid farewell to May Tan and Elaine Young as they retired from the Board having reached their full nine year term limit. May and Elaine were the first women to join the Link Board and played instrumental roles in transforming Link into the well governed, entrepreneurial organisation it is today. On behalf of the Board, Management team and Unitholders, I would like to thank you both for your very valuable contributions.

In closing I wish to thank George, the Management team and our team of Linkers on another year of remarkable results and look ahead with confidence on our continued growth.

Nicholas Charles ALLEN
Chairman

Link Asset Management Limited
As Manager of Link Real Estate Investment Trust
1 June 2022

Chief Executive Officer's Report

Our Business as Mutual management ethos has shaped our initiatives to address the many challenges and support the continuous improvements in our operations.

Over this past year, Link has resolutely met head on the challenging tasks of managing the uncertainties from the persistent pandemic and ongoing global economic disruption. At the same time, we recognised expansion and diversification opportunities as select markets slowly emerged from these uncertainties.

Our portfolio of non-discretionary retail assets and well-positioned commercial premises have provided a stable income base to our Unitholders while continuing to serve the communities they operate in during these critical times. Performance was supported by our timely programmes to respond quickly to tenant and customer needs. Our established practice of transparency with tenants, business associates and Unitholders helped maintain a level of confidence in our business that ensured continued support of our operations. Our top priority throughout has been the health and safety of our staff, business partners and customers.

Strategy in Action

Our challenge this past year has been to develop our business to reflect global and regional recovery opportunities, while responding to the continuous disruptive impact as they unfolded. We live in a more interconnected, yet decentralised business environment that challenges business-as-usual management practices and opens possibilities for innovation in structure and engagement. As such we must be flexible and agile to adapt to the market changes.

Our Business as Mutual management ethos has shaped our initiatives to address the many challenges and support the continuous improvements in our operations. Our focus was and continues to be on:

- The unpredictability of recurring waves of COVID and resultant policy changes have affected daily operational management. Our past experience has guided us in responding to both the risks and opportunities in the Hong Kong, Mainland China, Australia and the United Kingdom markets, where we juggled from gradual recovery and reopening to intensive lockdowns across different cities and jurisdictions.

- Our decarbonisation efforts in response to the significant international efforts to manage climate change post COP26 and the imminent regulatory impact on real estate and REIT markets.
- Vigilance on local and international supply chain issues, growing global inflation and persistent geopolitical and market volatilities and the risks that they impose on operations.

We endeavour to create enterprise value as we mature the business model by applying prudent commercial principles despite volatility within the industry, financial markets and investor sentiments. The continued growth in DPU in this difficult environment reflects the strength of our strategic business approach. Results for the year marked credible performances across our markets.

In 2021/2022, revenue and net property income increased by 8.0% and 6.5% year-on-year, respectively.

Growing Beyond

Underpinning our approach is the continuous improvement and curation of assets for growth.

Portfolio Management

At portfolio level, we have made a series of strategic acquisitions in Mainland China and Australia. In Mainland China, anticipating the strategic growth of the GBA and considering the impact of recently announced national policy towards "common prosperity", we took our first step into the logistics industry through the acquisition of five properties, two in the GBA and three in the YRD. We view logistics properties as complementary to our retail property holdings and an asset class that allows us to diversify our portfolio and continue to tap into future consumption growth in the region. *For more details on Common Prosperity see page 18.*

In Australia, we invested in several iconic retail and office assets in Sydney and Melbourne, coming at an opportune moment as these cities are benefitting from robust economic recovery and a post-pandemic retail boom. These investments will provide immediate income and scale our presence in this growing market. Strategically, we have expanded on our traditional majority ownership and management approach to include joint ventures and minority shareholdings in assets. This evolution allows us to 'grow beyond' our current business model to diversify and expand, and to access attractive assets. We minimise risks by partnering with and learning from experienced and like-minded partners.

Asset Management

For asset management, our short-term initiatives continue to focus on improving operational performance and productivity, principally with COVID recovery planning and post-COVID retail opportunities. Our teams actively work to support tenants and adjust the retail mix, creating safe and healthy environments that enhance the retail experience, while managing operating expenditure to achieve projected income and returns. In Hong Kong, despite the ongoing uncertainty and pandemic challenges, we achieved a high level of 97.7% occupancy across the retail portfolio, introducing over 660 new leases during the year. This is a strong testament to the resilience of our Hong Kong retail portfolio and its role as infrastructure of consumption to the local communities.

Medium-term risks and opportunities involve more intense management of assets, where opportunities are emerging with upgrading and transforming our properties into higher quality assets to align with aspiring community lifestyles. We completed our first large-scale refurbishment in Mainland China at Link CentralWalk in Shenzhen, expanding the total number of shops by 20% and achieving three green building certificates. The social, economic and environmental principles applied to this undertaking will be incorporated into Link's subsequent asset improvement projects.

Capital Management

Financing portfolio growth is contingent on how we manage our capital. We apply prudent commercial principles in view of the ever-changing dynamics of the international financial markets. Our overall average borrowing cost achieved a record-low of 2.3% with an average debt maturity of 3.5 years. With HK$22.6 billion in undrawn committed facilities and a healthy balance sheet, we are well positioned to both grow our portfolio while remaining highly liquid.

During the year, we updated Link's Sustainable Finance Framework to ensure that our performance targets require collaboration with stakeholders throughout our value chain to create a system-wide positive impact for the community that investors and institutions increasingly expect. In March 2022, we signed a HK$12 billion sustainability-linked syndicated loan facility that was regarded as the largest of its kind in the real estate sector and among REITs in Asia Pacific. *For more details see page 35.*

Our track record of 17 years of steady portfolio growth and rising DPU demonstrates our management acumen and achievements that consistently place us at the forefront of the global REIT industry. Leveraging this knowledge has enabled us to take bold steps this past year and position us to consider further expansion of our horizons to outside our current remit.

Challenges

Growing the business as set out above is not without its challenges. Our expanded operational reach into Mainland China and Australia tests the integration of our business model, values and corporate culture across markets. Achieving success requires a workforce that is culturally in tune with local markets, one that practices the Business as Mutual ethos and is willing to explore adoption of the disruptive technologies, systems and practices that will reflect best practices across the industry. As we gradually expand our exposure in different markets, asset classes and management approaches, we actively partner with other managers to share and develop further our knowledge and business know how. This provides the shared pool of resources to grow assets to be recognised destinations and leaders within their industry.

The real estate industry is highly exposed to the impact of climate change. Link has taken a long-term view to ensure portfolio resilience, with the integration of the Net Zero 2035 initiative into portfolio governance, strategy and operations. Taking definitive action to manage our carbon footprint is augmented by the participation in industry studies that have proven instrumental in enhancing our understanding of our base line exposure to both transition and physical risks. The use of scenario analysis has helped us identify and assess portfolio and asset-specific climate exposures and put the appropriate response initiatives in place, in particular with regard to energy management, flooding and heat. Quantifying the risks through science-based data supports our climate governance and strategy in terms of allocation of responsibilities and resources, including capital to address risks and redirect resources and efforts to take advantage of the opportunities.

Climate change and corporate environmental, social, and governance practices are increasingly subject to regulatory scrutiny. Link is taking steps through policy and system updates to enhance the governance and processes to be fully compliant as regulatory requirements take hold in our operating markets. Strategically, we have restructured our Sustainability Advisory Committee, tapping industry expertise to work actively with our Board to address imminent developments with the post COP26 cooperative agreements. The committee will focus on incorporating TCFD and ISSB reporting frameworks, broadening our stakeholder engagement around ESG issues, further integrating our Net Zero 2035 Strategy and, importantly, building climate resilience into our business model.

The Team

I wish to stress that our portfolio is only as resilient as our team. I must thank and express my continued support for our team of Linkers who have worked tirelessly, yet again, to overcome the continued challenges of COVID and keep us on the path to recovery. The senior management team is deeply cognisant of the stronger competition for their talent and the changing priorities in individual career expectations. As such we have increased our channels to listen and engage with our employees and offer the pathways that are meaningful and productive. Our objective is to strengthen our culture and values as an integrated team and provide a long-term future for employees, setting the foundation for our ongoing growth.

I would like to thank the Board of Directors for their support and guidance during the past year.

I would also like to thank Eric Yau who will be taking a sabbatical following nearly 12 years at Link, with the last five as Chief Strategy Officer. Eric has played an instrumental role in our growth and transformation journey. On behalf of the Board and colleagues, I would like to express our heartfelt gratitude to Eric for his tremendous contribution to Link and wish him all the best in his future endeavours.

As we continue our growth, we have also brought in new talent to the Management team. I would like to welcome Greg Chubb as Chief Operating Officer – International, Ronald Tham as Chief Corporate Development Officer, Zhu Haiqun as Managing Director – Mainland China and Kenny Lam as Chief Investment Officer (Strategic Investment). Greg will oversee Link's asset management, leasing and operations outside Mainland China and Hong Kong. Ronald will oversee corporate development, mergers and acquisitions, corporate finance and capital transactions. Haiqun will oversee asset management, leasing, operations and other work relating to commercial and corporate functions of the Mainland China region. Kenny will oversee strategic investment, mergers and acquisitions and portfolio management as we continue to diversify across asset classes and markets.

In closing we have thrived during another challenging year, validating our strategic maneuvers with the resilience exhibited by our business model executed by a competent and cohesive team. I look forward to the next few years as we continue our journey of growing beyond.

George Kwok Lung HONGCHOY
Chief Executive Officer

Link Asset Management Limited
As Manager of Link Real Estate Investment Trust
1 June 2022

Board of Directors

Link's Board is responsible for preserving and increasing Unitholder value by overseeing and appraising the Group's strategy and performance. The Board has an effective balance of diversity across nationality, gender and expertise.

Chairman

Nicholas Charles ALLEN
(also an Independent Non-Executive Director)

Executive Directors

George Kwok Lung HONGCHOY
Chief Executive Officer

NG Kok Siong
Chief Financial Officer

Non-Executive Director

Ian Keith GRIFFITHS

Independent Non-Executive Directors

Christopher John BROOKE

Ed CHAN Yiu Cheong

Jenny GU Jialin

Lincoln LEONG Kwok Kuen

Blair Chilton PICKERELL

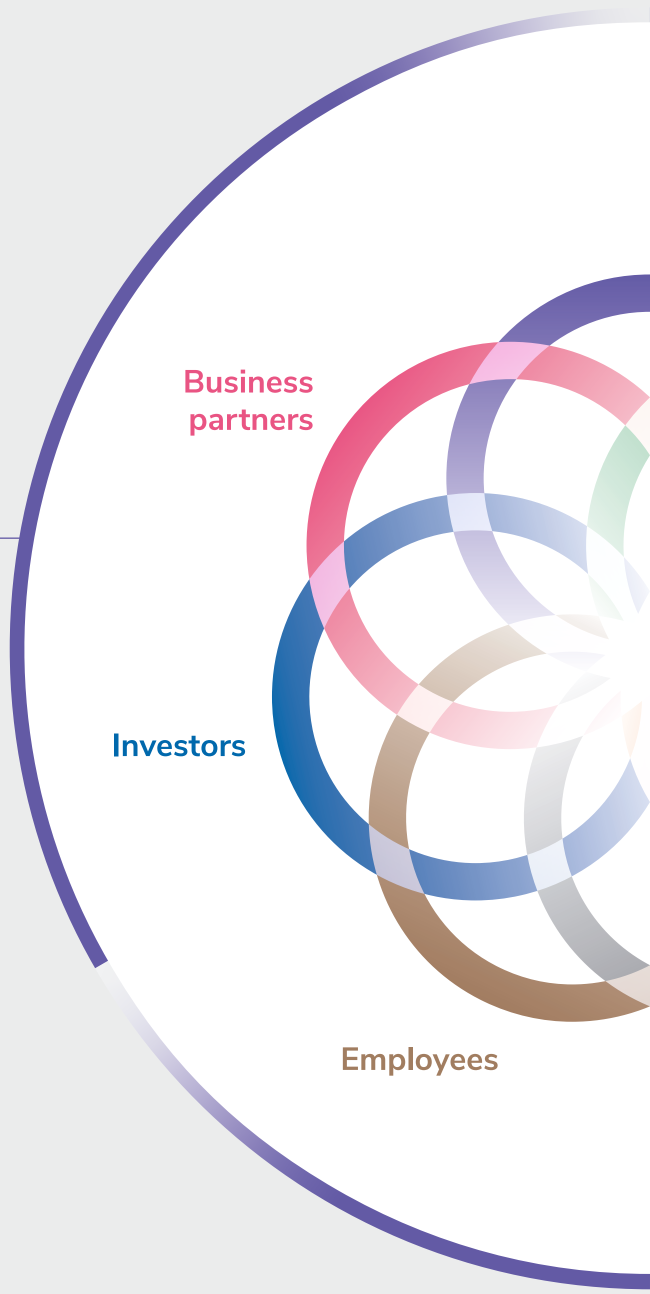
Poh Lee TAN

Peter TSE Pak Wing

Nancy TSE Sau Ling

Our Value Creation Process

Our Value Creation Model guides our decision making, enabling us to better articulate the broadened impact of our initiatives.



1. Vision 2025

Guided by Vision 2025, we optimise portfolio growth by integrating culture of excellence and visionary creativity across our business.

Portfolio Growth

- Grow DPU
- Grow AUM
- Maintain 'A' credit ratings
- Active portfolio management

Culture of Excellence

- Minimise attrition rate of high performing employees
- Attract and motivate market leading talents

Visionary Creativity

- Tenant sales growth outperforms market
- Reduce energy usage
- Reduce organic waste to landfill
- Achieve Net Zero carbon emissions by 2035

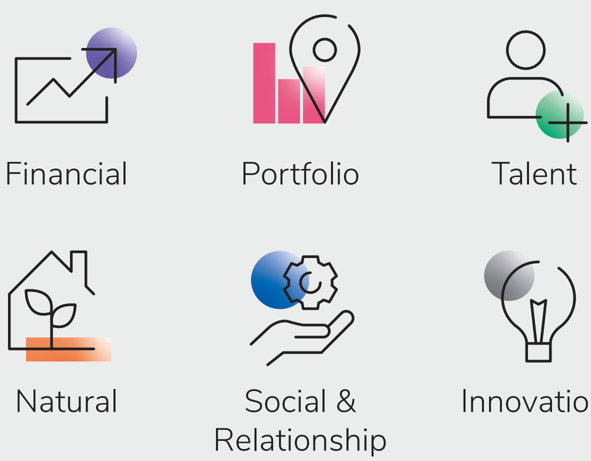
WE *Link* PEOPLE TO A BRIGHTER FUTURE

2. Business As Mutual

We operate with a Business as Mutual mindset to ensure Link is an equal partner with all stakeholders. We endeavour to understand their needs and concerns, identify areas of mutual concerns and co-create solutions for the benefit of all to create a sustainable ecosystem.

3. Creating Value

Our core strengths of Portfolio Management, Capital Management and Asset Management are dependent on our ability to preserve and grow our six capitals. This approach enables us to create shared value across the ecosystem and help link all stakeholders to a brighter future.



Vision 2025 Update

Portfolio Growth

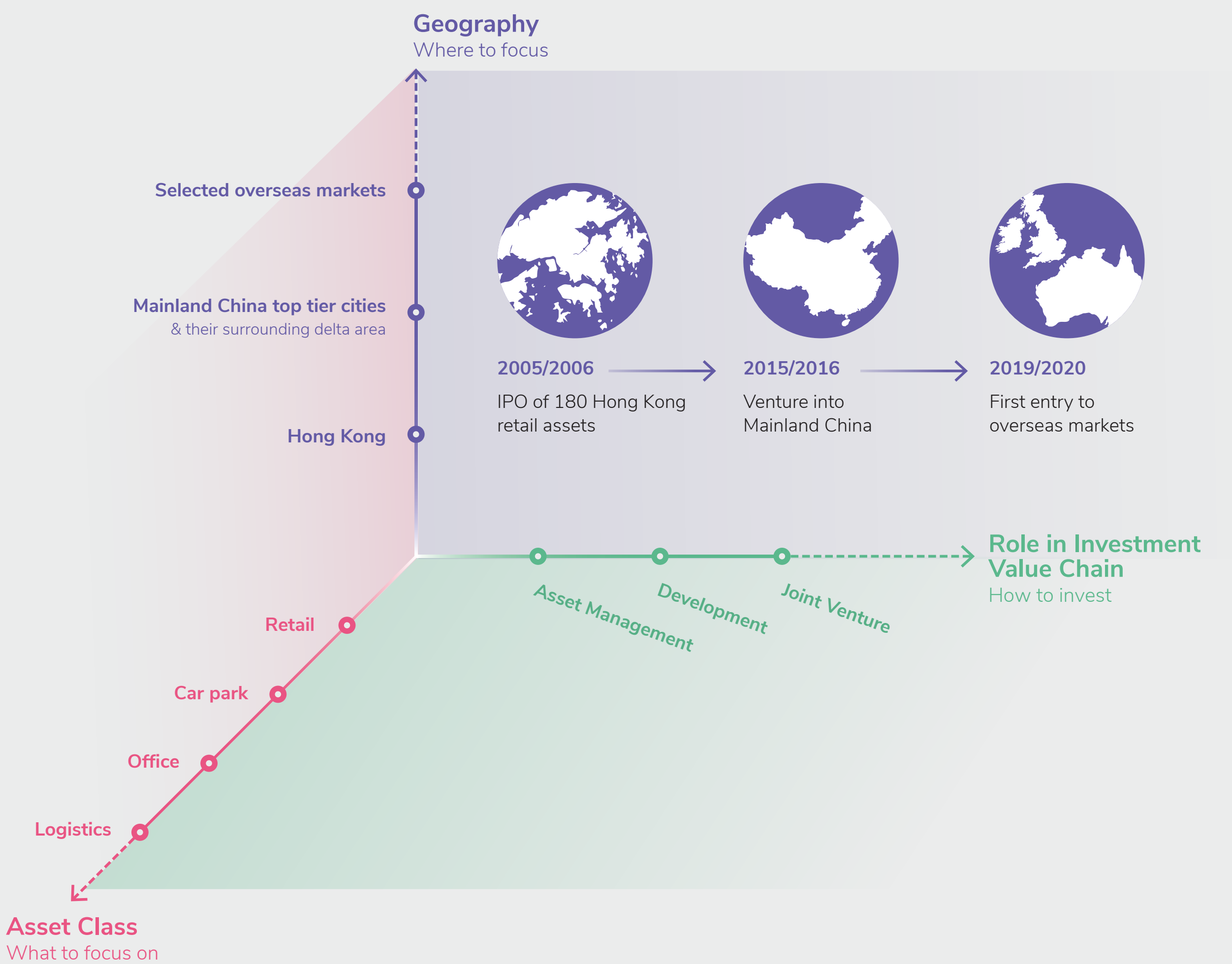
To achieve high single-digit CAGR in AUM while growing DPU and maintaining strong credit ratings

Link has a proven track record of growing its portfolio both organically and inorganically through active portfolio management. The aim is to provide our Unitholders with steady returns and long-term sustainable growth.

Originating in Hong Kong and being the first REIT listed on HKEx in 2005, Link made its first acquisitions in Hong Kong in 2011/2012, Nan Fung Plaza and Maritime Bay. In 2014/2015, we initiated our portfolio optimisation, completing several rounds of non-core asset divestments. In 2015, we made our entry into Mainland China, acquiring Link Plaza • ZGC in Beijing and Link Square in Shanghai. Along this transformation journey, we continued to lower our concentration risk by further strengthening our presence in Mainland China tier one cities.

Over the past few years, we have actively grown our portfolio through prudent diversification across three axes – asset class, geography and our role in the real estate investment value chain. While much of our resources and efforts over the past two years were focused on managing and responding to the challenges of COVID, we made remarkable progress during 2021/2022 in diversifying our portfolio, preserving its long-term resilience and productivity. From April 2021 to May 2022, approximately HK$15 billion worth of real estate investment was completed and another HK$11 billion of investment was announced, consisting of 17 assets spanning different geographies and asset classes.

Three Axes of Portfolio Growth



Chai Wan Car Service Centre

A 4S full-service building hosting Mercedes-Benz

Jiaxing Warehouse

Fully-leased to reputable third party logistics and e-commerce players

Our Strategic Investment Partners

东百集团 DONGBAI GROUP

FIRST PRIORITY 第一产业集团

investa

南豐集團 NAN FUNG GROUP

OXFORD

vanke

VICINITY CENTRES

Asset Class

2021/2022 marked our entry into the logistics sector, making a limited scale and prudent investment in two logistics properties (75% interests) in Dongguan and Foshan in the GBA. Following this, in May 2022, we agreed on the acquisition of three logistics properties in Jiaxing and Changshu, key connecting points and Shanghai's satellite cities. We believe logistics is an upward trending sector in Mainland China, underpinned by accelerated growth of e-commerce and reconfigured supply chain due to COVID, the government's focus on increasing the middle income population and its efforts to transition towards a domestic consumption driven economic growth model.

"Core" and "Core-plus" properties remain our investment focus and we will continue to prudently pursue "Value-add" and "Opportunistic" investments for additional inorganic growth.

Geography

We continue to hold a positive view on the long-term growth potential of Hong Kong, top tier cities and their surrounding delta areas in Mainland China and our four selected overseas markets. In addition to the aforementioned logistics properties, we added two more shopping malls (Happy Valley Shopping Mall in Guangzhou and 50% interest in Qibao Vanke Plaza in Shanghai) to the Mainland China portfolio. Two car park/car service centres and godown buildings were added to the Hong Kong portfolio, and the Australian property portfolio was expanded with two partial stake investments (50% interests in three retail assets in Sydney and 49.9% interests in a joint venture in a prime office portfolio in Sydney and Melbourne). Our investment in these three retail assets is expected to complete shortly.

Entry point into the real estate value chain

Apart from our earlier joint venture to develop The Quayside in Kowloon East, our approach to portfolio management has largely been a "wholly-owned and managed model". This provides us with key insights into stakeholder needs and expectations and control over day-to-day operations to maintain high service standards. However, the scalability of this approach, particularly for growing beyond our current footprint and exposure is challenging, requiring significant lead time to either build or procure knowledge and experience. Promising investment opportunities do not wait. In 2021/2022, we embraced growth through co-ownership and partial stake investments to catalyse the development of our expertise and footprint in these areas by learning from others. We are careful in selecting which business partners to work with, preferring those with demonstrable experience and alignment with our own values and approach. While involvement in direct, day-to-day operations is reduced, we maintain budgetary control and are deeply involved in long-term strategic planning of how the assets will remain resilient and productive, generating returns for Unitholders.

We will continue to assess a range of investment opportunities along these axes, striving to curate a diversified and productive portfolio that provides both growth and stability.

Culture of Excellence

Become the "Employer of Choice"

Successfully growing beyond requires a strong talent pipeline and leadership succession planning that is aligned with our growth strategy and direction.

During the year, we undertook an in-depth review of our competency framework to ensure our talent and leadership pipeline possesses the qualities and attributes required for future business success. To complement and support our portfolio growth, we expanded our talent pipeline, recruiting from a diversity of backgrounds with targeted skillsets, and regional/international expertise.

Organic growth of our talent pipeline focuses on developing leaders internally by identifying and providing high-potential candidates with the required learning opportunities and experience to accelerate their career trajectories. Furthermore, this year a record 18 recruits enrolled in our Management Associate and Management Trainee programmes. These young talents will embark on an intensive two-year targeted development journey where they will get exposure to various facets of the business, preparing them to be an integral component of our long-term success.

The COVID pandemic has reminded us of the virtues of an agile and resilient mindset, but, more importantly, we need to be attuned to the changing expectations and preferences of our own talent pool. In response to evolving talent expectations and to broaden Linkers' horizon and exposure, we encourage mobility, in terms of where and how you work. Despite travel bans and lockdowns amid the pandemic, a number of Hong Kong employees from different departments were assigned to Mainland China for short-term assignments or extended business trips during 2021/2022.

Lastly, in 2021/2022, we made strides in upgrading and enhancing our headquarters office space to attain the same level of barrier free accessibility that is common across our portfolio. Diversity and inclusion are truly integrated throughout our business and operations.

To further enhance our organisational effectiveness, we rolled out an Enterprise Resource Planning (*ERP*) system this year. ERP is an integrated, cloud-based human resources management, procurement, and finance system, which provides standardisation and global consistency, enabling us to achieve better internal control and corporate governance as we manage an increasingly diverse asset portfolio in different geographies. As part of the ERP rollout, we have been preparing for the launch of a new human resources management system which will enhance both operational efficiency and employee experience by digitising manual processes.

Link was named one of the Best Companies to Work for in Asia for the second consecutive year and received the WeCare certification at the HR Asia Best Companies to Work for in Asia Awards 2021. These awards respectively recognise the remarkable employee engagement and workplace excellence Link has shown and the care and empathy we have demonstrated to our employees.

In addition, we also received five Stevie Awards in recognition of our innovative human resource initiatives and our swift and targeted responses to the pandemic with cross-departmental effort. These included two Gold Stevie Awards for Link's innovative employee initiatives in driving a life-long learning culture and demonstrating the power of team collaboration, one Silver Stevie Award in the "Most Exemplary Employer" category, and a Silver Stevie Award and a Bronze Stevie Award in the "Most Valuable Corporate Response" category for the company's COVID response, recognising our strong support to employees and the wider community during the pandemic.

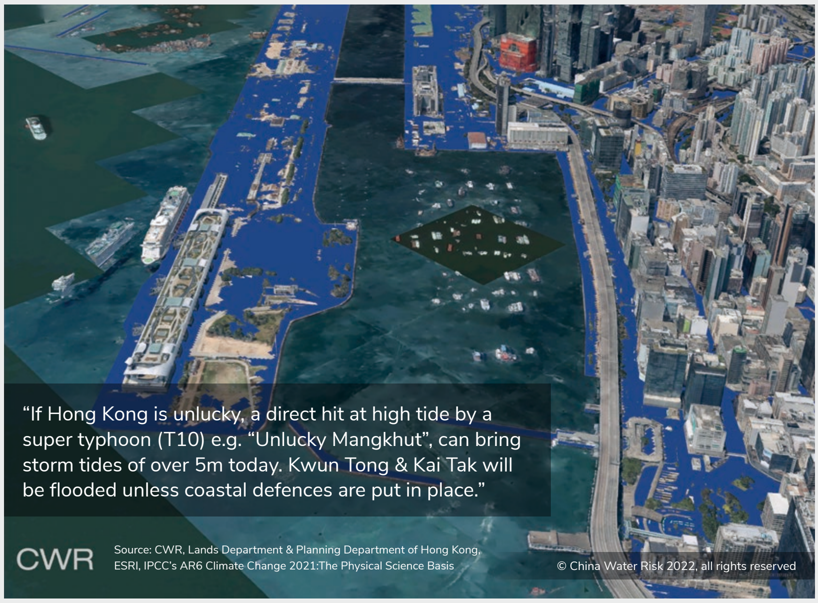
Visionary Creativity

Placemaking through innovation

Creativity in finding ways to enhance resilience and improve efficiency is just as important as creativity in exploring new ideas.

As a long-standing contributor to various international and industry climate working groups, we have been investigating, assessing and mitigating the potential impact of climate change on our portfolio. We have stress-tested the climate resilience of our assets following 1.5°C and 2°C pathways, using different methodologies such as MSCI's Climate Value-at-Risk and EU-backed Carbon Risk Real Estate Monitor. Results from both approaches are favourable, indicating that our asset portfolio has relatively low exposure to physical and transition climate risks.

While these results are promising, we are adamant that our climate resilience efforts must not wane and that a deeper understanding of climate exposures will lead to better investment decisions. The GBA and YRD are economically thriving locations with high growth potential but are likely susceptible to flood risks. How can we capture the growth while minimising risks? Prior to 2021/2022, most climate resilience assessments, particularly for the Asia Pacific region, have incomplete or very little granular data on flood risks, making detailed resilience planning difficult.



Climate impacts are intensifying and accelerating, demanding "low-regret"[1] transformative adaptation action. As the latest Intergovernmental Panel on Climate Change (IPCC) warned, multi-metre sea level rise by the end of this century cannot be ruled out. This year, to strengthen our belief in the GBA's long-term growth potential, we commenced a local, detailed geospatial analysis of coastal threats. Our GBA portfolio was stress tested against three "low-regret" scenarios that factored in both sea level rise according to the latest IPCC findings and potential storm surges.

Results of these "low-regret" stress-tests revealed:

- Around half of our GBA assets demonstrate strong resilience against coastal flood risk, and day-to-day operations will likely be minimally affected even in the 8m stress test.
- Less than a fifth of our GBA assets, including our headquarters in Kwun Tong, are exposed to storm tides of 6m.
- Detailed property-specific vulnerabilities, enabling targeted allocation of resources that can enhance and maximise portfolio storm tide resilience.
- Potential red flag locations where current public infrastructure and accessibility may be compromised by coastal flooding (sea level rise & storm tides), providing vital data to make climate-informed investment decisions.

These findings provide a firm baseline, against which to plan, track and allocate further resilience improvements to build a climate-informed portfolio. Moving forward we will use these data as a foundation to catalyse transformative and collaborative adaptation discussions with business partners and peers.

In anticipation of more frequent and intense rainfall, we have begun installing remote moisture sensors that will trigger alerts at the very early onset of leaks or flooding. These sensors are located in high-risk areas such as electrical rooms, elevator and escalator pits and along key pipes, enabling us to quickly pinpoint water breaches to minimise damage and potential downtime. These form part of our asset and region-specific climate risk management plans, which will future-proof our portfolio from physical damage and operational disruption.

Note:

(1) To minimise maladaptation, IPCC recommends multi-sectoral, multi-actor and inclusive planning with flexible pathways to encourage low-regret and timely actions that keep options open when adapting to long-term climate change. The highest plausible worst-case scenarios were thus used in the stress test to tease out such low-regret options.

Megatrends

1. Changes in Policies and Regulations

Mainland China is setting the tone for future development with a series of new policies and regulations.

In August 2021, Mainland China announced the pursuit of "Common Prosperity", an initiative to stimulate income growth and balance wealth distribution across the country.

To achieve this, policy changes facilitating better governance and more balance in the economy are being rolled out. These include the third-child policy, tightening of the residential property market and restrictions on the for-profit education industry.

These measures aim at fuelling economic growth as Mainland China transitions away from a capital-intensive investment growth model towards a domestic, consumer-driven economy. Growth opportunity is seen in both first-tier cities and rural areas.

Current trends in Mainland China show maturing consumption preferences and increasing demand for tailored and diverse goods and services with higher quality. Service consumption is emerging quickly, spurred by innovation in sectors such as culture, sports, and elderly care where there is significant consumption potential.

Connection to key capitals

Financial | Portfolio | Social & Relationship

Implication for our business and our response

- We are closely monitoring the economic and political development in Mainland China.
- We aim to build and maintain a business model that addresses the needs of public, in particular the emerging middle class. This is in line with the Key Objective of Mainland China's 14th five-year plan.
- We diversified our portfolio with our first venture into the logistics industry in the GBA.
- Our leasing strategy and tenant mix will incorporate brands that focus on upgraded consumption and providing service with due consideration of affordable products.
- Open communication with different stakeholders in the community including government officials, tenants, shoppers, and local communities have always been a priority and will remain so.

2. Geopolitical Tensions

Social fractures and geopolitical tensions have been more severe, and this potentially poses a long-term impact on Link's investments and operations.

US-China tension continues to simmer with little signs of alleviation. The Australia-UK-US security pact (AUKUS) was formed and vows for closer cooperation on nuclear-powered submarines and hypersonic weapons to counter the growing military power of China. Doing business with Chinese and Western strategic sector enterprises, e.g. technology and semiconductor industries, has become increasingly challenging.

The Russia-Ukraine war is having a tremendous impact on commodity prices. Continued rises in oil prices will create forex, social and fiscal challenges for nations who are net importers, increasing the risk of recession and financial crises.

Meanwhile, China is expanding its influence in developing countries through vaccines, financial aid, and commitment to support green development, especially in belt and road countries. Developing countries may turn to China for financial, technological, and scientific support to thrive in the post-pandemic world.

Connection to key capitals

Financial | Innovation | Social & Relationship

Implication for our business and our response

- Forex volatility and hedging costs will increase, as will commodity prices. We are monitoring the impact on Link's operations, especially our supply chains. We take proactive measures to relieve tenants' business pressure.
- Prudent portfolio curation across our regional centres to maintain business resilience.
- Geopolitical tensions will make it more difficult to tackle common global challenges, notably climate change. We are assessing regularly on the impact on Link's portfolio and Net Zero Strategy as well.
- Regular training for Board and Senior Management on the external environment and emerging trends and investment opportunities.
- Regular review of our publications and ongoing communication with government officials, non-governmental think tanks, industry experts and regulators.
- Maintaining open and transparent dialogues with our stakeholders.

3. Inflation

Inflation has caused widespread uncertainty; as US inflation has reached its highest in 40 years, COVID has also caused both supply and demand shocks with disrupted global supply chains, and growing business uncertainty.

In the US, a 0.5% interest raise was announced in May 2022 to a range of 0.75% to 1%, the biggest interest rate increase in more than two decades. The Hong Kong Monetary Authority also raised its base rate by 50 basis points to 1.25%, hours after the US Federal Reserve delivered a rate hike of the same margin. Australia noted a +0.25% rise in interest rate from 0.1% to 0.35% in May 2022, marking its first rate rise in 11 years. The UK also noted +0.25% raise (from 0.50% to 0.75%) in March 2022 and expects further raise shortly.

Connection to key capitals

Financial **Social & Relationship**

Implication for our business and our response

- We considered four inflation scenarios and potential responses:
  1) *Temporary and reversion to normal levels:* Prepare for growth opportunities with related capital planning and diversify our supply chains and reliance;
  2) *Medium inflation with slight growth and disruption to supply chains:* Invest in growth and improve on performance;
  3) *High inflation which induces higher wage expectations and lower consumer spending:* Lower risks through economies of scale and execute hedging to mitigate rising borrowing costs; and
  4) *Deflation but the supply chain disruption will be resolved:* Differentiate offering and further enhance efficiency and savings.
- Link has put in place policies and procedures providing for consistent proactive monitoring and review of inflation implications for the industry and company to understand the dynamics of our business across our portfolio. The Audit and Risk Management Committee (ARMC) at Board level also put in place the governing structure to monitor these risks.

4. E-commerce

In Hong Kong, e-commerce penetration accelerated from a low base; fuelled by COVID restrictions, it accounted for 8% of total retail sales in 2021. However, physical retail demonstrated strong resilience as evidenced by each easing COVID-related restrictions, supported by Hong Kong's retail convenience and proximity to living and work, and driven by high delivery costs. Against this backdrop, omni-channel offerings are emerging, ranging from a click-and-collect networks with lockers and hybrid physical stores opening from online platforms.

In Mainland China, e-commerce penetration is at relatively high level, online sales exceeded the traditional channels in 2021. To promote a sustainable e-commerce environment and regulate monopolistic behaviours, the Chinese Government has formulated "Antitrust Guidelines for the Platform Economy" in February 2021. The pandemic has led to the rapid advancement of another form of e-commerce, livestreaming.

Nowadays, the use of livestreaming channels enable corporates to reach out potential shoppers without geographical restrictions, which speed up the development of logistics industry across the country and prompt the local government to invest in related infrastructure.

In Australia, e-commerce penetration is still relatively low for non-discretionary everyday needs categories. The return to traditional in store retail sales was swift after markets and geographies reopened from COVID lockdown and trading restrictions ceased. As in other markets, COVID accelerated online sales penetration, accounting for 12.7% of total retail sales in the country. However, a large amount of e-commerce sales are tied to a physical store for fulfilment or click-and-collect and online growth are seen as key to success by a number of retailers.

Connection to key capitals

Financial **Innovation** **Social & Relationship**

Implication for our business and our response

- Link's retail portfolio is close proximity to shoppers, focus on fresh food, daily needs and services, and broad range of F&Bs all contribute to its attractiveness. In addition to consistently seeking to improve the offers in our centres, we are also enhancing shoppers' experience with placemaking and are embracing omni-channel with, for example, the introduction of click-and-collect dark kitchens and retail stores that further enhance choice and variety in our centres.
- We diversified our portfolio with our first venture into the logistics industry in the GBA. We are assessing business opportunities in logistic industry across different regions.

Enterprise Risk Management and Principal Risks

Effective risk management plays an integral role in the overall achievement of Link's strategic objectives and ensures the sustainability of Link's business in the long run.

The Board has ultimate responsibility for establishing, maintaining and overseeing appropriate and effective risk management and internal control systems. Led by the Board, Link's three lines of defence, as set out below, co-manage and mitigate the risks associated with Link's business. Procedures and control measures have been implemented, including the creation of a corporate risk register through which external forces, strategic risks, operational risks, compliance and governance are assessed and calibrated according to severity of impact and probability of occurrence. Top risks and the respective changes in risk momentum are monitored by the Risk Governance team, with the corresponding departments or functions as the risk owners.

Our Risk Management 360 (RM360) framework outlines how Link organises and applies risk management practices to ensure that all activities are conducted in line with the principles and limits mandated by our Risk Management Policy. The risk management process is aligned to our strategy and each principal risk is considered in the context of how it relates to the achievement of the Group's strategic objectives.

RM360 is an integrated approach to managing current and emerging risks and opportunities, as well as assessing ESG materiality. It nurtures a culture of active risk and ESG ownership, mirroring Link's target operating model and requiring each business and functional area to assume accountability for the ongoing identification, assessment and management of their existing and emerging risks. This empowers business units and individual Linkers to monitor risk and execute defined mitigation strategies when needed and supports senior management and the Board to identify business opportunities to innovate and/or leverage innovative offering from our stakeholders for mutual benefits.

Our comprehensive risk management processes are designed to identify principal risks and to provide assurance that they are fully understood and managed within our risk appetite. The management of risk is based on the balance between risk and reward, determined through a careful assessment of both the likelihood and impact. Consideration is given to reputational, financial, social, and environmental impact, recognising the significant commercial value of Link's brand.

Link's internal audit department provides independent and objective assurance and advice on the adequacy and effectiveness of the risk management process. Key risk management processes are audited to ensure control improvement opportunities are timely identified and measures are readily implemented.

Connection to Key capitals

Financial | Portfolio | Talent | Natural | Social & Relationship | Innovation

Principal Risk 1
Asset Maintenance and Enhancement

Inadequate maintenance of plant, property and equipment or delay in enhancement projects may result in unnecessary downtime affecting tenant business operations or customer experience.

Potential Impacts

- Operational ineffectiveness
- Loss of community confidence
- Financial loss

How Link is responding

- Robust schedule planning and delivery of enhancement projects.
- Deploy predictive analytics of energy systems to anticipate, mitigate and minimise equipment downtime.

Principal Risk 2
Business Integrity and Compliance

Occurrences of fraud, non-compliance and unlawful activities may affect Link's ability to do business. As the business expands, Link needs to be aware of geography-specific legal and regulatory requirements.

Potential Impacts

- Sanctions and increased compliance cost
- Reputational damage

How Link is responding

- Training on new or updated regulatory requirements.
- Regular review and update of policies and procedures to ensure relevance and effectiveness.
- Robust whistleblowing policy and procedure.

Principal Risk 3
Climate, Health and Well-being

Providing a safe and healthy environment to employees, tenants, shoppers and the community leads to sustainable performance of Link.

There is also greater awareness and focus on reducing carbon emissions intensity to mitigate climate change. This will likely manifest itself in carbon pricing, trading and/or tariffs.

Potential Impacts

- Injury or death at Link's properties
- Loss of talent
- Inability to sustain performance
- Increased costs
- Physical risks and transition risks associated with climate change
- Reputational damage

How Link is responding

- Adoption of a series of measures to maintain a healthy and safe environment in Link's properties and workplace.
- Asset level assessment of exposure to physical and transition climate risks prioritisation of mitigation strategy and measures.
- Ongoing monitoring of asset-level health and wellness performance.

Principal Risk 4
Corporate Reputation

Misalignment with stakeholder expectations of Link may result in negative impacts on Link's brand value, relationships with business partners, investor confidence and shoppers' experiences.

Potential Impacts

- Reduced investment sentiment
- Financial loss

How Link is responding

- Established Stakeholder Engagement Policy to better understand stakeholders' expectations and the implications for Link's sustainable development.
- Developed Business as Mutual ethos to guide our operations and ensure we create value for those around us.

Principal Risk 5
Economic and Political Turmoil

Macroeconomic and financial volatility as well as change of political landscape create difficulties or uncertainties towards the operating environment of Link and its tenants.

Potential Impacts

- Reduced investor sentiment
- Instability of Link's operations
- Financial loss

How Link is responding

- Continuous monitoring of key economic indicators and political climate.
- Robust due diligence and investment processes.
- Dedicated asset managers overseeing performance of assets.
- Maintaining direct and open dialogue to enhance transparency.

Principal Risk 6
Financial Stability

Misalignment of existing strategies on leasing activities, capital management and cost control may not allow Link to achieve financial targets amid global economic slowdown and challenging business operating environment.

Potential Impacts

- Deterioration of credit rating
- Constrained access to capital
- Increased cost of funding
- Inability to sustainable performance

How Link is responding

- Finance and Investment Committee oversees key financial matters.
- Apply prudent capital management strategy and maintain diversified sources of financing.
- Tenant and trade mix strategies to cope with the needs of individual assets.
- Direct and on-going engagement with existing and potential tenants.

Principal Risk 7
Information Systems and Technology

As Link continues to expand, there will be increased risk of business disruption due to inefficiencies in IT systems as well as monitoring and mitigating the ever-changing cyber-threats.

Potential Impacts

- Compromised data integrity and Link's operation
- Financial loss
- Loss of community confidence

How Link is responding

- Regular review and update of IT infrastructure.
- Regular test of Business Continuity and Disaster Recovery Plan.
- Periodic cybersecurity awareness training and exercises.

Principal Risk 8
Portfolio Management

Fundamental assumptions and processes that underpin investment and divestment strategies are undermined which may hinder Link's ability to deliver on Vision 2025.

Potential Impacts

- Reduced investor sentiment
- Inability to sustainable performance

How Link is responding

- Regular evaluation of investment strategies and decisions by Financial and Investment Committee.
- Annual Board retreat to review direction and strategy.

Principal Risk 9
Supply Chain and Procurement

Unanticipated service/good delivery lead times or over-reliance on a specific vendor, contractor or service provider may hinder operation and service quality.

Potential Impacts

- Disruption to Link's operations and asset enhancement projects
- Financial loss

How Link is responding

- Established policy and procedures for procurement.
- Ongoing monitoring of vendors' performance.

Principal Risk 10
Talent

Failure to develop and retain an agile, aligned and high performing team of Linkers may impede Link's ability to grow.

Potential Impacts

- Reduced efficiency and productivity
- Loss of corporate knowledge
- Higher hiring and retention cost

How Link is responding

- Remuneration and Nomination Committees oversee key talent and remuneration matters.
- Regular review of talent strategy including workforce planning, total reward programme and learning and development initiatives to ensure competitiveness.

Financial

We are adept at managing our portfolio efficiently. Promoting organic growth is crucial for retaining earnings so we can weather risks amid market uncertainty. Prudent and effective capital management helps preserve our financial capital and to support our strategic growth.

Key Performance Indicators

97.7%	5.4%	22.0%[(1)]
Hong Kong Retail Occupancy	DPU Growth (YoY)	Gearing Ratio

Our Progress in the Past Year

During the year, we made good progress on our Vision 2025 initiatives and continued to deliver robust returns: DPU grew 5.4% YoY despite market volatility. We are particularly pleased by the exceptional organic growth delivered in this year under the challenging market environment.

We maintained our focus on active asset management and prudent capital management, enhancing the resilience of our income streams and ensuring that diverse funding options are available to support our strategic growth.

Asset Management

We have a team of dedicated local asset managers in Hong Kong and Mainland China to oversee our portfolio of assets. The team strives to achieve optimal performance and continually seek synergies across the portfolio. Our active leasing strategy covers a range of activities including (1) tenant remixing, (2) rental reviews against tenant performance and corresponding lease negotiations, and (3) tenant relationship management. Augmenting this is our holistic marketing approach which reinforces our brand promise – We Link People to a Brighter Future – by curating an enjoyable environment for our shoppers.

The strong performance of our Hong Kong and Mainland China portfolios in 2021/2022 validates the effectiveness of our active asset management approach. Occupancy of our Hong Kong retail portfolio climbed to a high level of 97.7% despite the difficulties of lease negotiations during the COVID pandemic. The Mainland China retail portfolio remained stable with overall occupancy healthy at 92.3%[(2)]. Our team signed over 660 new leases in the Hong Kong portfolio during the year. Reversion of Hong Kong retail portfolio returned to positive at 4.8% is a testament to our efforts over the past several years to refine Link's tenant mix, ensure portfolio productivity and growing our rental income steadily.

Capital Management

We maintain stringent capital management and maintain capital for deployment in order to deliver sustainable returns to our Unitholders. Select developed markets will benefit from the reopening of economies after the COVID lockdown. Against this backdrop, during the year we prioritised maintenance of a healthy balance sheet and the shoring up our liquidity level to position ourselves well to capture acquisition opportunities.

Over the past year, Link remained diligent in sourcing financial capital from our debt investors at competitive costs securing liquidity and our balance sheet. We also signed several

Notes:

(1) After adjusting for the impact of the acquisition of 50% interests in a Sydney retail portfolio announced on 7 November 2021, the acquisition of 49.9% interests in a joint venture that owns interests in 5 prime office properties in Sydney and Melbourne announced on 10 February 2022 and completed on 1 June 2022, the acquisition of three logistics properties in Mainland China announced on 12 May 2022, and the final distribution declared, the gearing ratio of Link as at 31 March 2022 will increase to 24.9%.

(2) Excluding Happy Valley Shopping Mall in Guangzhou.

Temple Mall North, Hong Kong

sustainability-linked loans, reaffirming our commitment to sustainable finance while pursuing capital for responsible long-term growth. As at year end 2021/2022, we possess ample financial resources with HK$22.6 billion undrawn committed facilities and HK$2.9 billion cash and bank balances. Average borrowing costs remained low at 2.3% and debt maturity averaged at 3.5 years.

We maintained strong credit ratings from three credit rating agencies, which is important to ensure low and competitive cost of funding.

Looking Ahead

- Active Asset Management for New Investments: Riding on the improvement in leasing sentiment amid the post-pandemic recovery, we will continue to implement our active asset management approach in our new investments to drive further income growth and to promote business continuity.
- Prudent Capital Management to Support Growth: As we move into 2022/2023, we will remain prudent in allocating financial capital and making financing decisions to support the delivery of our Vision 2025

Case Study: Tenant Support Scheme

The fifth wave of the pandemic brought unprecedented challenges to Hong Kong. We are committed to working with our stakeholders to ride through these trying times and launched a tenant support scheme in the city since early February this year. The scheme was subsequently upsized to a total of around HK$220 million. With our Business as Mutual mindset, we extended support to the tenants most in need with support measures such as concessions and other targeted relief measures tailored on a case-by-case basis. We will continue to engage and work with our tenants to keep our community healthy and vibrant.

Portfolio

Our business is subject to various risks and uncertainties and we believe a diversified portfolio can strengthen our resilience by allowing us to profit from the distinct economic cycles of different economies. Aside from Hong Kong and Mainland China, we are seeking opportunities in Australia, Japan, Singapore, and the United Kingdom, all of which have transparent and liquid markets, solid regulatory frameworks, and strong economic foundations.

Key Performance Indicators

7.5%
Total Assets Growth (YoY)

17
Property Investments

3
Asset Enhancement Projects Completed in Hong Kong and Mainland China

We recognise our fiduciary duty as a leading real estate investor and manager to uphold the principles of responsible investment throughout our entire asset life cycle. We continuously seek to enhance the sustainability performance of our assets via asset enhancement.

Our Progress in the Past Year

Portfolio Management

During the year, we announced investments in 17 assets across Hong Kong, Mainland China and Australia. The acquisition of three logistics properties was announced in May 2022, bringing our total investments to HK$26 billion. 2021/2022 also marks our first entry to the flourishing logistics sector; we believe this asset class is complementary to retail and can bring us stable growth and return. These acquisitions contribute to our goal to develop a high quality and diversified portfolio that can weather different business cycles and deliver long-term sustainable returns for our unitholders. To maximise value creation, we will return capital to our unitholders via unit buyback, subject to market conditions and regulations.

Responsible Investment

Our Board underpins the governance of our Responsible Investment Policy. This year, we revamped our due diligence and approval procedures, and defined the roles and responsibilities of various business units to further formalise implementation and accountability.

Ranging from asset acquisition, development, operation, enhancement to disposal, we strive to incorporate key sustainability criteria into our decision-making and management actions so that we can future proof our portfolio against identified and anticipated risk exposures and maintain sustainable growth.

During pre-acquisition phases, we identify sustainability risks and opportunities and undertake preliminary assessments in accordance with our internal checklist of key investment matters. Necessary remediation action plans are included in the approved business plan and budget for post-transaction implementation.

Link CentralWalk Asset Enhancement

We completed asset enhancement of Link CentralWalk in Shenzhen in early 2022. Following the asset enhancement, the property's green area now spans more than 18,000 square metres with as many as 36 kinds of plants within the mall. The total green coverage ratio has been significantly raised to 43.1%, providing a range of environmental benefits such as enhancing site biodiversity, reducing heat island effects, minimising site precipitation runoff and improving microclimate. Through careful selection of plant species, we also reduced the demand for irrigation, pesticides, and fertilisers, as well as the burden of subsequent pruning and ongoing maintenance.

During the construction process, we procured building materials

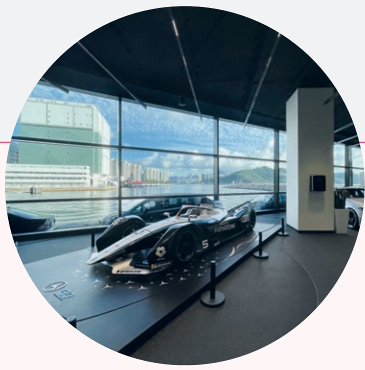
Link CentralWalk, Shenzhen

which mitigate environmental, economic and social impacts: ceramic tiles and steel were regionally produced and included pre- and post-consumer recycled content. We also renovated and reused existing ground stone paving materials to extend infrastructure life cycle and reduce waste generation.

The large glass sunroof connects the interior of building with the outdoor environment, reducing required energy use for lighting, and improves thermal comfort for building users. We also revamped the outdoor shared space to provide better accessibility and connectivity, adding new recreational facilities and seating options. The revived space has become a social hub and comfortable outdoor oasis for the surrounding community.

Looking Ahead

- Strategic portfolio management: We will continue to remain prudent and selective in managing our portfolio, finding suitable investment opportunities that will help diversify our risks and drive inorganic growth.
- Continued asset enhancements: Taking into consideration asset age and condition, we will continue to strategically upgrade our assets to enhance sustainability and financial performance.



Case Study: Acquisition of the Chai Wan Property

Our updated Responsible Investment policy was put to the test during the recent acquisition of the Chai Wan property. During the early stage of due diligence, flood risk was identified as the primary physical climate risk due to its proximity to the seafront. Different business units were brought into the discussion to understand and evaluate the asset's vulnerability, mitigation options, costs, and potential insurance risk prior to acquisition. The final investment plan included flood mitigation measures, transfer of risks upon completion of acquisition and identified required updates to standard operating procedures.

Talent

Sustaining leadership growth and building our talent capacity will be crucial to our talent management priorities as we continue to extend our portfolio growth trajectory and seize expansion opportunities across our chosen markets.

Key Performance Indicators

over
26,310
Training Hours

7
Awards & Recognitions

Our Progress in the Past Year

To achieve greater organisational effectiveness, we established a group organisation structure which delineates regional operations from group functions. Group functions focus on strategy, corporate policy and governance, while regional centres focus on managing and executing the business plan.

Strengthening our leadership bench strength and capacity for the future at group and regional levels is an integral part of our business strategy to diversify our portfolio mix and assure our sustainable growth. This is achieved through strategic hires, as well as leveraging Link's deep bench strength. We have successfully made several senior hires at group level and in regional centres. Greg Chubb was appointed as Chief Operating Officer – International expanding our strategic and business presence in international markets. Ronald Tham was appointed as Chief Corporate Development Officer and is responsible for the group's corporate development, mergers and acquisitions, corporate finance and capital transactions, to strengthen our transaction management process as we review an increasing number of opportunities with greater complexity. Kenny Lam was appointed as Chief Investment Officer (Strategic Investment) and is responsible for strategic investment, mergers and acquisitions and portfolio management, to diversify our investment portfolio across asset classes and markets. A full-fledged local leadership team for the Mainland China regional centre was built, including the recent hiring of Haiqun Zhu as Managing Director – Mainland China, to expedite our growth plan in Mainland China. Several senior hires were also made to strengthen our leadership capabilities in retail and office portfolio operations, asset management and our growing logistics portfolio.

We continue to expand our business presence in Mainland China and major developed markets to build a more diversified portfolio. Established in February 2020, our Shanghai regional centre is now in full operation.

With our growing footprint in Australia, we established our regional office in Sydney in April 2022. This enables us to work more closely with local market practitioners, asset and investment managers as well as the operators who currently manage our properties in Australia. We are therefore now able to better serve the needs of our stakeholders and the broader community.

We reviewed our HR policies to better meet Link's organisational and employee needs. Staff benefits were enhanced to ensure our total reward remains competitive. We also looked after employees' mental well-being. Throughout the year, workshops on stress management, mindfulness, parenting tips, traditional Chinese medicine and mindfulness drawing sessions were held to promote lifestyles of health and sustainability as well as to empower employees to better cope with this unprecedented pandemic.

We value employees' feedback to make Link a better place to work. We conducted an Employee Engagement Survey in May 2021, with an 87% response rate. Three focus groups were held afterwards to enrich results revealed from the survey. We reviewed the findings and have been acting on employees' feedback in the areas of workplace, policies and employee engagement.

Link's Dragon Boat Team in competition

Looking Ahead

- Talent management: As Link grows beyond, we will continue to strengthen our talent management through the expansion of our talent pipeline, arming our employees with the right skillsets, and growing future leaders. Link will continue to serve as a dynamic and supportive platform to empower our employees to succeed to the best of their ability and reach for a brighter future together.

Case Study: Employee engagement and COVID support to employees

The most recent wave of COVID has impacted both Hong Kong and Mainland China since the second half of 2021/2022. Our robust crisis planning processes helped us manage through the pandemic, while maintaining business continuity. Our strategic decision several years ago to equip employees with the needed technology to work remotely, allowed us to be agile and maintain business continuity as social distancing measures evolved.

We demonstrated our unwavering commitment to safeguard our employees' physical, mental health and well-being through prompt implementation of a range of initiatives, including flexible work arrangements, and a cash subsidy to all our Hong Kong and Mainland China employees to support their household needs. We issued regular COVID updates and set up a COVID information sharing community on our online Yammer platform for employees to exchange up-to-date information on the pandemic. To better support our frontline employees, who continued to perform their jobs onsite, ensuring our properties remained healthy places for communities, we provided the necessary protective equipment and a lunch subsidy for them. While Shanghai and Shenzhen were in lockdown and stringent COVID protection measures were imposed in Beijing and Guangzhou, to express our care and support to our employees there and their families, we continually checked in with them to look after their physical health and mental well-being. We also leveraged our e-commerce channel to deliver household necessities to individual employees.

Natural

Our business operates within the natural environment and can only be sustainable when it supports a healthy planet. We prioritise reducing our negative footprint, contributing to positive impacts, managing risks and building resilience. Our key environmental focus areas are Climate and Greenhouse Gas Emissions, Green Buildings and Resource Management.

Net Zero Carbon Emissions by 2035 – Two Interim Targets by 2025/2026

-5%
Electricity Intensity

-25%
Carbon Emissions Intensity

Our Progress in the Past Year

Climate and Greenhouse Gas Emissions

In 2021/2022, we made progress towards achieving our commitment to reach Net Zero by 2035, reducing our electricity and carbon emissions intensity by 0.6% and 15.1% compared with our 2018/2019 baseline. Our newly expanded solar panel installation roadmap across 47 Link properties will have an installed capacity of 3.7 MWp, and is expected to generate 3,500 MWh of renewable energy annually. We are on track to complete this project by 2023/2024, it will be one of the largest solar energy generation projects in Hong Kong when complete.

Green Buildings

We advanced our efforts to obtain further green building certification for our properties, reaching 86.5% coverage by GFA across our portfolio[1]. On top of our noteworthy achievement in obtaining LEED and SITES Platinum precertification as well as WELL Health-Safety Rating for our Link CentralWalk's asset enhancement project, we were a major participant of Hong Kong's BEAM Plus Existing Buildings V2.0 Selective Scheme (Energy Use), successfully attaining a "Good" rating for 12 of our Hong Kong properties in 2021/2022.

Resource Management

We continued to expand our collaboration with the recycling network in Hong Kong, working with business partners, NGOs, technology providers and downstream recycling companies to further expand waste reduction and diversion. We upsized our existing waste diversion programmes this year, engaging with tenants in Hong Kong to jointly deliver organic waste to the government's O·Park waste-to-energy facility, collected surplus food for donation and increased plastics and glass bottle recycling. To reduce single-use plastics and lessen their impact on the environment, Link launched the "Bid Farewell to Plastic Umbrella Bags" campaign, becoming the first mall operator in Hong Kong to announce a complete ban on the use of plastic umbrella bags. We have ceased distribution of single-use plastics umbrella bags since February 2022 across our 75 shopping centres in Hong Kong, striving to reduce waste at source.

Value Chain Engagement

To facilitate the development of sustainable retail, we updated both our Fit-out Handbook and Management Rules & Regulations for tenants with green recommendations, ranging from prioritising the use of sustainable materials and products in fit-out to green operating measures such as energy savings and responsible waste handling.

Note:

(1) Green building certification includes environmental, health and well-being-related building certification schemes.
Portfolio includes retail, office and logistics properties, but excludes retail <40,000 sq ft by IFA and car park properties.
Newly acquired/developed assets without green building certification are excluded from calculation for up to 24 months.

Yiu On Shopping Centre, Hong Kong

Looking Ahead

- Upgraded Targets: To further integrate environmental responsibility into our business decisions and processes, and to embed them into our daily operations, we reviewed our environmental performance and upgraded our targets including establishing a waste recovery/recycling target of 50% by 2035 and committing to align our Net Zero Strategy using SBTi Net Zero Standard.
- Business Process Transformation: Achieving these targets and realising true integration will require deeper collaboration between internal business units and external partners. As quick win sustainability solutions are exhausted, we will need to transform current processes by upscaling existing initiatives and embarking on innovative pilots to realise further efficiency improvements across our portfolio.

A key challenge will be how to streamline the collection and analysis of robust ESG data across our value chain, particularly as we grow across geographies and asset classes, and in response to expected tightening of ESG reporting and regulatory requirements.

Case Study: Styrofoam Box Recycling

A unique challenge we faced first hand in 2021/2022 was the impact of value chain disruption, specifically for recyclable materials. Hong Kong has limited capacity for processing recyclable materials, and most are transported to Mainland China for proper treatment. At the onset of the fifth wave of COVID in Hong Kong, traffic between Hong Kong and Mainland China was disrupted. Expanded polystyrene boxes – commonly known as Styrofoam – used to transport vegetables to fresh markets, began to pile up around our properties creating a visual nuisance and potential fire hazard. Instead of disposing at the local landfill, we were committed to finding a better and more responsible solution.

We engaged with stakeholders within the ecosystem including fresh market stall operators, cleaning contractors, local NGOs, downstream recyclers, and technology providers to collectively invest resources and manpower to rapidly upscale the city's Styrofoam handling capacity. At the end of March, within a month of operation, we achieved a recycling rate of nearly 60% for fresh market Styrofoam boxes, preventing over 59,000 boxes from entering landfill or escaping into the environment. The recycled Styrofoam will be used as raw material for production of new plastic products such as coat hangers or garden furniture. We will continue these efforts in the coming year and target to increase the recycling rate further.

Social & Relationship

A critical part of our vision is to serve and improve the lives of those around us. The Business as Mutual mindset permeates our business. We focus on engagement and co-creation with our stakeholders: providing sustainable environment for tenants and customers, ensuring a responsible supply chain, and supporting and uplifting local communities.

Key Performance Indicators

~220
Tenant Support Scheme (HK$ million)

13.1%
Hong Kong Retail Overall Rent-to-Sales Ratio

Our Progress in the Past Year

Supporting our Tenants

We supported our tenants in Hong Kong during the fifth wave of COVID by offering rental relief and stepping up our hygiene and anti-pandemic measures. Recognising F&B tenants were among the most severely impacted during the pandemic, our Link Tenant Support Scheme distributed over HK$13 million worth of F&B coupons to shoppers via various programmes to support our tenants' businesses. Free gifts and parking were also offered to drive take-away business during the pandemic. To maintain space for tenants to operate and thrive, the overall rent-to-sales ratio of Hong Kong retail portfolio remained at 13.1%, signifying Link's retail space is still relatively affordable to them.

Uplifting Local Communities

In view of the large number of citizens quarantined at home and who needed food delivery support at the peak of the fifth wave of the pandemic, we acted swiftly to work with community leaders and resident groups to identify 2,500 families who had urgent needs and to deliver food and grocery packs.

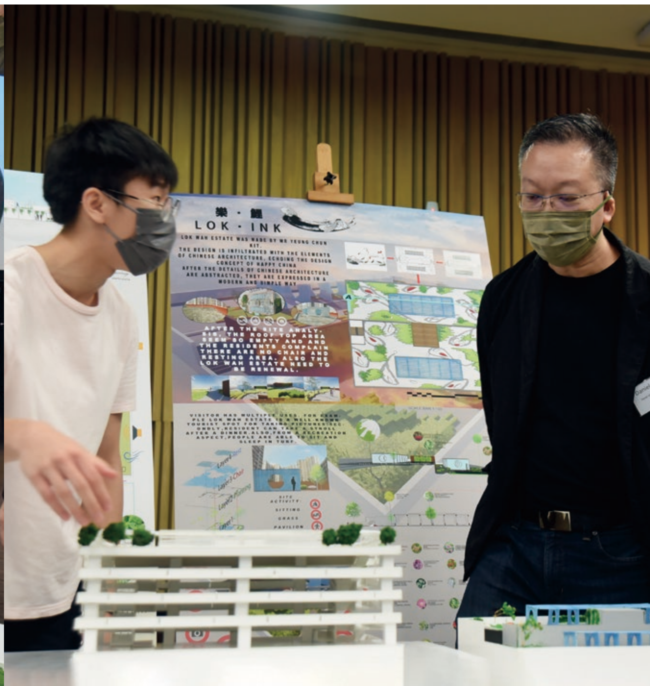
Link has made extensive efforts to engage the local community. In August 2021, we organised a cross-district cycling event, "Tour de Link", in six malls with nearly 6,000 participants. In September 2021, Link and the Civil Service Bureau launched the Outreach Vaccination Service at Lok Fu Place to encourage more people to get vaccinated. Both received very positive responses from our stakeholders.

Link Together Initiatives continued to support eight community projects and 220 students under the Link University Scholarship, a total funding of HK$15.5 million was committed over the year. To further engage our community in placemaking, we invited landscape architecture students from Hong Kong Design Institute to join the Lok Wah South Car Park rooftop placemaking competition under our "Project Together" initiative. Together with our working partners such as consultants and contractors, we aimed to enhance the facilities as a social hub and to create uplifting spaces for the community to enjoy and thrive in.

Looking Ahead

- Mainstream Business as Mutual: Looking ahead, we expect Business as Mutual will become the new norm. We seek to lead these efforts by growing collaboration through our ecosystem of stakeholders, from our capital providers, supply chain, tenants to shoppers.
- Strategic Engagement and Responsible Investment: To ensure our business evolves in a way that aligns with our stakeholders' expectations and needs, we established a Stakeholder Engagement Policy to guide and govern how we engage with different stakeholders. As our business expands regionally and internationally, we will leverage the rollout of our new sustainable investment criteria and processes to become a global leading ESG investor and asset manager.

Design competition was organised to prepare for a makeover of the rooftop of Lok Wah South Car Park



Case Study: Local Employment

In 2021, Hong Kong's poverty rate reached a 12-year high, with nearly 25% of citizens living below the poverty line. This is unacceptable for a world class city.

We adhere to the conviction that no company can operate in a society that fails. To combat this, we have committed HK$105 million in community development through our Link Together Initiatives since 2013.

Our ongoing dialogue with community NGOs and business partners unveiled a key mismatch in the labour market. Many NGOs provide job training classes, but they lack job placements for their beneficiaries. On the other hand, employers across industries are suffering from labour shortages but they do not know how to find job seekers supported by the NGOs.

Driven by our Business as Mutual mindset, we investigated how our platform of properties, tenants, NGOs and communities can help alleviate poverty. An idea that came out of this was the Local Employment Initiative to promote upward social mobility. We began by encouraging our security, property management and housekeeping contractors to hire qualified candidates living below the poverty line that were identified by NGOs. A key criterion is that these candidates should also live in the same district as the employment opportunity to reduce commuting time and costs thereby enhancing quality of life as well. To increase our own accountability, we set a local employment hiring target as part of our latest sustainability-linked finance transaction.

We started the local employment hiring in March and have already successfully arranged initial job placements and the scheme has gained support from our tenants as well.

Moving forward, we hope to create a self-sustaining ecosystem with NGOs, our contractors, tenants and other interested parties, so that we can all collaborate to provide diversified job opportunities to those in need, and better enhance their upward social mobility in the long run.

Innovation

Our ability to evolve to meet and overcome the challenges of the new market landscape has enabled our success so far. We support innovation within the business and externally by piloting emerging technologies and supporting start-ups. We also encourage innovation in thought by being open-minded to new ways of doing business.

Key Performance Indicators

Launched
Sustainable Finance
Framework

127
properties have implemented FMIT solutions in Hong Kong

Our Progress in the Past Year

Internal Innovation

We launched an innovative Sustainable Finance Framework, requiring all future sustainability-linked finance transactions to include KPIs in each of the environment, social and governance areas. This ensures that our financing supports corporate targets that balance environmental, social, governance and prosperity considerations in a way that enables Link to grow responsibly.

Utilising Innovative Technologies

A key climate risk across our portfolio is increased torrential rain and associated floods. To adapt to these risks, we deployed IoT solutions to better manage our properties against water leakage and flooding events and enhance operational efficiency. Remote moisture sensors are installed near major facilities such as rooftop chiller plants and escalator pits, and above-floor drainage points to alert over-flow conditions for timely handling, to lessen the impact on building occupants and shoppers and to reduce insurance claims. This year, we piloted these solutions in our TKO Gateway and TKO Spot retail malls in Hong Kong and will target further rollout across more sites after assessing performance.

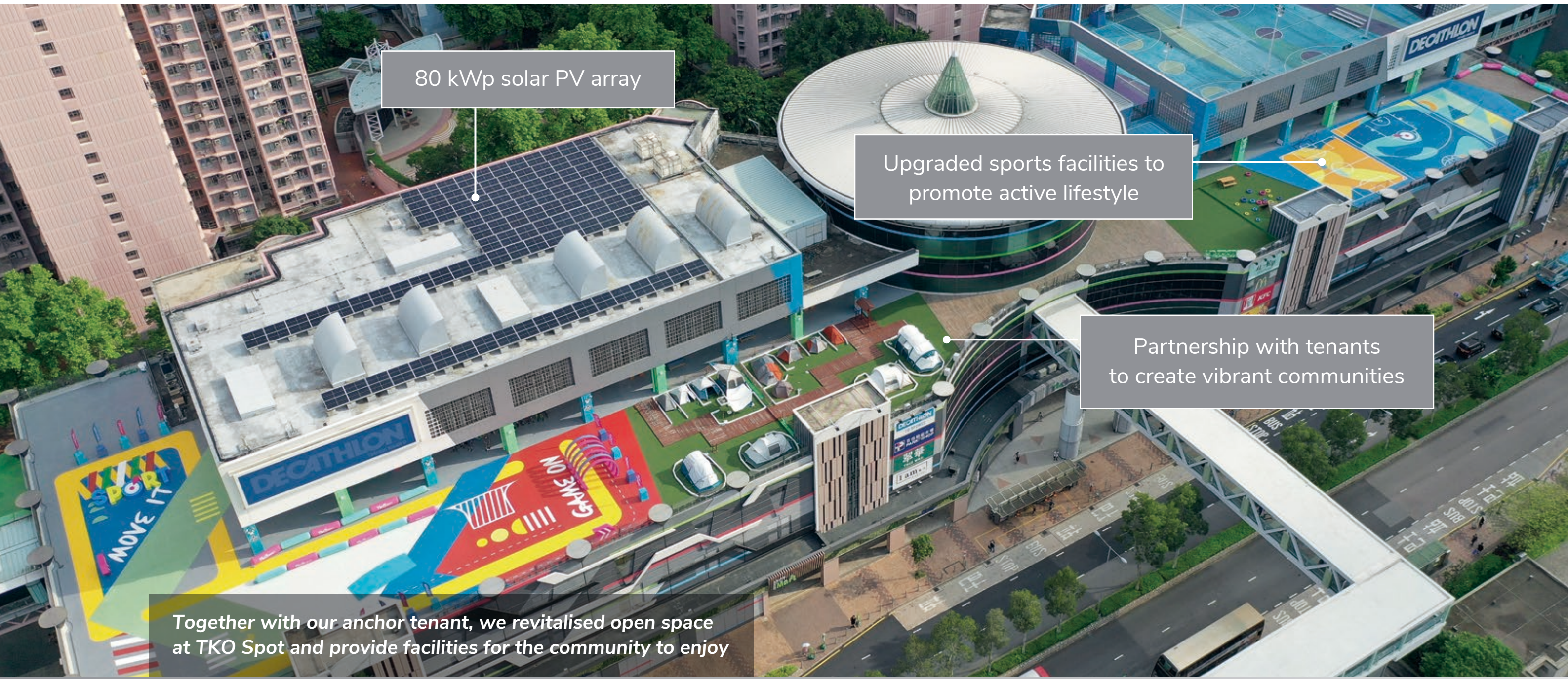
Facilities Management Information Technology (FMIT)

During the year, we developed and launched the FMIT programme to improve various aspects of property management and maintenance; better budget control by reducing unplanned maintenance, inventory and asset management, tracking and reporting of work orders, workflow improvement to standardise best practice and better contractor performance management.

Initial results have been promising, after full implementation across all our properties from April 2022. We have observed a nearly 30% improvement in response time for repair and maintenance work orders and better utilisation and planning of manpower. We have also seen streamlining of crucial property management functions including site safety, housekeeping and security.

Looking Ahead

- Expand Collaboration: The urgency of the climate crisis and other escalating environmental and social problems will require solutions beyond business as usual. We must work together with stakeholders within the ecosystem to seek solutions, to support technological breakthroughs and scaling, as well as to evolve business processes to become more sustainable.
- Review Net Zero Roadmap and Opportunities: Rethink/re-examine/explore how decarbonisation activities and new technologies will impact our portfolio and create new opportunities.



Together with our anchor tenant, we revitalised open space at TKO Spot and provide facilities for the community to enjoy

Case Study: Sustainable Finance

While sustainable finance is not new, our latest sustainability-linked loan highlights how innovative thinking can be applied to grow beyond business as usual. Driven by Business as Mutual, we deliberately set up performance targets that require collaboration with our value-chain stakeholders, such as the upward social mobility target. Doing so expands the impact of our sustainability initiatives and brings our business partners along with us on this crucial journey.

Environment: We have set a target to develop and sign green leases with our tenants. In Hong Kong and Mainland China, it is still uncommon to set out legally binding lease terms that stipulate green obligations for landlords and tenants. This green lease target requires us to closely work with our tenants and business partners in devising a green lease that is practical and effective in enhancing environmental performance of all parties. We hope that our experience can raise the bar for continuous improvement in the real estate industry.

Governance: Our target is to upgrade/validate our Net Zero target against a global standard such as SBTi Net Zero Standard, which requires us to drastically reduce Scope 3 emissions with minimal carbon offset. Achieving this target requires us to create strategies to engage our up-stream and down-stream stakeholders to improve our environmental performance together.

Instead of picking targets entirely within our operational control, we choose to embark on an ambitious and challenging journey that requires us to engage our stakeholders to achieve common sustainability goals. As of 31 March 2022, 37% of our facilities were sustainability-linked. We aim beyond doing good ourselves by inspiring like-minded businesses and partners to contribute to continuous improvement in the industry and the community.

Operational Highlights

China

Hong Kong Portfolio

Our portfolio in Hong Kong comprises primarily retail and car park facilities attached/adjacent to public residential developments.

The shopping malls offer daily necessities and essential services to the general public. Parking services are made available to shoppers visiting our malls and residents of the surrounding estates. These assets are a part of Hong Kong's consumption infrastructure with resilient revenue streams, underpinning our financial strength amid uncertainty. The Quayside, a joint venture office building in Kowloon East, and two car park/car service centres and godown buildings in Hung Hom and Chai Wan provide additional growth avenues.

The Hong Kong portfolio showed encouraging results early in the financial year with the COVID recovery well underway. The fifth wave of COVID emerged in late January 2022, leading to the implementation of stringent social distancing measures. Our tenants experienced different degrees of disruption, some having to suspend their operations temporarily. Despite this, our tenants have demonstrated agility and resilience in combating COVID. Our consistent engagement with tenants and active asset management helped retain tenants and maintain the overall rental collection rate at a strong level of 98% for the reporting year. Total retail revenue improved by 2.7%. The total car park and related business revenue improved by 13.2% year-on-year.

Retail

- As at the financial year end, occupancy reached a high level of 97.7%, even under the fifth wave of COVID. This shows the resilience of our non-discretionary focused retail properties and the role they play in the lives of local communities.
- Despite the challenges in lease negotiation brought about by the fifth wave of COVID, over 660 new leases were signed in Hong Kong. The Hong Kong overall average reversion rate improved to 4.8%. Average unit rent edged up slightly to HK$62.7 per square foot (psf).
- Robust year-on-year tenant sales recovery was supported by strong local consumption until the beginning of 2022. Link's tenants experienced a relatively small degree of disruption during the year and as a result, a stable 7.8% year-on-year growth in tenant gross sales psf was achieved, outperforming Hong Kong average. Overall rent-to-sales ratio stayed at the healthy level of 13.1%.

Non-discretionary offering: Tsz Wan Shan Market

Busy fresh market in the early afternoon even on a typical weekday

- In response to the fifth wave of COVID, Link has provided rental concessions to tenants in sectors required to close for business under the government's epidemic control measures. We were among the first businesses in Hong Kong to announce a HK$120 million scheme to help alleviate tenants' financial burdens. The scheme was then upsized to around HK$220 million. A range of support measures were offered on a case-by-case basis, including rent reductions, grant of rent-free periods, allowing rent payment by instalments and late payments interest charges and service charges waiver. In addition, we have been working closely with tenants on a variety of additional initiatives to provide flexibility, such as lease restructuring. Record-high occupancy levels achieved during the year helped to partially offset the spending on the tenant support scheme. We will continue to assess epidemic developments and will remain flexible to help our tenants cope with these challenges.
- With the strong support provided to our tenants, no major rental arrears were recorded. Our rental income stream is well buffered against market fluctuations due to a diverse tenant base, with the top 20 tenants accounting for around 40% of the total retail revenue. The government has also offered a new round of consumption vouchers of HK$10,000 and an Employment Support Scheme, to eligible individuals and employers, respectively. We expect the consumption voucher scheme to be an effective tool to boost leasing sentiment and local consumption. We are confident that this round of support measures, coupled with relaxation in social distancing measures, will lead to an encouraging post-pandemic recovery. Similar to 2020, given our financial health and the challenges the government is addressing, we have not applied for the Employment Support Scheme.

97.7%
Retail average occupancy

+0.5%
Average unit rent per square foot (YoY)

13.1%
Overall rent-to-sales ratio

Revenue Breakdown

	Year ended 31 March 2022 HK$'M	Year ended 31 March 2021 HK$'M	Year-on-year change %
Retail rental:			
Shops[(1)]	**4,919**	4,881	0.8
Markets/Cooked Food Stalls	**977**	954	2.4
Education/Welfare and Ancillary	**141**	140	0.7
Mall Merchandising	**186**	184	1.1
Expenses recovery and other miscellaneous revenue[(2)]	**866**	741	16.9
Total retail revenue	**7,089**	6,900	2.7

Notes:

(1) Rental from shops included base rent of HK$4,830 million (2021: HK$4,826 million) and turnover rent of HK$89 million (2021: HK$55 million).

(2) Other miscellaneous revenue includes management fees, air conditioning service fees, promotion levies and miscellaneous revenue.

Operational Statistics

	Occupancy rate		Reversion rate		% of total area[1]
	As at 31 March 2022 %	As at 31 March 2021 %	Year ended 31 March 2022 %	Year ended 31 March 2021 %	As at 31 March 2022 %
Shops	**98.1**	97.0	**2.9**	(5.8)	**84.0**
Markets/Cooked Food Stalls	**95.2**	94.4	**19.0**	18.2	**9.2**
Education/Welfare and Ancillary	**97.0**	98.4	**6.7**	5.3	**6.8**
Total	**97.7**	96.8	**4.8**	(1.8)	**100.0**

Note:

(1) Total excluding self-use office.

Tenant Retail Gross Sales Growth and Rent-to-sales Ratio

(Year ended 31 March 2022)

Trade	Tenant retail gross sales growth psf %	Rent-to-sales ratio[1] %
Food and Beverage	**16.6**	**14.6**
Supermarket and Foodstuff	**(2.3)**	**10.7**
General Retail [2]	**10.3**	**14.4**
Overall	**7.8**	**13.1**

Notes:

(1) A ratio of base rent (excluding management fee) to tenant retail gross sales psf.

(2) Including clothing and accessories, department stores, electrical and household products, personal care/medicine, optical, books and stationery, newspapers, valuable goods, services, leisure and entertainment, and retail others.

Portfolio Breakdown

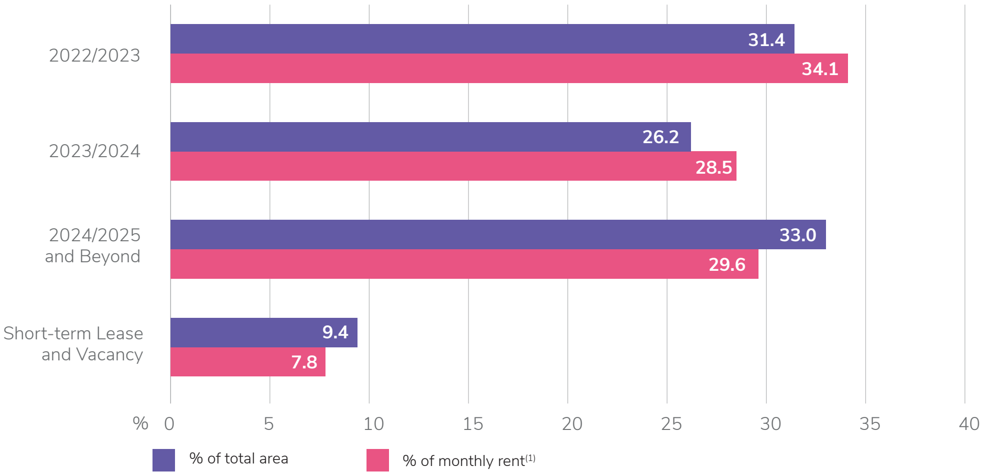
	No. of properties	Retail property valuation	Retail rentals	Average monthly unit rent[1]		Occupancy rate	
	As at 31 March 2022	As at 31 March 2022 HK$'M	Year ended 31 March 2022 HK$'M	As at 31 March 2022 HK$ psf	As at 31 March 2021 HK$ psf	As at 31 March 2022 %	As at 31 March 2021 %
Properties							
Destination	**6**	**26,436**	**1,225**	**76.5**	79.3	**97.7**	94.0
Community	**35**	**67,364**	**3,514**	**69.7**	69.2	**98.2**	97.6
Neighbourhood	**57**	**29,078**	**1,484**	**45.5**	44.6	**97.1**	97.2
Total	**98**	**122,878**	**6,223**	**62.7**	62.4	**97.7**	96.8

Note:

(1) Average monthly unit rent represents the average base rent (excluding management fee) per month psf of leased area.

Lease Expiry Profile

(As at 31 March 2022)

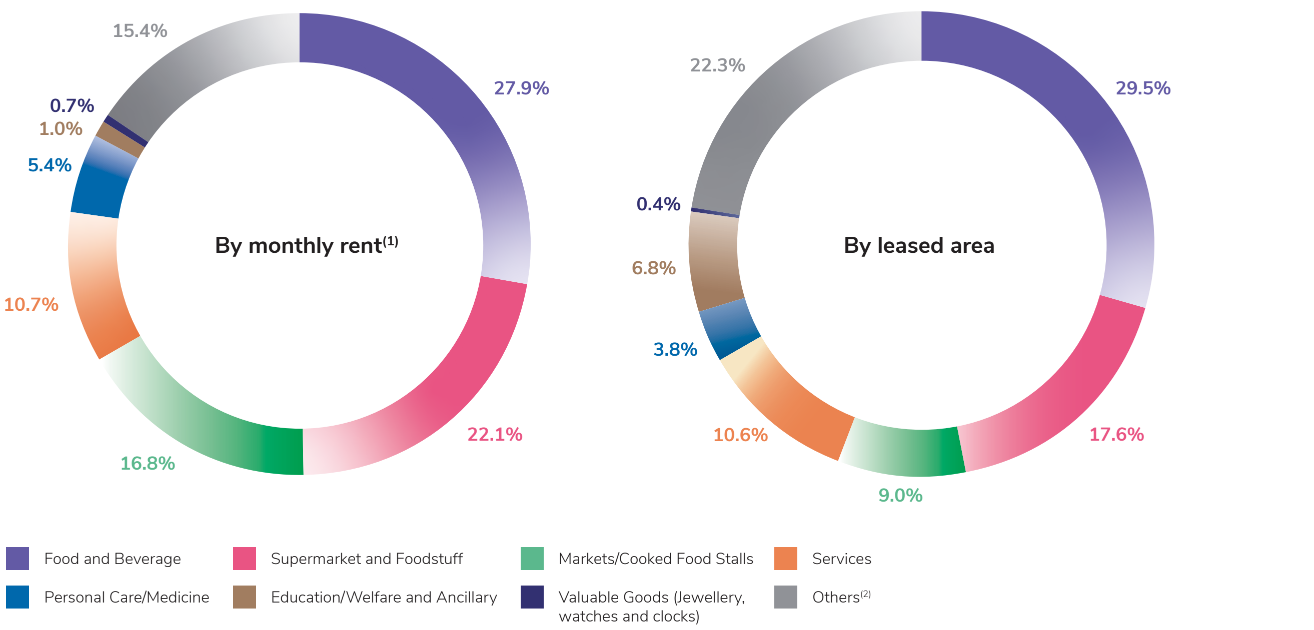


Note:

(1) Refers to base rent (excluding management fee).

Trade Mix

(As at 31 March 2022)



Notes:

(1) Refers to base rent (excluding management fee).

(2) Others include clothing and accessories, department stores, electrical and household products, optical, books and stationery, newspapers, leisure and entertainment.

Hung Hom Car Service Centre

A 13-storey 4S full-service building hosting Mercedes-Benz's showroom, car servicing and repair workshops

13.2%

Revenue growth (YoY)

8.8%

Average car park valuation per space (YoY)

Car Park and Related Business

- Notwithstanding the negative impact of the fifth wave of COVID on shopping mall footfall, car park performance remained steady and resilient. During the year, monthly car park ticket sales remained stable while hourly car park usage improved significantly as more shoppers drove rather than took public transportation.
- On 31 December 2021, the acquisition of two car park/car service centres and godown buildings in Hung Hom and Chai Wan was completed. This investment brought us three months of rental revenue amounting to HK$52 million during the year. We have secured a sale and long-term leasing arrangement with the seller, with an embedded 4% yearly rental escalation, providing stable income growth. As at the financial year end, both properties were fully let to Zung Fu Company Limited, the exclusive car dealer of Mercedes-Benz in Hong Kong and a wholly-owned subsidiary of Jardine Matheson.
- Including new contributions from the above mentioned investments, revenue from car park and related business recorded a 13.2% year-on-year growth. Car park income per space per month surged by 10.4% year-on-year to HK$3,064.
- As at 31 March 2022, average car park valuation per space was approximately HK$607,000, increased by 8.8% year-on-year.

Revenue Breakdown

	Year ended 31 March 2022 HK$'M	Year ended 31 March 2021 HK$'M	Year-on-year change %
Rental income:			
Monthly car park	**1,517**	1,432	5.9
Hourly car park	**561**	451	24.4
Car park related business[(1)]	**52**	–	N/A
Expense recovery and other miscellaneous revenue	**8**	5	60.0
Total car park and related business revenue	**2,138**	1,888	13.2

Note:

(1) Refers to contributions from two car park/car service centres and godown buildings in Hung Hom and Chai Wan.

The Quayside

Improvement on occupancy suggests potential shifts of leasing demand to Kowloon East and the recovery of business sentiment

Office

- We improved the committed occupancy rate of our joint venture office building, The Quayside, to 96.6% as of 17 May 2022.
- The Quayside is strategically located in the heart of Kowloon East, where the formation of an alternative business hub is underway. Its leasing progress has outperformed the market, as its best-in-class building specifications and accredited green features are attractive to occupiers seeking high-quality and sustainable office spaces.
- Although the COVID pandemic has posed operational challenges for the office sector, we believe Hong Kong office leasing momentum will continue as the "flight-to-quality" persists, backed by upgrading demand for Grade A office spaces.

Property Operating Expenses

- Total property operating expenses increased by 7.6% year-on-year while net property income margin remained stable at 76.3% (2021: 76.8%).
- Utility charges increased due to the absence of government subsidies and an increase in energy consumption to improve ventilation as one of the COVID preventive measures.
- Promotion and marketing expenses increased as Link organised a wide range of events to aid tenants' sales.
- Staff costs increased due to higher accrual for awards granted under our long-term incentive plan and the expanded management team to broaden management bandwidth.
- As announced in 2022/2023 Budget Speech, rates concession and wavier of water and sewage charges payable by non-domestic properties will continue to be extended. This helps ease our operating pressure and keeps the net property income margin at a healthy level in next year.

Property Operating Expenses Breakdown

	Year ended 31 March 2022 HK$'M	Year ended 31 March 2021 HK$'M	Year-on-year change %
Property managers' fees, security and cleaning	**599**	592	1.2
Staff costs	**460**	367	25.3
Repair and maintenance	**212**	227	(6.6)
Utilities	**262**	236	11.0
Government rent and rates	**279**	270	3.3
Promotion and marketing expenses	**174**	139	25.2
Estate common area costs	**102**	91	12.1
Other property operating expenses	**160**	167	(4.2)
Total property operating expenses	**2,248**	2,089	7.6

China

Mainland China Portfolio

2021/2022 was a fruitful year for our Mainland China operations. We expanded our footprint with four new investments, namely a 50% interest in Qibao Vanke Plaza[1] in Shanghai (acquired in April 2021), Happy Valley Shopping Mall in Guangzhou (acquired in June 2021) and 75% interests in each of two logistics properties in Dongguan and Foshan (acquired in October 2021). In January 2022, we completed our first large-scale asset enhancement project in Mainland China at Link CentralWalk in Shenzhen. We created value by re-positioning this asset as an "urban paradise on the central axis of Futian" which provides shoppers exceptional shopping and dining experiences.

In 2021/2022, our Mainland China portfolio achieved 20.9% and 15.9% growth in total revenue and net property income, respectively. Overall rental collection remained healthy at 97%.

Note:

(1) A Qualified Minority-owned Property.

Retail

- Revenue from our Mainland China retail portfolio grew by 24.4% year-on-year.
- As our shopping malls are primarily situated in close proximity to residential developments, tenant sales were well supported by local consumption demand. Positive tenant sales growth rates were recorded in stabilised shopping malls in Beijing and Guangzhou as their operations were largely unaffected during the year.
- Our five 100%-owned shopping malls in Mainland China delivered robust average reversion of 8.8% despite the market turmoil. Separately, Qibao Vanke Plaza achieved a strong reversion of 27.5%.
- Although the recent outbreak of COVID in Mainland China dampened the retail sentiment, overall average occupancy of this portfolio remained steady at 88.5% as at the financial year end. Happy Valley Shopping Mall will shortly undergo asset enhancement. Excluding this mall, the overall average occupancy of our Mainland China retail portfolio would be higher at 92.3%. We expect the overall average occupancy to normalise after its enhancement has been completed.
- Since March 2022, occasional COVID outbreaks and city-wide lockdowns have resulted in business interruptions for our tenants. Except for supermarkets, the affected malls were required to close, food and beverage tenants were only permitted to offer takeaways. The negative impact on Mainland China retail malls is expected to linger into the next financial year.

Link Square Lift Lobby Rendering

Office

- The occupancy of our office asset in Mainland China, Link Square in Shanghai, edged up to 97.0% as at 31 March 2022 despite the new office supply in Shanghai. Office reversion was at -8.1%.
- In March 2022, the local government encouraged workers in Shanghai to implement flexible work arrangements in view of the COVID outbreak. Physical occupancy of Link Square has been affected. However, rental collection percentage has stayed strong at 99%. To retain its competitiveness among premium grade A offices, Link Square is being upgraded through the enhancement of the office lobby and common areas, which is targeted to complete in 2022.

8.8%

Average reversion in retail

92.3%[(1)]

Overall average occupancy in retail

97.0%

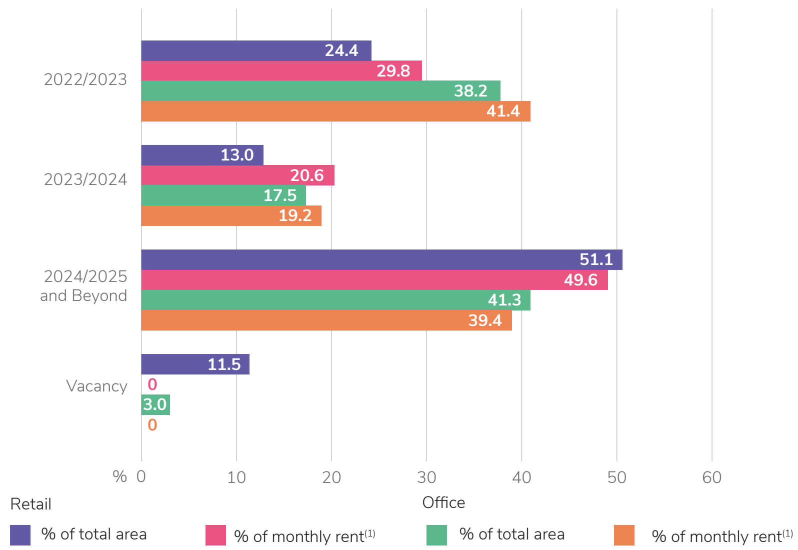
Occupancy in office

Note:

(1) Excluding Happy Valley Shopping Mall in Guangzhou.

Lease Expiry Profile

(As at 31 March 2022)



Note:

(1) Refers to base rent (excluding management fee).

100%

Overall occupancy

Logistics

- We are pleased to enter the logistics sector through the acquisition of 75% interests in two recently-developed modern logistics properties in Dongguan and Foshan which were completed in October 2021. Both assets were fully let to reputable tenants as at 31 March 2022.
- We entered into a 75:25 joint-venture with the vendor, First Priority Group, a well-experienced logistics operations manager with the largest market share in Dongguan and the second largest logistics stock in the GBA. As at 31 March 2022, the Dongguan and Foshan assets have a WALE of 2.5 years and 3.4 years, respectively. We expect these logistics properties to offer stable returns.
- Following the financial year end, we agreed to acquire three logistics properties in the affluent YRD in May 2022. The seller, Fujian Dongbai Group, is a listed company on the Shanghai Stock Exchange. Our acquired assets are located in the logistics hubs – Jiaxing and Changshu. Two of the assets having recently been completed to excellent building specifications. They are fully-leased, and their tenants are reputable local players in third-party logistics and e-commerce fields. The third asset is under the final stage of construction. Its completion certificate is being processed. These assets are strategically located and well connected in YRD through artery expressways. They are well positioned as the regional distribution centres for e-commerce and consumer products, capturing the surging demand from third-party logistics providers. We are positive on the logistics market in Mainland China. To enhance distribution of the Group, we will continue to seek for assets that can benefit from strong demand and relatively low future supply of logistics warehouses.

Investment Summary

	Jiaxing Asset	Changshu North Asset (under construction)	Changshu South Asset	Total
Property Particulars				
Land Tenure	50 years expiring in 2067	50 years expiring in 2056	50 years expiring in 2055	
Completion	2019	May 2022 (estimated)	2021	
GFA (square meter)	99,323	69,045	23,776	192,144
Specifications	Double-storey ramp	Double-storey ramp	Single-storey	
Monthly Gross Passing Income[1] (RMB million)	3.3	N/A	0.8[2]	4.1
WALE (years)	1.8	N/A	5.0	
Valuation				
Agreed Property Value (RMB million)	649	337	120	1,106
Valuation by Colliers[3] (RMB million)	660	343	125	1,128

Notes:

(1) Monthly gross passing income includes rental income and management fee income.

(2) The current monthly gross passing income is RMB0.05 million as the asset is still in the fit-out period. After the fit-out period ends in July 2022, the monthly gross passing income will be RMB0.8 million.

(3) Source: Valuation as of March 2022.

Overseas

Overseas Portfolio

A geographically diversified portfolio strengthens our resilience, allowing us to profit from the distinct economic cycles of different economies.

During the year, we seized the opportunity to scale up our investments in Australia through the acquisition of 50% interests in three iconic retail assets in Sydney and five prime office assets in Sydney and Melbourne through a joint venture with a 49.9% interest in this office portfolio. Together with the existing overseas assets, this portfolio positions us to benefit from the current economic rebound in Australia and aligns with our Vision 2025 growth and diversification strategy. Overall rental collection rate remained healthy at 97%.

Retail Portfolio

- The acquisition of 50% interests in three iconic retail assets – namely Queen Victoria Building, The Galeries and The Strand Arcade is expected to complete shortly. Occupancy reached 95.5% at the end of April 2022. Located in the heart of Sydney, these assets have a diversified tenant base and enjoy excellent footfall from local visitors and international tourists. Coupled with the strategic co-owner partnership with Vicinity, we are committed to delivering the best retail experience and curating a productive portfolio.
- We believe Australia's retail sales and our shopping malls will be well-supported by the re-opening and strong recovery of the Australian economy post pandemic.

The Cabot
The 17-storey grade A office building in London is currently fully occupied

Office Portfolio

- During the year, the two office assets, 100 Market Street in Australia and The Cabot in the United Kingdom, continued to provide a stable income stream when the retail market was impacted by COVID. These grade A office spaces, fully occupied by blue-chip tenants, are core investments. They also possess long WALE of >7 years (100 Market Street) and >9 years (The Cabot). The total revenue and net property income of these assets amounted to HK$482 million and HK$339 million, respectively.
- In February 2022, we announced a joint venture with Oxford Properties Group, a leading global real estate investor, to own the Investa Gateway Office portfolio, which will be locally managed by Investa. It consists of five prime office assets, namely 126 Phillip Street, 388 George Street, 151 Clarence Street and 347 Kent Street, all in Sydney and 567 Collins Street in Melbourne. It is one of the highest quality, sustainability focused, prime office portfolios available in the Australian market. This quality portfolio is well-positioned to capture the rising demand from quality-seeking occupiers and the recovery of Australian corporates. This transaction was completed on 1 June 2022.
- We believe that the office sector in our overseas markets will continue to benefit from the re-opening and return of office workers. The "flight-to-quality" trend supports grade A office demand. Australia's market outlook remains positive as a world-leader in commodity exports and a beneficiary of the surge in commodity prices.

Scan the QR code to view the virtual property tour of the five prime office assets

Asset Enhancement

Link CentralWalk in Shenzhen after asset enhancement

Total no. of shops increased by 20%

Scan the QR code to view the virtual property tour of Link CentralWalk

Optimising and maintaining the condition of its assets is vital for any real estate manager. Our rolling asset enhancement programme realises the full potential of our assets. Delivering high environmental standards, boosting the volume and flow of people and fulfilling the demand of different shoppers have all been critical to this strategy.

Completed projects in 2021/2022

- In 1H 2021/2022, we completed two asset enhancement projects in Hong Kong. A total capex of HK$86 million was spent on enhancing Hing Wah Plaza and Tai Wo Plaza, with estimated ROIs of 13.2% and 3.6%, respectively.
- Our first large-scale asset enhancement project in Mainland China, Link CentralWalk in Shenzhen's Futian district, was completed in January 2022, with a total capex of RMB286 million and an ROI of 11.0%. We increased the total number of shops by approximately 20%, and the green area of Link CentralWalk now spans more than 18,000 square metres, with a total green coverage ratio being raised by 10 percentage points to 43.1%. We believe these renovations will support long-term value creation for this asset.

Approved Asset Enhancement Projects Underway

- Asset enhancements of Tai Yuen Market, Lok Fu Market and Tak Tin Market in Hong Kong are underway. We expect the projects to incur an estimated capex of HK$22 million, HK$32 million and HK$73 million, respectively. The projects are expected to complete in mid 2022.
- We have also started planning for the asset enhancement of Happy Valley Shopping Mall in Guangzhou to capture the spending from middle-income households that is underserved in Zhujiang New Town. The asset enhancement project will be conducted in phases. The first phase is expected to start in 2022/2023 with an estimated capex of more than RMB150 million, and involves the renovation and repartition of the area previously occupied by a department store. We also target to improve the visibility and attractiveness of the mall by upgrading the façade and recreating an outdoor piazza.
- We target to spend an aggregate of over HK$1 billion capex on asset enhancements projects.

Valuation Review

Colliers International (Hong Kong) Limited, the principal valuer of Link, valued Link's properties as at 31 March 2022, using the income capitalisation approach with reference to market comparables via the direct comparison approach. As at 31 March 2022, total value of investment properties rose 6.9% year-on-year to HK$212,761 million due to the recent completion of the acquisitions and exchange gain.

- As at 31 March 2022, the value of our Hong Kong retail and office properties decreased by 1.4% and 0.9% year-on-year to HK$122,878 million and HK$8,860 million, respectively as the valuer has assumed a decline in rental projection given the dampened economy and property market. The car parks and related business were valued at HK$40,102 million. The increase in value was mainly due to new acquisitions and the significant improvement in car parks net passing income.
- Our properties in Mainland China (including 50% value of Qibao Vanke Plaza) were valued at HK$38,433 million (31 March 2021: HK$27,160 million). The increase of HK$11,273 million in valuation was mainly attributable to acquisitions and exchange gain from Renminbi appreciation compared with last year end. Excluding the translation difference and on a like-for-like basis, the value of our Mainland China properties went up by 0.2% in Renminbi terms.
- The total value of office buildings in Australia and the United Kingdom was HK$7,974 million as at 31 March 2022.

Valuation

	Valuation		Capitalisation Rate	
	As at 31 March 2022 HK$'M	As at 31 March 2021 HK$'M	As at 31 March 2022	As at 31 March 2021
Hong Kong				
Retail properties	**122,878**	124,581	**3.10% – 4.50%**	3.10% – 4.50%
Car parks and related business	**40,102**	31,516	**2.90% – 5.30%**	3.10% – 5.30%
Office property	**8,860**[(1)]	8,943[(1)]	**3.00%**	3.00%
	171,840	165,040		
Mainland China				
Retail properties	**29,936**[(2)]	20,713	**4.25% – 4.75%**	4.25% – 4.75%
Office property	**6,782**	6,447	**4.25%**	4.25%
Logistics properties	**1,715**	–	**5.00%**	N/A
	38,433	27,160		
Australia				
Office property	**4,112**	4,038	**4.40%**	4.50%
United Kingdom				
Office property	**3,862**	4,019	**5.19%**	5.24%
Total valuation	**218,247**	200,257		
Total valuation of investment properties	**212,761**[(3)]	199,074[(3)]		

Notes:

(1) The amount represents the office portion only of The Quayside.

(2) The amount includes 50% value of Qibao Vanke Plaza.

(3) The amount excludes two floors of The Quayside, which Link occupies as a self-used office and are classified as property, plant and equipment, and the 50% value of Qibao Vanke Plaza.

Capital Management

(Face value as at 31 March 2022)

The rapid spread of the Omicron variant of COVID stalled the global economic recovery, counteracting solid growth that was seen at the end of 2021. The Russia-Ukraine war reshaped the global energy supply and has driven up food and energy prices. Inflation in the United States reached a near 40-year high, forcing the US Fed, for the first time since December 2018, to raise its benchmark interest rate. It started with a 25 basis points rise in March 2022 and another 50 basis points rate rise in May 2022. More aggressive rate hikes by the US Fed are expected in the near term to counter inflation.

In light of the impact of expected interest rate hikes in the year ahead, Link has proactively fixed and secured low cost financing, reserving liquidity for business development and acquisition needs.

Increased access to capital markets

During the year, we arranged a total of HK$30.8 billion debt comprising bonds and bank loans in different currencies. This newly arranged debt provides funding support for our strategic acquisitions, debt replenishment and pre-financing before the anticipated rate hikes.

Link started off 2022 with two flagship pre-financing arrangements.

- In January 2022, we issued a US$600 million 10-year USD bond at a coupon rate of 2.75%.
- In March 2022, we signed a HK$12 billion sustainability-linked syndicated loan facility comprising two equal tranches of 4-year and 5-year tenor.

Both transactions were well received by the market. The sustainability-linked syndicated loan facility was the largest of its kind in the real estate sector in Asia Pacific.

Financing arranged since April 2021

2021

April 2021
- HK$500 million 5-year sustainability-linked loan

May 2021
- CNH650 million 3-year notes at 2.8% per annum

June 2021
- CNH250 million 3-year notes at 2.8% per annum

August 2021
- HK$800 million 2-year loan facility

September 2021
- 3 to 5-year loan facilities totalling HK$2.7 billion
- 5-year sustainability-linked loans totalling HK$1.5 billion

October 2021
- HK$800 million 5-year notes at 1.48% per annum
- HK$782 million 10-year notes at 2.23% per annum
- CNH300 million 3-year notes at 3.00% per annum
- CNH460 million 3-year notes at 3.25% per annum

December 2021
- 1 to 5-year loan facilities totalling HK$5.0 billion

2022

January 2022
- US$600 million 10-year notes at 2.75% per annum

March 2022
- HK$12 billion dual-tranche sustainability-linked syndicated loan facility

April to May 2022
- A$500 million bridge loan facility
- 5-year AUD loan facilities totalling A$600 million

2.3%

Record-low average borrowing cost of 2.3% for the year ended 31 March 2022

Strong capital base and liquidity position

As at 31 March 2022:

- Total debt rose by HK$11.6 billion to HK$50.2 billion.
- Gearing ratio[(1)] increased from 18.4% to 22.0%.
- HK$22.6 billion undrawn committed facilities and HK$2.9 billion cash and bank balances.
- Debt maturity averaged at 3.5 years and is staggered over the coming 17 years.

Prudently managed foreign currency exposure

- Overseas acquisitions and investments are principally funded by local currency borrowings where practicable and cost efficient, which provide for a natural hedge.
- Distributable income from offshore properties is largely hedged into HKD terms through foreign currencies forward contracts.

Create value for Unitholders

- **Distribution reinvestment scheme:**
  Provided eligible Unitholders with the option to reinvest in Link units via scrip distributions. In respect of the interim distribution of the six months ended 30 September 2021, HK$1,267.1 million of the cash distribution was reinvested with approximately 19.6 million new units issued at a unit price of HK$64.795.
- **Capital return and unit buyback:**
  Since having first announced the discretionary distribution plan in November 2019, which was implemented to replace the loss of DPU resulting from our prior divestments, we have acquired approximately HK$22 billion of new assets.

  Despite the challenging environment, our portfolio remained resilient in 2021/2022. In the financial year, we have completed HK$15 billion of acquisitions, which has further supplemented DPU growth resulting in DPU for the year growing 5.4% year-on-year, excluding any continuation of the discretionary distribution.

  While we continue with our earlier commitment to return this capital to Unitholders, which amounts in this case to approximately HK$150 million, we believe that an announced unit buyback programme is of greater benefit to unitholders; delivering a long-term positive impact on DPU yield accretion in contrast to the payment of a one-off discretionary distribution, especially given that the Unit price is currently trading at a discount. Whilst both discretionary distributions and unit buy backs return capital to unitholders, we believe that in this instance, a buyback provides a better and longer-term value proposition than a one-off discretionary distribution. Our execution of the buyback programme depends on market conditions, Unit price, trading volume and other regulatory considerations.

  A total of 1.3 million Units were bought back during the year under review at an average price of HK$65.2, utilising an aggregated cost of HK$82.6 million.
- **Relevant Investments:**
  A HK$2.0 billion investment-grade bond portfolio was held as of 31 March 2022, generating an average yield of 3.51%.

Credit ratings supported by resilient performance

- Rating agencies acknowledged Link's resilient financial fundamentals, our diversification strategy and our well-managed capital structure in spite of the increasing number of acquisitions throughout the year.
- Link's credit ratings remain unchanged and have been affirmed at A2/Stable (Moody's), A/Stable (S&P) and A/Stable (Fitch).

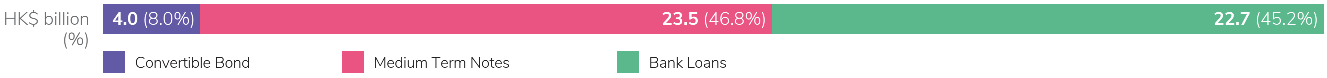
Note:

(1) After adjusting for the impact of the acquisition of 50% interests in a Sydney retail portfolio announced on 7 November 2021, the acquisition of 49.9% interests in a joint venture that owns interests in 5 prime office properties in Sydney and Melbourne announced on 10 February 2022 and completed on 1 June 2022, the acquisition of three logistics properties in Mainland China announced on 12 May 2022, and the final distribution declared, the gearing ratio of Link as at 31 March 2022 will increase to 24.9%.

Debt Profile Breakdown

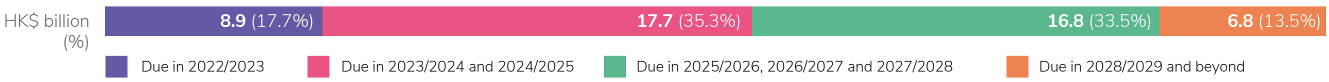
(Face value as at 31 March 2022)

Debt Mix by Types



Debt Mix by Fixed/Floating Rates (After interest rate swaps)

Debt Mix by Years to Maturity



Debt Mix by Currencies (After currency swaps)

Definitions and Glossary

2017 LTI Scheme or **Long-term Incentive Scheme**	the long-term incentive scheme of Link adopted by the Board on 10 July 2017
2021 AGM	the annual general meeting of Unitholders held on 30 July 2021
2022 AGM	the annual general meeting of Unitholders scheduled to be held on 20 July 2022
Articles	articles of association of the Manager
AUM	asset under management
average monthly unit rent	the average base rent per month psf of leased area
Award(s)	Restricted Unit Award(s), or Conditional Cash Award(s), or a combination of both granted under the 2017 LTI Scheme
base rent	in respect of a lease, the standard rent payable under the lease, exclusive of any additional turnover rent (if applicable) and other charges and reimbursements
Board or **Board of Directors**	board of directors of the Manager
Board Committees	the committees of the Board to discharge the duties set out in their respective terms of reference as approved by the Board which, as at the date of this report, include the Audit and Risk Management Committee, the Finance and Investment Committee, the Nomination Committee and the Remuneration Committee, and "**Board Committee**" refers to any one of them
CCDO	Chief Corporate Development Officer of the Manager
CEO	Chief Executive Officer of the Manager
CFO	Chief Financial Officer of the Manager
Chairman	Chairman of the Board (unless the context requires otherwise)
CLO	Chief Legal Officer of the Manager
Company Secretary	Company Secretary of the Manager
Compliance Manual	the compliance manual of the Manager which sets out (among others) the key processes, systems and measures in respect of Link's operations and the corporate governance policy of Link
Conditional Cash Award(s)	conditional right to receive cash payment(s) granted to a participant in accordance with the rules of the 2017 LTI Scheme and the relevant grant letter(s)
COO-International	Chief Operating Officer – International of the Manager
COVID	Coronavirus pandemic

CSO	Chief Strategy Officer of the Manager
Director(s)	director(s) of the Manager
DPU	distribution per Unit in respect of the total distributable amount of Link for a financial year/period
ED(s)	Executive Director(s) of the Manager (unless the context requires otherwise)
ESG	environmental, social and governance
EUPP	employee unit purchase plan, pursuant to which an eligible employee who meets the prescribed criteria is entitled to subsidy from the Manager for purchasing, through an independent third-party intermediary, Units in the open market in accordance with the rules of the plan
FMIT	Facilities Management Information Technology
GAV	gross asset value (and as calculated in the manner set out in the Trust Deed)
GAV Cap	25% of Link's GAV as a cap to property development activities of Link under the REIT Code
GBA	Greater Bay Area
Group	Link and its subsidiaries (unless the context requires otherwise)
Hong Kong Stock Exchange or **Stock Exchange** or **SEHK**	The Stock Exchange of Hong Kong Limited
INED(s)	Independent Non-Executive Director(s) of the Manager (unless the context requires otherwise)
IoT	Internet of Things
KPI(s)	key performance indicator(s)
lease	a lease or a tenancy agreement (both of which grant a possessionary interest) or a licence (which merely constitutes an authority to do something) in respect of premises at the properties granted to a tenant
like-for-like	excluding any properties acquired, divested and/or newly operational (as applicable) during the periods under analysis
Link or **Link REIT**	Link Real Estate Investment Trust
Link Corporate Governance Policy	the corporate governance policy set out in the Compliance Manual
Link Securities Dealing Code	the code governing dealings in securities of Link by Directors and senior management of the Manager

Listing Rules	Rules Governing the Listing of Securities on the Stock Exchange
Listing Rules Corporate Governance Code	Corporate Governance Code contained in Appendix 14 to the Listing Rules
Low regret	To analyse and plan/adapt for the highest plausible worst-case scenario so that one will have fewer regrets in the future
Manager	Link Asset Management Limited, which is the manager of Link
market capitalisation	the market value of the REIT calculated by multiplying the number of units in issue by the prevailing unit price quoted on the Stock Exchange
Maximum Cap	25% of Link's GAV as a cap to the combined value of: (i) all Relevant Investments; (ii) non-qualified minority-owned properties; (iii) other ancillary investments; and (iv) all of the property development costs together with the aggregate contract value of the uncompleted units of real estate
MTN	note(s) and/or green bond issued or to be issued from time-to-time pursuant to the Guaranteed Euro Medium Term Note Programme established by The Link Finance (Cayman) 2009 Limited (a wholly-owned subsidiary of Link) in May 2009
NED	Non-Executive Director of the Manager (unless the context requires otherwise)
NGO(s)	non-governmental organisation(s)
Non-qualified Minority-owned Properties	all Minority-owned Properties other than Qualified Minority-owned Properties under 7.7C of the REIT Code
NPI	net property income, being total revenue less direct property related expenses
occupancy rate	the aggregated leased area as a percentage of total leasable area
Principal Valuer	the Principal Valuer (as defined in the REIT Code) of Link, which is currently Colliers International (Hong Kong) Limited
psf	per square foot
Qualified Minority-owned Property	qualified minority-owned property under 7.7C of the REIT Code
REIT(s)	real estate investment trust(s)
REIT Code	Code on Real Estate Investment Trusts issued by the SFC
Relevant Investments	the financial instruments permissible from time-to-time under the REIT Code for Link to invest in, including (without limitation): (i) securities listed on the Stock Exchange or other internationally recognised stock exchanges; (ii) unlisted debt securities; (iii) government and other public securities; and (iv) local or overseas property funds
Restricted Unit Award(s)	conditional right to receive Units granted to a participant in accordance with the rules of the 2017 LTI Scheme and the relevant grant letter

ROI or **return on investment**	projected NPI post asset enhancement minus NPI pre asset enhancement divided by the estimated amount of project capital expenditure and loss of rental
reversion rate	the percentage change in psf average unit rent between old and new leases on the same unit
SFC	Securities and Futures Commission of Hong Kong
SFO	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
SPV(s)	special purpose vehicle(s) (within the meaning of the REIT Code and the Trust Deed)
sq ft	square feet
TCFD	Task Force on Climate-related Financial Disclosures
tenant	a lessee, a tenant or a licencee (as the case may be) under a lease
total distributable amount	total distributable amount for a financial year/period is the total distributable income and any additional amount (including capital) that the Manager has determined to be distributable
total distributable income	the consolidated profit after taxation attributable to Unitholders (equivalent to profit for the financial year/period, before transactions with Unitholders attributable to Unitholders) adjusted to eliminate the effect of certain non-cash adjustments
Trust Deed	the trust deed dated 6 September 2005 between the Trustee and the Manager constituting Link, as amended and supplemented by 14 supplemental deeds and two amending and restating deeds
Trustee	trustee of Link, which is currently HSBC Institutional Trust Services (Asia) Limited
turnover rent	rent calculated and charged by reference to a pre-determined percentage of a tenant's gross sales turnover in excess of the base rent
Unit(s)	unit(s) of Link
Unitholder(s)	holder(s) of Unit(s) of Link
WALE	weighted average lease expiry
YoY	year-on-year
YRD	Yangtze River Delta

Corporate Information

Board of Directors of the Manager

Chairman

Nicholas Charles ALLEN
(also an Independent Non-Executive Director)

Executive Directors

George Kwok Lung HONGCHOY
(Chief Executive Officer)

NG Kok Siong
(Chief Financial Officer)

Non-Executive Director

Ian Keith GRIFFITHS

Independent Non-Executive Directors

Christopher John BROOKE
Ed CHAN Yiu Cheong
Jenny GU Jialin
Lincoln LEONG Kwok Kuen
Blair Chilton PICKERELL
Poh Lee TAN
Peter TSE Pak Wing
Nancy TSE Sau Ling

Company Secretary of the Manager

Kenneth Tai Lun WONG[1]

Responsible Officers of the Manager[2]

George Kwok Lung HONGCHOY
NG Kok Siong
Christine CHAN Suk Han

Authorised Representatives[3]

George Kwok Lung HONGCHOY
Kenneth Tai Lun WONG

Trustee

HSBC Institutional Trust Services (Asia) Limited

Auditor

PricewaterhouseCoopers

Principal Valuer

Colliers International (Hong Kong) Limited

Registered Office of the Manager

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Shanghai Office of the Manager

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Shanghai, Mainland China

Sydney Office of the Manager

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Unit Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17/F., Hopewell Centre,
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Telephone: (852) 2862 8555

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Customer Service:	(852) 2122 9000	
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	Mainland China	(86) 21 5368 9239

Websites

Linkreit.com (corporate website)
Linkhk.com (customer website)

Mobile App

Notes:
(1) email: cosec@linkreit.com
(2) Required by the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
(3) Required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

Link Real Estate Investment Trust
Linkreit.com

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