

The Link Management Limited 領匯管理有限公司

Manager of The Link REIT

28 May 2014

Panel on Housing  
Legislative Council  
Legislative Council Complex  
1 Legislative Council Road  
Central  
Hong Kong

**Attention: Ms Miranda Hon**

Dear Ms Hon,

**Panel on Housing  
Meeting on 3 June 2014**

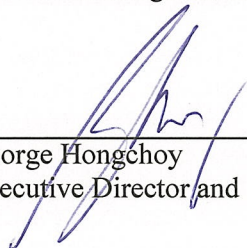
I refer to your letter dated 16 May 2014 inviting me and representatives of The Link Management Limited to the Panel on Housing's meeting on 3 June 2014 to discuss the subject of "Proposed sale of properties by The Link Management Limited ("the Link") and related issues". I regret to inform you that we are unable to attend the meeting on 3 June, the day before The Link REIT's final results announcement, which under the Hong Kong Stock Exchange Listing Rules we cannot discuss or divulge information in our final result announcement before it is published.

As for the concerns raised by the Panel, we would like to provide the following information for Members' reference. As the owner-manager of The Link REIT's portfolios, The Link Management Limited is committed to reviewing the performance of our portfolio mix from time to time with the view to further enhancing operational efficiency.

Following the announcement made on 12 May 2014, our tender was closed on 15 May 2014 and, as announced on 20 May 2014, we have accepted tenders to dispose of the Hing Tin property, the Kwai Hing property, the Tung Hei property and the Wah Kwai property. A copy of the announcement we made on 20 May 2014 is attached for Members' information.

Should you have any queries, please feel free to telephone our Mr Poon Kai Tik, Director (Government & Community Engagement), on 2175 1905.

Yours faithfully,  
For and on behalf of  
The Link Management Limited



George Hongchoy  
Executive Director and Chief Executive Officer

Attachment: The Link's announcement published on 20 May 2014

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## **The Link Real Estate Investment Trust**

*(a collective investment scheme authorised under section 104  
of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))*  
**(stock code: 823)**

### **DISPOSAL OF PROPERTIES**

Reference is made to the clarification announcement of The Link REIT dated 12 May 2014 in relation to the private tender of (i) the Hing Tin Commercial Centre; (ii) the Kwai Hing Shopping Centre; (iii) the Po Hei Court Commercial Centre; (iv) the Retail and Car Park within Tung Hei Court; and (v) the Wah Kwai Shopping Centre, which closed on 15 May 2014.

The Manager is pleased to announce that on 20 May 2014, The Link REIT (through the Vendor) entered into the Accepted Tender Documents in respect of the disposal of the Hing Tin Property, the Kwai Hing Property, the Tung Hei Property and the Wah Kwai Property. Completion of the Disposals shall take place on 31 July 2014.

This announcement is made pursuant to paragraph 10.3 of the REIT Code. The Aggregate Consideration (being HK\$1,239,738,800) represents approximately 1.19% of the total assets of The Link REIT as at 30 September 2013 (as disclosed in the 2013/14 Interim Report), which does not exceed 15% of the gross asset value of The Link REIT as at that date and as shown in the 2013/14 Interim Report. The Manager is satisfied that no Unitholders' approval is required under the REIT Code for the Vendor to accept the Tender Documents submitted by the Purchasers and the respective transactions contemplated thereunder.

Reference is made to the clarification announcement of The Link REIT dated 12 May 2014 in relation to the private tender of (i) the Hing Tin Commercial Centre; (ii) the Kwai Hing Shopping Centre; (iii) the Po Hei Court Commercial Centre; (iv) the Retail and Car Park within Tung Hei Court; and (v) the Wah Kwai Shopping Centre, which closed on 15 May 2014.

The Manager is pleased to announce that on 20 May 2014, the Vendor (which is The Link Properties Limited (a Special Purpose Vehicle wholly owned by The Link REIT)) accepted the Tender Documents submitted by the Purchasers, which constituted binding agreements in respect of the sale and purchase

of the Hing Tin Property, the Kwai Hing Property, the Tung Hei Property and the Wah Kwai Property. Savills (Hong Kong) Limited was appointed by the Manager as the sole agent of the Vendor having been satisfied that it has the requisite expertise and resources in handling the private tender. CBRE Limited (the Principal Valuer of The Link REIT) was appointed to value each of the Properties for the purpose of the Disposals.

To the best of the information, knowledge and belief of the Manager (having made all reasonable enquiries), each of the Purchasers, the Agent, the Principal Valuer (and their respective ultimate beneficial owner(s)) is an Independent Third Party of The Link REIT, and hence none of the Disposals constitute a connected party transaction of The Link REIT under the REIT Code.

Pursuant to the Tender Documents, the Vendor expressly reserved its rights, among other things, to withdraw any property put up for private tender for sale before the acceptance of any tender. Notwithstanding a total number of 13 tenders were received in respect of the Po Hei Court Commercial Centre during the tender period, the Manager decided to withdraw the Po Hei Court Commercial Centre from the private tender for sale as the prices tendered by interested tenderers did not reach a level considered sufficiently attractive to fully reflect the growth potential of the Po Hei Court Commercial Centre.

Having considered the market value of comparable properties mentioned in the Valuation Reports and the Appraised Value of each Property, the Manager has decided to accept the Tender Documents submitted by the Purchasers being the Accepted Tender Documents. The Consideration for each Property represents the highest price tendered for the purchase of the relevant Property. Details of the Purchaser and Consideration for each Disposal, as well as the Appraised Value of the respective Property, is described below.

<b>Property</b>	<b>Purchaser</b>	<b>Consideration in the Accepted Tender Document (HK\$)</b>	<b>Appraised Value as of 31 March 2014 (HK\$)</b>
The Tung Hei Property	Global Universe Investments Limited	72,900,000	43,000,000
The Hing Tin Property	Golden Grand Holdings Limited	210,000,000	188,000,000
The Wah Kwai Property	Smart Essence Development Limited	518,000,000	366,000,000
The Kwai Hing Property	Yan Yan Motors Limited	438,838,800	299,000,000
<b>Total:</b>		<b>1,239,738,800</b>	<b>896,000,000</b>

## SUMMARY OF KEY TERMS OF THE ACCEPTED TENDER DOCUMENTS

Set out below is a summary of the key terms of the Tender Documents submitted by the Purchasers and accepted by the Vendor (being the Accepted Tender Documents). Save for the identities of the Purchasers and the relevant Consideration set out above, the terms and conditions of each Accepted Tender Document are substantially the same. There is no indemnity or guarantee given by the Vendor or the Manager in respect of the Properties, or any deferred payment or payment otherwise than by cash in any of the Accepted Tender Documents.

- Acceptance Date:** 20 May 2014
- Parties:**
- (i) The Link Properties Limited as the Vendor of the relevant Property; and
  - (ii) The respective Purchaser (as purchaser) of the relevant Property.
- Terms of payment:**
- (i) an Initial Deposit was paid by the Purchaser by way of a cashier's order payable to the Vendor at the time the Purchaser submitted the Tender Document;
  - (ii) a further deposit equivalent to a sum of 10% of the Consideration less the Initial Deposit (the Initial Deposit and the further deposit shall, together, represent 10% of the Consideration) shall be paid by the Purchaser to the Vendor by way of a cashier's order on or before 29 May 2014;
  - (iii) the balance of the Consideration, being 90% of the Consideration, shall be paid by the Purchaser to the Vendor on or before the Completion Date; and
  - (iv) If the Purchaser makes default in the payment of any money or any part thereof to be payable, transferred or refunded to the Vendor on the relevant due date(s) under the Accepted Tender Document, the Purchaser shall pay to the Vendor interest on the money or such part thereof as shall for the time being remain unpaid at the rate of 4% per annum over the best lending rate from time to time of The Hongkong and Shanghai Banking Corporation Limited from the date or respective date(s) when the money or any part thereof falls due or becomes payable until the date(s) of payment. Such payment of interest shall be in addition to and shall be without prejudice to any other rights and remedies which the Vendor may have against the Purchaser on account of the Purchaser's default in payment on the due date(s) under the Accepted Tender Document.
- Condition:** The Property is sold subject to and with the benefit of the Tenancies.
- Completion:** There is no condition precedent to the Completion of each of the Disposals, which shall take place on 31 July 2014.

**Termination:**

- (i) If the Purchaser fails to observe or comply with any of the terms and conditions of the Accepted Tender Document, the Vendor may (without tendering an assignment to the Purchaser) terminate the Accepted Tender Document by giving notice of termination in writing to the Purchaser or its solicitors, and the Vendor is entitled to re-enter upon the Property and repossess the same if possession shall have been given to the Purchaser free from any right or interest of the Purchaser therein. The Initial Deposit and further deposit (if already paid by the Purchaser) shall be forfeited by the Vendor absolutely. Upon such determination, the Vendor may resell, let or otherwise deal with the relevant Property or any part(s) thereof either by public auction or by tender or by private contract or partly by one of such methods of sale and partly by another one or more of such methods of sale subject to such stipulations as the Vendor may think fit and any increase in price on resale shall belong to the Vendor. Without prejudice to the Vendor's right to recover the actual loss which may flow from the Purchaser's breach of the Accepted Tender Document, on such resale any deficiency in price shall be made good and all expenses attending such resale or any attempted resale shall be borne by the Purchaser and such deficiency and expenses shall be recoverable by the Vendor credit being given for any amount forfeited or retained as aforesaid.
- (ii) If the Vendor fails to complete the sale of the Property in accordance with the terms of the Accepted Tender Document, it shall not be necessary for the Purchaser to tender an assignment to the Vendor before taking legal proceedings to enforce specific performance of the Accepted Tender Document.

## INFORMATION RELATING TO THE PROPERTIES

### (a) The Tung Hei Property

The Tung Hei Property, completed in 1995, comprises principally a kindergarten on the ground floor of Blocks A & B (King Hei House & Yat Hei House) of Tung Hei Court, No. 38 Yiu Hing Road, and Section A of Shau Kei Wan Inland Lot No. 834 and car parks thereon, and is being held under a government lease for a term from 20 June 1989 to 30 June 2047.

The Appraised Value of the Tung Hei Property at the valuation date of 31 March 2014 was HK\$43,000,000. The occupancy of the retail portion of the Tung Hei Property was 84.9% and 84.9% at 30 September 2013 and 31 March 2013 respectively.

The turnover and net property income of the Tung Hei Property for the financial year ended 31 March 2013 and the six months ended 30 September 2013 are as follows:

	For the financial year ended 31 March 2013 (unaudited)		For the six months ended 30 September 2013 (unaudited)	
	Amount (HK\$'000)	Approx. % of the entire portfolio of The Link REIT (%)	Amount (HK\$'000)	Approx. % of the entire portfolio of The Link REIT (%)
Turnover	3,281	0.05	1,963	0.06
Net Property Income	1,904	0.04	1,381	0.05

As at 30 September 2013, the Tung Hei Property was valued at HK\$35,600,000 by Jones Lang LaSalle Limited (the then Principal Valuer of The Link REIT), which represented approximately 0.04% of the total appraised value of the entire portfolio of The Link REIT at that valuation date.

### (b) The Hing Tin Property

The Hing Tin Property, completed in 1988, comprises principally a 2-storey commercial block (including a market) (Commercial Complex), a 4-storey car park building (Car Park C), a 2-storey car park building (Car Park B), cooked food stalls near to Mei Tin House and Choi Tin House and shop units on the ground floor located within the residential blocks of Mei Tin House and Yan Tin House of Hing Tin Estate, Lamtin, Kowloon, and is being held under a government lease for the residue of the term of 50 years commencing from 8 February 2001.

The Appraised Value of the Hing Tin Property at the valuation date of 31 March 2014 was HK\$188,000,000. The occupancy of the retail portion of the Hing Tin Property was 80.7% and 83.0% at 30 September 2013 and 31 March 2013 respectively.

The turnover and net property income of the Hing Tin Property for the financial year ended 31 March 2013 and the six months ended 30 September 2013 are as follows:

	For the financial year ended 31 March 2013 (unaudited)		For the six months ended 30 September 2013 (unaudited)	
	Amount (HK\$'000)	Approx. % of the entire portfolio of The Link REIT (%)	Amount (HK\$'000)	Approx. % of the entire portfolio of The Link REIT (%)
Turnover	13,407	0.21	7,023	0.20
Net Property Income	7,931	0.17	4,436	0.18

As at 30 September 2013, the Hing Tin Property was valued at HK\$177,300,000 by Jones Lang LaSalle Limited (the then Principal Valuer of The Link REIT), which represented approximately 0.18% of the total appraised value of the entire portfolio of The Link REIT at that valuation date.

### (c) The Wah Kwai Property

The Wah Kwai Property, completed in 1991, comprises principally a 4-storey (including 2 basement levels) commercial / car park building and integrated commercial / car park accommodation, two clinics on the ground floor of Wah Oi House (Block 6), portion of store room on the ground floor of Wah Lim House (Block 3), associated areas, and open car parks in Wah Kwai Estate, No. 3 Wah Kwai Road, Pokfulam, Hong Kong, and is being held under a government lease for the residue of the term of 50 years commencing from 8 April 1998.

The Appraised Value of the Wah Kwai Property at the valuation date of 31 March 2014 was HK\$366,000,000. The occupancy of the retail portion of the Wah Kwai Property was 86.6% and 85.8% at 30 September 2013 and 31 March 2013 respectively.

The turnover and net property income of the Wah Kwai Property for the financial year ended 31 March 2013 and the six months ended 30 September 2013 are as follows:

	For the financial year ended 31 March 2013 (unaudited)		For the six months ended 30 September 2013 (unaudited)	
	Amount (HK\$'000)	Approx. % of the entire portfolio of The Link REIT (%)	Amount (HK\$'000)	Approx. % of the entire portfolio of The Link REIT (%)
Turnover	27,279	0.42	14,356	0.41
Net Property Income	17,073	0.37	9,305	0.37



As at 30 September 2013, the Wah Kwai Property was valued at HK\$326,200,000 by Jones Lang LaSalle Limited (the then Principal Valuer of The Link REIT), which represented approximately 0.32% of the total appraised value of the entire portfolio of The Link REIT at that valuation date.

**(d) The Kwai Hing Property**

The Kwai Hing Property, completed in 1991, comprises principally a 2-storey commercial building (Commercial Block) and a 3-storey car park building (Car Park Block), certain portions of the ground and second floors of Hing Kok House and various open car parks in Kwai Hing Estate, No. 2 Wo Kwai Lane, Kwai Chung, New Territories, and is being held under a government lease for the residue of the term of 50 years commencing from 24 January 2002.

The Appraised Value of the Kwai Hing Property at the valuation date of 31 March 2014 was HK\$299,000,000. The occupancy of the retail portion of the Kwai Hing Property was 81.6% and 88.3% at 30 September 2013 and 31 March 2013 respectively.

The turnover and net property income of the Kwai Hing Property for the financial year ended 31 March 2013 and the six months ended 30 September 2013 are as follows:

	For the financial year ended 31 March 2013 (unaudited)		For the six months ended 30 September 2013 (unaudited)	
	Amount (HK\$'000)	Approx. % of the entire portfolio of The Link REIT (%)	Amount (HK\$'000)	Approx. % of the entire portfolio of The Link REIT (%)
Turnover	18,084	0.28	9,151	0.26
Net Property Income	13,860	0.30	6,797	0.27

As at 30 September 2013, the Kwai Hing Property was valued at HK\$260,700,000 by Jones Lang LaSalle Limited (the then Principal Valuer of The Link REIT), which represented approximately 0.26% of the total appraised value of the entire portfolio of The Link REIT at that valuation date.

None of the Properties were acquired in less than two years from the Acceptance Date. Each of the Disposals comprises the entire interest of the Vendor in each of the Properties.

**REASONS FOR AND FINANCIAL IMPACTS OF THE DISPOSALS**

The Consideration for each of the Disposals is higher than the Appraised Value of the relevant Property, and thus the Disposals are accretive to the net asset value of The Link REIT. Further, the Disposals will enable the Manager to streamline its operations and allocate resources more efficiently.



A gain of approximately HK\$331.7 million (on the basis of the Aggregate Consideration after deducting therefrom the aggregate of the Expenses and Appraised Value of the Properties) is expected to result from the Disposals which, however, would also lead to a slightly lower net property income and distribution beginning from the financial year ending 31 March 2015. Given the size of the Disposals, such financial impact is expected to be limited. It is also expected that the Disposals will not result in a material change in the level of gearing of The Link REIT, which as at 30 September 2013, was approximately 11.6%.

Pursuant to the Trust Deed, the Manager is entitled to receive the reimbursement of costs and expenses reasonably incurred by it in managing The Link REIT. The Manager and the Trustee will not charge any fee against The Link REIT in connection of the Disposals.

As stated in the 2013/14 Interim Report, the Manager will continue to review and monitor the portfolio performance of The Link REIT in contemplation of enhancing operating efficiency and other opportunities (including disposal of properties) with outlying potential to recycle capital to create further value for the Unitholders.

#### **USE OF PROCEEDS**

The Manager currently intends to use the net proceeds from the Disposals, being approximately HK\$1,227.7 million after netting off the amount of the Expenses from the Aggregate Consideration, for funding potential investment and potential unit buy-back opportunities in the future, as well as for the general working capital purposes of The Link REIT where appropriate. As at the date of the announcement, there is no proposed acquisition of any particular asset by The Link REIT.

#### **IMPLICATIONS UNDER THE REIT CODE**

This announcement is made pursuant to paragraph 10.3 of the REIT Code. The Aggregate Consideration (being HK\$1,239,738,800) represents approximately 1.19% of the total assets of The Link REIT as at 30 September 2013 (as disclosed in the 2013/14 Interim Report), which does not exceed 15% of the gross asset value of The Link REIT as at that date and as shown in the 2013/14 Interim Report. The Manager is satisfied that no Unitholders' approval is required under the REIT Code for the Vendor to accept the Tender Documents submitted by the Purchasers and the respective transactions contemplated thereunder.

To the best knowledge, information and belief of the Manager having made all reasonable enquiries, each of the Purchasers, the Agent, the Principal Valuer (and their respective ultimate beneficial owner(s)) is an Independent Third Party of The Link REIT. Hence, none of the Disposals constitute a connected party transaction of The Link REIT under the REIT Code.

## **OPINIONS OF THE BOARD AND THE TRUSTEE**

The Board (including the independent non-executive Directors) is satisfied that the terms of the Disposals pursuant to the Accepted Tender Documents and the respective transactions contemplated thereunder are at arm's length, on normal commercial terms, and are fair and reasonable and in the interests of The Link REIT and the Unitholders as a whole.

Based on the opinion of the Board and the information and confirmation given by the Manager to the Trustee, the Trustee is satisfied that:

- (i) the Disposals are in compliance with the REIT Code and the Trust Deed; and
- (ii) no Unitholders' approval is required under the REIT Code for the Vendor to accept the Tender Documents submitted by the Purchasers and the respective transactions contemplated thereunder.

## **GENERAL**

### **About The Link REIT and the Manager**

The Link REIT is a collective investment scheme authorised by the SFC and the Units are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 823). HSBC Institutional Trust Services (Asia) Limited is the Trustee of The Link REIT.

The Link REIT, managed by the Manager, currently has a portfolio consisting of properties with an internal floor area of approximately 11 million square feet of retail space and approximately 79,000 car park spaces. After the Disposals, the internal floor area will be reduced to approximately 10.9 million square feet of retail space and the number of car park spaces will be approximately 78,000.

### **About the Purchasers**

According to information provided by each of the Purchasers to the Manager, the Purchasers are real estate investors.

### **Further Announcement(s)**

Further announcement(s) will be made by the Manager in accordance with the REIT Code and upon Completion.

### **Definitions**

In this announcement, unless otherwise stated, the following definitions have the following meanings:

**"2013/14 Interim Report"** the interim report of The Link REIT for the six months ended 30 September 2013

<b>“Agent”</b>	Savills (Hong Kong) Limited, which has been appointed as the sole agent of the Vendor in connection with the Disposals and is an Independent Third Party
<b>“Acceptance Date”</b>	the date of which the Tender Documents being submitted by the Purchasers were accepted by the Vendor which is 20 May 2014
<b>“Accepted Tender Documents”</b>	collectively, (i) the Hing Tin Accepted Tender Document; (ii) the Kwai Hing Accepted Tender Document; (iii) the Tung Hei Accepted Tender Document; and (iv) the Wah Kwai Accepted Tender Document, and the <b>“Accepted Tender Document”</b> means any of them
<b>“Aggregate Consideration”</b>	the aggregate of the Hing Tin Consideration, the Tung Hei Consideration, the Wah Kwai Consideration, and the Kwai Hing Consideration payable by the respective Purchasers to the Vendor in respect of the Disposals pursuant to the terms of the Accepted Tender Documents
<b>“Appraised Value”</b>	the appraised value of each of the Properties as at 31 March 2014, as assessed by the Principal Valuer
<b>“Board”</b>	board of Directors
<b>“Completion”</b>	the completion of the Disposals on the Completion Date pursuant to the terms of the Accepted Tender Documents
<b>“Completion Date”</b>	31 July 2014
<b>“Consideration”</b>	the consideration payable by the Purchaser for the Property in respect of the relevant Disposal pursuant to the terms of the Accepted Tender Document
<b>“Directors”</b>	the directors of the Manager
<b>“Disposals”</b>	collectively, (i) the Hing Tin Disposal; (ii) the Kwai Hing Disposal; (iii) the Tung Hei Disposal; and (iv) the Wah Kwai Disposal
<b>“Expenses”</b>	expenses of approximately HK\$12 million payable by the Vendor in connection with the Disposals comprising commissions payable to the Agent and professional expenses
<b>“HK\$” or “Hong Kong Dollars”</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of The People's Republic of China
<b>“Hong Kong Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited

<b>“Hing Tin Accepted Tender Document”</b>	the Tender Document submitted by the Hing Tin Purchaser in respect of the Hing Tin Property, which was accepted by the Vendor on the Acceptance Date
<b>“Hing Tin Consideration”</b>	the consideration of HK\$210,000,000 for the Hing Tin Disposal
<b>“Hing Tin Disposal”</b>	the sale and purchase of the Hing Tin Property pursuant to the Hing Tin Accepted Tender Document
<b>“Hing Tin Initial Deposit”</b>	an initial deposit of HK\$10,000,000 in respect of the Hing Tin Disposal
<b>“Hing Tin Property”</b>	<p>(a) all those 14,219 equal undivided 149,828th parts or shares of and in ALL THAT piece or parcel of ground registered in the Land Registry as NEW KOWLOON INLAND LOT NO. 6377 And of and in the messuages erections and buildings thereon known at the date hereof as HING TIN ESTATE (興田邨) (the <b>“Hing Tin Building”</b>) TOGETHER with the sole and exclusive right and privilege to hold use occupy and enjoy ALL THAT DETACHED HA ACCOMMODATION comprising inter alia (i) COOKED FOOD STALLS (ii) CAR PARK BLOCKS (comprising Carpark B and Carpark C) and (iii) COMMERCIAL COMPLEX of the Hing Tin Building which, for the purpose of identification only, are respectively shown coloured Pink on the Estate Plan, the Podium Floor Plan of Car Park B, the Level A Floor Plan of Car Park B and the Level B Floor Plan of Car Park B annexed to an Assignment registered in the Land Registry by Memorial No. 05122000560470 (the <b>“Hing Tin First Assignment”</b>); and</p> <p>(b) all those 1,351 equal undivided 149,828th parts or shares of and in the NEW KOWLOON INLAND LOT NO. 6377 and of and in the Hing Tin Building TOGETHER with the sole and exclusive right and privilege to hold use occupy and enjoy ALL THOSE PORTIONS of the INTEGRATED HA ACCOMMODATION of the Hing Tin Building which, for the purpose of identification only, are shown coloured Pink respectively on the Ground Floor Plan of Yan Tin House, the Ground Floor Plan of Mei Tin House, the Ground Floor Plan of Choi Tin House all annexed to the Hing Tin First Assignment</p>
<b>“Hing Tin Purchaser”</b>	Golden Grand Holdings Limited, a company incorporated in Hong Kong and an Independent Third Party
<b>“Independent Third Party”</b>	an independent third party who is not a connected person of The Link REIT as defined in Chapter 8 of the REIT Code

“Initial Deposit”	a sum equals to any of (i) the Hing Tin Initial Deposit; (ii) the Kwai Hing Initial Deposit; (iii) the Tung Hei Initial Deposit; or (iv) the Wah Kwai Initial Deposit in respect of the relevant Disposal
“Kwai Hing Accepted Tender Document”	the Tender Document submitted by the Kwai Hing Purchaser in respect of the Kwai Hing Property, which was accepted by the Vendor on the Acceptance Date
“Kwai Hing Consideration”	the consideration of HK\$438,838,800 for the Kwai Hing Disposal
“Kwai Hing Disposal”	the sale and purchase of the Kwai Hing Property pursuant to the Kwai Hing Accepted Tender Document
“Kwai Hing Initial Deposit”	an initial deposit of HK\$10,000,000 in respect of the Kwai Hing Disposal
“Kwai Hing Property”	all those 9,824 equal undivided 102,732nd parts or shares of and in All That piece or parcel of ground registered in the Land Registry as KWAI CHUNG TOWN LOT NO. 489 And of and in the messuages erections and buildings thereon known at the date hereof as “KWAI HING ESTATE (葵興邨)”, No. 2 Wo Kwai Lane, Kwai Chung, New Territories (the “ <b>Kwai Hing Building</b> ”) Together with the sole and exclusive right to hold use and enjoy <b>FIRSTLY</b> , All Those <b>PORTIONS</b> of <b>INTEGRATED HA ACCOMMODATION</b> of the Kwai Hing Building which, for the purpose of identification only, are shown coloured Pink on Ground Floor Plan of Hing Kok House Block 1 and Second Floor Plan of Hing Kok House Block 1 annexed to the Assignment registered in the Land Registry by Memorial No. 05121301540195 (the “ <b>Kwai Hing First Assignment</b> ”), <b>SECONDLY</b> All That <b>COMMERCIAL BLOCK</b> of the Kwai Hing Building which, for the purpose of identification only, is shown coloured Pink on Ground Floor Plan of Commercial Block and First Floor Plan of Commercial Block annexed to the Kwai Hing First Assignment, <b>THIRDLY</b> All That <b>CAR PARK BLOCK</b> of the Kwai Hing Building which, for the purpose of identification only, is shown coloured Pink on Level 1 Plan of Car Park Block, Level 2 & 3 Floor Plan of Car Park Block, Level 4 & 5 Floor Plan of Car Park Block and Roof & Upper Roof Floor Plan of Car Park Block annexed to the Kwai Hing First Assignment and <b>FOURTHLY</b> All Those <b>OPEN CAR PARKS</b> of the Kwai Hing Building which, for the purpose of identification only, are shown coloured Pink on Estate Plan annexed to the Kwai Hing First Assignment
“Kwai Hing Purchaser”	Yan Yan Motors Limited, a company incorporated in Hong Kong and an Independent Third Party
“Manager”	The Link Management Limited, which is the manager of The Link REIT



<b>“Principal Valuer”</b>	as defined in the REIT Code and the principal valuer of The Link REIT which currently is CBRE Limited
<b>“Properties”</b>	collectively, (i) the Hing Tin Property; (ii) the Kwai Hing Property; (iii) the Tung Hei Property; and (iv) the Wah Kwai Property, and the <b>“Property”</b> means any of them
<b>“Purchasers”</b>	collectively, (i) the Hing Tin Purchaser; (ii) the Kwai Hing Purchaser; (iii) the Tung Hei Purchaser; and (iv) the Wah Kwai Purchaser, and the <b>“Purchaser”</b> means any of them, as the context requires
<b>“REIT Code”</b>	the Code on Real Estate Investment Trusts published by the SFC as amended, supplemented or otherwise modified for the time being
<b>“SFC”</b>	the Securities and Futures Commission of Hong Kong
<b>“SFO”</b>	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified for the time being
<b>“Special Purpose Vehicle”</b>	a special purpose vehicle that is owned and controlled by The Link REIT in accordance with the REIT Code
<b>“The Link REIT”</b>	The Link Real Estate Investment Trust, a collective investment scheme authorised under section 104 of the SFO, whose Units are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 823), and where the context requires, includes companies and/or Special Purpose Vehicles owned and/or controlled by it
<b>“Tenancies”</b>	in relation to each Property, the existing tenancy agreement(s) and (where applicable) the existing license agreement(s) made between the Vendor and the respective tenants or licensees
<b>“Tender Document”</b>	the standard form tender document submitted by interested tenderers to the Vendor of the Properties pursuant to the private tender
<b>“Trust Deed”</b>	the trust deed dated 6 September 2005 between the Trustee and the Manager constituting The Link REIT, as amended and supplemented by ten 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 and 18 February 2014, respectively
<b>“Trustee”</b>	HSBC Institutional Trust Services (Asia) Limited, in its capacity as the trustee of The Link REIT, or any successor thereof as the trustee of The Link REIT, as the context requires

<b>“Tung Hei Accepted Tender Document”</b>	the Tender Document submitted by the Tung Hei Purchaser in respect of the Tung Hei Property, which was accepted by the Vendor on the Acceptance Date
<b>“Tung Hei Consideration”</b>	the consideration of HK\$72,900,000 for the Tung Hei Disposal
<b>“Tung Hei Disposal”</b>	the sale and purchase of the Tung Hei Property pursuant to the Tung Hei Accepted Tender Document
<b>“Tung Hei Initial Deposit”</b>	an initial deposit of HK\$2,000,000 for the Tung Hei Disposal
<b>“Tung Hei Property”</b>	<p>(a) all those 690 equal undivided 122,407th parts or shares of and in ALL THAT piece or parcel of ground registered in the Land Registry as THE REMAINING PORTION OF SHAU KEI WAN INLAND LOT NO. 834 And of and in the messuages erections and buildings thereon known at the date hereof as TUNG HEI COURT (東熹苑) (the <b>“Tung Hei Building”</b>) TOGETHER with the sole and exclusive right to hold use occupy and enjoy ALL THAT KINDERGARTEN on the GROUND FLOOR of BLOCKS A and B (KING HEI HOUSE and YAT HEI HOUSE) of the Tung Hei Building which, for the purpose of identification only, are shown coloured Pink on the Ground Floor Plan of King Hei House (Block A) and Ground Floor Plan of Yat Hei House (Block B) attached to an Assignment registered in the Land Registry by Memorial No. 05121601140056; and</p> <p>(b) all that piece or parcel of ground registered in the Land Registry as SECTION A OF SHAU KEI WAN INLAND LOT NO. 834 TOGETHER with the messuages erections and buildings thereon</p>
<b>“Tung Hei Purchaser”</b>	Global Universe Investments Limited, a company incorporated in Hong Kong and an Independent Third Party
<b>“Unit(s)”</b>	unit(s) of The Link REIT
<b>“Unitholder(s)”</b>	holder(s) of Unit(s)
<b>“Valuation Reports”</b>	valuation reports of the Properties dated 16 May 2014 for the purpose of the Disposals and prepared by CBRE Limited (the Principal Valuer) in accordance with the relevant requirements of the REIT Code and the Trust Deed, and <b>“Valuation Report”</b> means any of such reports
<b>“Wah Kwai Accepted Tender Document”</b>	the Tender Document submitted by the Wah Kwai Purchaser in respect of the Wah Kwai Property, which was accepted by the Vendor on the Acceptance Date
<b>“Wah Kwai Consideration”</b>	the consideration of HK\$518,000,000 for the Wah Kwai Disposal

<b>“Wah Kwai Disposal”</b>	the sale and purchase of the Wah Kwai Property pursuant to the Wah Kwai Accepted Tender Document
<b>“Wah Kwai Initial Deposit”</b>	an initial deposit of HK\$10,000,000 for the Wah Kwai Disposal
<b>“Wah Kwai Property”</b>	<p>(a) all those 15,518 equal undivided 23,148th parts or shares of and in All That piece or parcel of ground registered in the Land Registry as SECTION A OF ABERDEEN INLAND LOT NO. 443 AND THE EXTENSION THERETO And of and in the messuages erections and buildings erected thereon (the “<b>Section A Estate</b>”) forming part of the development known at the date hereof as “WAH KWAI ESTATE (華貴邨)” Hong Kong (the “<b>Wah Kwai Building</b>”) Together with the sole and exclusive right to hold use occupy and enjoy All That COMMERCIAL/CAR PARK ACCOMMODATION (as defined in the Deed of Mutual Covenant registered in the Land Registry by Memorial No. 06030101610093 (the “<b>Section A DMC</b>”)) including: FIRSTLY, All Those the COMMERCIAL/CAR PARK BLOCK and INTEGRATED COMMERCIAL/CAR PARK ACCOMMODATION of the Section A Estate which said Commercial/Car Park Block, for the purpose of identification, is shown coloured Pink on the relevant parts of Estate Plan (Ground Floor Level), Commercial/Car Park Block Lower Ground One &amp; Lower Ground Two Floor Plan, Commercial/Car Park Block Ground Floor Plan, Commercial/Car Park Block Podium Floor Plan and Commercial/Car Park Block Roof &amp; Upper Roof Plan annexed to the Assignment registered in the Land Registry by Memorial No. 06030201580023 (the “<b>Wah Kwai First Assignment</b>”) and which said Integrated Commercial/Car Park Accommodation, for the purpose of identification, is shown coloured Pink on Community Centre &amp; Sheltered Workshop Ground Floor Plan annexed to the Wah Kwai First Assignment, SECONDLY, All Those ASSOCIATED AREAS of the Section A Estate, which said Associated Areas, for the purpose of identification, are shown coloured Pink on the relevant parts of Estate Plan (Ground Floor Level), Commercial/Car Park Block Lower Ground One &amp; Lower Ground Two Floor Plan and Commercial/Car Park Block Ground Floor Plan annexed to the Wah Kwai First Assignment and THIRDLY, such signs, traffic signs, road markings, shroff office/kiosk, guard kiosks, control barriers and related electronic and mechanical devices (if any) erected or installed or to be erected or installed within the Section A Estate serving exclusively the Parking Spaces (as defined in the Section A DMC) within the said Commercial/Car Park Block; and</p>

(b) all those 681 equal undivided 144,409th parts or shares of and in All That piece or parcel of ground registered in the Land Registry as THE REMAINING PORTION OF ABERDEEN INLAND LOT NO. 443 And of and in the messuages erections and buildings thereon (the "RP Estate"), forming part of the Wah Kwai Building Together with the sole and exclusive right to hold use occupy and enjoy FIRSTLY, All That PORTION of the Store Room (for commercial use) on the Ground Floor of Wah Lim House (Block 3) of the RP Estate which said Portion for the purpose of identification, is shown coloured Pink on Ground Floor Plan of Wah Lim House annexed to the Wah Kwai First Assignment, SECONDLY, All Those CLINIC 1 and CLINIC 2 both on the Ground Floor of Wah Oi House (Block 6) of the RP Estate which said Clinics for the purpose of identification, are shown coloured Pink on Ground Floor Plan of Wah Oi House annexed to the Wah Kwai First Assignment and THIRDLY, All Those the PARKING AREAS comprising (i) OPEN CAR PARK (CONSISTING OF 16 PARKING SPACES) and (ii) 21 PARKING SPACES ALONG ESTATE ROAD of the RP Estate which said Parking Areas for the purpose of identification, are shown coloured Pink on Open Car Park Plan (Near Wah Lai House), Open Car Park Plan (Near Wah Hau House), Open Car Park Plan (Near Wah Lai House) and Open Car Park Plan (Near Wah Oi House) annexed to the Wah Kwai First Assignment

**"Wah Kwai Purchaser"**

Smart Essence Development Limited, a company incorporated in Hong Kong and an Independent Third Party

**"Vendor"**

The Link Properties Limited, being the registered owner of each of the Properties and the vendor in respect of each of the Disposals, which is a Special Purpose Vehicle wholly-owned and controlled by The Link REIT

**"%" or "per cent."**

per centum or percentage

By order of the board of directors of  
**The Link Management Limited**  
(as manager of The Link Real Estate Investment Trust)  
**Ricky CHAN Ming Tak**  
*Company Secretary*

Hong Kong, 20 May 2014

*As at the date of this announcement, the Board of the Manager comprises:*

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

Nicholas Robert SALLNOW-SMITH

*Executive Directors*

George Kwok Lung HONGCHOY (*Chief Executive Officer*)

Andy CHEUNG Lee Ming (*Chief Financial Officer*)

*Non-Executive Director*

Ian Keith GRIFFITHS

*Independent Non-Executive Directors*

William CHAN Chak Cheung

Eva CHENG LI Kam Fun

Anthony CHOW Wing Kin

Patrick FUNG Yuk Bun

Stanley KO Kam Chuen

May Siew Boi TAN

David Charles WATT

Richard WONG Yue Chim

Elaine Carole YOUNG