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LINK

Link Real Estate Investment Trust

Stock code: 823

I N T E R I M

R E P O R T

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# WE LINK PEOPLE TO A BRIGHTER FUTURE

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 30 September 2021. In this report, we 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.

This report has been structured according to Link's Value Creation Process. The information reported here is also consistent with the indicators used for our internal management and Board reports and are comparable with our previous reports.

Since 2014/2015, we have updated our annual sustainability performance solely on our corporate sustainability website: [Linkreit.com/en/sustainability/](https://linkreit.com/en/sustainability/)



Access our corporate website  
for further information

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# ABOUT LINK

## Portfolio in Brief

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

### CHINA

#### Hong Kong



**129** Retail, office and car park and others

#### Mainland



**9** Retail, office and logistics

### OVERSEAS

#### Australia



#### United Kingdom



**5** Retail and office in Sydney and London

## Investment Value<sup>(1)</sup>

### CHINA

**78.2%**

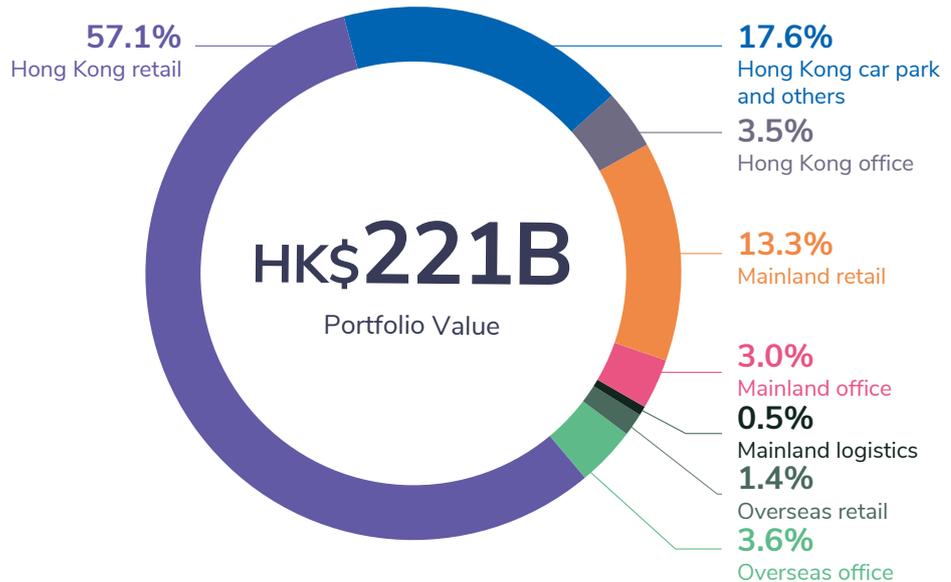
Hong Kong

**16.8%**

Mainland

### OVERSEAS

**5.0%**



Note:

(1) As at 30 September 2021, including 50% property value of Qibao Vanke Plaza, the agreed property value of 75% interests in two logistics assets in Dongguan and Foshan, which was completed in October 2021, the agreed property value of 50% interests in three retail properties in Sydney, which was announced on 7 November 2021 and the agreed property value of two institutional grade car park/car service centres and godown buildings in Hong Kong, which was announced on 10 November 2021.

## Interim Highlights

Our key performance indicators reflect our steady business performance despite challenges and uncertainties.

Revenue (HK\$M)

**5,778** ↑ 10.4% yoy

Net Property Income (HK\$M)

**4,391** ↑ 8.8% yoy

Distribution per Unit (HK cents)

**159.59** ↑ 12.7% yoy  
↑ 9.7% 10 year CAGR

Net Asset Value per Unit (HK\$)

**77.99** ↑ 2.3% vs 31/3/2021  
↑ 11.6% 10 year CAGR

Occupancy Rates

**97.5%** **91.5%** **93.8%**<sup>(2)</sup> **96.7%** **100.0%**  
Hong Kong Retail Mainland Retail<sup>(1)</sup> Hong Kong Office Mainland Office Overseas Office

Reversion Rates

**3.4%** **12.1%**  
Hong Kong Retail Mainland Retail

Gearing Ratio<sup>(3)</sup>

**23.6%**

Notes:

(1) Excluding Happy Valley Shopping Mall in Guangzhou, the average occupancy was 96.2%.

(2) Committed occupancy as of October 2021.

(3) After adjusting for the impact of the acquisition of 75% interests in two recently-developed modern logistics assets in Guangdong Province completed in October 2021, the acquisition of 50% interests in a Sydney CBD retail portfolio announced on 7 November 2021, the interim distribution declared on 10 November 2021, and the acquisition of two institutional grade car park/car service centres and godown buildings in Hong Kong announced on 10 November 2021, the gearing ratio of Link as at 30 September 2021 will increase from 19.5% to 23.6%.

# VALUE CREATION PROCESS

## 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 AUM
- » Sustain DPU growth
- » Maintain strong credit ratings



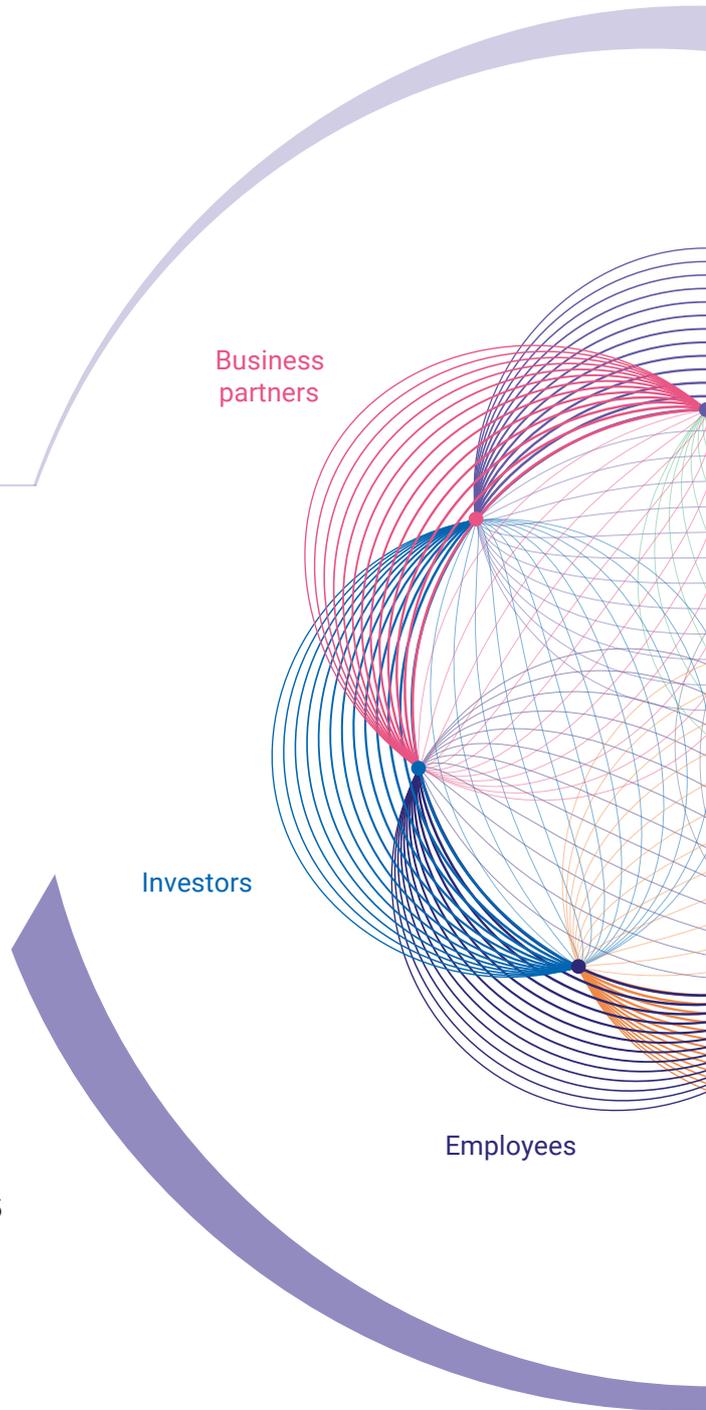
### Culture of Excellence

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



### Visionary Creativity

- » Tenant sales growth outperforms market
- » 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 our stakeholders. We endeavour to understand their needs and concerns, identify areas of mutual concern and co-create solutions for the benefit of all.

## 3. Creating Value

We aim to create shared value across the ecosystem and help link all stakeholders to a brighter future.



Financial



Placemaking



Innovation



Talent



Relationship



Environment

# CHAIRMAN'S STATEMENT

“Link has demonstrated itself to be robust, resilient and agile. The foundations we established are strong, sustainability continues to strengthen and we are evolving positively.”



In the first half of 2021/2022, increasing consumer and market confidence are healthy signals that we are emerging from a prolonged period of uncertainty. Driving our steady emergence is our Business as Mutual ethos which focuses ongoing efforts to support our business, tenants, shoppers and other stakeholders to build constructive and collaborative partnerships. Over the past six months, our leasing team has continued to work diligently to support tenants with innovative marketing to drive footfall and facilitate their recovery from the pandemic. Our property management team tirelessly ensures that public safety is a top priority in our assets. Our first half 2021/2022 performance reflects the value both created and captured from these efforts.

## Emerging from the Uncertainty

Revenue and net property income for the first half of 2021/2022 recorded year-on-year increases of 10.4% and 8.8% to HK\$5,778 million (six months ended 30 September 2020: HK\$5,233 million) and HK\$4,391 million (six months ended 30 September 2020: HK\$4,037 million), respectively. Total distributable amount amounted to HK\$3,336 million (six months ended 30 September 2020: HK\$2,921 million). Interim DPU for the period increased by 12.7% to HK159.59 cents (six months ended 30 September 2020: HK141.65 cents). Valuation of the investment properties portfolio was HK\$206,551 million (31 March 2021: HK\$199,074 million) and net asset value per unit increased by 2.3% to HK\$77.99 (31 March 2021: HK\$76.24).

## Staying Cautious and Resilient, while Rejuvenating Local Communities

Despite these promising results, there are still significant clouds on the horizon. The outlook on inflation is uncertain; commodity prices have surged; wage pressure is rising; strains on geopolitical relationships remain and the pandemic is not yet behind us. We have not forgotten our critical role in facilitating the recovery of our tenants, shoppers and local communities, so that we all emerge stronger and more resilient.

- We have organised vaccination campaigns internally among our staff and externally at our Lok Fu Place to increase awareness and vaccination rates, while maintaining shopper confidence in Link properties for hygiene and safety.
- To support community cohesion and wellbeing, we launched “Tour de Link”, a biking event riding on the summer Olympics to reinforce Link shopping centers as flourishing social hubs connecting communities and districts through sports activities and competition. Over three weeks in August 2021, some 5,800 participants from the community came to six of our properties and cycled over 7,300 kilometers.
- We announced a commitment of HK\$15.5 million in Link Together Initiatives funding for this financial year, supporting a mix of existing and new NGOs on projects to develop creative solutions that fill social service gaps in Hong Kong. The targeted themes of youth empowerment, active aging, resource management and social inclusion are closely connected with Link’s property infrastructure in Hong Kong. In 2021/2022, we increased the total number of Link University Scholarship awardees to 220. Complementing our growth strategy, we expanded the reach of Link Together Initiatives into Mainland. Our inaugural project sponsors 20 underprivileged middle school students from rural Sichuan to attend a three year estate management course in Shanghai.

## Adjusting to a Dynamic Operating Landscape

During the past six months, the Chinese Central Government introduced a series of sweeping policy reforms covering a broad range of topics including education, online gaming, antitrust and residential housing. These efforts are part of Mainland's announced pursuit of "common prosperity", aimed at addressing social and economic matters. These initiatives shall reduce inequality and differences in standards of living by enhancing the social safety net and cohesion, as well as redistributing resources to support the growth of the middle class. We believe these initiatives are consistent with our strategy of investing in mid-market properties in first tier cities and their surrounding river deltas.

## Cautiously Evolving Who We Are

Events in recent years have been strong reminders that businesses must remain agile to operate and grow. Exploring how our successful asset management, portfolio management and capital management expertise might contribute to realising new revenue streams for the business has been a priority. We are applying our asset management skills to the Mainland portfolio to steer efforts in unlocking further value through property design, tenant mix and placemaking initiatives at Link CentralWalk in Shenzhen and Happy Valley Mall in Guangzhou.

Our years of retail management experience has shown to be transferable to other asset classes. Our culture of engagement coupled with a Business as Mutual approach has fostered stronger relationships across our value chain, making Link managed properties preferred places to do business. In the grade-A office space, dynamics between landlord and office tenants have evolved, especially after the pandemic. We are seeing increased demand for better services, provision of more amenities and tailored experiences to help entice our tenants' employees to return to their offices. We have responded quickly, such as upgrading food and beverage offerings and increasing transparency of building health and well-being metrics.

## Commitment to Climate Action

We are well on our way to meeting the HKSAR's 20% reduction in energy consumption target<sup>(1)</sup>. Due to our earlier efforts since 2010 that achieved 40% absolute reduction, further progress will become increasingly difficult, requiring detailed analysis, innovative thinking and perseverance – three capabilities we have developed well over the years. I am confident Link will continue to be a global leader in climate action.

Note:

(1) HKSAR target to be achieved by 2035 and uses 2015 as a baseline.

## Outlook

Despite the many ongoing and emerging challenges we face, I believe Link is in an enviable position. Stability is emerging across the portfolio and throughout our value chain. The core Hong Kong portfolio remains resilient and productive. Mainland has proven its ability to respond quickly to different challenges. Governments around the world including the United Kingdom and Australia are systematically reopening their borders to accelerate economic growth and recovery. We can leverage on the strong foundation to explore prudent diversification across geographies and asset classes as we strive to become a world class real estate investor and manager.

## Recognition and Appreciation

In accordance with our governance guidelines, both May Tan and Elaine Young will retire from the Board in January 2022. On behalf of the Board and management, I extend our heartfelt gratitude to May and Elaine for their steady leadership over the past nine years. Together they have guided the organisation through extraordinary transformation and growth, nurturing an entrepreneurial mindset balanced by strong governance oversight.

We also welcome our newest Director, Jenny Gu, who was appointed to the Board in August 2021. Based in Shanghai, Jenny brings a wealth of expertise in on and off-line retail, strategy and transformation, and will be immensely valuable to our future development as the group expands and diversifies.

Finally, on behalf of my fellow colleagues on the Board, I congratulate the management team, all Linkers and our business partners for executing Link's business strategy well and achieving strong financial results in the first half of 2021/2022. I am confident that Link is on a strong footing as we enter the second half of the financial year.

## Nicholas Charles ALLEN Chairman

Link Asset Management Limited  
As Manager of Link Real Estate Investment Trust  
10 November 2021

# CHIEF EXECUTIVE OFFICER'S REPORT

“Throughout the past 18 months, our portfolio performance has been extraordinarily resilient, demonstrating the impact of a Business as Mutual approach.”



As we cross the midway point of 2021/2022, I am cautiously optimistic that we are progressing towards a recovery. Our operating environments are considerably better compared to six months earlier, but the overall situation remains delicate. Everyday life in Hong Kong has largely returned to normal, but strict quarantine measures for incoming travellers remain in place, burdening the local economy.

While Mainland has also fared well in containing the pandemic, sporadic outbreaks coupled with resulting lockdowns have led to a slowdown in the manufacturing-reliant economy. With government policies focusing on stimulating and encouraging domestic spending, our non-discretionary, retail-focused portfolio has benefited.

## Supporting the Pandemic Recovery

During the past 18 months, our portfolio's performance has been extraordinarily resilient, reaffirming our Business as Mutual approach. While we are delighted to see shoppers return to our properties and our tenants doing healthy business, we are well aware this sense of normalcy can be upended quickly should an outbreak occur. We continue to strengthen the resilience of the ecosystems we operate in and to instill confidence among the communities we serve.

In conjunction with the Hong Kong government's consumption stimulus, we offered HK\$17 million worth of incentives to encourage the public to spend on daily necessities from tenants across our retail portfolio.

As a result, we have maintained occupancy rates of 97.5% and 91.5% across our retail portfolio in Hong Kong and Mainland, respectively. Retail reversion rates in Hong Kong and Mainland reached 3.4% and 12.1%. We continued to record high levels of rental collection across the group. These are encouraging data points, but we must remain vigilant in ensuring their resilience.

## Performance Across Our Strategic Priorities

We have not lost sight of our medium and long-term goals and continue to progress along the three strategic priorities under Vision 2025.

### 1. Visionary Creativity

Connectivity and creating flourishing communities continue to be at the heart of Link, and our approach has been grounded in understanding those around us. We initiated a comprehensive

survey and research project to understand how shopper experiences and preferences in Hong Kong have evolved over the last 18 months. We engaged tenants and shoppers to identify any business and operational deficiencies in meeting their expectations and, more importantly, outline strategies to bridge those gaps. We also reassessed our competitive strengths and value propositions, particularly in response to growing online offerings and increased e-commerce players. While the review is still underway, we are making progress on two key areas – aging population and health and well-being:

- We added a Gerontech Education and Rental Service Center as a tenant, serving as a hub connecting various elderly-focused NGOs and business partners, facilitating collaboration, age awareness and care among the community.
- On health and wellbeing, we partnered with DECATHLON to launch Hong Kong's largest rooftop sports area, providing 42,000-square feet of space and DECATHLON sports equipment for free to use by the local community.

## 2. Portfolio Growth

We grow and build our portfolio with sustained, long-term performance in mind. We achieve this through a blend of our robust portfolio management skills, detailed asset management approach and capital management acumen.

### Portfolio Management

The four tier-one cities in Mainland, Hong Kong, Australia and the United Kingdom remain our geographies of primary focus. Potential acquisitions undergo rigorous assessment, covering multiple macroeconomic scenarios to filter and select only those assets that are resilient against both economic and climate-related impacts. Using our entrepreneurial asset management approach, strong governance and hands-on value creation, we develop these assets into market leaders.

On 28 June 2021, we completed the acquisition of Happy Valley Shopping Mall, our third acquisition in the Greater Bay Area. The asset, located in a prime downtown location, provides capital appreciation potential. We will leverage our extensive retail asset management expertise and operational synergies in Guangzhou to lease up and unlock the value of the property. The property is currently undergoing preliminary studies for asset enhancement.

A key lesson learned from the past year is the importance of managing uncertainties and being prepared for unforeseen changes. During recent years, the growth of logistics as an asset class has accelerated as the demand for well-located warehouses and distribution centers continue to grow in densely-populated regions like the Greater Bay Area.

Thus, we have entered into the logistics asset class through a small prudent investment in two modern warehouses in Dongguan and Foshan. This will provide an opportunity to ramp up our learning curve with our partner in the Greater Bay Area. We believe by selectively adding exposure to this fast-growing asset class we can contribute to the sustainable, steadily growing returns for our Unitholders. To enable and strengthen our expansion, we have recently hired a head of logistics based in Shanghai.

On 7 November 2021, we announced the acquisition of 50% interests in three iconic retail assets in Sydney. Adding these immediately accretive assets comes at a pivotal time with Australia reopening as lockdown restrictions are lifted and the New South Wales government launching a AUD2.8 billion economic stimulus package.

On 10 November 2021, we announced the acquisition of two institutional grade car park/car service centres and godown buildings in Hong Kong. Both properties are occupied by an established tenant and will bring us stable income with regular rental step-up. This is part of our strategy of gradually adding other asset classes with growth potential to improve our portfolio mix and strengthen our portfolio resilience and productivity.

### Asset Management

We are on track to complete a comprehensive asset enhancement of Link CentralWalk by late 2021. We have been cultivating placemaking by designing and incorporating more community space and open air entertainment venues. Once the enhancement works are complete, Link CentralWalk will be our first retail property in Mainland to achieve LEED certification, reflecting a new benchmark for our property portfolio. Furthermore, Link CentralWalk is our first asset enhancement project that purposefully incorporates climate resilience measures in response to findings from our first portfolio TCFD assessment conducted last year.

In 2020 we announced a pilot programme to implement Facilities Management Information Technology (FMIT) to identify efficiency improvement opportunities across our daily operations. The pilot rollout completed on schedule with strong user buy-in and operational improvements. Work order completion times have improved by 40% and we have achieved better cost control through enhanced inventory management. This programme will be rolled out to cover the entire Hong Kong portfolio to capture greater operational efficiencies and financial savings.

## Capital Management

A credit crisis has been unfolding in Mainland real estate sector in recent months. However, its impact on Link is limited as we continue to maintain high credit ratings with favored status as a borrower. The average borrowing cost of the Group's total debt for the six months ended 30 September 2021 was lowered by 54bp to 2.3%, compared to 2.84% for the same period in 2020.

We have tightened our capital management to maintain a healthy level of flexibility to support operating cash flow and to fund potential future acquisitions. As at 30 September 2021, undrawn committed facilities amounted to HK\$7.3 billion while total cash and bank balances amounted to HK\$2.1 billion. Further demonstrating our commitment and leadership in sustainability, as at 30 September 2021, approximately 30.5% of our outstanding debt is tied to long-term ESG performance targets.

## 3. Culture of Excellence

We pride ourselves on our pledge to "Link People to a Brighter Future." In the first half of 2021/2022, Link was recognised as one of the best companies to work for by HR Asia, a leading authority on talent management in Asia. We also received several Stevie Awards, including innovative employee initiatives in driving a life-long learning culture. This recognition underscores our efforts to foster a close-knit team and culture of excellence. We are keen to live out our commitment to our employees by fuelling aspirations and generating lasting commercial and social benefits.

Growing and managing our portfolio during a pandemic has been challenging, particularly with border restrictions in place for nearly 18 months. With our expanding Mainland portfolio, we recognised the need to cultivate closer ties with Linkers at our recently-established Shanghai regional center. Senior staff have begun extended rotations to Shanghai to support and strengthen the operations of the Mainland portfolio. We have also recruited a number of senior managers to further localise our Mainland leadership.

## Moving Forward on Climate Change

We continued to advance our efforts on the climate front, further defining the Net Zero 2035 strategy we launched earlier this year. Through our strategy, we have expanded on our renewable energy rollout plan, installing 28 solar PV arrays and identified a further 21 sites. On the topic of carbon, we are paying close attention to developments in Mainland's nascent carbon emissions trading scheme, in particular the potential timeline when real estate related industries are included.

A significant challenge for reducing carbon emissions is being able to measure with confidence and extensively, in particular with scope 3 emissions. We are working closely with vendors, contractors and suppliers to develop robust and aligned protocols for measuring scope 3 emissions in our value chain.

To reaffirm Link's commitment to sustainability, for the first time, ESG specific KPIs have been incorporated into the balanced scorecard of all senior management so to encourage individual ownership of this shared responsibility.

## Appreciation

I am very proud of how resilient the portfolio has been, and for the accomplishments achieved in the first half of 2021/2022. I thank our Chairman, Nicholas Allen, and the rest of the Board of Directors for their unwavering support and crucial guidance as we continue to progress towards Vision 2025.

I am also grateful for the tireless efforts of our nearly 1,100 strong team across the portfolio in Hong Kong and Mainland. Our pursuit of excellence will not be possible without the commitment, endeavor and spirit of all Linkers and our business partners.

As we continue into the second half of 2021/2022, I am confident that our optimism and energy will enable us to create lasting, positive impact for our stakeholders and I thank you all for your trust in Link.

**George Kwok Lung HONGCHOY**  
Chief Executive Officer

Link Asset Management Limited  
As Manager of Link Real Estate Investment Trust  
10 November 2021

# EMERGING TRENDS

## Changes in Policies and Regulations

### Market Trends

In August, Mainland 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 will be rolled out. Early examples of such changes include third child policy, tightening of the residential property market and restrictions on the for-profit education and online gaming industries. These measures aim at fuelling economic growth as Mainland transitions away from a capital-intensive investment growth model towards a domestic, consumer-driven economy.

Current trends in Mainland show maturing consumption preferences, and in particular, increasing demand for individualised and diversified 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 are significant consumption potential.

### How We Are Responding

- We aim to build and maintain a business model that addresses the needs of the emerging middle class and general public.
- Our leasing strategy and tenant mix will take into account more brands that focus on consumption upgrading and businesses that target service consumption, with due consideration of affordable products.
- Open communication with community members including government officials, tenants, shoppers and local communities have always been a priority and will remain so.

## Climate Resilience

### Market Trends

According to the latest Intergovernmental Panel on Climate Change (IPCC) Report in August 2021, we are experiencing widespread, rapid and intensifying climate change in different regions across the globe.

Perhaps the most visible of all physical climate impact has been flooding corresponding to bouts of abnormally intense rainfall across Mainland, Hong Kong and Europe.

Regionally, there have been significant climate related policy actions, including Mainland announcing a pledge to be carbon neutral by 2060. In Hong Kong, the Chief Executive’s 2021 policy address, complemented by the release of Hong Kong’s Climate Action Plan 2050 in October 2021, outlined a series of energy efficiency targets, waste management levy and transportation electrification policies that will impact the real estate sector.

### How We Are Responding

- **Net Zero Strategy 2035**
  - » We target 5% electricity reduction and 25% reduction in carbon intensity across our portfolio by 2025/2026<sup>(1)</sup> (from 2018/2019 baseline).
  - » Early results from our energy management system implementation have been positive. This initiative will be rolled-out to the wider Hong Kong portfolio.
  - » Adding to the original 28 properties, we have identified further 21 potential sites for solar PV installation.
- **Carbon Risk Real Estate Monitor (CRREM)**
  - » Following our TCFD pilot, we have been evaluating the applicability of CRREM as a tool to examine the climate transition risks our portfolio may be exposed to. Initial results indicate the climate vulnerability of individual assets, allowing us to prioritise properties for implementing climate-risk mitigation strategies.

Note:

- (1) This target takes into account that current electrical equipments have not reached their end of life cycle. We will focus on maximising efficiency through retro-commissioning and automation in order to extract the most value and minimise unnecessary waste.

# VISION 2025 UPDATES

Our medium-term strategy – Vision 2025 – is a seven-year initiative set in 2018/2019 that propels us forward from our strong foundation. We aim to transform ourselves into a diversified REIT with a balanced portfolio which grows organically and inorganically.

The three priorities of Portfolio Growth, Culture of Excellence and Visionary Creativity drive Link's value creation process.



## Portfolio Growth

**Goal:** To achieve high single-digit CAGR in AUM while sustaining DPU growth and maintaining strong credit ratings

Link has constructed a balanced portfolio via active portfolio management. “Core” and “Core-plus” investments remain as our investment focus as they provide relatively steady returns with lower risk. We prudently pursue “Value-add” and “Opportunistic” investments for additional inorganic growth. We believe we are on track to achieve this target, and this approach provides continuous improvement in unitholders’ returns while maintaining strong credit ratings.

In 1H 2021/2022, acquisitions of a 50% interest in Qibao Vanke Plaza<sup>(1)</sup> in Shanghai and a 100% interest in Happy Valley Shopping Mall in Guangzhou were completed in April 2021 and June 2021, respectively. Both assets should provide Link upside as ~60% of Qibao Vanke Plaza’s leases (by rent) will expire by 2023/2024 and ~19% of Happy Valley Shopping Mall (by area) will undergo asset enhancement starting in 2022/2023.

After the financial period end, three acquisitions were made, demonstrating our commitment to add “core” and “core-plus” investments into our diversified portfolio.

In October 2021, we completed the acquisition of our first venture into the logistics market by acquiring 75% interests in two Mainland logistics assets from an experienced logistics property developer, First Priority Group, which will retain the remaining 25%. Located in highly sought-after hubs in Greater Bay Area – Dongguan and Foshan – the properties are selected based on their strategic locations, full occupancy and quality tenant profiles. This small, prudent investment enables us to enter a new segment at relatively lower risk while serving our objective to explore new markets and diversify.

We believe the properties are complementary to retail and will offer good growth potential given the rapid development of e-commerce. The properties are also immediately yielding and align with our long-term strategy of delivering sustainable portfolio growth. To further minimise the risks involved, we will co-manage the properties with First Priority Group, which has the largest market share in Dongguan and has the second largest stock in Greater Bay Area. We can tap into its

Note:

(1) A Qualified Minority-owned Property.

industry knowledge and management expertise through active partnership, as we gradually ramp up our learning curve in this fast-growing sector. Going forward, both parties will potentially collaborate further over a portfolio of logistics assets totalling more than 500,000 square meters in the Greater Bay Area.

On 7 November 2021, we announced the acquisition of a 50% interest in an iconic retail portfolio in Australia, namely Queen Victoria Building, The Galleries and The Strand Arcade. Located at the heart of Sydney CBD, the assets are situated in the most sought-after retail precinct in Sydney and which enjoys excellent natural footfall from locals, domestic and international visitors. The assets also benefit from access to an excellent public transport network and infrastructure, being within walking distance of light rail, train and buses. Queen Victoria Building and The Galleries have direct connections with Town Hall station – the busiest train station in New South Wales. Queen Victoria Building also has a basement car park catering for the anticipated growing use of private cars post COVID-19.

Each centre has its unique positioning and offers a diversified tenant base that attracts predominantly domestic middle class clientele. Based on the valuation report as at 25 October 2021, the portfolio’s occupancy stood at 94.3%. Prior to COVID-19, the centres enjoyed high occupancy and had consistently delivered excellent productivity according to Shopping Centre News “CBD Guns” published in 2020. Besides the in-built annual rental escalation, the portfolio has achieved positive re-leasing spreads in recent years. With a track record of high occupancy and quality tenant profile, the assets are highly productive and immediately income-contributing upon completion.



Geographically, we lifted Mainland exposure guidance in September as we continue to identify value-enhancing opportunities. We remain prudent in sourcing assets from four selected developed overseas markets, namely Australia, Japan, Singapore and the United Kingdom.



On 10 November 2021, we further announced the acquisition of two institutional grade car park/car service centres and godown buildings in Hung Hom and Chai Wan. This investment is a rare opportunity for Link to acquire institutional grade properties in urban areas in Hong Kong. Occupied by an established tenant – the exclusive dealer of Mercedes-Benz in Hong Kong, we are confident that the acquisition will bring us stable income with upside from yearly rental escalations. Each property possesses unique building specifications and characteristics suitable for automobile related usage. The limited supply of such assets in Hong Kong provides strong support for rental and leasing. As retail has experienced volatility during COVID-19 and economic downturn, diversifying our portfolio by adding stable “core” assets can help neutralise cyclical volatility.

## Culture of Excellence

### Goal: Become the “Employer of Choice”

We strive to be a “Talent Cultivator” with our commitment to grow multi-dimensional talents with expertise, mobility and versatility that are fit for the future. Our Young Talent Programme attracted over 1,000 applications. In August 2021, we successfully recruited our largest cohort of management trainees and management associates to undertake a 2-year intensive and targeted development programme that cultivates our talents’ functional business acumen and leadership capability, thereby fuelling Link’s talent pipeline through readiness development.



Our long-term growth strategy for Mainland is a crucial part of Vision 2025. In early 2020, our Shanghai regional centre was set up to expedite our growth plan. To strengthen our Mainland leadership and better manage our growing asset base, we reorganised our team structure and expanded our talent pool by acquiring local talents with professional expertise and proven track record in commercial properties and logistics assets.

Our efforts in pursuing excellence in HR best practices continued to garner industry recognition. Recently, we have been awarded the WeCare HR Asia Most Caring Companies Award 2021.



To drive a high-performance culture, we place Linkers at the heart of our business. In view of COVID-19 and to ensure a safe and healthy workplace, our vaccination support programme offers medical check subsidies, vaccination leave and vaccination lucky draw. To date, over 70% of Linkers have been vaccinated. Apart from organising a range of workplace and well-being engagement activities for Linkers, we conducted our regular employee engagement survey in May 2021 to better understand Linkers’ views. By communicating our needs and values in an open and inclusive manner, together we create a better employee experience and continue our pursuit of excellence.



## Visionary Creativity

### Goal: Placemaking through innovation

Following our earlier Net Zero 2035 announcement, we have further defined two 2025 interim targets across our portfolio, using the 2018/2019 baseline, to chart our progress towards achieving this ambitious goal:

- 5% reduction in electricity consumption; and
- 25% reduction in carbon intensity

These targets come on the heels of our earlier energy saving efforts, which to date have achieved 40% absolute reduction since 2010. As the current electrical equipments have not reached their end of life cycle, short term reduction targets will focus primarily on maximising efficiency through retro-commissioning and automation in order to extract the most value and minimise unnecessary waste.

Apart from enhancing our operational efficiency through the application of Energy Management System, we continued to roll out solar PV installations at 49 properties as part of our transition towards renewable energy.



As an extension of the living rooms of the people living around us, we leverage our property infrastructure and connectivity to create an extraordinary experience for our communities to enjoy. In the past 12 months, we completed ~95,000 sq ft of placemaking transformation. One such example is the conversion of a 42,000 sq ft rooftop area at TKO Spot into a multi-function sports ground. Here, we champion healthy and active lifestyles by collaborating with our tenant to provide a range of sports equipment for free to the local community.



Our network of assets is uniquely positioned to help address the social challenges of an aging population. To explore these opportunities further, a Gerontech Education and Rental Service Centre was opened in Yu Chui Shopping Centre. The Service Centre serves as hub connecting different age-focused NGOs and business partners, facilitating collaboration and encouraging awareness among the community.

# OPERATIONAL HIGHLIGHTS



## China

### Hong Kong Portfolio

Our Hong Kong portfolio primarily comprises retail and car park facilities which are predominantly located in densely populated residential areas across the city. Our non-discretionary focused retail assets primarily offer food-related trades, whereas our car park mainly serve the shoppers visiting our malls and residents of the surrounding estates. We also own 60% of an office development – The Quayside – in Kowloon East, providing 20 storeys of grade-A office space.

Our Hong Kong portfolio have largely resumed normal operations as the COVID-19 situation has been contained. Against this backdrop, our focus has shifted from offering monetary tenant support to bolstering business recovery through active marketing initiatives. Our tenants have demonstrated resilience and the rental collection rate remained high at 98%. Positive signs of recovery can also be seen as total retail revenue improved by 6.2%, while total car park revenue improved by 12.2% year-on-year.



## Retail

- We saw good growth in our retail rental operations in 1H 2021/2022. Leasing progress has been healthy and occupancy further improved to 97.5%, reaching a record high.
- Hong Kong average reversion rate edged up to 3.4%. Average unit rent stayed flat at HK\$62.4 psf.
- With the COVID-19 situation stabilised, we better utilised our space and organised more thematic fairs and bazaars during the period. As a result, retail rental from mall merchandising grew by 28.9% year-on-year.
- The 48.1% year-on-year increase in expenses recovery and other miscellaneous revenue was due to the waiver of management fee and air-conditioning service fee granted in the last financial period as part of the Tenant Support Scheme.
- Link's overall tenant gross sales psf remained resilient. Footfall and consumption sentiment improved with support from the Hong Kong Government's HK\$5,000 Consumption Voucher Scheme. An 8.9% year-on-year growth in tenant gross sales psf was recorded nearing the pre-COVID levels in 2019. Overall rent-to-sales ratio further normalised to 13.0% with improvements in F&B and general retail segments.



- In Hong Kong, there is pent-up demand for local spending as travel restrictions persist. Together with the second tranche of the Consumption Voucher Scheme which was disbursed from 1 October 2021, we expect leasing sentiment and overall tenant sales will continue to improve in the second half of 2021/2022. Going forward, the pace of economic recovery will depend on border reopening, unemployment and household income growth trends.

## Revenue Breakdown<sup>(1)</sup>

	Six months ended 30 September 2021 HK\$'M	Six months ended 30 September 2020 HK\$'M	Year-on-year change %
<b>Retail rental:</b>			
Shops <sup>(2)</sup>	2,457	2,440	0.7
Markets/Cooked Food Stalls	486	473	2.7
Education/Welfare and Ancillary	71	70	1.4
Mall Merchandising	107	83	28.9
<b>Expenses recovery and other miscellaneous revenue<sup>(3)</sup></b>	<b>480</b>	<b>324</b>	<b>48.1</b>
<b>Total retail revenue</b>	<b>3,601</b>	<b>3,390</b>	<b>6.2</b>

### Notes:

- (1) Management fees have been reclassified from rental to other miscellaneous revenue. Comparative figures have been restated.
- (2) Rental from shops included base rent of HK\$2,419 million (six months ended 30 September 2020: HK\$2,414 million) and turnover rent of HK\$38 million (six months ended 30 September 2020: HK\$26 million).
- (3) Other miscellaneous revenue includes management fees, air conditioning service fees, promotion levies and miscellaneous revenue.

**Operational Statistics**

	Occupancy rate		Reversion rate <sup>(1)</sup>		% of total area <sup>(2)</sup>
	As at 30 September 2021 %	As at 31 March 2021 %	Six months ended 30 September 2021 %	Six months ended 30 September 2020 %	As at 30 September 2021 %
Shops	97.6	97.0	2.3	(9.5)	84.0
Markets/Cooked Food Stalls	95.8	94.4	14.2	23.2	9.2
Education/Welfare and Ancillary	98.4	98.4	4.3	4.7	6.8
<b>Total</b>	<b>97.5</b>	<b>96.8</b>	<b>3.4</b>	<b>(4.0)</b>	<b>100.0</b>

Notes:

- (1) Reversion rate was calculated based on base rent (excluding management fee). Comparative figures have been restated.
- (2) Total excluding self-use office.

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

(Six months ended 30 September 2021)

Trade	Tenant retail gross sales growth psf %	Rent-to-sales ratio <sup>(1)</sup> %
Food & Beverage	25.7	13.8
Supermarket and Foodstuff	(8.6)	11.0
General Retail <sup>(2)</sup>	13.4	14.6
<b>Overall</b>	<b>8.9</b>	<b>13.0</b>

Notes:

- (1) A ratio of base rent (excluding management fee) to tenant retail gross sales psf.
- (2) Including clothing, department stores, electrical and household products, personal care/medicine, optical, books and stationery, newspaper, valuable goods, services, leisure and entertainment, and retail others.

**Portfolio Breakdown**

Properties	No. of properties	Retail property valuation	Retail rentals	Average monthly unit rent <sup>(1)</sup>		Occupancy rate	
	As at 30 September 2021	As at 30 September 2021 HK\$'M	Six months ended 30 September 2021 HK\$'M	As at 30 September 2021 HK\$ psf	As at 31 March 2021 HK\$ psf	As at 30 September 2021 %	As at 31 March 2021 %
Destination	6	27,292	613	76.9	79.3	97.0	94.0
Community	35	69,210	1,766	69.2	69.2	98.0	97.6
Neighbourhood	57	29,666	742	45.2	44.6	97.0	97.2
<b>Total</b>	<b>98</b>	<b>126,168</b>	<b>3,121</b>	<b>62.4</b>	<b>62.4</b>	<b>97.5</b>	<b>96.8</b>

Note:

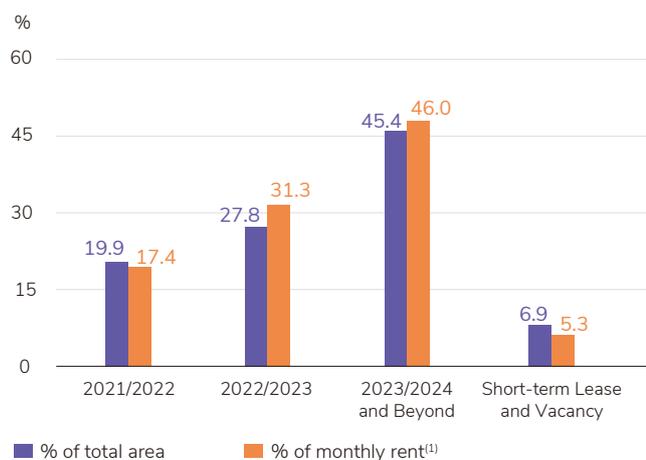
(1) Average monthly unit rent represents the average base rent (excluding management fee) per month psf of leased area.

**Trade Mix**

(As at 30 September 2021)


**Lease Expiry Profile**

(As at 30 September 2021)



Notes:

- (1) Refers to base rent (excluding management fee).
- (2) Others include clothing, department stores, electrical and household products, optical, books and stationery, newspaper, leisure and entertainment.

## Car Park and Others

- Car park performance continued to trend upward as people resumed business and leisure activities following the lifting of COVID-19 restrictions.
- During the period, significant improvement was seen in hourly car park rental revenue, which was up 39.1% year-on-year and recovered to pre-COVID levels. Monthly car park ticket sales increased gradually and monthly car park rental recorded a 4.1% growth year-on-year. As a result, overall car park revenue grew 12.2% year-on-year.
- Car park income per space per month increased by 11.9% year-on-year to HK\$3,073 as a result of increases in visits to malls and hourly tariffs.
- As at 30 September 2021, total car park valuation and average valuation per space were HK\$32,835 million (31 March 2021: HK\$31,516 million) and approximately HK\$581,000 (31 March 2021: HK\$558,000) respectively.
- After the financial period end, we announced the acquisition of two institutional grade car park/car service centres and godown buildings in Hung Hom and Chai Wan in Hong Kong at a consideration of HK\$5,820 million in total. The acquisition is expected to complete by 31 December 2021.
- The two assets are purpose-built properties catered to holistic before-and-after car sales services and they are strategically positioned in the urban areas of Hong Kong. Both properties are 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. Upon completion, sales and re-leasing arrangements will be entered with the tenant for an initial fixed term of five years and three optional three-year terms thereafter for each property. They will generate stable income with regular rental step-up.



## Revenue Breakdown

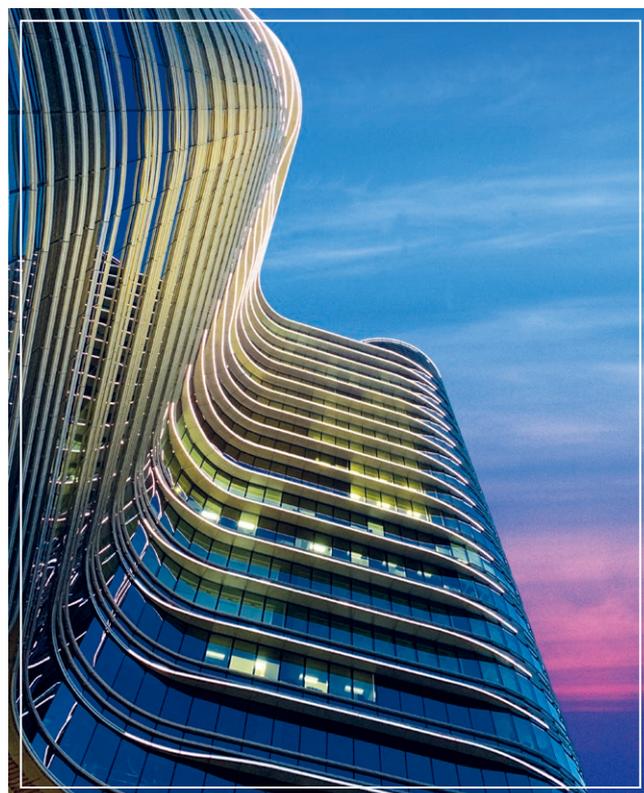
	Six months ended 30 September 2021 HK\$'M	Six months ended 30 September 2020 HK\$'M	Year-on-year change %
<b>Car park rental:</b>			
Monthly	754	724	4.1
Hourly	288	207	39.1
<b>Expense recovery and other miscellaneous revenue</b>	5	2	150.0
<b>Total car park revenue</b>	<b>1,047</b>	933	12.2

## Office

- Leasing progress at The Quayside has been encouraging. As of October 2021, the committed occupancy rate of the office tower has reached 93.8%. Blue-chip finance and insurance companies are the key tenants of the office tower, taking up around 60% of the area.
- Part of the remaining vacant office space at The Quayside is located at the top floor. We target to attract high-quality tenants seeking premium grade-A office space with prominent harbour views.

## Property Operating Expenses

- During the period, total property operating expenses increased by 9.9% while net property income margin declined slightly to 76.6% (six months ended 30 September 2020: 77.1%).
- 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.
- Utilities charges increased due to the absence of government subsidies and increases in energy consumption as a result of additional ventilation for COVID-19 prevention during the period.



## Property Operating Expenses Breakdown

	Six months ended 30 September 2021 HK\$'M	Six months ended 30 September 2020 HK\$'M	Year-on-year change %
Property managers' fees, security and cleaning	293	296	(1.0)
Staff costs	220	187	17.6
Repair and maintenance	90	82	9.8
Utilities	164	145	13.1
Government rent and rates	139	133	4.5
Promotion and marketing expenses	81	44	84.1
Estate common area costs	50	46	8.7
Other property operating expenses	83	86	(3.5)
<b>Total property operating expenses</b>	<b>1,120</b>	<b>1,019</b>	<b>9.9</b>

## Mainland Portfolio

As at 30 September 2021, we have seven investments in Mainland located in Beijing, Shanghai, Guangzhou and Shenzhen. This portfolio delivered 15.6% and 13.0% year-on-year growth in total revenue and net property income, respectively. The increase in revenue was mainly due to the new contribution from Happy Valley Shopping Mall in Guangzhou and the retail rental reversions achieved in our other Mainland assets. There was no material impact on Link's Mainland portfolio resulting from either the resurgence of COVID-19 or the recent electricity blackouts. Overall rental collection remained healthy at 97%.

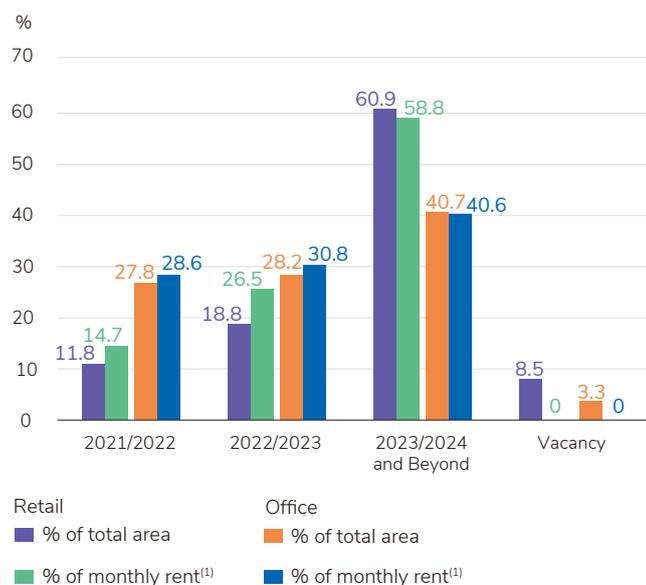
### Retail

- Our five shopping centres in Mainland continued to deliver encouraging reversion averaging 12.1%. Separately, our newly acquired Qualified Minority-owned Property Qibao Vanke Plaza achieved a reversion of 31.3%.
- Average occupancy was 91.5%, due in part to the other newly acquired Guangzhou Happy Valley Shopping Mall whose occupancy was 74.1%. Excluding Happy Valley Shopping Mall, average occupancy was 96.2% as at the period end.
- The team in Guangzhou is stabilising the operations at Guangzhou Happy Valley Shopping Mall and creating further value there. We have started planning for its asset enhancement programme which is anticipated to commence later next year.
- Link CentralWalk's tenant sales growth lagged as the asset has been undergoing enhancement. Tenant sales in three properties – Link Plaza • Zhongguancun, Link Plaza • Jingtong and Link Plaza • Guangzhou – recovered to around 90% of the 2019 level.



### Lease Expiry Profile

(As at 30 September 2021)



Note:

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

### Office

- Located at core CBD in Shanghai, Link Square is leased to several local and multinational conglomerates. Office occupancy of this premium grade A office edged up to 96.7%. Office reversion was at -12.1% as it continued to face headwinds in a competitive market. The leases renewed related to only 8.3% of the total leasable area thus creating only minor impact on rental revenue.
- To enhance its competitiveness, we are upgrading Link Square by enhancing the office lobby and common areas. We anticipate the asset will continue to provide a secured and stable income stream.

## Logistics

- We acquired 75% interests in two recently-developed modern logistics assets in Dongguan and Foshan at an initial consideration of RMB754 million, subject to completion adjustments. The acquisition was completed in October 2021. The total consideration for the two logistics properties acquired was less than 1% of GAV of Link and considered immaterial to Link. As such, no announcement has been made by Link pursuant to 10.4(ga) of the REIT Code.
- Being Link's first foray into the logistics sector, we were selective in picking these properties which are immediately income generating and fully-occupied by reputable tenants. The tenant mix by area includes grocery (44% of Dongguan property), third-party logistics (38% of Dongguan property), consumer (18% of Dongguan property) and e-commerce (100% of Foshan property).
- We co-own these properties with an experienced partner who is also the operation manager. With WALE of 3.5 and 4.4 years, the Dongguan and Foshan logistics assets enjoy emerging leasing demand given they are strategically located in well-connected transportation hubs within the Greater Bay Area.

## Investment Summary

	Dongguan Property	Foshan Property
<b>Property Particulars</b>		
Address	281 Yanhe Road, Shatian, Dongguan	Heng'er Road, Sanshui, Foshan
Remaining Land Tenure	46 years	46 years
Completion	2019	2020
GFA (square meter)	110,015	86,793
Net Ceiling Height (meter)	9	9
Loading Capacity (per square meter)	1/F – 3t, 2/F – 2t	1/F – 3t, 2/F – 2t
Monthly Gross Passing Income (RMB Million)	4.8	2.8
<b>Valuation</b>		
Agreed Property Value (RMB Million)	844	480
Valuation by Colliers (RMB Million)	883	499

## Asset Enhancement

### Completed Projects in 1H2021/2022

- Return on investment for the completed enhancement projects were impacted by the dampened leasing market during the pandemic. During the period, we completed the enhancements of Hing Wah Plaza and Tai Wo Plaza with capex of HK\$31 million and HK\$55 million, and ROIs of 13.2% and 3.6%, respectively.

### Approved Asset Enhancement Projects Underway

- Three projects (Link CentralWalk in Shenzhen, Tai Yuen Market and Lok Fu Market in Hong Kong) are currently underway and they each will incur an estimated capex of HK\$346 million, HK\$27 million and HK\$32 million, respectively. The expected completion date is late 2021 for Link CentralWalk, and mid 2022 for the two Hong Kong projects.
- Going forward, we target to spend an aggregate of over HK\$1 billion capex on asset enhancements on ~20 projects. There are no foreseeable impacts resulting from supply chain challenges to costs and materials for these asset enhancement projects.

## Overseas

### Retail Portfolio

- After the financial period end, Link agreed to purchase 50% interests in three iconic retail assets in Sydney at a consideration of AUD538.2 million. The acquisition is expected to complete in the first half of 2022.
- The three assets are Queen Victoria Building, The Galleries and The Strand Arcade. Located on George Street in the CBD of Sydney, the three assets are among the most productive retail assets in Australia. As at the valuation date on 25 October 2021, the portfolio occupancy stood at 94.3% and the tenant mix by the total gross passing income were 50%, 20% and 14% from fashion and accessory, food and beverage and major/mini-major tenants, respectively.
- As New South Wales is gradually reopening with most lockdown measures lifted in November, local businesses are anticipated to resume normal operations. We will work closely with Vicinity, one of the largest retail landlords in Australia, as a co-owner to curate and position the portfolio dynamically to better serve the needs of shoppers and the broader community in the long run.



### Office Portfolio

- The two office buildings, 100 Market Street in Australia and The Cabot in the United Kingdom, are our core investments and we have full period of rental contributions from both properties during the period.
- The assets are highly defensive in nature as both possess long WALE – 8 years and in excess of 10 years respectively – and have shown high levels of resilience despite the impact of the COVID-19 pandemic. During the period, total revenue and net property income of the two offices buildings amounted to HK\$245 million and HK\$170 million, respectively.
- The office space continued to be fully-occupied by blue-chip tenants, and we have experienced no major rental arrears in either property. Overall rental collection rate remained healthy at 99% as of October 2021.
- We plan to refurbish the lobby of 100 Market Street to improve the entrance experience for the office workers in the building.



## Valuation Review

- Colliers International (Hong Kong) Limited, the principal valuer of Link, valued Link's properties as at 30 September 2021, using the income capitalisation approach with reference to market comparables via the direct comparison approach. As at 30 September 2021, total value of investment properties has increased by 3.8% to HK\$206,551 million when compared to 31 March 2021. The increase was mainly due to the acquisition of Happy Valley Shopping Mall in Guangzhou, which was completed in June 2021, and valuation gains.
- As at 30 September 2021, the value of our Hong Kong retail properties remained steady at HK\$126,168 million, up 1.3% from HK\$124,581 million as at 31 March 2021. The value of car parks increased 4.2% to HK\$32,835 million (31 March 2021: HK\$31,516 million) mainly due to increase in net property income as a result of increase in car park tariff and ticket sales. The value of our Hong Kong office was HK\$9,023 million (31 March 2021: HK\$8,943 million).
- Properties in Mainland (including 50% value of of Qibao Vanke Plaza) were valued at HK\$35,988 million, up from HK\$27,160 million as at 31 March 2021. The increase of HK\$8,828 million was mainly due to acquisitions. Excluding the translation difference and on a like-for-like basis, the value of our Mainland properties increased by 0.8% in Renminbi terms.
- The valuation of our office buildings in Australia and the United Kingdom were HK\$3,906 million (31 March 2021: HK\$4,038 million) and HK\$3,956 million (31 March 2021: HK\$4,019 million), respectively as at 30 September 2021. The changes in valuations were mainly due to exchange rate fluctuations.

### Valuation

	Valuation		Capitalisation Rate	
	As at 30 September 2021 HK\$'M	As at 31 March 2021 HK\$'M	As at 30 September 2021	As at 31 March 2021
<b>Hong Kong</b>				
Retail properties	126,168	124,581	3.10% – 4.50%	3.10% – 4.50%
Car parks	32,835	31,516	3.10% – 5.30%	3.10% – 5.30%
Office property	9,023 <sup>(1)</sup>	8,943 <sup>(1)</sup>	3.00%	3.00%
	<b>168,026</b>	165,040		
<b>Mainland</b>				
Retail properties	29,432 <sup>(2)</sup>	20,713	4.25% – 4.75%	4.25% – 4.75%
Office property	6,556	6,447	4.25%	4.25%
	<b>35,988</b>	27,160		
<b>Australia</b>				
Office property	3,906	4,038	4.40%	4.50%
<b>United Kingdom</b>				
Office property	3,956	4,019	5.26%	5.24%
<b>Total valuation</b>	<b>211,876</b>	200,257		
<b>Total valuation of investment properties</b>	<b>206,551<sup>(3)</sup></b>	199,074 <sup>(3)</sup>		

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 self-used office and are classified as property, plant and equipment, and the 50% value of Qibao Vanke Plaza.

## Capital Management

The global economy has rebounded from the pandemic recession earlier in 2021 amid growing COVID-19 vaccination coverage and ongoing fiscal support from governments. Nevertheless, rapid spread of the Delta variant and increasing inflation expectations pose uncertainties for global recovery momentum and monetary policy normalisation.

Despite ongoing disruptions caused by the pandemic, Link has maintained a healthy leverage position and stable credit ratings. As in the past, Link tapped into the financial markets from time to time, securing liquidity at competitive costs to support the operational needs and acquisitions.

Since April 2021, Link has raised a total of HK\$2 billion sustainability-linked loans that were structured to incorporate reduced pricing with interest cost savings if Link achieves the pre-agreed sustainability milestones. As of 30 September 2021, sustainability-linked loans accounted for approximately 30.5% of the Group's total debt portfolio.

### Key Performance Indicators

# 2.3%

Average borrowing cost  
(Six months ended  
30 September 2021)

# 19.5%<sup>(1)</sup>

Gearing Ratio  
(as of 30 September 2021)

### Robust Leverage Metrics

- Gearing ratio remained at 19.5%<sup>(1)</sup> as of 30 September 2021 while total debt increased by HK\$3.9 billion to HK\$42.5 billion.
- Ample financial resources with HK\$7.3 billion undrawn committed facilities and HK\$2.1 billion cash and bank balances.
- Debt maturity averaged at 3.2 years and well staggered over the coming 17 years.
- Average borrowing cost for the six months ended 30 September 2021 was 2.3%.

Notes:

- (1) After adjusting for the impact of the acquisition of 75% interests in two recently-developed modern logistics assets in Guangdong Province completed in October 2021, the acquisition of 50% interests in a Sydney CBD retail portfolio announced on 7 November 2021, the interim distribution declared on 10 November 2021, and the acquisition of two institutional grade car park/car service centres and godown buildings in Hong Kong announced on 10 November 2021, the gearing ratio of Link as at 30 September 2021 will increase from 19.5% to 23.6%.
- (2) Details of contingent liabilities of Link are disclosed in note 10 Taxation in the Notes to the Consolidated Financial Statements on p.62 of this report.

## Strong Access to Capital Markets

### Financing arranged since April 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 bank loan

#### September 2021

3 to 5-year bank loans totalled at HK\$2.7 billion

5-year sustainability-linked loans totalled at 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% per annum

CNH460 million 3-year notes at 3.25% per annum

## Foreign Currency Fluctuations Well Managed

- Overseas acquisitions are principally funded by local currency borrowings.
- Distributable income from offshore properties are fixed into HKD terms by use of foreign currency forwards.

## Commitment to Enhancing Unitholders' Return

- **Relevant investments:** Held a carrying value of HK\$2.3 billion in investment-grade bonds as of 30 September 2021 with an average bond yield of 3.5%.
- **Unit buyback:** Bought back a total of approximately 1.3 million units during the period under review at an average price of HK\$65.2 and for an aggregated cost of HK\$82.6 million. Any further buybacks will be dependent on multiple factors.
- **Distribution policy:** Committed to 100% payout and the discretionary distribution of HK14 cents per unit per annum until 2021/2022.
- **Distribution reinvestment scheme:** Provided eligible Unitholders with the option to reinvest in Link units for scrip distributions for the final distribution of the year ended 31 March 2021. HK\$753.6 million of the cash distribution was reinvested with approximately 10 million new units issued at a unit price of HK\$75.063.

## Vigorous Credit Ratings

- Resilient financial fundamentals are well recognised by rating agencies.

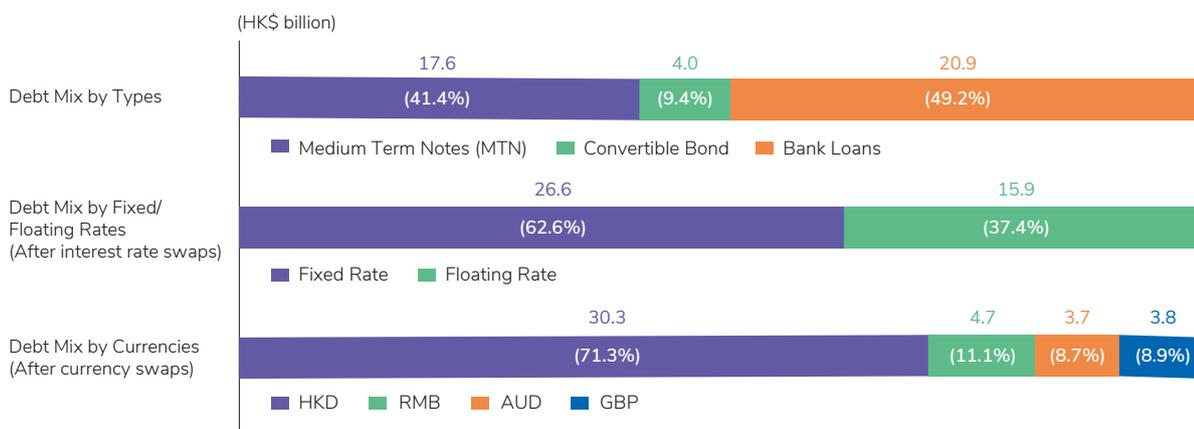
**A/Stable** Standard and Poor

**A2/Stable** Moody's

**A/Stable** Fitch

## Debt Profile Breakdown

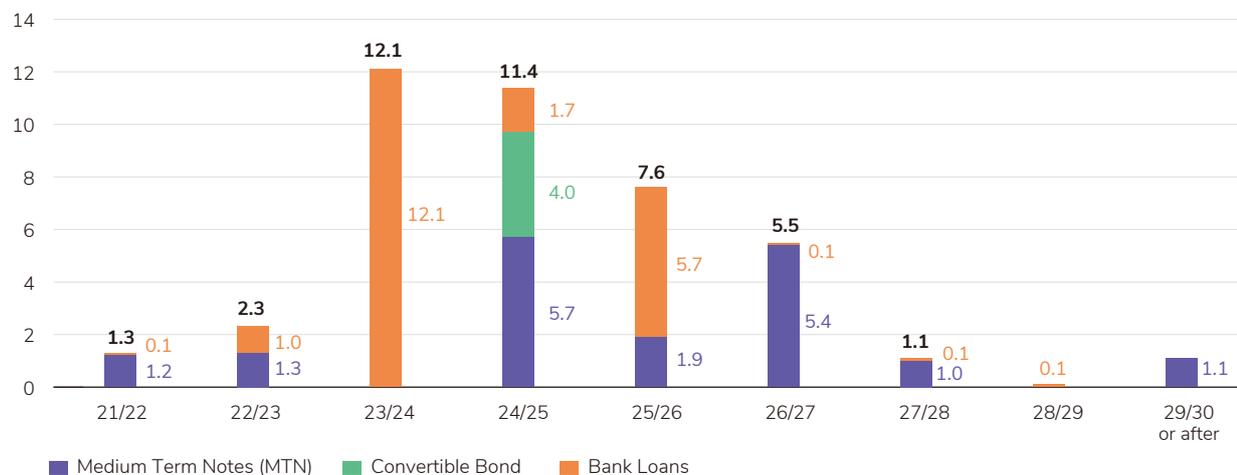
(Based on face value as at 30 September 2021)



## Debt Maturity Profile

(Based on face value as at 30 September 2021)

(HK\$ billion)



# CORPORATE GOVERNANCE

Link is a collective investment scheme authorised by the SFC under section 104 of the SFO and a constituent of the Hang Seng Index. It is managed by Link Asset Management Limited. Link believes responsible governance should transcend merely complying with regulatory requirements to become a value that is embedded within all that we do.

## The Board and Board Committees

The Board is central to the operation of Link's corporate governance framework, which provides for effective oversight and control. Under the direction of the Board, Link has implemented comprehensive systems and procedures designed to promote Link's long-term success and deliver sustainable value to Unitholders and other stakeholders. The Board is characterised by its diversity and the independence of its members.

As at the date of this report, the Board has 14 members, including 11 INEDs, one NED and two EDs (being the CEO and the CFO).

The Chairman (who is an INED) leads and is responsible for the running of the Board. The CEO leads management and is responsible for running Link's business and its daily operations. The two roles are separate and performed by different individuals.

In discharging its duties, the Board is assisted by the Audit and Risk Management Committee, the Finance and Investment Committee, the Nomination Committee and the Remuneration Committee. The composition of these committees is set out below:

Name	Board	Audit and Risk Management Committee	Finance and Investment Committee	Nomination Committee	Remuneration Committee
Nicholas Charles ALLEN	✓ <sup>(C)</sup>		✓ <sup>(C)</sup>	✓ <sup>(C)</sup>	
George Kwok Lung HONGCHOY (CEO)	✓		✓	✓	
NG Kok Siong (CFO)	✓		✓		
Ian Keith GRIFFITHS	✓		✓		
Christopher John BROOKE	✓		✓		✓
Ed CHAN Yiu Cheong	✓		✓		✓
Jenny GU Jialin	✓	✓			
Lincoln LEONG Kwok Kuen	✓	✓			
Blair Chilton PICKERELL	✓			✓	✓ <sup>(C)</sup>
Poh Lee TAN	✓	✓			
May Siew Boi TAN	✓	✓		✓	✓
Peter TSE Pak Wing	✓	✓ <sup>(C)</sup>			
Nancy TSE Sau Ling	✓	✓			
Elaine Carole YOUNG	✓		✓		✓

(C) = Chairman/chairman of Board Committee

✓ = member

Matters reserved for the Board and the latest terms of reference of the respective Board Committees are available on our corporate website: [Linkreit.com](http://Linkreit.com).

## Updates to Directors' Information since Annual Report 2020/2021

- Mr George Kwok Lung HONGCHOY ceased to be a global governing trustee, but remains a trustee, of the Urban Land Institute with effect from 30 June 2021.
- Mr Christopher John BROOKE was appointed as a member of the Advisory Board of Kerb Holdings Company Pty Limited with effect from 1 July 2021 and he ceased to be the Interim Chair of the Governing Council of the Royal Institution of Chartered Surveyors with effect from 9 September 2021.
- Ms May Siew Boi TAN ceased to be an independent non-executive director of Home Credit N.V. with effect from 1 July 2021 and she was appointed as an independent non-executive director of JP Morgan China Growth and Income plc, a company listed on the London Stock Exchange, with effect from 2 August 2021.
- Mr Nicholas Charles ALLEN ceased to be an independent non-executive director of Stevin Rock LLC and RAK Rock LLC with effect from 10 July 2021 and ceased to be an independent non-executive director of Lenovo Group Limited, a company listed on the Main Board of the Stock Exchange, with effect from 20 July 2021. In addition, Mr Nicholas Charles ALLEN ceased to be a director of Vision 2047 Foundation with effect from 15 September 2021.
- Ms Jenny Gu Jialin was appointed as an INED and a member of the Audit and Risk Management Committee of the Manager with effect from 17 August 2021.

Biographies of our Directors can be viewed on Link's corporate website: [Linkreit.com](http://Linkreit.com).

## Corporate Governance Policy and Practices

The corporate governance policy and practices adopted during the six months ended 30 September 2021, remained in line with those in place for the financial year ended 31 March 2021, as disclosed in the corporate governance report in Link's Annual Report 2020/2021, including the modification to the rigid application of code provision A.4.2 of the Listing Rules Corporate Governance Code such that the EDs are not subject to retirement by rotation at annual general meetings of Unitholders to preserve business continuity and longevity at the most senior levels of management.

## Regulatory Compliance

Throughout the six months ended 30 September 2021:

- Link and the Manager complied with the REIT Code, the SFO, applicable provisions of the Listing Rules, the Trust Deed and, in all material respects, the Compliance Manual;
- Link and the Manager applied the principles and to the extent appropriate, complied with the code provisions in the Listing Rules Corporate Governance Code, save and except code provision A.4.2. The Manager considers that rigid application of code provision A.4.2 to our EDs is not in the best interests of the Unitholders. Business continuity and longevity at the most senior levels of management work for the long-term benefit of Link. Frequent re-shuffles of the executive directorate, absent the anchor of a controlling Unitholder, may promote "short-termism". Any risk of entrenchment in office is counter-balanced by an overwhelming majority of INEDs on our Board, who have the collective power (and the Unitholders also have the same power under the Trust Deed) to remove a recalcitrant ED;
- all the Directors, having made specific enquiries of each of them, have confirmed that they complied with the required standards set out in the Link Securities Dealing Code, the terms of which are regularly reviewed and updated (when as appropriate) to ensure that they are no less exacting than those set out in the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 to the Listing Rules; and
- the Manager has an escalation policy in order to provide for management to identify relevant issues and for the Board to make timely disclosure of inside information as required. It also has stringent internal procedures to preserve confidentiality of inside information. The Manager has complied with the requirements of Part XIVA of the SFO, as if such SFO provisions were applicable to Link. The company secretary (who is the CLO) maintains records of meetings and discussions of management, the Board and/or Board Committees concerning the assessment of potential inside information, keeps a register of inside information and updates the Directors on a regular basis.

Pursuant to the Link Securities Dealing Code, Directors or senior management or other relevant senior employees wishing to deal in the securities of Link must first have regard to the provisions of Parts XIII and XIV of the SFO with respect to insider dealing and market misconduct as if such SFO provisions were applicable to Link. They must also refrain from dealing in the securities of Link if they are aware of, or are privy to, certain negotiations or agreements relating to intended acquisitions or disposals, or have been otherwise in possession of unpublished inside information, until proper disclosure of the inside information in accordance with the REIT Code and the Listing Rules has been made.

The Manager also imposes and enforces (when required) black-out requirements on Directors and staff members who are involved in the preparation of Link's interim and final results announcements and the related reports or, who are involved in corporate transactions or possess inside information as required by the Listing Rules, the inside information provisions of the SFO and the Compliance Manual. Accordingly, relevant members of staff are precluded from participating in the EUPP during black-out periods.

## Other Information Updates

### Review by Audit and Risk Management Committee and Auditor

The condensed consolidated interim financial information of Link for the six months ended 30 September 2021 has been reviewed by the Audit and Risk Management Committee and Link's auditor.

### Employee Unit Purchase Plan

During the period under review, 315 eligible employees of the Manager and its subsidiaries participated in the EUPP, who together purchased 85,708 Units on the Stock Exchange through an independent third-party intermediary (currently, Bank of China (Hong Kong) Limited) for a total consideration of HK\$6,357,538.30, of which an amount of HK\$891,922.00 was subsidised by the Manager. The amount of subsidy for each eligible employee was determined in accordance with the rules of the EUPP with reference to such employee's length of service and appraised performance.

### Link Together Initiatives

During the period under review, upon the recommendation of the selection committee, the Board approved approximately HK\$15.5 million of funding for selected projects under the Link Together Initiatives. The themes of the selected projects are in line with the objectives of the Link Together Initiatives, which are to promote the sustainable development of the communities around Link's properties through supporting the well-being of the elderly and the disadvantaged and education, training and development of children and youth services in the geographies in which Link operates.

### Issue of New Units

During the period under review, 10,038,914 new Units were issued at an issue price of HK\$75.063 per Unit pursuant to the distribution reinvestment scheme in respect of the final distribution for the financial year ended 31 March 2021. Based on 2,090,637,780 Units in issue as at 30 September 2021, the number of new Units issued during the period under review represents approximately 0.48% of the Units in issue.

### Buy-back, Sale or Redemption of Units

During the period under review, the Manager (on behalf of Link) bought back a total of 1,264,000 Units on the Stock Exchange at an aggregate consideration (excluding expenses) of approximately HK\$82.45 million. Further details are set out as follows:

Month	Number of Units bought back	Purchase price per Unit		Approximate aggregate consideration (excluding expenses) HK\$'M
		Highest HK\$	Lowest HK\$	
<b>2021</b>				
September	1,264,000	67.35	64.35	82.45

All of the Units bought back were cancelled prior to the end of the period under review. All Unit buy-backs by the Manager during the period under review were carried out pursuant to the general mandate to buy back Units granted by the Unitholders and were made in the interests of Link and the Unitholders as a whole. The average cost (excluding expenses) of the Units bought back was approximately HK\$65.23 per Unit.

Save as disclosed above, neither the Manager nor any of Link's subsidiaries bought back, sold or redeemed any of the Units during the period under review.

### Unitholder Statistics

As at 1 April 2021, there were 2,081,862,866 Units in issue. During the period under review, 10,038,914 new Units were issued and 1,264,000 Units were bought back and cancelled. As at 30 September 2021, there were 2,090,637,780 Units in issue, which were held by 21,343 registered Unitholders according to the register of Unitholders. HKSCC Nominees Limited (through which most holders hold their Units) remained as the single largest registered Unitholder holding 2,010,710,468 Units (approximately 96.18% of the issued Units).

Based on the closing price of HK\$66.75 per Unit and 2,090,637,780 Units then in issue, the market capitalisation of Link as at 30 September 2021 was approximately HK\$139.6 billion. Please see Note 25 to the condensed consolidated interim financial information in this report for further details.

### Public Float

Based on the information publicly available to the Manager, Link continues to meet the required public float of no less than 25% of its issued Units in public hands.

As at the date of this report, Link does not have any controlling nor substantial unitholders (has the meaning of "substantial unitholder" under 8.1 of the REIT Code, i.e. entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of Link or any of its subsidiaries) ("**Substantial Unitholder(s)**").

### Investor Relations

The Manager continually communicates with the investment community to ensure that analysts, retail and institutional investors are sufficiently informed, and to gauge their views on the business objectives, activities and future direction of Link. There are currently 17 equity research analysts actively covering Link. Since April 2021, the Manager participated in the following events:

Event	Number
Individual meetings and conference calls	320 individuals
Self-organised investor day	1
Investor conferences/corporate days	10
Post-results/non-deal roadshows	4

## Acquisition and Disposal of Real Estate

As at 1 April 2021, Link's portfolio comprised 134 assets (including 127 investment properties in Hong Kong, five investment properties in Mainland, one investment property in Australia and one investment property in the United Kingdom). A list and relevant details of those properties can be found on pages 167 to 206 of the "Governance, Disclosures and Financial Statements" report of Link's Annual Report 2020/2021.

During the period under review, the following acquisitions took place:

- the acquisition of a 50% interest in a commercial property known as "七寶萬科廣場" (Qibao Vanke Plaza) in Shanghai by Link at an initial consideration of approximately RMB2,772 million (subject to completion adjustments) which was completed on 2 April 2021 (details of which were disclosed in the announcements dated 24 February and 6 April 2021 issued by Link). Such investment is classified as a Qualified Minority-owned Property; and
- the acquisition of a property known as "太陽新天地購物中心" (Happy Valley Shopping Mall) in Guangzhou by Link at an initial consideration of approximately RMB2,099 million (subject to completion adjustments) which was completed on 28 June 2021 (details of which were disclosed in the announcements dated 4 June and 28 June 2021 issued by Link).

Save as disclosed above, there were no material acquisitions or disposals of Link's properties during the period under review.

As at 30 September 2021, Link's portfolio comprised 136 assets (including 127 investment properties in Hong Kong, seven investment properties in Mainland, one investment property in Australia and one investment property in the United Kingdom).

Subsequent to the financial period end, the following acquisitions took place:

- the acquisition of 75% interests in two logistics properties in Dongguan and Foshan by Link at an initial consideration of RMB754 million (subject to completion adjustments) which was completed on 27 October 2021. The total consideration for the two logistics properties acquired was less than 1% of GAV of Link and considered immaterial to Link. As such, no announcement has been made by Link pursuant to 10.4(ga) of the REIT Code. Details of the acquisition can be found on pages 12 and 23 of this report;
- the acquisition of 50% interests in three iconic retail properties in Sydney, Australia, namely Queen Victoria Building, The Galleries and The Strand Arcade by Link at an aggregate consideration of approximately AUD538.2 million (subject to completion adjustments) on 5 November 2021 (details of which were disclosed in the announcement dated 7 November 2021 issued by Link); and
- the acquisition of two institutional grade car park/car services centres and godown buildings in Hong Kong by Link at an aggregate consideration of HK\$5,820 million (subject to completion adjustments) on 10 November 2021 (details of which were disclosed in the announcement dated 10 November 2021 issued by Link).

## Property Development and Related Activities

There are no further updates on property development and related activities pursuant to 7.2A of the REIT Code. As at 30 September 2021, GAV Cap has not been applied, therefore 25% of GAV was available for property development and related activities under the REIT Code and the Trust Deed.

## Relevant Investments

The Relevant Investments made by Link as of 30 September 2021 are set out below:

Debt securities	Primary listing	Currency	Credit rating			Total cost HK\$'000	Mark-to-market value HK\$'000	Percentage of gross asset value <sup>(1)</sup> %
			S&P	Moody's	Fitch			
HRINTH 3.625 11/22/21	HKEx	USD	BBB	–	BBB	63,401	62,792	0.03
BCLMHK 4 01/22/22	HKEx	USD	A–	–	A	12,530	12,328	0.01
CHJMAO 3.6 03/03/22	HKEx	USD	BBB–	Baa3	BBB–	92,931	92,014	0.04
SINOCE 5.25 04/30/22	HKEx	USD	–	Baa3	BBB–	39,016	37,946	0.02
CICCHK 3.375 05/03/22	HKEx	USD	BBB	–	BBB+	47,067	47,319	0.02
CICCHK Float 05/03/22	HKEx	USD	BBB	–	BBB+	80,349	79,447	0.04
CATIC 3.5 05/31/22	HKEx	USD	–	Baa1	A–	47,082	47,278	0.02
LNGFOR 3.875 07/13/22	SGX	USD	–	–	BBB	59,229	58,552	0.03
HAOHUA 3.5 07/19/22	SGX	USD	BBB	–	A	94,314	95,172	0.04
CJANT 3.375 07/25/22	HKEx	USD	–	–	A+	156,185	158,252	0.07
CHIOLI 3.95 11/15/22	HKEx	USD	BBB+	Baa1	–	24,048	24,056	0.01
YUEXIU 4.5 01/24/23	HKEx	USD	–	Baa3	BBB–	47,297	47,318	0.02
POLYRE 3.95 02/05/23	HKEx	USD	BBB–	Baa3	BBB+	266,371	270,685	0.13
HAOHUA 4.625 03/14/23	SGX	USD	BBB	–	A	65,204	65,337	0.03
VNKRLE 4.15 04/18/23	HKEx	USD	BBB	Baa2	BBB+	80,310	80,768	0.04
VNKRLE Float 05/25/23	HKEx	USD	BBB	Baa2	BBB+	7,853	7,787	0.004
PINGIN 4.375 09/10/23	SGX	USD	–	Baa2	–	65,035	65,191	0.03
POLYRE 4.75 09/17/23	HKEx	USD	BBB–	Baa3	BBB+	47,203	47,357	0.02
YUEXIU 5.375 10/19/23	HKEx	USD	–	Baa3	BBB–	90,771	90,996	0.04
HYNMTR 4.3 02/01/24	FRA	USD	BBB+	Baa1	–	204,052	208,963	0.10
VNKRLE 5.35 03/11/24	HKEx	USD	BBB	Baa2	BBB+	64,328	64,893	0.03
CHIOLI 5.95 05/08/24	HKEx	USD	BBB+	Baa1	A–	17,426	17,331	0.01
CCBL 3.5 05/16/24	HKEx	USD	A	–	A	156,630	164,619	0.08
SHGANG 4 05/23/24	SGX	USD	–	–	A–	94,278	98,542	0.05
YXREIT 3.6 05/28/24	Unlisted	HKD	–	Baa3	–	30,000	30,675	0.01
VNKRLE 4.2 06/07/24	HKEx	USD	BBB	Baa2	BBB+	38,914	40,019	0.02
HAOHUA 3.375 06/19/24	SGX	USD	–	Baa2	A–	39,863	40,793	0.02
CHJMAO 4 06/21/24	HKEx	USD	BBB–	–	–	53,159	53,459	0.02
WB 3.5 07/05/24	HKEx	USD	BBB	Baa2	–	39,923	40,561	0.02
CNBG 3.375 07/16/24	HKEx	USD	BBB	–	A–	127,189	130,507	0.06
JOHNEL 4.125 07/30/24	HKEx	USD	BBB	Baa1	–	41,682	42,935	0.02
HRINTH 3.25 11/13/24	HKEx	USD	–	Baa3	BBB	46,842	44,145	0.02
<b>Total</b>						<b>2,340,484</b>	<b>2,368,037</b>	<b>1.10</b>

Note:

(1) "Gross asset value" is calculated by reference to the latest published accounts of Link as adjusted for any distribution declared and change in valuation (if any) subsequent to the publication of the accounts. "Percentage of gross asset value" is calculated based on the mark-to-market value of the Relevant Investments.

Based on the above, the portfolio of Relevant Investments represented approximately 1.10% of the gross asset value of Link as of 30 September 2021 (after adjusting for the interim distribution declared). The combined value of the Relevant Investments together with other investments of types referred to in 7.2C of the REIT Code represented approximately 3.1% of the gross asset value of Link as of 30 September 2021 (after adjusting for the interim distribution declared), and therefore is within the Maximum Cap.

The full investment portfolio of Relevant Investments is updated monthly and published within five business days of the end of each calendar month on Link's corporate website: Linkreit.com.

## Guaranteed Green Convertible Bonds due 2024

On 3 April 2019, Link CB Limited (formerly known as Link 2019 CB Limited), a wholly-owned SPV of Link, completed the issue of HK\$4,000,000,000 1.60% guaranteed green convertible bonds due 2024 (the “**Convertible Bonds**”) which are convertible into new Units at an initial conversion price of HK\$109.39 per Unit (subject to adjustment) with a maturity of five years. The Convertible Bonds were listed on the Stock Exchange on 4 April 2019 with stock code number 5936.

Link believes that the issue of the Convertible Bonds is in the best interests of Link and its Unitholders as a whole as the Convertible Bonds will replenish Link’s maturing facilities, diversify Link’s funding sources, expand its investor base and increase the trading liquidity of its Units.

Based on the initial conversion price of HK\$109.39 per Unit, the number of new Units to be issued upon full conversion of the Convertible Bonds are approximately 36,566,413 Units.

Link intended to use the net proceeds (after deduction of fees, commissions and other related expenses) of approximately HK\$3,974,000,000 from the issue of the Convertible Bonds to refinance or fund, in whole or in part, existing and future eligible green projects selected in accordance with certain eligibility criteria as prescribed under and for general corporate purposes and in accordance with Link’s green finance framework. The net proceeds were used to refinance or fund Link’s eligible green projects and general corporate purposes that fit its green finance framework which received external validation from Sustainalytics and the Hong Kong Quality Assurance Agency.

As of the date of this report, no conversion of the Convertible Bonds had been exercised by any holders of the Convertible Bonds and no redemption of the Convertible Bonds was made by Link CB Limited.

For details of the Convertible Bonds issue, please refer to the announcements dated 7 March, 8 March and 3 April 2019 issued by Link.

## Amendments to the Trust Deed and Compliance Manual

### Trust Deed

On 30 July 2021, with Unitholders’ approval given by way of special resolutions, certain provisions in the Trust Deed were amended. Key amendments of the Trust Deed included (i) amending the definition of “Adjustments” in relation to computing Total Distributable Income (as defined in the Trust Deed); (ii) increasing the investment limit for Property Development and Related Activities (as defined in the Trust Deed); (iii) providing greater flexibility in the conduct of general meetings of Unitholders; and (iv) making certain minor amendments to the Trust Deed. All amendments were detailed in the circular of Link dated 29 June 2021. The Manager and the Trustee entered into the Second Amending and Restating Deed dated 30 July 2021 to make relevant amendments to the Trust Deed.

### Compliance Manual

On 30 July 2021, the Compliance Manual was updated to (i) align with the amendments to the Trust Deed; (ii) incorporate the updated terms of reference of the Board Committees; and (iii) reflect the latest business practices and operations of Link (including the Manager).

### **Distribution Reinvestment Scheme**

On 10 November 2021, the Board declared an interim distribution of HK159.59 cents per Unit (the "**Interim Distribution**") for the six months ended 30 September 2021 payable on Friday, 31 December 2021, to the Unitholders whose names appear on the register of Unitholders on Thursday, 25 November 2021 (the "**Record Date**"). The Board further announced that a distribution reinvestment scheme will be made available to eligible Unitholders on the Record Date. Eligible Unitholders may elect to receive the Interim Distribution, wholly in cash or wholly in new Units or a combination of both. An announcement giving further information of such scheme will be published on or around Thursday, 25 November 2021, and a circular containing details of such scheme together with the relevant election form or revocation notice will be despatched to Unitholders on or around Thursday, 2 December 2021. A distribution reinvestment scheme was made available to Unitholders from 2007 to 2013 and from 2020.

Details of the Interim Distribution and interim DPU for the six months ended 30 September 2021 appear on page 52 of this report. The ex-distribution date, closure of register of Unitholders date, Record Date, and payment date for the Interim Distribution appear on page 84 of this report.

### **Changes after Financial Period End**

This report has taken into account changes occurred since the end of the six-month period on 30 September 2021 up to the date of approval of this report by the Board on 10 November 2021.

Hong Kong, 10 November 2021

# DISCLOSURES

## Disclosure of Interests

### Interests and Short Positions of Unitholders Required to be Disclosed Under the SFO

According to the disclosure of interests to the Stock Exchange and the Manager pursuant to the provisions of Part XV of the SFO and the register kept by the Manager, the following persons held an interest of 5% or more in Units and/or underlying Units as at 30 September 2021:

Name	Capacity	Number of Units/ underlying Units in long position (L)/ short position (S)	Approximate percentage of total Units in issue <sup>(3)</sup> %
BlackRock, Inc. <sup>(1)</sup>	Interest of controlled corporations	(L) 187,224,524 <sup>(1)</sup> (S) 373,370 <sup>(1)</sup>	8.95 0.01
Stichting Pensioenfond ABP <sup>(2)</sup>	Investment manager	(L) 110,977,977 <sup>(2)</sup>	5.30

Notes:

- (1) The long position interests of BlackRock, Inc. in 187,224,524 Units and short position interests in 373,370 Units were held through its various controlled corporations. The interests shown in the above table include certain long position interests (174,100 underlying Units) and certain short position interests (222,370 underlying Units) in cash settled unlisted derivatives.
- (2) APG Asset Management N.V. is a wholly-owned subsidiary of APG Groep N.V. which itself is a non-wholly owned subsidiary of Stichting Pensioenfond ABP. Therefore, APG Asset Management N.V., APG Groep N.V. and Stichting Pensioenfond ABP were interested or deemed to be interested in the same batch of 110,977,977 Units as shown in the above table.
- (3) The approximate percentages were calculated based on 2,090,637,780 Units in issue as at 30 September 2021 (rounded down to two decimal places).

Save as disclosed above, based on the disclosure of interests to the Stock Exchange and the Manager pursuant to the provisions of Part XV of the SFO and the register kept by the Manager, there were no other persons having an interest of 5% or more in the Units and/or underlying Units as at 30 September 2021.

## Interests of Directors in Units

According to the disclosure of interests to the Stock Exchange and the Manager pursuant to the provisions of Part XV of the SFO and the register kept by the Manager, the interests of the Directors in Units and underlying Units as at 30 September 2021 were as follows:

Name	Number of Units				Interest in underlying Units <sup>(2)</sup>	Total interest held at 30 Sep 2021	Approximate percentage of total Units in issue <sup>(3)</sup> %	Total interest held at 31 Mar 2021
	Personal interest <sup>(1)</sup>	Family interest	Corporate interest	Other interest				
<b>Chairman (also an Independent Non-Executive Director)</b>								
Nicholas Charles ALLEN	129,072 <sup>(4)</sup>	–	–	–	54,983	184,055	0.0088	162,256
<b>Executive Directors</b>								
George Kwok Lung HONGCHOY	539,560	–	–	–	2,184,937	2,724,497	0.1303	2,900,480
NG Kok Siong	67,280	–	–	–	450,760	518,040	0.0247	478,694
<b>Non-Executive Director</b>								
Ian Keith GRIFFITHS	86,314	–	–	–	16,924	103,238	0.0049	96,326
<b>Independent Non-Executive Directors</b>								
Christopher John BROOKE	8,914	–	–	–	17,903	26,817	0.0012	18,926
Ed CHAN Yiu Cheong	8,000	–	–	–	18,815	26,815	0.0012	24,816
Jenny GU Jialin	–	–	–	–	–	–	–	–
Lincoln LEONG Kwok Kuen	–	–	–	–	7,132	7,132	0.0003	–
Blair Chilton PICKERELL	8,500	–	–	–	19,089	27,589	0.0013	25,722
TAN Poh Lee	26,162	–	12,787	–	18,100	57,049	0.0027	49,670
May Siew Boi TAN	144,091	–	–	–	21,472	165,563	0.0079	156,758
Peter TSE Pak Wing	39,878	–	–	–	19,601	59,479	0.0028	51,753
Nancy TSE Sau Ling	35,161	–	–	–	18,100	53,261	0.0025	46,129
Elaine Carole YOUNG	47,195	–	–	–	18,815	66,010	0.0031	34,066

### Notes:

- (1) Directors' personal interests in Units as stated above were long position interests. There were no short position interests held by any Director.
- (2) Directors' interests in underlying Units as stated above were long position interests and represent the maximum number of Units which may be vested with the Directors under the Long-term Incentive Scheme. Please refer to the 'Long-term Incentive Scheme' section on pages 41 to 46 of this report for details. Additional Units beyond this amount may be vested subject to approval of the Remuneration Committee of the Manager.
- (3) The approximate percentages were calculated based on 2,090,637,780 Units in issue as at 30 September 2021 (rounded down to four decimal places).
- (4) The personal interest of Mr Nicholas Charles ALLEN in 77,500 Units was held in an account in joint names with his spouse.

Save as disclosed above and so far as the Manager is aware, none of the Directors or any of their respective associates held any interests in Units (or, as the case may be, shares) or underlying Units (or, as the case may be, underlying shares) or debentures of Link and/or its subsidiaries which were required to be disclosed pursuant to the provisions of Part XV of the SFO as at 30 September 2021.

## Interests of Connected Persons in Units and Securities

After making reasonable enquiries and according to the information available to the Manager, as at 30 September 2021, the following persons (other than any Substantial Unitholder and the Directors and any of their respective associates<sup>(3)</sup>) being connected persons (as defined in Chapter 8 of the REIT Code) to Link, held the following interests in the Units and securities issued by Link or its SPVs:

### 1. Interests in Units

Name	Number of Units held at 30 Sep 2021	Approximate percentage of total Units in issue <sup>(2)</sup> %	Number of Units held at 31 Mar 2021
The Hongkong and Shanghai Banking Corporation Limited ("HSBC") and its subsidiaries <sup>(1)</sup>	2,150,887	0.10	1,265,660

Notes:

- (1) The Trustee is a direct subsidiary of HSBC and hence HSBC and its subsidiaries are connected persons to Link. Save as disclosed in the table above, certain associates of the Trustee were also interested in 579 Units as at 30 September 2021.
- (2) The approximate percentage was calculated based on 2,090,637,780 Units in issue as at 30 September 2021.
- (3) As at 30 September 2021, Link did not have any Substantial Unitholders. The interests in Units held by the Directors (including the CEO and the CFO (who is also a director of certain subsidiaries of Link)) as at 30 September 2021 are disclosed in the 'Interests of Directors in Units' section above.

In addition, as at 30 September 2021, Mr Gary FOK Yip Sang (being a director of certain subsidiaries of Link), Ms Phyllis NG Yuen Fan (being a director of certain subsidiaries of Link) and Mr Max WONG Hon Keung (being a director of a subsidiary of Link), together with their respective associates were interested in 137,012, 60,626 and 125,712 Units respectively.

### 2. Interests in Green Bond and/or Notes issued under the MTN Programme

- (a) HK\$589 million HKD-denominated notes due 2021 issued on 3 October 2011 at 3.3% coupon rate by The Link Finance (Cayman) 2009 Limited, a subsidiary of Link

Name	Nominal amount held at 30 Sep 2021 HK\$	Approximate percentage of total nominal amount <sup>(1)</sup> %	Nominal amount held at 31 Mar 2021 HK\$
HSBC and its subsidiaries	300,000,000	50.93	300,000,000

Note:

- (1) The approximate percentage was calculated based on the total nominal amount of HK\$589 million of the above-mentioned HKD-denominated notes.

- (b) HK\$500 million HKD-denominated notes due 2027 issued on 28 June 2012 at 3.55% coupon rate by The Link Finance (Cayman) 2009 Limited

Name	Nominal amount held at 30 Sep 2021 HK\$	Approximate percentage of total nominal amount <sup>(1)</sup> %	Nominal amount held at 31 Mar 2021 HK\$
HSBC and its subsidiaries	100,000,000	20.00	100,000,000

Note:

- (1) The approximate percentage was calculated based on the total nominal amount of HK\$500 million of the above-mentioned HKD-denominated notes.

- (c) HK\$500 million HKD-denominated notes due 2028 issued on 8 February 2013 at 3.1% coupon rate by The Link Finance (Cayman) 2009 Limited

Name	Nominal amount held at 30 Sep 2021 HK\$	Approximate percentage of total nominal amount <sup>(1)</sup> %	Nominal amount held at 31 Mar 2021 HK\$
HSBC and its subsidiaries	50,000,000	10.00	50,000,000

Note:

- (1) The approximate percentage was calculated based on the total nominal amount of HK\$500 million of the above-mentioned HKD-denominated notes.

- (d) US\$500 million USD-denominated notes due 2024 issued on 3 September 2014 at 3.6% coupon rate by The Link Finance (Cayman) 2009 Limited

Name	Nominal amount held at 30 Sep 2021 US\$	Approximate percentage of total nominal amount <sup>(1)</sup> %	Nominal amount held at 31 Mar 2021 US\$
HSBC and its subsidiaries	34,171,000	6.83	34,171,000

Note:

- (1) The approximate percentage was calculated based on the total nominal amount of US\$500 million of the above-mentioned USD-denominated notes.

- (e) US\$500 million green bond due 2026 issued on 21 July 2016 at 2.875% coupon rate by The Link Finance (Cayman) 2009 Limited ("**Green Bond**")

Name	Nominal amount held at 30 Sep 2021 US\$	Approximate percentage of total nominal amount <sup>(1)</sup> %	Nominal amount held at 31 Mar 2021 US\$
HSBC and its subsidiaries	35,000	0.01	10,035,000

Note:

- (1) The approximate percentage was calculated based on the total nominal amount of US\$500 million of the Green Bond.

### 3. Interests in Guaranteed Green Convertible Bonds due 2024

HK\$4 billion HKD-denominated guaranteed green convertible bonds due 2024 issued on 3 April 2019 at 1.6% coupon rate by Link CB Limited, a subsidiary of Link (“**Convertible Bonds**”)

Name	Aggregate amount held at 30 Sep 2021 HK\$	Approximate percentage of total principal amount <sup>(1)</sup> %	Aggregate amount held at 31 Mar 2021 HK\$
HSBC and its subsidiaries	68,000,000	1.70	16,000,000

Note:

(1) The approximate percentage was calculated based on the aggregate principal amount of HK\$4 billion of the Convertible Bonds.

## Long-term Incentive Scheme

### 2017 LTI Scheme

The 2017 LTI Scheme was adopted on 10 July 2017, pursuant to which Awards may be granted to Directors and selected key employees of the Manager, the Manager's subsidiaries and SPVs of Link.

Awards which may be granted under the 2017 LTI Scheme comprise (i) Restricted Unit Awards (to be satisfied by purchase of Units through a third-party intermediary from the open stock market upon vesting); and (ii) Conditional Cash Awards (to be satisfied by cash payments equal to the aggregate DPU over the vesting period multiplied by the actual number of Units that may finally vest).

A summary of the rules of the 2017 LTI Scheme were set out on pages 76 and 77 of the 'Governance, Disclosures and Financial Statements' report in Link's Annual Report 2020/2021.

### Movements of Restricted Unit Awards

Movements in Restricted Unit Awards<sup>(1)</sup> under the 2017 LTI Scheme during the six months ended 30 September 2021 and the balances at the beginning and the end of the period were as follows:

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2021	Granted during the period <sup>(2)</sup>	Vested during the period <sup>(3)</sup>	Cancelled during the period <sup>(4)</sup>	Lapsed during the period <sup>(4)</sup>	Outstanding at 30 Sep 2021	Values recognised during the period <sup>(5)</sup> HK\$'000	Aggregate of values recognised up to 30 Sep 2021 <sup>(6)</sup> HK\$'000
<b>Directors</b>										
Nicholas Charles ALLEN (Independent Non-Executive Director)	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	10,500	–	(10,500)	–	–	–	129	877
	5 Jul 2019	5 Jul 2019 to 30 Jun 2021	8,072	–	(8,072)	–	–	–	123	653
	5 Jul 2019	5 Jul 2019 to 30 Jun 2022	8,072	–	–	–	–	8,072	85	439
	29 Jul 2020	29 Jul 2020 to 30 Jun 2022	12,556	–	–	–	–	12,556	205	547
	29 Jul 2020	29 Jul 2020 to 30 Jun 2023	12,556	–	–	–	–	12,556	137	364
	7 Jul 2021	7 Jul 2021 to 30 Jun 2023	–	10,899	–	–	–	10,899	91	91
	7 Jul 2021	7 Jul 2021 to 30 Jun 2024	–	10,900	–	–	–	10,900	61	61
George Kwok Lung HONGCHOY (Executive Director)	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	518,763 <sup>(7)</sup>	–	(118,500)	–	(400,263)	–	5,268	12,439
	5 Jul 2019	5 Jul 2019 to 30 Jun 2021	591,693 <sup>(7)</sup>	–	–	–	(591,693)	–	1,016	9,724
	5 Jul 2019	5 Jul 2019 to 30 Jun 2022	591,693 <sup>(7)</sup>	–	–	–	–	591,693 <sup>(7)</sup>	337	6,015
	29 Jul 2020	29 Jul 2020 to 30 Jun 2022	392,894	–	–	–	–	392,894	6,421	17,103
	29 Jul 2020	29 Jul 2020 to 30 Jun 2023	392,894	–	–	–	–	392,894	4,281	11,402
	7 Jul 2021	7 Jul 2021 to 30 Jun 2023	–	403,727 <sup>(7)</sup>	–	–	–	403,727 <sup>(7)</sup>	3,372	3,372
	7 Jul 2021	7 Jul 2021 to 30 Jun 2024	–	403,729 <sup>(7)</sup>	–	–	–	403,729 <sup>(7)</sup>	2,338	2,338

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2021	Granted during the period <sup>(2)</sup>	Vested during the period <sup>(3)</sup>	Cancelled during the period <sup>(4)</sup>	Lapsed during the period <sup>(4)</sup>	Outstanding at 30 Sep 2021	Values recognised during the period <sup>(5)</sup> HK\$'000	Aggregate of values recognised up to 30 Sep 2021 <sup>(6)</sup> HK\$'000
NG Kok Siong (Executive Director)	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	65,800 <sup>(7)</sup>	–	(15,030)	–	(50,770)	–	668	1,578
	5 Jul 2019	5 Jul 2019 to 30 Jun 2021	116,443 <sup>(7)</sup>	–	–	–	(116,443)	–	200	1,914
	5 Jul 2019	5 Jul 2019 to 30 Jun 2022	116,443 <sup>(7)</sup>	–	–	–	–	116,443 <sup>(7)</sup>	66	1,184
	29 Jul 2020	29 Jul 2020 to 30 Jun 2022	63,879	–	–	–	–	63,879	1,044	2,781
	29 Jul 2020	29 Jul 2020 to 30 Jun 2023	63,879	–	–	–	–	63,879	696	1,854
	7 Jul 2021	7 Jul 2021 to 30 Jun 2023	–	103,279 <sup>(7)</sup>	–	–	–	103,279 <sup>(7)</sup>	863	863
	7 Jul 2021	7 Jul 2021 to 30 Jun 2024	–	103,280 <sup>(7)</sup>	–	–	–	103,280 <sup>(7)</sup>	598	598
Ian Keith GRIFFITHS (Non-Executive Director)	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	3,250	–	(3,250)	–	–	–	40	272
	5 Jul 2019	5 Jul 2019 to 30 Jun 2021	2,414	–	(2,414)	–	–	–	37	195
	5 Jul 2019	5 Jul 2019 to 30 Jun 2022	2,414	–	–	–	–	2,414	26	131
	29 Jul 2020	29 Jul 2020 to 30 Jun 2022	3,799	–	–	–	–	3,799	62	165
	29 Jul 2020	29 Jul 2020 to 30 Jun 2023	3,799	–	–	–	–	3,799	41	110
	7 Jul 2021	7 Jul 2021 to 30 Jun 2023	–	3,456	–	–	–	3,456	29	29
	7 Jul 2021	7 Jul 2021 to 30 Jun 2024	–	3,456	–	–	–	3,456	19	19
Christopher John BROOKE (Independent Non-Executive Director)	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	3,250	–	(3,250)	–	–	–	40	272
	5 Jul 2019	5 Jul 2019 to 30 Jun 2021	2,414	–	(2,414)	–	–	–	37	195
	5 Jul 2019	5 Jul 2019 to 30 Jun 2022	2,414	–	–	–	–	2,414	26	131
	29 Jul 2020	29 Jul 2020 to 30 Jun 2022	3,799	–	–	–	–	3,799	62	165
	29 Jul 2020	29 Jul 2020 to 30 Jun 2023	3,799	–	–	–	–	3,799	41	110
	7 Jul 2021	7 Jul 2021 to 30 Jun 2023	–	3,945	–	–	–	3,945	33	33
	7 Jul 2021	7 Jul 2021 to 30 Jun 2024	–	3,946	–	–	–	3,946	22	22

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2021	Granted during the period <sup>(2)</sup>	Vested during the period <sup>(3)</sup>	Cancelled during the period <sup>(4)</sup>	Lapsed during the period <sup>(4)</sup>	Outstanding at 30 Sep 2021	Values recognised during the period <sup>(5)</sup> HK\$'000	Aggregate of values recognised up to 30 Sep 2021 <sup>(6)</sup> HK\$'000
Ed CHAN Yiu Cheong (Independent Non-Executive Director)	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	3,250	–	–	(3,250) <sup>(8)</sup>	–	–	40	272
	5 Jul 2019	5 Jul 2019 to 30 Jun 2021	2,642	–	–	(2,642) <sup>(8)</sup>	–	–	40	214
	5 Jul 2019	5 Jul 2019 to 30 Jun 2022	2,642	–	–	–	–	2,642	28	144
	29 Jul 2020	29 Jul 2020 to 30 Jun 2022	4,141	–	–	–	–	4,141	68	180
	29 Jul 2020	29 Jul 2020 to 30 Jun 2023	4,141	–	–	–	–	4,141	45	120
	7 Jul 2021	7 Jul 2021 to 30 Jun 2023	–	3,945	–	–	–	3,945	33	33
	7 Jul 2021	7 Jul 2021 to 30 Jun 2024	–	3,946	–	–	–	3,946	22	22
Jenny GU Jialin (Independent Non-Executive Director)	–	–	–	–	–	–	–	–	–	–
Lincoln LEONG Kwok Kuen (Independent Non-Executive Director)	7 Jul 2021	7 Jul 2021 to 30 Jun 2023	–	3,566	–	–	–	3,566	30	30
	7 Jul 2021	7 Jul 2021 to 30 Jun 2024	–	3,566	–	–	–	3,566	20	20
Blair Chilton PICKERELL (Independent Non-Executive Director)	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	3,250	–	–	(3,250) <sup>(8)</sup>	–	–	40	272
	5 Jul 2019	5 Jul 2019 to 30 Jun 2021	2,719	–	–	(2,719) <sup>(8)</sup>	–	–	41	220
	5 Jul 2019	5 Jul 2019 to 30 Jun 2022	2,719	–	–	–	–	2,719	29	148
	29 Jul 2020	29 Jul 2020 to 30 Jun 2022	4,267	–	–	–	–	4,267	70	186
	29 Jul 2020	29 Jul 2020 to 30 Jun 2023	4,267	–	–	–	–	4,267	46	124
	7 Jul 2021	7 Jul 2021 to 30 Jun 2023	–	3,918	–	–	–	3,918	33	33
	7 Jul 2021	7 Jul 2021 to 30 Jun 2024	–	3,918	–	–	–	3,918	22	22

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2021	Granted during the period <sup>(2)</sup>	Vested during the period <sup>(3)</sup>	Cancelled during the period <sup>(4)</sup>	Lapsed during the period <sup>(4)</sup>	Outstanding at 30 Sep 2021	Values recognised during the period <sup>(5)</sup> HK\$'000	Aggregate of values recognised up to 30 Sep 2021 <sup>(6)</sup> HK\$'000
Poh Lee TAN (Independent Non-Executive Director)	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	3,500	–	(3,500)	–	–	–	43	293
	5 Jul 2019	5 Jul 2019 to 30 Jun 2021	2,662	–	(2,662)	–	–	–	40	215
	5 Jul 2019	5 Jul 2019 to 30 Jun 2022	2,662	–	–	–	–	2,662	28	145
	29 Jul 2020	29 Jul 2020 to 30 Jun 2022	4,153	–	–	–	–	4,153	68	181
	29 Jul 2020	29 Jul 2020 to 30 Jun 2023	4,153	–	–	–	–	4,153	45	121
	7 Jul 2021	7 Jul 2021 to 30 Jun 2023	–	3,566	–	–	–	3,566	30	30
	7 Jul 2021	7 Jul 2021 to 30 Jun 2024	–	3,566	–	–	–	3,566	20	20
May Siew Boi TAN (Independent Non-Executive Director)	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	4,000	–	(4,000)	–	–	–	49	333
	5 Jul 2019	5 Jul 2019 to 30 Jun 2021	3,091	–	(3,091)	–	–	–	47	250
	5 Jul 2019	5 Jul 2019 to 30 Jun 2022	3,091	–	–	–	–	3,091	33	168
	29 Jul 2020	29 Jul 2020 to 30 Jun 2022	4,788	–	–	–	–	4,788	78	208
	29 Jul 2020	29 Jul 2020 to 30 Jun 2023	4,788	–	–	–	–	4,788	52	139
	7 Jul 2021	7 Jul 2021 to 30 Jun 2023	–	4,402	–	–	–	4,402	37	37
	7 Jul 2021	7 Jul 2021 to 30 Jun 2024	–	4,403	–	–	–	4,403	24	24
Peter TSE Pak Wing (Independent Non-Executive Director)	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	3,750	–	(3,750)	–	–	–	46	313
	5 Jul 2019	5 Jul 2019 to 30 Jun 2021	2,878	–	(2,878)	–	–	–	44	233
	5 Jul 2019	5 Jul 2019 to 30 Jun 2022	2,877	–	–	–	–	2,877	30	156
	29 Jul 2020	29 Jul 2020 to 30 Jun 2022	4,499	–	–	–	–	4,499	74	196
	29 Jul 2020	29 Jul 2020 to 30 Jun 2023	4,499	–	–	–	–	4,499	49	131
	7 Jul 2021	7 Jul 2021 to 30 Jun 2023	–	3,863	–	–	–	3,863	32	32
	7 Jul 2021	7 Jul 2021 to 30 Jun 2024	–	3,863	–	–	–	3,863	21	21

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2021	Granted during the period <sup>(2)</sup>	Vested during the period <sup>(3)</sup>	Cancelled during the period <sup>(4)</sup>	Lapsed during the period <sup>(4)</sup>	Outstanding at 30 Sep 2021	Values recognised during the period <sup>(5)</sup> HK\$'000	Aggregate of values recognised up to 30 Sep 2021 <sup>(6)</sup> HK\$'000
Nancy TSE Sau Ling (Independent Non-Executive Director)	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	3,500	–	(3,500)	–	–	–	43	293
	5 Jul 2019	5 Jul 2019 to 30 Jun 2021	2,662	–	(2,662)	–	–	–	40	215
	5 Jul 2019	5 Jul 2019 to 30 Jun 2022	2,662	–	–	–	–	2,662	28	145
	29 Jul 2020	29 Jul 2020 to 30 Jun 2022	4,153	–	–	–	–	4,153	68	181
	29 Jul 2020	29 Jul 2020 to 30 Jun 2023	4,153	–	–	–	–	4,153	45	121
	7 Jul 2021	7 Jul 2021 to 30 Jun 2023	–	3,566	–	–	–	3,566	30	30
	7 Jul 2021	7 Jul 2021 to 30 Jun 2024	–	3,566	–	–	–	3,566	20	20
Elaine Carole YOUNG (Independent Non-Executive Director)	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	3,500	–	(3,500)	–	–	–	43	293
	5 Jul 2019	5 Jul 2019 to 30 Jun 2021	2,642	–	(2,642)	–	–	–	40	214
	5 Jul 2019	5 Jul 2019 to 30 Jun 2022	2,642	–	–	–	–	2,642	28	144
	29 Jul 2020	29 Jul 2020 to 30 Jun 2022	4,141	–	–	–	–	4,141	68	180
	29 Jul 2020	29 Jul 2020 to 30 Jun 2023	4,141	–	–	–	–	4,141	45	120
	7 Jul 2021	7 Jul 2021 to 30 Jun 2023	–	3,945	–	–	–	3,945	33	33
	7 Jul 2021	7 Jul 2021 to 30 Jun 2024	–	3,946	–	–	–	3,946	22	22
<b>Other participants</b>										
In aggregate	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	305,798 <sup>(7)</sup>	–	(69,019)	–	(236,779)	–	3,070	7,245
	5 Jul 2019	5 Jul 2019 to 30 Jun 2021	335,068 <sup>(7)</sup>	–	–	–	(335,068)	–	570	5,456
	5 Jul 2019	5 Jul 2019 to 30 Jun 2022	335,068 <sup>(7)</sup>	–	–	–	(3,051)	332,017 <sup>(7)</sup>	190	3,375
	29 Jul 2020	29 Jul 2020 to 30 Jun 2022	282,168	–	–	–	(3,043)	279,125	4,561	12,151
	29 Jul 2020	29 Jul 2020 to 30 Jun 2023	282,168	–	–	–	(3,043)	279,125	3,043	8,100
	7 Jul 2021	7 Jul 2021 to 30 Jun 2023	–	466,862 <sup>(7)</sup>	–	–	–	466,862 <sup>(7)</sup>	3,897	3,897
	7 Jul 2021	7 Jul 2021 to 30 Jun 2024	–	466,927 <sup>(7)</sup>	–	–	–	466,927 <sup>(7)</sup>	2,705	2,705
<b>Total</b>			<b>4,661,384</b>	<b>2,045,951</b>	<b>(264,634)</b>	<b>(11,861)</b>	<b>(1,740,153)</b>	<b>4,690,687</b>	<b>48,600</b>	<b>128,272</b>

## Notes:

- (1) The Restricted Unit Awards in the above table were all granted in conjunction with Conditional Cash Awards. The aggregate weighted average value carried by the outstanding Conditional Cash Awards attached to the outstanding Restricted Unit Awards at the end of the period was HK\$2.2915 per Unit.
- (2) The closing price of the Units on the business day immediately preceding the date of grant of the Restricted Unit Awards during the period was HK\$76.25 per Unit. On the assumption that the Restricted Unit Awards granted during the period were finally vested for the maximum number of Units, the estimated fair value of such Restricted Unit Awards would amount to approximately HK\$137 million as at 30 September 2021 based on the valuation of an independent valuer.
- (3) The closing price of the Units on the business day on which the relevant Restricted Unit Awards were vested during the period was HK\$75.25 per Unit. Pursuant to the 2017 LTI Scheme, an aggregate cash payment of approximately HK\$26.8 million was made to the EDs and other participants, which comprised: (i) HK\$3.2 million for the Conditional Cash Awards and the Restricted Unit Awards; (ii) HK\$6.6 million in "catch-up" adjustments, calculated by reference to the closing price of the Units on the vesting date; and (iii) HK\$17 million in ex-gratia payments.
- (4) These figures represent the maximum number of Units in respect of which the Restricted Unit Awards had lapsed or were cancelled during the period. The Conditional Cash Awards granted in conjunction with such Restricted Unit Awards had lapsed or were cancelled simultaneously.
- (5) Values recognised during the period represent the amounts recognised in the condensed consolidated income statement under Hong Kong Financial Reporting Standards for the six months ended 30 September 2021. The values are estimated by an independent external valuer based on valuation techniques and assumptions on Unit price, outstanding length of the Awards and other market conditions, if appropriate, and charged to the condensed consolidated income statement over the vesting period.
- (6) Aggregate of values recognised up to 30 September 2021 represents the aggregated amounts recognised in the financial statements under Hong Kong Financial Reporting Standards for the period from grant dates to 30 September 2021.
- (7) These figures represent the maximum number of Units that may be purchased in the grantee's favour on vesting of his/her relevant Restricted Unit Awards. Additional Units beyond this amount may be vested subject to approval of the Remuneration Committee of the Manager. The actual number of Units that will finally vest and be purchased for each relevant grantee may range from zero to such maximum number depending on whether, and to what extent, the relevant vesting conditions (if any) are met. The Restricted Unit Awards relating to the NED and INEDs are tenure-based only.
- (8) Cash payments in lieu of Units were made to Mr Ed CHAN Yiu Cheong and Mr Blair Chilton PICKERELL pursuant to the 2017 LTI Scheme.

The Restricted Unit Awards and Conditional Cash Awards granted under the 2017 LTI Scheme are expensed through Link's consolidated income statement over the relevant vesting period. Further details of the 2017 LTI Scheme are set out in Note 19 to the condensed consolidated interim financial information.

## Connected Party Transactions

### Connected Persons and Connected Party Transactions

The following table sets out income derived or expenses incurred by Link and/or its SPVs from or with connected persons (as defined under Chapter 8 of the REIT Code) below during the period under review:

Name of connected person	Relationship with Link	Nature of the transactions	Income derived HK\$'M	Expenses incurred HK\$'M
Link Asset Management Limited and its subsidiaries	Manager and its delegates	Management fee <sup>(1)</sup>	N/A	(833)
HSBC Institutional Trust Services (Asia) Limited	Trustee	Trustee's fee <sup>(2)</sup>	N/A	(8)
HSBC and its subsidiaries (excluding the Trustee and its proprietary subsidiaries) ("HSBC Group")	Associates of Trustee	Tenancy/licence <sup>(3)</sup>	18 <sup>(4)</sup>	N/A
		Interest income	9	N/A
		Interest expenses/arrangement fees/bank charges/transaction fees <sup>(5)</sup>	N/A	(24)
Aedas Limited and Aedas Beijing Limited	Associates of Mr Ian Keith GRIFFITHS	Architectural and renovation consultancy services	N/A	(2)

Notes:

- (1) The Manager has delegated property management and administrative functions to its subsidiaries. The Manager and its subsidiaries recover their expenses from Link on a cost recovery basis.
- (2) Trustee's fee shall not be less than such amount as shall be equal to 0.006% per annum of the values of Link's majority-owned properties in Hong Kong and minority-owned properties in any location and 0.015% per annum of the values of Link's majority-owned properties outside Hong Kong respectively as determined in the latest annual valuation report prepared by the Principal Valuer, subject to a minimum of HK\$150,000 per month.
- (3) These included shops, ATMs, showcases and minor lettings at various locations within Link's properties.
- (4) Excluding deposits received.
- (5) Including transaction fees paid by the Manager for buy-back of Units and other administration fees during the period under review.

### Lease Transactions with Connected Persons

The following tenancies, with annual rents exceeding HK\$1 million, subsisted between Link's SPVs and connected persons during the period under review:

Name of tenant	Nature of the transactions	Lease term	Annual rent <sup>(1)</sup> HK\$'M	Rental deposit received during the six months ended 30 September 2021 HK\$'M
Hang Seng Bank, Limited ("Hang Seng")	Tenancy for shop no. 121A at Temple Mall South	Term of 2 years ended on 2 July 2021 and then renewed for another term of 3 years ending on 2 July 2024	3.5	1.1
	Tenancy for shop no. G202 at Lok Fu Place	Term of 3 years ending on 31 October 2022	3.8 <sup>(2)</sup>	N/A
HSBC	Tenancy for shop nos. L201 to L206 at Lok Fu Place	Term of 3 years ending on 21 August 2022	5.2	N/A
	Tenancy for shop no. N119 at Temple Mall North	Term of 2 years ended on 31 August 2021 and then renewed for another term of 2 years ending on 31 August 2023	1.3	N/A
	Tenancy for shop nos. 118 to 120 at Wing B of Hin Keng Shopping Centre	Term of 3 years ending on 12 December 2023	1.0	N/A

Notes:

(1) Annual rent is calculated from the monthly base rent on a 12-month basis as if such rent were received from the beginning of the financial year.

(2) The annual rent (calculated in accordance with Note (1) above) was increased from HK\$3.5 million to HK\$3.8 million during the period under review.

### Provision of Banking and Financial Services by Connected Persons

Link and/or its SPVs engaged the HSBC Group (including, among others, Hang Seng, HSBC Bank (China) Company Limited, HSBC Bank Australia Limited and HSBC Bank plc) to provide ordinary course banking and financial services during the period under review. Further details are set out in Note 29 to the condensed consolidated interim financial information. The HSBC Group also provided services to SPVs of Link in relation to Mandatory Provident Fund accounts and payment and receipt arrangements. Bank accounts were also maintained with the HSBC Group for deposits and/or rent collection purposes during the period under review.

The Link Finance Limited (a wholly-owned SPV of Link) also maintained interest rate swap contracts, cross currency swap contracts and par forward contracts with HSBC during the period under review. As at 30 September 2021, the total notional principal outstanding value in respect of such contracts with HSBC was approximately HK\$6.1 billion.

### Waivers from Strict Compliance

Throughout the six-month period under review, Link complied with the stipulated terms and conditions of the relevant waivers granted by the SFC for the relevant connected party transactions including, among others, (i) conducting the transactions at arm's length on normal commercial terms in the usual and ordinary course of business and in the interests of the Unitholders; (ii) wherever applicable, within specific caps on transaction amounts or fees; and (iii) having the relevant transactions reviewed by Link's auditor and the Audit and Risk Management Committee and approved by the Board.

# AUDITOR'S REVIEW REPORT



羅兵咸永道

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION  
TO THE BOARD OF DIRECTORS OF LINK ASSET MANAGEMENT LIMITED  
(as "Manager" of LINK REAL ESTATE INVESTMENT TRUST)

## Introduction

We have reviewed the interim financial information set out on pages 50 to 80, which comprises the condensed consolidated statement of financial position of Link Real Estate Investment Trust ("**Link**") and its subsidiaries (together, the "**Group**") as at 30 September 2021 and the condensed consolidated income statement, condensed consolidated statement of comprehensive income, consolidated statement of distributions, condensed consolidated statement of changes in equity and net assets attributable to Unitholders and condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Manager are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 10 November 2021

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# CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2021

	Note	Six months ended 30 September 2021 (Unaudited) HK\$'M	Six months ended 30 September 2020 (Unaudited) HK\$'M
<b>Revenue</b>	4	5,778	5,233
Property operating expenses	6	(1,387)	(1,196)
Net property income		4,391	4,037
General and administrative expenses		(237)	(220)
Change in fair values of investment properties and impairment of goodwill	13	3,065	(7,275)
Interest income		52	71
Finance costs	7	(477)	(405)
Loss on disposals of financial assets at amortised cost		(9)	–
Share of net profit of a joint venture		274	–
<b>Profit/(loss) before taxation and transactions with Unitholders</b>	8	7,059	(3,792)
Taxation	10	(717)	(533)
<b>Profit/(loss) for the period, before transactions with Unitholders</b>		6,342	(4,325)
Distributions paid to Unitholders		(3,089)	(2,999)
		3,253	(7,324)
Represented by:			
Change in net assets attributable to Unitholders, excluding issues of new units and units bought back		3,649	(6,139)
Amount arising from reserve movements	26	(450)	(953)
Non-controlling interest		54	(232)
		3,253	(7,324)
Profit/(loss) for the period, before transactions with Unitholders attributable to			
– Unitholders (Note)	11	6,288	(4,093)
– Non-controlling interest		54	(232)
		6,342	(4,325)

The notes on pages 56 to 80 are an integral part of these condensed consolidated interim financial information.

Note: Earnings/(loss) per unit, based upon profit/(loss) for the period, before transactions with Unitholders attributable to Unitholders and the weighted average number of units in issue, is set out in Note 11 to the condensed consolidated interim financial information.

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2021

	Before transactions with Unitholders (Unaudited) HK\$'M	Transactions with Unitholders (Note (i)) (Unaudited) HK\$'M	After transactions with Unitholders (Note (ii)) (Unaudited) HK\$'M	Non-controlling interest (Unaudited) HK\$'M	Total (Unaudited) HK\$'M
<b>Six months ended 30 September 2021</b>					
Profit for the period	6,288	(6,738)	(450)	54	(396)
Other comprehensive income					
Items that may be reclassified subsequently to the condensed consolidated income statement					
– Cash flow hedging reserve	(49)	–	(49)	–	(49)
– Exchange reserve	499	–	499	–	499
<b>Total comprehensive income for the period</b>	<b>6,738</b>	<b>(6,738)</b>	<b>–</b>	<b>54</b>	<b>54</b>
<b>Six months ended 30 September 2020</b>					
Loss for the period	(4,093)	3,140	(953)	(232)	(1,185)
Other comprehensive income					
Items that may be reclassified subsequently to the condensed consolidated income statement					
– Cash flow hedging reserve	(57)	–	(57)	–	(57)
– Exchange reserve	1,010	–	1,010	–	1,010
<b>Total comprehensive loss for the period</b>	<b>(3,140)</b>	<b>3,140</b>	<b>–</b>	<b>(232)</b>	<b>(232)</b>

The notes on pages 56 to 80 are an integral part of these condensed consolidated interim financial information.

Notes:

- (i) Transactions with Unitholders comprise the distributions to Unitholders of HK\$3,089 million (2020: HK\$2,999 million) and change in net assets attributable to Unitholders, excluding issues of new units and units bought back, which is an increase of HK\$3,649 million (2020: a decrease of HK\$6,139 million).
- (ii) In accordance with the Trust Deed, the units of Link Real Estate Investment Trust contain contractual obligations to pay to its Unitholders cash distributions and also upon termination of the trust, a share of all net cash proceeds derived from the sale or realisation of the assets of the trust less any liabilities, in accordance with their proportionate interests in the trust at the date of the termination. Unitholders' funds are therefore classified as a financial liability rather than equity in accordance with Hong Kong Accounting Standard 32: Financial Instruments: Presentation. Consistent with Unitholders' funds being classified as a financial liability, the distributions to Unitholders and change in net assets attributable to Unitholders, excluding issues of new units and units bought back, are finance costs. Accordingly, the total comprehensive income attributable to Unitholders, after the transactions with Unitholders, is zero.

# CONSOLIDATED STATEMENT OF DISTRIBUTIONS

For the six months ended 30 September 2021

	Note	Six months ended 30 September 2021 (Unaudited) HK\$'M	Six months ended 30 September 2020 (Unaudited) HK\$'M
<b>Profit/(loss) for the period, before transactions with Unitholders attributable to Unitholders</b>		<b>6,288</b>	(4,093)
Adjustments:			
– Change in fair values of investment properties and impairment of goodwill attributable to Unitholders		(3,282)	7,048
– Deferred taxation on change in fair values of investment properties attributable to Unitholders		152	(61)
– Change in fair values of derivative component of convertible bonds		(26)	–
– Change in fair values of financial instruments		(13)	(70)
– Depreciation and amortisation of real estate and related assets		26	28
– Loss on disposals of financial assets at amortised cost		9	–
– Other non-cash loss/(income)		36	(75)
Discretionary distribution (Note (i))		146	144
<b>Total Distributable Amount (Note (i))</b>		<b>3,336</b>	2,921
Interim distribution for the period, to be paid to the Unitholders (Note (ii))		3,336	2,921
Units in issue at 30 September	25	2,090,637,780	2,062,427,353
<b>Distribution per unit for the period (Note (ii))</b>		<b>HK159.59 cents</b>	HK141.65 cents

The notes on pages 56 to 80 are an integral part of these condensed consolidated interim financial information.

## Notes:

- (i) Under the terms of the Trust Deed, Link Real Estate Investment Trust is required to distribute to Unitholders no less than 90% of its distributable income for each financial year. Distributable income, according to the Trust Deed, is the Group's consolidated profit after taxation attributable to Unitholders, as adjusted to eliminate the effect of certain non-cash adjustments which have been recorded in the consolidated income statement for the relevant year. For the six months ended 30 September 2021, the Manager has decided to distribute 100% (2020: 100%) of its distributable income to Unitholders. In addition, the Manager recommended a capital return in the form of a discretionary distribution of HK\$146 million (2020: HK\$144 million). Together with the discretionary distribution, Total Distributable Amount represented 105% (2020: 105%) of the distributable income of the Group for the six months ended 30 September 2021.
- (ii) The interim distribution per unit of HK159.59 cents (2020: HK141.65 cents) for the six months ended 30 September 2021 is calculated based on the interim distribution of HK\$3,336 million (2020: HK\$2,921 million) for the period and 2,090,637,780 units (2020: 2,062,427,353 units) in issue as at 30 September 2021, without taking into account any change in the number of units in issue subsequent to the approval of the condensed consolidated interim financial information. The interim distribution will be paid to Unitholders on 31 December 2021.

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2021

	Note	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
<b>Assets</b>			
Goodwill	12	395	392
Investment properties	13	206,551	199,074
Interests in a joint venture	14	3,618	–
Property, plant and equipment	15	1,264	1,301
Financial assets at amortised cost	16	2,328	2,742
Deposits and prepayments		349	2,433
Derivative financial instruments	23	191	218
Trade and other receivables	17	1,137	1,195
Cash and cash equivalents	18	2,062	2,530
<b>Total assets</b>		<b>217,895</b>	<b>209,885</b>
<b>Liabilities, excluding net assets attributable to Unitholders</b>			
Deferred tax liabilities		3,235	3,029
Long-term incentive scheme provision	19	84	82
Other liabilities	20	4,069	4,048
Interest bearing liabilities	21	38,516	34,634
Convertible bonds	22	3,975	4,002
Security deposits		1,884	1,789
Derivative financial instruments	23	109	129
Provision for taxation		650	975
Trade payables, receipts in advance and accruals	24	2,306	2,504
<b>Total liabilities, excluding net assets attributable to Unitholders</b>		<b>54,828</b>	<b>51,192</b>
<b>Non-controlling interest</b>		<b>27</b>	<b>(27)</b>
<b>Net assets attributable to Unitholders</b>		<b>163,040</b>	<b>158,720</b>
Units in issue	25	2,090,637,780	2,081,862,866
Net assets per unit attributable to Unitholders		HK\$77.99	HK\$76.24

The notes on pages 56 to 80 are an integral part of these condensed consolidated interim financial information.

On behalf of the Board of Directors of  
Link Asset Management Limited, as manager of Link Real Estate Investment Trust

**Nicholas Charles ALLEN**  
Chairman  
10 November 2021

**George Kwok Lung HONGCHOY**  
Chief Executive Officer  
10 November 2021

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the six months ended 30 September 2021

	Note	Unitholders' equity (Unaudited) HK\$'M	Net assets attributable to Unitholders (Unaudited) HK\$'M	Non-controlling interest (Unaudited) HK\$'M
At 1 April 2021		–	158,720	(27)
Issuance of units under distribution reinvestment scheme		–	753	–
Units bought back for cancellation		–	(82)	–
Profit for the six months ended 30 September 2021, before transactions with Unitholders		–	6,288	54
Distributions paid to Unitholders – 2021 final distribution		–	(3,089)	–
Change in fair values of cash flow hedges	26	(79)	–	–
Amount transferred to the condensed consolidated income statement	26	30	–	–
Foreign currency translations	26	499	–	–
Amount arising from reserve movements	26	(450)	450	–
Change in net assets attributable to Unitholders and non-controlling interest for the six months ended 30 September 2021, excluding issues of new units and units bought back		–	3,649	54
<b>At 30 September 2021</b>		–	<b>163,040</b>	<b>27</b>
At 1 April 2020		–	159,711	406
Issuance of units under distribution reinvestment scheme		–	660	–
Units bought back for cancellation		–	(379)	–
Loss for the six months ended 30 September 2020, before transactions with Unitholders		–	(4,093)	(232)
Distributions paid to Unitholders – 2020 final distribution		–	(2,999)	–
Change in fair values of cash flow hedges		(69)	–	–
Amount transferred to the condensed consolidated income statement		12	–	–
Foreign currency translations		1,010	–	–
Amount arising from reserve movements		(953)	953	–
Change in net assets attributable to Unitholders and non-controlling interest for the six months ended 30 September 2020, excluding issues of new units and units bought back		–	(6,139)	(232)
At 30 September 2020		–	153,853	174

The notes on pages 56 to 80 are an integral part of these condensed consolidated interim financial information.

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2021

Note	Six months ended 30 September 2021 (Unaudited) HK\$'M	Six months ended 30 September 2020 (Unaudited) HK\$'M
<b>Operating activities</b>		
<b>Net cash generated from operating activities</b>		
	3,076	3,167
<b>Investing activities</b>		
Acquisition of assets	27	(6,729)
Acquisition of a joint venture	(982)	–
Additions to investment properties	(437)	(416)
Additions to property, plant and equipment	(8)	(20)
Interest income received	62	79
Proceeds from disposal and maturity of financial assets at amortised cost	408	–
Deposits paid for acquisitions of assets	(66)	–
<b>Net cash used in investing activities</b>		
	(3,472)	(7,086)
<b>Financing activities</b>		
Proceeds from interest bearing liabilities, net of transaction costs	7,628	13,325
Repayment of interest bearing liabilities	(4,131)	(12,345)
Repayment of borrowings acquired in acquisition of assets	27	–
Increase in amount due to non-controlling interest	14	14
Interest expenses paid	(463)	(502)
Payment of lease liabilities	(2)	(2)
Distributions paid to Unitholders	(2,336)	(2,339)
Units bought back for cancellation	(82)	(379)
<b>Net cash used in financing activities</b>		
	(85)	(2,228)
<b>Net decrease in cash and cash equivalents</b>		
	(481)	(6,147)
Cash and cash equivalents at 1 April	2,530	7,877
Effect on exchange rate changes on cash and cash equivalents	13	84
<b>Cash and cash equivalents at 30 September</b>		
	2,062	1,814

The notes on pages 56 to 80 are an integral part of these condensed consolidated interim financial information.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 1 Corporate Information

Link Real Estate Investment Trust (“**Link**”) is a collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Link is governed by a Second Amending and Restating Deed entered into on 30 July 2021 (the “**Trust Deed**”).

The principal activity of Link and its subsidiaries (the “**Group**”) is investing in real estate and may be undertaking property development and related activities in respect of all types of developments. The addresses of the registered offices of the Manager, Link Asset Management Limited, and the Trustee, HSBC Institutional Trust Services (Asia) Limited, are 20/F., Tower 1, The Quayside, 77 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong and 1 Queen’s Road Central, Hong Kong, respectively.

## 2 Basis of Preparation

The condensed consolidated interim financial information for the six months ended 30 September 2021 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). The condensed consolidated interim financial information should be read in conjunction with the audited consolidated financial statements for the year ended 31 March 2021.

## 3 Accounting Policies

The accounting policies adopted are consistent with those set out in the audited consolidated financial statements for the year ended 31 March 2021, except for the adoption of the following new standards and amendments issued by the HKICPA which became effective for the six months ended 30 September 2021.

HKFRS 4, HKFRS 7, HKFRS 9, HKFRS 16 and HKAS 39 Amendments	Interest Rate Benchmark Reform – Phase 2
HKFRS 16 Amendments	COVID-19-Related Rent Concessions
HKFRS 16 Amendments	COVID-19-Related Rent Concessions beyond 30 June 2021

The adoption of these new standards and amendments has not had any significant effect on the results reported and the financial position of the Group.

The following new standards, amendments and revised accounting guidelines which have been published but are not yet effective, have not been early adopted in the condensed consolidated interim financial information. These are effective for the Group’s accounting periods beginning on or after 1 April 2022.

HKAS 1 Amendments	Classification of Liabilities as Current or Non-current <sup>(2)</sup>
HKAS 1 and HKFRS Practice Statement 2 Amendments	Disclosure of Accounting Policies <sup>(2)</sup>
HKAS 8 Amendments	Definition of Accounting Estimates <sup>(2)</sup>
HKAS 12 Amendments	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction <sup>(2)</sup>
HKFRS 3, HKAS 16 and HKAS 37 Amendments	Narrow-Scope Amendments <sup>(1)</sup>
HKFRS 10 and HKAS 28 Amendments	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>(3)</sup>
HKFRS 17	Insurance Contracts <sup>(2)</sup>
HKFRS 17 Amendments	Amendments to HKFRS 17 <sup>(2)</sup>
Revised Accounting Guideline 5	Merger Accounting for Common Control Combinations <sup>(1)</sup>
Annual Improvements 2018-2020 Cycle <sup>(1)</sup>	

<sup>(1)</sup> effective for accounting periods beginning on or after 1 January 2022

<sup>(2)</sup> effective for accounting periods beginning on or after 1 January 2023

<sup>(3)</sup> no mandatory effective date is determined yet but early application is permitted

The Group is in the process of making an assessment of the impact of these new and revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) upon initial application.

## 4 Revenue

Revenue recognised during the period comprises:

	Six months ended 30 September 2021 (Unaudited) HK\$'M	Six months ended 30 September 2020 (Unaudited) HK\$'M
Rentals		
– Hong Kong retail properties	3,121	3,066
– Hong Kong car parks	1,042	931
– Mainland retail properties	491	414
– Hong Kong, Mainland and overseas offices	433	353
Other revenue (Note)	691	469
<b>Total revenue</b>	<b>5,778</b>	<b>5,233</b>

Note: Other revenue includes management fees, air conditioning service fees, promotion levies and miscellaneous revenue. As disclosed in Annual Report 2020/2021, management fees have been reclassified from rental to other revenue, comparative figures have been restated.

Leases with tenants provide for monthly base rent and recovery of certain outgoings. Additional rents based on business turnover amounted to HK\$51 million (2020: HK\$39 million) and have been included in the rental income.

## 5 Segment Information

	Hong Kong retail properties HK\$'M	Hong Kong car parks HK\$'M	Mainland retail properties HK\$'M	Others HK\$'M	Total HK\$'M
<b>For the six months ended 30 September 2021 (Unaudited)</b>					
Revenue	3,601	1,047	586	544	5,778
Segment results	2,737	824	425	168	4,154
Change in fair values of investment properties	1,410	1,288	229	138	3,065
Share of net profit of a joint venture	–	–	274	–	274
Interest income					52
Finance costs					(477)
Loss on disposals of financial assets at amortised cost					(9)
Profit before taxation and transactions with Unitholders					7,059
Taxation					(717)
Profit for the period, before transactions with Unitholders					6,342
Capital expenditure	176	32	4,014	19	4,241
Depreciation	–	–	–	(41)	(41)
<b>As at 30 September 2021 (Unaudited)</b>					
Segment assets	126,922	32,845	25,487	24,047	209,301
Interests in a joint venture	–	–	3,618	–	3,618
Goodwill					395
Financial assets at amortised cost					2,328
Derivative financial instruments					191
Cash and cash equivalents					2,062
Total assets					217,895
Segment liabilities	2,369	156	632	1,033	4,190
Deferred tax liabilities					3,235
Long-term incentive scheme provision					84
Other liabilities					4,069
Interest bearing liabilities					38,516
Convertible bonds					3,975
Derivative financial instruments					109
Provision for taxation					650
Total liabilities, excluding net assets attributable to Unitholders					54,828
Non-controlling interest					27
Net assets attributable to Unitholders					163,040

## 5 Segment Information (Continued)

For the six months ended 30 September 2021, revenue of HK\$764 million (2020: HK\$661 million) is attributable to external customers from Mainland, HK\$4,769 million (2020: HK\$4,451 million) is attributable to external customers from Hong Kong, and HK\$245 million (2020: HK\$121 million) is attributable to external customers from overseas.

As at 30 September 2021, investment properties, interests in a joint venture, property, plant and equipment, and goodwill amounting to HK\$35,615 million (31 March 2021: HK\$27,288 million) are located in Mainland, HK\$168,350 million (31 March 2021: HK\$165,422 million) are located in Hong Kong, and HK\$7,863 million (31 March 2021: HK\$8,057 million) are located in overseas.

	Hong Kong retail properties HK\$'M	Hong Kong car parks HK\$'M	Mainland retail properties HK\$'M	Others HK\$'M	Total HK\$'M
For the six months ended 30 September 2020 (Unaudited)					
Revenue	3,390	933	497	413	5,233
Segment results	2,623	715	361	118	3,817
Change in fair values of investment properties and impairment of goodwill	(4,826)	(1,177)	(406)	(866)	(7,275)
Interest income					71
Finance costs					(405)
Loss before taxation and transactions with Unitholders					(3,792)
Taxation					(533)
Loss for the period, before transactions with Unitholders					(4,325)
Capital expenditure	324	33	16	7,274	7,647
Depreciation	–	–	(1)	(45)	(46)
As at 31 March 2021 (Audited)					
Segment assets	125,406	31,526	20,878	26,193	204,003
Goodwill					392
Financial assets at amortised cost					2,742
Derivative financial instruments					218
Cash and cash equivalents					2,530
Total assets					209,885
Segment liabilities	2,468	179	561	1,085	4,293
Deferred tax liabilities					3,029
Long-term incentive scheme provision					82
Other liabilities					4,048
Interest bearing liabilities					34,634
Convertible bonds					4,002
Derivative financial instruments					129
Provision for taxation					975
Total liabilities, excluding net assets attributable to Unitholders					51,192
Non-controlling interest					(27)
Net assets attributable to Unitholders					158,720

## 6 Property Operating Expenses

	Six months ended 30 September 2021 (Unaudited) HK\$'M	Six months ended 30 September 2020 (Unaudited) HK\$'M
Property managers' fees, security and cleaning	340	325
Staff costs	271	222
Repair and maintenance	126	96
Utilities	189	162
Government rent and rates	152	133
Promotion and marketing expenses	90	50
Estate common area costs	51	47
Real estate taxes and land use taxes	57	45
Other property operating expenses	111	116
	<b>1,387</b>	<b>1,196</b>

## 7 Finance Costs

	Six months ended 30 September 2021 (Unaudited) HK\$'M	Six months ended 30 September 2020 (Unaudited) HK\$'M
Interest expenses on interest bearing liabilities	371	392
Interest expenses on convertible bonds (Note 22)	62	62
Other borrowing costs (Note (i))	82	109
	<b>515</b>	<b>563</b>
Less: capitalised under investment properties (Note (ii))	(5)	(8)
	<b>510</b>	<b>555</b>
Change in fair values of derivative component of convertible bonds (Note 22)	(26)	–
Fair value gain on non-controlling interest put option obligation (Note 20)	(7)	(150)
	<b>477</b>	<b>405</b>

### Notes:

- (i) Other borrowing costs mainly include HK\$42 million (2020: HK\$50 million) interest expenses to non-controlling interest, HK\$30 million (2020: HK\$12 million) net losses on interest rate swap contracts designated as cash flow hedges, HK\$39 million (2020: HK\$11 million) net gains on cross currency swap contracts and interest rate swap contracts designated as fair value hedges and various banking and financing charges.
- (ii) Interest expenses have been capitalised under investment properties at an average interest rate of 2.4% (2020: 2.9%) per annum.

## 8 Profit/(Loss) Before Taxation and Transactions with Unitholders

Profit/(loss) before taxation and transactions with Unitholders for the period is stated after charging/(crediting):

	Six months ended 30 September 2021 (Unaudited) HK\$'M	Six months ended 30 September 2020 (Unaudited) HK\$'M
Staff costs (Note 9)	421	329
Depreciation of property, plant and equipment	41	46
Trustee's fee	8	7
Valuation fee	1	1
Auditor's remuneration		
Audit and audit-related assurance services	1	1
Acquisition related professional fees	–	3
Professional fees capitalised under investment properties	–	(3)
Bank charges	4	5
Commission to property agents	8	7
Donations	15	14
Exchange (gain)/loss on financial instruments	(6)	31
Short-term lease expenses	1	1
Other legal and professional fees	6	(2)

## 9 Staff Costs

	Six months ended 30 September 2021 (Unaudited) HK\$'M	Six months ended 30 September 2020 (Unaudited) HK\$'M
Wages and salaries	406	383
Contributions to mandatory provident fund scheme (Note)	7	7
Long-term incentive scheme awards	49	(23)
	462	367
Less: capitalised under investment properties	(41)	(38)
Staff costs (Note 8)	421	329

Note: The Group operates a pension scheme – Mandatory Provident Fund. The scheme is a defined contribution plan funded through payments to trustee-administered funds. A defined contribution plan is a pension plan under which the employer pays fixed contributions into a separate entity (a fund). The Group has no further payment obligations once the contributions have been paid.

## 10 Taxation

Hong Kong profits tax has been provided for at the rate of 16.5% (2020: 16.5%) on the estimated assessable profit for the period. Income taxes in Mainland and overseas have been provided for at the applicable rate on the estimated assessable profit for the period.

The amount of taxation charged to the condensed consolidated income statement represents:

	Six months ended 30 September 2021 (Unaudited) HK\$'M	Six months ended 30 September 2020 (Unaudited) HK\$'M
Current taxation		
– Hong Kong	418	395
– Mainland	91	84
Deferred taxation	208	54
Taxation	717	533

On 18 March 2021, the Group received a protective additional tax assessment for the year of assessment 2014/15 from Hong Kong's Inland Revenue Department ("IRD") amounting to HK\$345 million. Such additional profits tax assessment was made on the gain in respect of the disposal of properties and is additional to the profits tax assessment already made by IRD on profits derived from its business during the assessment period.

Based on the professional opinion and advice of the legal and tax advisors, the Group believes that there is no ground to the assessment and has lodged an objection to IRD on the basis that profits tax shall not be charged on the profits derived from the sales of the properties, which sales were capital rather than trading in nature. Accordingly, no tax provision was made in respect of this protective assessment. According to the instruction of the IRD, tax reserve certificates amounting to HK\$172 million were purchased as a condition for the tax payable holdover arrangement.

## 11 Earnings/(Loss) Per Unit Based Upon Profit/(Loss) for the Period, Before Transactions with Unitholders Attributable to Unitholders

	Six months ended 30 September 2021 (Unaudited)	Six months ended 30 September 2020 (Unaudited)
Profit/(loss) for the period, before transactions with Unitholders attributable to Unitholders for calculating basic earnings/(loss) per unit	HK\$6,288 million	(HK\$4,093 million)
Adjustment for dilutive convertible bonds	HK\$27 million	–
Profit/(loss) for the period, before transactions with Unitholders attributable to Unitholders for calculating diluted earnings/(loss) per unit	HK\$6,315 million	(HK\$4,093 million)
Weighted average number of units for the period for calculating basic earnings/(loss) per unit	2,084,598,832	2,061,326,280
Adjustment for dilutive convertible bonds	36,566,414	–
Weighted average number of units for the period for calculating diluted earnings/(loss) per unit	2,121,165,246	2,061,326,280
Basic earnings/(loss) per unit	HK\$3.02	(HK\$1.99)
Diluted earnings/(loss) per unit	HK\$2.98	(HK\$1.99)

For the six months ended 30 September 2020, the basic and diluted loss per unit were the same as the convertible bonds had an anti-dilutive effect on the basic loss per unit.

## 12 Goodwill

	Carrying value (Unaudited) HK\$'M
At 1 April 2021	392
Exchange adjustments	3
<b>At 30 September 2021</b>	<b>395</b>

## 13 Investment Properties

### (a) Details of the Movements of Investment Properties are as follows:

	Fair value (Unaudited) HK\$'M
At 1 April 2021	199,074
Exchange adjustments (Note (e))	178
Additions	374
Acquisition of assets (Note 27)	3,860
Change in fair values	3,065
<b>At 30 September 2021</b>	<b>206,551</b>

### (b) Valuation Process

The investment properties were revalued on a market value basis as at 31 March and 30 September 2021 by Colliers International (Hong Kong) Limited (the “Principal Valuer”), an independent firm of professional qualified valuers and the Principal Valuer of Link.

The Manager held discussions with the Principal Valuer and reviewed all significant inputs used by the Principal Valuer. Discussions of the valuation processes and results at each reporting date are held between the Manager and the Principal Valuer.

### (c) Valuation Techniques

The Principal Valuer has relied on the income capitalisation approach as the primary approach with cross-reference to the direct comparison approach.

The income capitalisation approach is based on the capitalisation of the current passing rental income and potential reversionary income of the property from the date of valuation at appropriate investment yields to arrive at the capital value. The appropriate adjustments/deductions for rent-free period, ongoing vacancy voids/marketing periods and non-recoverable expenses for the vacant space have been allowed.

The investment properties are included in Level 3 (31 March 2021: Level 3) of the fair value hierarchy.

### (d) Restriction under the Code on Real Estate Investment Trusts (the “REIT Code”)

Link acquired 100 Market Street in Sydney, The Cabot in London, 50% interest in Qibao Vanke Plaza in Shanghai and Happy Valley Shopping Mall in Guangzhou, the completions of which were on 7 April 2020, 25 August 2020, 2 April 2021 and 28 June 2021 respectively. In accordance with the REIT Code, Link is prohibited from disposing of its properties (held through a special purpose vehicle or joint venture entity) for at least two years from the time such properties are acquired, unless the Unitholders approved the proposed disposal by way of special resolution passed in accordance with the Trust Deed.

## 13 Investment Properties (Continued)

### (e) Exchange Adjustments

The net exchange gain on translation is attributable to the exchange gains on the Group's investment properties in Mainland amounting to HK\$465 million and exchange loss on the Group's investment properties in Australia and the United Kingdom amounting to HK\$211 million and HK\$76 million respectively. These amounts are included in exchange reserve and were partly offset by hedging financial instruments.

### (f) Security for the Group's Loan Facilities

As at 30 September 2021, certain of the Group's investment properties in Mainland and Australia, amounting to approximately HK\$7,098 million (31 March 2021: HK\$3,005 million) and HK\$3,906 million (31 March 2021: HK\$4,038 million) respectively, were pledged to secure the Group's loan facilities totalling HK\$3,846 million (31 March 2021: HK\$3,416 million).

## 14 Interests in a Joint Venture

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
Cost of investment in a joint venture	3,287	–
Share of post-acquisition results and other comprehensive income	331	–
	<b>3,618</b>	–

On 24 February 2021, Link, through a wholly-owned subsidiary, entered into a framework agreement and an equity transfer agreement to acquire 50% issued share capital of 上海莘寶企業管理有限公司 at a cash consideration of RMB2,772 million (equivalent to approximately HK\$3,278 million). The final consideration will be further adjusted based on the audited net asset value of the company as at the completion date. Link incurred acquisition-related transaction costs of HK\$9 million. The transaction was completed on 2 April 2021. 上海莘寶企業管理有限公司 owns the Qibao Vanke Plaza located at 5/3 Qiu, 620 Block, Qibao Town, Minhang District, Shanghai.

The Group's interests in a joint venture amounting to HK\$3,618 million as at 30 September 2021 is accounted for using the equity method in the condensed consolidated financial statements. No dividend is received from the joint venture during the period.

Material information regarding the joint venture are as follows:

	30 September 2021 (Unaudited) HK\$'M
The Group's share of net property income for the period	94
The Group's share of investment properties carried at fair value at period end	4,120

## 15 Property, Plant and Equipment

	Land, building and leasehold improvements (Unaudited) HK\$'M	Right-of-use assets (Unaudited) HK\$'M	Motor vehicles (Unaudited) HK\$'M	Equipment (Unaudited) HK\$'M	Total (Unaudited) HK\$'M
At 1 April 2021	1,205	2	1	93	1,301
Additions	-	-	-	7	7
Disposals	(3)	-	-	-	(3)
Depreciation charge for the period	(25)	(2)	-	(14)	(41)
<b>At 30 September 2021</b>	<b>1,177</b>	<b>-</b>	<b>1</b>	<b>86</b>	<b>1,264</b>
<b>At 30 September 2021</b>					
Cost	1,318	9	7	173	1,507
Accumulated depreciation	(141)	(9)	(6)	(87)	(243)
Net book value	1,177	-	1	86	1,264

## 16 Financial Assets at Amortised Cost

Financial assets at amortised cost include the following debt investments:

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
Listed corporate bonds	2,298	2,712
Unlisted corporate bonds	30	30
	<b>2,328</b>	<b>2,742</b>

During the period, the Group disposed of certain listed corporate bonds at an aggregate consideration of HK\$139 million and resulted in a loss on disposals of HK\$9 million.

During the period, the Group has interest income arising from financial assets at amortised cost amounted to HK\$42 million (2020: HK\$47 million). The carrying amounts of the financial assets at amortised cost are expected to be recovered as below:

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
Within one year	693	432
After one year	1,635	2,310
	<b>2,328</b>	<b>2,742</b>

## 17 Trade and Other Receivables

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
Trade receivables	246	320
Less: provision for impairment of trade receivables	(74)	(67)
Trade receivables – net	172	253
Other receivables	965	942
	<b>1,137</b>	<b>1,195</b>

The carrying amounts of these receivables approximate their fair values and are expected to be mostly recovered within one year.

There are no specific credit terms given to the tenants. The net trade receivables are mostly covered by the rental deposits/bank guarantees from corresponding tenants.

The ageing of trade receivables, presented based on the due date, is as follows:

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
0–30 days	139	181
31–90 days	33	77
Over 90 days	74	62
	<b>246</b>	<b>320</b>

Monthly rentals in respect of retail and commercial properties are payable in advance by tenants in accordance with the leases, while daily gross receipts from car parks are received from the car park operators in arrears.

## 18 Cash and Cash Equivalents

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
Cash at bank	1,518	1,881
Bank deposits with original maturity of less than three months	544	649
	<b>2,062</b>	<b>2,530</b>

## 19 Long-term Incentive Scheme Provision

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
Long-term incentive scheme provision		
– expected to be settled within one year	47	35
– expected to be settled after one year	37	47
	<b>84</b>	<b>82</b>

On 10 July 2017, Link adopted a new long-term incentive scheme (the “**2017 LTI Scheme**”). Under the 2017 LTI Scheme, the Manager may grant restricted unit awards and conditional cash awards to directors of the Manager and key employees of the Group.

During the period, certain directors and employees of the Manager were granted restricted unit awards and conditional cash awards at nil monetary consideration under the 2017 LTI Scheme. The restricted unit awards granted under the 2017 LTI Scheme, in general, will vest approximately two to three years from the date of grant. Under the 2017 LTI Scheme, units will be purchased in the grantees’ favour from the open stock market to satisfy restricted units awards vested. For those restricted unit awards granted with performance goals, the eventual numbers of units to be purchased in each grantee’s favour upon vesting are linked to the performance of Link based on the total Unitholders return, net property income or certain vesting conditions. Conditional cash awards were also granted in conjunction with the restricted unit awards, bestowing upon each grantee a conditional right to receive a cash payment representing an amount equivalent to the aggregate of the distributions during the vesting period, catch-up adjustments and ex-gratia payments pursuant to the 2017 LTI Scheme, if applicable.

During the period, the Group purchased 264,634 units (2020: 515,483 units) from the market for restricted units awards which have vested in accordance with the 2017 LTI Scheme.

During the vesting period, a liability is recognised representing the estimated value of the awards granted under both the 2017 LTI Scheme and the portion of the vesting period expired as at the reporting date. The value of the awards was estimated at the reporting date by Towers Watson Hong Kong Limited, an independent external valuer based on valuation techniques and assumptions on unit prices, outstanding length of the awards, distribution pay-out rates and other market conditions, if appropriate. The change in value of the outstanding awards was charged to the condensed consolidated income statement. In the event that the vesting conditions are not met, the amount previously accrued will be written back accordingly.

## 19 Long-term Incentive Scheme Provision (Continued)

Movements in the number of restricted unit award during the period and the maximum number of units to be vested upon vesting of restricted unit award are as follows:

Date of grant	Vesting period	Outstanding as at 1 April 2021	Granted during the period	Vested during the period <sup>(i)</sup>	Cancelled during the period	Lapsed during the period	Outstanding as at 30 September 2021	Maximum to be vested on vesting date <sup>(ii)</sup>
<b>2017 LTI Scheme</b>								
4 July 2018	4 July 2018 to 30 June 2021	420,621	–	(237,799)	(6,500)	(176,322)	–	–
5 July 2019	5 July 2019 to 30 June 2021	476,108	–	(26,835)	(5,361)	(443,912)	–	–
	5 July 2019 to 30 June 2022	476,107	–	–	–	(1,298)	474,809	1,072,348
29 July 2020	29 July 2020 to 30 June 2022	789,237	–	–	–	(3,043)	786,194	786,194
	29 July 2020 to 30 June 2023	789,237	–	–	–	(3,043)	786,194	786,194
7 July 2021	7 July 2021 to 30 June 2023	–	613,601	–	–	–	613,601	1,022,939 <sup>(iii)</sup>
	7 July 2021 to 30 June 2024	–	613,647	–	–	–	613,647	1,023,012 <sup>(iii)</sup>
Total		2,951,310	1,227,248	(264,634)	(11,861)	(627,618)	3,274,445	4,690,687

Notes:

- (i) Restricted unit award vesting percentages during the period ranged from 0% to 98.67%.
- (ii) If certain vesting conditions are met.
- (iii) Additional units beyond these amounts are subject to approval of the Remuneration Committee of the Manager.

## 20 Other Liabilities

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
Amount due to non-controlling interest	3,872	3,844
Non-controlling interest put option obligation	197	204
	<b>4,069</b>	<b>4,048</b>

### Notes:

- (i) On 23 February 2015, the Group through a non-wholly owned subsidiary (the "Project Company", in which Link has an indirect 60% interest and Nan Fung Development Limited ("Nan Fung") has an indirect 40% interest) acquired 77 Hoi Bun Road in Kowloon East for commercial development. For the purpose of funding the commercial development, Nan Fung, a non-controlling interest of the Project Company has contributed cash in proportion to the shareholding ratio to the Project Company. The amount due to non-controlling interest is unsecured, interest bearing at an effective interest rate of 2.4% (31 March 2021: 2.8%), has no fixed repayment term and is not repayable within one year. Such amount including any accrued interest will be repaid from the Project Company's surplus cash after meeting its payment obligations.
- (ii) Pursuant to the shareholders' agreement, Nan Fung has a right to exercise a put option to require Link to purchase all the issued shares Nan Fung holds in the Project Company at the then fair market value, after the second anniversary of the issuance of the Certificate of Compliance for the commercial property development and certain conditions have been satisfied. The non-controlling interest put option obligation was recognised as a financial liability based on a valuation performed by Crowe Horwath First Trust Appraisal Pte Ltd, an independent firm of professional qualified valuers. The valuer has used discounted cash flow as the valuation technique. The valuation is based on various assumptions and calculated by reference to a number of unobservable inputs, including the estimated fair value of the equity interests of the Project Company at the expected time of exercise of the put option, the expected time of exercise itself, the cash flow and the discount rate used. The Manager held discussions with the valuer and reviewed all significant inputs used. Discussions of the valuation processes and results at each reporting date are held between the Manager and the valuer. Fair value of the put option obligation is included in Level 3 (31 March 2021: Level 3) of the fair value hierarchy. If the estimated fair value of the equity interests of the Project Company at the time of exercise is higher, the fair value of the put option obligation would also be higher. If the expected time of exercise is later or if the discount rate is higher, then the fair value of the put option obligation would be lower.

The movement of non-controlling interest put option obligation during the period is as follows:

	Fair value (Unaudited) HK\$'M
At 1 April 2021	204
Recognised in the condensed consolidated income statement:	
– Fair value gain (Note 7)	(7)
<b>At 30 September 2021</b>	<b>197</b>

## 21 Interest Bearing Liabilities

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
Unsecured bank borrowings	17,012	14,448
Secured bank borrowings	3,846	3,416
Medium term notes	17,658	16,770
	<b>38,516</b>	<b>34,634</b>

The carrying amounts interest bearing liabilities are expected to be settled as below:

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
<b>Due in the first year</b>		
Unsecured bank borrowings	389	1,751
Secured bank borrowings	646	56
Medium term notes	1,768	1,441
	<b>2,803</b>	<b>3,248</b>
<b>Due in the second year</b>		
Unsecured bank borrowings	11,974	299
Secured bank borrowings	85	78
Medium term notes	699	1,228
	<b>12,758</b>	<b>1,605</b>
<b>Due in the third year</b>		
Unsecured bank borrowings	392	8,038
Secured bank borrowings	91	89
Medium term notes	5,759	–
	<b>6,242</b>	<b>8,127</b>
<b>Due in the fourth year</b>		
Unsecured bank borrowings	4,257	1,249
Secured bank borrowings	2,582	89
Medium term notes	1,004	4,692
	<b>7,843</b>	<b>6,030</b>
<b>Due in the fifth year</b>		
Unsecured bank borrowings	–	3,111
Secured bank borrowings	113	2,725
Medium term notes	5,797	1,899
	<b>5,910</b>	<b>7,735</b>
<b>Due beyond the fifth year</b>		
Secured bank borrowings	329	379
Medium term notes	2,631	7,510
	<b>2,960</b>	<b>7,889</b>
	<b>38,516</b>	<b>34,634</b>

## 21 Interest Bearing Liabilities (Continued)

Notes:

- (i) After taking into account the cross currency swap contracts, except for bank borrowings of HK\$4,715 million (31 March 2021: HK\$2,834 million), HK\$3,665 million (31 March 2021: HK\$3,861 million) and HK\$3,798 million (31 March 2021: HK\$3,833 million) which are denominated in Renminbi, Australian Dollars and British Pound Sterling respectively, all the other interest bearing liabilities are denominated in Hong Kong Dollars.
- (ii) After taking into account the cross currency swap contracts and interest rate swap contracts, the effective interest rate of the interest bearing liabilities which are denominated in Hong Kong Dollars at the reporting date was 2.25% (31 March 2021: 2.40%) and that of the interest bearing liabilities which are denominated in Renminbi, Australian Dollars and British Pound Sterling was 3.88% (31 March 2021: 3.84%), 1.06% (31 March 2021: 1.06%) and 1.02% (31 March 2021: 1.02%) respectively.
- (iii) As at 30 September 2021, the Group had London Interbank Offered Rate (LIBOR)-based bank borrowings of HK\$2,086 million and will be affected by the global interest rate benchmark reform.

## 22 Convertible Bonds

On 3 April 2019, the Group issued HK\$4 billion convertible bonds at 1.6% per annum due 2024. These bonds are convertible into new Link units at an initial conversion price of HK\$109.39 per unit at the option of the bondholder. Link has the option to redeem the bonds if the closing price of the units is 130% or above the initial conversion price while bondholders have the right to require Link to redeem all or some only of the bonds on 3 April 2022. The convertible bonds are unsecured. The effective interest rate of the convertible bonds at the reporting date was 3.12% (31 March 2021: 3.12%).

	Carrying value (Unaudited) HK\$'M
<b>Liability component</b>	
At 1 April 2021	3,970
Finance costs (Note 7)	62
Interest expenses paid	(63)
<b>At 30 September 2021</b>	<b>3,969</b>
<b>Derivative component</b>	
At 1 April 2021	32
Change in fair value (Note 7)	(26)
<b>At 30 September 2021</b>	<b>6</b>
	<b>3,975</b>

## 23 Derivative Financial Instruments

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
<b>Derivative assets</b>		
Designated as cash flow hedge		
– interest rate swap contracts	21	43
Designated as fair value hedge		
– cross currency swap contracts	152	146
– interest rate swap contracts	16	18
Not designated as hedging instruments		
– cross currency swap contracts	–	11
– forward foreign exchange contracts	2	–
	<b>191</b>	<b>218</b>
<b>Derivative liabilities</b>		
Designated as cash flow hedge		
– interest rate swap contracts	(39)	(11)
Designated as fair value hedge		
– cross currency swap contracts	–	(2)
Not designated as hedging instruments		
– cross currency swap contract	(70)	(116)
	<b>(109)</b>	<b>(129)</b>
Net derivative assets	<b>82</b>	<b>89</b>

### Notes:

- (i) The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2 of the fair value hierarchy.
- (ii) The fair values of cross currency swap contracts and interest rate swap contracts are calculated by reference to the present values of the estimated future cash flows, taking into account market observable yield curves and forward exchange rates at each reporting date. The fair values of forward foreign exchange contracts are determined using forward exchange market rates at each reporting date. Cross currency swap contracts, interest rate swap contracts and forward foreign exchange contracts are included in Level 2 (31 March 2021: Level 2) of the fair value hierarchy. During the six months ended 30 September 2020 and 2021, there were no transfers between the three levels of the fair value hierarchy.

## 23 Derivative Financial Instruments (Continued)

The carrying amounts of net derivative assets are expected to be settled as below:

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
Within one year	2	–
After one year	80	89
	82	89

The Group uses cross currency swap contracts (swapping from foreign currencies to Hong Kong Dollars) and interest rate swap contracts to minimise its exposure to movements in foreign currency exchange rates and interest rates in relation to its interest bearing liabilities. Any change in fair values of the effective portion of the cash flow hedges in relation to interest rate swap contracts is recognised in the hedging reserve. Any change in fair values of the fair value hedges in relation to interest rate swap contracts and any change in fair value of cross currency swap contracts are recognised directly in the condensed consolidated income statement. Any change in fair values of the cross currency swap contracts and forward foreign exchange contracts that are not designated for hedge accounting are recognised directly in the condensed consolidated income statement. A net amount of HK\$49 million (2020: HK\$57 million) had been debited to the hedging reserve during the period as further set out in Note 26.

As at 30 September 2021, the derivative financial instruments qualifying as cash flow hedges have, in effect, provided the Group with an average fixed interest rate period of 4.04 years on HK\$9,892 million borrowings (31 March 2021: 4.68 years on HK\$8,654 million borrowings) from the reporting date. The notional principal amount and the weighted average fixed interest rate of the outstanding floating rates to fixed rates interest rate swap contracts as at 30 September 2021 were HK\$9,892 million (31 March 2021: HK\$8,654 million) and 1.07% (31 March 2021: 0.77%) respectively.

As at 30 September 2021, the derivative financial instruments qualifying as fair value hedges have, in effect, converted part of the Group borrowings into Hong Kong Dollars fixed rate and floating rates interest bearing liabilities. The notional principal amounts of the outstanding cross currency swap contracts and interest rate swap contracts qualifying as fair value hedges as at 30 September 2021 were HK\$7,753 million (31 March 2021: HK\$7,753 million) and HK\$400 million (31 March 2021: HK\$400 million) respectively.

Gains and losses on interest rate swap contracts recognised in the hedging reserve (Note 26) as at 30 September 2021 will be released to the condensed consolidated income statement.

As at 30 September 2021, the Group has outstanding cross currency swap contracts that are not designated for hedge accounting and the notional principal amounts were HK\$3,992 million (31 March 2021: HK\$3,754 million).

As at 30 September 2021, the Group has outstanding forward contracts of selling Renminbi 57 million (31 March 2021: Nil) and British Pound Sterling 7 million (31 March 2021: Nil) against Hong Kong Dollars. These forward contracts were entered for the purpose of locking in part of the Group's future Renminbi denominated net income in Mainland and British Pound Sterling denominated net income in the United Kingdom in Hong Kong Dollars term, and are not designated for hedge accounting.

## 24 Trade Payables, Receipts in Advance and Accruals

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
Trade payables	60	58
Receipts in advance	424	401
Accruals	1,822	2,045
	<b>2,306</b>	2,504

The carrying amounts of these payables approximate their fair values and are expected to be settled as below:

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
Within one year	2,306	2,502
After one year	–	2
	<b>2,306</b>	2,504

The ageing of trade payables, presented based on the due date, is as follows:

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
0–30 days	43	42
31–90 days	6	6
Over 90 days	11	10
	<b>60</b>	58

## 25 Units in Issue

	Number of units (Unaudited)
At 1 April 2021	2,081,862,866
Units bought back for cancellation	(1,264,000)
Units issued under distribution reinvestment scheme	10,038,914
<b>At 30 September 2021</b>	<b>2,090,637,780</b>

Pursuant to the general mandate granted to the Manager by the Unitholders, the Manager (on behalf of Link) bought back a total of 1,264,000 units (2020: 6,000,000 units) at an aggregate price of HK\$82 million (2020: HK\$379 million). All units bought back were cancelled during the period.

During the six months ended 30 September 2021, the Manager issued and allotted 10,038,914 units in total pursuant to the distribution reinvestment scheme in respect of the final distribution for the financial year ended 31 March 2021.

Closing price of the units as at 30 September 2021 was HK\$66.75 (31 March 2021: HK\$70.80) per unit. Based on 2,090,637,780 units in issue as at 30 September 2021 (31 March 2021: 2,081,862,866 units), market capitalisation was HK\$139,550 million (31 March 2021: HK\$147,396 million).

## 26 Unitholders' Equity

	Hedging reserve (Unaudited) HK\$'M	Exchange reserve (Unaudited) HK\$'M	Earnings retained for reserve adjustments (Unaudited) HK\$'M	Total (Unaudited) HK\$'M
At 1 April 2021	32	(22)	(10)	–
Cash flow hedges:				
– Change in fair values	(79)	–	–	(79)
– Amount transferred to the condensed consolidated income statement (Note (i))	30	–	–	30
	(49)	–	–	(49)
Foreign currency translations:				
– Exchange gain on translation of financial statements	–	479	–	479
– Change in fair value of net investment hedges	–	20	–	20
	–	499	–	499
Net assets attributable to Unitholders:				
– Amount arising from reserve movements (Note (ii))	–	–	(450)	(450)
<b>At 30 September 2021</b>	<b>(17)</b>	<b>477</b>	<b>(460)</b>	<b>–</b>

Notes:

- (i) Amount transferred to the condensed consolidated income statement in respect of cash flow hedges was included in "Finance costs" (Note 7).
- (ii) The amount represented earnings retained for the period to offset the reserve movements.

## 27 Acquisition of Assets

On 4 June 2021, Link, through a wholly owned subsidiary, entered into a sales and purchase agreement to acquire the entire issued share capital of HK PD20 Holding Limited at a consideration of RMB2,099 million (equivalent to approximately HK\$2,568 million), which is the sole owner of the entire registered capital of 廣州弦夢管理諮詢有限公司, which in turn is the sole owner of the entire registered capital of 廣州陸鹿物業管理有限公司. The final consideration will be further adjusted based on the audited net asset values of the acquired entities as at the completion date. Link incurred acquisition-related transaction costs of HK\$10 million. The transaction was completed on 28 June 2021. 廣州陸鹿物業管理有限公司 owns the Happy Valley Shopping Mall located at No. 36 Machang Road, Tianhe District, Guangzhou.

The acquisition has been accounted for by the Group as acquisition of assets as the entities acquired by the Group do not constitute a business.

The assets and liabilities arising from the acquisition are as follows:

	Happy Valley Shopping Mall (Unaudited) HK\$'M
Investment properties (Note 13)	3,860
Cash and cash equivalents	53
Borrowings	(713)
Other net current liabilities	(622)
Purchase consideration	2,578
Cash and cash equivalents acquired	(53)
Consideration payable and retention amount	(76)
Net cash outflow on acquisition	2,449

## 28 Capital Commitments

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
Capital expenditure of investment properties contracted but not provided for at the end of the period	479	709

## 29 Connected Party Transactions and Significant Related Party Transactions and Balances

Information required to be disclosed concerning related party transactions is set out in this note unless disclosed elsewhere in these condensed consolidated interim financial information.

### (a) Nature of Relationship with Connected/Related Parties

The table set forth below summarises the names of the connected/related parties, as defined in the REIT Code/HKAS 24 (Revised) "Related Party Disclosures", and the nature of their relationship with the Group as at 30 September 2021:

Connected/related party	Relationship with the Group
HSBC Institutional Trust Services (Asia) Limited (the "Trustee")	The Trustee of Link Associates # of the Trustee
The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries (excluding the Trustee and its proprietary subsidiaries) (the "HSBC Group")	
Aedas Limited and Aedas Beijing Limited	Associates # of director

# "Associate" has the meaning ascribed to it under the REIT Code.

## 29 Connected Party Transactions and Significant Related Party Transactions and Balances (Continued)

### (b) Significant Transactions with Connected/Related Parties

The following significant transactions recognised under HKFRSs were carried out with connected/related parties:

	Six months ended 30 September 2021 (Unaudited) HK\$'M	Six months ended 30 September 2020 (Unaudited) HK\$'M
Trustee's fee paid and payable to the Trustee (Note (ii))	(8)	(7)
Transactions with the HSBC Group (Notes (iii) and (iv))		
Interest expense and various financing charges to the HSBC Group on interest bearing liabilities, cross currency swap contracts and interest rate swap contracts	(24)	(34)
Rental income from the HSBC Group on leasing of retail units	18	17
Interest income from the HSBC Group on bank deposits	9	10
Architectural/renovation consultancy services fees paid and payable to Aedas Limited and Aedas Beijing Limited (Notes (iii) and (v))	(2)	(5)

Notes:

- (i) All connected/related party transactions were carried out in accordance with the terms of the relevant agreements governing the transactions and in the ordinary course of business.
- (ii) The Trustee is entitled to receive an annual trustee's fee (calculated and paid monthly) at rates ranging from 0.006% per annum to 0.015% per annum (2020: 0.006% per annum to 0.015% per annum) of the latest property value as determined in the latest annual valuation report of an independent property valuer recommended by the Manager and appointed by the Trustee for and on behalf of Link from time to time, subject to a minimum of HK\$150,000 per month.
- (iii) The transactions were entered into at arm's length on normal commercial terms.
- (iv) HSBC Group and the Trustee are members of the same group and HSBC Group is considered as a related party of the Group.
- (v) Aedas Limited and Aedas Beijing Limited are associates of Mr. Ian Keith GRIFFITHS.

### (c) Significant Balances with Related Parties

Significant balances with related parties are set out below:

	30 September 2021 (Unaudited) HK\$'M	31 March 2021 (Audited) HK\$'M
Trustee's fee payable to the Trustee	(1)	(1)
Interest bearing liabilities with the HSBC Group	(2,542)	(2,531)
Net interest receivable from the HSBC Group	2	2
Security deposits from the HSBC Group	(3)	(3)
Cross currency swap contracts and interest rate swap contracts with the HSBC Group	12	31
Deposits placed with the HSBC Group	1,193	1,688
Architectural/renovation consultancy services fees payable to Aedas Limited and Aedas Beijing Limited	–	(4)

## 29 Connected Party Transactions and Significant Related Party Transactions and Balances (Continued)

### (d) Key Management Compensation

The aggregate amounts of emoluments of the key management staff of the Group are as follows:

	Six months ended 30 September 2021 (Unaudited) HK\$'M	Six months ended 30 September 2020 (Unaudited) HK\$'M
Fees	5	5
Basic salaries, allowances and other benefits	102	78
Long-term incentive scheme awards	40	(6)
	<b>147</b>	<b>77</b>

## 30 Events After the Reporting Date

On 5 November 2021, Link, through its wholly-owned subsidiaries, entered into principal transaction documents, including the respective contracts of sale, to conditionally acquire 50% interests in freehold and leasehold interests in three retail properties in Sydney (namely Queen Victoria Building ("QVB"), The Galeries and The Strand Arcade) at an aggregate consideration of approximately AUD538 million (equivalent to approximately HK\$3,120 million). Completion of the acquisition is subject to the satisfaction of certain conditions under the respective contracts of sale. QVB, The Galeries and The Strand Arcade are located at 429-481, 500 and 412-414A George Street, Sydney New South Wales 2000, respectively.

On 10 November 2021, Link, through its wholly-owned subsidiaries, entered into sale and purchase agreements to acquire the entire equity interests in Apollo Luck Limited and Zung Fu Land Investment Limited ("Target Entities"), which owns a godown building located at No. 60 Ka Yip Street, Chai Wan, Hong Kong and a mixed-use car park building located at No. 50 Po Loi Street, Hung Hom, Kowloon, Hong Kong respectively, at an aggregate cash consideration of HK\$5,820 million. The final consideration will be further adjusted based on the audited net asset values of the Target Entities as of the completion date. Completion of the acquisition is subject to the satisfaction of certain conditions under the sale and purchase agreements.

## 31 Approval of the Condensed Consolidated Interim Financial Information

The condensed consolidated interim financial information was authorised for issue by the Board on 10 November 2021.

# FIVE YEAR PERFORMANCE SUMMARY

## Financial Data

	Six months ended 30 September 2021 (Unaudited) HK\$'M	Six months ended 30 September 2020 (Unaudited) HK\$'M	Six months ended 30 September 2019 (Unaudited) HK\$'M	Six months ended 30 September 2018 (Unaudited) HK\$'M	Six months ended 30 September 2017 (Unaudited) HK\$'M
<b>Condensed consolidated income statement</b>					
Revenue	5,778	5,233	5,332	4,930	4,949
Property operating expenses	(1,387)	(1,196)	(1,261)	(1,171)	(1,182)
Net property income	4,391	4,037	4,071	3,759	3,767
General and administrative expenses	(237)	(220)	(201)	(151)	(185)
Change in fair values of investment properties and impairment of goodwill	3,065	(7,275)	3,662	6,702	9,432
Interest income	52	71	95	59	2
Finance costs	(477)	(405)	(233)	(302)	(288)
Loss on disposals of financial assets at amortised cost	(9)	–	–	–	–
Share of net profit of a joint venture	274	–	–	–	–
Profit/(loss) before taxation and transactions with Unitholders	7,059	(3,792)	7,394	10,067	12,728
Taxation	(717)	(533)	(677)	(732)	(589)
Profit/(loss) for the period, before transactions with Unitholders	6,342	(4,325)	6,717	9,335	12,139
Distributions paid to Unitholders	(3,089)	(2,999)	(2,964)	(2,758)	(2,581)
	3,253	(7,324)	3,753	6,577	9,558
Represented by:					
Change in net assets attributable to Unitholders, excluding issues of new units and units bought back	3,649	(6,139)	2,278	4,690	10,228
Amount arising from reserve movements	(450)	(953)	1,500	1,778	(677)
Non-controlling interest	54	(232)	(25)	109	7
	3,253	(7,324)	3,753	6,577	9,558
<b>Consolidated statement of distributions</b>					
Profit/(loss) for the period, before transactions with Unitholders attributable to Unitholders	6,288	(4,093)	6,742	9,226	12,132
Adjustments:					
– Change in fair values of investment properties and impairment of goodwill attributable to Unitholders	(3,282)	7,048	(3,644)	(6,591)	(9,424)
– Deferred taxation on change in fair values of investment properties attributable to Unitholders	152	(61)	65	145	48
– Change in fair values of derivative components of convertible bonds	(26)	–	(58)	–	–
– Change in fair values of financial instruments	(13)	(70)	(225)	35	–
– Depreciation and amortisation of real estate and related assets	26	28	13	–	–
– Loss on disposals of financial assets at amortised cost	9	–	–	–	–
– Other non-cash loss/(income)	36	(75)	(72)	(56)	(83)
– Depreciation charge on investment properties under China Accounting Standards	–	–	–	–	(69)
Discretionary distribution	146	144	145	–	69
Total Distributable Amount	3,336	2,921	2,966	2,759	2,673
<b>Distribution per unit (HK cents)</b>					
Interim DPU	159.59	141.65	141.47	130.62	121.50

## Financial Data (Continued)

		As at 30 September 2021 (Unaudited)	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)	As at 31 March 2019 (Audited)	As at 31 March 2018 (Audited)
<b>Assets and liabilities</b>						
Investment properties	HK\$'M	206,551	199,074	193,224	218,496	203,091
Other assets	HK\$'M	11,344	10,811	14,395	8,441	13,313
Total assets	HK\$'M	217,895	209,885	207,619	226,937	216,404
Total liabilities, excluding net assets attributable to Unitholders	HK\$'M	54,828	51,192	47,502	37,611	37,336
Non-controlling interest	HK\$'M	27	(27)	406	587	474
Net assets attributable to Unitholders	HK\$'M	163,040	158,720	159,711	188,739	178,594
Total borrowings to total assets	%	19.5	18.4	16.7	10.7	11.9
Total liabilities to total assets	%	25.2	24.4	22.9	16.6	17.3
Valuation of investment properties	HK\$'M	206,551	199,074	193,224	218,496	203,091
Valuation capitalisation rate						
– Hong Kong						
– Retail	%	3.10-4.50	3.10-4.50	3.10-4.50	3.00-4.20	3.00-4.20
– Car Park	%	3.10-5.30	3.10-5.30	3.10-5.30	3.50-4.80	3.50-4.80
– Office	%	3.00	3.00	3.00	N/A	N/A
– Mainland						
– Retail	%	4.25-4.75	4.25-4.75	4.25-4.75	4.25-4.75	4.50-4.75
– Office	%	4.25	4.25	4.25	4.25	4.25
– Australia						
– Office	%	4.40	4.50	N/A	N/A	N/A
– United Kingdom						
– Office	%	5.26	5.24	N/A	N/A	N/A
Net assets per unit attributable to Unitholders	HK\$	77.99	76.24	77.61	89.48	83.06
Closing price per unit	HK\$	66.75	70.80	65.70	91.80	67.00
Market capitalisation	HK\$'M	139,550	147,396	135,204	193,636	144,054
(Discount)/premium of unit price to net assets per unit attributable to Unitholders	%	(14.4)	(7.1)	(15.3)	2.6	(19.3)
Units in issue		2,090,637,780	2,081,862,866	2,057,898,386	2,109,321,254	2,150,058,972

## Portfolio Data

		Six months ended 30 September 2021 (Unaudited)	Six months ended 30 September 2020 (Unaudited)	Six months ended 30 September 2019 (Unaudited)	Six months ended 30 September 2018 (Unaudited)	Six months ended 30 September 2017 (Unaudited)
<b>Hong Kong Retail and Car Park Portfolio</b>						
Average monthly unit rent at period end (Note (i))	HK\$ psf	62.4	63.0	64.0	60.7	54.6
Reversion rate (Note (i))	%	3.4	(4.0)	19.6	23.7	28.7
Occupancy rate at period end	%	97.5	96.1	96.9	95.5	96.3
Net property income margin	%	76.6	77.2	75.9	75.9	76.0
Car park income per space per month	HK\$	3,073	2,745	2,929	2,706	2,463
<b>Hong Kong Office</b>						
Occupancy rate at period end	%	81.4	79.3	N/A	N/A	N/A
<b>Mainland Portfolio</b>						
Reversion rate (Note (i))						
– Retail	%	12.1	8.7	34.2	47.4	42.6
– Office	%	(12.1)	(8.5)	15.2	0.2	18.7
Occupancy rate at period end						
– Retail	%	91.5	94.7	99.0	98.8	96.9
– Office	%	96.7	94.8	95.1	98.9	98.1
Net property income margin	%	74.8	76.6	79.0	79.6	77.7
<b>Australia Office</b>						
Occupancy rate at period end	%	100.0	100.0	N/A	N/A	N/A
<b>United Kingdom Office</b>						
Occupancy rate at period end	%	100.0	100.0	N/A	N/A	N/A
<b>Performance Data</b>						
Net assets attributable to Unitholders at period end	HK\$M	163,040	153,853	189,926	180,378	147,634
Net assets per unit attributable to Unitholders at period end	HK\$	77.99	74.60	90.58	85.41	67.11
The highest premium of the traded price to net assets per unit attributable to Unitholders (Note (ii))	HK\$	0.71	N/A	9.22	N/A	N/A
The highest discount of the traded price to net assets per unit attributable to Unitholders (Note (ii))	HK\$	(14.89)	(18.35)	(5.58)	(19.61)	(12.91)
Closing price per unit at period end	HK\$	66.75	63.00	86.45	77.05	63.30
Net yield per unit (Note (iii))	%	2.4	2.2	1.6	1.7	1.9
Net yield (annualised) per unit	%	4.8	4.5	3.3	3.4	3.8
Net yield (annualised) per unit on listing price of HK\$10.30 per unit	%	31.0	27.5	27.5	25.4	23.6

### Notes:

- (i) Average monthly unit rent at period end and reversion rate were calculated based on base rent (excluding management fees). Comparative figures have been restated.
- (ii) The highest premium and discount are calculated based on the highest and lowest traded prices of HK\$78.70 (2020: HK\$71.25) and HK\$63.10 (2020: HK\$56.25) respectively on The Stock Exchange of Hong Kong Limited during the period.
- (iii) Net yield per unit is calculated based on distribution per unit for the six months ended 30 September 2021 of HK\$159.59 cents (2020: HK\$141.65 cents) over the closing price as at 30 September 2021 of HK\$66.75 (2020: HK\$63.00).

# INVESTOR INFORMATION

## Listing of the Units

Link's Units are listed on the Main Board of the Stock Exchange (stock code: 823) in board lot size of 100 Units.

There were 2,090,637,780 Units in issue as at 30 September 2021. Further details of Units in issue are set out in Note 25 to the condensed consolidated interim financial information in this report.

## Financial Calendar

Interim results announcement for the six months ended 30 September 2021	10 November 2021
Ex-interim distribution date	22 November 2021
Closure of register of Unitholders <sup>(1)</sup>	24 to 25 November 2021 inclusive
Record date for interim distribution	25 November 2021
Announcement of distribution reinvestment scheme	25 November 2021
Despatch of distribution reinvestment scheme circular and related documents	2 December 2021
Announcement of issue price for scrip in lieu of an interim cash distribution	9 December 2021
Final date for scrip election <sup>(2)</sup>	17 December 2021 not later than 4:30 p.m.
Interim distribution payment date	31 December 2021
Financial year end	31 March 2022

Notes:

- (1) In order to qualify for the interim distribution of HK159.59 cents per Unit for the six months ended 30 September 2021, Unitholders should ensure that all transfer documents accompanied by the relevant unit certificates have been lodged with Link's unit registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 23 November 2021.
- (2) A distribution reinvestment scheme will be available to eligible Unitholders who may elect to receive the interim distribution for the six months ended 30 September 2021, wholly in cash or wholly in new Units or a combination of both. For those Unitholders electing for scrip, **the relevant election form must be lodged with Link's unit registrar, Computershare Hong Kong Investor Services Limited (at the address above) not later than 4:30 p.m. on Friday, 17 December 2021. Unitholders should note that any election form arrived/received after the aforesaid deadline will be taken as invalid.**

Financial reports, announcements, circulars, notices, other corporate communications, press releases and other investor information of Link are available online at Link's corporate website: Linkreit.com. To promote environmental protection, we recommend you to view our publications online at our corporate website instead of using printed copies.

## Investor Relations Contact

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Telephone: (852) 2175 1800

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Email: [ir@linkreit.com](mailto:ir@linkreit.com)

## Index Inclusion

Link is a component of the following selected indices:

Dow Jones Sustainability Asia Pacific Index	Hang Seng Index
FTSE4Good Index Series	Hang Seng REIT Index
FTSE Global Equity Index Series	Hang Seng Composite Index
FTSE Global Minimum Variance Index Series	Hang Seng HK 35
FTSE EPRA <sup>(1)</sup> NAREIT <sup>(2)</sup> Index Series	Hang Seng Corporate Sustainability Index
FTSE RAFI Index Series	MSCI All Country World Index
GPR <sup>(3)</sup> 250 (World) Index	MSCI All Country Asia ex Japan Index
GPR <sup>(3)</sup> 250 Asia Index	MSCI World Index
GPR <sup>(3)</sup> 250 Asia Pacific Index	MSCI Hong Kong Index
GPR <sup>(3)</sup> 250 Hong Kong Index	MSCI AC Asia Pacific Real Estate Index
GPR <sup>(3)</sup> 250 REIT (World) Index	MSCI AC Asia ex Japan IMI REITS Index
GPR <sup>(3)</sup> 250 REIT Asia Index	GPR <sup>(3)</sup> /APREA <sup>(4)</sup> Composite Index
GPR <sup>(3)</sup> 250 REIT Asia Pacific Index	GPR <sup>(3)</sup> /APREA <sup>(4)</sup> Composite Hong Kong Index
GPR <sup>(3)</sup> 250 REIT Hong Kong Index	GPR <sup>(3)</sup> /APREA <sup>(4)</sup> Composite REIT Index
GPR <sup>(3)</sup> General (World) Index	GPR <sup>(3)</sup> /APREA <sup>(4)</sup> Composite REIT Hong Kong Index
GPR <sup>(3)</sup> General Asia Index	GPR <sup>(3)</sup> /APREA <sup>(4)</sup> Investable 100 Index
GPR <sup>(3)</sup> General Hong Kong Index	GPR <sup>(3)</sup> /APREA <sup>(4)</sup> Investable 100 Hong Kong Index
GPR <sup>(3)</sup> General Quoted (World) Index	GPR <sup>(3)</sup> /APREA <sup>(4)</sup> Investable REIT 100 Index
GPR <sup>(3)</sup> General Quoted Asia Index	
GPR <sup>(3)</sup> General Quoted Hong Kong Index	
GPR <sup>(3)</sup> Global 100 Index	

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### Notes:

- (1) European Public Real Estate Association
- (2) National Association of Real Estate Investment Trusts
- (3) Global Property Research
- (4) Asia Pacific Real Estate Association

## DEFINITIONS AND GLOSSARY

<b>2017 LTI Scheme or Long-term Incentive Scheme</b>	the long-term incentive scheme of Link adopted by the Board on 10 July 2017
<b>AUM</b>	asset under management
<b>average monthly unit rent</b>	the average base rent per month psf of leased area
<b>Award(s)</b>	Restricted Unit Award(s), or Conditional Cash Award(s), or a combination of both granted under the 2017 LTI Scheme
<b>base rent</b>	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
<b>Board or Board of Directors</b>	board of directors of the Manager
<b>Board Committees</b>	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 “ <b>Board Committee</b> ” refers to any one of them
<b>CEO</b>	Chief Executive Officer of the Manager
<b>CFO</b>	Chief Financial Officer of the Manager
<b>Chairman</b>	Chairman of the Board (unless the context requires otherwise)
<b>CLO</b>	Chief Legal Officer of the Manager
<b>Compliance Manual</b>	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
<b>Conditional Cash Award(s)</b>	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)
<b>COVID-19</b>	Coronavirus Disease 2019
<b>CSO</b>	Chief Strategy Officer of the Manager
<b>Director(s)</b>	director(s) of the Manager
<b>DPU</b>	distribution per Unit in respect of the total distributable amount of Link for a financial year/period
<b>ED(s)</b>	Executive Director(s) of the Manager (unless the context requires otherwise)
<b>ESG</b>	environmental, social and governance
<b>EUPP</b>	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
<b>GAV</b>	gross asset value (and as calculated in the manner set out in the Trust Deed)
<b>GAV Cap</b>	25% of Link’s GAV as a cap to property development activities of Link under the REIT Code
<b>Group</b>	Link and its subsidiaries (unless the context requires otherwise)

<b>Hong Kong Stock Exchange or Stock Exchange or SEHK</b>	The Stock Exchange of Hong Kong Limited
<b>INED(s)</b>	Independent Non-Executive Director(s) of the Manager (unless the context requires otherwise)
<b>KPI(s)</b>	key performance indicator(s)
<b>lease</b>	a lease or a tenancy agreement (both of which grant a possessory interest) or a licence (which merely constitutes an authority to do something) in respect of premises at the properties granted to a tenant
<b>Link or Link REIT</b>	Link Real Estate Investment Trust
<b>Link Securities Dealing Code</b>	the code governing dealings in securities of Link by Directors and senior management of the Manager
<b>Listing Rules</b>	Rules Governing the Listing of Securities on the Stock Exchange
<b>Listing Rules Corporate Governance Code</b>	Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules
<b>Manager</b>	Link Asset Management Limited, which is the manager of Link
<b>market capitalisation</b>	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
<b>Maximum Cap</b>	25% of Link's GAV as a cap to the total sum 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
<b>MTN</b>	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
<b>NED</b>	Non-Executive Director of the Manager (unless the context requires otherwise)
<b>NGO(s)</b>	non-governmental organisation(s)
<b>NPI</b>	net property income, being total revenue less direct property related expenses
<b>occupancy rate</b>	the aggregated leased area as a percentage of total leasable area
<b>Principal Valuer</b>	the Principal Valuer (as defined in the REIT Code) of Link, which is currently Colliers International (Hong Kong) Limited
<b>psf</b>	per square foot
<b>Qualified Minority-owned Property</b>	qualified minority-owned property under 7.7C of the REIT Code
<b>REIT(s)</b>	real estate investment trust(s)
<b>REIT Code</b>	Code on Real Estate Investment Trusts issued by the SFC

<b>Relevant Investments</b>	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
<b>Restricted Unit Award(s)</b>	conditional right to receive Units granted to a participant in accordance with the rules of the 2017 LTI Scheme and the relevant grant letter
<b>ROI or return on investment</b>	projected NPI post asset enhancement minus NPI pre asset enhancement divided by the estimated amount of project capital expenditure and loss of rental
<b>reversion rate</b>	the percentage change in psf average unit rent between old and new leases on the same unit
<b>SFC</b>	Securities and Futures Commission of Hong Kong
<b>SFO</b>	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
<b>SPV(s)</b>	special purpose vehicle(s) (within the meaning of the REIT Code and the Trust Deed)
<b>sq ft</b>	square feet
<b>tenant</b>	a lessee, a tenant or a licensee (as the case may be) under a lease
<b>total distributable amount</b>	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
<b>total distributable income</b>	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
<b>Trust Deed</b>	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
<b>Trustee</b>	trustee of Link, which is currently HSBC Institutional Trust Services (Asia) Limited
<b>turnover rent</b>	rent calculated and charged by reference to a pre-determined percentage of a tenant's gross sales turnover in excess of the base rent
<b>Unit(s)</b>	unit(s) of Link
<b>Unitholder(s)</b>	holder(s) of Unit(s) of Link
<b>WALE</b>	weighted average lease expiry
<b>yoy</b>	year-on-year

# 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  
May Siew Boi TAN  
Peter TSE Pak Wing  
Nancy TSE Sau Ling  
Elaine Carole YOUNG

### Company Secretary of the Manager

Kenneth Tai Lun WONG<sup>(1)</sup>

### Responsible Officers of the Manager<sup>(2)</sup>

George Kwok Lung HONGCHOY  
NG Kok Siong  
Eric YAU Siu Kei  
Christine CHAN Suk Han

### Authorised Representatives<sup>(3)</sup>

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

20/F., Tower 1, The Quayside,  
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Kwun Tong, Kowloon,  
Hong Kong

## Town Office of the Manager

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9 Queen's Road Central,  
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## Unit Registrar and Transfer Office

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Linkreit.com (corporate website)  
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## Mobile App



Linkhk.com

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

