

We **Link**  
People to a  
Brighter Future



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# About Link

Link Real Estate Investment Trust is the first REIT listed on the Stock Exchange and is a constituent of the Hang Seng Index. We are Asia's largest REIT and also one of the world's largest retail focused REITs in terms of market capitalisation. With a diversified portfolio that consists of retail facilities, car parks and offices across Hong Kong, Beijing, Shanghai and Guangzhou, we aim to deliver sustainable growth and create long-term value for our Unitholders.

## About the Strategic Report

Our 2016/2017 Strategic Report covers our performance from 1 April 2016 to 31 March 2017 and has been prepared according to the International Integrated Reporting Council's <IR> Framework. We highlight the interactions among financial, environmental, social and governance factors and underline their influence on our long-term sustainable development.

The information reported here is consistent with indicators used for our internal management and Board reports and are comparable with our previous Integrated Reports.

## Materiality

This report has been structured according to Link's corporate Value Creation Model which combines our business model and sustainability framework and outlines four strategic priorities. The Board believes these strategic priorities represent the material opportunities that will drive value creation for stakeholders. These material opportunities have been developed taking into account our industry trends, the environment in which Link operates, feedback from our key stakeholders and the inherent risks of our business. The Board reviews and approves the strategic objectives on an annual basis.

## Complete 2016/2017 Reports and Presentations

Our complete suite of reports and presentations can be accessed and downloaded from our corporate website at [Linkreit.com](http://Linkreit.com)

### STRATEGIC REPORT

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

### GOVERNANCE, DISCLOSURES AND FINANCIAL STATEMENTS

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

### VALUATION REPORT

This report summarises the market value of Link's individual properties as valued by Jones Lang LaSalle Limited.

### SUSTAINABILITY WEBSITE

Up until 2013/2014, Link prepared separate annual sustainability reports which are on our corporate sustainability website. Since then we update our corporate sustainability performance on our website and incorporate the information in the Strategic Report. This can be accessed at [Linkreit.com/sustainability](http://Linkreit.com/sustainability)

### COMPLIANCE DOCUMENTATION

- Stock Exchange's Environmental, Social and Governance Reporting Guide
- Global Reporting Initiatives G4 Sustainability Reporting Guidelines - Comprehensive Option
- United Nations Global Compact



Access our corporate website  
for further information

A world class real estate investor and manager, serving and improving the lives of those around us...

## VISION

## MISSION

... By building relationships with our stakeholders – through

- providing value and quality service
- partnering with local communities
- delivering sustainable growth

This is how ...

We **Link** People to a  
Brighter Future

## VALUES

... and managing and operating our business with

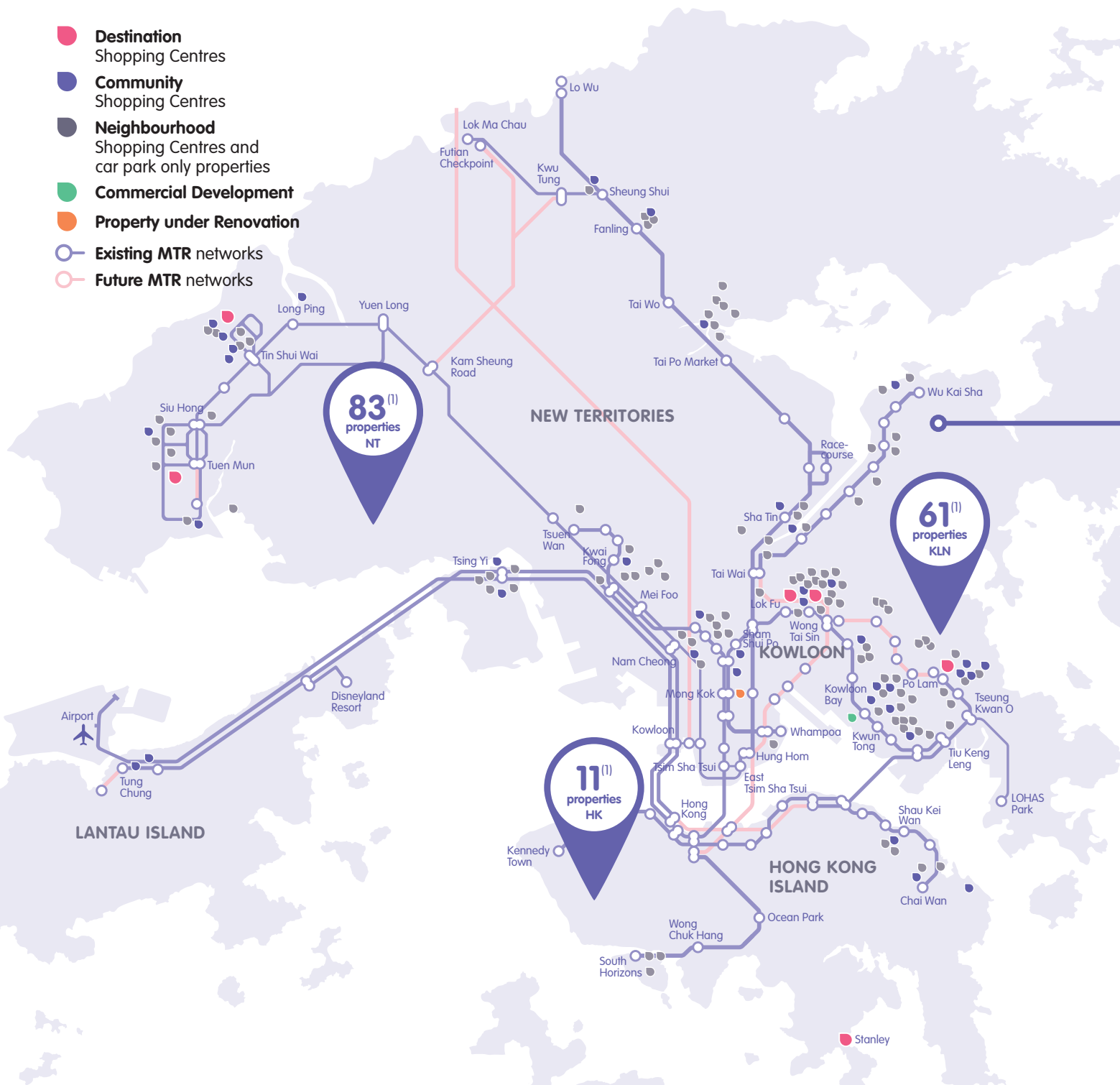
- Respect
- Excellence
- Integrity
- Teamwork

- Our Strategy
- Our Performance
- Our Governance
- Our Investors

# Our Portfolio

Our portfolio includes retail facilities, car parks and offices across Hong Kong, Beijing, Shanghai and Guangzhou. These multiple segments form a solid, diversified platform to create more value.

- **Destination**  
Shopping Centres
- **Community**  
Shopping Centres
- **Neighbourhood**  
Shopping Centres and car park only properties
- **Commercial Development**
- **Property under Renovation**
- **Existing MTR networks**
- **Future MTR networks**



**3**<sup>(2)</sup>

Properties in Mainland China

**~3 million sqft**<sup>(2)</sup>

Retail and office space



**155**<sup>(1)</sup>

Properties across Hong Kong

**69,000**<sup>(1)</sup>

Car park spaces

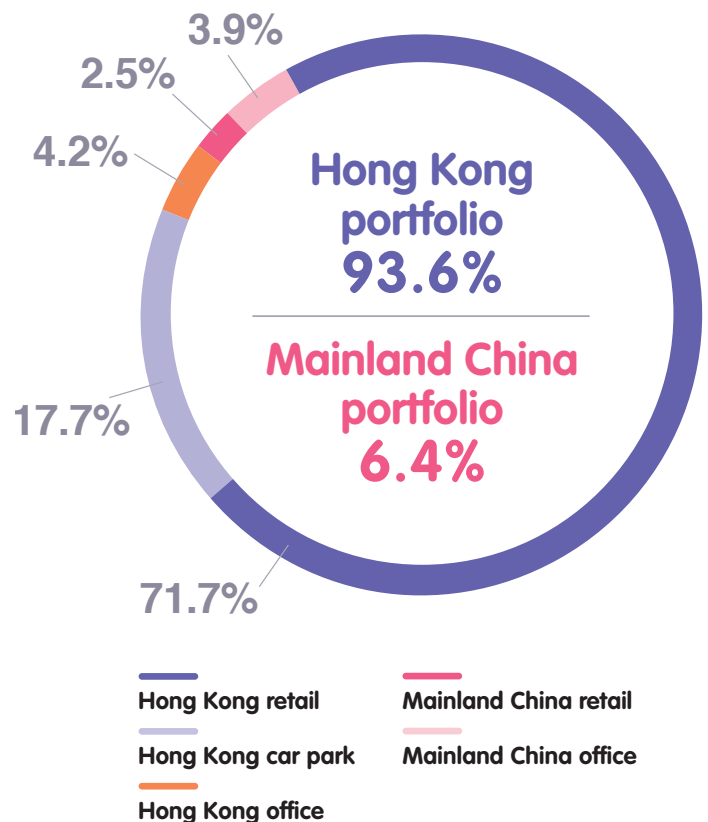
**884,000 sqft**<sup>(1)</sup>

Under development

**~10 million sqft**<sup>(1)</sup>

Retail space

Portfolio mix by value<sup>(1)</sup>



Hong Kong retail

Mainland China retail

Hong Kong car park

Mainland China office

Hong Kong office

Pro-forma portfolio mix<sup>(2)</sup>:

Hong Kong portfolio

91.2%

Mainland China portfolio

8.8%

Notes:

(1) As at 31 March 2017.

(2) Pro-forma portfolio mix has also taken into account the newly acquired property in Guangzhou which was completed after this financial year end in May 2017.

## 2016/2017 Performance Highlights

Link's business value is determined by our financial achievements and non-financial contributions. Our performance indicators are based on our core values, environmental stewardship priorities and extensive engagement with tenants, shoppers, staff, local communities, investors and business partners.

**↑ 5.9%**  
Revenue  
(HK\$'M)  
**9,255**

**↑ 7.4%**  
Net Property  
Income  
(HK\$'M)  
**6,994**

**↑ 8.3%**  
Valuation  
(HK\$'M)  
**174,006**

**↑ 10.8%**  
Distribution Per Unit  
(HK cents)  
**228.41**

## A Platform for Tenants to Flourish



**+4.0%**

Tenant Sales Growth in Hong Kong



**96%**

Occupancy in Hong Kong



**100%**

Occupancy in Mainland China



**12.1%**

Rent-to-sales Ratio in Hong Kong



**81/100**

Mystery Shopper Programme Score



**53**

Enhancement Projects Completed to Date

## Social Contributions that Enhance the Community



**HK\$38.1 million**

Donated through Link Together Initiatives since 2013



**~18,000**

Tenant Academy Participants since 2008



**28.2%**

Energy Consumption Reduction in Hong Kong since 2010

For the process of how we create value for those around us, please see pages 6-7.

# Value Creation Model

## 1 To realise our vision

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

# How We Link People to a Brighter Future



### FINANCIAL

Continuous improvement of financial returns



### NATURAL

A stable and viable natural environment



### MANUFACTURED

A productive portfolio of high quality, sustainable properties



### SOCIAL & RELATIONSHIP

Positive relationships with our tenants, shoppers and communities



### HUMAN

A talented, engaged and high performing workforce



### INTELLECTUAL

A sector leading body of sustainable community development knowledge

## 5 Which create value and enhance our capitals



## 2 We focus on stakeholder expectations

- OUR COMMUNITIES
- OUR EMPLOYEES
- OUR INVESTORS
- OUR TENANTS
- OUR BUSINESS PARTNERS

## 3 Using our unique business model that manages a property portfolio using six growth drivers



## 4 To deliver our strategic priorities

- 1 Building a more productive and higher quality portfolio
- 2 Maintaining a prudent and flexible capital structure
- 3 Developing a strong management team
- 4 Helping our tenants and communities grow while delighting our shoppers



## Engaging with Our Stakeholders

Communication and collaboration with stakeholders across our value chain are essential to delivering on our strategic priorities. We are committed to engage in open, two-way dialogues that inform us of what we are doing well while alerting us on how to improve in other areas. This enables us to create value for those around us.

Understanding our stakeholders' expectations helps us respond effectively through our business model and strategy. Here we outline why we engage with our stakeholders and their key interests. How we work to meet their expectations is outlined in our Strategic Priorities section.

### OUR INVESTORS

#### Institutional and retail investors of Link

##### Why we engage:

We engage with Unitholders and fixed-income investors, as the providers of capital necessary to support our growth, to keep them up to date on the financial performance and overall sustainability of Link.

##### Their key interests:

Distribution growth, future business prospects, strategy execution, portfolio value, timely information and sound corporate governance.

### OUR COMMUNITIES

#### People that live in the communities we serve

##### Why we engage:

Our properties are an extension of the living rooms of the people living in the communities around us.

##### Their key interests:

Clean shopping environments, retail and entertainment offerings, choice and variety, reasonable priced products and services.

### OUR EMPLOYEES

#### Over 900 direct employees

##### Why we engage:

Our people are what enable Link to deliver on our brand promise.

##### Their key interests:

Job satisfaction, career development, improved knowledge sharing, engagement, building skills in line with future business growth and being competitively remunerated.

## OUR TENANTS

### Strategic business partners involving over 11,000 tenancies

#### Why we engage:

Our tenants are our strategic partners in delivering a desirable shopping environment to our shoppers.

#### Their key interests:

Shopper footfall, tenant mix improvement, initiatives to enhance the shopping experience and attract shoppers, changes in consumer spending, increasing competition and rental escalation.

## OUR BUSINESS PARTNERS

### Suppliers and vendors

Service providers that enable us to deliver quality service

#### Why we engage:

Suppliers and vendors impact our ability to provide products and deliver services. They are required to comply with our health and safety and ethical procurement standards. Engaging with them contributes to business continuity, viability and operational efficiency.

#### Their key interests:

Timely payment, fair business practices and acquiring skills that may enhance their ability to deliver services.

### Media

Media partners that publicise Link in different aspects

#### Why we engage:

The media keep Link's stakeholders informed of business developments, new products and services and the impact of our business operations.

#### Their key interests:

Tenant and community issues, being informed of key activities and offerings and transparency.

### NGOs

International organisations, local industry associations, environmental groups and community-based service groups

#### Why we engage:

NGOs represent the views of many public stakeholder groups and can serve as another channel to engage with different parties.

#### Their key interests:

Environmental impact, corporate sustainability and responsible business practices.

### Government

Government officials and members of the Hong Kong Legislative Council and District Councils

#### Why we engage:

Our relationships with government and regulators impact on our ability to contribute towards broader economic, social and environmental objectives.

#### Their key interests:

Facilitation of socioeconomic growth, regulatory compliance, environmental impact and corporate governance.

# Chairman's Statement

Nicholas Charles ALLEN



Reporting to you with my first full year as Chairman of Link now completed, I am pleased to share with you Link's 2016/2017 annual report. It has been an active and rewarding year for Link.

The company experienced another year of strength with revenues reaching HK\$9,255 million, representing a 5.9% increase from the previous year. We have progressed significantly in business expansion through our strategic asset acquisitions and property enhancement programmes. The distribution per unit increased by 10.8% year-on-year to HK228.41 cents, marking another year-on-year increase in returns to our Unitholders. This is the 11th consecutive year of solid performance for the business.

When I stepped into my role as Chairman in April 2016, my priority was to meet as many people as possible inside and outside of our business, to listen and learn more about Link's challenges and opportunities and importantly, to learn first-hand of the public's perception of our business. An initial observation is that as a progressive business with strong ties to the daily livelihood needs of local communities, we are often, fairly or not, a lightning rod for public criticism and debate.

One such example came from a group of local citizens concerned about the potential

impact of our fresh market strategy on existing food prices and selection. From a Unitholder's perspective, our fresh market enhancement projects have yielded strong returns, and our fresh market business has grown to contributing nearly 10% of our revenues. However, in today's business climate, it is no longer enough to ensure that our decisions are financially sound and create value for investors alone. To be a sustainable organisation, we must create value for all stakeholders, be it in terms of a better value for money shopping experience or by reinvigorating what many had viewed to be a declining industry. Herein lies the impetus to do better business and ensure our long-term sustainability so that we do indeed **Link People to a Brighter Future**. From this value creation perspective, our fresh markets have proven to be attractive locations for shopping, offering wider variety and competitive prices, and for local vendors to thrive and prosper. This is evidenced by the consistent high footfall and occupancy rates at all our renovated markets.

### Highlights

Link will continue to raise the bar to improve operational performance and make further progress.

See pages 4-5 for *2016/2017 Performance Highlights*.

To be a sustainable organisation, we must create value for all stakeholders. Link's Value Creation Model consolidates our business model and Sustainability Framework.

See pages 6-7 for Link's *Value Creation Model*.

Building on this experience, we have the opportunity to positively shape the broader environmental, social and non-financial impacts of our business. What I have learned personally from these many meetings is that the continued sustainability of our business is contingent on consistently improving towards a holistic management approach that focuses on understanding those around us, knowing the sustainability context in which we operate, aligning stakeholder expectations and delivering value while building for the future. With this perspective in mind on how we do business

and without diminishing our responsibilities as a listed company, I introduce in this year's report Link's Value Creation Model. It takes the important step to consolidate the two driving forces of our business – the business model and the Sustainability Framework – so that we can indeed implement this holistic management approach from a single platform. The model guides our decision making and enables us to better articulate the broadened impact of our initiatives. Details of how we implement the Value Creation Model can be found on pages 6-7.



The Board visited our latest Hong Kong acquisition at 700 Nathan Road in Mong Kok.



Link Together Initiatives is our flagship programme to engage the community. Supported programmes such as the Hong Kong Guide Dog Association complement our corporate efforts to create inclusive, barrier-free properties.

Link's corporate governance structure has always been a corporate mainstay of strength and reputation. I am pleased to say the Board continues to function effectively with our members bringing in diverse experience and skills to challenge and support the management team. The Board is committed to leading by example, visiting properties, meeting regularly with senior management and tracking changes in key risks and reputational issues. In September 2016 an independent Board evaluation was conducted to appraise the overall effectiveness of the Board and the Board Committees. We share the details of the Board evaluation, remuneration policy and long-term incentive plan in the *Governance, Disclosures and Financial Statements* report.

Looking ahead and supported by our strong management team, the business will continue to grow prudently. We expect that the economic and social uncertainty experienced in 2016/2017 will remain in place in the coming 2017/2018 year. With greater focus on value creation for all stakeholders, we seek to establish stronger ties within the communities where we operate to mitigate negative perceptions and publicity and enhance our standing in developing true community assets.

Having established and strengthened our vision of serving and improving the lives of all those around us and the solid

business foundation that looks towards the future, I am confident Link will continue to raise the bar to improve operational performance and make further progress towards being a world class real estate investor and manager.

Finally, on behalf of myself and the Board of Directors, I extend my special thanks to our CEO, George Hongchoy, our senior management team and the entire Link staff for their tireless efforts and dedication in all areas of our business. Without their support and positive outlook, we would not be the strong company we are today.

### Nicholas Charles ALLEN

Chairman

Link Asset Management Limited  
As Manager of  
Link Real Estate Investment Trust  
7 June 2017

# Chief Executive Officer's Report



George Kwok Lung HONGCHOY





Looking back on 2016/2017, I am very proud Link continued to be successful in doing what we do best – creating thriving and vibrant communities that **Link People To a Brighter Future**. This is the promise that drives us. It strengthens our business resilience, ignites our innovation and enables us to deliver for our communities, tenants, shoppers, business partners and the environment. This ultimately allows us to create long-term value for our business and Unitholders.

## We are Building Momentum on Our Strategy

Link has a strong business and is committed to delivering steady, sustainable and increasing returns to our Unitholders. We continue to grow organically by extracting value from our existing portfolio while safeguarding our long-term growth by diversifying beyond limited property types and single geography.

2016/2017 was characterised by a weak retail market and uncertain economic environment which persisted throughout the year. However, our continuous efforts to better understand and align stakeholder expectations, improve efficiency by segmenting our portfolio, and introducing the asset management model helped mitigate these challenges. We built on these initiatives in 2016/2017 and have emerged as a stronger and more efficient business that can adapt to market challenges and seize growth opportunities.

Management and Enhancement of our assets remain our core strengths and continue to underpin the solid business

model and unlock the full value of our portfolio. Over the last two years, we have evolved this business model by refining our portfolio through Disposal, capitalising on new opportunities via Acquisition and Development, and nurturing a corporate culture that focuses on value creation.

In 2016/2017 these growth drivers yielded significant accomplishments including completing nine enhancement projects, diversifying our portfolio by completing the acquisition of 700 Nathan Road at the start of the year, and by announcing the acquisition of Metropolitan Plaza in Guangzhou, China subsequent to the financial year ended 31 March 2017. In May 2016 and February 2017, we successfully disposed of 14 assets for an aggregate consideration of HK\$7.3 billion which represented a premium of 24% to their most recent valuations.

Our asset management model introduced in April 2016 has been very successful. This approach enables us to identify opportunities to enhance portfolio value while prioritising and streamlining work

## Highlights

As we move forward, Link's ability to continue growing and meeting expectations will depend on the strength of our relationships with our tenants.

See pages 8-9 for *Engaging with Our Stakeholders*.

We continue to grow organically by extracting value from our existing portfolio while safeguarding our long-term growth.

See pages 34-41 for *Building a More Productive and Higher Quality Portfolio*.

Link is more than a business. We are an organisation deeply rooted across the communities in which we operate.

See pages 48-50 for *Helping Our Tenants and Communities Grow While Delighting Shoppers*.

across multiple properties. As a result, we will be increasing the number of properties managed under the asset management model to over 40 assets in Hong Kong. We will continue to have a dedicated China asset management team that focuses solely on managing our Mainland China properties.

These efforts contributed to delivering another year of strong performance. We continued our track record of year-on-year improvements, with higher revenue and net property income growing by 5.9% and 7.4% respectively. The 10.8% and 8.3% year-on-year increase in distribution per unit and valuation of our portfolio are clear indicators that we are managing and growing our business effectively. Link continues to outperform most indices, global peers and other REITs and I am confident this proven business strategy will continue to yield strong results for years to come.

## Moving Forward, We Need to Pause and Think

Link has come a long way since 2005. We have made great strides in putting together a straightforward and resilient business model anchored by proven growth drivers. This business model can remain productive for the next 10 years and beyond, as we move closer to realising our Vision of being “a world class real estate investor and manager”. However, we cannot simply rely on executing a proven business model; we must also be vigilant in identifying ways to improve and grow.

Link is more than a business. We are an organisation deeply rooted across the communities in which we operate. Therein lies the challenge, that while our business will indeed grow, the quality and rate of growth need to take into account the long-term well-being of those around us. The significance of which is recognised in the entirety of our Vision, to be “a world class real estate investor and manager, serving and improving the lives of those around us.” It is in our interest to ensure that our business creates value and opportunities so that our tenants, the communities around us and even the cities in which we operate flourish.

We have made strides to ensure our positive impact, evidenced by our ongoing efforts to attain insight and foster stronger relationships with communities. This deeper understanding differentiates us and forms the basis of our competitive advantage. Focusing on areas that we know matter most to our customers – providing more variety and accessibility, managing environmental impacts across our business, and strengthening our working relationship with suppliers – are what ultimately secure our long-term license to operate. As a manager, we have to establish robust non-financial indicators to monitor and measure our impact.

We foresee that an uneasy political and economic environment will remain in place for the near future. To lessen these impacts, we have placed strong emphasis on building our social and relationship capital through traditional means of focus groups and working with key opinion leaders, to social media and regular outreach. These are supported by closer collaboration with non-governmental organisations and community leaders to better understand community expectations. I take great pride that Link has developed the expertise and agility to understand the detailed expectations of stakeholders in local communities, while maintaining a world class service that attracts partnerships with globally-renowned retail brands, and ultimately mirroring the needs of our shoppers by providing variety and choice. These efforts have helped us improve on our public perception every year. Even though there is still much room to grow and improve, this trend is promising and shows we are on the right track to build our properties to become the preferred destinations of tenants and shoppers.

Enhancing convenience and increasing accessibility between our tenants and shoppers is one way we serve and improve the lives of those around us. During the year, we completed our five-year Barrier Free Access Programme in which we invested HK\$211 million to ensure our properties are accessible by all. Our Park & Dine mobile app launched in 2015 has been downloaded over 150,000 times to

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I take great pride that Link has developed the expertise and agility to understand the detailed expectations of stakeholders.

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date and is one of the most popular apps in Hong Kong. The award-winning app gives users easy access to shopping, dining and parking information across our portfolio on a real time basis. Aside from enhancing the shopping experience, Park & Dine mobile app provides unique opportunities to gain insight into how we can continually improve our properties to meet shoppers' expectations.

Managing our large portfolio comes with its challenges. Neighbourhood, Community and Destination Shopping Centres each have varying levels of service offerings and management skill requirements. To meet tenant and shopper expectations we rely on engaging and aligning our service providers and contractors to deliver consistent and quality service. This is measured by our Mystery Shopper Programme, which has been in place for five years. Link continues to maintain a high level of performance in this independently-assessed metric.

When the community does well, we do well. Since launching in 2013/2014, Link Together Initiatives continues to develop and has donated HK\$38.1 million to the communities around us. Established with the intention to strengthen the well-being of the youth and elderly, we are using our resources – our properties, staff and tenants – to connect and inspire communities and link them to a brighter future. The total impact – social, economic and environmental – of some of these initiatives has been estimated and can be accessed on our corporate sustainability website.

As we move forward, Link's ability to continue growing and meeting expectations will depend on the strength of our relationships with our tenants. Tenant Academy, festive marketing events and promotional activities are designed to maximise growth opportunities for our tenants and have been very successful. These have helped to maintain our occupancy rates at 96% and 100% in Hong Kong and Mainland China respectively. Our tenants' sales growth, a key metric to illustrate whether they and Link are growing together, has maintained at an encouraging level of 4.0% which is comparable to the previous year, despite the decline in the overall Hong Kong retail market.

Our business has evolved significantly over the past few years, and we have been diligently developing our talent. Link's Competency Framework was introduced in late 2016/2017 to outline core competencies and skills required for different work functions. More importantly, the framework provides a roadmap for our talent to know which skills to develop in order to further their personal and professional growth. This empowers our people to improve our business and make better decisions. I want to thank all our staff for their commitment and passion to serve and improve the lives of those around us.

## Outlook

We believe the retail market in Asia will improve over the next year, and we are well positioned to capitalise on the right opportunities that may emerge to strengthen our portfolio. While we anticipate that interest rates are likely to rise steadily, our prudent capital management approach minimises the potential impact.

In 2017/2018 we will continue to use our growth drivers to capture value from our existing portfolio while exploring opportunities to streamline our portfolio further and secure long-term growth. Our business remains committed to cultivating and fostering strong community relationships – an approach that will help both the communities around us and our business to flourish.

In closing, I am proud of where we are, and I am excited about where we will go. We head into 2017/2018 with our business in excellent shape both financially and non-financially. Our consistent performance underlines the success of our decision making and positions us well to deliver on our brand promise to **Link People to a Brighter Future**.

**George Kwok Lung HONGCHOY**  
Chief Executive Officer

Link Asset Management Limited  
As Manager of  
Link Real Estate Investment Trust  
7 June 2017

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We believe the retail market in Asia will improve over the next year, and we are well positioned to capitalise on the right opportunities that may emerge to strengthen our portfolio.

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# Understanding Those Around Us

Knowing and understanding those around us is at the heart of our asset management expertise. This gives us insight into what motivates shoppers to shop at our properties, tenants to choose our portfolio to grow in, talent to develop their careers with us, and investors to believe in our business and brand. We capture this information through multiple channels including surveys, focus groups, meetings and on-site observations. Their feedback establishes a baseline for us to monitor and track how we improve in meeting their expectations. This enables us to develop and deliver a comprehensive strategy that enhances the resilience of Link to future changes.



## 80%

General public rated “positive” and “neutral” towards Link during perception audit



## 6

External professionals in Sustainability Advisory Committee



## Over 150,000

Downloads of Park & Dine mobile app since 2015

## Perception Audit

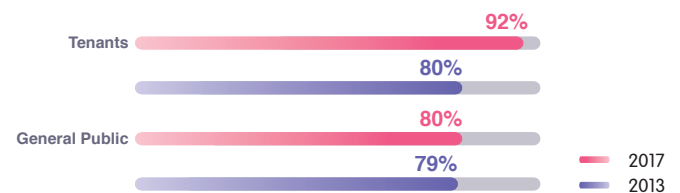
### Seeing Ourselves from Others' Perspectives

Assessing our performance from the perspectives of those around us strengthens our business by highlighting what we do well, and more importantly, where we can improve. This guides our ability to consistently anticipate and align our services and offerings more closely with the evolving needs of those around us. It helps ensure that our properties remain preferred destinations of shoppers and tenants.



Since 2013, we have commissioned external consultants to conduct independent perception audits that covered the opinions of our shoppers, tenants, analysts, key opinion leaders and the media. Audit results showed that our asset enhancement projects and corporate social responsibility programmes have continually enhanced the image of Link. The branding campaigns were also positively perceived.

### Improved Perception



## Sustainability Advisory Committee

### Listening and Learning from Experts

As a growing business that touches the everyday lives of those around us, we seek and value constructive feedback that can accelerate our development. Sustainability is an important part of Link's business philosophy. It is the foundation for guiding our decision making and articulating our Value Creation Model.

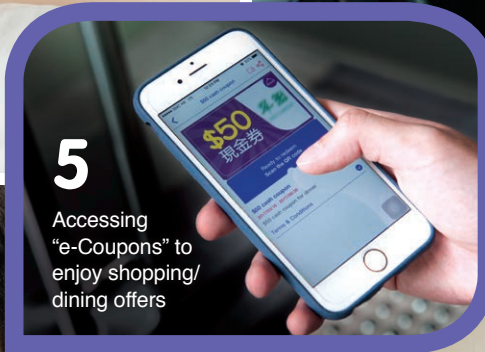
In 2014 we established the Sustainability Advisory Committee (SAC) comprising experts and professionals from academia, non-governmental organisations, tenants and business community. The SAC has strongly influenced Link's approach to environmental, social, governance and policy issues. It has played a key role in shaping corporate decision making to ensure we manage our business using a balanced approach that creates value for investors, communities, tenants, staff and business partners. Key issues that the SAC raised and challenged Link in 2016/2017 include waste management, green financing and quantifying the impact of Link's community initiatives.

To strengthen the connection to strategy development at the Board level, starting from 2017/2018, Nicholas Allen, Chairman of Link, took over as chairman of the SAC from George Hongchoy, CEO of Link.

# Link's Park & Dine Mobile App

## A day in the life of our shoppers — knowing and supporting their journey

**1** Searching for shopping destinations and events and promotions



**5**

Accessing "e-Coupons" to enjoy shopping/dining offers



**4** Using "e-Queuing" to get a seating number at a favourite restaurant



**3** Using "Find My Car" to record and remind parking location



Find My Car



Fresh Market



e-Queuing



Link WiFi



e-Coupon



e-Directory

## 2

Checking  
real-time  
car park  
space  
availability



Shoppers have an overwhelming abundance of choices of where to shop, at both physical retail locations and online. They have high expectations and little loyalty to spare if brands fail to meet them. To overcome this, we need to find ways to increase customer value for our shoppers. In 2014, Link established the Customer Experience Management team to walk through a typical shopper's journey at our properties. Through a series of interviews and surveys we gained insights into customer pleasure points, pain points and decision points along their Link shopping journey – starting from parking at our car parks, to shopping at our fresh markets to eating at our shopping centres. With this information, as well as being inspired by a similar app available at EC Mall in Beijing, we developed the Link Park & Dine mobile app, a digital solution that gives our shoppers access to navigate a world of choices across over 150 properties.

### + Innovative Deployment of Technologies

Our Park & Dine mobile app was one of the first to apply low energy-consuming Bluetooth technology to offer a Find My Car function.

### + Evolving with Our Customers

Park & Dine mobile app strives to deliver on our brand promise to Link People to a Brighter Future. It has garnered industry-wide recognition for its effectiveness and innovation. By putting practical functions, convenient services and relevant promotions into the hands of our customers, we are helping our tenants and communities grow while delighting shoppers.

### + Connecting People Literally

We are adding WiFi access across our portfolio, making our properties truly connecting points of the community. This brings us another step closer to our shoppers and opens a new channel to engage and understand them.

### + Empowering Tenants

Park & Dine mobile app does not just benefit users, it is also a powerful business tool for tenants to attract new customers, engage existing ones and improve their customer experience. Dining features such as e-Queuing do away with the hassle of waiting in line. e-Coupons provide timely offers while also gaining valuable customer insight. Through the app, redemption data of e-Queuing and e-Coupons can be shared with related tenants so that they may make better informed business decisions.

### + Looking Forward

The potential of our Park & Dine mobile app will be unlocked with increased customer analytic capabilities and electronic payment, all of which enhance shopper experience.

# Knowing the Operating Environment

Link is a resilient and agile business. We achieve this by paying close attention to the changing dynamics of our operating environments and knowing what the potential resulting impacts to our business may be. This allows us to fine tune our business strategy so that we are always ready to manage challenges and capture opportunities.



## 95%

Percentage of total spending done offline by Link's shoppers



## +6.7%

(1Q17, YoY)

Growth in monthly median household income for public rental housing in Hong Kong



## +6.9%

(1Q17, YoY)

Gross domestic product growth in China



## Retail Industry Trends in Hong Kong for 2017

### Shopper Preferences are Evolving, Demanding More Transparency and Sustainability

Shoppers are more informed and increasingly gravitating towards companies who reveal details of their operations, including what materials they use, product origins and supply chain ethics. This will affect the tenants and service providers that we work with, which impact the choice and variety offered at our shopping centres. Link works with tenants, service providers and contractors through CONNECTION and Tenant Academy to raise their awareness to these trends. Please refer to pages 27 to 29 for further details.

### Growth of Retail-tainment

Shopping centres are evolving to integrate leisure activities as a means to draw footfall and capture and extend shopper dwell time. This is a growing trend that sees a shift away from traditional shopping mall tenant mix towards expanded offerings focused on healthy lifestyle, entertainment and catering to evolving consumer food preferences. Over recent years, Link has been introducing tenants such as gyms and kids entertainment into our portfolio to address such new demand. Another key trend in Hong Kong is the growing number of families preferring to dine out. To accommodate this, since 2010, we have increased the number of F&B tenants by 22% and they currently represent about 30% of our total retail area.

### Impact of e-Commerce

With a retail focused portfolio, we continuously monitor the potential impact of e-Commerce to our business. With one of the highest internet penetration rates in the world, e-Commerce will likely continue to gain traction in 2017 and beyond. However, Hong Kong continues to favour shopping at physical stores. In the past year, Link commissioned a study on online sales penetration within our catchment and found that online sales accounted for 5% of spending among our catchment. Such online spending focused mainly on discretionary categories such as fashion items, electronic goods, travel products and banking/financial services. The outlook of e-Commerce impact on Link will likely be minimal as transactions – particularly among communities around our shopping centres – will largely rely on store purchases due to relative convenience and the ability to “feel and touch”.



## Macroeconomics

Our core portfolio remains in Hong Kong with a number of assets in Mainland China. Understanding the operating landscape is important to let us position ourselves to weather possible market turmoil for sustainable return.

### Key Market Trends in Hong Kong



#### Stronger Gross Domestic Product Growth

Gross domestic product in 1Q 2017 grew to 4.3% and the general economy is expected to grow at 2% to 3% for 2017, supported by a resilient labour market with favourable employment and income conditions.

**+4.3%** (1Q17, YoY)

Source: Hong Kong Census and Statistics Department

#### Continuously Low Unemployment Rate

Nearly full employment continued to prevail, with the unemployment rate edging down in 1Q 2017.

**3.2%** (1Q17, YoY)

Note: Seasonally adjusted figure

Source: Hong Kong Census and Statistics Department

#### High Car Park Demand vs Low New Supply

The growth in number of licensed private cars continued to outweigh the growth in private car parking spaces.

##### Private car licensing

**+3.4%**  
(1Q17, YoY)

##### Private car parking spaces

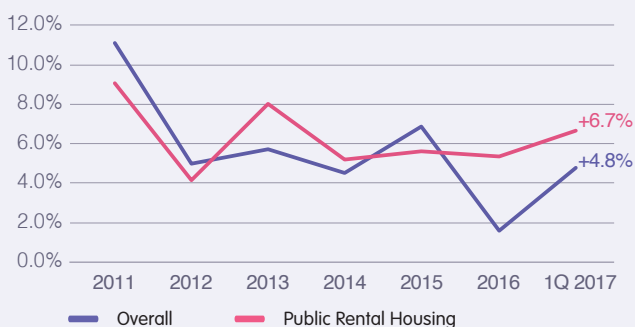
**+2.2%**  
(1Q17, YoY)

Note: Figures as at end of the period

Source: Hong Kong Transport Department

#### Moderate Monthly Median Household Income Growth

Stable household income growth, together with the increase in minimum wage rate, remains the solid anchor to private consumption expenditure.



Source: Hong Kong Census and Statistics Department

## Key Market Trends in Mainland China



### Strong Urban Household Disposable Income Per Capita

The strong momentum in Beijing and Guangzhou are well-supported by stable economic fundamentals. Urban household income is likely to increase steadily together with growth in urbanisation which supports retail spending.

#### Guangzhou

**+9.0%** (1Q17, YoY)

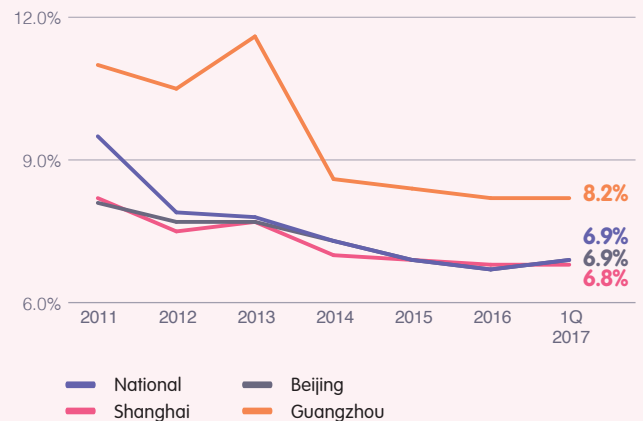
#### Beijing

**+8.0%** (1Q17, YoY)

Source: Statistics Bureau of Guangzhou Municipality  
Beijing Municipal Bureau of Statistics

### Sound Gross Domestic Product Growth

Mainland China continued to grow solidly in 1Q 2017. Economies in Beijing and Shanghai have grown in line with the national economy, whilst Guangzhou continued to outperform other tier-one cities.



Source: National Bureau of Statistics of China  
Beijing Municipal Bureau of Statistics  
Shanghai Municipal Statistics Bureau  
Statistics Bureau of Guangzhou Municipality

### Stable Shanghai Grade-A Office Rental

Shanghai grade-A office rental growth in the central business district has been supported by the service sector. Strong consolidation and expansion demand is likely to carry over and provide support to rental levels, despite a large influx of supply in decentralised areas in 2017.

**-0.9%** (1Q17, YoY)

Source: Jones Lang LaSalle

# Aligning People and Expectations

We are more than just a portfolio of properties. Link is a network of people comprising around 900 employees, over 2,000 vendors, service providers and contractors that serve over 11,000 tenants. These tenants employ 70,000 local citizens from a population of over 3 million people living around our shopping centres in Hong Kong alone. Strong relationships with these stakeholders is the glue that enables us to continuously create value and build thriving communities. By aligning our expectations, we foster a culture of inclusiveness, efficiency and manage different interests. This results in providing quality and consistent service to shoppers and our tenants, which in turn delivers sustainable and growing returns to Unitholders.



Over **100**

Participants in  
CONNECTION 2017



**81/100**

Mystery Shopper Programme  
score for Link



Around  
**18,000**

Tenant Academy  
participants since 2008

## CONNECTION – Link’s Annual Service Provider Conference

### A Collaborative Learning Platform for our Service Providers

CONNECTION, an annual conference organised by Link, is a platform which convenes our management, staff, vendors, service providers and district networks to explore how to address local sustainability challenges.



Many of the emerging challenges our business faces require collaborative effort to develop effective solutions. We also recognise that our business partners are at different stages in their sustainable development journey. Through CONNECTION we help build their business resilience by sharing our best practices on topics such as monitoring, measuring and reporting ESG performance. Such sharing helps us develop strategic partnerships to tackle challenging issues such as waste management, climate change resilience and green procurement. While helping our business remain agile in adapting to new challenges, Link also endeavours to support the growth of our business partners and tenants.

## Mystery Shopper Programme

### Continuously Enhancing the Environment and Facilities for our Shopping Centres

To ensure that we meet the frequently-changing needs and demands of each community, it is vital that we provide excellent customer experience to our shoppers. The Link Mystery Shopper Programme (MSP) was set up in 2011 to enhance customer shopping experience and recognise the achievements of frontline staff. An external agency, Hong Kong Quality Assurance Agency (HKQAA), was appointed to implement the programme by arranging independent shoppers to assess our shopping centres and the quality of customer service.

Through MSP, we have positively impacted different stakeholders by providing training, increasing footfall and encouraging excellent customer services. As a result, our properties’ performance consistently rank among the highest in Hong Kong.



## Link Tenant Academy

Growing with tenants. Together.

**84** Seminars and workshops organised to date

**~18,000** Tenants participated since 2008

**Over 70** Speakers presented to date



During the year, we had the honour of inviting three well-known figures in Hong Kong to come and share at our Tenant Academy – Ms Mak Ling Ling (feng shui master), Ms Dodo Cheng (reputable host and award-winning Hong Kong actress) and Mr Patrick Dunn (renowned television actor and host).



When our tenants flourish, our business does well. In addition to providing a welcoming environment to do business, we support our tenants by sharing our expertise. Link Tenant Academy focuses on growing our tenants by providing the latest insights specific to their business environment. We convene our tenants quarterly to update them on new management concepts, upcoming industry trends, retail techniques, service quality improvements and energy saving techniques. The knowledge will help their businesses grow and adapt to evolving shopper preferences.

#### **+ Tenant Excellence Awards**

Building on our successful Tenant Academy platform, in 2016/2017 we launched the Tenant Excellence Awards for tenants to get professional insights on how they are doing and how well their staff are performing. The improved, holistic approach of Tenant Academy not only offers classroom seminars, but an additional value to tenants where they receive constructive feedback to improve and advertising opportunities to promote their businesses. Upon completing the Tenant Academy, tenants are eligible to enrol in the Tenant Excellence Awards where mystery shoppers visit their stores to assess their implementation of various customer service aspects. The top ten performing tenants are presented with a trophy, while the top two are featured in Link advertising opportunities.

#### **+ Encouraging Tenant Feedback**

A survey was conducted with participating tenants of the Mystery Shopper Programme and the results were encouraging. The programme has been a good opportunity for them to understand how they can provide better service to their customers from an independent third party's perspective. They also believe that the Tenant Academy successfully brought in a broad range of marketing and sales technique that they could use daily to attract more customers. With the frequently-changing demands of customer expectations, Link will continually provide up-to-date information for our tenants to ensure they will meet such demands.

# Delivering and Building for the Future

Our business is focused on the long-term goal to deliver properties that are future-fit by anticipating changing expectations. Looking ahead to 2025 and beyond, we foresee the real estate sector will remain at the heart of rapid economic and social changes. Shopper and tenant preferences will continue to evolve, as issues such as green building, healthy indoor environment and open spaces become the norm. This influences how we manage, revitalise and build our properties.



**28.2%**

Reduction in energy consumption since 2010



**11**

NGOs collecting surplus food from Link's properties



**24**

Revitalised fresh markets



## Energy Saving Programme

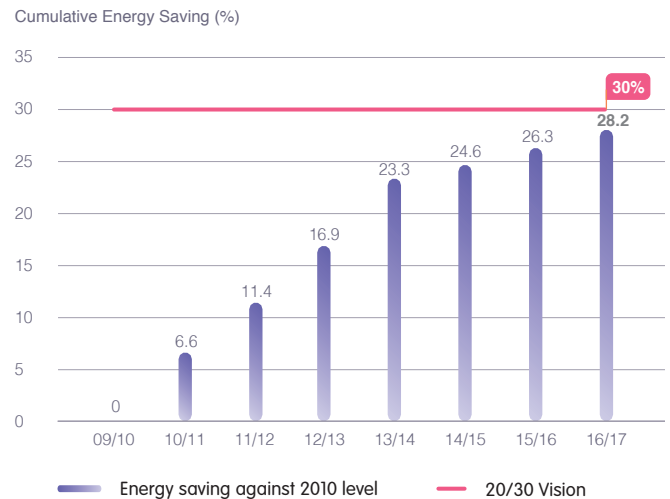
### Green Initiative for a Sustainable Environment

Link believes that sound environmental stewardship and resource conservation strategies must be fully integrated into our business operations. As part of our energy management strategy, we have adopted the 20/30 Vision which aims to reduce our annual energy consumption by 30% of the 2010 level before the year 2020.

In 2016/2017, we continued to rollout a number of energy saving programmes throughout our properties such as chiller replacement programme, chiller plant optimisation, installing variable speed drives in air-conditioning systems and replacing LED lights in our shopping centres and car parks.

As at 31 March 2017, our total energy reduction since 2010 is 28.2%. In anticipation of meeting our 30% target, we have begun to lay the ground work for setting our next energy target. We are exploring using Science Based Target methodologies, which is in line with global best practices. For further details, please refer to [www.sciencebasedtargets.org](http://www.sciencebasedtargets.org).

### Reduction in energy consumption



## Waste Management

### Preparing for Upcoming Challenges

To better manage our resources and further tackle the food waste problem, Link has engaged in a range of surplus food donation programmes. In collaboration with NGOs, surplus food collected from Link's fresh markets and food donation boxes in shopping centres are re-distributed or cooked into hot meals for the needy in our communities.

Through waste separation and training, both Link and its tenants can have a head start in preparing for the Municipal Solid Waste Charging Scheme. By reducing cost, raising awareness of the issues that arises from surplus food, as well as building a harmonious community through donations, we can help link people to a brighter future.

- NGOs have arranged waste separation trainings in all Link's fresh markets
- 178 training sessions have been provided
- 11 NGOs are collecting surplus food from Link's 69 properties

### Practise Waste Separation

With the assistance of NGOs and the Environmental Protection Department, trainings on organic waste source separation and data collection were arranged for our property management staff, cleaning contractors and tenants. New waste separation practice is now implemented in Link's fresh markets.

### Engage in Government Initiatives

To reduce waste to landfill, Link has pledged to participate in the HKSAR Government's pilot "Food Waste Source Separation, Collection and Delivery to Organic Waste Treatment Facilities Phase 1" programme.

### Surplus Food Donation

Surplus food collection and donations are arranged in Link's properties. Apart from collecting surplus food from our fresh market tenants, food donation boxes in our shopping centres encourage the public to donate their surplus food to the needy.

# Fresh Market Revitalisation

## Preserving heritage and reviving a declining industry

**1** Rejuvenating shopping and business environment for customers and tenants



**4** Adopting convenient electronic payment option

**3** Offering welcoming services to customers by our fresh market ambassadors

## 2

Providing convenience to customers with barrier-free access facilities



As one of the leading fresh market owners in Hong Kong, Link has been improving fresh markets' overall environment and taking the lead in sustaining the development of this traditional marketplace. To give the industry a much-needed jolt of life, Link has been upgrading the services and facilities across its markets in response to rising customer expectations. To contribute back to our community, Link works closely with NGOs to bring food to the elderly and people in need by re-distributing or producing cooked meals with surplus food collected from fresh markets.

#### + Improved Environment

Equip with air-conditioning to improve ventilation, providing tenants and shoppers with a better business and shopping environment.

#### + Modern Design and Layouts

Rejuvenate with modern design and reconfigured layout to increase fresh markets' visibility and permeability. Barrier-free access facilities are also improved to bring convenience to physically-challenged customers.

#### + Enhanced Tenant Mix and Technology

Introduce new tenants to the markets to provide a wider variety of culinary delights and fresh produce and cater to a wider shopper base. Stalls are equipped with an electronic payment system to provide more convenience.

#### + Innovative Services

Offer shopping trolleys for both adults and children and introduce market ambassadors to offer better services to customers.

## Performance Review: Strategic Priorities

Our four strategic priorities continued to guide us in delivering better returns for our stakeholders and moving us towards the vision of becoming a world class real estate investor and manager serving and improving the lives of those around us. During the year, we strengthened our operational platform through our growth drivers, practised a prudent capital management strategy and supported the growth of our staff, tenants and communities.

### Building a More Productive and Higher Quality Portfolio



**96%**



Occupancy  
in Hong Kong

**100%**

Occupancy  
at EC Mall

**100%**

Occupancy  
at Link Square 1 & 2



**24%**

Premium to valuation  
for asset disposals



**28.2%**



Energy consumption reduction  
in Hong Kong since 2010

Improving our portfolio quality allows us to sustain growth and long-term value. With a portfolio of over 150 properties (with over 11,000 tenancies) in Hong Kong, and three properties in Mainland China, we provide a strong platform for our tenants to flourish.

During the year under review, we maintained high occupancy and our tenants' sales outperformed the overall Hong Kong retail market and we continued to enhance our portfolio by our asset management know-how through our proven business growth drivers – management, enhancement, acquisition, disposal and development.

## Management

Management of our properties is our key growth driver. Through the asset management knowledge we gained over the decade, we continue to enhance our tenant mix, provide more and better retail offerings to shoppers and drive operational efficiency.

Leveraging on our asset management expertise, we rolled out our asset management model in April 2016. A dedicated team of experienced asset managers was established to drive customer focus and enhance productivity and financial returns on assets. Each asset manager has direct responsibility for the overall performance of the portfolio of assets assigned to him or

her and coordinates leasing, property and customer services in a holistic approach for good customer experience and operational efficiency. This asset management expertise build-up drives asset performance and brings long-term value and growth. We will expand coverage of the model to over 40 retail properties under nine clusters and plan to extend the holistic asset management approach to the entire portfolio for better operational and financial performance.

## Hong Kong Portfolio

### Retail

The Hong Kong retail market was challenging during the year. However, our portfolio continued to show resilience given our focus on mass market non-discretionary trades. Occupancy rate for the portfolio stood at 96.1% as at 31 March 2017. Reversion rate for the year remained strong at 23.8%, while retail rental recorded a 4.2% increase year-on-year. Average monthly unit rent improved from HK\$50.0 psf as at 31 March 2016 to HK\$55.3 psf as at 31 March 2017.

## Operational statistics of the retail portfolio

	Occupancy rate		Reversion rate		% of total area <sup>(1)</sup>
	As at 31 March 2017 %	As at 31 March 2016 %	Year ended 31 March 2017 %	Year ended 31 March 2016 %	As at 31 March 2017 %
Shops	97.1	97.1	23.4	29.0	83.2
Markets/Cooked food stalls	90.3	89.1	27.0	10.4	9.3
Education/Welfare and Ancillary	91.4	92.4	20.5	14.3	7.5
<b>Total</b>	<b>96.1</b>	<b>96.0</b>	<b>23.8</b>	<b>25.9</b>	<b>100.0</b>

Note:

(1) Total excluding self use office.

Starting last year, we categorised our properties into three segments to better define the property management strategy and allocation of resources – Destination,

Community and Neighbourhood – all of which demonstrated steady growth in the past year.

## Retail portfolio breakdown

	No. of properties	Retail properties valuation		Average monthly unit rent <sup>(1)</sup>		Occupancy rate	
		As at 31 March 2017 HK\$'M	Year ended 31 March 2017 HK\$'M	As at 31 March 2017 HK\$ psf	As at 31 March 2016 HK\$ psf	As at 31 March 2017 %	As at 31 March 2016 %
Properties							
Destination	6	22,320	1,073	74.0	70.8	96.7	97.3
Community	38	62,504	3,307	65.0	60.8	96.9	97.0
Neighbourhood	81	33,797	1,832	39.0	36.3	95.1	95.1
700 Nathan Road <sup>(2)</sup>	1	6,118	17	–	N.A.	–	N.A.
14 Properties Disposed <sup>(3)</sup>	–	N.A.	123	N.A.	26.9	N.A.	93.4
<b>Total</b>	126	124,739	6,352	55.3	50.0	96.1	96.0

Notes:

(1) Average monthly unit rent represents the average base rent plus management fee per month per square foot of leased area.

(2) The acquisition of 700 Nathan Road was completed on 15 April 2016. Income above was derived from street shops from acquisition of the property to their leases expiry in November 2016. As at 31 March 2017, the tower and podium were vacant due to renovation.

(3) Represents revenue up to completion of disposals of the 14 properties in May 2016 and February 2017.

## Portfolio lease expiry profile

(As at 31 March 2017)

	% of total area %	% of monthly rent %
2017/2018	28.4	30.7
2018/2019	28.0	26.8
2019/2020 and Beyond	32.7	36.1
Short-term Lease and Vacancy	10.9	6.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## Car Parks

Representing 18.9% of our business in Hong Kong by value, our car parks had consistently contributed income growth and recorded a year-on-year increase of 5.1%. Our Park & Dine mobile app and enhanced shopping environment helped drive visitations to our shopping centres, especially the hourly parking. The continuously

increasing number of new private cars on the road also gave rise to a growing demand for car park spaces at our car parks – which led to growth in car park income.

Car park income per space per month increased by 10.7% year-on-year to HK\$2,239 for the year ended 31 March 2017.

## Key car park performance indicators

	Year ended 31 March 2017	Year ended 31 March 2016
Car park income per space per month (HK\$)	2,239	2,022
	As at 31 March 2017	As at 31 March 2016
Total valuation (HK\$'M)	30,813	28,888
Average valuation per space (HK\$'000)	446	384

## Mainland China Portfolio

Our two properties in Mainland China – EC Mall in Beijing and Link Square 1 & 2 in Shanghai (previously known as Corporate Avenue 1 & 2) – continued to deliver strong results. As Link Square 1 & 2 made a full-year contribution, the two properties contributed revenue of HK\$574 million and net property income of HK\$459 million during the year,

representing a 36.3% and a 47.6% year-on-year increase respectively.

Being fully occupied, both properties created value and enhanced our overall portfolio quality. Retail reversion rate was 37.1% for EC Mall and office reversion rate was 10.8% for Link Square 1 & 2 during the year.

## EC Mall retail lease expiry profile

(As at 31 March 2017)

	% of total area %	% of monthly rent %
2017/2018	24.4	32.9
2018/2019	11.0	15.1
2019/2020 and Beyond	64.6	52.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## Link Square 1 & 2 office lease expiry profile

(As at 31 March 2017)

	% of total area %	% of monthly rent %
2017/2018	24.8	23.9
2018/2019	10.4	11.0
2019/2020 and Beyond	64.8	65.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## Enhancement

Asset enhancement has been a key element in driving our growth over the years. We meticulously plan and execute our asset enhancement projects through which we reposition and revitalise our portfolio assets to unlock value. The enhanced properties create an attractive retail environment for our tenants and shoppers, address the changing needs of consumers, and deliver good financial returns to our Unitholders.

During the year, we completed nine asset enhancement projects, covering Tin Chak Shopping Centre, Lei Tung Commercial Centre, Butterfly Plaza, Sau Mau Ping

Shopping Centre, TKO Gateway (previously known as Hau Tak Shopping Centre), Tai Hing Commercial Centre, Tin Yiu Plaza, Fu Tung Plaza and Wah Ming Shopping Centre. Different upgrades were made to these properties, ranging from simple refurbishment to major enhancement works. These nine asset enhancement projects exceeded our target of 15% return on investment.

The enhancement of Butterfly Plaza in Tuen Mun involved a major overhaul of the interior and façade of the fresh market. The revitalised fresh market has since become the new anchor for the shopping centre and has been driving footfall and car park tickets.

## Return on investment of asset enhancement projects completed in the year ended 31 March 2017

	Total area as at 31 March 2017 '000 sq ft	Total project capex HK\$'M	Estimated return on investment <sup>(1)</sup> %
Tin Chak Shopping Centre	124	20	23.1
Sau Mau Ping Shopping Centre	155	59	28.9
Lei Tung Commercial Centre	84	62	20.3
Butterfly Plaza <sup>(2)</sup>	175	286	15.1
TKO Gateway	169	127	15.4
Tai Hing Commercial Centre	102	58	15.3
Tin Yiu Plaza	88	129	15.2
Fu Tung Plaza	106	21	29.2
Wah Ming Shopping Centre	71	66	17.2
<b>Total</b>		<b>828</b>	

Notes:

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

(2) Project included a fresh market upgrade.



Hau Tak Shopping Centre, upon completion of asset enhancement works, was rebranded as TKO Gateway and has become Link's Destination Shopping Centre in the Tseung Kwan O area. With a new shopping centre layout, new designs and upgraded retail offerings, the newly branded shopping centre has attracted shoppers from catchments beyond the Tseung Kwan O area. With the benefits of a convenient public transport network, the repositioned TKO Gateway has become the district's gateway and a popular shopping and dining hub.

The works at Tin Yiu Plaza involved the conversion of a traditional market into air-conditioned retail space with a vibrant shopping environment. The introduction of quality retail shops and food and beverage outlets to the outdoor bazaar provides a new gathering point for the local community. The enhancement improved synergies with the nearby Tin Shing Shopping Centre where the fresh market was expanded and fully refurbished through asset enhancement in 2016.

In parallel with demographic changes, housing developments and expansion of the transportation network linking various districts, we carried out and completed asset enhancement works at Lei Tung Commercial Centre, Sau Mau Ping Shopping Centre, Tai Hing Commercial Centre, Fu Tung Plaza and Wah Ming Shopping Centre. These enhanced shopping centres provide a better operating platform for our tenants and offer a wider range of retail offerings for our shoppers.

Continuing our proven asset enhancement strategy, we have 15 enhancement projects underway with another 6 projects to commence and over 18 other projects currently undergoing review, taking our asset enhancement pipeline well into 2023.

On top of the asset enhancement projects we have, seven of the 33 fresh markets (hitherto being operated by external market operators) had also been upgraded during the year. These innovatively upgraded fresh markets have created a pleasant shopping environment for our customers.

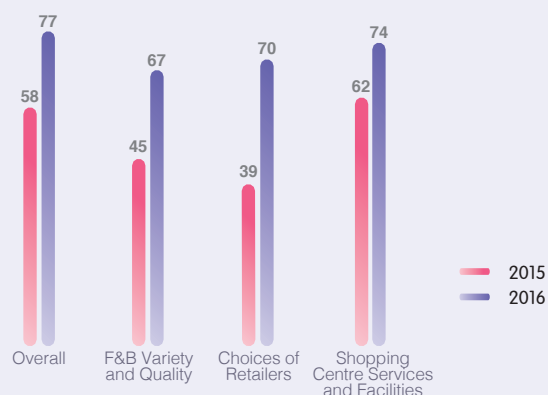
### Asset enhancement pipeline

	Number of projects	Estimated costs HK\$'M
Underway	15	1,189
Pending statutory approval	6	654
Others under planning	> 18	> 1,300
<b>Total</b>	<b>&gt; 39</b>	<b>&gt; 3,143</b>

## TKO Gateway

In late 2016, Link engaged an independent consultant to conduct a survey on our consumers' perception towards TKO Gateway after renovations.

### Improved satisfaction by our shoppers



### Draws more shoppers from secondary catchment (%)



## Approved asset enhancement projects underway

	Estimated cost HK\$'M	Target completion date
Lung Hang Commercial Centre	81	Mid 2017
T Town (North) (previously known as Chung Fu Plaza)	280	Mid 2017
Cheung Wah Shopping Centre	102	Mid 2017
Kwong Fuk Commercial Centre <sup>(1)</sup>	35	Mid 2017
Fu Tung Market <sup>(1)</sup>	27	Mid 2017
Tin Tsz Shopping Centre	42	Mid 2017
Temple Mall South	153	Mid 2017
Siu Sai Wan Plaza	45	Late 2017
Lok Wah Commercial Centre	49	Late 2017
Tsz Wan Shan Shopping Centre	67	Late 2017
Tsui Ping North Shopping Circuit <sup>(1)</sup>	40	Late 2017
TKO Gateway Market <sup>(1)</sup>	91	Late 2017
Tin Chak Shopping Centre (1/F) <sup>(1)</sup>	44	Early 2018
Sam Shing Commercial Centre	40	Mid 2018
Fu Shin Shopping Centre <sup>(1)</sup>	93	Mid 2018
<b>Total</b>	<b>1,189</b>	

Note:

(1) Project includes a fresh market upgrade.

## Acquisition

It is our strategy to improve our portfolio quality for sustainable DPU growth through adding assets with revenue growth potential.

During the year, we acquired 700 Nathan Road in Mong Kok, Hong Kong for HK\$5,910 million. The acquisition was completed on 15 April 2016. The property is located at the heart of Mong Kok with direct MTR access. Renovation has been underway and is in good progress, targeting for operations to start around the end of 2017. Upon renovation, the newly-designed podium will provide a young and vibrant shopping environment making it a new retail landmark in Mong Kok, while the tower will be ideal for services and semi-retail trades. It is under active pre-leasing and will be branded as a Link Destination Shopping Centre.

Subsequent to our financial year end, in April 2017, we announced the acquisition of Metropolitan Plaza in Guangzhou for RMB4,065 million. The acquisition was completed on 11 May 2017. Metropolitan Plaza is one of the few recently-built, high-quality shopping centres in the Pearl River Delta area and is strategically located in Liwan, a densely-populated and high performing retail district in Guangzhou. Since completion of the transaction, the property has contributed immediately to our earnings. This acquisition has marked another significant strategic addition to our portfolio in Mainland China.



Going forward, we will continue with strict management discipline to review opportunities across different markets and focus our investment on mass market retail properties and premium grade-A offices located in core CBDs with long-term growth potential in Hong Kong and tier-one cities in Mainland China.

### Disposal

We continued to recycle our capital and enhance our portfolio quality through the disposal of non-core assets which lack synergy and have limited growth potential.

In May 2016, we completed the disposal of nine properties for a total consideration of HK\$3,652 million, representing premium of 19% over the aggregate appraised value as at 31 March 2016. We disposed of another five properties in February 2017 for a total consideration of HK\$3,636 million, representing a premium of 29% over the aggregate appraised value as at 30 September 2016.

We used proceeds from the disposals to repay debts, buy back units from the market to neutralise the loss in distribution, and fund new investments in quality assets as part of our capital recycling strategy for growth and good Unitholders' return.

### Development

Construction works at The Quayside – our joint venture project with Nan Fung Development Limited at 77 Hoi Bun Road in Kowloon East – has been progressing well. We have successfully confirmed J.P. Morgan as an anchor tenant and J.P. Morgan has confirmed to pre-lease at least a quarter of the office space. This top of the class grade-A commercial development has received LEED platinum, BEAM Plus platinum and WELL gold pre-certifications. We target to complete the building works ahead of schedule, which will be in early 2019.

With stringent cost control, we also achieved savings in the construction costs. The project's estimated total development costs (including land premium) have so far decreased from HK\$10.5 billion to HK\$9.9 billion, which was a 5.7% saving as compared to the original budget. The cost savings will also bring a better investment return.

### Environmental Excellence

We achieved a year-on-year reduction of 2.7% in annual energy consumption, corresponding to a 28.2% cumulative reduction since 2010. This moves us closer to our 2020 target of a 30% reduction against our 2010 baseline. Our carbon footprint, primarily comprising of electricity consumption, has been reduced by 34.3% since 2010. Despite increased use of air conditioning, we achieved the energy reduction primarily through installing energy efficient lighting and fine tuning of our building management system.

During the year, by partnering with non-governmental organisations and over 4,000 tenants, we collected 46.5 tonnes of surplus food which were redistributed or used to produce nearly 85,000 meals for elderly and low-income families.



## Maintaining a Prudent and Flexible Capital Structure



**15.6%**

Gearing ratio

**61.4%**

Fixed rate debt/  
total debt

**2.65%**

Effective interest rate



**4.7**

years committed debt maturity



A/stable  
A2/stable  
credit ratings



Issued the first green bond by an Asian property company

Link continues to adopt a prudent capital management strategy that sustains long-term growth of our business. Over the years, we have developed a balanced capital structure that enables us to weather market fluctuations and be agile in capturing business growth opportunities.

Our capital management strategy is built on four pillars:

Optimise our long-term capital structure

Maintain strong credit ratings to secure low funding costs

Extend our debt maturity profile to mitigate refinancing risks

Manage exposure to interest rate and foreign exchange volatility

## Performance

2016 was an eventful and volatile year for financial markets. Major events such as Britain's referendum to leave the European Union, the US presidential election and the US Federal Reserve rate hikes impacted the financial markets. Long-term interest rates and credit spreads were particularly sensitive to such market shocks which created both opportunities and challenges for the capital management of our business.

Subsequent to Britain's referendum to leave the European Union in June 2016, we capitalised on the opportunity to issue our first green bond in July 2016 while US treasury yields and

credit spreads were compressed. The bond raised US\$500 million at 2.875% for 10 years, one of the lowest rates ever achieved by a Hong Kong corporate. It was also the first green bond issued by a property company in Asia. The green bond was launched in compliance with the 2016 Green Bond Principles of the International Capital Market Association which included an independent second opinion of Link's green bond framework by Sustainalytics. Proceeds from the bond are specifically earmarked for green initiatives, enabling us to connect our globally recognised sustainability effort with capital market investors. As at 31 March 2017, we have fully utilised the net proceeds from the green bond on green projects.

## Allocation of Green Bond Proceeds

	Site	Allocation of proceeds HK\$ billion	Project Update
<b>Allocation</b>			
Building development	The Quayside	3.6	Received LEED platinum, BEAM Plus platinum and WELL gold pre-certifications
Renovation to existing building	700 Nathan Road	0.1	Targeting BEAM Plus Interiors silver or above
Energy efficiency	Portfolio-wide	0.1	Energy management projects including chiller replacement and lighting improvement
<b>Total</b>		<b>3.8</b>	

In the Hong Kong banking market, the decline in domestic loan demand and ample market liquidity continued to suppress loan margins. In April 2016, we arranged a HK\$600 million unsecured banking facility with a 7-year tenor at an all-in cost of 1.15% over HIBOR to lengthen our debt maturity profile.

As part of Link's capital recycling strategy, we used part of the proceeds from property disposals to buy back approximately 31.7 million units at an average price of HK\$53.46 per unit, which is equivalent to a 14.4% discount to net asset value per unit as at 31 March 2017 of HK\$62.47.

Link ended the financial year with not much change in total debt at HK\$28.0 billion (31 March 2016: HK\$27.1 billion). Our gearing ratio decreased to 15.6% (31 March 2016: 16.5%) due to a higher property valuation. The average life of our committed debt facilities remained long at 4.7 years (31 March 2016: 5.0 years) with only HK\$0.3 billion debt maturing in the next 12 months. As at 31 March 2017, the available liquidity was HK\$10.7 billion (31 March 2016: HK\$8.1 billion), comprising HK\$685 million cash and deposits (31 March 2016: HK\$0.5 billion), and HK\$10.1 billion committed but undrawn facilities (31 March 2016: HK\$7.6 billion).

On interest rate management, we maintained the percentage of fixed rate debt to gross debt steady at 61.4% (31 March 2016: 63.4%) and the average life of fixed rate debt, representing the average period of interest rate

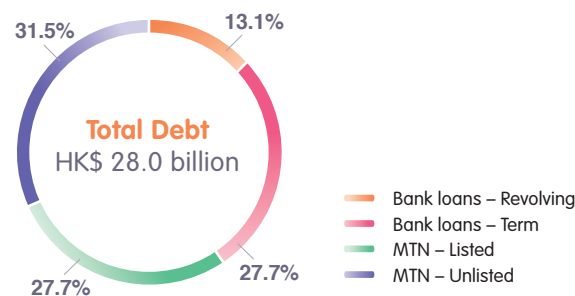
protection provided by fixed rate debt, steady at 6.3 years (31 March 2016: 6.9 years). Despite two 0.25% interest rate hikes by the US Federal Reserve during the year, the effective interest cost of our debt portfolio remained low at 2.65% as at 31 March 2017 (31 March 2016: 2.57%).

On foreign exchange management, we focused on managing the currency exposure of our RMB denominated income. Where appropriate, we converted RMB income to Hong Kong Dollars to minimise currency exposure. As at 31 March 2017, our cash holding in RMB was minimal and the RMB asset exposure was limited at around 6% of total assets.

Our corporate credit ratings were affirmed by Standard & Poor's and Moody's at "A/Stable" and "A2/Stable" respectively on 25 July 2016 and 25 January 2017 respectively.

## Funding base

(As at 31 March 2017)



## Committed debt facilities <sup>(1)</sup>

(As at 31 March 2017)

(HK\$ billion)	Fixed rate debt <sup>(2)</sup>	Floating rate debt <sup>(2)</sup>	Utilised facilities	Undrawn facilities	Total committed facilities
Unsecured loan	7.0	4.4	11.4	10.1	21.5
MTN	10.2	6.4	16.6	–	16.6
<b>Total</b>	<b>17.2</b>	<b>10.8</b>	<b>28.0</b>	<b>10.1</b>	<b>38.1</b>
Percentage	61%	39%	74%	26%	100%

Notes:

(1) All amounts are at face value.

(2) After interest rate swaps.

## Facility maturity profile <sup>(1)</sup>

(As at 31 March 2017)

(HK\$ billion)	Unsecured bank loans	MTN	Undrawn facilities	Total
Due in 2017/2018	–	0.3	1.5	1.8
Due in 2018/2019	1.5	1.1	1.9	4.5
Due in 2019/2020	3.5	1.3	2.0	6.8
Due in 2020/2021	2.5	0.4	2.5	5.4
Due in 2021/2022 and Beyond	3.9	13.5	2.2	19.6
<b>Total</b>	<b>11.4</b>	<b>16.6</b>	<b>10.1</b>	<b>38.1</b>

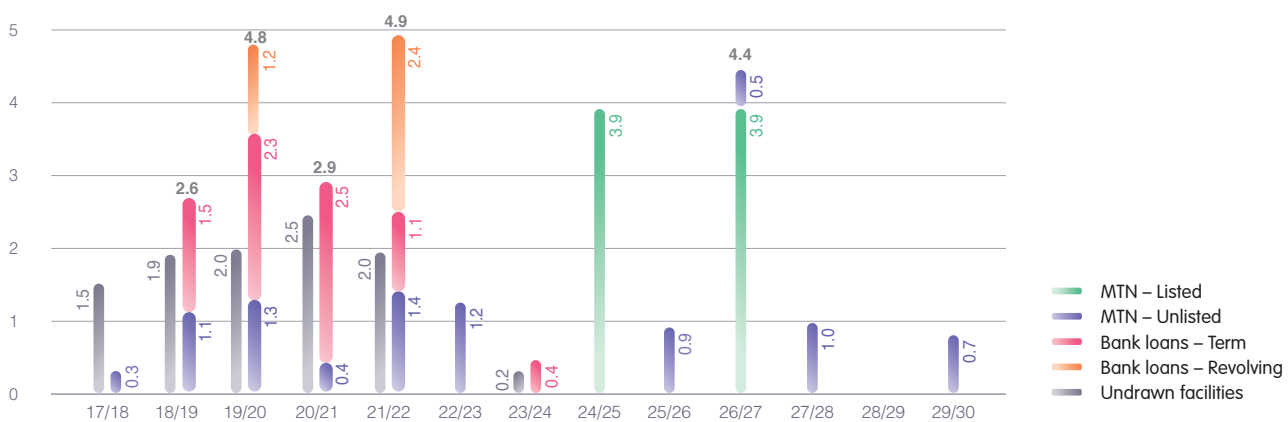
Note:

(1) All amounts are at face value.

## Facility maturity profile <sup>(1)</sup>

(As at 31 March 2017)

HK\$ billion



Note:

(1) All amounts are at face value.

## Developing a Strong Management Team



**~0%**



Attrition rate for high performing staff



**280**

Training and development sessions



**69%**

male

Board diversity

**31%**

female

Building an agile and innovative team who subscribes to our corporate culture – respect, excellence, integrity and teamwork – strengthens our business competence and enables us to manage risks with foresight and professionalism.

To maintain our productivity and ensure that our overall salary, bonus and other benefits remain competitive, we regularly review our workforce composition, compensation package and the learning and development programmes for staff.

## Competency

In 2016/2017, we established the Link Competency Framework which is the foundation of our talent management strategy. Using our Vision, Mission and Values, we have identified the key elements necessary to sustain our growth and success, resulting in a competency framework we expect from our staff, including:

- Analysis and execution
- Alignment with stakeholder interest
- Business orientation
- Building team and collaboration
- Communication and impact
- Change management
- Drive and commitment
- Developing and managing self and talent

These competencies are Link's embedded culture and permeate through our entire talent management strategy from talent sourcing to staff continuous learning and development, performance management and senior management succession planning.

## Development and Learning

Talent management is important for capacity building, and Link has provided various trainings to upgrade our workforce and ensure that our staff are well-equipped for new business challenges. In 2016/2017, we organised a total of 280 training and development sessions for our staff, as well as 7,249 hours of training to our contractors and service providers.

Link believes in providing career paths for promising candidates. We promote from within as much as possible to enhance career development opportunities and retain our top performers. With our expanded growth drivers and asset management model, we offer diverse opportunities that better align with personal career aspirations. Link provides a wide variety of training and personal development programmes on management, technical and personal skills to prepare our managers to undertake the role and responsibilities for a chosen job.

To groom our future leaders, we stepped up training efforts to emphasise on change management, team leadership and communication. We provide leadership training and strategy-oriented programmes to build a high performance culture across our entire organisation.

## Staff Engagement

As we expand our business in and beyond Hong Kong, it is important to achieve consistency in management across the organisation and that our teams remain connected, aligned and focused on providing quality service and excellent performance to our stakeholders. To enhance staff engagement, we conduct focus group meetings to gather views from staff on company initiatives as part of an on-going process to refine our talent management strategy. Such efforts ensure that we build and retain an agile working team that will share knowledge and expertise in managing our portfolio in different markets, explore new opportunities, and work efficiently in an interactive ecosystem.

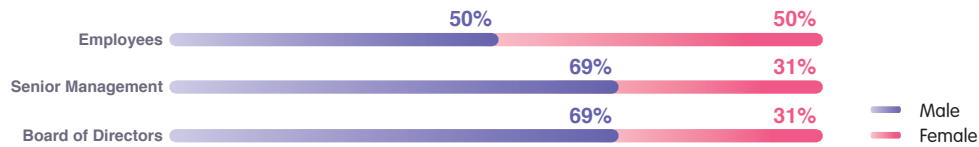
We encourage better work-life balance and have set up a staff volunteer committee with guidelines and encouragement for staff to volunteer at community events and activities under the Link Together Initiatives. During the year, our staff volunteered in events such as elderly home visits, set up mobile playgrounds, and sharing of musical instruments for children.

## Health, Well-Being and Safety

We are committed to maintaining high standards of health and safety for our staff. We target zero lost work days across all our business operations. We ensure our operations comply with not only health and safety regulations but also industry best practices. Routine training on health and work safety management is provided to our staff and contractors. We are cognizant of the large number of visitors and shoppers coming to our shopping centres and car parks and the need to ensure their safety and well-being while they visit our premises. We have developed emergency response operations and contingency planning, which are tested regularly at our shopping centres to ensure incidents are responded to in a timely and effective manner. During the year, we conducted emergency drills at our properties involving not only tenants and our staff but also personnel from relevant government departments.



### Gender balance<sup>(1)</sup>



Note:

(1) Figures are as at the date of this report.

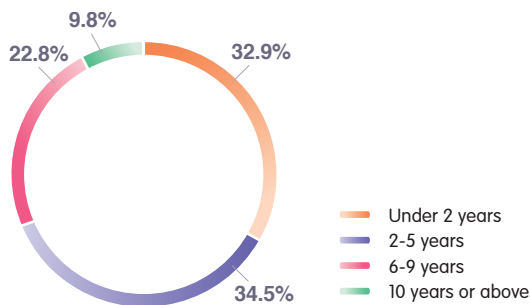
### Diversity and Inclusion

We believe diversity brings new viewpoints into how we run our business. We are the first REIT in Asia to endorse the Women’s Empowerment Principles, which is a collaboration between UN Women and the UN Global Compact, and we are committed to implementing the principles at all levels of our business. Currently, half of our workforce is female. Four of our 13-member senior management team and four of our

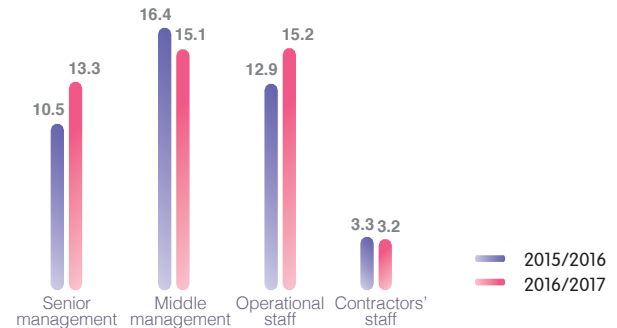
13 Board members are female. Our employees are spread relatively evenly across age groups.

Our staff attrition rate for the year was approximately 19.4% which was in line with the previous year. We had near-zero attrition rate for those staff with a high performance rating, reflecting the success of our talent management strategy. As at 31 March 2017, we had 902 employees.

### Employees’ years of service



### Average hours of training



## Helping Our Tenants and Communities Grow While Delighting Shoppers



**~18,000**



Tenant Academy  
Participants since  
2008



**+4.0%**

Tenant Sales  
Growth in  
Hong Kong



**81/100**

Mystery Shopper  
Programme score



**HK\$10.2 million**

Donated to 2016/2017  
Link Together Initiatives

**56**

Projects Supported by  
Link Together Initiatives  
in 2016/2017

We support the development of our tenants and create lifestyle experiences for our shoppers, thereby benefiting the communities.

When communities do well, we do well.

This is our approach to sustainable growth.

## Tenant Mix

We have over 11,000 carefully selected tenancies that offer a vibrant retail mix to meet the needs of surrounding communities and attract shoppers from nearby districts. Our approach is to develop strong relationships with existing and new tenants. We conduct district-level analyses and tenant surveys to identify opportunities for improvement.

During the year under review, we continued to refine trade mix and improve the business environment for our tenants to operate. The average monthly retail sales per square foot of our Hong Kong portfolio grew steadily at 4.0% as compared to the last financial year, outperforming the general Hong Kong retail market. The dominant daily necessity trades such as “Food and Beverage” and “Supermarket and Foodstuff” remained strong and posted a year-on-year growth in retail sales per square foot of 6.9% and 3.4% respectively, while “General Retail” recorded a 3.3% increase.

In order to plan and manage our business more effectively, we keep track of our tenants’ rent-to-sales ratio to gauge

their affordability of rents. Rent-to-sales ratio of the overall Hong Kong portfolio was 12.1% for the year. On specific trade categories, our tenants’ rent-to-sales ratio for “Food and Beverage”, “Supermarket and Foodstuff” and “General Retail” were 12.2%, 10.2% and 14.4%, respectively for the year under review.

## Tenant Academy

To further support and enhance the growth of our tenants’ businesses, we continued with the Link Tenant Academy as a platform for:

- Two-way engagement with tenants to voice their opinions;
- Sharing retail industry best practices to improve tenants’ operational efficiency; and
- Raising awareness of the latest local retail trends.

During the financial year, we offered quarterly sessions to approximately 830 participants in aggregate. We introduced the Tenant Excellence Awards, which used a “mystery shopper” approach to encourage our tenants to continually improve their services and offerings.

## Hong Kong portfolio retail trade mix

(As at 31 March 2017)

Trade	By monthly rent %	By leased area %
Food and Beverage	27.7	30.3
Supermarket and Foodstuff	20.8	17.9
Markets/Cooked Food Stalls	14.9	8.8
Services	10.5	9.3
Personal Care/Medicine	6.0	3.9
Education/Welfare and Ancillary	1.1	7.2
Valuable goods (Jewellery, watches and clocks)	0.8	0.4
Others <sup>(1)</sup>	18.2	22.2
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Note:

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

Link understands that working closely with tenants drives footfall to our properties. This strategy offers customers the brands and products they seek, benefits our smaller, independent tenants, and attracts new retailers to our shopping centres. New tenants enrich our trade varieties and increase brand offerings, which strengthens the attractiveness of our shopping centres. We regularly engage prospective tenants to understand their businesses and exchange ideas with them on how their operations add value to our existing trade mix.

## Link Together Initiatives Updates

Link Together Initiatives is our flagship charity and community engagement programme through which we support selected non-profit projects that improve livelihoods of local communities. Every year, Link earmarks up to 0.25% of net property income of the previous financial year to fund the projects. Since 2013/2014, we have donated a total of HK\$38.1 million through the Link Together Initiatives to promote the well-being of the youth, elderly and people in need.

During the financial year, HK\$10.2 million was allocated to various projects under the established Major Project Fund, District Project Fund, Link First Generation University Student Scholarship and Link Barrier-Free Adventure Day and Public Education.

The Major Project Fund, in its fourth year of operation, contributed HK\$4.4 million to five community projects which were selected from a pool of applicants. The District Project Fund (totalling HK\$2.4 million during the year) reached out to a wider spectrum of small projects (49 in total) that catered to specific area needs and enabled Link to foster closer connections with local neighbourhoods. These 49 District Project Fund projects were selected by a panel of 22 community leaders including District Council Chairpersons and Vice-chairpersons, District Council members, representatives from The Hong Kong Council of Social Service and Link in a transparent process.

Link also donated HK\$2.6 million to Link First Generation University Student Scholarship, benefiting a total of 130 students with scholarship grants. Link First Generation University Student Scholarship is a unique concept that supports first-year undergraduates who are the first from among three generations of their families to study at one of Hong Kong's universities. Nomination comes directly from secondary schools and the programme is independently supervised by HKCSS WiseGiving Limited of The Hong Kong Council of Social Service. Awardees are selected on a non-means-tested basis. Each awardee received a HK\$20,000 grant and would also be admitted as a Link Scholarship Alumni and received priority consideration for Link's internship programme.

In March 2017, Link completed its Barrier Free Accessibility programme, having invested a total of HK\$211 million since 2012 to ensure our properties are barrier-free accessible with the necessary physical enhancements. For further details of our extensive community engagement, please visit our corporate website.



## Marketing Events

As an extension of the living space of local residents, our properties are an integral part of community life. Link collaborates with welfare organisations, trade associations and social groups to stage fun events and lively performances at our shopping centres. Events cover issues regarding health, nutrition, family harmony and bring awareness to green living. During the year, 61 such events were held across our network of malls in Hong Kong. The popularity of our marketing events has created a platform that goes beyond simply drawing footfall to our properties, but brings wider attention to the communities around us.

Link held a year-long programme to promote healthy dining habits by organising "Eat and Play Pairing" workshops across our fresh markets. Local chefs from the Chinese Culinary Institute were invited to design seasonal dishes using ingredients sourced entirely from our fresh markets. Link's fresh market ambassadors gave live cooking demonstrations and recipes were distributed free of charge to our shoppers. Complementing the "Eat" aspect, a series of interactive "Play" workshops were held simultaneously which included beauty and fitness exercise workshops designed by Chinese medicine practitioners, cartoon lunch box-making workshops for kids and design workshops that enabled participants to make handicrafts using surplus food.

"#Linkemoji Share Love, Share Fun" was the first campaign in Hong Kong to build on the global phenomenon of communicating using icons or emojis to support a charitable cause. The campaign encouraged the public to design their own personalised emojis through our Park & Dine mobile app and share these with the community. For every message shared Link contributed HK\$1 to the Hong Kong Guide Dog Association, an organisation that promotes barrier-free access for the visually impaired. In just over a month, over 331,000 emojis were shared.

## Innovation

We recognise Link is a strong platform that can be used to pilot, support and scale initiatives that help those around us flourish. As such we have explored how to utilise our network to connect people and amplify efforts.

In 2016/2017 we worked with local Hong Kong startup – Blue Sky Energy Technology – to pilot a real-time energy management system that provides tenants with operational insights to better manage their business operations. By connecting the startup with tenants in our portfolio, we could pilot a solution that generated up to 6% savings in energy consumption for participating tenants. This gave the startup an opportunity to test its product and helped our tenants improve their operations.

# Performance Review: Financial Review

In 2016/2017, Link continued to execute a balanced growth strategy and delivered another year of robust financial results despite a challenging economic environment and weaker consumer sentiment.

## Overall Financial Results

During the year, revenue and net property income increased by 5.9% and 7.4% year-on-year to HK\$9,255 million (2016: HK\$8,740 million) and HK\$6,994 million (2016: HK\$6,513 million), respectively. DPU for the year increased by 10.8% to HK228.41 cents (2016: HK206.18 cents), comprising an interim DPU of HK111.75 cents (2016: HK98.99 cents) and a final DPU of HK116.66 cents (2016: HK107.19 cents). The total DPU represents a distribution yield of 4.2% based on the closing market price of the units of HK\$54.45 on 31 March 2017. As a result, Link delivered a total return (including unit price appreciation and distribution yield) of 23.3% for the year.

Valuation of the investment properties portfolio (including property under development and renovation and properties in Mainland China) continued to improve and reached HK\$174,006 million, representing an increase of 8.3% compared to 31 March 2016. Net asset value per unit grew 10.0% year-on-year to HK\$62.47 (31 March 2016: HK\$56.79).

## Hong Kong Portfolio

### Revenue Analysis

Link sustained its solid pace of growth in retail and car park rentals during the year. Total revenue rose 4.4% to HK\$8,681 million (2016: HK\$8,319 million), comprising rental income from retail properties of HK\$6,352 million (2016: HK\$6,095 million), car parks of HK\$1,940 million (2016: HK\$1,846 million) and other property related revenue of HK\$389 million (2016: HK\$378 million).

The continuous growth in retail rentals reflected the resilience of our portfolio which focused on non-discretionary trades. To meet the evolving customer demand, we made solid progress in enhancing the tenant mix across the portfolio, thereby resulting in satisfactory reversion and high occupancy. Car park rentals have also improved in view of the insufficient supply of car parks amid increased demand as well as visitations to our shopping centres.

### Expense Analysis

We managed our portfolio with disciplined cost control to ensure operational efficiency. During the year, total property operating expenses increased moderately by 1.4% and net property income margin remained largely steady at 75.3% (2016: 74.6%).

Property managers' fees and security and cleaning expenses slightly decreased by 4.0% year-on-year. Increase in staff costs was mainly due to a higher accrual for awards granted under our long-term incentive plan adopted on 23 July 2007 as a result of a higher closing unit price as at 31 March 2017 against that as of 31 March 2016. Utility expenses decreased by 2.3% due to a reduction in energy tariffs and the efficiency of our building management system. Government rent and rates increased generally in line with revenue growth.

## Revenue breakdown

	Year ended 31 March 2017 HK\$'M	Year ended 31 March 2016 HK\$'M	Year-on-year change %
<b>Retail rentals:</b>			
Shops <sup>(1)</sup>	5,140	4,974	3.3
Markets/Cooked Food Stalls	893	805	10.9
Education/Welfare and Ancillary	147	147	–
Mall Merchandising	172	169	1.8
<b>Car parks rentals:</b>			
Monthly	1,456	1,381	5.4
Hourly	484	465	4.1
<b>Expenses recovery and other miscellaneous revenue:</b>			
Property related revenue <sup>(2)</sup>	389	378	2.9
<b>Total revenue</b>	<b>8,681</b>	<b>8,319</b>	<b>4.4</b>

Notes:

(1) Rental from shops included base rent of HK\$5,015 million (2016: HK\$4,840 million) and turnover rent of HK\$125 million (2016: HK\$134 million), respectively.

(2) Property related revenue included other revenue from retail properties of HK\$385 million (2016: HK\$374 million) and car parks of HK\$4 million (2016: HK\$4 million).

## Property operating expenses breakdown

	Year ended 31 March 2017 HK\$'M	Year ended 31 March 2016 HK\$'M	Year-on-year change %
Property managers' fees, security and cleaning	557	580	(4.0)
Staff costs	417	365	14.2
Repair and maintenance	219	213	2.8
Utilities	291	298	(2.3)
Government rent and rates	282	271	4.1
Promotion and marketing expenses	121	117	3.4
Estate common area costs	106	118	(10.2)
Other property operating expenses	153	155	(1.3)
<b>Total property operating expenses</b>	<b>2,146</b>	<b>2,117</b>	<b>1.4</b>

## Mainland China Portfolio

The financial performance of EC Mall in Beijing and Link Square 1 & 2 in Shanghai reflected our dynamic but prudent Mainland China acquisition strategy. Full-year contributions from both properties were included this year, resulting in a 36.3% year-on-year increase in total revenue from Mainland China to HK\$574 million (2016: HK\$421 million), and a 47.6% year-on-year increase in net property income to HK\$459 million (2016: HK\$311 million). In particular, EC Mall achieved strong occupancy and reversion and Link Square 1 & 2 maintained high occupancy and stable reversion during the year, with both properties generating value for Unitholders.

We continued our highly-disciplined investment strategy and subsequent to the end of the financial year in April 2017, we announced the acquisition of Metropolitan Plaza in Guangzhou. The acquisition was completed on 11 May 2017. Metropolitan Plaza is expected to contribute profit immediately and will become an important source of inorganic growth in the coming years.

## Valuation Review

Our portfolio valuation increased notwithstanding that we disposed of 14 assets during the year. Total value of investment properties (including property under development and renovation and properties in Mainland China) grew 8.3% from HK\$160,672 million as at 31 March 2016 to HK\$174,006 million as at 31 March 2017. After the

completion of the acquisition of 700 Nathan Road, the value of the Hong Kong retail properties increased 8.9% to HK\$124,739 million (31 March 2016: HK\$114,492 million) while the value of car parks increased 6.7% to HK\$30,813 million (31 March 2016: HK\$28,888 million). The increase in value of the retail properties and car parks in Hong Kong was mainly driven by an increase in net property income as the quality of our portfolio continuously improved.

Value of the Hong Kong property under development in Kowloon East – The Quayside – also increased to HK\$7,349 million (31 March 2016: HK\$6,300 million). Properties in Mainland China were valued at HK\$11,105 million (31 March 2016: HK\$10,992 million).

Pursuant to the requirements of the Code on Real Estate Investment Trusts (REIT Code), CBRE Limited retired after serving a consecutive term of three years and Jones Lang LaSalle Limited (JLL) was appointed as the principal valuer of Link and valued Link's property portfolio as at 31 March 2017. JLL valued our completed properties in Hong Kong and Mainland China as at 31 March 2017 using income capitalisation and discounted cash flow (DCF) as the primary approaches and cross-referenced to direct comparison approaches. For the property under development, the residual method was used. For the property under renovation, the income capitalisation approach was used and cross-checked with the direct comparison approach.

## Valuation approach

	As at 31 March 2017	As at 31 March 2016
<b>Income Capitalisation Approach – Capitalisation Rate</b>		
<b>Hong Kong</b>		
Retail properties: weighted average	4.53%	4.54%
Car parks: weighted average	4.74%	4.78%
Overall weighted average	4.57%	4.59%
<b>Mainland China</b>		
Retail properties	4.50%	4.50% – 5.00%
Office properties	4.25%	4.00%
<b>DCF Approach – Discount Rate</b>		
<b>Hong Kong</b>		
	7.50%	7.50%
<b>Mainland China</b>		
Retail properties	7.25% – 7.50%	8.00% – 9.00%
Office properties	7.25%	7.50%

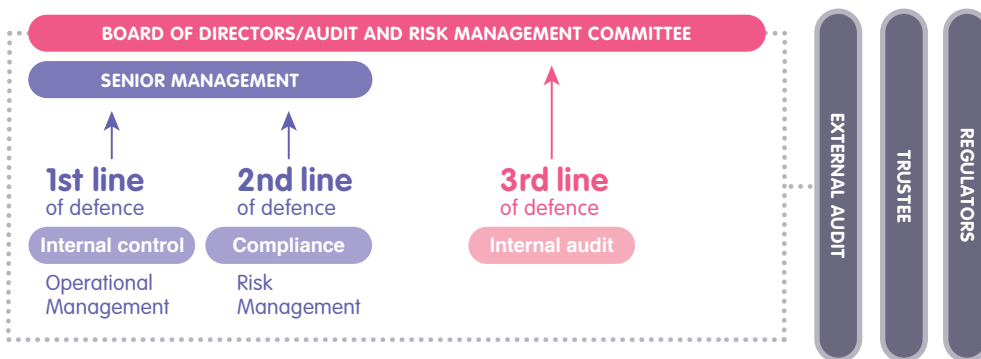
# Risk Management

During 2016/2017, we continued to improve our risk management policies and strengthen an already robust risk culture within our business where we align risk management with strategies in our decision making process. Our risk management is as much about recognising and leveraging opportunities as about mitigating risks which have placed us in a competitive position to achieve our strategic objectives in a challenging environment.

## Three Lines of Defence

A robust enterprise risk management framework coupled with strong internal control processes are cornerstones for our ongoing business development and growth. With clearly established roles and responsibilities for Three Lines of

Defence, our integrated risk management framework provides a basis for implementing a consistent and effective approach to identify, evaluate and respond to principal risks.



## Roles and Responsibilities

### Board of Directors/Audit and Risk Management Committee ("ARMC")

The Board has overall accountability for Link's risk management. The Board has delegated to the ARMC the responsibility for determining the nature, assessing likelihood and impact of risks on Link's business and ensuring appropriate mitigating strategies are in place. The Board receives regular reports through the ARMC and from the risk management and the internal audit functions.

### 1st Line of Defence – Operational Management

Being the first line of defence, management and business units are in charge of business risk decision making. Control and monitoring procedures over risk management have been integrated into the daily operations with clear policies and procedures. This ensures that management is operating within the guidelines of our established control framework. During the year under review, management had reviewed the existing policies and procedures and planned for additional measures to be in place to anticipate and manage risks associated with Link's new business initiatives, particularly in the Mainland China portfolio and property development.



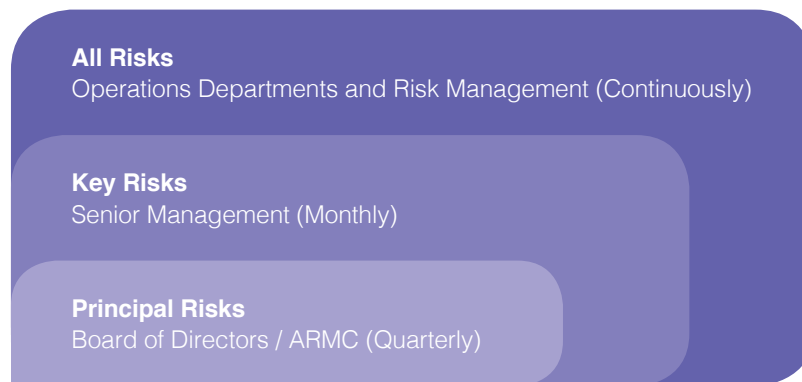
## 2nd Line of Defence – Risk Management and Compliance

The Risk Management and Compliance function, as the second line of defence, monitors the effectiveness of the enterprise risk management framework. In particular, it provides guidelines to business functions to facilitate the risk management processes, support management in assessing known and emerging risks, conduct risk analyses and risk workshops, maintain key risk indicators, develop risk reports, follow up on mitigation actions and

assist in developing escalation policies and the respective internal controls. As part of our risk reporting, internal control issues identified at the functional level, if any, will be reported to the Board/ARMC/senior management to ensure that the risk oversight responsibilities could be carried out effectively.

(A more detailed explanation of the Audit and Risk Management Committee's activities is included in the *Governance, Disclosures and Financial Statements* report on pages 22-24.)

### Link's risks are monitored by



## 3rd Line of Defence – Internal Audit

By carrying out independent reviews of key business processes and controls in accordance with the annual audit plan approved by the ARMC, the internal audit function, as the third line of defence, provides independent objective assurance to the ARMC on whether the control environments within the business are adequate. The internal audit function periodically reports to the ARMC and has regular meetings with the chairman of the ARMC bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. A whistle blowing policy has been in place such that possible improprieties may be detected earlier and brought to the attention of management and the ARMC.

mitigating measures and the objectives defined for the risk management processes have taken both the organisational and external environment into account. This step aims to provide a comprehensive appreciation of all factors that may have influence on the ability of Link to achieve its business goals.

Risk identified through our risk management processes are prioritised based on the impact and likelihood criteria which have been clearly defined and approved by the Board.

After accessing the inherent risks by possible causes, sources, likelihood and impact of the risk event, we can lower the risk by reducing the likelihood of the risk event occurring or by reducing the significance of the risk impact if it does occur. Residual risk remains after mitigations are applied to an identified inherent risk.

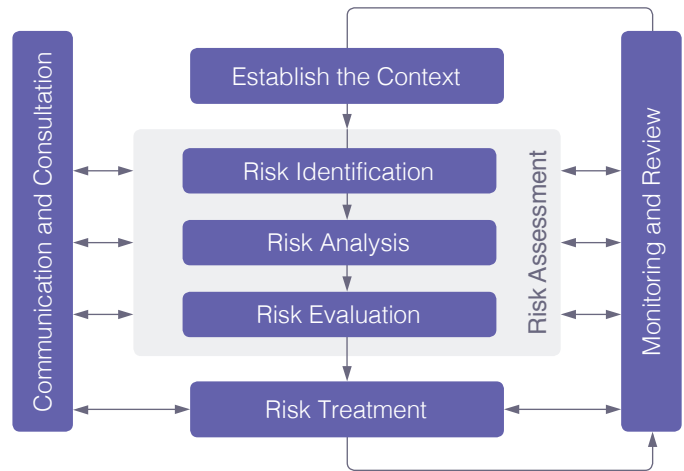
## Recognised Risk Management and Assessment Framework

With reference to a globally recognised risk management framework (ISO31000: 2009), establishing context is about setting the parameters around Link's risk appetite and risk management activities. It is important to ensure that the risk

An annual risk assessment, through various risk workshops, has been performed in an integrated top-down and bottom-up approach. Existing mitigating measures have been discussed and risks are evaluated at the entity level as well as the individual department/functional level to determine the residual risk ratings.

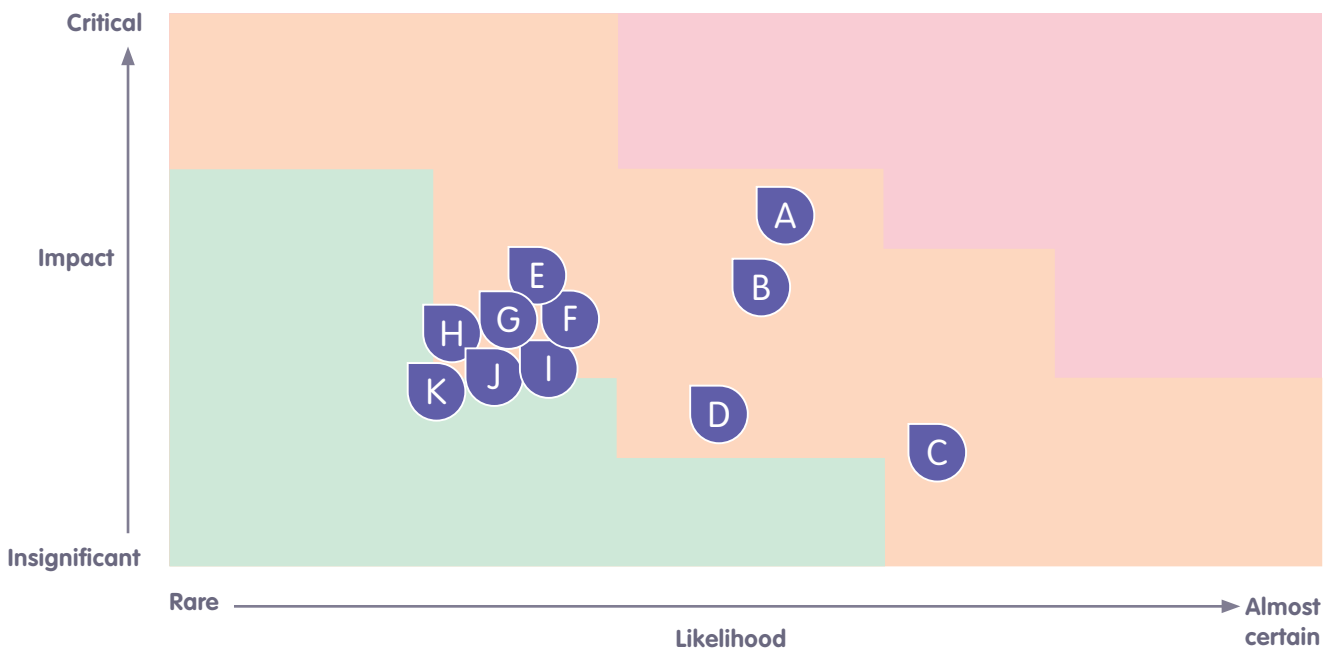
Such risks are discussed and responsibility for them is assigned to individual department or function most suitable to manage the risk. Assigned owners are required to continually monitor, evaluate and report on risks for which they bear responsibility.

**Risk management process**



(Source: The ISO 31000:2009 Risk Management Process)

**Residual risk heat map**



- |                          |   |                            |
|--------------------------|---|----------------------------|
| A – Political            | D – Financial Market Volatilities       | H – Project Management     |
| B – Economic Outlook     | E – Legal and Regulatory Compliance     | I – Information Technology |
| C – Brand and Reputation | F – Asset Acquisition/Disposal Strategy | J – Investor Relations     |
|                          | G – Rental Income Sustainability        | K – Talent Strategy        |

We have performed our annual risk assessment for 2016/2017 where we have reviewed and assessed the momentum of key risk areas (see below) which may affect the achievement of our strategic priorities and capitals. Based on the results of the 2016/2017 risk assessment, we concluded that the risk momentum of Link remains stable.

## Link's Principal Risks



Financial



Manufactured



Human



Natural



Social &amp; Relationship



Intellectual

Principal risks	Risk descriptions	<IR> Framework
<b>A Political</b>	Changes in political landscape or relevant government policies may create difficulties or uncertainties towards the operating environment of Link and its tenants	
<b>B Economic Outlook</b>	Unexpected adverse changes in macroeconomic environment could limit the ability of Link to meet investors' expectations on sustainable high growth in distribution yield and asset valuation	
<b>C Brand and Reputation</b>	Significant time and resources may be required to cope with public criticisms, media scrutiny, protests and other negative actions relating to our business practices and may impact our brand value/reputation	
<b>D Financial Market Volatilities</b>	Unbudgeted volatilities in financial markets may have a material impact on Link's financing costs and portfolio valuation	
<b>E Legal and Regulatory Compliance</b>	Significant time and resources may be required to review business strategies/policies and procedures to cope with legal and/or regulatory changes	
<b>F Asset Acquisition/ Disposal Strategy</b>	Fundamental assumptions and processes that underpin Link's acquisition and disposal strategies may be undermined, potentially impairing our ability to achieve financial performance targets	
<b>G Rental Income Sustainability</b>	Unexpected reduction of rental income due to loss of major tenants or changes in tenant's own strategy or customer shopping behaviours may affect our rental income sustainability	
<b>H Project Management</b>	Poor project monitoring on the scope, design, costs, quality, time, variation orders and communication may have a material adverse impact to Link's return on investment relating to property development and asset enhancement projects	
<b>I Information Technology</b>	Link may not be sufficiently prepared to prevent, detect and respond to the ever-changing cyber-threats which may cause business interruption and/or leakage of confidential information	
<b>J Investor Relations</b>	May not be able to successfully position Link Units as an investment of choice, maintain and expand its investor base in a volatile business environment as sustainability of profits and valuation are under challenge	
<b>K Talent Strategy</b>	Ineffective talent strategy resulting in a prolonged loss of key executive(s)/management may affect Link's ability to deliver its long term strategies	

# Corporate Governance

The Board is committed to strong responsible governance to ensure that we generate long-term value from the assets we manage.

Link believes responsible governance should transcend mere fulfilling of regulatory requirements to become a value that is shared and upheld within Link. Good corporate governance is the cornerstone for long-term success. Complete disclosure on our corporate governance can be found in our *Governance, Disclosures and Financial Statements* report.

The Board sets strategy and risk appetite, leads and provides insights to management, monitors business progress against agreed business targets, and approves the recommendation of matters delegated to the four Board Committees.

Currently, there are 13 Board members comprising 2 Executive Directors (EDs) who are the CEO and the CFO, 1 Non-Executive Director (NED), and 10 Independent Non-Executive Directors (INEDs).

## Our Governance Framework

Accountability is assured through our corporate governance framework which clearly defines functions and duties between the Board and management, establishes checks and balances via internal and external audit, and has in place robust risk management controls. To ensure alignment on our corporate strategy, we hold an annual Board strategy meeting which enables the Board to conduct a thorough review of our business including identifying cyclical and emerging changes in the industry as well as up-to-date business insights. The Board receives regular updates from management on progress against the agreed upon strategy.

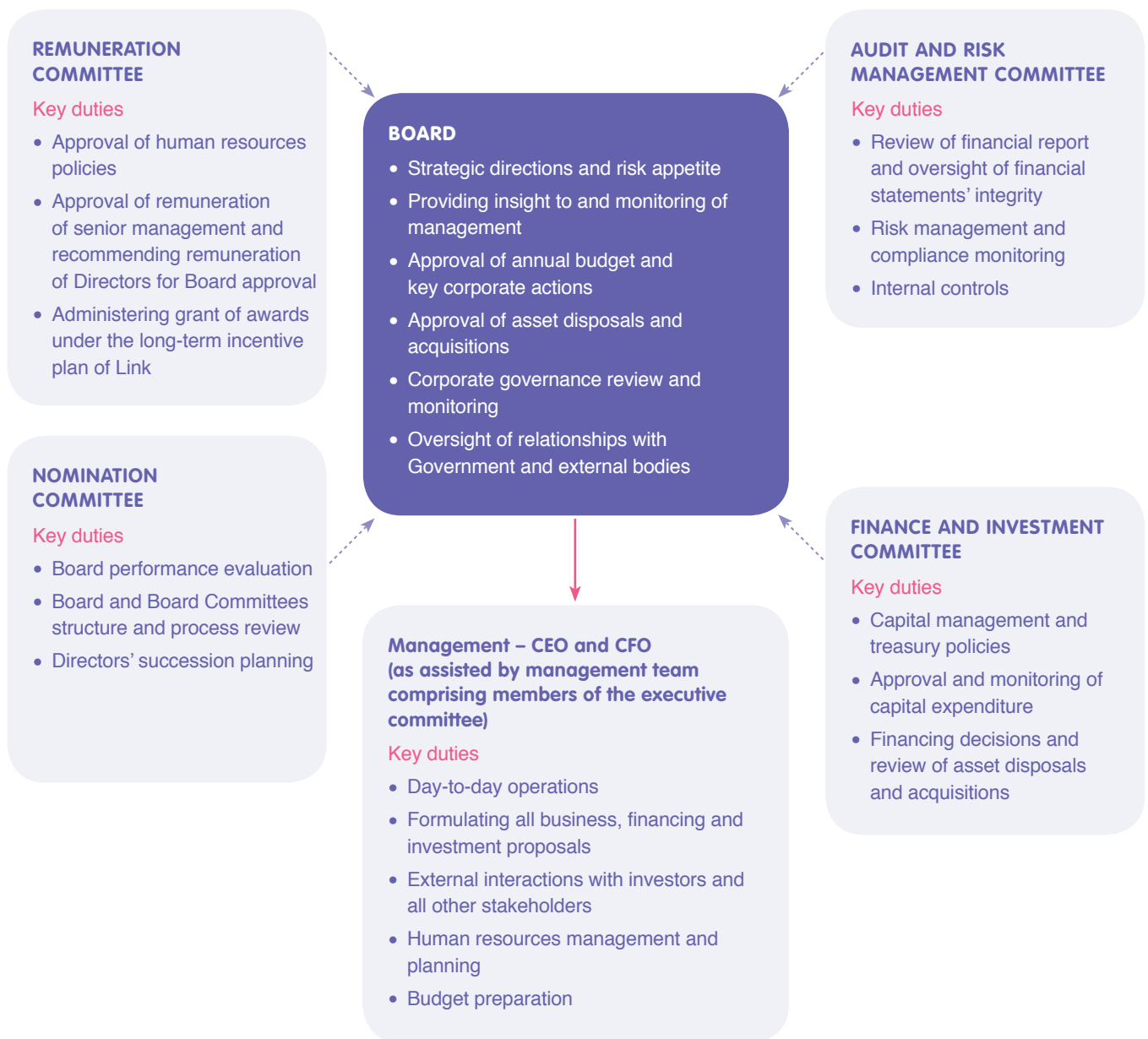
## Our Board

### Key governance highlights

<b>High Independence</b>	<ul style="list-style-type: none"> <li>• INEDs – 77%</li> <li>• Board and all Board Committees are chaired by INEDs</li> </ul>
<b>Higher Diversity</b>	<ul style="list-style-type: none"> <li>• Gender – Female 31%</li> <li>• Diversity on range of expertise</li> </ul>
<b>Strong Time Commitment</b>	<ul style="list-style-type: none"> <li>• Number of Board/Board Committee meetings during the year – total 26</li> <li>• Average duration per meeting – approximately 3 hours (excluding off-site Board Strategy meeting)</li> </ul>
<b>Strong Board Process</b>	<ul style="list-style-type: none"> <li>• Yearly strategic review</li> <li>• Regular Board performance evaluation</li> <li>• Vigorous induction, training, and support for all Directors</li> <li>• Private session of INEDs and NED without EDs</li> </ul>

## Relationships among the Board, Board Committees and Management

In the course of discharging its duties, the Board is assisted by the Audit and Risk Management Committee, the Finance and Investment Committee, the Remuneration Committee and the Nomination Committee, with each operating under specific terms of reference as approved and reviewed from time to time by the Board. These updated terms of reference are posted on Link's corporate website (Linkreit.com). The reports of the Audit and Risk Management Committee, the Nomination Committee, the Remuneration Committee, and the Finance and Investment Committee for the year under review are set out on pages 22 to 30 of this Governance, Disclosures and Financial Statements report.



## 2016/2017 Board Performance Evaluation

Board performance is evaluated on an on-going basis by the Nomination Committee which reports its findings to the Board. The Board has set the practice of carrying out a formal evaluation of its performance through the facilitation of external consultant every three years. In between reviews by external consultants, Board evaluation will be conducted internally by the chairman of the Nomination Committee (who is also the Board Chairman).

# Investor Information

## Listing of the Units

Link's units are listed on the Main Board of the Stock Exchange (stock code: 823) in board lot size of 500 units.

There were 2,213,002,276 units in issue as at 31 March 2017. Further details of units in issue are set out in Note 25 to the consolidated financial statements.

## Financial Calendar

Final results announcement for the financial year ended 31 March 2017	7 June 2017
Ex-final distribution date	20 June 2017
Closure of register of Unitholders (for final cash distribution) <sup>(1)</sup>	22 June to 26 June 2017 (both days inclusive)
Record date for final cash distribution	26 June 2017
Final cash distribution payment date	5 July 2017
Closure of register of Unitholders (for the 2017 AGM) <sup>(2)</sup>	21 July to 26 July 2017 (both days inclusive)
2017 AGM	26 July 2017
Interim results announcement for the six months ending 30 September 2017	November 2017

Notes:

- (1) In order to qualify for the final cash distribution of HK116.66 cents per unit for the year ended 31 March 2017, Unitholders should ensure that all transfer documents accompanied by the relevant unit certificates must be lodged with Link's unit registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on 21 June 2017.
- (2) In order for Unitholders to be eligible to attend and vote at the 2017 AGM, all transfer documents accompanied by the relevant unit certificates must be lodged with Link's unit registrar, Computershare Hong Kong Investor Services Limited (at the address above), for registration not later than 4:30 p.m. on 20 July 2017.

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

## Investor Relations Contact

Investor Relations Department

Address: 33/F., AXA Tower, Landmark East,  
 100 How Ming Street, Kwun Tong,  
 Kowloon, Hong Kong

Telephone: (852) 2175 1800  
 Facsimile: (852) 2175 1900  
 Email: ir@linkreit.com

## Corporate Communications Contact

Corporate Communications Department

Address: 33/F., AXA Tower, Landmark East,  
 100 How Ming Street, Kwun Tong,  
 Kowloon, Hong Kong

Telephone: (852) 2175 1800  
 Facsimile: (852) 2175 1938  
 Email: mediaenquiries@linkreit.com

## Customer Service Contact

Hotline: (852) 2122 9000

## Websites

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

## Mobile App



**Linkhk.com**

Park & Dine Mobile App

## Index Inclusion

Link is a component of the following selected indices:

Dow Jones Sustainability Asia Pacific Index

FTSE4Good Index

FTSE All-World Index Series

FTSE EPRA<sup>(1)</sup> / NAREIT<sup>(2)</sup> Global Real Estate Index Series

FTSE EPRA<sup>(1)</sup> / NAREIT<sup>(2)</sup> Developed Index

FTSE EPRA<sup>(1)</sup> / NAREIT<sup>(2)</sup> Developed Asia Index

FTSE RAFI All World 3000

Russell RAFI Index Series

Russell Global Index

GPR<sup>(3)</sup> 250 (World) Index

GPR<sup>(3)</sup> 250 Asia Index

GPR<sup>(3)</sup> 250 Asia Pacific Index

GPR<sup>(3)</sup> 250 Hong Kong Index

GPR<sup>(3)</sup> 250 REIT (World) Index

GPR<sup>(3)</sup> 250 REIT Asia Index

GPR<sup>(3)</sup> 250 REIT Asia Pacific Index

GPR<sup>(3)</sup> 250 REIT Hong Kong Index

GPR<sup>(3)</sup> General (World) Index

GPR<sup>(3)</sup> General Asia Index

GPR<sup>(3)</sup> General Hong Kong Index

GPR<sup>(3)</sup> General Quoted (World) Index

GPR<sup>(3)</sup> General Quoted Asia Index

GPR<sup>(3)</sup> General Quoted Hong Kong Index

Hang Seng Index

Hang Seng REIT Index

Hang Seng Corporate Sustainability Index

MSCI<sup>(4)</sup> All Country World Index

MSCI<sup>(4)</sup> All Country Asia Pacific ex-Japan Index

MSCI<sup>(4)</sup> World Index

MSCI<sup>(4)</sup> Hong Kong Index

GPR<sup>(3)</sup>/APREA<sup>(5)</sup> Composite Index

GPR<sup>(3)</sup>/APREA<sup>(5)</sup> Composite Hong Kong Index

GPR<sup>(3)</sup>/APREA<sup>(5)</sup> Composite REIT Index

GPR<sup>(3)</sup>/APREA<sup>(5)</sup> Composite REIT Hong Kong Index

GPR<sup>(3)</sup>/APREA<sup>(5)</sup> Investable 100 Index

GPR<sup>(3)</sup>/APREA<sup>(5)</sup> Investable 100 Hong Kong Index

GPR<sup>(3)</sup>/APREA<sup>(5)</sup> Investable REIT 100 Index

Notes:

(1) European Public Real Estate Association

(2) National Association of Real Estate Investment Trusts

(3) Global Property Research

(4) Morgan Stanley Capital International

(5) Asia Pacific Real Estate Association

## Definitions and Glossary Terms

<b>2007 LTI Plan</b>	the long-term incentive plan of Link adopted by Unitholders on 23 July 2007
<b>2016 AGM</b>	the annual general meeting of Unitholders held on 27 July 2016
<b>2017 AGM</b>	the annual general meeting of Unitholders scheduled to be held on 26 July 2017
<b>Articles of Association</b>	articles of association of the Manager
<b>average monthly unit rent</b>	the average base rent plus management fee per month per square foot of leased area
<b>base rent</b>	in respect of a lease, the standard rent payable under the lease, exclusive of any additional turnover rent (if applicable) and other charges and reimbursements
<b>Board</b> or <b>Board of Directors</b>	board of directors of the Manager
<b>Board Chairman</b> or <b>Chairman</b>	Chairman of the Board (unless the context requires otherwise)
<b>Board Committees</b>	committees of the Board to discharge the duties set out in their respective terms of reference as approved by the Board which, as at the date of this report, include the Audit and Risk Management Committee, the Nomination Committee, the Remuneration Committee, and the Finance and Investment Committee, and " <b>Board Committee</b> " refers to any one of them
<b>CBD</b>	central business district
<b>CEO</b>	Chief Executive Officer of the Manager
<b>CFO</b>	Chief Financial Officer of the Manager
<b>Compliance Manual</b>	the compliance manual of the Manager which sets out the key processes, systems and measures in respect of Link's operations
<b>DCF</b>	discounted cash flow
<b>Director(s)</b>	director(s) of the Manager
<b>DPU</b>	distribution per unit in respect of the total distributable amount of Link for a financial year/period
<b>ESG</b>	environmental, social and governance
<b>EUPP</b>	employee unit purchase plan, pursuant to which an eligible employee who meets the prescribed criteria is entitled to subsidy from the Manager for purchasing through an independent third party intermediary the units of Link in the open market in accordance with the rules of the plan
<b>GAV Cap</b>	10% of Link's gross asset value (and as calculated in the manner set out in the Trust Deed)



<b>Group</b>	Link and its subsidiaries (unless the context requires otherwise)
<b>Hong Kong</b>	Hong Kong Special Administrative Region of The People's Republic of China
<b>Hong Kong Stock Exchange or Stock Exchange</b>	The Stock Exchange of Hong Kong Limited
<b>IIRC</b>	International Integrated Reporting Council
<b>IPO</b>	initial public offering of Link's units in Hong Kong
<b>lease</b>	a lease or a tenancy agreement (both of which grant a possessory interest) or a licence (which merely constitutes an authority to do something) in respect of premises at the retail properties granted to a tenant
<b>KPI</b>	Key Performance Indicator
<b>Link or Link REIT</b>	Link Real Estate Investment Trust
<b>Link Corporate Governance Policy</b>	the corporate governance policy set out in the Compliance Manual
<b>Link Securities Dealing Code</b>	the code governing dealings in securities of Link by Directors and relevant senior employees of the Manager
<b>Listing Rules</b>	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>Listing Rules Corporate Governance Code</b>	the Corporate Governance Code contained in Appendix 14 to the Listing Rules
<b>Manager</b>	Link Asset Management Limited, which is the manager of Link
<b>market capitalisation</b>	the market value of the REIT calculated by multiplying the number of units in issue by the prevailing unit price quoted on the Stock Exchange
<b>MTN Programme</b>	the Guaranteed Euro Medium Term Note Programme established by The Link Finance (Cayman) 2009 Limited (a wholly-owned subsidiary of Link) in May 2009, and "MTN" refers to note(s) issued or to be issued from time to time pursuant to the MTN Programme
<b>NPI</b>	net property income, being total revenue less direct property related expenses
<b>occupancy rate</b>	the aggregated leased area as a percentage of total leasable area
<b>PRC</b>	The People's Republic of China and if the context requires, exclude Hong Kong
<b>Principal Valuer</b>	the Principal Valuer (as defined in the REIT Code) of Link, which is currently Jones Lang LaSalle Limited

<b>psf or sq ft</b>	per square foot or square feet
<b>REIT(s)</b>	real estate investment trust(s)
<b>REIT Code</b>	Code on Real Estate Investment Trusts issued by the SFC
<b>retail operations</b>	the operations within the shopping centres, including shop units, market stalls, cooked food stalls, education and welfare, office, ancillary and mall merchandising
<b>return on investment</b>	projected NPI post asset enhancement minus NPI pre asset enhancement divided by the estimated amount of project capital expenditure and loss of rental
<b>reversion rate</b>	the percentage change in per square foot average unit rent between old and new leases on the same unit
<b>RMB</b>	Renminbi, the lawful currency of the PRC
<b>SFC</b>	Securities and Futures Commission of Hong Kong
<b>SFO</b>	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
<b>significant holder or significant Unitholder</b>	has the meaning of “significant holder” under 8.1(d) of Chapter 8 of the REIT Code (i.e. holder of an interest of 10% or more in the units of Link)
<b>SPVs</b>	special purpose vehicles (within the meaning of the REIT Code and the Trust Deed)
<b>sqm</b>	square metre
<b>tenant</b>	a lessee, a tenant or a licensee (as the case may be) under a lease
<b>total distributable amount</b>	total distributable amount for a financial year/period is the total distributable income and any additional amount (including capital) that the Manager has determined to be distributable
<b>total distributable income</b>	the consolidated profit after taxation attributable to Unitholders (equivalent to profit for the financial year/period, before transactions with Unitholders attributable to Unitholders) adjusted to eliminate the effect of certain non-cash adjustments
<b>Trust Deed</b>	the trust deed dated 6 September 2005 between the Trustee and the Manager constituting Link, as amended and supplemented by 11 supplemental deeds
<b>Trustee</b>	trustee of Link, which is currently HSBC Institutional Trust Services (Asia) Limited
<b>turnover rent</b>	rent calculated and charged by reference to a pre-determined percentage of a tenant’s gross sales turnover in excess of the base rent
<b>unit(s)</b>	unit(s) of Link (unless the context requires otherwise)
<b>Unitholder(s)</b>	holder(s) of unit(s) of Link

# Corporate Information

## Board of Directors of the Manager

### Chairman

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

### Executive Directors

George Kwok Lung HONGCHOY  
*(Chief Executive Officer)*  
Andy CHEUNG Lee Ming  
*(Chief Financial Officer)*

### Non-Executive Director

Ian Keith GRIFFITHS

### Independent Non-Executive Directors

William CHAN Chak Cheung  
Ed CHAN Yiu Cheong  
Blair Chilton PICKERELL  
Poh Lee TAN  
May Siew Boi TAN  
Peter TSE Pak Wing  
Nancy TSE Sau Ling  
David Charles WATT  
Elaine Carole YOUNG

### Company Secretary of the Manager

Ricky CHAN Ming Tak

### Responsible Officers of the Manager<sup>(1)</sup>

George Kwok Lung HONGCHOY  
Andy CHEUNG Lee Ming  
Hubert CHAK  
Christine CHAN Suk Han  
Eric YAU Siu Kei

### Authorised Representatives<sup>(2)</sup>

Andy CHEUNG Lee Ming  
Ricky CHAN Ming Tak

### Trustee

HSBC Institutional Trust Services (Asia) Limited

### Auditor

PricewaterhouseCoopers

### Principal Valuer

Jones Lang LaSalle Limited

### Registered Office of the Manager

33/F., AXA Tower, Landmark East,  
100 How Ming Street,  
Kwun Tong, Kowloon,  
Hong Kong

### Town Office of the Manager

Suite 3004, 30/F.,  
9 Queen's Road Central,  
Hong Kong

### Unit Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17/F.,  
Hopewell Centre,  
183 Queen's Road East, Wanchai, Hong Kong  
Telephone: (852) 2862 8555

(1) Required by the SFO

(2) Required by the Listing Rules

Link Real Estate Investment Trust  
[Linkreit.com](https://linkreit.com)



# Annual Report 2016/2017

Governance, Disclosures  
and Financial Statements



Link Real Estate Investment Trust  
Stock code: 823



We **Link**  
People to a  
Brighter Future

# About Link

Link Real Estate Investment Trust is the first REIT listed on the Stock Exchange and is a constituent of the Hang Seng Index. We are Asia's largest REIT and also one of the world's largest retail focused REITs in terms of market capitalisation. With a diversified portfolio that consists of retail facilities, car parks and offices across Hong Kong, Beijing, Shanghai and Guangzhou, we aim to deliver sustainable growth and create long-term value for our Unitholders.

## About this Report

We produce this standalone Governance, Disclosures and Financial Statements report in order to improve reporting transparency by making information easily and readily accessible to interested parties. This report complements our 2016/2017 Strategic Report which highlights our corporate performance and value creation over the past year.

## Complete 2016/2017 Reports and Presentations

Our complete suite of reports and presentations can be accessed and downloaded from our corporate website at [Linkreit.com](http://Linkreit.com)

### STRATEGIC REPORT

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

### GOVERNANCE, DISCLOSURES AND FINANCIAL STATEMENTS

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

### VALUATION REPORT

This report summarises the market value of Link's individual properties as valued by Jones Lang LaSalle Limited.

### SUSTAINABILITY WEBSITE

Up until 2013/2014, Link prepared separate annual sustainability reports which are on our corporate sustainability website. Since then we update our corporate sustainability performance on our website and incorporate the information in the Strategic Report. This can be accessed at [Linkreit.com/sustainability](http://Linkreit.com/sustainability)



Access our corporate website  
for further information

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# Corporate Governance Report

Link is a collective investment scheme and a constituent of the Hang Seng Index. It is managed by Link Asset Management Limited under the Trustee's and the SFC's oversight.

Link believes responsible governance should transcend mere fulfilling of regulatory requirements to becoming a value that is shared and upheld within Link. Good corporate governance is the cornerstone for long term success. This report explains how the components of our governance framework relate to each other and contribute to the effective process of governance.

## Highlights for the year under review

- 2016/2017 Board Performance Evaluation [See page 3](#)
- Board Strategic Review [See page 11](#)

## Our Board

Key governance highlights	
<b>High Independence</b>	<ul style="list-style-type: none"> <li>• INEDs – 77%</li> <li>• Board and all Board Committees are chaired by INEDs</li> </ul>
<b>Higher Diversity</b>	<ul style="list-style-type: none"> <li>• Gender – Female 31%</li> <li>• Diversity on range of expertise</li> </ul>
<b>Strong Time Commitment</b>	<ul style="list-style-type: none"> <li>• Number of Board/Board Committee meetings during the year – total 26</li> <li>• Average duration per meeting – approximately 3 hours (excluding off-site Board Strategy meeting)</li> </ul>
<b>Strong Board Process</b>	<ul style="list-style-type: none"> <li>• Yearly strategic review</li> <li>• Regular Board performance evaluation</li> <li>• Vigorous induction, training, and support for all Directors</li> <li>• Private session of INEDs and NED without EDs</li> </ul>

## Strategic Oversight

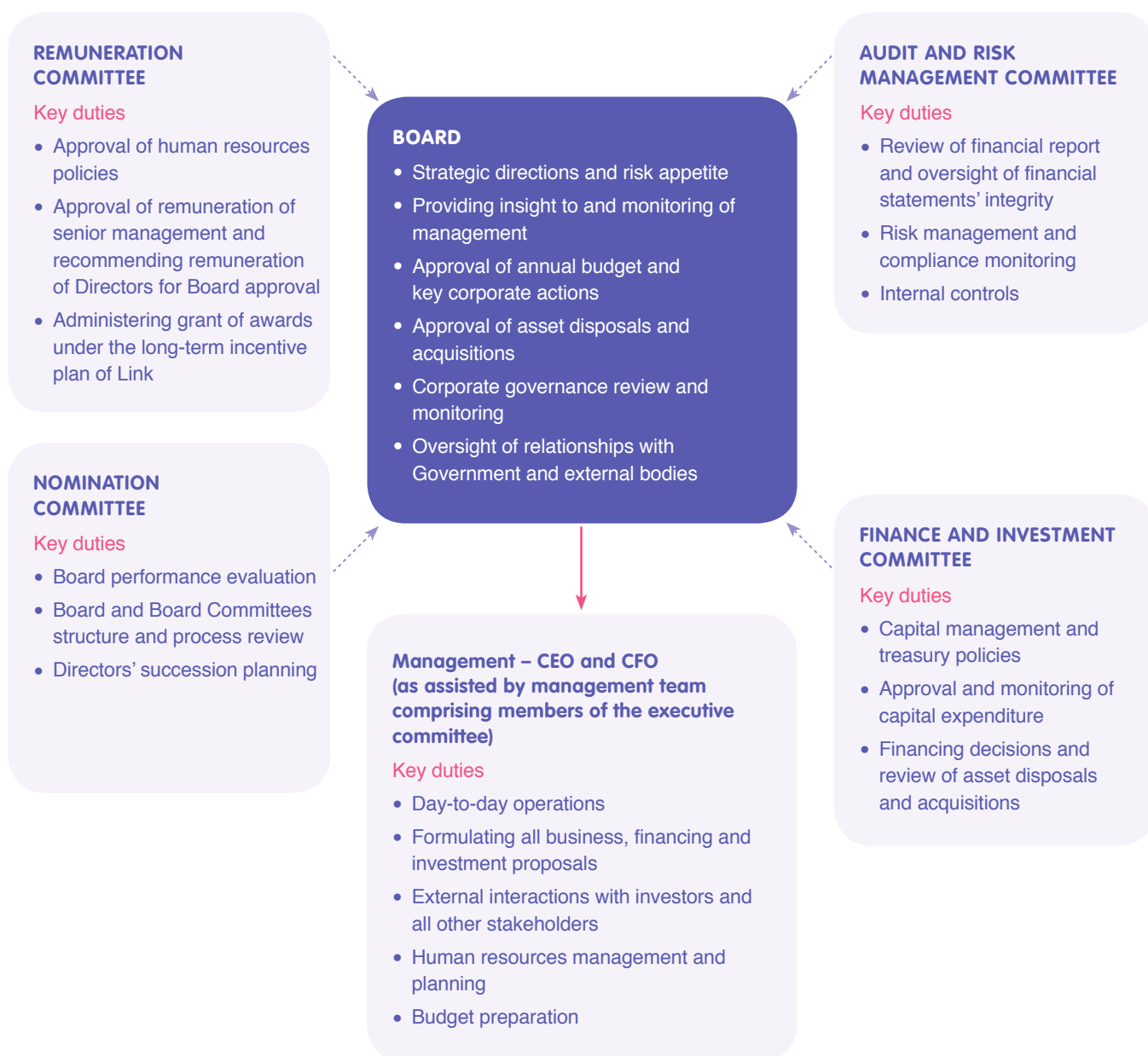
The Board sets strategy and risk appetite, leads and provides insight to management, monitors business progress against agreed business targets, and approves recommendation of Board Committees on matters delegated to them. To strike for a balance of accountability, certain matters are specifically reserved for the Board which can be found in the “Corporate Governance” homepage on Link’s corporate website at Linkreit.com.

Currently, there are 13 Board members comprising 2 Executive Directors (“**EDs**”) who are the CEO and the CFO, 1 Non-Executive Director (“**NED**”) and 10 Independent Non-Executive Directors (“**INEDs**”).



## Relationships among the Board, Board Committees and Management

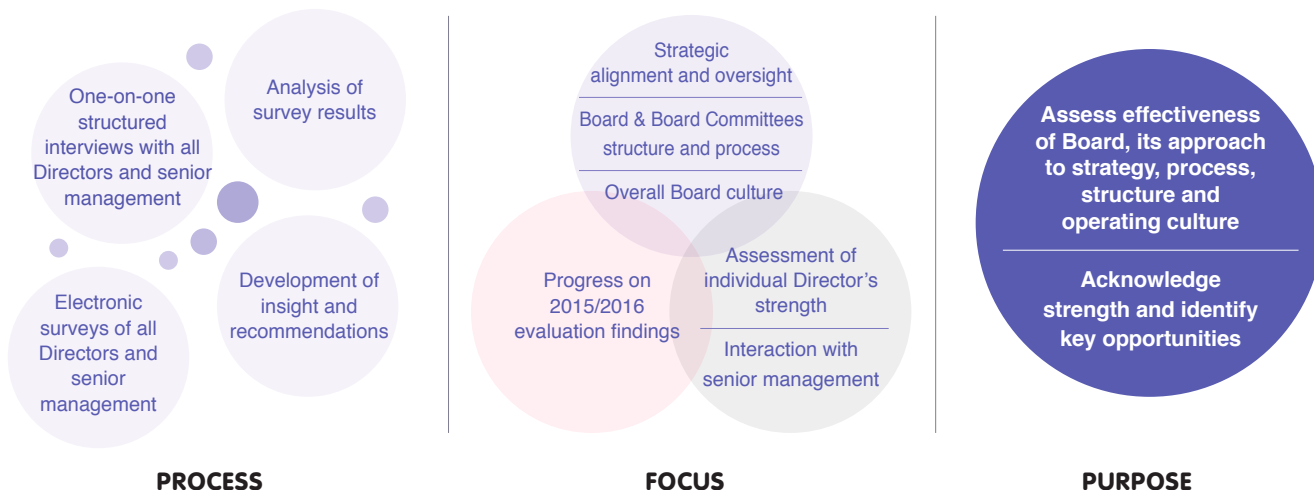
In the course of discharging its duties, the Board is assisted by the Audit and Risk Management Committee, the Finance and Investment Committee, the Remuneration Committee and the Nomination Committee, with each operating under specific terms of reference as approved and reviewed from time to time by the Board. These updated terms of reference are posted on Link's corporate website (Linkreit.com). The reports of the Audit and Risk Management Committee, the Nomination Committee, the Remuneration Committee, and the Finance and Investment Committee for the year under review are set out on pages 22 to 30 of this Governance, Disclosures and Financial Statements report.



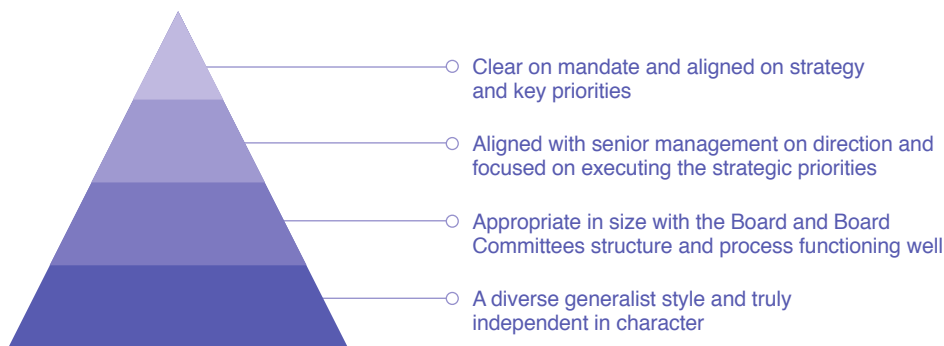
## 2016/2017 Board Performance Evaluation

Board performance is evaluated on an on-going basis by the Nomination Committee which reports its findings to the Board. The Board has set the practice of carrying out a formal evaluation of its performance through the facilitation of external consultant every three years. In between reviews by external consultants, Board evaluation will be conducted internally by the chairman of the Nomination Committee (who is also the Board Chairman).

In year 2016/2017, the Board carried out a formal Board performance evaluation (“**2017 Board Evaluation**”) through Russell Reynolds Associates (“**RRA**”) after the previous formal evaluation in the year 2013/2014. It involved structured electronic survey and tailor-made one-on-one interview with each Director and members of the senior management.



The 2017 Board Evaluation focused on the Board's effectiveness and future readiness. RRA found that the Board has been increasingly professional, experienced and diverse, and has held itself to even more sophisticated levels of governance and best practice. It identified these key strengths of the Board:



The 2017 Board Evaluation also measured progress of the Board's performance against the Board evaluation of 2015/2016, and identified opportunities, such as more roles for Board members in representing Link with key stakeholders, more interactions between Board members and senior management outside the board room, and slimming of Board papers for focused discussion. The Nomination Committee and the Board accepted and will implement RRA's findings from the 2017 Board Evaluation under the leadership of the Board Chairman. It confirmed the effectiveness of the Board and the Board Committees.

In addition, the Board Chairman met each NED/INED individually in the year under review to discuss individual contribution and areas where the NED/INED felt he/she could make a greater contribution, explore training and development needs, seek input and feedback on the Board's and the Director's performance, and discuss whether the time commitment required of such NED/INED could continue to be delivered.

Based on the findings of the 2017 Board Evaluation, the Nomination Committee and the Board considered that the Board performed effectively in the year under review.

## A Strong and Independent Board

### Division of Responsibilities of Board Chairman, EDs and NED/INEDs

The 2 EDs are full-time employees, while our NED and INEDs are not employees. The Board Chairman (who is an INED) leads and runs the Board. The CEO leads the management and is responsible for running Link's business and daily operations. The two roles are separate and being performed by different individuals.

The responsibilities of the Board Chairman, the two EDs (who are the CEO and the CFO), and the 10 INEDs/NED are clearly defined.

Board Chairman	
<p><b>Nicholas Charles ALLEN</b> (INED)</p>	<ul style="list-style-type: none"> <li>• Leading the Board and ensuring its effectiveness</li> <li>• Maintaining corporate reputation and character</li> <li>• Developing and leading strategic issues and corporate governance</li> <li>• Undertaking performance assessment of the CEO</li> </ul>
Executive Directors	
<p><b>George Kwok Lung HONGCHOY</b> (CEO)</p>	<ul style="list-style-type: none"> <li>• Developing, driving and delivering performance against business plans agreed by the Board</li> <li>• Working together with the Board to develop the business strategy of Link</li> <li>• Supervising management team to ensure that Link is being operated in accordance with stated strategies, policies and regulations</li> <li>• Driving organic and inorganic growth and business developments</li> <li>• Developing relationships with Government, regulators and investors</li> </ul>
<p><b>Andy Lee Ming CHEUNG</b> (CFO)</p>	<ul style="list-style-type: none"> <li>• Supporting the CEO in formulating and implementing financial and investment strategies, financial reporting, budgets and business plans</li> <li>• Overseeing risk management, internal controls and compliance, and business operations</li> <li>• Meeting investors and analysts to explain performance and strategic plans</li> </ul>
NED/INEDs	
<p><b>Ian Keith GRIFFITHS</b> (NED)</p> <p><b>William CHAN Chak Cheung</b> <b>Ed CHAN Yiu Cheong</b> <b>Blair Chilton PICKERELL</b> <b>Poh Lee TAN</b> <b>May Siew Boi TAN</b> <b>Peter TSE Pak Wing</b> <b>Nancy TSE Sau Ling</b> <b>David Charles WATT</b> <b>Elaine Carole YOUNG</b> (INEDs)</p>	<ul style="list-style-type: none"> <li>• Overseeing Link's affairs through serving on the Board and Board Committees</li> <li>• Taking lead when potential conflict of interest arises</li> <li>• Scrutinising management's performance in achieving agreed corporate goals and business objectives</li> <li>• Monitoring compliance and reporting</li> </ul>

### A Diversified Board

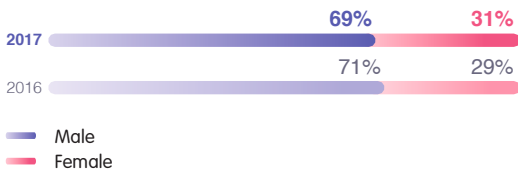
Our Board diversity policy is multi-faceted stressing business experience, skill-sets, knowledge and professional expertise in addition to gender, ethnicity and age. It is our philosophy that a balanced and diversified Board brings a broad range of views to bear upon discussions and critical decision-making, and balances against “group thinking”.

As of 7 June 2017, Board diversity is as follows:

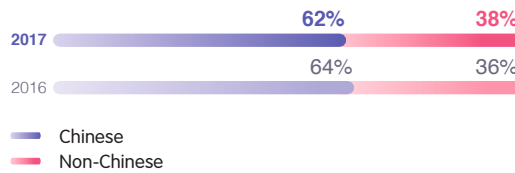
#### Members Diversity

(13 members as of 7 June 2017 against 14 members as of 8 June 2016)

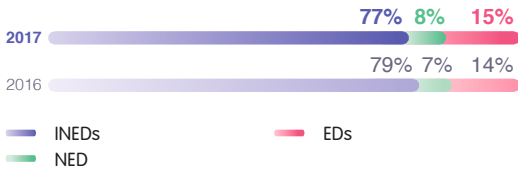
#### Gender



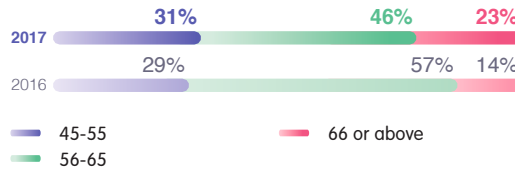
#### Ethnicity



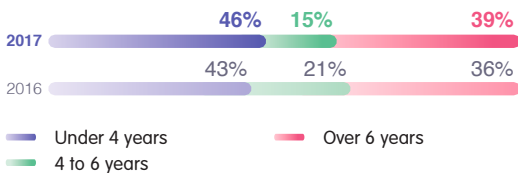
#### Designation



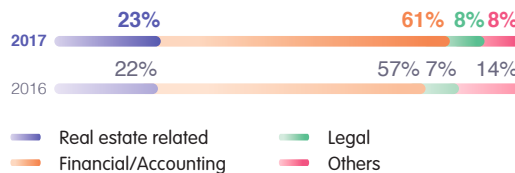
#### Age (Years)



#### Service Term (Years with Link)



#### Core Expertise



In accordance with its annual practice of monitoring progress towards diversity, the Nomination Committee had reviewed the Board Diversity Policy of Link and was satisfied that the diversity of the Board was optimal.

### High Independence

Our INEDs/NED bring constructive analysis and critical judgement on management proposals, scrutinise business performance against business goals, and monitor risks and compliance.

Key Board independence features	Additional independence requirements mandated in Link Corporate Governance Policy
<ul style="list-style-type: none"> <li>10 out of 13 are INEDs and 1 is a NED</li> </ul>	<ul style="list-style-type: none"> <li>INED cannot serve beyond nine years</li> </ul>
<ul style="list-style-type: none"> <li>the Board and all the Board Committees are chaired by INEDs</li> </ul>	<ul style="list-style-type: none"> <li>INED can only re-join the Board three years after last stepping down</li> </ul>
<ul style="list-style-type: none"> <li>the Audit and Risk Management Committee and the Remuneration Committee are not only chaired by but comprise only INEDs</li> </ul>	<ul style="list-style-type: none"> <li>the Audit and Risk Management Committee and the Remuneration Committee can only consist of INEDs</li> </ul>
<ul style="list-style-type: none"> <li>High majority of INEDs at the Nomination Committee and the Finance and Investment Committee</li> </ul>	<ul style="list-style-type: none"> <li>Members of the Finance and Investment Committee cannot sit on the Audit and Risk Management Committee</li> </ul>

The above independence requirements as mandated in the Link Corporate Governance Policy are specific and higher than the independence guidelines of the Listing Rules. The Manager lived up to such requirements throughout the year under review.

In line with the recommendation of RRA in the 2017 Board Evaluation, during the year the INEDs/NED held a closed-session among themselves when issues were discussed to the exclusion of the EDs and management.

Assessment of independence of INEDs is carried out before each appointment, annually, and at any other time where the circumstances warrant re-consideration. Our assessment of independence of an INED is based on the independence criteria set out in the Link Corporate Governance Policy which is modelled on (and, in some aspects, exceeds) the independence guidelines of the Listing Rules. We reference from time to time major proxy advisors' voting recommendations and guidelines in approaching the issue of INED's independence.

### Independence Weighting

(13 members as of 7 June 2017 against 14 members as of 8 June 2016)

### Board



### Audit and Risk Management Committee



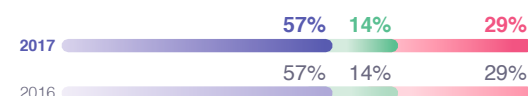
### Nomination Committee



### Remuneration Committee



### Finance and Investment Committee



The Manager has received from each INED his/her annual confirmation of independence in accordance with the Link Corporate Governance Policy. Based on such confirmations received, the Nomination Committee assessed and the Board considered that all the INEDs have maintained their independence throughout the year under review and up to the date of this report.

### Succession Planning

The Board has a strong culture of integrity, professionalism, and responsible governance. The Nomination Committee has an on-going programme on Board succession. This serves to maintain the culture of the Board and ensure that transition is smooth. An external executive search firm has been retained to advise the Nomination Committee on expertise gaps that could arise when Directors go on scheduled retirement and identify appropriate candidates for it to consider. The need to replenish and upgrade Board competence timely has become increasingly relevant when Link is expanding its business. Board appointments are recommended by the Nomination Committee and made by the Board on merits and in line with the Board Diversity Policy of Link.

In the 2017 Board Evaluation, RRA noted that the Board Chairman transition had been well received. In the year under review, the Nomination Committee discussed succession plans, reviewed potential INED candidates, and set and prioritised with the assistance of the external consultant the selection criteria for new Board member.

### Our Directors

Biographies of our Directors as at the date of this report appear on pages 39 to 42.

### Commitment and Diligence

A total of 8 Board meetings and 18 Board Committee meetings were held in the year under review. Average duration of such meetings was approximately 3 hours (excluding the full-day Board strategy retreat) when Directors critically reviewed and challenged proposals by, shared views with and gave constructive guidance to the management. Total number of meetings held by the Board and Board Committees has consistently exceeded the number of board/committee meetings recommended by the Listing Rules Corporate Governance Code. Among the Board meetings, one was the annual strategy Board meeting held outside Hong Kong.

Directors' meeting attendance during the year under review and approximate meeting duration are as follows:

Name	Directors' meeting attendance (Number of meetings attended/eligible to attend)					2016 AGM
	Board	Audit and Risk Management Committee	Remuneration Committee	Nomination Committee	Finance and Investment Committee	
<b>Current Directors</b>						
Nicholas Charles ALLEN	8/8	–	–	3/3	6/6	1/1
George Kwok Lung HONGCHOY	8/8	–	–	3/3	6/6	1/1
Andy CHEUNG Lee Ming	8/8	–	–	–	6/6	1/1
Ian Keith GRIFFITHS	8/8	–	–	–	6/6	0/1
William CHAN Chak Cheung	8/8	4/4	5/5	2/3	–	1/1
Ed CHAN Yiu Cheong	8/8	–	–	–	5/6	1/1
Blair Chilton PICKERELL	7/8	–	5/5	3/3	–	1/1
Poh Lee TAN	8/8	4/4	–	–	–	1/1
May Siew Boi TAN	8/8	4/4	–	3/3	–	1/1
Peter TSE Pak Wing	8/8	4/4	5/5	–	–	1/1
Nancy TSE Sau Ling	8/8	4/4	–	–	–	1/1
David Charles WATT	8/8	–	5/5	–	6/6	1/1
Elaine Carole YOUNG	8/8	–	5/5	–	6/6	1/1
<b>Former Director</b>						
Richard WONG Yue Chim <sup>(1)</sup>	2/2	1/1	–	1/1	–	0/1
<b>In attendance</b>						
External auditor	2/2	3/3	–	–	–	1/1
Head of internal audit	–	4/4	–	–	–	–
Head of risk management	–	4/4	–	–	–	–
Principal Valuer	2/2	2/2	–	–	–	–
<b>Total no. of meetings held</b>	8	4	5	3	6	1
Minimum no. of meetings required <sup>(2)</sup>	4	3	2	2	4	1
<b>Approximate average duration per meeting (hour)</b>	3 <sup>(3)</sup>	3	3	1.5	3	1

Notes:

(1) Retired on 27 July 2016.

(2) Minimum number of meetings required by the Link Corporate Governance Policy or respective terms of reference of the Board Committees.

(3) Excluding the full day off-site Board Strategy meeting.

The Board Chairman and the chairmen of Board Committees, the 2 EDs and all current INEDs attended the 2016 AGM to meet and answer questions from Unitholders. The CEO followed up on questions raised at prior-year annual general meeting and reported to Unitholders actions since taken.

Our Directors also participated actively in the affairs of Link outside the board room. They participated in community events organised under the Link Together Initiatives programme and seminars sponsored or participated by Link. They also visited from time to time the shopping malls of Link (four tours in the year under review which included the visit to Metropolitan Plaza, No. 8 Huangsha Road, Guangzhou) when they were given the opportunity to familiarise themselves with the conditions of Link's facilities and meet frontline staff to understand the operations and staff concerns. Board members also visited other landlords' shopping malls in Shenzhen during the offsite strategy retreat in the year under review.

## Continuous Professional Development of Directors

Our Directors undertook continuous professional and training programmes in the year to keep themselves abreast of the latest developments in the fields relevant to their respective expertise and professions. They received briefings from the company secretary on the latest legal and regulatory developments which have a bearing on their duties. They also attended externally-run seminars by professional bodies and industry associations which the company secretary regularly recommended. The Board Chairman spoke at industry conferences and seminars of professional associations, including a panel event of The British Chamber of Commerce in Hong Kong, the HKICS 10th Biennial Corporate Governance Conference held by The Hong Kong Institute of Chartered Secretaries, and the APREA AsiaPac Property Leaders Summit by the Asia Pacific Real Estate Association.

The EDs developed and refreshed their skills and knowledge of Link's business through making presentations to investors and analysts, speaking at industry conferences and meeting with Government officials as well as attending externally-run seminars by professional bodies. The CEO attended the World Economic Forum Annual Meeting 2017 at Davos, Switzerland and spoke at the Harvard Business School, respectively, on 17 to 20 January 2017 and 3 March 2017.

The company secretary keeps records of Directors' training for the Nomination Committee's annual review.

On-going training and professional developments undertaken by current Directors in the year under review are as follows:

Name	Reading materials	Attending seminars/ training courses/ talks/ other professional developments <sup>(1)</sup>
Nicholas Charles ALLEN	✓	✓
George Kwok Lung HONGCHOY	✓	✓
Andy CHEUNG Lee Ming	✓	✓
Ian Keith GRIFFITHS	✓	✓
William CHAN Chak Cheung	✓	✓
Ed CHAN Yiu Cheong	✓	✓
Blair Chilton PICKERELL	✓	✓
Poh Lee TAN	✓	✓
May Siew Boi TAN	✓	✓
Peter TSE Pak Wing	✓	✓
Nancy TSE Sau Ling	✓	✓
David Charles WATT	✓	✓
Elaine Carole YOUNG	✓	✓

Note:

(1) Other professional developments included attending or speaking at forums, visiting Link's properties, and participating in conferences and other briefings organised by the SFC, Stock Exchange or other professional bodies, etc.

## Director's Tenure

### NED/INEDs

Each of our current NED/INEDs was appointed for a specific term of three years, subject to curtailment upon retirement by rotation and re-election by Unitholders at annual general meetings. The term can be renewed upon expiry and up to a maximum of nine years in the case of INED. NED is not subject to the maximum nine-year term but is subject to the same requirements of retirement by rotation and re-election by Unitholders at annual general meetings as the INEDs. The term, duties and obligations of each NED/INED are set out in a formal letter of appointment entered into with the Manager.



## EDs

The 2 EDs (being the CEO and the CFO) have employment contracts with the Manager but are not on specific tenure. They are not subject to retirement by rotation at annual general meetings.

Directors have disclosed to the Manager the number and nature of office held in Hong Kong and overseas listed companies and organisations, and their other significant commitments. NED/INEDs have also indicated the amount of time he/she was involved in his/her outside-Link commitments and confirmed with the Board Chairman that he/she has given sufficient time to the affairs of Link. No current Director holds directorships in more than four public/listed companies (including Link). The 2 EDs have not held any directorship in other listed company but have participated in professional bodies, academic and public organisations.

## Efficient Board Process

### Board Strategic Review

An off-site full-day Board Strategy meeting is held in autumn each year by way of a retreat outside Hong Kong where Directors review, discuss, and set Link's strategies. At the 2016/2017 Board Strategy meeting (which was held in Shenzhen, the PRC), representatives from industry leaders and consultants attended and made deliberations to the Board on specific topics concerning e-retailing and the future of shopping malls.

The Board has adopted the practice of holding a pre-meeting – normally in April – at which management will suggest agenda items and solicit views from Board members on the breadth and depth of the topics they want to cover at the upcoming Board Strategy meeting. The Board in its regular meetings in between times will also review the agenda items of the Board Strategy meeting for more ideas.

### Information and Support

The CEO and the CFO regularly report to the Board on progress against business targets and other developments of Link. Board Committee chairmen report their decisions and recommendations at Board meetings. Management provides monthly business updates to all Board members.

The Board also receives investors' feedback through monthly business updates circulated by the company secretary and from briefings by the EDs and the investor relations team after the annual results and interim results roadshows.

Starting from the year under review, a three-year meeting calendar is adopted to facilitate the NED/INEDs to plan their schedules well in advance. Standing Board/Board Committee agenda items are also set to ensure critical matters such as financial reporting, major projects, internal controls and risk management, and governance and compliance issues will be covered at regular intervals for the Board and Board Committees to review.

Arrangements are put in place by the Board to ensure Directors receive notice, agenda and meeting materials on time to digest the information and prepare for the meeting.

Meeting arrangements are summarised below:

<b>Electronic/paperless meetings</b>	<ul style="list-style-type: none"> <li>• Board meeting papers and supporting materials are circulated to Directors through a private, secured electronic platform. This enables timely supply of information to Directors, as well as speedy online reference by and interactive exchange of views among Directors</li> <li>• Monthly business updates, reading materials, and other information are also sent to all Directors through this electronic platform</li> </ul>
<b>Notice</b>	<ul style="list-style-type: none"> <li>• At least 14 days in advance for regular Board/Board Committee meetings</li> </ul>
<b>Agenda, meeting &amp; supporting materials</b>	<ul style="list-style-type: none"> <li>• At least three days in advance when the agenda and meeting papers will be uploaded to the electronic platform</li> <li>• Board agenda items are reviewed by the Board Chairman/CEO</li> </ul>
<b>Minutes of meetings of Board/Board Committees</b>	<ul style="list-style-type: none"> <li>• The company secretary attends all Board/Board Committee meetings (except meetings of the Remuneration Committees where the Director of Human Resources acts as the committee secretary)</li> <li>• Minutes in draft form will be circulated for comments before they are signed</li> <li>• Final versions of Board Committee minutes will be copied to Directors who are not members of that Board Committee to keep them abreast of matters discussed and decisions made</li> <li>• All signed Board/Board Committee minutes and resolutions are kept by the company secretary</li> <li>• Minutes are uploaded to the electronic platform for online reference by Directors</li> </ul>
<b>Meeting attendance</b>	<ul style="list-style-type: none"> <li>• Telephone participation is arranged for any Director who is not able to attend a meeting in person</li> <li>• The company secretary keeps full record of meeting attendance</li> <li>• The Principal Valuer and the auditor of Link are invited to attend the Audit and Risk Management Committee meetings and the Board meetings for approving the interim and final results of Link</li> <li>• The auditor of Link has a closed-session with the Audit and Risk Management Committee members in the absence of management each year</li> <li>• Management regularly attends Board/Board Committee meetings to deliberate on proposals and presents updates on operations. External speakers, guests and consultants are invited to participate on specific topics</li> </ul>

The company secretary circulates to the Board all announcements immediately after their publication on the websites of the Stock Exchange and Link.

All Directors are entitled to independent professional advice on issues relevant to their functions and duties at the Manager's expenses. They have free and open contact with management team at all levels. The Board Chairman also met and had lunch gatherings with members of the management to understand their work.

The company secretary alerts Directors on securities dealings before the commencement of the annual or interim results "black-out" period and other ad hoc "black-out" period when an inside information situation has developed in accordance with the Link Securities Dealing Code.

### Induction to New Directors

A comprehensive and tailored orientation programme is arranged for each newly-appointed Director. The induction kit contains key materials on the regulatory framework of Link including the Trust Deed, the Compliance Manual and other regulatory updates, which are regularly reviewed by the company secretary to ensure they are updated.

In addition, an orientation will be arranged for a newly-joined Director when the CEO, the CFO and senior management will attend to brief the new Director on Link's latest developments and the operations of the core function units.

### Role of the Company Secretary

The company secretary supports the Board Chairman in running the Board, and assists in the running of the Board Committees. All Directors have access to the services of the company secretary, who is responsible for ensuring that the practice and procedures of the Board and Board Committees are followed and applicable rules and regulations are complied with. The company secretary facilitates good information flows between the Board and management, induction to new Director and professional training of Directors. During the year under review, the company secretary undertook over 15 hours of professional training.

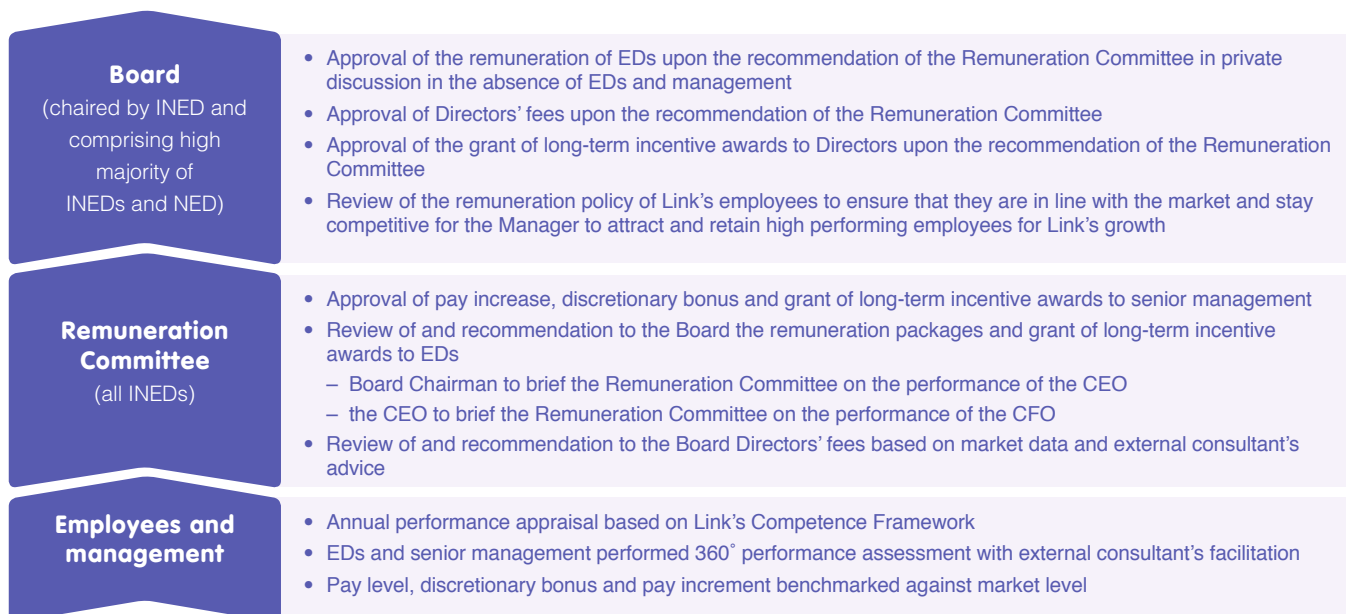
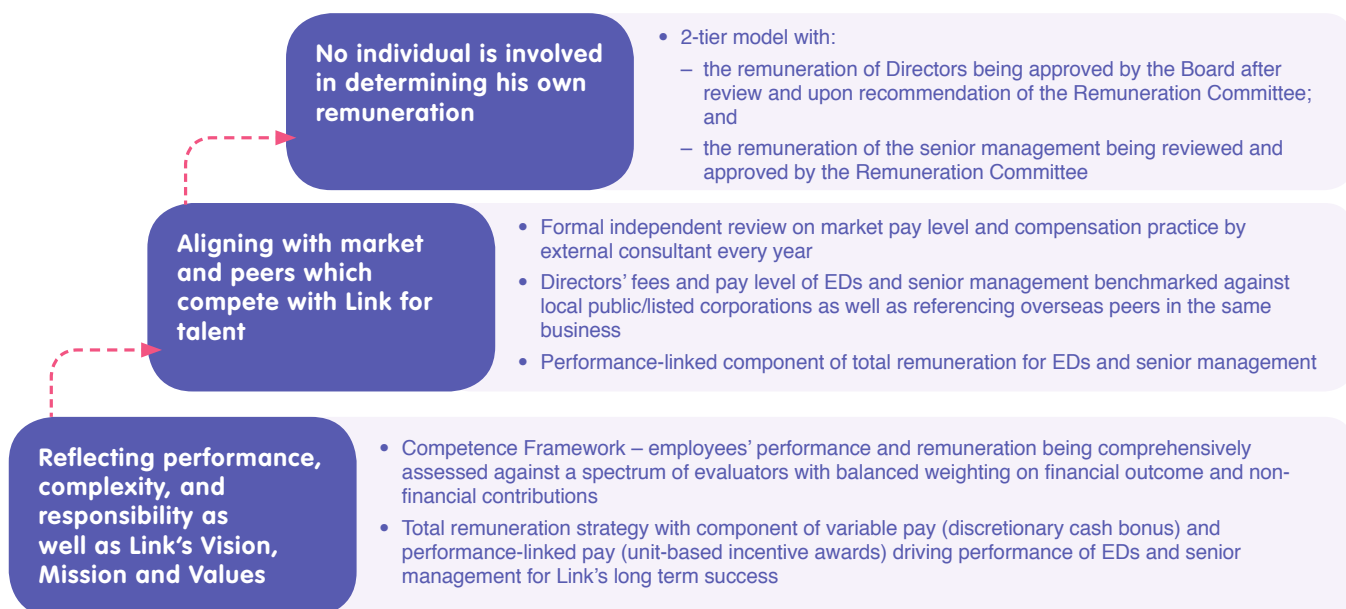
The company secretary also heads the legal function of the Manager and is the SFC-compliance manager of Link. The profile of the company secretary appears on page 43 of this report.

## Remuneration Policy

### Approval of Remuneration

Our approach to reward is meritocratic and market competitive, underpinned by an ethical and value-based performance culture that aligns the interest of our employees with our Unitholders. Our remuneration strategy supports this objective through balancing business goals against long-term sustainable performance. We judge performance not only by what it has been achieved, but also by how it is and will be achieved on a sustainable basis. Individual remuneration is determined through the assessment of performance delivered against business targets as well as adherence to Link’s Vision, Mission and Values.

A significant portion of the EDs’ remuneration is linked to their individual performance on agreed KPIs in addition to the financial outcome of Link. Individuals whose biographies appear on pages 43 to 45 of this report are the senior management of the Manager.



## Structure of Remuneration

Types of remuneration & benefits	Year 2016/2017				
	NED and INEDs	EDs	Senior management	Other employees	
Director's fees	√	×	×	×	See page 15
Basic salary	×	√	√	√	See page 15
Discretionary cash bonus	×	√	√	√	See page 16
Long-term incentive awards	√ Tenure-based	√ Performance-linked	√ Performance-linked	× <sup>(2)</sup>	See page 16
EUPP	×	×	×	√	–
Mandatory Provident Fund and other benefits	× <sup>(1)</sup>	√ <sup>(1)</sup>	√	√	See page 16

Notes:

(1) All Directors are covered by directors & officers liabilities insurance.

(2) Selected manager-grade or above employees may be granted long-term incentive awards upon ED's recommendation and Remuneration Committee's approval.

## Remuneration for Directors and Management

Types of Remuneration and Benefits	Objectives and Corporate Governance	Framework and Policy
Director's remuneration (INEDs & NED)	<ul style="list-style-type: none"> <li>Fees payable to INEDs and NED according to their roles and responsibilities as well as time commitment at Board and Board Committees</li> <li>Review of fees by the Remuneration Committee and approval by the Board on a yearly basis</li> <li>Full review of fees with external independent consultant's inputs every 3 years</li> <li>Approval of grant and vesting of long-term incentive awards to INEDs and NED by the Board</li> </ul>	<ul style="list-style-type: none"> <li>INEDs/NED receive base-fees only, which are benchmarked and reviewed against market level</li> <li>INEDs/NED also receive long-term incentive awards which are granted based on a pre-set percentage of their fees and to be vested on a tenure basis with no performance-linked target</li> </ul>
Basic salary (EDs & senior management)	<ul style="list-style-type: none"> <li>Fixed cash component of total remuneration to recruit and retain key leaders and managers</li> <li>Review of EDs' basic salary by the Remuneration Committee for Board approval on a yearly basis</li> </ul>	<ul style="list-style-type: none"> <li>Market benchmarking against comparable peer groups and remuneration review every year with the assistance of external independent consultant</li> </ul>

## Remuneration for Directors and Management (Continued)

Types of Remuneration and Benefits	Objectives and Corporate Governance	Framework and Policy
Discretionary cash bonus (EDs & senior management)	<ul style="list-style-type: none"> <li>• Variable cash component of total remuneration to drive and reward performance</li> <li>• The aggregate total pool for all employees as well as EDs under full review by the Remuneration Committee, and in the case of the EDs, approval by the Board on a yearly basis</li> <li>• Market survey against local and international peer groups, with the support of external independent consultant, every year</li> </ul>	<ul style="list-style-type: none"> <li>– The amount of discretionary bonus depends on the achievement of financial and non-financial targets by the individual. To reinforce the performance link, KPIs are set and measured against Link's strategic objectives and the progress in achieving such objectives</li> <li>– A significant portion of the discretionary bonus for EDs and an appropriate portion of the same for senior management is payable on a deferred basis. Deferred discretionary bonus will be forfeited if the individual resigns or is dismissed "for-cause" during the deferral period</li> </ul>
Long-term incentive awards (EDs & senior management)	<ul style="list-style-type: none"> <li>• Unit-based component of total remuneration to attract talent, incentivise performance and retain key personnel for sustainable long-term success of Link</li> <li>• Long-term incentive awards are discretionary and subject to:               <ul style="list-style-type: none"> <li>– approval by the Remuneration Committee in the case of grants to senior management and key performing employees</li> <li>– approval by the Board on grants to the EDs (upon the recommendation of the Remuneration Committee)</li> </ul> </li> <li>• Grantees receiving long-term incentive awards are not eligible to participate in the EUPP</li> <li>• Yearly review by the Remuneration Committee of grant and vesting targets</li> </ul>	<ul style="list-style-type: none"> <li>– Reflecting the strategic and management role and responsibilities of individual grantee and market competitiveness in total remuneration</li> <li>– A three-year vesting period helps retain key employees</li> <li>– Vesting is calibrated against business performance and units returns to Unitholders</li> <li>– Vesting references unit price performance over a period of consecutive trading days on a volume-weighted average basis</li> <li>– A summary of the 2007 LTI Plan appears on pages 49 to 50 of this report</li> </ul>
Pension and other benefits (EDs, senior management and employees)	<ul style="list-style-type: none"> <li>• Providing benefits in compliance with statutory requirements</li> <li>• Providing other benefits in line with market practices, such as annual leave, maternity/paternity leave, birthday leave, medical insurance, life and personal accident insurance, reimbursement of monthly subscription of clubs, reimbursement of professional memberships and seminar course fees, and Link-sponsored learning and development programmes</li> </ul>	

As approved by the Board upon the recommendation of the Remuneration Committee and advice from independent external consultant, there is no change to the level of fees payable to NED and INEDs for the financial year ending 31 March 2018. The annual NED and INED fees for the new financial year are as follows:

	Chairman HK\$	Member HK\$
Board	1,720,000	500,000
Audit and Risk Management Committee	200,000	150,000
Remuneration Committee	100,000	60,000
Nomination Committee	100,000	55,000
Finance and Investment Committee	155,000	77,500

The Remuneration Committee (with input from an independent external consultant) also reviewed and approved the remuneration packages of the senior management for the year under review. The remuneration (comprising basic salaries and other incentives) of the 2 EDs and the senior management (including one senior management who retired on 31 March 2017) for the year under review in bands is as follows:

Range (HK\$)	No. of Persons
1 – 500,000	1
3,000,001 – 3,500,000	1
4,500,001 – 5,000,000	1
5,000,001 – 5,500,000	3
7,500,001 – 8,000,000	1
8,000,001 – 8,500,000	4
8,500,001 – 9,000,000	1
17,000,001 – 17,500,000	1
51,500,001 – 52,000,000	1
<b>Total No. of Persons</b>	<b>14</b>

## Internal Control and Risk Management

### Board Responsibility

The Board (as assisted by the Audit and Risk Management Committee) is responsible for maintaining and reviewing the effectiveness of the internal controls and risk management systems and determining the nature and extent of the significant risks Link may take in achieving its strategic objectives. It acknowledges that such controls and systems can only manage but not eliminate risks and provide reasonable and not absolute assurance against loss or material misstatement.

With the assistance of the Audit and Risk Management Committee, the Board had reviewed and was satisfied with the effectiveness and adequacy of the internal controls and risk management systems for the year under review, having had regard to the key processes of Link. This was achieved primarily through approving the scope of the annual internal audit plan, reviewing the findings and recommendations of internal audit work, reviewing statutory and operational compliance reports, approving work plan of the risk management function, reviewing quarterly risk management activity reports, reviewing the corporate risks register and monitoring movements of key risks, reviewing annual and interim financial statements, as well as reviewing the nature, scope of work and reports of the external auditor.

### Structure of Controls and Risk Management

Led by the Board, management monitors the risks associated with Link's business and activities on an on-going basis. Procedures and control measures have been implemented including the setting up of a corporate risks register where elements of business risks, operations risks, financial risks, compliance and reputational risks are recorded and calibrated according to severity of impact and probability of occurrence. The risks recorded are monitored by the risk management team and each risk owner. The Top-10 risks are reported monthly to the EDs and senior management for action and quarterly to the Audit and Risk Management Committee for review and monitoring. The Board also reviews the Top-10 risks annually.

Monitoring and controls have also been set up on specific compliance areas such as anti-competition behaviour, data privacy, Common Reporting Standard and FATCA in addition to the on-going regulatory compliance and monitoring.

### Audit and Risk Management Committee's Review

The Audit and Risk Management Committee – assisted by the internal control and risk management functions – reports to the Board on mitigating measures and key risk indicators in the risk management process. Regular reports from the internal control and risk management functions are submitted to senior management and the Audit and Risk Management Committee. The head of internal audit and risk management functions attends all Audit and Risk Management Meetings. Details of the internal control processes and risk management framework are discussed on pages 54 to 57 of the Strategic Report of Annual Report 2016/2017.

### Whistle-blowing and Anti-corruption

The Manager has a whistle-blowing policy to help detect possible improprieties for management's attention and actions as well as for reporting to the Audit and Risk Management Committee. The chairman of the Audit and Risk Management Committee is also available to receive any complaint directly,

To set the business standards and enforce integrity in business practices, the Manager has embedded in the code of conduct of staff a set of anti-bribery and anti-corruption policies, and arranged for staff from different function units to attend seminars on prevention of corruptions organised by the Hong Kong Independent Commission Against Corruption.

### External Auditor

The external auditor reports on any control issues identified in the course of its interim review and annual audit work on Link's financial and business results. Management has periodically engaged the external auditor of Link to review and advise on the adequacy of Link's internal controls and risk management systems.



## Conflict of Interest

The Manager has instituted stringent internal procedures, including compliance with the internal General Guidelines on Declaration and Avoidance of Conflict of Interest, to monitor and deal with conflict of interest issues. In particular:

- (i) Directors are required to immediately report and periodically update any changes in their directorships and positions held in other companies and organisations to the Manager. The Manager maintains a register with respect to such outside directorships and positions of the Directors and makes filings with the SFC in the manner as required by the SFO. Management checks transactions against the register and performs periodic and sample checking to detect and deal with potential connected party transactions in the manner as required under the REIT Code;
- (ii) Directors are required to declare their direct or indirect interests, if any, in any business proposals and abstain from voting on such proposals. A Director will not be counted in the quorum for a transaction in which he/she is interested;
- (iii) Unitholders cannot vote on (nor will they be counted in the quorum for) a transaction in which they have a material interest which is different from the interest of other Unitholders as a whole;
- (iv) the Manager does not manage any REITs other than Link; and
- (v) all connected party transactions are managed in accordance with the requirements of the REIT Code, the procedures prescribed in the Compliance Manual and the conditions of the waivers granted by the SFC relevant to the types of connected party transactions in question. Connected party transactions are subject to regular monitoring by the Audit and Risk Management Committee and regular periodic review by the Trustee, the internal audit team and Link's external auditor.

## Environmental, Social and Governance Performance

Development of a corporate culture in which ESG practices and reporting are fully integrated into business operations reinforces resilient risk management processes and allows for greater alignment with stakeholders' interests in the long term. Link strives to be recognised as a member of the global leaders on sustainability and continues to be a signatory of the United Nations Environment Programme Finance Initiative. In monitoring and measuring ESG performance, the Board takes into account international practices and standards.

Details of compliance with the Global Reporting Initiative (GRI) standards, the Stock Exchange's "Environmental, Social and Governance Reporting Guide" and the United Nations Global Compact (UNGC) principles are set out on pages 159 to 172 of this report.

## Communications with Unitholders and Unitholders' Rights

### Communications with Unitholders and other Stakeholders

Transparency is a key to good corporate governance. The Manager sees communications with Unitholders and other stakeholders an important component of Link's corporate governance framework. It proactively engages Unitholders and other stakeholders through effective channels to articulate the business objectives and progress of Link and collect their views and suggestions.

EDs and our investor relations team attend conferences and seminars organised by the investment community and hold regular meetings with institutional investors and analysts. The Board receives from management regular investor relations activity reports and briefings, which include feedback from meetings with institutional investors, institutional and retail stockbrokers, and debt investors, analysts' forecasts, information from research reports, latest market developments and Link's unit price performance.

The Manager also proactively engages the media and community interest groups to explain and gauge their views on the activities of Link.

Investors and Unitholders may at any time send their enquiries to the Board in writing at the Manager's registered office (at 33/F, AXA Tower, Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong) or by email (ir@linkreit.com) or through the investor hotline (telephone no. at (852) 2122 9000). Any Unitholder who wishes to put forward a proposal may also send written request to the Manager (for the attention of the company secretary). Details of Unitholder's right and the procedures to put forward a proposal are set out in the paragraph titled "Right to Convene Meetings and Procedures for Putting Forward Proposals" on page 34 below.

During the year under review, the Manager carried out the following activities:

- holding press conferences with media and analysts' briefings after announcing the interim and final results of Link. The Board Chairman, the CEO and the CFO attended the press conferences. The CEO, the CFO and head of investor relations attended the analysts briefings to answer queries on financial results;
- holding the 2016 AGM where Directors met Unitholders "face-to-face" to have a direct "Q&A" dialogue and the CEO reported back to Unitholders on matters and comments raised at the prior year's annual general meeting;
- holding post-results investors' conferences and non-deal roadshows both in Hong Kong and overseas to explain the strategies, business developments, and the sustainability efforts of Link and promote transparency and inter-active communications with Unitholders and the investment community, and also arranging visits by analysts and representatives from major Unitholders to selected properties of Link in Hong Kong and Mainland China;
- attending regular meetings with the media, and live TV and radio interviews, to articulate the position of Link on current social, business and other issues that are of interest to the community;
- proactively engaging proxy advisors on the corporate governance expectations of major Unitholders; and
- updating Link's corporate website (Linkreit.com) on an on-going basis to keep Unitholders abreast of latest developments of Link;
- answering questions from Unitholders in a timely manner.

## Investor Relations

The Manager continually communicates with the investment community to ensure that analysts, retail and institutional investors are sufficiently informed, and to gauge their views on the business objectives, activities and future direction of Link. There are currently 14 equity research analysts covering Link. Since April 2016, the Manager participated in the following events:

Event	Number
• Individual meetings and conference calls	around 600
• Investors' conferences/corporate days	14
• Post results/non-deal roadshows to Asia, Australia, Europe and the U.S.	13
• Site visits	23

## Reporting and Transparency

Link maintains a high standard of transparency and keeps Unitholders well apprised of Link's position by providing information and developments of Link in a timely manner:

- publishing annual report within three months after the financial year end and interim report within two months after the half-year period end as well as results highlights in major newspapers to broaden dissemination;
- publishing announcements (and circulars, where required) on material information or developments as required by the REIT Code, the Listing Rules and/or the SFC, or voluntarily as the Board considers appropriate;
- publishing Link's interim and annual reports on its corporate website;
- publishing on corporate website all corporate communications issued by Link in accordance with the requirements of the REIT Code and/or the Listing Rules, the profiles of the Directors (including information on their roles and functions) and the senior management, and the business and sustainability developments, financial calendar and other news and latest developments of Link; and
- making available constitutive documents for inspection at the registered office of the Manager including, among others, the Trust Deed and the Compliance Manual (containing the Link Corporate Governance Policy).

## General Meetings

The Trust Deed requires Link to hold an annual general meeting of Unitholders once every year. The Trust Deed and the REIT Code also require Link to hold other (or extraordinary) general meetings of Unitholders in certain specified circumstances, details of which appear on page 34 of this report.

### 2016 AGM

At the 2016 AGM held on 27 July 2016, Unitholders approved, by separate ordinary resolution, the re-election of Mr William CHAN Chak Cheung, Mr David Charles WATT, Ms Poh Lee TAN, Mr Nicholas Charles ALLEN, Mr Ed CHAN Yiu Cheong and Mr Blair Chilton PICKERELL as INEDs, and the renewal of the unit buy-back mandate. The relevant poll vote results announcement dated 27 July 2016 can be found on websites of Link and the Stock Exchange.

The Board Chairman (who is also chairman of the Nomination Committee), the chairmen of the Audit and Risk Management Committee and the Remuneration Committee, other INEDs, the CEO, the CFO as well as Link's external auditor attended the 2016 AGM to meet and answer questions from Unitholders.

### 2017 AGM

The 2017 AGM will be held on 26 July 2017. Notice and agenda are set out in the circular to Unitholders accompanying this Annual Report 2016/2017.

### Directors Retiring at the 2017 AGM

At the 2017 AGM, Ms Nancy TSE Sau Ling, Ms May Siew Boi TAN and Ms Elaine Carole YOUNG will retire by rotation in accordance with the Articles of Association and the Compliance Manual. All the retiring Directors, being eligible, will stand for re-election at the 2017 AGM.

## Regulatory & Compliance

For other regulatory and compliance information which forms an integral part of this corporate governance report, please refer to the "Regulatory & Compliance" section on pages 31 to 38 below.

## Changes after Financial Year End

This report has taken into account changes occurred since the end of the financial year on 31 March 2017 up to the date of approval by the Board of this report on 7 June 2017.

On behalf of the Board

**Ricky CHAN Ming Tak**

*Company Secretary*

Hong Kong, 7 June 2017

# Reports of Board Committees

## Report of the Audit and Risk Management Committee

Composition	Independent	Attended/ Eligible to attend
William CHAN Chak Cheung ( <i>Chairman</i> )	✓	4/4
Poh Lee TAN	✓	4/4
May Siew Boi TAN	✓	4/4
Peter TSE Pak Wing	✓	4/4
Nancy TSE Sau Ling	✓	4/4
Richard WONG Yue Chim*	✓	1/1

\* Retired on 27 July 2016

The Audit and Risk Management Committee is principally responsible for overseeing the quality and integrity of financial statements, internal and external audit work, and overall risk management, and monitoring connected party transactions to ensure that they are being conducted in accordance with the conditions of the relevant SFC waivers.

The CEO, the CFO, and the head of the internal audit and risk management functions were invited to attend all Audit and Risk Management Committee meetings in the year. The external auditor and the Principal Valuer of Link also attended the relevant meetings to assist the Audit and Risk Management Committee to review the interim and final results of Link. The external auditor was further invited to present the new auditor's report format at one of the Audit and Risk Management Committee meetings. A session of the Audit and Risk Management Committee meeting was allocated for the members of the Audit and Risk Management Committee to discuss with the external auditor in the absence of management any matters the external auditor may wish to raise.

The chairman of the Audit and Risk Management Committee also meets with the head of internal audit and risk management functions and representatives of the external auditor (in the absence of other management staff) from time to time to discuss any audit and financial reporting matters they may wish to raise privately.

During the year ended 31 March 2017, the Audit and Risk Management Committee met four times.

Key areas of review	
	<ul style="list-style-type: none"> <li>• Interim report and annual report and financial statements and the disclosures therein</li> <li>• Disclosure of information to Unitholders</li> <li>• Internal controls and risk management</li> <li>• Compliance of connected party transactions with REIT Code requirements and relevant SFC waivers</li> <li>• Disclosures in annual report in relation to updates on property development and related activities and the extent, in percentage terms, to which the GAV Cap has been applied</li> <li>• Internal audit plan and audit work</li> <li>• External auditor's performance and audit and non-audit service fees</li> <li>• Appointment/re-appointment/removal of external auditor</li> <li>• Compliance with the Listing Rules Corporate Governance Code</li> <li>• Compliance with the provisions of the Compliance Manual (including the Link Securities Dealing Code and the Link Corporate Governance Policy) and the code of conduct applicable to Directors</li> <li>• Monitoring compliance with competition law</li> </ul>

### Tasks performed in the year

- Reviewed interim and final results announcements and interim and annual reports and financial statements in conjunction with the external auditor (PricewaterhouseCoopers) and Link's Principal Valuer (Jones Lang LaSalle Limited) (with respect to property valuations) to ensure compliance with applicable legal, accounting and financial reporting and other regulatory requirements, and recommended them for approval by the Board
- Reviewed accounting policies and practices, including approval of critical accounting policies
- Reviewed to ensure that the annual report and financial statements for the year ended 31 March 2017 of Link, taken as a whole, are fair, balanced and understandable
- Discussed with the external auditor the new auditor's report format and key audit matters
- Reviewed disclosures in the corporate governance report, monitored the compliance with the Listing Rules Corporate Governance Code, and endorsed the going concern statement and the statement of compliance with the Listing Rules Corporate Governance Code for inclusion in the annual report and financial statements
- Reviewed announcements, circulars and other corporate communications issued by Link to Unitholders
- Reviewed and monitored connected party transactions through quarterly reports submitted by management and ensured compliance with the requirements of the REIT Code and the conditions of the relevant SFC waivers
- Reviewed internal audit activity reports on a quarterly basis and monitored the implementation of recommended actions
- Approved the internal audit plan for the new financial year
- Satisfied itself that the internal audit function was effective and adequately resourced, and reviewed and considered through the assistance of the human resources function as to the adequacy of resources, staff qualifications and experience, training programmes and budget of the finance function
- Considered the external auditor's report on interim review of financial information
- Reviewed and recommended the Directors' report and financial statements of the Manager for approval by the Board
- Reviewed the work scope, quality, fees and terms of engagements of the audit and non-audit services provided by the external auditor and assessed its independence and based on its review and assessment, recommended to the Board on the re-appointment of the external auditor of Link
- Reviewed risk management activity reports on a quarterly basis
- Reviewed the effectiveness of Link's internal controls and risk management systems and monitored risks on an on-going basis by reference to the internal policy and procedures (including new risks identified from time to time)
- Reviewed to ensure that the property development business was conducted in accordance with the REIT Code and the aggregate development costs were within the GAV Cap
- Reviewed statutory and operational compliance reports on a quarterly basis, and monitored compliance issues (including compliance with competition law)
- Reviewed and followed up whistle-blowing cases
- Monitored compliance with the Compliance Manual (which sets out the Link Corporate Governance Policy and the Link Securities Dealing Code) through quarterly reports submitted by management

Professor Richard WONG Yue Chim retired from the Audit and Risk Management Committee on 27 July 2016. On behalf of all the committee members, I would like to thank Professor Richard WONG Yue Chim for his contributions in the past years. None of the members of this committee was a partner, or a former partner of Link's external auditor within one year immediately before his/her appointment.

**William CHAN Chak Cheung**

*Chairman of the Audit and Risk Management Committee*

Hong Kong, 7 June 2017

## Report of the Nomination Committee

Composition	Independent	Attended/ Eligible to attend
Nicholas Charles ALLEN ( <i>Chairman</i> )	✓	3/3
George Kwok Lung HONGCHOY		3/3
William CHAN Chak Cheung	✓	2/3
Blair Chilton PICKERELL	✓	3/3
May Siew Boi TAN	✓	3/3
Richard WONG Yue Chim*	✓	1/1

\* Retired on 27 July 2016

The Nomination Committee is responsible for reviewing regularly the structure, size and composition of the Board and Board Committees (including knowledge, skills and experience, independence and diversity of the members) and makes recommendations to the Board with regard to any changes. The Nomination Committee also helps the Board in overseeing the corporate governance practices of the Manager.

The Nomination Committee adopts a forward-looking approach to identify potential candidates for appointment to the Board, taking into account the gap in competence that is needed at Board level and the scheduled retirement of long serving NED/ INEDs. An independent professional search firm is engaged to add objectivity and ensure that there is a pipeline of high calibre candidates ready to serve our Board within the desired succession time-frame.

During the year ended 31 March 2017, the Nomination Committee met three times.

Key areas of review	
	<ul style="list-style-type: none"> <li>• Composition of the Board and Board Committees</li> <li>• Appointment, re-appointment and removal of Directors</li> <li>• Succession planning</li> <li>• Link Corporate Governance Policy and practices</li> <li>• Continuous professional development of Directors</li> <li>• Board diversity</li> <li>• Board performance evaluation</li> </ul>

**Tasks performed in the year**

- Reviewed the composition, size and structure, and memberships of the Board and Board Committees by (i) taking into account the expertise, time commitment, and skills and experience of the members; (ii) referring to the Board Diversity Policy of Link; and (iii) taking into consideration the Link Corporate Governance Policy and the Listing Rules Corporate Governance Code
- Carried out a formal, comprehensive Board performance evaluation exercise with the assistance of an independent external consultant
- Assessed the independence of each INED, and the time required from the NED and INEDs (including any prospective Director) to fulfil their fiduciary duties of overseeing Link's business and serving the Board and various Board Committees
- Reviewed Directors' time commitment through, among others, monitoring their meeting attendance for the year and number of outside directorships
- Reviewed and recommended for approval by the Board the renewal of the term of Mr Ian Keith GRIFFITHS as a NED for three years
- Recommended the re-election of three retiring Directors who will stand for re-election at the forthcoming 2017 AGM after considering their respective contributions, skills and experience, and expertise as well as assessing their independence
- Reviewed the succession planning of Directors
- Reviewed the engagement of independent external consultant (being RRA) in the search for potential candidates for INEDs
- Maintained and regularly reviewed a running list of potential candidates for INEDs and set and prioritised the selection criteria and talent required from new Board member(s)
- Monitoring latest developments of corporate governance practices and regulatory changes as well as leading proxy advisors' latest voting recommendation policies that have a bearing on corporate governance practices or may affect the Board's composition
- Reviewed training and continuous professional development undertaken by each Director in the year
- Reviewed the Board Diversity Policy of Link and monitored regularly its implementation progress

Professor Richard WONG Yue Chim retired from the Nomination Committee on 27 July 2016. On behalf of all the committee members, I would like to thank Professor Richard WONG Yue Chim for his contributions in the past years.

**Nicholas Charles ALLEN**

*Chairman of the Nomination Committee*

Hong Kong, 7 June 2017



## Report of the Finance and Investment Committee

Composition	Independent	Attended/ Eligible to attend
Nicholas Charles ALLEN ( <i>Chairman</i> )	✓	6/6
George Kwok Lung HONGCHOY		6/6
Andy CHEUNG Lee Ming		6/6
Ian Keith GRIFFITHS		6/6
Ed CHAN Yiu Cheong	✓	5/6
David Charles WATT	✓	6/6
Elaine Carole YOUNG	✓	6/6

The Finance and Investment Committee is responsible for overseeing the business and financial matters of Link. It approves proposals from management on asset enhancement projects and monitors their progress against measurable objectives, assesses investment proposals against agreed financial returns, endorses capital management and treasury policies, oversees the implementation of such policies by management taking into account the changing conditions of the global and local capital markets, and reviews acquisition and disposal proposals from management.

During the year ended 31 March 2017, the Finance and Investment Committee met six times.

<b>Key areas of review</b>	<ul style="list-style-type: none"> <li>• Financial matters</li> <li>• Budget and forecasts</li> <li>• Investment decisions</li> <li>• Acquisition or disposal of assets</li> <li>• Financing plans and strategies, and changes to financial authority, policies or procedures</li> </ul>
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**Tasks performed in the year**

- Reviewed and recommended for approval by the Board the 3-year budget and business plans
- Evaluated various investment opportunities within the investment criteria approved by the Board; approved various disposals of non-core properties in Hong Kong and the proposed acquisition of a property in Guangzhou, the PRC
- Received performance reports on acquired assets and issues that arose from disposed assets
- Approved new asset enhancement projects within the revised authority limits; reviewed regularly the progress of existing projects against approved capital expenditure; evaluated performance of assets post-asset enhancement works; and reviewed other capital expenditure proposals
- Reviewed regular reports on capital management issues and treasury matters and considered various financing/refinancing proposals
- Reviewed Link's gearing ratios and any impact on credit ratings and discussed the related strategy
- Reviewed RMB hedging strategies and evaluated the impact of RMB devaluation on Link's investment in the PRC
- Reviewed capital management policies of Link including the mix of fixed/floating rate liabilities, and developments and trend of the capital market
- Reviewed and recommended for approval by the Board the renewal of general mandate for management to issue notes under the MTN Programme
- Reviewed and recommended for approval by the Board bank loans and other banking matters
- Reviewed and recommended for approval by the Board the renewal of unit buy-back execution mandate and monitoring its implementation
- Reviewed the investor relations activity reports from management

The Finance and Investment Committee members, through the meetings and circulation of information, had committed to resolving many financial and investment issues of Link in the year. I would like to thank all the committee members for their dedication in discharging their duties.

**Nicholas Charles ALLEN**

*Chairman of the Finance and Investment Committee*

Hong Kong, 7 June 2017

## Report of the Remuneration Committee

Composition	Independent	Attended/ Eligible to attend
David Charles WATT ( <i>Chairman</i> )	✓	5/5
William CHAN Chak Cheung	✓	5/5
Blair Chilton PICKERELL	✓	5/5
Peter TSE Pak Wing	✓	5/5
Elaine Carole YOUNG	✓	5/5

The Remuneration Committee is responsible for setting the remuneration policy and strategy of Link. It reviews and recommends to the Board the remuneration level of EDs, NED and INEDs and determines the remuneration packages of senior management.

The Remuneration Committee is the administrator of the 2007 LTI Plan and determines the grant of awards to selected key management staff (except any proposed grant of awards to Directors which will be approved by the Board under the recommendation of the Remuneration Committee).

The Board Chairman attends the meeting to provide his input on the performance of the CEO, and the CEO presents his performance assessment of the CFO, to assist the Remuneration Committee to review the remuneration packages of the 2 EDs. An independent external consultant is engaged to provide input to assist the Remuneration Committee in setting fee level of NED/INEDs and determining the remuneration packages of EDs. No Director is involved in deciding his/her own remuneration.

During the year ended 31 March 2017, the Remuneration Committee met five times.

Key areas of review	
	<ul style="list-style-type: none"> <li>• Remuneration policies concerning Directors</li> <li>• Remuneration strategy and policies for senior management and staff and the training and continuous professional development of senior management</li> <li>• Remuneration packages of EDs and senior management</li> <li>• Fee level of NED and INEDs</li> <li>• Grant and vesting of awards in favour of Directors and senior management under the 2007 LTI Plan</li> <li>• Review of the set-up of new long-term incentive scheme</li> </ul>

**Tasks performed  
in the year**

- Reviewed the remuneration framework, policy and structure for EDs, senior management and key employees
- Reviewed and recommended, with the assistance of an independent external consultant, Willis Towers Watson, to the Board on the remuneration packages of the CEO (with input from the Board Chairman) and the CFO (with input from the CEO)
- Reviewed and recommended for approval by the Board the proposed grant of restricted unit awards to Directors and approved the grant of restricted unit awards to the selected senior management and certain other key staff under the 2007 LTI Plan in the year
- Reviewed the vesting results of restricted unit awards vested under the 2007 LTI Plan in the year
- Reviewed, with the assistance of an independent external consultant, the level and structure of fees for NED and INEDs
- Determined the salary increases and bonus payments for the senior management (except Directors) and other employees
- Reviewed the general market pay trend and endorsed the budgets for salary increment and performance bonus for staff
- Formulated, with the assistance of an independent external consultant, Willis Towers Watson, a new long-term incentive scheme including review of the new vesting structure, the scheme rules and the other operation details of the proposed new scheme; and endorsed the proposed new scheme and the scheme rules for approval by the Board
- Discussed training and continuous professional development of senior management

The Remuneration Committee members had reviewed various remuneration matters in the year. I would like to thank all the committee members for their dedicated efforts.

**David Charles WATT**

*Chairman of the Remuneration Committee*

Hong Kong, 7 June 2017

# Regulatory & Compliance

## Regulatory Framework

Link is a collective investment scheme authorised by the SFC under section 104 of the SFO. It is also a constituent of the Hang Seng Index and its units are listed on the Stock Exchange. Link Asset Management Limited is the Manager. HSBC Institutional Trust Services (Asia) Limited is the Trustee.

### • The Manager

The Manager is licensed by the SFC under section 116 of the SFO to conduct the regulated activity of asset management, and manages Link's assets in the interest of the Unitholders. The Manager is wholly owned by the Trustee and charges management fee on a cost recovery basis. The Manager does not charge any acquisition/divestment fee, or fee based on a percentage of assets under management or other performance-related indicia. This minimises conflict and aligns with the interest of the Unitholders.

### • The Trustee

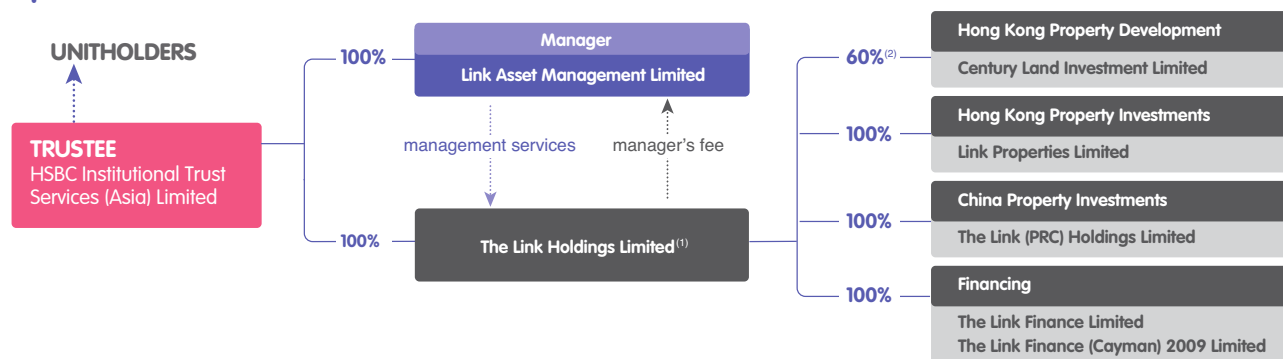
The Trustee is a registered trust company for collective investment schemes under the SFO and the REIT Code, holding all the Link's assets in trust for and in the sole interest of all our Unitholders. The Trustee and the Manager operate independently.

The respective rights and obligations of the Manager and the Trustee are governed by the Trust Deed. The Trustee carries out periodic reviews on the Manager, in addition to the reviews performed by the internal auditor and external auditor. The Trustee's Report is set out on page 64 of this report.

The activities of the Manager and Link are regulated by the SFC pursuant to the REIT Code and the SFO. During the year ended 31 March 2017, the Manager managed Link, in all material aspects, in accordance with the provisions of the Trust Deed and the Compliance Manual.

The names of the five responsible officers of the Manager for the purposes of the SFO appear in the "Corporate Information" section of this report.

## Corporate Structure



Notes:

(1) The Link Holdings Limited is the holding company of all SPVs of Link, and Link's principal subsidiaries as at 31 March 2017 are set out in note 31 to the consolidated financial statements.

(2) 40% interest is held by Nan Fung Development Limited.

## Compliance with Listing Rules Corporate Governance Code & Other Regulations

Throughout the year ended 31 March 2017,

- (i) Link and the Manager complied with the REIT Code, the SFO, applicable provisions of the Listing Rules, the Trust Deed, and the Compliance Manual; and
- (ii) Link and the Manager applied the principles and complied with, to the extent appropriate, the code provisions in the Listing Rules Corporate Governance Code, save and except code provision A.4.2. The Manager considers that rigid application of code provision A.4.2 to our EDs is not in the interest of our Unitholders. Business continuity and longevity at top management level work for the long-term benefit of Link. Frequent re-shuffle in executive directorate, absent the anchor of a controlling Unitholder, tends to promote “short-termism”. Any risk of entrenchment in office is counter-balanced by an overwhelmingly high majority of INEDs on our Board, who have the collective power (and the Unitholders also have the same power under the Trust Deed) to remove a recalcitrant ED.

## Compliance with Link Securities Dealing Code

The Link Securities Dealing Code governs dealing in securities of Link by Directors, senior management, and other employees of certain senior grades and their respective associates. The terms of the Link Securities Dealing Code are regularly reviewed and updated (when required) to ensure that they are no less exacting than those set out in the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 to the Listing Rules.

All the Directors, after making specific enquiry on each of them, confirmed that they complied with the required standard set out in the Link Securities Dealing Code throughout the year ended 31 March 2017.

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

Staff members who are involved in the preparation of the interim and final results announcements and the related reports of Link are prohibited from dealing in the units of Link (or black-out) for the period and in the manner as specified by the Listing Rules and the Compliance Manual. The Manager also imposes and enforces ad hoc black-out on staff members who are involved in corporate transactions or possess inside information relating to them in the manner as required by the Listing Rules, the inside information provisions of the SFO and the Compliance Manual. Staff members subject to black-out will be suspended from participating in the EUPP until the black-out is lifted.

## Compliance with Inside Information Requirements

The Manager has an escalation policy monitoring information flow for management to identify events and the Board to consider timely disclosures of inside information. It also has stringent internal procedures to preserve confidentiality of inside information. The Manager has complied with the requirements of Part XIVA of the SFO, which are extended to non-corporate entities including Link.

## Directors' Responsibility for the Financial Statements

The Directors acknowledged their responsibilities for the preparation of the consolidated financial statements of Link for the year ended 31 March 2017, which had been reviewed by the Audit and Risk Management Committee and approved by the Board.

The statement of the auditor regarding its reporting responsibilities on the consolidated financial statements of Link is set out in the independent auditor's report on pages 65 to 69 of this report.

## Auditor's Re-appointment and Remuneration

The Audit and Risk Management Committee reviewed and recommended to the Board the re-appointment of the existing external auditor (PricewaterhouseCoopers).

In making its recommendation, the Audit and Risk Management Committee took into consideration the quality and effectiveness of the work, current level of remuneration as against market trend and the independence of the external auditor who has confirmed in writing to the Audit and Risk Management Committee its independence with respect to Link and that there is no relationship between it (as the external auditor) and Link which might reasonably bring to bear on their independence. It has also considered the scope of non-audit services provided by the external auditor and assessed whether its independence and objectivity were and could be affected by the rendering of these non-audit services.

All services provided by the external auditor in the year were reviewed and approved by the Audit and Risk Management Committee which has set guidelines governing the engagement of the external auditor for provision of non-audit services and pre-approval amounts and thresholds for non-audit services. The Manager considered (and the Audit and Risk Management Committee also agreed) that the external auditor's review of interim results and report and annual tax filings services for Link's entities (as tax representative) are recurring items, and the rendering by the external auditor of such recurring services did not impact its objectivity or any perceived independence in auditing the financial statements of Link.

Non-audit services of a non-recurring nature for the year included ad hoc assignments such as setting up procedures and controls in relation to the newly implemented Common Reporting Standard under the Inland Revenue Ordinance, transaction due diligence and assurance as well as IT security assessment and accounting and tax advisory services. An analysis of the fees paid/payable to the external auditor for audit and non-audit services for the year ended 31 March 2017 is set out in Note 9 to the consolidated financial statements.

## Updates on Directors' Biographical Information since Interim Report 2016/2017

- Mr George Kwok Lung HONGCHOY ceased to be a member of Policy Research Committee of the Financial Services Development Council effective from 16 January 2017.
- Ms Poh Lee TAN ceased to be a director of PathFinders Limited effective from 23 February 2017.
- Ms May Siew Boi TAN ceased to be an ex-officio member of Hong Kong Trade Development Council and a member of the Currency Board Sub-Committee of The Exchange Fund Advisory Committee of Hong Kong Monetary Authority both effective from 1 January 2017, and she retired as the chairman of The Hong Kong Association of Banks, the executive director and chief executive officer of Standard Chartered Bank (Hong Kong) Limited and a director of Standard Chartered Securities (Hong Kong) Limited all effective from 1 March 2017.

## Information to Unitholders

### Right to Appoint, Remove and Re-appoint Directors

#### By the Board

The Trust Deed provides that the Board may (on the recommendation of the Nomination Committee):

- at any time appoint any person who is willing to act as a Director, either to fill a casual vacancy or (subject to the maximum number of 14 Board members) as an addition to Board members; and
- remove any Director, and in such case, the Board shall give the incumbent Director notice to that effect signed by all the other Directors.

A Director shall abstain from voting in respect of his/her own re-appointment.

### By the Unitholders

The Trust Deed provides that Unitholders may appoint, re-appoint or remove any Director by an ordinary resolution:

- two or more registered Unitholders holding together not less than 10% of the units in issue may serve written request to the Manager which shall convene a meeting of Unitholders to consider the proposed ordinary resolution to appoint, re-appoint or remove a Director; and
- if the proposed resolution is supported by a recommendation of the Nomination Committee, the effective quorum for the relevant Unitholders' meeting shall be two (or more) registered Unitholders holding together not less than 10% of the units in issue; otherwise, the effective quorum for the relevant Unitholders' meeting shall be two (or more) registered Unitholders holding together not less than 25% of the units in issue.

Subject to the passing of the ordinary resolution, the Trustee and the Manager shall take all necessary actions to give effect to such appointment, re-appointment or removal of Director.

### Retirement by Articles of Association

The Articles of Association require that:

- any Director so appointed by the Board shall retire but be eligible for re-election at the next following annual general meeting (with such Director not being taken into account in determining the number of Directors subject to retirement by rotation at such annual general meeting);
- an ED is not subject to retirement by rotation at annual general meeting; and
- one-third of the NED/INEDs shall be subject to retirement by rotation (but are eligible for re-election) at each annual general meeting.

The Link Corporate Governance Policy further requires one-third of the INEDs to retire by rotation at each annual general meeting.

### Right to Convene Meetings and Procedures for Putting Forward Proposals

According to the Trust Deed, a general meeting of Unitholders may be convened:

- by the Trustee; or
- by the Manager; or
- by not less than two Unitholders registered as together holding not less than 10% of the units in issue, who may serve written request to the Manager to ask the Manager to convene a general meeting of Unitholders and propose resolutions for consideration at such meeting.

Notice convening the annual general meeting or other general meeting of Unitholders will be given to the Unitholders in accordance with the requirements of the Trust Deed, the REIT Code and the Listing Rules. Generally, two or more Unitholders present in person or by proxy registered as holding together not less than 10% of the units in issue shall form a quorum for the transaction of business at a general meeting but for passing a special resolution, the quorum shall be not less than 25%.

In accordance with the REIT Code and the Trust Deed, any resolution put to a general meeting of Unitholders shall be decided by poll except (as permitted by the Trust Deed and under waiver granted by the SFC) where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural and administrative matter to be decided by a show of hands given that such matter (i) is not on the agenda of the general meeting or in any supplemental circular to Unitholders; and (ii) relates to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Unitholders a reasonable opportunity to express their views.



## Matters Required to be Decided by Special Resolution

Pursuant to the Trust Deed, each of the following matters requires specific Unitholders' approval by way of special resolution:

- (i) disposal of any real estate forming part of the assets of Link within two years from the date of acquisition (or, in the case of engaging in any property development and related activities, from the date that such property development and related activities is completed);
- (ii) disposal by the Trustee of all or any of the issued share capital of the Manager;
- (iii) any increase in the maximum percentage rate or any change to the structure of the Trustee's fee which is not provided for in the Trust Deed;
- (iv) any modification, alteration or addition to the Trust Deed, save for certain circumstances specified in the Trust Deed;
- (v) termination or merger of Link; and
- (vi) removal of the Trustee under certain circumstances.

## Directors' Service Contracts

There is no service contract, which is not determinable by the Manager within one year without payment of compensation (other than statutory compensation) in respect of those Directors who are due to retire and offer for re-election at the 2017 AGM.

## Directors' Interests in Transactions, Arrangements or Contracts

Save as disclosed under the "Connected Party Transactions" section on pages 54 to 58 of this report and in Note 29 to the consolidated financial statements, no transactions, arrangements or contracts of significance in relation to Link's business to which the Manager was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

The Manager entered into agreements with Directors and certain key employees in respect of grant of awards under the 2007 LTI Plan in the year under review. Other than the 2007 LTI Plan, there was no arrangement in the year under review whose objects are to enable Directors to acquire benefits by means of acquisition of units of Link, or shares in, or debenture of, any other body corporate. Further details of the 2007 LTI Plan are disclosed in the "Long-term Incentive Plan" section on pages 49 to 53 and Note 20 to the consolidated financial statements. There is no equity-link agreement entered into by the Manager in the year under review.

## Permitted Indemnity Provisions

There are permitted indemnity provisions in the articles of association of the Manager and relevant SPVs of Link to provide indemnity to directors of the Manager and other members of the Group against any third party liability incurred by them in discharging their duties.

The Manager reviews every two years the coverage (including the amount insured) of the directors' and officers' liability insurance to ensure that directors and officers (including the company secretary) of all members of the Group in so serving Link, its SPVs and the Manager are fairly and sufficiently covered against potential liability to third parties. The directors' and officers' liability insurance was reviewed and renewed in the year.

## Link Together Initiatives

The Link Together Initiatives programme is part of Link's on-going commitment to sustainable development.

In the year under review, upon the recommendation of the selection committee, the Board approved approximately HK\$10.2 million to fund selected projects under the Link Together Initiatives. The themes of all these selected projects are in line with the objectives of the Link Together Initiatives which are to support the well-being of the elderly and the disadvantaged and education, training and development of children and youth services in the communities around Link's properties. Details of selected projects under the Link Together Initiatives in the year under review are set out on pages 59 to 63 of this report.

## Employee Unit Purchase Plan

The EUPP, under which the Manager subsidises eligible employees to purchase Link's units, fosters a sense of ownership among staff. Employees meeting prescribed criteria of the EUPP are entitled to subsidies from the Manager to purchase from open market Link's units through an independent third party intermediary (currently, the Bank of China (Hong Kong) Limited). Four purchases are made in each financial year on pre-determined dates, and the amount of subsidy for each eligible employee is determined in accordance with the rules of the EUPP with reference to such employee's length of service and appraised performance.

In the year under review, 465 eligible employees of the Manager participated in the EUPP who together purchased 263,094 units on the Stock Exchange at a total consideration of HK\$14,038,163 of which HK\$2,028,009 were subsidised by the Manager.

## Information on Units of Link

### Issue of New Units

During the year under review, 1,600,140 new units were issued pursuant to the 2007 LTI Plan. Based on 2,213,002,276 units in issue as at 31 March 2017, the number of new units issued in the year represented approximately 0.07%.

### Buy-Back, Sale or Redemption of Link's Listed Units

During the year under review, the Manager (on behalf of Link) bought back a total of 31,746,000 units on the Stock Exchange at an aggregate consideration (excluding expenses) of approximately HK\$1,697 million. Further details are set out as follows:

Month	Number of units bought back	Purchase price per unit		Aggregate consideration (excluding expenses) HK\$'M
		Highest HK\$	Lowest HK\$	
<b>2016</b>				
August	6,985,500	56.00	54.65	387
September	6,421,500	56.00	54.75	357
November	900,500	53.15	52.60	48
December	14,022,500	54.85	49.05	728
<b>2017</b>				
January	3,416,000	53.40	50.65	177

All the units bought back were cancelled prior to the financial year end. Unit buy-backs by the Manager in the year under review were carried out pursuant to the general mandate to buy back units granted by the Unitholders at the 2016 AGM and were made in the interest of Link and the Unitholders as a whole. Save as disclosed above, neither the Manager nor any of Link's subsidiaries bought back, sold or redeemed any of Link's listed units during the year under review.

### Unitholders Statistics

An analysis of the registered Unitholders as at 31 March 2017 according to the register of Unitholders of Link was as follows:

Range of holdings	Number of registered Unitholders	Aggregate number of units held	Percentage %
0 – 1,000	7,649	5,122,186	0.23
1,001 – 5,000	14,312	31,775,623	1.44
5,001 – 10,000	1,065	7,421,109	0.34
10,001 – 100,000	703	19,355,607	0.87
100,001 or over	82	2,149,327,751	97.12
<b>Total</b>	<b>23,811</b>	<b>2,213,002,276</b>	<b>100.00</b>

HKSCC Nominees Limited (through which most holders hold their units in Link) was the single largest registered Unitholder, holding 2,123,784,219 units (approximately 96%) as at 31 March 2017.

As at 31 March 2017, there were 2,213,002,276 units of Link in issue, which amounted to a market capitalisation of approximately HK\$120.5 billion based on the closing price of HK\$54.45 per unit as at that date. Further details are set out in Note 25 to the consolidated financial statements.

### Public Float

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

As at the date of this report, Link does not have any controlling nor significant Unitholder (i.e. having an unitholding of 10% or more).

## Directors of Subsidiaries

### Directors of the Manager

The names of the current Directors of the Manager appear in the “Corporate Information” section of this report. Professor Richard WONG Yue Chim retired as a Director in the year under review.

### Directors of Link’s SPVs

Mr George Kwok Lung HONGCHOY and Mr Andy CHEUNG Lee Ming are directors of all Link’s SPVs. In addition, five SPVs also have Mr Ricky CHAN Ming Tak, Mr Gary FOK Yip Sang, Ms Peionie KONG Po Yan and/or Ms Phyllis NG Yuen Fan as their directors.

## Acquisition and Disposal of Real Estate

During the year under review, the following acquisitions and disposals of real estate by Link took place:

- (i) acquisition of 700 Nathan Road at Mong Kok, Kowloon, Hong Kong through Government tender for a consideration of HK\$5,910,000,000 which was completed on 15 April 2016;
- (ii) disposals of nine properties for a total consideration of HK\$3,651,900,142 which were all completed on 31 May 2016; and
- (iii) disposals of another five properties for a total consideration of HK\$3,635,718,880 which were all completed on 14 February 2017.

Save as disclosed above, neither Link nor any of its subsidiaries acquired or disposed of any real estate in the year under review.

Subsequent to the financial year end, Link acquired Metropolitan Plaza in Liwan district, Guangzhou, the PRC and the transaction, which was announced on 7 April 2017, was completed on 11 May 2017.

## Property Development and Related Activities

Link, through the joint venture with Nan Fung Development Limited on, respectively, 60% to 40% equity ratio, acquired a piece of land (N.K.I.L. 6512) for commercial development.

Updates on the relevant commercial development project pursuant to 7.2A of the REIT Code since Link’s interim report 2016/2017 are as follows:

- (i) the commercial development project is progressing well targeting completion by 2019. J.P. Morgan has pre-leased a significant portion of the office tower.
- (ii) the commercial development project has received LEED platinum, BEAM Plus platinum and WELL gold pre-certifications.
- (iii) with stringent cost control, saving in the construction cost was achieved. Based on latest available information, the estimated total development costs (including land premium) had been revised from HK\$10.5 billion to HK\$9.9 billion, representing a 5.7% saving as compared to the original budget.

(iv) based on the revised total development costs mentioned in (iii) above and Link's 60% interest in the joint venture, Link's portion of the total development costs of the commercial development project was estimated at around HK\$5.94 billion, which (a) represents approximately 3.5% of the total gross net asset value of Link as at 31 March 2017 (after adjusting for the impact of the final distribution for the year ended 31 March 2017 and the completion of the acquisition of Metropolitan Plaza in Guangzhou, the PRC on 11 May 2017); and (b) is within the GAV Cap.

## Other Information Updates

### Major Real Estate Agents

During the year under review, commissions paid to the top five real estate agents engaged by Link and their respective services rendered are as follows:

Name	Nature of services	Commissions paid HK\$'M	Percentage of relevant costs %
Savills (Hong Kong) Limited	Disposal agency	65.5	86.9
DTZ Cushman & Wakefield Limited	Disposal agency	4.0	5.3
北京世邦魏理仕物業管理服務有限公司上海分公司 (Beijing CBRE Property Management Services Limited, Shanghai Branch*)	Lease agency	1.9	2.5
仲量聯行測量事務所(上海)有限公司 (Jones Lang LaSalle Surveyors (Shanghai) Co., Ltd.*)	Lease agency	1.5	2.0
上海雅置投資諮詢有限公司 (Shanghai Ya Zhi Investment Consulting Company Limited*)	Lease agency	0.6	0.8

\* English trade names or transliteration of official Chinese names

### Major Contractors

During the year under review, the value of service contracts of the top five contractors engaged by Link and their respective services rendered are as follows:

Name	Nature of services	Value of services paid HK\$'M	Percentage of relevant costs %
Gammon Construction Limited	Main contractor, pile foundation and lateral support services	345.8	13.0
Hsin Chong Construction (Engineering) Limited	Project and maintenance	159.4	5.9
Ka Shun Civil Engineering Company Limited	Project and maintenance	126.2	4.7
Ching Lee Engineering Limited	Project and maintenance	115.8	4.3
Pat Davie Limited	Project and maintenance	102.2	3.8

### Major Customers and Suppliers

For the year under review, the five largest customers combined accounted for less than 30% of Link's total revenue.

For the year under review, the five largest suppliers combined and the largest supplier accounted for, respectively, approximately 31.7% and approximately 13.0% of Link's total purchases.

None of the Directors, any of their associates or Unitholders (which, to the best knowledge of the Directors, own more than 5% of the units of Link in issue) had an interest in any of the top five suppliers.

# Biographical Details of Directors and Management Team

## Directors of the Manager

### Mr Nicholas Charles ALLEN

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

Mr ALLEN, aged 62, has been an Independent Non-Executive Director of the Manager since February 2016 and succeeded as the Chairman of the Board since April 2016. He is also the Chairman of the Nomination Committee and the Finance and Investment Committee of the Manager.

Mr ALLEN is currently an independent non-executive director of CLP Holdings Limited and Lenovo Group Limited (both of which are listed on the Main Board of the Stock Exchange). He was an independent non-executive director of VinaLand Limited (which is listed on the AIM of the London Stock Exchange), Texon International Group Limited and Hysan Development Company Limited (which is listed on the Main Board of the Stock Exchange). Currently, Mr ALLEN chairs the audit committee of Lenovo Group Limited.

Mr 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 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. Currently, he is the Honorary Advisor to the Financial Reporting Council of Hong Kong, a member of the Hong Kong Institute of Certified Public Accountants Corporate Governance Working Group, and the Chairman of Vision 2047 Foundation.

Mr 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.

### Mr George Kwok Lung HONGCHOY

#### **Executive Director & Chief Executive Officer**

Mr HONGCHOY, aged 55, joined the Manager as the Chief Financial Officer in January 2009, was appointed as an Executive Director in February 2009, and became the Chief Executive Officer in May 2010. Mr HONGCHOY is a member of the Nomination Committee and the Finance and Investment Committee of the Manager. He is also a director of The Link Holdings Limited, Link Properties Limited, The Link Finance Limited and all other subsidiaries of Link.

Mr HONGCHOY has extensive experience in investment banking, financial consulting and accounting in Asia and New Zealand with focus on real estate, financial services and consumer/retail sectors. He holds a Bachelor of Commerce degree from the University of Canterbury and a 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 Hong Kong Securities and Investment Institute, and a Fellow member of the Hong Kong Institute of Certified Public Accountants, the Chartered Accountants Australia and New Zealand, The Hong Kong Institute of Directors, the Royal Institution of Chartered Surveyors and Institute of Shopping Centre Management.

Mr HONGCHOY is Chairman of the Supervisory Committee of The Tracker Fund of Hong Kong (a Hong Kong unit trust authorised under section 104(1) of the SFO whose units are listed on the Main Board of the Stock Exchange), a member of the Corporate Governance Committee of Charoen Pokphand Group, Thailand, a member of the Asia Executive Board of The Wharton School and a Council Member of The Hong Kong Institute of Directors. He is a governor of Infrastructure and Urban Development Community, World Economic Forum and an advisor of Our Hong Kong Foundation Limited.

Mr HONGCHOY was named Business Person of the Year by DHL/SCMP Hong Kong Business Awards in 2015. He was also presented with Asian Corporate Director Award by Corporate Governance Asia in 2013-2016, Director of the Year Award under the category of Listed Companies – Executive Directors by The Hong Kong Institute of Directors and Outstanding Entrepreneurship Award by Enterprise Asia in 2011.

### Mr Andy CHEUNG Lee Ming

#### Executive Director & Chief Financial Officer

Mr CHEUNG, aged 50, joined the Manager as an Executive Director and the Chief Financial Officer in June 2010. He is a member of the Finance and Investment Committee of the Manager. He is also a director of The Link Holdings Limited, Link Properties Limited, The Link Finance Limited and all other subsidiaries of Link.

Mr CHEUNG has over 25 years of experience in the areas of business development, finance and audit. He holds a Bachelor degree in Business Administration from the Boston University and a Master of Business Administration degree from the McMaster University. He is a Certified Public Accountant of the State of Illinois in the United States and also the Vice Chairman of the Real Estate and Infrastructure Committee of The Hong Kong General Chamber of Commerce, and a member of the General Committee of The Chamber of Hong Kong Listed Companies.

Prior to joining the Manager, Mr CHEUNG was an executive director and the chief financial officer of Paul Y. Engineering Group Limited and was an executive director of Hopewell Holdings Limited, both of which are listed on the Main Board of the Stock Exchange.

### Mr Ian Keith GRIFFITHS

#### Non-Executive Director

Mr GRIFFITHS, aged 62, has been a Non-Executive Director of the Manager since September 2007. He is also a member of the Finance and Investment Committee of the Manager. Mr GRIFFITHS has practiced architecture for 39 years, with 34 years in Hong Kong. He is the Chairman of Aedas, which is one of the world's leading architecture and design practices with 15 offices and 1,450 staff internationally.

### Mr William CHAN Chak Cheung

#### Independent Non-Executive Director

Mr William CHAN, aged 69, has been an Independent Non-Executive Director of the Manager since October 2009. He is also the Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee and the Nomination Committee of the Manager. Mr William CHAN is a retired partner of PricewaterhouseCoopers with a career spanning 33 years in Canada, Hong Kong and Mainland China. He is an independent non-executive director of National Electronics Holdings Limited and was also an independent non-executive director of King Fook Holdings Limited; both of which are listed on the Main Board of the Stock Exchange. Mr William CHAN brings senior management skills and experience in solving complex business issues in many different industries including the real estate industry, and also brings experience in matters on corporate governance.

### Mr Ed CHAN Yiu Cheong

#### Independent Non-Executive Director

Mr Ed CHAN, aged 54, has been an Independent Non-Executive Director of the Manager since February 2016. He is also a member of the Finance and Investment Committee of the Manager. Mr Ed CHAN is an executive director and the Vice Chairman of C.P. Lotus Corporation (which is listed on the Main Board of the Stock Exchange). He is also a Vice Chairman of Charoen Pokphand Group Company Limited, a non-executive director of Treasury Wine Estates Limited (which is listed on the Australian Securities Exchange) and an independent non-executive director of Yum China Holdings, Inc. (which is listed on the New York Stock Exchange). Mr Ed CHAN was 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). He 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, USA and a Master degree from the Sloan School of Management, Massachusetts Institute of Technology, USA.

## Mr Blair Chilton PICKERELL

### Independent Non-Executive Director

Mr PICKERELL, aged 60, has been an Independent Non-Executive Director of the Manager since April 2016. He is also a member of the Remuneration Committee and the Nomination Committee of the Manager. Mr PICKERELL is an independent non-executive director and a member of the Finance Committee, Nominating and Governance Committee and Strategic Issues Committee of Principal Financial Group, Inc. (which is listed on the New York Stock Exchange) and 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 Stock Exchange). He is also a member of the Supervisory Committee of The Tracker Fund of Hong Kong (a Hong Kong unit trust authorised under section 104(1) of the SFO whose units are listed on the Main Board of the Stock Exchange) and the International Advisory Board, Securities and Exchange Board of India. 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 and is a Vice Patron of The Community Chest of Hong Kong and a director of Harvard Business School Association of Hong Kong. Mr 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. From 2007 to 2010, he served as Managing Director and Chief Executive Officer, Asia of Morgan Stanley Investment Management. Mr PICKERELL holds an MBA degree from Harvard Business School, U.S.A. and an MA degree (in East Asian Studies) and a BA degree (in Political Science) from Stanford University, U.S.A.

## Ms Poh Lee TAN

### Independent Non-Executive Director

Ms Poh Lee TAN, aged 58, has been an Independent Non-Executive Director of the Manager since November 2015. She is also a member of the Audit and Risk Management Committee of the 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 services. 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 Masters of Law degree from Queens' College, University of Cambridge.

## Ms May Siew Boi TAN

### Independent Non-Executive Director

Ms May TAN, aged 61, has been an Independent Non-Executive Director of the Manager since February 2013. She is also a member of the Audit and Risk Management Committee and the Nomination Committee of the Manager. Ms May TAN was an executive director of Standard Chartered Bank (Hong Kong) Limited and was also its chief executive officer from July 2014 to February 2017. She was previously the chief executive officer of Cazenove Asia Limited and a partner of Cazenove and Co. Cazenove Asia Limited (now known as Standard Chartered Securities (Hong Kong) Limited) became part of Standard Chartered Hong Kong in January 2009. In 2016, Ms May TAN was the Chairman of The Hong Kong Association of Banks, the ex-officio member of Hong Kong Trade Development Council and a member of the Currency Board Sub-Committee of The Exchange Fund Advisory Committee of Hong Kong Monetary Authority. She was a member of the Listing Committee of the Stock Exchange from 4 May 2012 to 9 July 2015 and a member of the Takeovers and Mergers Panel and the Takeovers Appeal Committee of the SFC from 1 April 2001 to 31 March 2013. She is also a Council Member and the Vice Chairman of Oxfam Hong Kong and an executive committee member of Hong Kong Youth Arts Foundation. Ms May TAN graduated from The University of Sheffield. She is a member of The Institute of Chartered Accountants in England and Wales and a member of the Hong Kong Institute of Certified Public Accountants.

## Mr Peter TSE Pak Wing

### Independent Non-Executive Director

Mr Peter TSE, aged 66, has been an Independent Non-Executive Director of the Manager since July 2014. He is also a member of the Audit and Risk Management Committee and the Remuneration Committee of the Manager. Mr Peter TSE was an executive director of CLP Holdings Limited (a company listed on the Main Board of the Stock Exchange) up till May 2012. He then 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 is an independent non-executive director of Hong Kong Aircraft Engineering Company Limited (a company listed on the Main Board of the Stock Exchange) and an independent non-executive director of HSBC Bank (China) Company Limited. 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 Institute of Chartered Accountants in England and Wales and a Fellow of the Hong Kong Institute of Certified Public Accountants.

## Ms Nancy TSE Sau Ling

### Independent Non-Executive Director

Ms Nancy TSE, aged 64, has been an Independent Non-Executive Director of the Manager since July 2014. She is also a member of the Audit and Risk Management Committee of the Manager. Ms Nancy TSE joined the Hospital Authority in 1991 and was the Chief Financial Officer and the Director (Finance and Information Technology Services) of the Hospital Authority before her retirement in August 2013. Ms Nancy TSE is a member of the audit committee of The University of Hong Kong and an Adjunct Professor at The Jockey Club School of Public Health and Primary Care of The Chinese University of Hong Kong. She also sits 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 Wheelock and Company Limited (a company listed on the Main Board of the Stock Exchange), DBS Bank (Hong Kong) Limited and HSBC Provident Fund Trustee (Hong Kong) Limited. She 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, the United States. Ms Nancy TSE 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.

## Mr David Charles WATT

### Independent Non-Executive Director

Mr WATT, aged 67, has been an Independent Non-Executive Director of the Manager since August 2009. He is also the Chairman of the Remuneration Committee and a member of the Finance and Investment Committee of the Manager. Mr WATT holds a Master of Arts in Modern History from the University of Oxford and completed the International Executive Programme at INSEAD, France in 1991. He is a Fellow of the Royal Institution of Chartered Surveyors. Mr WATT is Senior Advisor to InfraRed Capital Partners and Special Advisor to Macdonald & Company. He is also Senior Advisor to China Council for the Promotion of International Trade, Guangzhou Committee and China Chamber of International Commerce, Guangzhou Chamber of Commerce. Mr WATT was an International Director of DTZ with responsibility for business development and client services across the Asia-Pacific Region. He has over 44 years of international experience on a wide range of commercial development projects. He is a former member of the European Advisory Board of the International Council of Shopping Centres.

## Ms Elaine Carole YOUNG

### Independent Non-Executive Director

Ms YOUNG, aged 52, has been an Independent Non-Executive Director of the Manager since February 2013. She is also a member of the Finance and Investment Committee and the Remuneration Committee of the Manager. Ms YOUNG is an independent non-executive director of Ascott Residence Trust Management Limited, the manager of Ascott Residence Trust (which is listed on the Singapore Exchange Securities Trading Limited) and also sits on the audit committee. Ms YOUNG has extensive experience in both real estate and hospitality across Asia and is the co-founder of the boutique serviced apartment brand, Shama. After Shama was acquired by ONYX Hospitality Group in 2010, Ms YOUNG left in order to pursue other business opportunities within the serviced hospitality sector. Ms YOUNG is a Special Advisor to Warburg Pincus in Shanghai. She was awarded "Entrepreneur of the Year" at the prestigious RBS Coutts/Financial Times Women in Asia Awards in 2009. She was trained by Marks & Spencer PLC in retail and commercial management in the United Kingdom prior to living in Hong Kong.



## Management Team

### Mr George Kwok Lung HONGCHOY

**Executive Director and Chief Executive Officer**

### Mr Andy CHEUNG Lee Ming

**Executive Director and Chief Financial Officer**

## Senior Management

### Mr Hubert CHAK

**Director (Finance)**

Mr CHAK, aged 56, oversees the finance and capital markets functions of Link. He is one of the responsible officers of the Manager for the purpose of the SFO. Mr CHAK joined the Manager in June 2010. He holds a Master of Business Administration degree and a Bachelor of Science degree in Mechanical Engineering from University of Wales (now known as Cardiff University). Before joining the Manager, he was an executive director of CSI Properties Limited. Mr CHAK held various senior management positions at PCCW Limited between 1999 and 2007 and was an executive director of Pacific Century Premium Developments Limited until February 2007. He is currently an independent non-executive director of Tradelink Electronic Commerce Limited and a member of the Financial and Treasury Services Committee of The Hong Kong General Chamber of Commerce.

### Mr Ricky CHAN Ming Tak

**Director (Legal) & Company Secretary**

Mr Ricky CHAN, aged 58, oversees the legal and company secretarial affairs and regulatory compliance of Link. Mr Ricky CHAN joined the Manager in August 2010 and has over 33 years of experience in the legal profession with real estate, corporate finance, listing matters and cross-border transactions. He is a director of two subsidiaries of Link. Before joining the Manager, Mr Ricky CHAN was the Group General Counsel of Littauer Technologies Co., Ltd. (Kosdaq-listed), the Head Legal Counsel and Company Secretary of K. Wah International Holdings Limited and the General Counsel of Pacific Century Premium Developments Limited. Mr Ricky CHAN holds a Bachelor of Laws from The University of Hong Kong, a Master of Laws from University of London and is a qualified solicitor in Hong Kong. He is a member of the in-house lawyers committee of The Law Society of Hong Kong and a member of the listing-related issues concern group of The Chamber of Hong Kong Listed Companies.

### Ms Christine CHAN Suk Han

**Director (Investment)**

Ms Christine CHAN, aged 42, oversees asset investment of Link, including acquisition, new market development, and the related market study and research functions. She is one of the responsible officers of the Manager for the purpose of the SFO. Ms Christine CHAN has over 19 years of experience in the real estate and fund management industry. Before joining the Manager in May 2013, Ms Christine CHAN was the Director – Investment & Acquisition at Harvest Capital Partners Limited, a subsidiary of China Resources Group. Ms Christine CHAN also held managerial positions in ARA Asset Management (Prosperity) Limited and Hutchison Whampoa Properties Limited in earlier years. Ms Christine CHAN has extensive experience in direct asset investment, debt and equity investment and financing, asset management, REIT and private equity fund set up and management in the Greater China Region. Ms Christine CHAN holds a Bachelor of Science degree in Surveying from The University of Hong Kong and a Master of Science degree in Global Finance jointly conferred by the New York University Stern School of Business and the HKUST Business School. She is a qualified General Practice Surveyor and a member of The Hong Kong Institute of Surveyors and the Royal Institution of Chartered Surveyors.

### Mr Brian CHUANG Sze Bai

**Head of Project & Development**

Mr CHUANG, aged 52, is one of the co-heads of the project and development function who oversees jointly with another co-head the asset enhancement initiatives and asset development opportunities and explores business development potential of Link. Mr CHUANG joined the Manager in September 2010. He has over 27 years of experience in major architectural projects in the United States, Hong Kong, the PRC and Macau. Prior to joining the Manager, he was a Senior Project Manager of Sun Hung Kai Properties Limited. He also worked for Aedas Limited, Wong & Ouyang (HK) Limited and Dennis Lau & Ng Chun Man Architects & Engineers (H.K.) Limited. Mr CHUANG holds a Bachelor of Architecture from the University of Oregon. He is a Registered Architect in Hong Kong and also a member of The Hong Kong Institute of Architects.

### Mr Gary FOK Yip Sang

#### Director (Asset Management – China)

Mr FOK, aged 50, oversees the management of Link's properties in China, including leasing, property management and asset upgrade. He joined the Manager in July 2014 and has over 22 years of solid and all-rounded experience in asset management of commercial properties in China and Hong Kong. He is a director of three subsidiaries of Link. Before joining the Manager, Mr FOK was the Head of Asset Management of InfraRed NF Investment Advisers Limited. He had also held various leadership roles in major asset development and management companies in China and Hong Kong such as Hutchison Whampoa Properties Limited, New World Group, Jones Lang LaSalle Limited and Henderson Land Development Company Limited. Mr FOK holds a Bachelor of Science in Surveying from The University of Hong Kong and he is a Registered Professional Surveyor, a member of The Hong Kong Institute of Surveyors, the Royal Institution of Chartered Surveyors and the Hong Kong Institute of Real Estate Administrators.

### Ms Aubrey HO Lau Fung

#### Director (Corporate Affairs & Marketing)

Ms HO, aged 52, oversees corporate communications, branding, marketing, customer experience management, and engagement with our key stakeholders including the media, Government and the community at large. She joined Link in February 2017 with over 20 years of experience advising top executives across Asia on all aspects of strategic communications and brand management. She was previously Head of Corporate Communications at the Hong Kong Mercantile Exchange directing global communications and brand marketing; Group Head of Marketing, Asia at ABN AMRO; and Group Head of Communications and Marketing, Asia for all business franchises at UBS AG spanning investment banking, private banking, asset management and private equity. Before moving in-house, she was Managing Director of global consultancy Gavin Anderson & Company. Ms HO began her career in journalism in the U.S. and has since worked in Australia, Singapore, Pakistan, Taiwan, China and Hong Kong. She holds an MBA from The University of New South Wales and a Bachelor's degree in Journalism from the University of Georgia.

### Ms Peionie KONG Po Yan

#### Director (Asset Management – Hong Kong)

Ms KONG, aged 47, oversees the asset management and leasing of Link's Hong Kong asset portfolio. Ms KONG joined the Manager in March 2005 and is a director of two subsidiaries of Link. She has 24 years of experience in the real estate industry. She has extensive experience in retail and commercial leasing as well as implementation of large scale renovation projects and trade-mix repositioning exercises. Prior to joining the Manager, she had held managerial positions in renowned property developers including Sun Hung Kai Properties Limited, New World Development Company Limited and Henderson Land Development Company Limited. Ms KONG holds a Bachelor of Arts degree in Geography from The University of Hong Kong.

### Ms Phyllis NG Yuen Fan

#### Director (Human Resources)

Ms NG, aged 53, oversees the human resources, learning and development and general administration functions of Link. She joined the Manager in March 2016 and is a director of two subsidiaries of Link. She is a seasoned professional having held various senior human resources management positions in internationally recognised financial institutions, including 17 years at UBS AG. Her past duties included a full spectrum of human resources functions covering Hong Kong, the PRC and the Asia Pacific region. With this extensive work experience, she established her own consulting business in 2013, engaging in cross-industry human resources projects. Ms NG holds a Bachelor of Arts degree from The University of Hong Kong and an Executive MBA degree from the Guanghua School of Management of the Peking University.

### Mr Max WONG Hon Keung

#### Head of Project & Development

Mr WONG, aged 52, is one of the co-heads of the project and development function who oversees jointly with another co-head the asset enhancement initiatives and asset development opportunities and explores business development potential of Link. Mr WONG joined the Manager in May 2013. He has over 20 years of experience in major residential and commercial projects in Hong Kong and Macau. Prior to joining the Manager, he was the Assistant General Manager (Head of Project for Hong Kong Operations) at HKR International Limited. He also held various senior positions at Aedas Limited, Wong Tung & Partners Limited, and Kwan and Associates Limited. Mr WONG holds a Bachelor of Architecture and a Bachelor of Arts in Architectural Studies from The University of Hong Kong. He is a Registered Architect and an Authorized Person in Hong Kong and also a member of The Hong Kong Institute of Architects.

### Mr Gordon WU Chi Ping

#### Director (Property Management & Operations)

Mr WU, aged 49, oversees the property, facility and car park management and operations of the asset portfolio of Link. He joined the Manager in September 2011. Mr WU has over 28 years of experience in property management in both Hong Kong and the PRC, running a group of management companies and training academies. Prior to joining the Manager, he was an associate director of the Sino Group and managed more than 180 properties with a workforce over 2,000 staff. Mr WU holds a Master of Science in Real Estate from The University of Hong Kong.

### Mr Eric YAU Siu Kei

#### Head of Investor Relations & Corporate Finance

Mr YAU, aged 43, oversees the investor relations, corporate finance and sustainability functions of the Manager. He is one of the responsible officers of the Manager for the purpose of the SFO. Mr YAU joined the Manager in November 2010 and was initially with the Investment team responsible for identifying and developing merger and acquisition initiatives for Link, as well as assisting in formulating the corporate sustainability strategy. Prior to joining Link, Mr YAU worked as an investment banker and corporate manager in DBS Asia Capital Limited, CLP Holdings Limited, UBS Investment Bank and Jardine Fleming. He holds a Master degree in Business Administration from Harvard Business School, a Master of Arts degree from Harvard University, and a Bachelor of Arts degree from Brown University.

### Mr LO Bing Chung

*Mr LO Bing Chung retired as Director (Corporate Communications & External Relations) on 31 March 2017. The biography of Mr LO Bing Chung was set out on page 37 under the "Biographical Details of Directors and Management Team" section in the "Governance, Disclosures and Financial Statements" report of annual report 2015/2016.*

## Disclosure of Interests

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

According to the disclosure of interests to the Stock Exchange and the Manager pursuant to the provisions of Part XV of the SFO and the register kept by the Manager, the following persons held an interest of 5% or more in the units and underlying units of Link as at 31 March 2017:

Name	Capacity	Number of units/ underlying units in long position (L)/ short position (S)	Approximate percentage of total units in issue <sup>(4)</sup> %
Stichting Pensioenfonds ABP	Investment manager	(L) 113,471,409 <sup>(1)</sup>	5.12
APG Groep N.V.	Investment manager	(L) 113,471,409 <sup>(1)</sup>	5.12
APG Asset Management N.V.	Investment manager	(L) 113,471,409 <sup>(1)</sup>	5.12
The Capital Group Companies, Inc.	Interests of controlled corporations	(L) 156,344,116 <sup>(2)</sup>	7.06
Capital Research and Management Company	Direct interests and interests of controlled corporations	(L) 138,230,548 <sup>(2)</sup>	6.24
BlackRock, Inc.	Interests of controlled corporations <sup>(3)</sup>	(L) 159,247,051 <sup>(3)</sup> (S) 206,000 <sup>(3)</sup>	7.19 0.00
State Street Corporation	Interests of controlled corporations	(L) 124,191,103	5.61

Notes:

- (1) APG Asset Management N.V. is a wholly-owned subsidiary of APG Groep N.V. which itself is a non-wholly owned subsidiary of Stichting Pensioenfonds ABP. Therefore, APG Asset Management N.V., APG Groep N.V. and Stichting Pensioenfonds ABP were interested or deemed to be interested in the same batch of 113,471,409 units as shown in the above table and these interests in units were overlapped.
- (2) The Capital Group Companies, Inc. is the controlling corporation of Capital Research and Management Company and therefore it was deemed to be interested in the same block of 138,230,548 units in which Capital Research and Management Company was interested. In addition, The Capital Group Companies, Inc. was deemed to be interested in 18,113,568 units through four other controlled corporations, namely, Capital Guardian Trust Company (11,652,672 units), Capital International, Inc. (4,894,302 units), Capital International Limited (498,042 units) and Capital International Sarl (1,068,552 units).
- (3) The long position interests of BlackRock, Inc. in 159,247,051 units and short position interests in 206,000 units were held through various controlled corporations of varying amounts. Two of those controlled corporations had an interest over 5%, being BlackRock Holdco 2, Inc. (which had long position interests in 156,220,386 units and short position interests in 102,000 units) and BlackRock Financial Management, Inc. (which had long position interests in 154,066,786 units and short position interests in 102,000 units). Since both companies are wholly-owned by BlackRock, Inc., their aforesaid interests overlapped with part of the interests of BlackRock, Inc. as shown in the table above. The interests held by BlackRock, Inc. as shown in the above table included certain long position interests (16,500 underlying units) and short position interests (137,500 underlying units) in cash settled unlisted derivatives.
- (4) The approximate percentages were calculated based on 2,213,002,276 units in issue as at 31 March 2017 (rounded down to two decimal places).

Save as disclosed above, based on the disclosure of interests to the Stock Exchange and the Manager pursuant to the provisions of Part XV of the SFO and the register kept by the Manager, there were no other persons having an interest of 5% or more in the units and underlying units of Link as at 31 March 2017.

## Interests of Directors in Units

According to the disclosure of interests to the Stock Exchange and the Manager pursuant to the provisions of Part XV of the SFO and the register kept by the Manager, the interests of the Directors in units and underlying units of Link as at 31 March 2017 were as follows:

Name	Number of units				Interest in underlying units <sup>(2)</sup>	Total interest held at 31 Mar 2017	Approximate percentage of total units in issue <sup>(3)</sup> %	Total interest held at 30 Sep 2016
	Personal interest <sup>(1)</sup>	Family interest	Corporate interest	Other interest				
<b>Current Directors</b>								
<b>Chairman (also an Independent Non-Executive Director)</b>								
Nicholas Charles ALLEN	50,000 <sup>(1)</sup>	–	–	–	27,500	77,500	0.0035	20,000
<b>Executive Directors</b>								
George Kwok Lung HONGCHOY	2,043,462	–	–	–	1,000,000	3,043,462	0.1375	2,551,462
Andy CHEUNG Lee Ming	527,928	–	–	–	261,500	789,428	0.0357	680,428
<b>Non-Executive Director</b>								
Ian Keith GRIFFITHS	47,470	–	–	–	21,250	68,720	0.0031	60,720
<b>Independent Non-Executive Directors</b>								
William CHAN Chak Cheung	134,960	–	–	–	29,750	164,710	0.0074	153,210
Ed CHAN Yiu Cheong	–	–	–	–	8,000	8,000	0.0004	–
Blair Chilton PICKERELL	–	–	–	–	8,500	8,500	0.0004	–
Poh Lee TAN	–	–	–	–	9,000	9,000	0.0004	–
May Siew Boi TAN	18,250	–	–	–	26,250	44,500	0.0020	34,500
Peter TSE Pak Wing	–	–	–	–	20,500	20,500	0.0009	10,500
Nancy TSE Sau Ling	–	–	–	–	17,000	17,000	0.0008	8,000
David Charles WATT	83,615	–	–	–	24,750	108,365	0.0049	98,865
Elaine Carole YOUNG	19,250	–	–	–	22,750	42,000	0.0019	33,000
<b>Former Independent Non-Executive Director</b>								
Richard WONG Yue Chim <sup>(4)</sup>	280,833	–	–	–	17,000	297,833	0.0135	297,833

### Notes:

- (1) Directors' personal interests in units as stated above were long position interests. There was no short position interest held by any Director. The interest of Mr Nicholas Charles ALLEN was held in an account in joint name with his spouse.
- (2) Directors' interests in underlying units as stated above were long position interests and represent the maximum number of units which may be issued to the Directors (and the former Independent Non-Executive Director) on vesting of the restricted unit awards granted to them under the 2007 LTI Plan. Please also see note 4 below.
- (3) The approximate percentages were calculated based on 2,213,002,276 units in issue as at 31 March 2017.
- (4) Professor Richard WONG Yue Chim retired on 27 July 2016 upon the conclusion of the 2016 AGM. His personal interest in units as shown above represents only his position on the date of his retirement and his interest in underlying units represents unvested restricted unit awards held by him. Please see note 7 on page 53 of this report for details of his entitlement to the unvested restricted unit awards upon retirement.

Save as disclosed above and so far as the Manager is aware, none of the Directors or any of their respective associates held any interests in units (or, as the case may be, shares) or underlying units (or, as the case may be, underlying shares) or debentures of Link and/or its subsidiaries which were required to be disclosed pursuant to the provisions of Part XV of the SFO as at 31 March 2017.

## Interests of Connected Persons in Units

After making reasonable enquiry and according to the information available to the Manager, as at 31 March 2017, the following persons (other than any significant Unitholder and the Directors<sup>(3)</sup> and any of their respective associates), being connected persons (as defined in Chapter 8 of the REIT Code) to Link, held the following interests in the units of Link:

Name	Number of units held at 31 Mar 2017	Approximate percentage of total units in issue <sup>(2)</sup> %	Number of units held at 30 Sep 2016
The Hongkong and Shanghai Banking Corporation Limited ("HSBC") and its subsidiaries <sup>(1)</sup>	10,294,635	0.47	4,738,348

Notes:

- (1) The Trustee is an indirect subsidiary of HSBC and hence HSBC and its subsidiaries are connected persons to Link. Save as disclosed in the table above, a fellow subsidiary of HSBC was also interested in 4,349,921 units as at 31 March 2017.
- (2) The approximate percentage was calculated based on 2,213,002,276 units in issue as at 31 March 2017.
- (3) As at 31 March 2017, Link did not have any significant Unitholder. The interests in units held by the Directors as at 31 March 2017 are disclosed in the "Interests of Directors in Units" section above. In addition, as at 31 March 2017, Mr Ricky CHAN Ming Tak (the company secretary of the Manager and a director of two subsidiaries of Link), Ms Peonie KONG Po Yan (who is a director of two subsidiaries of Link), and Mr Gary FOK Yip Sang (who is a director of two subsidiaries of Link) together with their respective associates (as defined in the REIT Code) were interested in, respectively, 312,031 units, 149,518 units and 19,227 units.

# Long-term Incentive Plan

The 2007 LTI Plan was adopted on 23 July 2007 by Unitholders, pursuant to which equity incentive in the form of a restricted unit award giving a conditional right to receive units (the “**Restricted Unit Award**”) and a cash incentive in the form of a conditional cash award (the “**Conditional Cash Award**”) may be granted to the Directors and other eligible staff of the Manager. Unit option giving an option to subscribe for units (the “**Unit Option**”) may also be granted under the 2007 LTI Plan. Restricted Unit Award, Conditional Cash Award and Unit Option are referred to each as an “**Award**” and collectively as “**Awards**”.

Up to the date of this report, a total number of 12,237,424 new units had been issued under the 2007 LTI Plan in satisfaction of Awards granted thereunder.

## 2007 LTI Plan

The 2007 LTI Plan is managed and administered by the Remuneration Committee in accordance with the rules of the 2007 LTI Plan. A summary of the rules is set out below.

### Purposes

The principal purposes of the 2007 LTI Plan are:

- (i) to align the interests of the participants of the 2007 LTI Plan with the achievement of the strategic long term goals of the Manager for Link and with the interests of the Unitholders as a whole;
- (ii) to enhance the ability to attract and retain talented management and key employees of the Manager whose contributions are essential to the long term growth and prosperity of Link and the creation of value for Unitholders; and
- (iii) to provide Link with the ability to incentivise and/or reward the management and key employees of the Manager so as to motivate them to achieve superior performance.

### Participants

Persons eligible to participate in the 2007 LTI Plan include (i) Directors; and (ii) key employees of the Manager who, in the sole opinion of the Remuneration Committee, have contributed or have the potential to contribute to the success of Link.

### Grant of Award

Grant of Award shall be approved by the Remuneration Committee, except for the grant of an Award to a Director, the chief executive officer of the Manager or a significant holder of Link, or any of their respective associates (other than a person who is an associate only by virtue of such person’s employment by the Manager) which shall be approved by the Board (including the Independent Non-Executive Directors). No Director shall be involved in the decision of granting an Award to himself/herself.

### Total Number of Units Available for Issue

The total number of units which may be issued pursuant to all the Awards granted under the 2007 LTI Plan shall not in aggregate exceed 213,745,400 units (being 10% of the then units in issue as at the date of the adoption of the 2007 LTI Plan). As at the date of this report, 197,414,776 units are available for further grant of Awards under the 2007 LTI Plan, representing approximately 8.92% of the units in issue.

### Maximum Entitlement of Each Participant

Unless approved by the Unitholders by way of an ordinary resolution, no participant shall be granted an Award which, if accepted and vested (for a Restricted Unit Award) and/or exercised (for a Unit Option) in full, would result in such participant becoming entitled to receive such number of units that, when aggregated with the total units already issued or to be issued to him/her pursuant to all the Awards granted or to be granted (including Awards vested and/or exercised, cancelled and outstanding) to him/her within a 12-month period immediately preceding the date of such proposed grant, would exceed 1% of the total units in issue as at the proposed date of grant of such Award.

If an Award is proposed to be granted to an Independent Non-Executive Director or a significant holder of Link or any of their respective associates which would result in the units issued and to be issued pursuant to all the Awards granted or to be granted (including Awards vested and/or exercised, cancelled and outstanding) to him/her within a 12-month period up to and including the date of such proposed grant, (i) representing in aggregate over 0.1% of the total units in issue; and (ii) having an aggregate value, based on the closing price of the units as at the date of such proposed grant, in excess of HK\$5 million, such further grant of Award shall be approved by the Unitholders by way of an ordinary resolution and the relevant participant and his/her associate(s) shall abstain from voting on the relevant ordinary resolution. In addition, grant of Awards to an Independent Non-Executive Director shall not, among others, exceed 1% of the total units in issue.

### **Vesting Period/Option Period**

The vesting period of a Restricted Unit Award is generally one year to three years or such other period as determined by the Remuneration Committee. The option period for a Unit Option is such period (which is no longer than 10 years) as determined by the Remuneration Committee.

### **Exercise Price of Unit Option**

The exercise price of a Unit Option shall not be less than the higher of: (i) the closing price of the units as quoted on the Stock Exchange on the date of grant; and (ii) the average of the closing prices of the units as quoted on the Stock Exchange for the five trading days immediately preceding the date of grant.

### **Performance Targets**

The performance targets and/or other vesting conditions (if any) for a Restricted Unit Award shall be determined by the Remuneration Committee which, in its absolute discretion, will determine whether, and to what extent, such performance targets and/or vesting conditions (if any) have been satisfied (or, if applicable, waived) upon vesting.

### **Conditional Cash Award**

A Conditional Cash Award shall only be granted, in the absolute discretion of the Remuneration Committee, in conjunction with a Restricted Unit Award and shall vest under the same performance targets and/or vesting conditions (if any) and vesting period applicable to the relevant Restricted Unit Award. A Conditional Cash Award gives the grantee a conditional right to receive a cash payment equal to the aggregate distributions per unit paid to the Unitholders during the vesting period multiplied by the actual number of units finally vested with such grantee.

### **Acceptance of Award and Consideration Payable**

An offer for grant of an Award shall be accepted within 14 days from the date of grant (or such other period as specified by the Remuneration Committee). Consideration payable on acceptance of an Award (if any) shall be determined by the Remuneration Committee in its absolute discretion.

### **Duration**

Save for early termination, the 2007 LTI Plan shall remain valid for 10 years from 23 July 2007 (its date of adoption) up to (and including) 22 July 2017. Upon expiry, no further Award can be granted under the 2007 LTI Plan but the provisions of the 2007 LTI Plan shall continue to have effect in relation to Awards granted under it but yet to vest before expiry.

### **Unit Options**

No Unit Option has ever been granted since the adoption of the 2007 LTI Plan.



## Restricted Unit Awards

The movements in Restricted Unit Awards, which were granted in conjunction with Conditional Cash Awards<sup>(5)</sup>, under the 2007 LTI Plan during the year ended 31 March 2017 and the balances as at the beginning and end of the year were as follows:

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2016 <sup>(1)</sup>	Granted during the year <sup>(1) (2)</sup>	Vested during the year <sup>(3)</sup>	Cancelled during the year	Lapsed during the year <sup>(4)</sup>	Outstanding at 31 Mar 2017 <sup>(1)</sup>
<b>Current Directors</b>								
Nicholas Charles ALLEN (Independent Non-Executive Director)	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	–	13,750	–	–	–	13,750
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	–	13,750	–	–	–	13,750
George Kwok Lung HONGCHOY (Executive Director)	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	187,500	–	(178,875)	–	(8,625)	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	181,000	–	(178,466)	–	(2,534)	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	181,000	–	–	–	–	181,000
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	178,500	–	–	–	–	178,500
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	178,500	–	–	–	–	178,500
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	–	231,000	–	–	–	231,000
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	–	231,000	–	–	–	231,000
Andy CHEUNG Lee Ming (Executive Director)	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	52,500	–	(50,085)	–	(2,415)	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	49,500	–	(48,807)	–	(693)	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	49,500	–	–	–	–	49,500
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	51,500	–	–	–	–	51,500
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	51,500	–	–	–	–	51,500
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	–	54,500	–	–	–	54,500
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	–	54,500	–	–	–	54,500
Ian Keith GRIFFITHS (Non-Executive Director)	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	5,000	–	(5,000)	–	–	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	4,750	–	(4,750)	–	–	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	4,750	–	–	–	–	4,750
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	4,250	–	–	–	–	4,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	4,250	–	–	–	–	4,250
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	–	4,000	–	–	–	4,000
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	–	4,000	–	–	–	4,000
William CHAN Chak Cheung (Independent Non-Executive Director)	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	6,750	–	(6,750)	–	–	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	6,250	–	(6,250)	–	–	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	6,250	–	–	–	–	6,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	6,000	–	–	–	–	6,000
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	6,000	–	–	–	–	6,000
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	–	5,750	–	–	–	5,750
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	–	5,750	–	–	–	5,750
Ed CHAN Yiu Cheong (Independent Non-Executive Director)	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	–	4,000	–	–	–	4,000
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	–	4,000	–	–	–	4,000
Blair Chilton PICKERELL (Independent Non-Executive Director)	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	–	4,250	–	–	–	4,250
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	–	4,250	–	–	–	4,250

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2016 <sup>(1)</sup>	Granted during the year <sup>(1)(2)</sup>	Vested during the year <sup>(3)</sup>	Cancelled during the year	Lapsed during the year <sup>(4)</sup>	Outstanding at 31 Mar 2017 <sup>(1)</sup>
Poh Lee TAN (Independent Non-Executive Director)	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	–	4,500	–	–	–	4,500
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	–	4,500	–	–	–	4,500
May Siew Boi TAN (Independent Non-Executive Director)	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	6,250	–	(6,250)	–	–	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	5,750	–	(5,750)	–	–	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	5,750	–	–	–	–	5,750
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	5,250	–	–	–	–	5,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	5,250	–	–	–	–	5,250
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	–	5,000	–	–	–	5,000
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	–	5,000	–	–	–	5,000
Peter TSE Pak Wing (Independent Non-Executive Director)	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	5,250	–	–	–	–	5,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	5,250	–	–	–	–	5,250
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	–	5,000	–	–	–	5,000
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	–	5,000	–	–	–	5,000
Nancy TSE Sau Ling (Independent Non-Executive Director)	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	4,000	–	–	–	–	4,000
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	4,000	–	–	–	–	4,000
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	–	4,500	–	–	–	4,500
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	–	4,500	–	–	–	4,500
David Charles WATT (Independent Non-Executive Director)	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	5,750	–	(5,750)	–	–	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	5,250	–	(5,250)	–	–	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	5,250	–	–	–	–	5,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	5,000	–	–	–	–	5,000
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	5,000	–	–	–	–	5,000
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	–	4,750	–	–	–	4,750
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	–	4,750	–	–	–	4,750
Elaine Carole YOUNG (Independent Non-Executive Director)	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	5,750	–	(5,750)	–	–	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	5,250	–	(5,250)	–	–	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	5,250	–	–	–	–	5,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	4,250	–	–	–	–	4,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	4,250	–	–	–	–	4,250
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	–	4,500	–	–	–	4,500
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	–	4,500	–	–	–	4,500
<b>Former Director</b>								
Richard WONG Yue Chim (Former Independent Non-Executive Director)	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	6,750	–	(6,750)	–	–	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	6,500	–	(6,500)	–	–	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	6,500	–	–	–	–	6,500 <sup>(6)(7)</sup>
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	5,250	–	–	–	–	5,250 <sup>(6)(7)</sup>
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	5,250	–	–	–	–	5,250 <sup>(6)(7)</sup>

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2016 <sup>(1)</sup>	Granted during the year <sup>(1)(2)</sup>	Vested during the year <sup>(3)</sup>	Cancelled during the year	Lapsed during the year <sup>(4)</sup>	Outstanding at 31 Mar 2017 <sup>(1)</sup>
<b>Other participants</b>								
In aggregate	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	562,790 <sup>(6)(8)</sup>	–	(527,176) <sup>(8)</sup>	–	(35,614) <sup>(8)</sup>	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	556,418 <sup>(6)(8)</sup>	–	(546,731) <sup>(8)</sup>	–	(9,687) <sup>(8)</sup>	–
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	553,320 <sup>(6)(8)</sup>	–	–	–	(22,690)	530,630 <sup>(6)(8)</sup>
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	553,500	–	–	–	(44,820)	508,680
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	553,500	–	–	–	(53,812)	499,688
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	–	502,000	–	–	(20,928)	481,072
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	–	502,000	–	–	(24,120)	477,880
<b>Total</b>			<b>4,122,778</b>	<b>1,695,000</b>	<b>(1,600,140)</b>	<b>–</b>	<b>(225,938)</b>	<b>3,991,700</b>

## Notes:

- (1) These figures represent the maximum number of units that may be issued on vesting of the Restricted Unit Awards. The actual number of units that will finally be issued to each grantee on vesting may range from zero to such maximum number depending on whether, and to what extent, the relevant vesting conditions (if any) are met.
- (2) The closing price of the units on the business day immediately preceding the date of grant of the Restricted Unit Awards in the year was HK\$53.10 per unit. On the assumption that the Restricted Unit Awards granted in the year were finally vested for the maximum number of units, the estimated fair value of such Restricted Unit Awards would amount to approximately HK\$85.7 million as at 31 March 2017 based on the valuation of an independent valuer.
- (3) The closing price of the units on the business day immediately preceding the date on which the Restricted Unit Awards were vested in the year was HK\$53.95 per unit.
- (4) These figures represent the maximum number of units in respect of which the Restricted Unit Awards lapsed in the year. The Conditional Cash Awards granted in conjunction with such Restricted Unit Awards lapsed simultaneously.
- (5) The Restricted Unit Awards in the above table were all granted in conjunction with Conditional Cash Awards. An aggregate amount of approximately HK\$7.5 million was paid for the Conditional Cash Awards vested along with the relevant Restricted Unit Awards in the year. Based on the maximum number of units to be issued in respect of the Restricted Unit Awards granted but not yet vested in the year, the aggregate weighted average value carried by each of the Conditional Cash Awards as at the end of the year was HK\$2.6912 per unit.
- (6) According to the prevailing policy, outstanding Restricted Unit Awards held by a retired Director will vest on a basis pro rata to his/her actual number of days in office before his/her retirement.
- (7) On a pro rata basis (see note 6 above), the maximum number of units that may be issued on vesting of the outstanding Restricted Unit Awards held by Professor Richard WONG Yue Chim (who retired on 27 July 2016 upon the conclusion of the 2016 AGM) would be, respectively, 4,465 units, 2,743 units and 1,810 units (instead of 6,500 units, 5,250 units and 5,250 units as stated in the above table). The remaining portion will lapse on the relevant vesting dates.
- (8) Included in these figures were outstanding Restricted Unit Awards held by four former Independent Non-Executive Directors, including (i) Restricted Unit Awards in respect of a maximum of 51,750 units held by Mr Nicholas Robert SALLNOW-SMITH at the beginning of the year, of which 31,353 units were vested and issued, 3,647 units had lapsed, and a maximum of 16,750 units remained outstanding as at the end of the year and will vest on a pro rata basis as mentioned in note 6 above; (ii) Restricted Unit Awards in respect of a maximum of 6,750 units held by Mr Anthony CHOW Wing Kin at the beginning of the year, of which 4,250 units were vested and issued and all the remaining balance lapsed in the year; (iii) Restricted Unit Awards in respect of a maximum of 5,250 units held by Dr Patrick FUNG Yuk Bun at the beginning of the year, of which 1,897 units were vested and issued and all the remaining balance had lapsed in the year; and (iv) Restricted Unit Awards in respect of a maximum of 6,250 units held by Mr Stanley KO Kam Chuen at the beginning of the year, of which 2,213 units were vested and issued and all the remaining balance had lapsed in the year. Please refer to page 45 and page 44, respectively, of the "Governance, Disclosures and Financial Statements" reports of annual report 2014/2015 and annual report 2015/2016 for further details.

The Restricted Unit Awards and Conditional Cash Awards granted under the 2007 LTI Plan are to be expensed through Link's consolidated income statement over the relevant vesting period. Further details of the 2007 LTI Plan are set out in Note 20 to the consolidated financial statements.

# Connected Party Transactions

## Waivers from Strict Compliance

On the listing of Link and subsequently on 8 June 2007, 26 October 2007, 19 March 2013, 6 March 2015 and 5 October 2015, waivers from strict compliance with the disclosure and unitholders' approval requirements under Chapter 8 of the REIT Code for certain connected party transactions of Link were granted by the SFC (the "Waivers").

During the year ended 31 March 2017, Link complied with the stipulated terms and conditions of the Waivers for the relevant connected party transactions including, inter alia, (i) conducting the transactions at arm's length on normal commercial terms in the usual and ordinary course of business and in the interests of the Unitholders; (ii) wherever applicable, within specific caps on transaction amounts or fees paid; and (iii) having the relevant transactions reviewed by the auditor and the Audit and Risk Management Committee and approved by the Board.

## Connected Persons and Connected Party Transactions

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

Name of connected person	Relationship with Link	Nature of the transactions	Income derived HK\$'M	Expenses incurred HK\$'M
<b>Current:</b>				
Link Asset Management Limited	Manager	Management fee <sup>(1)</sup>	N/A	(679.2)
HSBC Institutional Trust Services (Asia) Limited	Trustee	Trustee's fee <sup>(2)</sup>	N/A	(15.2)
Jones Lang LaSalle Limited ("JLL")	Principal Valuer	Valuation fees	N/A	(2.6)
		Consultancy services <sup>(3)</sup>	N/A	(0.4)
HSBC and its subsidiaries (excluding the Trustee and its proprietary subsidiaries) ("HSBC Group")	Associates of Trustee	Tenancy/licence <sup>(4)</sup>	33.8 <sup>(5)</sup>	N/A
		Interest income	1.6	N/A
		Interest expenses and financing changes	N/A	(62.5) <sup>(6)</sup>
Aedas Limited	Associate of Mr Ian Keith GRIFFITHS	Arrangement fees and bank charges	N/A	(11.8)
		Architectural and renovation consultancy services	N/A	(17.2)
The Chamber of Hong Kong Listed Companies	Associate of Mr Andy CHEUNG Lee Ming	Sponsorship and membership fees	N/A	(0.1)
The Hong Kong Institute of Directors Limited	Associate of Mr George Kwok Lung HONGCHOY	Membership fee	N/A	– <sup>(7)</sup>
<b>Former:</b>				
CBRE Limited ("CBRE") <sup>(8)</sup>	Former Principal Valuer	Valuation fees	N/A	(1.5)
		Consultancy fees	N/A	(7.7)
Industrial and Commercial Bank of China (Asia) Limited ("ICBC (Asia)") <sup>(9)</sup>	Associate of former INED Professor Richard WONG Yue Chim	Tenancy/licence <sup>(4)</sup>	3.6 <sup>(5)</sup>	N/A
		Interest expenses and financing changes	N/A	(0.6)
		Arrangement fees and bank charges	N/A	(0.1)
Standard Chartered Bank (Hong Kong) Limited ("SCBHK") <sup>(10)</sup>	Former associate of Ms May Siew Boi TAN	Tenancy/licence <sup>(4)</sup>	10.9 <sup>(5)</sup>	N/A
		Interest income	0.6	N/A
		Arrangement fees and bank charges	N/A	– <sup>(10)</sup>

Notes:

- (1) The Manager recovers its expenses from Link on a cost recovery basis.
- (2) Trustee's fee was calculated at the rate of, respectively, 0.008% per annum and 0.03% per annum of the property values of Link's properties in and outside Hong Kong as determined in the latest annual valuation report prepared by the Principal Valuer, subject to a minimum of HK\$150,000 per month.
- (3) In addition to the information disclosed above, connected party transactions concluded with JLL group in the year under review included market research services provided by JLL (of total contract sum payable at HK\$120,000) and lease agency services provided by its subsidiary, Jones Lang LaSalle Surveyors (Shanghai) Co., Ltd. (at total fees payable of approximately RMB77,000).
- (4) For shops, ATMs and showcases at various locations within Link's properties.
- (5) Excluding deposits received.
- (6) Including transaction fees paid by the Manager for buy-back of Link's units in the year under review.
- (7) Membership fee of approximately HK\$3,000 was paid to The Hong Kong Institute of Directors Limited in the year under review.
- (8) CBRE retired as the Principal Valuer of Link on 16 November 2016. The fees in the above table were calculated up to 16 November 2016. Valuation fees paid to CBRE for the year under review included approximately HK\$0.8 million relating to valuation services in respect of acquisition/disposal transactions.
- (9) ICBC (Asia) ceased to be a connected person effective from 28 July 2016 after the retirement of Professor Richard WONG Yue Chim as an independent non-executive Director. Bank charge of approximately HK\$1,000 was paid to ICBC (Asia) from 1 April 2016 up to 27 July 2016.
- (10) SCBHK ceased to be a connected person effective from 1 March 2017 after Ms May Siew Boi TAN retired from SCBHK. All transaction values with SCBHK in the above table were calculated up to 28 February 2017. Bank charge of HK\$15,000 was paid to SCBHK from 1 April 2016 up to 28 February 2017.

## Lease Transactions with Connected Persons

In addition to certain tenancies disclosed on page 96 of annual report 2012/2013, page 48 of the "Governance, Disclosures and Financial Statements" report of annual report 2014/2015, and page 47 of the "Governance, Disclosures and Financial Statements" report of annual report 2015/2016 (which still subsisted at the financial year end save for rental change mentioned in note 3 below), the following tenancies were entered into by Link's subsidiaries with the following connected persons (as defined under Chapter 8 of the REIT Code) in the year with an annual rent exceeding HK\$1 million:

Name of tenant	Nature of the transactions	Lease term	Annual rent <sup>(1)</sup> HK\$'M	Rental deposit received as at 31 March 2017 HK\$'M
Hang Seng Bank, Limited (" <b>Hang Seng</b> ")	Tenancy for shop no. G202 at Lok Fu Place	Term of 3 years ending 31 October 2019	3.3	0.9
SCBHK	Tenancy for shop nos. E37 to E40 at TKO Gateway (formerly known as Hau Tak Shopping Centre)	Term of 2 years ending 2 July 2018	3.7	1.0 <sup>(2)</sup>
	Tenancy for shop no. G201 at Lok Fu Place	Term of 3 years ending 14 December 2019	3.8	1.0 <sup>(2)</sup>
	Tenancy for shop no. L105 at Tin Yiu Plaza	Term of 2 years ending 31 May 2018	1.9	0.5 <sup>(2)</sup>

Notes:

- (1) Annual rent is calculated from the monthly base rent on a 12-month basis as if such rent were received from the beginning of the financial year.
- (2) In the form of bank guarantee.
- (3) The annual rent (calculated in accordance with note 1 above) of tenancy for shop no. 121A at Temple Mall South (previously known as Wong Tai Sin Plaza) with Hang Seng for a term of 5 years expiring on 2 July 2017 was changed to HK\$2.8 million.

## Provision of Banking and Financial Services by Connected Persons

Link and/or its subsidiaries engaged the HSBC Group (including, among others, Hang Seng and HSBC Bank (China) Company Limited), ICBC (Asia) and SCBHK to provide ordinary course banking and financial services in the year. ICBC (Asia) and SCBHK ceased to be connected persons of Link with effect from, respectively, 28 July 2016 and 1 March 2017. Further details are set out in Note 29 to the consolidated financial statements. The HSBC Group also provided services to subsidiaries of Link in relation to Mandatory Provident Fund accounts and payment and receipt arrangements. Bank accounts were also maintained with the HSBC Group, ICBC (Asia) and SCBHK for deposits and/or rent collection purposes in the year.

## Loans

Loan transactions by The Link Finance Limited (a wholly-owned subsidiary of Link) with those banks which are Link's connected persons in the year under review were as follows:

- (i) a bilateral loan of HK\$500 million was made available in September 2013 by Hang Seng of which the outstanding balance due to Hang Seng as at 31 March 2017 was HK\$250 million;
- (ii) a bilateral loan of HK\$1 billion was made available in November 2013 by HSBC of which the outstanding balance due to HSBC as at 31 March 2017 was HK\$500 million;
- (iii) a 5-year club loan of HK\$4 billion was made available in May 2015 (with HSBC and Hang Seng being two of the relevant banks and ICBC (Asia), which ceased to be a connected person effective from 28 July 2016, being another relevant bank) of which the outstanding amounts due to, respectively, HSBC and Hang Seng as at 31 March 2017 were HK\$115 million and HK\$225 million;
- (iv) a 4-year club loan of HK\$4 billion was made available in August 2015 (with HSBC and Hang Seng being two of the relevant banks) of which the outstanding amounts due to, respectively, HSBC was HK\$300 million and Hang Seng was HK\$275 million as at 31 March 2017; and
- (v) a bilateral loan of HK\$1.5 billion was made available in March 2016 by Hang Seng of which the outstanding amount due to Hang Seng as at 31 March 2017 was HK\$1.5 billion.

## Deposits

As at 31 March 2017, subsidiaries of Link placed deposits with the HSBC Group of approximately HK\$173 million.

## Other Transactions

USD-denominated green bond for US\$500 million due 2026 were issued on 21 July 2016 by The Link Finance (Cayman) 2009 Limited (the "**Issuer**" and wholly-owned by Link) pursuant to the MTN Programme. The green bond is listed on the Stock Exchange (debt code: 5685). Net proceeds of the green bond are used to fund Link's projects with green initiatives. Details of allocation of green bond proceeds and the relevant projects are disclosed under the paragraph "Allocation of Green Bond Proceeds" on page 43 of the Strategic Report 2016/2017.

For the issue of the green bond, a subscription agreement dated 14 July 2016 was entered into by the Issuer with (among other parties) the four dealers, namely, Bank of China (Hong Kong) Limited, HSBC (a connected person to Link), J.P. Morgan Securities plc and Merrill Lynch International, pursuant to which HSBC was paid a commission exceeding HK\$1 million. The appointment of HSBC (a connected person to Link) as one of the dealers was within the waiver granted by the SFC in respect of connected party transactions with the HSBC Group. It was conducted at arm's length on normal commercial terms. In order to ensure the effective interest cost of a new note issue is competitive, the Manager monitors the market interest rates and compares quotations from multiple dealers from time to time. Save as disclosed, no other note was issued pursuant to the MTN Programme in the year under review through a dealer who was a connected person to Link.

The Link Finance Limited also maintained interest rate swap contracts with HSBC in the year under review. As at 31 March 2017, the total notional principal outstanding value in respect of such swap contracts with HSBC was approximately HK\$8.7 billion.

## Confirmation by the Manager and the Trustee in respect of Corporate Finance Transactions with the HSBC Group

The Trustee and the Manager both confirm that, with respect to the corporate finance transactions entered into with the HSBC Group in the year under review, (i) such transactions were carried out at arm's length on normal commercial terms; (ii) the Trustee was not involved in the decisions to enter into such transactions, subject only to its duties of oversight under the REIT Code and the Trust Deed; and (iii) the on-going general conditions under the relevant Waiver (details of which were disclosed in the offering circular dated 14 November 2005 of Link) were complied with. Save as disclosed above, there was no other corporate finance transaction entered into by Link with the HSBC Group in the year.

## Report from Auditor in relation to certain Connected Party Transactions

The continuing connected party transactions conducted in the year under review have been reviewed by the auditor in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing its findings and conclusions in respect of the connected party transactions including lease transactions and corporate finance transactions in accordance with the Waivers from strict compliance with the disclosure and unitholders' approval requirements under Chapter 8 of the REIT Code granted by the SFC.

## Confirmation by the Audit and Risk Management Committee

The management submitted quarterly compliance reports to the Audit and Risk Management Committee for review which were then presented to the Board after endorsement.

The Audit and Risk Management Committee has reviewed and is satisfied that the general nature and types of the ordinary course banking and financial services provided by the HSBC Group, ICBC (Asia) (a connected person up to 27 July 2016) and SCBHK (a connected person up to 28 February 2017) in the year under review were of the types that are contemplated in the respective Waivers granted by the SFC and were of the nature and types that were entered into in the ordinary and usual course of business at arm's length on normal commercial terms and there were no material inconsistencies with the internal procedures of the Manager that should be drawn to the attention of the Unitholders.

The Audit and Risk Management Committee also confirms that, after review of the terms of all relevant connected party transactions (including the lease and corporate finance transactions), it is satisfied that all such connected party transactions entered into in the year under review:

- (i) were at arm's length on normal commercial terms;
- (ii) were in the ordinary and usual course of business of Link;
- (iii) are fair and reasonable; and
- (iv) are in the interests of the Unitholders.

## Confirmation by the Manager

The Board (including the Independent Non-Executive Directors) confirms that:

- (i) based on the information provided, and representations made, by the Trustee, it is satisfied with the internal controls and compliance procedures of the Trustee, which demonstrate that the Trustee's operations are run independently of other banking or financial functions or operations of the HSBC Group;
- (ii) the basis of the cap amount in relation to the corporate advisory transactions for the provision of corporate finance advice set out in the Waivers is fair and reasonable in light of Link's operations and unitholding structure, including the objectives and strategy of Link, the size, geographical and tenancy mix of its property portfolio and its management structure;
- (iii) the scope and terms of the Waivers are fair and reasonable, and in the best interests of the Unitholders; and
- (iv) the Manager is not bound to enter into corporate finance transactions with the HSBC Group despite of the Waivers granted.

## Continuation with the Waivers Granted Without Unitholders' Approval

The Audit and Risk Management Committee has reviewed the terms of the Waivers. The Audit and Risk Management Committee and the full Board (including the Independent Non-Executive Directors) are satisfied that (on the basis of the terms of the Waivers and the internal controls and procedures in place) it is fair and reasonable and in the best interests of the Unitholders that the Waivers continue without Unitholders' approval.



# Link Together Initiatives

## Link Together Initiatives Supports Projects Which Focus on:

1. Resources Management
2. Future For Youth
3. Barrier Free Access Education

## Four Types of Funding:

1. The Major Project Fund fills society's service gaps by sponsoring community projects with innovative service concepts. The maximum that can be awarded to any one organisation is 30% of the total funds granted.
2. The District Project Fund supports charitable organisations to implement projects that help the needy within individual local neighbourhoods. The maximum funding per project is HK\$50,000.
3. The Barrier Free Access (BFA) Education is Link's collaborative and holistic approach to providing a more inclusive environment for the community. The Funding supports community projects to raise public awareness of the importance of BFA facilities to people with disability and to the elderly.
4. The Link First Generation University Student Scholarship provides scholarships on a non means-tested basis. Eligible students are subjected to an interview assessment. Nomination of candidates is facilitated through secondary schools.

## Link Together Initiatives 2016/2017 – Major Project Fund

Organisation	Project Category/ Name	Target Audience	Target Participants (approx. no)	Funding Donated (HK\$)	Progress Update
<b>Resources Management</b>					
1. Bo Charity Foundation Limited	Food Angel	Elderly/low-income families	316,000	879,765	<p>To turn the surplus food collected at 13 of Link's fresh markets into hot meals and to redistribute the food collected at 15 of Link's shopping centres to people in need.</p> <p>The organisation has collected over 1,750 kg of surplus food from the 87 committed tenants in nine of Link's fresh markets to produce over 12,300 hot meals in the first two months of operations. Food donation boxes have been placed in 15 of Link's shopping centres in April 2017 for food collection. The collected food was sent to their NGO partners for re-distribution to people in need.</p>
2. Food For Good Limited	'Help the Aged, Teach the Young' – Link Fresh Market Surplus Food Donation Project, Stage 2	Elderly/people in need	292,000	1,638,130	<p>Bring food and cheer to the underprivileged, the elderly and people in need by redistributing or producing cooked meals with surplus food collected from Link's fresh markets. The project also promotes public awareness in reducing food waste via workshops.</p> <p>The organisation kicked off the food collection activities at 14 Link's fresh markets gradually and has produced an average of 1,000 hot meal boxes daily to people in need at their Yau Tong Community Kitchen and Link's Tung Tau (II) Estate Cooked Food Stall.</p>

Organisation	Project Category/ Name	Target Audience	Target Participants (approx. no)	Funding Donated (HK\$)	Progress Update
<b>Future For Youth</b>					
3. Cha Duk Chang Children's Cantonese Opera Association Limited	Cha Duk Chang: Cantonese Opera Culture Programme	Kindergarten to secondary school children	14,000	548,030	<p>To promote the heritage of Chinese culture and harmony among three generations by involving children and the elderly in Cantonese Opera workshops and performances.</p> <p>The organisation has completed the recording of all the 12 selected children's songs of Cantonese opera and produced the story and animation for five of these songs. The songs were posted on social media including Facebook and YouTube as well as being used in music lessons in schools.</p> <p>Letters have also been sent to the schools and NGOs to invite their school children to join a choir to practice children's songs of Cantonese opera running from June to August in preparation for the finale performance in September at one of Link's premises.</p>
4. South Kwai Chung Social Service	Link Speech Therapy Community Programme	Primary school children/elderly	2,700	414,300	<p>Partnering with Department of Special Education and Counselling of The Education University of Hong Kong, the programme helps identify and evaluate kids from low income family with potential speech and language impairment and elderly with difficulty swallowing at an early stage; it conducts one-on-one speech therapy and provides social support to caretakers via family outdoor activities.</p> <p>From Oct 2016 to April 2017, the organisation has provided one-on-one speech therapy sessions for 484 children and 238 seniors with the support of the students and lecturers at the Department of Special Education and Counselling of The Education University of Hong Kong.</p> <p>The organisation has also held four talks and one carnival to arouse the public awareness of the importance of speech therapy to the development of the children and the health of the elderly.</p> <p>Two activities were held for the family members of the affected children and elderly to release their tension and pressure from taking care of the therapy recipients.</p>

Organisation	Project Category/ Name	Target Audience	Target Participants (approx. no)	Funding Donated (HK\$)	Progress Update
<b>Barrier Free Access Education</b>					
5. Hong Kong Guide Dogs Association Limited	Veterinary Training and Guide Dog Breeding	Visually-impaired	7,000	898,920	<p>The programme includes overseas training of two veterinarians, the maintenance of breeding female and eight guide dog puppies until they are successfully matched with users or given other-related duties. Together with workshops and short films production, the programme aims to assist and raise public awareness of guide dogs and the needs of visually impaired people.</p> <p>Among the eight puppies sponsored by Link since 2015/2016, three were assigned with duties – Dax and Delta started to provide guide dog service to their new users. Eve was identified as a brood bitch and delivered her first litter in Jan 2017. Another sponsored puppy, Ginny, was also identified as potential brood bitch, and has already finished her guide dog training.</p> <p>Two short films are under production to raise the public awareness of guide dog services in HK. Broadcasting via social media is expected to be around July 2017.</p> <p>Four lifestyle workshops and 30 public education seminars were conducted with a total of 2,900 audiences reached to gain public awareness of guide dogs and to tell how guide dog change a life of users, puppy raisers and volunteers.</p>

## Link Together Initiatives 2016/2017 – District Project Fund

The District Project Fund was established during the 2015/2016 year as an additional category under the Link Together Initiatives. The purpose is to enable the wider reach and closer connection with the 16 districts where Link operates through programmes that cater to the specific needs of a district's local communities. A total of HK\$2.4 M was granted to 49 projects (excluding 1 approved project that was withdrawn prior to its start) that were selected by a panel comprising 22 community leaders, including District Council Chairpersons and Vice-chairpersons, District Council Members, representatives from The Hong Kong Council of Social Service and Link in a transparent process. The total number of beneficiaries exceeded 51,000.

Organisation	Project Name	Districts Served
1 The Neighbourhood Advice-Action Council	Multi-art Caring	Wong Tai Sin
2 The Student Guidance Association (Primary School) Company Limited	Grow with Love	Tuen Mun
3 Senior Citizen Home Safety Association	Enhancing Life of Elderly Living in the Community	Kwun Tong
4 The Student Guidance Association (Primary School) Company Limited	Happy Together with Brighter Life	Tuen Mun
5 The Student Guidance Association (Primary School) Company Limited	Love with Elderly	Tuen Mun

Organisation	Project Name	Districts Served
6 The Hong Kong Association of Senior Citizens	Promoting Filial Piety in Sham Shui Po District- Sowing Seeds of Respect & Care of the Elderly in the Hearts of Students	Sham Shui Po
7 Hong Kong Employment Development Service Limited	'Share Fun' Cookie Factory	Wong Tai Sin
8 Straw Action	Happy Poon Choi for Elderly	Sha Tin
9 Hong Kong Education Association	Reading Cafe	Sha Tin
10 Helping Hand	Healthy & Positive Aging Promotion	Wong Tai Sin
11 Chinese YMCA of Hong Kong	'Perfect Teens' Caring Community Project	Yuen Long
12 The Free Methodist Church of Hong Kong	Loving and Caring Elderly	Wong Tai Sin
13 Hong Kong Employment Development Service Limited	No Pain with Hope – Elderly Community Health Project	Kwai Tsing
14 Hong Kong Employment Development Service Limited	Painless Guide – Community Health Promotion Project	Kwun Tong
15 Chinese YMCA of Hong Kong	Volunteer Craftsman (VC) – Shek Kip Mei Youth Volunteers Proposal	Sham Shui Po
16 Kwun Tong Methodist Social Service	My Ideal. Hong Kong	Kwun Tong
17 Yan Oi Tong Limited	Reading: The Way to Positive Energy	Tai Po
18 The Incorporated Management Committee of TWGHS. Mrs. Wu York Yu Memorial College	Diversified Learning Experience	Kwai Tsing
19 Fu Hong Society	Show My Dream	Yuen Long
20 Tung Wah Group of Hospitals	Heartfelt Sharing of Love with Youth – Elderly Life Story Project	Eastern
21 Yan Chai Hospital Mrs. Tsang Wing Neighbourhood Elderly Centre	Flourishing the Silver Age	Tuen Mun
22 Hong Kong Young Women's Christian Association	Play Together	Yuen Long
23 Stewards	LINK with Children – Exploring Hong Kong	Sha Tin
24 Po Leung Kuk	Carnival of Traditional Chinese Culture @ Yung Shue Tau	Yau Tsim Mong
25 Christian Family Service Centre	'Good Food' Sugar Control Action	Kwun Tong
26 Hong Kong Young Women's Christian Association	Parent-child Reading Corner	Tuen Mun
27 Po Leung Kuk	Happy Neighbour in Cheung Hong	Kwai Tsing
28 People Service Centre Limited	Sham Shui Po Community Elderly Volunteer Network Development Programme	Sham Shui Po
29 Ching Fai Women Association Ltd	Arts Learning Fun	Sham Shui Po
30 United Labour Chi Hong Association Limited	Teens 'LINK' with the Neighbourhood with Photography	Sham Shui Po
31 Hong Kong Youth Volunteer Association Limited	Love No Labels	Sham Shui Po
32 Christian & Missionary Alliance Church Union Hong Kong Limited	Walk with Love	Southern
33 Christian & Missionary Alliance Pentecostal Church	Youth Creativity Workshop	Yau Tsim Mong
34 Hong Chi Association	We Are the Best	Kwai Tsing
35 Kowloon City District Association for Celebration of Re- Unification of Hong Kong with China Limited	Warmth Delivery in Lunar New Year	Kowloon City
36 Hong Kong Ching Fai Association Development Limited	Love Elderly	Sham Shui Po
37 Association of Baptists for World Evangelism (HK) Limited	Strength WE HAVE!	Kwai Tsing

Organisation	Project Name	Districts Served
38 Tin Shui Wai Women Association Limited	Joyful Reading Corner	Yuen Long
39 Tin Shui Wai Women Association Limited	Green Tours in Hong Kong	Yuen Long
40 The Boys' and Girls' Clubs Association of Hong Kong	Nothing Better Than Go Camping	Tai Po
41 Christian Church of Divine Providence Limited	Happy Elderly, Abundant Living	Kwun Tong
42 Christian Church of Divine Providence Limited	Project H-U-G: Helping, Uniting, Growing	Kwun Tong
43 The Student Guidance Association (Primary School) Company Limited	Kids Talent	Tuen Mun
44 House of Learning Ltd	Brain Enrichment Course Fun	Sham Shui Po
45 The Boys' and Girls' Clubs Association of Hong Kong	'Precious Life Experiences' Project	Tai Po
46 The Neighbourhood Advice-Action Council	Let's "JOY" Together	Islands
47 The Boys' and Girls' Clubs Association of Hong Kong	We Make the Circle Painting	Southern
48 Yuen Long Church (Church of Christ in China) Chow Sung Chu Oi Youth Centre	Guarding Child – Parental Emotional Support Group	Yuen Long
49 The Hong Kong Federation of Youth Groups	'Sing My Music – Wish Our Life' 2016	Sai Kung

### Link Together Initiatives 2016/2017 – Link First Generation University Student Scholarship

The Link First Generation University Student Scholarship Fund was established during the 2015/2016 year under the Link Together Initiatives. This programme supports first-year undergraduates who are the first university students among three generations of their families to study at a university in Hong Kong. Each awardee receives a HK\$20,000 scholarship to realise their goals and plans for improving their learning environment and/or seeking further learning opportunities.

The Fund invites schools to nominate Secondary Six students with eligible qualification who wish to enter local universities. It is a non-means-tested scholarship based on honesty. An interview and group discussion are arranged to understand the nominee's ambitions and self-development plans.

Awarded students will be admitted to the Link Scholarship Alumni, through which Link will provide mentoring opportunities, career counselling and corporate visits as well as priority consideration to the company's internship programme.

During the 2016/2017 year, Link donated HK\$2.6 million to the Fund. A total of 130 students from 130 secondary schools received the scholarship grants.

### Link Together Initiatives 2016/2017 – Barrier Free Access (BFA) Education

Link established the BFA Improvement Plan in 2011 to enhance the barrier-free facilities in our premises to create a more inclusive society. To raise public awareness of the importance of BFA facilities to people with disabilities and to the elderly, the company supported Hong Kong Federation of Handicapped Youth with a funding of HK\$800,000 to organise a series of BFA education workshops and roving exhibition from September to November 2016 and a signature event Barrier-'Fu"-ree Adventure Day 2016 at Lok Fu Place on 8 October. Most of the 20,000-plus participants in the programme expressed that the project enabled them to have a deeper understanding of the importance of these facilities to the people with disability and to the elderly.

# Trustee's Report

We hereby confirm that, in our opinion, the Manager of Link Real Estate Investment Trust has, in all material respects, managed Link Real Estate Investment Trust in accordance with the provisions of the Trust Deed dated 6 September 2005, as amended and supplemented by eleven supplemental deeds, for the financial year ended 31 March 2017.

**HSBC Institutional Trust Services (Asia) Limited**  
**in its capacity as the Trustee of Link Real Estate Investment Trust**

Hong Kong, 7 June 2017

# 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**") set out on pages 70 to 116, which comprise:

- the consolidated statement of financial position as at 31 March 2017;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income 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;
- the consolidated statement of distributions for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

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 2017, 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.

## 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 valuation of the Group's investment properties is the key component of the net asset value attributable to the unitholders and underpins the Group's result for the year. The aggregated valuation in the consolidated statement of financial position is HK\$174,006 million and the fair value gain of investment properties for the year was HK\$11,494 million which is a significant component of the consolidated income statement. The Group's investment properties portfolio comprises of retail and office properties, car parks and property under development in Hong Kong and Mainland China.</p> <p>The valuations were carried out by a third party valuer (the "<b>Valuer</b>"). Under the Code on Real Estate Investment Trusts issued by the Hong Kong Securities and Futures Commission (the "<b>REIT Code</b>"), the Valuer shall retire after it has conducted valuations for three consecutive years, and may only be reappointed after three years. During the year ended 31 March 2017, a new Valuer was appointed and was 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. For properties under development, factors include estimated development costs and allowance for developer's risk and profit.</p>	<p><b>Experience of Valuer and relevance of their work</b></p> <p>We read the Valuer's report and understand that the valuation was prepared in accordance with HKIS Valuation Standards (2012 Edition), the International Valuation Standards, the RICS Valuation – Professional Standards 2014 and the REIT Code. We assessed the Valuer's qualifications and expertise and read its 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 its performance of the valuation was compromised.</p> <p><b>Valuation methodology used by the Valuer</b></p> <p>We involved our experts in property valuation to discuss, 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>For completed investment properties 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 Matters (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Valuation of Investment Properties</b></p> <p>In determining a property's valuation, the Valuer took into account property-specific information such as tenancy agreements, rental income and direct property expenses. For completed properties, the income capitalisation approach and discounted cash flow analysis were primarily used, with cross reference to direct comparison approach. The Valuer applies assumptions for capitalisation rates and net passing income, which are influenced by the prevailing market yields and comparable market transactions, as well as discount rate, to arrive at the final valuation. For properties under development, the residual approach is used, whereby the valuation is derived from the gross development value of the project upon completion (estimated using a direct comparison approach) less estimated outstanding development costs and allowance for developer's risk and profit.</p> <p>The existence of significant estimation uncertainty, coupled with the fact that only a small percentage difference in individual property valuations, when aggregated, could result in a material misstatement, warrants specific audit focus in this area.</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>• disposal of the Group's investment properties during the year, as reference for recent market transactions;</li> <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><b>Data used by the Valuer</b></p> <p>For property under development, we agreed on a sample basis that the planned schemes being valued were consistent with the supporting documents and, where appropriate, had achieved planning consent. Where the Valuer used estimated development costs, we agreed on a sample basis these costs to the approved budgets, construction contracts and/or other supporting documents.</p> <p><b>Assumptions and estimates used by the Valuer</b></p> <p>We attended meetings with the Valuer where we discussed the valuation approaches and the key assumptions used. The assumptions used varied across the portfolio depending on the age, nature and location of each property but they included estimated capitalisation rate, net passing income, development costs and allowance for developer's risk and profit. 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 this sector. We performed further work on the properties with assumptions suggesting a possible outlier versus market data for the relevant property sector. 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>We considered that the assumptions used in the valuations were supportable in light of available and comparable market evidence.</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 intend 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 Trust Deed dated 6 September 2005, as amended by the 11 Supplemental Deeds (the “**Trust Deed**”), and the relevant 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 provisions of Appendix C of the REIT Code.

As part of an audit in accordance with HKSAAs, 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, related safeguards.

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 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 provisions of Appendix C of the REIT Code.

The engagement partner on the audit resulting in this independent auditor's report is Cheng Kam Fung.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 7 June 2017

# Consolidated Income Statement

For the year ended 31 March 2017

	Note	2017 HK\$'M	2016 HK\$'M
<b>Revenue</b>	6	<b>9,255</b>	8,740
Property operating expenses	8	<b>(2,261)</b>	(2,227)
Net property income		<b>6,994</b>	6,513
General and administrative expenses		<b>(342)</b>	(368)
Change in fair values of investment properties	15	<b>11,494</b>	11,263
<b>Operating profit</b>	9	<b>18,146</b>	17,408
Interest income		<b>4</b>	6
Finance costs	10	<b>(567)</b>	(508)
Gains on disposals of investment properties		<b>1,387</b>	396
Profit before taxation and transactions with Unitholders		<b>18,970</b>	17,302
Taxation	12	<b>(1,057)</b>	(953)
<b>Profit for the year, before transactions with Unitholders</b>		<b>17,913</b>	16,349
Distributions paid to Unitholders:			
– 2016 final distribution		<b>(2,404)</b>	–
– 2017 interim distribution		<b>(2,494)</b>	–
– 2015 final distribution		–	(2,138)
– 2016 interim distribution		–	(2,230)
		<b>13,015</b>	11,981
Represented by:			
Change in net assets attributable to Unitholders, excluding issues of new units and units bought back		<b>12,461</b>	11,404
Amount arising from cash flow hedging reserve and exchange reserve movements	26	<b>352</b>	523
Non-controlling interest		<b>202</b>	54
		<b>13,015</b>	11,981
Profit for the year, before transactions with Unitholders attributable to			
– Unitholders (Note)	13	<b>17,711</b>	16,295
– Non-controlling interest		<b>202</b>	54
		<b>17,913</b>	16,349

The notes on pages 76 to 116 are an integral part of these consolidated financial statements.

Note: Earnings per unit, based upon profit after taxation and 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 2017

	Before transactions with Unitholders HK\$'M	Transactions with Unitholders (Note (i)) HK\$'M	After transactions with Unitholders (Note (ii)) HK\$'M	Non-controlling interest HK\$'M	Total HK\$'M
<b>For the year ended 31 March 2017</b>					
Profit for the year	17,711	(17,359)	352	202	554
Other comprehensive income					
Items that may be reclassified subsequently to the consolidated income statement					
– Cash flow hedging reserve	310	–	310	–	310
– Exchange reserve	(662)	–	(662)	–	(662)
<b>Total comprehensive income for the year</b>	<b>17,359</b>	<b>(17,359)</b>	<b>–</b>	<b>202</b>	<b>202</b>
<b>For the year ended 31 March 2016</b>					
Profit for the year	16,295	(15,772)	523	54	577
Other comprehensive income					
Items that may be reclassified subsequently to the consolidated income statement					
– Cash flow hedging reserve	(299)	–	(299)	–	(299)
– Exchange reserve	(224)	–	(224)	–	(224)
<b>Total comprehensive income for the year</b>	<b>15,772</b>	<b>(15,772)</b>	<b>–</b>	<b>54</b>	<b>54</b>

The notes on pages 76 to 116 are an integral part of these consolidated financial statements.

Notes:

- (i) Transactions with Unitholders comprise the distributions to Unitholders of HK\$4,898 million (2016: HK\$4,368 million) and change in net assets attributable to Unitholders, excluding issues of new units and units bought back, of HK\$12,461 million (2016: HK\$11,404 million).
- (ii) In accordance with the Trust Deed, the units of Link Real Estate Investment Trust contain contractual obligations to pay to its Unitholders cash distributions and also upon termination of the trust, a share of all net cash proceeds derived from the sale or realisation of the assets of the trust less any liabilities, in accordance with their proportionate interests in the trust at the date of the termination. The 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, after the transactions with Unitholders, is zero.

# Consolidated Statement of Distributions

For the year ended 31 March 2017

	Note	2017 HK\$'M	2016 HK\$'M
<b>Profit for the year, before transactions with Unitholders attributable to Unitholders</b>		<b>17,711</b>	16,295
Adjustments:			
– Change in fair values of investment properties attributable to Unitholders		<b>(11,290)</b>	(11,209)
– Deferred taxation on change in fair values of investment properties attributable to Unitholders		<b>73</b>	24
– Other non-cash income		<b>(107)</b>	(101)
– Depreciation charge on investment properties under China Accounting Standards		<b>(83)</b>	(67)
– Gains on disposals of investment properties, net of transaction costs		<b>(1,312)</b>	(375)
<b>Total Distributable Income</b> (Note (i))		<b>4,992</b>	4,567
<b>Discretionary distribution</b> (Note (ii))		<b>83</b>	67
<b>Total Distributable Amount</b>		<b>5,075</b>	4,634
Interim distribution, paid		<b>2,494</b>	2,230
Final distribution, to be paid to the Unitholders		<b>2,581</b>	2,404
Total distributions for the year		<b>5,075</b>	4,634
Total Distributable Amount as a percentage of Total Distributable Income		<b>102%</b>	101%
Units in issue at 31 March	25	<b>2,213,002,276</b>	2,243,148,136
Distributions per unit to Unitholders:			
– Interim distribution per unit, paid (Note (iii))		<b>HK111.75 cents</b>	HK98.99 cents
– Final distribution per unit, to be paid to the Unitholders (Note (iv))		<b>HK116.66 cents</b>	HK107.19 cents
<b>Distribution per unit for the year</b>		<b>HK228.41 cents</b>	HK206.18 cents

The notes on pages 76 to 116 are an integral part of these consolidated financial statements.

- Notes:
- (i) Under the terms of the Trust Deed, the Total Distributable Income is the consolidated profit after taxation attributable to Unitholders adjusted to eliminate the effects of certain non-cash adjustments which have been recorded in the consolidated income statement for the relevant year. Link Real Estate Investment Trust is required to ensure that the total amount distributed to Unitholders as distributions for each financial year shall be no less than 90% of Total Distributable Income. The Manager has decided to distribute 100% (2016: 100%) of Total Distributable Income as the distribution for the year ended 31 March 2017.
  - (ii) Discretionary distribution refers to any additional amount to be distributed as determined by the Manager pursuant to clause 13.4 of the Trust Deed. The Manager recommended a discretionary distribution relating to the adjustment for depreciation charge on investment properties under China Accounting Standards during the year.
  - (iii) The interim distribution per unit of HK111.75 cents (2016: HK98.99 cents) for the six months ended 30 September 2016 is calculated based on the interim distribution of HK\$2,494 million (2016: HK\$2,230 million) for the period and 2,231,341,276 units (2016: 2,252,468,136 units) in issue as at 30 September 2016. The interim distribution was paid to Unitholders on 2 December 2016.
  - (iv) The final distribution per unit of HK116.66 cents (2016: HK107.19 cents) for the year ended 31 March 2017 is calculated based on the final distribution to be paid to the Unitholders of HK\$2,581 million (2016: HK\$2,404 million) for the second half of the financial year and 2,213,002,276 units (2016: 2,243,148,136 units) in issue as at 31 March 2017, 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 5 July 2017.

# Consolidated Statement of Financial Position

As at 31 March 2017

	Note	2017 HK\$'M	2016 HK\$'M
<b>Non-current assets</b>			
Goodwill	14	466	487
Investment properties	15	174,006	157,612
Property, plant and equipment	16	87	76
Derivative financial instruments	22	116	158
Other non-current asset		–	1,095
		<b>174,675</b>	159,428
<b>Current assets</b>			
Investment properties held for sale	15	–	3,060
Trade and other receivables	17	503	435
Deposits and prepayments		77	74
Derivative financial instruments	22	–	1
Short-term bank deposits	18	150	118
Cash and cash equivalents	18	535	336
		<b>1,265</b>	4,024
<b>Total assets</b>		<b>175,940</b>	163,452
<b>Current liabilities</b>			
Trade payables, receipts in advance and accruals	19	1,870	1,643
Security deposits		1,494	1,410
Provision for taxation		305	252
Current portion of long-term incentive plan provision	20	76	63
Interest bearing liabilities	21	300	959
Derivative financial instruments	22	1	60
		<b>4,046</b>	4,387
<b>Net current liabilities</b>		<b>2,781</b>	363
<b>Total assets less current liabilities</b>		<b>171,894</b>	159,065
<b>Non-current liabilities, excluding net assets attributable to Unitholders</b>			
Long-term incentive plan provision	20	37	36
Interest bearing liabilities	21	27,197	25,965
Derivative financial instruments	22	498	402
Deferred tax liabilities	23	2,417	2,202
Other non-current liabilities	24	3,248	3,019
		<b>33,397</b>	31,624
<b>Total liabilities, excluding net assets attributable to Unitholders</b>		<b>37,443</b>	36,011
<b>Non-controlling interest</b>		<b>256</b>	54
<b>Net assets attributable to Unitholders</b>		<b>138,241</b>	127,387
Units in issue	25	2,213,002,276	2,243,148,136
Net assets per unit attributable to Unitholders		<b>HK\$62.47</b>	HK\$56.79

The notes on pages 76 to 116 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  
7 June 2017

**George Kwok Lung HONGCHOY**  
Chief Executive Officer  
7 June 2017

# Consolidated Statement of Changes in Equity and Net Assets Attributable to Unitholders

For the year ended 31 March 2017

	Note	Net assets attributable to Unitholders HK\$'M	Total reserves HK\$'M	Non-controlling interest HK\$'M
At 1 April 2016		127,387	580	54
Issuance of units under long-term incentive plan		90	–	–
Units bought back for cancellation		(1,697)	–	–
Profit for the year ended 31 March 2017, before transactions with Unitholders		17,711	–	202
Distributions paid to Unitholders				
– 2016 final distribution		(2,404)	–	–
– 2017 interim distribution		(2,494)	–	–
Change in fair values of cash flow hedges	26	–	195	–
Amount transferred to the consolidated income statement	26	–	115	–
Exchange loss on translation of financial statements	26	–	(662)	–
Amount arising from cash flow hedging reserve and exchange reserve movements	26	(352)	352	–
Change in net assets attributable to Unitholders and non-controlling interest for the year ended 31 March 2017, excluding issues of new units and units bought back		12,461	–	202
<b>At 31 March 2017</b>		<b>138,241</b>	<b>580</b>	<b>256</b>
At 1 April 2015		118,106	580	–
Issuance of units under long-term incentive plan		74	–	–
Units bought back for cancellation		(2,197)	–	–
Profit for the year ended 31 March 2016, before transactions with Unitholders		16,295	–	54
Distributions paid to Unitholders				
– 2015 final distribution		(2,138)	–	–
– 2016 interim distribution		(2,230)	–	–
Change in fair values of cash flow hedges	26	–	(386)	–
Amount transferred to the consolidated income statement	26	–	87	–
Exchange loss on translation of financial statements	26	–	(224)	–
Amount arising from cash flow hedging reserve and exchange reserve movements	26	(523)	523	–
Change in net assets attributable to Unitholders and non-controlling interest for the year ended 31 March 2016, excluding issues of new units and units bought back		11,404	–	54
At 31 March 2016		127,387	580	54

The notes on pages 76 to 116 are an integral part of these consolidated financial statements.



# Consolidated Statement of Cash Flows

For the year ended 31 March 2017

	Note	2017 HK\$'M	2016 HK\$'M
<b>Operating activities</b>			
<b>Net cash generated from operating activities</b>	27(a)	<b>6,077</b>	5,682
<b>Investing activities</b>			
Acquisition of businesses		–	(9,819)
Acquisition of an investment property		<b>(5,319)</b>	–
Deposits for acquisition		–	(1,095)
Proceeds from disposal of investment properties		<b>7,288</b>	1,716
Additions to investment properties		<b>(1,480)</b>	(1,457)
Additions to property, plant and equipment		<b>(39)</b>	(18)
Interest income received		<b>4</b>	14
(Increase)/decrease in short-term bank deposits with original maturity of more than three months		<b>(32)</b>	1,097
<b>Net cash generated from/(used in) investing activities</b>		<b>422</b>	(9,562)
<b>Financing activities</b>			
Proceeds from interest bearing liabilities, net of transaction costs		<b>24,400</b>	20,587
Repayment of interest bearing liabilities		<b>(23,472)</b>	(11,488)
Increase in amount due to non-controlling interest		<b>115</b>	26
Interest expenses paid on interest bearing liabilities		<b>(739)</b>	(573)
Distributions paid to Unitholders		<b>(4,898)</b>	(4,368)
Units bought back for cancellation		<b>(1,697)</b>	(2,197)
<b>Net cash (used in)/generated from financing activities</b>		<b>(6,291)</b>	1,987
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>208</b>	(1,893)
Cash and cash equivalents at 1 April		<b>336</b>	2,233
Effect on exchange rate changes on cash and cash equivalents		<b>(9)</b>	(4)
<b>Cash and cash equivalents at 31 March</b>		<b>535</b>	336

The notes on pages 76 to 116 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 trust deed entered into on 6 September 2005 (as amended and supplemented by 11 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 and 15 January 2015) (together the “**Trust Deed**”).

The principal activity of Link and its subsidiaries (the “**Group**”) is investing in real estate (other than real estate of a residential, hotel or serviced apartment nature) and undertaking property development and related activities in respect of all types of developments that contain retail and/or commercial portions. The addresses of the registered offices of the Manager, Link Asset Management Limited, and the Trustee, HSBC Institutional Trust Services (Asia) Limited, are 33/F., AXA Tower, Landmark East, 100 How Ming Street, 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 Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

As at 31 March 2017, the Group’s current liabilities exceeded its current assets. The Group considers that its liquidity and financial position as a whole is healthy and it has a reasonable expectation that the Group has adequate resources to meet its liabilities and commitments as and when they fall due and to continue in operational existence for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the consolidated financial statements.

### (b) Accounting Convention

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of derivative financial instruments, 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 HKFRSs

For the year ended 31 March 2017, the Group has adopted all the new standard and amendments that are currently in issue and effective.

HKAS 1 Amendments	Disclosure Initiative
HKAS 16 and HKAS 38 Amendments	Clarification of Acceptable Methods of Depreciation and Amortisation
HKAS 16 and HKAS 41 Amendments	Agriculture: Bearer Plants
HKAS 27 Amendments	Equity Method in Separate Financial Statements
HKAS 28 (2011), HKFRS 10 and HKFRS 12 Amendments	Investment Entities: Applying the Consolidation Exception
HKFRS 11 Amendments	Accounting for Acquisitions of Interests in Joint Operations
HKFRS 14	Regulatory Deferral Accounts
Annual Improvements to HKFRSs 2012 – 2014 Cycle	

## 2 Basis of Preparation (Continued)

### (c) Adoption of New and Revised HKFRSs (Continued)

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

The following new standards and amendments, 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 2017.

HKAS 7 Amendments	Disclosure Initiative <sup>(1)</sup>
HKAS 12 Amendments	Recognition of Deferred Tax Assets for Unrealised Losses <sup>(1)</sup>
HKAS 28 (2011) and HKFRS 10 Amendments	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>(5)</sup>
HKAS 40 Amendments	Transfers of Investment Property <sup>(2)</sup>
HKFRS 2 Amendments	Classification and Measurement of Share-based Payment Transactions <sup>(2)</sup>
HKFRS 4 Amendments	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts <sup>(2)</sup>
HKFRS 9 (2014)	Financial Instruments <sup>(2)</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>(2)</sup>
HKFRS 16	Leases <sup>(3)</sup>
Annual Improvements to HKFRSs 2014 – 2016 Cycle <sup>(4)</sup>	

<sup>(1)</sup> effective for accounting periods beginning on or after 1 January 2017

<sup>(2)</sup> effective for accounting periods beginning on or after 1 January 2018

<sup>(3)</sup> effective for accounting periods beginning on or after 1 January 2019

<sup>(4)</sup> effective for accounting periods beginning on or after 1 January 2018 except for HKFRS 12 Amendments which are effective for accounting periods beginning on or after 1 January 2017

<sup>(5)</sup> no mandatory effective date is determined yet but early application is permitted

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. Preliminary review noted that save for HKFRS 9 (2014) and HKFRS 16 which may require further evaluation to address the recognition, classification and measurement of financial instruments and leases respectively, the adoption of all these new or revised HKFRSs are unlikely to have a significant impact on the Group's financial performance and financial position but may result in new or amended disclosures in the consolidated financial statements.

## 3 Summary of Significant Accounting Policies

The significant accounting policies adopted in the preparation of the consolidated financial statements are set out below. 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 2017 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.

### 3 Summary of Significant Accounting Policies (Continued)

#### (a) Basis of Consolidation (Continued)

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

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 equity. Changes to the value of the financial liability are recognised in the consolidated income statement.

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.

#### (b) Segment Reporting

A segment is a distinguishable component of the Group that is engaged either in providing a particular type of service (operating segment), or in providing services within a particular economic environment (geographical segment), 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.

#### (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.

### 3 Summary of Significant Accounting Policies (Continued)

#### (c) Foreign Currency Translation (Continued)

##### (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 on 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.

#### (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 valuers 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 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.

### 3 Summary of Significant Accounting Policies (Continued)

#### (e) Property, Plant and Equipment (Continued)

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 shorter of the estimated useful lives or their lease terms (if applicable), as follows:

Leasehold improvements	5 years
Equipment	3 to 5 years
Motor vehicles	5 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.

#### (f) Trade and Other Receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the consolidated income statement.

#### (g) 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.

#### (h) 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.

#### (i) 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. The 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.

### 3 Summary of Significant Accounting Policies (Continued)

#### (j) 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, 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.

#### (k) Operating Leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Details of the recognition of operating lease rental income are set out in Note 3(o)(i) below.

#### (l) 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 on 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 tax liability or deferred tax asset arising from investment property is determined based on the presumption that the carrying amount of such investment property will be recovered through sale with the corresponding tax rate applied.

### 3 Summary of Significant Accounting Policies (Continued)

#### (m) 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.

#### (n) Impairment of Non-financial Assets

Assets are reviewed for impairment annually and 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 suffer impairment are reviewed for possible reversal of the impairment at each reporting date.

#### (o) Revenue Recognition

##### (i) Rentals from retail and commercial properties

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) Rentals from car parks

Rentals from car parks are recognised as revenue on an accrual basis.

##### (iii) Service fees and charges

Service fees and charges such as air conditioning income arising from the provision of services are recognised when such services are rendered.

##### (iv) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

#### (p) Expenditure

Expenditures, including property related outgoings and other expenses, are recognised on an accrual basis.

#### (q) 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.



### 3 Summary of Significant Accounting Policies (Continued)

#### (r) Employees' Long-Term Incentive Plan

Incentives in the form of a long-term incentive plan are provided to eligible employees (including directors).

Employee services rendered in exchange for the grant of the long-term incentive plan 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 plan 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 plan awards is reviewed every six months and is independently valued by external valuers 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.

#### (s) 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.

##### (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 Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in cash flows of hedged items.

The changes in the fair value of the effective portion of derivatives that are designated 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 reserve are transferred to the consolidated income statement in the periods when the hedged item affects earnings. However, when the highly probable forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in cash flow hedging reserve are transferred from hedging reserve and included in the measurement of the initial cost or carrying amount 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 gain or loss existing in the cash flow hedging reserve at that time shall remain in hedging reserve and is recognised when the forecast transaction is ultimately recognised in the consolidated income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in hedging reserve is immediately transferred to the consolidated income statement.

### 3 Summary of Significant Accounting Policies (Continued)

#### (s) Derivative Financial Instruments and Hedging Activities (Continued)

##### (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.

##### (t) 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.

### 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.

##### (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.

## 4 Financial Risk Management (Continued)

### (a) Financial Risk Factors (Continued)

#### (i) Market risk (Continued)

##### (A) Interest rate risk (Continued)

As at 31 March 2017, 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\$84 million (2016: HK\$78 million) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings. As at 31 March 2017, if interest rates had been 100 basis points higher/lower, the hedging reserve would have been HK\$326/349 million (2016: HK\$130/246 million) higher/lower mainly as a result of an increase/decrease in the fair values of the cash flow hedges as described above.

##### (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, whose net assets are exposed to foreign currency translation risk. This gave rise to an unrealised loss of approximately HK\$662 million (2016: HK\$224 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.

The Group has medium term notes denominated in United States Dollars. It uses cross currency swap contracts to hedge its exposure against changes in United States Dollars exchange rates, management therefore considers that there are no significant currency risk with respect to United States Dollars. As at 31 March 2017, the Hong Kong Dollars equivalent of United States Dollars medium term notes stands at HK\$7,306 million (2016: HK\$3,857 million).

#### (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, 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 2017, all deposits were placed with financial institutions with external credit ratings of no less than "BBB+".

In respect of credit exposures to tenants, 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 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. In addition, the Group regularly reviews the recoverable amount of each individual trade receivable to ensure that adequate provision for impairment losses is made for irrecoverable amounts. 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 trade receivables amounted to HK\$78 million (2016: HK\$92 million) and is set out in Note 17. The Group's exposure to credit risk arising from bank deposits amounted to HK\$685 million (2016: HK\$454 million) and is set out in Note 18. The Group's exposure to credit risk arising from derivative financial instruments amounted to HK\$116 million (2016: HK\$159 million) and is set out in Note 22.

## 4 Financial Risk Management (Continued)

### (a) Financial Risk Factors (Continued)

#### (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 short-term bank deposits of HK\$685 million (2016: HK\$454 million) as at 31 March 2017. In addition to the cash resources, the Group has total available borrowing facilities amounting to HK\$38,085 million (2016: HK\$34,625 million), of which HK\$28,040 million (2016: HK\$27,045 million) was drawn as at 31 March 2017. The undrawn committed facilities, in the form of bank loans, totalled HK\$10,045 million (2016: HK\$7,580 million) as at 31 March 2017.

As at 31 March 2017, the Group's current liabilities exceeded its current assets by HK\$2,781 million (2016: HK\$363 million). The Group will continue to monitor market conditions to assess the possibility of arranging longer term refinancing at favourable rates and extending the maturity profile of its debts.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity dates. The amounts disclosed in the table are the 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 2017</b>				
Interest bearing liabilities	981	3,235	14,112	13,923
Trade payables and accruals	1,627	–	–	–
Security deposits	576	405	376	137
Unitholders' funds	–	–	–	138,241
Amount due to non-controlling interest	–	–	2,918	–
Non-controlling interest put option obligation	–	–	876	–
Derivative financial instruments (net settled)	(15)	47	136	383
<b>At 31 March 2016</b>				
Interest bearing liabilities	1,641	890	16,184	12,104
Trade payables and accruals	1,423	–	–	–
Security deposits	529	385	409	87
Unitholders' funds	–	–	–	127,387
Amount due to non-controlling interest	–	–	–	2,812
Non-controlling interest put option obligation	–	–	–	903
Derivative financial instruments (net settled)	145	93	140	94

#### (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 45%. This ratio is calculated as total borrowings (including current and non-current borrowings) divided by total asset value as shown in the consolidated statement of financial position.

## 4 Financial Risk Management (Continued)

### (b) Capital Management (Continued)

	2017 HK\$'M	2016 HK\$'M
Interest bearing liabilities (Note 21)	27,497	26,924
Total asset value	175,940	163,452
Gearing ratio	15.6%	16.5%

### (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 2017</b>				
Assets				
Investment properties	–	–	174,006	174,006
Derivative financial instruments	–	116	–	116
Total assets	–	116	174,006	174,122
Liabilities				
Derivative financial instruments	–	499	–	499
Non-controlling interest put option obligation	–	–	630	630
Total liabilities	–	499	630	1,129
<b>At 31 March 2016</b>				
Assets				
Investment properties	–	–	160,672	160,672
Derivative financial instruments	–	159	–	159
Total assets	–	159	160,672	160,831
Liabilities				
Derivative financial instruments	–	462	–	462
Non-controlling interest put option obligation	–	–	580	580
Total liabilities	–	462	580	1,042

There were no transfers between these three levels during the year (2016: 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.

## 4 Financial Risk Management (Continued)

### (c) Fair Value Estimation (Continued)

#### (ii) Fair value disclosure

The carrying values less impairment provision of trade receivables and the carrying values of trade payables, accruals, bank deposits and short-term interest bearing liabilities are a reasonable approximation of their fair values due to their short-term maturities.

The fair values of long-term interest bearing liabilities 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 valuers based on a market value assessment. The valuers have relied on the discounted cash flow analysis, income capitalisation approach and residual approach as their primary methods, cross-referenced to the direct comparison method. 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 Plan Valuation

The value of awards granted is estimated based on valuation techniques. The valuations are based on various assumptions on future unit prices, outstanding length of the awards and distribution pay-out rates, 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 plan awards is reviewed every six months and is independently valued by external valuers 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 valuers based on a market value assessment. The valuers have 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 24.

## 5 Critical Accounting Estimates and Judgements (Continued)

### (e) Goodwill

Goodwill is recorded as a separate asset and it is subject to an annual impairment test. The tests undertaken as at 31 March 2016 and 2017 indicated that no impairment provision was necessary.

For the purposes of impairment tests, the recoverable amount of goodwill is determined based on the cash flow projections inherent in the valuation of investment properties by the principal valuer. Judgement was required to determine key assumptions for adoption in the cash flow projections, such as income and expenditure growth rates, discount rate, income capitalisation rate, etc. The income and expenditure growth rates were driven by the forecast occupancy rate, reversion rate, progress on asset enhancement projects and inflation. The discount rate and income capitalisation rates stated in Note 15 were used in the cash flow projections. Changes to these key assumptions can significantly affect the cash flow projections and therefore the results of the impairment tests.

## 6 Revenue

Revenue recognised during the year comprises:

	2017 HK\$'M	2016 HK\$'M
Rentals		
– Retail and commercial properties	6,914	6,506
– Car parks	1,940	1,846
	<b>8,854</b>	8,352
Other revenue		
– Air conditioning service fees	370	356
– Other property related revenue	31	32
	<b>401</b>	388
Total revenue	<b>9,255</b>	8,740

Leases with tenants provide for monthly base rent and recovery of certain outgoings. Additional rents based on business turnover amounted to HK\$136 million (2016: HK\$149 million) and have been included in the rental income.

## 7 Segment Information

	Retail properties HK\$'M	Car parks HK\$'M	Others HK\$'M	Total HK\$'M
<b>For the year ended 31 March 2017</b>				
Revenue	6,989	1,944	322	9,255
Segment results	5,286	1,435	(69)	6,652
Change in fair values of investment properties	6,716	4,062	716	11,494
Interest income				4
Finance costs				(567)
Gains on disposals of investment properties				1,387
Profit before taxation and transactions with Unitholders				18,970
Taxation				(1,057)
Profit for the year, before transactions with Unitholders				17,913
Capital expenditure	7,749	64	589	8,402
Depreciation	–	–	(27)	(27)
<b>As at 31 March 2017</b>				
Segment assets	129,601	30,866	14,206	174,673
Goodwill				466
Derivative financial instruments				116
Short-term bank deposits				150
Cash and cash equivalents				535
Total assets				175,940
Segment liabilities	2,446	179	739	3,364
Provision for taxation				305
Long-term incentive plan provision				113
Interest bearing liabilities				27,497
Derivative financial instruments				499
Deferred tax liabilities				2,417
Other non-current liabilities				3,248
Total liabilities, excluding net assets attributable to Unitholders				37,443
Non-controlling interest				256
Net assets attributable to Unitholders				138,241

For the year ended 31 March 2017, revenue of HK\$574 million (2016: HK\$421 million) is attributable to external customers from Mainland China and HK\$8,681 million (2016: HK\$8,319 million) is attributable to external customers from Hong Kong.

As at 31 March 2017, non-current assets of HK\$11,203 million (2016: HK\$11,099 million) is located in Mainland China and HK\$163,356 million (2016: HK\$148,171 million) is located in Hong Kong.



## 7 Segment Information (Continued)

	Retail properties HK\$'M	Car parks HK\$'M	Others HK\$'M	Total HK\$'M
For the year ended 31 March 2016				
Revenue	6,699	1,850	191	8,740
Segment results	5,033	1,328	(216)	6,145
Change in fair values of investment properties	7,006	3,999	258	11,263
Interest income				6
Finance costs				(508)
Gains on disposals of investment properties				396
Profit before taxation and transactions with Unitholders				17,302
Taxation				(953)
Profit for the year, before transactions with Unitholders				16,349
Capital expenditure	5,331	114	7,149	12,594
Depreciation	–	–	(22)	(22)
As at 31 March 2016				
Segment assets	118,981	28,943	14,428	162,352
Goodwill				487
Derivative financial instruments				159
Short-term bank deposits				118
Cash and cash equivalents				336
Total assets				163,452
Segment liabilities	2,252	195	606	3,053
Provision for taxation				252
Long-term incentive plan provision				99
Interest bearing liabilities				26,924
Derivative financial instruments				462
Deferred tax liabilities				2,202
Other non-current liabilities				3,019
Total liabilities, excluding net assets attributable to Unitholders				36,011
Non-controlling interest				54
Net assets attributable to Unitholders				127,387

## 8 Property Operating Expenses

	2017 HK\$'M	2016 HK\$'M
Property managers' fees, security and cleaning	574	593
Staff costs (Note 11)	441	385
Repair and maintenance	225	221
Utilities	308	314
Government rent and rates	282	271
Promotion and marketing expenses	126	120
Estate common area costs	106	118
Business and real estate taxes in Mainland China	34	43
Other property operating expenses	165	162
	<b>2,261</b>	<b>2,227</b>

## 9 Operating Profit

Operating profit for the year is stated after charging:

	2017 HK\$'M	2016 HK\$'M
Staff costs (Note 11)	615	544
Depreciation of property, plant and equipment	27	22
Trustee's fee	15	13
Valuation fee	4	4
Auditor's remuneration		
Audit fees	5	5
Audit-related assurance services	2	2
Total audit and audit-related assurance services	7	7
Acquisition related professional fees	–	1
Others	2	1
Total auditor's remuneration	9	9
Bank charges	5	5
Operating lease charges	34	30
Exchange gain	(23)	–
Other legal and professional fees	16	24
Commission to property agents	71	20
Donations	10	10

## 10 Finance Costs

	2017 HK\$'M	2016 HK\$'M
Interest expenses on interest bearing liabilities	704	572
Other borrowing costs (Note (i))	154	108
	<b>858</b>	680
Less: capitalised under investment properties (Note (ii))	<b>(341)</b>	(172)
	<b>517</b>	508
Fair value loss on non-controlling interest put option obligation (Note 24)	50	–
	<b>567</b>	508

Notes:

- (i) Other borrowing costs include HK\$64 million (2016: HK\$62 million) interest expenses to non-controlling interest, HK\$115 million (2016: HK\$87 million) net losses on interest rate swap contracts designated as cash flow hedges, HK\$84 million (2016: HK\$77 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 2.6% (2016: 2.6%) per annum.

## 11 Staff Costs

	2017 HK\$'M	2016 HK\$'M
Wages and salaries	559	543
Contributions to mandatory provident fund scheme	13	13
Long-term incentive plan awards (Note 20)	111	60
	<b>683</b>	616
Less: capitalised under investment properties	<b>(68)</b>	(72)
Staff costs (Note 9)	<b>615</b>	544

### (a) Staff Costs Can be Further Analysed as Below:

	2017 HK\$'M	2016 HK\$'M
Included under property operating expenses (Note 8)	441	385
Included under general and administrative expenses	174	159
	<b>615</b>	544

## 11 Staff Costs (Continued)

### (b) Directors' Emoluments

The remunerations of directors are set out below:

Name of Director	Cash and other benefits in kind – received during the year					2016 Total cash remuneration HK\$'000
	Fees HK\$'000	Base pay, allowance and other benefits (Note (i)) HK\$'000	Contribution to pension scheme HK\$'000	Variable remuneration related to performance (Note (ii)) HK\$'000	2017 Total cash remuneration HK\$'000	
Mr Nicholas Charles ALLEN	1,975	–	–	–	1,975	76
Mr Nicholas Robert SALLNOW-SMITH (Note (iv))	–	–	–	–	–	1,975
Mr George Kwok Lung HONGCHOY	–	7,718	18	18,120	25,856	22,081
Mr Andy CHEUNG Lee Ming	–	4,242	18	6,010	10,270	8,586
Mr Ian Keith GRIFFITHS	577	–	–	–	577	543
Mr William CHAN Chak Cheung	815	–	–	–	815	780
Mr Ed CHAN Yiu Cheong	577	–	–	–	577	58
Mr Blair Chilton PICKERELL (Note (v))	615	–	–	–	615	–
Ms Poh Lee TAN	650	–	–	–	650	237
Ms May Siew Boi TAN	705	–	–	–	705	670
Mr Peter TSE Pak Wing	710	–	–	–	710	675
Ms Nancy TSE Sau Ling	650	–	–	–	650	525
Mr David Charles WATT	678	–	–	–	678	637
Ms Elaine Carole YOUNG	638	–	–	–	638	554
Mr Anthony CHOW Wing Kin (Note (vi))	–	–	–	–	–	107
Prof Richard WONG Yue Chim (Note (vii))	228	–	–	–	228	689
	<b>8,818</b>	<b>11,960</b>	<b>36</b>	<b>24,130</b>	<b>44,944</b>	<b>38,193</b>

## 11 Staff Costs (Continued)

### (b) Directors' Emoluments (Continued)

Name of Director	Long-term incentive plan awards – Provision made based on estimated values and over vesting period (Note (iii))			2016 Long-term incentive plan provision HK\$'000	Total remuneration – Cash and provision	
	Current year grants HK\$'000	Prior years grants HK\$'000	2017 Long-term incentive plan provision HK\$'000		2017 HK\$'000	2016 HK\$'000
Mr Nicholas Charles ALLEN	478	–	478	–	2,453	76
Mr Nicholas Robert SALLNOW-SMITH (Note (iv))	–	–	–	974	–	2,949
Mr George Kwok Lung HONGCHOY	4,192	21,939	26,131	12,895	51,987	34,976
Mr Andy CHEUNG Lee Ming	989	6,156	7,145	3,599	17,415	12,185
Mr Ian Keith GRIFFITHS	139	466	605	398	1,182	941
Mr William CHAN Chak Cheung	200	637	837	538	1,652	1,318
Mr Ed CHAN Yiu Cheung	139	–	139	–	716	58
Mr Blair Chilton PICKERELL (Note (v))	148	–	148	–	763	–
Ms Poh Lee TAN	156	–	156	–	806	237
Ms May Siew Boi TAN	174	572	746	504	1,451	1,174
Mr Peter TSE Pak Wing	174	290	464	154	1,174	829
Ms Nancy TSE Sau Ling	156	221	377	117	1,027	642
Mr David Charles WATT	165	534	699	453	1,377	1,090
Ms Elaine Carole YOUNG	156	492	648	445	1,286	999
Mr Anthony CHOW Wing Kin (Note (vi))	–	–	–	108	–	215
Prof Richard WONG Yue Chim (Note (vii))	–	606	606	528	834	1,217
	<b>7,266</b>	<b>31,913</b>	<b>39,179</b>	20,713	<b>84,123</b>	58,906

## Notes:

- (i) Other benefits include leave pay, insurance premium and club membership fee.
- (ii) The variable remunerations paid during the year were in relation to performance and services of prior years, based on financial and non-financial key performance indicators.
- (iii) Values of the long-term incentive plan awards are estimated based on valuation techniques with assumptions on future unit prices, outstanding length of the awards and distribution pay-out rates. There is no commitment to pay out the estimated values provided. The eventual amounts to be paid depend on the scale of achievement against certain performance and service related vesting conditions. For the portion of the awards which do not vest on the vesting dates, the amounts previously charged to the consolidated income statement will be written back. Details on the long-term incentive plan of the Group are set out in Note 20.

For the year ended 31 March 2017, certain long-term incentive plan awards have been vested and units of Link have been issued under the plan. The amounts recognised as expenses represent the provision recognised as set out in the accounting policy Note 3(r).

- (iv) Retired on 31 March 2016.
- (v) Appointed on 1 April 2016.
- (vi) Retired on 22 May 2015.
- (vii) Retired on 27 July 2016.

## 11 Staff Costs (Continued)

### (c) Five Highest Paid Individuals

The five individuals whose emoluments were the highest in the Group for the year include two (2016: two) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining three (2016: three) individuals during the year are as follows:

	2017 HK\$'M	2016 HK\$'M
Basic salaries, other allowances and benefits in kind	9	10
Discretionary bonus	6	6
Long-term incentive plan awards	10	4
<b>Total</b>	<b>25</b>	<b>20</b>

The emoluments of the five individuals fell within the following bands:

	2017 Number of individuals	2016 Number of individuals
Emolument bands		
HK\$6,000,001 – HK\$6,500,000	–	1
HK\$6,500,001 – HK\$7,000,000	–	2
HK\$8,000,001 – HK\$8,500,000	2	–
HK\$8,500,001 – HK\$9,000,000	1	–
HK\$12,000,001 – HK\$12,500,000	–	1
HK\$17,000,001 – HK\$17,500,000	1	–
HK\$34,500,001 – HK\$35,000,000	–	1
HK\$51,500,001 – HK\$52,000,000	1	–

### (d) Pension – Defined Contribution Plan

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% (2016: 16.5%) on the estimated assessable profit for the year. Corporate income tax in Mainland China has been provided for at the rate of 25% (2016: 25%) on the estimated assessable profit for the year.

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

	2017 HK\$'M	2016 HK\$'M
Current taxation		
– Hong Kong	763	681
– Mainland China	76	37
Deferred taxation	218	235
<b>Taxation</b>	<b>1,057</b>	<b>953</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:

	2017 HK\$'M	2016 HK\$'M
Profit before taxation	18,970	17,302
Expected tax calculated at the Hong Kong profits tax rate of 16.5% (2016: 16.5%)	3,130	2,855
Tax effect of different taxation rates	(11)	4
Tax effect of non-deductible expenses	12	24
Tax effect of non-taxable income	(2,009)	(1,885)
Tax effect of other temporary differences	(51)	(36)
Utilisation of previously unrecognised tax loss	(25)	(19)
Withholding tax on unremitted earnings of subsidiaries	11	10
<b>Taxation</b>	<b>1,057</b>	<b>953</b>

## 13 Earnings Per Unit Based Upon Profit After Taxation and Before Transactions with Unitholders Attributable to Unitholders

	2017	2016
Profit after taxation and before transactions with Unitholders attributable to Unitholders	<b>HK\$17,711 million</b>	HK\$16,295 million
Weighted average number of units for the year for calculating basic earnings per unit	<b>2,232,374,190</b>	2,267,331,282
Adjustment for dilutive contingently issuable units under long-term incentive plan	<b>1,915,318</b>	2,102,718
Weighted average number of units for the year for calculating diluted earnings per unit	<b>2,234,289,508</b>	2,269,434,000
Basic earnings per unit based upon profit after taxation and before transactions with Unitholders attributable to Unitholders	<b>HK\$7.93</b>	HK\$7.19
Diluted earnings per unit based upon profit after taxation and before transactions with Unitholders attributable to Unitholders	<b>HK\$7.93</b>	HK\$7.18

## 14 Goodwill

	2017 HK\$'M	2016 HK\$'M
At 1 April	487	384
Exchange adjustments	(8)	(3)
Acquisition of businesses	–	109
Disposal of investment properties	(13)	(3)
<b>At 31 March</b>	<b>466</b>	<b>487</b>

## 15 Investment Properties

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

	Completed properties HK\$'M	Property under development HK\$'M	Total HK\$'M
At 1 April 2016	154,372	6,300	160,672
Exchange adjustments	(636)	–	(636)
Acquisition (Note)	6,414	–	6,414
Additions	1,411	539	1,950
Disposals	(5,888)	–	(5,888)
Change in fair values	10,984	510	11,494
<b>At 31 March 2017</b>	<b>166,657</b>	<b>7,349</b>	<b>174,006</b>
At 1 April 2015	132,503	5,880	138,383
Exchange adjustments	(225)	–	(225)
Acquisition of business	10,974	–	10,974
Additions	1,310	284	1,594
Disposals	(1,317)	–	(1,317)
Change in fair values	11,127	136	11,263
	154,372	6,300	160,672
Reclassify to "Investment properties held for sale"	(3,060)	–	(3,060)
At 31 March 2016	151,312	6,300	157,612

Note: Amount included acquisition consideration of HK\$5,910 million and related transaction costs for 700 Nathan Road in Mong Kok.

### (b) Valuation Process

The investment properties were revalued on an open market value basis by Jones Lang LaSalle Limited, an independent firm of professional qualified valuers, which was newly appointed as the principal valuer of Link for property valuation as at 31 March 2017. The independent property valuation for the year ended 31 March 2016 was performed by CBRE Limited.

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, discounted cash flow analysis and residual approach as its primary approaches, cross-referenced to the direct comparison method.

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

The discounted cash flow analysis requires periodic net cash flows to be forecasted over the life of the investment and discounted at a risk-adjusted opportunity cost of capital to arrive at a present value. The discounted cash flow analysis takes into consideration the yearly net cash flows after deductions for expenditure, and having regard to the assumptions made relating to rental growth projections, vacancies, rent frees, replacement reserve, non-recoverable outgoings and leasing costs. The discounted cash flow analysis incorporates an assumed 10-year holding period and the reversionary value in year eleven, discounted by an appropriate discount rate to derive a net present value.

The residual valuation method involves firstly the assessment of gross development value, which is the value of the proposed development, as if completed, at the date of valuation. Estimated outstanding cost of the development including costs of construction, professional fee, finance costs and associated costs, plus an allowance for developer's risk and profit are deducted from the gross development value. The resultant figure is the residual value.

The three valuation techniques are summarised in the below table with their respective significant unobservable inputs.

	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
<b>Income capitalisation approach</b>		
Retail and commercial properties and car parks	i) Capitalisation rate (Blended): 3.00% – 5.30%  ii) Net passing income per annum: HK\$0.5M – HK\$332.4M	The higher the capitalisation rate, the lower the fair value.  The higher the net passing income, the higher the fair value.
<b>Discounted cash flow analysis</b>		
Retail and commercial properties and car parks	i) Discount rate 7.25% – 7.50%  ii) Net passing income per annum: HK\$0.5M – HK\$332.4M	The higher the discount rate, the lower the fair value.  The higher the net passing income, the higher the fair value.
<b>Residual approach</b>		
Property under development	Estimated development costs and allowance for developer's risk and profit	The higher the estimated development costs and allowance for developer's risk and profit, the lower the fair value.

The investment properties are included in Level 3 (2016: Level 3) of the fair value hierarchy.

## 15 Investment Properties (Continued)

### (d) Restriction of the REIT Code

Link acquired 77 Hoi Bun Road in Kowloon East for commercial development, EC Mall, Link Square 1 & 2 and 700 Nathan Road in Mong Kok, the completion of which were on 23 February 2015, 1 April 2015, 31 August 2015 and 15 April 2016 respectively. In accordance with the REIT Code, Link is prohibited from disposing of its properties for at least two years from either the time such properties are acquired or the dates of the completion of the development of the properties, unless the Unitholders approved the proposed disposal by way of special resolution passed in accordance with the Trust Deed.

## 16 Property, Plant and Equipment

	Leasehold improvements HK\$'M	Motor vehicles HK\$'M	Equipment HK\$'M	Total HK\$'M
At 1 April 2016	8	2	66	76
Additions	8	–	30	38
Depreciation charge for the year	(5)	(1)	(21)	(27)
<b>At 31 March 2017</b>	<b>11</b>	<b>1</b>	<b>75</b>	<b>87</b>
<b>At 31 March 2017</b>				
Cost	86	5	199	290
Accumulated depreciation	(75)	(4)	(124)	(203)
Net book value	11	1	75	87
At 1 April 2015	15	2	55	72
Acquisition of businesses	–	–	1	1
Additions	2	1	22	25
Depreciation charge for the year	(9)	(1)	(12)	(22)
At 31 March 2016	8	2	66	76
At 31 March 2016				
Cost	78	5	169	252
Accumulated depreciation	(70)	(3)	(103)	(176)
Net book value	8	2	66	76

## 17 Trade and Other Receivables

	2017 HK\$'M	2016 HK\$'M
Trade receivables	82	97
Less: provision for impairment of trade receivables	(4)	(5)
Trade receivables – net	78	92
Other receivables	425	343
	<b>503</b>	435

The carrying amounts of these receivables approximate their fair values.

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

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

	2017 HK\$'M	2016 HK\$'M
0 – 30 days	73	88
31 – 90 days	5	4
Over 90 days	4	5
	<b>82</b>	97

Monthly rentals in respect of retail and commercial properties are payable in advance by tenants in accordance with the leases while daily gross receipts from car parks are received from the car park operators in arrears. Included in the net trade receivables of HK\$78 million (2016: HK\$92 million) presented above were HK\$40 million (2016: HK\$41 million) of accrued car park income and HK\$18 million (2016: HK\$30 million) of accrued turnover rent, which were not yet due as at 31 March 2017. The remaining HK\$20 million (2016: HK\$21 million) were past due but not considered impaired.

The ageing of the past due but not considered impaired trade receivables is as follows:

	2017 HK\$'M	2016 HK\$'M
0 – 30 days	15	17
31 – 90 days	5	4
	<b>20</b>	21

As at 31 March 2017, trade receivables of HK\$4 million (2016: HK\$5 million) were considered as impaired and had been provided for. The individually impaired receivables are those where collectibility is in doubt.

The ageing of the impaired trade receivables is as follows:

	2017 HK\$'M	2016 HK\$'M
Over 90 days	4	5

## 17 Trade and Other Receivables (Continued)

Movements on the provision for impairment of trade receivables are as follows:

	2017 HK\$'M	2016 HK\$'M
At 1 April	5	3
Provision for impairment of trade receivables	4	6
Receivables written off during the year as uncollectible	(5)	(4)
<b>At 31 March</b>	<b>4</b>	<b>5</b>

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.

The maximum exposure to credit risk at the reporting date is the fair value of trade receivables.

## 18 Cash and Cash Equivalents and Short-term Bank Deposits

	2017 HK\$'M	2016 HK\$'M
Cash at bank	212	237
Short-term bank deposits with original maturity of less than three months	323	99
Cash and cash equivalents	535	336
Short-term bank deposits with original maturity of more than three months	150	118
	<b>685</b>	<b>454</b>

## 19 Trade Payables, Receipts in Advance and Accruals

	2017 HK\$'M	2016 HK\$'M
Trade payables	175	84
Receipts in advance	243	220
Accruals	1,452	1,339
	<b>1,870</b>	<b>1,643</b>

The carrying amounts of these payables approximate their fair values.

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

	2017 HK\$'M	2016 HK\$'M
0 – 30 days	170	64
31 – 90 days	5	20
	<b>175</b>	<b>84</b>

## 20 Long-term Incentive Plan Provision

	2017 HK\$'M	2016 HK\$'M
Long-term incentive plan provision	113	99
Less: current portion of long-term incentive plan provision	(76)	(63)
Non-current portion of long-term incentive plan provision	37	36

A long-term incentive plan (the “**2007 LTI Plan**”) was approved and adopted by ordinary resolution on 23 July 2007 at the annual general meeting of the Unitholders. The 2007 LTI Plan shall be valid and effective for 10 years commencing on the adoption date.

Under the 2007 LTI Plan, the Manager may grant three types of awards, the Restricted Unit Award (“**RUA**”), Unit Option and Conditional Cash Award (“**CCA**”) (collectively the “**Awards**”) to directors and key employees of the Manager. Awards are approved by the Remuneration Committee and, in the case of directors of the Manager, by the Board on recommendation of the Remuneration Committee. No Unit Option has been granted since the adoption date.

Upon the vesting of RUA, units are to be issued to the grantees on a sliding scale, depending on the scale of achievement against the total Unitholders return (“**TUR**”) or net property income (“**NPI**”), where appropriate, providing that the minimum criteria for the performance measure determined by the Remuneration Committee has been met.

During the year, certain directors and employees of the Manager were granted RUA and CCA at nil monetary consideration. The RUA granted under the 2007 LTI Plan, in general, will vest approximately two to three years from the date of grant.

The eventual numbers of units to be issued under RUA on vesting, which are linked to the performance of Link based on the TUR, NPI or certain vesting conditions, where appropriate, will range from 0% to 200% of RUA granted. CCA is granted in conjunction with the grant of RUA, bestowing upon the grantee a conditional right to receive a cash payment representing an amount equivalent to the aggregate of the distributions per unit to Unitholders during the vesting period, multiplied by the number of units that will eventually be issued to such grantee pursuant to RUA vested.

During the vesting period, a liability is recognised representing the estimated value of the Awards granted 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 and distribution pay-out rates. 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.

During the year, the Group issued 1,600,140 units (2016: 1,596,867 units) for RUA vested in accordance with the vesting conditions under the 2007 LTI Plan.

## 20 Long-term Incentive Plan Provision (Continued)

Movements in the number of RUA during the year and the maximum number of units to be issued upon vesting of RUA are as follows:

Date of grant	Vesting period	Outstanding as at 1 April 2016	Granted during the year	Vested during the year <sup>(i)</sup>	Lapsed during the year	Outstanding as at 31 March 2017	Maximum to be issued on vesting date <sup>(ii)</sup>
20 January 2014	20 January 2014 to 30 June 2016	455,895	–	(444,490) <sup>(iii)</sup>	(11,405)	–	–
17 July 2014	17 July 2014 to 30 June 2016	435,584	–	(433,452) <sup>(iii)</sup>	(2,132)	–	–
	17 July 2014 to 30 June 2017	434,035	–	–	(11,345)	422,690	794,880
24 July 2015	24 July 2015 to 30 June 2017	431,000	–	–	(22,410)	408,590	777,930
	24 July 2015 to 30 June 2018	431,000	–	–	(26,906)	404,094	768,938
14 November 2016	14 November 2016 to 30 June 2018	–	453,750	–	(10,464)	443,286	826,572
	14 November 2016 to 30 June 2019	–	453,750	–	(12,060)	441,690	823,380
Subtotal		2,187,514	907,500	(877,942)	(96,722)	2,120,350	3,991,700
Additional units vested over 100% of RUA granted		–	–	(722,198) <sup>(iii)</sup>	–	–	–
Total		2,187,514	907,500	(1,600,140)	(96,722)	2,120,350	3,991,700

Notes:

(i) RUA vesting percentages during the year ranged from 177% to 200%.

(ii) If certain vesting conditions are met.

(iii) Additional units over 100% of RUA granted were vested pursuant to the relevant vesting conditions.

## 21 Interest Bearing Liabilities

	2017 HK\$'M	2016 HK\$'M
Bank borrowings	11,361	13,223
Medium term notes	16,136	13,701
	27,497	26,924
Less: current portion of interest bearing liabilities	(300)	(959)
Non-current portion of interest bearing liabilities	27,197	25,965

## 21 Interest Bearing Liabilities (Continued)

Interest bearing liabilities are repayable as follows:

	2017 HK\$'M	2016 HK\$'M
<b>Due in the first year</b>		
Medium term notes	300	959
<b>Due in the second year</b>		
Bank borrowings	1,492	–
Medium term notes	1,095	300
	<b>2,587</b>	300
<b>Due in the third year</b>		
Bank borrowings	3,481	3,337
Medium term notes	1,336	1,101
	<b>4,817</b>	4,438
<b>Due in the fourth year</b>		
Bank borrowings	2,476	3,830
Medium term notes	349	1,365
	<b>2,825</b>	5,195
<b>Due in the fifth year</b>		
Bank borrowings	3,497	4,869
Medium term notes	1,434	349
	<b>4,931</b>	5,218
<b>Due beyond the fifth year</b>		
Bank borrowings	415	1,187
Medium term notes	11,622	9,627
	<b>12,037</b>	10,814
	<b>27,497</b>	26,924

Notes:

- (i) Except for medium term notes of HK\$7,306 million (2016: HK\$3,857 million) which are denominated in United States Dollars, all the other interest bearing liabilities are denominated in Hong Kong Dollars.
- (ii) All of Link's foreign currencies borrowings are fully hedged into Hong Kong Dollars.
- (iii) The effective interest rate of the interest bearing liabilities (taking into account cross currency swap contracts and interest rate swap contracts) at the reporting date was 2.65% (2016: 2.57%). The carrying amounts of the interest bearing liabilities approximate their fair values.

## 22 Derivative Financial Instruments

	2017 HK\$'M	2016 HK\$'M
<b>Derivative assets</b>		
<b>Current item</b>		
Designated as fair value hedge		
– interest rate swap contract	–	1
<b>Non-current items</b>		
Designated as cash flow hedge		
– interest rate swap contracts	73	–
Designated as fair value hedge		
– cross currency swap contracts	–	67
– interest rate swap contracts	43	91
	<b>116</b>	158
	<b>116</b>	159
<b>Derivative liabilities</b>		
<b>Current item</b>		
Designated as cash flow hedge		
– interest rate swap contract	1	–
Designated as fair value hedge		
– cross currency swap contract	–	60
	<b>1</b>	60
<b>Non-current items</b>		
Designated as cash flow hedge		
– interest rate swap contracts	112	350
Designated as fair value hedge		
– cross currency swap contracts	373	52
– interest rate swap contracts	13	–
	<b>498</b>	402
	<b>499</b>	462
	<b>383</b>	303

## 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. Cross currency swap contracts and interest rate swap contracts are included in Level 2 (2016: Level 2) of the fair value hierarchy.



## 22 Derivative Financial Instruments (Continued)

The Group uses cross currency swap contracts and interest rate swap contracts (swapping from foreign currencies to Hong Kong Dollars) to minimise its exposure to movements in foreign currency exchange rates and interest rates in relation to its interest bearing liabilities. The fair values of these cross currency swap contracts and interest rate swap contracts are classified as non-current items should the remaining maturities of the hedged items extend for more than 12 months. 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\$310 million has been credited (2016: HK\$299 million has been debited) to the hedging reserve during the year as further set out in Note 26.

As at 31 March 2017, the derivative financial instruments qualifying as cash flow hedges have, in effect, provided the Group with an average fixed interest rate period of 5.3 years on HK\$7,000 million borrowings (2016: 6.1 years on HK\$7,400 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 2017 were HK\$7,000 million (2016: HK\$7,400 million) and 1.82% (2016: 1.86%) respectively. The notional principal amount of the outstanding floating rates to floating rates interest rate swap contracts as at 31 March 2017 was HK\$7,000 million (2016: HK\$6,000 million).

As at 31 March 2017, 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 2017 were HK\$7,753 million (2016: HK\$4,083 million) and HK\$1,910 million (2016: HK\$2,220 million) respectively.

Gains and losses on interest rate swap contracts recognised in the hedging reserve (Note 26) as at 31 March 2017 will be released to the consolidated income statement.

## 23 Deferred Tax Liabilities

Deferred taxation is calculated in full on temporary differences under the liability method.

Analysis of net deferred tax liabilities:

	2017 HK\$'M	2016 HK\$'M
Deferred tax assets	(50)	(7)
Deferred tax liabilities	2,467	2,209
	<b>2,417</b>	<b>2,202</b>

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 2016	2,185	17	2,202
Exchange adjustments	(1)	(2)	(3)
Recognised in the consolidated income statement	251	(33)	218
<b>At 31 March 2017</b>	<b>2,435</b>	<b>(18)</b>	<b>2,417</b>
At 1 April 2015	1,957	–	1,957
Acquisition of businesses	–	13	13
Recognised in the consolidated income statement	228	7	235
Adjustment in respect of prior year	–	(3)	(3)
At 31 March 2016	2,185	17	2,202

## 24 Other Non-current Liabilities

	2017 HK\$'M	2016 HK\$'M
Amount due to non-controlling interest	2,618	2,439
Non-controlling interest put option obligation	630	580
	<b>3,248</b>	<b>3,019</b>

Notes:

- (i) On 23 February 2015, the Group through a non-wholly owned subsidiary (the "Project Company", in which Link has an indirect 60% interest and Nan Fung Development Limited ("Nan Fung") has an indirect 40% interest) acquired 77 Hoi Bun Road in Kowloon East for commercial development. For the purpose of funding the commercial development, Nan Fung, a non-controlling interest of the Project Company has contributed cash in proportion to the shareholding ratio to the Project Company. The amount due to non-controlling interest is unsecured, interest bearing at an effective interest rate of 2.6% (2016: 2.6%), has no fixed repayment term and is not repayable within one year. Such amount due to non-controlling interest 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 completion of 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 (HK) Consulting & Valuation Limited, 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 (2016: 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:

	2017 HK\$'M	2016 HK\$'M
At 1 April	580	580
Recognised in the consolidated income statement:		
– Fair value loss (Note 10)	50	–
<b>At 31 March</b>	<b>630</b>	<b>580</b>

## 25 Units in Issue

	2017 Number of units	2016 Number of units
At 1 April	2,243,148,136	2,291,770,269
Units bought back for cancellation	(31,746,000)	(50,219,000)
Units issued under long-term incentive plan	1,600,140	1,596,867
<b>At 31 March</b>	<b>2,213,002,276</b>	<b>2,243,148,136</b>

Pursuant to the general mandate granted to the Manager by the Unitholders, the Manager (on behalf of Link) bought back a total of 31,746,000 units (2016: 50,219,000 units) at an aggregate price of HK\$1,697 million (2016: HK\$2,197 million). All units bought back were cancelled during the year.

Closing price of the units as at 31 March 2017 was HK\$54.45 (2016: HK\$46.00) per unit. Based on 2,213,002,276 units in issue as at 31 March 2017 (2016: 2,243,148,136 units), market capitalisation was HK\$120,498 million (2016: HK\$103,185 million).

## 26 Reserves

	Other reserve HK\$'M	Hedging reserve HK\$'M	Exchange reserve HK\$'M	Earnings retained for cash flow hedge and foreign exchange translation adjustments HK\$'M	Total reserves HK\$'M
At 1 April 2016	(580)	(350)	(224)	574	(580)
Cash flow hedges:					
– Change in fair values	–	195	–	–	195
– Amount transferred to the consolidated income statement (Note)	–	115	–	–	115
	–	310	–	–	310
Exchange loss on translation of financial statements	–	–	(662)	–	(662)
Net assets attributable to Unitholders:					
– Amount arising from cash flow hedging reserve and exchange reserve movements	–	–	–	352	352
<b>At 31 March 2017</b>	<b>(580)</b>	<b>(40)</b>	<b>(886)</b>	<b>926</b>	<b>(580)</b>
At 1 April 2015	(580)	(51)	–	51	(580)
Cash flow hedges:					
– Change in fair values	–	(386)	–	–	(386)
– Amount transferred to the consolidated income statement (Note)	–	87	–	–	87
	–	(299)	–	–	(299)
Exchange loss on translation of financial statements	–	–	(224)	–	(224)
Net assets attributable to Unitholders:					
– Amount arising from cash flow hedging reserve and exchange reserve movements	–	–	–	523	523
At 31 March 2016	(580)	(350)	(224)	574	(580)

Note: Amount transferred to the consolidated income statement in respect of cash flow hedges was included in "Finance costs" (Note 10).

## 27 Note to the Consolidated Statement of Cash Flows

### (a) Net Cash Generated from Operating Activities

	2017 HK\$'M	2016 HK\$'M
Profit before taxation and transactions with Unitholders	18,970	17,302
Long-term incentive plan awards	111	60
Depreciation charge	27	22
Gains on disposals of investment properties	(1,387)	(396)
Interest income	(4)	(6)
Finance costs	567	508
Exchange difference	(23)	–
Change in fair values of investment properties	(11,494)	(11,263)
Increase in trade and other receivables, deposits and prepayments	(79)	(96)
Increase in trade payables, receipts in advance and accruals	92	179
Increase in security deposits	92	105
Long-term incentive plan paid	(7)	(7)
Income tax paid	(788)	(726)
Net cash generated from operating activities	<b>6,077</b>	5,682

### (b) Major Non-cash Transactions

During the year, additional units of HK\$90 million (2016: HK\$74 million) were issued under the long-term incentive plan.

## 28 Commitments

### (a) Capital Commitments

	2017 HK\$'M	2016 HK\$'M
Capital expenditure of investment properties contracted but not provided for at the end of the year	<b>3,219</b>	843

### (b) Operating Lease Commitments

As at 31 March 2017, the analysis of the Group's aggregate future minimum lease rental payables under non-cancellable operating leases is as follows:

	2017 HK\$'M	2016 HK\$'M
Within one year	27	27
Between one and five years	20	38
	<b>47</b>	65

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

Information required to be disclosed concerning related party transactions is set out in this note unless disclosed elsewhere in these 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 2017:

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
Jones Lang LaSalle Limited (the "Principal Valuer") (Note (i))	The current Principal Valuer of Link
CBRE Limited (Note (ii))	The former Principal Valuer of Link
Aedas Limited*	Associate <sup>#</sup> of director
Industrial and Commercial Bank of China (Asia) Limited ("ICBC (Asia)") (Note (iii))	Associate <sup>#</sup> of director
Standard Chartered Bank (Hong Kong) Limited ("SCBHK") (Note (iv))	Associate <sup>#</sup> of director
The Chamber of Hong Kong Listed Companies	Associate <sup>#</sup> of director
The Hong Kong Institute of Directors Limited	Associate <sup>#</sup> of director

\* These connected parties are also considered as related parties of the Group.

<sup>#</sup> "Associate" has the meaning ascribed to it under the REIT Code.

Notes:

- (i) Jones Lang LaSalle Limited is the current Principal Valuer of Link who is responsible for the property valuation of Link for the year ended 31 March 2017. Jones Lang LaSalle Limited was appointed as the Principal Valuer of Link with effect from 17 November 2016.
- (ii) CBRE Limited was the former Principal Valuer of Link who was responsible for the property valuation of Link up till the period ended 30 September 2016. CBRE Limited retired as the Principal Valuer of Link in accordance with the REIT Code on 16 November 2016 and since then, CBRE Limited ceased to be a connected party of Link.
- (iii) ICBC (Asia) was an associate of Professor Richard WONG Yue Chim, who retired as a director on 27 July 2016 and since then, ICBC (Asia) ceased to be a connected party of Link.
- (iv) SCBHK was an associate of Ms May Siew Boi TAN and ceased to be a connected party of Link since 1 March 2017 upon her retirement from SCBHK.

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

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

The following transactions were carried out with connected/related parties:

	2017 HK\$'M	2016 HK\$'M
Trustee's fee paid and payable to the Trustee (Note (ii))	(15)	(13)
Transactions with the HSBC Group (Note (iii))		
Interest expense and various financing charges to the HSBC Group on interest bearing liabilities, cross currency swap contracts and interest rate swap contracts	(74)	(69)
Rental income from the HSBC Group on leasing of retail units	34	32
Interest income from the HSBC Group on short-term bank deposits	2	1
Transactions with the Principal Valuer (Notes (iii) and (iv))		
Valuation fee	(4)	(4)
Consultancy services fees	(8)	(1)
Architectural/renovation consultancy services fees paid and payable to Aedas Limited (Notes (iii) and (v))	(17)	(11)
Organising cultural activities project fee paid and payable to Hong Kong Youth Arts Foundation (Note (iii))	–	(1)
Transactions with ICBC (Asia) (Notes (iii) and (vi))		
Interest expense and various financing charges to ICBC (Asia) on interest bearing liabilities	(1)	(2)
Rental income from ICBC (Asia) on leasing of retail units	4	10
Transactions with SCBHK (Notes (iii) and (vii))		
Rental income from SCBHK on leasing of retail units	11	13
Interest income from SCBHK on short-term bank deposits	1	1

#### Notes:

- (i) All connected 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 0.008% per annum to 0.03% per annum of the latest property value as determined in the latest annual valuation report of an independent property valuer recommended by the Manager and appointed by the Trustee for and on behalf of Link from time to time, subject to a minimum of HK\$150,000 per month.
- (iii) The transactions were entered into at arm's length on normal commercial terms.
- (iv) Jones Lang LaSalle Limited was appointed as the Principal Valuer of Link with effect from 17 November 2016. The former Principal Valuer, CBRE Limited, was responsible for the property valuation of Link up till the period ended 30 September 2016. Valuation fee for the year ended 31 March 2017 of HK\$3 million and HK\$1 million were paid and payable to Jones Lang LaSalle Limited and CBRE Limited respectively while valuation fee of HK\$4 million was paid to CBRE Limited for the year ended 31 March 2016. Consultancy services fees for the year ended 31 March 2017 of HK\$8 million were paid and payable to CBRE Limited while consultancy services fees of HK\$1 million was paid to CBRE Limited for the year ended 31 March 2016.
- (v) Aedas Limited is an associate of Mr Ian Keith GRIFFITHS.
- (vi) ICBC (Asia) was an associate of Professor Richard WONG Yue Chim, who retired as a director on 27 July 2016 and since then, ICBC (Asia) ceased to be a connected party of Link.
- (vii) SCBHK was an associate of Ms May Siew Boi TAN and ceased to be a connected party of Link since 1 March 2017 upon her retirement from SCBHK.

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

### (c) Balances with Related Parties

Balances with related parties are set out below:

	2017 HK\$'M	2016 HK\$'M
Trustee's fee payable to the Trustee	(1)	(1)
Interest bearing liabilities with the HSBC Group	(3,165)	(3,689)
Net interest payable to the HSBC Group	(1)	(3)
Security deposits from the HSBC Group	(2)	(2)
Cross currency swap contracts and interest rate swap contracts with the HSBC Group	(188)	(130)
Deposits placed with the HSBC Group	173	176
Architectural/renovation consultancy services fees payable to Aedas Limited	(1)	–

### (d) Key Management Compensation

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

	2017 HK\$'M	2016 HK\$'M
Fees	9	8
Basic salaries, allowances and other benefits	78	68
Long-term incentive plan awards	70	34
	<b>157</b>	<b>110</b>

## 30 Future Minimum Rental Receivables

As at 31 March 2017, the analysis of the Group's aggregate future minimum rental income receivables under non-cancellable operating leases is as follows:

	2017 HK\$'M	2016 HK\$'M
Within one year	4,867	4,782
Between one and five years	7,108	6,385
Beyond five years	654	538
	<b>12,629</b>	<b>11,705</b>

Most of the operating leases are on fixed terms and for terms of 3 years (2016: 3 years).



### 31 Principal Subsidiaries

Link held the following principal subsidiaries as at 31 March 2017:

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\$5,000,001	100%
<i>Indirectly held:</i>				
Atlantic Best Limited	Hong Kong, limited liability company/Hong Kong	Investment holding	HK\$2	100%
Century Land Investment Limited	Hong Kong, limited liability company/Hong Kong	Property development	HK\$1	60%
China East Investment Limited	Hong Kong, limited liability company/Hong Kong	Investment holding	HK\$5,000	100%
益颯美置業(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%
Great Land (HK) Limited	Hong Kong, limited liability company/Hong Kong	Property holding and leasing	HK\$1,000,000	100%
Link (LRM) Limited	Hong Kong, limited liability company/Hong Kong	Property holding and leasing	HK\$1	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%
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%
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 Manager considers the non-controlling interest in respect of Century Land Investment Limited is not 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.

### 32 Event After the Reporting Date

On 7 April 2017, Link, through a wholly-owned subsidiary, entered into a sale and purchase agreement to acquire the entire issued share capital of GCREF Acquisitions 22 Limited and the shareholder loan at an initial consideration of RMB4,060 million (equivalent to approximately HK\$4,575 million) and will be adjusted by the current assets and current liabilities of the target group as at the completion date pursuant to the relevant terms of the sale and purchase agreement. The transaction was completed on 11 May 2017.

GCREF Acquisitions 22 Limited indirectly owns the entire registered capital of 廣州牽晴匯房地產有限公司 (Guangzhou Qian Qing Hui Real Estate Company Limited), which owns the Metropolitan Plaza located at No. 8 Huangsha Road, Liwan District, Guangzhou, The People's Republic of China.

### 33 Approval of the Consolidated Financial Statements

The consolidated financial statements were authorised for issue by the Board and the Trustee on 7 June 2017.

# Valuation Report



仲量聯行有限公司  
物業估價部  
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tel +852 2846 5000 fax +852 2968 0078  
Licence No: C-003464

Our Ref: 2/17/00095

23 May 2017

The Board of Directors  
Link Asset Management Limited  
(For itself as manager of Link Real Estate Investment Trust ("Link REIT"), and for and on behalf of Link REIT)  
33/F, AXA Tower, Landmark East  
100 How Ming Street  
Kwun Tong  
Kowloon  
Hong Kong

Trustee  
HSBC Institutional Trust Services (Asia) Limited  
1 Queen's Road Central  
Hong Kong

Dear Sirs

## LINK REIT – ANNUAL VALUATION AS AT 31 MARCH 2017

### Instructions

We refer to the instruction from Link Asset Management Limited ("LAML"), acting as the manager of Link Real Estate Investment Trust ("Link REIT"), and HSBC Institutional Trust Services (Asia) Limited ("Trustee") to conduct property valuations ("Valuation") for the following properties of Link REIT for presentation in its 2016-2017 Annual Report in compliance with the relevant requirements set out in the Code on Real Estate Investment Trusts issued by the Securities and Futures Commission of Hong Kong (SFC), the trust deed of Link REIT dated 6 September 2005 as supplemented from time to time by supplemental deeds and, where applicable, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("SEHK"):

- 155 Completed Properties in Hong Kong (the "Hong Kong Completed Properties", with details stated in the Schedule of Values);
- The Quayside at 77 Hoi Bun Road (the "Property under Development", with details stated in the Schedule of Values);
- the Property under Renovation at 700 Nathan Road (the "Property under Renovation", with details stated in the Schedule of Values); and
- 2 Retail, Office and Car Parking Facilities in the People's Republic of China (the "PRC Properties", with details stated in the Schedule of Values)

(hereinafter collectively referred as "the Properties")

## Valuer's Interest

We hereby certify Jones Lang LaSalle Limited is independent of the scheme, the trustee, the management company and each of the significant holders of the scheme, as per the Code on Real Estate Investment Trust issued by the SFC.

## Basis of Valuation

Unless otherwise stated, our valuation has been prepared in accordance with "HKIS Valuation Standards 2012 Edition" published by The Hong Kong Institute of Surveyors ("HKIS"), the "International Valuation Standards" published by the International Valuation Standards Council ("IVSC") and the "RICS Valuation – Professional Standards 2014" published by the Royal Institution of Chartered Surveyors ("RICS") subject to variation to meet local established law. Unless otherwise stated, our valuations are undertaken as External Valuers as defined in the relevant Valuation Standards.

Our valuation of the Properties is made on the basis of the 'Market Value' as defined by IVSC and adopted by HKIS and RICS, set out as:

*"the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."*

Our valuation services have been executed in accordance with our Quality Assurance System, accredited by HKQAA via ISO 9001: 2008 and our report prepared with reference to the assumptions, definitions and limiting conditions as set out in our General Principles of Valuation.

## Measurements

All measurements are carried out in accordance with the "Code of Measuring Practice" booklet published by the HKIS. To suit the local practice, we declare our departure from the "RICS property measurement" published by RICS in May 2015. Unless otherwise stated, we do not physically measure the actual property or verify the floor areas provided to us, unless we specifically agree in writing to do so, although we make reference to the registered floor plans if available.

## Valuation Methodologies

We have relied on the Income Capitalisation Approach and Discounted Cash Flow ("DCF") Analysis as the primary approaches for our valuation of the Hong Kong Completed Properties and the PRC Properties, cross-referenced to the Direct Comparison Approach. For the Property under Development, we have carried out the valuation by using the Residual Approach. For the Property under Renovation, we have primarily carried out the valuation by using Income Capitalisation Approach, and cross-checked with Direct Comparison Approach.

### Income Capitalisation Approach

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

The income capitalisation approach can more accurately reflect these property specific factors by utilising various specific assumptions which have been derived via analysis of market evidence. The ability to apply these assumptions in the income capitalisation approach is by far more appropriate for valuing an investment property where investors' emphasis on delivering returns is of paramount importance.

The ranges of capitalisation rates adopted in our valuations are as follows:

#### Hong Kong Completed Properties

Retail:	3.4% – 5.2%
Car Park:	3.8% – 5.7%
Blended:	3.4% – 5.3%

Property under Renovation

Whole Property: 3.0%

PRC Properties

Office: 4.25%

Retail: 4.5%

Car Park: 4.25 – 4.50%

### Discounted Cash Flow Analysis

The DCF analysis requires periodic net cash flows to be forecasted over the life of the investment and discounted at a risk-adjusted opportunity cost of capital to arrive at a present value.

The DCF takes into consideration the yearly net cash flows after deductions for expenditure, and having regard to the assumptions made relating to rental growth projections, vacancies, rent frees, replacement reserve, non-recoverable outgoings and leasing costs. The DCF analysis incorporates an assumed 10-year holding period and the reversionary value in year eleven, discounted by an appropriate discount rate to derive a net present value.

### Direct Comparison Approach

Direct Comparison Approach is the most widely used method of valuation and is based on comparing the Properties to be valued directly with other comparable properties which recently changed hands or leased. These premises are generally located in the surrounding areas or in another market which is comparable to the Properties. However, because of the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price/rental likely to be achieved by the Properties under consideration.

Factors such as tenants covenants, trade mix are difficult to be quantified in the overall unit value of the comparables. Furthermore, good comparables may not be readily available in the market. In the light of the characteristics of the Properties, we have therefore placed more weighting on the reliance on the Income Capitalisation Approach and DCF analysis in arriving our valuation conclusion.

### Residual Method

The residual valuation method involves firstly the assessment of Gross Development Value, which is the value of the proposed development, as if completed, at the date of valuation. Estimated outstanding cost of the development including costs of construction, professional fee, finance costs and associated costs, plus an allowance for developer's risk and profit are deducted from the gross development value. The resultant figure is the residual value.

The residual method is subject to a number of hypothetical assumptions. A slight change in one or more of the assumptions would have a significant impact on the conclusion reached. In general terms, it is noted that the residual method is most sensitive to changes in sales price of the completed development.

### Valuation Reconciliation

The results of the relevant valuation methods will be reconciled and the assessed value will be analysed in terms of initial passing yield and internal rate of return and on a dollar per square foot or square metre basis.

### Valuation Assumptions

The valuations have been made on the assumption that Link REIT sells the property interests in the open market without the benefit of deferred-terms contracts, leasebacks, joint ventures, management agreements or any similar arrangements which could serve to affect the values of the property interests.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on the Properties nor for any expenses or taxation which may be incurred in effecting sales. Unless otherwise stated, it is assumed that the Properties are free of encumbrances, restrictions and outgoings of an onerous nature which could affect their capital values.

### Title Investigation and Encumbrances

We have been provided with copies of the title documents relating to the PRC Properties. As per the information provided by LAML, as at the Valuation Date, all the Properties have obtained their legal titles. For Properties located at Hong Kong, we have conducted land searches of the properties with the Land Registry. However, we have not examined the original documents to verify ownership or to ascertain the existence of any lease amendments, which may not appear on the copies handed to us. All documents and leases have been used for reference only and all dimensions, measurements and areas are approximate.

### Site Investigation

We have not carried out any investigations on site in order to determine the suitability of ground conditions and services etc. for future redevelopment, nor did we undertake archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory and that where developments are contemplated, no extraordinary expenses or delays will be incurred during the construction period due to these, or to archaeological or ecological matters. In the course of our assessments, we have assumed that no contamination affecting the Properties or the neighbouring land. However, should it be established subsequently that contamination exists at the Properties or on any neighbouring land, or that the premises have been or are being put to any contaminative use, we reserve the right to adjust the values reported herein.

### Plant and Machinery

Our valuation normally includes all plant and machinery that form part of the building services installations. However, process plant, machinery and equipment which may have been installed wholly in connection with the occupiers' commercial processes, together with furniture and furnishings, tenants' fixtures and fittings are excluded in our valuation.

### Car Parking Spaces

We are advised that for those Properties where temporary/permanent planning approvals or waivers are required for letting of surplus car parks to non-residents, these have already been or are in the process of being obtained from the relevant Government authorities.

### Telecommunication Facilities

We have assumed that all telecommunication facilities at the Properties are permitted and that all necessary approvals have been obtained from the relevant authorities.

### Acknowledgement of Information

We have relied to a considerable extent on the information provided by the LAML and have accepted advice given to us on such matters as identification of the Properties, planning approvals, statutory notices, easements, tenure, occupation, floor plans, floor areas, tenancy schedule and all other relevant matters.

In the course of our valuation, we have also made reference to inter alia, the following information was provided by LAML:

#### Hong Kong Properties

1. Copy of Tenancy Schedule as at 31 March 2017 and subsequent updates;
2. Copy of Other Retail and Car Park incomes from March 2016 to February 2017;
3. Copy of Retail Actual Income from March 2016 to February 2017;
4. Copy of Operating Expenses from March 2016 to February 2017;
5. Copy of CAPEX schedules as at 31 March 2017 and subsequent updates;
6. Copy of Asset Enhancement Plans & layout plans of the Properties, if any; and
7. Copy of Approved Building Plans for the commercial developments of The Quayside and 700 Nathan Road dated 13 January 2017 and 30 March 2017 respectively;

### PRC Properties

1. Copy of Tenancy Schedule as at 31 March 2017 and subsequent updates;
2. Copy of Other Retail and Car Park incomes from March 2016 to February 2017;
3. Copy of Retail Actual Income from March 2016 to February 2017;
4. Copy of Office Actual Income from March 2016 to February 2017 (Link Square, Shanghai);
5. Copy of Operating Expenses from March 2016 to February 2017;
6. Copy of relevant Title Documents;

Dimensions, measurements and areas included in the report are based on information contained in copies of documents provided to us and are therefore only approximations. No on site measurements have been taken. We have not been instructed to independently verify the information provided to us. Our valuation is totally dependent on the adequacy and accuracy of the information supplied and/or the assumptions made. Should these prove to be incorrect or inadequate, the accuracy of the valuation may be affected.

We have not seen original planning and/or development and occupation consents. We have assumed that the properties have been erected, being occupied and used in accordance with such consents and that there are no outstanding statutory notices.

### Summary of Values

A summary of the following are shown in the attached Schedule of Values:

- i) Retail Internal Floor Area (“IFA”), number of car parking spaces, assessed market values, capitalisation rate adopted in Income Capitalisation Approach, discount rate adopted in Discount Cash Flow Analysis, initial yield and indicated internal rate of return of the Hong Kong Completed Properties;
- ii) Site area, maximum Gross Floor Area (“GFA”) and assessed market value of the Property under Development;
- iii) GFA and assessed market value of the Property under Renovation; and
- iv) Retail and/or Office GFA, number of car parking spaces, assessed market values, capitalisation rate adopted in Income Capitalisation Approach, discount rate adopted in Discount Cash Flow Analysis, initial yield and indicated internal rate of return of the PRC Properties

### Valuation

#### Hong Kong Completed Properties

We are of the opinion that the market value of the unencumbered leasehold interest of the Hong Kong Completed Properties, subject to the existing tenancies and assumptions set out in this report, as at 31 March 2017, was in the sum of HK\$149,434,100,000 (HONG KONG DOLLARS ONE HUNDRED FORTY NINE BILLION FOUR HUNDRED THIRTY FOUR MILLION AND ONE HUNDRED THOUSAND).

- Initial Yield of 4.62%

The notional apportionment of the Hong Kong Completed Retail Facilities and Completed Car Parking Facilities was as follows:-

#### Hong Kong Completed Retail Facilities

- Market Value was in the sum of HK\$118,620,800,000 (HONG KONG DOLLARS ONE HUNDRED EIGHTEEN BILLION SIX HUNDRED TWENTY MILLION AND EIGHT HUNDRED THOUSAND).
- Initial Yield of 4.56%

#### Hong Kong Completed Car Parking Facilities

- Market Value was in the sum of HK\$30,813,300,000 (HONG KONG DOLLARS THIRTY BILLION EIGHT HUNDRED THIRTEEN MILLION AND THREE HUNDRED THOUSAND).
- Initial Yield of 4.87%

### Property under Development

We are of the opinion that the market value of the unencumbered leasehold interests of the Property under Development, subject to the assumptions set out in this report, as at 31 March 2017, was in the sum of HK\$7,349,000,000 (HONG KONG DOLLARS SEVEN BILLION THREE HUNDRED AND FORTY NINE MILLION).

### Property under Renovation

We are of the opinion that the market value of the unencumbered leasehold interests of the Property under Renovation, subject to the assumptions set out in this report, as at 31 March 2017, was in the sum of HK\$6,118,000,000 (HONG KONG DOLLARS SIX BILLION ONE HUNDRED AND EIGHTEEN MILLION).

### PRC Properties

We are of the opinion that the market value of the unencumbered leasehold interests of the PRC Properties, subject to the existing tenancies and assumptions set out in this report, as at 31 March 2017, was in the sum of RMB9,820,000,000 (RENMINBI NINE BILLION EIGHT HUNDRED AND TWENTY MILLION).

#### Link Square, Shanghai

- Market Value was in the sum of RMB7,110,000,000 (RENMINBI SEVEN BILLION ONE HUNDRED AND TEN MILLION)
- Initial Yield of 4.13%

#### EC Mall, Beijing

- Market Value was in the sum of RMB2,710,000,000 (RENMINBI TWO BILLION SEVEN HUNDRED AND TEN MILLION)
- Initial Yield of 4.36%

### Conversion Factor

Conversion factors used in this report are:

1 square metre	=	10.764 square feet
1 metre	=	3.2808 feet

Yours faithfully

For and on behalf of

**Jones Lang LaSalle Limited**

**Lau Chun-kong** FHKIS, MRICS, RPS (GP)

International Director

Licence No.: E-131615

Mr. Lau Chun-kong FHKIS, MRICS, RPS(GP), qualified general practice surveyor and chartered valuation surveyor, has over 30 years' experience in the valuation of properties in Hong Kong, the PRC and Asia.



## Schedule of Values

### Hong Kong Completed Properties

No.	Property	No.	Property
15	Butterfly Plaza	10	Choi Yuen Plaza
135	Car Park within Ching Wang Court	22	Chuk Yuen Plaza
154	Car Park within Chuk Yuen (North) Estate	77	Chun Shek Shopping Centre
147	Car Park within Fung Lai Court	29	Chung On Shopping Centre
148	Car Park within Hong Keung Court	105	Fortune Shopping Centre
117	Car Park within Ka Tin Court	66	Fu Cheong Shopping Centre
138	Car Park within Kam On Court	67	Fu Heng Shopping Centre
99	Car Park within Kin Ming Estate	41	Fu Shin Shopping Centre
141	Car Park within King Lai Court	59	Fu Tai Shopping Centre
150	Car Park within Kwai Hong Court	24	Fu Tung Plaza
124	Car Park within Lai On Estate	48	Fung Tak Shopping Centre
153	Car Park within Lower Wong Tai Sin (I) Estate	32	H.A.N.D.S (On Ting Commercial Complex)
131	Car Park within Ming Nga Court	38	H.A.N.D.S (Yau Oi Commercial Centre)
128	Car Park within Ning Fung Court	34	Heng On Commercial Centre
152	Car Park within Pang Ching Court	42	Hin Keng Shopping Centre
122	Car Park within Po Pui Court	91	Hing Tung Shopping Centre
143	Car Park within San Wai Court	55	Hing Wah Plaza
137	Car Park within Sau Mau Ping (I) Estate	71	Hiu Lai Shopping Centre
118	Car Park within Tin King Estate	72	Hoi Fu Shopping Centre
145	Car Park within Tin Yau Court	44	Homantin Plaza
116	Car Park within Tin Yuet Estate	7	Kai Tin Shopping Centre
126	Car Park within Tsui Ping South Estate	82	Kai Yip Commercial Centre
114	Car Park within Tsz Man Estate	70	Kam Tai Shopping Centre
140	Car Park within Upper Ngau Tau Kok Estate	93	Kin Sang Shopping Centre
110	Car Park within Wah Lai Estate	83	King Lam Shopping Centre
121	Car Park within Wang Fuk Court	62	Kwai Fong Plaza
133	Car Park within Yee Kok Court	64	Kwai Shing East Shopping Centre
142	Car Park within Yee Nga Court	69	Kwong Fuk Commercial Centre
125	Car Park within Ying Ming Court	40	Kwong Yuen Shopping Centre
129	Car Park within Yue On Court	96	Lai Kok Shopping Centre
11	Cheung Fat Plaza	73	Lee On Shopping Centre
86	Cheung Hang Shopping Centre	89	Lei Cheng Uk Shopping Centre
78	Cheung Wah Shopping Centre	61	Lei Tung Commercial Centre
16	Choi Ming Shopping Centre	37	Lek Yuen Plaza
27	Choi Wan Commercial Complex	13	Leung King Plaza

No.	Property	No.	Property
39	Lions Rise Mall	98	Retail and Car Park within Tung Tau Estate
1	Lok Fu Place	111	Retail and Car Park within Wo Ming Court
74	Lok Wah Commercial Centre	127	Retail and Car Park within Yan Ming Court
49	Long Ping Commercial Centre	132	Retail and Car Park within Ying Fuk Court
60	Lung Hang Commercial Centre	84	Sam Shing Commercial Centre
65	Maritime Bay	9	Sau Mau Ping Shopping Centre
56	Mei Lam Shopping Centre	30	Sha Kok Commercial Centre
90	Ming Tak Shopping Centre	47	Shan King Commercial Centre
25	Nan Fung Plaza	87	Shek Lei Shopping Centre Phase I
26	Oi Man Plaza	57	Shek Lei Shopping Centre Phase II
51	Oi Tung Shopping Centre	8	Sheung Tak Plaza
97	Ping Tin Shopping Centre	43	Shun Lee Commercial Centre
108	Po Hei Court Commercial Centre	104	Shun On Commercial Centre
46	Po Lam Shopping Centre	106	Siu Hei Commercial Centre
45	Po Tat Shopping Centre	20	Siu Sai Wan Plaza
81	Retail and Car Park within Ap Lei Chau Estate	33	Stanley Plaza
101	Retail and Car Park within Cheung On Estate	53	Sun Chui Shopping Centre
103	Retail and Car Park within Cheung Wang Estate	2	T Town
112	Retail and Car Park within Ching Wah Court	54	Tai Hing Commercial Centre
102	Retail and Car Park within Hong Pak Court	68	Tai Wo Hau Commercial Centre
149	Retail and Car Park within Hong Shui Court	12	Tai Wo Plaza
113	Retail and Car Park within Hong Yat Court	36	Tai Yuen Commercial Centre
146	Retail and Car Park within Hung Hom Estate	28	Tak Tin Plaza
109	Retail and Car Park within Ko Chun Court	6	Temple Mall North
155	Retail and Car Park within Ko Yee Estate	5	Temple Mall South
139	Retail and Car Park within Lok Nga Court	18	Tin Chak Shopping Centre
107	Retail and Car Park within Lok Wah (South) Estate	23	Tin Shing Shopping Centre
134	Retail and Car Park within Nam Cheong Estate	31	Tin Shui Shopping Centre
136	Retail and Car Park within Sau Mau Ping (III) Estate	75	Tin Tsz Shopping Centre
85	Retail and Car Park within Shun Tin Estate	21	Tin Yiu Plaza
144	Retail and Car Park within Tai Ping Estate	4	TKO Gateway
120	Retail and Car Park within Tin Wah Estate	88	Tsing Yi Commercial Complex
151	Retail and Car Park within Tin Wang Court	50	Tsui Ping North Shopping Circuit
123	Retail and Car Park within Tin Yat Estate	76	Tsz Ching Shopping Centre (I) & (II)
115	Retail and Car Park within Tong Ming Court	3	Tsz Wan Shan Shopping Centre
119	Retail and Car Park within Tsui Wan Estate	58	Un Chau Shopping Centre
130	Retail and Car Park within Tsz Oi Court	52	Wah Ming Shopping Centre

No.	Property	No.	Property
92	Wah Sum Shopping Centre	100	Yin Lai Court Shopping Centre
79	Wan Tsui Commercial Complex	63	Yiu On Shopping Centre
95	Wang Tau Hom (Wang Fai Centre)	94	Yiu Tung Shopping Centre
14	Wo Che Plaza	35	Yu Chui Shopping Centre
19	Yat Tung Shopping Centre	80	Yung Shing Shopping Centre
17	Yau Mei & Ko Cheung (Lei Yue Mun Plaza)		

### Property under Development

No.	Property
1	The Quayside

### Property under Renovation

No.	Property
1	700 Nathan Road, Mong Kok

### PRC Properties

No.	Property	No.	Property
1	Link Square, Shanghai	2	EC Mall, Beijing

## Schedule of Values

### Hong Kong Completed Properties

Property No.	Property Name	Car Park IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Value as at 31 March 2017 (HK\$M)	Analysis		
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate		Value (HK\$M)	Initial Yield	Indicated IRR
<b>1</b>	<b>Lok Fu Place</b>	<b>389,616</b>	<b>793</b>	<b>271.1</b>	<b>4.42%</b>	<b>6,094.4</b>	<b>7.50%</b>	<b>5,623.4</b>	<b>5,858.9</b>	<b>4.63%</b>	<b>8.90%</b>
	Brief Description :	Lok Fu Place (formerly known as Lok Fu Plaza) comprises a 6-storey with basement level retail building (Commercial Centre I), a 4-storey car park building (Car Park I), a 7-storey with basement level retail building (Commercial Centre II) and a 2-storey car park building (Car Park II), some Integrated Commercial/Car Park Accommodation in Wang Shun House, Wang Tat House and Wang Yat House as well as Associated Areas in Lok Fu Estate. The property was completed between 1983 and 1991. A total of 793 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 107,428/ 335,530 equal and undivided shares of and in New Kowloon Inland Lot No. 6451 and is held under Government Lease for a term of 50 years from 31 December 2007.									
<b>2</b>	<b>T Town</b>	<b>194,266</b>	<b>1,177</b>	<b>115.6</b>	<b>4.40%</b>	<b>4,164.7</b>	<b>7.50%</b>	<b>3,930.9</b>	<b>4,047.8</b>	<b>2.86%</b>	<b>9.02%</b>
	Brief Description :	T Town (formerly known as Chung Fu Plaza) comprises a 9-storey commercial/car park building (Phase 1) and a 3-storey commercial building (Phase 2) linked by a footbridge on the first floor. In addition, the property includes a kindergarten and a day nursery respectively located on the ground and first floors of the Ancillary Facilities Block in Tin Chung Court. Phase 1 and Phase 2 were completed in 1999 and 2000 respectively. A total of 1,177 parking spaces are provided in the property. It is currently under Asset Enhancement. The IFA as at 31 March 2017 was approximately 108,823 sqft.									
	Title Details :	The property is held by Link Properties Limited. Chung Fu Plaza Phase I comprises all that piece or parcel of ground in Section A of Tin Shui Wai Town Lot No. 18 and 2,021/ 363,535 equal and undivided shares of and in the Remaining Portion of Tin Shui Wai Town Lot No. 18 and is held under Government Lease for a term of 50 years from 8 January 1999. Chung Fu Plaza Phase 2 comprises portion of 50,802/ 297,568 equal and undivided shares of and in Tin Shui Wai Town Lot No. 41 and is held under Government Lease for a term of 50 years from 8 June 2010.									
<b>3</b>	<b>Tsz Wan Shan Shopping Centre</b>	<b>204,960</b>	<b>940</b>	<b>186.3</b>	<b>4.62%</b>	<b>4,010.8</b>	<b>7.50%</b>	<b>3,771.5</b>	<b>3,891.2</b>	<b>4.79%</b>	<b>9.02%</b>
	Brief Description :	Tsz Wan Shan Shopping Centre comprises an 8-storey commercial building and an adjoining car parking building (Commercial/Car Park Block), a 3-storey car park building (Multi-storey car park), a 3-storey car park building (Car Park Block A), and another split-level 4-storey car park building (Car Park Block B), a lift tower, some facilities in Integrated Commercial/Car Park Accommodation in Ancillary Facilities Block, various Open Car Parks and Associated Areas in Tsz Lok Estate (Open Car Parks). The property was completed in 1997. A total of 940 car parking spaces are provided in the property. Tsz Wan Shan Shopping Centre is currently under Asset Enhancement. The IFA as at 31 March 2017 was approximately 199,006 sqft.									
	Title Details :	The property is held by Link Properties Limited. It comprises 81,055/481,546 equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No. 6442 and is held under a Government Lease for a term of 50 years from 8 October 2007.									
<b>4</b>	<b>TKO Gateway</b>	<b>168,531</b>	<b>623</b>	<b>169.1</b>	<b>4.28%</b>	<b>4,006.6</b>	<b>7.50%</b>	<b>3,665.9</b>	<b>3,836.3</b>	<b>4.41%</b>	<b>8.83%</b>
	Brief Description :	TKO Gateway (formerly known as Hau Tak (II) Shopping Centre), completed in 1993, comprises two 5-storey Commercial/Car Park Blocks (East Wing & West Wing), various open car parks and Associated Areas in Hau Tak Estate. A total of 623 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 49,962/324,918 equal and undivided shares of and in Tseung Kwan O Town Lot No. 99 and is held under a Government Lease for a term of 50 years from 14 October 2005.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>5</b>	<b>Temple Mall South</b>	<b>140,281</b>	<b>688</b>	<b>160.0</b>	<b>4.31%</b>	<b>3,568.5</b>	<b>7.50%</b>	<b>3,252.8</b>	<b>3,410.7</b>	<b>4.69%</b>	<b>8.80%</b>
	Brief Description :	Temple Mall South (formerly known as Wong Tai Sin Plaza) comprises a 4-storey commercial/ car park building (Multi-storey Commercial/ Car Park Accommodation), a 5-storey commercial/ car park building (Commercial/ Car Park Block), a single-storey car park building (Car Park Block) and various cooked food stalls (Commercial Blocks). In addition, it includes Integrated Commercial/ Car Park Accommodations located within the residential blocks of Lung Kwong House, Lung Fai House, Lung Lok House and Lung On House, various Open Car Parks and Associated Areas in Lower Wong Tai Sin II Estate. The property was built in phases from 1982 to 1983. A total of 688 car parking spaces are provided in the property. Temple Mall South is currently under Asset Enhancement. The IFA as at 31 March 2017 was approximately 143,772 sqft.									
	Title Details :	The property is held by Link Properties Limited. It comprises 51,200/ 323,235 equal and undivided shares of and in New Kowloon Inland Lot No. 6438 and is held under Government Lease for a term of 50 years from 17 May 2007.									
<b>6</b>	<b>Temple Mall North</b>	<b>139,637</b>	<b>473</b>	<b>142.9</b>	<b>4.21%</b>	<b>3,516.0</b>	<b>7.50%</b>	<b>3,228.1</b>	<b>3,372.1</b>	<b>4.24%</b>	<b>8.85%</b>
	Brief Description :	Temple Mall North (formerly known as Lung Cheung Plaza) comprises a 5-storey including a basement level Commercial/ Car Park Accommodation and Associated Areas in Upper Wong Tai Sin Estate. The property was completed in 2001. A total of 473 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 53,974/ 311,854 equal and undivided shares of and in New Kowloon Inland Lot No. 6439 and is held under Government Lease for a term of 50 years from 23 February 2007.									
<b>7</b>	<b>Kai Tin Shopping Centre</b>	<b>185,059</b>	<b>461</b>	<b>163.2</b>	<b>4.61%</b>	<b>3,445.2</b>	<b>7.50%</b>	<b>3,227.3</b>	<b>3,336.3</b>	<b>4.89%</b>	<b>9.01%</b>
	Brief Description :	Kai Tin Shopping Centre comprises a 7-storey Commercial/Car Park Block, a 5-storey Multi-storey Commercial / Car Park Accommodation and various Associated Areas and Car Parks in Kai Tin Estate. The property was completed by two phases in 1999 and 2003. A total of 461 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 65,207/256,946 equal and undivided shares of and in New Kowloon Inland Lot No. 6481 and is held under a Government Lease for a term of 50 years from 29 September 2009.									
<b>8</b>	<b>Sheung Tak Plaza</b>	<b>131,296</b>	<b>1,280</b>	<b>163.1</b>	<b>4.60%</b>	<b>3,427.9</b>	<b>7.50%</b>	<b>3,210.6</b>	<b>3,319.3</b>	<b>4.91%</b>	<b>9.01%</b>
	Brief Description :	Sheung Tak Plaza comprises a 4-storey commercial/car park building (Commercial/Car Park Block), three 5-storey car park buildings (Car Parks A, B and C), Integrated Commercial/Car Park Accommodation on the ground floor of Sheung Mei House, various open car parks and Associated Areas in Sheung Tak Estate. The property was completed in 1998. A total of 1,280 car parking spaces are provided in the property.									
		Sheung Tak Shopping Centre has been renamed as Sheung Tak Plaza and Car Parks A, B and C of Sheung Tak Estate have also been renamed as Sheung Tak Car Park 1, Sheung Tak Car Park 2 and Sheung Tak Car Park 3 effective from 1 April 2013.									
	Title Details :	The property is held by Link Properties Limited. It comprises 95,092/467,545 equal and undivided shares of and in Tseung Kwan O Town Lot No. 98 and is held under a Government Lease for a term of 50 years from 26 March 2007.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>9</b>	<b>Sau Mau Ping Shopping Centre</b>	<b>154,721</b>	<b>611</b>	<b>148.4</b>	<b>4.41%</b>	<b>3,279.9</b>	<b>7.50%</b>	<b>3,013.2</b>	<b>3,146.6</b>	<b>4.72%</b>	<b>8.87%</b>
	Brief Description :	Sau Mau Ping Shopping Centre comprises a 4-storey Commercial/Car Park Block, a 5-storey car park podium of the Ancillary Facilities Building (Multi-storey Car Park A) and some Associated Areas in Sau Mau Ping Estate. The property was completed in 2002. A total of 611 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 57,670/833,450 equal and undivided shares of and portion of 10/833,450 equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No. 6453 and is held under a Government Lease for a term of 50 years from 23 February 2007.									
<b>10</b>	<b>Choi Yuen Plaza</b>	<b>127,802</b>	<b>536</b>	<b>150.2</b>	<b>4.56%</b>	<b>3,150.3</b>	<b>7.50%</b>	<b>2,927.9</b>	<b>3,039.1</b>	<b>4.94%</b>	<b>8.95%</b>
	Brief Description :	Choi Yuen Plaza comprises a 6-storey (including a basement level) commercial/ car park building (Commercial/ Car Park Block). In addition, the property includes Open Car Parks, Associated Areas and various shop units located within the residential blocks of Choi Chu House, Choi Yuk House, Choi Ping House and Choi Wah House (Integrated Commercial/ Car Park Accommodation). The property was completed in 1982. A total of 536 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 34,746/ 286,392 equal and undivided shares of and in Fanling Sheung Shui Town Lot No. 230 and is held under Government Lease for a term of 50 years from 17 September 2005.									
<b>11</b>	<b>Cheung Fat Plaza</b>	<b>166,485</b>	<b>590</b>	<b>144.3</b>	<b>4.63%</b>	<b>3,068.1</b>	<b>7.50%</b>	<b>2,864.3</b>	<b>2,966.2</b>	<b>4.87%</b>	<b>8.98%</b>
	Brief Description :	Cheung Fat Plaza comprises a 7-storey (including a basement) Shopping Centre and an Electricity Substation in Cheung Fat Estate completed in 1987. A total of 590 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 49,331/171,904 equal and undivided shares of and in Tsing Yi Town Lot No. 172 and is held under a Government Lease for a term of 50 years from 22 December 2005.									
<b>12</b>	<b>Tai Wo Plaza</b>	<b>124,933</b>	<b>454</b>	<b>133.0</b>	<b>4.50%</b>	<b>2,829.0</b>	<b>7.50%</b>	<b>2,617.9</b>	<b>2,723.5</b>	<b>4.88%</b>	<b>8.92%</b>
	Brief Description :	Tai Wo Plaza comprises a 3-storey plus a Basement level Commercial/ Car Park Block (Phase 1) and a 2-storey plus a Basement level Commercial/ Car Park Block (Phase 2) linked by a footbridge across the MTR East Rail Tai Wo Station. In addition, the property includes a single-storey Cooked Food Centre and portions of the Integrated HA Accommodation comprising various shop units, stores, offices and clinics on the ground, second and third floors of Oi Wo House and shops, offices and clinics on the ground, second and third floors of On Wo House and the entrance access on the ground floor of Hei Wo House that leads to the ground floor of Phase 1 Commercial Block in Tai Wo Estate. The property was completed in 1989. A total of 454 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 40,117/414,930 equal and undivided shares of and in Tai Po Town Lot No. 176 and is held under a Government Lease for a term of 50 years commencing from 10 February 2000.									
<b>13</b>	<b>Leung King Plaza</b>	<b>178,643</b>	<b>616</b>	<b>117.4</b>	<b>4.56%</b>	<b>2,703.3</b>	<b>7.50%</b>	<b>2,528.1</b>	<b>2,615.7</b>	<b>4.49%</b>	<b>8.99%</b>
	Brief Description :	Leung King Plaza, completed in 1988, comprises a 4-storey commercial/ car park building (Commercial/ Car Park Block), HA Open Car Parks and HA Road in Leung King Estate. A total of 616 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 54,922/ 426,295 equal and undivided shares of and in Tuen Mun Town Lot No. 458 and is held under Government Lease for a term of 50 years from 8 February 2001.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>14</b>	<b>Wo Che Plaza</b>	<b>182,580</b>	<b>828</b>	<b>121.5</b>	<b>4.24%</b>	<b>2,721.1</b>	<b>7.50%</b>	<b>2,488.7</b>	<b>2,604.9</b>	<b>4.67%</b>	<b>8.83%</b>
	Brief Description :	Wo Che Plaza, completed in 1977, comprises a 4-storey Commercial / Car Park Block, various retail units on the ground floors of Tai Wo House, Foo Wo House, Hau Wo House, Chi Wo House and King Wo House (Integrated Commercial/Car Park Accommodation), Associated Areas and Open Car Parks in Wo Che Estate. A total of 828 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 55,437/474,742 equal and undivided shares of and in Sha Tin Town Lot No. 549 and is held under a Government Lease for a term of 50 years from 23 February 2007.									
<b>15</b>	<b>Butterfly Plaza</b>	<b>174,533</b>	<b>313</b>	<b>130.0</b>	<b>4.82%</b>	<b>2,593.5</b>	<b>7.50%</b>	<b>2,448.0</b>	<b>2,520.8</b>	<b>5.16%</b>	<b>9.07%</b>
	Brief Description :	Butterfly Plaza comprises a 3-storey retail building with market (Commercial Complex), a 4-storey car park building (Multi-storey Car Park) and various cooked food stalls at the Commercial Area near Block 6. In addition, the property includes various shop units located at the ground and first floors within the residential blocks of Tip Ling House and Tip Sum House (Integrated Commercial/ Car Park Accommodation), Open Car Parks, Open Loading and Unloading Spaces and Associated Areas in Butterfly Estate. The property was completed in 1983. A total of 313 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 38,316/ 248,783 equal and undivided shares of and in Tuen Mun Town Lot No. 473 and is held under Government Lease for a term of 50 years from 14 October 2005.									
<b>16</b>	<b>Choi Ming Shopping Centre</b>	<b>98,785</b>	<b>765</b>	<b>117.3</b>	<b>4.43%</b>	<b>2,521.4</b>	<b>7.50%</b>	<b>2,329.2</b>	<b>2,425.3</b>	<b>4.84%</b>	<b>8.90%</b>
	Brief Description :	Choi Ming Shopping Centre comprises a 5-storey (including the basement) commercial / car park building (Commercial / Car Park Block), an 8-storey car park building (Carport Building) and all those Covered Parking Spaces on the ground floor of Choi Ming Court, and the ground floor of a 6-storey commercial / car park building, Kin Ming Estate (known as Extension Block). Choi Ming Shopping Centre was completed in 2001, and the Extension Block was completed in 2003. A total of 765 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 44,614/ 346,996 equal and undivided shares of Tseung Kwan O Town Lot No. 82 and portion of 39,133/ 420,644 equal and undivided shares of Tseung Kwan O Town Lot No. 109. It is held under Government Lease for a term of 50 years from 4 May 2001 (Tseung Kwan O Town Lot No. 82) and 15 March 2010 (Tseung Kwan O Town Lot No. 109).									
<b>17</b>	<b>Yau Mei &amp; Ko Cheung (Lei Yue Mun Plaza)</b>	<b>100,769</b>	<b>0</b>	<b>117.3</b>	<b>4.60%</b>	<b>2,455.8</b>	<b>7.50%</b>	<b>2,278.6</b>	<b>2,367.2</b>	<b>4.95%</b>	<b>8.94%</b>
	Brief Description :	Lei Yue Mun Plaza comprises a 4-storey commercial podium underneath Blocks J, K and L of Yau Mei Court (Commercial Accommodation). The property was completed in 2001.									
	Title Details :	The property is held by Link Properties Limited. It comprises 19,357/392,161 equal and undivided shares of and in New Kowloon Inland Lot No. 6459 and is held under a Government Lease for a term of 50 years from 3 June 2005.									
<b>18</b>	<b>Tin Chak Shopping Centre</b>	<b>124,176</b>	<b>302</b>	<b>110.0</b>	<b>4.41%</b>	<b>2,396.6</b>	<b>7.50%</b>	<b>2,217.9</b>	<b>2,307.3</b>	<b>4.77%</b>	<b>8.91%</b>
	Brief Description :	Tin Chak Shopping Centre comprises a 4-storey commercial building (Commercial Block) and a 4-storey car park building. In addition, it includes kiosk at the entrance of the commercial block and Associated Areas in Tin Chak Estate. The property was completed in 2001. A total of 302 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 38,810/ 272,897 equal and undivided shares of and in Tin Shui Wai Town Lot No. 37 and is held under Government Lease for a term of 50 years from 14 October 2005.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>19 Yat Tung Shopping Centre</b>											
		<b>192,859</b>	<b>1,900</b>	<b>108.7</b>	<b>4.66%</b>	<b>2,261.5</b>	<b>7.50%</b>	<b>2,143.2</b>	<b>2,202.4</b>	<b>4.94%</b>	<b>9.09%</b>
Brief Description :	Yat Tung Shopping Centre comprises a 3-storey Commercial Centre 1 (Commercial Blocks) and a 4-storey Commercial Centre 2 (Commercial Blocks), two 6-storey car park buildings (Multi-storey Car Park 1 and Car Park 3), a 6-storey commercial/ car park block (Commercial/ Car Park Block), various open car parks and Associated Areas in Yat Tung Estate. The property was built in phases from 2001 to 2003. A total of 1,900 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 107,811/ 930,819 equal and undivided shares of and in Tung Chung Town Lot No. 30 and is held under Government Lease for a term of 50 years from 5 February 2009.										
<b>20 Siu Sai Wan Plaza</b>											
		<b>102,559</b>	<b>558</b>	<b>106.3</b>	<b>4.47%</b>	<b>2,262.4</b>	<b>7.50%</b>	<b>2,081.1</b>	<b>2,171.8</b>	<b>4.90%</b>	<b>8.87%</b>
Brief Description :	Siu Sai Wan Plaza comprises a 5-storey Shopping Centre interconnected with a 12-level car park block, a 2- storey car park block (Siu Sai Wan Estate Phase 3 Car Park), a post office (the Integrated Commercial Accommodation) on the ground floor of Sui Yick House and various car parking spaces in Siu Sai Wan Estate. The property was completed in 1989. A total of 558 car parking spaces are provided in the property. Siu Sai Wan Plaza is currently under Asset Enhancement. The IFA as at 31 March 2017 was approximately 100,721 sqft.										
Title Details :	The property is held by Link Properties Limited. It comprises 34,606/418,894 equal and undivided shares of and in Chai Wan Inland Lot No. 176 and is held under a Government Lease for a term of 50 years from 26 March 2007.										
<b>21 Tin Yiu Plaza</b>											
		<b>87,875</b>	<b>480</b>	<b>105.1</b>	<b>4.44%</b>	<b>2,175.0</b>	<b>7.50%</b>	<b>2,037.2</b>	<b>2,106.1</b>	<b>4.99%</b>	<b>8.99%</b>
Brief Description :	Tin Yiu Plaza comprises a 4-storey commercial/ car park building (Commercial/ Car Park Block), Open Car Parks and Associated Areas in Tin Yiu Estate. The property was completed in 1992. A total of 480 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 31,581/ 574,611 equal and undivided shares of and in Tin Shui Wai Town Lot No. 38 and is held under Government Lease for a term of 50 years from 17 September 2005.										
<b>22 Chuk Yuen Plaza</b>											
		<b>137,329</b>	<b>1,103</b>	<b>100.5</b>	<b>4.80%</b>	<b>2,162.0</b>	<b>7.50%</b>	<b>2,046.6</b>	<b>2,104.3</b>	<b>4.78%</b>	<b>9.09%</b>
Brief Description :	Chuk Yuen Plaza comprises a 5-storey commercial building with basement car park (Commercial/ Car Park Block), a 4-storey car park podium of Chui Yuen House (Multi-storey Car Park Accommodation) and various free-standing cooked food stalls (Cooked Food Stalls). In addition, the property includes various shop units on the ground and second floors of Sau Yuen House, Open Car Parking spaces (Open Car Parks) and Associated Areas within Chuk Yuen (South) Estate. The property was completed in 1984. A total of 1,103 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 62,198/354,665 equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No. 6452 and is held under a Government Lease for a term of 50 years from 16 August 2007.										
<b>23 Tin Shing Shopping Centre</b>											
		<b>78,245</b>	<b>1,458</b>	<b>96.1</b>	<b>4.60%</b>	<b>2,005.0</b>	<b>7.50%</b>	<b>1,924.2</b>	<b>1,964.6</b>	<b>4.89%</b>	<b>9.16%</b>
Brief Description :	Tin Shing Shopping Centre comprises an 8-storey commercial/ car park building (Tin Shing Commercial Centre), a 3-storey Kindergarten and Play Areas and a Nursery (Ancillary Facilities Block) in Tin Shing Court. The property was completed in 2000. A total of 1,458 car parking spaces are provided with the property.										
Title Details :	The property is held by Link Properties Limited. It comprises whole share of Section A of Tin Shui Wai Town Lot No. 17 and 1,480/ 357,800 equal and undivided shares of the Remaining Portion of Tin Shui Wai Town Lot No. 17 and is held under Government Lease for a term of 50 years from 28 November 1997.										



Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>24</b>	<b>Fu Tung Plaza</b>	<b>106,330</b>	<b>537</b>	<b>83.7</b>	<b>4.64%</b>	<b>1,940.3</b>	<b>7.50%</b>	<b>1,824.9</b>	<b>1,882.6</b>	<b>4.45%</b>	<b>9.03%</b>
	Brief Description :	Fu Tung Plaza comprises a 4-storey commercial/ car park building (Commercial/ Car Park Block), a 3-storey car park building (Car Park Block) ,various open car parks (Open Car Parks) and Associated Areas in Fu Tung Estate. The property was completed in 1997. A total of 537 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 44,218/ 209,377 equal and undivided shares of and in Tung Chung Town Lot No. 40 and is held under Government Lease for a term of 50 years from 30 April 2008.									
<b>25</b>	<b>Nan Fung Plaza</b>	<b>81,434</b>	<b>0</b>	<b>79.2</b>	<b>4.20%</b>	<b>1,819.9</b>	<b>7.50%</b>	<b>1,663.6</b>	<b>1,741.8</b>	<b>4.55%</b>	<b>8.82%</b>
	Brief Description :	Nan Fung Plaza, completed in 1999, comprises various commercial units, a Kindergarten on ground floor and podium level 1 and various External Wall Advertising Spaces of the commercial podium in Nan Fung Plaza.									
	Title Details :	The property is held by Link Properties Limited. It comprises 154,634/ 1,485,995 equal and undivided shares of and in Tseung Kwan O Town Lot No. 23 and is held under New Grant No. 8648 for a term commencing from 21 November 1995 to 30 June 2047.									
<b>26</b>	<b>Oi Man Plaza</b>	<b>192,593</b>	<b>808</b>	<b>80.9</b>	<b>4.71%</b>	<b>1,757.2</b>	<b>7.50%</b>	<b>1,692.9</b>	<b>1,725.1</b>	<b>4.69%</b>	<b>9.20%</b>
	Brief Description :	Oi Man Plaza comprises a 3-storey commercial building with an adjoining four 3-storey garage buildings namely Garages A to D (Multi-storey Commercial/ Car Park Accommodation), a single-storey wet market building (Commercial Block 2) and various cooked food stalls (Commercial Block 1). In addition, the property includes various shop units located on the ground floors within the residential blocks of Chiu Man House, Hong Man House and Chung Man House, various Open Car Parks and the Associated Areas within Oi Man Estate. The property was completed in 1975. There are a total of 808 car parking spaces in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 54,395/ 204,983 equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No. 9826 and is held under Government Lease for a term of 75 years commencing from 1 April 1968.									
<b>27</b>	<b>Choi Wan Commercial Complex</b>	<b>168,280</b>	<b>859</b>	<b>78.6</b>	<b>4.78%</b>	<b>1,717.6</b>	<b>7.50%</b>	<b>1,670.9</b>	<b>1,694.3</b>	<b>4.64%</b>	<b>9.26%</b>
	Brief Description :	Choi Wan Commercial Complex comprises a 5-storey (with split-levels on lower ground, ground and first floors) commercial/ car park building standing beside Block 6 (Commercial/ Car Park Block 1), a 7-storey commercial/ car park building beside Block 15 (Commercial/ Car Park Block 2), a 2-storey building (Commercial Block 1), various shops units on the ground and first floors of Fei Fung House and various cooked food stalls (Commercial Block 2). In addition, it includes various Open Car Parks, Associated Areas and Integrated Accommodation in Choi Wan Estate. The property was completed in 1980. A total of 859 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 61,003/ 394,552 equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No. 6461 and is held under Government Lease for a term of 50 years from 29 December 2008.									
<b>28</b>	<b>Tak Tin Plaza</b>	<b>97,580</b>	<b>754</b>	<b>79.8</b>	<b>4.64%</b>	<b>1,689.0</b>	<b>7.50%</b>	<b>1,589.6</b>	<b>1,639.3</b>	<b>4.87%</b>	<b>9.04%</b>
	Brief Description :	Tak Tin Plaza comprises a 4-storey commercial building (Commercial Block), a 7-storey (14 split-levels) car park building (Car Park Block A), a 6-storey (10 split-levels) car park building (Car Park Block B) and a single-storey car park podium (Car Park Block C) located within the residential block of Tak Hong House. In addition, the property includes Portions of the Integrated HA Accommodation on the 2nd floor of Tak King House and Open Car Parks near to Tak Shing House. The property was completed in 1991. There are a total of 754 car parking spaces in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 25,782/ 308,756 equal and undivided shares of and in New Kowloon Inland Lot No. 6326 and is held under Government Lease for a term of 50 years from 18 March 1999.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>29 Chung On Shopping Centre</b>											
		<b>82,160</b>	<b>995</b>	<b>82.7</b>	<b>4.78%</b>	<b>1,657.0</b>	<b>7.50%</b>	<b>1,568.6</b>	<b>1,612.8</b>	<b>5.13%</b>	<b>9.09%</b>
Brief Description :	Chung On Shopping Centre comprises a 5-storey commercial/ car park building with roof (Commercial/ Car Park Block), Associated Areas, covered car parking spaces on the ground floor of Chung Ping House (Integrated Commercial/ Car Park Accommodation) and all the Open Car Parks in Chung On Estate. The property was completed in 1996. A total of 995 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 41,385/ 223,886 equal and undivided shares of and in Sha Tin Town Lot No. 544 and is held under Government Lease for a term of 50 years from 14 October 2005.										
<b>30 Sha Kok Commercial Centre</b>											
		<b>92,279</b>	<b>662</b>	<b>83.6</b>	<b>4.67%</b>	<b>1,628.3</b>	<b>7.50%</b>	<b>1,545.8</b>	<b>1,587.1</b>	<b>5.27%</b>	<b>9.09%</b>
Brief Description :	Sha Kok Commercial Centre comprises a 4-storey commercial/ car park building (Commercial Block) and several isolated cooked food stalls. In addition, the property includes various shop units located on the ground floors within the residential blocks of Osprey House and Sand Martin House (Integrated Commercial/ Car Park Accommodation) and Open Car Parks in Sha Kok Estate. The property was completed in 1980. A total of 662 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 32,438/ 340,309 equal and undivided shares of and in Sha Tin Town Lot No. 552 and is held under Government Lease for a term of 50 years from 3 July 2008.										
<b>31 Tin Shui Shopping Centre</b>											
		<b>75,119</b>	<b>577</b>	<b>76.3</b>	<b>4.44%</b>	<b>1,625.0</b>	<b>7.50%</b>	<b>1,503.9</b>	<b>1,564.5</b>	<b>4.87%</b>	<b>8.92%</b>
Brief Description :	Tin Shui Shopping Centre comprises a 2-storey commercial building and adjoining 4-storey commercial/car park block (connected internally and together known as Commercial/Car Park Block), various Open Car Parks and Associated Areas in Tin Shui Estate. The property was completed in 1992. A total of 577 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 34,646/599,404 equal and undivided shares of and in Tin Shui Wai Town Lot No. 39 and is held under Government Lease for a term of 50 years from 5 September 2007.										
<b>32 H.A.N.D.S (On Ting Commercial Complex)</b>											
		<b>107,828</b>	<b>546</b>	<b>74.8</b>	<b>4.60%</b>	<b>1,550.4</b>	<b>7.50%</b>	<b>1,561.6</b>	<b>1,556.0</b>	<b>4.80%</b>	<b>9.47%</b>
Brief Description :	H.A.N.D.S (On Ting Commercial Complex) (formerly known as On Ting Commercial Complex) comprises a 5-storey (including a Mezzanine Floor) car park and market building (Car Park and Market Building), another 3-storey retail building (New Annex Block) and a Restaurant Block. In addition, the property includes 6-storey Commercial Accommodation located within the residential block of Ting Cheung House, various Open Car Parks and Associated Areas in On Ting Estate. The property was completed in 1980. A total of 546 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 41,242/323,574 equal and undivided shares of and in the Remaining Portion of Tuen Mun Town Lot No. 476 and is held under Government Lease for a term of 50 years from 29 September 2009.										
<b>33 Stanley Plaza</b>											
		<b>98,549</b>	<b>411</b>	<b>61.1</b>	<b>4.39%</b>	<b>1,528.1</b>	<b>7.50%</b>	<b>1,452.6</b>	<b>1,490.4</b>	<b>4.10%</b>	<b>9.09%</b>
Brief Description :	Stanley Plaza, completed in phases from 1999 to 2000, consists of three portions. Portion 1 comprises a 6-storey commercial/ car park building (Commercial/ Car Park Block), a 3-storey commercial building (Murray House) and three single-storey shop stalls/ kiosks at the Village Square together with the open venue thereof. Portion 2 comprises various Open Car Parks near Lung Tak Court with Ma Hang Estate. Portion 3 comprises two shop units on the ground floor of Leung Ma House and the 2-storey basement car park building (Basement Car Park Block) situated adjacent to Leung Ma House of Ma Hang Estate. A total of 411 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 37,045/ 116,974 equal and undivided shares of and in Stanley Inland Lot No. 98 and is held under Government Lease for a term of 50 years from 11 June 2009.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>34</b>	<b>Heng On Commercial Centre</b>	<b>116,043</b>	<b>585</b>	<b>69.6</b>	<b>4.67%</b>	<b>1,491.8</b>	<b>7.50%</b>	<b>1,402.4</b>	<b>1,447.1</b>	<b>4.81%</b>	<b>9.04%</b>
Brief Description :	Heng On Commercial Centre comprises a 5-storey commercial/ car park building (Commercial/ Car Park Block) completed in 1987. In addition, it includes Associated Areas and Lorry Parking Spaces along the Estate Road in Heng On Estate. A total of 585 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 39,206/ 40,831 equal and undivided shares of and in Section C of Sha Tin Town Lot No. 500 and 812/ 247,314 equal and undivided shares of and in the Remaining Portion of Sha Tin Town Lot No. 500, and is held under Government Lease for a term of 50 years from 8 April 1998.										
<b>35</b>	<b>Yu Chui Shopping Centre</b>	<b>105,873</b>	<b>1,175</b>	<b>65.3</b>	<b>4.44%</b>	<b>1,475.0</b>	<b>7.50%</b>	<b>1,364.5</b>	<b>1,419.8</b>	<b>4.60%</b>	<b>8.92%</b>
Brief Description :	Yu Chui Shopping Centre comprises a 7-storey commercial building including mezzanine floor (Commercial Complex) and a free-standing 4-storey ancillary facilities building (Car Park and Ancillary Facilities Block) and various Open Loading and Unloading Spaces in Yu Chui Court. The property was completed in 2001. A total of 1,175 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 48,967/ 361,200 equal and undivided shares of and in Sha Tin Town Lot No. 462 and is held under Government Lease for a term of 50 years from 18 May 2001.										
<b>36</b>	<b>Tai Yuen Commercial Centre</b>	<b>137,293</b>	<b>594</b>	<b>65.5</b>	<b>4.65%</b>	<b>1,425.1</b>	<b>7.50%</b>	<b>1,333.7</b>	<b>1,379.4</b>	<b>4.75%</b>	<b>9.00%</b>
Brief Description :	Tai Yuen Commercial Centre comprises a 4-storey commercial building (Commercial Block B), a 3-storey (including a basement) retail building (Commercial Block A) as well as a stand-alone 4-storey car park building (Car Park Block). In addition, it includes various shop units located within the residential blocks of Tai Man House, Tai Tak House and Tai Wing House, various Associated Areas, a pump room and various open car parks in Tai Yuen Estate. The property was completed in 1980. A total of 594 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 38,718/353,530 equal and undivided shares of and in Tai Po Town Lot No. 192 and is held under Government Lease for a term of 50 years from 29 June 2007.										
<b>37</b>	<b>Lek Yuen Plaza</b>	<b>106,284</b>	<b>438</b>	<b>67.9</b>	<b>4.63%</b>	<b>1,424.5</b>	<b>7.50%</b>	<b>1,330.3</b>	<b>1,377.4</b>	<b>4.93%</b>	<b>8.99%</b>
Brief Description :	Lek Yuen Plaza comprises a 3-storey commercial/ car park building (Commercial/ Car Park Block), various shop units located on the ground to second floor within the residential blocks of Wing Shui House, Wah Fung House, Fu Yu House, Fook Hoi House and Kwai Wo House (Integrated Commercial/ Car Park Accommodation) as well as Open Car Parks and Associated Areas in Lek Yuen Estate. The property was completed in 1976. A total of 438 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 28,600/ 199,774 equal and undivided shares of and in Sha Tin Town Lot No. 550 and is held under Government Lease for a term of 50 years from 7 May 2007.										
<b>38</b>	<b>H.A.N.D.S (Yau Oi Commercial Centre)</b>	<b>84,971</b>	<b>780</b>	<b>66.4</b>	<b>4.76%</b>	<b>1,369.5</b>	<b>7.50%</b>	<b>1,306.2</b>	<b>1,337.9</b>	<b>4.96%</b>	<b>9.13%</b>
Brief Description :	H.A.N.D.S (Yau Oi Commercial Centre) (formerly known as Yau Oi Commercial Centre) comprises a 3-storey commercial complex composing the restaurant block and portions of Oi Yung House, an adjoining single-storey commercial podium, a 6-storey car park building with market including mezzanine floor, another 4-storey car park building, various cooked food stalls and Open Car Parks in Yau Oi Estate. The property was completed in 1980. A total of 780 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 41,037/551,040 equal and undivided shares of and in Tuen Mun Town Lot No. 479 and is held under Government Lease for a term of 50 years from 14 July 2010.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>39</b>	<b>Lions Rise Mall</b>	<b>66,511</b>	<b>61</b>	<b>39.8</b>	<b>3.80%</b>	<b>1,353.3</b>	<b>7.50%</b>	<b>1,287.0</b>	<b>1,320.2</b>	<b>3.01%</b>	<b>9.05%</b>
	Brief Description :	Lions Rise Mall comprises 3 storeys within the commercial podium and portion of the Car Parking Spaces on basement level of the development named Lions Rise. The property was completed in 2012. A total of 55 private car parking spaces and 6 motor cycle parking spaces are provided in the property.									
	Title Details :	The property is held by Link (LRM) Limited. It comprises 12,551/81,133 equal and undivided shares of and in New Kowloon Inland Lot No. 6309 and is held under Conditions of Sale No. 20045 for a term of 50 years from 31 July 2007.									
<b>40</b>	<b>Kwong Yuen Shopping Centre</b>	<b>81,088</b>	<b>736</b>	<b>66.8</b>	<b>4.95%</b>	<b>1,346.6</b>	<b>7.50%</b>	<b>1,292.9</b>	<b>1,319.8</b>	<b>5.06%</b>	<b>9.19%</b>
	Brief Description :	Kwong Yuen Shopping Centre comprises five 2-storey to 3-storey commercial buildings (Commercial Complex - Commercial Block Nos. 1 to 5) with Associated Area, a 5-storey car park building with a wet market on Floor 5 (Car Park Block No. 1) and a 6-storey car park building (Car Park Block No. 2) and Open Car Park in Kwong Yuen Estate. The property was completed in 1991. A total of 736 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 29,929/ 279,026 equal and undivided shares of and in Sha Tin Town Lot No. 506 and is held under Government Lease for a term of 50 years from 8 February 2001.									
<b>41</b>	<b>Fu Shin Shopping Centre</b>	<b>106,295</b>	<b>525</b>	<b>37.4</b>	<b>4.60%</b>	<b>1,282.8</b>	<b>7.50%</b>	<b>1,229.3</b>	<b>1,256.1</b>	<b>2.98%</b>	<b>9.10%</b>
	Brief Description :	Fu Shin Shopping Centre comprises a 8-storey Commercial/Car Park Building, a single-storey Cooked Food Stalls, various associated areas and open car parking spaces in Fu Shin Estate. It was completed in 1986. A total of 525 car parking spaces are provided in the property. Fu Shin Shopping Centre is currently under Asset Enhancement. The IFA as at 31 March 2017 was approximately 57,276 sqft.									
	Title Details :	The property is held by Link Properties Limited. It comprises 33,761/330,620 equal and undivided shares of and in Tai Po Town Lot No. 189 and is held under Government Lease for a term of 50 years from 14 October 2005.									
<b>42</b>	<b>Hin Keng Shopping Centre</b>	<b>95,699</b>	<b>636</b>	<b>57.2</b>	<b>4.73%</b>	<b>1,289.7</b>	<b>7.50%</b>	<b>1,218.9</b>	<b>1,254.3</b>	<b>4.56%</b>	<b>9.07%</b>
	Brief Description :	Hin Keng Shopping Centre comprises a 6-storey commercial/ car parking building with basement floor (Commercial/ Car Park Complex), several isolated Cooked Food Stalls, Open Car Parks and HA roads in Hin Keng Estate. The property was completed in 1987. A total of 636 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 37,320/ 396,392 equal and undivided shares of and in Sha Tin Town Lot No. 503 and is held under Government Lease for a term of 50 years from 10 February 2000.									
<b>43</b>	<b>Shun Lee Commercial Centre</b>	<b>214,189</b>	<b>731</b>	<b>63.1</b>	<b>4.86%</b>	<b>1,255.3</b>	<b>7.50%</b>	<b>1,195.0</b>	<b>1,225.2</b>	<b>5.15%</b>	<b>9.13%</b>
	Brief Description :	Shun Lee Commercial Centre comprises a 4-storey commercial building (Commercial Complex I), a 3-storey retail building (Commercial Complex II), two 3-storey car park buildings (Car Park Blocks A and C) and a single-storey car park building (Car Park Block B). In addition, the property includes various shops units located within the residential blocks of Lee Foo House, Lee Hong House, Lee Yat House and Lee Yip House, as well as Open Car Parks in Shun Lee Estate. The property was completed in 1978. A total of 731 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 56,354/ 295,872 equal and undivided shares of and in New Kowloon Inland Lot No. 6465 and is held under Government Lease for a term of 50 years from 31 March 2010.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>44</b>	<b>Homantin Plaza</b>	<b>91,569</b>	<b>299</b>	<b>52.7</b>	<b>4.89%</b>	<b>1,245.0</b>	<b>7.50%</b>	<b>1,191.6</b>	<b>1,218.3</b>	<b>4.32%</b>	<b>9.16%</b>
	Brief Description :	Homantin Plaza comprises a 4-storey commercial/ car park building and an adjoining 3-storey car park building in Ho Man Tin Estate. The property was completed in 2001. A total of 299 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 3,411/ 57,202 equal and undivided shares of Section A of Kowloon Inland Lot No. 11119 and 20,327/ 214,270 equal and undivided shares of the Remaining Portion of Kowloon Inland Lot No. 11119 and is held under Government Lease for a term of 50 years from 20 November 1998.									
<b>45</b>	<b>Po Tat Shopping Centre</b>	<b>83,133</b>	<b>1,083</b>	<b>57.3</b>	<b>4.55%</b>	<b>1,247.1</b>	<b>7.50%</b>	<b>1,167.7</b>	<b>1,207.4</b>	<b>4.75%</b>	<b>9.00%</b>
	Brief Description :	Po Tat Shopping Centre comprises a 7-storey commercial and car park building (Commercial Centre) and two 3-storey car park podiums underneath Blocks A to C (Car Park Podium I) and Blocks D to F (Car Park Podium II), Integrated Commercial/ Car Park Accommodation in Tat Cheung House and various Associated Areas in Po Tat Estate. The property was completed in 2002. A total of 1,083 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 75,195/ 546,029 equal and undivided shares of and in New Kowloon Inland Lot No. 6470 and is held under Government Lease for a term of 50 years from 9 April 2009.									
<b>46</b>	<b>Po Lam Shopping Centre</b>	<b>87,075</b>	<b>398</b>	<b>54.6</b>	<b>4.84%</b>	<b>1,160.7</b>	<b>7.50%</b>	<b>1,103.5</b>	<b>1,132.1</b>	<b>4.82%</b>	<b>9.12%</b>
	Brief Description :	Po Lam Shopping Centre comprises a 4-storey commercial building (Commercial Complex I), a 3-storey retail building (Commercial Complex II) and a 3-storey car park building (Car Park Block). In addition, the property includes various shop units located within the residential block of Po Ning House and Po Kan House (Integrated HA Accommodation), various Open Car Parks as well as the electricity sub-station in Po Lam Estate. The property was completed in 1989. A total of 398 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 25,495/ 341,494 equal and undivided shares of and in Tseung Kwan O Town Lot No. 88 and is held under Government Lease for a term of 50 years from 19 October 2004.									
<b>47</b>	<b>Shan King Commercial Centre</b>	<b>121,365</b>	<b>638</b>	<b>47.4</b>	<b>4.68%</b>	<b>1,140.5</b>	<b>7.50%</b>	<b>1,070.6</b>	<b>1,105.6</b>	<b>4.29%</b>	<b>9.02%</b>
	Brief Description :	Shan King Commercial Centre comprises 5-storey commercial/car park building (Car Park/Commercial Complex), a 4-storey car park building (Car Park/Community Block), Portions of the Integrated HA Accommodation on the ground floor and second floor of King Wah House, various Cooked Food Stalls on ground floor and Open Car Parks in Shan King Estate. The property was completed in 1983. A total of 638 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 41,369/477,867 equal and undivided shares of and in Tuen Mun Town Lot No. 469 and is held under Government Lease for a term of 50 years from 20 August 2004.									
<b>48</b>	<b>Fung Tak Shopping Centre</b>	<b>71,858</b>	<b>487</b>	<b>49.4</b>	<b>4.57%</b>	<b>1,136.9</b>	<b>7.50%</b>	<b>1,065.1</b>	<b>1,101.0</b>	<b>4.49%</b>	<b>9.00%</b>
	Brief Description :	Fung Tak Shopping Centre comprises a 4-storey commercial building (Commercial Centre) and an adjoining 6-storey car park building. It also includes various shop units at Ban Fung House and Ngan Fung House. The property was completed in 1991. A total of 487 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises whole of Sections A and C of New Kowloon Inland Lot No. 6318 and 1,070/ 202,138 equal and undivided shares of the Remaining Portion of New Kowloon Inland Lot No. 6318 and is held under Government Lease for a term of 50 years from 8 April 1998.									

Property No.	Property Name	Car Park IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>49</b>	<b>Long Ping Commercial Centre</b>	<b>89,703</b>	<b>564</b>	<b>52.0</b>	<b>4.46%</b>	<b>1,113.8</b>	<b>7.50%</b>	<b>1,034.9</b>	<b>1,074.4</b>	<b>4.84%</b>	<b>8.94%</b>
Brief Description :	Long Ping Commercial Centre, completed in 1987, comprises a 6-storey (including mezzanine floor) Commercial/Car Park Block and a 2-storey Car Park/Community Centre Block. In addition, it includes various shop units located within the residential blocks of Yuk Ping House, Shek Ping House and Kang Ping House as well as some areas in Blocks 4, 5 & 6 and Open Car Parks in Long Ping Estate. A total of 564 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 32,958/498,969 equal and undivided shares of and in Yuen Long Town Lot No. 521 and is held under Government Lease for a term of 50 years from 15 March 2006.										
<b>50</b>	<b>Tsui Ping North Shopping Circuit</b>	<b>109,133</b>	<b>421</b>	<b>45.5</b>	<b>4.68%</b>	<b>1,098.7</b>	<b>7.50%</b>	<b>1,032.6</b>	<b>1,065.7</b>	<b>4.27%</b>	<b>9.03%</b>
Brief Description :	Tsui Ping North Shopping Circuit comprises a 2-storey commercial podium located within various interlinked residential blocks (Commercial Complex), a 4-storey car park building with Associated Areas and external walls (Car Park Block), portions of the Integrated HA Accommodation in Tsui Tsz House, Tsui Lau House, Tsui Pak House, Tsui On House, Tsui Yue House and Tsui To House as well as various Open Car Parks in Tsui Ping (North) Estate. The property was completed in 1990. A total of 421 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 31,542/ 345,220 equal and undivided shares of and in Kwun Tong Inland Lot No. 754 and is held under Government Lease for a term of 50 years from 24 January 2002.										
<b>51</b>	<b>Oi Tung Shopping Centre</b>	<b>81,184</b>	<b>634</b>	<b>51.2</b>	<b>4.74%</b>	<b>1,090.9</b>	<b>7.50%</b>	<b>1,033.4</b>	<b>1,062.2</b>	<b>4.82%</b>	<b>9.09%</b>
Brief Description :	Oi Tung Shopping Centre comprises a 3-storey commercial building (Commercial Centre) and a 6-storey car park podium accommodating various welfare units and car parking spaces located within the residential block of Oi Sin House (Multi-storey Commercial/ Car Park Accommodation and the Integrated Commercial/ Car Park Accommodation) and various Associated Areas in Oi Tung Estate. The property was completed in 2000. A total of 634 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 34,910/ 194,191 equal and undivided shares of and in Shau Kei Wan Inland Lot No. 849 and is held under Government Lease for a term of 50 years from 17 September 2005.										
<b>52</b>	<b>Wah Ming Shopping Centre</b>	<b>71,112</b>	<b>295</b>	<b>23.1</b>	<b>4.48%</b>	<b>1,081.2</b>	<b>7.50%</b>	<b>1,007.5</b>	<b>1,044.4</b>	<b>2.21%</b>	<b>8.95%</b>
Brief Description :	Wah Ming Shopping Centre comprises a 3-storey commercial building and an adjoining 3-storey commercial/car park building (Commercial/Car Park Blocks) are linked by a footbridge on second floor. It also includes portions of the Parking Areas within Wah Ming Estate. The property was completed in 1990. A total of 295 car parking spaces are provided in the property. It is currently under Asset Enhancement. The IFA as at 31 March 2017 was approximately 32,403 sqft.										
Title Details :	The property is held by Link Properties Limited. It comprises 22,726/324,858 equal and undivided shares of and in Fanling Sheung Shui Town Lot No. 204 and is held under Government Lease for a term of 50 years from 18 March 1999.										
<b>53</b>	<b>Sun Chui Shopping Centre</b>	<b>74,092</b>	<b>620</b>	<b>49.4</b>	<b>4.62%</b>	<b>1,076.6</b>	<b>7.50%</b>	<b>1,009.3</b>	<b>1,043.0</b>	<b>4.74%</b>	<b>9.01%</b>
Brief Description :	Sun Chui Shopping Centre comprises a 2-storey commercial building (Commercial Centre) linked with a single-storey wet market building (Market), a 3-storey car park building (Car Park 1), two single-storey car park buildings (Car Parks 2 & 3) and several isolated cooked food stalls. In addition, the property includes the premises on the ground floor and second floor of Sun Yee House (Portions of Integrated HA Accommodation) and Open Car Parks in Sun Chui Estate. The property was completed in 1983. A total of 620 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 27,934/ 395,903 equal and undivided shares of and in Sha Tin Town Lot No. 554 and is held under Government Lease for a term of 50 years from 25 May 2009.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>54</b>	<b>Tai Hing Commercial Centre</b>	<b>101,546</b>	<b>672</b>	<b>48.3</b>	<b>4.80%</b>	<b>1,050.5</b>	<b>7.50%</b>	<b>995.8</b>	<b>1,023.2</b>	<b>4.72%</b>	<b>9.09%</b>
	Brief Description :	Tai Hing Commercial Centre comprises two 2-storey retail buildings (Commercial Blocks 1 & 2) were completed in 1977. It also includes various Open Car Parks and Associated Areas in Tai Hing Estate. Commercial Block 1 is intersected by Tai Fong Street into two parts and connected via a footbridge on the first floor. A total of 672 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 27,288/474,882 equal and undivided shares of and in the Remaining Portion of Tuen Mun Town Lot No. 484 and is held under Government Lease for a term of 50 years from 18 March 2009.									
<b>55</b>	<b>Hing Wah Plaza</b>	<b>82,011</b>	<b>268</b>	<b>49.7</b>	<b>4.64%</b>	<b>1,055.5</b>	<b>7.50%</b>	<b>988.7</b>	<b>1,022.1</b>	<b>4.86%</b>	<b>9.01%</b>
	Brief Description :	Hing Wah Plaza comprises a 2-storey commercial building (Commercial Centre), a 9-storey car park building (Car Park Block), the Integrated Commercial/Car Park Accommodation on the ground floor of May Wah House and Associated Areas in Hing Wah Estate. The property was completed in 2000. A total of 268 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 27,675/ 160,197 equal and undivided shares of and in Chai Wan Inland Lot No. 177 and is held under Government Lease for a term of 50 years from 28 February 2007.									
<b>56</b>	<b>Mei Lam Shopping Centre</b>	<b>75,799</b>	<b>375</b>	<b>48.1</b>	<b>4.48%</b>	<b>1,024.9</b>	<b>7.50%</b>	<b>953.0</b>	<b>989.0</b>	<b>4.86%</b>	<b>8.95%</b>
	Brief Description :	Mei Lam Shopping Centre (formerly known as Mei Lam Commercial Centre) comprises a 3-storey commercial building (Commercial Complex), an adjoining 4-storey car park building with a wet market on the ground floor (Multi-storey Car Park) and various cooked food stalls (Commercial Block). In addition, the property includes a shop unit located within the residential block of Mei Fung House (Portions of the Integrated HA Accommodation). The property was completed in 1981. A total of 375 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 29,125/ 273,313 equal and undivided shares of and in Sha Tin Town Lot No. 558 and is held under Government Lease for a term of 50 years from 22 March 2010.									
<b>57</b>	<b>Shek Lei Shopping Centre Phase II</b>	<b>79,057</b>	<b>179</b>	<b>44.1</b>	<b>4.65%</b>	<b>1,008.2</b>	<b>7.50%</b>	<b>942.6</b>	<b>975.4</b>	<b>4.52%</b>	<b>9.00%</b>
	Brief Description :	Shek Lei Shopping Centre Phase II comprises a 6-storey commercial/car park building (Commercial/Car Park Block). The property was completed in 1999. A total of 179 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 28,398/655,826 equal and undivided shares of and in the Remaining Portion of Kwai Chung Town Lot No. 505 and is held under Government Lease for a term of 50 years from 31 March 2010.									
<b>58</b>	<b>Un Chau Shopping Centre</b>	<b>50,180</b>	<b>213</b>	<b>43.8</b>	<b>4.07%</b>	<b>1,024.9</b>	<b>7.50%</b>	<b>914.0</b>	<b>969.5</b>	<b>4.52%</b>	<b>8.65%</b>
	Brief Description :	Un Chau Shopping Centre comprises a 2-storey commercial building (Commercial Podium), a 2-storey car park building, a single-storey car park podium under Un Hong House (Car Park Podium) in Un Chau Estate. The property was completed in 1999. A total of 213 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 17,388/ 355,830 equal and undivided shares of and in New Kowloon Inland Lot No. 6478 and is held under Government Lease for a term of 50 years from 11 March 2010.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>59</b>	<b>Fu Tai Shopping Centre</b>	<b>57,657</b>	<b>635</b>	<b>43.9</b>	<b>4.71%</b>	<b>987.3</b>	<b>7.50%</b>	<b>937.7</b>	<b>962.5</b>	<b>4.56%</b>	<b>9.10%</b>
Brief Description :	Fu Tai Shopping Centre comprises a 6-storey commercial/car park building (Commercial/Car Park Accommodation), various Open Car Parks and Associated Areas in Fu Tai Estate. The property was completed in 2000. A total of 635 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 38,769/382,833 equal and undivided shares of and in Tuen Mun Town Lot No. 418 and is held under Government Lease for a term of 50 years from 12 March 2001.										
<b>60</b>	<b>Lung Hang Commercial Centre</b>	<b>65,777</b>	<b>440</b>	<b>40.7</b>	<b>4.62%</b>	<b>994.5</b>	<b>7.50%</b>	<b>914.5</b>	<b>954.5</b>	<b>4.26%</b>	<b>8.86%</b>
Brief Description :	Lung Hang Commercial Centre comprises a 3-storey commercial/ car park building (Commercial Complex), a single-storey market building (Market), a separate single-storey car park building (Car Park Block), three cooked food stalls and Open Car Parks in Lung Hang Estate. The property was completed in 1983. A total of 440 car parking spaces are provided in the property. Lung Hang Commercial Centre is currently under Asset Enhancement. The IFA as at 31 March 2017 was approximately 61,742 sqft.										
Title Details :	The property is held by Link Properties Limited. It comprises 23,047/ 289,255 equal and undivided shares of and in Sha Tin Town Lot No. 557 and is held under Government Lease for a term of 50 years from 31 March 2010										
<b>61</b>	<b>Lei Tung Commercial Centre</b>	<b>84,058</b>	<b>687</b>	<b>42.5</b>	<b>4.91%</b>	<b>931.0</b>	<b>7.50%</b>	<b>942.1</b>	<b>936.6</b>	<b>4.54%</b>	<b>9.52%</b>
Brief Description :	Lei Tung Commercial Centre comprises a 4-storey commercial building (Commercial Complex 1) and a 7-storey (including 3 basement levels) commercial/ car park building (Commercial Complex 2), which are linked by 2 footbridges across the Lei Tung Estate Bus Terminus. In addition, it includes a 4 level car park/ market building (Car Park/ Market Block ), a 3-storey car park/ community hall building (Car Park/ Community Hall Block), various ancillary units and car parking spaces on ground, second & third floors of Tung Hing House, ground floor of Tung Mau House, basement, ground & second floors of Tung Sing House, second to fourth floors of Tung On House (Portions of the Integrated HA Accommodation) and various Associated Areas within Commercial Complex 1, Car Park/ Market Block and Car Park/ Community Hall (Associated Areas to the Detached HA Accommodation) within Lei Tung Estate. The property was completed in 1988. A total of 687 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 45,424/ 451,716 equal and undivided shares of and in Ap Lei Chau Inland Lot No. 133 and is held under Government Lease for a term of 50 years from 20 December 2004.										
<b>62</b>	<b>Kwai Fong Plaza</b>	<b>57,304</b>	<b>483</b>	<b>41.6</b>	<b>4.66%</b>	<b>936.4</b>	<b>7.50%</b>	<b>879.1</b>	<b>907.8</b>	<b>4.59%</b>	<b>9.02%</b>
Brief Description :	Kwai Fong Plaza comprises a 6-storey car park building (Car Park Block 1), the roof and upper roof of Car Park Block 2, a 2-storey commercial/car park building (Commercial/ Car Park Block), the Integrated Commercial/Car Park Accommodations in Kwai Oi House and Kwai Kin House, the Multi-storey Commercial/Car Park Accommodation, Open Car Parks and Associated Areas in Kwai Fong Estate. The property was built in phases from 1995 to 2000. A total of 483 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 24,107/408,730 equal and undivided shares of and in Kwai Chung Town Lot No. 500 and is held under Government Lease for a term of 50 years from 27 March 2009.										
<b>63</b>	<b>Yiu On Shopping Centre</b>	<b>47,684</b>	<b>547</b>	<b>44.7</b>	<b>4.63%</b>	<b>920.7</b>	<b>7.50%</b>	<b>877.1</b>	<b>898.9</b>	<b>4.97%</b>	<b>9.11%</b>
Brief Description :	Yiu On Shopping Centre comprises a 7-storey multi-purpose complex with retail shops, market and parking spaces completed in 1989. It also comprises Open Car Parks within Yiu On Estate. A total of 547 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 12,616/ 306,501 equal and undivided shares of and in Sha Tin Town Lot No. 505 and is held under Government Lease for a term of 50 years from 18 March 1999										



Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>64</b>	<b>Kwai Shing East Shopping Centre</b>	<b>105,047</b>	<b>583</b>	<b>39.6</b>	<b>4.65%</b>	<b>914.6</b>	<b>7.50%</b>	<b>862.9</b>	<b>888.8</b>	<b>4.45%</b>	<b>9.06%</b>
	Brief Description :	Kwai Shing East Shopping Centre comprises a 5-storey commercial block (Commercial/Car Park Block), another 5-storey commercial block (Multi-storey Commercial/ Car Park Accommodation), a standalone single-storey retail block (Commercial Block) and a single-storey car park podium under Shing Ka House. The property was completed in 1999. A total of 583 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 50,672/426,967 equal and undivided shares of and in Kwai Chung Town Lot No. 498 and is held under Government Lease for a term of 50 years from 13 October 2009.									
<b>65</b>	<b>Maritime Bay</b>	<b>41,017</b>	<b>0</b>	<b>42.0</b>	<b>4.20%</b>	<b>922.4</b>	<b>7.50%</b>	<b>834.9</b>	<b>878.7</b>	<b>4.78%</b>	<b>8.76%</b>
	Brief Description :	Maritime Bay, completed in 1998, comprises various commercial units on ground floor and upper ground floor of the commercial accommodation of Maritime Bay.									
	Title Details :	The property is held by Great Land (HK) Limited. It comprises 573/ 5,411 equal and undivided shares of and in Tseung Kwan O Town Lot No. 49 and is held under New Grant No. SK 8530 for a term commencing from 27 March 1995 and expiring on 30 June 2047.									
<b>66</b>	<b>Fu Cheong Shopping Centre</b>	<b>63,801</b>	<b>547</b>	<b>41.6</b>	<b>4.60%</b>	<b>891.7</b>	<b>7.50%</b>	<b>847.1</b>	<b>869.4</b>	<b>4.78%</b>	<b>9.10%</b>
	Brief Description :	Fu Cheong Shopping Centre comprises a 3-storey commercial building (Multi-storey Commercial Accommodation and Integrated Commercial/ Car Park Accommodation, Fu Yun House (Ancillary Facilities Block)) and a 4-storey car park building (Multi-storey Car Park Accommodation) beneath Fu Hoi House and Fu Yee House. The property was completed in 2002. A total of 547 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 31,469/ 355,647 equal and undivided shares of and in New Kowloon Inland Lot No. 6437 and is held under Government Lease for a term of 50 years from 17 September 2005.									
<b>67</b>	<b>Fu Heng Shopping Centre</b>	<b>55,030</b>	<b>517</b>	<b>43.6</b>	<b>4.97%</b>	<b>870.7</b>	<b>7.50%</b>	<b>840.6</b>	<b>855.7</b>	<b>5.09%</b>	<b>9.23%</b>
	Brief Description :	Fu Heng Shopping Centre comprises a 3-storey (including a semi-basement level) Commercial/Car Park Building with a 2-storey Car Park/Indoor Recreational Centre annexed thereto (Multi-purpose Complex), a 3-storey Car Park Block and various Open Car Parks in Fu Heng Estate. The Indoor Recreational Centre does not form part of Fu Heng Shopping Centre. The property was completed in 1990. A total of 517 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 22,900/358,013 equal and undivided shares of and in Tai Po Town Lot No. 178 and is held under Government Lease for a term of 50 years from 10 February 2000.									
<b>68</b>	<b>Tai Wo Hau Commercial Centre</b>	<b>75,745</b>	<b>609</b>	<b>43.8</b>	<b>5.23%</b>	<b>857.0</b>	<b>7.50%</b>	<b>845.2</b>	<b>851.1</b>	<b>5.15%</b>	<b>9.38%</b>
	Brief Description :	Tai Wo Hau Commercial Centre comprises a 4-storey commercial/car park block (Commercial /Car Park Block), a single-storey retail building (Commercial Block), a 4-storey car park (Car Park Block), car parks on Levels 1 and 2 of the Multi-storey Car Park (Multi-storey Car Park Accommodation). In addition, the property also includes various floors located within the residential blocks of Fu On House, Fu Man House, Fu Pong House, Fu Pik House, Fu Tak House and the Indoor Recreation Centre (Integrated Commercial/Car Park Accommodation), various open car parks and associated areas in Tai Wo Hau Estate. The property was built in phases in 1984 and 1993. A total of 609 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 32,793/475,099 equal and undivided shares of and in the Remaining Portion of Kwai Chung Town Lot No. 503 and is held under Government Lease for a term of 50 years from 29 December 2008.									

Property No.	Property Name	Car Park Spaces	Income Capitalisation			DCF Analysis		Analysis			
			Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR	
<b>69</b>	<b>Kwong Fuk Commercial Centre</b>	<b>69,395</b>	<b>461</b>	<b>36.4</b>	<b>4.69%</b>	<b>853.1</b>	<b>7.50%</b>	<b>806.7</b>	<b>829.9</b>	<b>4.39%</b>	<b>9.05%</b>
	Brief Description :	Kwong Fuk Commercial Centre comprises a 3-storey commercial complex erected over a 2-storey car park and market complex, various shop units located within the residential block of Kwong Yan House and various Cooked Food Stalls. It also includes Associated Areas and Open Car Parks within Kwong Fuk Estate. The property was completed in 1983. A total of 461 car parking spaces are provided in the property. Kwong Fuk Commercial Centre is currently under Asset Enhancement. The IFA as at 31 March 2017 was approximately 68,725 sqft.									
	Title Details :	The property is held by Link Properties Limited. It comprises 23,946/351,384th equal and undivided shares of and in Tai Po Town Lot No. 196 and is held under Government Lease for a term of 50 years from 17 March 2010.									
<b>70</b>	<b>Kam Tai Shopping Centre</b>	<b>45,709</b>	<b>758</b>	<b>40.4</b>	<b>4.65%</b>	<b>843.7</b>	<b>7.50%</b>	<b>795.8</b>	<b>819.8</b>	<b>4.92%</b>	<b>9.06%</b>
	Brief Description :	Kam Tai Shopping Centre comprises a 7-storey commercial/ car park building completed in 2000. A total of 758 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 31,347/ 32,708 equal and undivided shares of and in Section A of Sha Tin Town Lot No. 447 and is held under Government Lease for a term of 50 years from 29 June 1998.									
<b>71</b>	<b>Hiu Lai Shopping Centre</b>	<b>34,560</b>	<b>637</b>	<b>39.9</b>	<b>4.70%</b>	<b>839.9</b>	<b>7.50%</b>	<b>796.0</b>	<b>818.0</b>	<b>4.88%</b>	<b>9.09%</b>
	Brief Description :	Hiu Lai Shopping Centre comprises a 9-storey (split-levels from Levels 2 to 8) Commercial/ Car Park Block together with two Kindergarten units on the ground floor of Hiu Tin House and Hiu On House respectively completed in 1996. A total of 637 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises whole of Section A of New Kowloon Inland Lot No. 6205 and 1,000/ 249,375 equal and undivided shares of the Remaining Portion of New Kowloon Inland Lot No. 6205 and is held under Government Lease for a term commencing from 11 November 1994 to 30 June 2047.									
<b>72</b>	<b>Hoi Fu Shopping Centre</b>	<b>40,360</b>	<b>225</b>	<b>39.1</b>	<b>4.41%</b>	<b>829.8</b>	<b>7.50%</b>	<b>758.7</b>	<b>794.3</b>	<b>4.93%</b>	<b>8.85%</b>
	Brief Description :	Hoi Fu Shopping Centre comprises portions of a 2-storey commercial building (Block E) and portions of a 6-storey car parking/ elderly housing/ care attention home building (Block D) in Hoi Fu Court completed in 1999. A total of 225 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 9,413/ 204,120 equal and undivided shares of and in New Kowloon Inland Lot No. 11141 and is held under Government Lease for a term of 50 years from 16 July 1999.									
<b>73</b>	<b>Lee On Shopping Centre</b>	<b>47,709</b>	<b>390</b>	<b>38.1</b>	<b>4.72%</b>	<b>796.8</b>	<b>7.50%</b>	<b>750.1</b>	<b>773.5</b>	<b>4.93%</b>	<b>9.04%</b>
	Brief Description :	Lee On Shopping Centre, completed in 1993, comprises a 4-storey commercial centre with retail, market and car parking spaces therein. In addition, it includes various Associated Areas and Open Car Parks scattered over Lee On Estate. A total of 390 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 21,025/ 258,612 equal and undivided shares of and in Sha Tin Town Lot No. 553 and is held under Government Lease for a term of 50 years from 26 February 2008.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>74</b>	<b>Lok Wah Commercial Centre</b>	<b>108,510</b>	<b>650</b>	<b>35.0</b>	<b>4.69%</b>	<b>774.4</b>	<b>7.50%</b>	<b>730.7</b>	<b>752.6</b>	<b>4.66%</b>	<b>9.06%</b>
	Brief Description :	Lok Wah Commercial Centre comprises a 4-storey Commercial/ Car Park Complex. In addition, the property includes various Integrated Commercial/ Car Park Accommodations located within the residential block of Po Wah House, Kan Wah House, Lap Wah House, Tat Wah House, Ning Wah House and Shun Wah House, Open Car Parks and Associated Areas within Lok Wah (North) Estate. The property was completed in 1985. A total of 650 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 38,134/ 513,788 and portion of 667/ 513,788 equal and undivided shares of and in New Kowloon Inland Lot No. 6460 and is held under Government Lease for a term of 50 years from 9 September 2008.									
<b>75</b>	<b>Tin Tsz Shopping Centre</b>	<b>36,922</b>	<b>289</b>	<b>32.9</b>	<b>4.40%</b>	<b>678.3</b>	<b>7.50%</b>	<b>616.6</b>	<b>647.5</b>	<b>5.08%</b>	<b>8.76%</b>
	Brief Description :	Tin Tsz Shopping Centre comprises 2-storey commercial building (Commercial/Car Park Block), an adjoining 4-storey car park building (Car Park Block) and various shop units located within the residential blocks of Tsz Ping House completed in 1997. In addition, it includes Associated Areas and Open Car Park in Tin Tsz Estate. A total of 289 parking spaces are provided in the property. Tin Tsz Shopping Centre is currently under Asset Enhancement. The IFA as at 31 March 2017 was approximately 37,519 sqft.									
	Title Details :	The property is held by Link Properties Limited. It comprises 17,511/202,482 equal and undivided shares of and in Tin Shui Wai Town Lot No. 40 and is held under Government Lease for a term of 50 years from 29 June 2007.									
<b>76</b>	<b>Tsz Ching Shopping Centre (I) &amp; (II)</b>	<b>18,125</b>	<b>882</b>	<b>34.2</b>	<b>4.99%</b>	<b>656.5</b>	<b>7.50%</b>	<b>636.5</b>	<b>646.5</b>	<b>5.29%</b>	<b>9.27%</b>
	Brief Description :	Tsz Ching Shopping Centre (I) & (II) comprises a 3-storey commercial/ car park building (Commercial/ Car Park I Block), a 4-storey commercial/ car park building including basement commercial/ car park building (Multi-storey Commercial/ Car Park II Accommodation) and a stand-alone 5-storey plus a mezzanine floor car park building (Car Park III Block). In addition, it includes various shop units on the ground floor of Ching Wo House (Integrated Commercial/ Car Park Accommodation of Ching Wo House), Open Commercial Loading/ Unloading Space and Associated Areas in Tsz Ching Estate. The property was built in phases from 1996 to 2001. A total of 882 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 32,549/ 507,335 equal and undivided shares of and in New Kowloon Inland Lot No. 6444 and is held under Government Lease for a term of 50 years from 28 February 2007.									
<b>77</b>	<b>Chun Shek Shopping Centre</b>	<b>61,273</b>	<b>583</b>	<b>29.9</b>	<b>4.64%</b>	<b>654.3</b>	<b>7.50%</b>	<b>616.5</b>	<b>635.4</b>	<b>4.70%</b>	<b>9.05%</b>
	Brief Description :	Chun Shek Shopping Centre comprises a 4-storey commercial building (Commercial Complex), an adjoining 4-storey car park building (Car Park Block 1), a separate 2-storey car park building (Car Park Block 2). In addition, the property includes various shop units located within the Shek Jing House (Portions of the Integrated HA Accommodation) as well as Open Car Parks and Associated Areas in Chun Shek Estate. The property was completed in 1984. A total of 583 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 26,567/ 155,467 equal and undivided shares of and in Sha Tin Town Lot No. 555 and is held under Government Lease for a term of 50 years from 30 September 2009.									

Property No.	Property Name	Car Park IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>78 Cheung Wah Shopping Centre</b>											
		<b>67,236</b>	<b>353</b>	<b>8.0</b>	<b>4.40%</b>	<b>648.6</b>	<b>7.50%</b>	<b>612.8</b>	<b>630.7</b>	<b>1.26%</b>	<b>8.94%</b>
Brief Description :	Cheung Wah Shopping Centre comprises a 4-storey commercial building (Commercial Centre), a 4-storey car park building (Car Park 1), a 2-storey car park building (Car Park 2) with cooked food stalls on the roof, an adjoining 3-storey market building (Market). In addition, it includes various shop units located within the residential blocks of Cheung Lai House and Cheung Chung House and Open Car Parks in Cheung Wah Estate. The property was completed in 1984. A total of 353 car parking spaces are provided in the property. Cheung Wah Shopping Centre is currently under Asset Enhancement. The IFA as at 31 March 2017 was approximately 19,811 sqft.										
Title Details :	The property is held by Link Properties Limited. It comprises 26,310/299,811 equal and undivided shares of and in Fanling Sheung Shui Town Lot No. 226 and is held under Government Lease for a term of 50 years from 16 June 2004.										
<b>79 Wan Tsui Commercial Complex</b>											
		<b>79,295</b>	<b>359</b>	<b>30.0</b>	<b>4.93%</b>	<b>644.5</b>	<b>7.50%</b>	<b>616.0</b>	<b>630.3</b>	<b>4.77%</b>	<b>9.16%</b>
Brief Description :	Wan Tsui Commercial Complex comprises a 5-storey commercial building (Commercial Block), another 2-storey (including a basement) commercial building (Market/ Car Park Block), a single-storey car park building adjacent to Hei Tsui House (Car Park Block) and a 2-storey car park podium located within the residential blocks of Chak Tsui House (Car Park Podium). The property includes various shop units located within the residential blocks of Yee Tsui House and Shing Tsui House, a Government clinic on the ground floor of Lee Tsui House, Associated Area and various Open Car Parks along the estate roads (Open Car Parks) in Wan Tsui Estate. The property was completed in 1979. A total of 359 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 26,208/ 222,534 equal and undivided shares of and in the Remaining Portion of Chai Wan Inland Lot No. 180 and is held under Government Lease for a term of 50 years from 31 March 2010.										
<b>80 Yung Shing Shopping Centre</b>											
		<b>58,230</b>	<b>283</b>	<b>29.3</b>	<b>4.57%</b>	<b>634.1</b>	<b>7.50%</b>	<b>604.1</b>	<b>619.1</b>	<b>4.74%</b>	<b>9.12%</b>
Brief Description :	Yung Shing Shopping Centre comprises a 3-storey commercial building and the car park podium of an adjoining 7-storey ancillary facilities block (Portions of the Composite Block) completed in 1999. A total of 283 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 12,641/161,475 equal and undivided shares of and in Fanling Sheung Shui Town Lot No. 207 and is held under Government Lease for a term of 50 years from 16 July 1999.										
<b>81 Retail and Car Park within Ap Lei Chau Estate</b>											
		<b>46,779</b>	<b>325</b>	<b>31.5</b>	<b>5.14%</b>	<b>626.7</b>	<b>7.50%</b>	<b>608.4</b>	<b>617.6</b>	<b>5.09%</b>	<b>9.27%</b>
Brief Description :	Retail and Car Park within Ap Lei Chau Estate comprises a 2-storey market/ office building (Market/ Office Block) and a 6-storey commercial/ car park building (Commercial/ Car Park Block). The property also includes various shop units located on the ground floor within the residential blocks of Lei Chak House, Lei Fook House, Lei Moon House, Lei Ning House, Lei Tim House and Lei Yee House as well as Associated Areas and Open Car Parks scattered within Ap Lei Chau Estate. The property was completed in 1980. A total of 325 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 18,111/ 246,593 equal and undivided shares of and in Ap Lei Chau Inland Lot No. 134 and is held under Government Lease for a term of 50 years from 4 May 2010.										
<b>82 Kai Yip Commercial Centre</b>											
		<b>76,265</b>	<b>383</b>	<b>27.6</b>	<b>4.66%</b>	<b>637.0</b>	<b>7.50%</b>	<b>595.9</b>	<b>616.5</b>	<b>4.48%</b>	<b>9.00%</b>
Brief Description :	Kai Yip Commercial Centre comprises a 4-storey commercial/ car park building (Commercial Centre) and various cooked food stalls (Commercial Blocks) and shop units in Kai Yip Community Hall. In addition, the property includes various shop units on ground floor located within residential block of Kai Yin House and Kai Lok House, Open Car Parks and Associated Areas in Kai Yip Estate. The property was completed in 1981. A total of 383 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 26,955/ 211,867 equal and undivided shares of and in New Kowloon Inland Lot No. 6466 and is held under Government Lease for a term of 50 years from 3 July 2008.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>83</b>	<b>King Lam Shopping Centre</b>	<b>51,919</b>	<b>418</b>	<b>30.3</b>	<b>5.00%</b>	<b>620.4</b>	<b>7.50%</b>	<b>600.7</b>	<b>610.6</b>	<b>4.96%</b>	<b>9.25%</b>
	Brief Description :	King Lam Shopping Centre comprises a 4-storey commercial/ car park building, various shop units on the ground floors located within the residential block of King Chung House and King Lui House and various Open Car Parks in King Lam Estate. The property was completed in 1990. A total of 418 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 18,412/ 278,433 equal and undivided shares of and in Tseung Kwan O Town Lot No. 83 and is held under Government Lease for a term of 50 years from 8 February 2001.									
<b>84</b>	<b>Sam Shing Commercial Centre</b>	<b>75,285</b>	<b>176</b>	<b>26.4</b>	<b>4.62%</b>	<b>595.5</b>	<b>7.50%</b>	<b>558.5</b>	<b>577.0</b>	<b>4.58%</b>	<b>9.02%</b>
	Brief Description :	Sam Shing Commercial Centre comprises a 3-storey commercial/car park building (Commercial Complex), an adjoining single-storey market building (Market), various cooked food stalls and shop stalls. In addition, the property includes integrated commercial/car park accommodation located within the residential blocks of Chun Yu House (Block 1), Moon Yu House (Block 2) and Fung Yu House (Block 3) in Sam Shing Estate. The property was completed in 1980. A total of 176 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 14,434/115,271 equal and undivided shares of and in Tuen Mun Town Lot No. 481 and is held under Government Lease for a term of 50 years from 22 March 2010.									
<b>85</b>	<b>Retail and Car Park within Shun Tin Estate</b>	<b>68,490</b>	<b>581</b>	<b>29.4</b>	<b>4.91%</b>	<b>585.9</b>	<b>7.50%</b>	<b>562.3</b>	<b>574.1</b>	<b>5.12%</b>	<b>9.19%</b>
	Brief Description :	Retail and Car Park within Shun Tin Estate comprises a 4-storey car park building (Car Park A), another 3-storey car park building (Car Park B), Commercial Blocks A, B and C. In addition, the property includes Integrated Commercial/ Car Park Accommodations located within the residential blocks of Tin Kam House, Tin Wing House, Tin Yiu House, Tin Kei House and Tin Kuen House. The property was completed in 1981. A total of 581 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 24,566/ 378,187 equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No. 6474 and is held under Government Lease for a term of 50 years from 9 February 2009.									
<b>86</b>	<b>Cheung Hang Shopping Centre</b>	<b>60,543</b>	<b>327</b>	<b>25.3</b>	<b>4.90%</b>	<b>566.0</b>	<b>7.50%</b>	<b>541.0</b>	<b>553.5</b>	<b>4.57%</b>	<b>9.16%</b>
	Brief Description :	Cheung Hang Shopping Centre comprises a 5-storey commercial centre and a 5-storey car park building. In addition, it includes Associated Areas in Cheung Hang Estate. The property was completed in 1990. A total of 327 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 26,593/289,056 equal and undivided shares of and in Tsing Yi Town Lot No. 177 and is held under Government Lease for a term of 50 years from 29 December 2008.									
<b>87</b>	<b>Shek Lei Shopping Centre Phase I</b>	<b>38,989</b>	<b>459</b>	<b>25.4</b>	<b>5.07%</b>	<b>559.9</b>	<b>7.50%</b>	<b>543.3</b>	<b>551.6</b>	<b>4.61%</b>	<b>9.27%</b>
	Brief Description :	Shek Lei Shopping Centre Phase I comprises a 4-storey commercial/car park building (Commercial/Car Park Block) and a 2-storey car park building with retail shop on the ground floor. In addition, the property includes various shop units located within the residential blocks of Shek Ning House and Shek Sau House as well as Open Car Parks in Shek Lei Estate. The property was completed in 1993. A total of 459 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 23,677/655,826 equal and undivided shares of and in the Remaining Portion of Kwai Chung Town Lot No. 505 and is held under a Government Lease for a term of 50 years from 31 March 2010.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>88 Tsing Yi Commercial Complex</b>											
		<b>55,400</b>	<b>344</b>	<b>27.5</b>	<b>4.73%</b>	<b>561.2</b>	<b>7.50%</b>	<b>532.3</b>	<b>546.8</b>	<b>5.03%</b>	<b>9.09%</b>
Brief Description :	Tsing Yi Commercial Complex comprises a 4-storey Commercial Complex including various cooked food stalls on the first floor (Commercial Complex), a 4-storey car park building (Car Park Block 1) and a 3-storey car park building (Car Park Block 2). In addition, it includes HA parking area, various open car parks and associated areas in Tsing Yi Estate. The property was completed in 1986. A total of 344 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 20,014/222,251 equal and undivided shares of and in Tsing Yi Town Lot No. 167 and is held under Government Lease for a term of 50 years from 8 February 2001.										
<b>89 Lei Cheng Uk Shopping Centre</b>											
		<b>73,919</b>	<b>461</b>	<b>24.7</b>	<b>4.47%</b>	<b>563.2</b>	<b>7.50%</b>	<b>527.7</b>	<b>545.5</b>	<b>4.54%</b>	<b>9.00%</b>
Brief Description :	Lei Cheng Uk Shopping Centre comprises a 4-storey commercial/ car parking podium (Commercial/ Car Park Areas), a single-storey car park building near Lai Yeung House (Car Park Block). In addition, it includes various shop units and portions in Yan Oi House, Chung Hou House, Wo Ping House and Shun Yee House (Portions of the Integrated HA Accommodation) and Open Car Parks in Lei Cheng Uk Estate. The property was completed in 1984. A total of 461 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 21,862/ 264,258 equal and undivided shares of and in New Kowloon Inland Lot No. 6416 and is held under Government Lease for a term of 50 years from 24 January 2002.										
<b>90 Ming Tak Shopping Centre</b>											
		<b>39,029</b>	<b>383</b>	<b>26.9</b>	<b>4.91%</b>	<b>530.7</b>	<b>7.50%</b>	<b>509.3</b>	<b>520.0</b>	<b>5.17%</b>	<b>9.19%</b>
Brief Description :	Ming Tak Shopping Centre, completed in 1999, comprises a 4-storey commercial/ car park building (Commercial/ Car Park Block) as well as Associated Areas, Open Car Parks and Guard Kiosks in Ming Tak Estate. A total of 383 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 20,354/ 108,489 equal and undivided shares of and in Tsung Kwan O Town Lot No. 108 and is held under Government Lease for a term of 50 years from 28 July 2008.										
<b>91 Hing Tung Shopping Centre</b>											
		<b>53,034</b>	<b>420</b>	<b>23.0</b>	<b>4.60%</b>	<b>503.1</b>	<b>7.50%</b>	<b>466.9</b>	<b>485.0</b>	<b>4.75%</b>	<b>8.95%</b>
Brief Description :	Hing Tung Shopping Centre comprises a 7-storey commercial/ car park building (Commercial/ Car Park Block) as well as Associated Areas and a shop unit at the 2-storey stand-alone lift tower (i.e. Lift Tower No. 1 that is linked to the Commercial/ Car Park Block by a footbridge across Yiu Hing Road) in Hing Tung Estate. The property was completed in 1995. A total of 420 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 23,786/ 155,258 equal and undivided shares of and in Shau Kei Wan Inland Lot No. 851 and is held under Government Lease for a term of 50 years from 8 February 2010.										
<b>92 Wah Sum Shopping Centre</b>											
		<b>24,934</b>	<b>356</b>	<b>23.1</b>	<b>4.82%</b>	<b>476.9</b>	<b>7.50%</b>	<b>479.8</b>	<b>478.4</b>	<b>4.83%</b>	<b>9.48%</b>
Brief Description :	Wah Sum Shopping Centre comprises a 2-storey commercial building (Commercial Centre) and an adjoining 4-storey car park building (Car Park Block) interconnected with the Commercial Centre on the first floor as well as Associated Areas and Open Car Parks in Wah Sum Estate completed in 1995. A total of 356 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 16,753/109,515 equal and undivided shares of and in Fanling Sheung Shui Town Lot No. 236 and is held under Government Lease for a term of 50 years from 16 January 2009.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>93</b>	<b>Kin Sang Shopping Centre</b>	<b>36,623</b>	<b>273</b>	<b>20.4</b>	<b>4.55%</b>	<b>451.9</b>	<b>7.50%</b>	<b>420.3</b>	<b>436.1</b>	<b>4.68%</b>	<b>8.96%</b>
	Brief Description :	Kin Sang Shopping Centre, completed in 1990, comprises a 3-storey commercial building (Commercial Block) and a 4-storey car park building (Car Park Block) as well as Associated Areas in Kin Sang Estate. A total of 273 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 14,100/28,621 equal and undivided shares of and in Section A of Tuen Mun Town Lot No. 441 and is held under Government Lease for a term of 50 years from 8 April 1998.									
<b>94</b>	<b>Yiu Tung Shopping Centre</b>	<b>67,768</b>	<b>685</b>	<b>19.5</b>	<b>4.91%</b>	<b>437.6</b>	<b>7.50%</b>	<b>430.8</b>	<b>434.2</b>	<b>4.48%</b>	<b>9.35%</b>
	Brief Description :	Yiu Tung Shopping Centre, completed in 1994, comprises a 3-storey commercial building (Commercial Centre), a 2-storey car park building (Car Park Block No. 1) and an 8-storey car park building (Car Park Block No. 2) and a ground floor unit in Yiu Tung Estate. Escalators and footbridges in Yiu Tung Estate provide direct access to the bottom of Yiu Hing Road and Nam Hong Street. A total of 685 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 35,548/ 381,831 equal and undivided shares of and in Shau Kei Wan Inland Lot No. 852 and is held under Government Lease for a term of 50 years from 29 March 2010.									
<b>95</b>	<b>Wang Tau Hom (Wang Fai Centre)</b>	<b>27,157</b>	<b>290</b>	<b>18.6</b>	<b>5.00%</b>	<b>434.8</b>	<b>7.50%</b>	<b>417.5</b>	<b>426.2</b>	<b>4.36%</b>	<b>9.19%</b>
	Brief Description :	Wang Tau Hom (Wang Fai Centre), completed in 1982, comprises a 3-storey commercial building (Wang Fai Centre), a single-storey wet market (Fu Mou Street Market) and a 5-storey split-level car park building (Car Park Block). In addition, it includes Associated Areas and Open Car Parks in Wang Tau Hom Estate. A total of 290 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 12,507/ 373,309 equal and undivided shares of and in New Kowloon Inland Lot No. 6462 and is held under Government Lease for a term of 50 years from 16 July 2008.									
<b>96</b>	<b>Lai Kok Shopping Centre</b>	<b>81,263</b>	<b>140</b>	<b>15.0</b>	<b>4.63%</b>	<b>415.0</b>	<b>7.50%</b>	<b>401.0</b>	<b>408.0</b>	<b>3.68%</b>	<b>9.21%</b>
	Brief Description :	Lai Kok Shopping Centre comprises a 3-storey commercial building, a 3-storey car park building and a single-storey wet market. In addition, the property includes various ground level shop units opposite to Lai Ho House, and various shop units on the ground floors Lai Lan House, Lai Huen House & Lai Mei House as well as Associated Area, Open Car Parks and Generator Room in Lai Kok Estate. The property was completed in 1981. A total of 140 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 17,339/ 164,134 equal and undivided shares of and in New Kowloon Inland Lot No. 6475 and is held under Government Lease for a term of 50 years from 30 October 2009.									
<b>97</b>	<b>Ping Tin Shopping Centre</b>	<b>24,212</b>	<b>406</b>	<b>19.7</b>	<b>4.89%</b>	<b>412.0</b>	<b>7.50%</b>	<b>397.1</b>	<b>404.6</b>	<b>4.86%</b>	<b>9.21%</b>
	Brief Description :	Ping Tin Shopping Centre comprises a 3-storey commercial building (Commercial Centre), a split-level 4-storey annexed car park building (Car Park Block) and the ground floor and first floor of a 4-storey ancillary facilities building (Ancillary Facilities Block) as well as Open Car Parks near to the ingress of the car park building in Ping Tin Estate. The property was completed in 1997. A total of 406 car parking spaces are provided in the property.									
	Title Details :	The property is held by Link Properties Limited. It comprises 16,966/ 362,174 equal and undivided shares of and in New Kowloon Inland Lot No. 6446 and is held under Government Lease for a term of 50 years from 30 March 2009.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>98 Retail and Car Park within Tung Tau Estate</b>											
		<b>37,909</b>	<b>493</b>	<b>17.2</b>	<b>4.74%</b>	<b>396.9</b>	<b>7.50%</b>	<b>379.8</b>	<b>388.4</b>	<b>4.42%</b>	<b>9.16%</b>
Brief Description :	Retail and Car Park within Tung Tau Estate comprises a split-level single-storey commercial building with car park at basement level (Commercial Complex) and a 3-storey car park building (Car Park Block). In addition, it includes shop units on the ground floor in front of the Commercial Complex, various shop units within the residential blocks on the ground floor of Cheung Tung House, Hong Tung House, On Tung House, Yue Tung House and Wong Tung House as well as Open Car Parks in Tung Tau (II) Estate. The property was completed in 1982. A total of 493 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 16,942/ 349,186 equal and undivided shares of and in New Kowloon Inland Lot No. 6413 and is held under Government Lease for a term of 50 years from 24 January 2002.										
<b>99 Car Park within Kin Ming Estate</b>											
		<b>0</b>	<b>763</b>	<b>19.9</b>	<b>5.20%</b>	<b>379.1</b>	<b>7.50%</b>	<b>376.3</b>	<b>377.7</b>	<b>5.27%</b>	<b>9.44%</b>
Brief Description :	Car Park within Kin Ming Estate comprises a 6-storey commercial/ car park building. In addition, it includes various car parking spaces within Kin Ming Estate. The property was completed in 2003. A total of 763 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises portion of 39,133/ 420,644 equal and undivided shares of and in Tseung Kwan O Town Lot No. 109 and is held under Government Lease for a term of 50 years from 15 March 2010.										
<b>100 Yin Lai Court Shopping Centre</b>											
		<b>16,300</b>	<b>150</b>	<b>14.6</b>	<b>4.48%</b>	<b>345.2</b>	<b>7.50%</b>	<b>319.5</b>	<b>332.4</b>	<b>4.38%</b>	<b>8.92%</b>
Brief Description :	Yin Lai Court Shopping Centre comprises a 4-storey commercial/car park building completed in 1991. There is direct access to Lai King station at LG2. A total of 150 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Kwai Chung Town Lot No. 389 and is held under Government Lease for a term commencing from 21 September 1990 to 30 June 2047.										
<b>101 Retail and Car Park within Cheung On Estate</b>											
		<b>3,915</b>	<b>484</b>	<b>16.4</b>	<b>4.78%</b>	<b>338.6</b>	<b>7.50%</b>	<b>325.3</b>	<b>332.0</b>	<b>4.93%</b>	<b>9.20%</b>
Brief Description :	Retail and Car Park within Cheung On Estate comprises a 4-storey car park building (Car Park 1), a 2-storey split-level car park building (Car Park 2) and various shop units and medical centre on the ground floor of On Tao House in Cheung On Estate. The property was completed in 1988. A total of 484 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section D & Section F of Tsing Yi Town Lot No. 160 and 403/293,522 equal and undivided shares of and in the Remaining Portion of Tsing Yi Town Lot No. 160, and is held under Government Lease for a term of 50 years from 8 April 1998.										
<b>102 Retail and Car Park within Hong Pak Court</b>											
		<b>17,956</b>	<b>549</b>	<b>14.9</b>	<b>4.43%</b>	<b>338.3</b>	<b>7.50%</b>	<b>317.8</b>	<b>328.1</b>	<b>4.53%</b>	<b>9.02%</b>
Brief Description :	Retail and Car Park within Hong Pak Court, completed in 1993, comprises a 7-storey car park building with two kindergarten units located on the Level 7. A total of 549 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of New Kowloon Inland Lot No. 6095 and is held under Government Lease for a term commencing from 25 September 1991 to 30 June 2047.										



Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>103 Retail and Car Park within Cheung Wang Estate</b>											
		<b>11,532</b>	<b>333</b>	<b>15.9</b>	<b>4.96%</b>	<b>317.3</b>	<b>7.50%</b>	<b>304.0</b>	<b>310.7</b>	<b>5.12%</b>	<b>9.18%</b>
Brief Description :	Retail and Car Park within Cheung Wang Estate comprises a 2-storey Multi-storey Car Park Accommodation and a single-storey commercial/car park block (Commercial/ Car Park Block). In addition, it includes Associated Areas and Open Car Parks in Cheung Wang Estate. The property was completed in 2001. A total of 333 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 13,010/259,640 equal and undivided shares of and in Tsing Yi Town Lot No. 178 and is held under Government Lease for a term of 50 years from 25 March 2009.										
<b>104 Shun On Commercial Centre</b>											
		<b>81,963</b>	<b>459</b>	<b>15.0</b>	<b>4.70%</b>	<b>298.6</b>	<b>7.50%</b>	<b>288.2</b>	<b>293.4</b>	<b>5.11%</b>	<b>9.21%</b>
Brief Description :	Shun On Commercial Centre comprises portions of the two Commercial Blocks 1 & 2, a 2-storey retail building with an adjoined 4-storey car park building (Commercial/ Car Park Block), the Integrated Commercial/ Car Park Accommodations in On Kwan House, On Chung House and On Yat House, various Commercial Facilities, Associated Areas and Open Car Parks in Shun On Estate. The property was completed in 1978. A total of 459 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 20,130/ 179,429 equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No. 6472 and is held under Government Lease for a term of 50 years from 28 July 2008.										
<b>105 Fortune Shopping Centre</b>											
		<b>24,298</b>	<b>153</b>	<b>14.2</b>	<b>4.62%</b>	<b>300.2</b>	<b>7.50%</b>	<b>285.0</b>	<b>292.6</b>	<b>4.85%</b>	<b>9.10%</b>
Brief Description :	Fortune Shopping Centre comprises a 2-storey commercial/ car park building (Multi-storey Commercial/ Car Park Accommodation) and a 5-storey car park building (Car Park Block). In addition, it includes Associated Areas, Covered Areas, Guard Kiosk and portion of Multi-purpose HA Accommodation (the Integrated Commercial/ Car Park Accommodation on 2/F of Fook Ming House). The property was completed in 2000. A total of 153 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 11,807/ 115,133 equal and undivided shares of and in New Kowloon Inland Lot No. 6484 and is held under Government Lease for a term of 50 years from 27 April 2009.										
<b>106 Siu Hei Commercial Centre</b>											
		<b>23,439</b>	<b>560</b>	<b>13.0</b>	<b>4.37%</b>	<b>296.6</b>	<b>7.50%</b>	<b>275.2</b>	<b>285.9</b>	<b>4.56%</b>	<b>8.94%</b>
Brief Description :	Siu Hei Commercial Centre, completed in 1986, comprises a 3-storey commercial centre (including mezzanine floor) with retail, market, and welfare facilities therein and a 4-storey spilt level car park building. A total of 560 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Tuen Mun Town Lot No. 255 and is held under Government Lease for a term of 99 years less the last 3 days commencing from 1 July 1898 and has been statutorily extended to 30 June 2047.										
<b>107 Retail and Car Park within Lok Wah (South) Estate</b>											
		<b>16,239</b>	<b>226</b>	<b>9.7</b>	<b>5.07%</b>	<b>239.0</b>	<b>7.50%</b>	<b>232.6</b>	<b>235.8</b>	<b>4.11%</b>	<b>9.29%</b>
Brief Description :	Retail and Car Park within Lok Wah (South) Estate comprises market stalls at Chin Wah House, a 4-storey car park building (Car Park Block), three free-standing cooked food stalls near On Wah House and various shop units located on the ground floor of the residential block of On Wah House as well as Associated Areas and Open Car Parks in Lok Wah (South) Estate. The property was completed in 1982. A total of 226 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 13,231/ 513,788 and portion of 667/ 513,788 equal and undivided shares of and in New Kowloon Inland Lot No. 6460 and is held under Government Lease for a term of 50 years from 9 September 2008.										

Property No.	Property Name	Car Park Spaces	Income Capitalisation			DCF Analysis		Analysis			
			IFA (sqft)	Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>108 Po Hei Court Commercial Centre</b>											
		<b>13,686</b>	<b>0</b>	<b>7.8</b>	<b>3.40%</b>	<b>246.3</b>	<b>7.50%</b>	<b>206.8</b>	<b>226.6</b>	<b>3.45%</b>	<b>8.22%</b>
Brief Description :	Po Hei Court Commercial Centre comprises retail units on the ground floor of Block A and Block B in Po Hei Court completed in 1993.										
Title Details :	The property is held by Link Properties Limited. It comprises 1,354/ 20,256 equal and undivided shares of and in New Kowloon Inland Lot No. 6117 and is held under Government Lease for a term of commencing from 17 July 1992 to 30 June 2047.										
<b>109 Retail and Car Park within Ko Chun Court</b>											
		<b>7,332</b>	<b>323</b>	<b>10.0</b>	<b>4.71%</b>	<b>214.4</b>	<b>7.50%</b>	<b>204.9</b>	<b>209.7</b>	<b>4.78%</b>	<b>9.15%</b>
Brief Description :	Retail and Car Park within Ko Chun Court, completed in 1993, comprises a 6-storey with 12 split-levels commercial/ car park building and a kindergarten unit on the ground floor located within Chun Moon House (Block C) of Ko Chun Court. A total of 323 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of New Kowloon Inland Lot No. 6189 and 530/ 81,791 equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No. 6189, and is held under Government Lease for a term commencing from 3 June 1993 and expiring on 30 June 2047.										
<b>110 Car Park within Wah Lai Estate</b>											
		<b>0</b>	<b>411</b>	<b>10.2</b>	<b>4.80%</b>	<b>207.3</b>	<b>7.50%</b>	<b>200.0</b>	<b>203.7</b>	<b>5.01%</b>	<b>9.23%</b>
Brief Description :	Car Park within Wah Lai Estate comprises a 5-storey car park building completed in 2001. A total of 411 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 21,700/102,614 equal and undivided shares of and in the Remaining Portion of Section A of Kwai Chung Town Lot No. 445 and is held under Government Lease for a term of 50 years from 25 May 2001.										
<b>111 Retail and Car Park within Wo Ming Court</b>											
		<b>7,342</b>	<b>379</b>	<b>8.9</b>	<b>4.42%</b>	<b>202.4</b>	<b>7.50%</b>	<b>189.8</b>	<b>196.1</b>	<b>4.53%</b>	<b>9.02%</b>
Brief Description :	Retail and Car Park within Wo Ming Court, completed in 1999, comprises a 6-storey car park building and a Kindergarten unit located on the ground floor within the residential block of Wo Yat House (Block A). A total of 379 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Tseung Kwan O Town Lot No. 52 and 728/ 82,796 equal and undivided shares of and in the Remaining Portion of Tseung Kwan O Town Lot No. 52, and is held under Government Lease for a term of 50 years from 28 November 1997.										
<b>112 Retail and Car Park within Ching Wah Court</b>											
		<b>11,863</b>	<b>348</b>	<b>8.9</b>	<b>4.64%</b>	<b>200.0</b>	<b>7.50%</b>	<b>190.3</b>	<b>195.2</b>	<b>4.57%</b>	<b>9.12%</b>
Brief Description :	Retail and Car Park within Ching Wah Court comprises a 3-storey commercial/car park building. The property was completed in 1984. A total of 348 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Tsing Yi Town Lot No. 100 and is held under Government Lease for a term of 99 years less the last 3 days commencing from 1 July 1898 and has been statutorily extended to 30 June 2047.										
<b>113 Retail and Car Park within Hong Yat Court</b>											
		<b>7,040</b>	<b>355</b>	<b>9.2</b>	<b>4.51%</b>	<b>200.6</b>	<b>7.50%</b>	<b>189.4</b>	<b>195.0</b>	<b>4.73%</b>	<b>9.06%</b>
Brief Description :	Retail and Car Park within Hong Yat Court, completed in 1993, comprises a 7-storey car park building with a Kindergarten on the Level 13 (6th floor) in Hong Yat Court. A total of 355 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 4,582/ 99,200 equal and undivided shares of and in New Kowloon Inland Lot No. 6329 and is held under Government Lease for a term of 50 years from 5 February 2001.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>114 Car Park within Tsz Man Estate</b>											
		<b>0</b>	<b>364</b>	<b>9.6</b>	<b>5.10%</b>	<b>184.2</b>	<b>7.50%</b>	<b>181.6</b>	<b>182.9</b>	<b>5.23%</b>	<b>9.39%</b>
Brief Description :	Car Park within Tsz Man Estate comprises a 4-storey car park building as well as Associated Areas in Tsz Man Estate completed in 1994. A total of 364 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 9,121/ 139,291 equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No. 6441 and is held under Government Lease for a term of 50 years from 28 February 2008.										
<b>115 Retail and Car Park within Tong Ming Court</b>											
		<b>21,283</b>	<b>291</b>	<b>7.5</b>	<b>4.51%</b>	<b>179.8</b>	<b>7.50%</b>	<b>169.6</b>	<b>174.7</b>	<b>4.28%</b>	<b>9.05%</b>
Brief Description :	Retail and Car Park within Tong Ming Court comprises a 5-storey car park building with various retail shop units and a children & youth centre on the ground floor, and a Day Nursery on the ground floor of Tong Wong House and a Kindergarten on the ground floor of Tong Fu House completed in 1999. A total of 291 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Tseung Kwan O Town Lot No. 54 and 1,153/ 98,512 equal and undivided shares of and in the Remaining Portion of Tseung Kwan O Town Lot No. 54, and is held under Government Lease for a term commencing from 26 June 1997 to 30 June 2047.										
<b>116 Car Park within Tin Yuet Estate</b>											
		<b>0</b>	<b>560</b>	<b>7.8</b>	<b>4.60%</b>	<b>177.1</b>	<b>7.50%</b>	<b>168.4</b>	<b>172.8</b>	<b>4.52%</b>	<b>9.12%</b>
Brief Description :	Car Park within Tin Yuet Estate comprises a 4-storey (including a mezzanine floor) car park building completed in 2000. A total of 560 parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises portion of 50,802/297,568 equal and undivided shares of and in Tin Shui Wai Town Lot No. 41 and is held under Government Lease for a term of 50 years from 8 June 2010.										
<b>117 Car Park within Ka Tin Court</b>											
		<b>0</b>	<b>348</b>	<b>8.2</b>	<b>4.60%</b>	<b>175.7</b>	<b>7.50%</b>	<b>167.1</b>	<b>171.4</b>	<b>4.80%</b>	<b>9.12%</b>
Brief Description :	Car Park within Ka Tin Court comprises a 3-storey car park building in Ka Tin Court completed in 1988. A total of 348 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Sha Tin Town Lot No. 290 and is held under Government Lease for a term of 99 years less 3 days commencing from 1 July 1898 and has been statutorily extended to 30 June 2047.										
<b>118 Car Park within Tin King Estate</b>											
		<b>0</b>	<b>380</b>	<b>7.4</b>	<b>4.40%</b>	<b>165.7</b>	<b>7.50%</b>	<b>155.3</b>	<b>160.5</b>	<b>4.61%</b>	<b>9.01%</b>
Brief Description :	Car Park within Tin King Estate comprises the ground floor, second floor, third floor, portions of fourth floor and fifth floor, roof and upper roof of a 5-storey Car Park Block as well as Open Car Parks in Tin King Estate completed in 1989. A total of 380 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 4,036/197,161 equal and undivided shares of and in Tuen Mun Town Lot No. 444 and is held under Government Lease for a term of 50 years from 18 March 1999.										
<b>119 Retail and Car Park within Tsui Wan Estate</b>											
		<b>8,561</b>	<b>182</b>	<b>6.7</b>	<b>4.37%</b>	<b>166.2</b>	<b>7.50%</b>	<b>152.5</b>	<b>159.4</b>	<b>4.19%</b>	<b>8.86%</b>
Brief Description :	Retail and Car Park within Tsui Wan Estate, completed in 1993, comprises various self-standing single-storey retail units and a 3-storey retail/ office building (Commercial Accommodation) and a single-storey car park building (Car Park Block) as well as Open Car Parks in Tsui Wan Estate. A total of 182 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 3,254/ 123,068 equal and undivided shares of and in Chai Wan Inland Lot No. 166 and is held under Government Lease for a term of 50 years from 18 March 1999.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis		
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield
<b>120 Retail and Car Park within Tin Wah Estate</b>										
		<b>1,476</b>	<b>287</b>	<b>7.3</b>	<b>4.49%</b>	<b>161.2</b>	<b>7.50%</b>	<b>150.8</b>	<b>156.0</b>	<b>4.68%</b> <b>9.00%</b>
Brief Description :	Retail and Car Park within Tin Wah Estate, completed in 1999, comprises two retail shops on the ground floor and the car parking spaces on the ground to second floors of a 7-storey Ancillary Facilities Block in Tin Wah Estate. A total of 287 car parking spaces are provided in the property.									
Title Details :	The property is held by Link Properties Limited. It comprises 11,225/236,423 equal and undivided shares of and in Tin Shui Wai Town Lot No. 43 and is held under Government Lease for a term of 50 years from 12 May 2010.									
<b>121 Car Park within Wang Fuk Court</b>										
		<b>0</b>	<b>408</b>	<b>6.7</b>	<b>4.10%</b>	<b>162.3</b>	<b>7.50%</b>	<b>148.6</b>	<b>155.5</b>	<b>4.30%</b> <b>8.83%</b>
Brief Description :	Car Park within Wang Fuk Court comprises a 5-storey with basement level car park completed in 1983. A total of 408 car parking spaces are provided in the property.									
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Tai Po Town Lot No. 27 and is held under Government Lease for a term of 99 years less the last 3 days commencing from 1 July 1898 and has been statutorily extended to 30 June 2047.									
<b>122 Car Park within Po Pui Court</b>										
		<b>0</b>	<b>277</b>	<b>7.1</b>	<b>4.40%</b>	<b>158.1</b>	<b>7.50%</b>	<b>148.2</b>	<b>153.2</b>	<b>4.64%</b> <b>9.00%</b>
Brief Description :	Car Park within Po Pui Court comprises a 3-storey car park building completed in 1995. A total of 277 car parking spaces are provided in the property.									
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Kwun Tong Inland Lot No. 728 and is held under Government Lease for a term commencing from 8 February 1994 to 30 June 2047.									
<b>123 Retail and Car Park within Tin Yat Estate</b>										
		<b>8,784</b>	<b>446</b>	<b>6.9</b>	<b>4.82%</b>	<b>148.1</b>	<b>7.50%</b>	<b>142.9</b>	<b>145.5</b>	<b>4.73%</b> <b>9.23%</b>
Brief Description :	Retail and Car Park within Tin Yat Estate, completed in 2001, comprises a 7-storey car park building with a kindergarten on the ground floor as well as Open Car Parks in Tin Yat Estate. A total of 446 car parking spaces are provided in the property.									
Title Details :	The property is held by Link Properties Limited. It comprises 15,485/226,221 equal and undivided shares of and in Tin Shui Wai Town Lot No. 42 and is held under Government Lease for a term of 50 years from 28 October 2008.									
<b>124 Car Park within Lai On Estate</b>										
		<b>0</b>	<b>181</b>	<b>6.9</b>	<b>5.00%</b>	<b>141.3</b>	<b>7.50%</b>	<b>138.3</b>	<b>139.8</b>	<b>4.96%</b> <b>9.34%</b>
Brief Description :	Car Park within Lai On Estate comprises a 3-storey car park building and Open Car Parks in Lai On Estate completed in 1993. A total of 181 car parking spaces are provided in the property.									
Title Details :	The property is held by Link Properties Limited. It comprises 5,099/ 90,111 equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No. 6482 and is held under Government Lease for a term of 50 years from 6 March 2009.									
<b>125 Car Park within Ying Ming Court</b>										
		<b>0</b>	<b>274</b>	<b>6.3</b>	<b>4.40%</b>	<b>143.9</b>	<b>7.50%</b>	<b>134.8</b>	<b>139.4</b>	<b>4.52%</b> <b>9.00%</b>
Brief Description :	Car Park within Ying Ming Court comprises a 2-storey carport building completed in 1989. A total of 274 car parking spaces are provided in the property.									
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Junk Bay Town Lot No. 4 and is held under Government Lease for a term of 99 years commencing from 1 July 1898 and has been statutorily extended to 30 June 2047.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>126 Car Park within Tsui Ping South Estate</b>											
		<b>5,275</b>	<b>229</b>	<b>6.8</b>	<b>5.26%</b>	<b>138.3</b>	<b>7.50%</b>	<b>137.5</b>	<b>137.9</b>	<b>4.91%</b>	<b>9.45%</b>
Brief Description :	Car Park within Tsui Ping South Estate comprises a 3-storey car park building (Car Park Block) with estate management office on second floor as well as Open Car Park within Tsui Ping (South) Estate completed in 1990. A total of 229 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 6,785/ 291,576 equal and undivided shares of and in the Remaining Portion of Kwun Tong Inland Lot No. 755 and is held under Government Lease for a term of 50 years from 27 November 2009.										
<b>127 Retail and Car Park within Yan Ming Court</b>											
		<b>7,019</b>	<b>262</b>	<b>6.1</b>	<b>4.45%</b>	<b>141.8</b>	<b>7.50%</b>	<b>133.0</b>	<b>137.4</b>	<b>4.43%</b>	<b>9.02%</b>
Brief Description :	Retail and Car Park within Yan Ming Court comprises a 3-storey commercial/ car park centre completed in 1990. A total of 262 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Junk Bay Town Lot No. 9 and is held under Government Lease for a term commencing from 22 January 1987 to 30 June 2047.										
<b>128 Car Park within Ning Fung Court</b>											
		<b>0</b>	<b>299</b>	<b>5.8</b>	<b>4.20%</b>	<b>138.0</b>	<b>7.50%</b>	<b>127.3</b>	<b>132.7</b>	<b>4.36%</b>	<b>8.89%</b>
Brief Description :	Car Park within Ning Fung Court comprises a 3-storey car park building completed in 2001. A total of 299 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 3,072/78,707 equal and undivided shares of and in Kwai Chung Town Lot No. 477 and is held under a Government Lease for a term of 50 years from 15 October 1999.										
<b>129 Car Park within Yue On Court</b>											
		<b>1,323</b>	<b>296</b>	<b>5.9</b>	<b>4.40%</b>	<b>136.3</b>	<b>7.50%</b>	<b>127.5</b>	<b>131.9</b>	<b>4.45%</b>	<b>9.00%</b>
Brief Description :	Car Park within Yue On Court comprises a 5-storey car park building with an office on the ground floor completed in 1988. A total of 296 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Ap Lei Chau Inland Lot No. 117 and is held under Government Lease for a term of 75 years commencing from 1 February 1982 and renewable for further 75 years.										
<b>130 Retail and Car Park within Tsz Oi Court</b>											
		<b>13,306</b>	<b>199</b>	<b>5.7</b>	<b>5.00%</b>	<b>122.6</b>	<b>7.50%</b>	<b>120.0</b>	<b>121.3</b>	<b>4.72%</b>	<b>9.33%</b>
Brief Description :	Retail and Car Park within Tsz Oi Court comprises a 6-storey car park building with a kindergarten on the sixth floor and another free standing Kindergarten in Phase III of Tsz Oi Court. The property was built in phases from 1997 to 2000. A total of 199 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of New Kowloon Inland Lot No. 6211 that is held under a Government lease for a term from 9 June 1995 to 30 June 2047. It also comprises 699/ 113,761 equal and undivided shares of and in New Kowloon Inland Lot No. 6265, and is held under Government Lease for a term of 50 years from 7 May 1999.										
<b>131 Car Park within Ming Nga Court</b>											
		<b>0</b>	<b>345</b>	<b>5.1</b>	<b>4.00%</b>	<b>124.3</b>	<b>7.50%</b>	<b>113.0</b>	<b>118.7</b>	<b>4.28%</b>	<b>8.78%</b>
Brief Description :	Car Park within Ming Nga Court comprises a 3-storey (including basement level) car park building completed in 1985. A total of 345 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Tai Po Town Lot No. 36 that is held under Government Lease for a term of 99 years less the last 3 days commencing from 1 July 1898 and has been statutorily extended until 30 June 2047.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Value as at 31 March 2017 (HK\$M)	Analysis		
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate		Value (HK\$M)	Initial Yield	Indicated IRR
<b>132 Retail and Car Park within Ying Fuk Court</b>											
		<b>786</b>	<b>163</b>	<b>5.1</b>	<b>4.63%</b>	<b>115.3</b>	<b>7.50%</b>	<b>109.4</b>	<b>112.4</b>	<b>4.51%</b>	<b>9.10%</b>
Brief Description :	Retail and Car Park within Ying Fuk Court comprises a 4-storey split-level car park building with a shop unit located on the ground floor (Car Park Block) completed in 2001. A total of 163 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in the Remaining Portion of New Kowloon Inland Lot No. 6266 and is held under Government Lease for a term of 50 years from 7 May 1999.										
<b>133 Car Park within Yee Kok Court</b>											
		<b>0</b>	<b>240</b>	<b>4.7</b>	<b>4.20%</b>	<b>116.6</b>	<b>7.50%</b>	<b>107.6</b>	<b>112.1</b>	<b>4.23%</b>	<b>8.90%</b>
Brief Description :	Car Park within Yee Kok Court comprises a 5-storey with basement level car park building completed in 1981. A total of 240 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of New Kowloon Inland Lot No. 5911 and is held under Government Lease for a term of 99 years less the last 3 days commencing from 1 July 1898 and has been statutorily extended to 30 June 2047.										
<b>134 Retail and Car Park within Nam Cheong Estate</b>											
		<b>8,112</b>	<b>156</b>	<b>4.8</b>	<b>4.47%</b>	<b>115.4</b>	<b>7.50%</b>	<b>107.2</b>	<b>111.3</b>	<b>4.33%</b>	<b>8.95%</b>
Brief Description :	Retail and Car Park within Nam Cheong Estate comprises a single-storey car park building (Car Park Block). In addition, the property includes various shop units located on the ground floor within the residential blocks of Cheong Shun House, Cheong Yat House, Cheong On House and Cheong Yin House and various Open Car Parks in Nam Cheong Estate. The property was completed in 1989. A total of 156 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 3,670/ 109,764 equal and undivided shares of and in New Kowloon Inland Lot No. 6427 and is held under Government Lease for a term of 50 years from 17 August 2005.										
<b>135 Car Park within Ching Wang Court</b>											
		<b>0</b>	<b>179</b>	<b>4.6</b>	<b>4.40%</b>	<b>106.6</b>	<b>7.50%</b>	<b>99.9</b>	<b>103.3</b>	<b>4.47%</b>	<b>9.01%</b>
Brief Description :	Car Park with Ching Wang Court comprises a 2-storey car park building in Ching Wang Court completed in 2001. A total of 179 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 2,516/36,665 equal and undivided shares of and in Tsing Yi Town Lot No. 137 and is held under Government Lease for a term of 50 years from 20 April 1999.										
<b>136 Retail and Car Park within Sau Mau Ping (III) Estate</b>											
		<b>1,507</b>	<b>205</b>	<b>4.9</b>	<b>4.71%</b>	<b>103.5</b>	<b>7.50%</b>	<b>98.7</b>	<b>101.1</b>	<b>4.87%</b>	<b>9.14%</b>
Brief Description :	Retail and Car Park within Sau Mau Ping (III) Estate, completed in 1996, comprises a 4-storey car park (Car Park Block) with a retail unit located on the ground floor of Sau Mau Ping (III) Estate. A total of 205 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 7,222/ 833,450 equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No. 6453 and is held under Government Lease for a term of 50 years from 23 February 2007.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>137 Car Park within Sau Mau Ping (I) Estate</b>											
		<b>0</b>	<b>395</b>	<b>4.0</b>	<b>4.00%</b>	<b>104.2</b>	<b>7.50%</b>	<b>94.6</b>	<b>99.4</b>	<b>4.01%</b>	<b>8.78%</b>
Brief Description :	Car Park within Sau Mau Ping (I) Estate comprises a 3-storey car park (Multi-storey Car Park B) within the residential block of Sau Ming House as well as the Integrated Commercial/ Car Park Accommodation on the ground floor and the roof of Sau Ming House and Associated Areas in Sau Mau Ping (I) Estate completed in 2002. A total of 395 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 14,364/ 833,450 and portion of 10/ 833,450 equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No. 6453 and is held under Government Lease for a term of 50 years from 23 February 2007.										
<b>138 Car Park within Kam On Court</b>											
		<b>0</b>	<b>238</b>	<b>4.3</b>	<b>4.40%</b>	<b>97.5</b>	<b>7.50%</b>	<b>91.3</b>	<b>94.4</b>	<b>4.59%</b>	<b>9.01%</b>
Brief Description :	Car Park within Kam On Court comprises a 3-storey car park building completed in 1987. A total of 238 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Sha Tin Town Lot No. 283 and is held under Government Lease for a term of 99 years less the last 3 days commencing from 1 July 1898 and has been statutorily extended until 30 June 2047.										
<b>139 Retail and Car Park within Lok Nga Court</b>											
		<b>12,616</b>	<b>265</b>	<b>3.8</b>	<b>4.23%</b>	<b>97.6</b>	<b>7.50%</b>	<b>89.9</b>	<b>93.8</b>	<b>4.09%</b>	<b>8.87%</b>
Brief Description :	Retail and Car Park within Lok Nga Court comprises a 5-storey Car Park Block with an indoor sports hall on Level 6 as well as Open Car Parks located at the centre of Lok Nga Court completed in 1984. A total of 265 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of New Kowloon Inland Lot No. 5969 and 1/ 28,952 equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No. 5969, and is held under Government Lease for a term of 99 years less the last 3 days commencing from 1 July 1898 and has been statutorily extended until 30 June 2047.										
<b>140 Car Park within Upper Ngau Tau Kok Estate</b>											
		<b>0</b>	<b>228</b>	<b>4.5</b>	<b>5.00%</b>	<b>92.8</b>	<b>7.50%</b>	<b>90.8</b>	<b>91.8</b>	<b>4.87%</b>	<b>9.33%</b>
Brief Description :	Car Park within Upper Ngau Tau Kok Estate comprises a 3-storey car park building as well as Associated Areas in Upper Ngau Tau Kok Estate completed in 2002. A total of 228 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 9,334/ 126,664 equal and undivided shares of and in New Kowloon Inland Lot No. 6471 and is held under Government Lease for a term of 50 years from 6 May 2008.										
<b>141 Car Park within King Lai Court</b>											
		<b>0</b>	<b>158</b>	<b>3.3</b>	<b>4.20%</b>	<b>82.1</b>	<b>7.50%</b>	<b>75.8</b>	<b>79.0</b>	<b>4.14%</b>	<b>8.89%</b>
Brief Description :	Car Park within King Lai Court comprises a 3-storey car park block and open car parks in King Lai Court completed in 1989. A total of 158 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of New Kowloon Inland Lot No. 5943 and is held under Government Lease for a term commencing from 4 March 1985 to 30 June 2047.										
<b>142 Car Park within Yee Nga Court</b>											
		<b>0</b>	<b>159</b>	<b>3.2</b>	<b>4.20%</b>	<b>81.0</b>	<b>7.50%</b>	<b>74.8</b>	<b>77.9</b>	<b>4.15%</b>	<b>8.89%</b>
Brief Description :	Car Park within Yee Nga Court comprises a total of 159 car parking spaces on the ground floor of Yee Nga Court completed in 1993.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Tai Po Town Lot No. 120 and is held under Government Lease for a term commencing from 22 May 1991 and expiring on 30 June 2047.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>143 Car Park within San Wai Court</b>											
		<b>0</b>	<b>185</b>	<b>3.6</b>	<b>4.40%</b>	<b>79.6</b>	<b>7.50%</b>	<b>74.6</b>	<b>77.1</b>	<b>4.65%</b>	<b>9.01%</b>
Brief Description :	Car Park within San Wai Court comprises a 3-storey car park building (Multi-storey Car Park) completed in 1990. A total of 185 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Tuen Mun Town Lot No. 326 and is held under Government Lease for a term commencing from 3 January 1989 to 30 June 2047.										
<b>144 Retail and Car Park within Tai Ping Estate</b>											
		<b>3,339</b>	<b>101</b>	<b>3.1</b>	<b>4.38%</b>	<b>76.0</b>	<b>7.50%</b>	<b>70.1</b>	<b>73.1</b>	<b>4.21%</b>	<b>8.89%</b>
Brief Description :	Retail and Car Park within Tai Ping Estate, completed in 1989, comprises a 2-storey car park building (Car Park Block) with retail shops on the ground floor of Ping Hay House (Portions of the Integrated HA Accommodation). In addition, it includes Open Car Parks in Tai Ping Estate. A total of 101 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 2,787/86,121 equal and undivided shares of and in Fanling Sheung Shui Town Lot No. 223 and is held under Government Lease for a term of 50 years from 24 January 2002.										
<b>145 Car Park within Tin Yau Court</b>											
		<b>0</b>	<b>192</b>	<b>3.1</b>	<b>4.40%</b>	<b>74.5</b>	<b>7.50%</b>	<b>69.8</b>	<b>72.2</b>	<b>4.27%</b>	<b>8.99%</b>
Brief Description :	Car Park within Tin Yau Court comprises a 3-storey car park building (Carport) completed in 1992. A total of 192 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of Tin Shui Wai Town Lot No. 10 and is held under Government Lease for a term commencing from 23 January 1992 to 30 June 2047.										
<b>146 Retail and Car Park within Hung Hom Estate</b>											
		<b>3,994</b>	<b>45</b>	<b>2.7</b>	<b>4.25%</b>	<b>72.0</b>	<b>7.50%</b>	<b>66.0</b>	<b>69.0</b>	<b>3.87%</b>	<b>8.85%</b>
Brief Description :	Retail and Car Park within Hung Hom Estate comprises a single-storey car park building (Car Park Block). In addition, the property includes various shop units on the lower ground floor of Hung Fai House as well as Open Car Parks in Hung Hom Estate. The property was completed in 1999. A total of 45 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 1,573/ 51,548 equal and undivided shares of and in Hung Hom Inland Lot No. 554 and is held under Government Lease for a term of 50 years from 29 August 2008.										
<b>147 Car Park within Fung Lai Court</b>											
		<b>0</b>	<b>134</b>	<b>2.7</b>	<b>4.20%</b>	<b>69.8</b>	<b>7.50%</b>	<b>64.4</b>	<b>67.1</b>	<b>4.05%</b>	<b>8.89%</b>
Brief Description :	Car Park within Fung Lai Court comprises a 3-storey car park building and various open car parks in Fung Lai Court completed in 1997. A total of 134 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 1,512/ 33,911 equal and undivided shares of and in New Kowloon Inland Lot No. 6240 and is held under Government Lease for a term of commencing from 7 June 1996 to 30 June 2047.										
<b>148 Car Park within Hong Keung Court</b>											
		<b>0</b>	<b>93</b>	<b>3.0</b>	<b>4.80%</b>	<b>66.9</b>	<b>7.50%</b>	<b>64.6</b>	<b>65.8</b>	<b>4.59%</b>	<b>9.21%</b>
Brief Description :	Car Park within Hong Keung Court comprises a 2-storey Car Park Block and a self-use office in Hong Keung Court completed in 1999. A total of 93 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises the Remaining Portion of New Kowloon Inland Lot No. 6239 and is held under Government Lease for a term of 50 years from 8 January 1999.										



Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>149 Retail and Car Park within Hong Shui Court</b>											
		<b>345</b>	<b>102</b>	<b>2.4</b>	<b>4.41%</b>	<b>57.2</b>	<b>7.50%</b>	<b>53.6</b>	<b>55.4</b>	<b>4.35%</b>	<b>9.01%</b>
Brief Description :	Retail and Car Park within Hong Shui Court comprises a 2-storey Car Park Block with a commercial unit located on the Level 2 completed in 1999. A total of 102 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of New Kowloon Inland Lot No. 6227 and is held under Government Lease for a term of 50 years from 14 May 1998.										
<b>150 Car Park within Kwai Hong Court</b>											
		<b>0</b>	<b>88</b>	<b>2.0</b>	<b>4.60%</b>	<b>48.7</b>	<b>7.50%</b>	<b>46.3</b>	<b>47.5</b>	<b>4.17%</b>	<b>9.11%</b>
Brief Description :	Car Park within Kwai Hong Court comprises a 3-storey car park building completed in 1993. A total of 88 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 1,100/35,351 equal and undivided shares of and in Kwai Chung Town Lot No. 420 and is held under Government Lease for a term of commencing from 1 March 1990 to 30 June 2047.										
<b>151 Retail and Car Park within Tin Wang Court</b>											
		<b>9,946</b>	<b>79</b>	<b>2.0</b>	<b>4.56%</b>	<b>48.4</b>	<b>7.50%</b>	<b>45.7</b>	<b>47.1</b>	<b>4.20%</b>	<b>9.04%</b>
Brief Description :	Retail and Car Park within Tin Wang Court comprises a 3-storey Car Park Block with a kindergarten located on the second floor completed in 1992. A total of 79 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in the Remaining Portion of New Kowloon Inland Lot No. 6131 and is held under Government Lease for a term commencing from 21 May 1991 to 30 June 2047.										
<b>152 Car Park within Pang Ching Court</b>											
		<b>0</b>	<b>67</b>	<b>1.5</b>	<b>4.90%</b>	<b>33.6</b>	<b>7.50%</b>	<b>32.6</b>	<b>33.1</b>	<b>4.58%</b>	<b>9.29%</b>
Brief Description :	Car Park within Pang Ching Court comprises various open car parks in Pang Ching Court completed in 1991. A total of 67 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises all that piece or parcel of ground in Section A of New Kowloon Inland Lot No. 6121 and is held under Government Lease for a term commencing from 21 September 1990 to 30 June 2047.										
<b>153 Car Park within Lower Wong Tai Sin (I) Estate</b>											
		<b>0</b>	<b>70</b>	<b>1.2</b>	<b>4.20%</b>	<b>28.5</b>	<b>7.50%</b>	<b>26.2</b>	<b>27.4</b>	<b>4.36%</b>	<b>8.84%</b>
Brief Description :	Car Park within Lower Wong Tai Sin (I) Estate comprises two open car parking areas (Open Car Parks) next to Lung Wah House and Lung Chak House were completed in 1982. A total of 70 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 674/ 240,107 equal and undivided shares of and in New Kowloon Inland Lot No. 6373 and is held under Government Lease for a term of 50 years from 8 February 2001.										
<b>154 Car Park within Chuk Yuen (North) Estate</b>											
		<b>0</b>	<b>61</b>	<b>1.3</b>	<b>5.30%</b>	<b>26.7</b>	<b>7.50%</b>	<b>26.7</b>	<b>26.7</b>	<b>4.86%</b>	<b>9.51%</b>
Brief Description :	Car Park within Chuk Yuen (North) Estate comprises two open car parking areas in Chuk Yuen (North) Estate completed in 1987. A total of 61 car parking spaces are provided in the property.										
Title Details :	The property is held by Link Properties Limited. It comprises 687/ 364,071 equal and undivided shares of and in New Kowloon Inland Lot No. 6327 and is held under Government Lease for a term of 50 years from 18 March 1999.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Analysis			
				Net Passing Income HK\$pa (M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2017 (HK\$M)	Initial Yield	Indicated IRR
<b>155</b>	<b>Retail and Car Park within Ko Yee Estate</b>	<b>0</b>	<b>38</b>	<b>0.5</b>	<b>4.13%</b>	<b>12.6</b>	<b>7.50%</b>	<b>10.7</b>	<b>11.7</b>	<b>4.30%</b>	<b>8.06%</b>

Brief Description : Retail and Car Park within Ko Yee Estate comprises a single-storey car park building (Car Park Block) and a single-storey commercial building (Commercial Block) as well as Open Car Parks in Ko Yee Estate completed in 1994. A total of 38 car parking spaces are provided in the property.

Title Details : The property is held by Link Properties Limited. It comprises 1,518/ 80,343 equal and undivided shares of and in New Kowloon Inland Lot No. 6480 and is held under Government Lease for a term of 50 years from 8 January 2010.

The above Schedule of Values is a summary of the Full Valuation Report, a comprehensive version (in English) of which is available for inspection at the registered office of the Manager.

#### Property under Development

No.	Property Name	Site Area (sqft)	Maximum Gross Floor Area (sqft)	Value as at 31 March 2017 (HK\$M)
<b>1</b>	<b>The Quayside</b>	<b>73,658</b>	<b>883,705</b>	<b>7,349.0</b>

Brief Description : The Quayside, 77 Hoi Bun Road is located at the junction of Hung Yip Street, Wai Yip Street, Shun Yip Street and Hoi Bun Road in Kwun Tong, Kowloon. The property is currently under construction.

Title Details : The property is held by Century Land Investment Limited. It comprises the whole of New Kowloon Inland Lot No. 6512 and is held under Conditions of Sale No. 20240 for a term of 50 years commencing from 23 February 2015.

The above Schedule of Values is a summary of the Full Valuation Report, a comprehensive version (in English) of which is available for inspection at the registered office of the Manager.

#### Property under Renovation

No.	Property Name	Gross Floor Area (sqft)	Value as at 31 March 2017 (HK\$M)
<b>1</b>	<b>700 Nathan Road, Mong Kok</b>	<b>282,590</b>	<b>6,118.0</b>

Brief Description : 700 Nathan Road, previously known as Trade and Industry Department Tower is a 23-storey commercial building comprising 2 basement levels (Commercial Accommodation). The property is currently undergoing asset enhancement works.

Title Details : The property is held by Link Monte (HK) Limited. It comprises 24,750/25,000 equal and undivided shares of and in Kowloon Inland Lot No. 10470 and is held under Conditions of Grant No. 11419 for a term of 75 years commencing from 30 May 1980.

The above Schedule of Values is a summary of the Full Valuation Report, a comprehensive version (in English) of which is available for inspection at the registered office of the Manager.

## PRC Properties

Property No.	Property Name	Retail GFA (sqm)	Office GFA (sqm)	Car Park Spaces	Net Passing Income p.a. (RMB M)	Income Capitalisation		DCF Analysis		Value as at 31 March 2017 (RMB M)	Analysis	
						Cap. Rate	Value (RMB M)	Discount Rate	Value (RMB M)		Initial Yield	Indicated IRR
<b>1</b>	<b>Link Square, Shanghai</b>	<b>7,375</b>	<b>75,780</b>	<b>226</b>	<b>294.0</b>	<b>4.29%</b>	<b>7,316.0</b>	<b>7.25%</b>	<b>6,895.0</b>	<b>7,110.0</b>	<b>4.13%</b>	<b>6.86%</b>
	Brief Description:	The Property comprises two office towers, a connecting retail podium and pavilion, and basement car parking area with a GFA of 98,080 square meters. The GFA, excluding the car parking area, is 83,155 square meters. The Property was completed in late 2003.										
	Title Details:	The property is held by 上海興邦房地產有限公司 (Shanghai Xing Bang Properties Co., Ltd.).										
<b>2</b>	<b>EC Mall, Beijing</b>	<b>55,423</b>	<b>–</b>	<b>251</b>	<b>118.2</b>	<b>4.50%</b>	<b>2,688.0</b>	<b>7.50%</b>	<b>2,727.0</b>	<b>2,710.0</b>	<b>4.36%</b>	<b>7.57%</b>
	Brief Description:	The Property comprises a retail mall and 251 basement parking spaces with a GFA of 70,946 square meters. The GFA, excluding the car parking area, is 55,423 square meters. The Property was completed in 2009.										
	Title Details:	The property is held by 益颯美置業(天津)有限公司 (ECM Property Holding (Tianjin) Co., Ltd.).										

The above Schedule of Values is a summary of the Full Valuation Report, a comprehensive version (in English) of which is available for inspection at the registered office of the Manager.

# HKQAA Assurance Statement



## VERIFICATION STATEMENT

### Scope and Objective

Hong Kong Quality Assurance Agency (HKQAA) has been commissioned by Link Real Estate Investment Trust (“Link”) to conduct an independent verification of its 2016/2017 Strategic Report (herein referred to as “the Report”) as those non-sustainability performance data covered is not included. The Report stated Link’s sustainability performance and efforts towards sustainable development for the period from 1 April 2016 to 31 March 2017. The sustainability performance data covered the portfolio in Hong Kong.

The aim of this verification was to provide assurance on the completeness and accuracy of the information stated in the Report and the conformity of the Report to the International <IR> Framework. It was to confirm the Report has been prepared in accordance the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines – Comprehensive Option with the Environmental, Social and Governance (ESG) Reporting Guide of The Stock Exchange of Hong Kong Limited (SEHK).

### Independence

HKQAA was not involved in collecting and calculating data, or in the development of the Report. HKQAA’s verification exercises are independent from Link. There is no relationship between Link and HKQAA beyond the contractual agreement for providing the verification service.

### Methodology

The process used in this verification was based on current best practices. The Report was reviewed against the following criteria:

- International Standard on Assurance Engagements 3000 (Revised) – “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board;
- The Global Reporting Initiative (GRI) G4 Guidelines and the Construction and Real Estate Sector Disclosures;
- SEHK’s ESG Reporting Guide; and
- The International <IR> Framework issued by the International Integrated Reporting Council

The verification procedure included reviewing relevant documentation, interviewing responsible personnel with accountability for preparing the Report and verifying the selected representative sample of data and information consolidated in the Report. Raw data and supporting evidence of the selected samples were thoroughly examined.

### Conclusion

Based on the outcome of the verification process, it is opined that the Report has been prepared in accordance with the Comprehensive Option of the GRI G4 Sustainability Reporting Guidelines and the SEHK’s ESG Reporting Guide. The Report also follows the International <IR> Framework.

The information presented in the Report provided a structured, balanced and consistent representation of Link’s sustainability performance in the context of sustainable development. We are satisfied that the Report includes factual statements and the data contained within the Report is accurate and reliable. It is a fair and honest representation of Link’s initiatives, targets, progress and performance on its sustainable development achievements.

### Signed on behalf of Hong Kong Quality Assurance Agency

**Jorine Tam**

*Director, Corporate Business*

June 2017

# GRI G4 Content Index – Comprehensive

## General Standard Disclosures

Section	General Standard Disclosures	Description	Reference
Strategy and Analysis	G4-1	Statement from the most senior decision-maker	Annual Report 2016/2017, Chief Executive Officer's Report
	G4-2	Description of key impacts, risks, and opportunities	Annual Report 2016/2017, Chief Executive Officer's Report
Organizational Profile	G4-3	Name of the organization	Annual Report 2016/2017, inside front cover page
	G4-4	Primary brands, products, and services	Annual Report 2016/2017, inside front cover page
	G4-5	Location of the organization's headquarters	Annual Report 2016/2017, inside front cover page
	G4-6	Number of countries where the organization operates	Annual Report 2016/2017, inside front cover page
	G4-7	Nature of ownership and legal form	Annual Report 2016/2017, Regulatory & Compliance
	G4-8	Markets served	Annual Report 2016/2017, inside front cover page
	G4-9	Scale of the organization	Annual Report 2016/2017, Our Portfolio
	G4-10	Workforce	Annual Report 2016/2017, Developing a Strong Management Team
	G4-11	Percentage of total employees covered by collective bargaining agreements	Staff are not covered by collective bargaining agreements
	G4-12	Supply chain	Sustainability Website, Engaging Other Stakeholders
	G4-13	Significant changes during the reporting period	No significant changes from previous reporting period
	G4-14	Precautionary approach	Sustainability Website, Environment
	G4-15	External charters, principles, or other initiatives	Sustainability Website, Memberships, Awards and Pledges
G4-16	Memberships of associations	Sustainability Website, Memberships, Awards and Pledges, Performance and Certification	
Identified Material Aspects and Boundaries	G4-17	Entities included in the organization's consolidated performance	Sustainability Website, About This Report; Annual Report 2016/2017, consolidated financial statements note 31
	G4-18	Process for defining the report content and the Aspect Boundaries	Annual Report 2016/2017, Chief Executive Officer's Report; Sustainability Website, Stakeholder Engagement and Materiality Assessment
	G4-19	Material aspects	Sustainability Website, Stakeholder Engagement and Materiality Assessment
	G4-20	Aspect Boundary within the organization	Sustainability Website, Reporting Scope
	G4-21	Aspect Boundary outside the organization	Sustainability Website, Reporting Scope
	G4-22	Effect of any restatements	No restatements
	G4-23	Significant changes from previous reporting periods	No significant changes from previous reporting period

Section	General Standard Disclosures	Description	Reference
Stakeholder Engagement	G4-24	Stakeholder groups engaged by the organization	Sustainability Website, Stakeholder Engagement and Materiality Assessment
	G4-25	Basis for identification and selection of stakeholders with whom to engage	Sustainability Website, Stakeholder Engagement and Materiality Assessment
	G4-26	Approach to stakeholder engagement	Sustainability Website, Stakeholder Engagement and Materiality Assessment
	G4-27	Key topics and concerns raised by stakeholders	Sustainability Website, Stakeholder Engagement and Materiality Assessment
Report Profile	G4-28	Reporting period	Sustainability Website, About This Report
	G4-29	Date of most recent previous report	June 2016
	G4-30	Reporting cycle	Sustainability Website, About This Report
	G4-31	Contact point for questions regarding the report	Sustainability Website, About This Report
	G4-32	'In accordance' option chosen	Comprehensive; This table; Sustainability Website, About This Report
	G4-33	Assurance	Sustainability Website, Assurance Statement
Governance	G4-34	Governance structure of the organization	Annual Report 2016/2017, Corporate Governance Report
	G4-35	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	Sustainability Website, Sustainability Framework and Approach
	G4-36	Executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	Sustainability Website, Sustainability Framework and Approach
	G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	Sustainability Website, Sustainability Framework and Approach
	G4-38	Composition of the highest governance body and its committees	Sustainability Website, Sustainability Framework and Approach
	G4-39	The Chair of the highest governance body is also an executive officer	The Chairman of the Board is an independent, non-executive director Annual Report 2016/2017, Corporate Governance Report
	G4-40	Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members	Annual Report 2016/2017, Corporate Governance Report
	G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided and managed	Annual Report 2016/2017, Corporate Governance Report

Section	General Standard Disclosures	Description	Reference
	G4-42	Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts	Annual Report 2016/2017, Corporate Governance Report
	G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	Sustainability updates are given to the Board Sustainability Website, Sustainability Management
	G4-44	Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice	Sustainability updates are given to the Board Sustainability Website, Sustainability Management
	G4-45	Highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes	Sustainability updates are given to the Board Sustainability Website, Sustainability Management
	G4-46	Highest governance body's roles in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	Annual Report 2016/2017, Corporate Governance Report
	G4-47	Frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	Sustainability updates are given to the Board Sustainability Website, Sustainability Management
	G4-48	Highest committee or position that formally reviews and approves the organization's sustainability website and ensures that all material Aspects are covered	The Sustainability Committee meets quarterly to review performance of material aspects
	G4-49	Process for communicating critical concerns to the highest governance body	Sustainability Website, Sustainability Framework and Approach
	G4-50	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	No critical concerns identified
	G4-51	Remuneration policies for the highest governance body and senior executives, how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives	Annual Report 2016/2017, Corporate Governance Report
	G4-52	Process for determining remuneration	Annual Report 2016/2017, Corporate Governance Report
	G4-53	Stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals	Link references market pay level on remuneration and regularly seeks external independent consultants advice on remuneration matters. See Annual Report 2016/2017, Corporate Governance Report

Section	General Standard Disclosures	Description	Reference
	G4-54	Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country	Data to calculate mean compensation and compensation ratios are available in Annual Report 2016/2017, Strategic Report and Consolidated Financial Statements
	G4-55	Ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country	Data to calculate mean compensation and compensation ratios are available in Annual Report 2015/2016 and Annual Report 2016/2017, Strategic Report and Consolidated Financial Statements
Ethics and Integrity	G4-56	Organization's values, principles, standards and norms of behavior	Annual Report 2016/2017, inside front cover page
	G4-57	Internal and external mechanisms for reporting on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines	Annual Report 2016/2017, Corporate Governance Report
	G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	Annual Report 2016/2017, Corporate Governance Report



## Specific Standard Disclosures for Construction and Real Estate Sector

Category	Aspect	Specific Standard Disclosures – Material Aspects	Description	Reference
Economic		G4-DMA	Disclosure of management approach	Annual Report 2016/2017, Knowing the Operating Environment
	Economic Performance	G4-EC1	Direct economic value generated and distributed	Annual Report 2016/2017, Financial Review
		G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Sustainability Website, Maintaining Good Environmental Stewardship
		G4-EC3	Coverage of the organization's defined benefit plan obligations	Annual Report 2016/2017, Corporate Governance Report
		G4-EC4	Financial assistance received from government	Not applicable, no material financial assistance received from government
		G4-EC5	Ratios of standard entry wage by gender compared to local minimum wage at significant locations of operation	We comply with the minimum wage ordinance and exceed regulatory requirements of minimum wage legislation by offering out-sourced workers paid lunch break and rest days
	Market Presence	G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	Our senior management are all drawn from the local community
		G4-EC7	Development and impact of infrastructure investments and services supported	Annual Report 2016/2017, inside front cover page
		G4-EC8	Significant indirect economic impacts, including the extent of impacts	Annual Report 2016/2017, Financial Review
	Procurement Practices	G4-EC9	Proportion of spending on local suppliers at significant locations of operation	Annual Report 2016/2017, Regulatory & Compliance
Environmental		G4-DMA	Disclosure of management approach	Sustainability Website, Maintaining Good Environmental Stewardship
	Materials	G4-EN1	Materials used by weight or volume	We procured HK\$299,431.1 of paper products, other materials used were included in concerned contracts
		G4-EN2	Percentage of materials used that are recycled input materials	N/A
	Energy	G4-EN3	Energy consumption within the organization	Sustainability Website, Maintaining Good Environmental Stewardship
		G4-EN5	Energy intensity	Sustainability Website, Maintaining Good Environmental Stewardship
		G4-EN6	Reduction of energy consumption	Sustainability Website, Maintaining Good Environmental Stewardship
		G4-EN7	Reductions in energy requirements of products and services	Sustainability Website, Maintaining Good Environmental Stewardship

Category	Aspect	Specific Standard Disclosures – Material Aspects	Description	Reference
		CRE1	Building energy intensity	Sustainability Website, Maintaining Good Environmental Stewardship
	Water	G4-EN8	Total water withdrawal by source	Sustainability Website, Maintaining Good Environmental Stewardship
		G4-EN10	Percentage and total volume of water recycled and reused	Treated recycled water from cooling towers is for non-potable purposes. Currently no water meters are installed to record the total volume of water recycled and reused
		CRE2	Building water intensity	Building water intensity is 0.14m <sup>3</sup> /sqf (water consumption/sqf)
	Emissions	G4-EN15	Direct Greenhouse Gas (GHG) emissions (Scope 1)	Sustainability Website, Maintaining Good Environmental Stewardship
		G4-EN16	Energy indirect Greenhouse Gas (GHG) emissions (Scope 2)	Sustainability Website, Maintaining Good Environmental Stewardship
		G4-EN17	Other indirect Greenhouse Gas (GHG) emissions (Scope 3)	Sustainability Website, Maintaining Good Environmental Stewardship
		G4-EN18	Greenhouse gas (GHG) emissions intensity	Sustainability Website, Maintaining Good Environmental Stewardship
		G4-EN19	Reduction of Greenhouse Gas (GHG) emissions	Sustainability Website, Maintaining Good Environmental Stewardship
		CRE3	Greenhouse Gas emissions intensity from buildings	Greenhouse gas emissions intensity of buildings is 12.71kg CO <sub>2</sub> e/sqf (greenhouse gas emissions/sqf)
		CRE4	Greenhouse Gas emissions intensity from new construction and redevelopment activity	Sustainability Website, Maintaining Good Environmental Stewardship
		G4-EN22	Total water discharge by quality and destination	Sustainability Website, Maintaining Good Environmental Stewardship
		G4-EN23	Total weight of waste by type and disposal method	Sustainability Website, Maintaining Good Environmental Stewardship
		G4-EN27	Extent of impact mitigation of environmental impacts of products and services	Sustainability Website, Maintaining Good Environmental Stewardship
		G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	No significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations

Category	Aspect	Specific Standard Disclosures – Material Aspects	Description	Reference
	Overall	G4-EN31	Total environmental protection expenditures and investments by type	We have recorded the below environmental protection expenditures and investment in FY2016/2017: Greening: HK\$10,070,000 Link Energy Management Programme: HK\$ 44,785,977 Food waste processor: HK\$8,000 Total expenditure: HK\$ 54,863,977 For cost of products and services procured by our service providers, it has been taken account into their contract sum
	Supplier Environmental Assessment	G4-EN32	Percentage of new suppliers that were screened using environmental criteria	All new service providers were screened using relevant environmental criteria
		G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	No significant actual and potential negative environmental impacts in the supply chain
	Environmental Grievance Mechanisms	CRE5	Land remediated and in need of remediation for the existing or intended land use, according to applicable legal designations.	There was no land and other assets remediated and in need of remediation for the existing or intended land use according to applicable legal designation
Social		G4-DMA	Disclosure of management approach	Sustainability Website, Nurturing a High Quality Team of Staff
Labour Practices and Decent Work	Employment	GA-LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region	Sustainability Website, Data Tables
		G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Sustainability Website, Nurturing a High Quality Team of Staff
		G4-LA3	Return to work and retention rates after parental leave, by gender	Sustainability Website, Data Tables
	Labor/ Management Relations	G4-LA4	Minimum notice period(s) regarding significant operational changes	We notify our employees regarding any significant managerial or operational changes as soon as possible
	Occupational Health and Safety	G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Sustainability Website, Data Tables
		G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	Sustainability Website, Data Tables
		CRE6	Percentage of the organization operating in verified compliance with an internationally recognized health and safety management system	There is health and safety management system in place but yet to be verified with internationally recognized standard
	Training and Education	G4-LA9	Average hours of training per year per employee by gender, and by employee category	Sustainability Website, Nurturing a High Quality Team of Staff, Annual Report 2016/2017, Developing a Strong Management team

Category	Aspect	Specific Standard Disclosures – Material Aspects	Description	Reference
		G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Sustainability Website, Nurturing a High Quality Team of Staff Annual Report 2016/2017, Developing a Strong Management Team
		G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	All employees have regular performance and career development plans and reviews
	Diversity and Equal Opportunity	G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Sustainability Website, Data Tables
	Equal Remuneration for Women and Men	G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	We provide equal opportunities and fair treatment for all employees when it comes to remuneration, benefits, promotion and compensation. We consider this ratio not relevant
	Supplier Assessment for Labor Practices	G4-LA14	Percentage of new suppliers that were screened using labour practices criteria	All new suppliers were screened using labour practices criteria
		G4-LA15	Significant actual and potential negative impacts for labour practices in the supply chain and actions taken	No significant actual and potential negative impacts for labour practices in the supply chain has been identified
	Labor Practices Grievance Mechanisms	G4-LA16	Number of grievances about labour practices filed, addressed, and resolved through formal grievance mechanisms	No incident of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms reported
Human Rights		G4-DMA	Disclosure of management approach	Sustainability Website, Creating Value for Community
	Investment	G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Human rights policies and procedures training are incorporated in staff orientation training which are organized periodically
	Non-discrimination	G4-HR3	Total number of incidents of discrimination and corrective actions taken	No incidents of discrimination and corrective actions taken
	Freedom of Association and Collective Bargaining	G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	No operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk
	Child Labour	G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour	No incidents of child labour identified

Category	Aspect	Specific Standard Disclosures – Material Aspects	Description	Reference
	Forced or Compulsory Labour	G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	No operations and suppliers identified as having significant risk for incidents of forced or compulsory labor
	Security Practices	G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	100% of our security personnel was trained in the organization's human rights policies and procedures relevant to our operations
	Supplier Human Rights Assessment	G4-HR10	Percentage of new suppliers that were screened using human rights criteria	100% of new suppliers were screened using human rights criteria
		G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	No actual and potential negative environmental impacts in the supply chain
	Human Rights Grievance Mechanisms	G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	No incident of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms
Society		G4-DMA	Disclosure of management approach	Sustainability Website, Creating Value for Community
	Local Communities	G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Sustainability Website, Creating Value for Community
		CRE7	Number of persons voluntarily and involuntarily displaced and/or resettled by development, broken down by project	No incidents of voluntarily and involuntarily displacement or resettlement by development
	Anti-corruption	G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	No significant risk has been identified
		G4-SO4	Communication and training on anti-corruption policies and procedures	Communication and training on Link REIT's Code of Conduct is provided on a rolling basis to all employees and governance body members
		G4-SO5	Confirmed incidents of corruption and actions taken	No incidents of material corruption have been identified
	Public Policy	G4-SO6	Total value of political contributions by country and recipient/beneficiary	No political contributions by country and recipient/beneficiary
	Anti-competitive Behaviour	G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	No incident of legal actions for anti-competitive behaviour have been identified
	Compliance	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	No material non-compliances were identified.
	Supplier Assessment for Impacts on Society	G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	All new suppliers were screened using criteria for impacts on society

Category	Aspect	Specific Standard Disclosures – Material Aspects	Description	Reference
		G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	No significant actual and potential negative impacts on society in the supply chain
	Grievance Mechanisms for Impacts on Society	G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	No incidents of grievances identified
Product Responsibility		G4-DMA	Disclosure of management approach	Sustainability Website, Enhancing Value in a Dynamic Business Environment
	Customer Health and Safety	G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Sustainability Website, Enhancing Value in a Dynamic Business Environment
		G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	No incidents of non-compliance identified
	Product and Service Labeling	G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	Sustainability Website, Enhancing Value in a Dynamic Business Environment
		G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	No incidents of non-compliance identified
		G4-PR5	Results of surveys measuring customer satisfaction	Annual Report 2016/2017, 2016/2017 Performance Highlights
		G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	No incident of non-compliance
	Customer Privacy	G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	No incident of substantiated complaints identified in relation to customer privacy
	Compliance	G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	No significant fines received concerning the provision and use of products and services
		CRE8	Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment	Sustainability Website, Memberships, Awards and Pledges Performance and Certification

# Stock Exchange's Environmental, Social and Governance Reporting Guide Index

## Appendix 27 Compliance List

A. Environmental		"Comply or explain" Provisions	
<b>Aspect A1: Emissions</b>			
General Disclosure	Disclosure statement	✓	Sustainability Website, Maintaining Good Environmental Stewardship
KPI A1.1	Types of emissions and respective emissions data	✓	Sustainability Website, Maintaining Good Environmental Stewardship
KPI A1.2	Greenhouse gas emissions in total (tonnes)	✓	Sustainability Website, Maintaining Good Environmental Stewardship
KPI A1.3	Total hazardous waste produced	N/A	Our business operations do not produce hazardous waste
KPI A1.4	Total non-hazardous waste produced	✓	Sustainability Website, Maintaining Good Environmental Stewardship
KPI A1.5	Measures to mitigate emissions	✓	Sustainability Website, Maintaining Good Environmental Stewardship
KPI A1.6	Handling of hazardous and non-hazardous wastes and reduction initiatives achieved	✓	Annual Report 2016/2017, Delivering and Building for the Future
<b>Aspect A2: Use of Resources</b>			
General Disclosure	Disclosure statement	✓	Sustainability Website, Maintaining Good Environmental Stewardship
KPI A2.1	Direct/Indirect energy consumption	✓	Sustainability Website, Maintaining Good Environmental Stewardship
KPI A2.2	Water consumption (total)	✓	Sustainability Website, Maintaining Good Environmental Stewardship
KPI A2.3	Energy use efficiency initiatives	✓	Sustainability Website, Maintaining Good Environmental Stewardship
KPI A2.4	Issues in sourcing water	N/A	Sustainability Website, Maintaining Good Environmental Stewardship
KPI A2.5	Total packing material used for finished product	N/A	We do not manufacture any products
<b>Aspect A3: The Environment and Natural Resources</b>			
General Disclosure	Disclosure statement	✓	Sustainability Website, Maintaining Good Environmental Stewardship
KPI A3.1	Description of significant impacts of activities on the environment and natural resources	✓	Sustainability Website, Maintaining Good Environmental Stewardship

B. Social		Recommended Disclosures	
<b>Employment and Labour Practices</b>			
<b>Aspect B1: Employment</b>			
General Disclosure	Disclosure statement	✓	Annual Report 2016/2017, Developing a Strong Management Team
KPI B1.1	Total workforce by employment	✓	Annual Report 2016/2017, Developing a Strong Management Team
KPI B1.2	Employee turnover rate	✓	Annual Report 2016/2017, Developing a Strong Management Team
<b>Aspect B2: Health and Safety</b>			
General Disclosure	Disclosure statement	✓	Annual Report 2016/2017, Developing a Strong Management Team
KPI B2.1	Number and rate of work related fatalities	✓	We had zero work related fatalities
KPI B2.2	Lost days due to work injury	✓	Sustainability Website, Data Tables
KPI B2.3	Description of occupational health and safety measures adopted	✓	Annual Report 2016/2017, Developing a Strong Management Team
<b>Aspect B3: Development and Training</b>			
General Disclosure	Disclosure statement	✓	Annual Report 2016/2017, Developing a Strong Management Team
KPI B3.1	Percentage of employees trained by category	✓	Sustainability Website, Nurturing a High Quality Team of Staff
KPI B3.2	Average training hours per employee category	✓	Annual Report 2016/2017, Developing a Strong Management Team
<b>Aspect B4: Labour Standards</b>			
General Disclosure	Disclosure statement	✓	Annual Report 2016/2017, Developing a Strong Management Team
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	✓	Link is a signatory of the United Nations Global Compact and as such, has strict policies against employing child and forced labour, which include our supply chain
KPI B4.2	Description of steps taken to eliminate such practices when discovered	✓	Link is a signatory of the United Nations Global Compact and as such, has strict policies against employing child and forced labour, which include our supply chain
<b>Operating Process</b>			
<b>Aspect B5: Supply Chain Management</b>			
General Disclosure	Disclosure statement	✓	Sustainability Website, Engaging Other Stakeholders
KPI B5.1	Number of suppliers by geographical region	✓	Sustainability Website, Engaging Other Stakeholders
KPI B5.2	Description of practices relating to engaging suppliers	✓	Sustainability Website, Engaging Other Stakeholders



B. Social		Recommended Disclosures	
<b>Aspect B6: Product Responsibility</b>			
General Disclosure	Disclosure statement		
KPI B6.1	Percentage of total products sold or shipped	N/A	This is not applicable to Link, we do not manufacture any products
KPI B6.2	Number of products and service related complaints received	N/A	This is not applicable to Link, we do not manufacture any products
KPI B6.3	Practices relating to observing and protecting intellectual property rights	N/A	This is not applicable to Link, we do not manufacture any products
KPI B6.4	Quality assurance process	N/A	This is not applicable to Link, we do not manufacture any products
KPI B6.5	Consumer data protection and privacy policies	N/A	This is not applicable to Link, we do not manufacture any products
<b>Aspect B7: Anti Corruption</b>			
General Disclosure	Disclosure statement	✓	Link has strict policy against bribery, extortion, fraud and money-laundering Annual Report 2016/2017
KPI B7.1	Number of legal cases regarding corrupt practices	✓	In 2016/2017, we had no legal cases regarding corrupt practice
KPI B7.2	Description of preventive measures and whistle-blowing procedures	✓	Annual Report 2016/2017, Corporate Governance Report
<b>Community</b>			
<b>Aspect B8: Community Investment</b>			
General Disclosure	Disclosure statement	✓	Annual Report 2016/2017, Helping our Tenants and Communities Grow while Delighting Shoppers
KPI B8.1	Focus areas of contribution	✓	Annual Report 2016/2017, Helping our Tenants and Communities Grow while Delighting Shoppers
KPI B8.2	Resources contributed	✓	Annual Report 2016/2017, Helping our Tenants and Communities Grow while Delighting Shoppers

# United Nations Global Compact Index

The United Nations Global Compact (UNGC) is an international initiative outlining ten principles for responsible business in the areas of human rights, labour, the environment and anti-corruption. The principles are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

In September 2012, we signed up to the UNGC to reaffirm our commitment to respect labour standards and human rights, to operate in an environmentally responsible manner and to maintain zero tolerance towards corruption. Here we provide an index to our performance demonstrating the Global Compact's ten principles in our work. We are not in violation of any of the ten principles.

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## Human Rights

Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and
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Principle 2	make sure they are not complicit in human rights abuses.
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## Labour

Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
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Principle 4	the elimination of all forms of forced and compulsory labour;
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Principle 5	the effective abolition of child labour; and
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Principle 6	eliminate discrimination in respect of employment and occupation.
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## Environment

Principle 7	Business should support a precautionary approach to environmental challenges;
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Principle 8	undertake initiatives to promote greater environmental responsibility; and
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Principle 9	encourage the development and diffusion of environmentally friendly technologies.
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## Anti-Corruption

Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.
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# Five Year Performance Summary

## Financial Data

	Year ended 31 March 2017 HK\$'M	Year ended 31 March 2016 HK\$'M	Year ended 31 March 2015 HK\$'M	Year ended 31 March 2014 HK\$'M	Year ended 31 March 2013 HK\$'M
<b>Consolidated income statement</b>					
Revenue	9,255	8,740	7,723	7,155	6,506
Property operating expenses	(2,261)	(2,227)	(2,054)	(1,953)	(1,890)
Net property income	6,994	6,513	5,669	5,202	4,616
General and administrative expenses	(342)	(368)	(437)	(222)	(223)
Change in fair values of investment properties	11,494	11,263	22,699	13,445	17,705
Operating profit	18,146	17,408	27,931	18,425	22,098
Interest income	4	6	32	28	39
Finance costs	(567)	(508)	(359)	(393)	(441)
Gains on disposals of investment properties	1,387	396	445	–	–
Profit before taxation and transactions with Unitholders	18,970	17,302	28,049	18,060	21,696
Taxation	(1,057)	(953)	(819)	(755)	(634)
Profit for the year, before transactions with Unitholders	17,913	16,349	27,230	17,305	21,062
Distributions paid to Unitholders	(4,898)	(4,368)	(4,030)	(3,579)	(3,126)
	13,015	11,981	23,200	13,726	17,936
Represented by:					
Change in net assets attributable to Unitholders, excluding issues of new units and units bought back	12,461	11,404	23,217	13,851	18,065
Amount arising from cash flow hedging reserve and exchange reserve movements	352	523	(17)	(125)	(129)
Non-controlling interest	202	54	–	–	–
	13,015	11,981	23,200	13,726	17,936
<b>Consolidated statement of distributions</b>					
Profit for the year, before transactions with Unitholders attributable to Unitholders	17,711	16,295	27,230	17,305	21,062
Adjustments:					
– Change in fair values of investment properties attributable to Unitholders	(11,290)	(11,209)	(22,699)	(13,445)	(17,705)
– Deferred taxation on change in fair values of investment properties attributable to Unitholders	73	24	–	–	–
– Other non-cash income	(107)	(101)	(46)	(30)	(8)
– Depreciation charge on investment properties under China Accounting Standards	(83)	(67)	–	–	–
– Gains on disposals of investment properties, net of transaction costs	(1,312)	(375)	(421)	–	–
Total distributable income	4,992	4,567	4,064	3,830	3,349
Discretionary distribution	83	67	128	–	–
Total distributable amount	5,075	4,634	4,192	3,830	3,349
<b>Distribution per unit (HK cents)</b>					
Interim DPU	111.75	98.99	89.56	80.22	71.08
Final DPU	116.66	107.19	93.28	85.59	75.38
Total DPU	228.41	206.18	182.84	165.81	146.46

## Financial Data (Continued)

		As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
<b>Assets and liabilities</b>						
Investment properties	HK\$'M	174,006	160,672	138,383	109,899	95,366
Other non-current assets	HK\$'M	669	1,816	934	470	572
Current assets, excluding investment properties held for sale	HK\$'M	1,265	964	3,827	3,097	3,485
<b>Total assets</b>	<b>HK\$'M</b>	<b>175,940</b>	<b>163,452</b>	<b>143,144</b>	<b>113,466</b>	<b>99,423</b>
Current liabilities	HK\$'M	4,046	4,387	4,880	5,532	4,198
Non-current liabilities	HK\$'M	33,397	31,624	20,158	11,583	13,583
<b>Total liabilities, excluding net assets attributable to Unitholders</b>	<b>HK\$'M</b>	<b>37,443</b>	<b>36,011</b>	<b>25,038</b>	<b>17,115</b>	<b>17,781</b>
Non-controlling interest	HK\$'M	256	54	–	–	–
<b>Net assets attributable to Unitholders</b>	<b>HK\$'M</b>	<b>138,241</b>	<b>127,387</b>	<b>118,106</b>	<b>96,351</b>	<b>81,642</b>
Interest bearing liabilities to total assets	%	15.6	16.5	11.9	11.0	13.6
Total liabilities to total assets	%	21.3	22.0	17.5	15.1	17.9
Valuation of investment properties	HK\$'M	174,006	160,672	138,383	109,899	95,366
Valuation capitalisation rate						
– Hong Kong (weighted average)	%	4.57	4.59	4.61	5.27	5.39
– Mainland China						
– Retail	%	4.50	4.50 – 5.00	N/A	N/A	N/A
– Office	%	4.25	4.00	N/A	N/A	N/A
Net assets per unit attributable to Unitholders	HK\$	62.47	56.79	51.53	41.69	35.68
Closing price per unit	HK\$	54.45	46.00	47.80	38.15	42.30
Market capitalisation	HK\$'M	120,498	103,185	109,547	88,160	96,785
(Discount)/premium of unit price to net assets per unit attributable to Unitholders	%	(12.8)	(19.0)	(7.2)	(8.5)	18.6
Units in issue		2,213,002,276	2,243,148,136	2,291,770,269	2,310,889,561	2,288,061,440

## Portfolio Data

		Year ended 31 March 2017	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2013
<b>Hong Kong Portfolio</b>						
Average monthly unit rent at year end	HK\$ psf	55.3	50.0	45.4	42.1	38.4
Average monthly unit rent excluding self use office, Education/Welfare and Ancillary at year end	HK\$ psf	58.9	53.7	48.7	45.3	41.3
Reversion rate						
– Shops	%	23.4	29.0	23.3	25.8	24.7
– Overall	%	23.8	25.9	22.0	25.7	24.6
Occupancy rate at year end	%	96.1	96.0	94.8	94.4	94.1
Net property income margin	%	75.3	74.6	73.4	72.7	70.9
Number of turnover rent leases (excluding ancillary) at year end		4,927	5,250	5,124	5,193	5,006
Car park income per space per month	HK\$	2,239	2,022	1,767	1,566	1,378
<b>Mainland China Portfolio</b>						
Reversion rate						
– Retail	%	32.6	39.1	N/A	N/A	N/A
– Office	%	10.8	12.8	N/A	N/A	N/A
Occupancy rate at year end						
– Retail	%	99.6	99.5	N/A	N/A	N/A
– Office	%	100.0	100.0	N/A	N/A	N/A
<b>Performance Data</b>						
The highest premium of the traded price to net assets per unit attributable to Unitholders (Note (i))	HK\$	N/A	N/A	2.12	4.71	7.72
The highest discount of the traded price to net assets per unit attributable to Unitholders (Note (i))	HK\$	(17.37)	(16.29)	(14.13)	(8.39)	(7.13)
Net yield per unit (Note (ii))	%	4.2	4.5	3.8	4.3	3.5
Net yield per unit on listing price of HK\$10.30 per unit	%	22.2	20.0	17.8	16.1	14.2

### Notes:

- (i) The highest premium and discount are calculated based on the highest and lowest traded prices of HK\$58.30 (2016: HK\$49.75) and HK\$45.10 (2016: HK\$40.50) respectively on The Stock Exchange of Hong Kong Limited during the year. During the year, the highest traded price was lower than the net assets per unit attributable to Unitholders as at year end date. Accordingly, no premium of the traded price to net assets per unit attributable to Unitholders was presented at 31 March 2017.
- (ii) Net yield per unit is calculated based on distribution per unit for the year ended 31 March 2017 of HK\$228.41 cents (2016: HK\$206.18 cents) over the closing price as at 31 March 2017 of HK\$54.45 (2016: HK\$46.00).

# Investor Information

## Listing of the Units

Link's units are listed on the Main Board of the Stock Exchange (stock code: 823) in board lot size of 500 units.

There were 2,213,002,276 units in issue as at 31 March 2017. Further details of units in issue are set out in Note 25 to the consolidated financial statements.

## Financial Calendar

Final results announcement for the financial year ended 31 March 2017	7 June 2017
Ex-final distribution date	20 June 2017
Closure of register of Unitholders (for final cash distribution) <sup>(1)</sup>	22 June to 26 June 2017 (both days inclusive)
Record date for final cash distribution	26 June 2017
Final cash distribution payment date	5 July 2017
Closure of register of Unitholders (for the 2017 AGM) <sup>(2)</sup>	21 July to 26 July 2017 (both days inclusive)
2017 AGM	26 July 2017
Interim results announcement for the six months ending 30 September 2017	November 2017

### Notes:

- (1) In order to qualify for the final cash distribution of HK116.66 cents per unit for the year ended 31 March 2017, Unitholders should ensure that all transfer documents accompanied by the relevant unit certificates must be lodged with Link's unit registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on 21 June 2017.
- (2) In order for Unitholders to be eligible to attend and vote at the 2017 AGM, all transfer documents accompanied by the relevant unit certificates must be lodged with Link's unit registrar, Computershare Hong Kong Investor Services Limited (at the address above), for registration not later than 4:30 p.m. on 20 July 2017.

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

## Investor Relations Contact

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## Corporate Communications Contact

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 Address: 33/F., AXA Tower, Landmark East,  
 100 How Ming Street, Kwun Tong,  
 Kowloon, Hong Kong  
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## Customer Service Contact

Hotline: (852) 2122 9000

## Websites

[Linkreit.com](http://Linkreit.com) (corporate website)  
[Linkhk.com](http://Linkhk.com) (customer website)

## Mobile App



# Linkhk.com

Park & Dine Mobile App

## Index Inclusion

Link is a component of the following selected indices:

Dow Jones Sustainability Asia Pacific Index

FTSE4Good Index  
 FTSE All-World Index Series  
 FTSE EPRA<sup>(1)</sup> / NAREIT<sup>(2)</sup> Global Real Estate Index Series  
 FTSE EPRA<sup>(1)</sup> / NAREIT<sup>(2)</sup> Developed Index  
 FTSE EPRA<sup>(1)</sup> / NAREIT<sup>(2)</sup> Developed Asia Index  
 FTSE RAFI All World 3000  
 Russell RAFI Index Series  
 Russell Global Index

GPR<sup>(3)</sup> 250 (World) Index  
 GPR<sup>(3)</sup> 250 Asia Index  
 GPR<sup>(3)</sup> 250 Asia Pacific Index  
 GPR<sup>(3)</sup> 250 Hong Kong Index  
 GPR<sup>(3)</sup> 250 REIT (World) Index  
 GPR<sup>(3)</sup> 250 REIT Asia Index  
 GPR<sup>(3)</sup> 250 REIT Asia Pacific Index  
 GPR<sup>(3)</sup> 250 REIT Hong Kong Index  
 GPR<sup>(3)</sup> General (World) Index  
 GPR<sup>(3)</sup> General Asia Index  
 GPR<sup>(3)</sup> General Hong Kong Index  
 GPR<sup>(3)</sup> General Quoted (World) Index  
 GPR<sup>(3)</sup> General Quoted Asia Index  
 GPR<sup>(3)</sup> General Quoted Hong Kong Index

Hang Seng Index  
 Hang Seng REIT Index  
 Hang Seng Corporate Sustainability Index

MSCI<sup>(4)</sup> All Country World Index  
 MSCI<sup>(4)</sup> All Country Asia Pacific ex-Japan Index  
 MSCI<sup>(4)</sup> World Index  
 MSCI<sup>(4)</sup> Hong Kong Index

GPR<sup>(3)</sup>/APREA<sup>(5)</sup> Composite Index  
 GPR<sup>(3)</sup>/APREA<sup>(5)</sup> Composite Hong Kong Index  
 GPR<sup>(3)</sup>/APREA<sup>(5)</sup> Composite REIT Index  
 GPR<sup>(3)</sup>/APREA<sup>(5)</sup> Composite REIT Hong Kong Index  
 GPR<sup>(3)</sup>/APREA<sup>(5)</sup> Investable 100 Index  
 GPR<sup>(3)</sup>/APREA<sup>(5)</sup> Investable 100 Hong Kong Index  
 GPR<sup>(3)</sup>/APREA<sup>(5)</sup> Investable REIT 100 Index

Notes:

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

## Definitions and Glossary

<b>2007 LTI Plan</b>	the long-term incentive plan of Link adopted by Unitholders on 23 July 2007
<b>2016 AGM</b>	the annual general meeting of Unitholders held on 27 July 2016
<b>2017 AGM</b>	the annual general meeting of Unitholders scheduled to be held on 26 July 2017
<b>Articles of Association</b>	articles of association of the Manager
<b>average monthly unit rent</b>	the average base rent plus management fee per month per square foot of leased area
<b>base rent</b>	in respect of a lease, the standard rent payable under the lease, exclusive of any additional turnover rent (if applicable) and other charges and reimbursements
<b>Board</b> or <b>Board of Directors</b>	board of directors of the Manager
<b>Board Chairman</b> or <b>Chairman</b>	Chairman of the Board (unless the context requires otherwise)
<b>Board Committees</b>	committees of the Board to discharge the duties set out in their respective terms of reference as approved by the Board which, as at the date of this report, include the Audit and Risk Management Committee, the Nomination Committee, the Remuneration Committee, and the Finance and Investment Committee, and " <b>Board Committee</b> " refers to any one of them
<b>CBD</b>	central business district
<b>CEO</b>	Chief Executive Officer of the Manager
<b>CFO</b>	Chief Financial Officer of the Manager
<b>Compliance Manual</b>	the compliance manual of the Manager which sets out the key processes, systems and measures in respect of Link's operations
<b>DCF</b>	discounted cash flow
<b>Director(s)</b>	director(s) of the Manager
<b>DPU</b>	distribution per unit in respect of the total distributable amount of Link for a financial year/period
<b>ESG</b>	environmental, social and governance
<b>EUPP</b>	employee unit purchase plan, pursuant to which an eligible employee who meets the prescribed criteria is entitled to subsidy from the Manager for purchasing through an independent third party intermediary the units of Link in the open market in accordance with the rules of the plan
<b>GAV Cap</b>	10% of Link's gross asset value (and as calculated in the manner set out in the Trust Deed)



<b>Group</b>	Link and its subsidiaries (unless the context requires otherwise)
<b>Hong Kong</b>	Hong Kong Special Administrative Region of The People's Republic of China
<b>Hong Kong Stock Exchange or Stock Exchange</b>	The Stock Exchange of Hong Kong Limited
<b>IIRC</b>	International Integrated Reporting Council
<b>IPO</b>	initial public offering of Link's units in Hong Kong
<b>lease</b>	a lease or a tenancy agreement (both of which grant a possessory interest) or a licence (which merely constitutes an authority to do something) in respect of premises at the retail properties granted to a tenant
<b>KPI</b>	Key Performance Indicator
<b>Link or Link REIT</b>	Link Real Estate Investment Trust
<b>Link Corporate Governance Policy</b>	the corporate governance policy set out in the Compliance Manual
<b>Link Securities Dealing Code</b>	the code governing dealings in securities of Link by Directors and relevant senior employees of the Manager
<b>Listing Rules</b>	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>Listing Rules Corporate Governance Code</b>	the Corporate Governance Code contained in Appendix 14 to the Listing Rules
<b>Manager</b>	Link Asset Management Limited, which is the manager of Link
<b>market capitalisation</b>	the market value of the REIT calculated by multiplying the number of units in issue by the prevailing unit price quoted on the Stock Exchange
<b>MTN Programme</b>	the Guaranteed Euro Medium Term Note Programme established by The Link Finance (Cayman) 2009 Limited (a wholly-owned subsidiary of Link) in May 2009, and "MTN" refers to note(s) issued or to be issued from time to time pursuant to the MTN Programme
<b>NPI</b>	net property income, being total revenue less direct property related expenses
<b>occupancy rate</b>	the aggregated leased area as a percentage of total leasable area
<b>PRC</b>	The People's Republic of China and if the context requires, exclude Hong Kong
<b>Principal Valuer</b>	the Principal Valuer (as defined in the REIT Code) of Link, which is currently Jones Lang LaSalle Limited

<b>psf or sq ft</b>	per square foot or square feet
<b>REIT(s)</b>	real estate investment trust(s)
<b>REIT Code</b>	Code on Real Estate Investment Trusts issued by the SFC
<b>retail operations</b>	the operations within the shopping centres, including shop units, market stalls, cooked food stalls, education and welfare, office, ancillary and mall merchandising
<b>return on investment</b>	projected NPI post asset enhancement minus NPI pre asset enhancement divided by the estimated amount of project capital expenditure and loss of rental
<b>reversion rate</b>	the percentage change in per square foot average unit rent between old and new leases on the same unit
<b>RMB</b>	Renminbi, the lawful currency of the PRC
<b>SFC</b>	Securities and Futures Commission of Hong Kong
<b>SFO</b>	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
<b>significant holder or significant Unitholder</b>	has the meaning of “significant holder” under 8.1(d) of Chapter 8 of the REIT Code (i.e. holder of an interest of 10% or more in the units of Link)
<b>SPVs</b>	special purpose vehicles (within the meaning of the REIT Code and the Trust Deed)
<b>sqm</b>	square metre
<b>tenant</b>	a lessee, a tenant or a licensee (as the case may be) under a lease
<b>total distributable amount</b>	total distributable amount for a financial year/period is the total distributable income and any additional amount (including capital) that the Manager has determined to be distributable
<b>total distributable income</b>	the consolidated profit after taxation attributable to Unitholders (equivalent to profit for the financial year/period, before transactions with Unitholders attributable to Unitholders) adjusted to eliminate the effect of certain non-cash adjustments
<b>Trust Deed</b>	the trust deed dated 6 September 2005 between the Trustee and the Manager constituting Link, as amended and supplemented by 11 supplemental deeds
<b>Trustee</b>	trustee of Link, which is currently HSBC Institutional Trust Services (Asia) Limited
<b>turnover rent</b>	rent calculated and charged by reference to a pre-determined percentage of a tenant's gross sales turnover in excess of the base rent
<b>unit(s)</b>	unit(s) of Link (unless the context requires otherwise)
<b>Unitholder(s)</b>	holder(s) of unit(s) of Link

# Corporate Information

## Board of Directors of the Manager

### Chairman

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

### Executive Directors

George Kwok Lung HONGCHOY  
*(Chief Executive Officer)*  
Andy CHEUNG Lee Ming  
*(Chief Financial Officer)*

### Non-Executive Director

Ian Keith GRIFFITHS

### Independent Non-Executive Directors

William CHAN Chak Cheung  
Ed CHAN Yiu Cheong  
Blair Chilton PICKERELL  
Poh Lee TAN  
May Siew Boi TAN  
Peter TSE Pak Wing  
Nancy TSE Sau Ling  
David Charles WATT  
Elaine Carole YOUNG

## Company Secretary of the Manager

Ricky CHAN Ming Tak

## Responsible Officers of the Manager<sup>(1)</sup>

George Kwok Lung HONGCHOY  
Andy CHEUNG Lee Ming  
Hubert CHAK  
Christine CHAN Suk Han  
Eric YAU Siu Kei

## Authorised Representatives<sup>(2)</sup>

Andy CHEUNG Lee Ming  
Ricky CHAN Ming Tak

## Trustee

HSBC Institutional Trust Services (Asia) Limited

## Auditor

PricewaterhouseCoopers

## Principal Valuer

Jones Lang LaSalle Limited

## Registered Office of the Manager

33/F., AXA Tower, Landmark East,  
100 How Ming Street,  
Kwun Tong, Kowloon,  
Hong Kong

## Town Office of the Manager

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9 Queen's Road Central,  
Hong Kong

## Unit Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17/F.,  
Hopewell Centre,  
183 Queen's Road East, Wanchai, Hong Kong  
Telephone: (852) 2862 8555

(1) Required by the SFO

(2) Required by the Listing Rules

Link Real Estate Investment Trust  
[Linkreit.com](https://www.linkreit.com)

