

Annual Report 2018/2019 Strategic Report



Link Real Estate Investment Trust
Stock code: 823



About this Report

Our 2018/2019 Strategic Report covers our performance from 1 April 2018 to 31 March 2019 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 and four strategic priorities. The Board believes that these strategic priorities represent the material opportunities that will drive value creation for our 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 2018/2019 Reports and Presentations

Our complete suite of reports and supporting compliance documentation can be accessed and downloaded from our corporate website at 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, the relevant disclosure requirements of the REIT Code and the Listing Rules, 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 solely on our website. This can be accessed at Linkreit.com/sustainability

ESG COMPLIANCE DOCUMENTATION

- Environmental, Social and Governance Reporting Guide (ESG Reporting Guide) of The Stock Exchange of Hong Kong Limited
- Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) – Comprehensive Option
- United Nations Global Compact



Access our corporate website for further information

WE **LINK** PEOPLE TO A BRIGHTER FUTURE



WE PRIDE OURSELVES IN BEING
A SUSTAINABLE BUSINESS. IN
THE FUTURE, **PLEASE CONSIDER
REQUESTING A SOFTCOPY*** OF
OUR ANNUAL REPORT AS A
WAY TO DEMONSTRATE YOUR
SUPPORT FOR SUSTAINABLE
DEVELOPMENT.

VISION

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

MISSION

Building relationships with our stakeholders through:

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

VALUE

Managing and operating our business with

- **R**espect
- **E**xcellence
- **I**ntegrity
- **T**eamwork

* Softcopy of our annual report is available at Linkreit.com

About Link



No.1

Largest REIT in Asia
by market capitalisation



1st

First REIT listed
in Hong Kong



No.1

Only internally-managed
REIT in Asia



100%

100% free float held
by institutions
and private investors



5 Cities

Footprint expanded to five cities
including Hong Kong and four tier-one
cities in Mainland China



1st

First green
convertible bond issued by
a real estate organisation
in the world



Vision 2025

Rolled out Vision 2025 as
Link's medium term target



+140.6%

Unit price increased by
140.6% in five years



+10.3%

DPU growth CAGR of
10.3% for the past five years



+5.4%

Tenant sales growth achieved 5.4%
in Hong Kong year-on-year



33.3%

33.3% of directors are female



3A

3 "A" ratings from
key credit rating agencies

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We engage continuously with our communities, employees, investors, tenants and business partners to understand their expectations which helps us develop our strategies and respond effectively.

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Creating value for all our stakeholders to Link People to a Brighter Future.

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Our Vision 2025 sharpens our focus to propel us forward in the medium term.

Building on our strengths

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OUR STRATEGIC PRIORITIES

We set our strategic priorities with an aim to create the best values for our stakeholders.



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We build a solid foundation for Vision 2025.

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We create shared values with strong corporate governance, best-in-class transparency and investment stewardship.











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Our Engagement with Stakeholders

Link is more than just a portfolio of properties. We are a platform, where networks are made between our employees, vendors, service providers and contractors who serve Link's tenants and local citizens living around our shopping centres. This is the most integral part of Link's sustainability journey.



	Their key interests	Ways we engage
OUR COMMUNITIES 	<ul style="list-style-type: none"> • Clean shopping environment • Customer service • Convenience • Variety 	<ul style="list-style-type: none"> • Websites (corporate, customer and shopping centre) • Marketing programmes • Customer service ambassadors • Surveys and focus group meetings • Corporate hotline and information channels such as social media • Link Together Initiatives
OUR EMPLOYEES 	<ul style="list-style-type: none"> • Job satisfaction • Career opportunities • Well-being • Professional training and development • Pay and benefits • Rewarding and supportive working environment • Skills and learning opportunities 	<ul style="list-style-type: none"> • Learning and training sponsorship • Employee survey and focus groups • Townhall • Annual party and annual dinner • Work-life balance and wellness activities • Volunteer team • Intranet and emails • New office ambassadors
OUR INVESTORS 	<ul style="list-style-type: none"> • Distribution growth • Future business prospects • Strategy execution • Portfolio value • Timely information • Sound corporate governance 	<ul style="list-style-type: none"> • Investor presentations and webcast • Corporate website • Roadshows and conferences • One-on-one meetings and property tours • Investor day • ESG awards and ratings • Annual and interim reports • Annual General Meetings
OUR TENANTS 	<ul style="list-style-type: none"> • Shopper footfall • Tenant mix improvement • Initiatives to enhance the shopping experience and attract shoppers • Changes in consumer spending, increasing competition and rental escalation • Maintenance of shopping mall 	<ul style="list-style-type: none"> • Meeting with asset managers • Annual CONNECTION conference • Tenant association meetings • Regular marketing programmes • Link Community Sentiment Index • Dedicated property management teams to respond to tenant concerns and listen to ideas
OUR BUSINESS PARTNERS		
Suppliers and vendors 	<ul style="list-style-type: none"> • Timely payment • Fair business practices • Acquiring skills that may enhance their ability to deliver services • Business opportunities 	<ul style="list-style-type: none"> • Annual CONNECTION conference • Surveys and training • Centralised procurement with standardised product requirements
Media 	<ul style="list-style-type: none"> • Tenant and community issues • Link's initiatives or business plans • Being informed of key activities and offerings • Transparency 	<ul style="list-style-type: none"> • Interviews with senior management • Response to media enquiries • Media releases • Informal briefing through lunch and tea gatherings
Non-governmental organisations 	<ul style="list-style-type: none"> • Environmental impact • Corporate sustainability and responsible business practices 	<ul style="list-style-type: none"> • Annual CONNECTION conference • Membership and leadership in organisations • Collaboration on community projects • Staff volunteers • Link Together Initiatives • Provision of space for welfare organisations
Government 	<ul style="list-style-type: none"> • Facilitation of socioeconomic growth • Regulatory compliance • Environmental impact • Corporate governance 	<ul style="list-style-type: none"> • Respond to public consultations • Participation in District Working Groups • Representation on advisory committees • Communication of sustainability programmes and initiatives • Regular meetings and dialogue

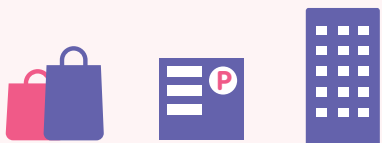
For more details, please visit our Corporate Website – Sustainability: [Linkreit.com/sustainability](https://linkreit.com/sustainability).

How We Create Value

VISION

To be a world class real estate investor and manager...

What we invest in



Retail Car park Office

How we manage

- Management
- Enhancement
- Acquisition
- Divestment
- Development
- Re-development

...serving and improving the lives of those around us.

Focusing on strategic priorities

1 Build a productive portfolio

2 Maintain a balanced capital structure

3 Develop a strong team

4 Help our communities flourish

Which creates value

Measured by



Placemaking

A productive portfolio of high quality, sustainable properties

- Tenant sales growth
- Open space initiatives
see pages 22, 38



Financial

Continuous improvement of financial returns

- Distribution per unit
- Credit ratings
see pages 22, 30



Talent

A talented, engaged and high-performing workforce

- Staff satisfaction
- Staff attrition rate
see page 34



Relationship

Positive relationships with our tenants, shoppers and communities

- Perception audit result
- Impact of Link Together Initiatives
see page 38



Innovation

A sector-leading body of sustainable community development knowledge

- Customer engagement
- Thought leadership publications
see page 38



Environmental

A stable and viable natural environment

- Energy consumption
- Waste management
see page 38

**We
Link
People
to a
Brighter
Future**

Message from the Chairman

“I am excited to announce Vision 2025 which builds on the foundation we have acquired so far and will compel us to further develop our talents and strengths. Our Vision 2025 will ensure a productive portfolio by establishing a culture of excellence and creativity.”



Nicholas Charles ALLEN
Chairman

Welcome to Link's 2018/2019 Annual Report. I am delighted to report that Link has had another strong year. It has been an important year for Link as we move closer to achieve our vision of being a world class real estate investor and manager, serving and improving the lives of those around us. Organic growth supplemented by selective acquisitions has been central to our strategy. Our portfolio now spans across four tier-one cities in Mainland China and our Hong Kong assets serve nearly three million people on a daily basis.

Financial Results Summary

Our financial performance remains strong, as we delivered another set of robust results in 2018/2019. Revenue for the year was up 0.1% to HK\$10,037 million (2018: HK\$10,023 million). Distribution per unit increased by 8.6% year-on-year to HK271.17 cents (2018: HK249.78 cents). We also ended the year with a healthy balance sheet with gearing at 10.7%, providing us ample flexibility to continue investing in different areas of our business and capital return.

The Greater Bay Area

Hong Kong and Link are situated in one of the world's most exciting and dynamic regions – the Greater Bay Area. With its well-established manufacturing, innovation, technology, financial service, logistics and consumer industries, the Greater Bay Area has the potential to develop into an economic powerhouse with Hong Kong, Shenzhen and Guangzhou as its core. Despite the Greater Bay Area's land mass taking up less than 1% of the whole of China, it accounted for 12.2% of the national GDP in 2018 and added US\$1.6 trillion (HK\$12.47 trillion) to the Chinese economy⁽¹⁾. The Greater Bay Area can potentially rival or even surpass current leading bay areas across the globe, such as the Greater Tokyo Bay, San Francisco Bay Area and New York Metropolitan Area.

Note:

(1) Source: National Bureau of Statistics of China

Major Acquisitions

We continue to strengthen our property portfolio with quality assets that offer long-term growth potential and synergies with existing assets. The Greater Bay Area – and Mainland China overall – remains a geography that offers high growth potential. We have expanded our footprint in these areas with the addition of CentralWalk and Roosevelt Plaza, with the former being a key property in the heart of the Futian central business district in Shenzhen, and the latter situated in a robust, growing district in suburban Beijing.

Leadership

As one of the largest retail-focused real estate investment trusts in the world, Link often takes a leadership role in local, regional and global developments. We embrace these opportunities as a way to connect with our tenants, communities, investors and government on issues that are important to all of us. By working collaboratively, we can strengthen the communities we do business in and simultaneously enhance the resilience of Link.

We played a leading role in the United Nations Environment Programme Finance Initiative’s effort to develop ground-breaking, comprehensive guidance on how to assess the impact of climate change on investment portfolios. Through this effort, we gained a better understanding of the short, medium and long-term climate related risks our current portfolio is exposed to including extreme weather events such as flooding, tropical cyclones and very hot and cold days. As one of the few real estate participants, we have a key role to play in catalysing climate adaptation and sustainable development.



HIGHLIGHTS

This has been an important year for Link with organic growth supplemented by strategic acquisitions in Mainland China.

Our 2018/2019 financial year was concluded with another set of robust results and a healthy balance sheet.

With our commitment to sustainable development, we issued the world’s first convertible green bond in the real estate sector in 2019.

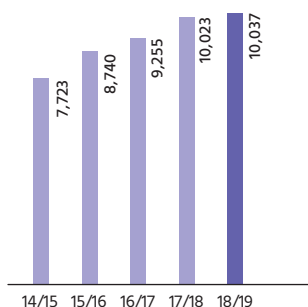
In 2016, we supported the Hong Kong Government’s ambition to establish itself as a regional green finance hub by issuing the first green bond by a Hong Kong corporate. Three years later, in 2019, Link again raised the bar by issuing the world’s first convertible green bond in the real estate sector, demonstrating our commitment to sustainable development and the establishment of Hong Kong as a green finance centre.

Revenue

HK\$'M

10,037

+7.0%⁽¹⁾

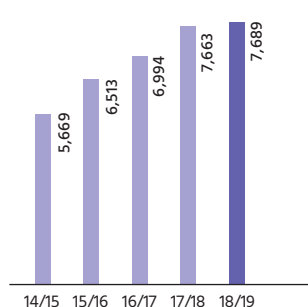


Net Property Income

HK\$'M

7,689

+8.1%⁽¹⁾

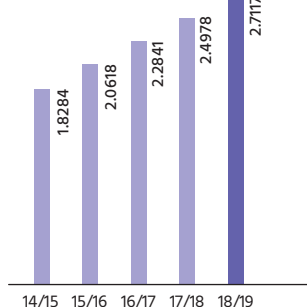


Distribution per Unit

HK\$

2.7117

+10.3%⁽¹⁾

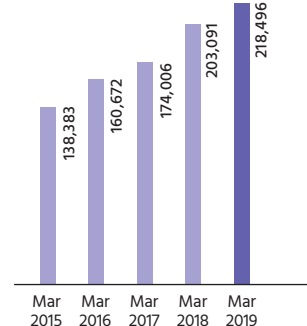


Valuation

HK\$'M

218,496

+14.7%⁽¹⁾



Vision 2025

As we near the 15th anniversary of Link's IPO, it is an opportune time to reflect on the qualities, traits and skills that have brought us where we are today – a leading, world class real estate investor and manager. Our ongoing success has been rooted in our ability to focus on our strategic priorities and leverage our strengths.

- 1) Building a Productive Portfolio
- 2) Maintaining a Balanced Capital Structure
- 3) Developing a Strong Team
- 4) Helping our Communities Flourish

We manage our portfolio for the long term and have established a strong culture of consistently doing the right things the right way with a high standard. These strengths manifest themselves in all facets of our business through a disciplined and consistently-executed strategy. Such a foundation has taken years to build and is anchored by a robust corporate governance structure and an independent Board of Directors with diverse experiences. Together we work closely with and productively challenge the management team.

Appreciation

I thank my fellow Board members for their tireless contribution and commitment to ensure we live up to our brand promise that **We Link People to a Brighter Future** and that our business continually creates value.

Of course, the value Link creates is only realised through the commitment and hard work of our people – our most important advantage. We strive to attract and reward the best and develop world class capabilities, reinforced by a culture of excellence. On behalf of the Board, I wish to thank George, the management team and the greater Link family for all their contributions.

Nicholas Charles ALLEN

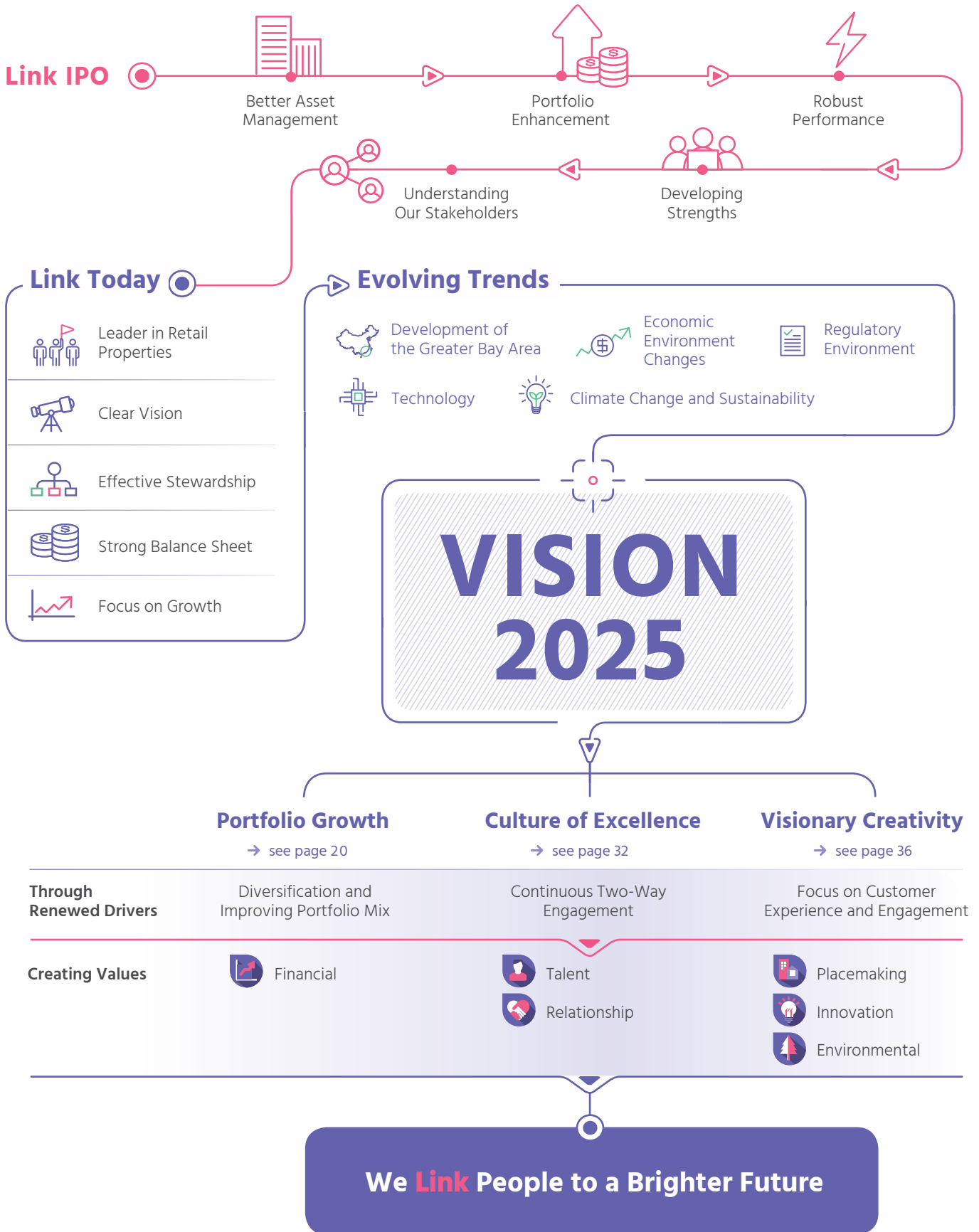
Chairman

Link Asset Management Limited
As Manager of Link Real Estate Investment Trust
3 June 2019

Note:

(1) Represents compound annual growth rate from 2013/2014 to 2018/2019.

Journey Towards Vision 2025



Response to Evolving Trends



Development of the Greater Bay Area



Economic Environment Change

Market Trends

With its well-established manufacturing, innovation, technology, financial services, logistics and consumer industries, the “GBA” has great potential to develop into a world-class cluster. The area is home to some 68 million people and while the GBA’s land mass takes up less than 1 per cent of the whole country, it accounts for 12.2% of the national GDP, adding US\$1.6 trillion (HK\$12.47 trillion) to the Chinese economy in 2018.

The Chinese government announced a plan for the GBA which includes long-term goals through 2035 to transform the area into a global technology innovation centre and build advanced manufacturing and modern service industries.

During the financial year ended 31 March 2019, the US Federal Reserve raised the interest rate three times for a total of 0.75%. However, in the first quarter of 2019, amidst the slower growth of US economic activity and declined inflation, US Federal Reserve pulled back its rate hike plan. 10-year US Treasury bond yield retreated from its peak at 3.2% in November 2018 to 2.4% at the end of March 2019. The effect of US\$ interest rate hikes on HK\$ interest rates became more evident during the period as Hong Kong Monetary Authority aggregate balance, a gauge of local interbank liquidity, declined by HK\$121 billion to HK\$65 billion. One-month HK\$ HIBOR increased by 0.67% to 1.66% during the financial year.

How We Are Responding

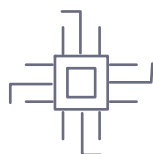
- With a strong presence in Hong Kong, and exposure to Guangzhou and Shenzhen, Link is well positioned in the GBA. We are working closely with our tenants in both Hong Kong and Mainland China to become key partners in their cross border expansion plans.
- To take advantage of tourism and same-day visits, we arrange cross border transportation to originate and/or terminate at our shopping centres.
- Knowledge sharing across our properties is encouraged, so that successful features and practices will be integrated throughout the portfolio.
- We adopt a prudent capital management strategy and our effective interest cost of the Group’s HK\$ debt portfolio only increased slightly to 3.12% as at 31 March 2019 (31 March 2018: 2.89%).
- We have also fixed a high percentage of our HK\$ debt in face of interest rate volatility, as 69.8% of our HK\$ debt was maintained at fixed interest rate as at 31 March 2019 (31 March 2018: 75.8%). Average life of our HK\$ fixed-rate debt stood at 4.8 years (31 March 2018: 5.3 years).
- We maintained A ratings with key credit rating agencies to ensure competitive rates (Moody’s: A2/Stable; Standard and Poor: A/Stable and Fitch Ratings: A/Stable).



Regulatory Environment

2019 is the election year for the District Council in Hong Kong. With presence in 15 of 18 districts, we expect more-than-usual discussions involving Link to appear on various media platforms as candidates launch their campaigns.

- We will stay focused on maintaining and operating our business to create value for those around us.
- Open communication with community members including government officials, tenants, shoppers and local communities have always been a priority and will remain so.
- We will continue to allocate up to 0.25% of NPI from the previous year to Link Together Initiatives, our flagship programmes that address community needs and impact.



Technology

Real estate technology can improve not only how property is occupied, managed and transacted, but also supply chain logistics to end-user improvements.

With 131 properties throughout Hong Kong and four tier-one cities in Mainland China, about 9,600 tenancies and access to millions of shoppers living around our properties, Link's portfolio offers data and critical mass potential for real estate technology innovation.

As the number of data points increase, data networks must be continually enhanced to ensure security and transfer speeds.

- We are prudent in our investments in real estate technology. We focus primarily on existing/proven solutions that improve efficiency in managing our properties, provide insight into tenant and shopper preferences and attract footfall. We are investing in data analytics to make data driven decisions, reveal hidden correlations to improve tenant mix and better understand shopper preferences.
- We are working to prepare and enable our properties to serve as mobile masts that offer the latest telecommunication technologies including 5G.



Climate Change and Sustainability

Climate change and its effects on the local and world economy concern everyone. Extreme weather and other climate change-related events can cause damage to our assets, disrupt operations and impact the health and well-being of the communities we serve.

The public expects companies to be more pro-active in telling how ESG factors are integrated into their business strategies and showing how they are improving their business.

- Sustainability practices and principles have long been integrated throughout Link.
- Established well-defined sustainability policies that cover a range of topics including waste management, human rights, responsible investment and energy efficiency.
- We continue to aspire to be a leader by encouraging and influencing those around us.
- Proactive ESG engagement strategy including collaboration on developing and communicating ESG best practices with other organisations.
- Tropical storms and typhoons are Link's most pressing climate change risks. We have developed a set of policies and procedures to mitigate risks associated with extreme weather.

Letter by the Chief Executive Officer

“Our desire is to drive a high-performance culture, placing people at the heart of Link, remaining true to our values and our vision: to be a world class real estate investor and manager, serving and improving the lives of those around us.”



George Kwok Lung HONGCHOY
Chief Executive Officer

I am delighted to report that Link continues to deliver strong performance and resilient results. Creating flourishing retail places that attract people remains at the heart of our business. Our focus is to ensure we consistently create value for our tenants, shoppers, the communities we are in, and of course, our Unitholders.

2018/2019 has been a watershed year for Link. A resilient business model should not only **strive to do things well**, but to **do things better** and **sustain these efforts in the long-run**. Achieving excellence in any of these aspects individually can lead to incremental improvement. But, when excellence is achieved across these areas simultaneously, a business can undergo exponential improvement, placing it in a much better position for continuous growth.

Consistency: Things We Do Well

The core of our business operations has always been to manage, enhance and acquire quality assets. Our asset portfolio is further strengthened by capitalising on strategic divestment, development and capital management opportunities. We have always done these well, and 2018/2019 was no exception.

We completed 11 asset enhancement projects, maintained a 97.1% occupancy rate and reduced year-on-year energy consumption by 12.1% in Hong Kong. We further streamlined our portfolio, divesting 12 properties to raise a total of HK\$12.01 billion, which was reinvested into the portfolio through the acquisition of two retail properties – Beijing Jingtong Roosevelt Plaza in Beijing and CentralWalk in Shenzhen. The overall effect is a smaller yet stronger Hong Kong portfolio complemented by a healthy exposure to all four tier- one cities in Mainland China.

This led to year-on-year improvement in revenue and net property income, which grew at 0.1% and 0.3% respectively. The 8.6% and 7.7% year-on-year improvement in distribution per unit and net asset value per unit further



HIGHLIGHTS

Successfully expanded to all four tier-one cities in Mainland China and Hong Kong.

Unit price and market capitalisation growth outperformed all key comparables.

Rolled out Vision 2025.

underscored the proven, long-term strategy of our business, which has been growing for the 14th consecutive year.

EXPOSURE TO ALL FOUR TIER-ONE CITIES IN MAINLAND CHINA



Innovation: Finding Ways To Do Things Even Better

We continue to search for ways to improve our business. Integrating technology is a large part of the innovation efforts we currently have underway. With a sizable portfolio, we started investing in Facilities Management Information Technology to simplify and automate routine operations such as repair and maintenance works, billing and building controls. We have introduced Business Intelligence systems to analyse the vast amounts of information and make data driven decisions such as strategic placement of shops and dynamic management of car park availability.

However, our gold standard in innovation remains our approach to revitalising wet markets. Since 2013 we have transformed over 40 dilapidated and antiquated wet markets into bright, modern fresh markets. Even today we are still learning from and improving on the experience. Fresh market innovation is not about how we enhance a property to make it physically better, but rather about employing a new mindset focused on **creating a place that people want to go to**, one that addresses physical, social and cultural needs. Our fresh markets have become inclusive, accessible locations where it is common to see multiple generations of a family shopping together. They have evolved to improve the variety and choice available – from local, organic products to imported specialty foods – satisfying a broad range of shopper preferences. It is our ability to understand and leverage community and social connections to make these places vibrant.

The completion of Nam Cheong Place in 2018/2019 signified a breakthrough in our fresh market programme. In the past, all of our market revitalisations were completed on existing markets. Nam Cheong Place is the first time that we have actually transformed formerly retail shopping space to create and introduce a new market. This is a pinnacle of our fresh market innovation, signifying a 180 degree change in approach that initially focused on simply reviving a dying industry. Now we are actively seeking opportunities to introduce and create thriving new places that cultivate community and social well-being.

Sustainability: Scaling Up Innovation

Good ideas become great and sustainable when they are scalable. We implemented this mindset to our enhancement of Tsz Wan Shan Shopping Centre. This led to the transformation of under-utilised open spaces in the

shopping centre into youth focused activity centres where families instinctively gravitate towards. Similar to the fresh market experience, the retail offerings surrounding the playground have naturally evolved to take advantage of the change in demographics and longer dwell times of shoppers at this new community hotspot.

The resounding success of a simple change in mindset has long term impact. Moving forward, all our future enhancements – regardless in Hong Kong or Shenzhen, fresh markets, shopping centres, offices and even car parks – will focus on **placemaking**, emphasising community connectivity, socialisation and offering dynamic environments where people want to go.

Leadership and Culture: Executing the Business Model

Articulating a resilient business model is not enough. It must be combined with strong leadership and culture to fully realise its potential. We continue to strengthen both of these critical areas of our business.

Leadership

As one of the world’s largest retail-focused real estate investment trusts, we recognise both the opportunity and responsibility for our business to take a leading role in addressing pressing issues both locally and globally. Effective leadership – internal and external – requires us to articulate a vision that can influence, encourage and align involved parties so that we all realise shared values. This means knowing and anticipating challenges, understanding the concerns of people around us, and being constructive participants in supporting and implementing effective solutions.

A global and local challenge is single-use plastics, which was the focus of our annual CONNECTION conference in 2018/2019. Together with representatives across our value chain, we explored the potential of eliminating single-use plastics at our shopping centres. I am pleased to say that Link will pilot a scheme together with our tenants to minimise financial and logistical barriers to replacing single-use plastics.

Culture

Every day, our employees are united by the unique opportunity to make a positive impact on the communities we serve so that **We Link People to a Brighter Future**. The strength of our culture, coupled with employees’ collective focus on our vision, has always been Link’s differentiator.

Moving forward, this will be even more so as we consolidate our head office into one location at The Quayside, our joint venture office development with Nan Fung Development Limited. For the first time ever, all our key departments will converge under one roof. This will catalyse our effort to create an ecosystem that fosters excellence by cultivating greater communication, collaboration and creativity.

We have already seen a Culture of Excellence begin to materialise. During the year, several interdepartmental working groups were established to address multi-disciplinary business challenges with holistic solutions. This includes defining our placemaking agenda, developing a long-term asset management strategy and articulating our unique value proposition for shoppers. Championed by a team focused on delivering excellence, I am very enthusiastic about our ability to capture the growth opportunities we have ahead of us.

Outlook

Our business will face many challenges in the coming years. Rising operating costs, particularly in Hong Kong, will be a key issue aggravated by increasing utility and environment-related tariffs. Labour costs, as a result of rising regulatory minimum wages, are also projected to increase over the next few years. Land supply in Hong Kong continues to be tightly monitored and managed, resulting in negative sentiment that will ultimately affect consumer spending. Despite these challenges, Link will continue to do our best to innovate and create value for those around us.

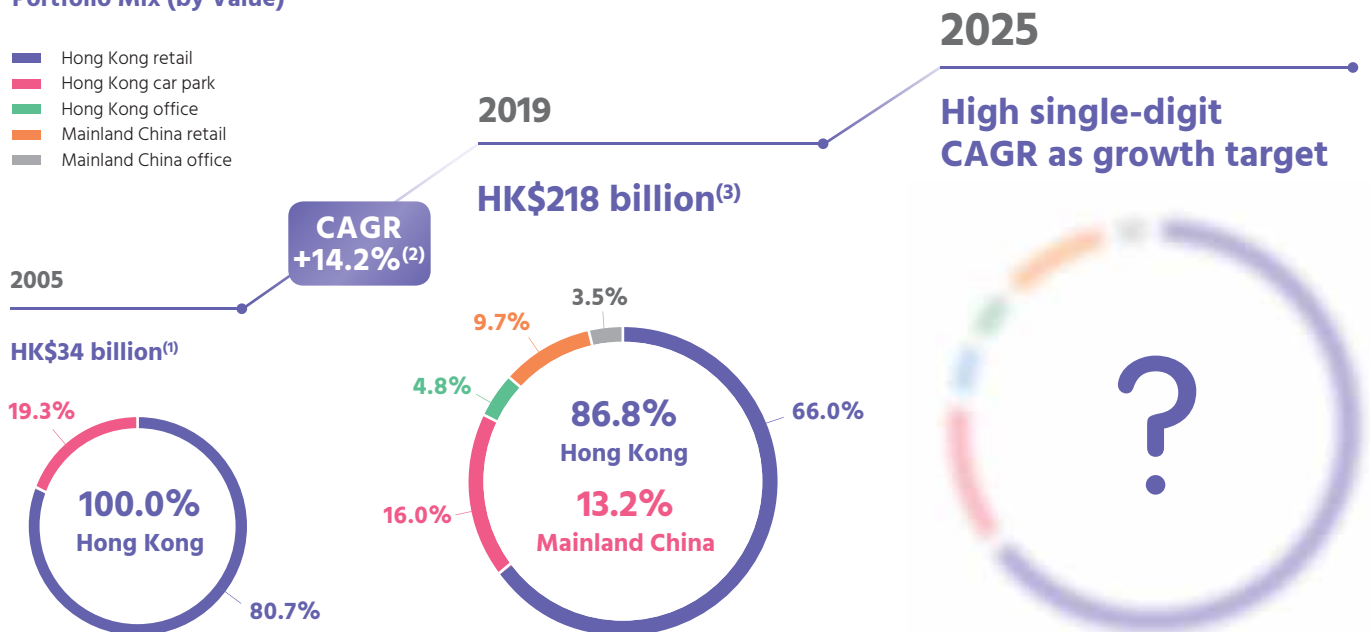
14th Consecutive Year that Our Business has Grown



Portfolio Growth Since Initial Public Offering

Portfolio Mix (by Value)

- Hong Kong retail
- Hong Kong car park
- Hong Kong office
- Mainland China retail
- Mainland China office



Over the past 10 years we have amassed and refined a set of business strengths that serve as solid building blocks for our business to grow. As a successful business, we consistently seek ways to do things better. This is especially relevant as we uncover fresh opportunities to grow our business and make it more resilient.

Our business has reached a level of consistency and maturity where we can now challenge ourselves to learn faster, adapt faster and grow faster. To steer this, we have introduced Vision 2025 which, for the first time, establishes a set of targets across our business that we aim to achieve over the next few years.

Vision 2025 is anchored by our ongoing commitment to achieving excellence in operations, innovation, sustainability and culture. This will include aligning processes and systems across our Hong Kong and Mainland China properties, collaborating with and learning from our tenants to support growth strategies and ensuring that these initiatives are properly implemented to create long term value.

Reflection

As this statement comes to a close, I take a moment to reflect on the 10 years that have passed since I first joined Link. I cannot help but marvel at how different the business is today – we now have a productive asset portfolio, diverse expertise and a world class business. It has been an extraordinary privilege to lead the organisation along this journey and I am excited as we start a new chapter.

None of this would have been accomplished without a dedicated Board, team of tireless Linkers and our supportive Unitholders. I thank each and every one of you for your contributions and support.

George Kwok Lung HONGCHOY
Chief Executive Officer

Link Asset Management Limited
As Manager of Link Real Estate Investment Trust
3 June 2019

Notes:

- (1) Valuation as at 30 September 2005.
- (2) Represents compound annual growth rate from initial public offering to 2018/2019.
- (3) Valuation as at 31 March 2019.

Awards Snapshot 2018/2019

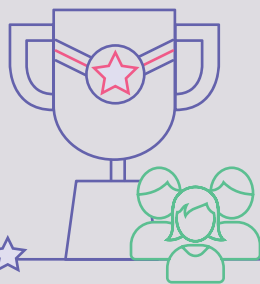
RICS Awards Hong Kong 2019

- Best Deal of the Year – Disposal of 17 properties in November 2017
- Young Surveyor of the Year (Excellence) – Stanley Kwok



Organiser: RICS

HKIRA 4th IR Awards 2018



- Best IR Company
- Best IR by Chairman/CEO
- Best IR by CFO
- Best IRO (Investor Relations Officer)
- Best IR in Corporate Transaction
- Best Investor Meeting
- Best Digital IR
- Best Investor Presentation Material
- Best Annual Report
- 3-Year IR Awards Winning Company



Organiser: Hong Kong Investor Relations Association

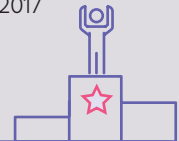
The Asset Triple A Asset Servicing, Institutional Investor and Insurance Awards 2018

- Real Estate Investor of the Year

The Asset Triple A Country Awards 2018

- Best M&A – Disposal of 17 properties in November 2017

Organiser: The Asset



2018 The All-Asia Executive Team Rankings

- Most Honored Company (Property)
- Best CEO (Property) – Rank #2 (Buy Side #2, Sell Side #2)
- Best CFO (Property) – Rank #3 (Buy Side)
- Best IR Professionals (Property) – Rank #2 (Buy Side #2)
- Best IR Program (Property) – Rank #1 (Buy Side #2, Sell Side #1)
- Best Corporate Governance (Property) – Rank #1
- Best Analyst Days – Rank #1
- Best ESG/SRI Metrics – Rank #2

Organiser: Corporate Governance Asia

8th Asian Excellence Awards 2018

- Asia's Best CEO (Investor Relations)
- Best Environmental Responsibility
- Best Investor Relations Company (Hong Kong)

Organiser: Corporate Governance Asia



**"Best App – Property"
Gold Award
(Park & Dine App)**

Mob Ex Awards 2019

Organiser: Marketing Magazine

Innovative Enterprise Silver Award (T.O.P O2O Ecosystem)



HSBC x HKET Innovative Business Award

Organiser: HSBC Commercial Banking, Hong Kong Economic Times



2018 ICSC China Shopping Centre & Retailer Awards

Silver Award in the category of "Marketing" campaigns – Stanley Plaza Finnish Christmas Wonders

Organiser: ICSC



Marketing Excellence Awards 2018

Organiser: Marketing Magazine

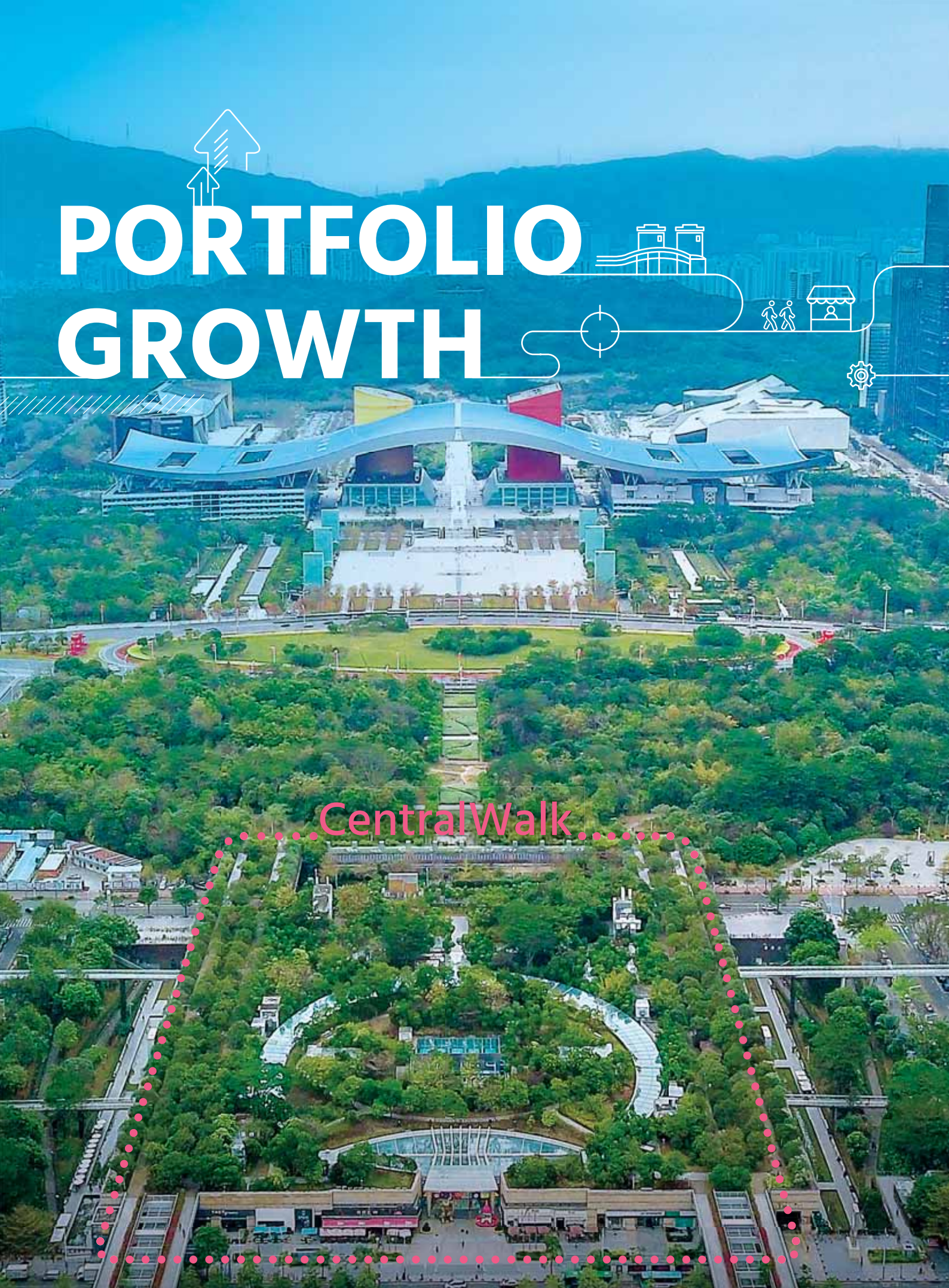
Gold Award – Temple Mall "A Spin for Good Fortune"



PORTFOLIO GROWTH



CentralWalk



WE SUSTAIN THE GROWTH OF OUR BUSINESS

We strive to improve portfolio quality. Through diversification and improving portfolio mix by acquiring quality assets, we build a solid platform to achieve sustainable return in longer term.

Objective

Maintain growth momentum

Goal

High single-digit annual growth in the business

Initiatives

- Implement asset management model
- Maintain organic growth
- Continue asset enhancement pipeline
- Selective investments/divestments
- Focus on return of capital

Which Creates Value

Financial



KPI Targets

DPU

Sustain
DPU growth

Credit Ratings

Maintain
3A ratings

Strategic Priority 1

Build a Productive Portfolio



97.1%

Occupancy in Hong Kong

98.5%

Occupancy in Mainland China

11

Asset enhancement projects completed⁽²⁾

5.4%

Tenant Sales Growth in Hong Kong

2

Acquisitions in Mainland China

32%

Premium to valuation for assets divested in 2018/2019

Overall Financial Results

Financial Results

Revenue and net property income for the year increased by 7.2% and 7.1% year-on-year on a like-for-like basis⁽¹⁾. As reported, revenue and net property income – after taking into account assets acquired, divested and/or newly operational (as applicable) – increased by 0.1% and 0.3% year-on-year to HK\$10,037 million (2018: HK\$10,023 million) and HK\$7,689 million (2018: HK\$7,663 million), respectively. Supported by a valuation gain of HK\$12,269 million (2018: HK\$35,493 million) driven by rising operating income, profit for the year, before transactions with Unitholders came in at HK\$20,442 million (2018: HK\$47,979 million).

Valuation of the investment properties portfolio reached HK\$218,496 million (31 March 2018: HK\$203,091 million), representing an increase of 7.6% compared to 31 March 2018. On a like-for-like basis excluding properties divested and acquired during the year analysed, valuation of the investment properties portfolio (including property under development and properties in Mainland China) increased by 6.9% year-on-year. Net asset value per unit increased by 7.7% year-on-year to HK\$89.48 (31 March 2018: HK\$83.06).

Total distributable amount, after adjustments and a discretionary capital distribution of HK\$53 million (2018: Nil), amounted to HK\$5,723 million (2018: HK\$5,431 million). Distribution per unit for the year increased by 8.6% to HK271.17 cents (2018: HK249.78 cents), comprising an interim DPU of HK130.62 cents (2018: HK121.50 cents) and a final DPU of HK140.55 cents (2018: HK128.28 cents). Combining distribution and the increase in net asset value per unit, Link delivered a total book return per unit of 11% for the year.

The closing market price of the units was HK\$91.80 (29 March 2018: HK\$67.00) as at the last trading day of the 2018/2019 financial year on 29 March 2019. Together with the DPU, Link delivered a total unit return of 41% for the year with a distribution yield of 3.0%.

We require a high quality portfolio and strong capital management to maintain our growth momentum. We will further build on our strengths as a world class real estate investor and manager to deliver sustainable returns and realise our ambitious targets set under our strategy for Vision 2025.

Notes:

- (1) Excluding any properties acquired, divested and/or newly operational (as applicable) during the years under analysis.
- (2) Including three properties with fresh markets.

Valuation Review

Total value of our investment properties (including property under development in Hong Kong and properties in Mainland China) increased 7.6% to HK\$218,496 million (31 March 2018: HK\$203,091 million) during the year under review.

Our asset management efforts have improved the value of our Hong Kong retail properties and car parks by 1.8% to HK\$144,096 million (31 March 2018: HK\$141,513 million) and 1.6% to HK\$35,059 million (31 March 2018: HK\$34,510 million), respectively. On a like-for-like basis excluding properties divested during the year, valuation of Hong Kong retail properties and car parks increased by 6.5% and 9.9% year-on-year, respectively. Value of the Hong Kong property under development in Kowloon East

– The Quayside – also increased to HK\$10,548 million (31 March 2018: HK\$8,733 million). Properties in Mainland China were valued at HK\$28,793 million (31 March 2018: HK\$18,335 million) as at 31 March 2019.

Our completed properties in Hong Kong and Mainland China were appraised by our Principal Valuer, Jones Lang LaSalle Limited, using income capitalisation and discounted cash flow approaches, while cross-referencing market comparables via direct comparison approach. Residual approach was applied to our property under development.

Management intends to keep our investment properties as long-term investments for their stable and recurring incomes.

Valuation Approach

	As at 31 March 2019	As at 31 March 2018
Income capitalisation approach – capitalisation rate		
Hong Kong		
Retail properties: weighted average	3.98%	3.98%
Car parks: weighted average	4.14%	4.14%
Overall weighted average	4.01%	4.01%
Mainland China		
Retail properties	4.25% – 4.75%	4.50% – 4.75%
Office properties	4.25%	4.25%

Management

Asset management plays an integral part in achieving Vision 2025. Our unique asset management model enables us to optimise our asset values and drive future portfolio growth, nurtures our corporate culture of excellence and sharpens our creativity when serving our communities. This financial

year was a landmark year for Link with the acquisition of Beijing Jingtong Roosevelt Plaza in Tongzhou, Beijing and CentralWalk in Shenzhen, thus expanding our footprint to cover all four tier-one cities in Mainland China, in addition to the divestment of 12 non-core properties with exceptional results.

Hong Kong Portfolio

Revenue Analysis

Uncertainty surrounding the trade war has dampened the retail market outlook of Hong Kong, particularly on the luxury goods sector. Backed by our resilient portfolio and

agile asset management plans, our portfolio performance has remained relatively stable, with total revenue increasing 7.2%, retail rentals increasing 7.1% and car park rentals increasing 9.4% on a like-for-like basis.

Revenue Breakdown

	Year ended 31 March 2019 HK\$'M	Year ended 31 March 2018 HK\$'M	Year-on-year change %	Like-for-like basis year-on-year change %
Retail rentals:				
Shops ⁽¹⁾	5,420	5,460	(0.7)	6.5
Markets/Cooked Food Stalls	925	905	2.2	11.1
Education/Welfare and Ancillary	137	149	(8.1)	2.4
Mall Merchandising	178	177	0.6	7.5
Car parks rentals:				
Monthly	1,496	1,537	(2.7)	10.6
Hourly	483	509	(5.1)	5.8
Expenses recovery and other miscellaneous revenue:				
Property related revenue ⁽²⁾	372	402	(7.5)	(0.8)
Total revenue	9,011	9,139	(1.4)	7.2

Notes:

- (1) Rental from shops included base rent of HK\$5,322 million (2018: HK\$5,339 million) and turnover rent of HK\$98 million (2018: HK\$121 million), respectively.
 (2) Property related revenue included other revenue from retail properties of HK\$369 million (2018: HK\$397 million) and car parks of HK\$3 million (2018: HK\$5 million).

Expense Analysis

We have been streamlining our portfolio and consolidating our management efforts to focus on the core portfolio.

Total property operating expenses increased by 8.2% on a like-for-like basis.

Property Operating Expenses Breakdown

	Year ended 31 March 2019 HK\$'M	Year ended 31 March 2018 HK\$'M	Year-on-year change %	Like-for-like basis year-on-year change %
Property managers' fees, security and cleaning	542	570	(4.9)	6.1
Staff costs ⁽¹⁾	484	431	12.3	23.8
Repair and maintenance ⁽²⁾	203	211	(3.8)	5.7
Utilities	249	284	(12.3)	(3.7)
Government rent and rates	274	288	(4.9)	4.5
Promotion and marketing expenses	131	136	(3.7)	(4.0)
Estate common area costs	87	100	(13.0)	2.6
Other property operating expenses	159	140	13.6	22.6
Total property operating expenses	2,129	2,160	(1.4)	8.2

Notes:

- (1) The increase in staff cost was mainly due to the historical high closing unit price of HK\$91.80 as of 29 March 2019 that substantially increased the accounting accrued amount for long-term incentive awards (as compared to the last closing unit price of HK\$67.00 as of 29 March 2018) and the expanded management team to broaden management bandwidth.
 (2) Unexpected expenses incurred in relation to Typhoon Mangkhut in September 2018 were mostly offset by the savings attained through disciplined cost controls in place during the year under review.

Retail

Hong Kong non-discretionary market remained relatively stable with the support of healthy growth in overall and public housing monthly household income and nearly full employment. As at 31 March 2019, occupancy rate for the

portfolio remained stable at 97.1% and the overall portfolio reversion rate stood at 22.5%. Average monthly unit rent improved to HK\$68.0 per square foot as at 31 March 2019 from HK\$62.4 psf as at 31 March 2018.

Retail Portfolio Breakdown

Properties	No. of properties	Retail properties valuation	Retail rentals	Average monthly unit rent ⁽¹⁾		Occupancy rate	
		As at 31 March 2019 HK\$'M	Year ended 31 March 2019 HK\$'M	As at 31 March 2019 HK\$ psf	As at 31 March 2018 HK\$ psf	As at 31 March 2019 %	As at 31 March 2018 %
Destination	6	31,985	1,313	86.7	83.0	95.4	96.3
Community	33	78,978	3,533	75.1	70.6	97.8	97.7
Neighbourhood	58	33,133	1,535	48.9	45.0	97.0	96.8
Properties divested ⁽²⁾	–	N.A.	279	N.A.	44.2	N.A.	94.6
Total	97	144,096	6,660	68.0	62.4	97.1	97.0

Notes:

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

(2) Amounts related to the 12 properties divested in March 2019.

Operational Statistics of the Retail Portfolio

	Occupancy rate		Reversion rate		% of total area ⁽¹⁾
	As at 31 March 2019 %	As at 31 March 2018 %	Year ended 31 March 2019 %	Year ended 31 March 2018 %	As at 31 March 2019 %
Shops	97.4	97.4	21.0	31.2	84.0
Markets/Cooked food stalls	92.2	92.9	28.7	12.9	9.1
Education/Welfare and Ancillary	99.5	97.1	9.6	15.0	6.9
Total	97.1	97.0	22.5	29.1	100.0

Note:

(1) Total excluding self-use office.

Portfolio Lease Expiry Profile

(As at 31 March 2019)

	% of total area %	% of monthly rent %
2019/2020	26.4	25.9
2020/2021	20.7	23.7
2021/2022 and Beyond	43.8	47.1
Short-term Lease and Vacancy	9.1	3.3
Total	100.0	100.0

Tenants' sales performance is a key indicator of the retail operating environment and effectiveness of our asset management initiatives. Among the ~9,000 tenancies across Hong Kong, the average monthly retail gross sales per square foot continued to grow by 5.4% as compared to the previous year. Daily necessity trades such as "Food and Beverage" and "Supermarket and Foodstuff" continued to outperform the Hong Kong market with year-on-year

growth in gross sales per square foot of 5.1% and 5.0%, respectively, while "General Retail" recorded a 6.7% increase.

For the year under review, rent-to-sales ratio of the overall Hong Kong portfolio stood at 13.5% while those of "Food and Beverage", "Supermarket and Foodstuff" and "General Retail" tenants were 13.9%, 12.2% and 14.3% respectively.

Portfolio Retail Trade Mix

(As at 31 March 2019)

Trade	By monthly rent %	By leased area %
Food and Beverage	28.3	28.9
Supermarket and Foodstuff	20.6	17.0
Markets/Cooked Food Stalls	14.5	8.7
Services	10.9	10.6
Personal Care/Medicine	5.9	4.0
Education/Welfare and Ancillary	0.9	7.0
Valuable Goods (Jewellery, watches and clocks)	0.9	0.5
Others ⁽¹⁾	18.0	23.3
Total	100.0	100.0

Note:

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

Car Parks

We own approximately 56,000 car park spaces that are mostly neighbouring our shopping centres. Our car park portfolio performance has benefitted from the market supply imbalance and our successful asset management

plans. On a like-for-like basis, income from car parks recorded a year-on-year increase of 9.4%. Car park income per space per month increased by 9.1% year-on-year to HK\$2,719 for the year ended 31 March 2019.

Key Car Park Performance Indicators

	Year ended 31 March 2019	Year ended 31 March 2018
Car park income per space per month (HK\$)	2,719	2,492
	As at 31 March 2019	As at 31 March 2018
Total valuation (HK\$'M)	35,059	34,510
Average valuation per space (HK\$'000)	625	567

Mainland China Portfolio

Our Mainland China portfolio has strengthened in the year with the addition of new assets in Beijing Tongzhou in January 2019 and in Shenzhen in March 2019. Together, we currently have five operating assets in Mainland China – EC Mall and Beijing Jingtong Roosevelt Plaza in Beijing, Metropolitan Plaza in Guangzhou, Link Square 1 & 2 in Shanghai and CentralWalk in Shenzhen – contributing 13.2% to our portfolio value as of 31 March 2019.

Overall Mainland China portfolio performance remained satisfactory with total revenue of HK\$1,026 million and net property income of HK\$807 million, representing a 16.1% and a 18.0% year-on-year increase, respectively. On a like-for-like basis excluding properties acquired during the years under analysis, revenue and net property income increased by 7.6% and 9.4% year-on-year, respectively.

Leasing demand of our retail assets remained strong, and they were close to fully-let with an occupancy rate of 98.5% with retail reversion rate of 30.2%. As we grow our portfolio in Mainland China, we will strengthen our team and stay agile in these challenging operating environments.

The majority of expiring office leases in Link Square 1 & 2 in Shanghai were renewed with good results in the second half of the financial year. The overall office reversion rate reached 23.8% for the year under review and the office occupancy rate was at 95.5% as at 31 March 2019. We expect this high-quality grade A office building will continue to provide a stable financial contribution to the Mainland China portfolio.

Portfolio Lease Expiry Profile

(As at 31 March 2019)

	Retail		Office	
	% of total area %	% of monthly rent %	% of total area %	% of monthly rent %
2019/2020	22.4	29.7	19.8	20.5
2020/2021	15.9	23.5	20.7	22.3
2021/2022 and Beyond	60.2	46.8	55.0	57.2
Vacancy	1.5	–	4.5	–
Total	100.0	100.0	100.0	100.0

Enhancement

We continued to upgrade the hardware of our properties and improve their attractiveness through asset enhancement. In 2018/2019, we completed 11 asset enhancement projects, among which seven were completed in the second half of the financial year. All the completed

projects in the second half of the financial year exceeded our target return on investment of 15%. The projects covered various districts and asset sizes, consisted of Cheung Fat Plaza, Choi Yuen Plaza, Fu Tai Shopping Centre, Kai Tin Shopping Centre, Lok Fu Place, Shun Lee Commercial Centre and Wo Che Plaza.

Return on Investment of Asset Enhancement Projects Completed in the Year Ended 31 March 2019

	Total Project Capex HK\$'M	Estimated return on investment % ⁽¹⁾
Fu Shin Shopping Centre ⁽²⁾	98	25.9
Homantin Plaza ⁽²⁾	116	24.2
Sam Shing Commercial Centre	35	20.9
Wan Tsui Commercial Complex	154	13.8
Cheung Fat Plaza	108	21.8
Choi Yuen Plaza ⁽³⁾	45	18.1
Fu Tai Shopping Centre	58	26.7
Kai Tin Shopping Centre ⁽³⁾	22	35.6
Lok Fu Place ⁽³⁾	159	16.6
Shun Lee Commercial Centre	70	15.2
Wo Che Plaza ⁽²⁾	154	15.4
Total	1,019	

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 expenditure and loss of rental.
- (2) Included a fresh market upgrade.
- (3) A further phase will be carried out in the future.

The asset enhancement of Lok Fu Place involved the transformation of the entrance at Junction Road into a glass box which increased its visual appeal, introduced more natural light and improved the overall ambience and operating efficiency of the shopping mall. We also introduced new tenants to increase the diversity of the shopping centre's offering. Wo Che Plaza was a fresh market project we completed in the financial year. We

have applied our fresh market standards, provided full air-conditioning coverage and introduced a new layout with wider corridors for barrier-free access.

Our asset enhancement pipeline is filled with projects in various stages, including four projects currently underway, six preparing to commence and 18 projects undergoing review.

Asset Enhancement Pipeline

	Number of projects	Estimated costs HK\$'M
Underway	4	580
Pending statutory approval	6	516
Others under planning	18	>750
Total	28	>1,846

Approved Asset Enhancement Projects Underway

	Estimated costs HK\$'M	Target completion date
Choi Ming Shopping Centre	94	Early 2019
Nam Cheong Place ⁽¹⁾	170	Mid 2019
Tsz Wan Shan Shopping Centre	150	End 2019
Sheung Tak Plaza ⁽¹⁾	166	Early 2020
Total	580	

Note:

- (1) Enhancement included fresh market.

Acquisition and Divestment

2018/2019 was a fruitful year with three major property transactions. We acquired Beijing Jingtong Roosevelt Plaza in Beijing in January 2019 and completed the divestment of 12 properties in March 2019. We ended this year with the acquisition of CentralWalk in Shenzhen, a milestone marking our presence in all four tier-one cities in Mainland China.

Beijing Jingtong Roosevelt Plaza was acquired at a consideration of RMB2,560 million. The property is strategically located at 21 Cuijingbei Lane in Tongzhou, the designated sub-centre of Beijing under the Beijing City Government overall plan. The district is supported by a mature residential community with strong consumption demand. The asset's good connectivity and upcoming tenant remixing opportunities imply further upside potential to be realised by our asset management expertise. The acquisition was completed on 23 January 2019.

We also completed another record-breaking divestment in March 2019. We sold a batch of 12 properties to a consortium at a 32.1% premium to the appraised value of the divested portfolio as of 30 September 2018. Despite market volatility, the sale attracted overwhelming interests from leading international investors, including global and regional private equity funds. The divestment, which resulted in a disposal gain of about HK\$2,761 million, was completed on 13 March 2019. Sales proceeds will be used for new investment opportunities in Hong Kong and first-tier cities in Mainland China, debt repayment, return of capital and general corporate purposes.

In March 2019, we acquired CentralWalk in Shenzhen at a consideration of RMB6,600 million. This transaction marked Link's first venture in Shenzhen and the fifth in Mainland China. CentralWalk is strategically located at Fuhua Road in Shenzhen, at the heart of Futian's central business district, and surrounded by grade-A offices, five-star hotels and city landmarks. It also enjoys good accessibility with direct connection to metro interchange and is within a five-minute walking distance from the Futian high speed rail station that connects CentralWalk to Hong Kong and most parts of the Pearl River Delta. CentralWalk is well-placed to

serve the district's growing residential and working population and the potential catchment brought by the high speed rail link and Greater Bay Area development. Our team will apply our expertise in asset management and placemaking to extend the reach and attractiveness of the mall.

Currently, we own approximately five million square feet of retail and office space in all four tier-one cities. Our Mainland China portfolio constitutes about 13.2% of Link's total portfolio value, which is within our self-imposed management guidance of 20.0%. Although we do not have a specific time frame for the asset allocation guidance, our management will continue to be disciplined and opportunistic in our asset acquisition and divestment strategy. Our preferred targets remain to be retail properties and premium grade-A offices in both Hong Kong and tier-one cities and their surrounding river delta areas in Mainland China.

Development

We obtained the occupation permit of The Quayside – our joint venture project with Nan Fung Development Limited at 77 Hoi Bun Road in Kowloon East – in May 2019. This state-of-the-art grade A office building will be our new headquarter and our office relocation is expected to complete by the end of June 2019. Other tenants including JP Morgan, WeWork and Gammon will move in gradually after the completion of fitting out works. The retail podium will include tenants ranging from coffee bars, international cuisines, local delicacies, lifestyle and convenience stores to a fitness studio to meet the needs of the office workers. As at the end of March 2019, more than half of the retail and office spaces were leased and much of the remaining spaces were under advanced negotiations or final documentation.

This premium asset is designed and managed with special focus on placemaking and sustainability. Green initiatives will also be introduced in phases to encourage efficient operations and environmental conservation. We aim to create a highly productive workplace for people, taking into consideration their health and well-being, and make The Quayside the workplace of choice.

Strategic Priority 2

Maintain a Balanced Capital Structure



10.7%

Gearing ratio

69.8%⁽¹⁾

Fixed rate debt/
Total debt

3.12%⁽¹⁾

Effective interest rate

A/A2/A
Stable

Credit ratings

During the financial year ended March 2019, the US Federal Reserve raised interest rate three times for a total of 0.75%. However, in the first quarter of 2019, amidst the slower growth of US economic activity and the low inflation, US Federal Reserve pulled back its rate hike plan. 10-year US Treasury bond yield retreated from its peak at 3.2% in November 2018 to 2.4% at the end of March 2019.

The effect of US\$ interest rate hikes on HK\$ interest rates started to become more evident during the period as the Hong Kong Monetary Authority aggregate balance, a gauge of local interbank liquidity, declined by HK\$121 billion to HK\$65 billion. 1-month HK\$ HIBOR increased by 0.67% to 1.66% during the financial year. However, the effective interest cost of the Group's HK\$ debt portfolio only increased slightly to 3.12% as at 31 March 2019 (31 March 2018: 2.89%). As at 31 March 2019, 69.8% of our HK\$ debt was maintained at fixed interest rate (31 March 2018: 75.8%). Average life of HK\$ fixed-rate debt, a measure of the average period of interest rate protection provided by fixed rate debt, stood at 4.8 years (31 March 2018: 5.3 years).

Note:

(1) Referring to HK\$ debt portfolio.

During the financial year, 12 non-core Hong Kong properties were divested for total proceeds of HK\$12.0 billion and two Mainland China properties were acquired at a total consideration of HK\$10.7 billion. In June 2018, we announced our intention to buy back up to 80 million units in 2018/2019 to neutralise the loss of distribution amount from the asset divestment in 2017/2018. By 31 March 2019, we had bought back only 42.1 million units at a total cost of HK\$3.2 billion, mainly due to the extended period of trading blackout related to the asset divestment and acquisitions during the year. In view of the buyback shortfall of 37.9 million units in this financial year, management proposed an additional distribution of HK\$53 million or HK2.51 cents per unit in the final distribution to return capital to Unitholders.

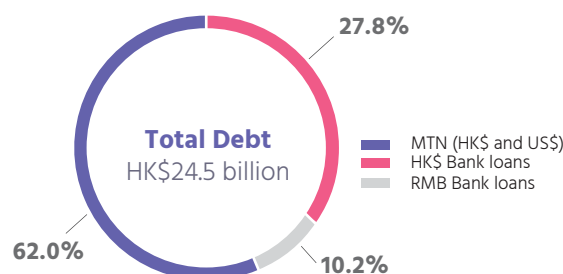
Looking ahead, management intends to continue to return capital arising from previous divestments to Unitholders, with preference to unit buyback of approximately 60 million units, where market conditions and regulations permit.

On 7 March 2019, Link successfully priced its green convertible bonds due 2024, raising HK\$4 billion at 1.6% per annum, the lowest coupon rate achieved by Asian REITs over the past five years. Underscoring Link's commitment to sustainable development, the green convertible bond issue marked the first ever green convertible bond globally in the real estate sector and for Hong Kong issuers. The convertible bonds were issued on 3 April 2019 and are convertible into new Link units at an initial conversion price of HK\$109.39 per unit, which is equivalent to 22.5% premium above the unit price at deal pricing. The convertible bond issue helped replenish Link's maturing facilities, diversify our funding sources and expand our investor base. The proceeds of the convertible bonds will be used to refinance or fund Link's existing and future eligible green projects under and general corporate purposes that fits its Green Finance Framework which received second opinion by Sustainalytics and the Hong Kong Quality Assurance Agency.

As at 31 March 2019, the Group's total debt decreased slightly to HK\$24.5 billion (31 March 2018: HK\$26.3 billion). The Group's available liquidity reduced to HK\$16.1 billion (31 March 2018: HK\$22.7 billion), comprising of HK\$6.8 billion cash and deposits (31 March 2018: HK\$11.7 billion) and HK\$9.3 billion undrawn committed facilities (31 March 2018: HK\$11.0 billion). The average life of committed debt facilities remained stable at 3.6 years (31 March 2018: 3.9 years). Gearing ratio steadied at 10.7% (31 March 2018: 11.9%).

On our corporate credit ratings, Moody's relaxed the key rating trigger on Link from 5.0-5.5 times debt-to-EBITDA to 6.0-6.5 times while affirming Link's credit rating at "A2/Stable" on 24 August 2018. The relaxation of these rating triggers provides Link with a larger acquisition buffer in raising debt to finance future acquisitions when opportunities arise. On 5 September 2018, Standard and Poor's reaffirmed Link's rating at "A/Stable". In January 2019, we have introduced Fitch Ratings as the third rating agency to widen Link's credit rating spectrum. On 26 February 2019, Fitch Ratings assigned the first-time "A/Stable" rating to Link.

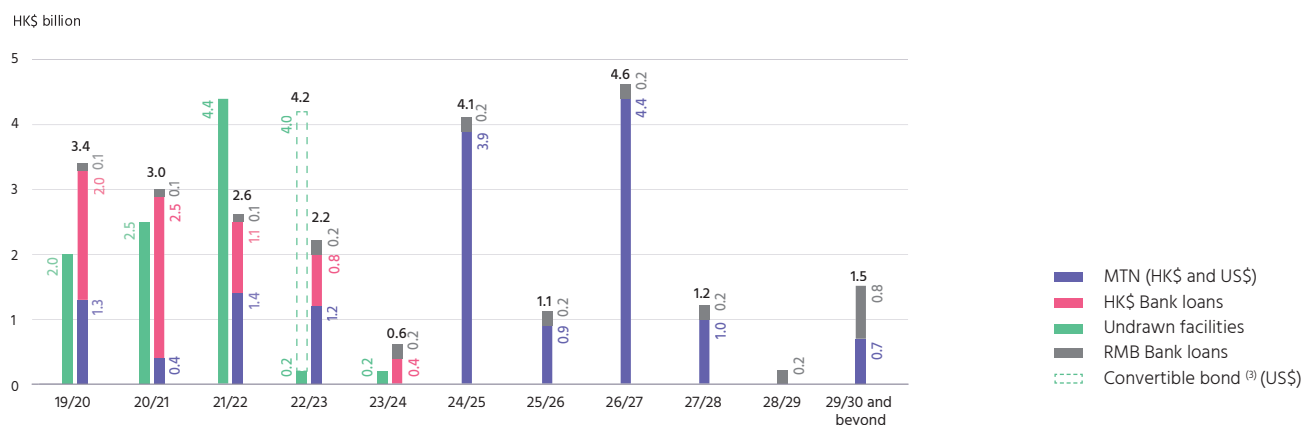
On foreign exchange management, as the interest rate differential between RMB and HK\$ reduced, it has become more cost-effective to hedge the Group's exposure in RMB denominated income. In March 2019, Link entered into approximately RMB700 million forward contracts against HK\$ to lock part of our RMB denominated net income in Mainland China in HK\$ term.

Funding base (as at 31 March 2019)

Committed Debt Facilities⁽¹⁾ (as at 31 March 2019)

(HK\$ billion)	Fixed rate debt ⁽²⁾	Floating rate debt ⁽²⁾	Utilised facilities	Undrawn facilities	Total committed facilities
Hong Kong					
HK\$ Bank loans	6.0	0.8	6.8	9.3	16.1
MTN	9.3	5.9	15.2	–	15.2
Sub-total (Hong Kong)	15.3	6.7	22.0	9.3	31.3
Mainland China					
RMB Bank loans	–	2.5	2.5	–	2.5
Sub-total (Mainland China)	–	2.5	2.5	–	2.5
Total	15.3	9.2	24.5	9.3	33.8

Facility Maturity Profile⁽¹⁾ (as at 31 March 2019)

(HK\$ billion)	HK\$ bank loans	RMB bank loans	MTN	Undrawn facilities	Total
Due in 2019/2020	2.0	0.1	1.3	2.0	5.4
Due in 2020/2021	2.5	0.1	0.4	2.5	5.5
Due in 2021/2022	1.1	0.1	1.4	4.4	7.0
Due in 2022/2023	0.8	0.2	1.2	0.2	2.4
Due in 2023/2024 and beyond	0.4	2.0	10.9	0.2	13.5
Total	6.8	2.5	15.2	9.3	33.8

Facility Maturity Profile⁽¹⁾ (as at 31 March 2019)


Notes:

(1) All amounts are at face value.

(2) After interest rate swaps.

(3) HK\$4 billion green convertible bond priced on 7 March 2019 and subsequently issued on 3 April 2019. It has a maturity of 5 years with 3 years put option.

CULTURE OF EXCELLENCE





WE BUILD A STRONG TEAM



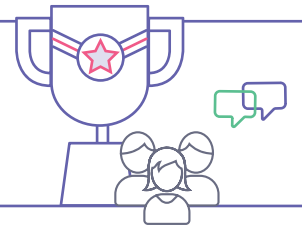
Through continuous two-way engagement, we unite as a team to strive for excellence and to strengthen bonds with our stakeholders.

Objective

To attract, retain and incentivise the right talent

Goal

Become "Employer of Choice"



Initiatives

- Invest in learning and development
- Engage our staff
- Offer benefits enhancing staff health and well-being
- Build team work and encourage creativity

Which Creates Value

KPI Targets

Talent

Relationship



Staff Satisfaction

Improve staff satisfaction rating to **>80%**

Staff Attrition Rate

High performing staff **Low**

Strategic Priority 3

Develop a Strong Team



~1,270

Training and development session^(1,2)

16.4%

Staff attrition rate⁽²⁾

66.7%

Male

Board diversity

33.3%

Female

60.0%

Male

Senior management diversity

40.0%

Female

47.8%

Male

Staff diversity

52.2%

Female

At Link, we take an integrated approach to developing our people. We challenge our team to perform at their best as they develop their careers within Link. We strive to build a collaborative culture and nurturing environment to support our Vision 2025.

Note:

(1) For more details, please visit our Corporate Website – Sustainability Linkreit.com/sustainability.

(2) Data for Hong Kong only.

Developing Link's Professional Team

People are our most valuable asset, and they play a vital part in translating Link's vision into success. In order to create sustainable growth and deliver long-term value to our stakeholders, we put in place a learning platform that is dynamic, robust and responsive to our business and staff development needs. Our approach ensures that our 955 staff members in Hong Kong and Mainland China are well-skilled, empowered and engaged to unleash their full potential at work. Our commitment to promoting excellence, innovation and collaboration promotes a culture for life-long learning among our staff.

To remain competitive in attracting and retaining the top talent, we regularly review our workforce profiles, remuneration structure, learning and development programmes and other benefits, against market practices.

Talent Acquisition

Acquiring the right talent at Link is the first step towards building a strong foundation for our organisation. We place a strong emphasis on diversity – whether from fresh graduates, high-potential young professionals to experienced hires, or talent across different technical and functional backgrounds – which strengthens our organisational bandwidth and sharpens our competitive edge. Our new staff assimilation programme, navigating guide as well as onboarding process are fully endorsed by senior management, functional leaders and human resources partners. Their active engagement is instrumental in integrating new staff into our organisation.

Talent Cultivators

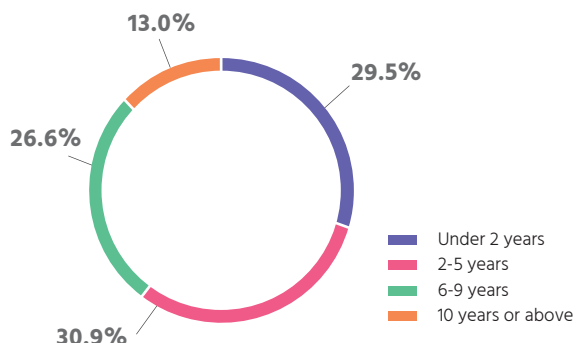
We invest in our staff to ensure they have the capabilities to execute business strategies and help us accelerate our business growth. Our Management Associate Programme focuses on the development of young talents with prior working experience. Our management associates will go through competency-based assessment centre, before the selected ones will undergo a fast track career development programme, which includes rotational learning and other components.

Our annual summer internship programme, now on its 13th year in Hong Kong and second year in Mainland China, has been enhanced to offer placements in both locations. Since 2018, we have been participating in the "Scheme on Corporate Summer Internship on the Mainland and Overseas", a joint initiative between the HKSAR Government and 18 major companies in Hong Kong.

Leadership Development

In 2018/2019, a series of leadership development strategies comprised of executive coaching, new leaders assimilation, leadership assessment and profiling were launched to further strengthen our leadership capabilities. Leadership conferences and management retreat were held for senior management with a primary focus on innovation, collaboration, change and transformation.

Employees' years of service



Staff Engagement

With a growing portfolio across Hong Kong and Mainland China, it is important to align our workforce to organisation goals and strategies. For our Mainland China team, town hall meeting was organised this year to support interactions and ensure understanding of company directives. Not only do we strengthen our engagement with staff, but we also solicit feedback for management to formulate initiatives for continuous workplace improvement.

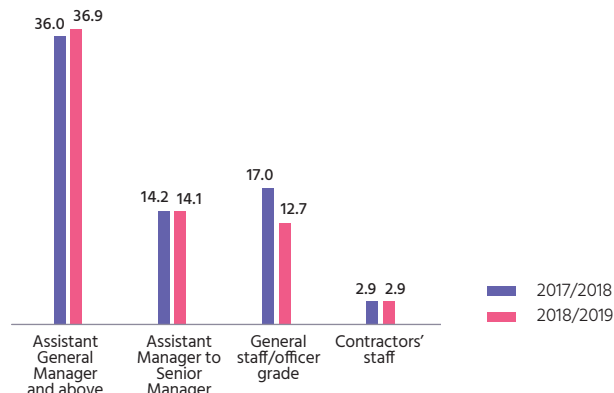
Staff become more engaged through volunteering. Link's staff volunteer committee continued to encourage our staff to participate in various volunteering activities such as Link Together Initiatives and other charity programmes. Throughout the year, over 80 staff participated and 82 days of volunteer leave were granted.

Our annual employee survey helps us understand our employees better and where we need to improve. We want to ensure that our staff are proud to work at Link and are committed to Link. This year we introduced a short questionnaire to collect essential information about staff engagement and alignment. We intend to offer more frequent pulse checks to allow for faster follow up on feedback and to make meaningful changes.

Diversity and Inclusion

We value diversity and inclusion in building a strong and agile workforce. At Link, we nurture our talent pipeline by welcoming talents from a broad range of gender, ethnicity, backgrounds, skills and experiences. Through enhancing the diversity of our business, we believe diversification supports knowledge sharing, decision making and more importantly, innovation and creativity.

Average hours of training



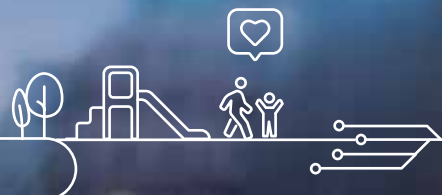
As of 31 March 2019, we had a total of 897 employees in Hong Kong and 58 employees in Mainland China; roughly half of our workforce was female. Among our 12-member Board and senior management team, we had four female members in each category. Our employees are spread relatively evenly across different age groups. In the year under review, our attrition rates for Hong Kong and Mainland China were approximately 16.4% and 1.8% respectively, while the turnover rate for high performance staff remained low.

Culture

Fostering an open, inclusive and collaborative culture can strengthen our people's sense of well-being, job fulfilment and ownership which will ultimately contribute to people recognising Link as an Employer of Choice. In 2018/2019, we evaluated the current state of our culture through interviews and focus groups with over 180 colleagues across the business. The findings helped us identify that our people value most career development, work-life balance and job satisfaction.

To prepare and align our team to Vision 2025, we launched the "We Are Linkers" programme to align and reinforce the values, behaviours and culture across our business. In preparing for our new office move, Link has established a team of Office Move Champions to develop and coordinate our moving plan and serve as ambassadors in strengthening our corporate culture focusing on excellence. During the year, a showroom with new office furniture was set up for our staff to try and experience. Comments gathered were reverted back to the working team for consideration. Our new headquarters at The Quayside will serve as the platform to springboard our revitalised commitment to building a stronger culture at Link.

VISIONARY CREATIVITY



WE INNOVATE WITH A VISION

“Doing well by Doing good” by applying our vision, creativity and technological innovation.

Objective

Doing well by doing good

Goal

Placemaking through innovation

Initiatives

- Engage all stakeholders
- Implement no single-use plastic campaign
- Install solar panels
- Contribute to the society through Link Together Initiatives
- Enhance operational efficiency platform, e.g. business intelligence, facilities management with use of information technology
- Pioneer in best sustainability practices eg. Task Force for Climate-related Financial Disclosures (TCFD) & United Nations Environment Programme (UNEP)

Which Creates Value

KPI Targets

Placemaking



Tenant Sales Growth

Outperform Market

Open Space Initiatives

Utilisation **100%**

Innovation Relationship



Customer Engagement

Customer satisfaction score **>70%**

Impact of Link Together Initiatives

Create social benefit **≥HK\$2^(2,3)**

Environmental



Energy Consumption

Energy savings compared to baseline by 2020⁽¹⁾ **35%**

Waste Management

Organic waste to landfill **ZERO**

Notes:

(1) On a like-for-like basis comparing to the baseline set in 2010.

(2) For every HK\$1 invested.

(3) Measured by Total Impact Assessment.

Strategic Priority 4

Help Our Communities Flourish



~300

Link Tenant Academy participants in 2018/2019

+7% yoy

Favourable Brand Perception

\$14.4M

Earmarked in 2018/2019 under Link Together Initiatives

9 projects

Approved in 2018/2019 under Link Together Initiatives

When the communities around us do well, Link does well. The dedication, expertise and sense of ownership of each Linker enable us to help communities around us flourish.

Placemaking with extended living rooms

Being the extended living rooms of the people living in the communities around us, Link offers a place for people to visit and enjoy social gathering through our property network. A total of 75 marketing events were organised across the year. From festive programmes to local community promotions, they enhance community living and attract visitations.

“Souper Kitchen” was held to promote food upcycling and family bonding through local soup culture. This programme was organised at Lok Fu Place, Temple Mall, Lei Yue Mun Plaza and Butterfly Market. Celebrity chef Jason Wang prepared four gourmet soups using surplus food collected from Link’s fresh markets with other fresh ingredients. All sales received from this programme were donated to Food Angel to benefit people in need.

“Stanley Plaza Finnish Christmas Wonders” was endorsed by The Consulate General of Finland in Hong Kong and Macao and the Finnish Chamber of Commerce. The market was Hong Kong’s first-ever dog-friendly Christmas Market, with over 80 iconic Finnish houses offering Finnish delicacies, gifts, and northern light merchandise. To further promote green living, we offered reusable cutlery rental service for the first time. The unique Finnish Christmas festivities attracted over 300,000 visitors.

As our presence in the Greater Bay Area increases, there is more opportunity for increased connectivity between our properties in the region. We promoted culinary and cultural exchanges between the Mainland and Hong Kong, having popular key opinion leader Zhang Ting-Ting led customers of Metropolitan Plaza in Guangzhou on a gourmet tour to Hong Kong to taste local delicacies in five Link shopping centres and visit other Hong Kong attractions. Metropolitan Plaza also hosted comedy and singing performances, entertaining cooking shows and a fun food-related game for hundreds of customers.

Successfully reimagining the future of properties demands a multidisciplinary approach. To facilitate our long-term vision and commitment to create flourishing places, we established a Placemaking Committee this year tasked to articulate how our property portfolio will evolve and transform. This includes establishing a long-term asset management plan, developing underutilised open spaces and ensuring that our properties are future fit.

Technology and Innovation

We continued to invest in technology and strengthen our digital efforts to provide a complete customer shopping experience and build brand loyalty. We launched the first retail tenant staff appreciation event, “LIKE Link’s Shop Staff” campaign, via our award winning Park & Dine mobile app to strengthen ties between retail businesses and their employees with support from over 300 tenants.

We adopted a test and learn approach at T.O.P This is Our Place to explore and trial different applications which may be extended to other properties in our portfolio. In the year under review, we successfully launched an all-round engagement platform through T.O.P app, merchant app, Facebook, Instagram and WeChat, to reach our target segments. We also introduced our first loyalty programme, with over 36,000 members and engaged approximately 70% of our tenants to participate in sales driven promotions. In terms of big data, we have established an analytics platform to consolidate all our data sources and transform them into business insights.

Technology is being adopted and integrated throughout our organisation. Our Facilities Management Information Technology programme will help streamline property management procedures, while our newly created Business Intelligence programme will use data analytics to forecast and identify how to run our operations more efficiently.

CONNECTION Conference

At Link, we organise the CONNECTION Conference as an interactive sharing platform annually to engage and update our stakeholders on our business strategy. This year, our theme was “single-use plastics” as we aimed to collaborate with our working partners to reduce the use of single-use plastics in our properties. With a total of 60 participants across our value chain joining the conference, including the Government, tenants, contractors, suppliers and NGOs, we had an insightful discussion on both the challenges and solutions towards reducing single-use plastics. Link is planning to roll out a pilot programme at our properties and we will continue to work closely with our stakeholders in creating shared values.



“LIKE Link’s Shops Staff” campaign



KEY HIGHLIGHTS

>300 tenants across **68** malls joined with **1,500** shop staff participants

>55,000 Park and Dine downloads with **86,000** votes cast

1st tenants’ employee appreciation event organised by shopping centres in Hong Kong which generated coverage from **130** media outlets

Link understands that tenants’ frontline staff are a very important touchpoint throughout a customer’s journey. Their level of customer service directly impacts customers’ shopping experience. To recognise and encourage their efforts to make Link shopping centres the place to be, we launched the “LIKE Link’s Shops Staff” campaign where shoppers could vote and show appreciation for their favourite shop staff. The campaign ran from 3 December 2018 through 6 January 2019 and was a resounding success.

Link Tenant Academy

Building relationships with our tenants are essential. We support our tenants through our Tenant Academy by sharing the latest retail trends and industry best practises. In 2018/2019, we organised three seminars that attracted around 300 participants.

This year, our Tenant Excellence Award continued to recognise tenants with outstanding services. In the year under review, 67 of our tenants joined the scheme, of which 82% were returning participants. After evaluation by an external consultant, a total of 33 shops were awarded, half of them being recognised for the second year. Winners were given opportunities to join in-depth training to further develop their business skills.

Link Together Initiatives

We put our vision of serving and improving the lives of those around us at the core of our business. Since 2013, our flagship charity and community engagement programme – Link Together Initiatives – supports and advances sustainable development in the communities we serve. Each year, we earmark up to 0.25% of the net property income of our last financial year to fund charitable projects. Since 2013/2014, we have earmarked approximately HK\$61.4 million under the Link Together Initiatives for community and charitable projects, of which HK\$14.4 million were approved for nine projects in 2018/2019. The two funding focuses were Major Project Fund and Link University Scholarship, with approximately HK\$10.6 million contributed to the Major Project Fund's eight projects and HK\$3.8 million allocated to 190 scholarship awardees.



Inaugurated in 2015, The Link University Scholarship programme is our flagship programme to support the development of future talent in Hong Kong. The programme focuses on reducing barriers to education by providing scholarships to students that are the first in three generations within their families to attend universities. We will also establish a mentorship programme that brings together current Linkers and future talents, creating a transformational engagement ecosystem where students are mentored on career paths, presented with job opportunities and coached for personal development.

To understand a funded project's impact in the local community, we continued to conduct total impact assessment to evaluate project performance. Impact assessment assists both Link and the NGOs to keep track of programme effectiveness and identify ways to improve the impact. This year, two completed projects under the 2017/2018 funding cycle were assessed. "Food Angel – Love and Food Sharing" was a surplus food recycling programme at Link's fresh markets and shopping centres. In its second year of funding, the programme impact has improved as every HK\$1 invested, created HK\$3.2 worth of socio-environmental benefits to the community (2016/2017: HK\$2.1). We have also conducted an impact assessment on a youth empowerment programme, "Music for Everyone @ Link" by Music Children Foundation, which introduced classical music to underprivileged children through interactive music performances and offered music scholarship for talented youth. During the year, the programme created HK\$1.5 worth of social benefits for every HK\$1 invested, with over 1,400 beneficiaries including five scholarships awarded to students to further develop their musical talents.

Perception Audit

To better understand stakeholders' opinion on Link, we have been conducting independent perception audits since 2013. In 2018/2019, the audit results reflected a continuing uplift of favourable brand perception, as a year-on-year growth of 7% was recorded (66% in 2019 vs 59% in 2018) among the 750 respondents we surveyed.

Building Trust with Unitholders

Link is committed to engaging the investment community by informing our investors on a timely basis about our developments through various channels. Apart from publishing interim and annual reports, Link updates our operations by publishing informative press releases, announcements and investor presentations which are easily accessible online by investors.

We also treasure opportunities to communicate in person with investors. Annual General Meeting with Unitholders allows investors to raise questions directly to senior management and the Board. Towards the end of this financial year, we hosted over 50 buy-side and sell-side analysts and fund managers at our first investor day in Shenzhen. Senior management regularly attend investor meetings and broker conferences to discuss corporate strategies, explain business updates and receive market feedback. Such feedback is updated to the Board on a regular basis to keep the Board abreast of investors' perception of Link. We believe our stewardship and corporate governance differentiates Link from our peers as an industry leader. We will continue to seek Unitholder support and show our execution capabilities in achieving Vision 2025.



Environmental Excellence

We endeavour to protect and enhance our natural environment by minimising resource consumption and delivering sustainable projects to deliver a net positive environmental impact. As we grow our business sustainably, we continue to reduce energy use by optimising operations and investing in energy-efficient technologies, implementing retro-commissioning initiatives and fine-tuning our control systems to optimise our building service system's energy efficiency. Since 2010, we have achieved a 29.5% cumulative reduction in energy use in Hong Kong on a like-for-like basis, edging closer to our stated target of 35% by 2020.

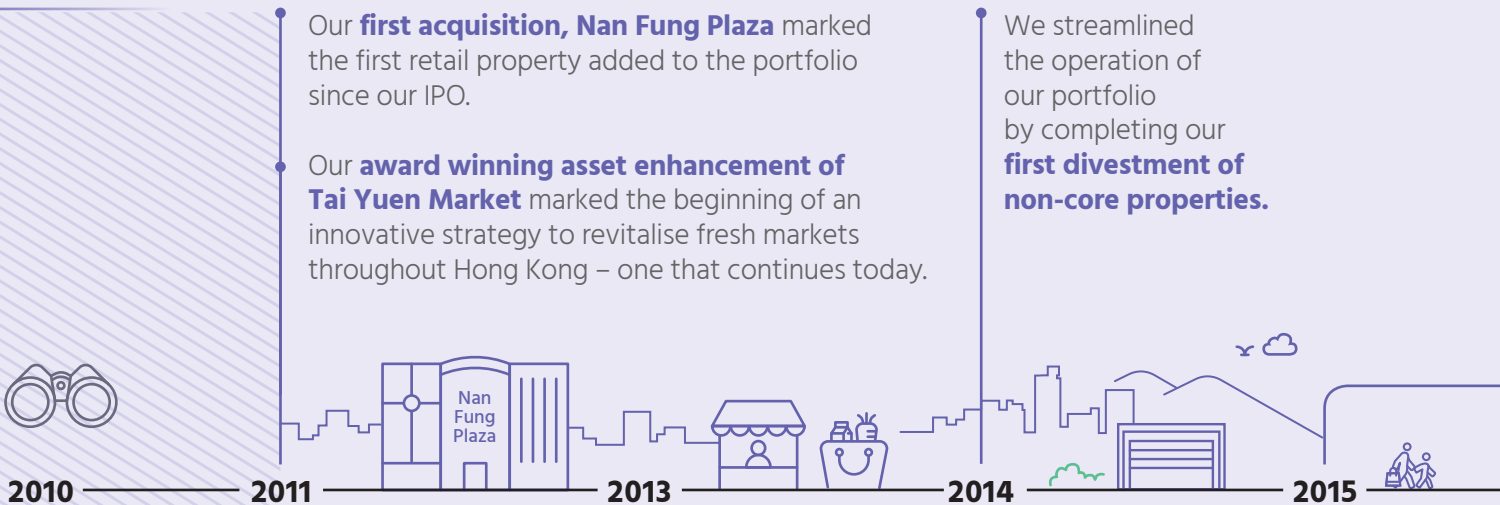
We recognise the risk that climate change poses to our business and manage this by reducing carbon emissions throughout our operations. To support the transition towards a low carbon future we made a pledge with the Business Environment Council's "Low Carbon Charter" for the property and construction sector in Hong Kong.

Our energy management initiatives to date have largely been focused on reducing absolute consumption. Moving forward, renewable energy solutions will likely be a key part of our energy management strategy, enabled by improvements in technology combined with the recent introduction of incentive schemes. Following a preliminary study, we identified 29 properties across our portfolio in Hong Kong that may be suitable for installing solar PV systems for power generation. During 2019/2020, we will conduct a feasibility assessment at four of these properties.

Transitioning to a circular economy and using materials effectively can reduce waste and costs. We try to minimise surplus food across our properties and grow our network of charity food donation partners. During the year, besides donating approximately 148.9 tonnes of surplus food from our fresh markets, we facilitated an additional 190.8 tonnes of raw and packaged food collected from other sources outside of our properties. All these food items were redistributed or used as cooking ingredients to produce over 1.2 million meals to people in need.

Evolution into a Sustainable Business

Link has always strived to be a sustainable business, one that performs well financially, environmentally and socially. It is a journey that we have embarked on over the past 10 years, one that has led to many innovative accomplishments, but more importantly, one that has fostered stronger relationships with many stakeholders along the way.



Our **Vision, Mission and Values** set the foundation for our journey towards achieving sustainability.

Our **Sustainability Framework** expanded on our Vision, Mission, Values and outlined seven key areas that guided us towards achieving sustainability.

Link Together Initiatives was launched to fund community projects that support youth development, active aging and resource management.



Our brand promise, **“We Link People to a Brighter Future”** galvanises our team of Linkers around a corporate purpose focused on continually enhancing the well-being of those around us.



CONNECTION Conference was setup to identify emerging challenges and collaborate with different organisations across our value chain, to develop encompassing solutions.

Launched the **Link University Scholarship programme** to help first generation university students realise their dreams and to be a pipeline for acquiring and nurturing future Link talent.

The acquisition of EC Mall in Beijing marked our **inaugural venture into investing in and managing properties outside of Hong Kong.**

With two new acquisitions in 2019, we have a **presence in all four tier one cities in Mainland China** – Beijing, Guangzhou, Shanghai and Shenzhen – comprising 13.2% of our portfolio value as of 31 March 2019.

2017

2019

Our sustainability framework evolved into the current **value creation model**, underscoring our holistic approach to drive long term value creation for all of our stakeholders.

→ see pages 6-7

Vision 2025



Our Vision 2025 sharpens our focus to propel us forward in the medium term.

→ see page 11

Issued world's first green convertible bond in the real estate sector demonstrating Link's commitment to responsible investment and innovative green finance.



Green Bond

Collaborated on a pioneering UN project to translate climate change challenges into investment metrics to enhance the long term resilience of our property portfolio.

Portfolio Growth

Culture of Excellence

Visionary Creativity

VISION 2025



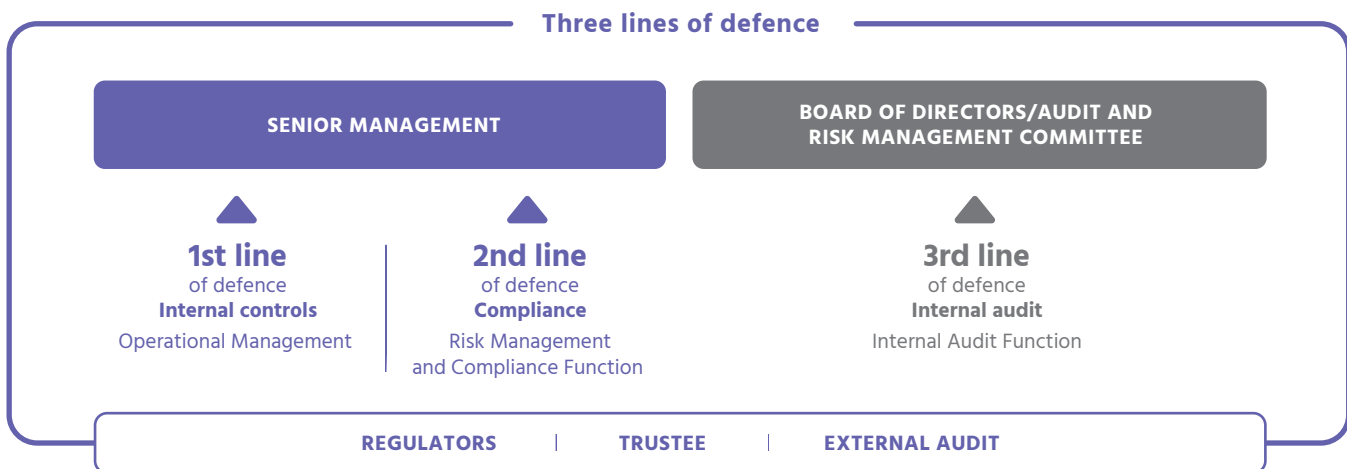
Our Commitment to Risk Management

Link believes risk management is the responsibility of every Link employee and is integrated into all aspects of our operations to form the risk management culture of Link. During 2018/2019, we continued to improve our risk management policies and to 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 it is 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 (the 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 Compliance Function and the Internal Audit Function.

(A more detailed explanation of the ARMC's activities is included in the Governance, Disclosures and Financial Statements report on pages 31-33.)

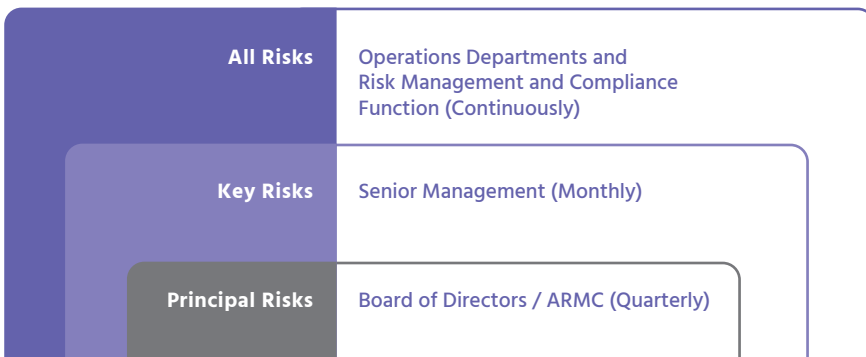
1st Line of Defence – Operational Management

Being the first line of defence, operational management is in charge of business risk decision making. In order to manage the risks of our business, internal controls over risk management have been integrated into the daily operations with clearly established policies and procedures. Operational management is responsible for the implementation of effective internal controls to ensure business units are operating within the guidelines of our established control framework. During the year under review, operational management had updated relevant policies and procedures to cater for the evolving needs of Link’s existing business or newly acquired business. Additional internal control measures have been put in place to anticipate and manage risks associated with Link’s new business initiatives.

2nd Line of Defence – Risk Management and Compliance Function

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 units to facilitate the risk management processes, support management in assessing known and emerging risks, conduct risk analysis and risk workshops, maintain key risk indicators (KRI), develop risk reports, follow up on internal controls and assist in developing risk escalation policies. As part of our risk reporting, internal control issues identified at the business unit level, if any, will be reported to the Board/ARMC/senior management to ensure that the risk oversight responsibilities could be carried out effectively.

Link’s risks are monitored by



3rd Line of Defence – Internal Audit Function

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 environment 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.

Recognised Risk Management and Assessment Framework

With reference to a globally recognised risk management framework (ISO 31000:2009), establishing context is about setting the parameters around Link’s risk appetite and risk management activities. It is important to ensure that the internal control 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.

Risks 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.

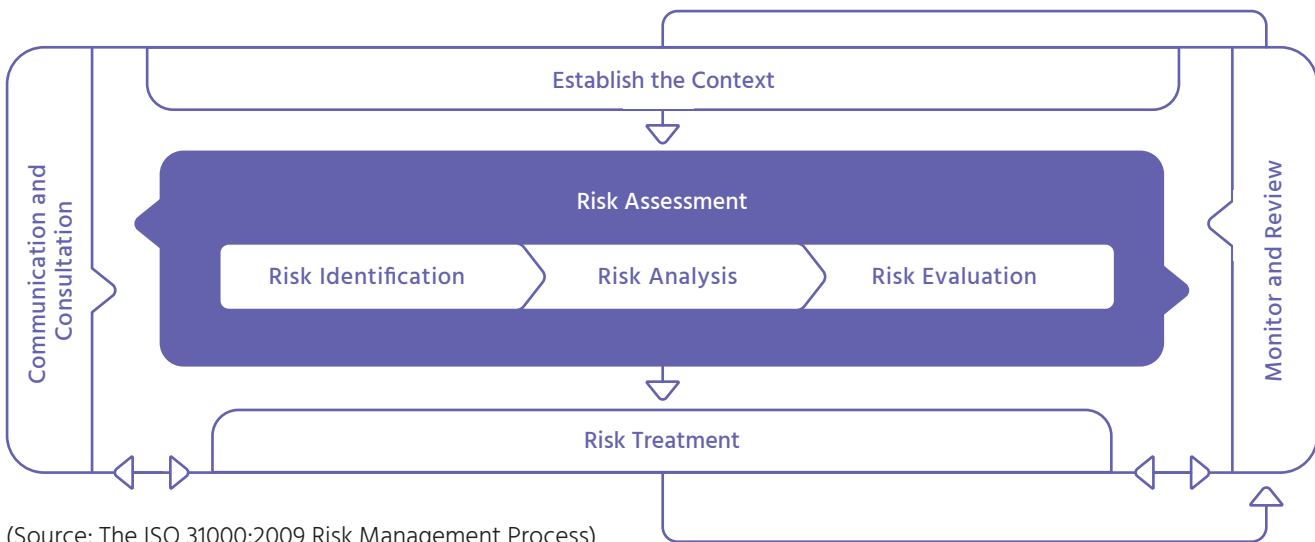
After assessing the inherent risks by possible causes, sources, likelihood and impact of the risk event, we can lower the risk by reducing the likelihood of the risk event occurring or by

reducing the significance of the risk impact if it does occur through implementation of effective internal controls. Residual risk remains after internal controls are applied to an identified inherent risk.

An annual risk assessment, through various risk workshops, has been performed in an integrated top-down and bottom-up approach. Existing internal controls have been discussed and risks are evaluated at the entity level as well as the individual business unit level to determine the residual risk ratings. In addition, effectiveness of internal controls are monitored by the Risk Management and Compliance Function and reported to the ARMC periodically.

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

Risk management process

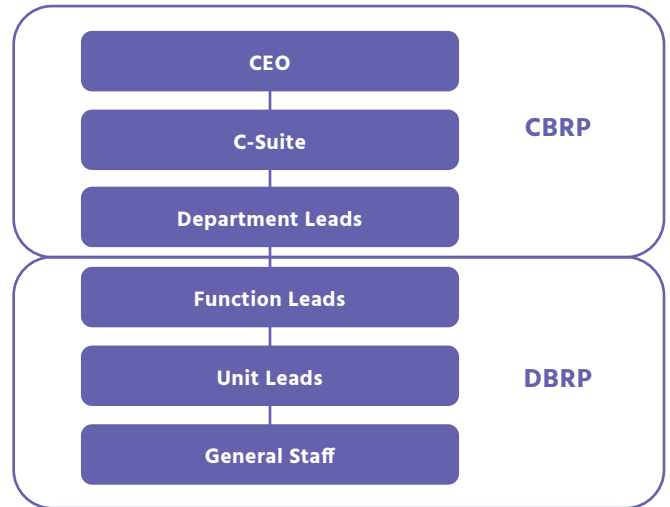


Risk Escalation Process

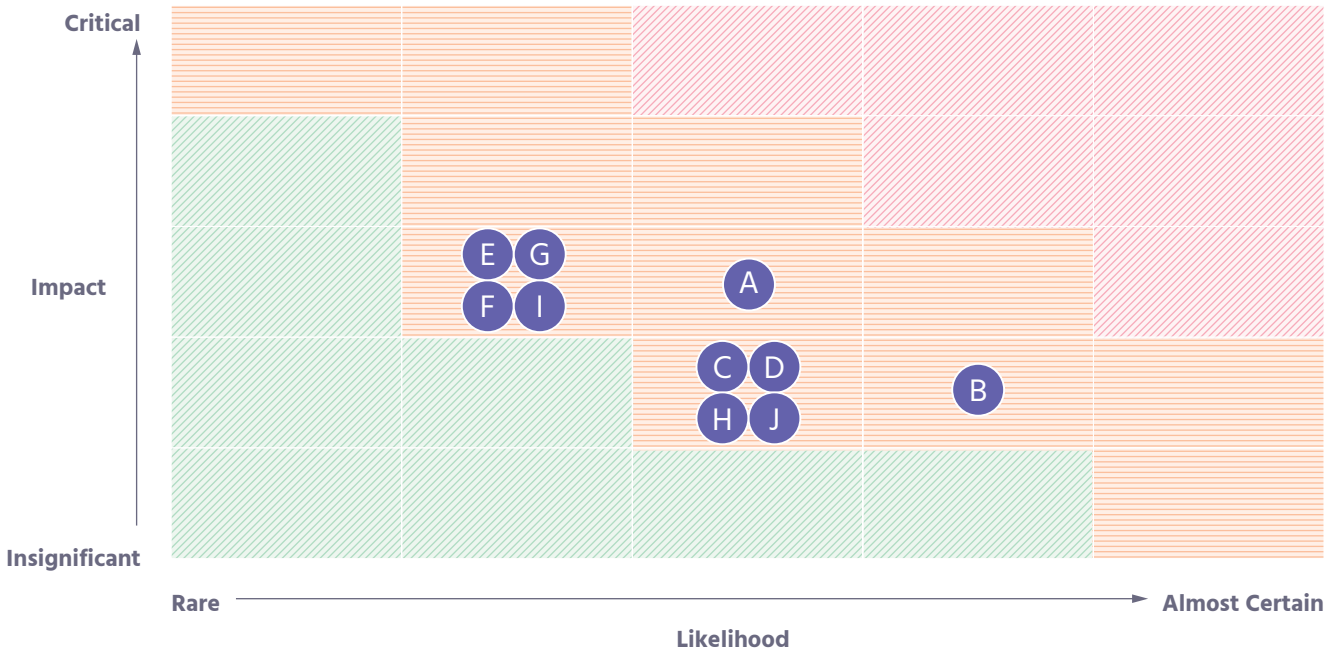
As part of our risk management, a risk escalation process has been put in place for timely escalation of risk events. Risk impact and likelihood assessment criteria have been clearly defined in our risk impact table which has been approved by the Board. Parties to which escalation should be directed depends on the magnitude of risk events and is clearly stated in the risk impact table.

Link has established two sets of business resumption plans, namely Departmental Business Resumption Plan (“DBRP”) and Corporate Business Resumption Plan (“CBRP”) respectively, in which risk escalation procedures are stated. Risk events could be escalated bottom-up or top-down as illustrated in the chart shown (right). Both the DBRP and CBRP are subject to periodic review and drills.

Risk escalation and business resumption plan



Residual risk heat map



- A – Economic Outlook
- B – Brand and Reputation
- C – Political
- D – Financial Market Volatilities
- E – Legal and Regulatory Compliance
- F – Information Technology (including Cyber-Attacks)



- G – Rental Income Sustainability
- H – Asset Investment and Integration
- I – Management of Asset Enhancement and Property Development Projects
- J – Talent

We have performed our annual risk assessment for 2018/2019 where we have reviewed and assessed the momentum of key risk areas which may affect the achievement of our strategic priorities and capitals. Based on the results of the 2018/2019 risk assessment, we concluded that the risk momentum of Link remains stable and our updated principal risks are as follows:

Link's Principal Risks



Principal risks	Risk descriptions	Key mitigating measures
Economic Outlook 	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	<ul style="list-style-type: none"> • Continuous monitoring of key economic indicators • Continuous focus on non-discretionary retail market segment • Dedicated asset managers overseeing performance of assets in Link's portfolio
Brand and Reputation 	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 as well as our relationships with stakeholders	<ul style="list-style-type: none"> • Dedicated teams to handle media/public enquiries • On-going monitoring and understanding of stakeholders' view on Link • Established policy for communication and branding
Political 	Changes in political landscape or relevant government policies may create difficulties or uncertainties towards the operating environment of Link and its tenants	<ul style="list-style-type: none"> • Continuous monitoring of political agenda or relevant political topics • Dedicated team to handle political issues • Maintain direct and open dialogue with the community to enhance transparency
Financial Market Volatilities 	Unexpected adverse changes in financial markets may substantially reduce market liquidity and create market disruption, affecting the availability of sources of financing and the execution of Link's capital management strategies	<ul style="list-style-type: none"> • Finance and Investment Committee oversees key financial matters • Apply prudent capital management strategy and maintain diversified sources of financing
Legal and Regulatory Compliance 	Significant time and resources may be required to review business strategies/policies and procedures to cope with legal and/or regulatory changes	<ul style="list-style-type: none"> • Trainings on regulatory requirements for relevant staff • Legal advices to be sought from in-house legal counsel or external legal consultant when necessary
Information Technology (including Cyber-Attacks) 	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	<ul style="list-style-type: none"> • Regular review and update of IT infrastructure • Periodic cybersecurity awareness trainings and exercises • Established policy or guidelines for the uses of information technology
Rental Income Sustainability 	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	<ul style="list-style-type: none"> • Tenant and trade mix strategies to cope with the needs of individual assets • Direct and on-going engagement with existing and potential tenants

Principal risks	Risk descriptions	Key mitigating measures
Asset Investment and Integration 	Fundamental assumptions and processes that underpin Link's investment strategies may be undermined, potentially impairing our ability to build a productive portfolio, achieve financial performance targets and attain efficient business operations	<ul style="list-style-type: none"> Regular evaluation of investment strategies and decisions Establish policies for acquired businesses to align operational practices
Management of Asset Enhancement and Property Development Projects 	Inadequate 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	<ul style="list-style-type: none"> Engage experienced business partners or consultants to work on projects Continuous monitoring of project status and progress
Talent 	Link's talent and organisation development strategy may not be able to retain key management staff or sufficiently contribute to talent diversity affecting our ability to maintain a high performing workforce for sustainable business development	<ul style="list-style-type: none"> Remuneration Committee oversees key talent and remuneration matters Dedicated team responsible for organisation development

Link's Emerging Risk – Climate Change

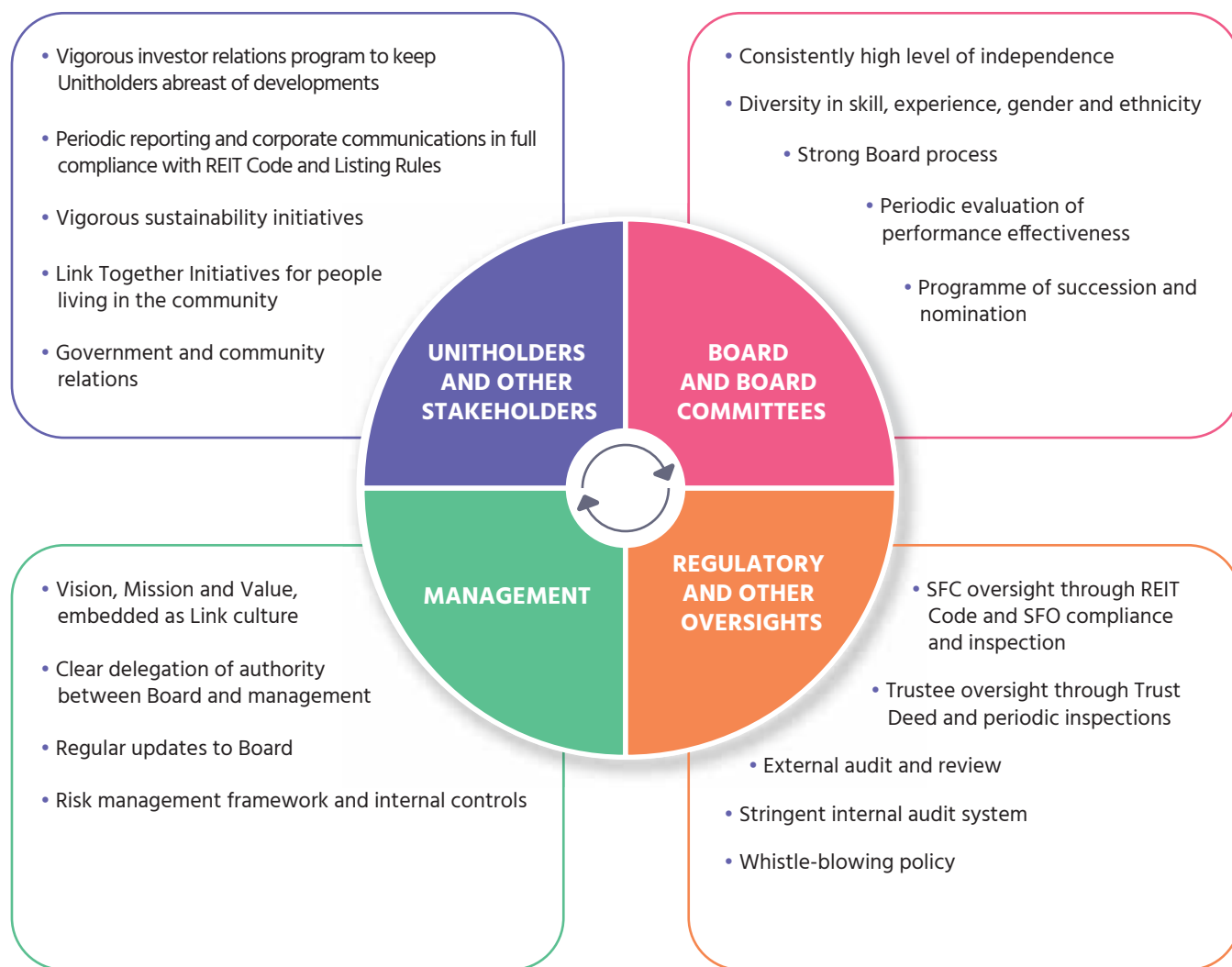
In addition to the above mentioned principal risks, it has been identified that climate change becomes an emerging risk to Link which may threaten our execution of strategies over the medium to long term. The principal climate change events which may affect Link's operations are shown below.

Climate change events	Risk descriptions	Key mitigating measures
Rising Temperature	Link may be required to consume additional energy and therefore bear additional operating costs with extra carbon emission amid rising temperature	<ul style="list-style-type: none"> A dedicated Energy Management Team has been set up for optimisation of energy consumption in Link's assets
Typhoon	Typhoon may lead to physical damages to Link's properties as well as injuries and death of Link's employees or shoppers which could harm overall shopper experience. In extreme circumstance, typhoon may cause business interruption affecting the continuity of operations of Link's assets	<ul style="list-style-type: none"> Emergency Response Procedures with comprehensive typhoon preparedness protocol (which includes but is not limited to securing signage, removing loose items, restricting access to high-risk areas) have been established with periodic training and drills for frontline staff Link's assets are protected by relevant insurances which are subject to periodic review on its adequacy
Rainstorm	Rainstorm may lead to physical damages to Link's properties as well as injuries and death of Link's employees or shoppers primarily through flooding which could harm overall shopper experience. In extreme circumstance, rainstorm may cause business interruption affecting the continuity of operations of Link's assets	<ul style="list-style-type: none"> Emergency Response Procedures with comprehensive rainstorm preparedness protocol (which includes but is not limited to clearing drains, setting up flood barriers) have been established with periodic training and drills for frontline staff Link's assets are protected by relevant insurances which are subject to periodic review on its adequacy

A Well-Governed Business

Our Corporate Governance Framework

Our corporate governance framework identifies the participants and the various elements which interact to ensure management runs the business of Link in the interest of our Unitholders and meets the expectation of other stakeholders.



The Board

The Board is pivotal to Link's corporate governance framework. It ensures all the corporate governance elements interplay in the best way to promote Link's long-term success and deliver sustainable value to Unitholders and other stakeholders.

Led by the Chairman, the Board sets strategy and risk appetite, leads and provides insights to management, and monitors business progress against agreed business targets. This is achieved through strong independence of the Board and Board Committees and clear delegation of duties between the Board and the Board Committees.



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 2,109,321,254 Units in issue as at 31 March 2019. 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 2019	3 June 2019
Ex-final distribution date	19 June 2019
Closure of register of Unitholders (for final cash distribution) ⁽¹⁾	21 June to 25 June 2019 (both days inclusive)
Record date for final cash distribution	25 June 2019
Final cash distribution payment date	4 July 2019
Closure of register of Unitholders (for the 2019 AGM) ⁽²⁾	19 July to 24 July 2019 (both days inclusive)
2019 AGM	24 July 2019
Interim results announcement for the six months ending 30 September 2019	November 2019

Notes:

- (1) In order to qualify for the final cash distribution of HK140.55 cents per Unit for the year ended 31 March 2019, 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 20 June 2019.
- (2) In order for Unitholders to be eligible to attend and vote at the 2019 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 18 July 2019.

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

Address: 33/F., AXA Tower, Landmark East,
100 How Ming Street, Kwun Tong,
Kowloon, Hong Kong⁽¹⁾

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⁽¹⁾

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



Index Inclusion

Link is a component of the following selected indices:

Dow Jones Sustainability Asia Pacific Index

FTSE4Good Index Series

FTSE Global Equity Index Series

FTSE Global Minimum Variance Index Series

FTSE EPRA⁽²⁾ NAREIT⁽³⁾ Index Series

FTSE RAFI Index Series

Russell RAFI Index Series

GPR⁽⁴⁾ 250 (World) Index

GPR⁽⁴⁾ 250 Asia Index

GPR⁽⁴⁾ 250 Asia Pacific Index

GPR⁽⁴⁾ 250 Hong Kong Index

GPR⁽⁴⁾ 250 REIT (World) Index

GPR⁽⁴⁾ 250 REIT Asia Index

GPR⁽⁴⁾ 250 REIT Asia Pacific Index

GPR⁽⁴⁾ 250 REIT Hong Kong Index

GPR⁽⁴⁾ General (World) Index

GPR⁽⁴⁾ General Asia Index

GPR⁽⁴⁾ General Hong Kong Index

GPR⁽⁴⁾ General Quoted (World) Index

GPR⁽⁴⁾ General Quoted Asia Index

GPR⁽⁴⁾ General Quoted Hong Kong Index

GPR⁽⁴⁾ Global 100 Index

GPR⁽⁴⁾ IPCM LFFS Sustainable GRES Index

Hang Seng Index

Hang Seng REIT Index

Hang Seng Corporate Sustainability Index

MSCI⁽⁵⁾ All Country World Index

MSCI⁽⁵⁾ All Country Asia Pacific ex-Japan Index

MSCI⁽⁵⁾ World Index

MSCI⁽⁵⁾ Hong Kong Index

GPR⁽⁴⁾ / APREA⁽⁶⁾ Composite Index

GPR⁽⁴⁾ / APREA⁽⁶⁾ Composite Hong Kong Index

GPR⁽⁴⁾ / APREA⁽⁶⁾ Composite REIT Index

GPR⁽⁴⁾ / APREA⁽⁶⁾ Composite REIT Hong Kong Index

GPR⁽⁴⁾ / APREA⁽⁶⁾ Investable 100 Index

GPR⁽⁴⁾ / APREA⁽⁶⁾ Investable 100 Hong Kong Index

GPR⁽⁴⁾ / APREA⁽⁶⁾ Investable REIT 100 Index

Notes:

- (1) Effective from 1 July 2019, the registered office of the Manager will be changed to 20/F., Tower 1, The Quayside, 77 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong
- (2) European Public Real Estate Association
- (3) National Association of Real Estate Investment Trusts
- (4) Global Property Research
- (5) Morgan Stanley Capital International
- (6) Asia Pacific Real Estate Association

Definitions and Glossary

2007 LTI Plan	the long-term incentive plan of Link adopted by Unitholders on 23 July 2007 and expired on 22 July 2017
2017 LTI Scheme	the long-term incentive scheme of Link adopted by the Board on 10 July 2017
2018 AGM	the annual general meeting of Unitholders held on 25 July 2018
2019 AGM	the annual general meeting of Unitholders scheduled to be held on 24 July 2019
Articles	articles of association of the Manager
average monthly unit rent	the average base rent plus management fee per month per square foot of leased area
Award	Restricted Unit Award(s), or Conditional Cash Award(s), or a combination of both granted under the 2017 LTI Scheme
base rent	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
Board	board of Directors of the Manager
Board Committees	the committees of the Board to discharge the duties set out in their respective terms of reference as approved by the Board which, as at the date of this report, include the Audit and Risk Management Committee, the Nomination Committee, the Remuneration Committee, and the Finance and Investment Committee, and “ Board Committee ” refers to any one of them
CAGR	Compound annual growth rate
CEO	Chief Executive Officer of the Manager
CFO	Chief Financial Officer of the Manager
Chairman	Chairman of the Board (unless the context requires otherwise)
China or Mainland China or PRC	The People’s Republic of China and if the context requires, exclude Hong Kong
Compliance Manual	the compliance manual of the Manager which sets out (among others) the key processes, systems and measures in respect of Link’s operations and the corporate governance policy of Link
Conditional Cash Award	conditional right to receive cash payment(s) granted to a participant in accordance with the rules of the 2017 LTI Scheme and the relevant grant letter(s)
COO	Chief Operating Officer of the Manager
CSO	Chief Strategy Officer of the Manager
DCF	discounted cash flow
Director(s)	director(s) of the Manager
DPU	distribution per unit in respect of the total distributable amount of Link for a financial year/period
ED(s)	Executive Director(s) of the Manager (unless the context requires otherwise)
ESG	environmental, social and governance
EUPP	employee unit purchase plan, pursuant to which an eligible employee who meets the prescribed criteria is entitled to subsidy from the Manager for purchasing, through an independent third party intermediary, Units of Link in the open market in accordance with the rules of the plan

GAV Cap	10% of Link's gross asset value (and as calculated in the manner set out in the Trust Deed) as a cap to property development activities of Link under the REIT Code
Group	Link and its subsidiaries (unless the context requires otherwise)
Hong Kong or HKSAR	Hong Kong Special Administrative Region of the PRC
Hong Kong Stock Exchange or Stock Exchange or SEHK	The Stock Exchange of Hong Kong Limited
INED(s)	Independent Non-Executive Director(s) of the Manager (unless the context requires otherwise)
KPI(s)	Key Performance Indicator(s)
KRI	Key Risk Indicators
lease	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
Link or Link REIT	Link Real Estate Investment Trust
Link Corporate Governance Policy	the corporate governance policy set out in the Compliance Manual
Link Securities Dealing Code	the code governing dealings in securities of Link by Directors and senior management of the Manager
Listing Rules	Rules Governing the Listing of Securities on the Stock Exchange
Listing Rules Corporate Governance Code	Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules
Long-term Incentive Schemes	2007 LTI Plan and 2017 LTI Scheme
Manager	Link Asset Management Limited, which is the manager of Link
market capitalisation	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
Maximum Cap	25% of Link's gross asset value (and as calculated in the manner set out in the Trust Deed) as a cap to the total sum of: (i) Link's aggregate development costs (has the meaning ascribed to it in the Trust Deed) and (ii) the combined value of the Relevant Investments together with other non-real estate assets of Link calculated in accordance with the REIT Code
MTN	note(s) issued or to be issued from time to time pursuant to the Guaranteed Euro Medium Term Note Programme established by The Link Finance (Cayman) 2009 Limited (a wholly-owned subsidiary of Link) in May 2009
NED	Non-Executive Director of the Manager (unless the context requires otherwise)
NGO(s)	Non-governmental organisation(s)
NPI	net property income, being total revenue less direct property related expenses
occupancy rate	the aggregated leased area as a percentage of total leasable area
Principal Valuer	the Principal Valuer (as defined in the REIT Code) of Link, which is currently Jones Lang LaSalle Limited

psf	per square foot
REIT(s)	real estate investment trust(s)
REIT Code	Code on Real Estate Investment Trusts issued by the SFC
Relevant Investments	the financial instruments permissible from time to time under the REIT Code for Link to invest in, including (without limitation): (i) securities listed on the Stock Exchange or other internationally recognised stock exchanges; (ii) unlisted debt securities; (iii) government and other public securities; and (iv) local or overseas property funds
Restricted Unit Award	conditional right to receive Units granted to a participant in accordance with the rules of the 2017 LTI Scheme and the relevant grant letter
return on investment	projected NPI post asset enhancement minus NPI pre asset enhancement divided by the estimated amount of project capital expenditure and loss of rental
reversion rate	the percentage change in per square foot average unit rent between old and new leases on the same unit
RMB	Renminbi, the lawful currency of the PRC
SFC	Securities and Futures Commission of Hong Kong
SFO	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
Significant holder or Significant Unitholder	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)
SPV(s)	special purpose vehicle(s) (within the meaning of the REIT Code and the Trust Deed)
sq ft	square feet
tenant	a lessee, a tenant or a licensee (as the case may be) under a lease
total distributable amount	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
total distributable income	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
Trust Deed	the trust deed dated 6 September 2005 between the Trustee and the Manager constituting Link, as amended and supplemented by 12 supplemental deeds
Trustee	trustee of Link, which is currently HSBC Institutional Trust Services (Asia) Limited
turnover rent	rent calculated and charged by reference to a pre-determined percentage of a tenant's gross sales turnover in excess of the base rent
Unit(s)	Unit(s) of Link (unless the context requires otherwise)
Unitholder(s)	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 Operating Officer)

Non-Executive Director

Ian Keith GRIFFITHS

Independent Non-Executive Directors

Christopher John BROOKE⁽¹⁾
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⁽²⁾
Elaine Carole YOUNG

Chief Financial Officer of the Manager

NG Kok Siong

Company Secretary of the Manager

Ricky CHAN Ming Tak

Responsible Officers of the Manager⁽³⁾

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

Authorised Representatives⁽⁴⁾

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⁽⁵⁾

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) Appointed on 1 May 2018

(2) Retired on 13 August 2018

(3) Required by the SFO

(4) Required by the Listing Rules

(5) **Effective from 1 July 2019, the registered office of the Manager will be changed to 20/F., Tower 1, The Quayside, 77 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong**

Link Real Estate Investment Trust
Linkreit.com



Annual Report 2018/2019
Governance, Disclosures and
Financial Statements



Link Real Estate Investment Trust
Stock code: 823



About Link

Link Real Estate Investment Trust is the first REIT listed on the Hong Kong 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 REITs (with focus on retail properties) in terms of market capitalisation. With a diversified portfolio that consists of retail facilities, car parks and offices across Hong Kong, Beijing, Shanghai, Shenzhen 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 2018/2019 Strategic Report which highlights our corporate performance and values created over the year under review.

Complete 2018/2019 Reports and Presentations

Our complete suite of reports and supporting compliance documentation can be accessed and downloaded from our corporate website at: 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, the relevant disclosure requirements of the REIT Code and the Listing Rules, 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 solely on our website. This can be accessed at Linkreit.com/sustainability

ESG COMPLIANCE DOCUMENTATION

- Environmental, Social and Governance Reporting Guide (ESG Reporting Guide) of The Stock Exchange of Hong Kong Limited
- Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) – Comprehensive Option
- United Nations Global Compact



Access our corporate website
for further information

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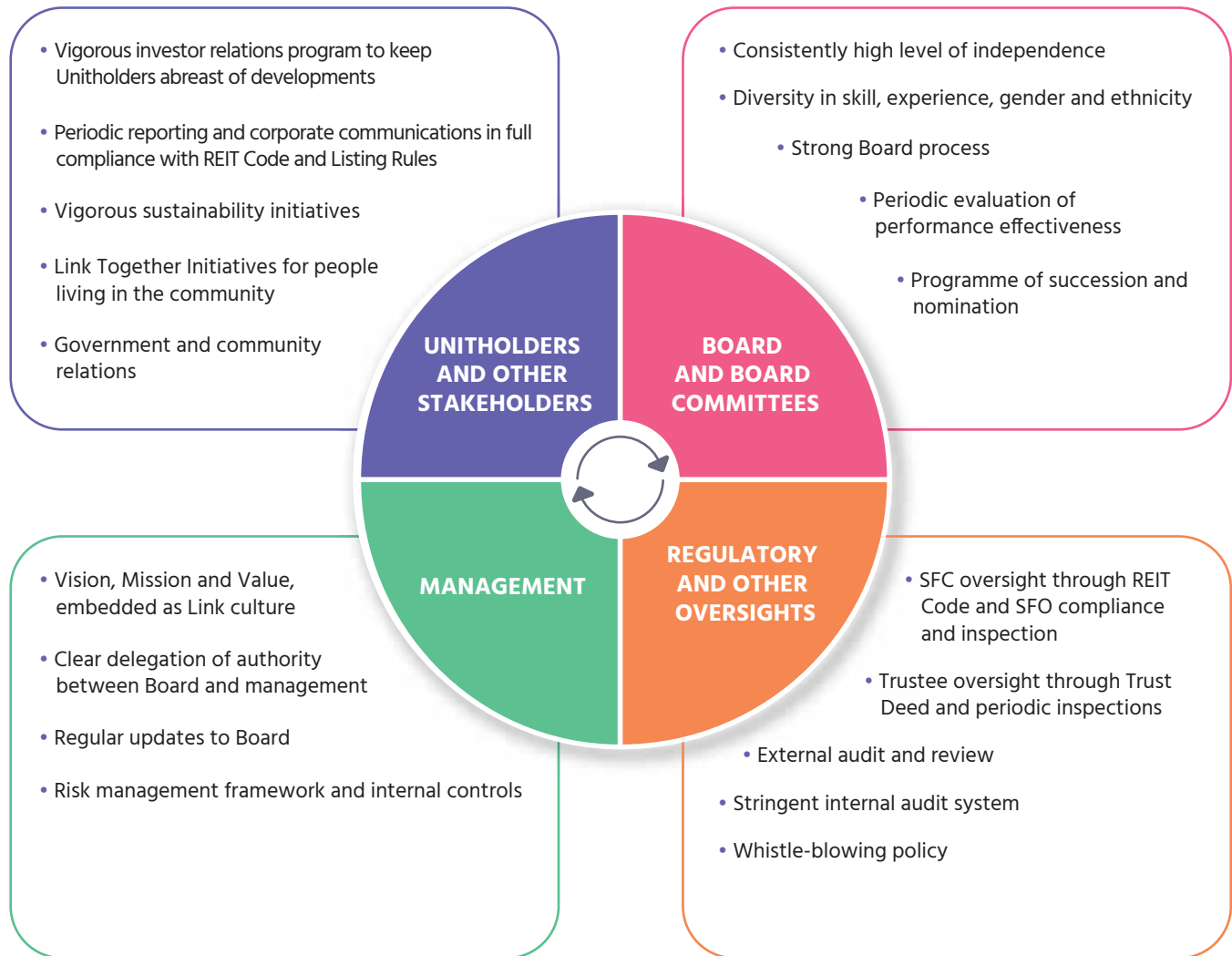
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A Well-Governed Business

OUR CORPORATE GOVERNANCE FRAMEWORK

Link believes responsible governance should transcend mere fulfilling of regulatory requirements to become a value that is embedded within Link for long-term success. Our corporate governance framework identifies the participants and the various elements which interact to ensure management runs the business of Link in the interest of our Unitholders and meets the expectation of other stakeholders.



THE BOARD

The Board is pivotal to Link's corporate governance framework. It ensures all the corporate governance elements interplay in the best way to promote Link's long-term success and deliver sustainable value to Unitholders and other stakeholders.

Currently, there are 12 Board members comprising 2 EDs who are the CEO and the COO, 1 NED and 9 INEDs. The 2 EDs are full-time employees of Link, while the NED and the INEDs are not. Biographies of our Directors as at the date of this report appear on pages 50 to 54.

Each of our current NED and INEDs is 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 and INED are set out in a formal letter of appointment entered into with the Manager.

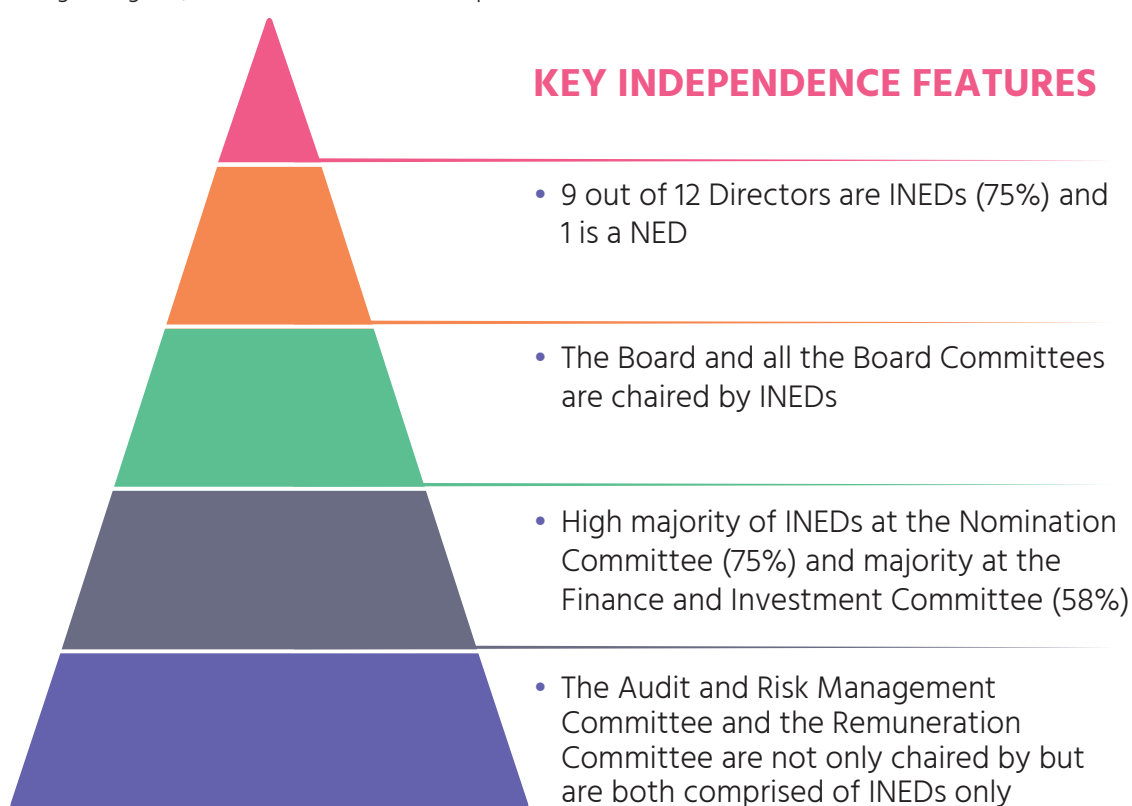
The 2 EDs have employment contracts with the Manager but are not on specific tenure. They are not subject to retirement by rotation at annual general meetings.

Led by the Chairman, the Board sets strategy and risk appetite, leads and provides insights to management, and monitors business progress against agreed business targets. This is achieved through:

- strong independence of the Board and Board Committees
- clear delegation of duties between the Board and the Board Committees
- a clear division of responsibility between the Board and management
- diversified skills, experience, expertise, gender and ethnicity among Board members
- strong and transparent Board process

Strong Independence

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



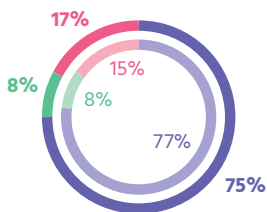
Our assessment of independence of an INED is based on the independence criteria set out in the Link Corporate Governance Policy which is modelled on (and, in some aspects, exceeds) the independence guidelines of the Listing Rules. We reference from time to time major proxy advisors' voting recommendations and guidelines in approaching the issue of INED's independence. The Manager lived up to the independence requirements of the Link Corporate Governance Policy throughout the year under review.

ADDITIONAL INDEPENDENCE REQUIREMENTS IN LINK CORPORATE GOVERNANCE POLICY OVER REQUIREMENTS UNDER THE LISTING RULES

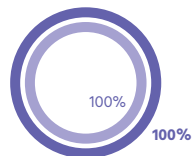


Independence Weighting

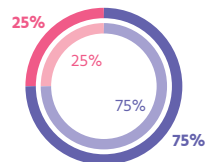
Board



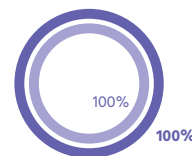
Audit and Risk Management Committee



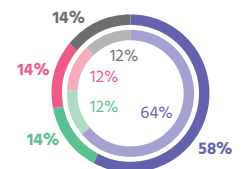
Nomination Committee



Remuneration Committee



Finance and Investment Committee



2019⁽¹⁾ INED NED ED Senior Management⁽²⁾
 2018⁽¹⁾ INED NED ED Senior Management⁽²⁾

(1) 12 members as of 3 June 2019 against 13 members as of 6 June 2018

(2) CFO is a member of the Finance and Investment Committee but not a Board member

Process of Assessment of Independence of Directors

Assessment of independence of INEDs is carried out before each appointment, annually, and at any other time where the circumstances warrant re-consideration.



As part of the on-going assessment process, 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. The 2 EDs have not held any directorship in other listed companies but have participated in professional bodies, academic and public organisations. INEDs and NED have also indicated the amount of time he/she is involved in his/her outside-Link commitments and confirmed with the Chairman that he/she has given sufficient time to the affairs of Link. During the year, no current Director held directorships in more than three public/listed companies (including Link).

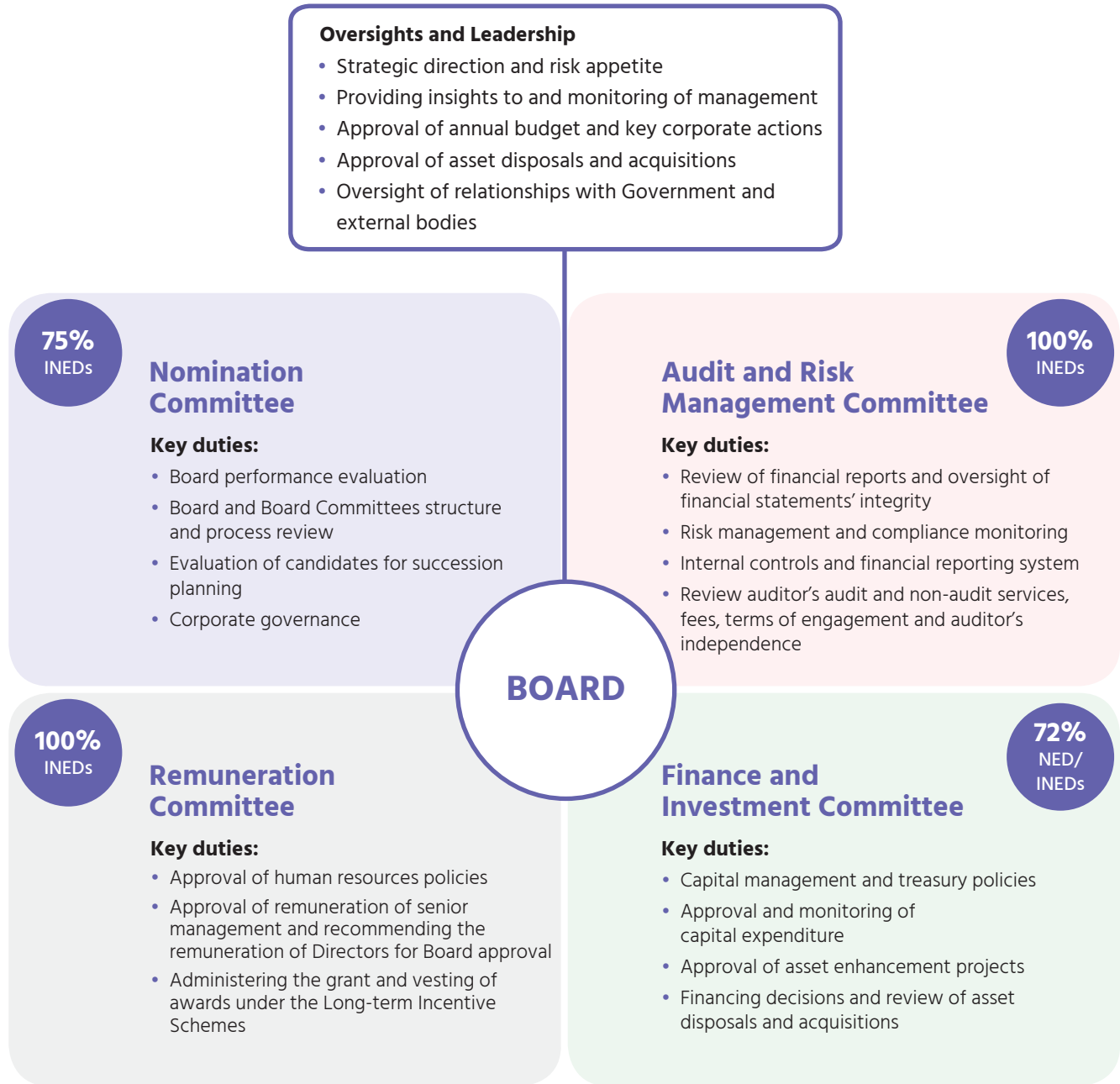
The Manager has received from each INED his/her annual confirmation of independence in accordance with the Link Corporate Governance Policy. Based on such confirmations, the Nomination Committee assessed and the Board considered that all the INEDs maintained their independence throughout the year under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

During the year, the INEDs held a closed-session among themselves when issues were discussed to the exclusion of the EDs, NED and management.

Clear Delegation Between the Board and the Board Committees

In the course of overseeing management and business performance, the Board is assisted by the Audit and Risk Management Committee, the Finance and Investment Committee, the Nomination Committee and the Remuneration 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).

Matters crucial to corporate governance are specifically reserved for the Board.



Reserved Matters For The Board

- Consideration of the corporate governance policy, Vision, Mission and Values, and the strategic direction of Link;
- Recommendation to Unitholders on any change to the Articles or the provisions of the Trust Deed;
- Approval of interim and final distributions, interim and annual reports and financial statements, circulars to Unitholders, any significant changes in accounting policy, appointment and removal of external auditor and auditor's fees;
- Approval of treasury and capital management policies, issue or buy-back of Units, acquisition or disposal of assets, and property development and related activities;
- Appointment or removal of the CEO and any other Directors as well as the company secretary;
- Approval of Directors' remuneration, directors' and officers' liability insurance and personnel policies;
- Compliance monitoring, consideration of internal control process and risk management framework, and approval of any matter which would have a material effect on Link's financial position, liabilities, future strategy or reputation; and
- Delegation of power and authority to Board Committees.

The reports of the Board Committees are set out on pages 31 to 39 of this report.

Clear Division of Duties Between the Board and Management

The Chairman and the CEO

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

The Board and Management

The Board is responsible for formulation of strategies and monitoring of management performance. It delegates the day-to-day running of the business to the management team led by the CEO.

Chairman

- | | |
|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. Nicholas Charles ALLEN (INED)</p> | <ul style="list-style-type: none"> • Leading the Board and ensuring its effectiveness • Maintaining corporate reputation and character • Developing and leading strategic issues and corporate governance • Undertaking performance assessment of the CEO |
|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

NED/INEDs

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>2. Ian Keith GRIFFITHS (NED)</p> <p>3. Christopher John BROOKE (INED)</p> <p>4. Ed CHAN Yiu Cheong (INED)</p> <p>5. Blair Chilton PICKERELL (INED)</p> <p>6. Poh Lee TAN (INED)</p> <p>7. May Siew Boi TAN (INED)</p> <p>8. Peter TSE Pak Wing (INED)</p> <p>9. Nancy TSE Sau Ling (INED)</p> <p>10. Elaine Carole YOUNG (INED)</p> | <ul style="list-style-type: none"> • Overseeing Link's affairs through serving on the Board and Board Committees • Taking lead when potential conflict of interest arises • Scrutinising and challenging management's performance in achieving agreed corporate goals and business objectives • Monitoring compliance and financial reporting • Helping develop strategies • Overseeing the risk profile, risk management and internal controls • Scrutinising and challenging management's proposals • Reviewing remuneration policies and approving remuneration to Directors • Reviewing staff leadership, training and development proposals |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

CEO and Executive Director

11. George Kwok Lung HONGCHOY

- Developing, driving and delivering performance against business plans agreed by the Board
- Working together with the Board to develop the business strategy of Link
- Supervising management team to ensure that Link is being operated in accordance with stated strategies, policies and regulations
- Driving organic and inorganic growth and business developments
- Developing relationships with Government, regulators and investors

COO and Executive Director

12. Andy CHEUNG Lee Ming

- Supporting the CEO in supervising the following functions:
 - project and development
 - property management and operations
 - legal and company secretarial
 - China business operations and controls
 - (shared with CFO) internal control on central procurement and quantitative survey
- Assisting the CEO in meeting investors and analysts to explain performance and operational results

CFO⁽¹⁾

• NG Kok Siong

- Supporting the CEO in supervising the following functions:
 - financial control and reporting
 - treasury and insurance
 - risk management
 - research and data analytics
 - information technology
 - (shared with COO) internal control on central procurement and quantitative survey
- Assisting the CEO in meeting investors and analysts to explain performance and operational results

CSO⁽¹⁾

• Eric YAU Siu Kei

- Supporting the CEO on investor relationship and stakeholders communication matters
- Assisting the CEO to develop corporate strategies
- Assisting the CEO on investors and analysts meetings to explain Link's results and performance

(1) Senior management, not a Board member.

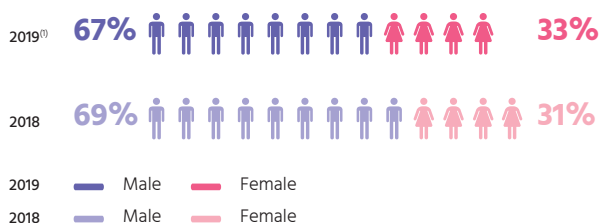
Board Diversity

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

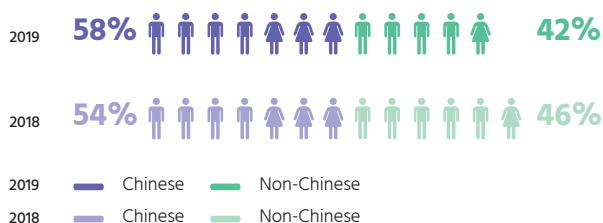
Our Board Diversity Policy lays measurable objectives for the Board when it reviews its composition and considers appointing new members. Board appointments are made on merit against the business objectives of Link and with regard to all aspects of diversity. The Board evolves as Link does over time. Given Link INEDs serve only 9 years, refreshing the Board with new members for new skills and perspectives is important and this is more so as Link expands its business footprints. The Board annually reviews its Board Diversity Policy to closely reflect industry and investors expectation.

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

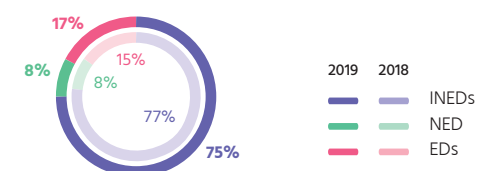
Gender



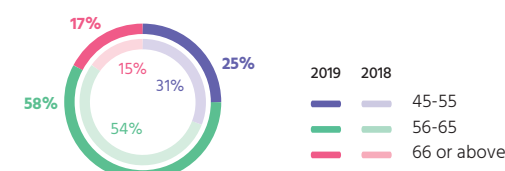
Ethnicity



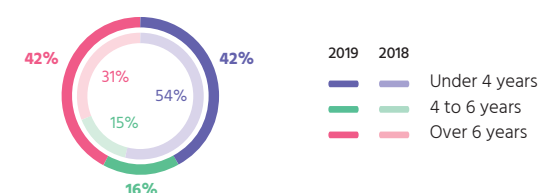
Designation



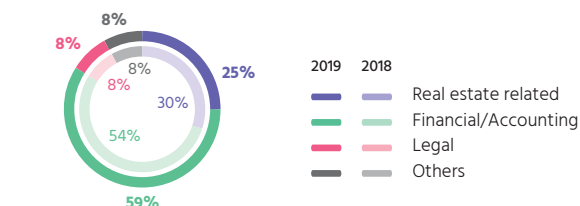
Age (Years)



Service Term (Approx. Years with Link)



Core Expertise



(1) 12 members as of 3 June 2019 against 13 members as of 6 June 2018

How Diversity Works in Shaping Decisions Finance and Investment Committee

Leadership and interacting with committee members

CEO
Business perspective

CFO
Financial perspective

INED expertise contributions

Nicholas ALLEN (chairman)
Finance and accounting

Ed CHAN
Retail

NED/INED expertise contributions

Ian GRIFFITHS
Building design/architecture

Christopher BROOKE
Property investment

Elaine YOUNG
Property investment/retail

Finance and Investment Committee

- Investment decisions
- Asset enhancement decisions
- Financing/capital management decisions

Audit and Risk Management Committee

Attendees

CEO
Business perspective

CFO
Financial perspective

Patty WU
(Head of Internal Audit and Risk Management)

INED expertise contributions

Peter TSE (chairman)
Accounting/internal audit/risk management

May TAN
Banking and accounting

INED expertise contributions

Poh Lee TAN
Legal/compliance

Nancy TSE
Public body administration/accounting/compliance

Audit and Risk Management Committee

- Financial reporting and disclosures
- Internal control and risk management
- Monitoring of compliance

Nomination Committee

ED expertise contributions

CEO

Knowledge of talent needs and “inclusion” policies of Link

INED expertise contributions

Blair PICKERELL

International business and MNC experience

INED expertise contributions

Nicholas ALLEN (chairman)

Listed companies and governance experience

May TAN

Listed companies governance/MNC experience

Nomination Committee

- Board performance evaluation
- New directors nomination
- Succession planning
- Board diversity and corporate governance

Remuneration Committee

Attendees

CEO

Input on senior management performance and succession planning of the management team

Phyllis NG (Director (Human Resources))

Input on labour market conditions, peer group benchmarking policies and market developments

INED expertise contributions

Elaine YOUNG

Retail market and real estate market expertise

Ed CHAN

Retail

INED expertise contributions

Blair PICKERELL (chairman)

International business/MNC experience

May TAN

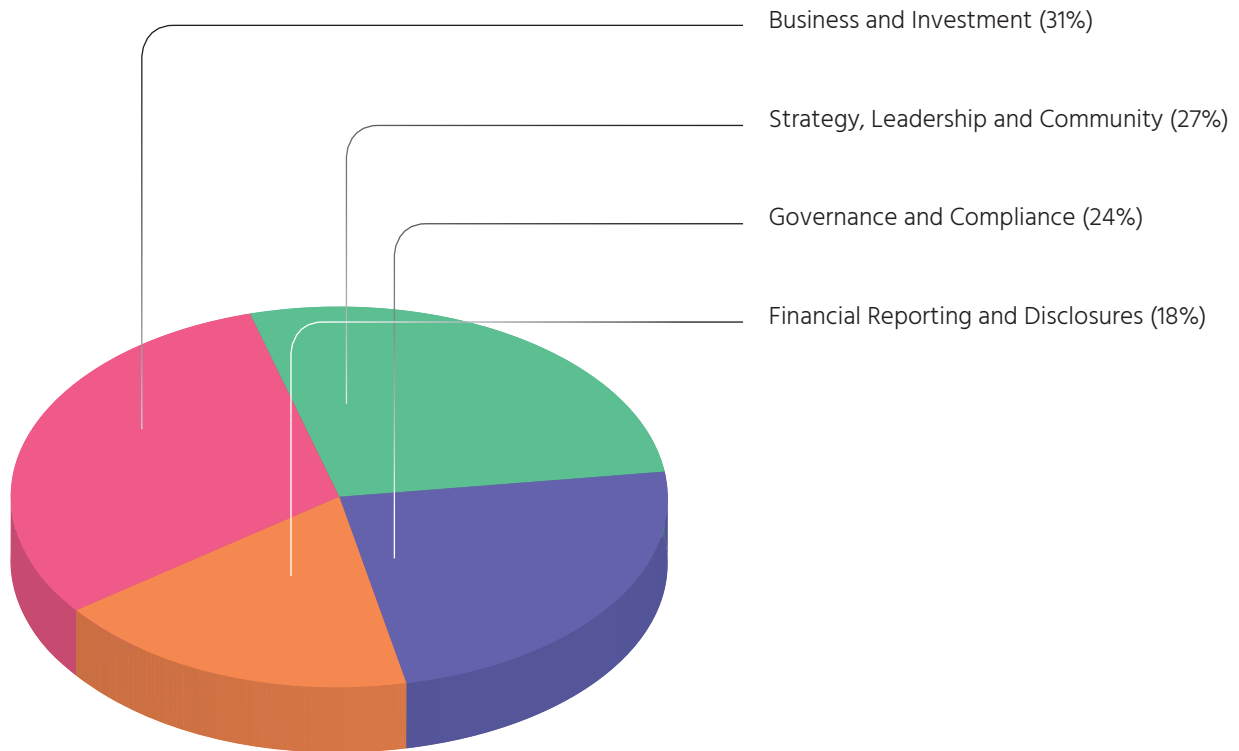
MNC/listed companies and capital market experience

Remuneration Committee

- Remuneration of the EDs and senior management
- General remuneration and human capital policies
- Directors’ fees review

A Strong Board Process

How the Board spent its time during the year ended 31 March 2019



The Board spent its time on making the following key decisions:

Business and Investment	Assets management, properties valuation, disposal/acquisition of properties and investment projects, etc.
Strategy, Leadership and Community	Corporate strategic decisions, succession planning, leadership planning and public affairs, etc.
Governance and Compliance	Board Committee composition, statutory compliance review, operational compliance review, internal control, risk management and connected transactions monitoring, etc.
Financial Reporting and Disclosures	Interim results review, final results review, budget review, distribution payment, capital management and auditor's fees review, etc.

Board and Board Committee Meetings, Information and Support

Annual strategic review	<ul style="list-style-type: none"> • An off-site full-day Board strategy meeting is held in autumn each year by way of a retreat outside Hong Kong when Directors review, discuss and set Link's strategies. On appropriate topics, industry leaders and consultants are invited to make deliberations to the Board on specific topics • The Board has adopted the practice of holding a pre-meeting at which management will solicit views from Board members on the agenda items and topics they want to cover and discuss
Agenda, meeting and supporting materials	<ul style="list-style-type: none"> • 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 • Agenda and meeting papers will be uploaded to the electronic platform at least three days in advance • Board agenda items are reviewed by the Chairman/CEO • Standing agenda items are set to ensure that critical matters such as financial reporting, projects progress, internal controls and risk management, and compliance issues will be covered at regular Board and Board Committee meetings
Alerts	<ul style="list-style-type: none"> • The company secretary alerts Directors on securities dealings before the commencement of the final or interim results "black-out" and other ad hoc "black-out" in accordance with the Link Securities Dealing Code when an inside information situation has developed
Electronic and paperless meetings	<ul style="list-style-type: none"> • Board meeting papers and supporting materials are circulated to Directors through a private, secured electronic platform. This enables timely distribution of information to Directors, as well as speedy online reference by and interactive exchange of views among Directors • Monthly business updates, reading materials, and other information are also sent to all Directors through this electronic platform
Meeting proceedings	<ul style="list-style-type: none"> • Telephone participation is arranged for any Director who is not able to attend a meeting in person • The company secretary keeps full record of meeting attendance • Senior representatives from the Principal Valuer and the external auditor of Link are invited to attend the Audit and Risk Management Committee meetings and the Board meetings for approving the portfolio valuation and the interim and final results of Link • Each year, the external auditor of Link has a closed-session with the Audit and Risk Management Committee members in the absence of management • Management regularly attends Board and Board Committee meetings to deliberate on proposals and presents updates on operations. External speakers, guests and consultants are invited to participate on specific topics

Minutes of meetings of Board/Board Committees	<ul style="list-style-type: none"> • The company secretary attends all Board/Board Committee meetings (except meetings of the Remuneration Committee where the Director (Human Resources) acts as the committee secretary) • Minutes in draft form will be circulated for comments before they are signed • Final versions of Board Committee minutes after review by the Board Committee chairman will be copied to Directors who are not members of that Board Committee to keep them abreast of matters discussed and decisions made thereat • All signed Board/Board Committee minutes and resolutions are kept by the company secretary • Papers and minutes upon review by the Chairman and chairmen of the relevant Board Committees are uploaded to the electronic platform for online reference by all other Directors
Notice	<ul style="list-style-type: none"> • At least 14 days in advance for regular Board/Board Committee meetings
Professional advice	<ul style="list-style-type: none"> • 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 Chairman also meets and has lunch and gatherings with management and staff to understand their work
Regular reports and updates	<ul style="list-style-type: none"> • The CEO, the COO, the CFO and the CSO regularly report to the Board on progress against business targets, corporate strategy and other developments of Link • Board Committee chairmen report their decisions and recommendations at Board meetings • The Board receives monthly business updates and investors' feedback through briefings on final results and interim results roadshows
Reporting back	<ul style="list-style-type: none"> • The company secretary circulates to the Board all announcements immediately after their publication on the websites of the Stock Exchange and Link • Management also reports back to the Board/Board Committee on matters outstanding from previous meetings
3-years meeting calendar	<ul style="list-style-type: none"> • A three-year meeting calendar is adopted to facilitate the NED/INEDs to plan their schedules in advance

Role of the Company Secretary

The company secretary supports the 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 56 of this report.

Directors' Attendance at Meetings

A total of 10 Board meetings and 19 Board Committee meetings were held in the year under review. Average duration of such meetings was approximately 2 hours (excluding the full-day Board strategy retreat) when Directors critically reviewed and challenged proposals by management.

Total number of meetings held by the Board and Board Committees has consistently exceeded the number of board/board committee meetings recommended by the Listing Rules Corporate Governance Code. Among the Board meetings, one was the annual Board strategy meeting held in September 2018 at Guangzhou, PRC.

Name	Directors' meeting attendance during the year (Number of meetings attended/eligible to attend)					2018 AGM
	Board	Audit and Risk Management Committee	Remuneration Committee	Nomination Committee	Finance and Investment Committee	
Current Directors						
Nicholas Charles ALLEN	10/10(C)	–	–	3/3(C)	8/8(C)	1/1
George Kwok Lung HONGCHOY	10/10	–	–	3/3	8/8	1/1
Andy CHEUNG Lee Ming	10/10	–	–	–	–	1/1
Ian Keith GRIFFITHS	9/10	–	–	–	8/8	0/1
Christopher John BROOKE ⁽¹⁾	9/9	–	–	–	6/6	1/1
Ed CHAN Yiu Cheong ⁽²⁾	10/10	–	2/2	–	8/8	1/1
Blair Chilton PICKERELL ⁽³⁾	10/10	–	4/4(C)	2/3	–	1/1
Poh Lee TAN	10/10	4/4	–	–	–	1/1
May Siew Boi TAN	10/10	4/4	4/4	3/3	–	1/1
Peter TSE Pak Wing	10/10	4/4(C)	–	–	–	1/1
Nancy TSE Sau Ling	9/10	4/4	–	–	–	1/1
Elaine Carole YOUNG	10/10	–	4/4	–	8/8	1/1
Senior Management						
NG Kok Siang ⁽⁴⁾	–	–	–	–	7/7	–
Former Director						
David Charles WATT ⁽⁵⁾	3/3	–	2/2	–	3/3	1/1
In attendance						
External auditor	2/2	2/2	–	–	–	1/1
Head of Internal Audit and Risk Management	–	4/4	–	–	–	–
Principal Valuer	2/2	2/2	–	–	–	–
Total no. of meetings held	10	4	4	3	8	1
Minimum no. of meetings required ⁽⁶⁾	4	3	2	2	4	1
Approximate average duration per meeting (hour)	2.5 ⁽⁷⁾	2.5	2.5	1.5	1.5	1.5

C: Chairman

Notes:

- (1) Appointed as an INED on 1 May 2018 and joined the Finance and Investment Committee as a member on 6 June 2018
- (2) Joined the Remuneration Committee as a member on 14 August 2018
- (3) Succeeded Mr David Charles WATT as the new chairman of the Remuneration Committee on 14 August 2018
- (4) Appointed as CFO and became a member of the Finance and Investment Committee on 3 May 2018
- (5) Retired as an INED and ceased to be the chairman of the Remuneration Committee and a member of the Finance and Investment Committee on 13 August 2018
- (6) Minimum number of meetings required by the Link Corporate Governance Policy or respective terms of reference of the Board Committees
- (7) Excluding the full-day off-site Board strategy meeting

The Chairman and the chairmen of Board Committees, the 2 EDs and 9 INEDs attended the 2018 AGM to meet and answer questions from Unitholders. The CEO reported on matters raised by Unitholders at prior-year annual general meeting.

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 in the year under review.

Supports to Directors

Nomination of Candidates to Join the Board

The nomination policy of Link mandates all Board appointments be made on merits and in line with the Board Diversity Policy. Board appointments are recommended by the Nomination Committee and made by the Board.

An independent external executive search firm is retained to advise the Nomination Committee on expertise gaps that may arise when Directors retire and identify appropriate candidates for refreshing the pool. A set of search criteria has been agreed with the Nomination Committee which will review annually to ensure the criteria are updated to Link's expertise and diversity needs. The Nomination Committee reviews annually the pool of available Board candidates with due regard for the diversity policy of Link.

Once opportunity for Board appointment is identified there will be scheduled interviews with the Board candidate, first by the Nomination Committee chairman and the CEO, and then by representatives from the INEDs. External consultant will carry out industry and background check. Results of the interviews together with external consultant's opinion will be put forward to the Nomination Committee for consideration. The recommendation of the Nomination Committee will be put forward to the Board for approval.

According to the Articles of the Manager, all newly-appointed Board members have to retire for re-election by Unitholders at the first annual general meeting of Link following his/her appointment.

Induction to New Directors

A comprehensive and tailored orientation programme is arranged on the secured online electronic platform for each newly-appointed Director to read and familiarise himself with. The induction kit contains the Trust Deed, the Compliance Manual and other regulatory materials, which are regularly reviewed by the company secretary to ensure they are updated.

During the year under review, an orientation was arranged for Mr Christopher John BROOKE in which the CEO and the senior management members attended to brief Mr BROOKE on Link's latest developments. Similar orientation had also been arranged for Mr NG Kok Siong before he came on board as the CFO.

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 Chairman spoke at industry conferences and seminars of professional associations.

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 company secretary has kept records of Directors' training for the Nomination Committee.

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

Name	Attending seminars/ training courses/ talks/ other professional developments ^(Note)
Nicholas Charles ALLEN	✓
George Kwok Lung HONGCHOY	✓
Andy CHEUNG Lee Ming	✓
Ian Keith GRIFFITHS	✓
Christopher John BROOKE	✓
Ed CHAN Yiu Cheong	✓
Blair Chilton PICKERELL	✓
Poh Lee TAN	✓
May Siew Boi TAN	✓
Peter TSE Pak Wing	✓
Nancy TSE Sau Ling	✓
Elaine Carole YOUNG	✓

Note: Other professional developments included attending or speaking at forums, visiting Link's properties, and participating in seminars, conferences and other briefings organised by other professional bodies, etc.

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. The Board has the overall responsibility of overseeing the succession plan for the EDs and senior management. During the year, the Nomination Committee discussed and reported to the Board on contingency and longer term plan for CEO succession. The Board also considered the leadership development for senior management as reported by the CEO.

On-going Board Performance Evaluation

The Board is committed to regular, independent evaluation of its own effectiveness and that of its Board Committees. Board performance is evaluated on an on-going basis by the Nomination Committee which reports its findings to the Board.

Formal Board Performance Evaluation

The Board has set the practice of carrying out a formal evaluation of its performance every three years. This is done through the facilitation of independent external consultant. The previous formal Board performance evaluation was done in 2016/2017. The next formal Board performance evaluation will take place in 2019/2020.

In between Formal Board Performance Evaluations

In between formal Board performance evaluations, Board performance will be reviewed annually by the Nomination Committee chairman (who is also the Chairman and an INED).

In year 2018/2019, the Board performance was reviewed by the Nomination Committee chairman. The company secretary sent a set of structured questionnaires for the NED and the INEDs to respond directly to the Nomination Committee chairman who also held an one-on-one discussion with each of the NED and the INEDs on how he/she perceived the performance of the Board as a whole in the year under review, his/her individual contribution, individual training and development needs, and the time commitment that is required to continue to deliver the role effectively. Key areas on which the INEDs were invited to respond included:

- Board dynamics
- Flow of communication among Board members and between Board members and management
- Management of meetings
- Board support
- Strategic oversight

Members of the senior management were also invited to respond to another set of questionnaires sent by the Nomination Committee chairman on Board performance during the year.

Based on the findings of the 2018/2019 Board performance evaluation, the Nomination Committee and the Board considered that the Board performed effectively in the year under review.

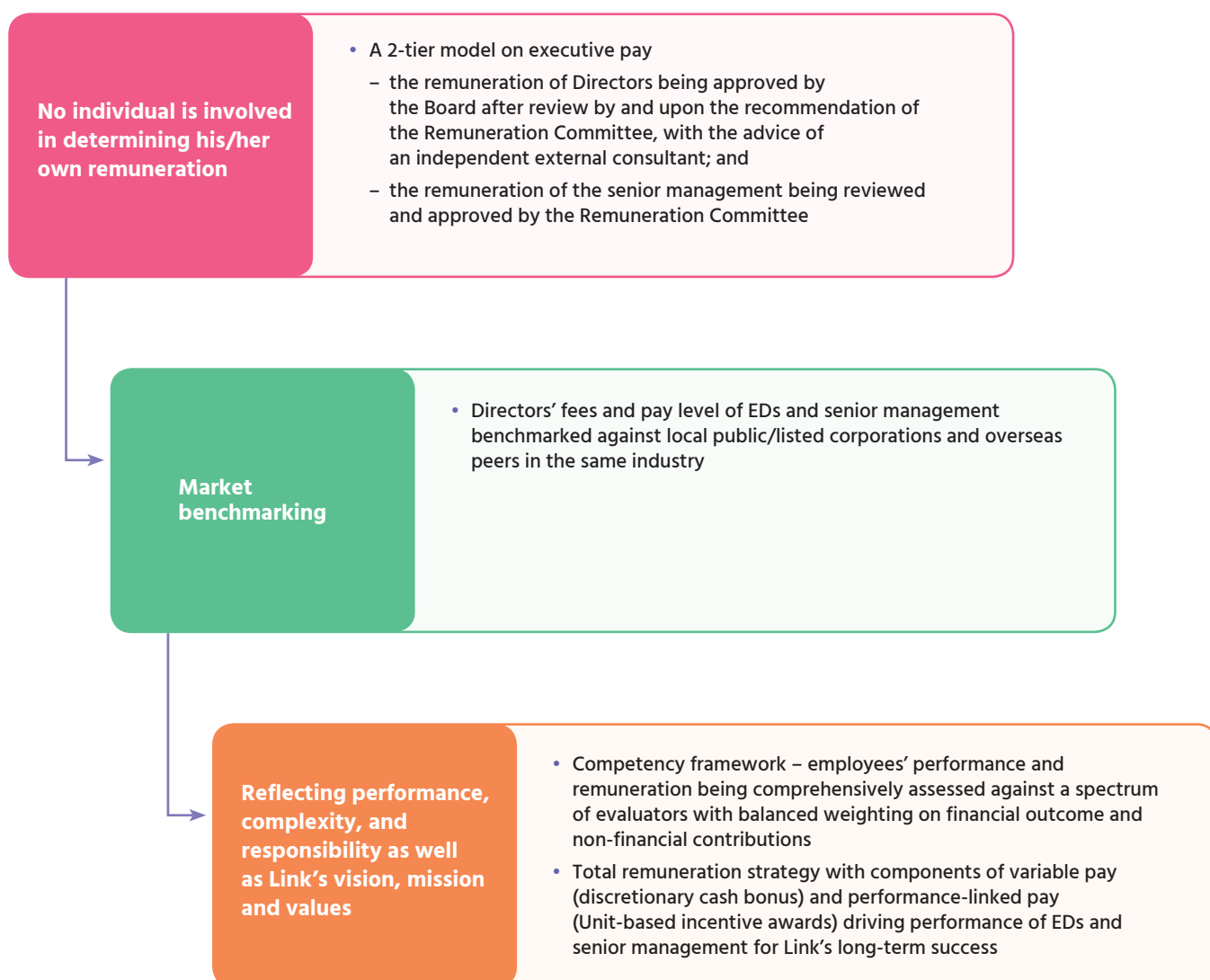
OUR REMUNERATION POLICY

The Remuneration Philosophy

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 those of our Unitholders. Our remuneration strategy supports this objective through balancing business goals against long-term sustainable performance.

We judge performance not only by what has been achieved, but also by how it is and will continue to be achieved on a sustainable basis. Individual remuneration is determined through the assessment of performance delivered against short-term and long-term business targets as well as adherence to Link's vision, mission and values.

The 3 Cornerstones of our Remuneration Strategy



Approval Process of Remuneration

BOARD

(chaired by an INED and comprising a majority of INEDs and NED)

- Approval of the remuneration of EDs upon the recommendation of the Remuneration Committee in private discussion in the absence of EDs and management
- Approval of Directors' fees upon the recommendation of the Remuneration Committee
- Approval of the grant of Long-term Incentive Schemes awards to Directors upon the recommendation of the Remuneration Committee
- Review of the remuneration policy of Link's employees to ensure that they are in line with the market and stay competitive for the Manager to attract and retain high performing employees for Link's growth

REMUNERATION COMMITTEE

(all INEDs)

- Review of and recommend to the Board the remuneration packages and grant of Long-term Incentive Schemes awards to EDs
 - Chairman to brief the Remuneration Committee on the performance of the CEO
 - the CEO to brief the Remuneration Committee on the performance of the COO, the CFO and the CSO
- Review of and recommend to the Board's approval of Directors' fees based on market data and independent external consultant's advice
- Approval of pay increase, discretionary bonus and grant of Long-term Incentive Schemes awards to senior management including the CFO and the CSO

MANAGEMENT

Individuals whose biographies appear on pages 55 to 57 of this report are the senior management of the Manager

- Annual performance appraisal based on Link's competency framework
- EDs and senior management performed 360° performance and leadership assessment with independent external consultant's facilitation
- Pay level, discretionary bonus and pay increment benchmarked against market level
- A significant portion of the EDs and senior management's remuneration is linked to their individual performance on agreed KPIs in addition to the financial outcome of Link, and in appropriate cases, with deferral elements

Structure of Remuneration

Types of remuneration and benefits	Year 2018/2019				Further details
	NED and INEDs	EDs	Senior management	Other employees	
Directors' fees ⁽¹⁾	✓	✗	✗	✗	See page 21
Basic salary	✗	✓	✓	✓	See page 21
Discretionary cash bonus	✗	✓	✓	✓	See page 22
Long-term Incentive Schemes awards	✓ Tenure-based	✓ Performance-linked	✓ Performance-linked	✗ ⁽³⁾	See pages 21 to 22
EUPP	✗	✗	✗	✓	–
Mandatory Provident Fund and other benefits	✗ ⁽²⁾	✓ ⁽²⁾	✓	✓	See page 22

Notes:

- (1) Directors' fees are not payable to EDs.
- (2) All Directors are covered by directors' and officers' liability insurance.
- (3) Selected manager-grade or above employees may be granted Long-term Incentive Schemes awards upon EDs' recommendation and Remuneration Committee's approval and such awards are performance-linked.

Remuneration for Directors and Management

Types of remuneration and benefits	Framework and Policy	Governance
Directors' fees (INEDs and NED only)	<ul style="list-style-type: none"> Base-fees only and payable according to roles, responsibilities and time commitment and benchmarked against market level 	<ul style="list-style-type: none"> Review of fees by the Remuneration Committee and approval by the Board on a yearly basis Full review of fees with external independent consultant's input every 3 years Fee adjustment spread over 3 years
Long-term Incentive Schemes awards (INEDs and NED)	<ul style="list-style-type: none"> Based on a pre-set and fixed percentage of their fees and vested on a tenure basis with no performance-linked target 	<ul style="list-style-type: none"> Approval of grants by the Board Approval of vesting by the Remuneration Committee
Basic salary (EDs and senior management)	<ul style="list-style-type: none"> Fixed cash component of total remuneration benchmarked against comparable peers to recruit and retain key leaders and managers 	<ul style="list-style-type: none"> Review every year with the assistance of external independent consultant by the Remuneration Committee, and in the case of the EDs, approval by the Board

Types of remuneration and benefits	Framework and Policy	Governance
Discretionary cash bonus (EDs and senior management)	<ul style="list-style-type: none"> • Variable cash component of total remuneration to drive and reward performance • Discretionary nature depending on the achievement of financial and non-financial KPIs measured against Link's strategic objectives • Significant portion of the discretionary bonus for EDs and an appropriate portion of the same for senior management may be payable, in appropriate case, on a deferred basis to commensurate with the progress in achieving such objectives, which will be forfeited if the individual resigns or is dismissed "for-cause" during the deferral period 	<ul style="list-style-type: none"> – The aggregate total pool for all employees as well as EDs is under full review and approval by the Remuneration Committee, and in the case of the EDs, approval by the Board – Market survey against local and international peers, with the support of external independent consultant, every year – Review every year by the Remuneration Committee with the assistance of external independent consultant
Long-term Incentive Schemes awards (EDs and senior management)	<ul style="list-style-type: none"> • Unit-based component of total remuneration to attract talent, incentivise performance and retain key personnel for achieving the strategic goals of Link • Discretionary in nature and subject to a three-year vesting period and satisfaction of vesting conditions which are calibrated against business performance, as measured by NPI and total Unit return to Unitholders • Vesting references Unit price of Link over a period of consecutive trading days after announcing financial results on a volume-weighted average basis 	<ul style="list-style-type: none"> – Approval by the Remuneration Committee on grants to senior management and key performing employees – Approval by the Board on grants to the EDs (upon recommendation of the Remuneration Committee) – Grantees receiving Long-term Incentive Schemes awards are not eligible to participate in the EUPP – Remuneration Committee to approve vesting on satisfaction of relevant KPIs with advice from the external auditor
Pension and other benefits	<ul style="list-style-type: none"> • Providing employment benefits in compliance with statutory requirements • Providing other benefits in line with market practices, such as: <ul style="list-style-type: none"> – annual leave, maternity/paternity leave, and 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 	

As stated in Note 30(d) to the Consolidated Financial Statements on pages 132 and 133, the following sections with the heading “Audited” on pages 23 to 25 form part of the Consolidated Financial Statements and have been audited by the Group’s auditor.

Remuneration awarded to NED and INEDs

In 2018, the Remuneration Committee has performed a review of fee levels with independent advice from Mercer (Hong Kong) Limited (“**Mercer**”). The outcome of the review was that NED/INEDs fees had fallen below appropriate peer benchmarks since the last review. Rather than making the full adjustment in 2018, the Remuneration Committee recommended, and the Board agreed, to spread the increase with effect from 1 April 2018 over the next three financial years. The annual NED/INEDs fees for FY2018/2019, FY2019/2020 and FY2020/2021 are as follows:

	FY2018/2019		FY2019/2020		FY2020/2021	
	Chairman HK\$	Member HK\$	Chairman HK\$	Member HK\$	Chairman HK\$	Member HK\$
Board	1,836,500	540,000	1,960,600	582,900	2,094,000	630,000
Audit and Risk Management Committee	204,400	150,000	209,400	150,000	215,000	150,000
Remuneration Committee	105,000	61,500	110,600	62,900	116,500	64,400
Nomination Committee	101,200	55,000	102,600	55,000	103,500	55,000
Finance and Investment Committee	157,000	79,400	159,100	81,500	161,200	83,500

In addition to a base fee according to roles and responsibilities above, NED/INEDs are entitled to Long-term Incentive Schemes awards valued at 70% of their individual total annualised fees. This Long-term Incentive Schemes awards are granted on a tenure basis with no performance-linked target.

Remuneration awarded to EDs (Audited)

Based on the remuneration framework and policy on pages 19 to 22 and with the input from an independent external consultant, the Remuneration Committee has reviewed and recommended to the Board and the Board approved, the total remuneration and its components awarded to the two EDs for 2018/2019 performance year is set out in the table below:

Total remuneration awarded for the performance year 2018/2019

Name of Directors	Short-term remuneration			Long-term remuneration	Total ⁽⁴⁾ HK\$000
	Base pay, allowance and other benefits ⁽¹⁾ HK\$000	Contribution to pension scheme HK\$000	Variable remuneration related to performance ⁽²⁾ HK\$000	Long-term Incentive Schemes awards ⁽³⁾ HK\$000	
George Kwok Lung HONGCHOY	10,191	18	28,528	39,528	78,265
Andy CHEUNG Lee Ming	5,166	18	6,152	12,152	23,488

Total remuneration awarded for the performance year 2017/2018

Name of Directors	Short-term remuneration			Long-term remuneration	Total ⁽⁴⁾ HK\$000
	Base pay, allowance and other benefits ⁽¹⁾ HK\$000	Contribution to pension scheme HK\$000	Variable remuneration related to performance ⁽²⁾ HK\$000	Long-term Incentive Schemes awards ⁽³⁾ HK\$000	
George Kwok Lung HONGCHOY	9,160	18	54,504	30,450	94,132
Andy CHEUNG Lee Ming	5,014	18	10,925	8,250	24,207

Notes:

- (1) Other benefits include leave pay, insurance premium and club membership fee.
- (2) The variable remuneration is performance-related which is determined by matching the achieved results against pre-determined financial and non-financial key performance targets, which include the incremental value created from corporate transactions. Included in the variable remuneration awarded for the performance year 2018/2019, amount of HK\$28,528,000 will be paid to Mr George Kwok Lung HONGCHOY in the year 2019/2020, and amount of HK\$6,152,000 will be paid to Mr Andy CHEUNG Lee Ming in the year 2019/2020 (variable remuneration awarded for the performance year 2017/2018: amounts of HK\$34,504,000 and HK\$20,000,000 to be paid to Mr George Kwok Lung HONGCHOY in year 2018/2019 and subsequent years respectively, and amounts of HK\$7,100,000 and HK\$3,825,000 to be paid to Mr Andy CHEUNG Lee Ming in year 2018/2019 and subsequent years respectively). For the variable remuneration awarded for the performance year prior to year 2017/2018, amounts of HK\$9,550,000 and HK\$3,510,000 were paid to Mr George Kwok Lung HONGCHOY and Mr Andy CHEUNG Lee Ming during the year 2018/2019.
- (3) Long-term Incentive Schemes awards in terms of cash or/and restricted units may be granted to incentivise key executives through rewarding them in calibration of their contributions to the business performance of and success of Link while also retaining them. Values of the Long-term Incentive Schemes awards are based on the target number of vesting Units at volume weighted average Unit price determined under the 2017 LTI Scheme. There is no commitment that the number of Units with the above target values will be vested. The eventual amounts to be vested depends on the scale of achievement against certain financial performance and service related vesting conditions and future Unit prices. These restricted unit awards will be granted in July 2019 under the 2017 LTI Scheme. Details on the Long-term Incentive Schemes are set out in the section headed "Long-term Incentive Schemes" of this report.
- (4) The total remunerations are calculated based on the variable remuneration and the Long-term Incentive Schemes awards approved by the Board. The actual paid variable remuneration for the respective years are set out in Note (2) above and the details of the values of Long-term Incentive Schemes recognised during the year are set out on pages 64 and 66 of this report.

Remuneration paid and recognised for NED and INEDs (Audited)

The figures below represent amounts recognised in the consolidated income statement under Hong Kong Financial Reporting Standards for the years ended 31 March whereas fees are paid in cash and portion of the Long-term Incentive Schemes awards are recognised in the year 2018/2019 as it relates to the individual NED and INEDs, as below:

Name	2019			2018		
	Fees HK\$000	Long-term Incentive Schemes provision ⁽⁴⁾ HK\$000	Total HK\$000	Fees HK\$000	Long-term Incentive Schemes provision ⁽⁴⁾ HK\$000	Total HK\$000
Current Directors						
Nicholas Charles ALLEN	2,095	2,549	4,644	1,975	1,416	3,391
Ian Keith GRIFFITHS	619	789	1,408	577	594	1,171
Christopher John BROOKE ⁽¹⁾	561	189	750	–	–	–
Ed CHAN Yiu Cheong	658	775	1,433	577	421	998
Blair Chilton PICKERELL	684	791	1,475	615	438	1,053
Poh Lee TAN	690	844	1,534	650	466	1,116
May Siew Boi TAN	807	971	1,778	728	735	1,463
Peter TSE Pak Wing	744	979	1,723	727	755	1,482
Nancy TSE Sau Ling	690	857	1,547	650	636	1,286
Elaine Carole YOUNG	681	858	1,539	638	638	1,276
Former Directors						
William CHAN Chak Cheung ⁽²⁾	–	346	346	475	636	1,111
David Charles WATT ⁽³⁾	268	767	1,035	678	697	1,375
Total	8,497	10,715	19,212	8,290	7,432	15,722

Notes:

- (1) Appointed on 1 May 2018
- (2) Retired on 9 November 2017
- (3) Retired on 13 August 2018
- (4) These represent the estimated value of tenure-based restricted unit awards as valued by an independent external valuer, based on valuation techniques and assumptions on Unit price, outstanding length of the awards and other market conditions, if appropriate and charged to the consolidated income statement over the vesting period. The amounts are impacted by the time of appointment/retirement of the concerned Director as well as movements in the Unit price, wherever applicable

INTERNAL CONTROLS 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, recommendations, and follow-up actions 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 controls and procedures of financial reporting and the annual and interim financial statements
- 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 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 and their movement in between times are monitored by the risk management team. Head of business unit is risk owner.

The key risks are reported monthly to the EDs and senior management for monitoring and mitigating action (if necessary), and quarterly to the Audit and Risk Management Committee for review and on-going monitoring. The Board also reviews the principal risks annually.

Details of the internal control processes and risk management framework are discussed on pages 44 to 49 of the Strategic Report of Annual Report 2018/2019.

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 other on-going regulatory compliance and monitoring.

Audit and Risk Management Committee's Review

The Audit and Risk Management Committee – assisted by the internal audit and risk management functions – reports to the Board on key risks, residual risks, their relative movement and, if necessary, mitigating measures in the overall risk management framework of Link. 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 attends all Audit and Risk Management Committee meetings. The Audit and Risk Management Committee also reviews and endorses the annual risk assessment results, and recommends the principal risks for the Board's review and approval.

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 attending part of the meeting concerning such proposals. A Director will not be counted in the quorum for a transaction in which he/she is interested. No paper on proposal in which a Director has conflict will be sent to that Director who will also abstain from any discussion and decision on that proposal.
- (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.
- (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, Link's external auditor, and also by the SFC upon inspection.

COMMUNICATIONS WITH UNITHOLDERS AND UNITHOLDERS' RIGHTS

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, the CFO, the CSO, 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 activities reports and briefings, which include feedbacks from meetings with institutional investors, institutional and retail stockbrokers and debt investors, analysts' forecasts, research reports, latest market developments and market forecasts on 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⁽¹⁾) 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 on page 44 of this report.

During the year under review, the Manager:

- held press conferences with media and analysts' briefings after announcing the interim and final results of Link. The Chairman, the CEO and the CFO attended the press conferences. The CEO, the CFO and the CSO attended the analysts briefings to answer queries on financial results;
- held the 2018 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;
- held 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 interactive communications with Unitholders and the investment community, and also arranged visits by analysts and representatives from major Unitholders to selected properties of Link in Hong Kong and Mainland China;
- attended 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 were of interest to the community;
- proactively engaged proxy advisors on latest corporate governance trends;
- published the interim and full year results, the interim and annual reports and other corporate communications of Link within the time frame and in accordance with the requirements of the REIT Code and the Listing Rules;
- updated Link's corporate website (Linkreit.com) on an on-going basis to keep Unitholders abreast of latest developments of Link; and
- responded to questions from Unitholders in a timely manner.

(1) Effective from 1 July 2019, the registered office of the Manager will be changed to 20/F., Tower 1, The Quayside, 77 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong

Distribution Policy

It is the distribution policy of the Manager to provide Unitholders with regular distribution semi-annually after the Board approves the full-year and half-yearly results of Link.

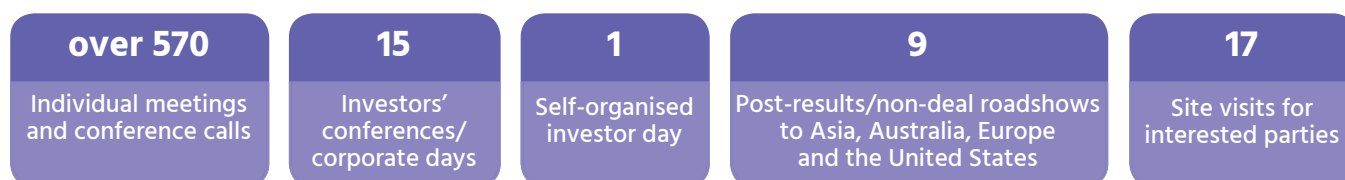
Under the REIT Code as well as the Trust Deed, Link is required to ensure that the total amount distributed to Unitholders – as distributions for each financial year – is not less than 90% of Link's total distributable income. Under the Trust Deed, total distributable income is the consolidated profit of Link after taxation attributable to Unitholders adjusted to eliminate the effects of certain non-cash adjustments which have been recorded in the consolidated income statement of Link for the relevant financial period.

In exercising its discretions under the Trust Deed, the Manager has been consistently distributing 100% (and when justified, over 100%) of Link's total distributable income as distribution to Unitholders.

Details of the interim distribution and final distribution per Unit for the financial year ended 31 March 2019 appear on page 88 of this report. Ex-distribution date, closure of register of Unitholders date, record date, and payment date for the distribution in respect of FY2018/2019 appear on page 191 of this report.

Investor Relations

The Manager continually communicates with the investment community to ensure that analysts, retail and institutional investors are sufficiently informed, and to gauge their views on the business objectives, activities and future direction of Link. There are currently 17 equity research analysts actively covering Link. Since April 2018, the Manager participated in the following events:



Reporting and Transparency

Link maintains a high standard of transparency and keeps Unitholders well apprised of Link's developments in a timely manner through:

- publishing annual report within three months after the financial year end and interim report within two months after the half-year period end;
- 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 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.

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 circumstances specified in the Trust Deed and the REIT Code.

- **2018 AGM**

At the 2018 AGM held on 25 July 2018, Unitholders approved the re-election of Mr Ian Keith GRIFFITHS as a NED and Mr Nicholas Charles ALLEN, Ms Poh Lee TAN, Mr Peter TSE Pak Wing and Mr Christopher John BROOKE as INEDs, the renewal of the Unit buy-back mandate, and amendments to the Trust Deed. The relevant poll vote results announcement dated 25 July 2018 can be found on websites of Link and the Stock Exchange.

The Chairman (who is also chairman of the Nomination Committee and the Finance and Investment Committee), the chairmen of the Audit and Risk Management Committee and the Remuneration Committee, other INEDs, the CEO, the COO, the CSO and the CFO as well as Link's external auditor attended the 2018 AGM to meet and answer questions from Unitholders.

- **2019 AGM**

The 2019 AGM will be held on 24 July 2019. Notice and agenda are set out in the circular to Unitholders accompanying this Annual Report 2018/2019.

- **Directors Retiring at the 2019 AGM**

At the 2019 AGM, Mr Ed CHAN Yiu Cheong, Mr Blair Chilton PICKERELL and Ms May Siew Boi TAN will retire by rotation in accordance with Articles 125 and 126 of the Articles and the Compliance Manual and, being eligible, offer themselves for re-election by Unitholders.

REGULATORY AND COMPLIANCE

The regulatory and compliance information which appears on pages 40 to 49 of this report forms an integral part of this corporate governance report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

Link 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 173 to 187 of this report.

CHANGES AFTER FINANCIAL YEAR END

This report has taken into account changes occurred since the end of the financial year on 31 March 2019 up to the date of approval by the Board of this report on 3 June 2019.

By order of the Board
Ricky CHAN Ming Tak
Company Secretary

Hong Kong, 3 June 2019

Reports of Board Committees

REPORT OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee is principally responsible for overseeing the quality and integrity of financial statements, internal and external audit work, overall risk management, and monitoring of compliance including connected party transactions, property development and Relevant Investments activities to ensure that they are being conducted in accordance with the conditions of the relevant SFC waivers and the GAV Cap and the Maximum Cap requirements of the REIT Code.

Composition and Attendance

Link Corporate Governance Policy mandates that the Audit and Risk Management Committee shall comprise only INEDs and no member of the Finance and Investment Committee shall be a member of the Audit and Risk Management Committee.

During the year ended 31 March 2019, the Audit and Risk Management Committee met four times.

Members	Independent	Attended/ Eligible to attend	Invitees for specific topics	Attended/ Eligible to attend
Peter TSE Pak Wing (<i>chairman</i>)	✓	4/4	CEO ⁽¹⁾	4/4
Poh Lee TAN	✓	4/4	CFO ⁽¹⁾	4/4
May Siew Boi TAN	✓	4/4	Senior representatives from PricewaterhouseCoopers ("PwC") (the external auditor) and Jones Lang LaSalle Limited ("JLL") (Principal Valuer) ⁽²⁾	2/2
Nancy TSE Sau Ling	✓	4/4	Head of Internal Audit and Risk Management ⁽¹⁾	4/4
			Director (Human Resources) ⁽³⁾	1/1
			Head of Finance ⁽³⁾	2/2
			Head of Capital Markets ⁽³⁾	1/1

Notes:

- (1) Non-member but attended all relevant sessions of the Audit and Risk Management Committee meetings
- (2) Senior representatives from JLL and PwC attended the sessions of the Audit and Risk Management Committee meetings to discuss and review the portfolio valuation and the interim and final results of Link
- (3) Relevant departmental directors/heads attended the relevant sessions of the Audit and Risk Management Committee meetings

Work of the Audit and Risk Management Committee during the year and up to the date of this Report

Key areas of review	Tasks performed
<ul style="list-style-type: none"> Integrity of financial reporting, endorsement of financial statements of Link and the Manager and the disclosures therein, disclosures in the interim and annual reports of Link 	<ul style="list-style-type: none"> Reviewed the 2018/2019 final results announcement and annual report and Link's financial statements and the Manager's directors' report and financial statements for 2018/2019 and recommended their approval by the Board Reviewed the 2018/2019 interim results announcement and interim report Reviewed announcements, circulars and other corporate communications issued by Link Reviewed accounting policies including critical accounting policies and practices Considered and discussed with the external auditor key audit matters in its report on interim and full year review of financial results including a private discussion with the auditor in the absence of management Reviewed the portfolio valuation reports together with Principal Valuer for interim and final results of Link and recommended the same for approval by the Board
<ul style="list-style-type: none"> Appointment and re-appointment/removal of external auditor, review of external auditor's performance and audit and non-audit service fees 	<ul style="list-style-type: none"> Reviewed the work scope, quality, fees and terms of engagement of the external auditor and the audit and non-audit services it provided Assessed external auditor's independence and based on its review and assessment, recommended to the Board on the re-appointment of the external auditor of Link
<ul style="list-style-type: none"> Internal audit plan and audit work 	<ul style="list-style-type: none"> Reviewed internal audit activities reports on a quarterly basis, monitored and followed up on the implementation of recommended actions Approved the yearly internal audit plan for 2019/2020 and the 3-year rolling internal audit plan for 2019/2020 to 2021/2022 Reviewed and satisfied itself that the internal audit function was independent, effective and adequately resourced in staffing and staff training (Through the Audit and Risk Management Committee chairman) discussed privately and from time to time with the Head of Internal Audit and Risk Management on internal control and internal audit matters
<ul style="list-style-type: none"> Internal controls and risk management 	<ul style="list-style-type: none"> Quarterly reviewed the effectiveness of Link's internal control and risk management systems through the quarterly review of internal audit activities reports and risk management activities reports Monitored risks specified on Link's corporate risks register on an on-going basis by identifying new risks, residual risks, monitoring of movement of risks and receiving management's representations thereon Endorsed the corporate risks register for yearly review and approval by the Board Discussed privately and from time to time with the Head of Internal Audit and Risk Management on risk management matters Reviewed and considered through the assistance of the human resources function the adequacy of resources, staff qualifications, experience, training and budget of the finance and accounting functions of the Manager Reviewed and satisfied itself that the risk management function was independent, effective, and adequately resourced in terms of staffing and staff training Reviewed the internal control guidelines and the risk monitoring framework for Relevant Investments

Key areas of review	Tasks performed
<ul style="list-style-type: none"> • Compliance with REIT Code, the Listing Rules, and other statutory compliance: <ul style="list-style-type: none"> – connected party transactions as within the requirements of the relevant SFC waivers – 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 – disclosures in the interim and annual reports and interim and final results announcements – other statutory and operational compliance 	<ul style="list-style-type: none"> • Reviewed quarterly statutory and operational compliance reports on an on-going basis, and monitored compliance issues • Reviewed and monitored connected party transactions through quarterly reports submitted by the company secretary and half-yearly review by internal audit function and ensured compliance with the requirements of the REIT Code and the conditions of the relevant SFC waivers • 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 quarterly updates on property development and related activities and the extent, in percentage terms, to which the GAV Cap and the Maximum Cap have been applied in relation to Link's property development and/or Relevant Investments activities and reviewed the disclosures in annual report in relation thereto • Monitored compliance with the Compliance Manual (which sets out the Link Corporate Governance Policy and the Link Securities Dealing Code) through quarterly reports submitted • Reviewed and recommended for approval by the Board the updated Compliance Manual of the Manager • Reviewed and endorsed the engagement of HSBC for the provision of corporate finance services regarding the issue of convertible bonds as within the terms of the relevant SFC waiver
<ul style="list-style-type: none"> • Others 	<ul style="list-style-type: none"> • Reviewed the updates to terms of reference of the Audit and Risk Management Committee

I would like to thank all the committee members for their dedicated in discharging their duties.

None of the members of this committee was a partner or a former partner of Link's external auditor within two years immediately before his/her appointment.

Peter TSE Pak Wing

Chairman of the Audit and Risk Management Committee

Hong Kong, 3 June 2019

REPORT OF THE FINANCE AND INVESTMENT COMMITTEE

The Finance and Investment Committee is responsible for overseeing the business and financial matters of Link.

Composition and Attendance

According to the Link Corporate Governance Policy, members of the Finance and Investment Committee cannot be a member of the Audit and Risk Management Committee.

During the year ended 31 March 2019, the Finance and Investment Committee met eight times.

Members	Independent	Attended/ Eligible to attend	Invitees for specific topics	Attended/ Eligible to attend
Nicholas Charles ALLEN (<i>chairman</i>)	✓	8/8	COO	1/1
George Kwok Lung HONGCHOY		8/8	CSO	2/2
Ian Keith GRIFFITHS		8/8	Director (Asset Management – China)	1/1
Christopher John BROOKE ⁽¹⁾	✓	6/6	Director (Investment)	5/5
Ed CHAN Yiu Cheong	✓	8/8	Head of Asset Planning and Strategy	4/4
David Charles WATT ⁽²⁾	✓	3/3	Head of Capital Markets	7/7
Elaine Carole YOUNG	✓	8/8	Head of Finance	1/1
NG Kok Siong ⁽³⁾		7/7	Head of Project and Development	3/3
			General Manager – Corporate Development and Strategy	1/1
			General Manager – Investment	2/2

Notes:

- (1) Mr Christopher John BROOKE joined the Finance and Investment Committee as a member on 6 June 2018
- (2) Mr David Charles WATT retired as a member of the Finance and Investment Committee on 13 August 2018
- (3) Mr NG Kok Siong joined the Manager as the CFO and became a member of the Finance and Investment Committee on 3 May 2018

Work of the Finance and Investment Committee during the year and up to the date of this Report

Key areas of review	Tasks performed
<ul style="list-style-type: none"> Investment, acquisition and disposal, capital recycle decisions 	<ul style="list-style-type: none"> Discussed and evaluated various investment opportunities and the required rate of return as within the investment criteria approved by the Board Discussed and endorsed the acquisition of two properties in Tongzhou and Shenzhen, the PRC, and the disposal of 12 properties in Hong Kong Discussed and recommended for approval by the Board the update of Unit buy-back mandate and monitoring its execution regularly
<ul style="list-style-type: none"> Financing matters 	<ul style="list-style-type: none"> Reviewed and recommended for approval by the Board the renewal of MTN programme and general mandate for management to issue notes under the MTN programme Reviewed and recommended for approval by the Board the issue of HK\$4 billion guaranteed green convertible bonds
<ul style="list-style-type: none"> Budget and forecasts 	<ul style="list-style-type: none"> Reviewed and recommended for approval by the Board the 3-year budget and business plans
<ul style="list-style-type: none"> Financing plans and strategies 	<ul style="list-style-type: none"> Reviewed regularly capital management reports and treasury reports and considered capital market conditions as regularly reported by treasury team Reviewed and recommended for approval by the Board the increase of share capital of the Manager for the purpose of fulfilling the Securities and Futures (Financial Resources) Rules
<ul style="list-style-type: none"> Asset enhancement 	<ul style="list-style-type: none"> Approved new asset enhancement projects; reviewed regularly the progress of existing asset enhancement projects; evaluated performance of post-asset enhancement projects; and reviewed other capital expenditure proposals
<ul style="list-style-type: none"> Relevant Investments 	<ul style="list-style-type: none"> Reviewed, discussed and approved the scope of Relevant Investments Mandate to management and Execution Arrangement Evaluated opportunities within the scope of Relevant Investments Mandate
<ul style="list-style-type: none"> Others 	<ul style="list-style-type: none"> Reviewed and recommended for approval by the Board the updated terms of reference of the Finance and Investment Committee

Mr David Charles WATT retired from the Finance and Investment Committee on 13 August 2018. On behalf of all the committee members, I would like to thank Mr David Charles WATT for his contributions in the past years. I would also like to thank all the other committee members for their dedication in discharging their duties during the year.

Nicholas Charles ALLEN

Chairman of the Finance and Investment Committee

Hong Kong, 3 June 2019

REPORT OF THE NOMINATION COMMITTEE

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board and Board Committees (having regard to the skills and experience, independence and diversity of the members) and makes recommendations to the Board with regard to any new Board appointment and succession planning. The Nomination Committee also helps the Board oversee corporate governance practices of the Manager.

The Nomination Committee adopts a forward-looking approach to identify potential candidate 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.

Composition and Attendance

During the year ended 31 March 2019, the Nomination Committee met three times.

Members	Independent	Attended/ Eligible to attend	Invitees for specific topics	Attended/ Eligible to attend
Nicholas Charles ALLEN (<i>chairman</i>)	✓	3/3	Director (Human Resources)	2/2
George Kwok Lung HONGCHOY	✓	3/3		
Blair Chilton PICKERELL	✓	2/3		
May Siew Boi TAN	✓	3/3		

Work of the Nomination Committee during the year and up to the date of this Report

Key areas of review	Tasks performed
<ul style="list-style-type: none"> Appointment, re-appointment and removal of Directors, nomination of Directors for re-election by Unitholders at annual general meeting 	<ul style="list-style-type: none"> Reviewed and recommended for approval by the Board the renewal of the term of Mr Nicholas Charles ALLEN, Mr Ed CHAN Yiu Cheong, Mr Blair Chilton PICKERELL, Ms Poh Lee TAN, Ms May Siew Boi TAN and Ms Elaine Carole YOUNG, each as an INED, for three years Recommended the re-election of three retiring Directors (Mr Ed CHAN Yiu Cheong, Mr Blair Chilton PICKERELL and Ms May Siew Boi TAN) who will stand for re-election at the forthcoming 2019 AGM after considering their respective contributions, skills and experience, and expertise as well as assessing their independence
<ul style="list-style-type: none"> Board diversity 	<ul style="list-style-type: none"> Reviewed the Board Diversity Policy of Link and monitored regularly its implementation progress
<ul style="list-style-type: none"> Composition of the Board and Board Committees as within the Link Corporate Governance Policy 	<ul style="list-style-type: none"> Reviewed the composition, size and structure, and memberships of the Board and Board Committees by (i) taking into account the expertise, time commitment, skills and experience of the members; (ii) with particular reference to the Board Diversity Policy of Link; and (iii) taking into consideration the Link Corporate Governance Policy and the Listing Rules Corporate Governance Code <p>During the year under review, members of Nomination Committee reviewed and recommended for approval by the Board the appointment of Mr Christopher John BROOKE and Mr Ed CHAN Yiu Cheong as the respective member of Finance and Investment Committee and Remuneration Committee</p>
<ul style="list-style-type: none"> Succession planning 	<ul style="list-style-type: none"> Reviewed succession planning of the CEO Reviewed the retirement policy of Link and the extension of CEO's retirement age
<ul style="list-style-type: none"> Board performance evaluation 	<ul style="list-style-type: none"> Reviewed Directors' time commitment through, among others, monitoring their meeting attendance for the year and number of outside directorships Reviewed training and continuous professional development undertaken by each Director in the year Carried out Board performance evaluation
<ul style="list-style-type: none"> Assisted the Board in ensuring compliance with the Link Corporate Governance Policy and practices 	<ul style="list-style-type: none"> 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
<ul style="list-style-type: none"> Others 	<ul style="list-style-type: none"> Reviewed the terms of reference of the Nomination Committee

I would like to thank all the committee members for the dedicated efforts they put in during the year.

Nicholas Charles ALLEN

Chairman of the Nomination Committee

Hong Kong, 3 June 2019

REPORT OF THE REMUNERATION COMMITTEE

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 also determines the remuneration packages of senior management. It is comprised entirely of INEDs.

Composition and Attendance

During the year ended 31 March 2019, the Remuneration Committee met four times.

Members	Independent	Attended/ Eligible to attend	Invitees for relevant agenda items	Attended/ Eligible to attend
Blair Chilton PICKERELL ⁽¹⁾ (<i>chairman</i>)	✓	4/4	Chairman ⁽⁴⁾	2/2
Ed CHAN Yiu Cheong ⁽²⁾	✓	2/2	CEO ⁽⁴⁾	4/4
May Siew Boi TAN	✓	4/4	Senior representatives from Mercer (an independent external consultant)	3/3
David Charles WATT ⁽³⁾	✓	2/2	Director (Human Resources) ⁽⁴⁾	4/4
Elaine Carole YOUNG	✓	4/4		

Notes:

- (1) Succeeded Mr David Charles WATT as the chairman of the Remuneration Committee on 14 August 2018
- (2) Joined the Remuneration Committee as a member on 14 August 2018
- (3) Retired as an INED and ceased to be the chairman of the Remuneration Committee on 13 August 2018
- (4) Non-member but attended all relevant sessions of the Remuneration Committee meetings

Work of the Remuneration Committee during the year and up to the date of this Report

The Remuneration Committee is the administrator of the Long-term Incentive Schemes. It recommends the grant of awards to the CEO, the COO and other Directors for approval by the Board. It determines the grant of awards to senior management including the CFO and the CSO. It also determines the vesting of the Long-term Incentive Schemes awards.

The Chairman attends relevant sessions of the Remuneration Committee meetings to provide his input on the performance of the CEO, and the CEO presents his performance assessment of the COO, the CFO and the CSO to assist the Remuneration Committee to review the remuneration packages of the 2 EDs and determine the remuneration packages of the CFO and the CSO. Director (Human Resources) regularly attends Remuneration Committee meetings to brief members on market pay trends, talent development and training and other employment matters.

An independent external consultant is engaged to provide market data and industry analysis to assist the Remuneration Committee in discussing and reviewing executive compensation framework.

Each Director abstains when voting on his/her own remuneration.

Key areas of review	Tasks performed
<ul style="list-style-type: none"> Remuneration policies 	<ul style="list-style-type: none"> Reviewed the remuneration framework, policy and structure for EDs, senior management and key employees Reviewed, with the assistance of an independent external consultant (being Mercer) market development in executive remuneration and business performance
<ul style="list-style-type: none"> Remuneration strategy and policies for senior management and staff and the training and continuous professional development of senior management 	<ul style="list-style-type: none"> Reviewed the general market pay trend and endorsed the budgets for salary increment and performance bonus for senior management staff Reviewed the leadership development plans submitted by Director (Human Resources) Discussed training and continuous professional development of senior management
<ul style="list-style-type: none"> Remuneration packages of EDs and senior management 	<ul style="list-style-type: none"> Reviewed and recommended (with the assistance of Mercer) to the Board for approval of the remuneration packages of the CEO (with input from the Chairman) and the COO (with input from the CEO) Reviewed and determined the remuneration package of senior management team including the CFO and the CSO (with inputs from the CEO) Discussed, with the assistance of Mercer, the executive compensation framework
<ul style="list-style-type: none"> Review of fees level of NED/INEDs 	<ul style="list-style-type: none"> Performed annual review of the fee structure and level and confirmed the fee increases for NED and INEDs as per schedule of Director's fee increases set for FY2019/2020, with assistance of Mercer
<ul style="list-style-type: none"> Grant and vesting of Long-term Incentive awards in favour of Directors and senior management under the Long-term Incentive Schemes 	<ul style="list-style-type: none"> Reviewed and recommended for approval by the Board the proposed grant of Awards under the 2017 LTI Scheme to the CEO and the COO and the other Directors Approved the grant of Awards to members of the senior management team including the CFO and the CSO and certain other key staff under the 2017 LTI Scheme in the year Reviewed the vesting results of restricted unit awards vested under the 2007 LTI Plan in the year Discussed the grant policy of the 2017 LTI Scheme for newly appointed INED

Mr David Charles WATT retired from the Remuneration Committee on 13 August 2018. On behalf of all the committee members, I would like to thank Mr David Charles WATT for his contributions in the past years. I would also like to thank all the committee members for their dedicated efforts.

Blair Chilton PICKERELL

Chairman of the Remuneration Committee

Hong Kong, 3 June 2019

Regulatory and 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 Unitholders. The Trustee and the Manager operate independently.

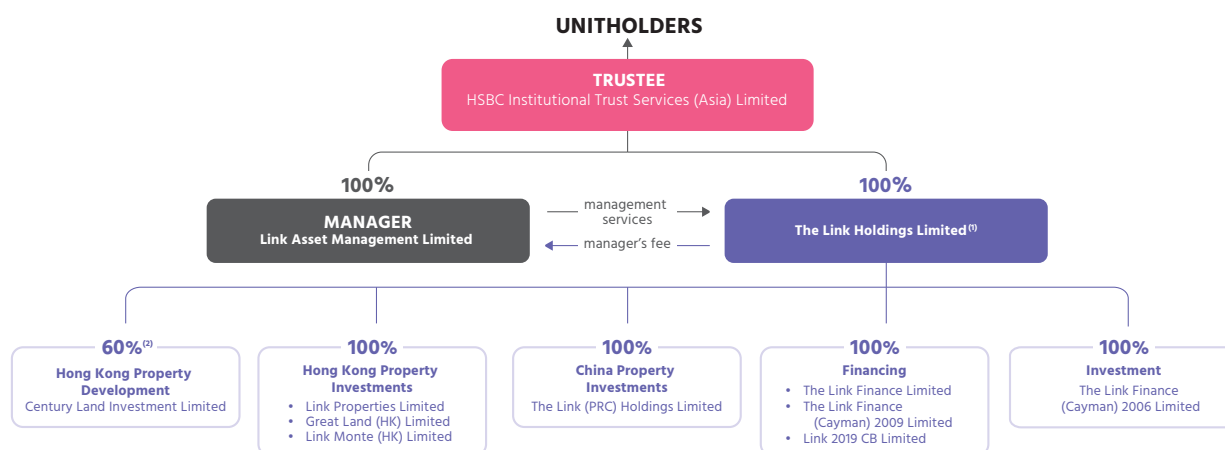
The respective rights and obligations of the Manager and the Trustee are governed by the Trust Deed. The Trustee carries out periodic reviews on the Manager, in addition to the reviews performed by the internal auditor and external auditor. The Trustee's Report is set out on page 80 of this report.

The activities of the Manager and Link are regulated by the SFC pursuant to the REIT Code and the SFO. The business of Link and activities of the Manager are subject to inspection from time to time by the SFC which it carried out and completed in FY2018/2019.

During the year ended 31 March 2019, 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 four 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 2019 are set out in Note 32 to the consolidated financial statements. The Trustee is the sole owner, on behalf of all Unitholders, of both the Manager and The Link Holdings Limited, which holds all of the Link's assets. The Units represent stapled interest in these two companies.

(2) 40% interests are held by Nan Fung Development Limited.

COMPLIANCE WITH LISTING RULES CORPORATE GOVERNANCE CODE AND OTHER REGULATIONS

Throughout the year ended 31 March 2019,

- (i) Link and the Manager complied with the REIT Code, the SFO, applicable provisions of the Listing Rules, the Trust Deed, and, in all material respects, the Compliance Manual; 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 2019.

Pursuant to the Link Securities Dealing Code, Directors or senior management or other relevant senior employees wishing to deal in the securities of Link must first have regard to the provisions of Parts XIII and XIV of the SFO with respect to insider dealing and market misconduct as if such SFO provisions were applicable to Link. They must also refrain from dealing in the securities of Link if they are aware of, or are privy to, 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 2019, 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 81 to 85 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 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 2019 is set out in Note 10 to the consolidated financial statements.

UPDATES ON DIRECTORS' BIOGRAPHICAL INFORMATION SINCE INTERIM REPORT 2018/2019

- Mr George Kwok Lung HONGCHOY was appointed as a trustee of the University of Pennsylvania with effect from 1 January 2019.
- Mr Christopher John BROOKE was appointed as global President of the Royal Institution of Chartered Surveyors (RICS) with effect from 27 November 2018.
- Mr Ed CHAN Yiu Cheong has become an Operating Partner for SoftBank Investment Advisers with effect from 3 June 2019.
- Mr Blair Chilton PICKERELL ceased to be a member of the Strategic Issues Committee of Principal Financial Group, Inc. (which is listed on NASDAQ) with effect from 28 November 2018.
- Mr Peter TSE Pak Wing retired as an independent non-executive director of Hong Kong Aircraft Engineering Company Limited (which was listed on the Main Board of the Stock Exchange until it withdrew from listing on 29 November 2018) with effect from 1 December 2018.

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

The Articles 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% of the Units in issue.

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 2019 AGM.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed under the "Connected Party Transactions" section on pages 68 to 72 of this report and in Note 30 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 the grant of Restricted Unit Awards under the 2017 LTI Scheme in the year under review. Other than the 2017 LTI Scheme, 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 of Link. Further details of the 2017 LTI Scheme are disclosed in the "Long-term Incentive Schemes" section on pages 62 to 67 and Note 20 to the consolidated financial statements. Save as disclosed, 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 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 renewed in December 2018.

LINK TOGETHER INITIATIVES

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

In the year under review, upon the recommendation of the selection committee, the Board approved approximately HK\$14.4 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 73 to 79 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, 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, 558 eligible employees of the Manager participated in the EUPP who together purchased 234,572 Units on the Stock Exchange at a total consideration of HK\$18,375,598.75 of which HK\$2,633,823.00 were subsidised by the Manager.

INFORMATION ON UNITS OF LINK

Issue of New Units

During the year under review, 1,407,782 new Units were issued to satisfy vesting of restricted unit awards granted pursuant to the 2007 LTI Plan. Based on 2,109,321,254 Units in issue as at 31 March 2019, the number of new Units issued in the year represented approximately 0.07% of the issued Units of Link.

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 42,145,500 Units on the Stock Exchange at an aggregate consideration (excluding expenses) of approximately HK\$3,216.4 million. Further details are set out as follows:

Month	Number of Units bought back	Purchase price per Unit		Approximate aggregate consideration (excluding expenses) HK\$'M
		Highest HK\$	Lowest HK\$	
2018				
July	13,611,500	77.80	71.35	1,019.9
August	25,868,500	78.30	75.05	1,987.5
December	966,500	79.00	77.35	76.1
2019				
January	1,699,000	79.00	77.60	132.9

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 2018 AGM and were made in the interest of Link and the Unitholders as a whole. The average cost (excluding expenses) of the Units bought back was approximately HK\$76.32 per Unit. 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.

Issue of Guaranteed Green Convertible Bonds due 2024

During the year under review, a subscription agreement dated 7 March 2019 was entered into by Link with, among others, Link 2019 CB Limited, a wholly-owned SPV of Link, as the issuer and The Hongkong and Shanghai Banking Corporation Limited ("**HSBC**") and J.P. Morgan Securities plc as the joint lead managers for the issue of HK\$4,000,000,000 1.60 per cent. guaranteed green convertible bonds due 2024 (the "**Convertible Bonds**") which are convertible into new Units of Link at an initial conversion price of HK\$109.39 per Unit (subject to adjustment) for a maturity of five years. The Convertible Bonds were formally listed on the Stock Exchange on 4 April 2019 with stock code number 5936.

Link intends to use the net proceeds of approximately HK\$3,974,193,050 (after deduction of fees, commissions and other related expenses) from the issue of the Convertible Bonds to refinance or fund, in whole or in part, existing and future eligible green projects selected in accordance with certain prescribed eligibility criteria as prescribed under and for general corporate purposes that fit Link's green finance framework.

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

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

As of the date of this report, no conversion of the Convertible Bonds had been exercised by any holders of the Convertible Bonds and no redemption of the Convertible Bonds was made by Link 2019 CB Limited.

For details, please refer to the announcements dated 7 March, 8 March and 3 April 2019 issued by the Manager.

Unitholders Statistics

An analysis of the registered Unitholders as at 31 March 2019 according to the register of Unitholders of Link was as follows:

Range of unitholdings	Number of registered Unitholders	Aggregate number of Units held	Percentage %
0–1,000	7,423	4,895,637	0.23
1,001–5,000	13,450	29,939,331	1.42
5,001–10,000	1,048	7,346,629	0.35
10,001–100,000	698	19,217,660	0.91
100,001 or over	87	2,047,921,997	97.09
Total	22,706	2,109,321,254	100.00

HKSCC Nominees Limited (through which most holders hold their Units in Link) was the single largest registered Unitholder, holding 2,023,807,352 Units (approximately 96%) as at 31 March 2019.

Based on the closing price of HK\$91.8 per Unit and 2,109,321,254 Units then in issue, the market capitalisation of Link as at 31 March 2019 was approximately HK\$193.6 billion. 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. During the year under review, Mr Christopher John BROOKE was appointed as a Director and Mr David Charles WATT retired as a Director.

Directors of Link’s SPVs

Mr George Kwok Lung HONGCHOY and Mr Andy CHEUNG Lee Ming are directors of all Link’s SPVs. Mr Gary FOK Yip Sang is the director of 5 PRC subsidiaries of Link, in which, Ms Phyllis NG Yuen Fan and Mr Ronnie WONG Yat San are also director of, respectively, three and one such PRC subsidiaries. Ms Peonie KONG Po Yan is a director of the joint-venture company of Link and Nan Fung Development Limited and its subsidiary which holds The Quayside.

During the year under review, no Director is interested in any business which competes or is likely to compete in any material respects with Link.

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 Beijing Jingtong Roosevelt Plaza in Tongzhou District, Beijing, the PRC for a consideration of RMB2,560,000,000 which was completed on 23 January 2019;
- (ii) disposals of 12 properties for a total consideration of HK\$12,010,000,000 which were all completed on 13 March 2019; and
- (iii) acquisition of CENTRALWALK in Futian, Shenzhen, the PRC for a consideration of RMB6,600,000,000 which was completed on 14 March 2019.

As at 31 March 2019, Link’s portfolio comprised 132 assets (including 126 investment properties and 1 property development project in Hong Kong as well as 5 investment properties in Mainland China). Complete list and relevant details of those properties and the property development project can be found on pages 143 to 171 of this report.

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 development of the property now known as The Quayside.

Updates on the commercial development project pursuant to 7.2A of the REIT Code since Link's interim report 2018/2019 are as follows:

- The occupation permit has been issued by the Buildings Department on 10 May 2019.
- Based on (i) the total development costs (including land premium) of HK\$9.9 billion and (ii) Link's 60% interest in the joint venture, Link's portion of the total development costs is estimated at approximately HK\$5.94 billion, which (a) represents approximately 2.8% of the total gross asset value of Link as at 31 March 2019 (after adjusting for the impact of the final distribution for the year ended 31 March 2019); and (b) is within the GAV Cap.

As of 31 March 2019, the total development costs outstanding on The Quayside attributable to Link's 60% interest in the joint venture was approximately HK\$0.4 billion, which represented approximately 0.2% of the total gross asset value of Link as at 31 March 2019.

RELEVANT INVESTMENTS

On 25 July 2018, Unitholders approved the expansion of investment scope of Link's investment strategy to include investments in Relevant Investments (as defined in the REIT Code).

The Relevant Investments made by Link as of 31 May 2019 is set out below:

Debt securities	Primary listing	Currency	Credit rating			Total cost HK\$'000	Mark-to-market value HK\$'000	Percentage of gross asset value ⁽¹⁾ %
			S&P's	Moody's	Fitch			
YXREIT 4.75 04/27/21	SEHK	USD	BBB-	Baa3	-	51,312	51,351	0.02
CHINAM Float 07/16/21	SEHK	USD	BBB+	Baa1	-	39,445	39,371	0.02
HRINTH 3.625 11/22/21	SEHK	USD	BBB+	-	-	63,401	63,586	0.03
BCLMHK 4 01/22/22	SEHK	USD	A-	-	A	12,530	12,571	0.01
CICCHK 3.375 05/03/22	SEHK	USD	BBB	-	BBB+	47,067	47,232	0.02
CICCHK Float 05/03/22	SEHK	USD	BBB	-	BBB+	80,349	80,247	0.04
CATIC 3.5 05/31/22	SEHK	USD	-	-	A-	47,082	47,208	0.02
HAOHUA 3.5 07/19/22	SGX	USD	BBB	-	A-	94,314	94,441	0.04
CHIOLI 3.95 11/15/22	SEHK	USD	BBB+	Baa1	-	24,048	24,095	0.01
POLYRE 3.95 02/05/23	SEHK	USD	BBB-	Baa3	BBB+	196,209	197,493	0.09
HAOHUA 4.625 03/14/23	SGX	USD	BBB	-	A-	40,706	40,779	0.02
PINGIN 4.375 09/10/23	SGX	USD	-	Baa2	-	12,164	12,219	0.01
YUEXIU 5.375 10/19/23	SEHK	USD	-	Baa3	BBB-	23,725	23,781	0.01
VNKRLE 5.35 03/11/24	SEHK	USD	BBB	Baa2	-	50,043	50,228	0.02
CHIOLI 5.95 05/08/24	SEHK	USD	BBB+	Baa1	A-	17,426	17,553	0.01
CCBL 3.5 05/16/24	SEHK	USD	A	A2	A	156,630	158,463	0.07
SHGANG 4 05/23/24	SGX	USD	-	-	A-	54,588	55,354	0.02
Total						1,011,039	1,015,972	0.45

Note:

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

Based on the above, the portfolio of Relevant Investments represented approximately 0.45% of the gross asset value of Link as of 31 May 2019 and is within the Maximum Cap. The combined value of the Relevant Investments together with the total costs of property development and related activities are within the Maximum Cap.

OTHER INFORMATION UPDATES

Major Real Estate Agents/Advisors

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

Name	Nature of services	Commission/ advisory fees paid HK\$'M	Percentage of relevant costs %
Cushman & Wakefield (HK) Limited	Lease agency / Real estate advisor for review of Link's asset portfolio and the disposal of 12 properties	55.7	40.5
HSBC	Financial advisor for review of Link's asset portfolio and the disposal of 12 properties	55.2	40.1
Colliers International Pacific Limited	Agency	17.0	12.3
CBRE Limited	Lease agency	1.2	0.9
Kabo Limited	Lease agency	1.0	0.8

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	Pile foundation, lateral support works and main contractor	1,230.0	34.0
Ching Lee Engineering Limited	Project and maintenance	231.1	6.4
Ka Shun Contractors Limited	Project and maintenance	146.8	4.1
Jetline Company Limited	Project and maintenance	116.5	3.2
Pat Davie Limited	Project and maintenance	115.1	3.2

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 50.9% and approximately 34.0% of Link's total relevant costs.

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 64, has been an Independent Non-Executive Director of the Manager since February 2016 and 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). With effect from May 2018, he was appointed as an independent non-executive director of Stevin Rock LLC and RAK Rock LLC (both are private quarry companies located in the UAE). In April 2019, he was appointed as an independent non-executive director of Mordril Properties Limited (a private property company based in Hong Kong). He was an independent non-executive director of Hysan Development Company Limited (which is listed on the Main Board of the Stock Exchange) from November 2009 to May 2016 and VinaLand Limited (which is listed on the AIM of the London Stock Exchange) from June 2010 to October 2016.

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. From 2010 to 2017, he was an Honorary Advisor to the Financial Reporting Council of Hong Kong. Currently, he is 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. He is awarded "Directors of the Year 2017" by The Hong Kong Institute of Directors.

Mr George Kwok Lung HONGCHOY

Executive Director and Chief Executive Officer

Mr HONGCHOY, aged 57, has been an Executive Director and Chief Executive Officer of the Manager since 2009 and 2010 respectively, and 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.

He is the chairman of the Supervisory Committee of 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 trustee of the University of Pennsylvania, a member of the Asia-Pacific Advisory Board of International Council of Shopping Centers, a global governing trustee of the Urban Land Institute and an advisor of Our Hong Kong Foundation Limited. He was a member of the Corporate Governance Committee of Charoen Pokphand Group, Thailand from 2016 to 2018.

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

He was named one of Harvard Business Review's 100 Best-Performing CEOs in the World 2018, the Country Winner of Hong Kong/Macau Region in the EY Entrepreneur of the Year 2017 China Award, Business Person of the Year by DHL/SCMP Hong Kong Business Awards in 2015, and was also presented with the Director of the Year Award (Listed Companies – Executive Directors) by The Hong Kong Institute of Directors in 2011.

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

Mr Andy CHEUNG Lee Ming**Executive Director and Chief Operating Officer**

Mr CHEUNG, aged 52, joined the Manager as an Executive Director and the Chief Financial Officer in June 2010, and became the Chief Operating Officer in February 2018. 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 27 years of experience in the areas of business development, finance and audit. He holds a Bachelor degree in Business Administration from Boston University and a Master of Business Administration degree from 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 64, 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 lived in Hong Kong since 1983. He is the founder and chairman of the architectural practice Aedas which has been one of the world's ten largest architectural practices since 2006. Aedas has its headquarter in Hong Kong and 13 global offices with 1,400 staff in Asia, the Middle East, Europe and North America.

Mr GRIFFITHS studied Architecture at St John's College, University of Cambridge, graduating with distinction in 1978 and was admitted to The Royal Institute of British Architects in 1980. He is a Fellow of The Hong Kong Institute of Architects and an Honorary Fellow of the University of Wales Trinity Saint David and Cardiff University. He has extensive experience in high density urban planning and in the design of high-rise commercial and residential buildings, airports and civic facilities throughout Asia. He lectures and writes widely upon high-density urbanisation and the development of new building typologies to meet the demands of high density living.

Mr GRIFFITHS established the Griffiths-Roch Foundation in 2009 to purchase and restore Roch Castle, Penrhiw Priory and Twr y Felin as luxury historic hotels in Wales.

Mr Christopher John BROOKE**Independent Non-Executive Director**

Mr BROOKE, aged 50, has been an Independent Non-Executive Director of the Manager since May 2018. He is also a member of the Finance and Investment Committee of the Manager.

Mr BROOKE is a co-founder and director of Brooke Husband Limited, a real estate consulting practice based in Hong Kong. He is a Chartered Surveyor, Fellow of the Royal Institution of Chartered Surveyors (RICS) and a member of The Hong Kong Institute of Surveyors. Mr BROOKE is currently the global President and Chair of the Governing Council of the RICS. In addition, he is a member of the Urban Land Institute and a director of the Hong Kong Rugby Union. Mr BROOKE held a number of senior management positions at CBRE, relating to both China and Asia, between July 2002 and December 2015 (including his last position as Executive Managing Director, Consulting, Asia Pacific). He was also a long standing member of the Asia Pacific Strategic Group within CBRE.

Mr BROOKE held various positions at Brooke Hillier Parker, Brooke International and Insignia Brooke between March 1992 and July 2003 before joining CBRE in 2003 via the acquisition of Insignia Brooke by CBRE.

Mr BROOKE started his career in 1989 as a graduate surveyor at Hillier Parker in the United Kingdom, prior to relocating to Hong Kong in 1992. He obtained a Bachelor of Arts degree in Land Economy from the University of Cambridge.

Mr Ed CHAN Yiu Cheong**Independent Non-Executive Director**

Mr CHAN, aged 56, has been an Independent Non-Executive Director of the Manager since February 2016. He is also a member of the Finance and Investment Committee and the Remuneration Committee of the Manager. Mr CHAN is 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 CHAN is appointed as an Operating Partner for SoftBank Investment Advisers in June 2019.

Mr CHAN was previously an executive director and the vice chairman of C.P. Lotus Corporation (which is listed on the Main Board of the Stock Exchange) and a vice chairman of Charoen Pokphand Group Company Limited. In addition, he 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). Mr CHAN also led Bertelsmann Music Group business in Greater China.

Mr CHAN began his career as a consultant with McKinsey & Co working in both Hong Kong and the United States. He obtained a Bachelor degree from The University of Chicago and a Master degree from the Sloan School of Management, Massachusetts Institute of Technology.

Mr Blair Chilton PICKERELL

Independent Non-Executive Director

Mr PICKERELL, aged 62, has been an Independent Non-Executive Director of the Manager since April 2016. He is also the chairman of the Remuneration Committee and a member of the Nomination Committee of the Manager. Mr PICKERELL is an independent non-executive director and a member of the Finance Committee as well as of the Nominating and Governance Committee of Principal Financial Group, Inc. (which is listed on NASDAQ). He is also an independent non-executive director of Dah Sing Banking Group Limited (which is listed on the Main Board of the Stock Exchange) and Dah Sing Bank, Limited, and a member of the Risk Management and Compliance Committee of Dah Sing Bank, Limited.

Mr PICKERELL is currently a member of the Supervisory Committee of 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 Advisory Board of Anthemis Insurance Venture Growth Fund of London. He has also been active in public service. He was a Court Member of The University of Hong Kong during December 2008 to November 2014, is a member of the International Advisory Council of the Faculty of Business and Economics of The University of Hong Kong, and is the chairman of Harvard Business School Association of Hong Kong.

Mr PICKERELL was Chairman, Asia of Nikko Asset Management Co., Ltd. up to July 2015. He joined Jardine Matheson Holdings Group in 1984 and held various positions in Jardine Matheson Holdings Group. In 2003, he joined HSBC Investments (Hong Kong) Limited (now known as HSBC Global Asset Management (Hong Kong) Limited) as the Chief Executive Officer, Asia Pacific. Mr PICKERELL served as the Managing Director and Chief Executive Officer, Asia of Morgan Stanley Investment Management from 2007 to 2010, and was also an independent non-executive director and a member of the audit committee of Dah Sing Financial Holdings Limited (which is listed on the Main Board of the Stock Exchange) from June 2013 to December 2017.

Mr PICKERELL holds an MBA degree from Harvard Business School and an MA degree (in East Asian Studies) and a BA degree (in Political Science) from Stanford University.

Ms Poh Lee TAN

Independent Non-Executive Director

Ms TAN, aged 60, 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 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 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 TAN holds a Bachelor of Laws degree from the London School of Economics and Political Science and a Master of Law degree from Queens' College, University of Cambridge.

Ms May Siew Boi TAN**Independent Non-Executive Director**

Ms TAN, aged 63, 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, the Nomination Committee and the Remuneration Committee of the Manager. Ms TAN is currently an independent non-executive director of CLP Holdings Limited (which is listed on the Main Board of the Stock Exchange), HSBC Insurance (Asia) Limited and HSBC Life (International) Limited. She 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 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 May 2012 to July 2015 and a member of the Takeovers and Mergers Panel and the Takeovers Appeal Committee of the SFC from April 2001 to March 2013. She is an executive committee member of Hong Kong Youth Arts Foundation, a member of the Standing Committee on Judicial Salaries and Conditions of Service, and an Association Member and a Fundraising and Communications Committee Member of Oxfam Hong Kong.

Ms TAN graduated from The University of Sheffield. She 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.

Mr Peter TSE Pak Wing**Independent Non-Executive Director**

Mr TSE, aged 68, has been an Independent Non-Executive Director of the Manager since July 2014. He is also the chairman of the Audit and Risk Management Committee of the Manager. Mr TSE was an executive director of CLP Holdings Limited (which is listed on the Main Board of the Stock Exchange) up till May 2012 and became a non-executive director until he retired in April 2013. Before joining the CLP Group in January 1981, he worked with Deloitte & Co. in London and Hong Kong, and the Swire Group. Mr TSE retired as an independent non-executive director of Hong Kong Aircraft Engineering Company Limited (which was listed on the Main Board of the Stock Exchange until it withdrew from listing on 29 November 2018) with effect from 1 December 2018.

Mr TSE holds a Bachelor of Science degree in Mechanical Engineering from The University of Hong Kong and a Master of Science degree in Technological Economics from the University of Stirling in Scotland. He is a Fellow of the Hong Kong Institute of Certified Public Accountants.

Ms Nancy TSE Sau Ling**Independent Non-Executive Director**

Ms TSE, aged 66, 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 TSE joined the Hospital Authority in 1991 and was the chief financial officer and the Director (Finance and Information Technology Services) before her retirement in August 2013.

Ms TSE is a member of the Board of Governors of the Prince Philip Dental Hospital and an Adjunct Professor at The Jockey Club School of Public Health and Primary Care of The Chinese University of Hong Kong. She also serves on the boards and committees of a number of charitable organisations and non-government organisations. Ms 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.

Ms TSE holds a Bachelor of Arts (Honours) degree in Mathematics and a Master of Business Administration degree in Finance/Accounting from the University of California, Los Angeles. She is a Chartered Accountant qualified in Canada, a Fellow of the Hong Kong Institute of Certified Public Accountants and a fellow member of The Hong Kong Institute of Directors.

Ms Elaine Carole YOUNG

Independent Non-Executive Director

Ms YOUNG, aged 54, 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 founded her own real estate and hospitality consultancy firm.

Ms YOUNG is the co-founder of “TULU”, a co-living brand, based in Shanghai.

Ms YOUNG is a special advisor to one of Warburg Pincus’ joint ventures in Shanghai, NOVA Property Investment Co. Ltd., and sits on the board. She was awarded “Entrepreneur of the Year” at the prestigious RBS Coutts/Financial Times Women in Asia Awards in 2009.

MANAGEMENT TEAM

Mr George Kwok Lung HONGCHOY

Executive Director and Chief Executive Officer

Mr Andy CHEUNG Lee Ming

Executive Director and Chief Operating Officer

Senior Management

Mr NG Kok Siong

Chief Financial Officer

Mr NG, aged 47, joined the Manager in May 2018 and spearheads the finance, treasury and insurance, risk management, and research and data analytics functions, while jointly overseeing the central procurement and quantity surveying functions with the Chief Operating Officer. He is a supervisor of two PRC subsidiaries of Link. He has extensive experience in the real estate sector in Asia covering a spectrum of strategic management roles in finance, investment, corporate development and business technology. Since joining CapitaLand Group in 2005, Mr NG held various senior executive positions, including Chief Corporate Development Officer of CapitaLand Limited (a company listed on the Singapore Exchange), Chief Financial Officer of CapitaMalls Asia Limited (currently known as CapitaLand Mall Asia) and most recently, Group Chief Digital Officer of CapitaLand Limited. Mr NG was also a director and audit committee member of two real estate investment trusts (REITs) in Singapore and Malaysia, namely CapitaLand Retail China Trust Management Limited (the manager of CapitaLand Retail China Trust listed on the Singapore Exchange) and CapitaLand Malaysia Mall REIT Management Sdn. Bhd. (the manager of CapitaLand Malaysia Mall Trust listed on Bursa Malaysia Securities Berhad). Prior to joining CapitaLand, Mr NG has worked in ExxonMobil and Royal Dutch Shell across Asia and Europe in various roles including planning and appraisal, information systems, finance and investment management. Mr NG holds a Bachelor's Degree in Accountancy (Honours) from Nanyang Technological University of Singapore and attended the Tuck Executive Program at Dartmouth College.

Mr Eric YAU Siu Kei

Chief Strategy Officer

Mr YAU, aged 45, oversees the development, communication and execution of corporate strategic initiatives as well as all functions covering external affairs and stakeholder management including corporate affairs and marketing, investor relations, sustainability and corporate finance. He is one of the responsible officers of the Manager for the purpose of the SFO. Mr YAU joined the Manager in November 2010 initially with the investment team responsible for merger and acquisition initiatives for Link, and the formulation of the corporate sustainability strategy. He became Head of Investor Relations and Corporate Finance in September 2015. Prior to joining Link, Mr YAU worked as an investment banker and corporate manager in DBS, CLP, UBS 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.

Ms Lorraine CHAN Kuen Kuen

Director (Corporate Affairs and Marketing)

Ms CHAN, aged 50, joined the Manager in January 2019 and oversees corporate communications, branding, marketing, customer experience management, and engagement with key stakeholders including news media, government, public office holders, non-government organisations, as well as business and professional bodies and their participants. Ms CHAN began her career in journalism and is a seasoned professional with extensive experience in media relations, public affairs, branding and digital communications. Prior to joining the Manager, she was Head, Managing Director of Corporate Communications at Hong Kong Exchanges and Clearing Limited, where she had enjoyed a long tenure of 20 years. Ms CHAN holds an MBA from the University of Strathclyde and a Bachelor of Social Science degree in Journalism and Communication from the Chinese University of Hong Kong. She completed the Stanford Executive Program of Stanford University Graduate School of Business in 2016, and an executive certificate in Strategy and Innovation from the Massachusetts Institute of Technology, USA, in 2018.

Mr Ricky CHAN Ming Tak

Director (Legal) and Company Secretary

Mr CHAN, aged 60, oversees the legal and company secretarial affairs and regulatory compliance of Link. He is a supervisor of three PRC subsidiaries of Link. Mr CHAN joined the Manager in August 2010 and has over 35 years of experience in the legal profession with real estate, corporate finance, listing matters and cross-border transactions. Before joining the Manager, Mr 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 CHAN holds a Bachelor of Laws from The University of Hong Kong and a Master of Laws from University of London. He is a qualified solicitor in Hong Kong and a qualified lawyer of Singapore. He is also 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 CHAN, aged 44, oversees asset investment of Link, including acquisition, new market development, as well as the related market study and research. She is one of the responsible officers of the Manager for the purpose of the SFO. Ms CHAN has over 20 years of experience in the real estate and fund management industry. Before joining the Manager, Ms CHAN was the Director – Investment and Acquisition at Harvest Capital Partners Limited, a subsidiary of China Resources Group. Ms CHAN has also been engaged by ARA Asset Management (Prosperity) Limited and Hutchison Whampoa Properties Limited in earlier years. Ms 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 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. She is also a Hong Kong Advisory Board member to The Royal Institution of Chartered Surveyors.

Mr Gary FOK Yip Sang

Director (Asset Management – China)

Mr FOK, aged 52, oversees the management of Link's properties in China, including leasing, property management and asset upgrade. He is a director of five PRC subsidiaries of Link. He joined the Manager in July 2014 and has over 27 years of solid and all-rounded experience in asset management of commercial properties in China and Hong Kong. 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 Registered Real Estate Appraiser of PRC and 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 Peionie KONG Po Yan

Director (Asset Management – Hong Kong)

Ms KONG, aged 49, 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 26 years of experience in the real estate industry, with 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.

Mr William LAI Hon Ming**Director (Property Management)**

Mr LAI, aged 56, joined the Manager in March 2019 and oversees the property management of the asset portfolio of Link, including the management and operations of car parks. Mr LAI has over 30 years of extensive industry experience in Hong Kong. Prior to joining Link, he was Head of Hong Kong Property Management at Jones Lang LaSalle Limited and had held the position since 2007. Mr LAI holds an MBA from Kennedy Western University and is a fellow of Royal Institution of Chartered Surveyors.

Ms Phyllis NG Yuen Fan**Director (Human Resources)**

Ms NG, aged 55, 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 three PRC 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**Director (Project and Operations)**

Mr WONG, aged 54, oversees the formulation and execution of asset enhancement projects, and the management of operation and maintenance functions to realise the full potential of LINK's asset portfolio. He is also responsible for development projects. Mr WONG joined the Manager in May 2013. He has over 27 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 Authorised Person in Hong Kong and also a member of The Hong Kong Institute of Architects.

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 2019:

Name	Capacity	Number of Units/ underlying Units in long position (L)/ short position (S)/lending pool (LP)	Approximate percentage of total Units in issue ⁽⁴⁾ %
Stichting Pensioenfond ABP ⁽¹⁾	Investment manager	(L) 113,471,409 ⁽¹⁾	5.37
JPMorgan Chase & Co. ⁽²⁾ ("JPMC")	Trustee	(L) 80,915	(L) 120,308,640 ⁽²⁾ (S) 13,140,223 ⁽²⁾ (LP) 69,217,989 ⁽²⁾
	Investment manager	(L) 5,310,163	
	Person having a security interest in shares	(L) 6,297,192	
	Interests of controlled corporations by JPMC	(L) 39,402,381 (S) 13,140,223	
	Approved lending agent	(L&LP) 69,217,989	
State Street Corporation	Investment manager	(L) 125,568,484	5.95
The Capital Group Companies, Inc.	Interests of controlled corporations	(L) 148,553,191	7.04
BlackRock, Inc. ⁽³⁾	Interests of controlled corporations	(L) 190,280,708 ⁽³⁾	9.02
		(S) 961,000 ⁽³⁾	0.04

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 Pensioenfond ABP. Therefore, APG Asset Management N.V., APG Groep N.V. and Stichting Pensioenfond ABP were interested or deemed to be interested in the same batch of 113,471,409 Units as shown in the above table and these interests in Units were overlapped.
- (2) The long position interests of JPMC were held through its various controlled corporations or in the capacity as investment manager, trustee, person having a security interests in shares and approved lending agent. Such long position included derivative interests in 25,006,215 underlying Units of which 1,400,000 underlying Units in physically settled listed derivatives, 4,585,000 underlying Units in cash settled listed derivatives, 532,740 underlying Units in physically settled unlisted derivatives, 607,500 underlying Units in cash settled unlisted derivatives and 17,880,975 underlying Units in convertible instruments listed derivatives. The short position interests were held through its various controlled corporations. Such short position included derivative interests in 4,652,858 underlying Units of which 1,451,000 underlying Units in physically settled listed derivatives, 638,500 underlying Units in cash settled listed derivatives, 212,311 underlying Units in physically settled unlisted derivatives and 2,351,047 underlying Units in cash settled unlisted derivatives.
- (3) The long position interests of BlackRock, Inc. in 190,280,708 Units and short position interests in 961,000 Units were held through its various controlled corporations. The interests shown in the above table included certain long position interests (146,500 underlying Units) and certain short position interests (167,000 underlying Units) in cash settled unlisted derivatives.
- (4) The approximate percentages were calculated based on 2,109,321,254 Units in issue as at 31 March 2019 (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 2019.

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 2019 were as follows:

Name	Number of Units				Interest in underlying Units ⁽²⁾	Total interest held at 31 Mar 2019	Approximate percentage of total Units in issue ⁽³⁾ %	Total interest held at 30 Sep 2018
	Personal interest ⁽¹⁾	Family interest	Corporate interest	Other interest				
Current Directors								
Chairman (also an Independent Non-Executive Director)								
Nicholas Charles ALLEN	63,750 ⁽¹⁾	-	-	-	57,250	121,000	0.0057	121,000
Executive Directors								
George Kwok Lung HONGCHOY	1,362,371	-	-	-	1,806,676	3,169,047	0.1502	3,168,847
Andy CHEUNG Lee Ming	729,781	-	-	-	542,126	1,271,907	0.0603	1,271,907
Non-Executive Director								
Ian Keith GRIFFITHS	64,720	-	-	-	17,500	82,220	0.0039	82,220
Independent Non-Executive Directors								
Christopher John BROOKE ⁽⁴⁾	-	-	-	-	6,500	6,500	0.0003	6,500
Ed CHAN Yiu Cheong	4,000	-	-	-	17,500	21,500	0.0010	21,500
Blair Chilton PICKERELL	4,250	-	-	-	17,750	22,000	0.0010	22,000
Poh Lee TAN	4,500	-	12,000	-	19,000	35,500	0.0017	35,500
May Siew Boi TAN	99,500	-	-	-	21,500	121,000	0.0057	121,000
Peter TSE Pak Wing	15,500	-	-	-	21,500	37,000	0.0018	37,000
Nancy TSE Sau Ling	12,500	-	-	-	19,000	31,500	0.0015	31,500
Elaine Carole YOUNG	37,500	-	-	-	19,000	56,500	0.0027	56,500
Former Independent Non-Executive Director								
David Charles WATT ⁽⁵⁾	111,615	-	-	-	4,750	116,365	0.0055	116,365

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 personal interest of Mr Nicholas Charles ALLEN in 50,000 Units 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 vested with the Directors under the Long-term Incentive Schemes. Please refer to the "Long-term Incentive Schemes" section on pages 62 to 67 of this report for details.
- (3) The approximate percentages were calculated based on 2,109,321,254 Units in issue as at 31 March 2019.
- (4) Mr Christopher John BROOKE was appointed as an INED on 1 May 2018. No restricted unit award was granted to him under the Long-term Incentive Schemes prior to his appointment.
- (5) Mr David Charles WATT retired on 13 August 2018. 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 under the 2007 LTI Plan. Please see Note (7) on page 67 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 2019.

INTERESTS OF CONNECTED PERSONS IN UNITS AND NOTES ISSUED PURSUANT TO THE MTN PROGRAMME

After making reasonable enquiry and according to the information available to the Manager, as at 31 March 2019, the following persons (other than any Significant Unitholder and the Directors and any of their respective associates⁽³⁾) being connected persons (as defined in Chapter 8 of the REIT Code) to Link, held the following interests in the Units and the notes issued pursuant to the MTN programme of Link:

1. Interests in Units

Name	Number of Units held at 31 Mar 2019	Approximate percentage of total Units in issue ⁽²⁾ %	Number of Units held at 30 Sep 2018
The Hongkong and Shanghai Banking Corporation Limited (" HSBC ") and its subsidiaries ⁽¹⁾	6,296,499	0.30	8,260,908

Notes:

- (1) The Trustee is a direct subsidiary of HSBC and hence HSBC and its subsidiaries are connected persons to Link. Save as disclosed in the table above, a fellow subsidiary of HSBC was also interested in 699,722 Units as at 31 March 2019.
- (2) The approximate percentage was calculated based on 2,109,321,254 Units in issue as at 31 March 2019.
- (3) As at 31 March 2019, Link did not have any Significant Unitholder. The interests in Units held by the Directors (including the CEO and the COO, who are considered to be the senior executives of the Manager) as at 31 March 2019 are disclosed in the "Interests of Directors in Units" section above. In addition, as at 31 March 2019, Mr Ricky CHAN Ming Tak (being the company secretary and an officer of the Manager), Mr Gary FOK Yip Sang (being a director of five subsidiaries of Link), Ms Peonie KONG Po Yan (being a director of two subsidiaries of Link) and Ms Phyllis NG Yuen Fan (being a director of three subsidiaries of Link), together with their respective associates (as defined in the REIT Code) were interested in 405,646 Units, 93,104 Units, 247,912 Units and 28,591 Units respectively.

2. Interests in USD-denominated Green Bond

(US\$500 million green bond due 2026 issued on 21 July 2016 at 2.875% coupon rate by The Link Finance (Cayman) 2009 Limited, a subsidiary of Link, under the MTN programme ("**Green Bond**")

Name	Nominal amount held at 31 Mar 2019 US\$	Approximate percentage of total nominal amount ⁽²⁾ %	Nominal amount held at 30 Sep 2018 US\$
Dah Sing Bank, Limited (" Dah Sing Bank ") ⁽¹⁾	36,500,000	7.30	36,500,000
HSBC and its subsidiaries	35,000	0.01	40,035,000

Notes:

- (1) Dah Sing Bank is an associate of Mr Blair Chilton PICKERELL.
- (2) The approximate percentage was calculated based on the total nominal amount of US\$500 million of the Green Bond.

3. Interests in USD-denominated Notes

(US\$500 million USD-denominated notes due 2024 issued on 3 September 2014 at 3.6% coupon rate by The Link Finance (Cayman) 2009 Limited under the MTN programme (“USD-denominated Notes”))

Name	Nominal amount held at 31 Mar 2019 US\$	Approximate percentage of total nominal amount ⁽¹⁾ %	Nominal amount held at 30 Sep 2018 US\$
HSBC and its subsidiaries	34,171,000	6.83	109,321,000

Note:

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

4. Interests in HKD-denominated Notes

(A total aggregate nominal amount of HK\$2,979 million of several HKD-denominated notes due within 2021-2030 issued between 2011-2015 at coupon rates ranging from 2.4%-3.55% by The Link Finance (Cayman) 2009 Limited under the MTN programme (“HKD-denominated Notes”))

Name	Aggregate nominal amount held at 31 Mar 2019 HK\$	Approximate percentage of total aggregate nominal amount ⁽¹⁾ %	Aggregate nominal amount held at 30 Sep 2018 HK\$
HSBC and its subsidiaries	Nil	N/A	985,000,000

Note:

(1) The approximate percentage was calculated based on the total aggregate nominal amount of HK\$2,979 million of the HKD-denominated Notes.

Long-term Incentive Schemes

ADOPTION OF THE 2017 LTI SCHEME

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

The Board adopted the 2017 LTI Scheme having taken into account the success of using Unit awards to attract and retain key executives and employees under the 2007 LTI Plan which had expired on 22 July 2017 and the growing popularity of share award schemes with listed companies as a compensation tool to compete for talents.

Unlike the 2007 LTI Plan, the 2017 LTI Scheme does not involve the issue of new Units. This eliminates dilution impact to Unitholders. Awards which may be granted under the 2017 LTI Scheme comprise (i) Restricted Unit Awards (to be satisfied by purchase of Units through a third party intermediary from the open stock market upon vesting); and (ii) Conditional Cash Awards (to be satisfied by cash payment equal to the aggregate DPU over the vesting period multiplied by the actual number of Units that may finally vest).

Key Terms of the 2017 LTI Scheme

Key Terms	2017 LTI Scheme
Duration	10 years from adoption date
Unit option	Not available
Participants	Directors and key employees of the Manager, the Manager's subsidiaries and SPVs of Link
Total number available	10% of Units in issue as of adoption date
Limit for participants (other than INEDs/NED)	1% of Units in issue in any 12-month period
Limit for INEDs/NED	0.1% of Units in issue in any 12-month period for INED and NED
Method of satisfaction	Market purchases and no new Unit will be issued to satisfy Awards on vesting
Vesting period	Normally spreading over a period of 3 years, with 50% vesting on the 2nd anniversary and 50% on the 3rd anniversary of date of grant
Conditional Cash Award	Granted together with Restricted Unit Award and paid on vested Units only
Vesting targets	<ul style="list-style-type: none"> • Tenure-based only with no performance – linked target for INEDs or NED • Performance-linked targets for EDs and selected senior management and key employees: <ul style="list-style-type: none"> – Performance is measured along a scale with appropriate weighting on business performance, as measured by NPI, and total return to Unitholders during the vesting period concerned – 0% vesting is possible and maximum vesting is capped

Summary of the 2017 LTI Scheme Rules

The 2017 LTI Scheme is managed and administered by the Remuneration Committee in accordance with its rules (the "Rules"), a summary of which is set out below:

Objectives

The objectives of the 2017 LTI Scheme are to:

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

Participants

Persons eligible to participate in the 2017 LTI Scheme include: (a) Directors; and (b) key employees of the Link Entities whom, in the opinion of the Remuneration Committee, have contributed, or have the potential to contribute, to the success of Link.

Grant of Awards

Grant of Award shall be approved by the Remuneration Committee, except grants to a Director, the CEO, or any of their respective associates (within the meaning under 8.1(d) of Chapter 8 of the REIT Code) of the Manager (other than a person who is an associate only by virtue of such person's employment with the Manager) which shall be approved by the Board (including the INEDs). No Director shall be involved in the decision of granting an Award to himself/herself.

No Award shall be granted to an excluded person, a relevant director (as defined in the Rules) or a Significant holder of Link, nor their respective associates.

Applicable Limits

No further Award shall be granted if such grant will result in the maximum number of Units that may vest under all Awards granted under the 2017 LTI Scheme (and any other incentive scheme(s) of any Link Entity) exceeding 10% of the number of Units in issue (being 221,456,347 Units) as at the adoption date of the 2017 LTI Scheme (i.e. 10 July 2017).

No Award shall be granted to any participant (or his associates) if such grant will result in the maximum number of Units that may vest under all Awards granted to such participant (or his associate) under the 2017 LTI Scheme (and any other incentive scheme(s) of any Link Entity), within 12 months immediately preceding the date of the proposed grant, exceeding 1% of the number of Units in issue from time to time.

No Award shall be granted to an INED or NED (or their associates) if such grant will result in the maximum number of Units that may vest under all Awards granted to such INED or NED (or their associate) under the 2017 LTI Scheme (and any other incentive scheme(s) of any Link Entity), within 12 months immediately preceding the date of the proposed grant, exceeding 0.1% of the number of Units in issue from time to time.

Vesting

Restricted Unit Awards shall generally be satisfied by Units purchased through an independent third party intermediary on open stock market save in limited circumstances prescribed in the Rules (such as in the death of a grantee) where a cash amount may be paid in lieu of Units that would have vested under the relevant Restricted Unit Awards.

Vesting Period

The vesting period of an Award is generally one to three years or such other period as determined in the relevant grant by the Remuneration Committee.

Performance Targets

Performance targets, vesting scale, and/or other vesting conditions (if any) of an 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.

Acceptance of Award and Consideration Payable

An offer for grant of an Award shall be accepted with payment of consideration (if any) within the period as determined in the relevant grant by the Remuneration Committee.

Duration

The 2017 LTI Scheme shall be valid for 10 years commencing from the adoption date, save and except as in the case of extension by the Board or early termination as contemplated under the Rules.

Movements of Restricted Unit Awards under the 2017 LTI Scheme

Movements in Restricted Unit Awards⁽⁵⁾ under the 2017 LTI Scheme during the year ended 31 March 2019 and the balances at the beginning and the end of the year were as follows:

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2018 ⁽¹⁾	Granted during the year ⁽²⁾	Vested during the year ⁽³⁾	Cancelled during the year ⁽⁴⁾	Lapsed during the year ⁽⁴⁾	Outstanding at 31 Mar 2019 ⁽¹⁾	Values recognised during the year ⁽⁶⁾ HK\$000	Aggregate of values recognised up to 31 Mar 2019 ⁽⁷⁾ HK\$000
Current Directors										
Nicholas Charles ALLEN (Independent Non-Executive Director)	14 Jul 2017	14 Jul 2017 to 30 Jun 2019	11,250	-	-	-	-	11,250	653	969
	14 Jul 2017	14 Jul 2017 to 30 Jun 2020	11,250	-	-	-	-	11,250	436	646
	4 Jul 2018	4 Jul 2018 to 30 Jun 2020	-	10,500	-	-	-	10,500	367	367
	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	-	10,500	-	-	-	10,500	244	244
George Kwok Lung HONGCHOY (Executive Director)	14 Jul 2017	14 Jul 2017 to 30 Jun 2019	269,075	-	-	-	-	269,075	12,557	17,913
	14 Jul 2017	14 Jul 2017 to 30 Jun 2020	269,075	-	-	-	-	269,075	9,483	13,624
	4 Jul 2018	4 Jul 2018 to 30 Jun 2020	-	518,763	-	-	-	518,763	12,517	12,517
	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	-	518,763	-	-	-	518,763	9,717	9,717
Andy CHEUNG Lee Ming (Executive Director)	14 Jul 2017	14 Jul 2017 to 30 Jun 2019	68,738	-	-	-	-	68,738	3,208	4,576
	14 Jul 2017	14 Jul 2017 to 30 Jun 2020	68,738	-	-	-	-	68,738	2,423	3,480
	4 Jul 2018	4 Jul 2018 to 30 Jun 2020	-	175,075	-	-	-	175,075	4,224	4,224
	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	-	175,075	-	-	-	175,075	3,280	3,280
Ian Keith GRIFFITHS (Non-Executive Director)	14 Jul 2017	14 Jul 2017 to 30 Jun 2019	3,500	-	-	-	-	3,500	203	301
	14 Jul 2017	14 Jul 2017 to 30 Jun 2020	3,500	-	-	-	-	3,500	136	201
	4 Jul 2018	4 Jul 2018 to 30 Jun 2020	-	3,250	-	-	-	3,250	113	113
	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	-	3,250	-	-	-	3,250	76	76
Christopher John BROOKE (Independent Non-Executive Director)	4 Jul 2018	4 Jul 2018 to 30 Jun 2020	-	3,250	-	-	-	3,250	113	113
	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	-	3,250	-	-	-	3,250	76	76
Ed CHAN Yiu Cheong (Independent Non-Executive Director)	14 Jul 2017	14 Jul 2017 to 30 Jun 2019	3,500	-	-	-	-	3,500	203	301
	14 Jul 2017	14 Jul 2017 to 30 Jun 2020	3,500	-	-	-	-	3,500	136	201
	4 Jul 2018	4 Jul 2018 to 30 Jun 2020	-	3,250	-	-	-	3,250	113	113
	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	-	3,250	-	-	-	3,250	76	76
Blair Chilton PICKERELL (Independent Non-Executive Director)	14 Jul 2017	14 Jul 2017 to 30 Jun 2019	3,500	-	-	-	-	3,500	203	301
	14 Jul 2017	14 Jul 2017 to 30 Jun 2020	3,500	-	-	-	-	3,500	136	201
	4 Jul 2018	4 Jul 2018 to 30 Jun 2020	-	3,250	-	-	-	3,250	113	113
	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	-	3,250	-	-	-	3,250	76	76
Poh Lee TAN (Independent Non-Executive Director)	14 Jul 2017	14 Jul 2017 to 30 Jun 2019	3,750	-	-	-	-	3,750	218	323
	14 Jul 2017	14 Jul 2017 to 30 Jun 2020	3,750	-	-	-	-	3,750	145	215
	4 Jul 2018	4 Jul 2018 to 30 Jun 2020	-	3,500	-	-	-	3,500	122	122
	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	-	3,500	-	-	-	3,500	81	81
May Siew Boi TAN (Independent Non-Executive Director)	14 Jul 2017	14 Jul 2017 to 30 Jun 2019	4,250	-	-	-	-	4,250	247	366
	14 Jul 2017	14 Jul 2017 to 30 Jun 2020	4,250	-	-	-	-	4,250	165	244
	4 Jul 2018	4 Jul 2018 to 30 Jun 2020	-	4,000	-	-	-	4,000	140	140
	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	-	4,000	-	-	-	4,000	93	93

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2018 ⁽¹⁾	Granted during the year ⁽²⁾	Vested during the year ⁽³⁾	Cancelled during the year ⁽⁴⁾	Lapsed during the year ⁽⁵⁾	Outstanding at 31 Mar 2019 ⁽⁶⁾	Values recognised during the year ⁽⁶⁾ HK\$000	Aggregate of values recognised up to 31 Mar 2019 ⁽⁷⁾ HK\$000
Peter TSE Pak Wing (Independent Non-Executive Director)	14 Jul 2017	14 Jul 2017 to 30 Jun 2019	4,500	–	–	–	–	4,500	261	387
	14 Jul 2017	14 Jul 2017 to 30 Jun 2020	4,500	–	–	–	–	4,500	174	258
	4 Jul 2018	4 Jul 2018 to 30 Jun 2020	–	3,750	–	–	–	3,750	131	131
	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	–	3,750	–	–	–	3,750	87	87
Nancy TSE Sau Ling (Independent Non-Executive Director)	14 Jul 2017	14 Jul 2017 to 30 Jun 2019	3,750	–	–	–	–	3,750	218	323
	14 Jul 2017	14 Jul 2017 to 30 Jun 2020	3,750	–	–	–	–	3,750	145	215
	4 Jul 2018	4 Jul 2018 to 30 Jun 2020	–	3,500	–	–	–	3,500	122	122
	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	–	3,500	–	–	–	3,500	81	81
Elaine Carole YOUNG (Independent Non-Executive Director)	14 Jul 2017	14 Jul 2017 to 30 Jun 2019	3,750	–	–	–	–	3,750	218	323
	14 Jul 2017	14 Jul 2017 to 30 Jun 2020	3,750	–	–	–	–	3,750	145	215
	4 Jul 2018	4 Jul 2018 to 30 Jun 2020	–	3,500	–	–	–	3,500	122	122
	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	–	3,500	–	–	–	3,500	81	81
Former Director										
David Charles WATT (Former Independent Non-Executive Director)	14 Jul 2017	14 Jul 2017 to 30 Jun 2019	4,000	–	(4,000)	–	–	–	211	314 ⁽⁸⁾
	14 Jul 2017	14 Jul 2017 to 30 Jun 2020	4,000	–	(4,000)	–	–	–	246	314 ⁽⁸⁾
Other participants										
In aggregate	14 Jul 2017	14 Jul 2017 to 30 Jun 2019	525,243	–	–	–	(66,557)	458,686	21,406	30,536
	14 Jul 2017	14 Jul 2017 to 30 Jun 2020	525,243	–	–	–	(67,295)	457,948	16,140	23,188
	4 Jul 2018	4 Jul 2018 to 30 Jun 2020	–	569,894	–	(5,288)	(25,263)	539,343	13,015	13,015
	4 Jul 2018	4 Jul 2018 to 30 Jun 2021	–	569,894	–	(5,288)	(25,263)	539,343	10,104	10,104
Total			1,817,612	2,610,964	(8,000)	(10,576)	(184,378)	4,225,622	125,000	155,219

Notes:

- These figures (except those relating to the NED and INEDs) represent the maximum number of Units that may be purchased in the grantee's favour on vesting of his/her relevant Restricted Unit Awards. The actual number of Units that will finally vest and be purchased for each relevant grantee may range from zero to such maximum number depending on whether, and to what extent, the relevant vesting conditions (if any) are met. The Restricted Unit Awards relating to the NED and INEDs are tenure-based only.
- 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\$72.15 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\$243.1 million as at 31 March 2019 based on the valuation of an independent valuer.
- The closing price of the Units on the business day immediately preceding the date on which the relevant Restricted Unit Awards were vested during the year was HK\$76.70 per Unit. An amount of approximately HK\$19,982 was paid for the Conditional Cash Awards vested simultaneously with the Restricted Unit Awards during the year.
- These figures represent the maximum number of Units in respect of which the Restricted Unit Awards had lapsed or were cancelled in the year. The Conditional Cash Awards granted in conjunction with such Restricted Unit Awards had lapsed or were cancelled simultaneously.
- The Restricted Unit Awards in the above table were all granted in conjunction with Conditional Cash Awards. The aggregate weighted average value carried by the outstanding Conditional Cash Awards attached to the outstanding Restricted Unit Awards at the end of the year was HK\$2.2969 per Unit.
- Values recognised during the year represents the amounts recognised in the consolidated income statement under Hong Kong Financial Reporting Standards for the year ended 31 March 2019. The values are estimated by an independent external valuer based on valuation techniques and assumptions on Unit price, outstanding length of the Awards and other market conditions, if appropriate, and charged to the consolidated income statement over the vesting period.
- Aggregate of values recognised up to 31 March 2019 represents the aggregated amounts recognised in the financial statements under Hong Kong Financial Reporting Standards for the period from grant dates to 31 March 2019, all of which are not vested except for certain amounts vested for a retired Director.
- Amount vested during the year ended 31 March 2019 for a retired Director.

The Restricted Unit Awards and Conditional Cash Awards granted under the 2017 LTI Scheme are to be expensed through Link's consolidated income statement over the relevant vesting period. Further details of the 2017 LTI Scheme are set out in Note 20 to the consolidated financial statements.

2007 LTI PLAN

Link's 2007 LTI Plan – adopted on 23 July 2007 – expired on 22 July 2017. Pursuant to the 2007 LTI Plan, equity incentives in the form of a restricted unit award giving a conditional right to receive Units and a cash incentive in the form of a conditional cash award were granted to the Directors and other eligible staff of the Manager.

Since its adoption in 2007 and up to 31 March 2019, a total number of 15,206,402 new Units were issued in satisfaction of awards vested under the 2007 LTI Plan. The total number of new Units issued represents approximately 0.7% calculated on the basis of 2,109,321,254 Units in issue as at 31 March 2019. After its expiry on 22 July 2017, no award has been granted and none shall be granted under the 2007 LTI Plan. Awards granted but yet to vest shall continue to have effect and be governed by the rules of the 2007 LTI Plan. The last tranche of awards granted under the 2007 LTI Plan will vest on 30 June 2019 after which vesting under the 2007 LTI Plan will exhaust. New Units may be issued on vesting of the last tranche of awards.

Summary of the 2007 LTI Plan Rules

A summary of the 2007 LTI Plan rules can be found on pages 59 and 60 of the “Governance, Disclosures and Financial Statements” report of annual report 2017/2018.

Movements of Restricted Unit Awards under the 2007 LTI Plan

Movements in restricted unit awards⁽⁵⁾ under the 2007 LTI Plan during the year ended 31 March 2019 and the balances at the beginning and the end of the year were as follows:

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2018 ⁽²⁾	Granted during the year	Vested during the year ⁽³⁾	Cancelled during the year	Lapsed during the year ⁽⁴⁾	Outstanding at 31 Mar 2019 ⁽²⁾	Values recognised during the year ⁽⁵⁾ HK\$000	Aggregate of values recognised up to 31 Mar 19 ⁽⁶⁾ HK\$000
Current Directors⁽¹⁾										
Nicholas Charles ALLEN (Independent Non-Executive Director)	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	13,750	–	(13,750)	–	–	–	181	1,056 ⁽⁷⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	13,750	–	–	–	–	13,750	668	1,234
George Kwok Lung HONGCHOY (Executive Director)	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	178,500	–	(178,500)	–	–	–	2,428	14,083 ⁽⁷⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	231,000	–	(200,709)	–	(30,291)	–	3,979	15,421 ⁽⁷⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	231,000	–	–	–	–	231,000	7,858	13,778
Andy CHEUNG Lee Ming (Executive Director)	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	51,500	–	(51,500)	–	–	–	701	4,063 ⁽⁷⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	54,500	–	(47,353)	–	(7,147)	–	939	3,638 ⁽⁷⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	54,500	–	–	–	–	54,500	1,854	3,251
Ian Keith GRIFFITHS (Non-Executive Director)	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	4,250	–	(4,250)	–	–	–	14	335 ⁽⁷⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	4,000	–	(4,000)	–	–	–	53	307 ⁽⁷⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	4,000	–	–	–	–	4,000	194	359
Ed CHAN Yiu Cheong (Independent Non-Executive Director)	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	4,000	–	(4,000)	–	–	–	53	307 ⁽⁷⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	4,000	–	–	–	–	4,000	194	359
Blair Chilton PICKERELL (Independent Non-Executive Director)	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	4,250	–	(4,250)	–	–	–	56	327 ⁽⁷⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	4,250	–	–	–	–	4,250	207	381
Poh Lee TAN (Independent Non-Executive Director)	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	4,500	–	(4,500)	–	–	–	59	346 ⁽⁷⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	4,500	–	–	–	–	4,500	219	404
May Siew Boi TAN (Independent Non-Executive Director)	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	5,250	–	(5,250)	–	–	–	17	414 ⁽⁷⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	5,000	–	(5,000)	–	–	–	66	384 ⁽⁷⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	5,000	–	–	–	–	5,000	243	449
Peter TSE Pak Wing (Independent Non-Executive Director)	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	5,250	–	(5,250)	–	–	–	17	414 ⁽⁷⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	5,000	–	(5,000)	–	–	–	66	384 ⁽⁷⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	5,000	–	–	–	–	5,000	243	449

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2018 ⁽²⁾	Granted during the year	Vested during the year ⁽³⁾	Cancelled during the year	Lapsed during the year ⁽⁴⁾	Outstanding at 31 Mar 2019 ⁽²⁾	Values recognised during the year ⁽⁹⁾ HK\$000	Aggregate of values recognised up to 31 Mar 19 ⁽¹⁰⁾ HK\$000
Nancy TSE Sau Ling (Independent Non-Executive Director)	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	4,000	-	(4,000)	-	-	-	13	316 ⁽¹¹⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	4,500	-	(4,500)	-	-	-	59	346 ⁽¹¹⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	4,500	-	-	-	-	4,500	219	404
Elaine Carole YOUNG (Independent Non-Executive Director)	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	4,250	-	(4,250)	-	-	-	14	335 ⁽¹¹⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	4,500	-	(4,500)	-	-	-	59	346 ⁽¹¹⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	4,500	-	-	-	-	4,500	219	404
Former Director										
David Charles WATT (Former Independent Non-Executive Director)	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	5,000	-	(5,000)	-	-	-	16	394 ⁽¹¹⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	4,750	-	(4,750)	-	-	-	63	365 ⁽¹¹⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	4,750	-	-	-	-	4,750 ⁽⁶⁾⁽⁷⁾	231	426
Other participants										
In aggregate	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	465,828 ⁽⁸⁾	-	(461,079) ⁽⁸⁾	-	(4,749) ⁽⁸⁾	-	6,205	36,376 ⁽¹¹⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2018	445,960 ⁽⁸⁾	-	(386,391) ⁽⁸⁾	-	(59,569) ⁽⁸⁾	-	7,634	29,687 ⁽¹¹⁾
	14 Nov 2016	14 Nov 2016 to 30 Jun 2019	441,722 ⁽⁸⁾	-	-	-	(43,000) ⁽⁸⁾	398,722 ⁽⁸⁾	13,647	23,954
Total			2,291,010	-	(1,407,782)	-	(144,756)	738,472	48,688	155,496

Notes:

- Mr Christopher John BROOKE was not included in this table as he was appointed as an INED after the expiry of the 2007 LTI Plan.
- These figures (except those relating to the NED and INEDs) represent the maximum number of Units that may be issued on vesting of the relevant restricted unit awards. The actual number of Units that will finally vest and be issued to each relevant grantee may range from zero to such maximum number depending on whether, and to what extent, the relevant vesting conditions (if any) are met. The restricted unit awards relating to the NED and INEDs are tenure-based only.
- The closing price of the Units on the business day immediately preceding the date on which the relevant restricted unit awards were vested during the year was HK\$71.65 per Unit. An aggregate amount of approximately HK\$8.2 million was paid for the conditional cash awards vested simultaneously with the restricted unit awards in the year.
- These figures represent the maximum number of Units in respect of which the restricted unit awards had lapsed in the year. The conditional cash awards granted in conjunction with such restricted unit awards had lapsed simultaneously.
- The restricted unit awards in the above table were all granted in conjunction with conditional cash awards. The aggregate weighted average value carried by the outstanding conditional cash awards attached to the outstanding restricted unit awards at the end of the year was HK\$6.0881 per Unit.
- According to the prevailing policy, outstanding restricted unit awards held by a retired Director under the 2007 LTI Plan will vest on a basis pro rata to his/her actual number of days in office before retirement.
- 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 Mr David Charles WATT (who retired on 13 August 2018) would be 3,357 Units (instead of 4,750 Units as stated in the above table). The remaining portion will lapse on the relevant vesting date.
- Included in these figures were outstanding restricted unit awards held by two former INEDs, including (i) restricted unit awards in respect of a maximum of 5,250 Units held by Professor Richard WONG Yue Chim at the beginning of the year, of which 1,810 Units were vested and issued and the remaining balance had lapsed during the year; and (ii) restricted unit awards in respect of a maximum of 17,500 Units held by Mr William CHAN Chak Cheung at the beginning of the year, of which 8,597 Units were vested and issued, 3,153 Units had lapsed, and a maximum of 5,750 Units remained outstanding at the end of the year (which will vest on a pro rata basis as mentioned in Note (6) above).
- Values recognised during the year represent the amounts recognised in the consolidated income statement under Hong Kong Financial Reporting Standards for the year ended 31 March 2019. The values are estimated by an independent external valuer based on valuation techniques and assumptions on Unit price, outstanding length of the awards and other market conditions, if appropriate, and charged to the consolidated income statement over the vesting period.
- Aggregate of values recognised up to 31 March 2019 represents the aggregated amounts recognised in the financial statements under Hong Kong Financial Reporting Standards for the period from grant dates to 31 March 2019.
- Amount vested during the year ended 31 March 2019.

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, 6 March 2015, 5 October 2015 and 19 January 2018, 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.

During the year ended 31 March 2019, Link complied with the stipulated terms and conditions of the relevant 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 SPVs from or with connected persons (as defined under Chapter 8 of the REIT Code) 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
Link Asset Management Limited	Manager	Management fee ⁽¹⁾	N/A	(881.4)
HSBC Institutional Trust Services (Asia) Limited	Trustee	Trustee's fee ⁽²⁾	N/A	(19.9)
Jones Lang LaSalle Limited ("JLL") and its subsidiaries	Principal Valuer	Valuation fees	N/A	(4.6)
		Consultancy services fees	N/A	(2.4)
		Agency fee	N/A	(1.5)
		Property management services fees ⁽³⁾	N/A	(0.85)
		Others ⁽⁴⁾	N/A	(0.027)
Jones Lang LaSalle Management Services Limited ("JLLMS")	Associate of Principal Valuer	Fitter services fees ⁽⁵⁾	N/A	(16.2)
The Hongkong and Shanghai Banking Corporation Limited ("HSBC") and its subsidiaries (excluding the Trustee and its proprietary subsidiaries) ("HSBC Group")	Associates of Trustee	Tenancy/licence ⁽⁶⁾	38.8 ⁽⁷⁾	N/A
		Interest income	9.9	N/A
		Interest expenses and financing charges	N/A	(52.2)
		Arrangement fees/bank charges/transaction fees ⁽⁸⁾	N/A	(12.5)
		Financial advisory fee ⁽⁹⁾	N/A	(55.2)
Aedas Limited	Associate of Mr Ian Keith GRIFFITHS	Architectural and renovation consultancy services	N/A	(5.3)
The Chamber of Hong Kong Listed Companies	Associate of Mr Andy CHEUNG Lee Ming	Sponsorship and membership fees	N/A	(0.09)
The Hong Kong Institute of Directors Limited	Associate of Mr George Kwok Lung HONGCHOY	Membership and advertisement fees	N/A	(0.011)
Dah Sing Bank, Limited ("Dah Sing Bank")	Associate of Mr Blair Chilton PICKERELL	Tenancy/licence ⁽⁶⁾	7.8 ⁽⁷⁾	N/A
		Arrangement fees and bank charges	N/A	(0.068)
DBS Bank (Hong Kong) Limited ("DBS Bank")	Associate of Ms Nancy TSE Sau Ling	Licence ⁽⁶⁾	0.038	N/A

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) Beijing Jones Lang LaSalle Property Management Services Co., Ltd. (Shenzhen Branch) is a subsidiary of JLL (the "JLL Subsidiary"). It entered into a property management services contract (the "PM Contract") with a Link's SPV for two years from 15 March 2019. Pursuant to the PM Contract, a sum of HK\$2,915,407 was paid to the JLL Subsidiary in March 2019 of which HK\$850,882 was payroll for the period from 15 March to 31 March 2019 and HK\$2,064,525 was payroll prepaid for April 2019.
- (4) This fee included the cleaning services provided by a subsidiary of JLL – Premier Cleaning Services Limited – at total fees of HK\$26,900. Premier Cleaning Services Limited ceased to be a subsidiary of JLL (and a connected person of Link) on 1 November 2018.
- (5) JLLMS was awarded the fitter services contracts on 16 April 2016. It became a connected person of Link on 17 November 2016 when JLL was appointed Link's Principal Valuer. Fitter services fees incurred during the financial year ended 31 March 2018 was HK\$18.6 million.
- (6) These included shops, ATMs, showcases and minor lettings at various locations within Link's properties.
- (7) Excluding deposits received.
- (8) Including transaction fees paid by the Manager for buy-back of Link's Units and other administration fees charged by HSBC during the year under review.
- (9) This is the financial advisory fee paid to HSBC as Link's financial advisor to conduct a review of Link's asset portfolio and the disposal of 12 properties during the year under review. Please refer to the below section headed "Other Transactions" for details.

LEASE TRANSACTIONS WITH CONNECTED PERSONS

The following tenancies were entered into during the year under review or still subsisted at the end of the year under review by Link's SPVs with the following connected persons with an annual rent exceeding HK\$1 million:

Name of tenant	Nature of the transactions	Lease term	Annual rent ⁽¹⁾ HK\$'M	Rental deposit received during the year ended 31 March 2019 HK\$'M
Dah Sing Bank	Tenancy for shop nos. 1101 and 1102 at Lok Fu Place	Term of 3 years ended on 7 March 2019 and then renewed for another term of 2 years ending on 7 March 2021	3.2	0.9
	Tenancy for shop no. G3C at Temple Mall South	Term of 6 years ended on 9 June 2018 and then renewed for another term of 3 years ending on 9 June 2021	2.7	0.7
	Tenancy for shop no. L120 at Tin Shing Shopping Centre	Term of 6 years ending on 30 November 2021	1.4	N/A
Hang Seng Bank, Limited ("Hang Seng")	Tenancy for shop no. 121A at Temple Mall South	Term of 2 years ending on 2 July 2019	3.2	N/A
	Tenancy for shop no. G202 at Lok Fu Place	Term of 3 years ending on 31 October 2019	3.5	N/A
HSBC	Tenancy for shop nos. L201 to L206 at Lok Fu Place	Term of 2 years ending on 21 August 2019	4.8	N/A
	Tenancy for shop no. N119 at Temple Mall North	Term of 2 years ending on 31 August 2019	1.2	N/A
	Tenancy for shop nos. 118 to 120 at Wing B of Hin Keng Shopping Centre	Term of 3 years ending on 12 December 2020	1.0	N/A
HSBC Bank (China) Company Limited ("HSBC Bank (China)"), Guangzhou Branch	Tenancy for shop no. 186 at Metropolitan Plaza, Guangzhou ⁽²⁾	Term of 2 years ending on 14 April 2019	4.2	N/A

Notes:

- (1) Annual rent is calculated from the monthly base rent on a 12-month basis as if such rent were received from the beginning of the financial year.
- (2) The tenancy is 2 years from 15 April 2017 to 14 April 2019. It was entered into by 廣州牽晴匯房地產有限公司 (Guangzhou Qian Qing Hui Real Estate Company Limited) ("GZ Qian Qing Hui") with HSBC Bank (China), Guangzhou Branch before GZ Qian Qing Hui was acquired by Link. On 11 May 2017, Link had completed the acquisition of GZ Qian Qing Hui. The total amount of rental paid by HSBC Bank (China), Guangzhou Branch to GZ Qian Qing Hui from 11 May 2017 to 31 March 2018 amounted to HK\$3.8 million.
- (3) During the year under review, no lease transaction was entered into between DBS Bank and Link's SPVs with an annual rent exceeding HK\$1 million.

PROVISION OF BANKING AND FINANCIAL SERVICES BY CONNECTED PERSONS

Link and/or its SPVs engaged the HSBC Group (including, among others, Hang Seng and HSBC Bank (China)) and Dah Sing Bank to provide ordinary course banking and financial services in the year. Further details are set out in Note 30 to the consolidated financial statements. The HSBC Group also provided services to SPVs of Link in relation to Mandatory Provident Fund accounts and payment and receipt arrangements. Bank accounts were also maintained with the HSBC Group and Dah Sing Bank for deposits and/or rent collection purposes in the year. During the year under review, DBS Bank did not provide any ordinary course banking and financial services to Link or any of its SPVs.

Loans

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

- (i) 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) of which the outstanding amounts due to, respectively, HSBC and Hang Seng as at 31 March 2019 were HK\$115 million and HK\$225 million;
- (ii) 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\$850 million as at 31 March 2019; and
- (iii) 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 2019 was HK\$450 million.

The Link Finance Limited (a wholly-owned SPV of Link) also maintained interest rate swap contracts with HSBC in the year under review. As at 31 March 2019, the total notional principal outstanding value in respect of such swap contracts with HSBC was approximately HK\$6.7 billion.

Deposits

As at 31 March 2019, SPVs of Link placed deposits with the HSBC Group of approximately HK\$2 billion.

OTHER TRANSACTIONS

Corporate Advisory Transaction

During the year under review, the Manager engaged HSBC as financial advisor (and Cushman & Wakefield (HK) Limited as a real estate advisor) to conduct a review of Link's asset portfolio and the disposal of 12 properties of Link.

The appointment of HSBC as financial advisor was within the waiver granted by SFC in its waiver letter dated 8 November 2005 (the "**HSBC Waiver**"). It was conducted at arm's length on normal commercial terms.

The total fees paid to HSBC in respect of its acting as financial advisor was HK\$55,201,140.

Corporate Finance Transaction

HK\$4,000,000,000 1.60 per cent. guaranteed green convertible bonds due 2024 (the "**Convertible Bonds**") were issued on 3 April 2019 by Link 2019 CB Limited (the "**Issuer**" and wholly-owned by Link). The Convertible Bonds were listed on the Stock Exchange (stock code: 5936) on 4 April 2019.

For the purpose of the Convertible Bonds, a subscription agreement dated 7 March 2019 (the "**Subscription Agreement**") was entered into by Link with, among others, the Issuer, HSBC and J.P. Morgan Securities plc as the joint lead managers (the "**Joint Lead Managers**") pursuant to which the Joint Lead Managers severally underwrote the issue of the Convertible Bonds at a price equal to 100 per cent. of the principal amount of the Convertible Bonds on the terms and conditions set out therein.

The appointment of HSBC as one of the Joint Lead Managers was within the HSBC Waiver. It was conducted at arm's length on normal commercial terms. The Joint Lead Managers confirmed that the issue of the Convertible Bonds, including the entering into of the Subscription Agreement and the transactions contemplated thereunder, complied with all relevant conditions in the HSBC Waiver and restrictions and covenants set out in the section headed "Connected Party Transaction with HSBC and HSBC Waiver" of the announcement dated 8 March 2019 issued by the Manager.

The total fees payable to HSBC for acting as one of the Joint Lead Managers was HK\$9,600,000.

As of 31 March 2019, no Convertible Bond had been issued to HSBC. Closing of the subscription of the Convertible Bonds took place on 3 April 2019. HSBC confirmed with the Manager that it had placed out all the Convertible Bonds it underwrote with third parties that were not members of the HSBC Group.

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

CONFIRMATION BY THE MANAGER AND THE TRUSTEE IN RESPECT OF CORPORATE ADVISORY TRANSACTIONS AND CORPORATE FINANCE TRANSACTIONS WITH THE HSBC GROUP

The Trustee and the Manager both confirmed that, with respect to the corporate advisory transactions and 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 HSBC Waiver (details of which were disclosed in the offering circular dated 14 November 2005 of Link) were complied with. Save as disclosed above, there were no other corporate advisory transactions and corporate finance transactions entered into by Link and its SPV 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, corporate advisory transactions and corporate finance transactions in accordance with the relevant 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

Management submitted quarterly compliance reports on (among others) connected party transactions to the Audit and Risk Management Committee for review. These reports were submitted to the Board after endorsement by the Audit and Risk Management Committee.

The Audit and Risk Management Committee had reviewed and was satisfied that the general nature and types of the ordinary course banking and financial services provided by the HSBC Group and Dah Sing Bank, and the corporate advisory transactions and the corporate finance transactions entered into with HSBC in the year under review were of the types that were 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 confirmed that, after review of the terms of all relevant connected party transactions (including the lease, corporate advisory transactions and corporate finance transactions), it was 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) were fair and reasonable; and
- (iv) were in the interests of the Unitholders.

CONFIRMATION BY THE MANAGER

The Board (including INEDs) confirmed that:

- (i) based on the information provided, and representations made, by the Trustee, it was satisfied with the internal controls and compliance procedures of the Trustee, which demonstrated that the Trustee's operations were being 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 relevant waivers was and remains 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 relevant waivers were (and they remain) fair and reasonable, and in the best interests of the Unitholders; and
- (iv) the Manager was not bound (and is under no obligation) to enter into corporate finance transactions with the HSBC Group despite of the HSBC Waiver granted.

CONTINUATION WITH THE WAIVERS GRANTED WITHOUT UNITHOLDERS' APPROVAL

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

Link Together Initiatives

LINK TOGETHER INITIATIVES 2018/2019 SUPPORTS PROJECTS WHICH FOCUS ON:

1. Resources Management – support sustainable development
2. Youth Empowerment – empower youth for a better future
3. Active Ageing – promote active living of seniors

TYPES OF FUNDING:

1. Major Project Fund

- Support projects with innovative service concepts that fill social service gaps
- Advance sustainable development in the communities Link serves

2. Link University Scholarship

- Support first-generation university students to study at a Hong Kong university
- Promote upward social mobility of Hong Kong youth
- A grant of HK\$20,000 for each awardee to help realise dreams and ambitions
- Create platforms for scholars to gain exposure through the Link Scholars Alumni programme
- Applicants who apply for the first-year university scholarship must be (1) a secondary six full-time student applying for university studies at a Hong Kong university funded by the University Grants Committee in the current year, (2) nominated by their secondary school, and (3) the first among three generations in their family
- Applicants who apply for a university scholarship for years 2 to 4 must be (1) a full-time university student who will continue their year 2, 3 or 4 full-time bachelor's study programme at a Hong Kong university funded by the University Grants Committee in the current year, and (2) the first among three generations in their family

LINK TOGETHER INITIATIVES 2018/2019 – MAJOR PROJECTS:

Organisation	Project Category/ Name	Target Audience	Target Participants (approx. no)	Funding Donated (HK\$)	Progress Update
1. Bo Charity Foundation Limited	Food Angel – Love & Food Sharing and Education	Elderly and low-income families	1,935,800	3,653,112	<p>An all-round surplus food recycling programme at 36 Link's fresh markets and 15 shopping malls that aims to benefit 1.9 million underprivileged people and save up to 625 tonnes of food waste. This marks the programme's third consecutive year.</p> <p>As of 31 March 2019, the organisation had collected over 314,000 kg of surplus food from the 337 committed tenants in Link's fresh markets to produce over 1.7 million hot meals and 190,000 food packs. Food donation boxes were placed in 15 of Link's shopping centres for food collection. The collected food was sent to NGO partners for redistribution to people in need.</p>

Organisation	Project Category/ Name	Target Audience	Target Participants (approx. no)	Funding Donated (HK\$)	Progress Update
2. Po Leung Kuk	Happy Clown	Elderly	5,425	1,232,280	<p>Continuing from its first successful year, this programme seeks to promote active ageing and bring positive energy to the community by providing different trainings to the elderly.</p> <p>As of 31 March 2019, elderly beneficiaries who had received happy clown trainings were given a chance to promote happiness and positive energy to the public through 12 flash mob performances in different districts. They will be given advance trainings in clowning, djembe drumming, and boxing dance in the next phase.</p> <p>This programme enables the elderly to make new friends and enriches their retirement years.</p>
3. Cha Duk Chang Children's Cantonese Opera Association Limited	Cha Duk Chang Ambassador in 3 Generations	Children and youth	11,870	1,333,350	<p>Marking its fourth year, this programme seeks to promote traditional Cantonese opera in innovative ways to children, and to enhance intergenerational family relationships by cultivating a common interest in this traditional Chinese art form.</p> <p>As of 31 March 2019, the organisation had completed eight Cantonese opera classes for 880 pupils and their parents and teachers, five Chinese New Year Cantonese opera carolling sessions, two carnivals and two culture week activities in schools, promoting children's Cantonese opera to over 5,000 audience members and fostering intergenerational harmony.</p>

Organisation	Project Category/ Name	Target Audience	Target Participants (approx. no)	Funding Donated (HK\$)	Progress Update
4. The Jane Goodall Institute (Hong Kong) Limited	The Green Community Builder	Youth	10,860	770,020	<p>Up and running for a year, this programme, which was originally designed to train youths to develop maps for community eco-tours in their role as green ambassadors, now extends tour guide training to the elderly and aims to develop more eco-routes around Link's properties.</p> <p>In collaboration with Lingnan University's Elder Academy, trainings were organised for elderly participants committed to becoming green ambassadors and eco-tour guide assistants in the communities where they live. As of 31 March 2019, 17 eco-tours had been organised in different communities for over 1,700 participants. Three new eco-routes were also identified in communities to promote the importance of a green environment.</p>
5. Music Children Foundation Limited	Link Music Scholarship	Youth	4,890	829,000	<p>Running in its second year, this programme provides support to students from underprivileged backgrounds to master music through continuing professional training and on-stage performance opportunities to develop stage confidence.</p> <p>Link Music Scholars aged 11–16 were selected to receive a Link Music Scholarship by the interview panel, comprising representatives of Music Children Foundation and Link. Each scholar will receive one-on-one tutoring by a professional teacher and participate in relevant exams.</p> <p>The programme also supports two community performances, providing on-stage performance opportunities for the Link Music Scholars. The first performance was held on 1 May 2019.</p>

Organisation	Project Category/ Name	Target Audience	Target Participants (approx. no)	Funding Donated (HK\$)	Progress Update
6. Hong Kong Guide Dogs Association Limited	Guide Dog Puppy Raiser Development and Public Education	Visually impaired persons	20,000	1,126,550	<p>Running for the fifth year, the programme seeks to promote an inclusive society for visually impaired persons through mentorship and support for foster families and public education.</p> <p>The puppy raiser and boarder development program commenced in January 2019. Senior puppy raisers and boarders with extensive experience in fostering and handling the dogs will be further trained as mentors to support new puppy raisers and boarders.</p> <p>The programme also supports public education. Apart from seminars, Hong Kong Guide Dogs Association will produce short videos and a set of four children's novels to raise public awareness and acceptance towards guide dog services. The videos will be available on online platforms while the books will be distributed to over 2,000 kindergartens and primary and secondary schools in Hong Kong.</p> <p>As of 31 March 2019, 27 learning workshops and seminars had been organised, reaching over 3,000 audience members.</p>
7. H.K.S.K.H Lady MacLehose Centre	We • Go Green	Elderly and youth	10,510	900,000	<p>The project aims to promote active ageing, cultural appreciation, and care for the environment and the community through interactive green workshops and eco-tour guide training.</p> <p>As of 31 March 2019, 13 training workshops and 9 community events had been organised to promote local native plants. Over 250 elderly volunteers participated, reaching 2,200 audience members from the public.</p> <p>In the second half of 2019, more school workshops and community events will be organised to promote cultural appreciation among elderly and youth participants.</p>

Organisation	Project Category/ Name	Target Audience	Target Participants (approx. no)	Funding Donated (HK\$)	Progress Update
8. Free Methodist Church of Hong Kong	The Linker – Youth Career and Life Planning	Youth	3,200	745,060	<p>This youth empowerment programme aims to help underprivileged young people conduct life and career planning, as well as increase their self-esteem, communication skills, teamwork and creativity.</p> <p>Under the programme, a 3-hour one-on-one career counselling session by a registered social worker is given to each participant. The programme comprises certified training courses and practice sessions through community services, where participants can put the new skills they acquire into action.</p> <p>Current training courses include floor curling instructor training and social media editing training. After completion of the training, participants are given opportunities to lead a community event to promote floor curling to the public. As of 31 March 2019, 11 floor curling activities had been held at Link's properties and schools, reaching over 1,700 participants.</p>

LINK TOGETHER INITIATIVES 2018/2019 – LINK UNIVERSITY SCHOLARSHIP

Launched in 2015, the Link University Scholarship, the signature youth empowerment programme of Link Together Initiatives, supports students who are the first of three generations in their families to attend university in Hong Kong, promoting upward social mobility of Hong Kong youth. Each awardee receives a HK\$20,000 scholarship that they can use to realise their goals and plans for improving their learning environment and/or seeking further learning opportunities.

Awarded students are automatically admitted to the Link Scholars Alumni programme, through which Link provides volunteering opportunities, corporate visits as well as priority consideration for the company's internship programme, with the aim of widening the horizons of awarded students through various community engagement activities. Awarded students are also eligible to apply for the Scholarship in the next funding cycle.

During 2018/2019, Link donated HK\$3.8 million to the Link University Scholarship. A total of 190 students received scholarship grants.

LINK SCHOLARSHIP 2018/2019 – THE SECONDARY SCHOOLS ATTENDED BY 100 SCHOLARSHIP AWARDEES (YEAR 1 UNIVERSITY SCHOLARSHIP):

Aberdeen Baptist Lui Ming Choi College	Baptist Lui Ming Choi Secondary School	Buddhist Hung Sean Chau Memorial College
Buddhist Kok Kwong Secondary School	Buddhist Tai Hung College	Buddhist Wong Wan Tin College
Carmel Bunnan Tong Memorial Secondary School	Carmel Secondary School	CCC Heep Woh College
CCC Ming Yin College	CCC Yenching College	Cheung Sha Wan Catholic Secondary School
China Holiness Church Living Spirit College	Chinese YMCA College	Chiu Lut Sau Memorial Secondary School
Christian Alliance College	CNEC Christian College	Cognitio College (Hong Kong)
Cotton Spinners Association Secondary School	CUHK FAA Thomas Cheung Secondary School	ELCHK Lutheran Secondary School
Evangel College	Good Hope School	G.T. (Ellen Yeung) College
Heep Yunn School	Heung To Middle School	Hong Kong Baptist University Affiliated School
		Wong Kam Fai Secondary and Primary School
HKFYG Lee Shau Kee College	HKSKH Bishop Hall Secondary School	HKTA The Yuen Yuen Institute No.3 Secondary School
Ho Fung College (Sponsored by Sik Sik Yuen)	Hong Kong Tang King Po College	Hong Kong True Light College
Kau Yan College	Kiangsu-Chekiang College (Kwai Chung)	Kwok Tak Seng Catholic Secondary School
Lai Chack Middle School	Lee Kau Yan Memorial School	Lingnan Secondary School
Lok Sin Tong Leung Chik Wai Memorial School	Lung Kong WFSL Lau Wong Fat Secondary School	Munsang College
Munsang College (Hong Kong Island)	New Asia Middle School	Newman Catholic College
Ning Po College	NLSI Lui Kwok Pat Fong College	N.T. Heung Yee Kuk Yuen Long District Secondary School
Our Lady's College	Po Leung Kuk Ho Yuk Ching (1984) College	Po Leung Kuk Laws Foundation College
Po Leung Kuk Lo Kit Sing (1983) College	Po Leung Kuk Ma Kam Ming College	Po Leung Kuk Ngan Po Ling College
Pok Oi Hospital Chan Kai Memorial College	Pooi To Middle School	Pui Ying Secondary School
Rhenish Church Pang Hok Ko Memorial College	Sacred Heart Canossian College	Sha Tin Government Secondary School
Shun Lee Catholic Secondary School	Shun Tak Fraternal Association Lee Shau Kee College	Shun Tak Fraternal Association Tam Pak Yu College
Shung Tak Catholic English College	Sing Yin Secondary School	S.K.H. Lam Kau Mow Secondary School
SKH Li Fook Hing Secondary School	S.K.H. Tsang Shiu Tim Secondary School	S.K.H. Tsoi Kung Po Secondary School
South Tuen Mun Government Secondary School	St. Stephen's Girls' College	St. Clare's Girls' School
St. Joseph's College	St. Mark's School	St. Mary's Canossian College
St. Paul's Co-educational College	Stewards MKMCF Ma Ko Pan Memorial College	Stewards Pooi Tun Secondary School
Tak Nga Secondary School	The HKSVC & IA Chan Nam Chong Memorial College	The Hong Kong Management Association K S Lo College
The Mission Covenant Church Holm Glad College	TIACC Woo Hon Fai Secondary School	Tseung Kwan O Government Secondary School
Tsuen Wan Public Ho Chuen Yiu Memorial College	Tuen Mun Government Secondary School	Tung Chung Catholic School
TWGHs Chang Ming Thien College	TWGHs Chen Zao Men College	TWGHs Wong Fut Nam College
TWGHs Yau Tze Tin Memorial College	Valtorta College	Wa Ying College
Wong Shiu Chi Secondary School	Yan Chai Hospital Law Chan Chor Si College	Yan Chai Hospital No.2 Secondary School
Yan Chai Hospital Wong Wha San Secondary School	Ying Wa College	Ying Wa Girls' School
Yu Chun Keung Memorial College		

THE 100 SCHOLARSHIP AWARDEES (YEAR 1 UNIVERSITY SCHOLARSHIP) STUDIED AT THE FOLLOWING UNIVERSITIES DURING THE 2018/2019 SCHOOL YEAR:

- City University of Hong Kong: 4
- Hong Kong Baptist University: 5
- Lingnan University: 2
- The Chinese University of Hong Kong: 32
- The Education University of Hong Kong: 2
- The Hong Kong University of Science and Technology: 13
- The Hong Kong Polytechnic University: 14
- The University of Hong Kong: 28

THE 90 SCHOLARSHIP AWARDEES (YEARS 2–4 UNIVERSITY SCHOLARSHIP) STUDIED AT THE FOLLOWING UNIVERSITIES DURING THE 2018/2019 SCHOOL YEAR:

- City University of Hong Kong: 1
- Hong Kong Baptist University: 11
- The Chinese University of Hong Kong: 65
- The Education University of Hong Kong: 1
- The Hong Kong University of Science and Technology: 4
- The Hong Kong Polytechnic University: 1
- The University of Hong Kong: 7

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 twelve supplemental deeds, for the financial year ended 31 March 2019.

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

Hong Kong, 3 June 2019

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 86 to 135, which comprise:

- the consolidated statement of financial position as at 31 March 2019;
- 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 2019, 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.

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T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matter identified in our audit relates to the valuation of investment properties.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Valuation of Investment Properties</p> <p>Refer to notes 3(d), 5(a) and 15 to the consolidated financial statements</p> <p>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 of investment properties in the consolidated statement of financial position as at 31 March 2019 was HK\$218,496 million and the fair value gain of investment properties for the year was HK\$12,269 million, which were significant components of the consolidated financial statements. 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 "Valuer"). Under the Code on Real Estate Investment Trusts issued by the Hong Kong Securities and Futures Commission (the "REIT Code"), the Valuer shall retire after it has conducted valuations for three consecutive years, and may only be reappointed after three years.</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>Experience of Valuer and relevance of their work</p> <p>We read the Valuer's report and understand that the valuation was prepared in accordance with HKIS Valuation Standards 2017, the International Valuation Standards 2017, the RICS Valuation – Global Standards 2017 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.</p> <p>Valuation methodology used by the Valuer</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>Data used by the Valuer</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"> • key terms of lease agreements; • operating expenditure details; and • rental income schedules.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Valuation of Investment Properties (Continued)</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 where applicable. The Valuer applied assumptions for capitalisation rates and net passing income, which were 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 was used, whereby the valuation was 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 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"> • disposal of the Group's investment properties during the year, as reference for recent market transactions; • revitalisation of certain investment properties through the Group's Asset Enhancement Program; and • the performance of the Group's investment property portfolio 	<p>Data used by the Valuer (Continued)</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>Assumptions and estimates used by the Valuer</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 methodologies used in preparing the valuation were appropriate and key assumptions 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 intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

In addition, the Manager is required to ensure that the consolidated financial statements have been properly prepared in accordance with the relevant provisions of the Trust Deed dated 6 September 2005, as amended by the Twelfth Supplemental Deeds (the "**Trust Deed**"), and the relevant disclosure provisions of Appendix C of the REIT Code.

The Audit and Risk Management Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. In addition, we are required to assess whether the consolidated financial statements of the Group have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix C of the REIT Code.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

As part of an audit in accordance with 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 Disclosure Provisions of Appendix C of the REIT Code

In our opinion, the consolidated financial statements have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix C of the REIT Code.

The engagement partner on the audit resulting in this independent auditor's report is Wong Hung Nam.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 3 June 2019

Consolidated Income Statement

For the year ended 31 March 2019

	Note	2019 HK\$'M	2018 HK\$'M
Revenue	6	10,037	10,023
Property operating expenses	8	(2,348)	(2,360)
Net property income		7,689	7,663
General and administrative expenses		(405)	(417)
Change in fair values of investment properties	15(a)	12,269	35,493
Gains on disposals of investment properties	15(f)	2,761	7,306
Interest income		85	19
Finance costs	9	(598)	(665)
Profit before taxation and transactions with Unitholders	10	21,801	49,399
Taxation	12	(1,359)	(1,420)
Profit for the year, before transactions with Unitholders		20,442	47,979
Distributions paid to Unitholders:			
– 2019 interim distribution		(2,759)	–
– 2018 final distribution		(2,758)	–
– 2018 interim distribution		–	(2,673)
– 2017 final distribution		–	(2,581)
		14,925	42,725
Represented by:			
Change in net assets attributable to Unitholders, excluding issues of new units and units bought back		13,260	44,609
Amount arising from exchange reserve and cash flow hedging reserve movements	26	1,552	(2,102)
Non-controlling interest		113	218
		14,925	42,725
Profit for the year, before transactions with Unitholders attributable to			
– Unitholders (Note)	13	20,329	47,761
– Non-controlling interest		113	218
		20,442	47,979

The notes on pages 92 to 135 are an integral part of these consolidated financial statements.

Note: Earnings per unit, based upon profit for the year, before transactions with Unitholders attributable to Unitholders and the weighted average number of units in issue, is set out in Note 13 to the consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2019

	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
For the year ended 31 March 2019					
Profit for the year	20,329	(18,777)	1,552	113	1,665
Other comprehensive income					
Items that may be reclassified subsequently to the consolidated income statement					
– Cash flow hedging reserve	(236)	–	(236)	–	(236)
– Exchange reserve	(1,316)	–	(1,316)	–	(1,316)
Total comprehensive income for the year	18,777	(18,777)	–	113	113
For the year ended 31 March 2018					
Profit for the year	47,761	(49,863)	(2,102)	218	(1,884)
Other comprehensive income					
Items that may be reclassified subsequently to the consolidated income statement					
– Cash flow hedging reserve	284	–	284	–	284
– Exchange reserve	1,818	–	1,818	–	1,818
Total comprehensive income for the year	49,863	(49,863)	–	218	218

The notes on pages 92 to 135 are an integral part of these consolidated financial statements.

Notes:

- (i) Transactions with Unitholders comprise the distributions to Unitholders of HK\$5,517 million (2018: HK\$5,254 million) and change in net assets attributable to Unitholders, excluding issues of new units and units bought back, of HK\$13,260 million (2018: HK\$44,609 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 2019

	Note	2019 HK\$'M	2018 HK\$'M
Profit for the year, before transactions with Unitholders attributable to Unitholders		20,329	47,761
Adjustments:			
– Change in fair values of investment properties attributable to Unitholders		(12,151)	(35,270)
– Deferred taxation on change in fair values of investment properties attributable to Unitholders		250	368
– Change in fair values of financial instruments		90	–
– Other non-cash income		(87)	(122)
– Gains on disposals of investment properties, net of transaction costs		(2,761)	(7,306)
– Depreciation charge on investment properties under China Accounting Standards		–	(150)
Discretionary distribution (Note (i))		53	150
Total Distributable Amount (Note (i))		5,723	5,431
Interim distribution, paid		2,759	2,673
Final distribution, to be paid to the Unitholders		2,964	2,758
Total distributions for the year		5,723	5,431
Units in issue at 31 March	25	2,109,321,254	2,150,058,972
Distributions per unit to Unitholders:			
– Interim distribution per unit, paid (Note (ii))		HK130.62 cents	HK121.50 cents
– Final distribution per unit, to be paid to the Unitholders (Note (iii))		HK140.55 cents	HK128.28 cents
Distribution per unit for the year		HK271.17 cents	HK249.78 cents

The notes on pages 92 to 135 are an integral part of these consolidated financial statements.

Notes:

- (i) Under the terms of the Trust Deed, Link Real Estate Investment Trust is required to distribute to Unitholders no less than 90% of its distributable income for each financial year. Distributable income, according to the Trust Deed, is the Group's consolidated profit after taxation attributable to Unitholders, as adjusted to eliminate the effect of certain non-cash adjustments which have been recorded in the consolidated income statement for the relevant year. For the year ended 31 March 2019, the Manager has decided to distribute 100% (2018: 100%) of its distributable income to Unitholders.
- In addition, the Manager recommended a capital return in the form of a discretionary distribution (2018: adjustment for depreciation charge on investment properties under China Accounting Standards). During the year, the Trust Deed has been revised such that depreciation charges on investment properties under China Accounting Standards is no longer adjusted when deriving total distributable income. Accordingly, no discretionary distribution in relation to this adjustment is applicable. Discretionary distribution refers to any additional amount to be distributed as determined by the Manager pursuant to clause 13.4 of the Trust Deed. Together with this discretionary distribution, Total Distributable Amount represented 101% (2018: 103%) of the distributable income of Group for the year.
- (ii) The interim distribution per unit of HK130.62 cents (2018: HK121.50 cents) for the six months ended 30 September 2018 is calculated based on the interim distribution of HK\$2,759 million (2018: HK\$2,673 million) for the period and 2,111,986,754 units (2018: 2,199,876,472 units) in issue as at 30 September 2018. The interim distribution was paid to Unitholders on 10 December 2018.
- (iii) The final distribution per unit of HK140.55 cents (2018: HK128.28 cents) for the year ended 31 March 2019 is calculated based on the final distribution to be paid to the Unitholders of HK\$2,964 million (2018: HK\$2,758 million) for the second half of the financial year and 2,109,321,254 units (2018: 2,150,058,972 units) in issue as at 31 March 2019, 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 4 July 2019.

Consolidated Statement of Financial Position

As at 31 March 2019

	Note	2019 HK\$'M	2018 HK\$'M
Non-current assets			
Goodwill	14	433	416
Investment properties	15	218,496	203,091
Property, plant and equipment	16	138	115
Derivative financial instruments	22	36	280
		219,103	203,902
Current assets			
Trade and other receivables	17	933	715
Deposits and prepayments		106	97
Derivative financial instruments	22	6	1
Bank deposits	18	4,095	8,525
Cash and cash equivalents	18	2,694	3,164
		7,834	12,502
Total assets			
		226,937	216,404
Current liabilities			
Trade payables, receipts in advance and accruals	19	2,585	2,462
Security deposits		1,751	1,665
Provision for taxation		321	420
Current portion of long-term incentive schemes provision	20	102	87
Interest bearing liabilities	21	3,367	2,589
Derivative financial instruments	22	-	2
		8,126	7,225
Net current (liabilities)/assets			
		(292)	5,277
Total assets less current liabilities			
		218,811	209,179
Non-current liabilities, excluding net assets attributable to Unitholders			
Long-term incentive schemes provision	20	98	50
Interest bearing liabilities	21	20,850	23,196
Derivative financial instruments	22	246	375
Deferred tax liabilities	23	3,191	2,893
Other non-current liabilities	24	5,100	3,597
		29,485	30,111
Total liabilities, excluding net assets attributable to Unitholders			
		37,611	37,336
Non-controlling interest			
		587	474
Net assets attributable to Unitholders			
		188,739	178,594
Units in issue	25	2,109,321,254	2,150,058,972
Net assets per unit attributable to Unitholders		HK\$89.48	HK\$83.06

The notes on pages 92 to 135 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

3 June 2019

George Kwok Lung HONGCHOY

Chief Executive Officer

3 June 2019

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

For the year ended 31 March 2019

	Note	Net assets attributable to Unitholders HK\$'M	Total reserves HK\$'M	Non-controlling interest HK\$'M
At 1 April 2018		178,594	580	474
Issuance of units under the 2007 LTI Plan		101	-	-
Units bought back for cancellation		(3,216)	-	-
Profit for the year ended 31 March 2019, before transactions with Unitholders		20,329	-	113
Distributions paid to Unitholders				
- 2019 interim distribution		(2,759)	-	-
- 2018 final distribution		(2,758)	-	-
Change in fair values of cash flow hedges	26	-	(162)	-
Amount transferred to the consolidated income statement	26	-	(74)	-
Exchange loss on translation of financial statements	26	-	(1,316)	-
Amount arising from exchange reserve and cash flow hedging reserve movements	26	(1,552)	1,552	-
Change in net assets attributable to Unitholders and non-controlling interest for the year ended 31 March 2019, excluding issues of new units and units bought back		13,260	-	113
At 31 March 2019		188,739	580	587
At 1 April 2017		138,241	580	256
Issuance of units under the 2007 LTI Plan		93	-	-
Units bought back for cancellation		(4,349)	-	-
Profit for the year ended 31 March 2018, before transactions with Unitholders		47,761	-	218
Distributions paid to Unitholders				
- 2018 interim distribution		(2,673)	-	-
- 2017 final distribution		(2,581)	-	-
Change in fair values of cash flow hedges	26	-	195	-
Amount transferred to the consolidated income statement	26	-	89	-
Exchange gain on translation of financial statements	26	-	1,818	-
Amount arising from exchange reserve and cash flow hedging reserve movements	26	2,102	(2,102)	-
Change in net assets attributable to Unitholders and non-controlling interest for the year ended 31 March 2018, excluding issues of new units and units bought back		44,609	-	218
At 31 March 2018		178,594	580	474

The notes on pages 92 to 135 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 March 2019

	Note	2019 HK\$'M	2018 HK\$'M
Operating activities			
Net cash generated from operating activities	27(a)	5,941	6,485
Investing activities			
Acquisition of businesses	28	(7,085)	(4,496)
Proceeds from disposals of investment properties	15(f)	12,010	22,988
Additions to investment properties		(2,623)	(1,998)
Additions to property, plant and equipment		(49)	(39)
Interest income received		92	7
Decrease/(increase) in bank deposits with original maturity of more than three months		4,430	(8,375)
Net cash generated from investing activities		6,775	8,087
Financing activities			
Proceeds from interest bearing liabilities, net of transaction costs		14,804	19,585
Repayment of interest bearing liabilities		(19,124)	(21,345)
Increase in amount due to non-controlling interest		559	211
Interest expenses paid on interest bearing liabilities		(648)	(810)
Distributions paid to Unitholders		(5,517)	(5,254)
Units bought back for cancellation		(3,216)	(4,349)
Net cash used in financing activities		(13,142)	(11,962)
Net (decrease)/increase in cash and cash equivalents		(426)	2,610
Cash and cash equivalents at 1 April		3,164	535
Effect on exchange rate changes on cash and cash equivalents		(44)	19
Cash and cash equivalents at 31 March		2,694	3,164

The notes on pages 92 to 135 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 12 Supplemental Deeds dated 4 November 2005, 8 November 2005, 16 January 2006, 21 November 2006, 13 July 2007, 23 July 2007, 5 October 2009, 23 July 2010, 25 July 2012, 18 February 2014, 15 January 2015 and 25 July 2018) (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 HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants.

As at 31 March 2019, 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 2019, the Group has adopted all the new standards, amendments and interpretations that are currently in issue and effective.

HKAS 40 Amendments	Transfers of Investment Property
HKFRS 2 Amendments	Classification and Measurement of Share-based Payment Transactions
HKFRS 4 Amendments	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
HKFRS 9 (2014)	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
HKFRS 15 Amendments	Clarifications to HKFRS 15
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration
Annual Improvements to HKFRSs 2014-2016 Cycle	

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

2 Basis of Preparation (Continued)

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

The following new standards, amendments and interpretations, 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 2019.

Amendments to HKAS 1 and HKAS 8	Definition of Material ⁽²⁾
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ⁽¹⁾
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ⁽¹⁾
Amendments to HKFRS 3	Definition of a Business ⁽²⁾
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ⁽¹⁾
HKFRS 16	Leases ⁽¹⁾
HKFRS 17	Insurance Contracts ⁽³⁾
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments ⁽¹⁾
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting ⁽²⁾
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁽⁴⁾
Annual Improvements to HKFRSs 2015-2017 Cycle ⁽¹⁾	

⁽¹⁾ effective for accounting periods beginning on or after 1 January 2019

⁽²⁾ effective for accounting periods beginning on or after 1 January 2020

⁽³⁾ effective for accounting periods beginning on or after 1 January 2021

⁽⁴⁾ 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 the adoption of HKFRS 16 which may result in recognition of both an asset (the right to use the leased item) and a financial liability (the obligation to pay rentals) at end of the accounting periods beginning on or after 1 April 2019. As all the non-cancellable operating leases of the Group are to be expired within 12 months from the date of initial application of HKFRS 16, the Group expects the adoption of HKFRS 16 would not have any retrospective adjustment to the accounting periods ended on or before 31 March 2019.

Save as the above, 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. Save as the adoption of new and revised HKFRSs, 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 2019 and their results for the year then ended.

Subsidiaries are entities, including structured entities, over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

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

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the units issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition related costs are expensed in the consolidated income statement during the period in which they are incurred.

Where the Group enters into a contract that contains an obligation (for example a written put option exercisable by the contract counterparty) to acquire shares in a partly-owned subsidiary company from the non-controlling interest, which is not part of a business combination, the Group records a financial liability for the present value of the redemption amount with a corresponding charge directly to equity. Changes to the value of the financial liability are recognised in the consolidated income statement.

(b) Segment Reporting

A segment is a distinguishable component of the Group that is engaged either in providing a particular type of service (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.

3 Summary of Significant Accounting Policies (Continued)

(c) Foreign Currency Translation (Continued)

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

(iii) Group companies

The results and financial position of all the Group's entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position of the Group's entities are translated at the reporting date closing rate;
- income and expenditures for each income statement of the Group's entities are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenditures are translated at the rates on the dates of the transactions); and
- all resulting currency translation differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising 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 valuer at least annually.

Any gain or loss arising on disposal of the investment property (calculated as the difference between the disposal proceeds and the carrying amount, including revaluation, of the asset) is recognised in the consolidated income statement in the period in which the investment property is disposed of.

Changes in fair values of the investment properties are recognised in the consolidated income statement.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are expensed in the consolidated income statement during the period in which they are incurred.

3 Summary of Significant Accounting Policies (Continued)

(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.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost less estimated residual value less accumulated impairment losses over the estimated useful lives as follows:

Leasehold improvements	5 years or lease terms (if applicable)
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. The Group holds the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. The Group applies the HKFRS 9 simplified approach in assessing expected credit losses which uses a lifetime expected loss allowance for trade receivables. The expected credit losses on trade receivables are calculated using a provision matrix where a provision rate applies based on its historical observed default rates adjusted by current and forward-looking information.

(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.

3 Summary of Significant Accounting Policies (Continued)

(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.

(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.

3 Summary of Significant Accounting Policies (Continued)

(l) Current and Deferred Taxation (Continued)

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 taxation arising from investment property is determined based on the expected manner as to how the investment properties will be recovered (through sale or through use) with the corresponding tax rate applied.

(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 effective interest method.

3 Summary of Significant Accounting Policies (Continued)

(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.

(r) Employees' Long-Term Incentive Schemes

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

Employee services rendered in exchange for the grant of the long-term incentive schemes 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 schemes 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 schemes awards is reviewed every six months and is independently valued by external valuer at least annually. If the awards do not vest on the vesting dates, the amounts charged to the consolidated income statement will be written back.

(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.

At the inception of the hedging, the Group documents the economic relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking its hedge transactions.

(i) Cash Flow Hedge

Hedging relationships are classified as cash flow hedges when such relationships are used to hedge against exposure to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability and such variability could affect profit or loss.

The changes in the fair value of the effective portion of derivatives that are designed and qualify as cash flow hedges are recognised in other comprehensive income and deferred in a cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated income statement.

Amounts accumulated in hedging reserves are transferred to the consolidated income statement in the periods when the hedged item affects profit or loss. However, where the hedged item subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains or losses deferred in cash flow hedging reserve are transferred from hedging reserve and included within the initial cost of the asset or liability.

3 Summary of Significant Accounting Policies (Continued)

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

(i) Cash flow hedge (Continued)

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in the cash flow hedging reserve at that time remains in hedging reserve until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as inventory. When the forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in hedging reserve are immediately reclassified to the consolidated income statement.

(ii) Fair value hedge

Derivatives designated as hedging instruments to hedge the fair value of recognised assets or liabilities may qualify as fair value hedges.

The Group uses interest rate swap contracts to hedge its exposure to variability in fair values of recognised liabilities against changes in market interest rates.

The Group uses cross currency swap contracts to hedge its exposure to variability in fair value of recognised foreign currency liabilities against changes in foreign currency exchange rates and market interest rates. The changes in fair values of the cross currency swap contracts are recognised directly in the consolidated income statement.

Changes in the fair values of these derivative contracts, together with the changes in the fair values of the hedged liabilities attributable to the hedged risk are recognised in the consolidated income statement as finance costs on interest bearing liabilities. At the same time the carrying amounts of the hedged liabilities in the consolidated statement of financial position are adjusted for the changes in fair values.

(iii) Hedge ineffectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the derivative counterparty.

(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.

The effects of the interest rate swaps on the group's financial position and performance are as follows:

	2019 HK\$'M	2018 HK\$'M
Carrying amount (asset)	11	242
Notional amount	10,400	18,410
Maturity date	April 2019 - February 2026	August 2018 - February 2026
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 April	(157)	163
Change in value of hedged item used to determine hedge effectiveness	157	(163)
Weighted average hedged rate for the year	1.17%	1.00%

As at 31 March 2019, 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\$59 million (2018: HK\$46 million) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings. As at 31 March 2019, if interest rates had been 100 basis points higher/lower, the hedging reserve would have been HK\$199/194 million (2018: HK\$384/407 million) higher/lower mainly as a result of an increase/decrease in the fair values of the cash flow hedges as described above.

4 Financial Risk Management (Continued)

(a) Financial Risk Factors (Continued)

(i) Market risk (Continued)

(B) Currency risk

Currency risk arises on account of monetary assets and liabilities denominated in a currency that is not the functional currency.

The Group has certain investments in Mainland China, whose net assets are exposed to foreign currency translation risk. This gave rise to an unrealised loss of approximately HK\$1,316 million (2018: unrealised gain of approximately HK\$1,818 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 2019, the Hong Kong Dollars equivalent of United States Dollars medium term notes stands at HK\$7,481 million (2018: HK\$7,350 million).

The effects of the cross currency swap contracts on the Group's financial position and performance are as follows:

	2019 HK\$'M	2018 HK\$'M
Carrying amount (liabilities)	215	338
Notional amount	7,753	7,753
Maturity date	September 2024- July 2026	September 2024- July 2026
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 April	(123)	(35)
Change in value of hedged item used to determine hedge effectiveness	123	35
Weighted average hedged rate for the year	3.33%	3.33%

4 Financial Risk Management (Continued)

(a) Financial Risk Factors (Continued)

(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 2019, all bank 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 potentially 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\$111 million (2018: HK\$106 million) and is set out in Note 17. The Group's exposure to credit risk arising from cash and cash equivalents and bank deposits amounted to HK\$6,789 million (2018: HK\$11,689 million) and is set out in Note 18. The Group's exposure to credit risk arising from derivative financial instruments amounted to HK\$42 million (2018: HK\$281 million) and is set out in Note 22.

(iii) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding from committed credit facilities and operating cash flow.

The Group has cash and cash equivalents and bank deposits of HK\$6,789 million (2018: HK\$11,689 million) as at 31 March 2019. In addition to the cash resources, the Group has total available borrowing facilities amounting to HK\$33,875 million (2018: HK\$37,285 million), of which HK\$24,545 million (2018: HK\$26,285 million) was drawn as at 31 March 2019. The undrawn committed facilities, in the form of bank loans, totalled HK\$9,330 million (2018: HK\$11,000 million) as at 31 March 2019.

4 Financial Risk Management (Continued)

(a) Financial Risk Factors (Continued)

(iii) Liquidity risk (Continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date 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
At 31 March 2019				
Trade payables and accruals	2,300	–	–	–
Security deposits	600	410	619	122
Interest bearing liabilities	4,112	3,590	7,016	15,070
Derivative financial instruments (net settled)	9	19	59	178
Amount due to non-controlling interest	–	–	3,824	–
Non-controlling interest put option obligation	–	–	965	–
Retention amount for a acquisition of a business	–	758	–	–
Unitholders' funds	–	–	–	188,739
At 31 March 2018				
Trade payables and accruals	2,217	–	–	–
Security deposits	669	354	529	113
Interest bearing liabilities	3,267	4,621	9,688	12,316
Derivative financial instruments (net settled)	2	35	133	247
Amount due to non-controlling interest	–	–	3,150	–
Non-controlling interest put option obligation	–	–	901	–
Unitholders' funds	–	–	–	178,594

(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.

	2019 HK\$'M	2018 HK\$'M
Interest bearing liabilities (Note 21)	24,217	25,785
Total asset value	226,937	216,404
Gearing ratio	10.7%	11.9%

4 Financial Risk Management (Continued)

(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
At 31 March 2019				
Assets				
Investment properties	–	–	218,496	218,496
Derivative financial instruments	–	42	–	42
Total assets	–	42	218,496	218,538
Liabilities				
Derivative financial instruments	–	246	–	246
Non-controlling interest put option obligation	–	–	790	790
Total liabilities	–	246	790	1,036
At 31 March 2018				
Assets				
Investment properties	–	–	203,091	203,091
Derivative financial instruments	–	281	–	281
Total assets	–	281	203,091	203,372
Liabilities				
Derivative financial instruments	–	377	–	377
Non-controlling interest put option obligation	–	–	700	700
Total liabilities	–	377	700	1,077

There were no transfers between these three levels during the year (2018: Nil).

There is no offsetting arrangement between the Group's financial assets and financial liabilities.

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

(ii) Fair value disclosure

The carrying values less impairment provision of trade receivables and the carrying values of trade payables, accruals, bank deposits and 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 valuer 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 where applicable. Details of the valuation techniques and assumptions have been disclosed in Note 15.

(b) Financial Instruments

In estimating the fair value of its financial instruments, the Group uses valuation techniques such as dealer quotes and discounted cash flows. The Group also makes assumptions that are based on market conditions existing at each reporting date.

(c) Long-term Incentive Schemes Valuation

The value of awards granted is estimated based on valuation techniques and assumptions on unit prices, outstanding length of the awards, distribution pay-out rates and other market conditions, which management considers as representing the best estimate of the value of the liability for such awards at the reporting date. The carrying value of the long-term incentive schemes awards is reviewed every six months and is independently valued by external valuer at least annually.

(d) Non-controlling Interest Put Option Obligation

The fair value of the non-controlling interest put option obligation is determined at each reporting date by independent valuer based on a market value assessment. The valuer has used discounted cash flow as the valuation technique. The valuation is based on various assumptions, including the estimated fair value of the equity interests of the non-wholly owned subsidiary at the expected time of exercise of the put option, the expected time of exercise itself, the cash flow and the discount rate used. Details of the valuation technique and assumptions have been disclosed in Note 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 2018 and 2019 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 rates and income capitalisation rates stated in Note 15 were used in the cash flow projections.

6 Revenue

Revenue recognised during the year comprises:

	2019 HK\$'M	2018 HK\$'M
Rentals		
– Retail and commercial properties	7,648	7,554
– Car parks	1,979	2,046
	9,627	9,600
Other revenue		
– Air conditioning service fees	348	375
– Other property related revenue	62	48
	410	423
Total revenue	10,037	10,023

Leases with tenants provide for monthly base rent and recovery of certain outgoings. Additional rents based on business turnover amounted to HK\$133 million (2018: HK\$152 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
For the year ended 31 March 2019				
Revenue	7,697	1,982	358	10,037
Segment results	5,872	1,508	(96)	7,284
Change in fair values of investment properties	8,358	3,210	701	12,269
Gains on disposals of investment properties				2,761
Interest income				85
Finance costs				(598)
Profit before taxation and transactions with Unitholders				21,801
Taxation				(1,359)
Profit for the year, before transactions with Unitholders				20,442
Capital expenditure	11,909	44	1,588	13,541
Depreciation	(1)	-	(21)	(22)
As at 31 March 2019				
Segment assets	166,234	35,132	18,307	219,673
Goodwill				433
Derivative financial instruments				42
Bank deposits				4,095
Cash and cash equivalents				2,694
Total assets				226,937
Segment liabilities	2,980	143	1,213	4,336
Provision for taxation				321
Long-term incentive schemes provision				200
Interest bearing liabilities				24,217
Derivative financial instruments				246
Deferred tax liabilities				3,191
Other non-current liabilities				5,100
Total liabilities, excluding net assets attributable to Unitholders				37,611
Non-controlling interest				587
Net assets attributable to Unitholders				188,739

For the year ended 31 March 2019, revenue of HK\$1,026 million (2018: HK\$884 million) is attributable to external customers from Mainland China and HK\$9,011 million (2018: HK\$9,139 million) is attributable to external customers from Hong Kong.

As at 31 March 2019, specified non-current assets (which include investment properties, property, plant and equipment, and goodwill) of HK\$28,956 million (2018: HK\$18,469 million) is located in Mainland China and HK\$190,111 million (2018: HK\$185,153 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 2018				
Revenue	7,638	2,051	334	10,023
Segment results	5,807	1,572	(133)	7,246
Change in fair values of investment properties	27,204	7,552	737	35,493
Gains on disposals of investment properties				7,306
Interest income				19
Finance costs				(665)
Profit before taxation and transactions with Unitholders				49,399
Taxation				(1,420)
Profit for the year, before transactions with Unitholders				47,979
Capital expenditure	6,116	24	891	7,031
Depreciation	–	–	(20)	(20)
As at 31 March 2018				
Segment assets	152,841	34,579	16,598	204,018
Goodwill				416
Derivative financial instruments				281
Bank deposits				8,525
Cash and cash equivalents				3,164
Total assets				216,404
Segment liabilities	2,559	149	1,419	4,127
Provision for taxation				420
Long-term incentive schemes provision				137
Interest bearing liabilities				25,785
Derivative financial instruments				377
Deferred tax liabilities				2,893
Other non-current liabilities				3,597
Total liabilities, excluding net assets attributable to Unitholders				37,336
Non-controlling interest				474
Net assets attributable to Unitholders				178,594

8 Property Operating Expenses

	2019 HK\$'M	2018 HK\$'M
Property managers' fees, security and cleaning	570	594
Staff costs	535	475
Repair and maintenance	216	224
Utilities	274	309
Government rent and rates	274	288
Promotion and marketing expenses	141	148
Estate common area costs	89	102
Business and real estate taxes in Mainland China	74	64
Other property operating expenses	175	156
	2,348	2,360

9 Finance Costs

	2019 HK\$'M	2018 HK\$'M
Interest expenses on interest bearing liabilities	714	778
Other borrowing costs (Note (i))	72	143
	786	921
Less: capitalised under investment properties (Note (ii))	(278)	(326)
	508	595
Fair value loss on non-controlling interest put option obligation (Note 24)	90	70
	598	665

Notes:

- (i) Other borrowing costs include HK\$96 million (2018: HK\$68 million) interest expenses to non-controlling interest, HK\$74 million (2018: HK\$89 million net losses) net gains on interest rate swap contracts designated as cash flow hedges, HK\$14 million (2018: HK\$71 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 3.2% (2018: 2.6%) per annum.

10 Profit Before Taxation and Transactions With Unitholders

Profit before taxation and transactions with Unitholders for the year is stated after charging:

	2019 HK\$'M	2018 HK\$'M
Staff costs (Note 11)	830	787
Depreciation of property, plant and equipment	22	20
Trustee's fee	20	18
Valuation fee	5	6
Auditor's remuneration		
Audit and audit-related assurance services	8	8
Acquisition related professional fees	2	1
Others	–	2
Total auditor's remuneration	10	11
Bank charges	5	6
Commission to property agents	134	362
Donations	13	8
Exchange (gain)/loss	(49)	56
Operating lease charges	36	35
Other legal and professional fees	36	11

11 Staff Costs

	2019 HK\$'M	2018 HK\$'M
Wages and salaries	715	718
Contributions to mandatory provident fund scheme (Note (i))	14	14
Long-term incentive schemes awards (Note 20)	174	126
	903	858
Less: capitalised under investment properties	(73)	(71)
Staff costs (Note 10)	830	787

Notes:

- (i) 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% (2018: 16.5%) on the estimated assessable profit for the year. Corporate income tax in Mainland China has been provided for at the applicable rate on the estimated assessable profit for the year.

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

	2019 HK\$'M	2018 HK\$'M
Current taxation		
– Hong Kong	850	890
– Mainland China	171	122
Deferred taxation	338	408
Taxation	1,359	1,420

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:

	2019 HK\$'M	2018 HK\$'M
Profit before taxation	21,801	49,399
Expected tax calculated at the Hong Kong profits tax rate of 16.5% (2018: 16.5%)	3,597	8,151
Tax effect of different taxation rates	140	278
Tax effect of non-deductible expenses	26	80
Tax effect of non-taxable income	(2,358)	(7,000)
Tax effect of other temporary differences	(71)	(67)
Utilisation of previously unrecognised tax loss	(2)	(28)
Withholding tax on unremitted earnings of subsidiaries	27	6
Taxation	1,359	1,420

13 Earnings Per Unit Based Upon Profit for the Year, Before Transactions With Unitholders Attributable to Unitholders

	2019	2018
Profit for the year, before transactions with Unitholders attributable to Unitholders	HK\$20,329 million	HK\$47,761 million
Weighted average number of units for the year for calculating basic earnings per unit	2,125,852,061	2,199,559,088
Adjustment for dilutive contingently issuable units under long-term incentive schemes	482,173	2,026,574
Weighted average number of units for the year for calculating diluted earnings per unit	2,126,334,234	2,201,585,662
Basic earnings per unit based upon profit for the year, before transactions with Unitholders attributable to Unitholders	HK\$9.56	HK\$21.71
Diluted earnings per unit based upon profit for the year, before transactions with Unitholders attributable to Unitholders	HK\$9.56	HK\$21.69

14 Goodwill

	2019 HK\$'M	2018 HK\$'M
At 1 April	416	466
Exchange adjustments	(13)	17
Acquisition of businesses (Note 28)	43	15
Disposals	(13)	(82)
At 31 March	433	416

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 2018	194,358	8,733	203,091
Exchange adjustments (Note (e))	(1,270)	–	(1,270)
Acquisition of businesses (Note 28)	10,663	–	10,663
Additions	1,311	1,522	2,833
Disposals (Note (f))	(9,090)	–	(9,090)
Change in fair values	11,976	293	12,269
At 31 March 2019	207,948	10,548	218,496
At 1 April 2017	166,657	7,349	174,006
Exchange adjustments	1,762	–	1,762
Acquisition of business	4,580	–	4,580
Additions	1,574	828	2,402
Disposals	(15,152)	–	(15,152)
Change in fair values	34,937	556	35,493
At 31 March 2018	194,358	8,733	203,091

15 Investment Properties (Continued)

(b) Valuation process

The investment properties were revalued on a market value basis as at 31 March 2018 and 2019 by Jones Lang LaSalle Limited, an independent firm of professional qualified valuers and the principal valuer of Link.

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

(c) Valuation techniques

The principal valuer has relied on the income capitalisation approach, 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 at 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.

15 Investment Properties (Continued)

(c) Valuation techniques (Continued)

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
Income capitalisation approach Completed properties – retail and commercial properties and car parks	i) Capitalisation rate (Blended): 3.00% – 4.75% (2018: 3.00% – 4.75%) ii) Net passing income per annum: HK\$0.6M – HK\$360.4M (2018: HK\$0.5M – HK\$388.0M)	The higher the capitalisation rate, the lower the fair value. The higher the net passing income, the higher the fair value.
Discounted cash flow analysis Completed properties – retail and commercial properties and car parks	i) Discount rate: 7.25% – 8.50% (2018: 7.25% – 7.75%) ii) Net passing income per annum: HK\$0.6M – HK\$360.4M (2018: HK\$0.5M – HK\$388.0M)	The higher the discount rate, the lower the fair value. The higher the net passing income, the higher the fair value.
Residual approach 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 (2018: Level 3) of the fair value hierarchy.

(d) Restriction of the REIT Code

Link acquired 77 Hoi Bun Road in Kowloon East for commercial development, Metropolitan Plaza in Guangzhou, Beijing Jingtong Roosevelt Plaza in Beijing and CentralWalk in Shenzhen, the completion of which were on 23 February 2015, 11 May 2017, 23 January 2019 and 14 March 2019 respectively, and the commercial development of 77 Hoi Bun Road was not yet completed as at 31 March 2019. 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.

(e) Exchange adjustments

The exchange adjustment is attributable to the Group's investment properties in Mainland China of RMB24,702 million (2018: RMB14,629 million) as a result of the depreciation of Renminbi. This translation difference is included in exchange reserve as set out in Note 26.

(f) Disposals of investment properties

On 13 March 2019, Link completed the disposals of 12 investment properties at an aggregate consideration of HK\$12,010 million, and resulted in gains on disposals of HK\$2,761 million.

(g) Security for the Group's loan facilities

On 31 March 2019, certain of the Group's investment properties, amounting to approximately HK\$10,701 million (2018: Nil), were pledged to secure Group's loan facilities of HK\$2,580 million (2018: Nil).

16 Property, Plant and Equipment

	Leasehold improvements HK\$'M	Motor vehicles HK\$'M	Equipment HK\$'M	Total HK\$'M
At 1 April 2018	12	2	101	115
Additions	6	1	38	45
Depreciation charge for the year	(3)	(1)	(18)	(22)
At 31 March 2019	15	2	121	138
At 31 March 2019				
Cost	80	6	255	341
Accumulated depreciation	(65)	(4)	(134)	(203)
Net book value	15	2	121	138
At 1 April 2017	11	1	75	87
Acquisition of business	-	-	2	2
Additions	5	1	41	47
Disposals	-	-	(1)	(1)
Depreciation charge for the year	(4)	-	(16)	(20)
At 31 March 2018	12	2	101	115
At 31 March 2018				
Cost	75	5	217	297
Accumulated depreciation	(63)	(3)	(116)	(182)
Net book value	12	2	101	115

17 Trade and Other Receivables

	2019 HK\$'M	2018 HK\$'M
Trade receivables	117	112
Less: provision for impairment of trade receivables	(6)	(6)
Trade receivables – net	111	106
Other receivables	822	609
	933	715

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:

	2019 HK\$'M	2018 HK\$'M
0–30 days	105	100
31–90 days	7	6
Over 90 days	5	6
	117	112

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\$111 million (2018: HK\$106 million) presented above were HK\$60 million (2018: HK\$55 million) of accrued car park income and HK\$23 million (2018: HK\$31 million) of accrued turnover rent, which were not yet due as at 31 March 2019.

Movements on the provision for impairment of trade receivables are as follows:

	2019 HK\$'M	2018 HK\$'M
At 1 April	6	4
Provision for impairment of trade receivables	4	4
Receivables written off during the year as uncollectible	(4)	(2)
At 31 March	6	6

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 Bank Deposits

	2019 HK\$'M	2018 HK\$'M
Cash at bank	1,955	710
Bank deposits with original maturity of less than three months	739	2,454
Cash and cash equivalents	2,694	3,164
Bank deposits with original maturity of more than three months	4,095	8,525
	6,789	11,689

19 Trade Payables, Receipts in Advance and Accruals

	2019 HK\$'M	2018 HK\$'M
Trade payables	192	157
Receipts in advance	285	245
Accruals	2,108	2,060
	2,585	2,462

The carrying amounts of these payables approximate their fair values.

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

	2019 HK\$'M	2018 HK\$'M
0–30 days	178	152
31–90 days	9	4
Over 90 days	5	1
	192	157

20 Long-Term Incentive Schemes Provision

	2019 HK\$'M	2018 HK\$'M
Long-term incentive schemes provision	200	137
Less: current portion of long-term incentive schemes provision	(102)	(87)
Non-current portion of long-term incentive schemes provision	98	50

2007 LTI Plan

A long-term incentive plan (the “**2007 LTI Plan**”) was adopted on 23 July 2007 and expired on 22 July 2017 after being in operation for 10 years. After its expiry, no further awards shall be granted under the 2007 LTI Plan. Nonetheless, awards granted and accepted prior to its expiry but yet to vest shall continue to have effect and be governed by the rules of the 2007 LTI Plan.

Under the 2007 LTI Plan, the Manager might grant three types of awards – restricted unit award, unit option and conditional cash award – to directors and key employees of the Manager. No unit option has ever been granted under 2007 LTI Plan since its adoption up till expiry.

For those restricted unit awards granted with performance goals, the eventual numbers of new units to be issued to the relevant grantees on vesting are linked to the performance of Link in terms of total Unitholders return (“**TUR**”) and net property income (“**NPI**”) or certain vesting conditions. Conditional cash awards are granted in conjunction with restricted unit awards, bestowing upon each grantee a conditional right to receive a cash payment representing an amount equivalent to the aggregate of the distributions during the vesting period.

During the year, the Group issued 1,407,782 units (2018: 1,561,196 units) for restricted unit awards which have vested in accordance with the 2007 LTI Plan.

2017 LTI Scheme

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

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

During the year, the Group purchased 8,000 units (2018: Nil) from the market for restricted units awards which have vested in accordance with the 2017 LTI plan.

20 Long-Term Incentive Schemes Provision (Continued)

During the vesting period, a liability is recognised representing the estimated value of the awards granted under both the 2007 LTI Plan and the 2017 LTI Scheme and the portion of the vesting period expired as at the reporting date. The value of the awards was estimated at the reporting date by Towers Watson Hong Kong Limited, an independent external valuer based on valuation techniques and assumptions on unit prices, outstanding length of the awards, distribution pay-out rates and other market conditions, if appropriate. The change in value of the outstanding awards was charged to the consolidated income statement. In the event that the vesting conditions are not met, the amount previously accrued will be written back accordingly.

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

Date of grant	Vesting period	Outstanding as at 1 April 2018	Granted during the year	Vested during the year ⁽ⁱ⁾	Cancelled during the year	Lapsed during the year	Outstanding as at 31 March 2019	Maximum to be issued on vesting date ⁽ⁱⁱ⁾
2007 LTI Plan								
24 July 2015	24 July 2015 to 30 June 2018	381,539	-	(376,790) ⁽ⁱⁱⁱ⁾	-	(4,749)	-	-
14 November 2016	14 November 2016 to 30 June 2018	422,855	-	(421,011) ⁽ⁱⁱⁱ⁾	-	(1,844)	-	-
	14 November 2016 to 30 June 2019	420,736	-	-	-	(21,500)	399,236	738,472
2007 LTI Plan subtotal		1,225,130	-	(797,801)	-	(28,093)	399,236	738,472
2017 LTI Scheme								
14 July 2017	14 July 2017 to 30 June 2019	413,000	-	(4,000)	-	(28,321)	380,679	838,249
	14 July 2017 to 30 June 2020	413,000	-	(4,000)	-	(28,635)	380,365	837,511
4 July 2018	4 July 2018 to 30 June 2020	-	579,500	-	(2,250)	(10,750)	566,500	1,274,931
	4 July 2018 to 30 June 2021	-	579,500	-	(2,250)	(10,750)	566,500	1,274,931
2017 LTI Scheme subtotal		826,000	1,159,000	(8,000)	(4,500)	(78,456)	1,894,044	4,225,622
Subtotal		2,051,130	1,159,000	(805,801)	(4,500)	(106,549)	2,293,280	4,964,094
Additional units vested over 100% of restricted unit award granted		-	-	(609,981) ⁽ⁱⁱⁱ⁾	-	-	-	-
2018/2019 total		2,051,130	1,159,000	(1,415,782)	(4,500)	(106,549)	2,293,280	4,964,094
2017/2018 total		2,120,350	865,000	(1,561,196)	(5,000)	(109,554)	2,051,130	4,108,622

Notes:

- (i) Restricted unit award vesting percentages during the year ranged from 100% to 200%.
- (ii) If certain vesting conditions are met.
- (iii) Additional units over 100% of restricted unit award granted were vested pursuant to the relevant vesting conditions.

21 Interest Bearing Liabilities

	2019 HK\$'M	2018 HK\$'M
Unsecured bank borrowings	6,732	9,932
Secured bank borrowings	2,580	–
Medium term notes	14,905	15,853
	24,217	25,785
Less: current portion of interest bearing liabilities	(3,367)	(2,589)
Non-current portion of interest bearing liabilities	20,850	23,196

Interest bearing liabilities are repayable as follows:

	2019 HK\$'M	2018 HK\$'M
Due in the first year		
Unsecured bank borrowings	1,998	1,498
Secured bank borrowings	63	–
Medium term notes	1,306	1,091
	3,367	2,589
Due in the second year		
Unsecured bank borrowings	2,491	2,719
Secured bank borrowings	93	–
Medium term notes	350	1,316
	2,934	4,035
Due in the third year		
Unsecured bank borrowings	1,030	2,484
Secured bank borrowings	128	–
Medium term notes	1,438	349
	2,596	2,833
Due in the fourth year		
Unsecured bank borrowings	797	2,521
Secured bank borrowings	160	–
Medium term notes	1,226	1,436
	2,183	3,957
Due in the fifth year		
Unsecured bank borrowings	416	295
Secured bank borrowings	175	–
Medium term notes	–	1,225
	591	1,520
Due beyond the fifth year		
Unsecured bank borrowings	–	415
Secured bank borrowings	1,961	–
Medium term notes	10,585	10,436
	12,546	10,851
	24,217	25,785

21 Interest Bearing Liabilities (Continued)

Notes:

- (i) Except for medium term notes of HK\$7,481 million (2018: HK\$7,350 million) which are denominated in United States Dollars and bank borrowings of HK\$2,580 million (2018: Nil) which are denominated in Renminbi, all the other interest bearing liabilities are denominated in Hong Kong Dollars.
- (ii) All of Link's borrowings denominated in United States Dollars are fully hedged into Hong Kong Dollars.
- (iii) The effective interest rate of the interest bearing liabilities which are denominated in Hong Kong Dollars and United States Dollars (taking into account cross currency swap contracts and interest rate swap contracts) at the reporting date was 3.12% (2018: 2.89%) and that of the interest bearing liabilities which are denominated in Renminbi was 5.71% (2018: Nil).
- (iv) Subsequent to the financial year ended 31 March 2019, the Group has issued convertible bonds of HK\$4 billion at 1.6% per annum due 2024. These bonds are convertible into new Link units at an initial conversion price of HK\$109.39 per unit.

22 Derivative Financial Instruments

	2019 HK\$'M	2018 HK\$'M
Derivative assets		
Current item		
Designated as fair value hedge		
– interest rate swap contracts	6	1
Non-current items		
Designated as cash flow hedge		
– interest rate swap contracts	15	250
Designated as fair value hedge		
– cross currency swap contract	21	13
– interest rate swap contracts	–	17
	36	280
	42	281
Derivative liabilities		
Current item		
Designated as cash flow hedge		
– interest rate swap contracts	–	2
Non-current items		
Designated as cash flow hedge		
– interest rate swap contracts	7	4
Designated as fair value hedge		
– cross currency swap contracts	236	351
– interest rate swap contract	3	20
	246	375
	246	377
	204	96

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 (2018: Level 2) of the fair value hierarchy.

22 Derivative Financial Instruments (Continued)

The Group uses cross currency swap contracts (swapping from foreign currencies to Hong Kong Dollars) and interest rate swap contracts to minimise its exposure to movements in foreign currency exchange rates and interest rates in relation to its interest bearing liabilities. 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\$236 million (2018: HK\$284 million credited) had been debited to the hedging reserve during the year as further set out in Note 26.

As at 31 March 2019, the derivative financial instruments qualifying as cash flow hedges have, in effect, provided the Group with an average fixed interest rate period of 3.59 years on HK\$6,000 million borrowings (2018: 4.3 years on HK\$10,000 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 2019 were HK\$6,000 million (2018: HK\$10,000 million) and 1.82% (2018: 1.74%) respectively. The notional principal amount of the outstanding floating rates to floating rates interest rate swap contracts as at 31 March 2019 was HK\$3,000 million (2018: HK\$6,500 million).

As at 31 March 2019, 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 2019 were HK\$7,753 million (2018: HK\$7,753 million) and HK\$1,400 million (2018: HK\$1,910 million) respectively.

Gains and losses on interest rate swap contracts recognised in the hedging reserve (Note 26) as at 31 March 2019 will be released to the consolidated income statement.

As at 31 March 2019, the Group has outstanding forward contracts of selling Renminbi 702 million (2018: Nil) against Hong Kong Dollars which are not designated for hedge accounting. These forward contracts were entered for the purpose of locking in part of the Group's future Renminbi denominated net income in Mainland China in Hong Kong Dollars term.

The Group's hedging reserves disclosed in Note 26 relate to the following hedging instruments:

	Interest rate swaps designated as cash flow hedge HK\$'M	Hedging reserve HK\$'M
At 1 April 2018	244	244
Change in fair value of hedging instrument recognised in other comprehensive income	(162)	(162)
Reclassified from other comprehensive income to consolidated income statement	(74)	(74)
At 31 March 2019	8	8
At 1 April 2017	(40)	(40)
Change in fair value of hedging instrument recognised in other comprehensive income	195	195
Reclassified from other comprehensive income to consolidated income statement	89	89
At 31 March 2018	244	244

23 Deferred Tax Liabilities

Deferred taxation is calculated in full on temporary differences under the liability method.

Analysis of net deferred tax liabilities as follows:

	2019 HK\$'M	2018 HK\$'M
Deferred tax assets	(93)	(87)
Deferred tax liabilities	3,284	2,980
	3,191	2,893

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 2018	2,909	(16)	2,893
Exchange adjustments	(35)	(5)	(40)
Recognised in the consolidated income statement	330	8	338
At 31 March 2019	3,204	(13)	3,191
At 1 April 2017	2,435	(18)	2,417
Exchange adjustments	24	7	31
Acquisition of business	–	36	36
Disposals of investment properties	(12)	13	1
Recognised in the consolidated income statement	462	(54)	408
At 31 March 2018	2,909	(16)	2,893

24 Other Non-current Liabilities

	2019 HK\$'M	2018 HK\$'M
Amount due to non-controlling interest	3,552	2,897
Non-controlling interest put option obligation	790	700
Retention amount for acquisition of a business	758	–
	5,100	3,597

24 Other Non-current Liabilities (Continued)

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 3.2% (2018: 2.6%), has no fixed repayment term and is not repayable within one year. Such amount including any accrued interest will be repaid from the Project Company's surplus cash after meeting its payment obligations.
- (ii) Pursuant to the shareholders' agreement, Nan Fung has a right to exercise a put option to require Link to purchase all the issued shares Nan Fung holds in the Project Company at the then fair market value, after the second anniversary of the 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 First Trust Appraisal Pte Ltd, an independent firm of professional qualified valuers. The valuer has used discounted cash flow as the valuation technique. The valuation is based on various assumptions and calculated by reference to a number of unobservable inputs, including the estimated fair value of the equity interests of the Project Company at the expected time of exercise of the put option, the expected time of exercise itself, the cash flow and the discount rate used. The Manager held discussions with the valuer and reviewed all significant inputs used. Discussions of the valuation processes and results at each reporting date are held between the Manager and the valuer. Fair value of the put option obligation is included in Level 3 (2018: 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.
- (iii) Pursuant to the Framework Agreement dated 20 February 2019 in relation to the acquisition of entire issued share capital of 保怡物業管理(深圳)有限公司 (Baoyi Property Management (Shenzhen) Company Limited), a retention amount of RMB650 million (equivalent to approximately HK\$758 million) shall be retained by the Group, and shall be paid by the Group to the seller on or before the second anniversary of the transaction completion date.

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

	2019 HK\$'M	2018 HK\$'M
At 1 April	700	630
Recognised in the consolidated income statement:		
– Fair value loss (Note 9)	90	70
At 31 March	790	700

25 Units in Issue

	2019 Number of units	2018 Number of units
At 1 April	2,150,058,972	2,213,002,276
Units bought back for cancellation	(42,145,500)	(64,504,500)
Units issued under the 2007 LTI Plan	1,407,782	1,561,196
At 31 March	2,109,321,254	2,150,058,972

Pursuant to the general mandate granted to the Manager by the Unitholders, the Manager (on behalf of Link) bought back a total of 42,145,500 units (2018: 64,504,500 units) at an aggregate price of HK\$3,216 million (2018: HK\$4,349 million). All units bought back were cancelled during the year.

Closing price of the units as at 31 March 2019 was HK\$91.80 (2018: HK\$67.00) per unit. Based on 2,109,321,254 units in issue as at 31 March 2019 (2018: 2,150,058,972 units), market capitalisation was HK\$193,636 million (2018: HK\$144,054 million).

26 Reserves

	Other reserve HK\$'M	Hedging reserve HK\$'M	Exchange reserve HK\$'M	Earnings retained for exchange and cash flow hedge adjustments HK\$'M	Total reserves HK\$'M
At 1 April 2018	(580)	244	932	(1,176)	(580)
Cash flow hedges:					
– Change in fair values	–	(162)	–	–	(162)
– Amount transferred to the consolidated income statement (Note (i))	–	(74)	–	–	(74)
	–	(236)	–	–	(236)
Exchange loss on translation of financial statements	–	–	(1,316)	–	(1,316)
Net assets attributable to Unitholders:					
– Amount arising from exchange reserve and cash flow hedging reserve movements (Note (ii))	–	–	–	1,552	1,552
At 31 March 2019	(580)	8	(384)	376	(580)
At 1 April 2017	(580)	(40)	(886)	926	(580)
Cash flow hedges:					
– Change in fair values	–	195	–	–	195
– Amount transferred to the consolidated income statement (Note (i))	–	89	–	–	89
	–	284	–	–	284
Exchange gain on translation of financial statements	–	–	1,818	–	1,818
Net assets attributable to Unitholders:					
– Amount arising from exchange reserve and cash flow hedging reserve movements (Note (ii))	–	–	–	(2,102)	(2,102)
At 31 March 2018	(580)	244	932	(1,176)	(580)

Notes:

- (i) Amount transferred to the consolidated income statement in respect of cash flow hedges was included in “Finance costs” (Note 9).
- (ii) The amount represented earnings retained for the year to offset the exchange reserve and cash flow hedging reserve movements.

27 Note to the Consolidated Statement of Cash Flows

(a) Net cash generated from operating activities

	2019 HK\$'M	2018 HK\$'M
Profit before taxation and transactions with Unitholders	21,801	49,399
Long-term incentive schemes awards	174	126
Depreciation charge	22	20
Gains on disposals of investment properties	(2,761)	(7,306)
Interest income	(85)	(19)
Finance costs	598	665
Exchange difference	(49)	56
Change in fair values of investment properties	(12,269)	(35,493)
Increase in trade and other receivables, deposits and prepayments	(90)	(168)
Decrease in trade payables, receipts in advance and accruals	(296)	(51)
Increase in security deposits	8	169
2007 LTI Plan paid	(10)	(9)
Income tax paid	(1,102)	(904)
Net cash generated from operating activities	5,941	6,485

(b) Major Non-cash Transactions

During the year, additional units of HK\$101 million (2018: HK\$93 million) were issued under the 2007 LTI Plan.

(c) Reconciliation of liabilities arising from financing activities

	Interest bearing liabilities HK\$'M	Accruals HK\$'M	Derivative financial instruments HK\$'M	Amount due to non-controlling interest HK\$'M	Total HK\$'M
As at 1 April 2018	25,785	86	96	2,897	28,864
Changes from financing cash flows					
Proceeds from interest bearing liabilities, net of transaction costs	14,804	-	-	-	14,804
Repayment of interest bearing liabilities	(19,124)	-	-	-	(19,124)
Increase in amount due to non-controlling interest	-	-	-	559	559
Interest (paid)/received	-	(748)	100	-	(648)
Total changes from financing activities	(4,320)	(748)	100	559	(4,409)
Non-cash changes					
Changes in fair values of cash flow hedges	-	-	162	-	162
Finance costs	171	747	(154)	96	860
Acquisition of businesses (Note 28)	2,575	10	-	-	2,585
Others	6	(14)	-	-	(8)
Total non-cash changes	2,752	743	8	96	3,599
As at 31 March 2019	24,217	81	204	3,552	28,054

27 Note to the Consolidated Statement of Cash Flows (Continued)**(c) Reconciliation of liabilities arising from financing activities (Continued)**

	Interest bearing liabilities HK\$'M	Accruals HK\$'M	Derivative financial instruments HK\$'M	Amount due to non-controlling interest HK\$'M	Total HK\$'M
As at 1 April 2017	27,497	90	383	2,618	30,588
Changes from financing cash flows					
Proceeds from interest bearing liabilities, net of transaction costs	19,585	-	-	-	19,585
Repayment of interest bearing liabilities	(21,345)	-	-	-	(21,345)
Increase in amount due to non-controlling interest	-	-	-	211	211
Interest expenses paid	-	(792)	(18)	-	(810)
Total changes from financing activities	(1,760)	(792)	(18)	211	(2,359)
Non-cash changes					
Changes in fair values of cash flow hedges	-	-	(195)	-	(195)
Finance costs	50	788	(74)	68	832
Others	(2)	-	-	-	(2)
Total non-cash changes	48	788	(269)	68	635
As at 31 March 2018	25,785	86	96	2,897	28,864

28 Acquisition of Businesses

On 26 November 2018, Link, through a wholly-owned subsidiary, entered into a sale and purchase agreement to acquire the entire issued share capital of Lincoln R.E. Investments Limited at a cash consideration (before final adjustment) of RMB1,791 million. The transaction was completed on 23 January 2019. Lincoln R.E. Investments Limited indirectly owns the entire registered capital of 北京亞騰房地產經營管理有限公司 (Beijing Yateng Real Estate Management Company Limited), which owns the Beijing Jingtong Roosevelt Plaza located at 21 Cuijingbei Lane, Jiukeshu Avenue, Liyuan Town, Tongzhou District, Beijing, The People's Republic of China.

On 20 February 2019, Link, through a wholly-owned subsidiary, entered into a framework agreement and an equity transfer agreement to acquire the entire issued share capital of 保怡物業管理(深圳)有限公司 (Baoyi Property Management (Shenzhen) Company Limited) at a cash consideration (before final adjustment) of RMB5,115 million. The transaction was completed on 14 March 2019. 保怡物業管理(深圳)有限公司 owns the CentralWalk located at Fuhua Road, Central District, Futian, Shenzhen, The People's Republic of China.

The acquisition will benefit Link through adding quality income-producing properties with capital appreciation potential.

The provisionally determined fair values of the assets and liabilities and goodwill arising from the acquisition are as follows:

	Beijing Jingtong Roosevelt Plaza HK\$'M	CentralWalk HK\$'M	Total HK\$'M
Investment properties (Note 15) (Note)	2,956	7,707	10,663
Cash and cash equivalents	23	143	166
Other net current liabilities	(61)	(173)	(234)
Bank borrowings	(860)	(1,715)	(2,575)
Net assets acquired	2,058	5,962	8,020
Goodwill (Note 14)	6	37	43
Purchase consideration	2,064	5,999	8,063
Consideration payables and retention amounts	(26)	(786)	(812)
Cash and cash equivalents in subsidiaries acquired	(23)	(143)	(166)
Cash outflow on acquisitions	2,015	5,070	7,085

Note: Beijing Jingtong Roosevelt Plaza and CentralWalk were valued at 31 October 2018 and 31 December 2018 respectively by Jones Lang LaSalle Limited, the principal valuer of Link. These approximate the fair values of the investment properties at the acquisition dates.

29 Commitments

(a) Capital Commitments

	2019 HK\$'M	2018 HK\$'M
Capital expenditure of investment properties contracted but not provided for at the end of the year	1,159	2,563

(b) Operating Lease Commitments

As at 31 March 2019, the analysis of the Group's aggregate future minimum lease rental payables under non-cancellable operating leases is as follows:

	2019 HK\$'M	2018 HK\$'M
Within one year	6	20
Between one and five years	–	2
	6	22

30 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 2019:

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# of the Trustee
Jones Lang LaSalle Limited (the "Principal Valuer")	The Principal Valuer of Link
Jones Lang LaSalle Management Services Limited	Associate# of the Principal Valuer
Beijing Jones Lang LaSalle Property Management Services Company Limited Shenzhen Branch	Associate# of the Principal Valuer
Premier Cleaning Services Limited (Note (i))	Associate# of the Principal Valuer
Aedas Limited *	Associate# of director
Dah Sing Bank, Limited	Associate# of director
The Chamber of Hong Kong Listed Companies	Associate# of director
The Hong Kong Institute of Directors Limited	Associate# of director

* These connected parties are also considered as related parties of the Group.

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

Note:

- (i) Premier Cleaning Services Limited was ceased to be an associate of the Principal Valuer and ceased to be a connected party of Link since 1 November 2018.

30 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:

	2019 HK\$'M	2018 HK\$'M
Trustee's fee paid and payable to the Trustee (Note (ii))	(20)	(18)
Transactions with the HSBC Group (Note (iii))		
Agency fee on disposals of investment properties	(55)	(120)
Interest expense and various financing charges to the HSBC Group on interest bearing liabilities, cross currency swap contracts and interest rate swap contracts	(65)	(106)
Rental income from the HSBC Group on leasing of retail units	39	39
Interest income from the HSBC Group on bank deposits	10	3
Transactions with the Principal Valuer (Notes (iii))		
Valuation fee	(5)	(6)
Consultancy services fees	(2)	(1)
Agency fee	(1)	–
Charges for provision of fitter services paid and payable to Jones Lang LaSalle Management Services Limited (Note (iii))	(16)	–
Property management fee paid and payable to Beijing Jones Lang LaSalle Property Management Services Company Limited Shenzhen Branch (Note (iii))	(1)	–
Architectural/renovation consultancy services fees paid and payable to Aedas Limited (Notes (iii) and (iv))	(5)	(9)
Rental income from Dah Sing Bank, Limited on leasing of retail units (Notes (iii) and (v))	8	3

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) Aedas Limited is an associate of Mr Ian Keith GRIFFITHS.
- (v) Dah Sing Bank, Limited is an associate of Mr Blair Chilton PICKERELL.

30 Connected Party Transactions and Significant Related Party Transactions and Balances (Continued)

(c) Balances with Related Parties

Balances with related parties are set out below:

	2019 HK\$'M	2018 HK\$'M
Trustee's fee payable to the Trustee	(2)	(3)
Interest bearing liabilities with the HSBC Group	(1,940)	(3,740)
Agency fee payable to the HSBC Group	(55)	(120)
Net interest payable to the HSBC Group	(3)	(1)
Security deposits from the HSBC Group	(3)	(3)
Cross currency swap contracts and interest rate swap contracts with the HSBC Group	(123)	(84)
Deposits placed with the HSBC Group	2,002	640

(d) Key Management Compensation

As at 31 March 2019, key management composed of two Executive Directors, 10 Non-Executive Directors and 10 senior management staff. Further details of the remuneration of the Directors on a named basis are disclosed in highlighted sections of the Corporate Governance Report with a heading of "Audited" on pages 23 to 25. These sections form the "Audited" part of Corporate Governance Report and are part of the financial statements.

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

	2019 HK\$'M	2018 HK\$'M
Fees	8	8
Basic salaries, allowances and other benefits	143	93
Long-term incentive schemes awards	122	82
	273	183

30 Connected Party Transactions and Significant Related Party Transactions and Balances (Continued)

(d) Key Management Compensation (Continued)

The amounts reflected in the emolument bands below are those in the financial statements under HKFRSs in the year 2018/2019, and include short term remuneration paid in cash and portion of the long-term incentive schemes recognised (although a portion of which has not been vested) in the year 2018/2019 attributable to the two Executive Directors and senior management.

Emolument bands (Note (i))	2019 Number of individuals	2018 Number of individuals
HK\$1,000,001 – HK\$3,000,000	2	–
HK\$3,000,001 – HK\$5,000,000	–	2
HK\$5,000,001 – HK\$7,000,000	–	5
HK\$7,000,001 – HK\$8,000,000	2	1
HK\$8,000,001 – HK\$8,500,000	2	1
HK\$9,000,001 – HK\$9,500,000	–	1
HK\$9,500,001 – HK\$10,000,000	1	1
HK\$10,000,001 – HK\$10,500,000	1	–
HK\$11,500,001 – HK\$12,000,000	1	–
HK\$12,500,001 – HK\$13,000,000	2	–
HK\$22,000,001 – HK\$22,500,000 ^(b)	–	1
HK\$32,000,001 – HK\$32,500,000 ^(b)	1	–
HK\$66,000,001 – HK\$66,500,000 ^(a)	–	1
HK\$112,500,001 – HK\$113,000,000 ^(a)	1	–
Total number of Executive Directors and senior management (Note (iii))	13	13

Notes:

- (i) The calculation of the total remuneration for the emolument bands is based on the value of the long-term incentive awards recognised during the year and the short term remuneration paid and recognised during the year.
- (ii) Emoluments paid and recognised for the two Executive Directors, Mr George Kwok Lung HONGCHOY (a) and Mr Andy CHEUNG Lee Ming (b). The respective emoluments include the portion of the long-term incentive schemes recognised for the year, which the details are set out in the “Long-term Incentive Schemes” section on pages 64 and 66. The remaining is the paid short-term remuneration.
- (iii) Included a retired senior management staff who is one of the five highest paid individuals.

The five highest paid individuals for the year include two (2018: two) directors whose emoluments reflected in the above. The emoluments paid and recognised to the remaining three (2018: three) individuals during the year are as follows:

	2019 HK\$'M	2018 HK\$'M
Basic salaries, other allowances and benefits in kind	10	8
Discretionary bonus	16	6
Long-term incentive schemes awards	11	12
	37	26

31 Future Minimum Rental Receivables

As at 31 March 2019, the analysis of the Group's aggregate future minimum rental income receivables under non-cancellable operating leases is as follows:

	2019 HK\$'M	2018 HK\$'M
Within one year	6,259	5,379
Between one and five years	10,432	9,398
Beyond five years	1,416	687
	18,107	15,464

Most of the operating leases are on fixed terms and for terms of 3 years (2018: 3 years).

32 Principal Subsidiaries

Link held the following principal subsidiaries as at 31 March 2019:

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\$12,000,000	100%
<i>Indirectly held:</i>				
Afford Limited	Hong Kong, limited liability company/Hong Kong	Investment holding	HK\$160,539,360	100%
Atlantic Best Limited	Hong Kong, limited liability company/Hong Kong	Investment holding	HK\$2	100%
保怡物業管理(深圳)有限公司 (Baoyi Property Management (Shenzhen) Company Limited)	People's Republic of China, limited liability company/People's Republic of China	Property holding and leasing	US\$39,500,000	100%
北京亞騰房地產經營管理有限公司 (Beijing Yateng Real Estate Management Company Limited)	People's Republic of China, limited liability company/People's Republic of China	Property holding and leasing	US\$162,500,000	100%

32 Principal Subsidiaries (Continued)

Name	Place of establishment and kind of legal entity/place of operations	Principal activities	Particulars of issued share capital/registered capital	Interest held
<i>Indirectly held (continued):</i>				
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%
First Venture R.E. Limited	Hong Kong, limited liability company/Hong Kong	Investment holding	HK\$1	100%
Great Land (HK) Limited	Hong Kong, limited liability company/Hong Kong	Property holding and leasing	HK\$1,000,000	100%
廣州牽晴匯房地產有限公司 (Guangzhou Qian Qing Hui Real Estate Company Limited)	People's Republic of China, limited liability company/People's Republic of China	Property holding and leasing	RMB600,000,000	100%
Link 2019 CB Limited	British Virgin Islands, limited liability company/Hong Kong	Financing	US\$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%
Preston River (HK) Limited	Hong Kong, limited liability company/Hong Kong	Investment holding	HK\$1	100%
上海興邦房地產有限公司 (Shanghai Xing Bang Properties Co., Ltd.)	People's Republic of China, limited liability company/People's Republic of China	Property holding and leasing	RMB287,595,000	100%
The Link Finance (Cayman) 2006 Limited	Cayman Islands, limited liability company/Hong Kong	Investment	US\$1	100%
The Link Finance (Cayman) 2009 Limited	Cayman Islands, limited liability company/Hong Kong	Financing	US\$1	100%
The Link Finance Limited	Hong Kong, limited liability company/Hong Kong	Financing	HK\$1	100%

The 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.

33 Approval of the consolidated financial statements

The consolidated financial statements were authorised for issue by the Board of Directors of the Manager and the Trustee on 3 June 2019.

Valuation Report



仲量聯行有限公司
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Valuation Advisory Services
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Quarry Bay, Hong Kong
Tel +852 2846 5000 Fax +852 2968 0078
Company Licence No.: C-003464

Our Ref: 2/19/00129

15 May 2019

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 2019

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 2018-2019 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"):

- 125 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);
- 1 Completed Property at 700 Nathan Road (the "Mong Kok Property", with details stated in the Schedule of Values); and
- 5 Completed Properties 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 2017" published by The Hong Kong Institute of Surveyors ("HKIS"), the "International Valuation Standards 2017" published by the International Valuation Standards Council ("IVSC") and the "RICS Valuation – Global Standards 2017" 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: 2015 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 Mong Kok Property, 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:	3.0% – 4.2%
Car Park:	3.5% – 4.8%
Blended:	3.0% – 4.7%

Mong Kok Property

Whole Property: 3.0%

The PRC Properties

Office: 4.25%

Retail: 4.25% – 4.75%

Car Park: 4.25% – 4.75%

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 2019 and subsequent updates;
2. Copy of Other Retail and Car Park incomes from March 2018 to February 2019;
3. Copy of Retail Actual Income from March 2018 to February 2019;
4. Copy of Operating Expenses from March 2018 to February 2019;
5. Copy of CAPEX schedules as at 31 March 2019 and subsequent updates;
6. Copy of Asset Enhancement Plans and 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 2 August 2018 and 12 October 2017 respectively.

PRC Properties

1. Copy of Tenancy Schedule as at 31 March 2019 and subsequent updates;
2. Copy of Other Retail and Car Park incomes from March 2018 to February 2019;
3. Copy of Retail Actual Income from March 2018 to February 2019;
4. Copy of Office Actual Income from March 2018 to February 2019 (Link Square, Shanghai);
5. Copy of Operating Expenses from March 2018 to February 2019;
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 is 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, Gross Floor Area ("GFA") and assessed market value of the Property under Development;
- iii) GFA and assessed market value of the Mong Kok Property; 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 Discounted 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 2019, was in the sum of **HK\$173,685,100,000 (HONG KONG DOLLARS ONE HUNDRED SEVENTY THREE BILLION SIX HUNDRED EIGHTY FIVE MILLION AND ONE HUNDRED THOUSAND)**.

- Initial Yield of 4.05%

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\$138,625,800,000 (HONG KONG DOLLARS ONE HUNDRED THIRTY EIGHT BILLION SIX HUNDRED TWENTY FIVE MILLION AND EIGHT HUNDRED THOUSAND)**.
- Initial Yield of 4.01%

Hong Kong Completed Car Parking Facilities

- Market Value was in the sum of **HK\$35,059,300,000 (HONG KONG DOLLARS THIRTY FIVE BILLION FIFTY NINE MILLION AND THREE HUNDRED THOUSAND)**.
- Initial Yield of 4.23%

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 2019, was in the sum of **HK\$10,548,000,000 (HONG KONG DOLLARS TEN BILLION FIVE HUNDRED AND FORTY EIGHT MILLION)**.

Mong Kok Property

We are of the opinion that the market value of the unencumbered leasehold interests of the Mong Kok Property, subject to the existing tenancies and assumptions set out in this report, as at 31 March 2019, was in the sum of **HK\$5,470,100,000 (HONG KONG DOLLARS FIVE BILLION FOUR HUNDRED SEVENTY MILLION AND ONE HUNDRED THOUSAND)**.

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 2019, was in the sum of **RMB24,702,000,000 (RENMINBI TWENTY FOUR BILLION SEVEN HUNDRED AND TWO MILLION)**.

- Initial Yield of 4.12%

Link Square, Shanghai

- Market Value was in the sum of **RMB7,680,000,000 (RENMINBI SEVEN BILLION SIX HUNDRED AND EIGHTY MILLION)**.
- Initial Yield of 4.39%

EC Mall, Beijing

- Market Value was in the sum of **RMB3,024,000,000 (RENMINBI THREE BILLION AND TWENTY FOUR MILLION)**.
- Initial Yield of 4.69%

Metropolitan Plaza, Guangzhou

- Market Value was in the sum of **RMB4,817,000,000 (RENMINBI FOUR BILLION EIGHT HUNDRED AND SEVENTEEN MILLION)**.
- Initial Yield of 4.82%

Beijing Jingtong Roosevelt Plaza, Beijing

- Market Value was in the sum of **RMB2,581,000,000 (RENMINBI TWO BILLION FIVE HUNDRED AND EIGHTY ONE MILLION)**.
- Initial Yield of 3.24%

CentralWalk, Shenzhen

- Market Value was in the sum of **RMB6,600,000,000 (RENMINBI SIX BILLION AND SIX HUNDRED MILLION)**.
- Initial Yield of 3.36%

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)
Executive 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
17	Butterfly Plaza	57	Fu Heng Shopping Centre
110	Car Park within Ching Wang Court	33	Fu Shin Shopping Centre
124	Car Park within Chuk Yuen (North) Estate	51	Fu Tai Shopping Centre
116	Car Park within Fung Lai Court	24	Fu Tung Plaza
118	Car Park within Hong Keung Court	47	Fung Tak Shopping Centre
86	Car Park within Ka Tin Court	35	Heng On Commercial Centre
111	Car Park within Kam On Court	39	Hin Keng Shopping Centre
72	Car Park within Kin Ming Estate	67	Hing Tung Shopping Centre
112	Car Park within King Lai Court	50	Hing Wah Plaza
121	Car Park within Kwai Hong Court	63	Hui Lai Shopping Centre
100	Car Park within Lai On Estate	62	Hoi Fu Shopping Centre
123	Car Park within Lower Wong Tai Sin (I) Estate	36	Homantin Plaza
99	Car Park within Ming Nga Court	6	Kai Tin Shopping Centre
89	Car Park within Ning Fung Court	69	Kin Sang Shopping Centre
122	Car Park within Pang Ching Court	56	Kwong Fuk Commercial Centre
95	Car Park within Po Pui Court	42	Kwong Yuen Shopping Centre
113	Car Park within San Wai Court	34	Lek Yuen Plaza
103	Car Park within Sau Mau Ping (I) Estate	13	Leung King Plaza
91	Car Park within Tin King Estate	1	Lok Fu Place
114	Car Park within Tin Yau Court	60	Lok Wah Commercial Centre
79	Car Park within Tin Yuet Estate	46	Long Ping Commercial Centre
96	Car Park within Tsui Ping South Estate	54	Lung Hang Commercial Centre
90	Car Park within Tsz Man Estate	58	Maritime Bay
107	Car Park within Upper Ngau Tau Kok Estate	49	Mei Lam Shopping Centre
83	Car Park within Wah Lai Estate	55	Nam Cheong Place
88	Car Park within Wang Fuk Court	29	Nan Fung Plaza
105	Car Park within Yee Kok Court	28	Oi Man Plaza
114	Car Park within Yee Nga Court	48	Oi Tung Shopping Centre
97	Car Park within Ying Ming Court	71	Ping Tin Shopping Centre
101	Car Park within Yue On Court	80	Po Hei Court Commercial Centre
10	Cheung Fat Plaza	44	Po Lam Shopping Centre
64	Cheung Wah Shopping Centre	41	Po Tat Shopping Centre
16	Choi Ming Shopping Centre	74	Retail and Car Park within Cheung On Estate
30	Choi Wan Commercial Complex	77	Retail and Car Park within Cheung Wang Estate
11	Choi Yuen Plaza	84	Retail and Car Park within Ching Wah Court
21	Chuk Yuen Plaza	76	Retail and Car Park within Hong Pak Court
27	Chung On Shopping Centre	119	Retail and Car Park within Hong Shui Court

No.	Property	No.	Property
85	Retail and Car Park within Hong Yat Court	3	Tsz Wan Shan Shopping Centre
117	Retail and Car Park within Hung Hom Estate	53	Un Chau Shopping Centre
81	Retail and Car Park within Ko Chun Court	61	Wan Tsui Commercial Complex
125	Retail and Car Park within Ko Yee Estate	12	Wo Che Plaza
108	Retail and Car Park within Lok Nga Court	14	Yat Tung Shopping Centre
78	Retail and Car Park within Lok Wah (South) Estate	19	Yau Mei & Ko Cheung (Lei Yue Mun Plaza)
104	Retail and Car Park within Nam Cheong Estate	75	Yin Lai Court Shopping Centre
106	Retail and Car Park within Sau Mau Ping (III) Estate	59	Yiu On Shopping Centre
93	Retail and Car Park within Tin Wah Estate	68	Yiu Tung Shopping Centre
120	Retail and Car Park within Tin Wang Court	37	Yu Chui Shopping Centre
94	Retail and Car Park within Tin Yat Estate		
87	Retail and Car Park within Tong Ming Court		
92	Retail and Car Park within Tsui Wan Estate		
102	Retail and Car Park within Tsz Oi Court		
70	Retail and Car Park within Tung Tau Estate		
82	Retail and Car Park within Wo Ming Court		
98	Retail and Car Park within Yan Ming Court		
109	Retail and Car Park within Ying Fuk Court		
65	Sam Shing Commercial Centre		
9	Sau Mau Ping Shopping Centre		
31	Sha Kok Commercial Centre		
7	Sheung Tak Plaza		
40	Shun Lee Commercial Centre		
73	Shun On Commercial Centre		
22	Siu Sai Wan Plaza		
32	Stanley Plaza		
45	Sun Chui Shopping Centre		
2	T Town		
52	Tai Hing Commercial Centre		
15	Tai Wo Plaza		
38	Tai Yuen Commercial Centre		
25	Tak Tin Plaza		
8	Temple Mall North		
5	Temple Mall South		
18	Tin Chak Shopping Centre		
23	Tin Shing Shopping Centre		
26	Tin Shui Shopping Centre		
66	Tin Tsz Shopping Centre		
20	Tin Yiu Plaza		
4	TKO Gateway		
43	Tsui Ping North Shopping Circuit		

Property under Development

No.	Property
1	The Quayside

Mong Kok Property

No.	Property
1	700 Nathan Road, Mong Kok

PRC Properties

No.	Property	No.	Property
1	Link Square, Shanghai	2	EC Mall, Beijing
3	Metropolitan Plaza, Guangzhou	4	Beijing Jingtong Roosevelt Plaza, Beijing
5	CentralWalk, Shenzhen		

Schedule of Values

Hong Kong Completed Properties

Property No.	Property Name	Car Park IFA (sqft)	Car Park Spaces	Income Capitalisation			DCF Analysis		Analysis		
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2019 (HK\$M)	Initial Yield	Indicated IRR
1	Lok Fu Place	385,301	793	273.8	3.92%	7,836.2	7.50%	7,243.2	7,539.7	3.63%	8.88%
	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.									
2	T Town	206,671	1,177	260.5	3.90%	6,460.9	7.50%	6,052.1	6,256.5	4.16%	8.97%
	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.									
	Title Details:	The property is held by Link Properties Limited. 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. 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.									
3	Tsz Wan Shan Shopping Centre	198,305	940	202.9	4.02%	5,439.0	7.50%	5,127.8	5,283.4	3.84%	9.00%
	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. As the asset enhancement work was in progress as at 31 March 2019, the total IFA available for letting was 183,073 sqft. The estimated IFA after completion of asset enhancement is approximately 198,305 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.									
4	TKO Gateway	165,935	623	185.8	3.79%	5,072.4	7.50%	4,613.9	4,843.2	3.84%	8.77%
	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 and 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 p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2019 (HK\$M)	Initial Yield	Indicated IRR
5	Temple Mall South	146,528	688	188.8	3.81%	4,815.4	7.50%	4,384.1	4,599.8	4.10%	8.77%
	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.									
	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.									
6	Kai Tin Shopping Centre	185,117	461	178.6	4.01%	4,576.8	7.50%	4,329.7	4,453.3	4.01%	9.00%
	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.									
7	Sheung Tak Plaza	129,372	1,280	169.6	4.00%	4,427.9	7.50%	4,168.8	4,298.4	3.94%	8.95%
	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. As the asset enhancement work was in progress as at 31 March 2019, the total IFA available for letting was 131,678 sqft. The estimated IFA after completion of asset enhancement is approximately 129,372 sqft.									
	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.									
8	Temple Mall North	137,622	473	161.5	3.72%	4,385.5	7.50%	3,943.1	4,164.3	3.88%	8.69%
	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.									
9	Sau Mau Ping Shopping Centre	154,847	611	171.4	4.00%	4,248.5	7.50%	3,954.2	4,101.4	4.18%	8.93%
	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.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Value as at 31 March 2019 (HK\$M)	Analysis		
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate		Value (HK\$M)	Initial Yield	Indicated IRR
10	Cheung Fat Plaza	165,550	590	165.6	4.03%	4,100.1	7.50%	3,829.6	3,964.9	4.18%	8.95%
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. As the asset enhancement work was in progress as at 31 March 2019, the total IFA available for letting was 165,734 sqft. The estimated IFA after completion of asset enhancement is approximately 165,550 sqft.										
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.										
11	Choi Yuen Plaza	125,384	536	168.4	4.10%	3,957.8	7.50%	3,682.4	3,820.1	4.41%	8.93%
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.										
12	Wo Che Plaza	170,625	828	147.3	3.80%	3,897.3	7.50%	3,556.2	3,726.8	3.95%	8.79%
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.										
13	Leung King Plaza	177,935	616	155.6	3.97%	3,836.4	7.50%	3,584.6	3,710.5	4.19%	8.96%
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.										
14	Yat Tung Shopping Centre	193,042	1,900	137.5	4.07%	3,527.5	7.50%	3,309.6	3,418.6	4.02%	8.99%
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.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation			DCF Analysis		Analysis		
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2019 (HK\$M)	Initial Yield	Indicated IRR
15	Tai Wo Plaza	128,116	454	142.8	4.08%	3,496.0	7.50%	3,232.6	3,364.3	4.24%	8.89%
	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.									
16	Choi Ming Shopping Centre	91,492	765	134.6	4.01%	3,450.4	7.50%	3,198.2	3,324.3	4.05%	8.90%
	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. As at 31 March 2019, the asset enhancement work was in progress and the total IFA available for letting was 91,492 sqft. The estimated IFA after completion of asset enhancement is approximately 91,492 sqft.									
	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).									
17	Butterfly Plaza	174,730	313	139.2	4.22%	3,422.2	7.50%	3,219.9	3,321.1	4.19%	9.01%
	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.									
18	Tin Chak Shopping Centre	130,309	302	130.8	4.00%	3,261.8	7.50%	3,012.6	3,137.2	4.17%	8.88%
	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.									
19	Yau Mei & Ko Cheung (Lei Yue Mun Plaza)	100,769	0	128.4	4.00%	3,066.5	7.50%	2,830.2	2,948.4	4.35%	8.88%
	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.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation			DCF Analysis		Value as at 31 March 2019 (HK\$M)	Analysis	
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)		Initial Yield	Indicated IRR
20	Tin Yiu Plaza	93,297	480	119.0	4.02%	2,869.5	7.50%	2,656.0	2,762.8	4.31%	8.89%
	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.									
21	Chuk Yuen Plaza	138,546	1,103	119.1	4.20%	2,830.2	7.50%	2,678.1	2,754.2	4.33%	9.05%
	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.									
22	Siu Sai Wan Plaza	99,942	558	115.5	3.96%	2,817.2	7.50%	2,606.0	2,711.6	4.26%	8.89%
	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.									
	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.									
23	Tin Shing Shopping Centre	78,245	1,458	109.7	4.00%	2,754.8	7.50%	2,547.5	2,651.2	4.14%	8.89%
	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.									
24	Fu Tung Plaza	104,879	537	109.1	4.21%	2,581.3	7.50%	2,445.1	2,513.2	4.34%	9.06%
	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.									

Property No.	Property Name	Car Park Spaces	Income Capitalisation			DCF Analysis		Value as at 31 March 2019 (HK\$M)	Analysis		
			Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)		Initial Yield	Indicated IRR	
25	Tak Tin Plaza	97,580	754	96.5	4.05%	2,384.9	7.50%	2,223.2	2,304.1	4.19%	8.94%
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.										
26	Tin Shui Shopping Centre	74,948	577	98.6	4.00%	2,360.6	7.50%	2,199.3	2,280.0	4.32%	8.94%
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.										
27	Chung On Shopping Centre	82,430	995	97.1	4.18%	2,322.9	7.50%	2,194.1	2,258.5	4.30%	9.04%
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.										
28	Oi Man Plaza	187,224	808	86.2	4.13%	2,322.3	7.50%	2,167.0	2,244.7	3.84%	8.96%
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.										
29	Nan Fung Plaza	81,434	0	78.9	3.70%	2,356.6	7.50%	2,122.4	2,239.5	3.52%	8.70%
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.										

Property No.	Property Name	Car Park IFA (sqft)	Car Park Spaces	Income Capitalisation			DCF Analysis		Analysis		
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2019 (HK\$M)	Initial Yield	Indicated IRR
30	Choi Wan Commercial Complex	162,670	859	81.4	4.18%	2,245.5	7.50%	2,115.8	2,180.7	3.73%	9.02%
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.										
31	Sha Kok Commercial Centre	96,488	662	88.0	4.07%	2,208.2	7.50%	2,079.3	2,143.8	4.10%	9.01%
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.										
32	Stanley Plaza	98,533	411	71.9	3.80%	2,128.1	7.50%	2,002.3	2,065.2	3.48%	8.99%
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.										
33	Fu Shin Shopping Centre	105,549	525	80.2	4.00%	2,020.8	7.50%	1,887.8	1,954.3	4.11%	8.95%
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.										
Title Details:	The property is held by Link Properties Limited. It comprises 33,761/330,620th 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.										
34	Lek Yuen Plaza	106,208	438	78.0	4.03%	1,952.2	7.50%	1,809.5	1,880.9	4.15%	8.90%
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.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Value as at 31 March 2019 (HK\$M)	Analysis		
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate		Value (HK\$M)	Initial Yield	Indicated IRR
35	Heng On Commercial Centre	110,395	585	76.7	4.07%	1,932.2	7.50%	1,818.5	1,875.4	4.09%	9.00%
	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.									
36	Homantin Plaza	101,179	299	80.8	4.12%	1,945.0	7.50%	1,803.3	1,874.2	4.31%	8.91%
	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.									
37	Yu Chui Shopping Centre	105,873	1,175	74.4	4.00%	1,930.1	7.50%	1,804.8	1,867.5	3.99%	8.96%
	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.									
38	Tai Yuen Commercial Centre	136,548	594	69.5	4.06%	1,924.7	7.50%	1,794.6	1,859.7	3.74%	8.94%
	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.									
39	Hin Keng Shopping Centre	90,946	636	71.7	4.16%	1,894.1	7.50%	1,792.6	1,843.4	3.89%	9.05%
	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.									

Property No.	Property Name	Car Park IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Value as at 31 March 2019 (HK\$M)	Analysis		
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate		Value (HK\$M)	Initial Yield	Indicated IRR
40	Shun Lee Commercial Centre	201,691	731	69.3	4.25%	1,845.3	7.50%	1,738.4	1,791.9	3.87%	9.02%
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.										
41	Po Tat Shopping Centre	83,133	1,083	71.4	3.97%	1,839.1	7.50%	1,730.1	1,784.6	4.00%	9.00%
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.										
42	Kwong Yuen Shopping Centre	81,542	736	73.5	4.20%	1,762.5	7.50%	1,668.4	1,715.5	4.28%	9.05%
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.										
43	Tsui Ping North Shopping Circuit	113,912	421	70.6	4.10%	1,735.1	7.50%	1,632.8	1,684.0	4.19%	9.01%
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.										
44	Po Lam Shopping Centre	87,075	398	62.7	4.24%	1,524.7	7.50%	1,451.1	1,487.9	4.21%	9.09%
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.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Value as at 31 March 2019 (HK\$M)	Analysis		
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate		Value (HK\$M)	Initial Yield	Indicated IRR
45	Sun Chui Shopping Centre	75,506	620	60.1	4.02%	1,517.3	7.50%	1,391.3	1,454.3	4.13%	8.83%
	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 and 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.									
46	Long Ping Commercial Centre	89,358	564	58.1	4.02%	1,506.9	7.50%	1,397.8	1,452.4	4.00%	8.91%
	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 and 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.									
47	Fung Tak Shopping Centre	71,858	487	53.9	4.00%	1,461.4	7.50%	1,353.7	1,407.6	3.83%	8.90%
	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.									
48	Oi Tung Shopping Centre	81,029	634	58.3	4.14%	1,443.9	7.50%	1,362.8	1,403.4	4.15%	9.03%
	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.									
49	Mei Lam Shopping Centre	75,843	375	56.8	4.05%	1,431.2	7.50%	1,337.4	1,384.3	4.10%	8.96%
	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.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation			DCF Analysis		Value as at 31 March 2019 (HK\$M)	Analysis	
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)		Initial Yield	Indicated IRR
50	Hing Wah Plaza	82,011	268	57.8	4.04%	1,435.8	7.50%	1,330.1	1,383.0	4.18%	8.90%
	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.									
51	Fu Tai Shopping Centre	61,726	635	60.9	4.13%	1,423.0	7.50%	1,335.5	1,379.3	4.42%	9.00%
	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.									
52	Tai Hing Commercial Centre	101,698	672	55.0	4.20%	1,405.3	7.50%	1,324.0	1,364.7	4.03%	9.02%
	Brief Description:	Tai Hing Commercial Centre comprises two 2-storey retail buildings (Commercial Blocks 1 and 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.									
53	Un Chau Shopping Centre	50,180	213	53.3	3.65%	1,429.8	7.50%	1,290.3	1,360.1	3.92%	8.71%
	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.									
54	Lung Hang Commercial Centre	63,197	440	53.2	4.02%	1,326.6	7.50%	1,236.0	1,281.3	4.15%	8.94%
	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.									
	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.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation			DCF Analysis		Analysis		
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2019 (HK\$M)	Initial Yield	Indicated IRR
55	Nam Cheong Place	56,519	547	41.5	4.00%	1,303.9	7.50%	1,214.0	1,259.0	3.29%	8.88%
	Brief Description:	Nam Cheong Place (formerly known as 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. As the asset enhancement work was in progress as at 31 March 2019, the total IFA available for letting was 32,222 sqft. The estimated IFA after completion of asset enhancement is approximately 56,519 sqft.									
	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.									
56	Kwong Fuk Commercial Centre	69,294	461	50.6	4.09%	1,273.8	7.50%	1,194.4	1,234.1	4.10%	8.99%
	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.									
	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.									
57	Fu Heng Shopping Centre	55,030	517	53.0	4.23%	1,245.5	7.50%	1,186.1	1,215.8	4.36%	9.09%
	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.									
58	Maritime Bay	41,017	0	47.0	3.70%	1,252.7	7.50%	1,125.5	1,189.1	3.96%	8.68%
	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.									
59	Yiu On Shopping Centre	47,684	547	47.3	4.03%	1,232.1	7.50%	1,144.8	1,188.5	3.98%	8.92%
	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		Value as at 31 March 2019 (HK\$M)	Analysis	
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)		Initial Yield	Indicated IRR
60	Lok Wah Commercial Centre	98,078	650	48.0	4.10%	1,203.6	7.50%	1,122.7	1,163.2	4.12%	8.95%
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.										
61	Wan Tsui Commercial Complex	82,792	359	49.0	4.18%	1,134.0	7.50%	1,058.0	1,096.0	4.47%	8.96%
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.										
62	Hoi Fu Shopping Centre	40,360	225	46.4	3.97%	1,136.5	7.50%	1,050.5	1,093.5	4.24%	8.88%
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.										
63	Hiu Lai Shopping Centre	34,560	637	45.0	4.10%	1,096.3	7.50%	1,033.4	1,064.9	4.23%	9.02%
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.										
64	Cheung Wah Shopping Centre	71,123	353	42.5	3.98%	1,067.1	7.50%	1,001.0	1,034.1	4.11%	8.98%
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.										
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.										

Property No.	Property Name	Car Park Spaces	Income Capitalisation			DCF Analysis		Value as at 31 March 2019 (HK\$M)	Analysis		
			Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)		Initial Yield	Indicated IRR	
65	Sam Shing Commercial Centre	67,725	176	36.2	4.02%	912.4	7.50%	852.4	882.4	4.10%	8.95%
	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.									
66	Tin Tsz Shopping Centre	36,865	289	36.1	3.98%	908.9	7.50%	847.5	878.2	4.12%	8.95%
	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.									
	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.									
67	Hing Tung Shopping Centre	53,034	420	26.6	4.00%	691.1	7.50%	642.3	666.7	3.99%	8.92%
	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.									
68	Yiu Tung Shopping Centre	63,838	685	22.9	4.20%	625.9	7.50%	601.0	613.5	3.73%	9.14%
	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.									
69	Kin Sang Shopping Centre	36,623	273	23.7	3.97%	607.0	7.50%	561.5	584.3	4.05%	8.89%
	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.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Value as at 31 March 2019 (HK\$M)	Analysis		
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate		Value (HK\$M)	Initial Yield	Indicated IRR
70	Retail and Car Park within Tung Tau Estate	37,909	493	20.8	4.14%	557.8	7.50%	528.2	543.0	3.83%	9.05%
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.										
71	Ping Tin Shopping Centre	24,344	406	23.2	4.29%	552.5	7.50%	526.2	539.4	4.30%	9.10%
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.										
72	Car Park within Kin Ming Estate	0	763	21.8	4.60%	483.0	7.50%	477.3	480.2	4.54%	9.37%
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.										
73	Shun On Commercial Centre	81,478	459	15.8	4.10%	477.5	7.50%	448.1	462.8	3.41%	8.99%
Brief Description:	Shun On Commercial Centre comprises portions of the two Commercial Blocks 1 and 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.										
74	Retail and Car Park within Cheung On Estate	3,915	484	18.7	4.18%	450.1	7.50%	430.1	440.1	4.26%	9.12%
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 and 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.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation			DCF Analysis		Analysis		
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2019 (HK\$M)	Initial Yield	Indicated IRR
75	Yin Lai Court Shopping Centre	10,584	150	17.0	3.98%	435.1	7.50%	404.0	419.6	4.06%	8.92%
	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.									
76	Retail and Car Park within Hong Pak Court	17,956	549	16.3	3.91%	429.9	7.50%	403.9	416.9	3.92%	8.99%
	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.									
77	Retail and Car Park within Cheung Wang Estate	11,532	333	17.7	4.38%	404.2	7.50%	389.8	397.0	4.46%	9.18%
	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 is 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.									
78	Retail and Car Park within Lok Wah (South) Estate	16,183	226	12.5	4.35%	325.5	7.50%	314.2	319.9	3.91%	9.18%
	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.									
79	Car Park within Tin Yuet Estate	0	560	11.9	4.00%	300.6	7.50%	284.1	292.4	4.05%	9.03%
	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.									
80	Po Hei Court Commercial Centre	13,686	0	9.8	3.00%	311.5	7.50%	265.1	288.3	3.41%	8.30%
	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.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Value as at 31 March 2019 (HK\$M)	Analysis		
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate		Value (HK\$M)	Initial Yield	Indicated IRR
81	Retail and Car Park within Ko Chun Court	7,332	323	11.3	4.11%	284.1	7.50%	270.3	277.2	4.09%	9.09%
	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.									
82	Retail and Car Park within Wo Ming Court	7,342	379	10.8	3.92%	282.5	7.50%	265.1	273.8	3.93%	8.99%
	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.									
83	Car Park within Wah Lai Estate	0	411	11.5	4.20%	272.5	7.50%	261.5	267.0	4.32%	9.15%
	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.									
84	Retail and Car Park within Ching Wah Court	9,118	348	9.9	4.03%	269.9	7.50%	255.2	262.6	3.78%	9.04%
	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.									
85	Retail and Car Park within Hong Yat Court	7,040	355	9.9	4.01%	254.2	7.50%	240.3	247.3	4.02%	9.04%
	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.									
86	Car Park within Ka Tin Court	0	348	10.1	4.00%	250.4	7.50%	236.6	243.5	4.15%	9.04%
	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.									

Property No.	Property Name	Car Park Spaces	Income Capitalisation			DCF Analysis		Value as at 31 March 2019 (HK\$M)	Analysis		
			Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)		Initial Yield	Indicated IRR	
87	Retail and Car Park within Tong Ming Court	21,283	291	8.2	3.96%	242.5	7.50%	230.2	236.4	3.48%	9.05%
	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 and 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.									
88	Car Park within Wang Fuk Court	0	408	8.5	3.60%	238.7	7.50%	218.6	228.7	3.72%	8.81%
	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.									
89	Car Park within Ning Fung Court	0	299	8.9	3.70%	236.8	7.50%	218.6	227.7	3.89%	8.87%
	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.									
90	Car Park within Tsz Man Estate	0	364	10.3	4.50%	228.2	7.50%	223.9	226.1	4.57%	9.31%
	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.									
91	Car Park within Tin King Estate	0	380	9.0	3.90%	229.4	7.50%	215.1	222.3	4.06%	8.98%
	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.									
92	Retail and Car Park within Tsui Wan Estate	13,631	182	8.5	3.91%	223.1	7.50%	206.3	214.7	3.96%	8.88%
	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 p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2019 (HK\$M)	Initial Yield	Indicated IRR
93	Retail and Car Park within Tin Wah Estate	1,476	287	8.8	3.95%	220.4	7.50%	206.0	213.2	4.13%	8.96%
	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.									
94	Retail and Car Park within Tin Yat Estate	8,784	446	8.7	4.20%	216.1	7.50%	207.2	211.7	4.13%	9.14%
	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.									
95	Car Park within Po Pui Court	0	277	8.2	3.90%	208.8	7.50%	195.8	202.3	4.07%	8.98%
	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.									
96	Car Park within Tsui Ping South Estate	5,275	229	8.7	4.66%	198.3	7.50%	196.6	197.5	4.42%	9.39%
	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.									
97	Car Park within Ying Ming Court	0	274	7.6	3.90%	198.1	7.50%	185.8	192.0	3.97%	8.98%
	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.									
98	Retail and Car Park within Yan Ming Court	7,019	262	7.1	3.93%	191.9	7.50%	180.3	186.1	3.82%	9.00%
	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.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Value as at 31 March 2019 (HK\$M)	Analysis		
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate		Value (HK\$M)	Initial Yield	Indicated IRR
99	Car Park within Ming Nga Court	0	345	6.6	3.50%	190.5	7.50%	173.0	181.8	3.66%	8.75%
	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.									
100	Car Park within Lai On Estate	0	181	7.5	4.40%	176.9	7.50%	172.3	174.6	4.30%	9.26%
	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.									
101	Car Park within Yue On Court	0	296	6.3	3.90%	166.4	7.50%	155.8	161.1	3.90%	8.97%
	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.									
102	Retail and Car Park within Tsz Oi Court	13,306	199	6.3	4.38%	158.9	7.50%	154.1	156.5	4.05%	9.23%
	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.									
103	Car Park within Sau Mau Ping (I) Estate	0	395	5.4	3.50%	160.7	7.50%	145.9	153.3	3.51%	8.75%
	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.									

Property No.	Property Name	Car Park IFA (sqft)	Car Park Spaces	Income Capitalisation		DCF Analysis		Value as at 31 March 2019 (HK\$M)	Analysis		
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate		Value (HK\$M)	Initial Yield	Indicated IRR
104	Retail and Car Park within Nam Cheong Estate	8,112	156	5.5	3.93%	156.8	7.50%	146.6	151.7	3.63%	8.96%
	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.									
105	Car Park within Yee Kok Court	0	240	5.6	3.70%	156.6	7.50%	144.5	150.6	3.75%	8.86%
	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.									
106	Retail and Car Park within Sau Mau Ping (III) Estate	1,507	205	6.0	4.15%	141.2	7.50%	134.6	137.9	4.37%	9.10%
	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.									
107	Car Park within Upper Ngau Tau Kok Estate	0	228	5.9	4.40%	136.5	7.50%	133.0	134.8	4.35%	9.25%
	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.									
108	Retail and Car Park within Lok Nga Court	12,616	265	4.6	3.66%	140.0	7.50%	128.7	134.4	3.45%	8.83%
	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.									
109	Retail and Car Park within Ying Fuk Court	786	163	5.1	4.06%	135.3	7.50%	128.0	131.7	3.87%	9.05%
	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.									

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation			DCF Analysis		Value as at 31 March 2019 (HK\$M)	Analysis	
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)		Initial Yield	Indicated IRR
110	Car Park within Ching Wang Court	0	179	5.0	3.90%	134.0	7.50%	125.6	129.8	3.86%	8.98%
	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.									
111	Car Park within Kam On Court	0	238	5.1	3.90%	132.4	7.50%	124.2	128.3	3.95%	8.98%
	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.									
112	Car Park within King Lai Court	0	158	3.9	3.70%	111.9	7.50%	103.3	107.6	3.63%	8.87%
	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.									
113	Car Park within San Wai Court	0	185	4.3	3.90%	108.9	7.50%	102.1	105.5	4.10%	8.98%
	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.									
114	Car Park within Tin Yau Court	0	192	3.9	3.90%	105.9	7.50%	99.3	102.6	3.81%	8.98%
	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.									
115	Car Park within Yee Nga Court	0	159	3.7	3.70%	106.7	7.50%	98.5	102.6	3.57%	8.87%
	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 p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2019 (HK\$M)	Initial Yield	Indicated IRR
116	Car Park within Fung Lai Court	0	134	3.1	3.70%	91.9	7.50%	84.9	88.4	3.52%	8.87%
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.										
117	Retail and Car Park within Hung Hom Estate	3,994	45	2.9	3.78%	89.1	7.50%	81.9	85.5	3.38%	8.84%
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.										
118	Car Park within Hong Keung Court	0	93	3.3	4.20%	85.4	7.50%	81.9	83.7	4.00%	9.14%
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.										
119	Retail and Car Park within Hong Shui Court	345	102	2.7	3.90%	67.7	7.50%	63.5	65.6	4.15%	8.98%
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.										
120	Retail and Car Park within Tin Wang Court	9,946	79	2.3	4.03%	66.7	7.50%	63.2	65.0	3.58%	9.04%
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.										
121	Car Park within Kwai Hong Court	0	88	2.3	4.00%	65.8	7.50%	62.2	64.0	3.57%	9.05%
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.										

Property No.	Property Name	IFA (sqft)	Car Park Spaces	Income Capitalisation			DCF Analysis		Analysis		
				Net Passing Income p.a. (HK\$M)	Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value as at 31 March 2019 (HK\$M)	Initial Yield	Indicated IRR
122	Car Park within Pang Ching Court	0	67	1.8	4.30%	45.2	7.50%	43.7	44.5	3.99%	9.18%
	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.									
123	Car Park within Lower Wong Tai Sin (I) Estate	0	70	1.4	3.70%	37.1	7.50%	34.3	35.7	3.86%	8.87%
	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.									
124	Car Park within Chuk Yuen (North) Estate	0	61	0.9	4.70%	24.3	7.50%	24.2	24.3	3.88%	9.38%
	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.									
125	Retail and Car Park within Ko Yee Estate	0	38	0.6	3.62%	16.4	7.50%	13.9	15.2	3.81%	8.26%
	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)	Gross Floor Area (sqft)	Value as at 31 March 2019 (HK\$M)
1	The Quayside	73,658	883,524	10,548.0
	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.

Mong Kok Property

No.	Property Name	Gross Floor Area (sqft)	Value as at 31 March 2019 (HK\$M)
1	700 Nathan Road, Mong Kok	284,767	5,470.1
	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 of reinforced concrete construction with curtain wall facades for the office tower. The retail podium, being the lowest eight floors of the building, is also known as "T.O.P This is our Place" whereas the upper floors, or otherwise known as the Service Tower, are designated for office use.	
	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		Analysis		
						Cap. Rate	Value (RMB M)	Discount Rate	Value (RMB M)	Value as at 31 March 2019 (RMB M)	Initial Yield	Indicated IRR
1	Link Square, Shanghai	7,375	75,780	226	337.4	4.29%	7,913.0	7.25%	7,456.0	7,680.0	4.39%	6.87%
	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 metres. The GFA, excluding the car parking area, is 83,155 square metres. 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.).										
2	EC Mall, Beijing	55,423	0	251	141.9	4.50%	2,994.0	7.50%	3,053.0	3,024.0	4.69%	7.62%
	Brief Description:	The Property comprises a retail mall and 251 basement parking spaces with a GFA of 70,946 square metres. The GFA, excluding the car parking area, is 55,423 square metres. 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.).										
3	Metropolitan Plaza, Guangzhou	88,726	0	1,034	232.1	4.75%	4,918.0	7.75%	4,716.0	4,817.0	4.82%	7.50%
	Brief Description:	The Property is the shopping mall portion of The Riverside (逸翠灣) (the Whole Development), a comprehensive development comprising 8 towers of residential and a shopping mall. The Property comprises a 5-storey (B1, B2, L1-L3) shopping mall completed in 2011, providing a total GFA of 88,726.34 square metres excluding the car parking area.										
	Title Details:	The Property is registered under strata-title ownership of 271 Realty Title Certificates under the name of Guangzhou Qian Qing Hui Real Estate Company Ltd. ((廣州牽晴匯房地產有限公司)).										
4	Beijing Jingtong Roosevelt Plaza, Beijing	67,546	0	576	83.7	4.75%	2,575.0	8.50%	2,587.0	2,581.0	3.24%	8.35%
	Brief Description:	The Property comprises retail floors from B1 to L6 offering a total GFA of approximately 86,377 square metres. The GFA excluding the car parking area is 67,546 square metres. Basement Levels 2 to 3 are designed for car parking purposes with 576 car parking spaces.										
	Title Details:	The registered owner of the Property is 北京亞騰房地產經營管理有限公司.										
5	CentralWalk, Shenzhen	83,900	0	741	221.9	4.25%	6,634.0	8.25%	6,568.0	6,600.0	3.36%	8.26%
	Brief Description:	The Property is a large sunken-style shopping mall with 5 floors in total (B2, B1, L1, UG, G) equipped with shopping, leisure, tourism, dining, entertainment and cultural experiences. The Property comprises retail floors from B1 to L1 offering a total retail GFA of approximately 83,900 square metres. Basement Level 2 and portion of B1 are designed for car parking purposes offering 741 car parking spaces.										
	Title Details:	The Property is registered under strata-title ownership of 344 Realty Title Certificates under the name of Baoyi Property Management (Shenzhen) Co., Ltd. (保怡物業管理(深圳)有限公司).										

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



香港品質保證局

VERIFICATION STATEMENT

Scope and Objective

Hong Kong Quality Assurance Agency (“HKQAA”) has been commissioned by Link Real Estate Investment Trust (“Link”) to undertake an independent verification for the sustainability related contents stated in its 2018/2019 Strategic Report and Sustainability Website (www.linkreit.com/sustainability) (herein referred to as “the Report” and “Website” respectively). The scope of this verification covered the sustainability performance data and information of Link for the period of 1 April 2018 to 31 March 2019, as defined in the Report and Website. The Report and Website outlined Link’s commitments, efforts and the overall sustainability performance for 126 properties owned by Link across Hong Kong and the energy performance of the 3 properties across Mainland China (EC Mall, Link Square and Metropolitan Plaza).

The aim of this verification was to provide reasonable assurance on the completeness and accuracy of the information stated in the Report and Website, as well as the conformity of the Report and Website to the International <IR> Framework (“<IR> Framework”). The Report and Website have also been prepared in accordance with the Comprehensive Option of the Global Reporting Initiative Sustainability Reporting Standards (“GRI Standards”), and the Environmental, Social and Governance Reporting Guide (“ESG Guide”) of The Stock Exchange of Hong Kong Limited.

Level of Assurance and Methodology

The process applied in this verification was referenced to the International Standard on Assurance Engagement 3000 (ISAE 3000) – “Assurance Engagement Other Than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board. HKQAA’s verification procedure was designed for devising opinions and conclusions to obtain a reasonable level of assurance. The extent of this verification process undertaken covered the criteria set in the <IR> Framework, GRI Standards: Comprehensive Option and the ESG Guide.

The verification process included verifying the systems and processes implemented for collecting, collating and reporting the sustainability performance data, reviewing relevant documentation, interviewing responsible personnel with accountability for preparing the reporting contents and verifying selected representative sample of data and information. Raw data and supporting evidence of the selected samples were also thoroughly examined during the verification process.

Independence

Link was responsible for the collection and preparation of the information. HKQAA was not involved in calculating and compiling the reporting data, or in the content development of the Report and Website. HKQAA’s verification activities were entirely independent from Link.

Conclusion

Based on the verification results and in accordance with the verification procedures undertaken, HKQAA has obtained reasonable assurance and is of the opinion that:

- The Report and Website have been prepared in accordance with the GRI Standards: comprehensive option and the ESG Guide. The Report and Website also followed the <IR> Framework;
- The Report and Website illustrated the sustainability performance of Link’s material aspects in a balanced, comparable, clear and timely manner; and
- The data and information disclosed in the Report and Website were reliable and complete.

In conclusion, the Report and Website reflected truthfully the sustainability commitments, policies and performance of Link and disclosed transparently the sustainability performance of the company that was commensurate with its sustainability context and materiality.

Signed on behalf of Hong Kong Quality Assurance Agency

Jorine Tam

Director, Corporate Business

May 2019

GRI Standards Content Index – Comprehensive

GRI Standards Disclosure

Disclosure Number	Disclosure Title	References
Universal Standards		
GRI 102: General Disclosures 2016		
Organisational Profile		
102-1	Name of the organization	Annual Report 2018/2019, inside front cover page
102-2	Activities, brands, products, and services	Annual Report 2018/2019, inside front cover page, Letter by the Chief Executive Officer, Visionary Creativity, Strategic Priority 4 – Help Our Communities Flourish
102-3	Location of headquarters	Annual Report 2018/2019, inside back cover page
102-4	Location of operations	Annual Report 2018/2019, Letter by the Chief Executive Officer; Corporate Website 2018/2019, Our Business
102-5	Ownership and legal form	Annual Report 2018/2019, Regulatory and Compliance
102-6	Markets served	Annual Report 2018/2019, Letter by the Chief Executive Officer; Corporate Website 2018/2019, Our Business
102-7	Scale of the organization	Annual Report 2018/2019, Letter by the Chief Executive Officer; Corporate Website 2018/2019, Our Business
102-8	Information on employees and other workers	Annual Report 2018/2019, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Our Approach and Performance, Sustainability in Numbers, Data Table
102-9	Supply chain	Annual Report 2018/2019, Our Engagement with Stakeholders; Sustainability Website 2018/2019, Our Approach and Performance, How We Engage
102-10	Significant changes to the organization and its supply chain	No significant changes from previous reporting period.
102-11	Precautionary Principle or approach	Annual Report 2018/2019, Message from the Chairman, Response to Evolving Trends; Sustainability Website 2018/2019, Our Approach and Performance
102-12	External initiatives	Annual Report 2018/2019, Visionary Creativity, Strategic Priority 4 – Help Our Communities Flourish, Award Snapshot 2018/2019; Corporate Website 2018/2019, Milestones and Awards, Community; Sustainability Website 2018/2019, Commitments and Signatories, Link Together Initiatives
102-13	Membership of associations	Annual Report 2018/2019, Awards Snapshot 2018/2019; Corporate Website 2018/2019, Milestones and Awards; Sustainability Website 2018/2019, Commitments and Signatories
Strategy		
102-14	Statement from senior decision-maker	Annual Report 2018/2019, Letter by the Chief Executive Officer
102-15	Key impacts, risks, and opportunities	Annual Report 2018/2019, Letter by the Chief Executive Officer, Our Commitment to Risk Management
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	Annual Report 2018/2019, inside front cover page; Corporate Website 2018/2019, Our Vision
102-17	Mechanisms for advice and concerns about ethics	Annual Report 2018/2019, Governance, Disclosures and Financial Statements, Corporate Governance Report; Sustainability Website 2018/2019, Governance, Policies and Procedures

Disclosure Number	Disclosure Title	References
Governance		
102-18	Governance structure	Annual Report 2018/2019, Governance, Disclosures and Financial Statements, Corporate Governance Report; Corporate Website 2018/2019, Corporate Profile, Leadership, Corporate Governance
102-19	Delegating authority	Sustainability Website 2018/2019, Governance, Policies and Procedures
102-20	Executive-level responsibility for economic, environmental, and social topics	Corporate Website 2018/2019, Corporate Profile, Leadership, Corporate Governance; Sustainability Website 2018/2019, Governance, Policies and Procedures
102-21	Consulting stakeholders on economic, environmental, and social topics	Corporate Website 2018/2019, Corporate Profile, Leadership, Corporate Governance; Sustainability Website 2018/2019, Governance, Policies and Procedures
102-22	Composition of the highest governance body and its committees	Corporate Website 2018/2019, Corporate Profile, Leadership, Corporate Governance; Sustainability Website 2018/2019, Governance, Policies and Procedures
102-23	Chair of the highest governance body	The Chairman of the Board is an independent, non-executive director. Annual Report 2018/2019, Governance, Disclosures and Financial Statements, Corporate Governance Report; Corporate Website 2018/2019, Leadership, Corporate Governance
102-24	Nominating and selecting the highest governance body	Annual Report 2018/2019, Governance, Disclosures and Financial Statements, Corporate Governance Report; Corporate Website 2018/2019, Leadership, Corporate Governance
102-25	Conflicts of interest	Annual Report 2018/2019, Governance, Disclosures and Financial Statements, Corporate Governance Report; Corporate Website 2018/2019, Corporate Governance
102-26	Role of highest governance body in setting purpose, values, and strategy	Annual Report 2018/2019, Governance, Disclosures and Financial Statements, Corporate Governance Report; Corporate Website 2018/2019, Leadership, Corporate Governance
102-27	Collective knowledge of highest governance body	Sustainability updates are given to the Board. Sustainability Website 2018/2019, Governance, Policies and Procedures
102-28	Evaluating the highest governance body's performance	Sustainability updates are given to the Board. Sustainability Website 2018/2019, Governance, Policies and Procedures
102-29	Identifying and managing economic, environmental, and social impacts	Sustainability updates are given to the Board. Sustainability Website 2018/2019, Governance, Policies and Procedures
102-30	Effectiveness of risk management processes	Sustainability updates are given to the Board. Corporate Website 2018/2019, Corporate Governance; Sustainability Website 2018/2019, Governance, Policies and Procedures
102-31	Review of economic, environmental, and social topics	Sustainability updates are given to the Board. Sustainability Website 2018/2019, Governance, Policies and Procedures
102-32	Highest governance body's role in sustainability reporting	Link's Sustainability Committee meets quarterly to review performance of material aspects.
102-33	Communicating critical concerns	Sustainability updates are given to the Board. Corporate Website 2018/2019, Corporate Governance; Sustainability Website 2018/2019, Governance, Policies and Procedures
102-34	Nature and total number of critical concerns	No critical concerns identified.
102-35	Remuneration policies	Annual Report 2018/2019, Governance, Disclosures and Financial Statements, Corporate Governance Report
102-36	Process for determining remuneration	Annual Report 2018/2019, Governance, Disclosures and Financial Statements, Corporate Governance Report

Disclosure Number	Disclosure Title	References
102-37	Stakeholders' involvement in remuneration	Link references market pay level on remuneration and regularly seeks external independent consultants advice on remuneration matters. Annual Report 2018/2019, Governance, Disclosures and Financial Statements, Corporate Governance Report
102-38	Annual total compensation ratio	Data to calculate mean compensation and compensation ratios are available in Link's Annual Report 2018/2019, Governance, Disclosures and Financial Statements, Corporate Governance Report and Consolidated Financial Statements.
102-39	Percentage increase in annual total compensation ratio	Data to calculate mean compensation and compensation ratios are available in Link's Annual Report 2018/2019, Governance, Disclosures and Financial Statements.
Stakeholder Engagement		
102-40	List of stakeholder groups	Annual Report 2018/2019, Our Engagement with Stakeholders; Sustainability Website 2018/2019, How We Engage
102-41	Collective bargaining agreements	Our staffs are not covered by collective bargaining agreements.
102-42	Identifying and selecting stakeholders	Annual Report 2018/2019, Our Engagement with Stakeholders; Sustainability Website 2018/2019, How We Engage
102-43	Approach to stakeholder engagement	Annual Report 2018/2019, Our Engagement with Stakeholders; Sustainability Website 2018/2019, How We Engage
102-44	Key topics and concerns raised	Annual Report 2018/2019, Our Engagement with Stakeholders; Sustainability Website 2018/2019, How We Engage
Reporting Practice		
102-45	Entities included in the consolidated financial statements	Annual Report 2018/2019, Consolidated Financial Statements Note 32; Sustainability Website 2018/2019, About Our Reports
102-46	Defining report content and topic Boundaries	Annual Report 2018/2019, inside front cover page; Sustainability Website 2018/2019, About Our Reports
102-47	List of material topics	Annual Report 2018/2019, inside front cover page; Sustainability Website 2018/2019, About Our Reports
102-48	Restatements of information	There are no restatements of information.
102-49	Changes in reporting	There are no significant changes in reporting.
102-50	Reporting period	Annual Report 2018/2019, inside front cover page; Sustainability Website 2018/2019, About Our Reports
102-51	Date of most recent report	June 2018
102-52	Reporting cycle	Annual Report 2018/2019, inside front cover page; Sustainability Website 2018/2019, About Our Reports
102-53	Contact point for questions regarding the report	Annual Report 2018/2019, inside back cover page
102-54	Claims of reporting in accordance with the GRI Standards	Annual Report 2018/2019, Governance, Disclosures and Financial Statements, GRI Standards; Sustainability Website 2018/2019, About Our Reports
102-55	GRI Content Index	Annual Report 2018/2019, Governance, Disclosures and Financial Statements, GRI Standards; Sustainability Website 2018/2019, About Our Reports
102-56	External assurance	Annual Report 2018/2019, HKQAA Assurance Statement

Disclosure Number	Disclosure Title	References
GRI 103: Management Approach 2016		
103-1	Explanation of the material topic and its Boundary	Annual Report 2018/2019, inside front cover page; Sustainability Website 2018/2019, About Our Reports
103-2	The management approach and its components	Annual Report 2018/2019, Letter by the Chief Executive Officer; Corporate Website 2018/2019, Corporate Governance
103-3	Evaluation of the management approach	Annual Report 2018/2019, Message from the Chairman, Letter by the Chief Executive Officer; Corporate Website 2018/2019, Corporate Profile, Leadership, Corporate Governance; Sustainability Website 2018/2019, Governance, Policies and Procedures
Economic Standards		
GRI 201: Economic Performance		
201-1	Direct economic value generated and distributed	Annual Report 2018/2019, Strategic Priority 1 – Build a Productive Portfolio
201-2	Financial implications and other risks and opportunities due to climate change	Annual Report 2018/2019, Strategic Priority 1 – Build a Productive Portfolio; Response to Evolving Trends, Our Commitment to Risk Management; Sustainability Website 2018/2019, Our Approach and Performance
201-3	Defined benefit plan obligations and other retirement plans	Annual Report 2018/2019, Governance, Disclosures and Financial Statements, Corporate Governance Report
201-4	Financial assistance received from government	Not applicable. No material financial assistance received from government.
GRI 202: Market Presence		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	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.
202-2	Proportion of senior management hired from the local community	The majority of our senior management are drawn from the local community.
GRI 203: Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	Annual Report 2018/2019, Letter by the Chief Executive Officer, Strategic Priority 1 – Build a Productive Portfolio; Corporate Website 2018/2019, Our Business
203-2	Significant indirect economic impacts	Annual Report 2018/2019, Letter by the Chief Executive Officer, Strategic Priority 1 – Build a Productive Portfolio; Sustainability Website 2018/2019, About Our Reports, Commitments and Signatories
GRI 204: Procurement Practices		
204-1	Proportion of spending on local suppliers	Annual Report 2018/2019, Regulatory and Compliance
GRI 205: Anti-corruption		
205-1	Operations assessed for risks related to corruption	Sustainability Website 2018/2019, Governance, Policies and Procedures, Commitments and Signatories
205-2	Communication and training about anti-corruption policies and procedures	Sustainability Website 2018/2019, Governance, Policies and Procedures, Commitments and Signatories
205-3	Confirmed incidents of corruption and actions taken	No incidents of corruption and actions have been taken.
GRI 206: Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No incidents of legal actions for anti-competitive behaviour have been identified.

Disclosure Number	Disclosure Title	References
Environmental Standards		
GRI 301: Materials		
301-1	Materials used by weight or volume	N/A
301-2	Recycled input materials used	N/A
301-3	Reclaimed products and their packaging materials	N/A
GRI 302: Energy		
302-1	Energy consumption within the organization	Annual Report 2018/2019, Visionary Creativity, Strategic Priority 4 – Help Our Communities Flourish; Sustainability Website 2018/2019, Our Approach and Performance
302-2	Energy consumption outside of the organization	Link does not have tenant energy or water data as they are billed directly from the service providers. However, we recognise the impact and influence Link has on helping tenants minimise their environmental footprints.
302-3	Energy intensity	Annual Report 2018/2019, Visionary Creativity, Strategic Priority 4 – Help Our Communities Flourish; Sustainability Website 2018/2019, Our Approach and Performance
302-4	Reduction of energy consumption	Annual Report 2018/2019, Visionary Creativity, Strategic Priority 4 – Help Our Communities Flourish; Sustainability Website 2018/2019, Our Approach and Performance
302-5	Reductions in energy requirements of products and services	Annual Report 2018/2019, Visionary Creativity, Strategic Priority 4 – Help Our Communities Flourish; Sustainability Website 2018/2019, Our Approach and Performance
GRI 303: Water and Effluents		
303-1	Interactions with water as a shared resource	Water usage is mainly for domestic use purposes at our properties, and our operations do not produce hazardous waste or effluent streams. Sustainability Website 2018/2019, Our Approach and Performance
303-2	Management of water discharge-related impacts	Water usage is mainly for domestic use purposes at our properties, and our operations do not produce hazardous waste or effluent streams. Sustainability Website 2018/2019, Our Approach and Performance
303-3	Water withdrawal	Water usage is mainly for domestic use purposes at our properties, and our operations do not produce hazardous waste or effluent streams. Sustainability Website 2018/2019, Our Approach and Performance
303-4	Water discharge	Water usage is mainly for domestic use purposes at our properties, and our operations do not produce hazardous waste or effluent streams. Sustainability Website 2018/2019, Our Approach and Performance
303-5	Water consumption	Sustainability Website 2018/2019, Our Approach and Performance
GRI 304: Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None of our operations sites are in or adjacent to protected areas and areas of high biodiversity value outside protected areas.
304-2	Significant impacts of activities, products, and services on biodiversity	None of our operations have significant impacts of activities, products and services on biodiversity, as we do not operate in or adjacent to protected areas.
304-3	Habitats protected or restored	None of our operations sites are in or adjacent to protected areas and habitats that are protected or restored.
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	None of our operations sites are in or adjacent to protected areas.

Disclosure Number	Disclosure Title	References
GRI 305: Emissions		
305-1	Direct (Scope 1) GHG emissions	Sustainability Website 2018/2019, Our Approach and Performance, Data Table
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Website 2018/2019, Our Approach and Performance, Data Table
305-3	Other indirect (Scope 3) GHG emissions	Sustainability Website 2018/2019, Our Approach and Performance, Data Table
305-4	GHG emissions intensity	Sustainability Website 2018/2019, Our Approach and Performance, Data Table
305-5	Reduction of GHG emissions	Sustainability Website 2018/2019, Our Approach and Performance, Data Table
305-6	Emissions of ozone-depleting substances (ODS)	Our business operation produces limited hazardous waste.
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Our business operation produces limited amounts of nitrogen oxides, sulphur oxides and other significant air emissions.
GRI 306: Effluents and Waste		
306-1	Water discharge by quality and destination	Sustainability Website 2018/2019, Our Approach and Performance
306-2	Waste by type and disposal method	Annual Report 2018/2019, Visionary Creativity, Strategic Priority 4 – Help Our Communities Flourish, Sustainability Website 2018/2019, Our Approach and Performance
306-3	Significant spills	Our business operation did not have any significant spills .
306-4	Transport of hazardous waste	Our business operation produces limited hazardous waste.
306-5	Water bodies affected by water discharges and/or runoff	Our business operation produces limited water bodies that are affected by water discharges and/or runoff.
GRI 307: Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	We comply with environmental laws and regulations where we operate. Sustainability Website 2018/2019, Governance, Policies and Procedures
GRI 308: Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	Sustainability Website 2018/2019, Governance, Policies and Procedures, Suppliers/Contractor's Code of Conduct
308-2	Negative environmental impacts in the supply chain and actions taken	No negative environmental impacts in the supply chain and actions taken.
Social Standards		
GRI 401: Employment		
401-1	New employee hires and employee turnover	Annual Report 2018/2019, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Our Approach and Performance
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Annual Report 2018/2019, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Our Approach and Performance
401-3	Parental leave	Sustainability Website 2018/2019, Our Approach and Performance, Data Table

Disclosure Number	Disclosure Title	References
GRI 402: Labor/Management Relations		
402-1	Minimum notice periods regarding operational changes	We notify our employees regarding any significant managerial or operational changes as soon as possible.
GRI 403: Occupational Health and Safety		
403-1	Occupational health and safety management system	Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance
403-2	Hazard identification, risk assessment, and incident investigation	Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance
403-3	Occupational health services	Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance
403-4	Worker participation, consultation, and communication on occupational health and safety	Annual Report 2018/2019, Our Engagement with Stakeholders; Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance, How We Engage
403-5	Worker training on occupational health and safety	Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance
403-6	Promotion of worker health	Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance, Data Table
403-8	Workers covered by an occupational health and safety management system	Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance, Data Table
403-9	Work-related injuries	Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance, Data Table
403-10	Work-related ill health	Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance
GRI 404: Training and Education		
404-1	Average hours of training per year per employee	Annual Report 2018/2019, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Our Approach and Performance, Data Table
404-2	Programs for upgrading employee skills and transition assistance programs	Annual Report 2018/2019, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Our Approach and Performance
404-3	Percentage of employees receiving regular performance and career development reviews	All employees have regular performance and career development plans and reviews.
GRI 405: Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Annual Report 2018/2019, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Our Approach and Performance, Data Table
405-2	Ratio of basic salary and remuneration of women to men	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.

Disclosure Number	Disclosure Title	References
GRI 406: Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	No incidents of discrimination and corrective actions taken.
GRI 407: Freedom of Association and Collective Bargaining		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	No operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk.
GRI 408: Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	No incidents of child labour identified. Sustainability Website 2018/2019, Governance, Policies and Procedures, Commitments and Signatories
GRI 409: Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	No operations and suppliers identified as having significant risk for incidents of forced or compulsory labour. Sustainability Website 2018/2019, Governance, Policies and Procedures, Commitments and Signatories
GRI 410: Security Practices		
410-1	Security personnel trained in human rights policies or procedures	100% of our security personnel was trained in the organisation's human rights policies and procedures relevant to our operations.
GRI 411: Rights of Indigenous Peoples		
411-1	Incidents of violations involving rights of indigenous peoples	No incidents of violations involving rights of indigenous peoples.
GRI 412: Human Rights Assessment		
412-1	Operations that have been subject to human rights reviews or impact assessments	None of our operations have been subjected to human rights reviews or impact assessments. Sustainability Website 2018/2019, Governance, Policies and Procedures, Commitments and Signatories
412-2	Employee training on human rights policies or procedures	Sustainability Website 2018/2019, Governance, Policies and Procedures, Commitments and Signatories
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Sustainability Website 2018/2019, Governance, Policies and Procedures, Commitments and Signatories
GRI 413: Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	Annual Report 2018/2019, Our Engagement with Stakeholders, Strategic Priority 4 – Help Our Communities Flourish; Corporate Website 2018/2019, About Us, Community; Sustainability Website 2018/2019, Our Approach and Performance, How We Engage, Link Together Initiatives
413-2	Operations with significant actual and potential negative impacts on local communities	None of our operations have significant actual and potential negative impacts on local communities.
GRI 414: Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	Sustainability Website 2018/2019, Governance, Policies and Procedures, Suppliers/Contractor's Code of Conduct
414-2	Negative social impacts in the supply chain and actions taken	No negative social impacts in the supply chain or actions have been taken.

Disclosure Number	Disclosure Title	References
GRI 415: Public Policy		
415-1	Political contributions	No political contributions by country and recipient/beneficiary.
GRI 416: Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	Annual Report 2018/2019, Visionary Creativity, Strategic Priority 4 – Help Our Communities Flourish; Sustainability Website 2018/2019, Our Approach and Performance
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of non-compliance identified.
GRI 417: Marketing and Labeling		
417-1	Requirements for product and service information and labeling	Annual Report 2018/2019, Visionary Creativity, Strategic Priority 4 – Help Our Communities Flourish; Sustainability Website 2018/2019, Our Approach and Performance
417-2	Incidents of non-compliance concerning product and service information and labeling	No incidents of non-compliance identified.
417-3	Incidents of non-compliance concerning marketing communications	No incidents of non-compliance identified.
GRI 418: Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No incidents of substantiated complaints identified in relation to customer privacy.
GRI 419: Socioeconomic Compliance		
419-1	Non-compliance with laws and regulations in the social and economic area	No non-compliance with laws and regulations in the social and economic area has been identified.

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APPENDIX 27

A. Environmental		"Comply or explain" Provisions
Aspect A1: Emissions		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p> <p>Note: Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations.</p> <p>Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.</p> <p>Hazardous wastes are those defined by national regulations.</p>	<p>✓ Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance</p>
PI A1.1	The types of emissions and respective emissions data.	<p>✓ The types of emissions our business operation produces is not significant. Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance, Data Tables</p>
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<p>✓ Sustainability Website 2018/2019, Our Approach and Performance, Data Tables</p>
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<p>N/A Our business operation produces limited hazardous waste. Sustainability Website 2018/2019, Our Approach and Performance; Waste Management, Data Tables</p>
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<p>✓ Sustainability Website 2018/2019, Our Approach and Performance; Waste Management, Data Tables</p>
KPI A1.5	Description of measures to mitigate emissions and results achieved.	<p>✓ Sustainability Website 2018/2019, Our Approach and Performance; Waste Management, Data Tables</p>
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	<p>✓ Annual Report 2018/2019, Strategic Priority 4 – Helping Our Communities Flourish; Sustainability Website 2018/2019, Our Approach and Performance; Waste Management, Data Tables</p>

A. Environmental		"Comply or explain" Provisions	
Aspect A2: Use of Resources			
General Disclosure	<p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	✓	Sustainability Website 2018/2019, Governance, Policies and Procedures
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	✓	Annual Report 2018/2019, Visionary Creativity, Strategic Priority 4 – Help Our Communities Flourish; Sustainability Website 2018/2019, Our Approach and Performance; Sustainability in Numbers, Engaging Tenants to Save Energy, Data Tables
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	✓	Sustainability Website 2018/2019, Our Approach and Performance; Water Management; Sustainability in Numbers, Data Tables
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	✓	Annual Report 2018/2019, Strategic Priority 4 – Help Our Communities Flourish; Sustainability Website 2018/2019, Our Approach and Performance; Sustainability in Numbers, Engaging Tenants to Save Energy
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	N/A	Sustainability Website 2018/2019, Our Approach and Performance; Water Management; Sustainability in Numbers, Data Tables
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A	We do not manufacture any products.
Aspect A3: The Environment and Natural Resources			
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	✓	Sustainability Website 2018/2019, Governance, Policies and Procedures
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	✓	Sustainability Website 2018/2019, Our Approach and Performance

B. Social		Recommended Disclosures
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare</p>	✓ Annual Report 2018/2019, Culture of Excellence, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	✓ Annual Report 2018/2019, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Our Approach and Performance; Sustainability in Numbers, Data Table
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	✓ Annual Report 2018/2019, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Our Approach and Performance; Sustainability in Numbers, Data Table
Aspect B2: Health and Safety		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to providing a safe working environment and protecting employees from occupational hazards.</p>	✓ Annual Report 2018/2019, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance
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 2018/2019, Our Approach and Performance; Sustainability in Numbers, Data Tables
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	✓ Annual Report 2018/2019, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Our Approach and Performance
Aspect B3: Development and Training		
General Disclosure	<p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p> <p>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</p>	✓ Annual Report 2018/2019, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	✓ Annual Report 2018/2019, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Our Approach and Performance; Sustainability in Numbers, Data Table
KPI B3.2	The average training hours completed per employee by gender and employee category.	✓ Annual Report 2018/2019, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Our Approach and Performance; Sustainability in Numbers, Data Table

B. Social		Recommended Disclosures
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	✓ Annual Report 2018/2019, Strategic Priority 3 – Develop a Strong Team; Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance
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 includes our supply chain. Sustainability Website 2018/2019, Governance, Policies and Procedures
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 includes our supply chain. Sustainability Website 2018/2019, Governance, Policies and Procedures
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	✓ Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance, How We Engage
KPI B5.1	Number of suppliers by geographical region.	✓ Sustainability Website 2018/2019, Our Approach and Performance; Sustainability in Numbers, Data Tables
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	✓ Sustainability Website 2018/2019, Governance, Policies and Procedures, Our Approach and Performance, How We Engage
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	N/A This is not applicable to Link, we do not manufacture products.
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A This is not applicable to Link, we do not manufacture products.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	N/A This is not applicable to Link, we do not manufacture products.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	N/A This is not applicable to Link, we do not manufacture products.

B. Social		Recommended Disclosures
KPI B6.4	Description of quality assurance process and recall procedures.	N/A This is not applicable to Link, we do not manufacture products.
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	N/A This is not applicable to Link, we do not manufacture products.
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	✓ Link has strict policy against bribery, extortion, fraud and money-laundering. Annual Report 2018/2019, Corporate Governance Report; Sustainability Website 2018/2019, Governance, Policies and Procedures
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	✓ In 2018/2019, we had no legal cases regarding corrupt practice.
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	✓ Annual Report 2018/2019, Corporate Governance Report; Sustainability Website 2018/2019, Governance, Policies and Procedures
Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	✓ Annual Report 2018/2019, Our Engagement with Stakeholders, Visionary Creativity, Strategic Priority 4 – Help Our Communities Flourish; Sustainability Website 2018/2019, How We Engage, Link Together Initiatives
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	✓ Annual Report 2018/2019, Strategic Priority 4 – Help Our Communities Flourish; Sustainability Website 2018/2019, Link Together Initiatives
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	✓ Annual Report 2018/2019, Strategic Priority 4 – Help Our Communities Flourish; Sustainability Website 2018/2019, Link Together Initiatives

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.

Human Rights	
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2	make sure that they are not complicit in human rights abuses.
Labour	
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4	the elimination of all forms of forced and compulsory labour;
Principle 5	the effective abolition of child labour; and
Principle 6	the elimination of discrimination in respect of employment and occupation.
Environment	
Principle 7	Businesses should support a precautionary approach to environmental challenges;
Principle 8	undertake initiatives to promote greater environmental responsibility; and
Principle 9	encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.

Five Year Performance Summary

Financial Data

	Year ended 31 March 2019 HK\$'M	Year ended 31 March 2018 HK\$'M	Year ended 31 March 2017 HK\$'M	Year ended 31 March 2016 HK\$'M	Year ended 31 March 2015 HK\$'M
Consolidated income statement					
Revenue	10,037	10,023	9,255	8,740	7,723
Property operating expenses	(2,348)	(2,360)	(2,261)	(2,227)	(2,054)
Net property income	7,689	7,663	6,994	6,513	5,669
General and administrative expenses	(405)	(417)	(342)	(368)	(437)
Change in fair values of investment properties	12,269	35,493	11,494	11,263	22,699
Gains on disposals of investment properties	2,761	7,306	1,387	396	445
Interest income	85	19	4	6	32
Finance costs	(598)	(665)	(567)	(508)	(359)
Profit before taxation and transactions with Unitholders	21,801	49,399	18,970	17,302	28,049
Taxation	(1,359)	(1,420)	(1,057)	(953)	(819)
Profit for the year, before transactions with Unitholders	20,442	47,979	17,913	16,349	27,230
Distributions paid to Unitholders	(5,517)	(5,254)	(4,898)	(4,368)	(4,030)
	14,925	42,725	13,015	11,981	23,200
Represented by:					
Change in net assets attributable to Unitholders, excluding issues of new units and units bought back	13,260	44,609	12,461	11,404	23,217
Amount arising from exchange reserve and cash flow hedging reserve movements	1,552	(2,102)	352	523	(17)
Non-controlling interest	113	218	202	54	-
	14,925	42,725	13,015	11,981	23,200
Consolidated statement of distributions					
Profit for the year, before transactions with Unitholders attributable to Unitholders	20,329	47,761	17,711	16,295	27,230
Adjustments:					
- Change in fair values of investment properties attributable to Unitholders	(12,151)	(35,270)	(11,290)	(11,209)	(22,699)
- Deferred taxation on change in fair values of investment properties attributable to Unitholders	250	368	73	24	-
- Change in fair values of financial instruments	90	-	-	-	-
- Other non-cash income	(87)	(122)	(107)	(101)	(46)
- Gains on disposals of investment properties, net of transaction costs	(2,761)	(7,306)	(1,312)	(375)	(421)
- Depreciation charge on investment properties under China Accounting Standards	-	(150)	(83)	(67)	-
Discretionary distribution	53	150	83	67	128
Total distributable amount	5,723	5,431	5,075	4,634	4,192
Distribution per unit (HK cents)					
Interim DPU	130.62	121.50	111.75	98.99	89.56
Final DPU	140.55	128.28	116.66	107.19	93.28
Total DPU	271.17	249.78	228.41	206.18	182.84

Financial Data (Continued)

		As at 31 March 2019	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Assets and liabilities						
Investment properties	HK\$'M	218,496	203,091	174,006	160,672	138,383
Other non-current assets	HK\$'M	607	811	669	1,816	934
Current assets, excluding investment properties held for sale	HK\$'M	7,834	12,502	1,265	964	3,827
Total assets	HK\$'M	226,937	216,404	175,940	163,452	143,144
Current liabilities	HK\$'M	8,126	7,225	4,046	4,387	4,880
Non-current liabilities	HK\$'M	29,485	30,111	33,397	31,624	20,158
Total liabilities, excluding net assets attributable to Unitholders	HK\$'M	37,611	37,336	37,443	36,011	25,038
Non-controlling interest	HK\$'M	587	474	256	54	–
Net assets attributable to Unitholders	HK\$'M	188,739	178,594	138,241	127,387	118,106
Interest bearing liabilities to total assets	%	10.7	11.9	15.6	16.5	11.9
Total liabilities to total assets	%	16.6	17.3	21.3	22.0	17.5
Valuation of investment properties	HK\$'M	218,496	203,091	174,006	160,672	138,383
Valuation capitalisation rate						
– Hong Kong (weighted average)	%	4.01	4.01	4.57	4.59	4.61
– Mainland China						
– Retail	%	4.25 – 4.75	4.50 – 4.75	4.50	4.50 – 5.00	N/A
– Office	%	4.25	4.25	4.25	4.00	N/A
Net assets per unit attributable to Unitholders	HK\$	89.48	83.06	62.47	56.79	51.53
Closing price per unit	HK\$	91.80	67.00	54.45	46.00	47.80
Market capitalisation	HK\$'M	193,636	144,054	120,498	103,185	109,547
Premium/(discount) of unit price to net assets per unit attributable to Unitholders	%	2.6	(19.3)	(12.8)	(19.0)	(7.2)
Units in issue		2,109,321,254	2,150,058,972	2,213,002,276	2,243,148,136	2,291,770,269

Portfolio Data

		Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016	Year ended 31 March 2015
Hong Kong Portfolio						
Average monthly unit rent at year end	HK\$ psf	68.0	62.4	55.3	50.0	45.4
Average monthly unit rent excluding self use office, Education/Welfare and Ancillary at year end	HK\$ psf	72.5	66.7	58.9	53.7	48.7
Reversion rate						
– Shops	%	21.0	31.2	23.4	29.0	23.3
– Overall	%	22.5	29.1	23.8	25.9	22.0
Occupancy rate at year end	%	97.1	97.0	96.1	96.0	94.8
Net property income margin	%	76.4	76.4	75.3	74.6	73.4
Number of turnover rent leases (excluding ancillary) at year end		4,380	4,463	4,927	5,250	5,124
Car park income per space per month	HK\$	2,719	2,492	2,239	2,022	1,767
Mainland China Portfolio						
Reversion rate						
– Retail	%	30.2	38.9	32.6	39.1	N/A
– Office	%	23.8	13.3	10.8	12.8	N/A
Occupancy rate at year end						
– Retail	%	98.5	99.5	99.6	99.5	N/A
– Office	%	95.5	99.3	100.0	100.0	N/A
Performance Data						
The highest premium of the traded price to net assets per unit attributable to Unitholders (Note (i))	HK\$	2.77	N/A	N/A	N/A	2.12
The highest discount of the traded price to net assets per unit attributable to Unitholders (Note (i))	HK\$	(23.68)	(28.86)	(17.37)	(16.29)	(14.13)
Net yield per unit (Note (ii))	%	3.0	3.7	4.2	4.5	3.8
Net yield per unit on listing price of HK\$10.30 per unit	%	26.3	24.3	22.2	20.0	17.8

Notes:

- (i) The highest premium and discount are calculated based on the highest and lowest traded prices of HK\$92.25 (2018: HK\$75.00) and HK\$65.80 (2018: HK\$54.20) respectively on The Stock Exchange of Hong Kong Limited during the year.
- (ii) Net yield per unit is calculated based on distribution per unit for the year ended 31 March 2019 of HK271.17 cents (2018: HK249.78 cents) over the closing price as at 31 March 2019 of HK\$91.80 (2018: HK\$67.00).

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 2,109,321,254 Units in issue as at 31 March 2019. 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 2019	3 June 2019
Ex-final distribution date	19 June 2019
Closure of register of Unitholders (for final cash distribution) ⁽¹⁾	21 June to 25 June 2019 (both days inclusive)
Record date for final cash distribution	25 June 2019
Final cash distribution payment date	4 July 2019
Closure of register of Unitholders (for the 2019 AGM) ⁽²⁾	19 July to 24 July 2019 (both days inclusive)
2019 AGM	24 July 2019
Interim results announcement for the six months ending 30 September 2019	November 2019

Notes:

- (1) In order to qualify for the final cash distribution of HK140.55 cents per Unit for the year ended 31 March 2019, 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 20 June 2019.
- (2) In order for Unitholders to be eligible to attend and vote at the 2019 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 18 July 2019.

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

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Customer Service Contact

Hotline: (852) 2122 9000

Websites

Linkreit.com (corporate website)

Linkhk.com (customer website)

Mobile App



Index Inclusion

Link is a component of the following selected indices:

Dow Jones Sustainability Asia Pacific Index

FTSE4Good Index Series

FTSE Global Equity Index Series

FTSE Global Minimum Variance Index Series

FTSE EPRA⁽²⁾ NAREIT⁽³⁾ Index Series

FTSE RAFI Index Series

Russell RAFI Index Series

GPR⁽⁴⁾ 250 (World) Index

GPR⁽⁴⁾ 250 Asia Index

GPR⁽⁴⁾ 250 Asia Pacific Index

GPR⁽⁴⁾ 250 Hong Kong Index

GPR⁽⁴⁾ 250 REIT (World) Index

GPR⁽⁴⁾ 250 REIT Asia Index

GPR⁽⁴⁾ 250 REIT Asia Pacific Index

GPR⁽⁴⁾ 250 REIT Hong Kong Index

GPR⁽⁴⁾ General (World) Index

GPR⁽⁴⁾ General Asia Index

GPR⁽⁴⁾ General Hong Kong Index

GPR⁽⁴⁾ General Quoted (World) Index

GPR⁽⁴⁾ General Quoted Asia Index

GPR⁽⁴⁾ General Quoted Hong Kong Index

GPR⁽⁴⁾ Global 100 Index

GPR⁽⁴⁾ IPCM LFFS Sustainable GRES Index

Hang Seng Index

Hang Seng REIT Index

Hang Seng Corporate Sustainability Index

MSCI⁽⁵⁾ All Country World Index

MSCI⁽⁵⁾ All Country Asia Pacific ex-Japan Index

MSCI⁽⁵⁾ World Index

MSCI⁽⁵⁾ Hong Kong Index

GPR⁽⁴⁾ / APREA⁽⁶⁾ Composite Index

GPR⁽⁴⁾ / APREA⁽⁶⁾ Composite Hong Kong Index

GPR⁽⁴⁾ / APREA⁽⁶⁾ Composite REIT Index

GPR⁽⁴⁾ / APREA⁽⁶⁾ Composite REIT Hong Kong Index

GPR⁽⁴⁾ / APREA⁽⁶⁾ Investable 100 Index

GPR⁽⁴⁾ / APREA⁽⁶⁾ Investable 100 Hong Kong Index

GPR⁽⁴⁾ / APREA⁽⁶⁾ Investable REIT 100 Index

Notes:

- (1) Effective from 1 July 2019, the registered office of the Manager will be changed to 20/F., Tower 1, The Quayside, 77 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong
- (2) European Public Real Estate Association
- (3) National Association of Real Estate Investment Trusts
- (4) Global Property Research
- (5) Morgan Stanley Capital International
- (6) Asia Pacific Real Estate Association

Definitions and Glossary

2007 LTI Plan	the long-term incentive plan of Link adopted by Unitholders on 23 July 2007 and expired on 22 July 2017
2017 LTI Scheme	the long-term incentive scheme of Link adopted by the Board on 10 July 2017
2018 AGM	the annual general meeting of Unitholders held on 25 July 2018
2019 AGM	the annual general meeting of Unitholders scheduled to be held on 24 July 2019
Articles	articles of association of the Manager
average monthly unit rent	the average base rent plus management fee per month per square foot of leased area
Award	Restricted Unit Award(s), or Conditional Cash Award(s), or a combination of both granted under the 2017 LTI Scheme
base rent	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
Board	board of Directors of the Manager
Board Committees	the committees of the Board to discharge the duties set out in their respective terms of reference as approved by the Board which, as at the date of this report, include the Audit and Risk Management Committee, the Nomination Committee, the Remuneration Committee, and the Finance and Investment Committee, and “ Board Committee ” refers to any one of them
CEO	Chief Executive Officer of the Manager
CFO	Chief Financial Officer of the Manager
Chairman	Chairman of the Board (unless the context requires otherwise)
China or Mainland China or PRC	The People’s Republic of China and if the context requires, exclude Hong Kong
Compliance Manual	the compliance manual of the Manager which sets out (among others) the key processes, systems and measures in respect of Link’s operations and the corporate governance policy of Link
Conditional Cash Award	conditional right to receive cash payment(s) granted to a participant in accordance with the rules of the 2017 LTI Scheme and the relevant grant letter(s)
COO	Chief Operating Officer of the Manager
CSO	Chief Strategy Officer of the Manager
DCF	discounted cash flow
Director(s)	director(s) of the Manager
DPU	distribution per unit in respect of the total distributable amount of Link for a financial year/period

ED(s)	Executive Director(s) of the Manager (unless the context requires otherwise)
ESG	environmental, social and governance
EUPP	employee unit purchase plan, pursuant to which an eligible employee who meets the prescribed criteria is entitled to subsidy from the Manager for purchasing, through an independent third party intermediary, Units of Link in the open market in accordance with the rules of the plan
GAV Cap	10% of Link's gross asset value (and as calculated in the manner set out in the Trust Deed) as a cap to property development activities of Link under the REIT Code
Group	Link and its subsidiaries (unless the context requires otherwise)
Hong Kong or HKSAR	Hong Kong Special Administrative Region of the PRC
Hong Kong Stock Exchange or Stock Exchange or SEHK	The Stock Exchange of Hong Kong Limited
INED(s)	Independent Non-Executive Director(s) of the Manager (unless the context requires otherwise)
KPI(s)	Key Performance Indicator(s)
KRI	Key Risk Indicators
lease	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
LEED-EBOM	LEED for Existing Buildings: Operations and Maintenance
Link or Link REIT	Link Real Estate Investment Trust
Link Corporate Governance Policy	the corporate governance policy set out in the Compliance Manual
Link Securities Dealing Code	the code governing dealings in securities of Link by Directors and senior management of the Manager
Listing Rules	Rules Governing the Listing of Securities on the Stock Exchange
Listing Rules Corporate Governance Code	Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules
Long-term Incentive Schemes	2007 LTI Plan and 2017 LTI Scheme
Manager	Link Asset Management Limited, which is the manager of Link

market capitalisation	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
Maximum Cap	25% of Link's gross asset value (and as calculated in the manner set out in the Trust Deed) as a cap to the total sum of: (i) Link's aggregate development costs (has the meaning ascribed to it in the Trust Deed) and (ii) the combined value of the Relevant Investments together with other non-real estate assets of Link calculated in accordance with the REIT Code
MTN	note(s) issued or to be issued from time to time pursuant to the Guaranteed Euro Medium Term Note Programme established by The Link Finance (Cayman) 2009 Limited (a wholly-owned subsidiary of Link) in May 2009
NED	Non-Executive Director of the Manager (unless the context requires otherwise)
NGO(s)	Non-governmental organisation(s)
NPI	net property income, being total revenue less direct property related expenses
occupancy rate	the aggregated leased area as a percentage of total leasable area
Principal Valuer	the Principal Valuer (as defined in the REIT Code) of Link, which is currently Jones Lang LaSalle Limited
psf	per square foot
REIT(s)	real estate investment trust(s)
REIT Code	Code on Real Estate Investment Trusts issued by the SFC
Relevant Investments	the financial instruments permissible from time to time under the REIT Code for Link to invest in, including (without limitation): (i) securities listed on the Stock Exchange or other internationally recognised stock exchanges; (ii) unlisted debt securities; (iii) government and other public securities; and (iv) local or overseas property funds
Restricted Unit Award	conditional right to receive Units granted to a participant in accordance with the rules of the 2017 LTI Scheme and the relevant grant letter
return on investment	projected NPI post asset enhancement minus NPI pre asset enhancement divided by the estimated amount of project capital expenditure and loss of rental
reversion rate	the percentage change in per square foot average unit rent between old and new leases on the same unit
RMB	Renminbi, the lawful currency of the PRC
SFC	Securities and Futures Commission of Hong Kong
SFO	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
Significant holder or Significant Unitholder	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)
SPV(s)	special purpose vehicle(s) (within the meaning of the REIT Code and the Trust Deed)
sq ft	square feet

tenant	a lessee, a tenant or a licensee (as the case may be) under a lease
total distributable amount	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
total distributable income	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
Trust Deed	the trust deed dated 6 September 2005 between the Trustee and the Manager constituting Link, as amended and supplemented by 12 supplemental deeds
Trustee	trustee of Link, which is currently HSBC Institutional Trust Services (Asia) Limited
turnover rent	rent calculated and charged by reference to a pre-determined percentage of a tenant's gross sales turnover in excess of the base rent
Unit(s)	unit(s) of Link (unless the context requires otherwise)
Unitholder(s)	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 Operating Officer)

Non-Executive Director

Ian Keith GRIFFITHS

Independent Non-Executive Directors

Christopher John BROOKE⁽¹⁾

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⁽²⁾

Elaine Carole YOUNG

Chief Financial Officer of the Manager

NG Kok Siong

Company Secretary of the Manager

Ricky CHAN Ming Tak

Responsible Officers of the Manager⁽³⁾

George Kwok Lung HONGCHOY

Andy CHEUNG Lee Ming

Eric YAU Siu Kei

Christine CHAN Suk Han

Authorised Representatives⁽⁴⁾

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⁽⁵⁾

33/F., AXA Tower, Landmark East,

100 How Ming Street,

Kwun Tong, Kowloon,

Hong Kong

Town Office of the Manager

Suite 3004, 30/F.,

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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) Appointed on 1 May 2018

(2) Retired on 13 August 2018

(3) Required by the SFO

(4) Required by the Listing Rules

(5) Effective from 1 July 2019, the registered office of the Manager will be changed to 20/F., Tower 1, The Quayside, 77 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong

Link Real Estate Investment Trust
Linkreit.com

