



**Annual Results  
Analyst Presentation  
2020/2021**



**01**

**2020/2021 Highlights**



# Financial Performance



T Town, Hong Kong

**Revenue**  
**HK\$10,744M**  
 +0.2% YoY

**NPI**  
**HK\$8,238M**  
 +0.2% YoY

**DPU**  
**HK\$2.8999**  
 +1.0% YoY <sup>(1)</sup>

**NAV per unit**  
**HK\$76.24**  
 -1.8% YoY

Note:

(1) Includes discretionary distribution of HK14.00 cents per unit.

# Operational Performance

## Occupancy Rates

Retail

**96.8%**

Hong Kong

**96.3%**

Mainland China

Office

**82.9%<sup>(1)</sup>**

Hong Kong

**95.8%**

Mainland China

**100.0%**

Overseas

## Reversion Rates

Retail

**-1.8%**

Hong Kong

Retail

**11.1%**

Mainland China

## Overall Rental Collection Rates

**98%**

Hong Kong

**98%**

Mainland China

**~90%**

Overseas



Notes:

(1) Committed occupancy as of June 2021.

(2) All figures for the year ended or as at 31 March 2021.



# Integrating Our Ethos and Value Creation Model

**WE LINK PEOPLE TO A BRIGHTER FUTURE**

## Vision 2025

Optimise portfolio value by integrating culture of excellence and creativity



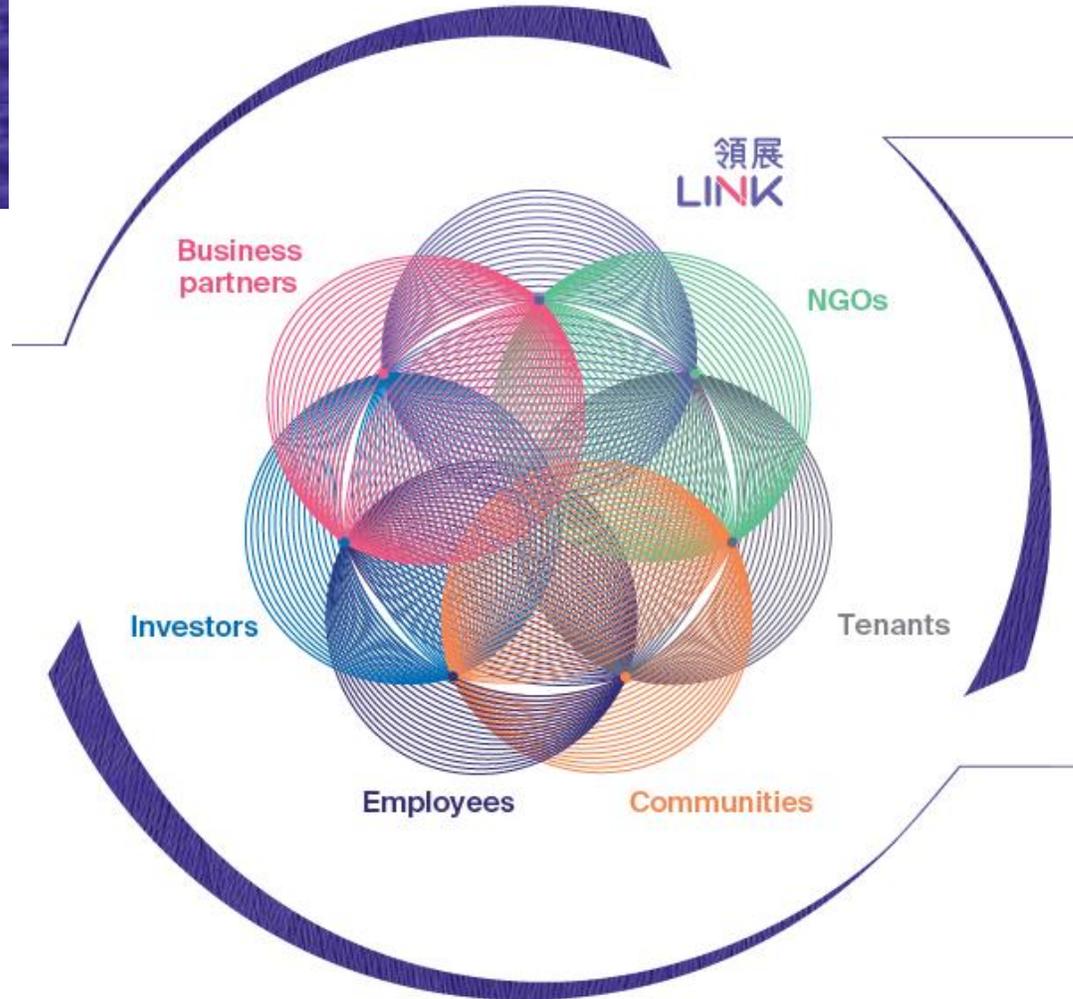
Portfolio Growth



Culture of Excellence



Visionary Creativity



## Business as Mutual

Identify areas of mutual need and co-create solutions to the benefit of all

## Value Creation

Create shared values across the ecosystem



Financial



Placemaking



Innovation



Talent



Relationship



Environment

# Vision 2025 - Portfolio Growth



**Achieve high single-digit CAGR**



Qibao Vanke Plaza, Shanghai

**Organic Portfolio**

**Maintained high occupancy of >95% across portfolio**

**Inorganic Drivers**

**Executed 4 acquisitions in Mainland China <sup>(1)</sup> and overseas**

**Financial Strength**

**Maintained “A” credit ratings from S&P, Moody’s & Fitch**

Note:

(1) The acquisition of 50% of Qibao Vanke Plaza, Shanghai was completed on 2 April 2021 while the acquisition of Happy Valley Shopping Mall, Guangzhou is expected to be completed in June 2021.

# Vision 2025 - Culture of Excellence



Become “employer of choice”



Celebration of 15th anniversary of Link REIT

**Maintain Normalcy  
Amid Pandemic**

**No Layoff**

To provide job security  
with our own  
resources<sup>(2)</sup>

**>80%<sup>(1)</sup>**

Satisfaction level from  
staff survey

**Human Resources  
Award Recognitions**

**3**

**Bronze Awards**  
Asia-Pacific STEVIE<sup>®(3)</sup>  
Awards

**Best Companies  
to Work For in  
Asia 2020**  
by HR Asia

Notes:

- (1) Over 80% of surveyed Linkers were satisfied with flexible working arrangement, felt connected with their teams and that there was a high degree of transparency from management during the pandemic.
- (2) Link has decided not to make use of the HKSAR Government’s Employment Support Scheme.
- (3) The STEVIE Awards are highly regarded internationally to honour the achievements and positive contributions of organisations in human resources.

# Vision 2025 - Visionary Creativity



*Placemaking through innovation*



Urban Farm at Lok Fu Place

## Net Zero Strategy

**By 2035**  
Net zero target

**30%**  
Portfolio electricity  
reduction by 2035<sup>(1)</sup>

## Energy Management System

**4**  
Pilot properties

**4%**  
Target reduction in  
energy consumption  
per year

## Solar Panels

**191,600 sqft**  
Planned for  
installation

Energy generated  
equivalent to  
**>330**<sup>(2)</sup>  
HK household  
consumption

## Project Together

**Pro bono**  
Project to enhance  
welfare tenants'  
premises

**20**  
Welfare tenants  
to benefit

Notes:

(1) Comparing with baseline set in 2018/2019.

(2) Refers to average annual electricity consumption.

**02**

## **Operational Updates**



# Diversified Asset Portfolio

Total Portfolio Value HK\$207B <sup>(1)</sup>



Temple Mall, Hong Kong



Link Plaza - Guangzhou



100 Market Street, Sydney

## Hong Kong

## Mainland China

## Overseas

**127**

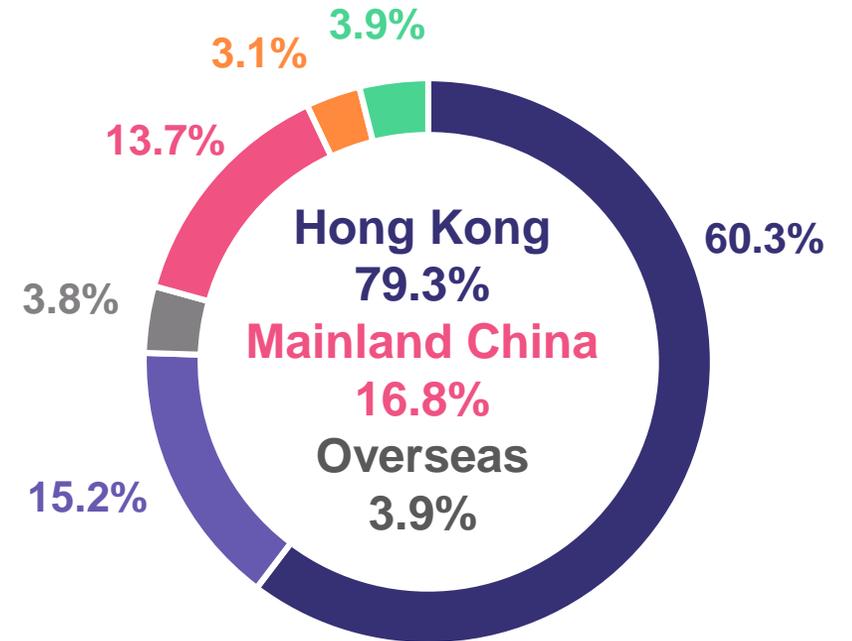
Retail, office and car park assets

**7**

Retail and office assets

**2**

Office assets



- Hong Kong Retail
- Mainland China Retail
- Overseas Office
- Hong Kong Car park
- Mainland China Office
- Hong Kong Office

Note:

(1) As at 31 March 2021, including 50% agreed property value of Qibao Vanke Plaza, Shanghai which was completed on 2 April 2021 and the agreed property value of Guangzhou Happy Valley Shopping Mall as announced on 4 June 2021 on a pro-forma basis.

# Hong Kong Retail and Office



Lok Fu Place, Hong Kong

## Retail



**-4.5%**

Revenue growth YoY

**96.8%**

Occupancy rate

**-1.8%**

Reversion rate <sup>(2)</sup>

**-3.4%**

Average unit rent per square foot <sup>(3)</sup> YoY

## Office



**82.9%<sup>(4)</sup>**

Occupancy rate

- Revenue dipped mainly due to tenant support scheme
- Healthy levels of rental collection and arrears
- Slow but gradual improvements in leasing sentiment

### Notes:

(1) All figures for the year ended or as at 31 March 2021.

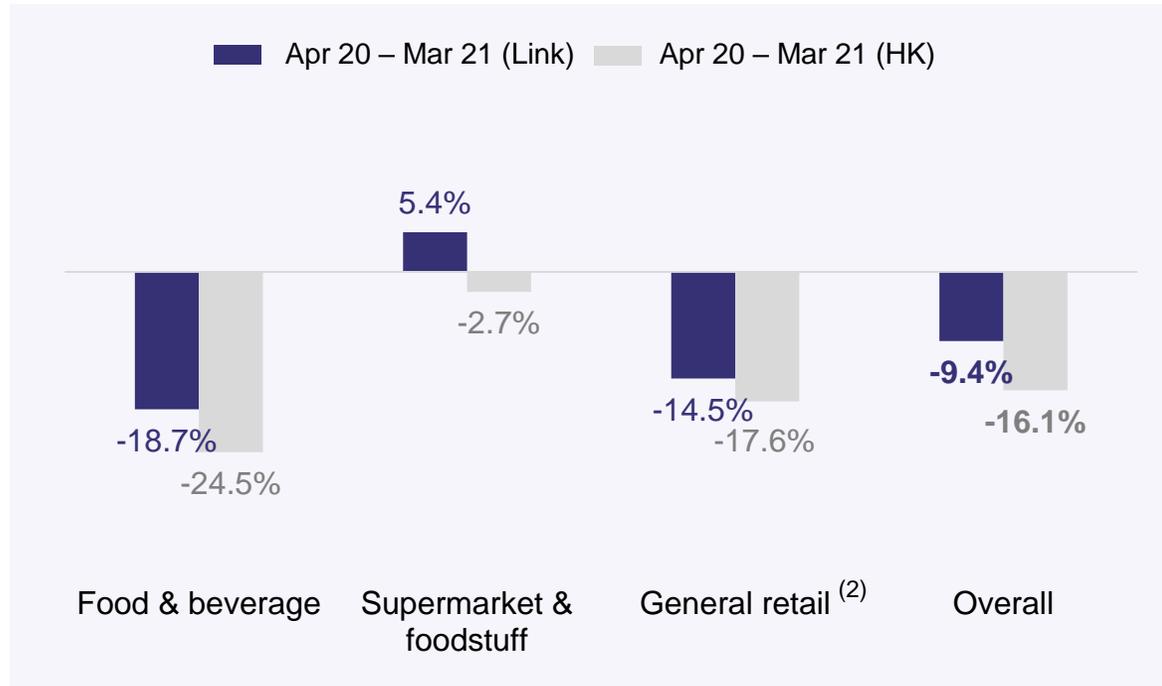
(2) Reversion rate was calculated based on base rent (excluding management fee).

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

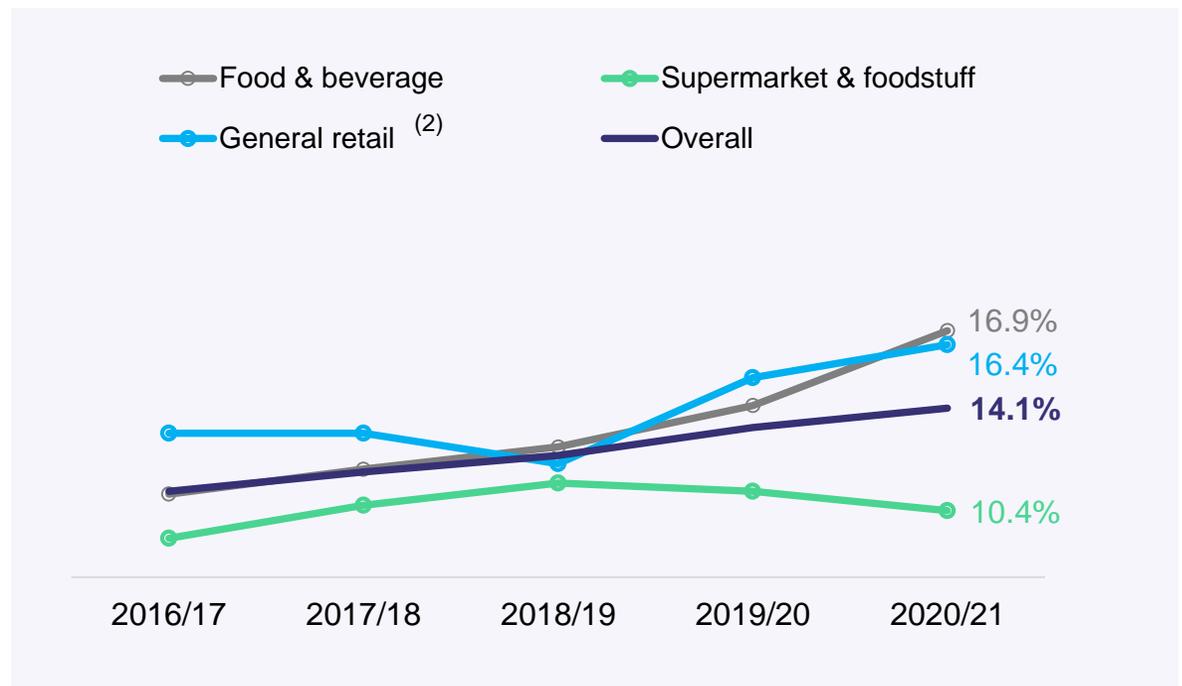
(4) Committed occupancy as at June 2021.

# Hong Kong Retail Tenant Performance

## Tenant Sales Growth <sup>(1)</sup>



## Occupancy Cost <sup>(3)</sup>



- Tenant sales were unavoidably dampened by lockdown but remained resilient due to non-discretionary nature
- General retail and F&B continued to face pressure and experienced a higher increase in occupancy cost

### Notes:

(1) Percentage figures represent year-on-year change in tenants' average monthly sales per square foot of the respective years.

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

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

# Hong Kong Car Park

**-1.5%**

Revenue growth YoY

**-1.8%**

Car park income per  
space per month YoY

**-0.7%**

Average valuation  
per space YoY

## Carpark



- Hourly parking was impacted by the partial lockdown in early 2020/2021
- Usage has picked up once social distancing restrictions were relaxed



Lok Fu Place, Hong Kong



Tin Shing, Hong Kong



T Town, Hong Kong

Note:

(1) All figures for the year ended or as at 31 March 2021.

# Mainland China Retail and Office



## Retail



**-7.8%**  
Revenue

**96.3%**  
Occupancy

**11.1%**  
Reversion rate<sup>(2)</sup>

## Office



**95.8%**  
Occupancy rate

**-8.0%**  
Reversion rate<sup>(2)</sup>

- Retail revenue dropped due to partial closure and asset enhancement of Link CentralWalk in Futian, Shenzhen and COVID-19 related concessions
- Tenant sales recovered to around 90% of pre-COVID level
- Shanghai office facing strong headwind due to abundant supply
- Link Square's strategic location and building quality continue to attract tenants and maintain high occupancy supported by early lease renewal with the anchor tenant

Note:

(1) All figures for the year ended or as at 31 March 2021.

(2) Reversion rate was calculated based on base rent (excluding management fee).

# Asset Enhancements

Completed

**3** projects in 2020/21

Still achieved high-single to low-double-digit ROIs despite weak leasing market

Underway

**4** projects

More prudent and flexible pipeline going forward

Under Planning

**>20** projects

Estimated costs totalling >HK\$1.0B

Completed Kai Tin in 2H 2020/21 Capex: HK\$153M; ROI: 12.1%



Pipeline extending to 2026/27 onwards

Pipeline	Estimated Costs	Target Completion Date
<b>Underway</b>	<b>\$434M</b>	
Tai Wo Plaza	\$50M	Mid 2021
Hing Wah Shopping Centre	\$30M	Mid 2021
Link CentralWalk, Shenzhen	\$327M	Late 2021
Tai Yuen Market	\$27M	Mid 2022
<b>Under planning</b>	<b>&gt;\$1.0B</b>	

Note:

(1) Estimated return on investment ("ROI") is calculated based on projected annualised net property income post-project minus net property income pre-project divided by estimated project capital expenditures and loss of rental.



# Prudent Capital Management

## Ample Liquidity & Healthy Credit Metrics

**2.66%** Average borrowing costs  
↓ 83bp from 2019/2020

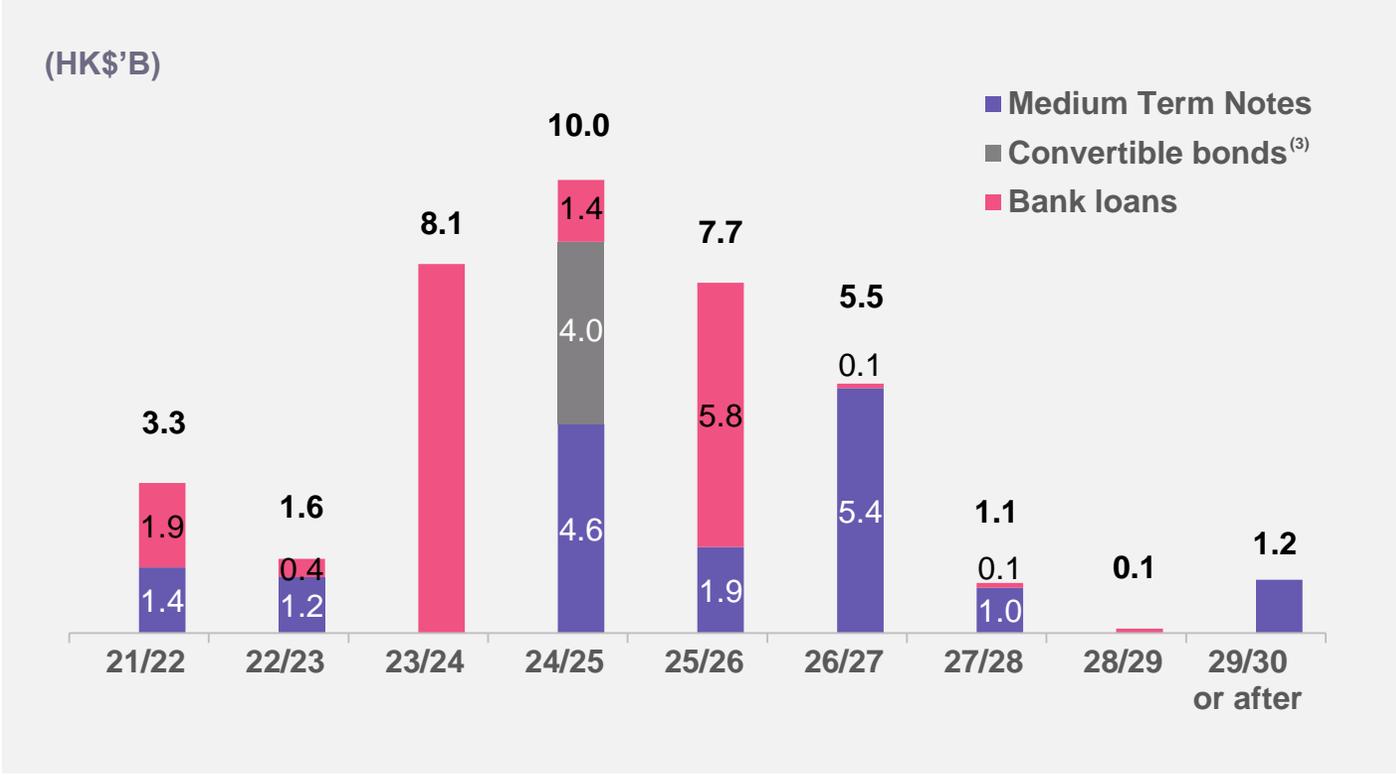
**18.4%**  
Gearing ratio<sup>(4)</sup>

**HK\$12.5B**  
Available liquidity

**63.5%**  
Fixed-rate debt  
Total debt

**4.3 years**  
Average  
debt maturity

## Staggered Debt Maturity Profile<sup>(2)</sup>



Notes:

(1) All figures for the year ended or as at 31 March 2021.

(2) Based on total debt with face value of HK\$38.6B as at 31 March 2021.

(3) HK\$4B convertible bond has a maturity of 5 years with a 3-year put option exercisable in 2022/2023.

(4) After adjusting for the impact of the acquisition of 50% interest in Qibao Vanke Plaza, Shanghai (completed on 2 April 2021), the final distribution declared, and the acquisition of Happy Valley Shopping Mall, Tianhe, Guangzhou (expected to be completed in June 2021), the pro-forma gearing ratio is 20.2%.



# Strong Capital Access and Ongoing Sustainability Commitment

## Financing arranged since April 2020

<b>April 2020</b>	Issued HK\$1.01B 5-year notes at 2.35% per annum
<b>May 2020</b>	Arranged HK\$1B 5-year <b>sustainability-linked loan</b>
<b>June 2020</b>	Arranged HK\$1B 5-year <b>sustainability-linked loan</b>
<b>October 2020</b>	Issued HK\$400M 18-year notes at 2.18% per annum
<b>January 2021</b>	Converted £200M 5-year loan to <b>sustainability-linked loan</b>
<b>April 2021</b>	Arranged HK\$500M 5-year <b>sustainability-linked loan</b>
<b>May 2021</b>	Issued CNH650M 3-year notes at 2.80% per annum
<b>June 2021</b>	Issued CNH250M 3-year notes at 2.80% per annum

## Healthy Credit Ratings and Outlook

**S&P's**

**A  
Stable**

**Moody's**

**A2  
Stable**

**Fitch**

**A  
Stable**

# Valuation

Overall

↑ **3.0%**  
Mainly due to  
**two new overseas  
offices and exchange  
gain**

Hong  
Kong

↓ **2.4%**  
Due to drop in  
**market rent  
assumptions**

Mainland  
China

↑ **7.3%**  
Due to **RMB  
appreciation** compared  
with last year end

HK\$'M	Valuation		Capitalisation Rate	
	As at 31 Mar 2021	As at 31 Mar 2020	As at 31 Mar 2021	As at 31 Mar 2020
<b>Hong Kong</b>				
Retail properties	<b>124,581</b>	127,515	<b>3.10% – 4.50%</b>	3.10% – 4.50%
Car parks	<b>31,516</b>	31,732	<b>3.10% – 5.30%</b>	3.10% – 5.30%
Office property	<b>8,943</b> <sup>(1)</sup>	9,914 <sup>(1)</sup>	<b>3.00%</b>	3.00%
<b>Mainland China</b>				
Retail properties	<b>20,713</b>	19,146	<b>4.25% – 4.75%</b>	4.25% – 4.75%
Office property	<b>6,447</b>	6,171	<b>4.25%</b>	4.25%
<b>Overseas</b>				
Australia office	<b>4,038</b>	-	<b>4.50%</b>	N/A
United Kingdom office	<b>4,019</b>	-	<b>5.24%</b>	N/A
<b>Total valuation</b>	<b>200,257</b>	194,478		
<b>Valuation of investment properties</b>	<b>199,074</b> <sup>(2)</sup>	193,224 <sup>(2)</sup>		

Notes:

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

(2) The amount excludes two floors of The Quayside which Link occupies as self-used office and are classified as property, plant and equipment.

**03**

**Way Forward**



# Overseas Offices

## Office



100  
Market  
Street

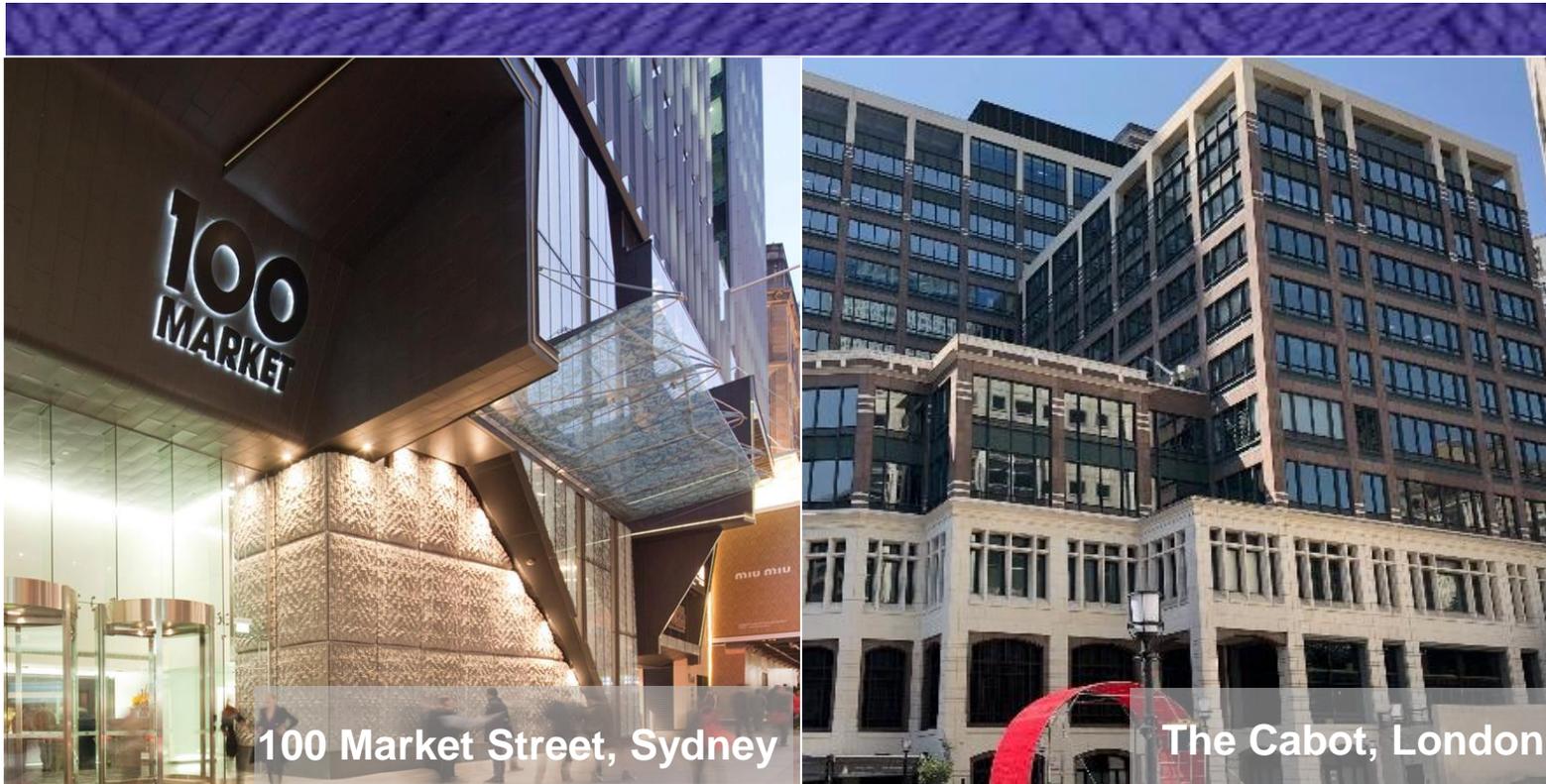
**100%**  
Office occupancy rate

The  
Cabot

**100%**  
Office occupancy rate

Overall

**~90%**  
Rental collection rate



100 Market Street, Sydney

The Cabot, London

- New additions during the year with blue chip tenants and long WALE
- 100 Market Street and The Cabot commenced rental contribution since April 2020 and August 2020, respectively
- Sydney office workers have been returning to office since 2021, while London office workers are beginning to return as UK lockdown is gradually lifted

Note:

(1) All figures as at 31 March 2021.

# Happy Valley Shopping Mall

## 7<sup>th</sup> Investment in Mainland China



Agreed Property Value <sup>(1)</sup>  
**RMB3,205M**  
 4.3% discount to valuation

<b>Location</b>	No. 36 Machang Road, Tianhe District, Guangzhou
<b>Completion</b>	2012
<b>Monthly Passing Income</b>	RMB10.6 M <sup>(2)</sup>
<b>Expected Completion of Acquisition</b>	June 2021

### 2<sup>nd</sup> Retail in Guangzhou



- Link's further investment in the Greater Bay Area
- Short WALE and occupancy at 70.3% provide opportunities for tenant mix improvement
- Potential to further unlock asset value from asset enhancement

#### Notes:

(1) Appraised property value was RMB3,350M according to the valuation report dated 24 May 2021.

(2) Gross passing income of the Property (excluding management fees) was approximately RMB10.6M per month with retail income (including turnover rent) of approximately RMB10.0M per month and car parking income of approximately RMB0.6M per month.

# Defensive Amid Challenging Environment



## No.1

First REIT listed in Hong Kong



## 1

Only internally-managed REIT in Asia



## 15 years

Consistent track record in growing DPU



## 100%

Free float



## Resilient

Focus on non-discretionary retail, car parks and premium grade A offices



## 31%

Female representation in Board

# Maintaining a Sustainable Business

**Business  
As Mutual**

**Proactive stakeholder  
engagement** to navigate in  
new normal



**Link CentralWalk to complete  
renovation by end of 2021**



**Welcomed >400 leases in our  
Hong Kong portfolio**

**Placemaking**

**Create delightful  
experiences** for our  
community



**Announced net zero emissions  
by 2035**



**Second acquisition in Guangzhou  
Happy Valley Shopping Mall**

**Value  
Creation**

Continue to **grow both  
organically and  
inorganically**

# Strong Capital Base to Fund Future Growth



## Funding Facilities

- Maintain **low gearing and sufficient debt headroom** to support strategic goals
- 



## Credit Ratings

- Continue to enjoy **low funding cost**
- 



## Forex Management

- **Cost effective hedging** to fund overseas investments and stable distributions
- 



## Capital Return

- Committed to **100% payout ratio**
  - **HK14 cents per year discretionary distribution until 2021/2022**
  - **Further buyback** will depend on market conditions and other regulatory concerns
-

# Achieving Vision 2025

## Balanced Portfolio

- **Focus on our organic portfolio and managing our assets strategically** to enhance their quality and value

## Inorganic Growth Drivers

- Target “core” & “core-plus” plus “value-add” **opportunities to complement** growth trajectory
- Assets in **Hong Kong, Mainland China tier-1 cities and their surrounding delta areas and overseas** including United Kingdom, Australia, Singapore and Japan

## Diversifying while remaining prudent and selective

		<u>Pro-forma Composition</u> <sup>(1)</sup>	<u>Management Guidance</u>
	Hong Kong	<b>79.3%</b>	<b>70-75%</b>
	Mainland China	<b>16.8%</b>	<b>≤20%</b>
	Overseas	<b>3.9%</b>	<b>≤10%</b>
	Office	<b>10.8%</b>	<b>≤20%</b>

Note:

(1) As at 31 March 2021, including 50% agreed property value of Qibao Vanke Plaza, Shanghai which was completed on 2 April 2021 and the agreed property value of Guangzhou Happy Valley Shopping Mall as announced on 4 June 2021 on a pro-forma basis.



# Distribution Calendar

<b>Distribution period</b>	<b>October 2020 – March 2021</b>
<b>Last day of trading on a “cum” basis</b>	<b>28 June 2021</b>
<b>Ex-distribution date</b>	<b>29 June 2021</b>
<b>Distribution book close</b>	<b>2 July – 5 July 2021 (both days inclusive)</b>
<b>Record date for entitlement to distribution</b>	<b>5 July 2021</b>
<b>Ten trading days to determine issue price for scrip in lieu of final cash distribution</b>	<b>6 July – 19 July 2021 (both days inclusive)</b>
<b>Final date for scrip election</b>	<b>27 July 2021 (no later than 4:30 pm)</b>
<b>Payment of distribution</b>	<b>12 August 2021</b>

**04**

**Appendix**



# Appendix 1

## Key Financial Data

<b>Consolidated</b>	<b>FY20/21 (HK\$'M)</b>	<b>FY19/20 (HK\$'M)</b>	<b>YoY %</b>
Revenue	<b>10,744</b>	10,718	<b>+0.2</b>
Net property income	<b>8,238</b>	8,220	<b>+0.2</b>
<b>Rentals<sup>(1)</sup></b>			
Hong Kong retail properties	<b>6,159</b>	6,288	<b>-2.1</b>
Hong Kong car parks	<b>1,883</b>	1,912	<b>-1.5</b>
Mainland China retail properties	<b>850</b>	937	<b>-9.3</b>
Hong Kong, Mainland China and overseas offices	<b>778</b>	401	<b>+94.0</b>
<b>Other revenue<sup>(2)</sup></b>	<b>1,074</b>	1,180	<b>-9.0</b>
<b>Total revenue</b>	<b>10,744</b>	10,718	<b>+0.2</b>
<b>Total property expenses</b>	<b>2,506</b>	2,498	<b>+0.3</b>

Notes:

(1) Management fee has been reclassified from rental to other miscellaneous revenue. Comparative figures have been restated.

(2) Other revenue includes management fee, air conditioning service fee, promotion levy and miscellaneous revenue.

## Appendix 2

# Financials – Income Statement Summary

	Year ended 31 Mar 2021 (HK\$'M)	Year ended 31 Mar 2020 (HK\$'M)	YoY %
Revenue	10,744	10,718	+0.2
Property operating expenses	(2,506)	(2,498)	+0.3
Net property income	8,238	8,220	+0.2
General and administrative expenses	(428)	(416)	+2.9
Interest income	126	183	-31.1
Finance costs	(770)	(630)	+22.2
Profit before taxation, change in fair values of investment properties, impairment of goodwill and transactions with Unitholders	7,166	7,357	-2.6
Change in fair values of investment properties and impairment of goodwill	(5,322)	(23,948)	-77.8
Taxation	(1,092)	(712)	+53.4
Non-controlling interest	433	181	+139.2
<b>Profit / (loss) for the year, before transactions with Unitholders attributable to Unitholders</b>	<b>1,185</b>	<b>(17,122)</b>	<b>-106.9</b>

Note:

(1) Revenue recognised during the year comprise Hong Kong retail properties rentals of HK\$6,159M, Hong Kong car parks rentals of HK\$1,883M, Mainland China retail properties rentals of HK\$850M, Hong Kong, Mainland China and overseas offices rentals of HK\$778M and other revenue of HK\$1,074M.

## Appendix 3

# Financials – Distribution Statement Summary

	Year ended 31 Mar 2021 (HK\$'M)	Year ended 31 Mar 2020 (HK\$'M)	YoY %
Profit / (loss) for the year, before transactions with Unitholders	1,185	(17,122)	-106.9
Change in fair values of investment properties and impairment of goodwill attributable to Unitholders	4,910	23,831	-79.4
Deferred taxation on change in fair values of investment properties attributable to Unitholders	(12)	(454)	-97.4
Change in fair values of derivative components of convertible bonds	32	(157)	-120.4
Change in fair values of financial instruments	(320)	(276)	+15.9
Depreciation and amortisation of real estate and related assets	54	41	+31.7
Other non-cash income	(129)	(189)	-31.7
Total distributable income	5,720	5,674	+0.8
Discretionary distribution	290	291	-0.3
<b>Total distributable amount</b>	<b>6,010</b>	<b>5,965</b>	<b>+0.8</b>
<b>Distribution per unit (HK cents)</b>	<b>289.99</b>	<b>287.19</b>	<b>+1.0</b>

# Appendix 4

## Financials – Financial Position & Investment Properties

### Financial Position Summary

HK\$'M	As at 31 Mar 2021	As at 30 Sep 2020	As at 31 Mar 2020
Total assets	209,885	203,186	207,619
Total liabilities	51,192	49,159	47,502
Non-controlling interest	(27)	174	406
<b>Net assets attributable to Unitholders</b>	<b>158,720</b>	<b>153,853</b>	<b>159,711</b>
Units in Issue (M)	2,081.9	2,062.4	2,057.9
<b>Net asset value per unit (HK\$)</b>	<b>76.24</b>	<b>74.60</b>	<b>77.61</b>

### Fair Value of Investment Properties

HK\$'M	Year ended 31 Mar 2021	Period ended 30 Sep 2020	Year ended 31 Mar 2020
At beginning of year / period	193,224	193,224	218,496
Acquisition	7,253	7,253	-
Exchange adjustments	3,050	1,484	(1,791)
Additions	823	380	1,583
Transfer to property, plant and equipment	-	-	(1,116)
Change in fair values of investment properties	(5,276)	(7,229)	(23,948)
At end of year / period	<b>199,074</b>	<b>195,112</b>	<b>193,224</b>

# Appendix 5

## Financials – Capital Management

### Committed Debt Facilities (After Currency Swaps)

	HK\$ B		%	
	Mar-21	Sep-20	Mar-21	Sep-20
HK\$ Bank loans	7.4	7.6	19.2	21.1
RMB Bank loans	2.8	0.8	7.3	2.2
AUD Bank loans	3.9	3.6	10.1	10.0
GBP Bank loans	3.8	3.7	9.7	10.3
Medium Term Notes	16.7	16.3	43.3	45.3
Convertible Bonds	4.0	4.0	10.4	11.1
<b>Total debt</b>	<b>38.6</b>	<b>36.0</b>	<b>100.0</b>	<b>100.0</b>
Cash	2.5	1.8	20.0	13.2
Undrawn facilities	10.0	11.8	80.0	86.8
<b>Available liquidity</b>	<b>12.5</b>	<b>13.6</b>	<b>100.0</b>	<b>100.0</b>

### Key Credit Metrics by Rating Agencies

	<sup>(1)</sup>		S&P	Moody's	Fitch
	As at 31 Mar 2021	As at 30 Sep 2020	requirement (A / Stable)	requirement (A2 / Stable)	requirement (A / Stable)
Net debt / IP	18.1%	17.5%	N/A	N/A	< 30%
FFO <sup>(2)</sup> / debt (annualised)	18.6%	17.1%	> 12%	N/A	N/A
EBITDA interest coverage	8.1x	7.5x	N/A	> 3.5x – 4.0x	> 3.5x
Net debt / EBITDA (annualised)	4.5x	4.3x	N/A	< 6.5x	N/A

Notes:

(1) Preliminary figures to be confirmed by rating agencies.

(2) Funds from operations is net cash generated from operating activities adjusted by operating lease expenses, interest expenses and income, tax paid.

## Appendix 6

# HK Portfolio – Retail Revenue Analysis

	Year ended 31 Mar 2021 (HK\$'M)	Year ended 31 Mar 2020 (HK\$'M)	YoY %	Percentage contribution Year ended 31 Mar 2021 %
<b>Retail rentals: <sup>(1)</sup></b>				
Shops <sup>(2)</sup>	<b>4,881</b>	5,095	-4.2	<b>70.7</b>
Markets / cooked food stalls	<b>954</b>	886	+7.7	<b>13.8</b>
Education / welfare and ancillary	<b>140</b>	139	+0.7	<b>2.0</b>
Mall merchandising	<b>184</b>	168	+9.5	<b>2.7</b>
Expenses recovery and other miscellaneous revenue <sup>(3)</sup>	<b>741</b>	934	-20.7	<b>10.8</b>
<b>Total</b>	<b>6,900</b>	7,222	-4.5	<b>100.0</b>

Notes:

- (1) Management fee has been reclassified from rental to other miscellaneous revenue. Comparative figures have been restated.  
(2) Rental from shops included base rent of HK\$4,826 million (2020: HK\$5,028 million) and turnover rent of HK\$55 million (2020: HK\$67 million).  
(3) Other miscellaneous revenue includes management fee, air conditioning service fee, promotion levy and miscellaneous revenue.

## Appendix 7

# HK Portfolio – Car Park Revenue Analysis

	Year ended 31 Mar 2021 (HK\$'M)	Year ended 31 Mar 2020 (HK\$'M)	YoY %	Percentage contribution Year ended 31 Mar 2021 %
<b>Car park rentals:</b>				
Monthly	1,432	1,494	-4.1	75.8
Hourly	451	418	+7.9	23.9
Expenses recovery and other miscellaneous revenue	5	5	-	0.3
<b>Total</b>	<b>1,888</b>	<b>1,917</b>	<b>-1.5</b>	<b>100.0</b>

## Appendix 8

# HK Portfolio – Property Operating Expenses Analysis

	Year ended 31 Mar 2021 (HK\$'M)	Year ended 31 Mar 2020 (HK\$'M)	YoY (%)	Percentage contribution Year ended 31 Mar 2021 (%)
Property managers' fees, security and cleaning <sup>(1)</sup>	592	578	+2.4	28.4
Staff costs	367	380	-3.4	17.6
Repair and maintenance <sup>(2)</sup>	227	207	+9.7	10.9
Utilities <sup>(3)</sup>	236	263	-10.3	11.3
Government rent and rates	270	313	-13.7	12.9
Promotion and marketing expenses <sup>(4)</sup>	139	113	+23.0	6.7
Estate common area costs	91	85	+7.1	4.4
Other property operating expenses <sup>(5)</sup>	167	229	-27.1	7.8
<b>Total property operating expenses</b>	<b>2,089</b>	<b>2,168</b>	<b>-3.6</b>	<b>100.0</b>

Notes:

- (1) Property managers' fees, security and cleaning expenses increased by 2.4% year-on-year as we adopted stringent cleaning protocol to fight against the pandemic.
- (2) Repair and maintenance increased by 9.7% due to one-off reinstatement cost of an exited tenant and other expenses incurred in The Quayside after its completion in May 2020.
- (3) Utilities decreased by 10.3% mainly due to government subsidy received and reduction in energy consumption.
- (4) Promotion and marketing expenses increased by 23.0% as free parking programmes and more activities were organised in support of our tenants for business recovery.
- (5) The decrease in other property operating expenses was mainly due to higher bad debt provision made last financial year after the COVID-19 outbreak in February 2020.

## Appendix 9 HK Portfolio – Retail Portfolio Data

	No. of properties	Total area ('000 sq. ft.)	Retail properties	Retail	Average monthly		Occupancy rate	
			Valuation (HK\$'M)	rentals (HK\$'M)	unit rent <sup>(1)</sup> (HK\$ psf)		rate (%)	
		As at 31 Mar 2021	As at 31 Mar 2021	Year ended 31 Mar 2021	As at 31 Mar 2021	As at 31 Mar 2020	As at 31 Mar 2021	As at 31 Mar 2020
Destination	6	1,293	26,751	1,212	79.3	83.7	94.0	93.3
Community	35	4,063	68,567	3,487	69.2	71.6	97.6	96.9
Neighbourhood	57	2,721	29,263	1,460	44.6	45.6	97.2	97.4
Overall	98	8,077	124,581	6,159	62.4	64.6	96.8	96.5

Note :

(1) Average monthly unit rent represents the average base rent (exclude management fee) per month psf of leased area. Comparative figures have been restated.

# Appendix 10

## HK Portfolio – Retail and Car Park Portfolio Data

	As at 31 Mar 2021	As at 31 Mar 2020	Change
<b>Average monthly unit rent (psf pm) <sup>(1)</sup></b>			
■ Shops	HK\$61.2	HK\$64.3	-4.8%
■ Overall (ex self use office)	HK\$62.4	HK\$64.6	-3.4%
<b>Occupancy rate</b>			
■ Shops	97.0%	96.4%	+0.6%
■ Markets/cooked food stalls	94.4%	95.0%	-0.6%
■ Education/welfare and ancillary	98.4%	99.4%	-1.0%
■ Overall	96.8%	96.5%	+0.3%
	<b>Year ended 31 Mar 2021</b>	<b>Year ended 31 Mar 2020</b>	<b>YoY Change</b>
<b>Composite reversion rate <sup>(1)</sup></b>			
■ Shops	-5.8%	13.0%	-18.8%
■ Markets/cooked food stalls	18.2%	19.5%	-1.3%
■ Education/welfare and ancillary	5.3%	12.3%	-7.0%
■ Overall	-1.8%	13.5%	-15.3%
<b>Net property income margin</b>	77.1%	77.1%	-
<b>Car park income per space per month</b>	HK\$ 2,776	HK\$ 2,827	-1.8%

Note :

(1) Average monthly unit rent and composite reversion rate was calculated based on base rent (excluding management fee). Comparative figures have been restated.

# Appendix 11

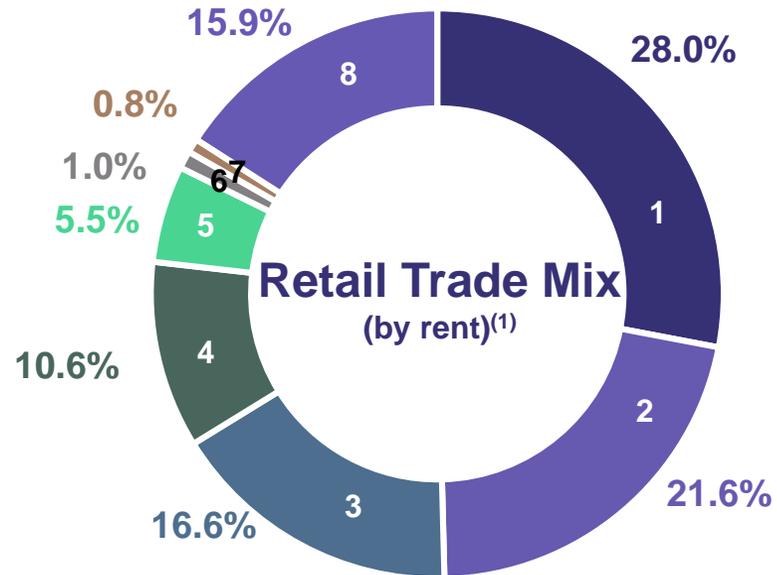
## HK Portfolio – Retail Lease Expiry Profile

<b>As at 31 March 2021</b>	<b>As % of total area %</b>	<b>As % of monthly rent <sup>(1)</sup> %</b>
FY21/22	<b>32.9</b>	<b>31.1</b>
FY22/23	<b>24.5</b>	<b>28.4</b>
FY23/24	<b>20.8</b>	<b>22.1</b>
FY24/25 and beyond	<b>13.9</b>	<b>14.1</b>
Short-term lease and vacancy	<b>7.9</b>	<b>4.3</b>
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Note:

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

## Appendix 12 HK Portfolio – Trade Mix



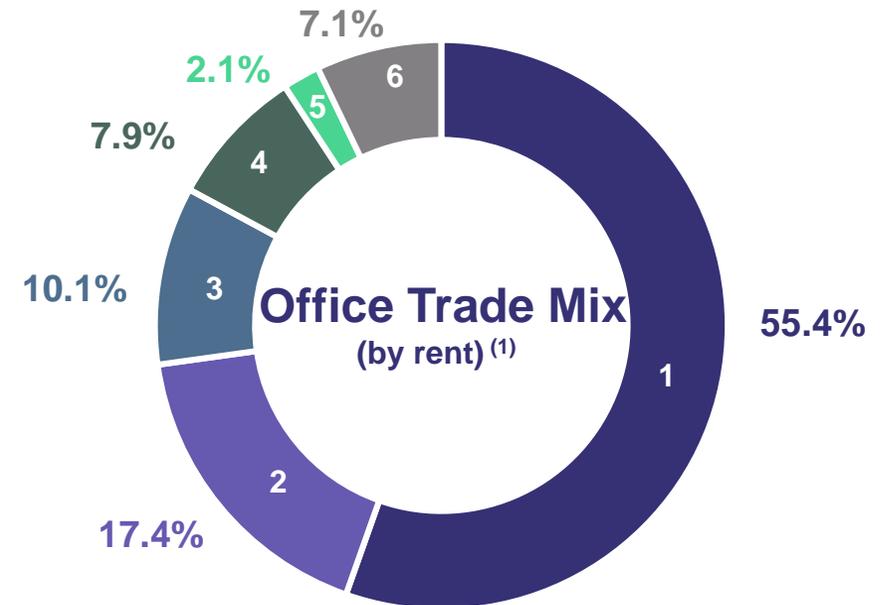
Retail	Mar-21	Sep-20
<b>1. Food and beverage</b>	<b>28.0%</b>	27.6%
<b>2. Supermarket and foodstuff</b>	<b>21.6%</b>	21.5%
<b>3. Markets/ cooked food stalls</b>	<b>16.6%</b>	16.4%
<b>4. Services</b>	<b>10.6%</b>	10.8%
<b>5. Personal care/ medicine</b>	<b>5.5%</b>	5.6%
<b>6. Education/ welfare and ancillary</b>	<b>1.0%</b>	1.0%
<b>7. Valuable goods <sup>(2)</sup></b>	<b>0.8%</b>	0.8%
<b>8. Others <sup>(3)</sup></b>	<b>15.9%</b>	16.3%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Notes:

(1) Refers to base rent (excluding management fee). Comparative figures have been restated.

(2) Including jewellery, watches and clocks

(3) Including clothing, department store, electrical and household products, optical, books and stationery, newspaper, leisure and entertainment.



Office	Mar-21	Sep-20
<b>1. Finance</b>	<b>55.4%</b>	51.1%
<b>2. Real estate</b>	<b>17.4%</b>	16.0%
<b>3. Retailers &amp; consumer products</b>	<b>10.1%</b>	6.0%
<b>4. Engineering &amp; construction</b>	<b>7.9%</b>	7.2%
<b>5. Co-working space</b>	<b>2.1%</b>	13.2%
<b>6. Insurance</b>	<b>7.1%</b>	6.5%
<b>Total</b>	<b>100%</b>	<b>100%</b>

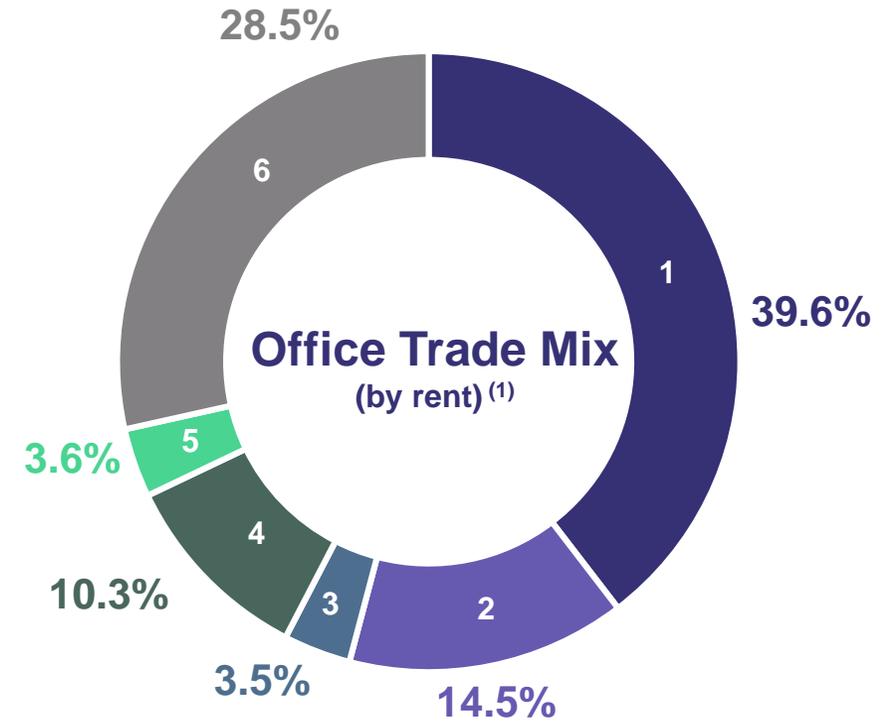
## Appendix 13 Mainland China Portfolio – Trade Mix



Retail	Mar-21	Sep-20
1. Food and beverage	29.5%	28.2%
2. Fashion	34.9%	35.7%
3. General retail & others	28.0%	27.1%
4. Leisure & entertainment	4.4%	5.4%
5. Supermarket & foodstuff	3.2%	3.6%
<b>Total</b>	<b>100%</b>	<b>100%</b>

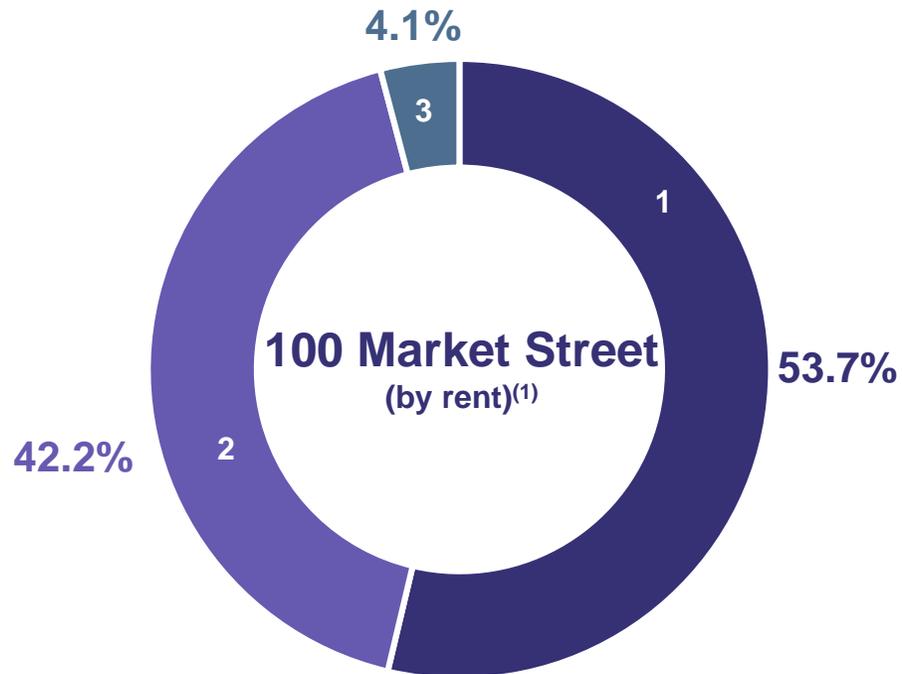
Note:

(1) Refers to base rent (excluding management fee). Comparative figures have been restated.



Office	Mar-21	Sep-20
1. Professional services	39.6%	40.5%
2. Technology, media, telecom	14.5%	14.7%
3. Pharmacy	3.5%	2.8%
4. Industrial goods & services	10.3%	12.4%
5. Retailers & consumer products	3.6%	3.6%
6. Others	28.5%	26.0%
<b>Total</b>	<b>100%</b>	<b>100%</b>

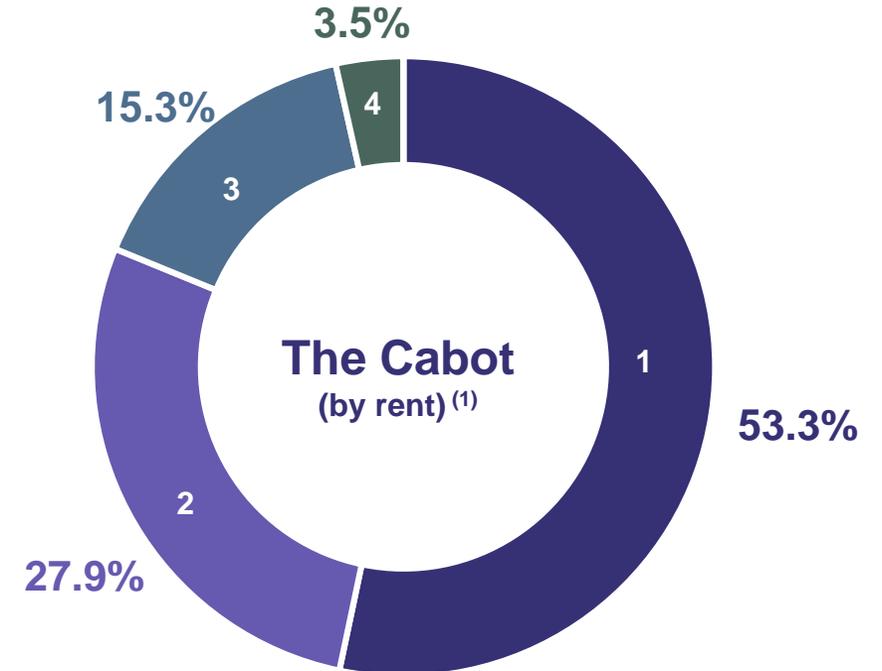
## Appendix 14 Overseas Portfolio – Tenant Mix



100 Market Street	Mar-21	Sep-20
1. Government	53.7%	54.2%
2. Real estate	42.2%	42.2%
3. Sovereign wealth fund	4.1%	3.6%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Note:

(1) Refers to base rent (excluding management fee). Comparative figures have been restated.



The Cabot	Mar-21	Sep-20
1. Finance	53.3%	52.3%
2. Government	27.9%	27.3%
3. Co-working space	15.3%	16.9%
4. Retail	3.5%	3.5%
<b>Total</b>	<b>100%</b>	<b>100%</b>

# Appendix 15

## Mainland China Portfolio – Lease Expiry Profile

	Retail		Office	
	As % of total area (%)	As % of monthly rent <sup>(1)</sup> (%)	As % of total area (%)	As % of monthly rent <sup>(1)</sup> (%)
<b>As at 31 March 2021</b>				
FY21/22	20.1	26.3	31.2	32.6
FY22/23	21.6	28.7	28.6	31.2
FY23/24	13.6	18.3	11.2	12.5
FY24/25 and beyond	41.0	26.7	24.8	23.7
Vacancy	3.7	-	4.2	-
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

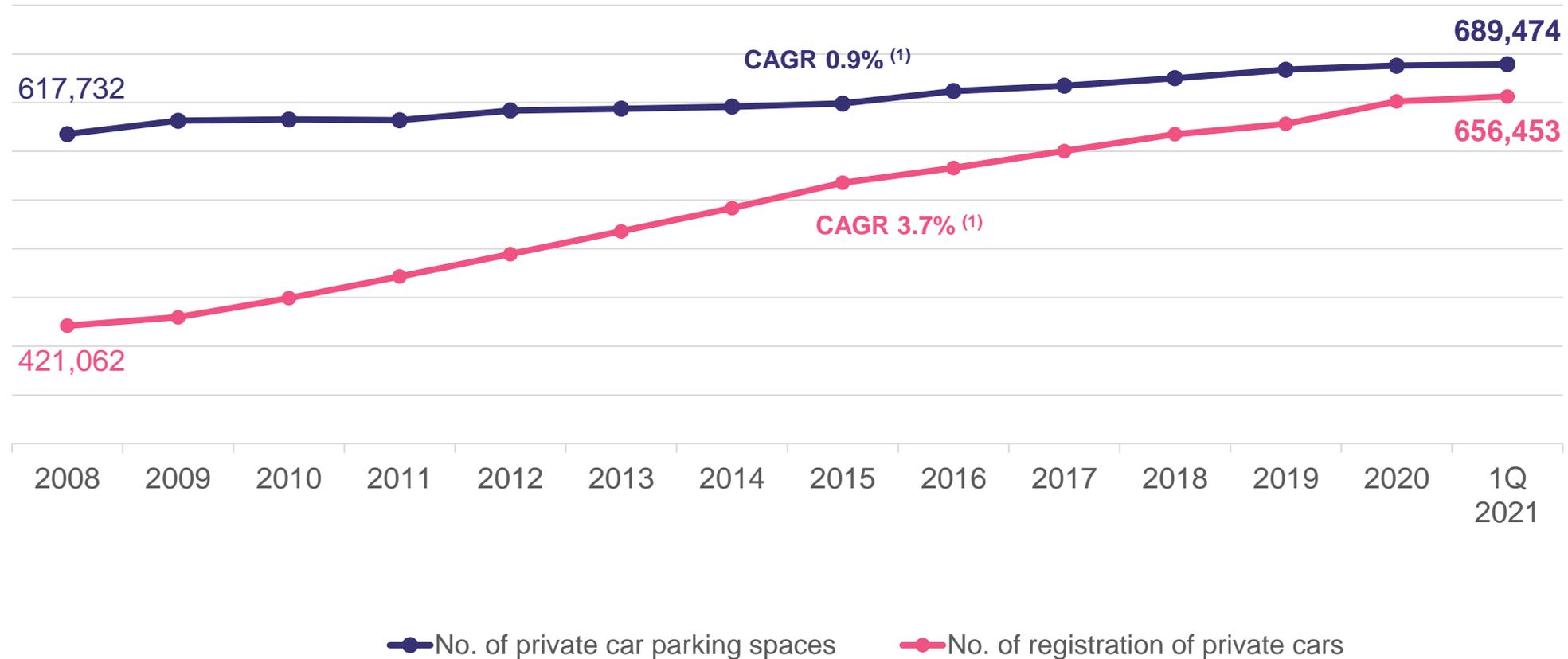
Note:

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

# Appendix 16

## HK Car Park Demand and Supply

### No. of Registration of Vehicles and Parking Spaces (Private Cars)



Note:

(1) CAGR for the period of 2008-2020

Source: Transport Department



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