



151 Clarence St, Sydney



126 Phillip St, Sydney



388 George St, Sydney



347 Kent St, Sydney



567 Collins St, Melbourne

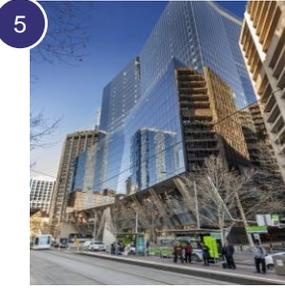
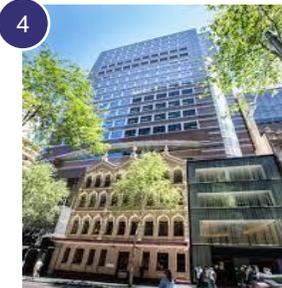
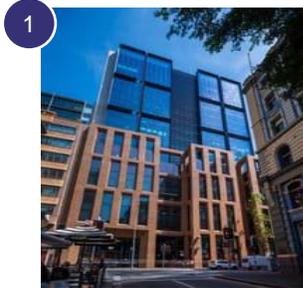
# Joint Venture in a Prime Office Portfolio in Sydney and Melbourne

10 February 2022



# Overview of the Joint Venture

Acquisition of a 49.9% interest in a joint venture with Oxford Properties Group (“Oxford”) that owns interests in 5 prime office properties in Sydney and Melbourne CBDs managed by Investa Property Group (“Investa”)



Net Passing Income  
**A\$49.6M<sup>(1)</sup>**

Agreed Property  
Value for a  
49.9% Interest  
**A\$1,131.1M<sup>(1)</sup>**

Expected  
Completion of  
Acquisition  
**1H 2022<sup>(2)</sup>**

Target Asset / Location	151 Clarence St, Sydney	126 Phillip St, Sydney	388 George St, Sydney	347 Kent St, Sydney	567 Collins St, Melbourne
Grade	A	Premium	A	A	Premium
Completion / Recent Major Refurbishment	2018	2005	2020	2020	2015
NLA (sqm)	21,891	42,131	41,255	26,819	55,052
Parking Spaces	41	84	73	74	156
NABERS / Green Star	• 5.5 Star Energy • 4.5 Star Water • 6 Star Green Star	• 5 Star Energy • 4.5 Star Water	• 5 Star Energy <sup>(3)</sup> • 4 Star Water <sup>(3)</sup> • 5 Star Green Star <sup>(3)</sup>	• 5 Star Energy • 4.5 Star Water	• 5.5 Star Energy • 5.5 Star Water

## Notes:

(1) Based on Link’s effective interest unless otherwise stated

(2) Subject to regulatory approval

(3) Target

Source: Valuation report as of 31 December 2021



# Investment Rationale

## Sizeable prime office portfolio with embedded opportunity pipeline

### 1 Rare opportunity to acquire a premium portfolio

- Centrally located in core CBD locations in Sydney and Melbourne
- Majority of portfolio are recently completed or substantially refurbished to the highest standards with best-in class designs and excellent green ratings
- Well positioned to benefit from strong market fundamentals and increasing “flight-to-quality” demand

### 2 Attractive yield and secured cashflow with rental escalation from reputable tenants

- Diversified income backed by tenants with strong covenants, achieving close to 100% collection rate on office rents<sup>(1)</sup>
- Attractive entry yield with built-in annual rental escalation of ~4%
- Occupancy of 92.6% and over 5.8 year WALE provide steady stream of income to weather the impact of COVID-19<sup>(1)</sup>

### 3 Potential opportunities to further expand Link’s quality portfolio in Australia

- Pre-emptive rights on the 3 partially-owned assets, providing optionality for the joint venture to increase its stakes if such opportunities arise
- Potential to access Oxford Properties’ future pipeline of prime develop-to-core assets

### 4 Strategic partnerships with Oxford and Investa

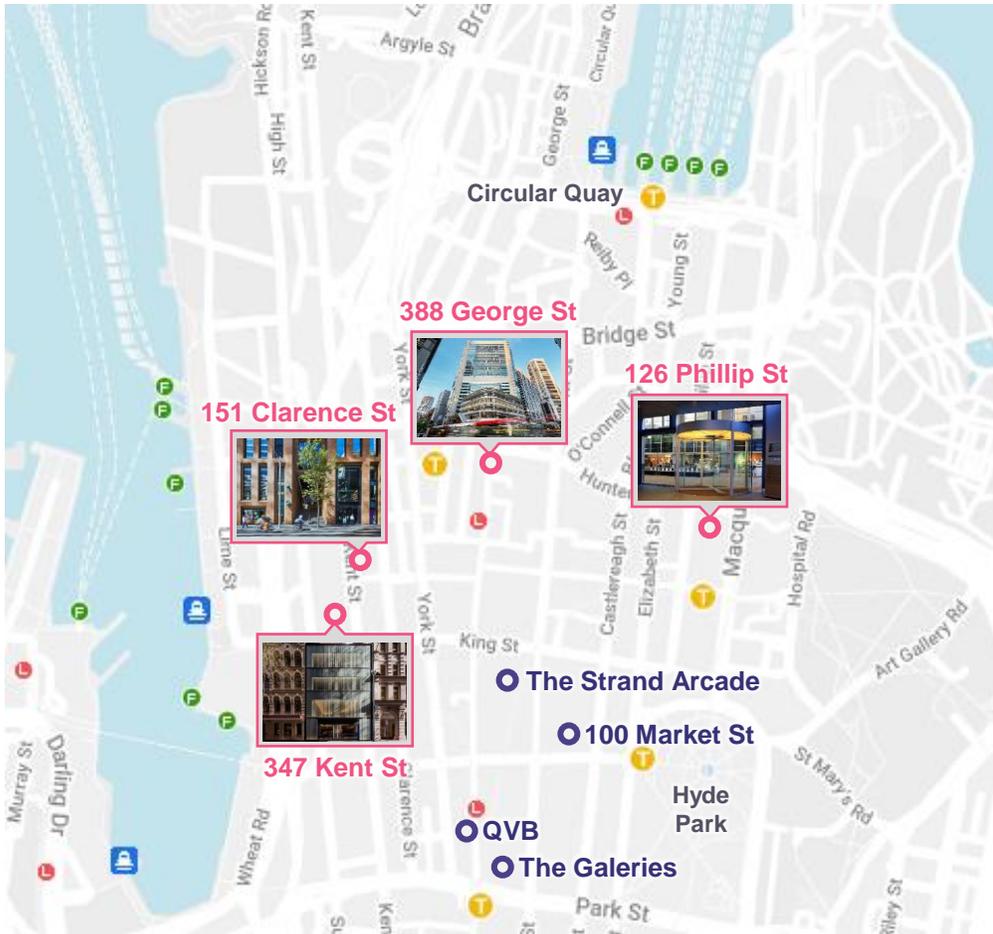
- Strategic partnership with Oxford which is wholly-owned by the Ontario Municipal Employees Retirement System and is a leading global real estate investor, manager and developer
- Joint venture to be managed by Investa, one of the top office owners, developers and managers in Australia

Notes:

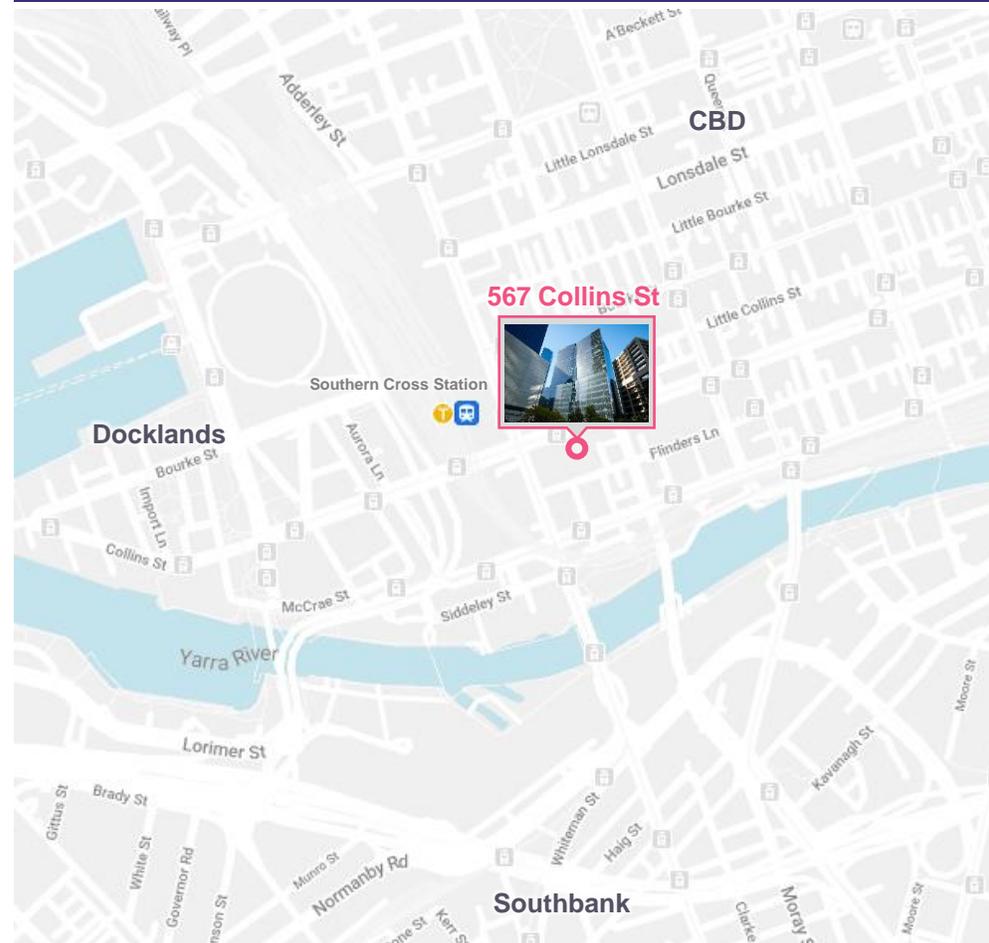
(1) As of 31 December 2021

# Strategically Located within Sydney and Melbourne CBDs

## Within Sydney CBD



## Within Melbourne CBD



### Legend

- Target assets
- Link's assets <sup>(1)</sup>

**All assets are located in the hearts of CBDs with proximity to key transport hubs and other amenities**

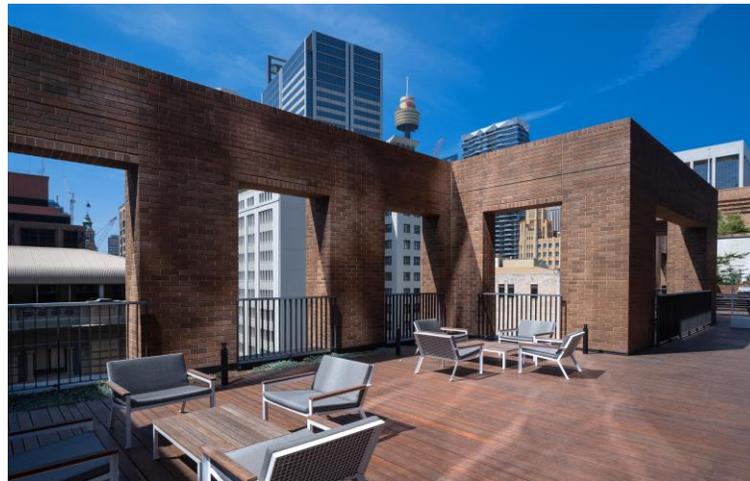
Note:

(1) Including 50% interests in Queen Victoria Building, The Galleries and The Strand Arcade – the respective acquisition was announced in November 2021 and expected to be completed in 1H 2022, subject to regulatory approval

# Best-in-Class Design with Excellent Specifications Catering to Diverse Occupiers' Needs



New end-of-trip facilities in 388 George St



Terrace space for tenants in 151 Clarence St



Stunning harbour views from 126 Phillip St



Premium office offering in 567 Collins St



Refurbished lobby at 347 Kent St

# Improving Australia Office Market Fundamentals

## Market Observations

- Leasing activities are expected to gradually improve in 2022 as occupiers return to office
- Over half of Sydney leasing deals recorded have taken place in the core CBD and has been “Flight to Quality”<sup>(1)</sup> – such trend is expected to be accelerated by the impact of COVID-19 and increasing ESG focus
- Softened pre-commitment market and inflation expectation are expected to delay launch of new projects thus reducing new supply risk
- Office demand is further supported by the recovering economy – Australia national unemployment has dropped to 4.2% as of December 2021, lowest since August 2008 and is expected to be below 4% in 2022 whilst GDP growth is expected to be around 4.25% in 2022

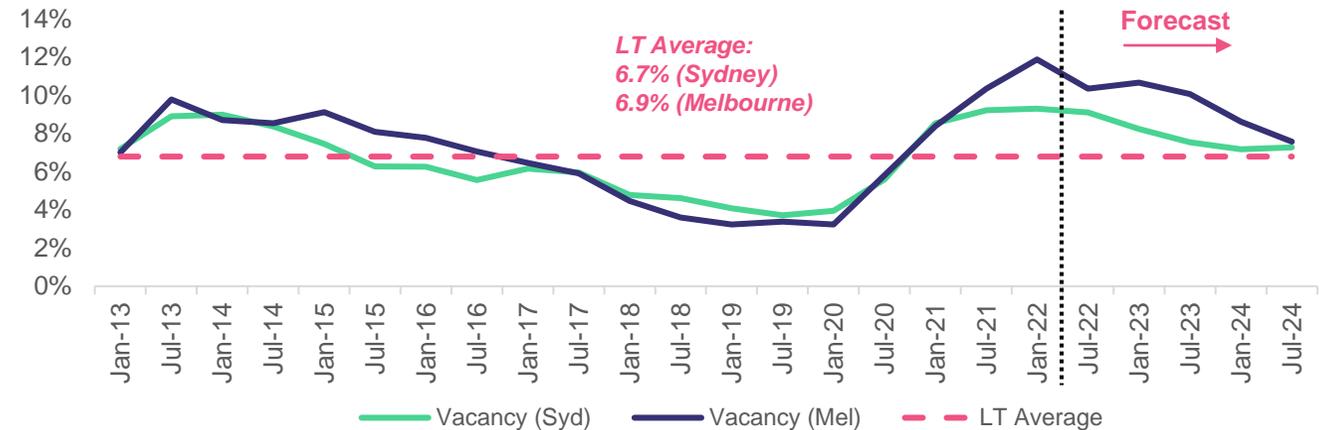
## Key Market Data<sup>(2)</sup>

	Sydney Premium	Sydney Grade A	Melbourne Premium	Melbourne Grade A
Total Stock (sqm)	1,270,203	1,914,535	1,058,245	2,494,933
6 months Net Supply (sqm)	0	0	0	174,832
6 months Net Absorption (sqm)	+8,070	+10,942	+3,051	+51,253
Vacancy (%)	4.9%	10.8%	7.2%	14.2%

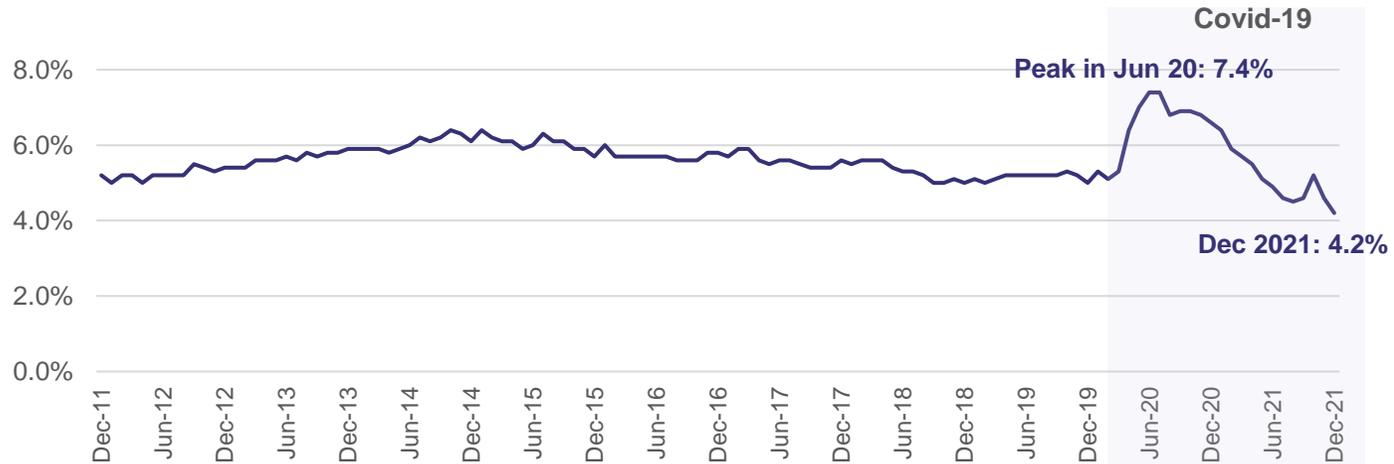
Notes:

- (1) CBRE, November 2021
- (2) PCA Office Market Report, January 2022
- (3) Colliers International, January 2022
- (4) Australian Bureau of Statistics

## Sydney CBD and Melbourne CBD Vacancy<sup>(3)</sup>

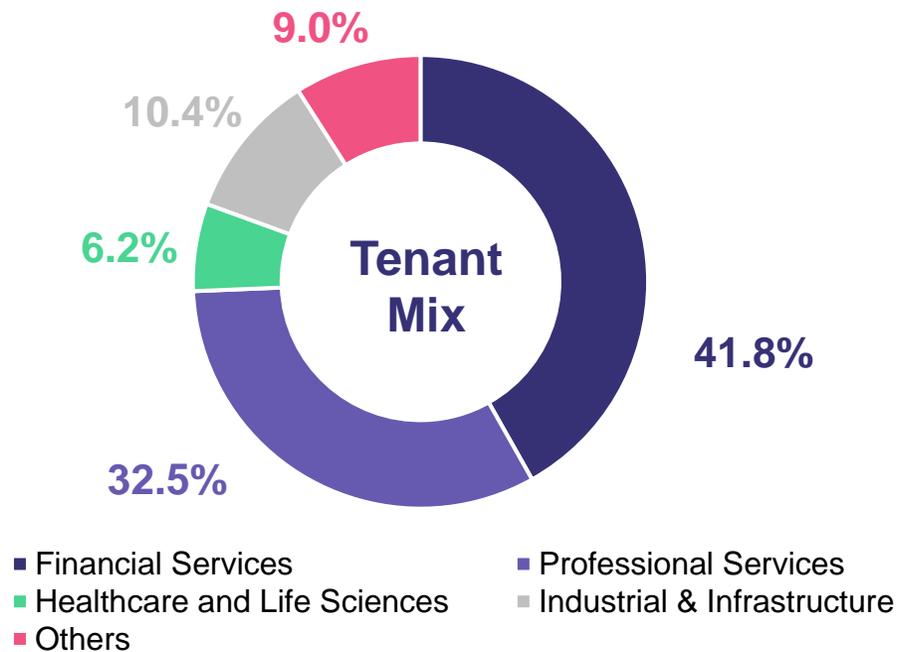


## National Unemployment Rate<sup>(4)</sup>

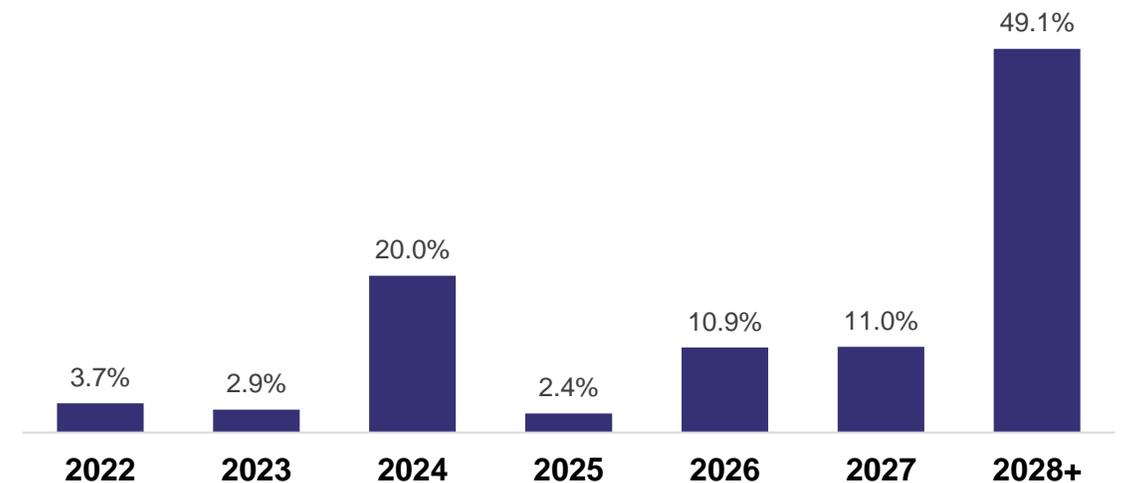


# Stable Income Streams from Reputable Tenants

## Diverse Tenant Composition (by office gross rent)



## Healthy WALE of over 5.8 years with half of the leases expiring in 2028 onwards

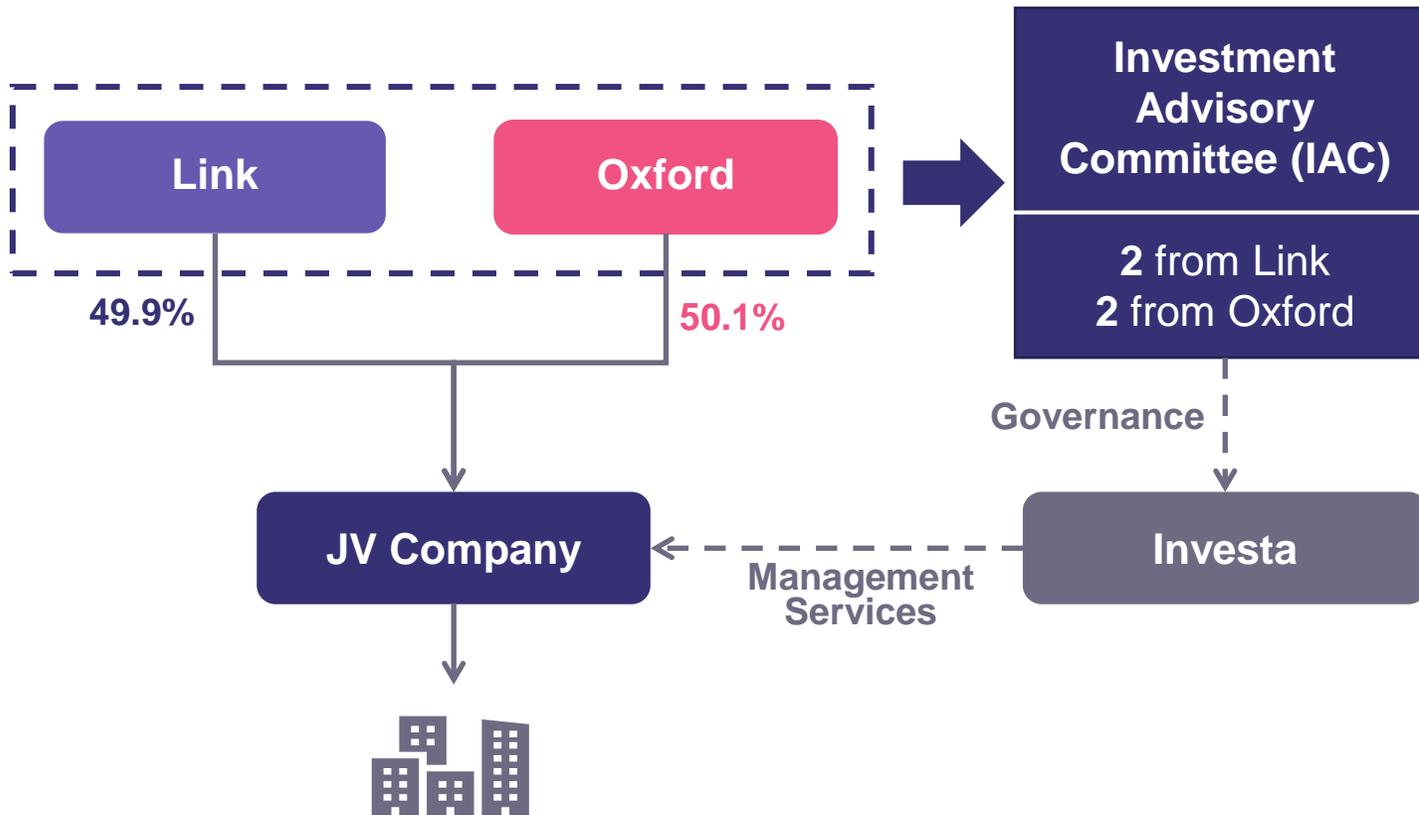


**High-quality tenants and long WALE provide downside protection to the asset portfolio**

Note:

(1) Data as of 31 December 2021

# Joint Venture Structure



## Post-Acquisition Management Arrangement

- **Investa**, as investment manager, will be responsible for all day-to-day operational matters
- **Link**, together with Oxford, will have representatives at IAC to govern and decide on major matters on the joint venture, including business plans and budgets

**Strategic partnership with a reputable like-minded investor in a portfolio managed by a strong operator with proven management expertise**

Note:

(1) Please refer to p12-13 for background information of Oxford Properties and Investa



# Immediately Yielding and Accretive Transaction

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<b>Appraised Value by Colliers <sup>(1)</sup></b>	<b>A\$1,131.1 M</b>
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<b>Agreed Property Value</b>	<b>A\$1,131.1 M</b>
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<b>Consideration <sup>(1,2)</sup></b>	<b>A\$596.1 M</b>
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<b>Net Passing Income <sup>(1)</sup></b>	<b>A\$49.6 M</b>
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<b>Financing</b>	<b>Link's internal resources and debt facilities</b>
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## Impact on Gearing

▪ Pro-forma debt to total assets <sup>(3)</sup>	<b>24.6 %</b>
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### Notes:

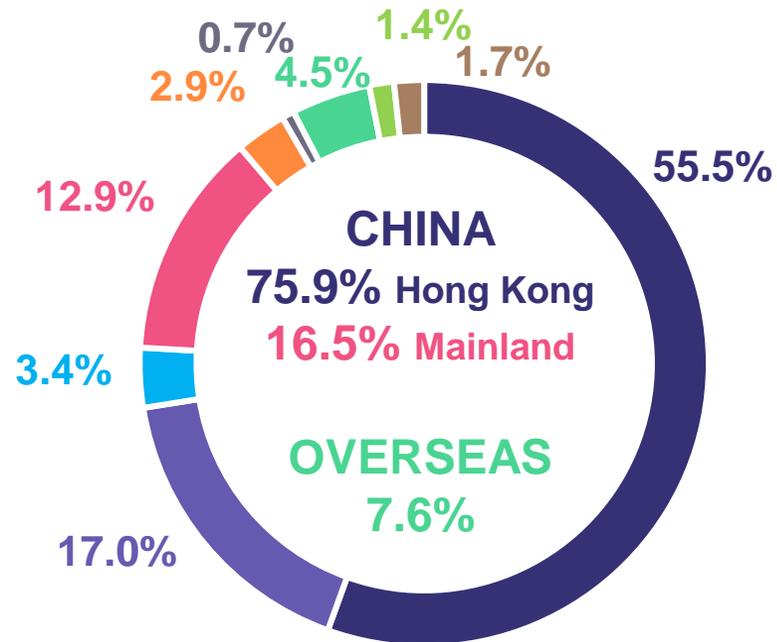
(1) Based on Link's effective interest of 49.9% unless otherwise stated;

(2) Consideration was agreed after taking into account the agreed property value, new financing to be entered into soon after completion and NAV adjustments

(3) After adjusting for the impact of the interim distribution declared on 10 November 2021 and paid on 31 December 2021, the acquisition of 75% interests in two modern logistics assets in Guangdong Province which was completed on 27 October 2021, the acquisition of 50% interests in the Sydney CBD retail portfolio which was announced on 7 November 2021, and the acquisition of two institutional grade car park/car service centres and godown buildings in Hong Kong which was completed on 31 December 2021 and assuming a drawdown of HKD 3,395.5M on Link's debt facilities to finance the Acquisition and including the values of a 49.9% interest in this joint venture as if the Acquisition took place on 30 September 2021

# Increased Diversification with Sustainable Income

Total Portfolio Value HK\$227B <sup>(1)</sup>



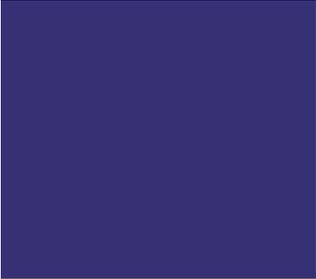
- Hong Kong Retail
- Mainland Retail
- Australia Office
- Hong Kong Car park <sup>(2)</sup>
- Mainland Office
- Australia Retail
- Hong Kong Office
- Mainland Logistics
- United Kingdom Office

## Management Guidance on Portfolio

	Pro-forma <sup>(1)</sup> Composition	Management Guidance
<b>Geography</b>		
<b>CHINA</b>		
▪ Hong Kong	75.9%	60-70%
▪ Mainland	16.5%	20-25%
<b>OVERSEAS</b>	7.6%	10-15%
<b>Asset Class</b>		
▪ Retail & Car Park <sup>(3)</sup>	86.8%	~70%
▪ Other Commercial	13.2%	~30%

### Notes:

- (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 two institutional grade car park/car service centres and godown buildings in Hong Kong, which was completed in December 2021 and agreed property value of this joint venture on a pro-forma basis
- (2) Including two institutional grade car park/car service centres and godown buildings in Hong Kong
- (3) Including retail & ancillary car parks in Hong Kong, Mainland and Australia, 28 standalone car parks and two institutional grade car park/car service centres and godown buildings in Hong Kong



# Appendix



# Appendix 1 – Joint Venture Partner

## Oxford Properties Group



### Global highlights

**1960**

Founded

**~CAD\$80B**

Oxford + Platform companies' AUM

**~160M**

Oxford + Platform companies' SQFT

**~10%**

10, 15, 20 year average returns\*\*

**CAD\$35M**

Energy savings since 2015\*

**35% reduction**

in carbon emissions intensity since 2015\*

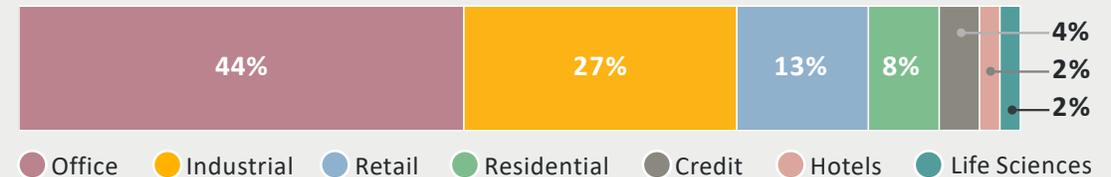
**5-Star GRESB**

rating across all Oxford-owned funds\*

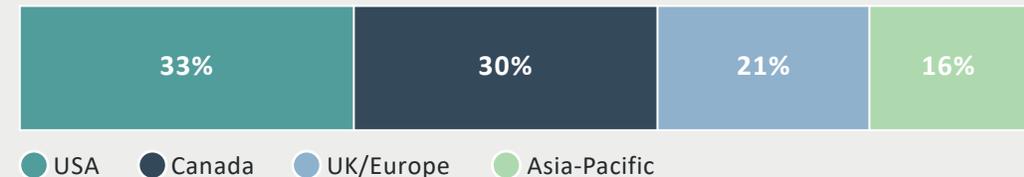
Oxford is a leading global real estate investor, asset manager and builder of businesses. We build, buy and grow defined real estate operating businesses with world-class management teams. Creating economic and social value through real estate – safeguarding the future and creating a world of opportunities for our customers, team members, partners and communities.

Today, Oxford and our portfolio companies manage nearly CAD\$80 billion of assets across four continents in some of the world's most transformative places. Our competitive advantage is in combining global platforms and expertise with local trends and experience to create exceptional experiences and value.

### Oxford + Platform companies AUM



### Global footprint; % of AUM by geography



**Oxford is owned by OMERS, one of Canada's largest defined benefit pension plans**

Data as at 30/9/2021. \*Global office, retail, residential, hotels portfolio where buildings are Oxford directly managed or where Oxford has 25%+ ownership interest.

\*\*Data as at 31/12/2020.

# Appendix 2 – Joint Venture Asset Manager

## About Investa

Investa is one of Australia’s largest, integrated real estate investment management and development companies, providing strategic, end-to-end services to institutional investors and owners of Australian commercial real estate.

### Investment Management Expertise

Investa is an experienced fiduciary manager with a robust ethical and governance culture and a strong track record of investment performance. Key to its success is the ability to access the full range of services from Investa’s fully integrated management platform including transactions; asset, property and facilities management; leasing; development management; research and ESG.

### Office Sector Specialist

On the ground, local knowledge, with extensive industry networks, deep domain expertise and timely market intelligence.

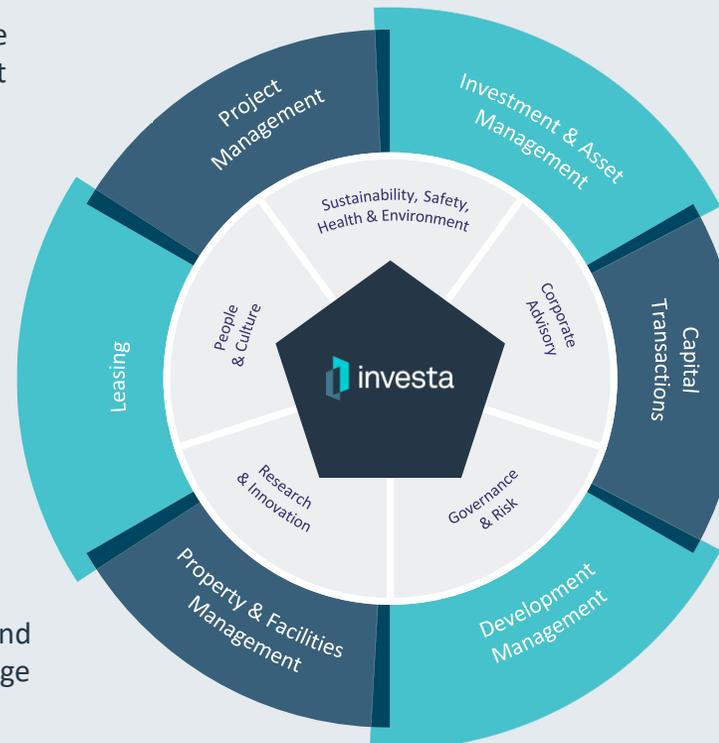
### Proven Value Add

Extensive value creating capabilities in the refurbishing, repositioning and leasing of existing assets as well as redeveloping assets.

### ESG & Sustainability Leadership

Regularly recognized for leadership in the environmental management of buildings and for actively addressing climate change, Investa consistently outperforms across a range of social and environmental performance benchmarks.

## Integrated Management Platform



**A\$11.7bn**  
Assets owned or managed



**703,000sqm**  
Portfolio



**A\$7.3bn**  
Developments under construction & pipeline



**Winner**  
Property Funds Management Team of the Year, 2019, RICS Awards



**Top Performing**  
Core fund on the MSCI/Mercer Australian Core Wholesale Property Fund Index over 5 & 7 years\*



**5 Star**  
Global Real Estate Sustainability Rating (GRESB)#



**63.3%**  
Emissions intensity reduction since 2004^

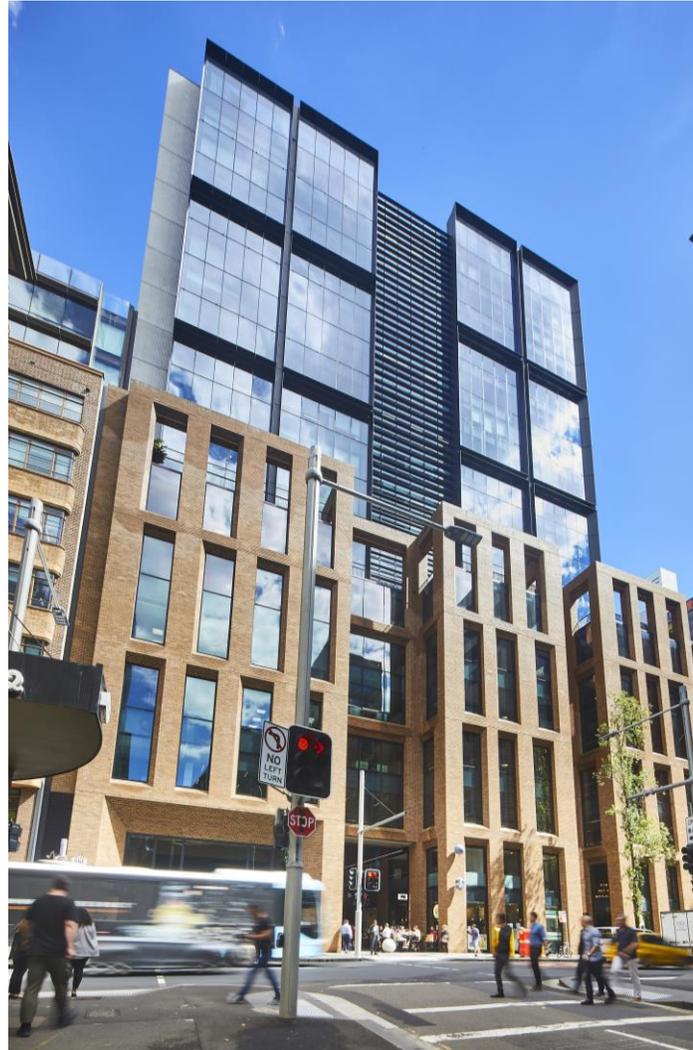
Figures as at 31.12.21 unless otherwise stated \*Investa Commercial Property Fund # IGO & ICPF portfolios. As at Jun 2021 ^ Period 2004 – 2020, kg.CO2/sqm/year

# Appendix 3 – 151 Clarence St, Sydney (Barrack Place)

## A next generation workplace with focus on sustainability

### Asset Summary

<b>Grade</b>	A
<b>Use</b>	Commercial, Retail
<b>Date of Completion</b>	2018
<b>NLA (sqm)</b>	21,891
<b>Typical Floor Plate (sqm)</b>	1,161
<b>Workspace Efficiency Ratio</b>	1:10 staff to sqm ratio
<b>Major Tenants</b>	Arup, Mills Oakley
<b>Onsite Amenities</b>	Café, parking, security, concierge, retail services, showers and lockers
<b>ESG Credentials</b>	5.5 Star NABERS Energy 4.5 Star NABERS Water 6 Star Green Star WELL Platinum Certification



# Appendix 4 – 126 Phillip St, Sydney (Deutsche Bank Place)

## A premium office with stunning views across Sydney Harbour

### Asset Summary

<b>Grade</b>	Premium
<b>Use</b>	Commercial
<b>Date of Completion</b>	2005
<b>NLA (sqm)</b>	42,131
<b>Typical Floor Plate (sqm)</b>	1,444
<b>Workspace Efficiency Ratio</b>	1:8 staff to sqm ratio
<b>Major Tenants</b>	Deutsche Bank, Allens
<b>Onsite Amenities</b>	Café, parking, security, onsite management, concierge, showers and lockers
<b>ESG Credentials</b>	5 Star NABERS Energy 4.5 Star NABERS Water



Note:

(1) The JV holds 25% interest in 126 Phillip Street. The remaining interest is held by an Investa-managed fund and a sovereign wealth fund.

# Appendix 5 – 388 George St, Sydney

A newly redeveloped commercial & retail tower located at corner of George and King Street

## Asset Summary

<b>Grade</b>	A
<b>Use</b>	Commercial, Retail
<b>Date of Completion</b>	1976 / 2020 (redeveloped)
<b>NLA (sqm)</b>	41,255
<b>Typical Floor Plate (sqm)</b>	1,200 – 1,410
<b>Workspace Efficiency Ratio</b>	1:10 staff to sqm ratio
<b>Major Tenants</b>	QBE, Aware Super
<b>Onsite Amenities</b>	Café, parking, security, disabled services, concierge, retail services, showers and lockers
<b>ESG Credentials</b>	5 Star Energy (Target) 4 Star Water (Target) 5 Star Green Star (Target) Well Gold Rating (Target)



Note:

(1) The JV holds 50% interest in 388 George Street. The remaining interest is held by an alternative investment management company

# Appendix 6 – 347 Kent St, Sydney

## A Woods Bagot designed office with premium amenities

### Asset Summary

<b>Grade</b>	A
<b>Use</b>	Commercial
<b>Date of Completion</b>	1992 / 1997 (expansion) / 2020 (refurbished)
<b>NLA (sqm)</b>	26,819
<b>Typical Floor Plate (sqm)</b>	1,200 – 1,380
<b>Workspace Efficiency Ratio</b>	1:10 staff to sqm ratio
<b>Major Tenants</b>	Zurich, IOOF
<b>Onsite Amenities</b>	Café, parking, security
<b>ESG Credentials</b>	5 Star NABERS Energy 4.5 Star NABERS Water

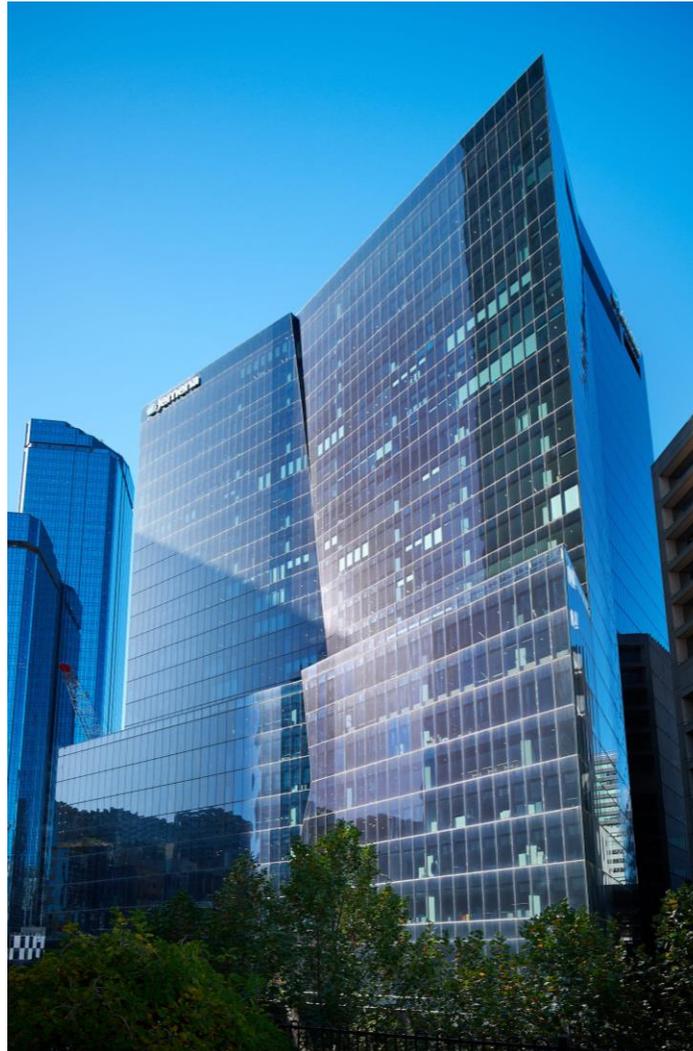


# Appendix 7 – 567 Collins St, Melbourne

## A Premium Grade office building located at the western end of Collins Street

### Asset Summary

<b>Grade</b>	Premium
<b>Use</b>	Commercial
<b>Date of Completion</b>	2015
<b>NLA (sqm)</b>	55,052
<b>Typical Floor Plate (sqm)</b>	2,500
<b>Workspace Efficiency Ratio</b>	1:10 staff to sqm ratio
<b>Major Tenants</b>	Corrs Chambers Westgarth, Jemena
<b>Onsite Amenities</b>	Café, parking, security, concierge, showers and lockers
<b>ESG Credentials</b>	5.5 Star NABERS Energy 5.5 Star NABERS Water



Note:  
(1) The JV holds 50% interest in 567 Collins Street. The remaining interest is held by an Investa-managed fund.



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