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***This announcement and the listing document referred to herein have been published for information purposes only as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and do not constitute an offer to sell nor a solicitation of an offer to buy any securities. Neither this announcement nor anything referred to herein (including the listing document) forms the basis for any contract or commitment whatsoever. For the avoidance of doubt, the publication of this announcement and the listing document referred to herein shall not be deemed to be an offer of securities made pursuant to a prospectus issued by or on behalf of the Issuer and the Guarantors (each as defined below) for the purposes of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong nor shall it constitute an advertisement, invitation or document containing an invitation to the public to enter into or offer to enter into an agreement to acquire, dispose of, subscribe for or underwrite securities for the purposes of the Securities and Futures Ordinance (Cap. 571) of Hong Kong.***

***Notice to Hong Kong investors:*** *The Issuer and the Guarantors confirm that the Notes (as defined below) are intended for purchase by Professional Investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) only and, where they are listed on The Stock Exchange of Hong Kong Limited, will be listed on that basis. This announcement is for distribution to Professional Investors only. Accordingly, the Issuer and the Guarantors confirm that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.*

## **PUBLICATION OF THE OFFERING CIRCULAR**



**The Link Finance (Cayman) 2009 Limited**  
*(incorporated in the Cayman Islands with limited liability)*  
*(as Issuer)*

**U.S.\$5,000,000,000**  
**Guaranteed Euro Medium Term Note Programme**  
**guaranteed by**

**The Link Holdings Limited**  
*(incorporated in the Cayman Islands with limited liability)*  
**and**

**Link Properties Limited (領展物業有限公司)**  
*(incorporated in the Cayman Islands with limited liability)*  
**and**

**HSBC Institutional Trust Services (Asia) Limited**  
**(滙豐機構信託服務(亞洲)有限公司)**  
*(incorporated in Hong Kong with limited liability)*  
in its capacity as trustee, and with recourse limited to the assets,  
**of**

**Link Real Estate Investment Trust (領展房地產投資信託基金)**  
*(a collective investment scheme authorised under section 104*  
*of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))*  
**(stock code: 823)**

**managed by**

**Link Asset Management Limited (領展資產管理有限公司)**  
*(incorporated in Hong Kong with limited liability)*  
in its capacity as manager of Link Real Estate Investment Trust

This announcement is issued pursuant to Rule 37.39A of the Rules Governing the Listing of Securities (the **Listing Rules**) on The Stock Exchange of Hong Kong Limited (the **Hong Kong Stock Exchange**).

Please refer to the offering circular dated 26 August 2022 (the **Offering Circular**) appended herein in relation to the U.S.\$5,000,000,000 Guaranteed Euro Medium Term Note Programme (the **Programme**) of The Link Finance (Cayman) 2009 Limited. As disclosed in the Offering Circular, any notes to be issued under the Programme (the **Notes**) will be intended for purchase by Professional Investors (as defined in Chapter 37 of the Listing Rules) only and, where they are listed on the Hong Kong Stock Exchange, will be listed on that basis.

The Offering Circular does not constitute a prospectus, notice, circular, brochure or advertisement offering to sell any securities to the public in any jurisdiction, nor is it an invitation to the public to make offers to subscribe for or purchase any securities, nor is it circulated to invite offers by the public to subscribe for or purchase any securities.

Hong Kong, 29 August 2022

*As at the date of this announcement:*

- *the board of directors of The Link Finance (Cayman) 2009 Limited and Link Properties Limited, each comprises:*

George Kwok Lung HONGCHOY  
NG Kok Siong  
Kenneth Tai Lun WONG

- *the board of directors of The Link Holdings Limited comprises:*

George Kwok Lung HONGCHOY  
Kenneth Tai Lun WONG

- *the board of directors of Link Asset Management Limited comprises:*

*Chairman (also an Independent Non-Executive Director)*

Nicholas Charles ALLEN

*Executive Directors*

George Kwok Lung HONGCHOY (*Chief Executive Officer*)  
NG Kok Siong (*Chief Financial Officer*)

*Non-Executive Director*

Ian Keith GRIFFITHS

*Independent Non-Executive Directors*

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

## IMPORTANT NOTICE

### NOT FOR DISTRIBUTION TO (i) ANY PERSON OR ADDRESS IN THE UNITED STATES OR (ii) TO ANY U.S. PERSONS

**IMPORTANT: You must read the following before continuing.** The following applies to the offering circular following this page (the “**Offering Circular**”), and you are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY ADDRESS IN THE UNITED STATES OR TO ANY U.S. PERSONS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

**Confirmation of your Representation:** In order to be eligible to view the Offering Circular or make an investment decision with respect to the securities, investors must not be located in the United States or be U.S. persons (as defined in Regulation S under the Securities Act).

The Offering Circular is being sent at your request and by accepting the e-mail and accessing the Offering Circular, you shall be deemed to have represented to each of the Issuer, the REIT Manager, the Guarantors, the Arranger and the Dealers (each as defined in the Offering Circular) that (1) you and any customers you represent are not U.S. persons and that the electronic mail address that you provided and to which this e-mail has been delivered is not located in the United States and (2) that you consent to delivery of the Offering Circular and any amendments or supplements thereto by electronic transmission.

**Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to Prospective Investors:** Prospective investors should be aware that certain intermediaries in the context of any offering of the Notes, including certain Dealers, may be “capital market intermediaries” (together, the “**CMI**s”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “**Code**”). This notice to prospective investors is a summary of certain obligations the Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (together, the “**OC**s”) for the offering and are subject to additional requirements under the Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, the REIT Manager, the Guarantors, the CMI or its group companies would be considered under the Code as having an association (an “**Association**”) with the Issuer, the REIT Manager, the Guarantors, the CMI or the relevant group company. Prospective investors associated with the Issuer, the REIT Manager, the Guarantors or any CMI (including its group companies) should specifically disclose this when placing an order for the Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant offering, such order is hereby deemed not to negatively impact the price discovery process in relation to such offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the Issuer to all Private Banks for orders they place (other than in relation to Notes subscribed by such Private Banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant offering based on the principal amount of the Notes distributed by such Private Banks to investors. Details of any such rebate will be set out in the applicable Pricing Supplement. If a prospective investor is an asset management arm affiliated with any Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Dealer or its group company has more than 50% interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the Code and should disclose, at the same time, if such “proprietary order” may negatively impact the

price discovery process in relation to the relevant offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a “proprietary order”. If a prospective investor is otherwise affiliated with any Dealer, such that its order may be considered to be a “proprietary order” (pursuant to the Code), such prospective investor should indicate to the relevant Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a “proprietary order”. Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to the relevant offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to such offering.

Prospective investors should be aware that certain information may be disclosed by CMI (including Private Banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Dealers and/or any other third parties as may be required by the Code, including to the Issuer, the REIT Manager, the Guarantors, any OCs, relevant regulators and/or any other third parties as may be required by the Code, it being understood and agreed that such information shall only be used for the purpose of complying with the Code, during the bookbuilding process for the relevant offering. Failure to provide such information may result in that order being rejected.

You are reminded that the Offering Circular has been delivered to you on the basis that you are a person into whose possession the Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Offering Circular to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you are not allowed to purchase any of the securities described in the attached.

**Actions that you may not take:** If you receive this document by e-mail, you should not reply by e-mail to this document, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected.

The materials relating to the offering of securities to which the Offering Circular relates do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer, and the Dealer or any affiliate of the Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Dealer or such affiliate on behalf of the Issuer, the REIT Manager and the Guarantors in such jurisdiction.

The Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the REIT Manager, the Guarantors, the Arranger, the Dealers, the Trustee or the Agents, nor any person who controls any of them, nor any of their respective directors, officers, employees, representatives, advisers, affiliates or agents accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Arranger or any Dealer.

**You are responsible for protecting against viruses and other destructive items.** Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



**The Link Finance (Cayman) 2009 Limited**

*(incorporated in the Cayman Islands with limited liability)*

*(as Issuer)*

**U.S.\$5,000,000,000**

**Guaranteed Euro Medium Term Note Programme**

**Guaranteed by**

**The Link Holdings Limited**

*(incorporated in the Cayman Islands with limited liability)*

**and**

**Link Properties Limited**

*(incorporated in the Cayman Islands with limited liability)*

**and**

**HSBC Institutional Trust Services (Asia) Limited**

*(incorporated in Hong Kong with limited liability)*

in its capacity as trustee, and with recourse limited to the assets, of

**Link Real Estate Investment Trust**

*(a collective investment scheme authorised under section 104*

*of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))*

**(stock code: 823)**

**Managed by**

**Link Asset Management Limited**

*(incorporated in Hong Kong with limited liability)*

*(in its capacity as manager of Link Real Estate Investment Trust)*

On 6 May 2009, The Link Finance (Cayman) 2009 Limited (the “**Issuer**”) established a U.S.\$1,000,000,000 Guaranteed Euro Medium Term Note Programme (the “**Programme**”) and issued an Offering Circular on that date describing the Programme. This Offering Circular supersedes the previous Offering Circulars (including any supplement thereto) issued in respect of the Programme prior to the date hereof. Any Notes (as defined below) issued under this Programme on or after the date of this Offering Circular are issued subject to the provisions described herein. This does not affect any Notes issued prior to the date of this Offering Circular.

Under the Programme described in this Offering Circular, the Issuer, subject to compliance with all relevant laws, regulations and directives, may from time to time issue Guaranteed Medium Term Notes (the “**Notes**”) guaranteed (the “**Guarantee**”) by The Link Holdings Limited (“**HoldCo**”), Link Properties Limited (“**PropCo**”) and HSBC Institutional Trust Services (Asia) Limited (in its capacity as trustee, and with recourse limited to the assets, of Link Real Estate Investment Trust (“**Link**”)) (the “**REIT Trustee**”) (in such capacity, each, a “**Guarantor**” and together, the “**Guarantors**”). The Issuer, HoldCo and PropCo are wholly-owned subsidiaries of the REIT Trustee as trustee of Link. Link is managed by Link Asset Management Limited (the “**REIT Manager**”, which expression shall mean the REIT Manager in its capacity as manager of Link), which is a wholly-owned subsidiary of the REIT Trustee. Following the increase of the maximum size of the Programme on 13 January 2012, 7 September 2015 and further on 25 January 2018, the aggregate nominal amount of Notes outstanding will not at any time exceed U.S.\$5,000,000,000 (or the equivalent in other currencies).

Application has been made to The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) for the listing of the Programme by way of debt issues to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) (“**Professional Investors**”) only on the Hong Kong Stock Exchange during the 12-month period after the date of this Offering Circular. Notes can be issued under the Programme by way of debt issues to Professional Investors only during the 12-month period from the date of this Offering Circular and application for the listing of, and permission to deal in, such Notes to be issued will be made to the Hong Kong Stock Exchange. However, unlisted Notes may be issued pursuant to the Programme. The relevant Pricing Supplement (as defined on page 2) in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Hong Kong Stock Exchange (or any other stock exchange). This Offering Circular is for distribution to Professional Investors only.

**Notice to Hong Kong investors:** The Issuer and the Guarantors confirm that the Notes are intended for purchase by Professional Investors only and will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer and the Guarantors confirm that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

**The Hong Kong Stock Exchange has not reviewed the contents of this Offering Circular, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this Offering Circular to Professional Investors only have been reproduced in this Offering Circular. Listing of the Programme and the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes, the Issuer, the Guarantors, or quality of disclosure in this Offering Circular.** Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

Each Series (as defined on page 2) of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a “**temporary Global Note**”) or a permanent global note in bearer form (each a “**permanent Global Note**”) (collectively, the “**Global Note**”). Notes in registered form will be represented by registered certificates (each, a “**Certificate**”), one Certificate being issued in respect of each Noteholder’s entire holding of Notes in registered form of one Series. Global Notes and Global Certificates (as defined on page 2) may be deposited on the issue date with a common depositary on behalf of Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”) (the “**Common Depositary**”) or with a sub-custodian for the Central Moneymarkets Unit Service, operated by the Hong Kong Monetary Authority (the “**HKMA**”) (the “**CMU**”). The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Notes are described in “*Summary of Provisions Relating to the Notes while in Global Form*”.

The Programme has been rated “A2” by Moody’s Investors Service, Inc. (“**Moody’s**”), “A” by Fitch (Hong Kong) Limited (“**Fitch**”) and “A” by Standard & Poor’s Ratings Services, a division of the McGraw-Hill companies (“**S&P**”). Tranches (as defined in “*Summary of the Programme*”) of Notes to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the ratings assigned to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction, revision or withdrawal at any time by the assigning rating agency.

Prospective investors should have regard to the factors described under the section headed “*Risk Factors*” in this Offering Circular in connection with an investment in the Notes.

**The offer and marketing (as such term is defined in Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (the “AIFMD”) in respect of the European Union (“EU”) and the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) (the “UK AIFMD Regulations”) in respect of the United Kingdom (the “UK”) and Gibraltar) of any Tranche of Notes will be conducted in the EU, the UK and/or Gibraltar only if the relevant jurisdiction is an Approved Jurisdiction (as specified in the applicable Pricing Supplement).** If a potential investor is not in an Approved Jurisdiction or otherwise is a person to whom the relevant Notes cannot be marketed in accordance with the AIFMD, as implemented and interpreted in accordance with the laws of each EU member state or the UK AIFMD Regulations, it should not participate in the relevant offering and the relevant Notes may not, and will not, be offered or marketed to it.

**MiFID II product governance/target market** — The Pricing Supplement in respect of any Notes will include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

**UK MiFIR product governance/target market** — The Pricing Supplement in respect of any Notes may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. A distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

**PRIIPs REGULATION – PROHIBITION OF SALES TO EEA RETAIL INVESTORS** — The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**UK PRIIPs REGULATION – PROHIBITION OF SALES TO UK RETAIL INVESTORS** — The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No

2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “FSMA”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the “UK Prospectus Regulation”). Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

*Arranger for the Programme*

**HSBC**

*Dealers*

**ANZ**

**BNP PARIBAS**

**China CITIC Bank International**

**Credit Suisse**

**DBS Bank Ltd.**

**Goldman Sachs (Asia) L.L.C.**

**J.P. Morgan**

**Morgan Stanley**

**OCBC Bank**

**Standard Chartered Bank**

**Bank of China (Hong Kong)**

**BofA Securities**

**Citigroup**

**Daiwa Capital Markets Singapore Limited**

**Deutsche Bank**

**HSBC**

**Mizuho Securities**

**MUFG**

**SMBC Nikko**

**UBS**

Dated 26 August 2022

Each of the Issuer, the REIT Manager, HoldCo and PropCo, having made all reasonable enquiries, confirms that (i) this Offering Circular contains all information with respect to the Issuer, the Guarantors, the REIT Manager, Link, the Notes and the Guarantee that is material in the context of the issue and offering of the Notes, (ii) the statements contained in it relating to the Issuer, the Guarantors, the REIT Manager and Link are in every material particular true and accurate and not misleading, (iii) the opinions and intentions expressed in this Offering Circular with regard to the Issuer, the Guarantors, the REIT Manager and Link are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, (iv) there are no other facts in relation to the Issuer, the Guarantors, the REIT Manager, Link, the Notes or the Guarantee, the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Offering Circular misleading in any material respect and (v) all reasonable enquiries have been made by the Issuer, the REIT Manager, HoldCo and PropCo to ascertain such facts and to verify the accuracy of all such information and statements.

The REIT Trustee, having made all reasonable enquiries, confirms that (i) this Offering Circular contains all information with respect to the REIT Trustee that is material in the context of the issue and offering of the Notes and the giving of the Guarantee, (ii) the statements contained in it relating to the REIT Trustee are in every material particular true and accurate and not misleading, (iii) the opinions and intentions, if any, expressed in this Offering Circular with regard to the REIT Trustee are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, (iv) there are no other facts in relation to the REIT Trustee, the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Offering Circular misleading in any material respect and (v) all reasonable enquiries have been made by the REIT Trustee to ascertain such facts and to verify the accuracy of all such information and statements.

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the issue or sale of the Notes and the giving of the Guarantee and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of any of the Issuer, the Guarantors, the REIT Manager, Link or the Arranger or any of the Dealers (as defined in “Summary of the Programme”). Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer, the Guarantors, the REIT Manager and Link since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer, the Guarantors, the REIT Manager and Link since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Offering Circular and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Guarantors, the REIT Manager, the Arranger and the Dealers to inform themselves about and to observe any such restriction. The Notes and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or with any securities regulatory authority of any state or other jurisdiction of the United States and may include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or, in the case of bearer notes, delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act or, in the case of bearer notes, the U.S. Internal Revenue Code of 1986, as amended). The Notes and Guarantee are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act. For a description of certain restrictions on offers and transfers of Notes and on the distribution of this Offering Circular, see “Subscription and Sale”.



**This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Guarantors, the REIT Manager, Link, the Arranger or the Dealers to subscribe for, or purchase, any Notes.**

**This Offering Circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “HKSE Rules”) for the purposes of giving information with regard to the Issuer, the Guarantors, the REIT Manager, Link and the Group. Each of the Issuer, the REIT Manager, HoldCo and PropCo accepts full responsibility for the accuracy of the information contained in this Offering Circular and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading. The REIT Trustee takes no responsibility for the contents of this Offering Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular except that the REIT Trustee accepts full responsibility for the accuracy of the information in relation to the REIT Trustee contained in this Offering Circular.**

**This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “Documents Incorporated by Reference”). This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.**

**The Securities and Futures Commission of Hong Kong, Hong Kong Exchanges and Clearing Limited and Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.**

**To the fullest extent permitted by law, none of the Arranger, the Dealers, the Trustee or the Agents or any person who controls any of them or any of their respective directors, officers, employees, representatives, advisers, affiliates or agents accepts any responsibility for the contents of this Offering Circular or for any other statement made or purported to be made by the Arranger, a Dealer, the Trustee or the Agents or any person who controls any of them or any of their respective directors, officers, employees, representatives, advisers, affiliates or agents or on its behalf in connection with the Issuer, the Guarantors, the REIT Manager, Link, or the issue and offering of the Notes. The Arranger, each Dealer, the Trustee and the Agent and each person who controls any of them and each of their respective directors, officers, employees, representatives, advisers, affiliates or agents accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or any such statement. Neither this Offering Circular nor any other information provided or incorporated by reference in connection with the Programme is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Guarantors, the REIT Manager, Link, the Arranger, the Dealers, the Trustee or the Agent or any person who controls any of them or any of their respective directors, officers, employees, representatives, advisers, affiliates or agents that any recipient of this Offering Circular, or of any such information, should purchase the Notes. Each potential purchaser of Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer, the Guarantors, the REIT Manager and Link. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Arranger, the Dealers, the Trustee or the Agent or any person who controls any of them or any of their respective directors, officers, employees, representatives, advisers, affiliates or agents undertakes to review the financial condition or affairs of the Issuer, the Guarantors, the REIT Manager or Link during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arranger, the Dealers, the Trustee or the**



Agent or any person who controls any of them or any of their respective directors, officers, employees, representatives, advisers, affiliates or agents.

## **STABILISATION**

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the stabilisation manager(s) (the “Stabilisation Manager(s)”) (or person(s) acting on behalf of any Stabilisation Manager(s)) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

## **CURRENCIES**

In this Offering Circular, unless otherwise specified or the context otherwise requires, references to “China”, “Mainland China” and the “PRC” are to the People’s Republic of China and for geographical reference only (unless otherwise stated) exclude Taiwan, the Macau Special Administrative Region of the PRC and the Hong Kong Special Administrative Region of the PRC; references to “Hong Kong” and “HKSAR” are to the Hong Kong Special Administrative Region of the PRC, to “HK\$” are to Hong Kong dollars, to “U.S.\$” are to U.S. dollars, to “sterling” or “£” are to the currency of the United Kingdom, to “euro” or “€” are to the lawful currency of member states of the European Union that adopt the single currency introduced in accordance with the Treaty establishing the European Community, as amended from time to time, and to “Renminbi” and “RMB” are to the currency of the PRC.

## **SUPPLEMENTAL OFFERING CIRCULAR**

Each of the Issuer, HoldCo, PropCo and the REIT Manager has undertaken in connection with the listing of the Notes on the Hong Kong Stock Exchange to the effect that, so long as any Notes remain outstanding and listed on the Hong Kong Stock Exchange, the Issuer (failing whom, HoldCo, PropCo and the REIT Manager) will publish a supplement to this Offering Circular or a new offering circular upon becoming aware that there is a significant new factor, material mistake or inaccuracy which arises or is noted relating to information contained in this Offering Circular.

## **FORWARD-LOOKING STATEMENTS**

This Offering Circular contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include, without limitation, statements relating to:

- Link’s future expenditure (including its capital expenditure and repair and maintenance plans);
- Link’s financial condition and results of operations;
- the anticipated availability of bank and other forms of financing;
- Link’s business and investment strategy;
- the industry outlook generally; and
- certain government regulations, policies and other factors.

The words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “seek”, “plan”, “may”, “will”, “would”, “could” and similar expressions, as they relate to Link, are intended to identify a number of these forward-looking statements. These forward-looking statements are subject to risks, uncertainties and assumptions, some of which are beyond Link’s control. In addition, these forward-looking statements reflect the current views of the REIT Manager with respect to future events and are not a guarantee of future performance. Actual results may differ materially from information contained in the forward-looking statements as a result of a number of factors, including, among others:

- various business opportunities that Link may pursue;
- changes or volatility in interest rates;
- changes in the availability of banks or other forms of financing;
- the effect of adverse conditions on Hong Kong’s economy and the real estate market;
- competition;
- potential legislative, accounting and regulatory changes in Hong Kong that may affect Link’s performance; and
- the risk factors discussed in this Offering Circular as well as other factors beyond Link’s or the REIT Manager’s control.

Subject to compliance with applicable regulatory requirements, the REIT Manager does not intend to update or otherwise revise the forward-looking statements in this Offering Circular, whether as a result of new information, future events or otherwise. Because of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Offering Circular might not occur in the way the REIT Manager expects, or at all. Investors should not place undue reliance on any forward-looking information.

## **DOCUMENTS INCORPORATED BY REFERENCE**

This Offering Circular should be read and construed in conjunction with each relevant Pricing Supplement, the two most recently published audited annual financial statements and any interim financial information (whether audited or unaudited) published subsequently to such annual financial statements of Link from time to time (if any) and all amendments and supplements from time to time to this Offering Circular, which shall be deemed to be incorporated in, and to form part of, this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents. Copies of all such documents which are so deemed to be incorporated in, and to form part of, this Offering Circular will be available free of charge during usual business hours on any weekday (Saturdays and public holidays excepted) from the specified offices of the Paying Agents set out at the end of this Offering Circular. As at the date of this Offering Circular, other than the financial statements of Link, the Issuer and the Guarantors have not published and do not propose to publish any financial statements. See “General Information” for a description of the financial statements currently published by Link.

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## SUMMARY OF THE PROGRAMME

*The following overview is qualified in its entirety by the remainder of this Offering Circular:*

<b>Issuer</b> .....	The Link Finance (Cayman) 2009 Limited
<b>Guarantors</b> .....	The Link Holdings Limited Link Properties Limited HSBC Institutional Trust Services (Asia) Limited (in its capacity as trustee, and with recourse limited to the assets, of Link Real Estate Investment Trust)
<b>REIT Manager</b> .....	Link Asset Management Limited (in its capacity as manager of Link Real Estate Investment Trust)
<b>Description</b> .....	Guaranteed Euro Medium Term Note Programme
<b>Size</b> .....	Up to U.S.\$5,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time. The Issuer, HoldCo, PropCo and the REIT Manager may increase the aggregate nominal amount of the Programme in accordance with the terms of the Dealer Agreement.
<b>Arranger</b> .....	The Hongkong and Shanghai Banking Corporation Limited
<b>Dealers</b> .....	Australia and New Zealand Banking Group Limited Bank of China (Hong Kong) Limited BNP Paribas China CITIC Bank International Limited Citigroup Global Markets Limited Credit Suisse (Hong Kong) Limited Daiwa Capital Markets Singapore Limited DBS Bank Ltd. Deutsche Bank AG, Hong Kong Branch Goldman Sachs (Asia) L.L.C. The Hongkong and Shanghai Banking Corporation Limited J.P. Morgan Securities plc Merrill Lynch (Asia Pacific) Limited Mizuho Securities Asia Limited Morgan Stanley & Co. International plc MUFG Securities EMEA plc Oversea-Chinese Banking Corporation Limited SMBC Nikko Securities (Hong Kong) Limited Standard Chartered Bank UBS AG Hong Kong Branch

	<p>The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to “Permanent Dealers” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to “Dealers” are to all Permanent Dealers and all persons appointed as dealers in respect of one or more Tranches.</p>
<b>Trustee</b> .....	The Bank of New York Mellon, London Branch
<b>Issuing and Paying Agent</b> .....	The Bank of New York Mellon, acting through its London branch
<b>Registrar</b> .....	The Bank of New York Mellon, acting through its New York branch in respect of each Series of Registered Notes cleared through Euroclear and Clearstream or The Bank of New York Mellon, acting through its Hong Kong branch in respect of the Notes cleared through the CMU
<b>Transfer Agent</b> .....	The Bank of New York Mellon, acting through its London branch
<b>CMU Lodging and Paying Agent</b> ....	The Bank of New York Mellon, acting through its Hong Kong branch
<b>Method of Issue</b> .....	<p>The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each, a “<b>Series</b>”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each, a “<b>Tranche</b>”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the pricing supplement (the “<b>Pricing Supplement</b>”).</p>
<b>Issue Price</b> .....	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.
<b>Form of Notes</b> .....	<p>The Notes may be issued in bearer form only (“<b>Bearer Notes</b>”), in bearer form exchangeable for Registered Notes (“<b>Exchangeable Bearer Notes</b>”) or in registered form only (“<b>Registered Notes</b>”). Each Tranche of Bearer Notes and Exchangeable Bearer Notes will be represented on issue by a temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in “— Selling Restrictions” below), otherwise such Tranche will be represented by a permanent Global</p>

	<p>Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of, or in the name of a nominee for, one or more clearing systems are referred to as "<b>Global Certificates</b>".</p>
<b>Clearing Systems .....</b>	<p>The CMU, Clearstream, Euroclear and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Trustee, the Issuing and Paying Agent and the relevant Dealer.</p>
<b>Initial Delivery of Notes .....</b>	<p>On or before the issue date for each Tranche, the Global Note representing Bearer Notes or Exchangeable Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream or deposited with a sub-custodian for the CMU or any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Trustee, the Issuing and Paying Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee for, such clearing systems.</p>
<b>Currencies .....</b>	<p>Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer, HoldCo, PropCo, the REIT Manager and the relevant Dealer.</p>
<b>Maturities .....</b>	<p>Subject to compliance with all relevant laws, regulations and directives, any maturity between one month and 30 years.</p>
<b>Specified Denomination .....</b>	<p>Definitive Notes will be in such denominations as may be specified in the relevant Pricing Supplement save that unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "<b>FSMA</b>") will have a minimum denomination of £100,000 (or its equivalent in other currencies).</p>
<b>Fixed Rate Notes .....</b>	<p>Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Pricing Supplement.</p>
<b>Floating Rate Notes .....</b>	<p>Floating Rate Notes will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"> <li>(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA</li> </ul>

	<p>Definitions, as published by the International Swaps and Derivatives Association, Inc; or</p> <p>(ii) by reference to EURIBOR, HIBOR, CNH HIBOR or SOFR (or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin.</p> <p>Interest periods will be specified in the relevant Pricing Supplement.</p>
<b>Zero Coupon Notes .....</b>	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
<b>Dual Currency Notes.....</b>	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange as may be specified in the relevant Pricing Supplement.
<b>Interest Periods and Interest Rates .....</b>	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.
<b>Redemption.....</b>	The relevant Pricing Supplement will specify the basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).
<b>Redemption by Instalments.....</b>	The Pricing Supplement issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.
<b>Optional Redemption.....</b>	The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders, and if so the terms applicable to such redemption.
<b>Status of Notes .....</b>	The Notes will be direct, unconditional, unsubordinated and, subject to the provisions of Condition 4, unsecured obligations of the Issuer and will rank (save for certain obligations required to be preferred by law) at all times at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.



<b>Guarantee and Status of</b>	
<b>Guarantee .....</b>	The Notes will be unconditionally and irrevocably guaranteed, jointly and severally, by the Guarantors in the Trust Deed. The obligations of the Guarantors under the Guarantee will be direct, unconditional, unsubordinated and, subject to the provisions of Condition 4, unsecured obligations of the Guarantors and will rank (except as provided below and save for certain obligations required to be preferred by law) at all times at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Guarantors, present and future, provided that the REIT Trustee's obligations under the Guarantee will rank equally with all other unsecured obligations and monetary obligations of the REIT Trustee incurred in its capacity as trustee of Link and recourse to the REIT Trustee shall always be limited to the assets comprising the Deposited Property, subject to any prior ranking claims over those assets.
<b>Negative Pledge .....</b>	See "Terms and Conditions of the Notes — Covenants — Negative Pledge".
<b>Borrowings .....</b>	See "Terms and Conditions of the Notes — Covenants — Borrowings".
<b>Cross Default .....</b>	See "Terms and Conditions of the Notes — Events of Default".
<b>Ratings .....</b>	The Programme has been rated "A2" by Moody's, "A" by Fitch and "A" by S&P.  Tranches of Notes will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Pricing Supplement.  A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision, reduction or withdrawal at any time by the assigning rating agency.
<b>Early Redemption .....</b>	Except as provided in "— Optional Redemption" above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons. See "Terms and Conditions of the Notes — Redemption, Purchase and Options".
<b>Withholding Tax .....</b>	All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of the Cayman Islands or Hong Kong, as the case may be, subject to customary exceptions, all as described in "Terms and Conditions of the Notes — Taxation".
<b>Governing Law .....</b>	English law.
<b>Legal Entity Identifier ("LEI") .....</b>	254900J10LHB6JOSNR19.
<b>Listing and Admission</b>	
<b>to Trading .....</b>	Application has been made for the listing of the Programme on the Hong Kong Stock Exchange for a 12-month period after the date of this Offering Circular. Application will be made for the listing of, and permission to deal in, the Notes to be issued under the Programme on the Hong Kong Stock Exchange by way of debt issues to Professional Investors only during the 12-month period.

**Redenomination, Renominalisation  
and/or Consolidation.....**

**Selling Restrictions.....**

The Notes may also be listed on such other or further stock exchange(s) as may be agreed between the Issuer, HoldCo, PropCo and the REIT Manager and the relevant Dealer in relation to each Series.

Unlisted Notes may also be issued.

The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed and, if so, on which stock exchange(s).

Notes listed on the Hong Kong Stock Exchange will be traded on the Hong Kong Stock Exchange in a board lot size of at least HK\$500,000 (or its equivalent in other currencies).

Notes denominated in a currency of a country that subsequently participates in the third stage of European Economic and Monetary Union may be subject to redenomination, renominalisation and/or consolidation with other Notes then denominated in euro. The provisions applicable to any such redenomination, renominalisation and/or consolidation will be as specified in the relevant Pricing Supplement.

The United States, Prohibition of Sales to EEA Retail Investors, Prohibition of Sales to UK Retail Investors, the United Kingdom, The Netherlands, Hong Kong, Japan, the Cayman Islands, Singapore, the PRC and Taiwan. See “Subscription and Sale”. Offering and marketing of the Notes will be conducted in the EU, the United Kingdom and/or Gibraltar only if the relevant jurisdiction is an Approved Jurisdiction specified in the applicable Pricing Supplement.

Category 2 selling restrictions will apply for the purposes of Regulation S under the Securities Act.

The Bearer Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”)) (the “**D Rules**”) unless (i) the relevant Pricing Supplement states that Bearer Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of the Code) (the “**C Rules**”) or (ii) the Bearer Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Bearer Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the relevant Pricing Supplement as a transaction to which TEFRA is not applicable.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions (the “Conditions” and each a “Condition”) that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) or Global Certificate(s) representing each Series. The Conditions as amended by the provisions contained in the relevant Global Note(s) or Global Certificate(s) will be applicable to the relevant Global Note(s) or Global Certificate(s). Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme and to “hereon” are to the relevant Pricing Supplement.*

This Note is one of a series (“Series”) of Notes issued by The Link Finance (Cayman) 2009 Limited (the “Issuer”), pursuant to the Trust Deed (as defined below). Issues of Notes by the Issuer will be guaranteed by The Link Holdings Limited (the “HoldCo”), Link Properties Limited (the “PropCo”) and HSBC Institutional Trust Services (Asia) Limited in its capacity as trustee, and with recourse limited to the assets, of Link Real Estate Investment Trust (“Link REIT”) (the “REIT Trustee”, together with the HoldCo and the PropCo, the “Guarantors” and each a “Guarantor”).

The Notes are constituted by a Trust Deed dated 6 May 2009 (as supplemented by a first supplemental trust deed dated 10 January 2011, a second supplemental trust deed dated 13 January 2012, a third supplemental trust deed dated 28 January 2015, a fourth supplemental trust deed dated 25 January 2018, a fifth supplemental trust deed dated 22 January 2021, a sixth supplemental trust deed dated 26 August 2022 and as further amended or supplemented from time to time) (the “Trust Deed”) between the Issuer, the Guarantors, Link Asset Management Limited (in its capacity as manager of Link REIT) (the “REIT Manager”) and The Bank of New York Mellon, acting through its London branch (the “Trustee”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons referred to below. An Agency Agreement dated 6 May 2009 (as supplemented by a first supplemental agency agreement dated 13 January 2012, a second supplemental agency agreement dated 28 January 2014, a third supplemental agency agreement dated 25 January 2018 and as further amended or supplemented from time to time) (the “Agency Agreement”) has been entered into in relation to the Notes between the Issuer, the Guarantors, the Trustee, The Bank of New York Mellon, acting through its London branch as initial issuing and paying agent, The Bank of New York Mellon, acting through its Hong Kong branch as lodging agent for Notes to be held in the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the “CMU”), The Bank of New York Mellon, acting through its New York branch or The Bank of New York Mellon, acting through its Hong Kong branch, as the case may be, as registrar and the other agents named in it. The issuing and paying agent, the CMU lodging and paying agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “Issuing and Paying Agent”, the “CMU Lodging and Paying Agent”, the “Paying Agents” (which expression shall include the Issuing and Paying Agent and the CMU Lodging and Paying Agent), the “Registrar”, the “Transfer Agents” (which expression shall include the Registrar) and the “Calculation Agent(s)” (such Issuing and Paying Agent, CMU Lodging and Paying Agent, Paying Agents, Registrar, Transfer Agents and the Calculation Agent(s) being together referred to as the “Agents”). For the purposes of these Conditions, all references to the Issuing and Paying Agent shall, with respect to a Series of Notes to be held in the CMU, be deemed to be a reference to the CMU Lodging and Paying Agent and all such references shall be construed accordingly. Copies of the Trust Deed and the Agency Agreement are available for inspection during usual business hours at the principal office of the Trustee (presently at 40th Floor, One Canada Square, London E14 5AL, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents.

The Noteholders (as defined below), the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Notes in bearer form of which the principal is payable in instalments are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, “**Tranche**” means Notes which are identical in all respects.

## 1 Form, Denomination and Title

The Notes are issued in bearer form (“**Bearer Notes**”, which expression includes Notes that are specified to be Exchangeable Bearer Notes), in registered form (“**Registered Notes**”) or in bearer form exchangeable for Registered Notes (“**Exchangeable Bearer Notes**”) in each case in the Specified Denomination(s) shown hereon.

*Where Exchangeable Bearer Notes are issued, the Registered Notes for which they are exchangeable shall have the same Specified Denomination as the lowest denomination of Exchangeable Bearer Notes.*

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Instalment Note, a Dual Currency Note or a combination of any of the foregoing or any other comparable kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

## 2 Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes

- (a) **Exchange of Exchangeable Bearer Notes:** Subject as provided in Condition 2(f), Exchangeable Bearer Notes may be exchanged for the same nominal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Receipts, Coupons and Talons relating to it, at the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 7(b)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

- (b) **Transfer of Registered Notes:** One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(a), (b) or (c) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).
- (e) **Exchange Free of Charge:** Exchange and transfer of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date. An Exchangeable Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

### 3 Guarantee and Status

- (a) **Guarantee:** Each of the Guarantors has, jointly and severally, unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes, the Receipts

and the Coupons. Each of the Guarantors' obligations in that respect (the "**Guarantee**") are contained in the Trust Deed.

- (b) **Status of Notes and Guarantee:** The Notes and the Receipts and Coupons relating to them constitute (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Receipts and Coupons relating to them and of the Guarantors under the Guarantee shall, except as provided below and save for such exceptions as may be provided by applicable legislation and subject to Condition 4(a), at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer and/or, as the case may be, the Guarantors respectively, present and future; provided that the REIT Trustee's obligations under the Guarantee will rank equally with all other unsecured obligations and monetary obligations of the REIT Trustee incurred in its capacity as trustee of Link REIT and recourse to the REIT Trustee shall always be limited to the assets comprising the Deposited Property, subject to any prior ranking claims over those assets.

**"Deposited Property"** has the meaning given in the trust deed between the REIT Trustee and the REIT Manager (a company incorporated in Hong Kong and licensed by the Securities and Futures Commission of Hong Kong to conduct the regulated activity of asset management, as the manager of Link REIT) constituting Link REIT dated 6 September 2005, as amended, restated or supplemented from time to time.

#### 4 Covenants

- (a) **Negative Pledge:** So long as any Note or Coupon remains outstanding (as defined in the Trust Deed), neither the Issuer nor the Guarantors will (and each of the Issuer, HoldCo and PropCo, will ensure that none of the other members of the Group (excluding the REIT Trustee) will) create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest ("**Security**") other than a Permitted Security Interest upon the whole or any part of the assets, properties or revenues of Link REIT ("**Assets**") present or future to secure any Relevant Debt, or any guarantee of or indemnity in respect of any Relevant Debt unless, at the same time or prior thereto, the Issuer's obligations under the Notes or Coupons, or, as the case may be, the Guarantors' obligations under the Guarantee (aa) are secured equally and rateably therewith or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be, or (bb) have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

**"Group"** means the Issuer, HoldCo, PropCo, the REIT Trustee (in its capacity as trustee of Link REIT), Link REIT and their respective subsidiaries for the time being;

**"Permitted Security Interest"** means:

- (A) any Security which is:
- (i) created or outstanding upon any part of the Assets of any member of the Group of any description (including, but not limited to, cash, securities, beneficial rights, existing and/or future revenues, existing or future surplus (howsoever defined), accounts receivables, premium receivables, claw back rights, rights against a third party and other payments due to any member of the Group and rights in respect of bank or securities accounts); and
  - (ii) arises in relation to any securitisation or other structured finance transaction where:
    - (x) the primary source of payment of any obligations of any member of the Group or any other relevant obligor is linked to identified property or assets (including all rights in relation thereto and profits, receivables and proceeds of any kind arising therefrom) (the "**Financing Assets**") or where payment of such obligations is otherwise supported or secured by such property or assets, and

- (y) recourse to any member of the Group or any other relevant obligor in respect of such obligations is limited to or conditional on, amounts realised in respect of such Financing Assets or other identified property or assets, and
- (iii) provided that not more than 30% of the aggregate value of the real properties owned by Link REIT (determined by reference to the latest available independent valuation report on such properties) shall be secured with respect to such obligations pursuant to this Condition 4(a); or
- (B) any Security over any assets or properties (or related documents of title) purchased by any member of the Group as security for all or part of the purchase price of such assets or properties and any substitute security created on those assets or properties in connection with the refinancing (together with interest, fees and other charges attributable to such refinancing) of the indebtedness secured on those assets or properties provided that (i) any such Security shall be confined to the property or assets acquired, leased or developed; (ii) the principal amount of the debt encumbered by such Security shall not exceed the cost of the acquisition or development of such property or assets or any improvements thereto or thereon; and (iii) any such Security shall be created concurrently with or within one year following the acquisition, lease or development of such property or assets; or
- (C) any Security over any assets or properties (or related documents of title) purchased by any member of the Group subject to such Security and any substitute security created on those assets or properties in connection with the refinancing (together with interest, fees and other charges attributable to such refinancing) of the indebtedness secured on those assets or properties, provided that such debt is not secured by any additional property or assets and there is no increase in principal amount secured by such Security.

**“Relevant Debt”** means any present or future indebtedness in the form of, or represented by, bonds, notes, debentures, loan stock or other securities which are for the time being, or are issued with the intention on the part of the issuer thereof that they should be, quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market, having an original maturity of more than one year from its date of issue.

**“Subsidiary”** or **“subsidiary”** shall mean any company or other business entity of which that person owns or controls (either directly or through one or more other Subsidiaries) more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity or any company or other business entity which at any time has its accounts consolidated with those of that person or which, under Hong Kong or Cayman Islands law, regulations or generally accepted accounting principles from time to time, should have its accounts consolidated with those of that person.

- (b) **Borrowings:** The Issuer and the Guarantors shall not (and each of the Issuer, HoldCo and PropCo shall ensure that no other member of the Group (excluding the REIT Trustee) will) incur any Financial Indebtedness if Borrowings would exceed 50% of Total Consolidated Assets (or any such higher percentage which the REIT Code may permit) as a result of such incurrence.

**“Borrowings”** means as at any particular time, the aggregate outstanding principal, capital or nominal amount (and any fixed or minimum premium payable on prepayment or redemption) of the Financial Indebtedness of members of the Group (other than any indebtedness referred to in paragraph (vii) of the definition of Financial Indebtedness and any guarantee or indemnity in respect of that indebtedness);

**“Financial Indebtedness”** means any indebtedness for or in respect of:

- (i) moneys borrowed;
- (ii) any amount raised under any acceptance credit, bill acceptance or bill endorsement facility;
- (iii) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;



- (iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease;
- (v) receivables sold or discounted (other than any receivables to the extent they are sold or discounted on a non-recourse basis);
- (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) required by GAAP to be shown as a borrowing in the audited consolidated statement of financial position of the Group;
- (vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (viii) shares which are expressed to be redeemable;
- (ix) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (x) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (ix) above,

but excluding indebtedness owing by a member of the Group to another member of the Group and, for the avoidance of doubt, excluding net assets attributable to Unitholders of Link REIT;

“GAAP” means generally accepted accounting principles, standards and practices in Hong Kong;

“REIT Code” means the Code on Real Estate Investment Trusts issued, and as amended or supplemented from time to time, by the Securities and Futures Commission of Hong Kong;

“Total Consolidated Assets” means, at any particular time, the value of all assets of the Group, including any investments it is authorised to hold in accordance with the REIT Code together with any moneys held by it.

## 5 Interest and other Calculations

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(g).
- (b) **Interest on Floating Rate Notes:**
  - (i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(g). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
  - (ii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

### (A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by

the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon;
- (y) the Designated Maturity is a period specified hereon; and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

- (B) Screen Rate Determination for Floating Rate Notes (other than Floating Rate Notes where the Reference Rate is specified as being SOFR Benchmark)

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined where the Reference Rate is not SOFR Benchmark, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (Brussels time in the case of EURIBOR, or Hong Kong time in the case of HIBOR) or 11.15 a.m. (Hong Kong time) or if, at or around that time it is notified that the fixing will be published at 2:30 p.m. (Hong Kong time), then as of 2:30 p.m. (in the case of CNH HIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than EURIBOR, HIBOR or CNH HIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

- (y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is EURIBOR, the principal Eurozone office of each of the Reference Banks or, if the Reference Rate is HIBOR or CNH HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, or, if the Reference Rate is HIBOR or CNH HIBOR, the Hong Kong inter-bank market as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is CNH HIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

- (C) Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SOFR Benchmark

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined where the Reference Rate is SOFR Benchmark, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be equal to the relevant SOFR Benchmark plus or minus the Margin (if any) in accordance with Condition 5(g), all as determined by the Calculation Agent on the relevant Interest Determination Date.

The “**SOFR Benchmark**” will be determined based on Simple SOFR Average, Compounded Daily SOFR or Compounded SOFR Index, as follows (subject in each case to Condition 5(m) as further specified in the applicable Pricing Supplement):

- (x) If Simple SOFR Average (“**Simple SOFR Average**”) is specified in the applicable Pricing Supplement as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Interest Accrual Period shall be the arithmetic mean of the SOFR reference rates for each U.S. Government Securities Business Day during the period, as calculated by the Calculation Agent, and where, if applicable and as specified in the applicable Pricing Supplement, the SOFR reference rate on the SOFR Rate Cut-Off Date shall be used for the U.S. Government Securities Business Days in

the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Interest Period Date.

- (y) If Compounded Daily SOFR (“**Compounded Daily SOFR**”) is specified in the applicable Pricing Supplement as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Interest Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant Interest Accrual Period (where SOFR Lag, SOFR Payment Delay or SOFR Lockout is specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR) or the SOFR Observation Period (where SOFR Observation Shift is specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR).

Compounded Daily SOFR shall be calculated by the Calculation Agent in accordance with one of the formulas referenced below depending upon which is specified as applicable in the applicable Pricing Supplement:

- (1) SOFR Lag:

$$\left( \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_{i-xUSBD} \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

“**SOFR<sub>i-xUSBD</sub>**” for any U.S. Government Securities Business Day(i) in the relevant Interest Accrual Period, is equal to the SOFR reference rate for the U.S. Government Securities Business Day falling the number of Lookback Days prior to that U.S. Government Securities Business Day(i);

“**Lookback Days**” means such number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement;

“**d**” means the number of calendar days in the relevant Interest Accrual Period;

“**d<sub>o</sub>**” means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

“**i**” means a series of whole numbers ascending from one to d<sub>o</sub>, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a “**U.S. Government Securities Business Day(i)**”); and

“**n<sub>i</sub>**”, for any U.S. Government Securities Business Day(i), means the number of calendar days from (and including) such U.S. Government Securities Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day.

- (2) SOFR Observation Shift:

$$\left( \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

“**SOFR<sub>i</sub>**” for any U.S. Government Securities Business Day(i) in the relevant SOFR Observation Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day(i);

“**SOFR Observation Period**” means, in respect of an Interest Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Period Date for such Interest Accrual Period;

“**SOFR Observation Shift Days**” means the number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement;

“**d**” means the number of calendar days in the relevant SOFR Observation Period;

“**d<sub>o</sub>**” means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

“**i**” means a series of whole numbers ascending from one to d<sub>o</sub>, representing each U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period (each a “**U.S. Government Securities Business Day(i)**”); and

“**n<sub>i</sub>**”, for any U.S. Government Securities Business Day(i), means the number of calendar days from (and including) such U.S. Government Securities Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day.

(3) SOFR Payment Delay:

$$\left( \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

“**SOFR<sub>i</sub>**” for any U.S. Government Securities Business Day(i) in the relevant Interest Accrual Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day(i);

“**Interest Payment Date**” shall be the number of Interest Payment Delay Days following each Interest Period Date; provided that the Interest Payment Date with respect to the final Interest Accrual Period will be the Maturity Date or, if the Issuer elects to redeem the Notes prior to the Maturity Date, the relevant Optional Redemption Date;

**“Interest Payment Delay Days”** means the number of Business Days as specified in the applicable Pricing Supplement;

**“d”** means the number of calendar days in the relevant Interest Accrual Period;

**“d<sub>0</sub>”** means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

**“i”** means a series of whole numbers ascending from one to d<sub>0</sub>, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a **“U.S. Government Securities Business Day(i)”**); and

**“n<sub>i</sub>”**, for any U.S. Government Securities Business Day(i), means the number of calendar days from (and including) such U.S. Government Securities Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day.

For the purposes of calculating Compounded Daily SOFR with respect to the final Interest Accrual Period where SOFR Payment Delay is specified in the applicable Pricing Supplement, the SOFR reference rate for each U.S. Government Securities Business Day in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Maturity Date or the relevant Optional Redemption Date, as applicable, shall be the SOFR reference rate in respect of such SOFR Rate Cut-Off Date.

(4) SOFR Lockout:

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

**“SOFR<sub>i</sub>”** for any U.S. Government Securities Business Day(i) in the relevant Interest Accrual Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day(i), except that the SOFR for any U.S. Government Securities Business Day(i) in respect of the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Interest Accrual Period Date for such Interest Accrual Period shall be the SOFR reference rate in respect of such SOFR Rate Cut-Off Date;

**“d”** means the number of calendar days in the relevant Interest Accrual Period;

**“d<sub>0</sub>”** means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

**“i”** means a series of whole numbers ascending from one to d<sub>0</sub>, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a **“U.S. Government Securities Business Day(i)”**); and

**“n<sub>i</sub>”**, for any U.S. Government Securities Business Day(i), means the number of calendar days from (and including) such U.S. Government Securities

Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day.

The following defined terms shall have the meanings set out below for purpose of Conditions 5(b)(ii)(C)(x) and 5(b)(ii)(C)(y):

“**Bloomberg Screen SOFRRATE Page**” means the Bloomberg screen designated “**SOFRRATE**” or any successor page or service;

“**Reuters Page USDSOFR=**” means the Reuters page designated “**USDSOFR=**” or any successor page or service;

“**SOFR**” means, in respect of a U.S. Government Securities Business Day, the reference rate determined by the Calculation Agent in accordance with the following provision:

- (i) the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Bloomberg Screen SOFRRATE Page; the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Reuters Page USDSOFR=; or the Secured Overnight Financing Rate published at the SOFR Determination Time on the SOFR Administrator’s Website;
- (ii) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the SOFR reference rate shall be the reference rate published on the SOFR Administrator’s Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website; or
- (iii) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 5(m) shall apply as specified hereon;

“**SOFR Rate Cut-Off Date**” means the date that is a number of U.S. Government Securities Business Days prior to the Interest Payment Date relating to the relevant Interest Accrual Period, the Maturity Date or the relevant Optional Redemption Date, as applicable, as specified in the applicable Pricing Supplement; and

“**SOFR Determination Time**” means approximately 3:00 p.m. (New York City time) on the immediately following U.S. Government Securities Business Day.

- (z) If Compounded SOFR Index (“**Compounded SOFR Index**”) is specified as applicable in the applicable Pricing Supplement, the SOFR Benchmark for each Interest Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant SOFR Observation Period as calculated by the Calculation Agent as follows:

$$\left( \frac{SOFR\ Index_{End}}{SOFR\ Index_{start}} - 1 \right) \times \left( \frac{360}{d_c} \right)$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

“**SOFR Index**” means, in respect of a U.S. Government Securities Business Day, the SOFR Index value as published on the SOFR Administrator’s Website at the SOFR Index Determination Time on such U.S. Government Securities Business Day, *provided that*:



- (a) if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the “**SOFR Index**” shall be calculated on any Interest Determination Date with respect to an Interest Accrual Period, in accordance with the Compounded Daily SOFR formula described above in Condition 5(b)(ii)(C)(y)(2) “**SOFR Observation Shift**”, and the term “**SOFR Observation Shift Days**” shall mean two U.S. Government Securities Business Days; or
- (b) if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 5(m) shall apply as specified in the applicable Pricing Supplement;

“**SOFR Index<sub>End</sub>**” means, in respect of an Interest Accrual Period, the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement prior to the Interest Period Date for such Interest Accrual Period (or in the final Interest Accrual Period, the Maturity Date);

“**SOFR Index<sub>Start</sub>**” means, in respect of an Interest Accrual Period, the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified hereon prior to the first day of such Interest Accrual Period;

“**SOFR Index Determination Time**” means, in respect of a U.S. Government Securities Business Day, approximately 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day;

“**SOFR Observation Period**” means, in respect of an Interest Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Period Date for such Interest Accrual Period;

“**SOFR Observation Shift Days**” means the number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement; and

“**d<sub>c</sub>**” means the number of calendar days in the applicable SOFR Observation Period.

The following defined terms shall have the meanings set out below for purpose of this Condition 5(b)(ii)(C):

“**SOFR Administrator’s Website**” means the website of the Federal Reserve Bank of New York (currently, being <https://www.newyorkfed.org/markets/reference-rates/sofr-averages-and-index>), or any successor source;

“**SOFR Benchmark Replacement Date**” means the Benchmark Replacement Date with respect to the then-current Benchmark;

“**SOFR Benchmark Transition Event**” means the occurrence of a Benchmark Event with respect to the then-current Benchmark; and

“**U.S. Government Securities Business Day**” means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (c) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any

overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).

- (d) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.
- (e) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).
- (f) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding:**
  - (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
  - (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
  - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.
- (g) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.
- (h) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts:** The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of

the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(j), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (i) **Determination or Calculation by Trustee:** If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Trustee shall do so (or shall appoint an agent on its behalf to do so) and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.
- (j) **Business Day Convention:** If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (i) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such date shall be brought forward to the immediately preceding Business Day and (B) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (ii) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (iii) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (iv) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (k) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Business Day**” means:

- (i) in the case of a currency other than euro or renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of euro, a day on which the TARGET system is operating (a “**TARGET Business Day**”); and/or
- (iii) in the case of renminbi, a day (other than a Saturday or Sunday) (A) on which commercial banks in Hong Kong are open for business and settle renminbi payments in Hong Kong and (B) if the renminbi Notes are held in the CMU, on which the CMU is operating; and/or

- (iv) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

**“Day Count Fraction”** means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the **“Calculation Period”**):

- (i) if **“Actual/Actual”** or **“Actual/Actual-ISDA”** is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if **“Actual/365 (Fixed)”** is specified hereon, the actual number of days in the Calculation Period divided by 365;
- (iii) if **“Actual/360”** is specified hereon, the actual number of days in the Calculation Period divided by 360;
- (iv) if **“30/360”**, **“360/360”** or **“Bond Basis”** is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

**“Y1”** is the year, expressed as a number, in which the first day of the Calculation Period falls;

**“Y2”** is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

**“M1”** is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

**“M2”** is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

**“D1”** is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

**“D2”** is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (v) if **“30E/360”** or **“Eurobond Basis”** is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

**“Y1”** is the year, expressed as a number, in which the first day of the Calculation Period falls;

**“Y2”** is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

**“M1”** is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M2**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D1**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“**D2**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

- (vi) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

“**Y1**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y2**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M1**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M2**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D1**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“**D2**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30;

- (vii) if “**Actual/Actual-ICMA**” is specified hereon,
- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
  - (b) if the Calculation Period is longer than one Determination Period, the sum of:
    - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
    - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“**Determination Date**” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

**“Interest Accrual Period”** means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

**“Interest Amount”** means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

**“Interest Commencement Date”** means the Issue Date or such other date as may be specified hereon.

**“Interest Determination Date”** means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the applicable Pricing Supplement or, if none is so specified:

- (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or Hong Kong Dollars or Renminbi other than where the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR; or
- (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is not Sterling, euro or Hong Kong Dollars; or
- (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro; or
- (iv) the day falling two Business Days in Hong Kong prior to the first day of such Interest Accrual Period if the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR; or
- (v) (where SOFR Benchmark is specified in the applicable Pricing Supplement as the Reference Rate and where Simple SOFR Average is specified as applicable in the applicable Pricing Supplement or where SOFR Lag, SOFR Observation Shift or SOFR Lockout is specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR or where Compounded SOFR Index is specified as applicable in the applicable Pricing Supplement) the third U.S. Government Securities Business Day prior to the last day of each Interest Accrual Period; or
- (vi) (where SOFR Benchmark is specified in the applicable Pricing Supplement as the Reference Rate and where SOFR Payment Delay is specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR) the Interest Period Date at the end of each Interest Accrual Period, *provided that* the Interest Determination Date with respect to the final Interest Accrual Period will be the U.S. Government Securities Business Day immediately following the relevant SOFR Rate Cut-Off Date.

**“Interest Period”** means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

**“Interest Period Date”** means each Interest Payment Date unless otherwise specified hereon.

**“ISDA Definitions”** means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

**“Rate of Interest”** means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

**“Reference Banks”** means, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market and, in the case of a determination of HIBOR, the

principal Hong Kong office of four major banks in the Hong Kong inter-bank market and, in the case of a determination of CNH HIBOR, the principal Hong Kong office of four major banks dealing in Renminbi in the Hong Kong inter-bank market, in each case selected by the Calculation Agent or as specified hereon.

“**Reference Rate**” means the rate specified as such hereon.

“**Relevant Screen Page**” means such page, section, caption, column or other part of a particular information service as may be specified hereon.

“**Specified Currency**” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

“**TARGET System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

- (l) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall (with the prior approval of the Trustee) appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

- (m) **Benchmark Discontinuation (SOFR):**

*This Condition 5(m) shall only apply to U.S. dollar-denominated Notes where so specified in the applicable Pricing Supplement.*

The following provisions shall apply if Benchmark Discontinuation (SOFR) is specified as applicable in the applicable Pricing Supplement:

- (i) *Benchmark Replacement*

If the Issuer or its designee determines on or prior to the relevant Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates.

- (ii) *Benchmark Replacement Conforming Changes*

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time. For the avoidance of doubt, the Trustee and any of the Agents shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required to give effect to this Condition 5(m). Noteholders' consent shall not be required in connection with effecting any such changes, including the execution of any documents or any steps to be taken by the Trustee or any of the Agents (if required). Further, none of the Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer or its designee with respect to any Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.



(iii) *Decisions and Determinations*

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 5(m), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection (A) will be conclusive and binding absent manifest error, (B) will be made in the sole discretion of the Issuer or its designee, as applicable, and (C) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

(iv) *The following defined terms shall have the meanings set out below for purpose of this Condition 5(m):*

“**Benchmark**” means, initially, the relevant SOFR Benchmark specified in the applicable Pricing Supplement; provided that if the Issuer or its designee determines on or prior to the Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the relevant Benchmark (including any daily published component used in the calculation thereof) or the then-current Benchmark, then “**Benchmark**” means the applicable Benchmark Replacement;

“**Benchmark Event**” means the occurrence of one or more of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

- (A) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (B) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (C) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

“**Benchmark Replacement**” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (A) the sum of:
  - (x) the alternate reference rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof); and
  - (y) the Benchmark Replacement Adjustment;
- (B) the sum of:
  - (x) the ISDA Fallback Rate; and
  - (y) the Benchmark Replacement Adjustment; or
- (C) the sum of:

- (x) the alternate reference rate that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) giving due consideration to any industry-accepted reference rate as a replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) for U.S. dollar-denominated Floating Rate Notes at such time; and
- (y) the Benchmark Replacement Adjustment;

**“Benchmark Replacement Adjustment”** means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (A) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (B) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (C) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark (including any daily published component used in the calculation thereof) with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated Floating Rate Notes at such time;

**“Benchmark Replacement Conforming Changes”** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

**“Benchmark Replacement Date”** means the earliest to occur of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

- (A) in the case of sub-paragraph (A) or (B) of the definition of **“Benchmark Event”**, the later of:
  - (x) the date of the public statement or publication of information referenced therein; and
  - (y) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (B) in the case of sub-paragraph (C) of the definition of **“Benchmark Event”**, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

**“designee”** means a designee as selected and separately appointed by the Issuer in writing;

**“ISDA Definitions”** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

**“ISDA Fallback Adjustment”** means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

**“ISDA Fallback Rate”** means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark (including any daily published component used in the calculation thereof) for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

**“Reference Time”** with respect to any determination of the Benchmark means (A) if the Benchmark is the SOFR Benchmark, the SOFR Determination Time (where Simple SOFR Average or Compounded Daily SOFR is specified as applicable in the applicable Pricing Supplement) or SOFR Index Determination Time (where Compounded SOFR Index is specified as applicable hereon), or (B) if the Benchmark is not the SOFR Benchmark, the time determined by the Issuer or its designee after giving effect to the Benchmark Replacement Conforming Changes;

**“Relevant Governmental Body”** means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

**“Unadjusted Benchmark Replacement”** means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

## **6 Redemption, Purchase and Options**

### **(a) Redemption by Instalments and Final Redemption:**

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided hereon, is its nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

### **(b) Early Redemption:**

- (i) *Zero Coupon Notes:*
  - (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to a formula, upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
  - (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

- (ii) *Other Notes:* The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.
- (c) **Redemption for Taxation Reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note) or at any time (if this Note is not a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer satisfies (or, if the Guarantee was called, any of the Guarantors satisfies) the Trustee immediately before the giving of such notice that the Issuer has or will (or, if the Guarantee was called, any of the Guarantors has or will) become obliged to pay additional amounts as described under Condition 8 as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands or Hong Kong or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer (or any of the Guarantors, as the case may be) taking reasonable measures available to the Issuer (or, if the Guarantee was called, any of the Guarantors), provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or any of the Guarantors, as the case may be) would be obliged to pay such additional amounts were a payment in respect of the Notes (or the Guarantee, as the case may be) then due. Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer (or the relevant Guarantor, as the case may be) stating that the obligation referred to in (i) above cannot be avoided by the Issuer (or the relevant Guarantor, as the case may be) taking reasonable measures available to it and the Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out in (ii) above in which event it shall be conclusive and binding on Noteholders and Couponholders.
- (d) **Redemption at the Option of the Issuer:** If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn

and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

- (e) **Redemption at the Option of Noteholders:** If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

- (f) **Purchases:** Any member of the Group may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.
- (g) **Cancellation:** All Notes purchased by or on behalf of any member of the Group may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Guarantors in respect of any such Notes shall be discharged.

## 7 Payments and Talons

- (a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States (1) in the case of payments in a currency other than renminbi, by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank and (2) in the case of payments in renminbi, by transfer to an account denominated in renminbi with a bank in Hong Kong. "**Bank**" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

*Payments of principal and interest in respect of Bearer Notes held in the CMU will be made to the CMU for their distribution to the person(s) for whose account(s) interests in the relevant Bearer Note are credited as being held with the CMU in accordance with the CMU Rules (as defined in the Agency Agreement) at the relevant time and payment made in accordance thereof shall discharge the obligations of the Issuer or, as the case may be, the Guarantors in respect of that payment.*

- (b) **Registered Notes:**
  - (i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against

presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in the paragraph below.

- (ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). In the case of payments of interest in any currency other than renminbi, payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank. In the case of payments of interest denominated in renminbi, such payment will be made by transfer to an account denominated in renminbi maintained by the payee in Hong Kong.

*Payments of principal and interest in respect of Registered Notes held in the CMU will be made to the person(s) for whose account(s) interests in the relevant Registered Note are credited as being held with the CMU in accordance with the CMU Rules (as defined in the Agency Agreement) at the relevant time and payment made in accordance thereof shall discharge the obligations of the Issuer or, as the case may be, the Guarantors in respect of that payment.*

- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) **Appointment of Agents:** The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantors and their respective specified offices are listed below. The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and the Guarantors and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantors reserve the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, the CMU Lodging and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CMU Lodging and Paying Agent in relation to Notes accepted for clearance through the CMU, (v) one or more Calculation Agent(s) where the Conditions so require, (vi) such other agents as may be required by any stock exchange on which the Notes may be listed in each case, as approved by the Trustee and (vii) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.

In addition, the Issuer and the Guarantors shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) **Unmatured Coupons and Receipts and unexchanged Talons:**

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes), the Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
  - (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note or Dual Currency Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
  - (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
  - (iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
  - (v) In each case (A) where any Bearer Note that provides that the relative unmaturing Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmaturing Coupons, and (B) where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
  - (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.
- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).
- (h) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “**Financial Centres**” hereon and:
- (i) (in the case of a payment in a currency other than euro or renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
  - (ii) (in the case of a payment in euro) which is a TARGET Business Day; or



- (iii) (in the case of a payment in renminbi) (A) on which commercial banks in Hong Kong are open for business and settle renminbi payments in Hong Kong and (B) if the renminbi Notes are held in the CMU, on which the CMU is operating.

## 8 Taxation

All payments of principal and interest by or on behalf of the Issuer or the Guarantors in respect of the Notes, the Receipts and the Coupons or under the Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands or Hong Kong or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer or, as the case may be, the Guarantors shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the Cayman Islands or, in the case of payments by the Guarantors, Hong Kong or the Cayman Islands, as the case may be, other than the mere holding of the Note, Receipt or Coupon; or
- (b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day; or
- (c) **Payment to individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (d) **Payment by another Paying Agent:** (except in the case of Registered Notes) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used in these Conditions, “**Relevant Date**” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

## 9 Prescription

Claims against the Issuer and/or the Guarantors for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.



## 10 Events of Default

If any of the following events (“**Events of Default**”) occurs and is continuing, the Trustee at its discretion may, and if so requested by holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, give notice to the Issuer and the REIT Manager that the Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest:

- (a) **Non-Payment:** a default is made in the payment of any principal of or any interest on any of the Notes when due and such failure continues for a period of seven days in the case of principal and 14 days in the case of interest; or
- (b) **Breach of Other Obligations:** the Issuer, any Guarantor or the REIT Manager does not perform or comply with any one or more of its other obligations in the Notes or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 30 days after written notice of such default shall have been given to the Issuer, the Guarantors or the REIT Manager (as appropriate) by the Trustee; or
- (c) **Cross-Default:** (i) any other present or future indebtedness of the Issuer, any Guarantor, Link REIT or any Principal Subsidiary for or in respect of Borrowed Moneys becomes due and payable prior to its stated maturity by way of acceleration following a default by the Issuer, any Guarantor, Link REIT or any Principal Subsidiary, or (ii) when the Issuer, any Guarantor, Link REIT or any Principal Subsidiary defaults in respect of any of its Borrowed Money beyond any grace period provided in respect thereof, or (iii) the Issuer, any Guarantor or any Principal Subsidiary fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any Borrowed Moneys, provided that the aggregate amount of the relevant Borrowed Moneys, or any guarantees and indemnities in respect thereof, in relation to which one or more of the events mentioned above in this paragraph (c) have occurred, equals or exceeds U.S.\$30,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by any leading bank on the day on which this paragraph operates); or
- (d) **Enforcement Proceedings:** an encumbrancer takes possession or a receiver, manager or similar officer is appointed of the whole or any material part of the undertaking, assets or revenues of the Issuer, any Guarantor, Link REIT or any Principal Subsidiary and such possession or appointment is not discharged or stayed within 60 days; or
- (e) **Insolvency:** the Issuer, any Guarantor or any Principal Subsidiary is adjudicated or found bankrupt or insolvent, stops or suspends payment of all or the majority of its debts or is unable to or admits an inability to pay its debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of its creditors generally; or
- (f) **Winding-up:** Link REIT is terminated or a final order is made by any competent court or an effective resolution is passed for the winding-up or dissolution of the Issuer, any Guarantor or any Principal Subsidiary, or for the appointment of a liquidator or trustee of the whole or the majority of the Issuer’s, such Guarantor’s or such Principal Subsidiary’s Assets and is not discharged or stayed within 60 days, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger, voluntary liquidation or consolidation on terms previously approved by the Trustee or by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders (save that approval by the Trustee or an Extraordinary Resolution of Noteholders shall not be required where the Assets of such entity are transferred to or otherwise vested in the Issuer, a Guarantor and/or a Subsidiary of Link REIT); or
- (g) **Cessation of Business:** the Issuer, any Guarantor or the REIT Manager ceases to carry on its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger, voluntary liquidation or consolidation on terms previously approved by the Trustee or by an Extraordinary Resolution of the Noteholders (save that approval by the Trustee or an Extraordinary Resolution of Noteholders shall not be required where the Assets of such entity are transferred to or otherwise vested in the Issuer, a Guarantor and/or a Subsidiary of Link REIT); or

- (h) **Ownership:** the Issuer, HoldCo, PropCo and/or FinanceCo cease to be Subsidiaries of Link REIT; or
- (i) **Guarantee:** the Guarantee is not (or is claimed by any of the Guarantors not to be) in full force and effect; or
- (j) **Illegality:** it is or will become unlawful for the Issuer, the Guarantors or the REIT Manager to perform or comply with any one or more of their respective obligations under any of the Notes or the Trust Deed; or
- (k) **Analogous Events:** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs of this Condition 10.

For the purposes of this Condition 10:

**“Borrowed Money”** means indebtedness for borrowed money, acceptances and the principal amount of any notes (including, for the avoidance of doubt, Notes of any other series) debentures, notes, bills of exchange, promissory notes or similar instruments drawn, made, accepted, issued, endorsed or guaranteed for the purpose of raising money but shall exclude bills of exchange drawn under or in respect of letters of credit or contracts for the provision of goods or services for the purpose of effecting payment and not in connection with the raising of money; for the avoidance of doubt, no liability with respect to the same indebtedness shall be included in the calculation of “Borrowed Money” more than once.

**“Principal Subsidiary”** means any Subsidiary of Link REIT:

- (a) whose profit before taxation and transactions with Unitholders (**“net profit”**) or (in the case of a Subsidiary which itself has subsidiaries) consolidated net profit, as shown by its latest audited income statement are at least 5 per cent. of the consolidated net profit as shown by the latest published audited consolidated income statement of Link REIT and its Subsidiaries including, for the avoidance of doubt, Link REIT and its consolidated Subsidiaries’ share of profits of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or
- (b) whose aggregate current assets and non-current assets (**“total assets”**) or (in the case of a Subsidiary which itself has subsidiaries) consolidated total assets, as shown by its latest audited statement of financial position are at least 10 per cent. of the amount which equals the amount included in the consolidated total assets of Link REIT and its Subsidiaries as shown by the latest published audited consolidated statement of financial position of Link REIT and its Subsidiaries including, for the avoidance of doubt, the investment of Link REIT in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of Link REIT and in jointly controlled entities and after adjustment for minority interest;

provided that, in relation to paragraphs (a) and (b) above:

- (i) if at any relevant time in relation to Link REIT or any Subsidiary which itself has Subsidiaries no consolidated accounts are prepared and audited, total assets of Link REIT and/or any such Subsidiary shall be determined on the basis of pro forma consolidated accounts prepared for this purpose by the REIT Manager and reviewed by the Auditors (as defined in the Trust Deed) for the purposes of preparing a certificate thereon to the Trustee;
  - (ii) if at any relevant time in relation to any Subsidiary, no accounts are audited, its total assets (consolidated, if appropriate) shall be determined on the basis of pro forma accounts (consolidated, if appropriate) of the relevant Subsidiary prepared for this purpose by the REIT Manager and reviewed by the Auditors for the purposes of preparing a certificate thereon to the Trustee; and
  - (iii) if the accounts of any Subsidiary are not consolidated with those of Link REIT, then the determination of whether or not such Subsidiary is a Principal Subsidiary shall be based on a pro forma consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of Link REIT; or
- (c) to which is transferred the whole or substantially the whole of the assets of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, provided that the Principal Subsidiary

which so transfers its assets shall forthwith upon such transfer cease to be a Principal Subsidiary and the Subsidiary to which the assets are so transferred shall cease to become a Principal Subsidiary as at the date on which the first published audited accounts (consolidated, if appropriate) of Link REIT prepared as of a date later than such transfer are issued unless such Subsidiary would continue to be a Principal Subsidiary on the basis of such accounts by virtue of the provisions of (a) above.

## 11 Meetings of Noteholders, Modification, Waiver and Substitution

- (a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10 per cent in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, inter alia, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or (viii) to modify or cancel the Guarantee, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent, or at any adjourned meeting not less than 25 per cent, in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.
- (b) **Modification of the Trust Deed:** The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable.
- (c) **Substitution:** The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders or the Couponholders, to the substitution of the Issuer's successor in business or any subsidiary of the Issuer or its successor in business or of any Guarantor or its successor in business or any subsidiary of any Guarantor or its successor in business in place of the Issuer or of any previous substituted company, as principal debtor under the Trust Deed and the Notes.
- (d) **Entitlement of the Trustee:** In connection with the exercise of its powers, trusts, authorities or discretions (including, but not limited to, those in relation to any proposed modifications, waiver or authorisation of any breach or proposed breach of any of the Conditions or any of the provisions of the Trust Deed), the Trustee shall have regard to the general interests of the Noteholders as a class and shall not have regard to any interest arising from circumstances particular to individual Noteholders or Couponholders (whatever their number)

and, in particular but without limitation, shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or otherwise to the tax consequences thereof and the Trustee shall not be entitled to require from the Issuer, nor shall any Noteholder or Couponholder be entitled to claim from the Issuer or the Trustee, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders except to the extent provided for in Condition 8 and/or in any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

## **12 Enforcement**

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Guarantors as it may think fit to enforce the terms of the Trust Deed, the Notes, the Receipts and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-quarter in nominal amount of the Notes outstanding, and (b) it shall have been indemnified to its satisfaction. No Noteholder, Receiptholder or Couponholder may proceed directly against the Issuer or the Guarantors unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

## **13 Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantors and any entity related to the Issuer or the Guarantors without accounting for any profit.

## **14 Replacement of Notes, Certificates, Receipts, Coupons and Talons**

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

## **15 Further Issues**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides.

## 16 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Hong Kong. If in the opinion of the Trustee any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Asia. The Issuer (failing whom, the Guarantors) shall also ensure that notices are duly published in compliance with the requirements of each stock exchange or other relevant authority on which the Notes are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

## 17 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

## 18 Governing Law and Jurisdiction

- (a) **Governing Law:** The Trust Deed, the Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.
- (b) **Jurisdiction:** The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons or the Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons or the Guarantee (“**Proceedings**”) may be brought in such courts. Each of the Issuer and the Guarantors has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.
- (c) **Service of Process:** Each of the Issuer, the Guarantors and the REIT Manager has irrevocably appointed Maples and Calder of 11th floor, 200 Aldersgate, London, EC1A 4HD in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not, it is forwarded to and received by the Issuer, the Guarantors or the REIT Manager). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, each of the Issuer, the Guarantors and the REIT Manager irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 16. Nothing shall affect the right to serve process in any manner permitted by law.

## SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

### Initial Issue of Notes

Global Notes and Certificates may be delivered on or prior to the original issue date of the Tranche to a common depository for Euroclear and Clearstream (the “**Common Depository**”) or a sub-custodian for the HKMA as operator of the CMU.

Upon the initial deposit of a Global Note with the Common Depository or with a sub-custodian for the HKMA as operator of the CMU or registration of Registered Notes in the name of (i) any nominee for Euroclear and Clearstream or (ii) the HKMA and delivery of the relevant Global Certificate to the Common Depository or the sub-custodian for the HKMA as operator of the CMU (as the case may be), Euroclear or Clearstream or the CMU (as the case may be) will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depository may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream or other clearing systems.

### Relationship of Accountholders with Clearing Systems

Save as provided in the following paragraph, each of the persons shown in the records of Euroclear, Clearstream or any other clearing system as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream or such clearing system (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, or such clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

If a Global Note or a Global Certificate is lodged with a sub-custodian for or registered with the CMU, the person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in accordance with the CMU Rules shall be the only person(s) entitled (or, in the case of Registered Notes, directed or deemed by the CMU as entitled) to receive payments in respect of Notes represented by such Global Note or Global Certificate and the Issuer will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in respect of each amount so paid. Each of the persons shown in the records of the CMU, as the beneficial holder of a particular nominal amount of Notes represented by such Global Note or Global Certificate, must look solely to the CMU for his share of each payment so made by the Issuer in respect of such Global Note or Global Certificate.

### Exchange

#### *Temporary Global Notes*

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Pricing Supplement indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “*Summary of the Programme — Selling Restrictions*”), in whole, but not in part, for interests in a permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes; and

- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

Each temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes in accordance with the Conditions in addition to any permanent Global Note or Definitive Notes for which it may be exchangeable and, before its Exchange Date, will also be exchangeable in whole or in part for Registered Notes only.

The CMU may require that any such exchange for a permanent Global Note is made in whole and not in part and in such event, no such exchange will be effected until all relevant account holders (as set out in a CMU Issue Position Report (as defined in the rules of the CMU) or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) have so certified.

### ***Permanent Global Notes***

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “*Partial Exchange of Permanent Global Notes*”, in part for Definitive Notes or, in the case of (i) below, Registered Notes:

- (i) if the permanent Global Note is an Exchangeable Bearer Note, by the holder giving notice to the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent) of its election to exchange the whole or a part of such Global Note for Registered Notes; and
- (ii) (1) if the permanent Global Note is held on behalf of Euroclear or Clearstream or the CMU or any other clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so or (2) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent) of its election for such exchange.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

### ***Global Certificates***

If the Pricing Supplement states that the Notes are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream or the CMU or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so;
- (ii) if principal in respect of any Notes is not paid when due; or
- (iii) with the prior consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to (i) above, the Registered Holder has given the Registrar not less than 30 days’ notice at its specified office of the Registered Holder’s intention to effect such transfer.



### ***Partial Exchange of Permanent Global Notes***

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions (1) for Registered Notes if the permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes, or (2) for Definitive Notes if principal in respect of any Notes is not paid when due.

### ***Delivery of Notes***

On or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent). In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be. In this Offering Circular, “**Definitive Notes**” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

### ***Exchange Date***

“**Exchange Date**” means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes, five days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

### ***Amendment to Conditions***

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Offering Circular. The following is a summary of certain of those provisions:

### ***Payments***

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note (except with respect to Global Note held through the CMU) will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes. Condition 7(e)(vii) and Condition 8(d) will apply to the Definitive Notes only. For the purposes of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of “business day” set out in Condition 7(h) (*Non-Business Days*).



In respect of Notes represented by a Global Certificate, all payments will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be the Clearing System Business Day immediately prior to the date for payment, where “Clearing System Business Day” means Monday to Friday inclusive except 25 December and 1 January.

In respect of a Global Note or Global Certificate representing Notes held through the CMU, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Global Note or Global Certificate are credited (as set out in the records of the CMU) at the close of business on Clearing System Business Day immediately prior to the date for payment and, save in the case of final payment, no presentation of the relevant bearer Global Note or Global Certificate shall be required for such purpose. For the purposes of this paragraph, “Clearing System Business Day” means a day on which the CMU is operating and open for business.

### ***Prescription***

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

### ***Meetings***

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note or a Global Certificate shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

### ***Cancellation***

Cancellation of any Note represented by a permanent Global Note or Global Certificate that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note or Global Certificate.

### ***Purchase***

Notes represented by a permanent Global Note may only be purchased by the Issuer, the Guarantors or any of their respective subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

### ***Issuer's Option***

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, the CMU or any other clearing system (as the case may be).

### ***Noteholders' Options***

Any option of the Noteholders provided for in the Conditions of any Notes, while such Notes are represented by a Global Note or Global Certificate and such Global Note or Global Certificate is held by or on behalf of a clearing system, may be exercised by (i) the holder giving notice to any of the Paying Agents (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent) within the time limits in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and presenting the Global Note or Global Certificate for endorsement or exercise (if required) or (ii) a holder of a book-entry interest in the Notes represented by the Global Note or Global Certificate delivering to any of the Paying Agents (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent) the relevant exercise notice, duly completed by or on behalf of such holder (on appropriate proof of its identity and interest), in each case within the time limits

specified in the Conditions and otherwise in accordance with the rules and procedures of the relevant clearing system. In the case of (ii) above, deposit of the Global Note or Global Certificate with the any of the Paying Agents (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent) together with such exercise notice shall not be required.

### ***Trustee's Powers***

In considering the interests of Noteholders while any Global Note is held on behalf of, or Registered Notes are registered in the name of, or in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Registered Notes and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

### ***Notices***

So long as any Notes are represented by a Global Note or Global Certificate and such Global Note or Global Certificate is held on behalf of (i) Euroclear and/or Clearstream or any other clearing system (except as provided in (ii) below), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate or (ii) the CMU, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the CMU in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate, and any such notice shall be deemed to have been given to the Noteholders on the day on which such notice is delivered to the CMU.

## RISK FACTORS

*In addition to other information in this Offering Circular, investors should carefully consider the following risk factors, together with all other information contained in this Offering Circular, before purchasing the Notes. The risks and uncertainties described below may not be the only ones that Link faces. Additional risks and uncertainties that Link is not aware of or that it currently believes are immaterial may also adversely affect its business, financial condition or results of operations. If any of the possible events described below occur, Link's business, financial condition or results of operations could be materially and adversely affected. In such case, the Issuer and/or the Guarantors and/or Link may not be able to satisfy their obligations under the Notes and/or the Guarantee (as applicable), and investors could lose all or part of their investment.*

### **Risks Relating to Link's Organisation and Operations**

#### ***There are/have been risks and uncertainties for a private sector operator succeeding a public sector operator of real estate***

As at the date of this Offering Circular, PropCo is the registered owner of 123 Properties which were assigned to Link in 2005 by HKHA (collectively, the “**HA Properties**”). HKHA is a public sector operator. The REIT Manager, as a private sector operator, has been implementing initiatives and strategies to enhance the performance of, and generate greater revenue from, the HA Properties. However, there has been and may still be political pressure for the management of the HA Properties to factor in public and socio-economic considerations excessively, which may result in difficulty for the REIT Manager to implement certain strategies on the HA Properties.

#### ***The REIT Manager may not be able to implement its strategy***

The REIT Manager's key objective for Link is to provide Unitholders with stable distributions per Unit with the potential for long-term growth of such distributions. Whilst the REIT Manager has established clear business plans and specific strategies to accomplish this objective, there can be no assurance that it will be able to implement such business plans and strategies successfully or that it will be able to do so in a timely and cost-effective manner. Some of the cost efficiencies and revenue enhancements that the REIT Manager aims to achieve may therefore not be realisable within the expected timeframe or some may have to be adjusted due to change in circumstances. In terms of expenditure that the REIT Manager plans to make to enhance the shopper traffic, rental income and sales at the Properties, there is no assurance that such expenditure will generate the targeted returns or business. Such expenditure is expected to be funded from further debt or equity funding. In relation to the REIT Manager's aim of achieving an optimal capital structure for Link, its ability to achieve this goal will depend upon, among other things, whether Link will be subject to limitations on effecting further desired borrowings, whether Link will be able to raise any additional equity funding, and whether such fund raising exercises can be effected on favourable terms.

Furthermore, Link's structure, strategies and investment policies are constrained by the REIT Code which, for instance, limits Link's borrowings to no more than 50% of its total GAV and requires Link to distribute to Unitholders as dividends an amount no less than 90% of its audited net income after tax for each financial year. Such limitations may restrict Link's ability to leverage itself, hence, affecting the operations of Link and restricting its ability to achieve its strategies in a timely manner or at all. If the REIT Manager is unsuccessful in implementing its strategies, Link's business, financial condition and results of operations could be materially and adversely affected.

#### ***There are limitations on Link's ability to leverage***

Link expects to use external financing in connection with its investments. As at 31 March 2022, the borrowings to total assets ratio of Link was 22.0%. As at 31 March 2022, the borrowing level of Link was HK\$49,745 million. Borrowings by Link are limited by the REIT Code to no more than 50% of its total GAV. However, if a downward revaluation of the Properties occurs, Link may exceed the 50% borrowing limit even without incurring any additional borrowing. Therefore, there can be no assurance that Link's borrowings will remain at all times below 50% of its total GAV, following any revaluation of assets or otherwise. From time to time, Link may need to draw down on its banking facilities and use overdrafts, but may be unable to do so due to: (i) the 50% borrowing limit prescribed by the REIT Code; (ii) covenants contained in certain facility agreements for bank loans requiring FinanceCo (or, if applicable, other group members of Link) to prepay the relevant loans mandatorily in an amount sufficient to restore

the LTV to 40% or less if the LTV exceeds 45%, provided that such prepayment may not be paid if FinanceCo (or, if applicable, other group members of Link) is of the reasonable opinion that Link would not have sufficient available funds to pay any accrued or declared distribution (in relation to any financial year ending prior to the date of such prepayment notice) to Unitholders in accordance with the REIT Code following such prepayment in which case FinanceCo (or, if applicable, other group members of Link) shall then be required to make such prepayment as soon as possible (subject to the payment of the distribution as aforesaid) and in any event before the maturity date of the relevant loans; and (iii) the covenant contained in certain facility agreements for bank loans restricting the security provided by Link in respect of any secured borrowings to an aggregate value of not exceeding 30% of the aggregate value of the Properties. Link may also face difficulties in securing timely and commercially favourable financing in asset-backed lending transactions secured by real estate or in unsecured lending.

In addition, the use of leverage may increase the exposure of Link to adverse economic factors such as rising interest rates and economic downturns. Link is subject to general risks associated with debt financing, including the risks of: (i) there being insufficient cash flow to meet payment of principal and repayment of capital requirements; and (ii) not being able to maintain debts at optimum levels in the future due to a lack of capacity in the lending market and/or an unfavourable interest rate environment.

***Link has recorded interest bearing liabilities falling due within one year***

Link has recorded interest bearing liabilities falling due within one year in the amount of HK\$5,735 million as at 31 March 2022. Link considers its financial position as a whole healthy and has undrawn committed facilities of HK\$9,976 million and HK\$22,625 million, respectively, as at 31 March 2021 and 2022. However, recording interest bearing liabilities falling due within one year exposes Link to liquidity risks if it is unable to refinance certain loans when they come due. There can be no assurance that Link will always be able to obtain the necessary funding to refinance short-term borrowings upon maturity and finance capital commitments. If Link was unable to refinance such borrowings when due, and Link was not otherwise able to repay such amounts at maturity, Link may be in default of such loans, which may result in cross-defaults. In such circumstances, Link's business, financial condition and results of operations could be materially and adversely affected. However, the REIT Manager continues to closely monitor the liquidity position of Link to ensure the liquidity risk is manageable.

**Risks Relating to Investments in Real Estate and Relevant Investments**

***There are general risks attached to investments in real estate***

Investments in real estate are subject to various risks, including: (i) adverse changes in global, national, local, macro or micro-economic conditions including but limited to the sustained tensions between the United States and the PRC over trade policies and the geopolitical tensions between Russia and Ukraine as well as the armed conflicts associated therewith; (ii) adverse local market conditions and investment sentiment; (iii) the financial conditions of tenants, buyers and sellers of properties; (iv) changes in availability of debt financing; (v) changes in foreign exchange rates, interest rates and other operating expenses; (vi) changes in environmental laws and regulations, zoning laws, tax and fiscal laws, and other governmental rules and policies; (vii) environmental claims arising in respect of real estate acquired with undisclosed or unknown environmental problems, which are located on contaminated properties or as to which inadequate reserves had been established; (viii) changes in energy prices; (ix) changes in the relative popularity of property types and locations leading to an over-supply of space or a reduction in tenant demand for a particular type of property in a given market; (x) competition among property owners for tenants; (xi) insufficiency of insurance coverage; (xii) inability of the portfolio manager to provide or procure the provision of adequate maintenance and other services; (xiii) illiquidity of real estate investments; (xiv) considerable dependence on cash flow for the maintenance of, and improvements to, the portfolio properties; (xv) risks and operating problems arising out of the presence of certain construction materials; and (xvi) acts of God, uninsurable losses and other factors.

Many of these factors may cause fluctuations in occupancy rates, rent schedules or operating expenses, causing a negative effect on the value of real estate and income derived from real estate. The annual valuation of the Properties will reflect such factors and as a result may fluctuate upwards or downwards. The capital value of Link's Properties may be significantly diminished in the event of a sudden downturn in real estate market prices or the economy in Hong Kong (where, as at the date of this Offering Circular, most of the Properties are situated) or in the PRC, Australia and the United Kingdom.

Link's investments outside Hong Kong are, and will be, subject to additional risk factors generally applicable to investing in real estate outside Hong Kong and specific to the relevant location. On 7 April 2020, Link acquired an office property in Sydney, Australia known as "100 Market Street". On 25 August 2020, Link acquired an office property in London, the United Kingdom known as "The Cabot". On 1 June 2022, Link acquired a 49.9% interest in a trust which owns interests in five prime office properties located in the central business districts of Sydney and Melbourne, respectively, in Australia. On 1 July 2022, Link acquired 50% interests in three iconic retail properties in Sydney, Australia, namely Queen Victoria Building, The Galleries and The Strand Arcade. For details of the acquisitions, please refer to the announcements published by the REIT Manager on the Hong Kong Stock Exchange on 19 December 2019, 8 April 2020, 26 July 2020, 5 August 2020, 25 August 2020, 18 November 2020, 7 November 2021, 10 February 2022, 1 June 2022, 3 July 2022 and 2 August 2022.

***There are general risks involved in expanding Link's investment strategy to Relevant Investments***

In 2018, Link obtained approval from Unitholders to expand its investment strategy to cover investments in financial instruments permissible from time to time under the REIT Code, including without limitation (i) securities listed on the Hong Kong 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 (collectively, the **"Relevant Investments"**). The Relevant Investments shall constitute no more than 10% of Link's GAV at any one time. For details of the expansion of the investment scope, please refer to the announcement by the REIT Manager published on the Hong Kong Stock Exchange on 21 June 2018 and the circular published on the same date (the **"Circular"**).

As with any investment activities, investing in any Relevant Investments may involve certain financial risks, including without limitation (a) market risk whereby the value of the Relevant Investment fluctuates in response to general market and economic conditions, including changes in commodity prices, foreign exchange rates and interest rates, arising out of, for example, the sustained tensions between the United States and the PRC over trade policies and the geopolitical tensions between Russia and Ukraine as well as the armed conflicts associated therewith; (b) default/credit risk whereby the Issuer or a counterparty to a Relevant Investment defaults in payment or experiences a decline in its payment capacity; (c) price volatility risk whereby substantial fluctuations in the price of a financial instrument will affect the investment negatively; (d) liquidity risk whereby Link may not sell a sufficient amount of the Relevant Investments at a desired time and at a satisfactory price because demand for the Relevant Investments may become low during certain periods of time, notwithstanding the Relevant Investments being generally liquid in normal market conditions and transparently priced as required by the REIT Code; (e) management and policy risk whereby Link may invest in companies that are improperly managed or make business decisions that are detrimental to Link's interests as an investor; and (f) risks in relation to property funds whereby investments in local or overseas property funds may involve other additional risks and there is no assurance that a property fund will achieve its investment objective and strategy.

The aforementioned risks may adversely affect the value of the Relevant Investments and have an adverse impact on the level of distributions to Unitholders. Further details of the risks relating to Relevant Investments are set out in the Circular.

***Income from, and expenditure in relation to, the Properties may not be as expected, which may adversely affect the financial condition of Link***

Income from the Properties may be adversely affected by the general economic climate and local conditions such as over-supply of properties or reduction in demand for properties in the market in which Link operates, the attractiveness of Link's Properties to tenants, management style, competition from other mall/retail and/or car parking facilities nearby or from e-commerce/e-retail, untimely collection of rent, changes in laws and increased operating costs (including real estate taxes) and expenses. In addition, income from the Properties may be affected by such factors as the increase in cost of regulatory compliance, interest rate levels and the availability of financing. Link's income would be adversely affected if a significant number of tenants were unable to pay rent or the Properties could not be rented out on favourable terms.

If the Properties do not generate revenue sufficient to meet operating expenses, including debt service and capital expenditure, Link's ability to service its debt obligations and make distributions will be adversely affected. In terms of expenditure, any significant and unpredictable capital expenditure and other expenses for repairs and maintenance



will, depending on the amount and timing, have an impact on the cash flow of Link and if such significant expenditure is not reduced even increases, it may then cause a reduction in income from the Properties and have an adverse effect on the financial condition and results of operations of Link.

***Link is dependent on the performance of its tenants, and its ability to service its debt may be adversely affected by the loss of its tenants or a downturn in the business of its tenants***

Link's financial condition and results of operations may be adversely affected by the insolvency or downturn in the business of its tenants, including the decision by tenants not to renew the Leases or to terminate the Leases before expiry (in cases where tenants have termination right exercisable by written notice). If the business of its tenants were to decline significantly, those tenants may be unable to pay their minimum rents or expense recovery charges. In addition, measures implemented by the Government to contain the spread of the ongoing coronavirus pandemic ("COVID-19") or any other diseases may have a significant adverse impact on Link's tenants.

The impact of COVID-19 on Link's tenants has been wide ranging. While some sectors such as supermarkets and fresh markets have experienced growth, other sectors such as restaurants, fitness centres and entertainment venues have been adversely impacted by the ongoing social distancing measures implemented by the Government. Link has focused on monitoring and enabling the long-term viability of its tenants, announcing a HK\$300 million tenant support scheme in April 2020, which was subsequently increased to HK\$600 million in August 2020 and another new round of HK\$120 million tenant support scheme in February 2022, which was subsequently increased to HK\$220 million in March 2022. The tenant support scheme offers a range of targeted relief measures, including reducing rents, granting rent-free periods, allowing rent payment by instalments, waiving the interest on late payments and service charges and introducing additional parking concessions. In addition to financial assistance, Link has also been discussing with tenants other measures to offer flexibility such as lease restructuring and assisting in the transition to online ordering for food and beverage tenants. While there has not been a significant change in rental receivable write-offs across Link's portfolio and Link had high rental collection rates across the regions in which it operates for the year ended 31 March 2022, given the uncertainty of the COVID-19 pandemic, the spread of COVID-19 may be prolonged and worsened or there may be a resurgence of the pandemic, which may materially and adversely affect the performance and business of Link's tenants and could in turn cause Link to lose its tenants.

In such circumstances, Link is likely to experience delays and incur costs in enforcing its right as lessor against those tenants concerned. Also, if Link's key tenants reduce their leased space, there could be a material adverse effect on the financial condition and results of operations of Link.

***There may be uninsured or under-insured losses***

Link has arranged insurance on its Properties in accordance with the REIT Code, including property damage insurance and public liability insurance, and has also put in place employee compensation and third-party motor vehicle liability insurance, which are statutory insurance requirements. These classes of insurance include protection for risks associated with fire and loss of rent. However, there is no assurance that insurance against some or all of these risks will in the future continue to be available, or be available in amounts that are equal to the full market value or replacement cost of the insured assets. In addition, there can be no assurance that the particular risks which are currently insured will continue to be insurable on an economically feasible basis or at all.

***The occurrence of a contagious disease or a pandemic, such as COVID-19, especially in Hong Kong, could affect Link's business, financial condition and results of operations***

The occurrence of a serious outbreak of a contagious disease or a pandemic, such as the ongoing COVID-19 pandemic, in Hong Kong (where, as at the date of this Offering Circular, most of the Properties are located) could affect Link's business, financial condition and results of operations.

In addition, measures implemented by local governments to contain the spread of COVID-19 or any other contagious diseases may have a significant adverse impact on Link's business, financial condition and results of operations.

The COVID-19 pandemic continues to affect many countries globally and there remains significant uncertainty as to when the pandemic will end and whether the Government will extend or implement further social distancing or other restrictive measures to contain the COVID-19 pandemic, which may adversely affect Link's business, financial condition and results of operations. To maintain a healthy level of flexibility to support operating cash flow and to

fund potential future acquisitions in a challenging business environment, Link has tightened its capital management. Link continues to closely monitor the operating environment and review the business strategy.

There can be no assurance that there will not be a serious outbreak of a contagious disease or a pandemic in Hong Kong (where, as at the date of this Offering Circular, most of the Properties are located). If such an outbreak or pandemic were to occur, it may have a material adverse impact on the operations of the Properties which are located in Hong Kong. In such an event, tenants in those Properties may be adversely affected and consequently, Link's results of operations may suffer. In addition, the occurrence of an outbreak of a contagious disease or a pandemic may have an impact on the economy of Hong Kong (where, as at the date of this Offering Circular, most of the Properties are located) generally, and hence, may have an adverse effect on Link's financial condition and results of operations.

***Link may be adversely affected by the illiquidity of real estate investments***

Real estate investments are relatively illiquid. Furthermore, in accordance with the REIT Code, Link is prohibited from entering into a disposal of any property (other than a non-qualified minority-owned property) within a period of less than two years from the date of its acquisition or, in the case of property development and related activities, from the date that the property development and related activities in respect of such investment is completed, unless Unitholders have passed a special resolution consenting to the proposed disposal. Such illiquidity may affect Link's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, financial, real estate market or other conditions. Also, the eventual liquidity of all investments of Link will be dependent upon the success of the realisation strategy proposed for each investment, which could be adversely affected by a variety of risk factors. For instance, Link may be unable to liquidate its assets on short notice, or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets to ensure a quick sale. These factors could have an adverse effect on Link's financial condition and results of operations.

***The Properties or part thereof may be acquired compulsorily***

The Government has the power to acquire compulsorily any land in Hong Kong pursuant to applicable legislation in Hong Kong (where, as at the date of this Offering Circular, most of the Properties are located).

In the event of any compulsory acquisition of any of those Properties in Hong Kong, the amount of compensation to be awarded is based on the market value of such Property and is assessed on the basis prescribed in the relevant ordinances. If any of those Properties in Hong Kong were acquired compulsorily by the Government, the level of compensation which may be paid to Link pursuant to this basis of calculation may be less than the price which Link paid for that particular Property. If a claim is disputed, there may be a delay in Link receiving the compensation, or Link may receive less compensation than expected.

**Risks Relating to Link's Property Portfolio**

***The Properties are subject to the risk of non-renewal of expiring Leases***

Most of the retail Leases for the Properties are for periods of three years or less and certain tenants may have a termination right under their Lease. The lease cycle and frequency of renewal make Link susceptible to rental market fluctuations which, in a declining market, may lead to higher vacancies and lower rents and will in turn reduce the overall rental income of Link. As at 31 March 2022, the retail lease expiry of Link's portfolio of Hong Kong properties as a percentage of total area was 31.4%, 26.2% and 33.0% for the financial years ending 31 March 2023, 2024 and 2025 and beyond, respectively. The corresponding figures of the lease expiry profile of Link's portfolio in the PRC as at 31 March 2022 were 24.4%, 13.0% and 51.1% for the financial years ending 31 March 2023, 2024, and 2025 and beyond, respectively. Depending on the prevailing market conditions, it may also take a longer period to negotiate the renewal of the expiring Leases.

***Link may be adversely affected as a result of having only minority rights under deeds of mutual covenant and minority strata title ownership interests in respect of the HA Properties***

Link's minority ownership interest in some of the Housing Estates within which the HA Properties are situated may adversely affect Link's rights under the respective deeds of mutual covenant for these Housing Estates. In these situations, Link will not have the ability to control certain major decisions relating to these Housing Estates. This

could mean, for example, that the majority owner(s) could make decisions with respect to the Housing Estates that are not in the best interests of Link, including matters relating to the management and maintenance of the Housing Estates. These decisions could result in an increase in the management charges payable by, and additional obligations being imposed on, Link in respect of the HA Properties.

***There is no assurance that the buildings neighbouring the HA Properties will not be closed down or redeveloped***

There can be no assurance that the buildings in the Housing Estates neighbouring the HA Properties will not be closed down or redeveloped for alternative uses or that HKHA will continue to provide public rental housing in all those Housing Estates where it currently does so and which adjoin such HA Properties. Any such closure or redevelopment could reduce the number of local occupiers that frequent these HA Properties or, alternatively, could add other properties that compete with these HA Properties, either of which could have a material adverse effect on Link's financial condition and results of operations.

***The sale price for a Property may be less than its current valuation or the purchase price paid by Link***

The valuation of the Properties is not an indication of, and does not guarantee, a sale price either at the present time or at any time in the future. See “— The valuation analysis may prove to be unrepresentative of an investment in Link” and “— Link may be adversely affected by the illiquidity of real estate investments”. Accordingly, there can be no assurance that Link would be able to sell a Property, either at the present time or at any time in the future, or that the price realisable on such sale would not be lower than the present valuation of, or the price paid by Link to purchase, such Property.

***The valuation analysis may prove to be unrepresentative of an investment in Link***

The independent property valuer adopted the income capitalisation approach with reference to market comparables via the direct comparison approach in valuing the Properties as at 31 March 2021 and 2022. The income capitalisation approach assumes a stable or normalised level of net operating income from a particular property and capitalises the income at an expected rate of return, or capitalisation rate.

The valuation is also dependent on, among other things, capital expenditure forecasts produced by the REIT Manager.

Whilst such form of analysis allows investors to make an assessment of the long-term return that is likely to be derived from the Properties through a combination of both rental and capital growth, there can be no assurance that the projected cash flows, the hypothetical terminal value of the Properties or any of the other assumptions which have been used for the purposes of the valuation will prove to be accurate or reliable, or that the discount rates adopted by the independent property valuer will be representative of returns from comparable or alternative forms of investment over the period or periods concerned. Accordingly, the appraised value of any of the Properties is not an indication, and does not guarantee, that a Property could be sold by Link at that price currently or in the future.

***Losses or liabilities from latent building or equipment defects may adversely affect earnings and cash flow***

If the Properties have design, construction or other latent property or equipment defects, these may require additional capital expenditure, special repair or maintenance expenses or the payment of damages or other obligations to third parties. Costs or liabilities arising from such property or equipment defects may involve significant and potentially unpredictable patterns and levels of expenditure which may have a material adverse effect on Link's earnings and cash flows.

Statutory or contractual representations, warranties and indemnities given by any seller of real estate are unlikely to afford satisfactory protection from costs or liabilities arising from such property or equipment defects.

***Link is subject to certain legal and regulatory compliance obligations***

Link is subject to certain legal and regulatory compliance obligations in Hong Kong, the PRC, Australia and the United Kingdom where its Properties are situated. There can be no assurance that the REIT Manager will be able to comply with all applicable legal and regulatory requirements or that it will not be required to incur significant expenditure to ensure that the Properties will comply with such requirements or any additional requirements that may be imposed.



***Environmental contamination or compliance problems could require Link to incur material costs***

Although HKHA warranted under the share purchase agreement dated 6 September 2005 (as supplemented by the supplemental share purchase agreement dated 8 November 2015) in respect of the sale and purchase of the entire issued share capital of the REIT Manager and HoldCo that it had conducted its business (in so far as the HA Properties are concerned) in accordance with applicable environmental laws and regulations and there was no pollution or contamination emanating from any of the HA Properties transferred to Link, neither HKHA nor the REIT Manager has conducted detailed environmental surveys on any of such HA Properties.

Some of the HA Properties have previously contained ACBMs. Pursuant to HKHA's asbestos abatement programme, HKHA has stated that it believes that it has removed substantially all of the ACBMs from the relevant HA Properties. However, rectification or remedial action may need to be taken in relation to the remaining ACBMs and the costs incurred in respect of such rectification or removal action may be significant. Environmental laws require that ACBMs be properly managed and maintained, and may impose fines and penalties on building owners or operators for failure to comply with these requirements. Third parties may be permitted by law to seek recovery from owners or operators for personal injury associated with exposure to contaminants, including, but not limited to, asbestos fibres.

In addition, it is possible that there is undiscovered soil or groundwater contamination, or other environmental problems, at one or more of the HA Properties that could require investigation or remediation. For example, a small number of the HA Properties is located near former landfills. In some cases, such matters could result in private personal injury or property damage claims. If environmental claims or violations do arise, Link could be required to conduct costly investigations or cleanups or, in severe cases, temporarily or permanently close off those affected HA Properties. Environmental concerns could also cause a reduction in rental income or resale prices, or otherwise limit Link's ability to lease or sell any of such HA Properties.

***Most of Link's Properties are located in Hong Kong, which exposes Link to geographic and market concentration risk***

Despite the expansion of the geographical scope of Link's investment strategy outside Hong Kong, most of the Properties as at the date of this Offering Circular are situated in Hong Kong. In terms of value, as at 31 March 2022, 74.8% of Link's Properties in the portfolio was in Hong Kong, 17.4% in the PRC and 7.8% in Australia and the United Kingdom. The political and socio-economic environment in Hong Kong or a general downturn in the Hong Kong economy would have a greater impact on Link than if the Properties were more geographically diversified. The ongoing COVID-19 pandemic has caused disruption to businesses in various sectors of Hong Kong, including the food and beverage sector, which has decreased consumer spending. Other COVID-19 measures, such as travel restrictions, have affected inbound travel to Hong Kong, which in turn also has a negative impact on the Hong Kong economy. Although the extent of the impact that a downturn in the Hong Kong economy is likely to have on the Properties in Hong Kong has been lessened due to the fact that such Properties aim to serve the daily needs of the residents in the vicinity around them, this cannot fully insulate such Properties from the consequences of a downturn in the Hong Kong economy. See "Risk Factors — Link is dependent on the performance of its tenants, and its ability to service its debt may be adversely affected by the loss of its tenants or a downturn in the business of its tenants" and "Risk Factors — The occurrence of a contagious disease or a pandemic, such as COVID-19, in Hong Kong could affect Link's business, financial condition and results of operations" for further details.

***Retail properties and car park markets are highly competitive***

Competition from new facilities in the vicinity of where Link's Properties are situated in Hong Kong, Mainland China, Australia and the United Kingdom may affect Link's ability to maintain existing occupancy and utilisation rates, rental rates and car park charges for such Properties. In order to avoid falling occupancy/utilisation level, rental rates and car park charges may need to be lowered, additional capital improvements may need to be made or additional tenant inducements may need to be offered, all of which may have a negative impact on Link's revenue. The competitive business environment among retailers in Hong Kong, Mainland China, Australia and the United Kingdom may also have a detrimental effect on tenants' businesses and, consequently, their ability to pay rent.

### ***HA Properties are subject to restrictive covenants***

Restrictive covenants were imposed on those HA Properties owned by Link. These restrictive covenants mean that if PropCo (or any of its successors in title) wishes to assign, mortgage or charge any of the car park facilities within a Housing Estate at any of these HA Properties then, so long as HKHA remains as the owner of the remaining parts of the relevant Housing Estate within which they are situated and has not disposed of any residential units there, any such assignment, mortgage or charge by PropCo (or any of its successors in title) must be of such car park facilities within such Housing Estate as a whole and not in part. Similarly, if PropCo (or any of its successors in title) wishes to assign, mortgage or charge any of the retail facilities within a Housing Estate of any of these HA Properties, then any such assignment, mortgage or charge by PropCo (or its successors in title) must be of such retail facilities within such Housing Estate as a whole and not in part. The restriction in respect of such retail facilities, however, survives any subsequent disposal by HKHA of any residential units in the relevant Housing Estate within which such retail facilities are situated. Therefore, Link will not have complete flexibility to assign, mortgage or charge part of these HA Properties which may mean that Link in the future would not be able to achieve as high a price for some of these HA Properties as it would have been able to were it to have the flexibility to assign part of these HA Properties to a number of purchasers. Similarly, such inflexibility may also be reflected in any financing terms should Link wish to grant security over these HA Properties for the purpose of securing longer term debt financing.

### **Risks relating to the Notes issued under the Programme**

#### ***Notes may not be a suitable investment for all investors***

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference of this Offering Circular or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes may be complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

#### ***Modification and waivers***

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders (i) agree to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Trust Deed, the Agency Agreement and/or Notes that is in its opinion of a formal, minor or technical nature or is

made to correct a manifest error or to comply with any mandatory provision of law and in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders or (ii) determine that any Event of Default or potential Event of Default shall not be treated as such or (iii) agree to the substitution of another company as principal debtor under any Notes in place of the Issuer, in circumstances described in Condition 11 of the Conditions.

***The Trustee may request that the Noteholders provide an indemnity and/or security and/or prefunding to its satisfaction***

In certain circumstances, the Trustee may (at its sole discretion) request the Noteholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes any step and/or action and/or institutes any proceeding on behalf of Noteholders. The Trustee shall not be obligated to take any such steps and/or actions and/or institutes any such proceeding if not indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to any indemnity and/or security and/or pre-funding can be a lengthy process and may impact on when such steps and/or actions can be taken and/or when such proceedings can be instituted. The Trustee may not be able to take steps and/or actions and/or to institute proceedings, notwithstanding the provision of an indemnity or security or pre-funding to it, in breach of the terms of the Trust Deed (as defined in the Terms and Conditions of the Notes) and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable law, it will be for the Noteholders to take such steps and/or actions and/or to institute such proceedings directly.

***Change of law***

The Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

***Risks related to the structure of a particular issue of Notes***

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

***Notes subject to optional redemption by the Issuer***

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

***Dual Currency Notes***

The Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected; and
- (iv) the amount of principal payable at redemption maybe less than the nominal amount of such Notes or even zero.

***Inverse Floating Rate Notes***

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as the Euro Interbank Offered Rate (“EURIBOR”) and the Hong Kong Interbank Offered Rate (“HIBOR”). The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are

more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

#### *Fixed/Floating Rate Notes*

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

#### *Notes issued at a substantial discount or premium*

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

#### ***The regulation and reform of "benchmark" rates of interest and indices may adversely affect the value of Notes linked to or referencing such "benchmarks"***

Interest rates and indices which are deemed to be or used as "benchmarks", are the subject of recent international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Note linked to or referencing such a benchmark.

Regulation (EU) 2016/1011 (the "**EU Benchmarks Regulation**") applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by European Union supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-European Union based, not deemed equivalent or recognised or endorsed). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Benchmarks Regulation**") among other things, applies to the provision of benchmarks and the use of a benchmark in the United Kingdom.

Similarly, it prohibits the use in the United Kingdom by United Kingdom supervised entities of benchmarks of administrators that are not authorised by the United Kingdom Financial Conduct Authority ("**FCA**") or registered on the FCA register (or, if non-United Kingdom based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable could have a material impact on any Notes linked to or referencing a benchmark in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international reforms or the general increased regulatory scrutiny of benchmarks could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Separately, the euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system.

The potential elimination of any benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the terms and conditions, or result in other consequences, in respect of any Notes linked to such benchmark. Such factors may have the following effects on certain benchmarks: (i) discourage market participants from continuing to administer or contribute to the benchmark; (ii) trigger changes in the rules or methodologies used in the benchmark or (iii) lead to the disappearance of the "benchmark". Any of the above changes or any other consequential changes as a result of international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a benchmark. Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by any international reforms in making any investment decision with respect to any Notes linked to or referencing a benchmark.

***The market continues to develop in relation to risk-free rates (including overnight rates) as reference rates for Floating Rate Notes***

The use of risk-free rates, including those such as the Secured Overnight Financing Rate ("SOFR"), as reference rates for Eurobonds continues to develop. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to Notes that reference risk-free rates issued under the Programme. The Issuer may in the future also issue Notes referencing SOFR or the SOFR Compounded Index that differ materially in terms of interest determination when compared with any previous Notes issued by it under the Programme. The development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased volatility, or could otherwise affect the market price of any Notes that reference a risk-free rate issued under this Programme from time to time.

In addition, the manner of adoption or application of risk-free rates in the Eurobond markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

In particular, investors should be aware that several different methodologies have been used in risk-free rate notes issued in various markets to date. No assurance can be given that any particular methodology, including the compounding formula in the Conditions, will gain widespread market acceptance. In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk-free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. If the relevant risk-free rates do not prove to be widely used in securities like the Notes, the trading price of such Notes linked to such risk-free rates may be lower than those of Notes referencing indices that are more widely used.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SOFR or any related indices.

***Risk-free rates may differ from inter-bank offered rates in a number of material respects and have a limited history***

Risk-free rates may differ from inter-bank offered rates in a number of material respects. These include (without limitation) being backward-looking, in most cases, calculated on a compounded or weighted average basis, risk-free, overnight rates and, in the case of SOFR, secured, whereas such interbank offered rates are generally expressed on the basis of a forward-looking term, are unsecured and include a risk-element based on interbank lending. As such, investors should be aware that risk-free rates may behave materially differently to interbank offered rates as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to an unsecured rate. For example, since publication of



SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Risk-free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Notes may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future. Investors should not rely on historical performance data as an indicator of the future performance of such risk-free rates nor should they rely on any hypothetical data.

Furthermore, interest on the Notes which reference a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors in the Notes which reference such risk-free rates reliably to estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, in contrast to Notes linked to interbank offered rates, if the Notes referencing backwards-looking rates become due and payable as a result of an Event of Default under Condition 10, or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest Rate payable in respect of such Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable or are scheduled for redemption.

***The administrator of SOFR or any related indices may make changes that could change the value of SOFR or any related index, or discontinue SOFR or any related index***

The Federal Reserve or the Bank of New York (or their successors) as administrators of SOFR (and the SOFR Compounded Index), may make methodological or other changes that could change the value of these risk-free rates and/or indices, including changes related to the method by which such risk-free rate is calculated, eligibility criteria applicable to the transactions used to calculate SOFR, or timing related to the publication of SOFR or any related indices. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SOFR or any related index (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing any such risk-free rate.

***If the Issuer does not satisfy its obligations under the Notes, Noteholders' remedies will be limited***

Payment of principal of the Notes may be accelerated only in the event of certain events involving the Issuer's bankruptcy, winding-up or dissolution or similar events or otherwise if certain conditions have been satisfied. See "Terms and Conditions of the Notes — Events of Default".

***Risks relating to Renminbi-denominated Notes***

Notes denominated in RMB (the "RMB Notes") may be issued under the Programme. RMB Notes contain particular risks for potential investors.

***Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the PRC***

Renminbi is not a freely convertible currency. The PRC government continues to regulate conversion between Renminbi and foreign currencies, including the U.S. dollar, despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts. However, remittance of Renminbi into and out of Mainland China for the purposes of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities and is subject to a strict monitoring system. Regulations in Mainland China on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

Although Renminbi was added to the Special Drawing Rights basket created by the International Monetary Fund in 2016 and policies further improving accessibility to Renminbi to settle cross-border transactions in foreign currencies were implemented by the People's Bank of China ("PBOC") in 2018 and despite a movement towards liberalisation of cross-border RMB remittances, notably in the current account activity, and the permission for certain participating

banks in Hong Kong to engage in the settlement of current account trade transactions in Renminbi under certain pilot schemes, there is no assurance that the PRC government will continue to gradually liberalise control over cross-border remittance of Renminbi in the future, that any pilot schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that Renminbi funds cannot be repatriated out of Mainland China, this may affect the overall availability of Renminbi outside Mainland China and the Issuer's ability to source Renminbi to finance its obligations under the RMB Notes.

Holders of beneficial interests in the Notes denominated in Renminbi may be required to provide certifications and other information (including Renminbi account information) in order to allow such holder to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

*There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Notes and the Issuer's ability to source Renminbi outside the PRC to service such RMB Notes*

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. While PBOC has entered into agreements on the clearing of Renminbi business with financial institutions in a number of financial centers and cities (the “**Renminbi Clearing Banks**”), including but not limited to Hong Kong, London, Frankfurt and Singapore, and are in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions (“**Settlement Arrangements**”) in various other markets, the current size of Renminbi-denominated financial assets outside the PRC is limited.

There are restrictions imposed by PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from PBOC. The Renminbi Clearing Banks only have access to onshore liquidity support from PBOC for the purpose of squaring open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. See “PRC Currency Controls”. There is no assurance that new PRC regulations will not be promulgated or the Settlement Agreement will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of its RMB Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service its RMB Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

*Investment in RMB Notes is subject to exchange rate risks*

The value of Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. All payments of interest and principal will be made with respect to RMB Notes in Renminbi. As a result, the value of these Renminbi payments in U.S. dollar terms may vary with the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the U.S. dollar or other foreign currencies, the value of investment in U.S. dollar or other applicable foreign currency terms will decline. In August 2015, PBOC changed the way it calculates the mid-point price of Renminbi against the U.S. dollar, requiring the market-makers who submit rates for PBOC's reference to consider the previous day's closing spot rate, foreign-exchange demand and supply as well as changes in major currency rates. This change, and other changes such as widening the trading band that may be implemented, may increase volatility in the value of the Renminbi against foreign currencies. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in RMB Notes.

*Payments in respect of RMB Notes will only be made to investors in the manner specified in such RMB Notes*

All payments to investors in respect of RMB Notes will be made solely by (i) when RMB Notes are represented by global certificates, transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing CMU rules and procedures, or (ii) when RMB Notes are in definitive form, transfer to a Renminbi bank account

maintained in Hong Kong in accordance with prevailing rules and regulations. None of the Issuer or the Guarantors can be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

### ***Risks related to the market generally***

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

#### ***The secondary market generally***

The Issuer may or may not list the Notes on any exchange or arrange any over-the-counter facilities to facilitate trading of the Notes. Notes may have no established trading market when issued or listed, and one may never develop. If a market does not develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

#### ***Exchange rate risks and exchange controls***

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the investor's equivalent yield on the Notes, (2) the investor's equivalent value of the principal payable on the Notes and (3) the investor's equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

#### ***Interest rate risks***

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes.

#### ***Credit ratings may not reflect all risks***

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

#### ***Legal investment considerations may restrict certain investments***

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.



***There may be uncertainty in relation to marketing under the AIFMD in the EU and UK AIFMD Regulations in the UK and Gibraltar***

Under the AIFMD and the Commission Delegated Regulation (EU) 231/2013 of 19 December 2012 (the “**AIFMD DR**”) and relevant guidance issued by the European Securities and Markets Authority, the marketing of an alternative investment fund (an “**AIF**”) in an EU jurisdiction, and under UK AIFMD Regulations, the AIFMD DR as it forms part of UK law by virtue of the EUWA and relevant guidance issued by the FCA, the marketing of an AIF in the UK or Gibraltar, is prohibited unless certain criteria are met. It is intended that the Notes will only be marketed in the Approved Jurisdiction(s) (as specified in each Pricing Supplement) where there is no requirement to comply with the AIFMD or the UK AIFMD Regulations. There is, however, a risk in some jurisdictions that a bond issuance by an AIF could be characterised as marketing of shares or units for the purposes of the AIFMD or UK AIFMD Regulations. In this case, any bond issuances could only be marketed in such jurisdictions in accordance with the marketing restrictions applicable to AIFs and any marketing not in accordance with those rules would be a breach of regulatory requirements. Moreover, there can be no guarantee that the laws and regulations of a jurisdiction will not be changed which may result in the Notes being so characterised or re-characterised after initial marketing and issuance. Such characterisation may therefore affect the liquidity of the Notes. It may also affect the regulatory treatment of the Notes for certain types of investors.

## **USE OF PROCEEDS**

The net proceeds of any Notes issued under the Programme shall be used for the general corporate purposes of Link including, without limitation, refinancing of indebtedness of Link. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Pricing Supplement.

## SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary audited consolidated financial information as at and for the years ended 31 March 2021 and 2022 of Link. The summary audited consolidated financial information as at and for the years ended 31 March 2021 and 2022 has been derived from Link's published audited consolidated financial statements for the year ended 31 March 2022, including the notes thereto, which are included elsewhere in this Offering Circular.

Link's consolidated financial statements have been prepared in accordance with the relevant provisions of the REIT Trust Deed, the relevant disclosure requirements set out in Appendix C of the REIT Code and Hong Kong Financial Reporting Standards ("HKFRS").

### Consolidated Income Statement

	For the year ended 31 March	
	2021	2022
	(Audited)	(Audited)
	(HK\$'M)	(HK\$'M)
Revenue .....	10,744	11,602
Property operating expenses .....	(2,506)	(2,826)
Net property income .....	8,238	8,776
General and administrative expenses.....	(428)	(512)
Change in fair values of investment properties and impairment of goodwill	(5,322)	426
Interest income .....	126	98
Finance costs .....	(770)	(1,005)
Loss on disposals of financial assets at amortised cost.....	—	(11)
Share of net profit of a joint venture.....	—	364
Profit before taxation and transactions with Unitholders .....	1,844	8,136
Taxation .....	(1,092)	(1,229)
Profit for the period, before transactions with Unitholders .....	752	6,907
Distributions paid to Unitholders.....	(5,920)	(6,425)
	(5,168)	482
Represented by: .....		
Change in net assets attributable to Unitholders, excluding issues of new units and units bought back .....	(2,566)	2,030
Amount arising from reserve movements.....	(2,169)	(1,561)
Non-controlling interest.....	(433)	13
	(5,168)	482

## Consolidated Statement of Financial Position

	As at 31 March	
	2021	2022
	(Audited)	(Audited)
	(HK\$'M)	(HK\$'M)
<b>Assets</b>		
Goodwill.....	392	400
Investment properties .....	199,074	212,761
Interests in a joint venture .....	—	3,756
Property, plant and equipment.....	1,301	1,248
Financial assets at amortised cost.....	2,742	2,082
Deposits and prepayments.....	2,433	722
Derivative financial instruments.....	218	414
Trade and other receivables.....	1,195	1,384
Bank deposits .....	—	170
Cash and cash equivalents .....	2,530	2,779
<b>Total assets</b> .....	<b>209,885</b>	<b>225,716</b>
<b>Liabilities excluding net assets attributable to Unitholders</b>		
Deferred tax liabilities .....	3,029	3,348
Long-term incentive scheme provision .....	82	153
Other liabilities .....	4,048	3,948
Interest bearing liabilities .....	34,634	45,714
Convertible bonds .....	4,002	4,031
Security deposits .....	1,789	1,920
Derivative financial instruments.....	129	429
Provision for taxation .....	975	483
Trade payables, receipts in advance and accruals.....	2,504	2,700
<b>Total liabilities, excluding net assets attributable to Unitholders</b> .....	<b>51,192</b>	<b>62,726</b>
Non-controlling interest .....	(27)	302
Net assets attributable to Unitholders.....	158,720	162,688
Units in issue.....	2,081,862,866	2,110,193,850
Net assets per Unit attributable to Unitholders.....	HK\$76.24	HK\$77.10

## CAPITALISATION

The following table, which should be read in conjunction with Link's audited consolidated financial statements and related notes thereto, sets out the consolidated capitalisation of Link as at 31 March 2022:

	<b>As at</b>
	<b>31 March</b>
	<b>2022</b>
	<u>(HK\$ 'M)</u>
Short-term borrowings	
Interest bearing liabilities .....	5,735
Long-term borrowings	
Interest bearing liabilities .....	39,979
Total interest bearing liabilities .....	45,714
Convertible bonds.....	4,031
Net assets attributable to Unitholders .....	162,688
Total capitalisation <sup>(1)</sup> .....	<u>212,433</u>

*Note:*

- (1) Total capitalisation represents the sum of total interest bearing liabilities, convertible bonds and net assets attributable to Unitholders. The total capitalisation of Link is subject to, among others, subsequent distributions to Unitholders, (where applicable) distribution reinvestment arrangement, valuations and operating results.

There has been no material change in the capitalisation of Link since 31 March 2022.

## STRUCTURE OF LINK

### Introduction

Link is a collective investment scheme authorised by the SFC under section 104 of the Securities and Futures Ordinance whose Units are listed on the Main Board of the Hong Kong Stock Exchange. As at the Latest Practicable Date, 2,111,875,839 Units were in issue. Link is internally managed in that the REIT Manager is a wholly-owned subsidiary of the REIT Trustee.

### The REIT Trustee

The REIT Trustee is HSBC Institutional Trust Services (Asia) Limited, a wholly-owned subsidiary of The Hongkong and Shanghai Banking Corporation Limited. The REIT Trustee is a company incorporated in Hong Kong and registered as a trust company under section 77 of the Trustee Ordinance (Chapter 29 of the Laws of Hong Kong). The REIT Trustee is qualified to act as a trustee for real estate investment trusts authorised under the Securities and Futures Ordinance pursuant to the REIT Code. As at the Latest Practicable Date, the REIT Trustee had a paid-up capital of HK\$50,000,000.

The REIT Trustee is entitled to apply, and to be reimbursed from, the Deposited Property in respect of all costs and expenses and other liabilities incurred on behalf of Link.

### The REIT Manager

The REIT Manager is a wholly-owned subsidiary of the REIT Trustee, but is functionally independent of the REIT Trustee. The REIT Manager has the responsibility for managing the assets of Link for the sole benefit of the Unitholders and sets the strategic direction and risk management policies of Link. The REIT Manager is licensed by the SFC to conduct the regulated activity of asset management in Hong Kong under the Securities and Futures Ordinance. Link is regulated by the REIT Code and the REIT Trust Deed. The REIT Manager is entitled to receive out of the Deposited Property the reimbursement of its costs and expenses reasonably incurred in managing Link, subject to a minimum of HK\$15 million per calendar month (or such other amount as may be agreed between the REIT Trustee and the REIT Manager).

### The Issuer

The Issuer, a wholly-owned subsidiary of HoldCo, was incorporated with limited liability under the laws of the Cayman Islands on 5 June 2008.

The Issuer, whose primary purpose is to act as a financing subsidiary of HoldCo, will remain a wholly-owned subsidiary of HoldCo and has not engaged, since its incorporation, in any material activities other than those regarding or incidental to its registration, the establishment of the Programme and the authorisation of documents and agreements referred to herein to which it is or will be a party and the issuing and dealing in Notes under the Programme. The Issuer will not engage in any business activity other than those in connection with the Programme or the on-lending of proceeds from the issue of Notes to Link and its other subsidiaries. The Issuer has no material assets.

The authorised share capital of the Issuer is U.S.\$50,000 comprising 50,000 shares of U.S.\$1.00 par value each. As at the Latest Practicable Date, the Issuer had an issued share capital of U.S.\$1.00, comprising one share of U.S.\$1.00 par value. No part of the equity securities of the Issuer is listed or dealt in on any stock exchange and no listing or permission to deal in such securities is being or is proposed to be sought. As at the Latest Practicable Date, the Issuer has issued unlisted and listed Notes under the Programme in an aggregate principal amount of HK\$8,918 million and U.S.\$1,000 million, respectively. The Issuer has no subsidiaries.

## Directors and Officers of the Issuer, PropCo and HoldCo

As at the date of this Offering Circular, the directors of each of the Issuer and PropCo are Mr George Kwok Lung HONGCHOY, Mr NG Kok Siong and Mr WONG Tai Lun Kenneth and the directors of HoldCo are Mr George Kwok Lung HONGCHOY and Mr WONG Tai Lun Kenneth.

The Issuer and PropCo are direct wholly-owned subsidiaries of HoldCo. HoldCo is in turn a direct wholly-owned subsidiary of the REIT Trustee. The directors of the Issuer, PropCo or HoldCo do not have any interest or short position in the shares of the Issuer, PropCo and HoldCo (except any indirect interests through their interests in the Units). Mr George Kwok Lung HONGCHOY and Mr NG Kok Siong are also directors of the REIT Manager. The interests and short positions of the directors of the REIT Manager in Link as at the Latest Practicable Date are disclosed in “Substantial Unitholders’ and Directors’ Interests — Directors’ Interests in Link”.

## Financial Statements

The Issuer, PropCo and HoldCo have not published, and do not propose to publish, any financial statements and only the consolidated financial statements of Link are published. The Issuer, PropCo and HoldCo are, however, required to keep proper books of accounts as are necessary to give a true and fair view of the state of the Issuer’s, PropCo’s and HoldCo’s affairs and to explain their transactions.

## Legal Title to the Properties

Link holds full legal title to the Properties.

## Distribution Policy

Paragraph 7.12 of the REIT Code requires a REIT to distribute to unitholders as dividends each year an amount not less than 90% of its audited annual net income after tax.

Pursuant to the REIT Trust Deed, Link is in any event required to ensure the distribution to Unitholders for each financial year of no less than 90% of its Total Distributable Income (as described in detail in the paragraph below) plus, in its discretion, any additional amount (including capital, in accordance with the accounting policies of Link) that the REIT Manager determines is distributable. It is possible that Total Distributable Income accruing to Unitholders may exceed total cash available to Link because of items such as capital expenditure. Accordingly, distributions may need to be funded by cash generated from the sale of assets and/or borrowings made in accordance with the REIT Code. In the event that the total borrowings of Link reach the borrowing limit prescribed by the REIT Code and Link does not have sufficient cash to fund distributions, distributions will be accrued until sufficient cash flow is generated to fund those distributions. The REIT Trust Deed requires the REIT Manager and the REIT Trustee to ensure that each company used to hold real estate and other assets for Link for the time being shall, insofar as permitted by the relevant constitutive documents governing such company, distribute to Link all of such company’s income for each financial year as permitted by the laws and regulations of its relevant jurisdiction of incorporation.

For these purposes, and under the terms of the REIT Trust Deed, “**Total Distributable Income**” is the consolidated audited profit after tax attributable to the Unitholders of Link and its subsidiaries for the relevant financial year, as adjusted for accounting purposes to eliminate the effects of Adjustments (as defined below) which have been recorded in the consolidated income statement for the relevant financial year.

“**Adjustments**” means the effects of: (i) unrealised property revaluation gains and losses, including impairment provisions and reversals of impairment provisions; (ii) goodwill impairment (charged) and/or negative goodwill (credited); (iii) realised gains and losses on the disposal of Relevant Investments (as defined in the section “Risk Factors — Risks Relating to Investments in Real Estate and Relevant Investments — There are general risks involved in expanding Link’s investment strategy to Relevant Investments”), properties and/or disposal of the Special Purpose Vehicle which holds such properties; (iv) fair value gains and losses on financial instruments; (v) deferred tax charges/credits in respect of property revaluation movements; (vi) other material non-cash gains and losses, in each case as recorded in the income statement for the relevant financial year; and (vii) adding back depreciation and/or



amortisation charges in respect of real estate and/or real estate related assets directly or indirectly owned by Link and used by Link (and/or any of its subsidiaries), and the leasehold improvements thereof and ancillary machinery, equipment, and other assets thereat, on which the cash available for distribution is based. For the avoidance of doubt, the Adjustments also apply to Link's share of gains, losses, charges and credits arising from an investment in a joint venture entity.

Link's current distribution practice is that two distributions will be made in respect of each financial year. Final cash distributions of HK\$1.4834 per Unit and HK\$1.4608 per Unit were paid for the financial years ended 31 March 2021 and 2022, respectively.

## LINK

### Overview

Link is the first REIT listed on the Hong Kong Stock Exchange and a constituent of the Hang Seng Index. It is currently Asia's largest REIT and one of the world's largest retail-focused REITs in terms of market capitalisation.

Link has a diversified portfolio of retail, office and logistics properties and car parking spaces in Hong Kong, Mainland China, Australia and the United Kingdom. The portfolio's retail facilities primarily serve the daily needs of its shoppers, while office and logistics properties support corporate tenants to develop their business. The car parks mainly serve tenants and customers of the retail facilities and residents of the surrounding neighbourhoods.

For the years ended 31 March 2021 and 2022, revenue from the Properties in the portfolio amounted to HK\$10,744 million and HK\$11,602 million, respectively, and total distributable amount to Unitholders amounted to HK\$6,010 million and HK\$6,419 million, respectively. As at 31 March 2022, the total market value of the Properties in the portfolio amounted to HK\$212,761 million.

As at 31 March 2021 and 2022, the borrowing to total assets ratio for Link was 18.4% and 22.0%, respectively, based on the total borrowings of HK\$38,636 million and HK\$49,745 million, (excluding the fair value of the derivative component of convertible bonds), respectively, and total assets of HK\$209,885 million and HK\$225,716 million, respectively, as at those dates.

As at 31 March 2021 and 2022, gross liabilities (excluding net assets attributable to Unitholders) of Link accounted for HK\$51,192 million and HK\$62,726 million, respectively, or 24.4% and 27.8%, respectively of total assets. As at 31 March 2021 and 2022, net assets attributable to Unitholders amounted to HK\$158,720 million and HK\$162,688 million, respectively.

As at the date of this Offering Circular, most of the Properties in Link's Hong Kong portfolio are retail facilities which primarily serve the daily needs of Hong Kong residents of the surrounding neighbourhoods, car park facilities which mainly serve the tenants and customers of such retail facilities. For the Properties in Mainland China, they comprise premium grade A office, logistics properties, retail and car park facilities and logistics properties, supporting the demand of corporate tenants for premium offices and logistics assets, and serving the needs of the local residents with respect to retail and car park facilities. Link's investments in Australia comprise a 10-storey A grade office building which is situated within a mixed-use development in the central business district of Sydney, a premium location with superior amenities and transport links relative to other central business district precincts in Sydney, 50% interests in three iconic retail properties in Sydney, and 49.9% interests in a trust which owns interests in five prime office properties located in the central business districts of Sydney and Melbourne respectively. Link's investment in the United Kingdom is a 17-storey building known as The Cabot which comprises office, retail and ancillary accommodation strategically located in Canary Wharf, one of Central London's primary business destinations, with amenities such as restaurants and retail stores.

The REIT Manager continues to review and monitor the portfolio performance of Link's Properties with a view to enhancing operating efficiency. Link's portfolio comprised 149 investments (which, for the avoidance of doubt, include the Grade-A office known as The Quayside) in Hong Kong, Mainland China, Australia and the United Kingdom as at the Latest Practicable Date.

On 2 April 2021, Link acquired 50% interest in a commercial property known as “七寶萬科廣場” (Qibao Vanke Plaza) in Shanghai, Mainland China (details of the acquisition were disclosed in the announcements published by the REIT Manager on the Hong Kong Stock Exchange on 24 February 2021 and 6 April 2021). On 28 June 2021, Link acquired a commercial property known as “太陽新天地購物中心” (Happy Valley Shopping Mall) in Guangzhou, Mainland China (details of the acquisition were disclosed in the announcements published by the REIT Manager on the Hong Kong Stock Exchange on 4 June 2021 and 28 June 2021). On 27 October 2021, Link acquired 75% interests in two logistics properties in Dongguan and Foshan, Mainland China, the total adjusted consideration for which was less than 1% of GAV of Link and all the applicable percentage ratios of which are less than 5% and as such, no announcement was required to be made pursuant to the REIT Code or Chapter 14 of the Listing Rules. On 31 December 2021, Link acquired two car park/car services centres and godown buildings in Hong Kong (details

of the acquisition were disclosed in the announcements published by the REIT Manager on the Hong Kong Stock Exchange on 10 November 2021 and 31 December 2021). On 12 May 2022, Link agreed to acquire three logistics properties in Jiaxing, Zhejiang Province, and Changshu, Jiangsu Province, Mainland China, the total consideration for which was less than 1% of GAV of Link and all the applicable percentage ratios of which are less than 5%, and as such, no announcement was required to be made pursuant to the REIT Code or Chapter 14 of the Listing Rules. On 1 June 2022, Link acquired a 49.9% interest in a trust which owns interests in five prime office properties located in the central business districts of Sydney and Melbourne, respectively, in Australia (details of the acquisition were disclosed in the announcements published by the REIT Manager on the Hong Kong Stock Exchange on 10 February 2022, 1 June 2022 and 2 August 2022). On 1 July 2022, Link acquired 50% interests in three iconic retail properties in Sydney, Australia, namely, Queen Victoria Building, The Galleries and The Strand Arcade (details of the acquisition were disclosed in the announcements published by the REIT Manager on the Hong Kong Stock Exchange on 7 November 2021 and 3 July 2022).

### **Objective**

Link's key objective is to provide Unitholders with stable distributions with the potential for long-term growth of such distributions. The REIT Manager accomplishes this objective by improving the performance and enhancing the overall quality of a large and geographically diversified portfolio of assets in Hong Kong, the PRC, Australia, the United Kingdom and other gateway cities through implementing various investment and business strategies.

### **Investment Strategy**

As at the date of this Offering Circular, Link's investment strategy is to invest in real estate (including minority-owned properties as defined in the REIT Trust Deed) of a stand-alone nature and/or forming part of a comprehensive mixed-use development, in Hong Kong and/or other overseas jurisdictions, properties which may be used for any type of lodging or accommodation purpose and Relevant Investments, and to undertake property development and related activities in respect of all types of developments that contain retail, commercial portions and/or properties which may be used for any type of lodging or accommodation purpose, subject to compliance with the REIT Code and the REIT Trust Deed. Property development and related activities may include acquisition of uncompleted units in a building by Link and property developments (including both new development projects and, where appropriate, re-development of existing real estate held by Link) but do not include refurbishments, retro-fittings and renovations.

In pursuing this investment strategy, the REIT Manager will adhere to:

- (a) investing in properties for long-term holding;
- (b) focusing on income producing properties with the potential for long term income and capital growth;
- (c) maintaining a large and diversified portfolio of retail and/or commercial portions of a comprehensive mixed-use development that also comprise areas that are neither retail nor commercial in nature;
- (d) monitoring the investments in the Relevant Investments in such manner that the overall risk profile of Link is not materially changed; and
- (e) managing the Relevant Investments on an ongoing basis to ensure that the maximum cap is observed, the investment criteria are strictly followed and the relevant requirements of the REIT Code are strictly observed.

### **Business Strategy**

The REIT Manager's business strategy for Link comprises the following growth drivers.

#### ***Asset Management Initiatives for Operational Enhancements***

The REIT Manager has put in these measures under a disciplined and dedicated asset management team to drive net rental income and operational efficiency for higher profitability which include:

- disciplined and efficient portfolio management and cost control with the leasing, marketing, project and planning, and asset development functions of the REIT Manager working closely to drive the development and execution of asset enhancement plans across a variety of Link's Properties;

- pro-active retail leasing, managing renewals, increasing the proportion of turnover rents and sourcing new tenants in order to improve the average occupancy rate and minimise the vacancy rate of the Properties and enhance reversion rate;
- continual improvement in tenant mix, by active monitoring and market research and improving the layout of facilities through the review of and reconfiguration of selected Properties in order to enhance rental potential and improve the shopping environment;
- improvement in operational efficiency and control in operating costs through a more active management of costs, taking advantage of economies of scale, reviewing the property management arrangements of the Properties, consolidating the number of Car Park Operators, reviewing energy consumption and efficiency of equipment and enhancing the use of information technology in the Properties;
- enhancement of profitability of the car park facilities by bringing pricing policies in line with market conditions and demand, reviewing the remuneration structure of the Car Park Operators and increasing the use of new technology;
- delivery of improved quality services responsive to the needs of tenants and shoppers, including efficient and effective maintenance services;
- active marketing and promotion by organising events, promotional initiatives and advertising campaigns in order to increase shopper traffic; and
- pursuing additional and new revenue opportunities, including the temporary leasing of atrium space or other common areas for promotional events by tenants, the erection of advertising billboards, and rental of space for public amenities, such as automated teller machines and vending machines.

### ***Business Growth Drivers***

Link's business model provides a full range of growth drivers encompassing:

- (a) asset enhancement to properties with further income growth potential;
- (b) asset management of the entire portfolio;
- (c) acquisition of quality assets with both income and capital growth potential;
- (d) capital recycling through disposal of properties;
- (e) property development to design, build and hold; and
- (f) (where appropriate) re-development of existing properties for long-term growth.

The ability to develop retail and commercial assets, together with asset acquisition and disposal, enables Link to accelerate the optimisation of its asset portfolio in Hong Kong, the PRC, Australia and the United Kingdom. These drivers complement each other by adding different capabilities at different points in time, and together they drive the growth at various stages of Link's development.

### **Competitive Strengths of the Portfolio**

The REIT Manager believes that the portfolio comprising the Properties in Hong Kong, the PRC, Australia and the United Kingdom has the following strengths:

- *Scale and diversity.* Link has a diversified portfolio of retail and office properties and car parking spaces in Hong Kong and Mainland China. The six flagship Properties contributed only 19.7% of total retail rental revenue of Link's Hong Kong portfolio for the year ended 31 March 2022.
- *Focus on essential goods and services.* Most of the Properties are located in Hong Kong and the tenants of these Properties generally focus on providing essential consumer goods and services to surrounding households.

- *Extensive reach.* The portfolio's assets in Hong Kong are spread throughout Hong Kong Island, Kowloon and the New Territories, mainly serving the daily needs of residents of the surrounding neighbourhood. In the Mainland China, Australia and the United Kingdom, Link's Properties are located in major cities including Shenzhen, Guangzhou, Shanghai, Beijing, Sydney, Melbourne and London.
- *Convenient and strategic locations.* The Properties in Hong Kong are located adjacent to Housing Estates and private sector housing and therefore benefit from a large neighbourhood shopper base and many of them are served by public transportation systems. Link's Properties in the PRC are mainly in prime locations in Shenzhen, Guangzhou, Shanghai and Beijing, being Tier-1 cities in the PRC with strong GDP growth and good retail prospects. Link's Properties in Australia and the United Kingdom are also in locations with excellent accessibility and connectivity.
- *Stable and high occupancy level.* The occupancy rates of Link's retail facilities in Hong Kong reflect sustainable and consistent levels of demand for Link's retail space which were approximately 96.8% and 97.7% as at 31 March 2021 and 2022, respectively. For Link's existing Properties in Mainland China, the overall retail and office occupancy rates were 88.5% and 97.0%, respectively, as at 31 March 2022. For Link's Properties in Australia and the United Kingdom, the office occupancies of both Properties were 100%, as at 31 March 2022.
- *Diverse tenant base.* Retail facilities in Hong Kong benefit from a large and diverse tenant base comprising over 9,000 individual Leases as at 31 March 2022. The major tenants include some of Hong Kong's well-known brand-name stores.

## Valuation

Colliers International (Hong Kong) Limited was appointed as the principal valuer of Link in accordance with the REIT Code effective from 17 November 2019.

Total value of the Properties was HK\$212,761 million as at 31 March 2022, as compared to HK\$199,074 million as at 31 March 2021. The aggregate value of the retail facilities, car park facilities and office facilities within the portfolio in Hong Kong was HK\$122,878 million, HK\$40,102 million and HK\$8,860 million, respectively, as at 31 March 2022, as compared to HK\$124,581 million, HK\$31,516 million and HK\$8,943 million of the retail facilities, car park facilities and office facilities within the portfolio in Hong Kong, respectively, as at 31 March 2021. Movements in fair values of the Properties for the year ended 31 March 2022 are tabulated below.

	<b>Fair Value</b>
	<b>(HK\$'M)</b>
At 1 April 2021 <sup>(1)</sup> .....	199,074
Additions .....	859
Acquisitions of assets .....	11,348
Exchange adjustments .....	1,054
Change in fair values .....	426
At 31 March 2022 <sup>(2)</sup> .....	<u>212,761</u>

### Notes:

- (1) Blended capitalisation rate for Hong Kong properties: 3.01%-5.10%; PRC properties: 4.25%-4.75%.
- (2) Capitalisation rate for Hong Kong retail properties, car parks and office property: 3.10%-4.50%, 2.90%-5.30% and 3.00%, respectively. Capitalisation rate for Mainland China retail properties, office properties and logistics properties: 4.25%-4.75%, 4.25% and 5.00%, respectively.

Colliers International (Hong Kong) Limited prepared the valuations in accordance with the prevailing valuation standards, namely, the Royal Institution of Chartered Surveyors' RICS Valuation – Global Standards, incorporating the International Valuation Standards Council's (IVSC) International Valuation Standards, the Hong Kong Institute of Surveyors' HKIS Valuation Standards 2020 and Chapter 6 of the REIT Code issued by the SFC in December 2020. The Properties were appraised by Colliers International (Hong Kong) Limited, using the income capitalisation approach as the primary approach with cross-referencing to the direct comparison approach.

## Details of the Properties in Hong Kong

### Revenue Distribution

The following table sets out details of the total retail rentals in Hong Kong for the year ended 31 March 2022:

	No. of Properties	Total Retail Rentals	Total Retail Rentals	Cumulative % of Total Retail Rentals
		2022	2022	2022
		(HK\$'M)	(%)	(%)
Destination <sup>(1)</sup> .....	6	1,225	20	20
Community <sup>(2)</sup> .....	35	3,514	56	76
Neighbourhood <sup>(3)</sup> .....	57	1,484	24	100
Total .....	98	6,223	100	100

Notes:

- (1) Flagship assets. Target shoppers from immediate and regional catchments.
- (2) Mid-size shopping centres which offer full range of shopping and dining options.
- (3) Relatively smaller assets which provide essential goods and services for daily living.

For the years ended 31 March 2021 and 2022, total retail revenue amounted to HK\$6,900 million and HK\$7,089 million, respectively, and total car park and related business revenue amounted to HK\$1,888 million and HK\$2,138 million, respectively, for the same years.

### Location and Reach

Properties in Hong Kong are spread across Hong Kong Island, Kowloon and the New Territories (including Lantau Island). Properties located in the New Territories (including Lantau Island), Kowloon and on Hong Kong Island are estimated to account for approximately 51%, 42% and 7%, respectively, of the total number of Properties in Hong Kong as at 31 March 2022.

The REIT Manager will continue to assess a select number of centres within its portfolio for enhancement potential. Some old centres may present opportunities to benefit from potential rental upside from refurbishment or enhancement, particularly for well-located centres with larger catchment sizes and the potential to improve market share of shopper spending within the catchment. For those old centres serving smaller local and estate catchments that may not be able to demonstrate the same level of rental upside from refurbishment or enhancement, the REIT Manager's capital expenditure strategy is to ensure ongoing effective maintenance and management. See "Link — Asset Enhancements in Hong Kong".

## Competition in Hong Kong

### Retail Facilities

Whilst the threat of competition is always a risk, there are a number of features of the retail facilities in Hong Kong that afford protection against current and future competition. These are:

- *Location.* Most of the Properties hold key locations within or close to the Adjacent Housing Estates and as such provide convenient shopping for the residents of the Adjacent Housing Estates who constitute the primary catchment of such Properties. In addition, all the retail facilities are served by public transportation systems which add to the ease of shopper access.
- *Catering to the daily needs of shoppers.* The retail facilities in Hong Kong cater mainly to the daily necessities and convenience needs of the residents of the surrounding neighbourhoods. The REIT Manager believes that proximity to, and ease of accessibility by, their customer bases are important competitive advantages of the retail facilities.
- *Unavailability of sites are a barrier to entry.* The retail facilities in Hong Kong are mainly located in densely built areas and, as such, the general lack of development sites in their immediate vicinities limits the threat of new competition.

### Car Park Facilities

The car park facilities in Hong Kong remain competitively well-positioned by virtue of their locations and the resulting underlying demand from residents of, and visitors to, the surrounding neighbourhoods and from tenants of, and shoppers at, the retail facilities.

## Details of Retail Facilities in Hong Kong

### Occupancy Rates and Vacancy Rates

The following table sets out the composite breakdown of the occupancy rates and vacancy rates for retail facilities in Hong Kong as at 31 March 2021 and 2022, respectively:

Category	Occupancy Rate		Vacancy Rate	
	31 March 2021	31 March 2022	31 March 2021	31 March 2022
	(%)	(%)	(%)	(%)
Shops.....	97.0	98.1	3.0	1.9
Markets/Cooked Food Stalls.....	94.4	95.2	5.6	4.8
Education/Welfare and Ancillary.....	98.4	97.0	1.6	3.0
<b>Total</b> .....	<b>96.8</b>	<b>97.7</b>	<b>3.2</b>	<b>2.3</b>

The average monthly unit rent has increased from HK\$62.4 per square foot as at 31 March 2021 to HK\$62.7 per square foot as at 31 March 2022.

The average reversion rate of retail facilities in Hong Kong was -1.8% and 4.8% for the years ended 31 March 2021 and 2022, respectively. The REIT Manager considers that reversion rates at individual shopping centres may show large variances as rental levels are affected by the local operating business environment and the quality of the individual centres. In instances where planned and phased re-alignment of trade mix and asset enhancement projects are being carried out, tenancies have been renewed on terms of less than three years which is the usual term for commercial leases. Such short-term extensions have also affected the reversion rate as they were granted at minimal adjustment. As a result of the current market conditions in Hong Kong (see “Risk Factors — The Properties are subject to the risk of non-renewal of expiring Leases”), the REIT Manager may take a longer period to negotiate the renewal of the expiring Leases at higher rent levels.



## Tenant Profile

Retail facilities in Hong Kong had a diverse tenant base of approximately 9,000 individual Leases as at 31 March 2022, including tenants of well-known brand-name stores in Hong Kong and individual operators selling convenience-based goods.

## Trade Mix

As at 31 March 2022, the retail trade mix by monthly rent was as follows: 27.9% of the tenants were engaged in the food and beverage trade, 22.1% were supermarket and foodstuff tenants and 50.0% were engaged in other types of trades.

The table below sets out the retail trade mix by reference to monthly rent as at 31 March 2022:

Trade	% of Monthly Rent
Food and Beverage .....	27.9
Supermarket and Foodstuff.....	22.1
Markets/Cooked Food Stalls .....	16.8
Services .....	10.7
Personal Care/Medicine.....	5.4
Education/Welfare and Ancillary.....	1.0
Valuable Goods (Jewellery, Watches and Clocks).....	0.7
Others <sup>(1)</sup> .....	15.4
<b>Total</b> .....	<b>100.0</b>

*Note:*

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

## Leases

### Terms

Most of the current Leases for retail facilities in Hong Kong are under a standard lease form and for terms ranging from one to three years (with longer lease terms generally being available for larger premises such as department stores, supermarkets, large restaurants and banks). For certain new lettings where a large floor space has been let or the prospective tenant has committed to making a significant initial capital investment, a longer lease term is granted.

Leases typically have provided for a deposit of two to three months' rent in cash and/or in the form of a bank guarantee in lieu of cash, with tenants paying a fixed base monthly rent. Rent-free period is given to new tenants moving into the premises for fitting-out purposes, the duration of which will vary depending on lease term.

### Leasing Strategy

The objective of the REIT Manager's leasing strategy is to secure suitable tenants, rent levels and trade mix consistent with the REIT Manager's portfolio management strategy for each shopping centre.

The REIT Manager's leasing policy is characterised by:

- a flexible approach to Lease negotiation in order to ensure a stabilised outcome for each centre, consistent with portfolio management objectives;

- a pro-active and responsive approach aimed at ensuring that Lease transactions are concluded efficiently and that rents reflect market levels;
- a policy of actively seeking potential new tenants to take up space in the centres or to encourage existing retailers to expand their presence across additional centres;
- ongoing dialogue and communication with tenants including providing a forum for business consultancy services for tenants, tenants' newsletter and opinion surveys; and
- the development of a system to assist the REIT Manager in gauging the sales of tenants through the use, for example, of footfall surveys. This will allow the REIT Manager to better assess the performance of the centres and tenants over time.

The REIT Manager has introduced a series of marketing initiatives to shoppers in selected Properties for the purposes of helping tenants increase sales turnover and generate more profits.

### ***Lease Profile***

The following table sets out data in relation to the Lease expiry profiles of the total retail space as at 31 March 2022 for each of the indicated periods set out below:

	<b>IFA of Expiring Leases</b>	<b>Monthly Rent of Expiring Leases</b>
	<b>(%)</b>	<b>(%)</b>
<b>Year ending 31 March</b>		
2023 .....	31.4	34.1
2024 .....	26.2	28.5
2025 .....	22.6	19.9
2026 and beyond.....	10.4	9.7
Short-term lease and vacancy .....	9.4	7.8
Total.....	100.0	100.0

## **The Car Park Facilities in Hong Kong**

### **Overview**

As at 31 March 2022, the car park facilities comprised approximately 57,000 car park spaces and two car park/car service centres and godown buildings in Hong Kong.

### **Details of the Car Park Facilities in Hong Kong**

#### **User Profile**

The Government Leases for car park facilities in Hong Kong generally have restrictions that they can only be leased to residents of specific housing estates, occupiers of relevant Properties and their bona-fide visitors. For the financial year ended 31 March 2022, monthly parking, hourly parking and car park related business accounted for 71%, 26% and 3% of total car park receipts, respectively. Hourly parking on the part of out-of-district shoppers rose significantly as people preferred to drive while monthly parking remained stable.

#### **Car Park Income per Month**

For the years ended 31 March 2021 and 2022, the average car park income per month, which is the car park income divided by the number of months in the year, was approximately HK\$157 million and HK\$178 million, respectively.

## **Property Management in Hong Kong**

Some of the property management tasks, such as cleaning, security and day-to-day minor repairs, have been contracted out to external services providers. For the years ended 31 March 2021 and 2022, property managers' fees, security and cleaning costs represented approximately 28.3% and 26.6%, respectively, of total property expenses in Hong Kong. Day-to-day operations and management of Link's car parks have also been contracted out to external car park operators under the supervision of Link's dedicated property management and operations team.

## **Maintenance in Hong Kong**

The REIT Manager is responsible for the implementation of shopping centre improvement programmes, as well as day-to-day inspections, repair and routine maintenance works to the building fabrics, building services installations and plumbing and drainage works. These services are provided through the REIT Manager's maintenance contractors, who are responsible for implementing and managing the repair and maintenance programmes for the Properties.

Maintenance activities in respect of the Properties are carried out on a regular basis. Maintenance works on the car park facilities are also carried out on a regular basis to ensure that the quality of the car parks remains comparable to that of the adjacent shopping centres.

## **Properties in Mainland China**

As at the Latest Practicable Date, Link's Mainland China portfolio comprises ten properties: (i) Link Plaza · ZGC – an upper mid-market shopping mall in Beijing; (ii) Link Square 1 and 2 – two Premium Grade A office towers connected by a retail podium and pavilion in Shanghai, with car parks beneath both properties; (iii) Link Plaza · Guangzhou – a mass to mid-market shopping mall in Guangzhou; (iv) Link Plaza · Jingtong – a property comprising retail floors from Basement 1 to Level 6 and car parks located in Beijing; (v) Link CentralWalk – a 5-storey shopping mall with car parks in Shenzhen; (vi) Qibao Vanke Plaza – 50% interest in a 5-storey commercial development with a 3-storey basement in Shanghai; (vii) Happy Valley Shopping Mall – an 8-storey commercial development with a 4-storey basement and a car park in Guangzhou; (viii) 75% interests in two logistics properties in Dongguan and Foshan; and (ix) one logistics property in Jiaxing.

As at 31 March 2022, excluding Happy Valley Shopping Mall which was under asset enhancement planning, the overall occupancy rates of the retail portfolio and office portfolios in Mainland China were 88.5% and 97.0% respectively, whilst the reversion rates of the retail portfolio and office portfolios in Mainland China were 8.8% and -8.1%, respectively, for the year ended 31 March 2022.

## **Property in Australia**

On 1 June 2022, Link acquired a 49.9% interest in a trust which owns interests in five prime office properties located in the central business districts of Sydney and Melbourne respectively in Australia (details of the acquisition were disclosed in the announcements published by the REIT Manager on 10 February 2022, 1 June 2022 and 2 August 2022). On 1 July 2022, Link acquired 50% interest in three iconic retail properties in Sydney, Australia, namely, Queen Victoria Building, The Galleries and The Strand Arcade (details of the acquisition were disclosed in the announcements published by the REIT Manager on 7 November 2021 and 3 July 2022).

As at the Latest Practicable Date, Link's Australia portfolio comprised one wholly-owned office tower and two investments in joint ventures: (i) 100 Market Street – a 10-storey Grade A office tower located in the central business district of Sydney; (ii) a 50% interest in Queen Victoria Building, The Galleries and The Strand Arcade – three iconic retail assets in the central business district in Sydney; (iii) a 49.9% interest in the Investa Gateway Office venture which holds five prime office properties located in the central business districts in Sydney (126 Phillip Street, 388 George Street, 151 Clarence Street and 347 Kent Street) and Melbourne (567 Collins Street).

## Property in the United Kingdom

As at the Latest Practicable Date, Link's United Kingdom portfolio comprised one wholly-owned office tower, namely, The Cabot which is a 17-storey premium grade A office building located in Canary Wharf in London. The office spaces are fully occupied by blue-chips tenants which possess long WALE of over nine years.

The overall occupancy rates of the retail portfolio and office portfolios in Australia and the United Kingdom were 95.5% as at 30 April 2022 and 100% as at 31 March 2022 respectively. The total revenue and net property income of the office portfolio in Australia and the United Kingdom amounted to HK\$482 million and HK\$339 million, respectively, for the year ended 31 March 2022.

## Asset Enhancements in Hong Kong and Mainland China

The REIT Manager believes that asset enhancement will continue to be one of the fundamental drivers to improve the quality of the portfolio in tandem with re-aligning existing tenancies and introducing new trade and tenant mix to improve rental income.

The REIT Manager's asset enhancement strategy is focused in particular on those shopping centres with relatively greater rental upside potential by virtue of location, catchment size and market share. Refurbishment of the shopping centres and improvement in the standard and appeal of tenant fitouts, shop fronts and store concepts will reposition the shopping centres and attract shoppers across a broader age range, and thereby increase the rental potential of the shopping centres.

Short-term extensions to existing tenancies or short-term tenancies, where practicable, are let to reduce rent-free periods prior to renovations. The REIT Manager plans to prudently manage the leasing risk of the Properties which are undergoing asset enhancements.

All refurbishment and renovation enhancements will be subject to required statutory approvals. In addition, the REIT Manager will need to plan and implement the execution of the asset enhancements in accordance with the terms of the relevant Leases or as otherwise agreed with the relevant tenants. See "Risk Factors — The REIT Manager may not be able to implement its strategy".

From time to time, feasibility studies will be undertaken by the REIT Manager to identify additional asset enhancement opportunities in the future.

Asset enhancement opportunities fall broadly into four categories, as outlined below:

- *Design and Layout Opportunities:* Increasing the efficiency of net lettable area by changing layouts subject to any lease restrictions or covenants, and replacement with retail tenants willing to pay market rent.
- *Trade and Tenant Mix Opportunities:* Drawing up detailed trade mix plans of each shopping centre to improve location of trades and compatibility of tenants; attracting more brand name retailers into the shopping centres; reducing duplication between the Properties; relaxing the trade mix restrictions and widening the classes of retailers within the shopping centres.
- *Catchment Area Opportunities:* Taking advantage of increases in resident populations, transport infrastructure developments and tourism at locations such as Temple Mall North (formerly named Lung Cheung Plaza and located next to Wong Tai Sin Temple) and Stanley Plaza (located next to the Stanley waterfront area).
- *Branding Opportunities:* Amongst selected Properties, branding retail facilities to take advantage of their characteristics in terms of location, context, trade mix and customer profile.

The following tables set out the status of capital expenditure in respect of the asset enhancement projects of Link's Properties as at 31 March 2022:

## Approved Asset Enhancement Projects Underway

Approved Projects Underway as at 31 March 2022		
	Estimated Costs	Target completion Date
	(HK\$'M)	
Tai Yuen Market .....	22	Mid 2022
Lok Fu Market.....	32	Mid 2022
Tak Tin Market .....	73	Mid 2022
	127	

## Ownership of the Properties

Link holds full legal title to the Properties.

## Insurance

The Properties are insured against, among other risks, those associated with property damage and public liability. Link has valid insurance and will maintain insurance, in each case, as required by and in accordance with the REIT Code. The REIT Manager has also put in place employee compensation and third-party motor vehicle liability insurances, which are statutory insurance requirements.

## Environmental Compliance

As Properties are repositioned and updated, Link's policy is to comply with applicable environmental laws and regulations, including those relating to waste disposal, water pollution control, air pollution control and noise control.

Under HKHA's ownership, an asbestos abatement programme was implemented. ACBMs were removed from those HA Properties transferred from HKHA, with the exception of a small percentage of facilities at which traces of these materials remain in locations considered by HKHA to be inaccessible. However, rectification or remedial action may need to be taken in relation to the remaining ACBMs, and the costs incurred in respect of such rectification or remedial action may be significant. See "Risk Factors — Environmental contamination or compliance problems could require Link to incur material costs".

## Intellectual Property Rights

Link operates under the names of "Link Real Estate Investment Trust" and "領展房地產投資信託基金". The REIT Manager has registered the corporate marks/logo of Link as trade marks in various classes of goods and services in Hong Kong. The REIT Manager has also registered the trademarks "LINK領展", "領展", "领展", "Link Square", "领展企业广场", "Link Square 领展企业广场", "Link Plaza", "领展购物广场", "Link Plaza 领展购物广场", "领展中心城", "LINK CentralWalk", "领展中心城 LINK CentralWalk" and logos in the PRC. The REIT Manager has also registered the trademarks "領展", "领展" and "Link icon" logo in Australia, and the trademarks "領展", "领展", "Link icon" logo, "LINK" logo, "LINK領展" logo and "LINK SQUARE" in the United Kingdom.

## Legal Proceedings

As at the date of this Offering Circular, Link is not engaged in any material litigation or arbitration proceeding affecting the Properties and no such material litigation or claim is known by the REIT Manager to be pending or threatened against it. In addition, none of Link, the REIT Manager, HoldCo, PropCo, the Issuer and other companies

or entities owned and controlled by Link in accordance with the REIT Code and the REIT Trust Deed is a party to any legal proceedings of a material nature nor is any material litigation pending or threatened against any of them.

## MANAGEMENT AND EMPLOYEES OF THE REIT MANAGER

### The Board

The board of directors of the REIT Manager (the “**Board**”) leads the corporate strategy and direction of Link. It supervises and monitors the performance of management, scrutinises control and governance functions to ensure sound internal controls and risk management systems, approves major financial decisions and reviews the overall performance of Link. There is a clear division of responsibilities between the Board and the management.

As at the date of this Offering Circular, the Board comprises twelve (12) directors (the “**Directors**”), including nine (9) Independent Non-Executive Directors, one (1) Non-Executive Director and two (2) Executive Directors, being the Chief Executive Officer and the Chief Financial Officer respectively. The Chief Executive Officer and the Chief Financial Officer are, among others, licensed responsible officers of the REIT Manager for the purposes of the Securities and Futures Ordinance.

### Directors

The Directors of the REIT Manager as at the date of this Offering Circular are:

Name	Age	Position
<b>Chairman</b>		
Nicholas Charles ALLEN .....	67	Chairman (also an Independent Non-Executive Director)
<b>Executive Directors</b>		
George Kwok Lung HONGCHOY .....	60	Executive Director & Chief Executive Officer
NG Kok Siong .....	51	Executive Director & Chief Financial Officer
<b>Non-Executive Director</b>		
Ian Keith GRIFFITHS .....	67	Non-Executive Director
<b>Independent Non-Executive Directors</b>		
Christopher John BROOKE. ....	54	Independent Non-Executive Director
Ed CHAN Yiu Cheong . ....	59	Independent Non-Executive Director
Jenny GU Jialin .....	53	Independent Non-Executive Director
Lincoln LEONG Kwok Kuen.....	61	Independent Non-Executive Director
Blair Chilton PICKERELL.....	65	Independent Non-Executive Director
Poh Lee TAN. ....	63	Independent Non-Executive Director
Peter TSE Pak Wing. ....	71	Independent Non-Executive Director
Nancy TSE Sau Ling. ....	69	Independent Non-Executive Director

Information on the qualifications and experience of the Directors is set out below:

#### Mr Nicholas Charles ALLEN (“Mr Nicholas ALLEN”)

##### *Chairman and Independent Non-Executive Director*

Mr Nicholas ALLEN has been an Independent Non-Executive Director of the REIT Manager since February 2016 and the Chairman of the Board since April 2016. He is also the chairman of the Finance and Investment Committee and the Nomination Committee of the REIT Manager.

Mr Nicholas ALLEN is currently an independent non-executive director of CLP Holdings Limited and Hong Kong Exchanges and Clearing Limited (both are listed on the Main Board of the Hong Kong Stock Exchange). He is also



an independent non-executive director of Mordril Properties Limited (a private property company based in Hong Kong). He was an independent non-executive director of Hysan Development Company Limited and Lenovo Group Limited (both are listed on the Main Board of the Hong Kong Stock Exchange) and VinaLand Limited (which was listed on the AIM of the London Stock Exchange). He was also an independent non-executive director of Stevin Rock LLC and RAK Rock LLC (both are private quarry companies located in the United Arab Emirates).

Mr Nicholas ALLEN has extensive experience in accounting and auditing as well as securities and regulatory matters. He retired as a partner of PricewaterhouseCoopers in 2007. Mr Nicholas ALLEN served on the Securities and Futures Appeals Panel, the Takeovers and Mergers Panel, the Takeovers Appeal Committee, the Share Registrars' Disciplinary Committee of the SFC and as member of various committees of the Hong Kong Institute of Certified Public Accountants. He was an honorary advisor to the Financial Reporting Council of Hong Kong and a director of Vision 2047 Foundation.

Mr Nicholas ALLEN holds a Bachelor of Arts degree in Economics/Social Studies from The University of Manchester. He is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Hong Kong Institute of Certified Public Accountants. He is awarded "Directors of the Year 2017" by The Hong Kong Institute of Directors.

### **Mr George Kwok Lung HONGCHOY ("Mr George HONGCHOY")**

#### *Executive Director and Chief Executive Officer*

Mr George HONGCHOY has been an Executive Director and Chief Executive Officer of the REIT Manager since February 2009 and May 2010 respectively, and a member of the Finance and Investment Committee and the Nomination Committee of the REIT Manager. He is also one of the responsible officers of the REIT Manager for the purposes of the Securities and Futures Ordinance, a director of HoldCo, PropCo, FinanceCo and a number of subsidiaries of Link.

He is the chairman of the Supervisory Committee of the Tracker Fund of Hong Kong (a Hong Kong unit trust authorised under section 104 of the Securities and Futures Ordinance whose units are listed on the Main Board of the Hong Kong Stock Exchange), a trustee of the University of Pennsylvania, an adjunct professor of the Department of Real Estate and Construction of The University of Hong Kong and an advisor of Our Hong Kong Foundation Limited.

Mr George HONGCHOY began his career in New Zealand and has since moved into senior management positions in financial consulting, investment banking and real estate investment.

He was named one of Harvard Business Review's 100 Best Performing CEOs in the World 2019, the Country Winner of Hong Kong/Macau Region in the EY Entrepreneur of the Year 2017 China Award, Business Person of the Year by DHL/SCMP Hong Kong Business Awards in 2015, and was also presented with the Director of the Year Award (Listed Companies — Executive Directors) by The Hong Kong Institute of Directors in 2011.

Mr George HONGCHOY holds a Bachelor of Commerce degree from the University of Canterbury and an MBA degree from The Wharton School, University of Pennsylvania. He is a Chartered Accountant, a Senior Fellow and a member of the Corporate Advisory Council of the Hong Kong Securities and Investment Institute, a Fellow member of The Hong Kong Institute of Directors, the Hong Kong Institute of Certified Public Accountants, the Chartered Accountants Australia and New Zealand, the Royal Institution of Chartered Surveyors, and the Institute of Shopping Centre Management.

### **Mr NG Kok Siong ("Mr KS NG")**

#### *Executive Director and Chief Financial Officer*

Mr KS NG has been as an Executive Director of the REIT Manager since February 2020. He has been the Chief Financial Officer and a member of the Finance and Investment Committee of the REIT Manager since May 2018. He is also one of the responsible officers of the REIT Manager for the purposes of Securities and Futures Ordinance, a director of PropCo, FinanceCo and a number of subsidiaries of Link. Mr KS NG has extensive experience in the real estate sector in Asia covering a spectrum of strategic management roles in finance, investment, corporate

development and business technology. Since joining CapitaLand Group in 2005, Mr KS NG held various senior executive positions, including Chief Corporate Development Officer of CapitaLand Limited (a company listed on the Singapore Exchange Limited), Chief Financial Officer of CapitaMalls Asia Limited (currently known as CapitaLand Mall Asia Limited), and Group Chief Digital Officer of CapitaLand Limited. He was also a director and audit committee member of two real estate investment trusts in Singapore and Malaysia, namely CapitaLand Retail China Trust Management Limited (the manager of CapitaLand Retail China Trust listed on the Singapore Exchange Limited) and CapitaLand Malaysia Mall REIT Management Sdn. Bhd. (the manager of CapitaLand Malaysia Mall Trust listed on Bursa Malaysia Securities Berhad). Prior to joining CapitaLand Group, Mr KS NG has worked in ExxonMobil and Royal Dutch Shell across Asia and Europe in various roles including planning and appraisal, information systems, finance and investment management. Mr KS NG holds a Bachelor's degree in Accountancy (Honours) from Nanyang Technological University of Singapore and attended the Tuck Executive Program at Dartmouth College.

**Mr Ian Keith GRIFFITHS (“Mr Keith GRIFFITHS”)**

*Non-Executive Director*

Mr Keith GRIFFITHS has been a Non-Executive Director of the REIT Manager since September 2007. He is also a member of the Finance and Investment Committee of the REIT Manager. Mr Keith GRIFFITHS has lived in Hong Kong since 1983. He is the founder and chairman of the architectural practice Aedas which has been one of the world's ten largest architectural practices since 2006. Aedas has its headquarter in Hong Kong and 12 global offices with 1,200 staff members in Asia, the Middle East, Europe and North America. Mr Keith GRIFFITHS studied Architecture at St John's College, University of Cambridge, graduating with distinction in 1978 and was admitted to The Royal Institute of British Architects in 1980. He is a Fellow of The Hong Kong Institute of Architects and an Honorary Fellow of the University of Wales Trinity Saint David and Cardiff University. He has extensive experience in high density urban planning and in the design of high-rise commercial and residential buildings, airports and civic facilities throughout Asia. He lectures, writes, videos and posts widely concerning high-density design, urban renewal, transport oriented and mixed use development, live-work office, retail and community engagement. Mr Keith GRIFFITHS established the Griffiths-Roch Foundation in 2009 to purchase and restore Roch Castle, Penrhiw Priory and Twr y Felin as luxury historic hotels in Wales.

**Mr Christopher John BROOKE (“Mr Christopher BROOKE”)**

*Independent Non-Executive Director*

Mr Christopher BROOKE has been an Independent Non-Executive Director of the REIT Manager since May 2018. He is also a member of the Finance and Investment Committee and the Remuneration Committee of the REIT Manager. Mr Christopher BROOKE is a business advisor to VationX (formerly known as Proxy Inc.) and a member of the Advisory Board of Kerb Holdings Company Pty Limited. He is a Chartered Surveyor, a Fellow of the Royal Institution of Chartered Surveyors (“RICS”) and a member of The Hong Kong Institute of Surveyors. Mr Christopher BROOKE was the global president of the RICS between November 2018 and December 2019 and the Interim Chair of the Governing Council of the RICS between December 2019 and September 2021. In addition, he is a member of the Urban Land Institute and a director of the Hong Kong Rugby Union. Between October 2016 and March 2020, Mr Christopher BROOKE was a co-founder and director of Brooke Husband Limited. Prior to this period, Mr Christopher BROOKE held a number of senior management positions at CBRE, relating to both China and Asia, between July 2002 and December 2015 (including his last position as Executive Managing Director, Consulting, Asia Pacific). He was also a long standing member of the Asia Pacific Strategic Group within CBRE. Mr Christopher BROOKE held various positions at Brooke Hillier Parker, Brooke International and Insignia Brooke between March 1992 and July 2003 before joining CBRE in 2003 via the acquisition of Insignia Brooke by CBRE. Mr Christopher BROOKE started his career in 1989 as a graduate surveyor at Hillier Parker in the United Kingdom, prior to relocating to Hong Kong in 1992. He obtained a Bachelor of Arts degree in Land Economy from the University of Cambridge.

## **Mr Ed CHAN Yiu Cheong (“Mr Ed CHAN”)**

### *Independent Non-Executive Director*

Mr Ed CHAN has been an Independent Non-Executive Director of the REIT Manager since February 2016. He is also a member of the Finance and Investment Committee and the Remuneration Committee of the REIT Manager. Mr Ed CHAN is a non-executive director of Treasury Wine Estates Limited (which is listed on the Australian Securities Exchange). Mr Ed CHAN was previously an executive director and the vice chairman of C.P. Lotus Corporation (which was listed on the Main Board of the Hong Kong Stock Exchange), a vice chairman of Charoen Pokphand Group Company Limited, an operating partner of SoftBank Investment Advisers and an independent non-executive director of Yum China Holdings, Inc. (which is listed on the New York Stock Exchange and the Main Board of the Hong Kong Stock Exchange). In addition, he was a partner of Gaorong Capital from July 2020 to June 2022, the president and chief executive officer of Walmart China from November 2006 to October 2011, and held senior positions with the Dairy Farm Group from November 2001 to November 2006 (including his last position as Regional Director, North Asia). Mr Ed CHAN also led Bertelsmann Music Group business in Greater China. Mr Ed CHAN began his career as a consultant with McKinsey & Co working in both Hong Kong and the United States. He obtained a Bachelor degree from The University of Chicago and a Master degree from the Sloan School of Management, Massachusetts Institute of Technology.

## **Ms Jenny GU Jialin (“Ms Jenny GU”)**

### *Independent Non-Executive Director*

Ms Jenny GU has been an Independent Non-Executive Director of the REIT Manager since August 2021. She is also a member of the Audit and Risk Management Committee of the REIT Manager. Ms Jenny GU is a chartered certified accountant with a wealth of experience in multi-national business, consulting and investment. She is currently the Chief Executive Officer, China of the luxury group Richemont where she brings expertise in both on and off-line retail, strategy and transformation. Prior to Richemont, Ms Jenny GU held leadership positions in PPG Consulting Company Limited, TPG Capital, L.P. and Nike, Inc., where her career spanned across Mainland China, Hong Kong, the United States, Singapore and Taiwan. Ms Jenny GU is qualified as a chartered certified accountant in the United Kingdom in 1998 and was a Council Member (Global) of The Association of Chartered Certified Accountants (ACCA) from 2009 to 2021. She was the first female from Mainland China to hold the role of ACCA President from 2019 to 2020. Ms Jenny GU holds an Executive Master of Business Administration from the Kellogg School of Management at Northwestern University and The Hong Kong University of Science and Technology, and both Bachelor of Philosophy and Master of Philosophy degrees from Fudan University.

## **Mr Lincoln LEONG Kwok Kuen (“Mr Lincoln LEONG”)**

### *Independent Non-Executive Director*

Mr Lincoln LEONG was appointed as an Independent Non-Executive Director of the REIT Manager in March 2021. He is also a member of the Audit and Risk Management Committee of the REIT Manager. Mr Lincoln LEONG is a chartered accountant and has extensive experience in commerce and investment banking. He is an independent non-executive director of SUNeVision Holdings Ltd. (which is listed on the Main Board of the Hong Kong Stock Exchange) and a non-executive director and the chairman of the Audit Committee of Hongkong Land Holdings Limited (which is listed on the London Stock Exchange, Bermuda Stock Exchange and Singapore Exchange Limited). Mr Lincoln LEONG is also an independent non-executive director of Standard Chartered Bank (Hong Kong) Limited. Mr Lincoln LEONG was previously an executive director and the chief executive officer of MTR Corporation Limited (which is listed on the Main Board of the Hong Kong Stock Exchange), a non-executive director of Jardine Strategic Holdings Limited (which was listed on the Singapore Exchange Limited, London Stock Exchange and Bermuda Stock Exchange) and Mandarin Oriental International Limited (which is listed on the Singapore Exchange Limited, London Stock Exchange and Bermuda Stock Exchange). Mr Lincoln LEONG is a vice-patron of The Community Chest of Hong Kong and a member of the Supervisory Board of The Hong Kong Housing Society. He was the chairman of the Quality Assurance Council of the University Grants Committee. Mr Lincoln LEONG qualified as a chartered accountant in England in 1985 and in British Columbia, Canada in 1987. He holds a Bachelor of Arts degree (subsequently a Master of Arts degree) from the University of Cambridge in the United Kingdom.

### **Mr Blair Chilton PICKERELL (“Mr Blair PICKERELL”)**

#### *Independent Non-Executive Director*

Mr Blair PICKERELL has been an Independent Non-Executive Director of the REIT Manager since April 2016. He is also the chairman of the Remuneration Committee and a member of the Nomination Committee of the REIT Manager. Mr Blair PICKERELL is an independent non-executive director and a member of the Finance Committee and of the Nominating and Governance Committee of Principal Financial Group, Inc. (which is listed on NASDAQ). He holds independent non-executive directorships of, and is a member of the audit committees of Dah Sing Banking Group Limited (which is listed on the Main Board of the Hong Kong Stock Exchange) and Dah Sing Bank, Limited. He is also the chairman of the Risk Management and Compliance Committee of Dah Sing Bank, Limited. In addition, he is an independent non-executive director and a member of each of the Finance Committee and Corporate Governance Committee of First Pacific Company Limited (which is listed on the Main Board of the Hong Kong Stock Exchange). Mr Blair PICKERELL is currently a member of the Supervisory Committee of Tracker Fund of Hong Kong (a Hong Kong unit trust authorised under section 104 of the Securities and Futures Ordinance whose units are listed on the Main Board of the Hong Kong Stock Exchange) and was a member of the Advisory Board of Anthemis Insurance Venture Growth Fund of London from March 2019 to February 2021. He has also been active in public service. He was a Court Member of The University of Hong Kong during December 2008 to November 2014, is a member of the International Advisory Council of the Faculty of Business and Economics of The University of Hong Kong, and is the chairman of Harvard Business School Association of Hong Kong. Mr Blair PICKERELL was Chairman, Asia of Nikko Asset Management Co., Ltd. up to July 2015. He joined Jardine Matheson Holdings Group in 1984 and held various positions in Jardine Matheson Holdings Group. In 2003, he joined HSBC Investments (Hong Kong) Limited (now known as HSBC Global Asset Management (Hong Kong) Limited) as the Chief Executive Officer, Asia Pacific. Mr Blair PICKERELL served as the Managing Director and Chief Executive Officer, Asia of Morgan Stanley Investment Management from 2007 to 2010, and was also an independent non-executive director and a member of the audit committee of Dah Sing Financial Holdings Limited (which is listed on the Main Board of the Hong Kong Stock Exchange) from June 2013 to December 2017. Mr Blair PICKERELL holds an MBA degree from Harvard Business School and an MA degree (in East Asian Studies) and a BA degree (in Political Science) from Stanford University.

### **Ms Poh Lee TAN (“Ms Poh Lee TAN”)**

#### *Independent Non-Executive Director*

Ms Poh Lee TAN has been an Independent Non-Executive Director of the REIT Manager since November 2015. She is also a member of the Audit and Risk Management Committee and the Nomination Committee of the REIT Manager. Ms Poh Lee TAN was the managing partner of the Hong Kong, Beijing, Shanghai and Vietnam offices of the international law firm Baker & McKenzie from November 2010 till October 2012 and Chairman of Asia for Baker & McKenzie from October 2008 to October 2010. She was a solicitor, admitted to practice in Hong Kong, England and Wales, Australia and Singapore. She has extensive experience in mergers and acquisitions and private equity transactions in the Asia-Pacific region as well as outbound investments from Mainland China. Ms Poh Lee TAN has been active in community service. She is the founder and a director of Mighty Oaks Foundation Limited and was a member of the founding board of Independent Schools Foundation. Ms Poh Lee TAN holds a Bachelor of Laws degree from the London School of Economics and Political Science and a Master of Law degree from Queens’ College, University of Cambridge.

### **Mr Peter TSE Pak Wing (“Mr Peter TSE”)**

#### *Independent Non-Executive Director*

Mr Peter TSE has been an Independent Non-Executive Director of the REIT Manager since July 2014. He is also the chairman of the Audit and Risk Management Committee of the REIT Manager. Mr Peter TSE was an executive director of CLP Holdings Limited (which is listed on the Main Board of the Hong Kong Stock Exchange) up till May 2012 and became a non-executive director until he retired in April 2013. Before joining the CLP Group in January 1981, he worked with Deloitte & Co. in London and Hong Kong, and the Swire Group. Mr Peter TSE retired as an independent non-executive director of Hong Kong Aircraft Engineering Company Limited (which was listed on the

Main Board of the Hong Kong Stock Exchange until it withdrew from listing on 29 November 2018) with effect from 1 December 2018. Mr Peter TSE holds a Bachelor of Science degree in Mechanical Engineering from The University of Hong Kong and a Master of Science degree in Technological Economics from the University of Stirling in Scotland. He is a Fellow of the Hong Kong Institute of Certified Public Accountants.

### **Ms Nancy TSE Sau Ling (“Ms Nancy TSE”)**

#### *Independent Non-Executive Director*

Ms Nancy TSE has been an Independent Non-Executive Director of the REIT Manager since July 2014. She is also a member of the Audit and Risk Management Committee of the REIT Manager. Ms Nancy TSE joined the Hospital Authority in 1991 and was the chief financial officer and the Director (Finance and Information Technology Services) before her retirement in August 2013. Ms Nancy TSE is a member of the Board of Governors of the Prince Philip Dental Hospital, an adjunct professor at The Jockey Club School of Public Health and Primary Care of The Chinese University of Hong Kong, and an honorary adviser and a member of the Oversight, Policy and Governance Committee of The Financial Reporting Council. Ms Nancy TSE is also the Deputy Chair, a member of Professional Accountants in Business Advisory Group and a member of Public Policy and Regulation Advisory Group of the International Federation of Accountants. She also serves on the boards and committees of a number of charitable organisations and non-government organisations. Ms Nancy TSE is an independent non-executive director of The Wharf (Holdings) Limited (which is listed on the Main Board of the Hong Kong Stock Exchange) since 1 January 2021. Ms Nancy TSE is also an independent non-executive director of DBS Bank (Hong Kong) Limited and an independent non-executive director and the chairman of HSBC Provident Fund Trustee (Hong Kong) Limited. Ms Nancy TSE was an independent non-executive director of Wheelock and Company Limited (which was listed on the Main Board of the Hong Kong Stock Exchange until it withdrew from listing on 27 July 2020). Ms Nancy TSE holds a Bachelor of Arts (Honours) degree in Mathematics and a Master of Business Administration degree in Finance/Accounting from the University of California, Los Angeles. She is a Chartered Accountant qualified in Canada, a Fellow of the Hong Kong Institute of Certified Public Accountants and a Fellow member of The Hong Kong Institute of Directors.

### **Employees**

Each employee of the REIT Manager is employed under an employment contract which specifies, among other things, the employee’s duties, salary and benefits, term of employment and grounds for termination of employment. In general, an employment contract can be terminated at will according to the relevant clauses in the employment contract and employment legislation.

A full-time and permanent employee receives a compensation comprising basic salary and a discretionary bonus, the payment of which is based on both the individual’s performance and the overall performance of Link. Other employee benefits include annual leave, sick leave, maternity/paternity leave, birthday leave, medical, life and personal accident insurances, and reimbursement of professional membership and seminar course fees. Full-time employee meeting prescribed performance criteria and length of service is eligible to participate in the employee unit purchase plan (the “EUPP”) to purchase Units through an independent third party intermediary on the open market with subsidy from the REIT Manager, the amount of which for each eligible employee is determined in accordance with the rules of the EUPP with reference to the length of service and appraised performance. Employees participating in the 2017 Long-term Incentive Scheme are not permitted to participate in the EUPP.

The REIT Manager also contributes to the mandatory provident fund scheme for all qualifying employees in accordance with Hong Kong’s mandatory provident fund legislation. The assets of such scheme are held separately from those of the REIT Manager, in funds under the control of the trustees.

The REIT Manager places emphasis on training and development with a view to nurturing a pool of management talent for business development. It provides a wide variety of training and personal development programmes to promote professionalism and personal growth of its employees. The REIT Manager has not experienced any strike, work stoppage or significant labour dispute which has affected its operations, nor has it experienced any significant difficulties in recruiting and retaining qualified staff. The REIT Manager considers its relationships with its employees to be good.

As at 31 March 2022, the REIT Manager and its subsidiaries had 1,113 employees.

### **Long-term Incentive Schemes**

#### **The 2017 Long-term Incentive Scheme (the “2017 LTI Scheme”)**

The 2017 LTI Scheme was adopted by the Board on 10 July 2017 pursuant to which awards may be granted to Directors and selected key employees of the REIT Manager, the REIT Manager’s subsidiaries and the special purpose vehicles of Link. The 2017 LTI Scheme is managed and administered by the Remuneration Committee in accordance with its rules.

Awards which may be granted under the 2017 LTI Scheme comprise (i) restricted unit awards (to be satisfied by Units to be purchased through a third party intermediary from the open stock market of Hong Kong upon vesting); and (ii) conditional cash awards (to be satisfied by cash payment equal to the aggregate distributions per Unit over the vesting period multiplied by the actual number of Units that may finally vest).

The objectives of the 2017 LTI Scheme are to:

- (i) align the interests of the participants with the Unitholders as a whole with a view to creating value for Link and the Unitholders;
- (ii) enable the REIT Manager to attract and retain talented management and key employees whose contributions are essential to the achievement of the strategic goals and the long-term growth of Link; and
- (iii) incentivise management and key employees of the REIT Manager, the REIT Manager’s subsidiaries and the special purpose vehicles of Link through rewarding them in calibration of their contributions to the business performance and success of Link.

The total number of Units awarded and to be awarded pursuant to all awards granted and to be granted under the 2017 LTI Scheme shall not in aggregate exceed 221,456,347 Units (being 10% of the number of Units in issue as at the date of the adoption of the 2017 LTI Scheme).

A summary of the rules of the 2017 LTI Scheme are set out on pages 69 and 70 of the “Governance, Disclosures and Financial Statements” report in Link’s annual report 2019/2020.

### **Indemnity from the REIT Trustee to the Directors**

In accordance with and subject to the provisions of the REIT Trust Deed, the REIT Trustee (in its capacity as the trustee of Link) has granted to each of the Directors an indemnity. Subject to the terms of such indemnity, the Directors are entitled to have recourse to the Deposited Property against liabilities which they may sustain or incur by reason of any of their acts or omissions in executing their office or discharging their respective duties as a director, officer or agent (as the case may be) of the REIT Manager (and, if applicable, any of the REIT Manager’s subsidiaries), HoldCo, PropCo, the Issuer, FinanceCo or other special purpose vehicle(s) of Link from time to time, save where such liabilities are occasioned by their negligence, fraudulent misconduct or willful default.

## SUBSTANTIAL UNITHOLDERS' AND DIRECTORS' INTERESTS

### Substantial Unitholders' Interests in Link

As at the Latest Practicable Date, according to the disclosure of interests to the Hong Kong Stock Exchange and the REIT Manager pursuant to the provisions of Part XV of the Securities and Futures Ordinance and the register kept by the REIT Manager, persons having an interest of 5% or more in the Units and underlying Units were as follows:

Name	Capacity	Number of Units/ Underlying Units in Long Position (L)/Short Position (S)	Approximate Percentage of Total Units in Issue <sup>(2)</sup> (%)
BlackRock, Inc ("Blackrock") <sup>(1)</sup> .....	Interests of controller corporations	(L) 178,331,560 <sup>(1)</sup>	8.44
		(S) 30,700 <sup>(1)</sup>	0.00
State Street Corporation .....	Investment manager	(L) 111,501,019	5.27

*Notes:*

- (1) The long position interests of BlackRock in 178,331,560 Units and short position interests in 30,700 Units were held through its various controlled corporations. The interests shown in the above table included certain long position interests (950,600 underlying Units) and short position interests (30,700 underlying Units) in cash settled unlisted derivatives.
- (2) The approximate percentages were calculated based on 2,111,875,839 Units in issue as at the Latest Practicable Date (rounded down to two decimal places).

Save as disclosed above, based on the disclosure of interests to the Hong Kong Stock Exchange and the REIT Manager pursuant to the provisions of Part XV of the Securities and Futures Ordinance and the register kept by the REIT Manager, there were no other persons having an interest of 5% or more in the Units and underlying Units as at the Latest Practicable Date.



## Directors' Interests in Link

As at the Latest Practicable Date, according to the disclosure of interests to the Hong Kong Stock Exchange and the REIT Manager pursuant to the provisions of Part XV of the Securities and Futures Ordinance and the register kept by the REIT Manager, the interests of the Directors in the Units and underlying Units were as follows:

Name of Directors	Number of Units					Interest in Underlying Units <sup>(2)</sup>	Total	Approximate Percentage of Total Units in Issue <sup>(3)</sup> (%)
	Personal Interest <sup>(1)</sup>	Family Interest	Corporate Interest	Other Interest				
<b>Chairman (also an Independent Non-Executive Director)</b>								
Nicholas Charles ALLEN	174,700 <sup>(4)</sup>	—	—	—	59,403	234,103	0.0110	
<b>Executive Directors</b>								
George Kwok Lung HONGCHOY	1,169,693	—	—	—	2,128,148	3,297,841	0.1561	
NG Kok Siong	157,234	—	—	—	507,782	665,016	0.0314	
<b>Non-Executive Director</b>								
Ian Keith GRIFFITHS	92,527	—	—	—	18,654	111,181	0.0052	
<b>Independent Non-Executive Directors</b>								
Christopher John BROOKE	16,027	—	—	—	20,757	36,784	0.0017	
Ed CHAN Yiu Cheong	14,783	—	—	—	21,099	35,882	0.0016	
Jenny GU Jialin	—	—	—	—	8,195	8,195	0.0003	
Lincoln LEONG Kwok Kuen	—	—	—	—	15,327	15,327	0.0007	
Blair Chilton PICKERELL	15,486	—	—	—	21,107	36,593	0.0017	
Poh Lee TAN	33,181	—	13,398	—	20,278	66,857	0.0031	
Peter TSE Pak Wing	49,162	—	—	—	21,103	70,265	0.0033	
Nancy TSE Sau Ling	41,976	—	—	—	19,480	61,456	0.0029	

*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 2017 LTI Scheme.
- (3) The approximate percentages were calculated based on 2,111,875,839 Units in issue as at the Latest Practicable Date (rounded down to four decimal places).
- (4) The personal interest of Mr Nicholas Charles ALLEN in 102,500 Units was held in an account in joint names with his spouse.

Save as disclosed above, so far as the REIT 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 Securities and Futures Ordinance as at the Latest Practicable Date.

## TAXATION

*The following is a general description of certain tax considerations relating to the Notes and is based on law and relevant interpretations thereof in effect as at the date of this Offering Circular, all of which are subject to change, and does not constitute legal or taxation advice. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective holders of Notes who are in any doubt as to their tax position or who may be subject to tax in any jurisdiction are advised to consult their own professional advisers.*

### Hong Kong

#### Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

#### Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Interest on the Notes may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

- (i) interest on the Notes is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong;
- (ii) interest on the Notes is derived from Hong Kong and is received by or accrues to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business;
- (iii) interest on the Notes is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 112) of Hong Kong (the “IRO”)) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or
- (iv) interest on the Notes is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO).

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal and redemption of Notes will be subject to Hong Kong profits tax. Sums received by or accrued to a corporation, other than a financial institution, by way of gains or profits arising through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO) from the sale, disposal or other redemption of Notes will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of Notes will be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source unless otherwise exempted. The source of such sums will generally be determined by having regard to the manner in which the Notes are acquired and disposed of.

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax advisors to ascertain the applicability of any exemptions to their individual position.

#### Stamp Duty

Stamp duty will not be payable on the issue of Bearer Notes provided that either:

- (i) such Bearer Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) such Bearer Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong (the “SDO”)).

If stamp duty is payable, it is payable by the Issuer on the issue of Bearer Notes at a rate of 3 per cent. of the market value of the Bearer Notes at the time of issue. No stamp duty will be payable on any subsequent transfer of Bearer Notes.

No stamp duty is payable on the issue of Registered Notes. Stamp duty may be payable on any transfer of Registered Notes if the relevant transfer is required to be registered in Hong Kong. Stamp duty will, however, not be payable on any transfer of Registered Notes provided that either:

- (i) such Registered Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) such Registered Notes constitute loan capital (as defined in the SDO).

With effect from 1 August 2021, if stamp duty is payable in respect of the transfer of Registered Notes it will be payable at the rate of 0.26 per cent. (of which 0.13 per cent. is payable by the seller and 0.13 per cent. is payable by the purchaser) normally by reference to the consideration or its value, whichever is higher. In addition, stamp duty is payable at the fixed rate of HK\$5 on each instrument of transfer executed in relation to any transfer of the Registered Notes if the relevant transfer is required to be registered in Hong Kong.

## **Cayman Islands**

The following is a general summary of Cayman Islands taxation in relation to the Notes. Under existing Cayman Islands laws:

- (i) neither payments of principal and interest in respect of the Notes nor payments under the Guarantee will be subject to taxation in the Cayman Islands and no withholding will be required on such payments and gains derived from the sale of Notes will not be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax; and
- (ii) certificates evidencing the Notes, in registered form, to which title is not transferable by delivery, will not attract Cayman Islands stamp duty. However, an instrument transferring title to Notes, if brought to or executed in the Cayman Islands, would be subject to Cayman Islands stamp duty.

The Issuer has been incorporated under the laws of the Cayman Islands as an exempted company and has obtained an undertaking from the Governor in Cabinet of the Cayman Islands substantially in the following form:

### ***“The Tax Concessions Act (As Revised) Undertaking as to Tax Concessions***

In accordance with Section 6 of the Tax Concessions Act (As Revised), the Governor in Cabinet undertakes with:

The Link Finance (Cayman) 2009 Limited (the “**Company**”)

- (i) that no Law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and
- (ii) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty, or inheritance tax shall be payable:
  - (a) on or in respect of the shares, debentures or other obligations of the Company; or
  - (b) by way of the withholding in whole or in part of any relevant payment as defined in Section 6(3) of the Tax Concessions Act (As Revised).

These concessions shall be for a period of TWENTY years from the day of 17 June 2008.”

## FATCA Withholding

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the Cayman Islands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register, and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining “*foreign passthru payments*” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional notes (as described under “Terms and Conditions of the Notes — Further Issues”) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

## PRC CURRENCY CONTROLS

*The following is a general description of certain currency controls in the PRC and is based on the law and relevant interpretations thereof in effect as at the date of this Offering Circular; all of which are subject to change, and does not constitute legal advice. It does not purport to be a complete analysis of all applicable currency controls in the PRC relating to the Notes. Prospective holders of Notes who are in any doubt as to PRC currency controls are advised to consult their own professional advisers.*

### Remittance of Renminbi into and outside the PRC

The Renminbi is not a freely convertible currency. The remittance of Renminbi into and outside the PRC is subject to controls imposed under PRC law.

### Current Account Items

Under PRC foreign exchange control regulations, current account items refer to any transactions involving goods, services, earnings and other frequent transfers that cause international payments and receipts.

Prior to July 2009, all current account items were required to be settled in foreign currencies with limited exceptions. In July 2009, the PRC commenced a pilot scheme pursuant to which Renminbi may be used for settling imports and exports of goods between approved pilot enterprises in five designated cities in the PRC including Shanghai, Guangzhou, Dongguan, Shenzhen and Zhuhai and enterprises in designated offshore jurisdictions including Hong Kong, Macau and countries of the Association of Southeast Asian Nations. On 17 June 2010, 24 August 2011 and 3 February 2012 respectively, the PRC government promulgated the *Circular on Issues concerning the Expansion of the Scope of the Pilot Programme of Renminbi Settlement of Cross-border Trades*, the *Circular on Expanding the Regions of Renminbi Settlement of Cross-border Trades* and the *Notice on Matters Relevant to the Administration of Enterprises Engaged in Renminbi Settlement of Export Trade in Goods* (together as “**Circulars**”). Pursuant to these Circulars, (i) Renminbi settlement of imports and exports of goods and of services and other current account items became permissible, (ii) the list of designated pilot locations was expanded to cover all provinces and cities in the PRC, (iii) the restriction on designated offshore jurisdictions has been lifted and (iv) any enterprise qualified for the export and import business is permitted to use Renminbi as settlement currency for exports of goods without obtaining the approval as previously required, provided that certain enterprises on a special list are still subject to supervision and monitoring (the “**Supervision List**”).

On 5 July 2013, the PBOC promulgated the *Circular on Policies related to Simplifying and Improving Cross-border Renminbi Business Procedures* (the “**2013 PBOC Circular**”), which, in particular, simplifies the procedures for cross-border Renminbi trade settlement under current account items. For example, PRC banks may conduct settlement for PRC enterprises (excluding those on the Supervision List) upon the PRC enterprises presenting the payment instruction. PRC banks may also allow PRC enterprises to make/receive payments under current account items prior to the relevant PRC bank’s verification of underlying transactions (noting that the verification of underlying transactions is usually a precondition for cross border remittance).

On 20 January 2015, SAFE issued the *Notice on the Pilot Scheme of Cross-border Foreign Exchange Payment Services Provided by Payment Institutions* (the “**2015 SAFE Notice**”), which facilitates domestic institutions and individuals to carry out e-commerce trade through the internet, standardises the cross-border foreign exchange payment services provided by payment institutions, and prevents the risk of cross-border capital flows through the internet channel.

On 5 September 2015, PBOC promulgated the *Circular on Further Facilitating the Cross-Border Bi-directional Renminbi Cash Pooling Business by Multinational Enterprise Groups* (the “**2015 PBOC Circular**”), which, among others, has lowered the eligibility requirements for multinational enterprise groups and increased the cap for net cash inflow.

On 31 December 2020, the PBOC and five other PRC authorities promulgated the *Circular on Further Optimising the Cross-border Renminbi Policy to Support the Stabilization of Foreign Trade and Foreign Investment* (the “**2020**”).

**PBOC Circular”**), which, among others, further simplified the cross-border Renminbi settlement process and optimized the management of cross-border Renminbi investment and financing.

As new regulations, the Circulars, the 2013 PBOC Circular, the 2015 SAFE Notice, the 2015 PBOC Circular and the 2020 PBOC Circular will be subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices in applying the Circulars, the 2013 PBOC Circular and the 2020 PBOC Circular and impose conditions for settlement of current account items.

## **Capital Account Items**

Under PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans that cause international payments and receipts. Capital account payments are generally subject to approval of, and/or registration or filing with, the relevant PRC authorities.

Until recently, settlement for capital account items was generally required to be made in foreign currencies. For instance, foreign investors (including any Hong Kong investors) are required to make any capital contribution to foreign-invested enterprises in a foreign currency in accordance with the terms set out in the relevant joint venture contracts and/or articles of association as approved by the relevant authorities. Foreign-invested enterprises or the relevant PRC parties were also generally required to make capital account payments including proceeds from liquidation, transfer of shares, reduction of capital, interest and principal repayment to foreign investors in a foreign currency.

On 10 May 2013, the State Administration of Foreign Exchange of the PRC (“SAFE”) promulgated the *Provisions on the Foreign Exchange Administration of Domestic Direct Investment by Foreign Investors* (the “**SAFE Provisions**”). According to the SAFE Provisions, foreign investors can use cross-border Renminbi (including Renminbi inside the PRC held in the capital accounts of non-PRC residents) to make a contribution to an onshore enterprise or make a payment for the transfer of an equity interest of an onshore enterprise by a PRC resident within the total investment amount approved by the competent authorities.

Other capital account transactions in Renminbi must generally follow the current foreign exchange control regime applicable to foreign currencies. Under current rules promulgated by SAFE, foreign debts borrowed and the cross-border security provided by an onshore entity (including a financial institution) in Renminbi shall, in principle, be regulated under the current PRC foreign debt and cross-border security regime. However, there remain potential inconsistencies between the provisions of the SAFE rules and the provisions of the 2013 PBOC Circular in terms of cross-border security and it is unclear how regulators will deal with such inconsistencies in practice.

In respect of Renminbi FDI, PBOC promulgated the PBOC FDI Measures on 13 October 2011. The system covers almost all aspects in relation to FDI in Renminbi, including capital injections, payments for the acquisition of PRC domestic enterprises, repatriation of dividends and other distributions, as well as Renminbi denominated cross-border loans. On 14 June 2012, PBOC further issued a circular setting out the operational guidelines for FDI. Under the PBOC FDI Measures, the special approval from PBOC for FDI and shareholder loans in Renminbi, which was previously required, is no longer necessary. In some cases however, post-event filing with PBOC is still necessary. The PBOC FDI Measures and its implementing rules were further amended on 5 June 2015.

On 19 November 2012, SAFE promulgated the *Circular on Further Improving and Adjusting the Foreign Exchange Administration Policies on Direct Investment* (the “**SAFE Circular on DI**”), which became effective on 17 December 2012 and was further amended on 4 May 2015. According to the SAFE Circular on DI, SAFE removes or adjusts certain administrative licensing items with regard to foreign exchange administration over direct investments to promote investment, including, but not limited to, the abrogation of SAFE approval for opening of and payment into foreign exchange accounts under direct investment accounts, the abrogation of SAFE approval for reinvestment with legal income generated within China of foreign investors, the simplification of the administration of foreign exchange reinvestments by foreign investment companies, and the abrogation of SAFE approval for purchase and external payment of foreign exchange under direct investment accounts.



On 3 December 2013, the MOFCOM promulgated the MOFCOM Circular, to further facilitate FDI in Renminbi by simplifying and streamlining the applicable regulatory framework. Pursuant to the MOFCOM Circular, the appropriate office of MOFCOM and/or its local counterparts will grant written approval for each project of FDI in Renminbi and specify “Renminbi Foreign Direct Investment” and the amount of capital contribution in the approval. Unlike previous MOFCOM regulations on FDI in Renminbi, the MOFCOM Circular removes the approval requirement for foreign investors who intend to change the currency of its existing capital contribution from a foreign currency to Renminbi. In addition, the MOFCOM Circular also clearly prohibits the Renminbi FDI funds from being used for any investment in securities and financial derivatives (except for investment in the PRC listed companies as strategic investors) or for entrustment loans in the PRC.

On 30 March 2015, SAFE promulgated the *Circular on Reforming Foreign Exchange Capital Settlement for Foreign Invested Enterprises* (the “**2015 SAFE Circular**”), effective from 1 June 2015, which allows foreign-invested enterprises to settle 100% (subject to future adjustment in SAFE’s discretion) of the foreign currency capital (which has been processed through SAFE’s equity interest confirmation procedure for capital contribution in cash or registered by a bank on SAFE’s system for account-crediting for such capital contribution) into Renminbi according to their actual operational needs. The 2015 SAFE Circular has set forth a negative list with respect to the usage of the capital and the RMB proceeds obtained through the aforementioned settlement procedure.

According to the 2015 PBOC Circular, qualified multinational enterprise groups can extend loans in Renminbi to, or borrow loans in Renminbi from, offshore group entities within the same group by leveraging the cash pooling arrangements. The Renminbi funds will be placed in a special deposit account and may not be used to invest in stocks, financial derivatives, or extend loans to enterprises outside the group.

On 9 June 2016, SAFE further promulgated the *Notice on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account* (the “**2016 SAFE Circular**”), which reiterates some rules set forth in 2015 SAFE Circular, but changes the prohibition against using RMB capital converted from foreign currency-denominated registered capital of a foreign invested company to issue RMB entrusted loans to a prohibition against using such capital to issue loans to non-affiliated enterprises.

On 23 October 2019, the SAFE issued the *Notice on Further Facilitating Cross-border Trade and Investment*, which, among other things, expanded the use of foreign exchange capital to domestic equity investment area. Non-investment foreign-funded enterprises are allowed to lawfully make domestic equity investments by using their capital on the premise without violation to prevailing special administrative measures for access of foreign investments (negative list) and the authenticity and compliance with the regulations of domestic investment projects.

These notices, measures and circulars, which are new regulations, have been promulgated to control the remittance of Renminbi for payment of transactions categorised as capital account items and such new regulations will be subject to interpretation and application by the relevant PRC authorities. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such regulations.

## CLEARANCE AND SETTLEMENT

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear, Clearstream or the CMU (together, the “Clearing Systems”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer, HoldCo and PropCo believe to be reliable, but neither the Issuer, the Guarantors nor the Arranger or any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Issuer, the Guarantors nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to, or payments made on account of, such beneficial ownership interests.*

*The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.*

### The Clearing Systems

#### Euroclear and Clearstream

Euroclear and Clearstream each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream will be credited, to the extent received by the Paying Agent, to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant system’s rules and procedures.

#### CMU

The CMU is a central depository service provided by the Central Moneymarkets Unit of the HKMA for the safe custody and electronic trading between the members of this service (“**CMU Members**”) of Exchange Fund Bills and Notes Clearing and Settlement Service securities and capital markets instruments (together, “**CMU Instruments**”) which are specified in the CMU Reference Manual as capable of being held within the CMU.

The CMU is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all financial institutions regulated by the HKMA, SFC, Insurance Authority or Mandatory Provident Fund Schemes Authority. For further details of the full range of CMU’s custodial services, please refer to the CMU Reference Manual.

The CMU has an income distribution service which is a service offered by the CMU to facilitate the distribution of interest, coupon or redemption proceeds (collectively, the “**income proceeds**”) by CMU Members who are paying agents to the legal title holders of CMU Instruments via the CMU system. Furthermore, the CMU has a corporate action platform which allows an issuer (or its agent) to make an announcement/notification of a corporate action and noteholders to submit the relevant certification. For further details, please refer to the CMU Reference Manual. An investor holding an interest through an account with either Euroclear or Clearstream in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream each have with the CMU.



## **Book-Entry Ownership**

### **Bearer Notes**

The Issuer has made applications to Euroclear and Clearstream for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. The Issuer may also apply to have Bearer Notes accepted for clearance through the CMU. In respect of Bearer Notes, a temporary Global Note and/or a permanent Global Note will be deposited with a common depositary for Euroclear and Clearstream or a sub-custodian for the CMU. Transfers of interests in a temporary Global Note or a permanent Global Note will be made in accordance with the normal market debt securities operating procedures of the CMU, Euroclear and Clearstream. Each Global Note will have an International Securities Identification Number (“**ISIN**”) and a Common Code or a CMU Instrument Number, as the case may be. Investors in Notes of such Series may hold their interests in a Global Note only through Euroclear, Clearstream or the CMU, as the case may be.

### **Registered Notes**

The Issuer has made applications to Euroclear and Clearstream for acceptance in their respective book-entry systems in respect of the Notes to be represented by a Global Certificate. The Issuer may also apply to have Registered Notes represented by a Global Certificate accepted for clearance through the CMU. Each Global Certificate will have an ISIN and a Common Code or a CMU Instrument Number, as the case may be. Investors in Notes of such Series may hold their interests in a Global Certificate only through Euroclear, Clearstream or the CMU, as the case may be.

## SUBSCRIPTION AND SALE

### Summary of Dealer Agreement

Subject to the terms and on the conditions contained in the Dealer Agreement dated 6 May 2009, as supplemented by a first supplemental dealer agreement dated 10 January 2011, a second supplemental dealer agreement dated 13 January 2012, a third supplemental dealer agreement dated 14 January 2013, a fourth supplemental dealer agreement dated 28 January 2014, a fifth supplemental dealer agreement dated 28 January 2015, a sixth supplemental dealer agreement dated 25 January 2017, a seventh supplemental dealer agreement dated 25 January 2018, an eighth supplemental dealer agreement dated 25 January 2019, a ninth supplemental dealer agreement dated 23 January 2020, and a tenth supplemental dealer agreement dated 22 January 2021, and amended and restated by an Amended and Restated Dealer Agreement dated 26 August 2022 (the “**Dealer Agreement**”), between the Issuer, the REIT Manager, HoldCo, PropCo, the Arranger and the Permanent Dealers, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are underwritten by two or more Dealers.

The Issuer will pay each Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer (failing which, the REIT Manager, HoldCo and PropCo) has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Subscription Agreement.

The REIT Trust Deed authorises the REIT Manager to take certain actions on behalf of Link and to bind its assets. Such authority includes establishing the Programme and incurring liabilities and obligations under it. In addition, the REIT Trustee has, *inter alia*, granted its written consent to the REIT Manager establishing the Programme, and arranging for the issuance of Notes under the Programme pursuant to the REIT Trust Deed on such terms as the REIT Manager may determine, and providing all the representations, warranties and undertakings, and to grant the indemnities on behalf of Link (and so as to bind the Deposited Property, where so stated) under or in connection with the Dealer Agreement, the Trust Deed, and certain other agreements and documents described and contemplated therein (the “**Documents**”) and to the incurring of liabilities and obligations on behalf of Link (so as to bind the Deposited Property, where so stated) pursuant to the Documents and to the performance and discharge of such liabilities and obligations from the Deposited Property, in accordance with the REIT Trust Deed.

The Issuer (failing which, the REIT Manager, HoldCo and PropCo) has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

The Dealers and certain of their affiliates may have performed certain investment banking and advisory services for the Issuer, the REIT Manager, HoldCo, PropCo, and/or their respective affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform services for the Issuer, the REIT Manager, HoldCo, PropCo, and/or their respective affiliates in the ordinary course of their business. The Dealers or certain of their affiliates may purchase Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution.

The Dealers or their respective affiliates, in the ordinary course of their business activities, may purchase Notes for its or their own account and for the accounts of their customers and enter into transactions, including active trading of debt, Units, and equity securities (or related derivative securities) and financial instruments (including bank loans), relating to Notes and/or other securities (if any) of the Issuer, the REIT Manager, HoldCo, PropCo, or their respective subsidiaries or associates at the same time as the offer and sale of Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from

any existing sale or resale of Notes to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of Notes). The Dealers and their respective affiliates may also make investment recommendations and/or publish or express independent research views with respect to such securities or financial instruments and may hold, or recommend to clients that they acquire long and/or short positions in such securities and instruments.

**Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to CMIIs (including Private Banks):** This notice to CMIIs (including Private Banks) is a summary of certain obligations the Code imposes on CMIIs, which require the attention and cooperation of other CMIIs (including Private Banks). Certain CMIIs may also be acting as OCs for the relevant offering and are subject to additional requirements under the Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, the REIT Manager, the Guarantors, a CMI or its group companies would be considered under the Code as having an Association with the Issuer, the REIT Manager, the Guarantors, the CMI or the relevant group company. CMIIs should specifically disclose whether their investor clients have any Association when submitting orders for the Notes. In addition, Private Banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer, the REIT Manager, the Guarantors or any CMI (including its group companies) and inform the Dealers participating in the relevant offering (“**Relevant Dealers**”) accordingly.

CMIIs are informed that, unless otherwise specified in the applicable Pricing Supplement, the marketing and investor targeting strategy for each relevant offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions set out elsewhere in this Offering Circular and the applicable Pricing Supplement.

CMIIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIIs). CMIIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIIs should disclose the identities of all investors when submitting orders for the Notes (except for omnibus orders where underlying investor information should be provided to the OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIIs should not place “X-orders” into the order book.

CMIIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including Private Banks as the case may be) in the order book and book messages.

CMIIs (including Private Banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer, the REIT Manager and the Guarantors. In addition, CMIIs (including Private Banks) should not enter into arrangements which may result in prospective investors paying different prices for the Notes. CMIIs are informed that a private bank rebate may be payable as stated in this Offering Circular and the applicable Pricing Supplement.

The Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Relevant Dealers in control of the order book should consider disclosing order book updates to all CMIIs.

When placing an order for the Notes, Private Banks should disclose, at the same time, if such order is placed other than on a “principal” basis (whereby it is deploying its own balance sheet for onward selling to investors). Private Banks who do not provide such disclosure are hereby deemed to be placing their order on such a “principal” basis. Otherwise, such order may be considered to be an omnibus order pursuant to the Code. Private Banks should be aware that placing an order on a “principal” basis may require the Relevant Dealers to apply the “proprietary orders” of the Code to such order and will require the Relevant Dealers to apply the “rebates” requirements of the Code (if applicable) to such order.

In relation to omnibus orders, when submitting such orders, CMIIs (including Private Banks) are requested to provide certain underlying investor information, in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). CMIIs (including Private Banks) should contact the

Relevant Dealers to obtain details on what underlying investor information is required. To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including Private Banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to the OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to the OCs. By submitting an order and providing such information to the OCs, each CMI (including Private Banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by the OCs and/or any other third parties as may be required by the Code, including to the Issuer, the REIT Manager, the Guarantors, relevant regulators and/or any other third parties as may be required by the Code, for the purpose of complying with the Code, during the bookbuilding process for the relevant offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant offering. The Relevant Dealers may be asked to demonstrate compliance with their obligations under the Code, and may request other CMIs (including Private Banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including Private Banks) are required to provide the Relevant Dealers with such evidence within the timeline requested.

### **Connected party transactions**

The REIT Code contains rules governing transactions between Link and certain defined categories of connected persons. Such transactions will constitute connected party transactions for the purposes of the REIT Code. Link's connected persons include, among others, the REIT Trustee and companies within the same group as, or associated companies of, the REIT Trustee. As a result, the list of connected persons of Link will include (among others) HSBC and its subsidiaries because the REIT Trustee is a direct wholly-owned subsidiary of HSBC.

Pursuant to paragraph 8.18 of the REIT Code, certain corporate finance transactions between the HSBC Group on the one hand and Link and/or any company controlled by Link on the other hand, including where HSBC is involved in an underwriting or arranging capacity for an issue of debt instruments or other related arrangements, will be exempted from strict compliance with the announcement and Unitholders' approval requirements under Chapter 8 of the REIT Code, and the disclosure and reporting requirements under Chapter 8 of the REIT Code with respect to such transactions may be modified. Accordingly, no approval has been sought from the Unitholders for HSBC to act as Arranger and Dealer in connection with the Programme and issue of Notes.

### **Selling Restrictions**

#### **United States**

The Notes and the Guarantee have not been and will not be registered under the Securities Act and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Dealer Agreement, it will not offer or sell or, in the case of Notes in bearer form, deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Issuer and the Issuing and Paying Agent by each Dealer, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of any identifiable Tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such Tranche of Notes) may violate the registration requirements of the Securities Act.

This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Offering Circular does not constitute an offer to any person in the United States. Distribution of this Offering Circular by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

### **Prohibition of Sales to EEA Retail Investors**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”);
  - (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”); and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

### **Prohibition of Sales to UK Retail Investors**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”);
  - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

### **Selling Restrictions Addressing Additional UK Securities Laws**

Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or as agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantors; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

### **Selling Restrictions Addressing Additional Netherlands Securities Laws**

The Notes have not been and will not be offered in The Netherlands other than to persons or legal entities which are qualified investors as defined in Regulation (EU) 2017/1129.

### **Hong Kong**

In relation to each Tranche of Notes issued by the Issuer, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance other than (a) to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under the Securities and Futures Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under the Securities and Futures Ordinance.

### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No.25 of 1948, as amended, the “Financial Instruments and Exchange Act”). Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

## Cayman Islands

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree, that no invitation may be made to the public in the Cayman Islands to subscribe for Notes by or on behalf of the Issuer unless at the time of invitation the Issuer is listed on the Cayman Islands Stock Exchange.

## Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

*Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).*



### **The People's Republic of China**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the People's Republic of China.

### **Taiwan**

Each Dealer has represented, warranted and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver, at any time, directly or indirectly, any Notes acquired by it as part of an offering in the ROC or to, or for the account or benefit of, any resident of the ROC, unless otherwise permitted by the laws and regulations of the ROC.

### **General**

These selling restrictions may be modified by the agreement of the Issuer and the relevant Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree, that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Offering Circular, any other offering material or any Pricing Supplement and none of the Issuer, the REIT Manager, the Guarantors nor any other Dealer shall have responsibility therefor. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to further agree that the offering and marketing of the Notes will be conducted in the EU, the UK and/or Gibraltar only if the relevant jurisdiction is an Approved Jurisdiction (as specified in the applicable Pricing Supplement) and will not be conducted in any other EU member state.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Issuer and the Guarantors in such jurisdiction.



## FORM OF PRICING SUPPLEMENT

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

[This Pricing Supplement includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) for the purpose of giving information with regard to the Issuer and each Guarantor. Each of the Issuer, the REIT Manager, HoldCo and PropCo accepts full responsibility for the accuracy of the information contained in this Pricing Supplement as so supplemented and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading. The REIT Trustee takes no responsibility for the contents of this Pricing Supplement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Pricing Supplement except that the REIT Trustee accepts full responsibility for the accuracy of the information in relation to the REIT Trustee contained in this Pricing Supplement.

This Pricing Supplement is for distribution to professional investors (as defined in Chapter 37 of the Listing Rules) (“**Professional Investors**”) only.

**Notice to Hong Kong investors:** The Issuer and the Guarantors confirm that the Notes are intended for purchase by Professional Investors only and will be listed on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) on that basis. Accordingly, each of the Issuer and the Guarantors confirm that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

**The Hong Kong Stock Exchange has not reviewed the contents of this Pricing Supplement, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this Pricing Supplement to Professional Investors only have been reproduced in this Pricing Supplement. Listing of the Programme and the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes or the Issuer and the Guarantors or quality of disclosure in this Pricing Supplement.** Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Pricing Supplement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Pricing Supplement.]

**[MiFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.

**UK MiFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**UK MiFIR**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

**[PRIIPs REGULATION - PROHIBITION OF SALES TO EEA RETAIL INVESTORS]** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**UK PRIIPs REGULATION – PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the [United Kingdom (the “**UK**”)]/[UK]. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”). Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are [prescribed capital markets products] / [capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [are] [Excluded] / [Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products.)]<sup>(1)</sup>

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*Notes:*

<sup>(1)</sup> For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

Pricing Supplement dated [●]

**THE LINK FINANCE (CAYMAN) 2009 LIMITED**  
(incorporated in the Cayman Islands with limited liability)  
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
**Guaranteed by The Link Holdings Limited (incorporated in the Cayman Islands with limited liability), Link Properties Limited (incorporated in the Cayman Islands with limited liability) and HSBC Institutional Trust Services (Asia) Limited**  
(in its capacity as trustee, and with recourse limited to the assets, of Link Real Estate Investment Trust)  
**under the U.S.\$5,000,000,000 Guaranteed Euro Medium Term Note Programme**

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 26 August 2022 [and the supplemental Offering Circular dated [●]]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular as so supplemented.

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Offering Circular dated 26 August 2022. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated 26 August 2022 [and the supplemental Offering Circular dated [●]], save in respect of the Conditions which are extracted from the Offering Circular dated 26 August 2022 and are attached hereto.]

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]*

- |   |                                   |   |
|---|-----------------------------------|---|
| 1 | (i) Issuer:                       | The Link Finance (Cayman) 2009 Limited  |
|   | (ii) Guarantors:                  | The Link Holdings Limited (“ <b>HoldCo</b> ”), Link Properties Limited (“ <b>PropCo</b> ”) and HSBC Institutional Trust Services (Asia) Limited (in its capacity as trustee, and with recourse limited to the assets, of Link Real Estate Investment Trust) (“ <b>REIT Trustee</b> ”) |
|   | (iii) REIT Manager:               | Link Asset Management Limited (in its capacity as manager of Link Real Estate Investment Trust)   |
| 2 | [(i)] Series Number:              | [●]   |
|   | [(ii)] Tranche Number:            | [●]   |
|   |                                   | <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).]</i>   |
| 3 | Specified Currency or Currencies: | [●]   |
| 4 | Aggregate Nominal Amount:         |   |
|   | [(i)] Series:                     | [●]   |
|   | [(ii)] Tranche:                   | [●]   |
| 5 | [(i)] Issue Price:                | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)]   |

- [(ii) Net proceeds: [●]]
- 6 (i) Specified Denominations: [●]<sup>(2)(3)</sup>
- (ii) Calculation Amount: *[If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor]  
[Note: There must be a common factor in the case of two or more Specified Denominations]*
- 7 (i) Issue Date: [●]
- (ii) Interest Commencement Date: [Specify/Issue date/Not Applicable]
- (iii) Trade Date: [●]
- 8 Maturity Date: *[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]<sup>(4)</sup>*
- 9 Interest Basis: [[●] per cent. Fixed Rate] [*specify reference rate*]  
+/- [●] per cent. Floating Rate] [Zero Coupon]  
[Other (*specify*)] (further particulars specified below)
- 10 Redemption/Payment Basis: [Redemption at par] [Dual Currency] [Instalment]  
[Other (*specify*)]
- 11 Change of Interest or Redemption/ Payment Basis: *[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]*
- 12 Put/Call Options: [Investor Put] [Issuer Call] [(further particulars specified below)]
- 13 (i) Status of the Notes: Senior
- (ii) Status of the Guarantee: Senior
- 14 Listing: [Hong Kong/Other (*specify*)/None] (*For Notes to be listed on the Hong Kong Stock Exchange, insert the expected effective listing date of the Notes*)
- 15 Method of distribution: [Syndicated/Non-syndicated]

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

- 16 Fixed Rate Note Provisions: [Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)

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#### *Notes:*

- <sup>(2)</sup> Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA and which have a maturity of less than one year and must have a minimum redemption value of £100,000 (or its equivalent in other currencies).
- <sup>(3)</sup> If the specified denomination is expressed to be €100,000 or its equivalent and multiples of a lower principal amount (for example €1,000), insert the additional wording as follows: €100,000 and integral multiples of [€1,000] in excess thereof up to and including €199,000. No Notes in definitive form will be issued with a denomination above €199,000.
- <sup>(4)</sup> Note that for Renminbi or Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification it will be necessary to use the second option here.

- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with *[specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"]*/[not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount<sup>(5)</sup>
- (iv) Broken Amount: [●] per Calculation Amount, payable on the Interest Payment date falling [in/on] [●]
- (v) Day Count Fraction (Condition 5(k)): [30/360/Actual/Actual/(ICMA/ISDA)/Actual/365 (fixed)/other]
- (vi) Determination Date(s) (Condition 5(k)): [●] in each year. *[Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N. B only relevant where Day Count Fraction is Actual/Actual (ICMA).]*
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]
- 17 Floating Rate Provisions: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (i) Interest Period(s): [●]
- (ii) Specified Interest Payment Dates: [●]
- (iii) Interest Period Date(s): [●]  
*(Not applicable unless different from Interest Payment Date)*
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]
- (v) Business Centre(s) (Condition 5(k)): [●]
- (vi) Manner in which the Rate(s) of Interest is/ are to be determined: [Screen Rate Determination/ISDA Determination/other *(give details)*]
- (vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not The Bank of New York Mellon as Calculation Agent): [●]

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*Notes:*

<sup>(5)</sup> For Renminbi or Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate: "Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005 for the case of Renminbi denominated Fixed Rate Notes and to the nearest HK\$0.01, HK\$0.005 for the case of Hong Kong dollar denominated Fixed Rate Notes, being rounded upwards.

(viii) Screen Rate Determination (Condition 5(b)(ii)(B) or Condition 5(b)(ii)(C)):

- Reference Rate: [●]  
*(Either EURIBOR, HIBOR, CNH HIBOR, SOFR or other, although additional information is required if other)*
  
- Interest Determination Date: [●]  
*(the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is not Sterling, euro or Hong Kong Dollars, first day of each Interest Accrual Period if the Specified Currency is Sterling or Hong Kong dollar and the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro)*
  
- Relevant Screen Page: [●]  
*[(In the case of EURIBOR, if not Reuters Page EURIBOR 01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)]*
  
- SOFR: [Applicable/Not Applicable]
  - SOFR Benchmark [Simple SOFR Average/Compounded Daily SOFR/Compounded SOFR Index]
  - Compounded Daily SOFR [Not Applicable/SOFR Lag/SOFR Observation Shift/SOFR Payment Delay/SOFR Lockout]  
*(Only applicable in the case of Compounded Daily SOFR)*
  - Lookback Days [Not Applicable/[●] U.S. Government Securities Business Day(s)]  
*(Only applicable in the case of SOFR Lag)*
  - SOFR Observation Shift Days [Not Applicable/[●] U.S. Government Securities Business Day(s)]  
*(Only applicable in the case of SOFR Observation Shift or Compounded SOFR Index)*
  - Interest Payment Delay Days [Not Applicable/[●] U.S. Government Securities Business Day(s)]  
*(Only applicable in the case of SOFR Payment Delay)*
  - SOFR Rate Cut-Off Date [Not Applicable/The day that is the [●] U.S. Government Securities Business Day(s) prior to the end of each Interest Accrual Period]  
*(Only applicable in the case of Simple SOFR Average, Compounded Daily SOFR: SOFR Payment Delay or Compounded Daily SOFR: SOFR Lockout)*

	<ul style="list-style-type: none"> <li>SOFR Index<sub>Start</sub></li> </ul>	[Not Applicable/[●] U.S. Government Securities Business Day(s)]  <i>(Only applicable in the case of Compounded SOFR Index)</i>
	<ul style="list-style-type: none"> <li>SOFR Index<sub>End</sub></li> </ul>	[Not Applicable/[●] U.S. Government Securities Business Day(s)]  <i>(Only applicable in the case of Compounded SOFR Index)</i>
(ix)	ISDA Determination (Condition 5(b)(ii)(A)):	
	- Floating Rate Option:	[●]
	- Designated Maturity:	[●]
	- Reset Date:	[●]
	- ISDA Definitions:	2006 (if different to those set out in the Conditions, please specify)
(x)	Margin(s):	[+/-] [●] per cent. per annum
(xi)	Minimum Rate of Interest:	[●] per cent. per annum
(xii)	Maximum Rate of Interest:	[●] per cent. per annum
(xiii)	Day Count Fraction (Condition 5(k)):	[●]
(xiv)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●] [Benchmark Discontinuation (SOFR) (Condition 5(m))/specify other if different from those set out in the Conditions]
18	Zero Coupon Note Provisions:	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Amortisation Yield (Condition 6(b)):	[●] per cent. per annum
	(ii) Any other formula/basis of determining amount payable:	[●]
19	Dual Currency Note Provisions:	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Rate of Exchange/Method of calculating Rate of Exchange:	[Give details]
	(ii) Party, if any, responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not The Bank of New York Mellon as Calculation Agent):	[●]
	(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	[●]

- (iv) Person at whose option Specified Currency(ies) is/are payable: [●]

## PROVISIONS RELATING TO REDEMPTION

20 Call Option: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Calculation Amount
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [●] per Calculation Amount
- (b) Maximum Redemption Amount: [●] per Calculation Amount
- (iv) Notice period: [●]

21 Put Option: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Calculation Amount
- (iii) Notice period: [●]

22 Final Redemption Amount of each Note: [●] per Calculation Amount

23 Early Redemption Amount:

- (i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 6(c)) or an event of default (Condition 10) and/or the method of calculating the same (if required or if different from that set out in the Conditions): [●]

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

24 Form of Notes: [Bearer Notes/Exchangeable Bearer Notes/Registered Notes] *[Delete as appropriate]*

[temporary Global Note exchangeable for a permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the permanent Global Note] [temporary Global Note exchangeable for Definitive Notes on [●] days' notice]<sup>(6)</sup>



		[permanent Global Note exchangeable for Definitive Notes on in the limited circumstances specified in the permanent Global Note]
25	Financial Centre(s) (Condition 7(h)) or other special provisions relating to payment dates:	[Not Applicable/ <i>Give details. Note that this item relates to the date and place of payment, and not interest period end dates, to which item 16(ii), 17(iv) and 19(vii) relate</i> ]
26	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No. <i>If yes, give details</i> ]
27	Details relating to Instalment Notes: amount of each Instalment, date on which each payment is to be made:	[Not Applicable/ <i>give details</i> ]
28	Redenomination, renominatisation and reconventioning provisions:	[Not Applicable/The provisions [annexed to this Pricing Supplement] apply]
29	Consolidation provisions:	[Not Applicable/The provisions [annexed to this Pricing Supplement] apply]
30	Other terms or special conditions:	[Not Applicable/ <i>give details</i> ]

## DISTRIBUTION

31	(i) If syndicated, names of Managers:	[Not Applicable/ <i>give names</i> ] [ <i>include date and description of subscription agreement</i> ]
	(ii) Stabilisation Manager(s) (if any):	[Not Applicable/ <i>give name(s)</i> ]
32	If non-syndicated, name of Dealer:	[Not Applicable/ <i>give name</i> ]
33	US Selling Restrictions:	Reg. S Compliance category [●] [TEFRA D/TEFRA C/TEFRA not applicable]
34	Additional selling restrictions:	[Not Applicable/ <i>give details</i> ]
35	Approved Jurisdiction(s) (marketing in the EU, the UK and/or Gibraltar only):	[Not Applicable/ <i>list countries</i> ]
36	Private Bank Rebate/Commission:	[Applicable/Not Applicable] [ <i>(To be included if a private bank rebate is paid)</i> [In addition, the Issuer has agreed with the Managers/Dealer that it will pay a commission to certain private banks in connection with the distribution of the Notes to their clients. This commission will be based on the principal amount of the Notes so distributed, and may be deducted from the purchase price for the Notes payable by such private banks upon settlement.] / [A rebate of [●] basis points is being offered by the Issuer to all Private Banks for orders they place (other than in relation to Notes subscribed by such Private Banks as principal

<sup>(6)</sup> If the Specified Denominations of the Notes in paragraph 6 includes language substantially to the following effect: “€100,000 and integral multiples of [€1,000] in excess thereof up to and including €199,000” the Temporary Global Note shall not be exchangeable on [●] days’ notice.

whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the offering based on the principal amount of the Notes distributed by such Private Banks to investors.]]<sup>(7)</sup><sup>(8)</sup>

## OPERATIONAL INFORMATION

- 37 LEI: 254900J10LHB6JOSNR19
- 38 ISIN Code: [●]
- 39 Common Code: [●]
- 40 CMU Instrument Number: [●]
- 41 Any clearing system(s) other than Euroclear and Clearstream and the CMU and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
- 42 Delivery: Delivery [against/free of] payment
- 43 Additional Paying Agent(s) (if any): [●]

## GENERAL

- 44 The aggregate principal amount of Notes issued has been translated into [U.S. dollars] at the rate of [●], producing a sum of (for Notes not denominated in [U.S. dollars]): [Not Applicable/[U.S.\$][●]]
- 45 In the case of Registered Notes, specify the location of the office of the Registrar if other than New York: [●]
- 46 In the case of Bearer Notes, specify the location of the office of the Issuing and Paying Agent if other than London: [●]
- 47 Ratings: The Notes to be issued have been rated:  
[S&P: [●]]  
[Moody's: [●]]  
[Fitch: [●]]  
[Other: [●]]  
*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*
- 48 Address referred to in Condition 18(c) for service of process: [●]

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### Notes:

<sup>(7)</sup> If paragraph 21 of the SFC Code applies to this issuance, the parties should consider preparing and circulating the Preliminary Pricing Supplement to investors prior to pricing or including the same in a BBG announcement to investors.

<sup>(8)</sup> Language to be finalised at the time of issuance.

## **[PURPOSE OF PRICING SUPPLEMENT**

This Pricing Supplement comprises the final terms required for issue and listing on the [Hong Kong Stock Exchange] of the Notes described herein pursuant to the U.S.\$5,000,000,000 Guaranteed Euro Medium Term Note Programme of The Link Finance (Cayman) 2009 Limited.]

## **[STABILISATION**

In connection with this issue, [*insert name of Stabilisation Manager*] (the “**Stabilisation Manager**”) (or persons acting on behalf of any Stabilisation Manager) may over-allot the Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager (or persons acting on behalf of any Stabilisation Manager) in accordance with all applicable laws and rules.]

## **MATERIAL ADVERSE CHANGE STATEMENT**

Each of the Issuer, the REIT Manager, HoldCo and PropCo represents and warrants that except as disclosed in this Pricing Supplement, there has been no significant change in the financial or trading position of the Issuer, the Guarantors or of Link REIT since [*insert date of last audited accounts or interim accounts (if later)*] and no material adverse change in the financial position or prospects of the Issuer, the Guarantors or of Link REIT since [*insert date of last published annual accounts*].<sup>(9)</sup>

## **INVESTMENT CONSIDERATIONS**

There are significant risks associated with the Notes. Prospective investors should have regard to the factors described under the section headed “Risk Factors” in the Offering Circular before purchasing any Notes. Before entering into any transaction, prospective investors should ensure that they fully understand the potential risks and rewards of that transaction and independently determine that the transaction is appropriate given their objectives, experience, financial and operational resources and other relevant circumstances. Prospective investors should consider consulting with such advisers as they deem necessary to assist them in making these determinations.

## **[USE OF PROCEEDS**

Give details if different from “Use of Proceeds” section in the Offering Circular.]

## **RESPONSIBILITY**

The Issuer, the REIT Manager, HoldCo and PropCo accept responsibility for the information contained in this Pricing Supplement which, when read together with the Offering Circular [and the supplemental Offering Circular] referred to above, contains all information that is material in the context of the issue of the Notes.

Signed on behalf of the Issuer:

By:

Duly authorised

Signed on behalf of the REIT Manager:

By:

Duly authorised

Signed on behalf of HoldCo:

By:

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Notes:

<sup>(9)</sup> If any change is disclosed in the Pricing Supplement, it will require approval by the Stock Exchange(s). Consideration should be given as to whether or not such disclosure should be made by means of a supplemental Offering Circular [comprising supplementary listing particulars] rather than in a Pricing Supplement.

Duly authorised

Signed on behalf of PropCo:

By:

Duly authorised

## ACKNOWLEDGEMENT

The REIT Trustee acknowledges the existence of the obligations of the Issuer in respect of the Notes described in this Pricing Supplement, to be read in conjunction with the terms and conditions of the Notes set out in Schedule 2 Part C of the trust deed dated 6 May 2009, as supplemented by a first supplemental trust deed dated 10 January 2011, a second supplemental trust deed dated 13 January 2012, a third supplemental trust deed dated 28 January 2015, a fourth supplemental trust deed dated 25 January 2018, a fifth supplemental trust deed dated 22 January 2021 and a sixth supplemental trust deed dated 26 August 2022, and made between the Issuer, HoldCo, PropCo, the REIT Trustee, the REIT Manager and The Bank of New York Mellon, London Branch as the Trustee as amended and supplemented (the “**Trust Deed**”), and agrees that such obligations will be guaranteed by the REIT Trustee on the terms set out in the Trust Deed.

Signed on behalf of the REIT Trustee:

By:

Duly authorised

## GENERAL INFORMATION

- (1) Application has been made to the Hong Kong Stock Exchange for the listing of the Programme and application will be made for the listing of, and permission to deal in, the Notes to be issued under the Programme on the Hong Kong Stock Exchange by way of debt issues to Professional Investors only. The issue price of Notes listed on the Hong Kong Stock Exchange will be expressed as a percentage of their nominal amount. Transactions will normally be effected for settlement in the relevant specified currency and for delivery by the end of the second trading day after the date of the transaction. It is expected that dealings will, if permission is granted to deal in and for the listing of such Notes, commence on or about the date of listing of the relevant Notes.
- (2) Each of the Issuer, the Guarantors and the REIT Manager has obtained all necessary consents, approvals and authorisations in Hong Kong and in the Cayman Islands in connection with the establishment of the Programme and the guarantee relating to the Programme. The establishment of the Programme was authorised by resolution of the board of directors of the Issuer passed on 8 April 2009 and by resolution of the Board of the REIT Manager passed on 6 March 2009, the giving of the guarantee relating to the Programme by HoldCo and PropCo was authorised by resolution of the respective board of directors of HoldCo and PropCo each passed on 8 April 2009 and the giving of the guarantee relating to the Programme by the REIT Trustee was authorised by resolution of the board of directors of the REIT Trustee passed on 14 January 2008. The update of the Programme was authorised by resolution of the board of directors of the Issuer passed on 19 August 2022 and by resolution of the Board of the REIT Manager passed on 15 August 2022, the continuing giving of the guarantee relating to the updated Programme by HoldCo and PropCo was authorised by resolution of the respective board of directors of HoldCo and PropCo each passed on 19 August 2022.
- (3) Except as disclosed in this Offering Circular, there has been no material adverse change in the financial position or prospects of the Issuer, the Guarantors or Link since 31 March 2022 and no significant change in the financial or trading position of the Issuer, the Guarantors or of Link since 31 March 2022.
- (4) Except as disclosed in this Offering Circular, none of the Issuer, the Guarantors, the REIT Manager or Link is involved in any litigation, arbitration or administrative proceedings relating to claims which are material in the context of the issue of the Notes and, so far as any of them is aware, no such litigation, arbitration or administrative proceedings are pending or threatened.
- (5) Each Bearer Note having a maturity of more than one year, Receipt, Coupon and Talon will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.
- (6) The Legal Entity Identifier (“LEI”) of the Issuer is 254900J10LHB6JOSNR19. The Notes have been accepted for clearance through the Euroclear and Clearstream systems. The Issuer may also apply to have Notes accepted for clearance through the CMU. The relevant CMU instrument number will be set out in the relevant Pricing Supplement. The relevant ISIN, the Common Code and (where applicable) the identification number for any other relevant clearing system for each series of Notes will be specified in the applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be set out in the relevant Pricing Supplement.
- (7) For so long as Notes may be issued pursuant to this Offering Circular, copies of the following documents will, when published, be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the REIT Manager at 20/F, Tower 1, The Quayside, 77 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong. Copies of documents in paragraphs (i), (ii) and (vi) will be made available for inspection at all reasonable time during usual business hours (being between 9:00 a.m. and 3:00 p.m. from Monday to Friday (other than public holidays)) at the specified office of the Paying Agents following prior written request and proof of holding and identity to the satisfaction of the Paying Agents:
  - (i) the Trust Deed (which includes the form of the Global Notes, the definitive Bearer Notes, the Certificates, the Coupons, the Receipts and the Talons);

- (ii) the Agency Agreement;
- (iii) the Memorandum and Articles of Association of each of the Issuer, HoldCo and PropCo and the Articles of Association of the REIT Trustee;
- (iv) the published annual reports and audited consolidated financial statements of Link for the two financial years ended 31 March 2021 and 2022 respectively;
- (v) the most recently published audited annual consolidated financial statements of Link, the most recently published unaudited interim condensed consolidated financial information of Link from time to time (at the date of this Offering Circular, other than the financial statements of Link, the Issuer and the Guarantors have not published any audited or unaudited financial statements and do not propose to publish any financial statements);
- (vi) a copy of this Offering Circular together with any supplement (including any Pricing Supplement save that a Pricing Supplement relating to an unlisted Series of Notes will only be available for inspection by a holder of any such Notes and such holder must produce evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding of such Notes and identity) to this Offering Circular or further Offering Circular; and
- (vii) all reports, letters and other documents, statements of financial position, valuations and statements by any expert any part of which is extracted or referred to in this Offering Circular.

Copies of the documents referred to in sub-paragraphs (iii) to (vi) above will also be available free of charge during the hours referred to above from the specified office of the Paying Agents for the time being in Hong Kong so long as any of the Notes is outstanding.

- (8) The consolidated financial statements of Link for the years ended 31 March 2021 and 2022 included in this Offering Circular have been audited by its independent auditor, PricewaterhouseCoopers, Certified Public Accountants, in accordance with the Hong Kong Auditing Standards issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as stated in their reports appearing therein.

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***Note:***

References to page numbers in the consolidated financial statements of Link, and the audit report relating thereto are to pages of the relevant annual report from which they have been extracted.

# Independent Auditor's Report



羅兵咸永道

## INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF LINK REAL ESTATE INVESTMENT TRUST

(a collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

##### What we have audited

The consolidated financial statements of Link Real Estate Investment Trust ("**Link**") and its subsidiaries (together the "**Group**"), which are set out on pages 94 to 153, comprise:

- the consolidated statement of financial position as at 31 March 2022;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of distributions for the year then ended;
- the consolidated statement of changes in equity and net assets attributable to Unitholders for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

#### Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

#### Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("**HKSAs**") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("**the Code**"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong  
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com



## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matter identified in our audit relates to the valuation of investment properties.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Valuation of Investment Properties</b></p> <p>Refer to notes 3(d), 5(a) and 15 to the consolidated financial statements</p> <p>The Group's investment properties are the key component of the net asset value attributable to the unitholders and underpins the Group's result for the year. The valuation of investment properties in the consolidated statement of financial position as at 31 March 2022 was HK\$212,761 million and the fair value gain of investment properties in the consolidated income statement for the year was HK\$426 million, which were significant components of the consolidated financial statements. As at 31 March 2022, the Group's investment properties portfolio comprises retail, office and logistics properties and car parks in Hong Kong, Mainland China, Australia and the United Kingdom.</p> <p>The valuations were carried out by a third party valuer (the "Valuer"). Under the Code on Real Estate Investment Trusts issued by the Hong Kong Securities and Futures Commission (the "REIT Code"), the Valuer shall retire after it has conducted valuations for three consecutive years, and may only be reappointed after three years. The current Valuer was first appointed for the year ended 31 March 2020 and engaged by the Trustee of Link.</p> <p>The valuation of the Group's completed investment properties is inherently subjective due to, among other factors, the individual nature of each property, its location and the expected future rentals for that particular property.</p>	<p><b>Management's controls and processes</b></p> <p>We understood management's controls and processes to assess the valuation of the investment properties and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty, the judgement involved in determining assumptions to be applied and susceptibility to management bias or fraud.</p> <p><b>Experience of Valuer and relevance of their work</b></p> <p>We assessed the Valuer's qualifications and their expertise and read their terms of engagement with the Group to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work. We found no evidence to suggest that the objectivity of the Valuer in their performance of the valuations was compromised.</p> <p>We read the Valuer's report and understand that the valuation was carried out in accordance with the Royal Institution of Chartered Surveyors' RICS Valuation – Global Standards, incorporating the International Valuation Standards Council's International Valuation Standards, the Hong Kong Institute of Surveyors' HKIS Valuation Standards 2020 and Chapter 6 of the REIT Code.</p> <p><b>Valuation methodology used by the Valuer</b></p> <p>We involved our property valuation experts to assess and evaluate the reasonableness of the valuation methodologies and models used by the Valuer by comparing against our knowledge in valuation and the properties industry.</p> <p><b>Data used by the Valuer</b></p> <p>We checked, on a sample basis, the data used by the Valuer to perform the valuation to appropriate supporting documents, including:</p> <ul style="list-style-type: none"> <li>• key terms of lease agreements;</li> <li>• operating expenditure details; and</li> <li>• rental income schedules.</li> </ul>

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Valuation of Investment Properties (Continued)</b></p> <p>In determining a property's valuation as at 31 March 2022, the Valuer took into account property-specific information such as tenancy agreements, rental income and direct property expenses. The income capitalisation approach was used, with cross reference to the direct comparison approach where applicable. The Valuer applied assumptions for capitalisation rates and reversionary net passing income, which were influenced by the prevailing market yields and comparable market transactions to arrive at the final valuation.</p> <p>Judgements are made in respect of capitalisation rates and market rents.</p> <p>The adoption of income capitalisation approach is in line with market practice of property valuation and is compliant with the Trust Deed.</p> <p>There were a number of specific factors affecting the valuations in the year which we considered when making our judgements:</p> <ul style="list-style-type: none"> <li>• revitalisation of certain investment properties through the Group's Asset Enhancement Program; and</li> <li>• the performance of the Group's investment property portfolio.</li> </ul> <p>We focused on the valuation of investment properties due to the significant judgements and estimates involved in determining the valuations.</p>	<p><b>Assumptions and estimates used by the Valuer</b></p> <p>We, including our valuation experts, attended meetings with the Valuer where the valuation approach and the key assumptions were discussed. The assumptions used varied across the portfolio depending on the age, nature and location of each property but they included estimated capitalisation rate and net passing income. In each of these areas, and on a sample basis, we compared the estimates and assumptions used by the Valuer against the published industry benchmarks and comparable market transactions, and our experience in the sector.</p> <p>We performed further work on the properties where assumptions suggested possible outliers in comparison to market data. Where assumptions were outside the expected range or were otherwise unusual, and/or valuations showed unexpected movements, we held further discussions with the Valuer to understand the rationale and obtained additional audit evidence to support the explanations received.</p> <p>Overall, we considered that the methodologies used in preparing the valuation were appropriate and key assumptions were supportable in light of available and comparable market evidence.</p> <p>We also assessed the adequacy of the disclosures related to the valuation of investment properties in the context of HKFRS disclosure requirements and were satisfied that appropriate disclosure has been made.</p>

## Other Information

Link Asset Management Limited (the “**Manager**” of Link) is responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Manager and the Audit and Risk Management Committee for the Consolidated Financial Statements

The Manager is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the Manager determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

In addition, the Manager is required to ensure that the consolidated financial statements have been properly prepared in accordance with the relevant provisions of the Second Amending and Restating Deed dated 30 July 2021 (the “**Trust Deed**”), and the relevant disclosure provisions of Appendix C of the REIT Code.

The Audit and Risk Management Committee is responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. In addition, we are required to assess whether the consolidated financial statements of the Group have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix C of the REIT Code.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Risk Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Risk Management Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit and Risk Management Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Matters Under the Relevant Provisions of the Trust Deed and the Relevant Disclosure Provisions of Appendix C of the REIT Code

In our opinion, the consolidated financial statements have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix C of the REIT Code.

The engagement partner on the audit resulting in this independent auditor's report is Wong Hung Nam.

**PricewaterhouseCoopers**  
*Certified Public Accountants*  
 Hong Kong, 1 June 2022

# Consolidated Income Statement

For the year ended 31 March 2022

	Note	2022 HK\$'M	2021 HK\$'M
<b>Revenue</b>	6	<b>11,602</b>	10,744
Property operating expenses	8	(2,826)	(2,506)
Net property income		<b>8,776</b>	8,238
General and administrative expenses		(512)	(428)
Change in fair values of investment properties and impairment of goodwill	14 & 15	426	(5,322)
Interest income		98	126
Finance costs	9	(1,005)	(770)
Loss on disposals of financial assets at amortised cost		(11)	–
Share of net profit of a joint venture	16	364	–
<b>Profit before taxation and transactions with Unitholders</b>	10	<b>8,136</b>	1,844
Taxation	12	(1,229)	(1,092)
<b>Profit for the year, before transactions with Unitholders</b>		<b>6,907</b>	752
Distributions paid to Unitholders:			
– 2022 interim distribution		(3,336)	–
– 2021 final distribution		(3,089)	–
– 2021 interim distribution		–	(2,921)
– 2020 final distribution		–	(2,999)
		<b>482</b>	(5,168)
Represented by:			
Change in net assets attributable to Unitholders, excluding issues of new units and units bought back		<b>2,030</b>	(2,566)
Amount arising from reserve movements	29	(1,561)	(2,169)
Non-controlling interests		<b>13</b>	(433)
		<b>482</b>	(5,168)
Profit for the year, before transactions with Unitholders attributable to			
– Unitholders (Note)	13	<b>6,894</b>	1,185
– Non-controlling interests		<b>13</b>	(433)
		<b>6,907</b>	752

The notes on pages 100 to 153 are an integral part of these consolidated financial statements.

Note: Earnings per unit, based upon profit for the year, before transactions with Unitholders attributable to Unitholders and the weighted average number of units in issue, is set out in Note 13 to the consolidated financial statements.

# Consolidated Statement of Comprehensive Income

For the year ended 31 March 2022

	Before transactions with Unitholders HK\$'M	Transactions with Unitholders (Note (i)) HK\$'M	After transactions with Unitholders (Note (ii)) HK\$'M	Non- controlling interests HK\$'M	Total HK\$'M
<b>For the year ended 31 March 2022</b>					
Profit for the year	6,894	(8,455)	(1,561)	13	(1,548)
Other comprehensive income					
Items that may be reclassified subsequently to the consolidated income statement					
– Cash flow hedging reserve	372	–	372	–	372
– Exchange reserve	1,189	–	1,189	4	1,193
<b>Total comprehensive income for the year</b>	<b>8,455</b>	<b>(8,455)</b>	<b>–</b>	<b>17</b>	<b>17</b>

For the year ended 31 March 2021

Profit for the year	1,185	(3,354)	(2,169)	(433)	(2,602)
Other comprehensive income					
Items that may be reclassified subsequently to the consolidated income statement					
– Cash flow hedging reserve	120	–	120	–	120
– Exchange reserve	2,049	–	2,049	–	2,049
<b>Total comprehensive income for the year</b>	<b>3,354</b>	<b>(3,354)</b>	<b>–</b>	<b>(433)</b>	<b>(433)</b>

The notes on pages 100 to 153 are an integral part of these consolidated financial statements.

Notes:

- (i) Transactions with Unitholders comprise the distributions to Unitholders of HK\$6,425 million (2021: HK\$5,920 million) and change in net assets attributable to Unitholders, excluding issues of new units and units bought back, which is an increase of HK\$2,030 million (2021: a decrease of HK\$2,566 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 the 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 year ended 31 March 2022

	Note	2022 HK\$'M	2021 HK\$'M
<b>Profit for the year, before transactions with Unitholders attributable to Unitholders</b>		<b>6,894</b>	1,185
Adjustments:			
– Change in fair values of investment properties and impairment of goodwill attributable to Unitholders		<b>(714)</b>	4,910
– Deferred taxation on change in fair values of investment properties attributable to Unitholders		<b>172</b>	(12)
– Change in fair values of derivative component of convertible bonds		<b>(32)</b>	32
– Change in fair values of financial instruments		<b>(80)</b>	(320)
– Depreciation and amortisation of real estate and related assets		<b>51</b>	54
– Loss on disposals of financial assets at amortised cost		<b>11</b>	–
– Other non-cash income		<b>(29)</b>	(129)
Discretionary distribution (Note (i))		<b>146</b>	290
<b>Total Distributable Amount (Note (i))</b>		<b>6,419</b>	6,010
Interim distribution paid		<b>3,336</b>	2,921
Final distribution, to be paid to the Unitholders		<b>3,083</b>	3,089
Total distributions for the year		<b>6,419</b>	6,010
Units in issue at 31 March	28	<b>2,110,193,850</b>	2,081,862,866
Distributions per unit to Unitholders:			
– Interim distribution per unit, paid (Note (ii))		<b>HK159.59 cents</b>	HK141.65 cents
– Final distribution per unit, to be paid to the Unitholders (Note (iii))		<b>HK146.08 cents</b>	HK148.34 cents
<b>Distribution per unit for the year</b>		<b>HK305.67 cents</b>	HK289.99 cents

The notes on pages 100 to 153 are an integral part of these consolidated financial statements.

## 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 year ended 31 March 2022, the Manager has decided to distribute 100% (2021: 100%) of its distributable income to Unitholders. In addition, the Manager distributed a capital return in the form of a discretionary distribution of HK\$146 million (2021: HK\$290 million). Together with the discretionary distribution, Total Distributable Amount represented 102% (2021: 105%) of the distributable income of the Group for the year ended 31 March 2022.
- (ii) The interim distribution per unit of HK\$159.59 cents (2021: HK\$141.65 cents) for the six months ended 30 September 2021 was calculated based on the interim distribution of HK\$3,336 million (2021: HK\$2,921 million) for the period and 2,090,637,780 units (2021: 2,062,427,353 units) in issue as at 30 September 2021. The interim distribution was paid to Unitholders on 31 December 2021.
- (iii) The final distribution per unit of HK\$146.08 cents (2021: HK\$148.34 cents) for the year ended 31 March 2022 is calculated based on the final distribution to be paid to the Unitholders of HK\$3,083 million (2021: HK\$3,089 million) for the second half of the financial year and 2,110,193,850 units (2021: 2,081,862,866 units) in issue as at 31 March 2022, without taking into account any change in the number of units in issue subsequent to the approval of the consolidated financial statements. The final distribution will be paid to Unitholders on 2 August 2022.

# Consolidated Statement of Financial Position

As at 31 March 2022

	Note	2022 HK\$'M	2021 HK\$'M
<b>Assets</b>			
Goodwill	14	400	392
Investment properties	15	212,761	199,074
Interests in a joint venture	16	3,756	–
Property, plant and equipment	17	1,248	1,301
Financial assets at amortised cost	18	2,082	2,742
Deposits and prepayments		722	2,433
Derivative financial instruments	26	414	218
Trade and other receivables	19	1,384	1,195
Bank deposits	20	170	–
Cash and cash equivalents	20	2,779	2,530
<b>Total assets</b>		<b>225,716</b>	<b>209,885</b>
<b>Liabilities, excluding net assets attributable to Unitholders</b>			
Deferred tax liabilities	21	3,348	3,029
Long-term incentive scheme provision	22	153	82
Other liabilities	23	3,948	4,048
Interest bearing liabilities	24	45,714	34,634
Convertible bonds	25	4,031	4,002
Security deposits		1,920	1,789
Derivative financial instruments	26	429	129
Provision for taxation		483	975
Trade payables, receipts in advance and accruals	27	2,700	2,504
<b>Total liabilities, excluding net assets attributable to Unitholders</b>		<b>62,726</b>	<b>51,192</b>
<b>Non-controlling interests</b>		<b>302</b>	<b>(27)</b>
<b>Net assets attributable to Unitholders</b>		<b>162,688</b>	<b>158,720</b>
Units in issue	28	2,110,193,850	2,081,862,866
<b>Net assets per unit attributable to Unitholders</b>		<b>HK\$77.10</b>	<b>HK\$76.24</b>

The notes on pages 100 to 153 are an integral part of these consolidated financial statements.

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

**Nicholas Charles ALLEN**  
Chairman  
1 June 2022

**George Kwok Lung HONGCHOY**  
Chief Executive Officer  
1 June 2022



# Consolidated Statement of Changes in Equity and Net Assets Attributable to Unitholders

For the year ended 31 March 2022

	Note	Unitholders' equity HK\$'M	Net assets attributable to Unitholders HK\$'M	Non-controlling interests HK\$'M
At 1 April 2021		–	158,720	(27)
Issuance of units under distribution reinvestment scheme		–	2,020	–
Units bought back for cancellation		–	(82)	–
Acquisition of non-controlling interests		–	–	312
Profit for the year ended 31 March 2022, before transactions with Unitholders		–	6,894	13
Distributions paid to Unitholders				
– 2022 interim distribution		–	(3,336)	–
– 2021 final distribution		–	(3,089)	–
Change in fair values of cash flow hedges	29	312	–	–
Amount transferred to the consolidated income statement	29	60	–	–
Foreign currency translations	29	1,189	–	4
Amount arising from reserve movements	29	(1,561)	1,561	–
Change in net assets attributable to Unitholders and non-controlling interests for the year ended 31 March 2022, excluding issues of new units, units bought back and acquisition of non-controlling interests		–	2,030	17
<b>At 31 March 2022</b>		–	<b>162,688</b>	<b>302</b>
At 1 April 2020		–	159,711	406
Issuance of units under distribution reinvestment scheme		–	1,954	–
Units bought back for cancellation		–	(379)	–
Profit for the year ended 31 March 2021, before transactions with Unitholders		–	1,185	(433)
Distributions paid to Unitholders				
– 2021 interim distribution		–	(2,921)	–
– 2020 final distribution		–	(2,999)	–
Change in fair values of cash flow hedges	29	63	–	–
Amount transferred to the consolidated income statement	29	57	–	–
Foreign currency translations	29	2,049	–	–
Amount arising from reserve movements	29	(2,169)	2,169	–
Change in net assets attributable to Unitholders and non-controlling interest for the year ended 31 March 2021, excluding issues of new units and units bought back		–	(2,566)	(433)
<b>At 31 March 2021</b>		–	<b>158,720</b>	<b>(27)</b>

The notes on pages 100 to 153 are an integral part of these consolidated financial statements.

# Consolidated Statement of Cash Flows

For the year ended 31 March 2022

	Note	2022 HK\$'M	2021 HK\$'M
<b>Operating activities</b>			
<b>Net cash generated from operating activities</b>	30(a)	<b>6,698</b>	<b>7,078</b>
<b>Investing activities</b>			
Acquisition of assets	31	(9,010)	(6,729)
Acquisition of a joint venture		(947)	–
Acquisition of businesses		–	(750)
Additions to investment properties		(858)	(859)
Additions to property, plant and equipment		(28)	(37)
Interest income received		116	138
Proceeds from disposal and maturity of financial assets at amortised costs		647	–
Deposits paid for acquisition of joint ventures		(332)	(2,305)
Increase in bank deposits with original maturity of more than three months		(170)	–
<b>Net cash used in investing activities</b>		<b>(10,582)</b>	<b>(10,542)</b>
<b>Financing activities</b>			
Proceeds from interest bearing liabilities, net of transaction costs		25,237	20,627
Repayment of interest bearing liabilities		(14,948)	(17,458)
Repayment of borrowings acquired in acquisition of assets	31	(713)	–
Increase in amount due to a non-controlling interest		29	49
Interest expenses paid		(978)	(928)
Payment of lease liabilities		(2)	(5)
Distributions paid to Unitholders		(4,405)	(3,966)
Units bought back for cancellation		(82)	(379)
<b>Net cash generated from/(used in) financing activities</b>		<b>4,138</b>	<b>(2,060)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>254</b>	<b>(5,524)</b>
Cash and cash equivalents at 1 April		2,530	7,877
Effect on exchange rate changes on cash and cash equivalents		(5)	177
<b>Cash and cash equivalents at 31 March</b>		<b>2,779</b>	<b>2,530</b>

The notes on pages 100 to 153 are an integral part of these consolidated financial statements.

# Notes to the Consolidated Financial Statements

## 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

### (a) Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards (“**HKFRSs**”), the requirements of the Trust Deed and the relevant disclosure requirements as set out in Appendix C of the Code on Real Estate Investment Trusts (the “**REIT Code**”) issued by the Securities and Futures Commission of Hong Kong. HKFRSs is a collective term which includes all applicable HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants.

### (b) Accounting Convention

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of derivative financial instruments, long-term incentive scheme provision, the derivative component of convertible bonds, investment properties, and non-controlling interest put option obligation, which are stated at fair values as explained in the significant accounting policies set out in Note 3.

### (c) Adoption of New and Revised Accounting Policies

For the year ended 31 March 2022, the Group has adopted all the new standards and amendments that are currently in issue and effective.

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.

## 2 Basis of Preparation (Continued)

### (c) Adoption of New and Revised Accounting Policies (Continued)

The following new standards, amendments, interpretations and revised accounting guidelines which have been published but are not yet effective, have not been early adopted in the consolidated financial statements. 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>
Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause <sup>(2)</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 standards, amendments, interpretations and revised accounting guidelines upon initial application.

### 3 Summary of Significant Accounting Policies

The significant accounting policies adopted in the preparation of the consolidated financial statements are set out below. Save as the adoption of new and revised accounting policies, these policies have been consistently applied to all the years presented.

#### (a) Basis of Consolidation

The consolidated financial statements incorporate the assets and liabilities of Link and all its subsidiaries as at 31 March 2022 and their results for the year then ended.

Subsidiaries are entities, including structured entities, over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the units issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition related costs are expensed in the consolidated income statement during the period in which they are incurred.

Where the Group enters into a contract that contains an obligation (for example, a written put option exercisable by the contract counterparty) to acquire shares in a partly-owned subsidiary company from the non-controlling interest, which is not part of a business combination, the Group records a financial liability for the present value of the redemption amount with a corresponding charge directly to net assets attributable to Unitholders. Changes to the value of the financial liability are recognised in the consolidated income statement.

#### (b) Segment Reporting

A segment is a distinguishable component of the Group that is engaged either in providing a particular type of service, or in providing services within a particular economic environment, and which is subject to risks and rewards that are different from those of other segments. Consistent with the Group's internal financial reporting to the Manager, being the chief operating decision maker, for the purpose of making decisions about allocating resources and assessing performance, segment assets consist primarily of tangible assets and receivables and segment liabilities mainly comprise operating liabilities.

### 3 Summary of Significant Accounting Policies (Continued)

#### (c) Foreign Currency Translation

##### (i) Functional and Presentation Currencies

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The consolidated financial statements are presented in millions of Hong Kong Dollars, which is the functional currency of Link and the Group's presentation currency.

##### (ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

##### (iii) Group Companies

The results and financial position of all the Group's entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position of the Group's entities are translated at the reporting date closing rate;
- income and expenditures for each income statement of the Group's entities are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenditures are translated at the rates on the dates of the transactions); and
- all resulting currency translation differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the reporting date closing rate. Currency translation differences arising are recognised in other comprehensive income.

### 3 Summary of Significant Accounting Policies (Continued)

#### (d) Investment Properties

A property that is held for long-term rental yields or for capital appreciation or both, is classified as an investment property. It also includes properties that are being constructed or developed for future use as investment properties.

Investment property comprises land held under government leases and treated under finance lease and buildings held under finance leases.

An investment property is measured initially at its cost, including related transaction costs.

After initial recognition, an investment property is carried at fair value, representing open market value determined at each reporting date. The carrying value of the investment property is reviewed every six months and is independently valued by external valuer at least annually.

Any gain or loss arising on disposal of the investment property (calculated as the difference between the disposal proceeds and the carrying amount, including revaluation, of the asset) is recognised in the consolidated income statement in the period in which the investment property is disposed of.

Changes in fair values of the investment properties are recognised in the consolidated income statement.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group, and the cost of the item can be measured reliably. All other repair and maintenance costs are expensed in the consolidated income statement during the period in which they are incurred.

#### (e) Property, Plant and Equipment

Property, plant and equipment, including right-of-use assets arising from property leased for own use, are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are expensed in the consolidated income statement during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost less estimated residual value less accumulated impairment losses over the estimated useful lives as follows:

Land and building	Lease terms
Leasehold improvements	Five years or lease terms (if applicable)
Right-of-use assets	Lease terms
Equipment	Three to five years
Motor vehicles	Five years

An asset's residual value and useful life are reviewed and adjusted, if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount, as an impairment loss.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amounts and are recognised in the consolidated income statement.

### 3 Summary of Significant Accounting Policies (Continued)

#### (f) Joint Ventures

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Interests in a joint venture are accounted for using the equity method. Interests in a joint venture are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in the consolidated income statement, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from the joint venture are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in a joint venture equals or exceeds its interests in the joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Unrealised gains on transactions between the Group and the joint venture are eliminated to the extent of the Group's interests in the joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint venture have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of the joint venture is tested for impairment in accordance with the policy described in note 3(q).

#### (g) Financial Assets at Amortised Cost

Financial assets at amortised cost are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. The Group holds certain debt securities with the objective to collect the contractual cash flows, which represent solely payments of principal and interests and therefore measures them subsequently at amortised cost using the effective interest method. Regular way purchases or sales of debt securities are recognised and derecognised on a trade date basis.

Interest income from financial assets at amortised cost is recognised using the effective interest rate method. The Group assesses on a forward-looking basis the expected credit losses associated with the financial assets at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### (h) Trade and Other Receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. The Group holds the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. The Group applies the HKFRS 9 simplified approach in assessing expected credit losses which uses a lifetime expected loss allowance for trade receivables. The expected credit losses on trade receivables are calculated using a provision matrix where a provision rate applies based on its historical observed default rates adjusted by current and forward-looking information.

Other receivables are considered to be low risk, and therefore the impairment provision is determined as 12 months expected credit losses which consider current and forward-looking information. The impairment methodology applied depends on whether there has been a significant increase in credit risk.



### 3 Summary of Significant Accounting Policies (Continued)

#### (i) Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

#### (j) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired business at the date of acquisition. Goodwill on business combinations is stated as a separate asset. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

#### (k) Unitholders' Funds as a Financial Liability

In accordance with the Trust Deed, Link is required to distribute to Unitholders not less than 90% of the Group's Total Distributable Income for each financial year. The trust also has a limited life of 80 years from the date of establishment. Accordingly, the units contain contractual obligations of the trust 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 HKAS 32: Financial Instruments: Presentation. This liability is shown on the consolidated statement of financial position as the net assets attributable to Unitholders. Distributions to Unitholders are recognised in the consolidated income statement.

#### (l) Trade Payables and Provisions

##### (i) Trade Payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

##### (ii) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where a provision is expected to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

#### (m) Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities are the net present value of the fixed lease payments discounted using the interest rate implicit in the lease and subsequently stated at amortised cost.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

On the Group's consolidated statement of financial position, right-of-use asset has been included in property, plant and equipment and lease liabilities have been included in accruals.

### 3 Summary of Significant Accounting Policies (Continued)

#### (n) Current and Deferred Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Group's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred taxation is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation is provided on temporary differences arising from investments in subsidiaries, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred taxation arising from investment property is determined based on the expected manner as to how the investment properties will be recovered (through sale or through use) with the corresponding tax rate applied.

#### (o) Interest Bearing Liabilities

Interest bearing liabilities are recognised initially at fair value, net of transaction costs incurred. Interest bearing liabilities are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the instrument using the effective interest method.

### 3 Summary of Significant Accounting Policies (Continued)

#### (p) Convertible Bonds

Convertible bonds with conversion right comprise a derivative component and a liability component.

At initial recognition, the derivative component of the convertible bonds is measured at fair value. Any excess of the proceeds over the amount initially recognised as the derivative component is recognised as the liability component. Transaction costs relating to the issue of the convertible bonds are allocated to the liability and derivative components in proportion to the allocation of proceeds. The portion of the transaction costs relating to the liability component is recognised initially as part of the liability component and the portion relating to the derivative component is recognised immediately in the consolidated income statement.

The derivative component is subsequently remeasured at fair value, with changes in fair value recognised immediately in the consolidated income statement. The liability component is subsequently measured at amortised cost. The interest expense recognised in the consolidated income statement on the liability component is calculated using the effective interest method.

#### (q) Impairment of Non-financial Assets

Assets that are subject to depreciation and amortisation are reviewed by the Group for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets other than goodwill that is subject to impairment are reviewed for possible reversal of the impairment at each reporting date.

#### (r) Revenue Recognition

##### (i) Rentals

Operating lease rental income is recognised on a straight-line basis over the term of the lease agreement. Contingent rental income (representing income over and above base rent) such as turnover rent, is recognised according to the terms of the lease agreements when the amount can be reliably measured, in the accounting period in which it is earned. Lease incentives provided, such as rent-free periods, are amortised on a straight-line basis and are recognised as a reduction of rental income over the respective term of the lease.

##### (ii) Service Fees and Charges

Service fees and charges such as air conditioning income arising from the provision of services are recognised over time when such services are rendered.

##### (iii) Interest Income

Interest income is recognised on a time-proportion basis using effective interest method.

### 3 Summary of Significant Accounting Policies (Continued)

#### (s) Expenditure

Expenditures, including property related outgoings and other expenses, are recognised on an accrual basis.

#### (t) Employee Benefits

Employee benefits such as wages, salaries and bonuses are recognised as an expense when the employee has rendered the service.

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave. The employer's contributions to the Mandatory Provident Fund for employees are expensed as incurred.

#### (u) Employees' Long-term Incentive Scheme

Incentives in the form of a long-term incentive scheme are provided to eligible employees (including directors).

Employee services rendered in exchange for the grant of the long-term incentive scheme awards are recognised as an expense, with a corresponding increase in the liability incurred. This expense is charged to the consolidated income statement over the vesting periods. Until the liability is settled, the value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in value recognised in the consolidated income statement for the year. At each reporting date, estimates of the number of long-term incentive scheme awards that are expected to vest will be revised and the impact of the revision is recognised in the consolidated income statement. The carrying value of the long-term incentive scheme awards is reviewed every six months and is independently valued by external valuer at least annually. If the awards do not vest on the vesting dates, the amounts charged to the consolidated income statement will be written back.

### 3 Summary of Significant Accounting Policies (Continued)

#### (v) Derivative Financial Instruments and Hedging Activities

A derivative is initially recognised at fair value on the date a derivative contract is entered into and is subsequently re-measured at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

At the inception of the hedging, the Group documents the economic relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking its hedge transactions.

##### (i) Cash Flow Hedge

Hedging relationships are classified as cash flow hedges when such relationships are used to hedge against exposure to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability and such variability could affect profit or loss.

The changes in the fair value of the effective portion of derivatives that are designed and qualify as cash flow hedges are recognised in other comprehensive income and deferred in a cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated income statement.

Amounts accumulated in hedging reserves are transferred to the consolidated income statement in the periods when the hedged item affects profit or loss. However, where the hedged item subsequently results in recognition of a non-financial asset or a non-financial liability, the gains or losses deferred in cash flow hedging reserve are transferred from hedging reserve and included within the initial cost of the asset or liability.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in the cash flow hedging reserve at that time remain in hedging reserve until the forecast transaction occurs, resulting in recognition of a non-financial asset such as inventory. When the forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in hedging reserve is immediately reclassified to the consolidated income statement.

##### (ii) Fair Value Hedge

Derivatives designated as hedging instruments to hedge the fair value of recognised assets or liabilities may qualify as fair value hedges.

The Group uses interest rate swap contracts to hedge its exposure to variability in fair values of recognised liabilities against changes in market interest rates.

The Group uses cross currency swap contracts to hedge its exposure to variability in fair value of recognised foreign currency liabilities against changes in foreign currency exchange rates and market interest rates. The changes in fair values of the cross currency swap contracts are recognised directly in the consolidated income statement.

Changes in the fair values of these derivative contracts, together with the changes in the fair values of the hedged liabilities attributable to the hedged risk are recognised in the consolidated income statement as finance costs on interest bearing liabilities. At the same time, the carrying amounts of the hedged liabilities in the consolidated statement of financial position are adjusted for the changes in fair values.

### 3 Summary of Significant Accounting Policies (Continued)

#### (v) Derivative Financial Instruments and Hedging Activities (Continued)

##### (iii) Net Investment Hedge

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated income statement.

Gains and losses accumulated in equity are reclassified to the consolidated income statement when the foreign operation is disposed of.

##### (iv) Derivatives That Do Not Qualify for Hedge Accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the consolidated income statement.

##### (v) Hedge Ineffectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group therefore, performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated or if there are changes in the credit risk of the derivative counterparty.

#### (w) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the consolidated income statement in the period in which they are incurred.

#### (x) Presentation of the Consolidated Statement of Financial Position

The Group has adopted the liquidity basis in the presentation of the consolidated statement of financial position as it is considered to be more relevant and meaningful to readers based on the timing of their realisation or settlement of assets and liabilities as justified by the market situation.

## 4 Financial Risk Management

### (a) Financial Risk Factors

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and currency risk), credit risk and liquidity risk.

Risk management is carried out by the Manager. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments such as interest rate swap contracts and cross currency swap contracts to manage financial risk.

## 4 Financial Risk Management (Continued)

### (a) Financial Risk Factors (Continued)

#### (i) Market Risk

##### (A) Interest Rate Risk

The Group is exposed to interest rate risk through the impact of rate changes in interest bearing liabilities and assets. The risks can be separated into cash flow interest rate risk and fair value interest rate risk.

Cash flow interest rate risk is the risk that changes in market interest rates will impact cash flows arising from variable rate financial instruments. Borrowings at floating rates therefore, expose the Group to cash flow interest rate risk. The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swap contracts. Such interest rate swap contracts have the economic effect of converting borrowings from floating rates to fixed rates.

Fair value interest rate risk is the risk that the values of financial liabilities will fluctuate because of changes in market interest rates. The Group manages its fair value interest rate risk by entering into interest rate swap contracts which have the economic effect of converting borrowings from fixed rates to floating rates.

The effects of the interest rate swaps on the Group's financial position and performance are as follows:

	2022 HK\$'M	2021 HK\$'M
Carrying amount – assets	397	50
Notional amount	10,448	9,054
Maturity date	October 2023 – March 2030	October 2023 – March 2030
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments since beginning of the year	287	61
Change in value of hedged item used to determine hedge effectiveness	(287)	(61)
Weighted average hedged rate for the year	0.73%	0.77%

As at 31 March 2022, if interest rates on floating rate interest bearing liabilities net of floating rate interest bearing assets had been 100 basis points higher/lower with all other variables held constant, profit for the year, before transactions with Unitholders, would have been HK\$148 million (2021: HK\$101 million) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings. As at 31 March 2022, if interest rates had been 100 basis points higher/lower, the hedging reserve would have been HK\$310 million/HK\$325 million (2021: HK\$377 million/HK\$401 million) higher/lower mainly as a result of an increase/decrease in the fair values of the cash flow hedges as described above.

## 4 Financial Risk Management (Continued)

### (a) Financial Risk Factors (Continued)

#### (i) Market Risk (Continued)

##### (B) Currency Risk

Currency risk arises on account of monetary assets and liabilities denominated in a currency that is not the functional currency.

The Group has certain investments in Mainland China, Australia and the United Kingdom, whose net assets are exposed to foreign currency translation risk. This gave rise to an aggregated unrealised gain of approximately HK\$1,326 million (2021: HK\$2,099 million) on translation of these operations' net assets to the Group's Hong Kong Dollar reporting currency, which is reflected as a movement in reserves under the heading of exchange reserve.

After taking into accounts the cross currency swap contracts, the Group finances the investments in Australia and the United Kingdom by bank borrowings denominated in Australian Dollars and British Pound Sterling respectively, thereby establishing a natural hedge against any foreign currency risk arising from assets and liabilities denominated in Australian Dollars and British Pound Sterling.

The Group has designated certain British Pound Sterling bank borrowings as hedging instruments for the changes in the value of the net investments in the United Kingdom attributable to changes in the HK\$/GBP spot rate. The carrying amount of the British Pound Sterling bank borrowings designated as hedging instruments at 31 March 2022 was HK\$1,108 million (2021: HK\$1,108 million). The hedge was determined to be effective. A foreign exchange loss of HK\$8 million (2021: HK\$50 million) was recognised in the Group's other comprehensive income for the year on translation of the British Pound Sterling bank borrowings to Hong Kong dollars. Management considers that there is no significant net currency risk exposure with respect to Australian Dollars and British Pound Sterling.

The Group has designated certain Renminbi bank borrowings and cross currency swap contracts as hedging instruments for the changes in the value of the net investments in Mainland China attributable to changes in the HK\$/RMB spot rate. The carrying amounts of the Renminbi bank borrowings and cross currency swap contracts designated as hedging instruments at 31 March 2022 were HK\$2,033 million (2021: Nil) and HK\$93 million (2021: Nil) respectively. The hedges were determined to be effective. Foreign exchange losses of HK\$36 million (2021: Nil) and HK\$93 million (2021: Nil) were recognised in the Group's other comprehensive income for the year on translation of the Renminbi bank borrowings to Hong Kong dollars and the fair value change of the cross currency swap contracts respectively.

The Group has certain medium term notes and financial assets at amortised cost denominated in United States Dollars. The Group uses cross currency swap contracts to hedge its exposure against changes in foreign exchange rate on its medium term notes. Since Hong Kong Dollar is pegged to the United States Dollar, management considers that there is no significant currency risk with respect to financial assets at amortised cost.



## 4 Financial Risk Management (Continued)

### (a) Financial Risk Factors (Continued)

#### (i) Market Risk (Continued)

##### (B) Currency Risk (Continued)

As at 31 March 2022, the Hong Kong Dollars equivalent of United States Dollars medium term notes stands at HK\$12,109 million (2021: HK\$7,859 million). The effects of the cross currency swap contracts on the Group's financial position and performance are as follows:

	2022 HK\$'M	2021 HK\$'M
Carrying amount – (liabilities)/assets	(406)	39
Notional amount	16,579	11,507
Maturity date	September 2024 – January 2032	September 2024 – July 2026
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments since beginning of the year	(445)	173
Change in value of hedged item used to determine hedge effectiveness	445	(173)
Weighted average hedged rate for the year	2.50%	2.38%

#### (ii) Credit Risk

Credit risk arises from the potential failure of the Group's counterparties to meet their obligations under financial contracts. The Group is exposed to credit risk on its cash and cash equivalents and deposits with banks and financial institutions, financial assets at amortised cost, derivative financial instruments as well as trade receivables.

Credit risk is managed on a group basis. The Group manages its deposits with banks and financial institutions by limiting the level of deposits to be placed with any counterparties. Deposits placed with any individual counterparty cannot exceed a pre-defined limit assigned to the individual counterparty. As at 31 March 2022, all bank deposits were placed with financial institutions with external credit ratings of no less than "BBB".

For financial assets at amortised cost, the Manager closely monitors the financial performance of the issuers and their credit ratings to ensure that adequate impairment losses are recognised for irrecoverable debts. As at 31 March 2022, all the financial assets at amortised cost held have external credit ratings of no less than "BBB-". In this regard, the Manager considers that the Group's credit risk is low.

## 4 Financial Risk Management (Continued)

### (a) Financial Risk Factors (Continued)

#### (ii) Credit Risk (Continued)

In respect of credit exposures to tenants, which includes trade receivables and certain tenant-related other receivables, credit risk exposure is minimised by undertaking transactions with a large number of counterparties and conducting credit reviews on prospective tenants. The Group also has policies in place to ensure that rental security deposits or bank guarantees equivalent to 2 to 3 months rentals are required from tenants prior to commencement of leases. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Accordingly, management considered that the expected credit loss on a collective basis is close to zero. In addition, the management regularly reviews the recoverable amount of each long overdue trade receivable on an individual basis to ensure that adequate provision for impairment losses is made for potentially irrecoverable amounts, which uses a lifetime expected loss allowance for trade receivables. The Group has also incorporated forward-looking information, which takes into account the macroeconomic factors in estimating the expected credit loss. The Group has no significant concentrations of credit risk.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position after deducting any impairment allowance. The Group's exposure to credit risk arising from financial assets at amortised cost amounted to HK\$2,082 million (2021: HK\$2,742 million) and is set out in Note 18. The Group's exposure to credit risk arising from trade receivables amounted to HK\$270 million (2021: HK\$253 million) and is set out in Note 19. The Group's exposure to credit risk arising from cash and cash equivalents and bank deposits amounted to HK\$2,949 million (2021: HK\$2,530 million) and is set out in Note 20. The Group's exposure to credit risk arising from derivative financial instruments amounted to HK\$414 million (2021: HK\$218 million) and is set out in Note 26.

#### (iii) Liquidity Risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding from committed credit facilities and operating cash flow.

The Group has cash and cash equivalents and bank deposits of HK\$2,949 million (2021: HK\$2,530 million) as at 31 March 2022. In addition to the cash resources, the Group has total available borrowing facilities amounting to HK\$72,861 million (2021: HK\$48,587 million), of which HK\$50,236 million (2021: HK\$38,611 million) was drawn as at 31 March 2022. The undrawn committed facilities, in the form of bank loans, totalled HK\$22,625 million (2021: HK\$9,976 million) as at 31 March 2022.

## 4 Financial Risk Management (Continued)

### (a) Financial Risk Factors (Continued)

#### (iii) Liquidity Risk (Continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date from the contractual maturity dates. The amounts disclosed in the table are the expected contractual undiscounted cash flows which comprise both interest and principal cash flows.

	Less than 1 year HK\$'M	Between 1 and 2 years HK\$'M	Between 2 and 5 years HK\$'M	Over 5 years HK\$'M
<b>At 31 March 2022</b>				
Trade payables and accruals	2,695	5	–	–
Derivative financial instruments (net settled)	33	104	267	39
Security deposits	783	452	561	124
Convertible bonds	3,251	13	793	–
Interest bearing liabilities	6,466	9,079	25,264	9,707
Amount due to a non-controlling interest	3,930	–	–	–
Non-controlling interest put option obligation	86	–	–	–
Unitholders' funds	–	–	–	162,688
<b>At 31 March 2021</b>				
Trade payables and accruals	2,101	2	–	–
Derivative financial instruments (net settled)	7	8	110	–
Security deposits	627	500	554	108
Convertible bonds	64	64	4,065	–
Interest bearing liabilities	3,912	2,227	23,147	8,309
Amount due to a non-controlling interest	–	4,022	–	–
Non-controlling interest put option obligation	–	234	–	–
Unitholders' funds	–	–	–	158,720

## 4 Financial Risk Management (Continued)

### (b) Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern whilst seeking to maximise benefits to Unitholders.

The Group monitors capital on a regular basis and observes the REIT Code's maximum gearing ratio of 50% (2021: 50%). This ratio is calculated as total borrowings (interest bearing liabilities and convertible bonds) divided by total asset value as shown in the consolidated statement of financial position.

	2022 HK\$'M	2021 HK\$'M
Total borrowings	49,745	38,636
Total asset value	225,716	209,885
Gearing ratio	22.0%	18.4%

### (c) Fair Value Estimation

#### (i) Fair Value Hierarchy

HKFRS 13 requires disclosure of fair value measurement by three levels of fair value measurement hierarchy. The following table presents the Group's assets and liabilities that are measured at fair value:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

	Level 1 HK\$'M	Level 2 HK\$'M	Level 3 HK\$'M	Total HK\$'M
<b>At 31 March 2022</b>				
Assets				
Investment properties	–	–	212,761	212,761
Derivative financial instruments	–	414	–	414
Total assets	–	414	212,761	213,175
Liabilities				
Derivative financial instruments	–	429	–	429
Non-controlling interest put option obligation	–	–	86	86
Total liabilities	–	429	86	515

## 4 Financial Risk Management (Continued)

### (c) Fair Value Estimation (Continued)

#### (i) Fair Value Hierarchy (Continued)

	Level 1 HK\$'M	Level 2 HK\$'M	Level 3 HK\$'M	Total HK\$'M
At 31 March 2021				
Assets				
Investment properties	–	–	199,074	199,074
Derivative financial instruments	–	218	–	218
Total assets	–	218	199,074	199,292
Liabilities				
Derivative financial instruments	–	129	–	129
Non-controlling interest put option obligation	–	–	204	204
Total liabilities	–	129	204	333

There were no transfers between these three levels during the year (2021: Nil).

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

#### (ii) Fair Value Disclosure

The carrying values less impairment provision of trade receivables and the carrying values of trade payables, accruals, bank deposits and interest bearing liabilities that are expected to be recovered or settled within one year are a reasonable approximation of their fair values due to their short-term maturities.

The fair values of interest bearing liabilities, liability component of convertible bonds and accruals, that are expected to be settled after one year are based on market prices or are estimated by using the expected future payments discounted at market interest rates.

## 5 Critical Accounting Estimates and Judgements

The preparation of the consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires the Manager to exercise its judgement in the process of applying the Group's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are discussed below.

### (a) Investment Properties

The fair value of each investment property is individually determined at each reporting date by independent valuer based on a market value assessment. The valuers have relied on the income capitalisation approach as their primary method, cross-referenced to the direct comparison approach where applicable. Details of the valuation techniques and assumptions have been disclosed in Note 15.

### (b) Financial Instruments

In estimating the fair value of its financial instruments, the Group uses valuation techniques such as dealer quotes and discounted cash flows. The Group also makes assumptions that are based on market conditions existing at each reporting date.

### (c) Long-term Incentive Scheme Valuation

The value of awards granted is estimated based on valuation techniques and assumptions on unit prices, outstanding length of the awards, distribution pay-out rates and other market conditions, which management considers as representing the best estimate of the value of the liability for such awards at the reporting date. The carrying value of the long-term incentive scheme awards is reviewed every six months and is independently valued by external valuer at least annually.

### (d) Non-controlling Interest Put Option Obligation

The fair value of the non-controlling interest put option obligation is determined at each reporting date by independent valuer based on a market value assessment. The valuer has used discounted cash flow as the valuation technique. The valuation is based on various assumptions, including the estimated fair value of the equity interests of the non-wholly owned subsidiary at the expected time of exercise of the put option, the expected time of exercise itself, the cash flow and the discount rate used. Details of the valuation technique and assumptions have been disclosed in Note 23.

## 6 Revenue

Revenue recognised during the year comprises:

	2022 HK\$'M	2021 HK\$'M
Rentals		
– Hong Kong retail properties	6,223	6,159
– Hong Kong car parks and related business	2,130	1,883
– Mainland China retail properties	1,061	850
– Hong Kong, Mainland China and overseas offices	854	778
– Mainland China logistics	32	–
Other revenue (Note)	1,302	1,074
Total revenue	11,602	10,744

Note: Other revenue includes management fees, air conditioning service fees, promotion levies and miscellaneous revenue.

Leases with tenants provide for monthly base rent and recovery of certain outgoings. Additional rents based on business turnover amounted to HK\$119 million (2021: HK\$86 million) and have been included in the rental income.

## 7 Segment Information

	Hong Kong retail properties HK\$'M	Hong Kong car parks and related business HK\$'M	Mainland China retail properties HK\$'M	Others HK\$'M	Total HK\$'M
<b>For the year ended 31 March 2022</b>					
Revenue	7,089	2,138	1,263	1,112	11,602
Segment results	5,380	1,675	894	315	8,264
Change in fair values of investment properties	(2,069)	2,672	(232)	55	426
Share of net profit of a joint venture	–	–	364	–	364
Interest income					98
Finance costs					(1,005)
Loss on disposals of financial assets at amortised cost					(11)
Profit before taxation and transactions with Unitholders					8,136
Taxation					(1,229)
Profit for the year, before transactions with Unitholders					6,907
Capital additions	365	5,917	7,489	1,722	15,493
Depreciation	–	–	(2)	(82)	(84)
<b>As at 31 March 2022</b>					
Segment assets	123,700	40,127	25,909	26,379	216,115
Interests in a joint venture	–	–	3,756	–	3,756
Goodwill					400
Financial assets at amortised cost					2,082
Derivative financial instruments					414
Bank deposits					170
Cash and cash equivalents					2,779
Total assets					225,716
Segment liabilities	2,562	221	748	1,089	4,620
Deferred tax liabilities					3,348
Long-term incentive scheme provision					153
Other liabilities					3,948
Interest bearing liabilities					45,714
Convertible bonds					4,031
Derivative financial instruments					429
Provision for taxation					483
Total liabilities, excluding net assets attributable to Unitholders					62,726
Non-controlling interests					302
Net assets attributable to Unitholders					162,688

For the year ended 31 March 2022, revenue of HK\$1,641 million (2021: HK\$1,357 million) is attributable to external customers from Mainland China, HK\$9,479 million (2021: HK\$9,016 million) is attributable to external customers from Hong Kong, and HK\$482 million (2021: HK\$371 million) is attributable to external customers from overseas.

As at 31 March 2022, investment properties, interests in a joint venture, property, plant and equipment, and goodwill amounting to HK\$38,084 million (2021: HK\$27,288 million) are located in Mainland China, HK\$172,102 million (2021: HK\$165,422 million) are located in Hong Kong and HK\$7,979 million (2021: HK\$8,057 million) are located in overseas.



## 7 Segment Information (Continued)

	Hong Kong retail properties HK\$'M	Hong Kong car parks and related business HK\$'M	Mainland China retail properties HK\$'M	Others HK\$'M	Total HK\$'M
For the year ended 31 March 2021					
Revenue	6,900	1,888	1,015	941	10,744
Segment results	5,329	1,448	743	290	7,810
Change in fair values of investment properties and impairment of goodwill	(3,554)	(273)	(161)	(1,334)	(5,322)
Interest income					126
Finance costs					(770)
Profit before taxation and transactions with Unitholders					1,844
Taxation					(1,092)
Profit for the year, before transactions with Unitholders					752
Capital additions	621	56	115	7,308	8,100
Depreciation	–	–	(1)	(90)	(91)
As at 31 March 2021					
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

## 8 Property Operating Expenses

	2022 HK\$'M	2021 HK\$'M
Property managers' fees, security and cleaning	705	659
Staff costs	569	443
Repair and maintenance	279	285
Utilities	320	281
Government rent and rates	282	273
Promotion and marketing expenses	198	158
Estate common area costs	129	94
Real estate taxes and land use taxes	133	99
Other property operating expenses	211	214
	<b>2,826</b>	<b>2,506</b>

## 9 Finance Costs

	2022 HK\$'M	2021 HK\$'M
Interest expenses on interest bearing liabilities	812	735
Interest expenses on convertible bonds (Note 25)	125	125
Other borrowing costs (Note (i))	223	221
	<b>1,160</b>	<b>1,081</b>
Less: capitalised under investment properties (Note (ii))	(5)	(17)
	<b>1,155</b>	<b>1,064</b>
Change in fair values of derivative component of convertible bonds (Note 25)	(32)	32
Fair value gain on non-controlling interest put option obligation (Note 23)	(118)	(326)
	<b>1,005</b>	<b>770</b>

Notes:

- (i) Other borrowing costs mainly include HK\$81 million (2021: HK\$96 million) interest expenses to a non-controlling interest, HK\$60 million (2021: HK\$57 million) net losses on interest rate swap contracts designated as cash flow hedges, HK\$82 million (2021: HK\$45 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 2.3% (2021: 2.8%) per annum.

## 10 Profit Before Taxation and Transactions with Unitholders

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

	2022 HK\$'M	2021 HK\$'M
Staff costs (Note 11)	923	659
Depreciation of property, plant and equipment	84	91
Trustee's fee	16	15
Valuation fee	4	4
Auditor's remuneration		
Audit and audit-related assurance services	12	11
Acquisition related professional fees	1	3
Others	2	1
Professional fees capitalised under investment properties	(1)	(3)
Bank charges	7	8
Commission to property agents	15	20
Donations	15	14
Exchange (gain)/loss on financial instruments	(31)	79
Short-term lease expenses	8	5
Other legal and professional fees	18	7

## 11 Staff Costs

	2022 HK\$'M	2021 HK\$'M
Wages and salaries	871	708
Contributions to mandatory provident fund scheme (Note)	15	14
Long-term incentive scheme awards	118	14
	1,004	736
Less: capitalised under investment properties	(81)	(77)
Staff costs (Note 10)	923	659

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.

## 12 Taxation

Hong Kong profits tax has been provided for at the rate of 16.5% (2021: 16.5%) on the estimated assessable profit for the year. Income taxes in Mainland China and Australia have been provided for at the applicable rate on the estimated assessable profit for the year.

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

	2022 HK\$'M	2021 HK\$'M
Current taxation		
– Hong Kong	785	786
– Mainland China	170	174
– Australia	7	–
Deferred taxation (Note 21)	267	132
<b>Taxation</b>	<b>1,229</b>	<b>1,092</b>

The differences between the Group's expected tax charge, using the Hong Kong profits tax rate, and the Group's taxation for the year were as follows:

	2022 HK\$'M	2021 HK\$'M
Profit before taxation and transactions with Unitholders	8,136	1,844
Expected tax calculated at the Hong Kong profits tax rate of 16.5% (2021: 16.5%)	1,342	304
Tax effect of different taxation rates	32	56
Tax effect of non-deductible expenses	91	900
Tax effect of non-taxable income	(120)	(84)
Tax effect of other temporary differences	(138)	(69)
Utilisation of previously unrecognised tax loss	(24)	(13)
Withholding tax	46	(2)
<b>Taxation</b>	<b>1,229</b>	<b>1,092</b>

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. The Group 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. According to the instruction of IRD, tax reserve certificates ("TRCs") amounting to HK\$172 million were purchased on 10 May 2021 as a condition for the tax payable holdover arrangement. On 28 February 2022, IRD determined that no tax would be charged on the disposal of properties. The TRCs were redeemed from IRD on 7 April 2022.

### 13 Earnings Per Unit Based Upon Profit for the Year, Before Transactions with Unitholders Attributable to Unitholders

	2022	2021
Profit for the year, before transactions with Unitholders attributable to Unitholders for calculating basic earnings per unit	<b>HK\$6,894 million</b>	HK\$1,185 million
Adjustment for dilutive convertible bonds	<b>HK\$72 million</b>	–
Profit for the year, before transactions with Unitholders attributable to Unitholders for calculating diluted earnings per unit	<b>HK\$6,966 million</b>	HK\$1,185 million
Weighted average number of units for the year for calculating basic earnings per unit	<b>2,092,485,656</b>	2,066,880,618
Adjustment for dilutive convertible bonds	<b>36,566,414</b>	–
Weighted average number of units for the year for calculating diluted earnings per unit	<b>2,129,052,070</b>	2,066,880,618
Basic earnings per unit	<b>HK\$3.29</b>	HK\$0.57
Diluted earnings per unit	<b>HK\$3.27</b>	HK\$0.57

For the year ended 31 March 2021, the basic and diluted earnings per unit were the same as the convertible bonds had an anti-dilutive effect on the basic earnings per unit.

### 14 Goodwill

	2022 HK\$'M	2021 HK\$'M
At 1 April	<b>392</b>	424
Exchange adjustments	<b>8</b>	14
Impairment	–	(46)
<b>At 31 March</b>	<b>400</b>	392

## 15 Investment Properties

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

	HK\$'M
At 1 April 2021	199,074
Exchange adjustments (Note (e))	1,054
Acquisition of assets (Note 31)	11,348
Additions	859
Change in fair values	426
<b>At 31 March 2022</b>	<b>212,761</b>
At 1 April 2020	193,224
Exchange adjustments (Note (e))	3,050
Acquisition of assets	7,253
Additions	823
Change in fair values	(5,276)
<b>At 31 March 2021</b>	<b>199,074</b>

### (b) Valuation Process

The investment properties were revalued on a market value basis as at 31 March 2021 and 31 March 2022 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.

## 15 Investment Properties (Continued)

### (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.

Direct comparison approach is based on comparing the property to be valued directly with identical or similar assets for which price information is available. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

The valuation technique is summarised in the below table with its significant unobservable inputs.

	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
Income capitalisation approach	i) Capitalisation rate (Blended): 2.90% – 5.30% (2021: 3.01% – 5.24%)	The higher the capitalisation rate, the lower the fair value.
	ii) Net passing income per annum: HK\$0.9M – HK\$313.4M (2021: HK\$0.7M – HK\$363.9M)	The higher the net passing income, the higher the fair value.

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

### (d) Restrictions under the REIT Code

Link acquired 100 Market Street in Sydney, The Cabot in London, a 50% interest in Qibao Vanke Plaza in Shanghai, Happy Valley Shopping Mall in Guangzhou, 75% interests in two logistics properties in Dongguan and Foshan, two car park/car service centres and godown buildings in Hong Kong, the completions of which were on 7 April 2020, 25 August 2020, 2 April 2021, 28 June 2021, 27 October 2021 and 31 December 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 approve the proposed disposal by way of a special resolution passed in accordance with the Trust Deed.

### (e) Exchange Adjustments

The net exchange gain on translation is attributable to the exchange gain on the Group's investment properties in Mainland China amounting to HK\$1,227 million and exchange loss on the Group's investment properties in Australia and the United Kingdom amounting to HK\$23 million and HK\$150 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 31 March 2022, certain of the Group's investment properties in Mainland China and Australia, amounting to approximately HK\$4,866 million (2021: HK\$3,005 million) and HK\$4,112 million (2021: HK\$4,038 million) respectively, were pledged to secure the Group's loan facilities totalling HK\$3,920 million (2021: HK\$3,416 million).

## 16 Interests in a Joint Venture

	2022 HK\$'M	2021 HK\$'M
Cost of investment in a joint venture	3,252	–
Share of post-acquisition results and other comprehensive income	504	–
	3,756	–

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 上海莘實企業管理有限公司 at an adjusted consideration of RMB2,744 million (equivalent to approximately HK\$3,243 million). Link incurred acquisition-related transaction costs of HK\$9 million. The transaction was completed on 2 April 2021. 上海莘實企業管理有限公司 owns the Qibao Vanke Plaza located at 5/3 Qiu, 620 Block, Qibao Town, Minhang District, Shanghai.

Link held the following joint venture as at 31 March 2022:

Name	Place of establishment and kind of legal entity/ place of operations	Principal activities	Particulars of issued share capital/ registered capital	Interest held
上海莘實企業管理有限公司	People's Republic of China, limited liability company/ People's Republic of China	Property holding and leasing	RMB1,318,010,000	50%

The Group's interests in a joint venture amounting to HK\$3,756 million as at 31 March 2022 are accounted for using the equity method in the consolidated financial statements. No dividend is received from the joint venture during the year. The Manager considers that the interests in the joint venture are not material to the Group.

The financial information related to the Group's share of joint venture is as follows:

	2022 HK\$'M	2021 HK\$'M
Share of net profit	364	–
Share of net property income	191	–
Share of investment properties carried at fair value	4,240	–



## 17 Property, Plant and Equipment

	Land, building and leasehold improvements HK\$'M	Right-of- use assets HK\$'M	Motor vehicles HK\$'M	Equipment HK\$'M	Total HK\$'M
At 1 April 2021	1,205	2	1	93	1,301
Additions	–	5	–	28	33
Disposals	(2)	–	–	–	(2)
Depreciation charge for the year	(52)	(2)	(1)	(29)	(84)
<b>At 31 March 2022</b>	<b>1,151</b>	<b>5</b>	<b>–</b>	<b>92</b>	<b>1,248</b>
<b>At 31 March 2022</b>					
Cost	1,319	5	6	193	1,523
Accumulated depreciation	(168)	–	(6)	(101)	(275)
Net book value	1,151	5	–	92	1,248
At 1 April 2020	1,254	7	2	126	1,389
Additions	9	–	–	15	24
Disposals	(4)	–	–	(17)	(21)
Depreciation charge for the year	(54)	(5)	(1)	(31)	(91)
At 31 March 2021	1,205	2	1	93	1,301
At 31 March 2021					
Cost	1,321	9	7	192	1,529
Accumulated depreciation	(116)	(7)	(6)	(99)	(228)
Net book value	1,205	2	1	93	1,301

## 18 Financial Assets at Amortised Cost

Financial assets at amortised cost include the following debt investments:

	2022 HK\$'M	2021 HK\$'M
Listed corporate bonds	2,052	2,712
Unlisted corporate bonds	30	30
	2,082	2,742

During the year, the Group disposed of certain listed corporate bonds at an aggregate consideration of HK\$221 million and resulted in a loss on disposals of HK\$11 million.

During the year, the Group has interest income arising from financial assets at amortised cost amounting to HK\$80 million (2021: HK\$94 million). The carrying amounts of the financial assets at amortised cost are expected to be recovered as below:

	2022 HK\$'M	2021 HK\$'M
– Within one year	890	432
– After one year	1,192	2,310
	2,082	2,742

## 19 Trade and Other Receivables

	2022 HK\$'M	2021 HK\$'M
Trade receivables	329	320
Less: provision for impairment of trade receivables	(59)	(67)
Trade receivables – net	270	253
Other receivables	1,114	942
	1,384	1,195

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.

## 19 Trade and Other Receivables (Continued)

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

	2022 HK\$'M	2021 HK\$'M
0–30 days	216	181
31–90 days	61	77
Over 90 days	52	62
	329	320

Monthly rentals 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. Included in the net trade receivables of HK\$270 million (2021: HK\$253 million) presented above were HK\$40 million (2021: HK\$40 million) of accrued car park income and HK\$20 million (2021: HK\$19 million) of accrued turnover rent, which were not yet due as at 31 March 2022.

Movements on the provision for impairment of trade receivables are as follows:

	2022 HK\$'M	2021 HK\$'M
At 1 April	67	60
Provision for impairment of trade receivables	2	14
Receivables written off during the year as uncollectible	(11)	(11)
Exchange adjustments	1	4
At 31 March	59	67

The creation and release of provision for impairment of trade receivables have been included in property operating expenses in the consolidated income statement. Amounts charged to the provision account will be written off when there is no expectation of recovering additional cash.

The other classes of receivables included in the trade and other receivables do not contain impaired assets since the expected credit loss of the other receivables is close to zero.

The maximum exposure to credit risk at the reporting date is the fair value of trade receivables.

## 20 Cash and Cash Equivalents and Bank Deposits

	2022 HK\$'M	2021 HK\$'M
Cash at bank	1,584	1,881
Bank deposits with original maturity of less than three months	1,195	649
	2,779	2,530
Bank deposits with original maturity of more than three months	170	–
	2,949	2,530

The carrying amounts of cash and cash equivalent and bank deposits are expected to be recovered within one year.

## 21 Deferred Tax Liabilities

Deferred taxation is calculated in full on temporary differences under the liability method.

Analysis of net deferred tax liabilities as follows:

	2022 HK\$'M	2021 HK\$'M
Deferred tax assets	(188)	(173)
Deferred tax liabilities	3,536	3,202
	3,348	3,029

Deferred tax assets and liabilities are expected to be recoverable and settled after one year.

The movements in deferred tax assets and liabilities during the year were as follows:

	Investment properties revaluation and accelerated depreciation allowance HK\$'M	Others HK\$'M	Total HK\$'M
At 1 April 2021	3,087	(58)	3,029
Exchange adjustments	10	(1)	9
Acquisition of subsidiaries	49	(6)	43
Recognised in the consolidated income statement (Note 12)	236	31	267
<b>At 31 March 2022</b>	<b>3,382</b>	<b>(34)</b>	<b>3,348</b>
At 1 April 2020	2,879	(8)	2,871
Exchange adjustments	14	12	26
Recognised in the consolidated income statement (Note 12)	194	(62)	132
At 31 March 2021	3,087	(58)	3,029

As at 31 March 2022, the Group has unrecognised tax losses to be carried forward against future taxable income amounted to approximately HK\$873 million (2021: HK\$857 million). These tax losses have no expiry dates except for the tax losses of HK\$190 million (2021: HK\$158 million) which will expire at various dates up to five years from the year in which they arose.

## 22 Long-term Incentive Scheme Provision

	2022 HK\$'M	2021 HK\$'M
Long-term incentive scheme provision		
– expected to be settled within one year	72	35
– expected to be settled after one year	81	47
	153	82

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 year, 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 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 year, the Group purchased 264,634 units (2021: 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 consolidated income statement. In the event that the vesting conditions are not met, the amount previously accrued will be written back accordingly.

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

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

Date of grant	Vesting period	Outstanding as at 1 April 2021	Granted during the year	Vested during the year <sup>(i)</sup>	Cancelled during the year	Lapsed during the year	Outstanding as at 31 March 2022	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	-	(5,733)	-	(5,970)	464,404	1,055,634
29 July 2020	29 July 2020 to 30 June 2022	789,237	-	(8,929)	-	(11,409)	768,899	768,899
	29 July 2020 to 30 June 2023	789,237	-	(8,929)	-	(11,409)	768,899	768,899
7 July 2021	7 July 2021 to 30 June 2023	-	613,601	(8,347)	-	(7,836)	597,418	1,001,072 <sup>(iii)</sup>
	7 July 2021 to 30 June 2024	-	613,647	(8,349)	-	(7,837)	597,461	1,001,141 <sup>(iii)</sup>
<b>2021/2022 total</b>		<b>2,951,310</b>	<b>1,227,248</b>	<b>(304,921)</b>	<b>(11,861)</b>	<b>(664,695)</b>	<b>3,197,081</b>	<b>4,595,645</b>
<b>2020/2021 total</b>		<b>2,186,985</b>	<b>1,645,096</b>	<b>(515,483)</b>	<b>(13,500)</b>	<b>(536,011)</b>	<b>2,951,310</b>	<b>4,661,384</b>

Notes:

- (i) Restricted unit award vesting percentages during the year ranged from 0% to 100%.
- (ii) If certain vesting conditions are met.
- (iii) Additional units beyond these amounts are subject to approval of the Remuneration Committee of the Manager.

## 23 Other Liabilities

	2022 HK\$'M	2021 HK\$'M
Amount due to a non-controlling interest	3,862	3,844
Non-controlling interest put option obligation	86	204
	<b>3,948</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 a non-controlling interest is unsecured, interest bearing at an effective interest rate of 2.3% (2021: 2.8%), and has no fixed repayment term. 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 (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 year is as follows:

	2022 HK\$'M	2021 HK\$'M
At 1 April	204	530
Recognised in the consolidated income statement:		
– Fair value gain (Note 9)	(118)	(326)
<b>At 31 March</b>	<b>86</b>	<b>204</b>

## 24 Interest Bearing Liabilities

	2022 HK\$'M	2021 HK\$'M
Unsecured bank borrowings	18,633	14,448
Secured bank borrowings	3,920	3,416
Medium term notes	23,161	16,770
	45,714	34,634

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

	2022 HK\$'M	2021 HK\$'M
<b>Due in the first year</b>		
Unsecured bank borrowings	4,297	1,751
Secured bank borrowings	209	56
Medium term notes	1,229	1,441
	5,735	3,248
<b>Due in the second year</b>		
Unsecured bank borrowings	8,205	299
Secured bank borrowings	215	78
Medium term notes	–	1,228
	8,420	1,605
<b>Due in the third year</b>		
Unsecured bank borrowings	1,635	8,038
Secured bank borrowings	174	89
Medium term notes	6,624	–
	8,433	8,127
<b>Due in the fourth year</b>		
Unsecured bank borrowings	3,005	1,249
Secured bank borrowings	2,755	89
Medium term notes	1,877	4,692
	7,637	6,030
<b>Due in the fifth year</b>		
Unsecured bank borrowings	1,491	3,111
Secured bank borrowings	157	2,725
Medium term notes	6,014	1,899
	7,662	7,735



## 24 Interest Bearing Liabilities (Continued)

	2022 HK\$'M	2021 HK\$'M
<b>Due beyond the fifth year</b>		
Secured bank borrowings	410	379
Medium term notes	7,417	7,510
	7,827	7,889
	45,714	34,634

Notes:

- (i) After taking into account the cross currency swap contracts, except for bank borrowings of HK\$5,625 million (2021: HK\$2,834 million), HK\$3,996 million (2021: HK\$3,861 million) and HK\$3,759 million (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) As a result of the global interest rate benchmark reform, the Group has switched all of the London Interbank Offered Rate (LIBOR)-based bank borrowings of HK\$2,047 million with Sterling Overnight Index Average (SONIA) during the year. 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 as at 31 March 2022 was 2.21% (2021: 2.40%) and that of the interest bearing liabilities which are denominated in Renminbi, Australian Dollars and British Pound Sterling was 3.68% (2021: 3.84%), 1.13% (2021: 1.06%) and 1.44% (2021: 1.02%) respectively.

## 25 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 31 March 2022 was 3.12% (2021: 3.12%).

On 4 April 2022, the Group has, at the option of the bondholders, redeemed part of the bonds at an aggregate principal amount of HK\$3.213 billion representing approximately 80.3% of the initial principal amount of the bonds, together with interest accrued up to the date fixed for redemption but unpaid. All the redeemed bonds were cancelled on 4 April 2022.

	2022 HK\$'M	2021 HK\$'M
<b>Liability component</b>		
At 1 April	3,970	3,910
Finance costs (Note 9)	125	125
Interest expenses paid	(64)	(65)
<b>At 31 March</b>	4,031	3,970
<b>Derivative component</b>		
At 1 April	32	–
Change in fair value (Note 9)	(32)	32
<b>At 31 March</b>	–	32
	4,031	4,002

## 26 Derivative Financial Instruments

	2022 HK\$'M	2021 HK\$'M
<b>Derivative assets</b>		
Designated as cash flow hedge		
– interest rate swap contracts	404	43
Designated as fair value hedge		
– cross currency swap contracts	9	146
– interest rate swap contracts	–	18
Not designated as hedging instruments		
– cross currency swap contracts	–	11
– forward foreign exchange contracts	1	–
	414	218
<b>Derivative liabilities</b>		
Designated as cash flow hedge		
– interest rate swap contracts	–	(11)
Designated as fair value hedge		
– cross currency swap contracts	(241)	(2)
– interest rate swap contracts	(7)	–
Designated as net investment hedge		
– cross currency swap contracts	(93)	–
Not designated as hedging instruments		
– cross currency swap contracts	(81)	(116)
– forward foreign exchange contracts	(7)	–
	(429)	(129)
Net derivative (liabilities)/assets	(15)	89

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 rate. Cross currency swap contract, interest rate swap contracts and forward foreign exchange contracts are included in Level 2 (2021: Level 2) of the fair value hierarchy.

The carrying amounts of net derivative (liabilities)/assets are expected to be settled as below:

	2022 HK\$'M	2021 HK\$'M
After one year	(15)	89

## 26 Derivative Financial Instruments (Continued)

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 consolidated income statement. A net amount of HK\$372 million (2021: HK\$120 million) had been credited to the hedging reserve during the year as further set out in Note 29.

As at 31 March 2022, the derivative financial instruments qualifying as cash flow hedges have, in effect, provided the Group with an average fixed interest rate period of 3.53 years on HK\$10,048 million borrowings (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 31 March 2022 were HK\$10,048 million (2021: HK\$8,654 million) and 0.73% (2021: 0.77%) respectively.

As at 31 March 2022, 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 31 March 2022 were HK\$12,431 million (2021: HK\$7,753 million) and HK\$400 million (2021: HK\$400 million) respectively.

Gains and losses on interest rate swap contracts recognised in the hedging reserve (Note 29) as at 31 March 2022 will be released to the consolidated income statement at settlement.

As at 31 March 2022, the derivative financial instruments qualifying as net investment hedges have, in effect, converted part of the Group's net investment in Mainland China attributable to changes in the HK\$/RMB spot rate. The notional principal amounts of the outstanding cross currency swap contracts qualifying as net investment hedges as at 31 March 2022 was HK\$2,276 million (2021: Nil).

As at 31 March 2022, the Group has outstanding cross currency swap contracts that are not designated for hedge accounting and the notional principal amounts were HK\$4,148 million (2021: HK\$3,754 million).

As at 31 March 2022, the Group has outstanding forward foreign exchange contracts of selling Renminbi 803 million (2021: Nil), Australian Dollars 33 million (2021: Nil) and British Pound Sterling 10 million (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 China, Australian Dollars denominated net income in Australia, and British Pound Sterling denominated net income in the United Kingdom in Hong Kong Dollars term, and are not designated for hedge accounting.

The Group's hedging reserves disclosed in Note 29 relate to the following hedging instruments:

	Interest rate swaps designated as cash flow hedge HK\$'M	Hedging reserve HK\$'M
At 1 April 2021	32	32
Change in fair value of hedging instrument recognised in other comprehensive income	312	312
Reclassified from other comprehensive income to consolidated income statement	60	60
<b>At 31 March 2022</b>	<b>404</b>	<b>404</b>
At 1 April 2020	(88)	(88)
Change in fair value of hedging instrument recognised in other comprehensive income	63	63
Reclassified from other comprehensive income to consolidated income statement	57	57
At 31 March 2021	32	32

## 27 Trade Payables, Receipts in Advance and Accruals

	2022 HK\$'M	2021 HK\$'M
Trade payables	104	58
Receipts in advance	522	401
Accruals	2,074	2,045
	2,700	2,504

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

	2022 HK\$'M	2021 HK\$'M
Within one year	2,695	2,502
After one year	5	2
	2,700	2,504

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

	2022 HK\$'M	2021 HK\$'M
0–30 days	65	42
31–90 days	6	6
Over 90 days	33	10
	104	58

## 28 Units in Issue

	2022 Number of units	2021 Number of units
At 1 April	2,081,862,866	2,057,898,386
Units bought back for cancellation	(1,264,000)	(6,000,000)
Units issued under distribution reinvestment scheme	29,594,984	29,964,480
<b>At 31 March</b>	<b>2,110,193,850</b>	<b>2,081,862,866</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 (2021: 6,000,000 units) at an aggregate price of HK\$82 million (2021: HK\$379 million). All units bought back were cancelled during the year.

During the year ended 31 March 2022, the Manager issued and allotted 29,594,984 units in total pursuant to the distribution reinvestment scheme in respect of the interim distribution for the six months ended 30 September 2021 and the final distribution for the financial year ended 31 March 2021.

Closing price of the units as at 31 March 2022 was HK\$67.00 (2021: HK\$70.80) per unit. Based on 2,110,193,850 units in issue as at 31 March 2022 (2021: 2,081,862,866 units), market capitalisation was HK\$141,383 million (2021: HK\$147,396 million).

## 29 Unitholders' Equity

	Hedging reserve HK\$'M	Exchange reserve HK\$'M	Earnings retained for reserve adjustments HK\$'M	Total HK\$'M
At 1 April 2021	32	(22)	(10)	–
Cash flow hedges:				
– Change in fair values	312	–	–	312
– Amount transferred to the consolidated income statement (Note (i))	60	–	–	60
	372	–	–	372
Foreign currency translations:				
– Exchange gain on translation of financial statements	–	1,326	–	1,326
– Change in fair value of net investment hedges	–	(137)	–	(137)
	–	1,189	–	1,189
Net assets attributable to Unitholders:				
– Amount arising from reserve movements (Note (ii))	–	–	(1,561)	(1,561)
<b>At 31 March 2022</b>	<b>404</b>	<b>1,167</b>	<b>(1,571)</b>	<b>–</b>

## 29 Unitholders' Equity (Continued)

	Hedging reserve HK\$'M	Exchange reserve HK\$'M	Earnings retained for reserve adjustments HK\$'M	Total HK\$'M
At 1 April 2020	(88)	(2,071)	2,159	–
Cash flow hedges:				
– Change in fair values	63	–	–	63
– Amount transferred to the consolidated income statement (Note (i))	57	–	–	57
	120	–	–	120
Foreign currency translations:				
– Exchange gain on translation of financial statements	–	2,099	–	2,099
– Change in fair value of net investment hedges	–	(50)	–	(50)
	–	2,049	–	2,049
Net assets attributable to Unitholders:				
– Amount arising from reserve movements (Note (ii))	–	–	(2,169)	(2,169)
At 31 March 2021	32	(22)	(10)	–

Notes:

- (i) Amount transferred to the consolidated income statement in respect of cash flow hedges was included in "Finance costs" (Note 9).  
(ii) The amount represented earnings retained for the year to offset the reserve movements.

## 30 Note to the Consolidated Statement of Cash Flows

### (a) Net Cash Generated From Operating Activities

	2022 HK\$'M	2021 HK\$'M
Profit before taxation and transactions with Unitholders	8,136	1,844
Long-term incentive scheme awards	118	14
Depreciation charge	84	91
Loss on disposals of property, plant and equipment	2	21
Interest income	(98)	(126)
Finance costs	1,005	770
Loss on disposals of financial assets at amortised cost	11	–
Share of net profit of a joint venture	(364)	–
Exchange difference	(31)	40
Change in fair values of investment properties and impairment of goodwill	(426)	5,322
Increase in trade and other receivables, deposits and prepayments	(411)	(130)
Increase/(decrease) in trade payables, receipts in advance and accruals	73	(299)
Increase/(decrease) in security deposits	114	(22)
Long-term incentive scheme settled	(47)	(68)
Income tax paid	(1,468)	(379)
Net cash generated from operating activities	6,698	7,078

### 30 Note to the Consolidated Statement of Cash Flows (Continued)

#### (b) Major Non-cash Transactions

During the year, distributions amounting to HK\$2,020 million (2021: HK\$1,954 million) were paid to Unitholders in the form of additional units under the distribution reinvestment scheme.

#### (c) Reconciliation of Liabilities Arising from Financing Activities

	Interest bearing liabilities HK\$'M	Convertible bonds HK\$'M	Accruals HK\$'M	Derivative financial instruments HK\$'M	Amount due to a non- controlling interest HK\$'M	Total HK\$'M
As at 1 April 2021	34,634	4,002	72	(89)	3,844	42,463
Changes from financing cash flows						
Proceeds from interest bearing liabilities, net of transaction costs	25,237	–	–	–	–	25,237
Repayment of interest bearing liabilities	(14,948)	–	–	–	–	(14,948)
Increase in amount due to a non-controlling interest	–	–	–	–	29	29
Interest paid	–	(64)	(802)	(20)	(92)	(978)
Payment of lease liabilities	–	–	(2)	–	–	(2)
Total changes from financing activities	10,289	(64)	(804)	(20)	(63)	9,338
Non-cash changes						
Acquisition of subsidiaries	1,164	–	–	–	–	1,164
Changes in fair values of cash flow hedges	–	–	–	(312)	–	(312)
Changes in fair values of fair value hedges	(400)	–	–	400	–	–
Finance costs	51	93	866	36	81	1,127
Exchange adjustments and others	(24)	–	1	–	–	(23)
Total non-cash changes	791	93	867	124	81	1,956
As at 31 March 2022	45,714	4,031	135	15	3,862	53,757

**30 Note to the Consolidated Statement of Cash Flows (Continued)****(c) Reconciliation of Liabilities Arising from Financing Activities (Continued)**

	Interest bearing liabilities HK\$'M	Convertible bonds HK\$'M	Accruals HK\$'M	Derivative financial instruments HK\$'M	Amount due to a non- controlling interest HK\$'M	Total HK\$'M
As at 1 April 2020	30,688	3,910	101	(143)	3,777	38,333
Changes from financing cash flows						
Proceeds from interest bearing liabilities, net of transaction costs	20,627	–	–	–	–	20,627
Repayment of interest bearing liabilities	(17,458)	–	–	–	–	(17,458)
Increase in amount due to a non-controlling interest	–	–	–	–	49	49
Interest paid	–	(65)	(759)	(26)	(78)	(928)
Payment of lease liabilities	–	–	(5)	–	–	(5)
Total changes from financing activities	3,169	(65)	(764)	(26)	(29)	2,285
Non-cash changes						
Changes in fair values of cash flow hedges	–	–	–	(63)	–	(63)
Changes in fair values of fair value hedges	(69)	–	–	69	–	–
Finance costs	47	157	734	74	96	1,108
Exchange adjustments and others	799	–	1	–	–	800
Total non-cash changes	777	157	735	80	96	1,845
As at 31 March 2021	34,634	4,002	72	(89)	3,844	42,463



### 31 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 an adjusted consideration of RMB2,108 million (equivalent to approximately HK\$2,530 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. 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.

On 23 September 2021, Link, 1) through a wholly-owned subsidiary, entered into a sales and purchase agreement to acquire 75% issued capital of Jia Hua United Warehouse Investment Limited at an adjusted consideration of RMB547 million (equivalent to approximately HK\$666 million), which in turn is the sole owner of the entire registered capital of 東莞嘉田倉儲有限公司; and 2) through a 75% owned subsidiary, entered into a framework agreement and an equity transfer agreement to acquire the entire registered capital of 佛山正聯倉儲有限公司 at an adjusted consideration of RMB219 million (equivalent to approximately HK\$266 million). Link incurred acquisition-related transaction costs of HK\$9 million in total. The transactions were completed on 27 October 2021. 東莞嘉田倉儲有限公司 and 佛山正聯倉儲有限公司 own the logistics properties located at 281 Yanhe Road, Shatian, Dongguan and Heng'er Road, Sanshui, Foshan respectively.

On 10 November 2021, Link, through its wholly-owned subsidiaries, entered into sales and purchase agreements to acquire the entire issued share capital of Apollo Luck Limited and Zung Fu Land Investment Limited (now known as Instant Success Ventures (HK) Limited) at the final considerations of HK\$2,695 million and HK\$3,123 million respectively. Link incurred acquisition-related transaction costs of HK\$12 million in total. The transactions were completed on 31 December 2021. Apollo Luck Limited and Zung Fu Land Investment Limited own the car park/car services centres and godown buildings located at No. 60 Ka Yip Street, Chai Wan and No. 50 Po Loi Street, Hung Hom respectively.

The above acquisitions have been accounted for by the Group as acquisitions of assets as the entities acquired by the Group do not constitute a business.

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

	Happy Valley Shopping Mall HK\$'M	Logistics properties HK\$'M	Car park/ car services centres and godown buildings HK\$'M	Total HK\$'M
Investment properties (Note 15)	3,857	1,619	5,872	11,348
Cash and cash equivalents	53	248	–	301
Other borrowings	(713)	–	–	(713)
Other net liabilities	(68)	(39)	(42)	(149)
Bank borrowings	(589)	(575)	–	(1,164)
Non-controlling interests	–	(312)	–	(312)
Purchase consideration	2,540	941	5,830	9,311
Cash and cash equivalents acquired	(53)	(248)	–	(301)
Cash outflow on acquisitions	2,487	693	5,830	9,010

### 32 Capital Commitments

	2022 HK\$'M	2021 HK\$'M
Capital expenditure of investment properties contracted but not provided for at the end of the year	3,568	709

### 33 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 consolidated financial statements.

#### (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 31 March 2022:

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

<sup>#</sup> "Associate" has the meaning ascribed to it under the REIT Code.

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

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

	2022 HK\$'M	2021 HK\$'M
Trustee's fee paid and payable to the Trustee (Note (ii))	(16)	(15)
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	(52)	(65)
Rental income from the HSBC Group on leasing of retail units	36	35
Interest income from the HSBC Group on bank deposits	12	17
Architectural/renovation consultancy services fees paid and payable to Aedas Limited and Aedas Beijing Limited (Notes (iii) and (v))	(4)	(7)

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 (2021: ranging from 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 at arm's length on normal commercial terms and in compliance with Link's procurement policy.
- (iv) HSBC Group and the Trustee are members of the same group and HSBC Group is considered a related party of the Group.
- (v) Aedas Limited and Aedas Beijing Limited are associates of Mr Ian Keith GRIFFITHS.

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

#### (c) Significant Balances with Related Parties

Significant Balances with related parties are set out below:

	2022 HK\$'M	2021 HK\$'M
Trustee's fee payable to the Trustee	(1)	(1)
Interest bearing liabilities with the HSBC Group	(1,359)	(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	(2)	31
Deposits placed with the HSBC Group	1,117	1,688
Architectural/renovation consultancy services fees payable to Aedas Limited and Aedas Beijing Limited	(1)	(4)

#### (d) Key Management Compensation

As at 31 March 2022, key management comprised two Executive Directors, 10 Non-Executive Directors and 9 senior management staff (2021: two Executive Directors, 11 Non-Executive Directors and 9 senior management staff). Further details of the remuneration of the Directors on a named basis are disclosed in highlighted sections of the Corporate Governance Report with a heading of "Audited" on pages 26 to 28. These sections form the "Audited" part of Corporate Governance Report and are part of the financial statements.

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

	2022 HK\$'M	2021 HK\$'M
Fees	11	10
Basic salaries, allowances and other benefits	123	100
Long-term incentive scheme awards	97	13
	231	123

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

#### (d) Key Management Compensation (Continued)

The amounts reflected in the emolument bands below are those in the financial statements under HKFRSs in the year 2021/2022, and include short term remuneration paid in cash and portion of the long-term incentive scheme recognised (although a portion of which has not been vested) in the year 2021/2022 attributable to the Executive Directors and senior management.

Emolument bands (Note (i))	2022 Number of individuals	2021 Number of individuals
HK\$3,000,001 – HK\$5,000,000	–	3
HK\$5,000,001 – HK\$7,000,000	3	4
HK\$7,000,001 – HK\$9,000,000	2	3
HK\$9,000,001 – HK\$10,000,000	1	–
HK\$10,500,001 – HK\$11,000,000	1	–
HK\$14,000,001 – HK\$14,500,000	–	1 <sup>(b)</sup>
HK\$16,000,001 – HK\$16,500,000	1	–
HK\$16,500,001 – HK\$17,000,000	1	–
HK\$27,500,001 – HK\$28,000,000	1 <sup>(b)</sup>	–
HK\$31,500,001 – HK\$32,000,000	–	1 <sup>(a)</sup>
HK\$97,000,001 – HK\$97,500,000	1 <sup>(a)</sup>	–
Total number of Executive Directors and senior management	11	12

Notes:

- (i) The calculation of the total remuneration for the emolument bands is based on the value of the long-term incentive awards recognised during the year and the short term remuneration paid and recognised during the year.
- (ii) Emoluments paid and recognised for the Executive Directors, Mr George Kwok Lung HONGCHOY<sup>(a)</sup> and Mr Kok Siong NG<sup>(b)</sup>. Details are set out in the "Remuneration Awarded to Executive Directors" section on pages 26 to 27. The respective emoluments include the portion of the long – term incentive scheme recognised for the year, which the details are set out in the "Long – term Incentive Scheme" section on pages 74 to 77. The remaining is the paid short – term remuneration.

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

#### (d) Key Management Compensation (Continued)

The five highest paid individuals for the year include two (2021: two) directors whose emoluments are reflected in the above emolument bands. The emoluments paid and recognised to the remaining three (2021: three) individuals during the year are as follows:

	2022 HK\$'M	2021 HK\$'M
Basic salaries, other allowances and benefits in kind	11	10
Discretionary bonus	19	11
Long-term incentive scheme awards	14	4
	44	25

### 34 Future Minimum Rental Receivables

As at 31 March 2022, the analysis of the Group's aggregate future minimum rental income receivables under non-cancellable operating leases is as follows:

	2022 HK\$'M	2021 HK\$'M
Within one year	6,704	6,437
Between one and five years	9,871	9,989
Beyond five years	1,878	2,508
	18,453	18,934

Most of the operating leases are on fixed terms and for terms of three years (2021: three years).

## 35 Principal Subsidiaries

Link held the following principal subsidiaries as at 31 March 2022:

Name	Place of establishment and kind of legal entity/ place of operations	Principal activities	Particulars of issued share capital/registered capital	Interest held
<i>Directly held:</i>				
The Link Holdings Limited	Cayman Islands, limited liability company/Hong Kong	Investment holding	US\$1	100%
Link Asset Management Limited	Hong Kong, limited liability company/ Hong Kong	Asset management	HK\$22,000,000	100%
<i>Indirectly held:</i>				
Afford Limited	Hong Kong, limited liability company/ Hong Kong	Investment holding	HK\$160,539,360	100%
Apollo Luck Limited	British Virgin Islands, limited liability company/Hong Kong	Property holding and leasing	US\$1	100%
Atlantic Best Limited	Hong Kong, limited liability company/ Hong Kong	Investment holding	HK\$2	100%
保怡物業管理 (深圳) 有限公司 (Baoyi Property Management (Shenzhen) Company Limited)	People's Republic of China, limited liability company/People's Republic of China	Property holding and leasing	US\$39,500,000	100%
北京亞騰房地產經營管理有限公司 (Beijing Yateng Real Estate Management Company Limited)	People's Republic of China, limited liability company/People's Republic of China	Property holding and leasing	US\$162,500,000	100%
Cabot (HK) Limited	Hong Kong, limited liability company/ Hong Kong	Investment holding	HK\$1	100%
Cabot Square Retail S.à r.l.	Luxembourg, limited liability company/ United Kingdom	Property holding and leasing	GBP11,000	100%
Caribbean Hero (HK) Limited	Hong Kong, limited liability company/ Hong Kong	Investment holding	HK\$1	100%
Century Land Investment Limited	Hong Kong, limited liability company/ Hong Kong	Property holding and leasing	HK\$1	60%
China East Investment Limited	Hong Kong, limited liability company/ Hong Kong	Investment holding	HK\$5,000	100%
東莞嘉田倉儲有限公司	People's Republic of China, limited liability company/People's Republic of China	Property holding and leasing	RMB317,000,000	75%
益蠟美置業(天津)有限公司 (ECM Property Holding (Tianjin) Co., Ltd.)	People's Republic of China, limited liability company/People's Republic of China	Property holding and leasing	RMB1,242,300,418	100%
First Venture R.E. Limited	Hong Kong, limited liability company/ Hong Kong	Investment holding	HK\$1	100%
佛山正聯倉儲有限公司	People's Republic of China, limited liability company/People's Republic of China	Property holding and leasing	RMB138,000,000	75%
Great Land (HK) Limited	Hong Kong, limited liability company/ Hong Kong	Property holding and leasing	HK\$1,000,000	100%
廣州牽晴匯房地產有限公司 (Guangzhou Qian Qing Hui Real Estate Company Limited)	People's Republic of China, limited liability company/People's Republic of China	Property holding and leasing	RMB600,000,000	100%
廣州弦夢管理諮詢有限公司	People's Republic of China, limited liability company/People's Republic of China	Investment holding	US\$205,200,000	100%

## 35 Principal Subsidiaries (Continued)

Name	Place of establishment and kind of legal entity/ place of operations	Principal activities	Particulars of issued share capital/registered capital	Interest held
<i>Indirectly held (Continued):</i>				
廣州陸鹿物業管理有限公司	People's Republic of China, limited liability company/People's Republic of China	Property holding and leasing	RMB1,000,000	100%
HK PD20 Holding Limited	Hong Kong, limited liability company/ Hong Kong	Investment holding	HK\$1,002,261	100%
Instant Success Ventures (HK) Limited (formerly known as Zung Fu Land Investment Limited)	Hong Kong, limited liability company/ Hong Kong	Property holding and leasing	HK\$10,000	100%
Jia Hua United Warehouse Investment Limited	Hong Kong, limited liability company/ Hong Kong	Investment holding	HK\$50,000,000	75%
Link Asset Management (Australia) Pty Ltd	Australia, limited liability company/ Australia	Corporate management service	AU\$1	100%
Link Australia Holdings Trust	Australia, trust/Australia	Investment holding	AU\$252,000,100	100%
Link CB Limited	British Virgin Islands, limited liability company/ Hong Kong	Financing	US\$1	100%
領展房地產(上海)有限公司 (formerly known as 領展房地產諮詢(上海)有限公司) (Link Real Estate (Shanghai) Limited)	People's Republic of China, limited liability company/People's Republic of China	Corporate management service	RMB5,000,000	100%
Link Monte (HK) Limited	Hong Kong, limited liability company/ Hong Kong	Property holding and leasing	HK\$1	100%
Link Properties Limited	Cayman Islands, limited liability company/ Hong Kong	Property holding and leasing	US\$1	100%
Link Property Management Services Limited	Hong Kong, limited liability company/ Hong Kong	Property management	HK\$1,000,000	100%
Market Mid Trust	Australia, trust/Australia	Investment holding	AU\$252,000,100	100%
Market Sub Trust	Australia, trust/Australia	Property holding and leasing	AU\$615,014,654	100%
Preston River (HK) Limited	Hong Kong, limited liability company/ Hong Kong	Investment holding	HK\$1	100%
上海興邦房地產有限公司 (Shanghai Xing Bang Properties Co., Ltd.)	People's Republic of China, limited liability company/People's Republic of China	Property holding and leasing	RMB287,595,000	100%
Sonic Might Limited	British Virgin Islands, limited liability company/Hong Kong	Investment holding	US\$1	100%
The Link Finance (Australia) Pty Ltd	Australia, limited liability company/ Australia	Financing	AU\$1	100%
The Link Finance (Cayman) 2006 Limited	Cayman Islands, limited liability company/ Hong Kong	Investment	US\$1	100%
The Link Finance (Cayman) 2009 Limited	Cayman Islands, limited liability company/ Hong Kong	Financing	US\$1	100%
The Link Finance Limited	Hong Kong, limited liability company/ Hong Kong	Financing	HK\$1	100%
The Link Logistic Finance Limited	Hong Kong, limited liability company/ Hong Kong	Financing	HK\$1	100%
Thriving Land Limited	British Virgin Islands, limited liability company/Hong Kong	Investment holding	US\$1	100%
Wider Success Enterprises (HK) Limited	Hong Kong, limited liability company/ Hong Kong	Investment holding	HK\$1,000	75%
25 Cabot Square S.à r.l.	Luxembourg, limited liability company/ United Kingdom	Property holding and leasing	GBP11,000	100%

### 35 Principal Subsidiaries (Continued)

The Manager considers that the non-controlling interests in respect of non-wholly owned subsidiaries are not individually material to the Group.

The Manager is of the opinion that a complete list of the particulars of all subsidiaries will be of excessive length and therefore the above list contains only the particulars of the subsidiaries which principally affect the results or assets and liabilities of the Group.

### 36 Event After the Reporting Date

On 9 February 2022, Link, through a wholly-owned subsidiary, entered into an unit sale agreement to acquire 49.9% of fully-paid ordinary units of AOFI I Trust at a cash consideration (before completion adjustments) of Australian Dollars 596 million (equivalent to approximately HK\$3,310 million). AOFI I Trust owns interests in five prime office properties located in central business districts in Sydney and Melbourne respectively in Australia. The transaction was completed on 1 June 2022.

### 37 Approval of the Consolidated Financial Statements

The consolidated financial statements were authorised for issue by the Board of Directors of the Manager and the Trustee on 1 June 2022.



## APPENDIX A – DEFINITIONS AND GLOSSARY

The following list of defined terms is intended for the convenience of the reader only and is not exhaustive.

<b>“ACBMs”</b>	means asbestos-containing building materials;
<b>“Adjacent Housing Estates”</b>	means all of the Housing Estates and other private sector housing within the geographical areas which the Properties intended to serve;
<b>“Car Park Operators”</b>	means the operators and management agents of the car park facilities;
<b>“Deposited Property”</b>	means the value of all the assets of Link and as defined in the REIT Trust Deed;
<b>“FinanceCo”</b>	means The Link Finance Limited, a company incorporated in Hong Kong with limited liability which is a direct wholly-owned subsidiary of HoldCo;
<b>“GAV”</b>	means gross asset value;
<b>“Government”</b>	means the government of Hong Kong;
<b>“HKHA”</b>	means the Hong Kong Housing Authority, a body corporate established by virtue of section 3 of the Housing Ordinance, Chapter 283 of the Laws of Hong Kong;
<b>“HoldCo”</b>	means The Link Holdings Limited, a company incorporated in the Cayman Islands with limited liability;
<b>“Housing Estates”</b>	means, collectively (i) housing provided under the Tenant Purchase Scheme of HKHA; (ii) housing provided under the Home Ownership Scheme of HKHA; and (iii) public rental estates built by HKHA and “Housing Estate” means any of them;
<b>“HSBC”</b>	means The Hongkong and Shanghai Banking Corporation Limited;
<b>“HSBC Group”</b>	means HSBC and its subsidiaries;
<b>“IFA”</b>	means the internal floor area within the enclosure and available for the exclusive use of the occupier(s) of a building excluding common areas and the thickness of all enclosing walls;
<b>“Issuer”</b>	means The Link Finance (Cayman) 2009 Limited, a company incorporated in the Cayman Islands with limited liability which is a direct wholly-owned subsidiary of HoldCo;
<b>“Latest Practicable Date”</b>	means 19 August 2022, being the latest practicable date prior to the printing of this Offering Circular for the purpose of ascertaining certain information contained in this Offering Circular;
<b>“Lease”</b>	means 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 granted to a tenant or licensee (as the case may be) and “Leased” shall be construed accordingly;

<b>“LTV”</b>	means the unsecured loan to value ratio (calculated as being the aggregate unsecured borrowings of Link to the value of the Properties which are unsecured);
<b>“PropCo”</b>	means Link Properties Limited, a company incorporated in the Cayman Islands with limited liability which is a direct wholly-owned subsidiary of HoldCo;
<b>“Properties”</b>	means, unless the context requires otherwise, all the 149 properties owned by Link as at the Latest Practicable Date, comprising (i) 123 HA Properties; (ii) five properties/car park/car services centres and godown buildings acquired from the private sector in Hong Kong; (iii) ten properties acquired in Mainland China; (iv) nine properties in Australia; (v) one property in the United Kingdom; and (vi) Link’s joint venture development project of the commercial complex comprising an office and retail portion and car parks in Hong Kong known as The Quayside;
<b>“REIT(s)”</b>	means real estate investment trust(s);
<b>“REIT Code”</b>	means the Code on Real Estate Investment Trusts published, and as may be amended or supplemented from time to time, by the SFC;
<b>“REIT Manager”</b>	means Link Asset Management Limited, a company incorporated in Hong Kong and licensed by the SFC to conduct the regulated activity of asset management, which is the manager of Link;
<b>“REIT Trust Deed”</b>	means the trust deed between the REIT Trustee and the REIT Manager constituting Link dated 6 September 2005 (as amended and supplemented by fourteen supplemental deeds dated 4 November 2005, 8 November 2005, 16 January 2006, 21 November 2006, 13 July 2007, 23 July 2007, 5 October 2009, 23 July 2010, 25 July 2012, 18 February 2014, 15 January 2015, 25 July 2018, 1 April 2020 and 22 July 2020), which was amended and restated by the first amending and restating deed dated 8 February 2021 and further amended and restated by the second amending and restating deed dated 30 July 2021;
<b>“REIT Trustee”</b>	means HSBC Institutional Trust Services (Asia) Limited, in its capacity as the trustee of Link;
<b>“Securities and Futures Ordinance”</b>	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
<b>“SFC”</b>	means the Securities and Futures Commission of Hong Kong;
<b>“special resolution”</b>	means a resolution of Unitholders passed by a majority consisting of 75% or more of the votes of those present and entitled to vote, whether in person or by proxy, at a general meeting of Unitholders, where the votes shall be taken by way of poll but with a quorum of two or more Unitholders holding not less than 25% of Units in issue;
<b>“Unit(s)”</b>	means unit(s) of Link; and
<b>“Unitholder(s)”</b>	means holder(s) of Unit(s) of Link.

## ISSUER

### **The Link Finance (Cayman) 2009 Limited**

PO Box 309, Ugland House  
Grand Cayman, KY1-1104,  
Cayman Islands

## GUARANTORS

### **The Link Holdings Limited**

PO Box 309, Ugland House  
Grand Cayman, KY1-1104,  
Cayman Islands

### **Link Properties Limited**

PO Box 309, Ugland House  
Grand Cayman, KY1-1104,  
Cayman Islands

### **HSBC Institutional Trust Services (Asia) Limited**

**(in its capacity as trustee of Link Real Estate Investment Trust)**

1 Queen's Road Central  
Hong Kong

## REIT MANAGER

### **Link Asset Management Limited**

20/F., Tower 1, The Quayside,  
77 Hoi Bun Road  
Kwun Tong,  
Kowloon  
Hong Kong

## ARRANGER

### **The Hongkong and Shanghai Banking Corporation Limited**

Level 17  
HSBC Main Building  
1 Queen's Road Central  
Hong Kong

## DEALERS

### **Australia and New Zealand Banking Group Limited**

22nd Floor  
Three Exchange Square  
8 Connaught Place  
Central  
Hong Kong

### **Bank of China (Hong Kong) Limited**

34<sup>th</sup> Floor  
Bank of China Tower  
1 Garden Road  
Hong Kong

**BNP Paribas**  
63/F, Two International  
Finance Centre  
8 Finance Street  
Central  
Hong Kong

### **China CITIC Bank International Limited**

80/F, International  
Commerce Centre  
1 Austin Road West  
Kowloon  
Hong Kong

### **Citigroup Global Markets Limited**

Citigroup Centre  
Canada Square  
Canary Wharf  
London, E14 5LB  
United Kingdom

### **Credit Suisse (Hong Kong) Limited**

Level 88, International  
Commerce Centre  
1 Austin Road West  
Kowloon  
Hong Kong

### **Daiwa Capital Markets Singapore Limited**

7 Straits View  
Marina One East Tower  
#16-05 & #16-06  
Singapore 018936

### **DBS Bank Ltd.**

10th Floor, The Center  
99 Queen's Road Central  
Central  
Hong Kong

### **Deutsche Bank AG, Hong Kong Branch**

60/F International  
Commerce Centre  
1 Austin Road West  
Kowloon  
Hong Kong

### **Goldman Sachs (Asia) L.L.C.**

68th Floor  
Cheung Kong Center  
2 Queen's Road Central  
Hong Kong

### **The Hongkong and Shanghai Banking Corporation Limited**

Level 17  
HSBC Main Building  
1 Queen's Road Central  
Hong Kong

### **J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

### **Merrill Lynch (Asia Pacific) Limited**

55/F Cheung Kong Center  
2 Queen's Road Central  
Central, Hong Kong

### **Mizuho Securities Asia Limited**

14-15/F., K11 Atelier  
18 Salisbury Road  
Tsim Sha Tsui, Kowloon  
Hong Kong

## DEALERS

**Morgan Stanley & Co.  
International plc**  
25 Cabot Square  
Canary Wharf  
London E14 4QA  
United Kingdom

**MUFG Securities EMEA plc**  
Ropemaker Place  
25 Ropemaker Street  
London EC2Y 9AJ  
United Kingdom

**Oversea-Chinese Banking  
Corporation Limited**  
63 Chulia Street  
#03-05 OCBC Centre East  
Singapore 049514

**SMBC Nikko Securities (Hong Kong)  
Limited**  
Room 607-614, 6/F,  
One International Finance Centre  
1 Harbour View Street  
Central  
Hong Kong

**Standard Chartered Bank**  
One Basinghall Avenue  
London EC2V 5DD  
United Kingdom

**UBS AG  
Hong Kong Branch**  
52nd Floor  
Two International Finance Centre  
8 Finance Street  
Central Hong Kong

## TRUSTEE

**The Bank of New York Mellon,  
London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

## ISSUING AND PAYING AGENT

**The Bank of New York Mellon,  
acting through its London branch**  
One Canada Square  
London E14 5AL  
United Kingdom

## TRANSFER AGENT

**The Bank of New York Mellon,  
acting through its London branch**  
One Canada Square  
London E14 5AL  
United Kingdom

## REGISTRAR

**The Bank of New York Mellon,  
acting through its New York branch**  
240 Greenwich Street  
New York, NY 10286  
United States of America

## CMU LODGING AND PAYING AGENT & REGISTRAR

**The Bank of New York Mellon,  
acting through its Hong Kong branch**  
Level 26, Three Pacific Place  
1 Queen's Road East  
Hong Kong

## INDEPENDENT AUDITOR OF LINK

**PricewaterhouseCoopers  
Certified Public Accountants  
Registered Public Interest Entity Auditor**  
22nd Floor  
Prince's Building  
Central Hong Kong

## LEGAL ADVISERS

*To the Issuer, HoldCo,  
PropCo and the REIT Manager as to Hong Kong law*

**Baker & McKenzie**  
14th Floor  
One Taikoo Place  
979 King's Road  
Quarry Bay  
Hong Kong

*To the REIT Trustee as to Hong Kong law*

**Bryan Cave Leighton Paisner LLP**  
25<sup>th</sup> Floor, Dorset House  
Taikoo Place  
979 King's Road  
Quarry Bay  
Hong Kong

*To the Issuer and the Guarantors as to Cayman Islands law*

**Maples and Calder (Hong Kong) LLP**  
26th Floor  
Central Plaza  
18 Harbour Road  
Wanchai  
Hong Kong

*To the Dealers and the Trustee as to English law*

**Linklaters**  
11th Floor  
Alexandra House  
Chater Road  
Hong Kong