

# China / Hong Kong Company Update

## Link REIT

Bloomberg: 823 HK EQUITY | Reuters: 0823.HK

Refer to important disclosures at the end of this report

DBS Group Research . Equity

13 May 2022

### BUY

Last Traded Price (12 May 2022): HK\$66.55 (HSI : 19,380)  
Price Target 12-mth: HK\$81.80 (23% upside) (Prev HK\$82.00)

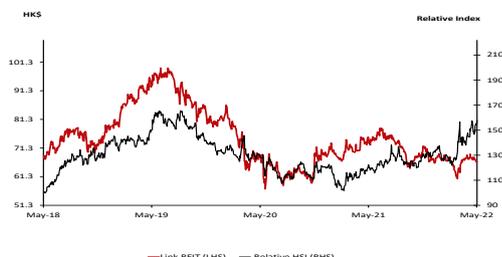
#### Analyst

Percy Leung [percyleung@dbs.com](mailto:percyleung@dbs.com)  
Jeff Yau +852 36684180 [jeff\\_yau@dbs.com](mailto:jeff_yau@dbs.com)

#### What's New

- Acquiring three logistics assets in Yangtze River Delta for Rmb947m
- Initial gross rental yield (on cost) is estimated at c.7%
- Gearing to rise slightly to 25% following the acquisition
- Maintain BUY with DDM-based TP of HK\$81.80

#### Price Relative



#### Forecasts and Valuation

FY Mar (HK\$ m)	2021A	2022F	2023F	2024F
Gross Revenue	10,744	11,625	12,477	13,068
Net Property Inc	8,238	8,859	9,564	10,034
Net Profit	1,185	6,285	6,585	6,936
Distribution Inc	6,010	6,655	6,665	7,016
DPU (HK\$)	2.90	3.20	3.20	3.37
DPU Gth (%)	1	10	0	5
Div Yield (%)	4.4	4.8	4.8	5.1
Gross Gearing (%)	18	24	25	25
Book Value (HK\$)	76.64	79.05	82.17	85.47
P/Book Value (x)	0.9	0.8	0.8	0.8

DPU Rev (%): (1) Nil  
Consensus DPU (HK\$): 3.08 3.23  
Other Broker Recs: B:18 S:0 H:0

Source of all data on this page: Company, DBS Bank (Hong Kong) Limited ("DBS HK"), Thomson Reuters

### Deepens presence in logistics

#### Investment Thesis

**BUY with HK\$81.80 TP.** Link REIT offers distribution yields of 4.8% for FY22-23. The retail scene in Hong Kong has shown signs of improvement lately, which should support the share price. Any positive news flow on the disposal of Stanley Plaza could provide upside on share price. Any faster-than-expected interest rate hike remains the key investment risk, among others.

**Pursuing acquisition-led growth strategy.** Link REIT is acquiring three logistics assets in Yangtze River Delta. This does not only enhance and diversify its earnings base but also allows Link REIT to tap on the growing logistics market in China. Since Oct/Nov-21, Link REIT has acquired assets worth c.HK\$14bn. Further yield-accretive acquisitions should help drive its DPU growth and long-term valuation.

**The worst for retail market should be over.** Dampened by the fifth wave of pandemic, overall retail sales in Hong Kong declined 7.6% in 1Q22. The improved pandemic situation and gradual easing of social distancing measures since April has released pent-up demand for consumption and dining. This should be further bolstered by the distribution of electronic consumption voucher. Against this backdrop, we believe the worst for retail market is over, which bodes well for Link REIT's earnings recovery in the near term.

#### Valuation:

Link REIT provides unit holders with a relatively visible and steady distribution income stream. Thus, the Dividend Discount Model (DDM) would be the most appropriate valuation method. Under the DDM approach, the target price of Link REIT is equal to the discounted value of all future distributions paid with assumed discount rates of 6.6% and terminal growth of 2%.

#### Where we differ:

We believe that the gradual relaxation of social distancing measures and distribution of consumption vouchers from Apr should result in the release of pent-up demand for consumption. The REIT's community malls should be less vulnerable to the accelerating online shopping trend.

#### Key Risks to Our View:

Any unexpected delay in domestic consumption would impact retail rental income. Any faster-than-expected interest rate hike would adversely affect its distribution and valuation.

#### At A Glance

Issued Capital (m shrs)	2,082
Mkt Cap (HKm/US\$m)	138,557 / 17,650
Major Shareholders (%)	
APG Asset Management N.V.	5.4
State Street Global Advisors Asia Ltd.	5.3
Free Float (%)	89.3
3m Avg. Daily Val. (US\$m)	50.03
GICS Industry: Real Estate / Equity Real Estate Investment	



Watchlist the stock on Insights Direct to receive prompt updates

**DBS**  
Live more, Bank less

**Link REIT****WHAT'S NEW****Venturing into China's logistics property market**

Link REIT is acquiring a portfolio of three logistics assets in the Yangtze River Delta for RMB947m, or equivalent to c.HK\$1.1bn. This marks its second venture in China logistics property market following its acquisition of a 75% stake in two modern warehouses in Foshan and Dongguan back in Oct-21. The transaction is expected to be completed in Jul-22.

The seller, Fujian Dongbai Group, is a Fujian-based state-owned enterprise who mainly owns and operates department stores. The company also participates in logistics, real estate, and manufacturing businesses. As of Dec-21, the company's logistics projects span a total GFA of 1.84msm with 0.92msm completed and the remaining under construction. Upon deal completion, Fujian Dongbai Group will continue to be the operations manager of the three logistics assets and Link REIT will pay them a management fee in return.

The portfolio consists of three modern warehouses - two in Changshu and one in Jiaxing. Both Jiaxing and Changshu are satellite cities in Shanghai which are 1.5 hours within its economic circle. Therefore, the three assets are strategically located to cater to surging demand from third party logistics, e-commerce and the consumer product sectors and function as regional distribution centres.

Spanning a total GFA of 192,144sm, all three logistics assets are equipped with good building specifications and enjoy excellent connectivity to the Greater Shanghai area through an artery expressway. Both Jiaxing and Changshu South assets are currently fully occupied by reputable tenants with respective WALEs of 1.8 and 5 years. Third-party logistics operators accounted for 70% of the Jiaxing asset with the remainder let to e-commerce players. Meanwhile, the Changshu South asset is fully leased to manufacturers. Construction work of the Changshu North asset has entered the final stage with scheduled completion in May-22. Pre-leasing is making good progress.

The agreed property value of RMB1.1bn represents 2% discount to the appraised portfolio's valuation as of Mar-22. Assuming the Changshu North property is fully let at a rent similar to the Changshu asset, initial gross rental yield (on cost) is estimated at c.7%. This makes the acquisition yield accretive. Our analysis suggests that this acquisition

would increase FY23 DPU slightly by 0.3%. Yet, factoring in the Rmb depreciation, we have lowered our FY23 DPU forecast by 0.7%.

While the acquisition does not have a material impact on its DPU, it augments and diversifies Link REIT's income and earnings base. In our view, the acquisition strongly aligns with its Vision 2025 strategy. More importantly, it enables Link REIT to tap on the booming logistics market in China. Taking into account the three logistics assets, China logistics assets will make up 1.3% of Link REIT's portfolio valuation, up from the previous 0.7%. China assets will account for 17% of the REIT's total valuation. We believe Link REIT will continue on its acquisition strategy with current portion of China and overseas assets falling short of management's guidance.

Following the acquisition, Link REIT's pro-forma gearing is expected to increase slightly by 0.4ppt to 25%. There is room for Link REIT to conduct more yield accretive acquisition opportunities.

Link REIT is trading at 4.8% distribution yield for FY22-23. Current yield spread stands at 2%, below its 10-year average of 2.5%. Holding a portfolio of neighbourhood malls, Link REIT is well positioned to benefit from the revival of domestic consumption along gradual easing of social distancing measures since Apr-22. Distribution of electronic consumption vouchers should give an additional boost. This should underpin its earnings recovery in the near term. Link REIT is in acquisition mode which should continue to drive its DPU growth and valuation in the long term. Any positive news flow on the disposal of Stanley Plaza could provide upside on stock. Hence, we maintain BUY with a DDM-based TP of HK\$81.80. That said, any faster-than-expected interest rate hike should be among the key investment risks to the stock.

**Company Background**

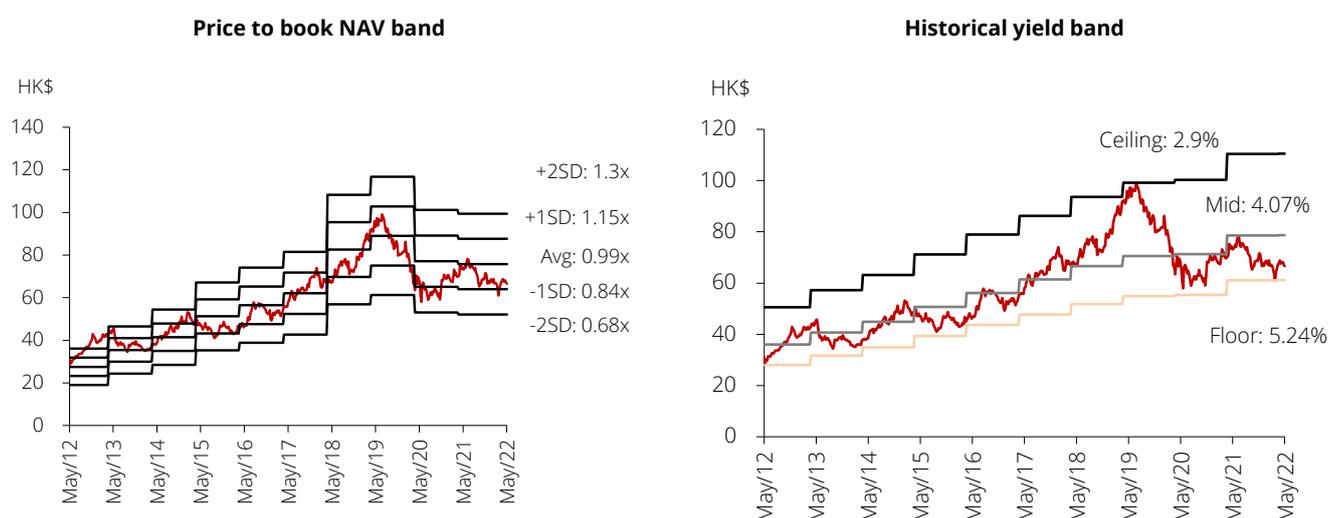
Link REIT is the largest listed REIT in Hong Kong. Its portfolio comprises mainly retail properties located adjacent to public housing estates and has a 60% stake in The Quayside in Kwun Tong. In China, Link REIT holds a portfolio of neighborhood malls in first-tier cities mainly Beijing, Guangzhou, Shanghai and Shenzhen and an office property in Shanghai. In 2020, Link REIT expanded its presence in overseas office market by acquiring 100

## Link REIT

Market Street in Sydney and The Cabot in London. In Oct-21, Link REIT made its maiden foray into the China logistics property market by acquiring 75% stake of two modern warehouses in Dongguan and Foshan. In Nov-21, Link REIT acquired 50% interests in three retail properties in Sydney, marking its first venture in the Australian retail market. In the same month, Link REIT purchased a godown in Chai

Wan and a mixed-use car parking building in Hung Hom. In Feb-22, Link REIT further expanded its office presence in Australia.

### Price to book NAV band and historical yield band



Source: Bloomberg Finance L.P. DBS HK

### Properties Details

	Jiaxing asset	Changshu North asset	Changshu South asset
Address	No.669 Sheng'an Road, Xiuzhou District, Jiaxing	No.29 Xinggang Road, Changshu	No.11 Xingda Road, Changshu
Land Tenure	50 years expiring in 2067	50 years expiring in 2056	50 years expiring in 2055
Completion	2019	May 2022 (estimated)	2021
Specifications	Double-storey ramp	Double-storey ramp	Single-storey
GFA (sm)	99,323	69,045	23,776
Occupancy	100%	N/A	100%
WALE (years)	1.8	N/A	5.0

Source: Link REIT

## Link REIT

### Key Assumptions (%)

	2022F	2023F
Retail rental (Shopping centre) -HK	0	5

Source: Company, DBS HK

### Segmental Breakdown (HK\$ m)

FY Mar	2020A	2021A	2022F	2023F	2024F
<b>Revenues (HK\$ m)</b>					
Retail and commercial	7,626	7,787	8,281	9,006	9,465
Car parks	1,912	1,883	2,059	2,134	2,231
Other revenues	1,180	1,074	1,286	1,337	1,372
<b>Total</b>	<b>10,718</b>	<b>10,744</b>	<b>11,625</b>	<b>12,477</b>	<b>13,068</b>

Source: Company, DBS HK

### Income Statement (HK\$ m)

FY Mar	2020A	2021A	2022F	2023F	2024F
Gross revenue	10,718	10,744	11,625	12,477	13,068
Property expenses	(2,498)	(2,506)	(2,766)	(2,912)	(3,034)
<b>Net Property Income</b>	<b>8,220</b>	<b>8,238</b>	<b>8,859</b>	<b>9,564</b>	<b>10,034</b>
Other expenses	(416)	(428)	(454)	(479)	(503)
Joint ventures	0	0	125	400	474
Interest (Exp)/Inc	(447)	(644)	(1,002)	(1,516)	(1,586)
Exceptionals	(23,948)	(5,322)	0	0	0
<b>Pre-Tax Profit</b>	<b>(16,591)</b>	<b>1,844</b>	<b>7,528</b>	<b>7,969</b>	<b>8,420</b>
Tax	(712)	(1,092)	(1,205)	(1,299)	(1,398)
Non-Controlling Interests	181	433	(39)	(86)	(86)
<b>Net Profit</b>	<b>(17,122)</b>	<b>1,185</b>	<b>6,285</b>	<b>6,585</b>	<b>6,936</b>
<b>Distribution income</b>	<b>5,965</b>	<b>6,010</b>	<b>6,655</b>	<b>6,665</b>	<b>7,016</b>
Revenue Gth (%)	7	0	8	7	5
NPI Gth (%)	7	0	8	8	5
Dist. Inc Growth (%)	4	1	11	0	5
DPU Growth (%)	6	1	10	0	5

Source: Company, DBS HK

## Link REIT

## Balance Sheet (HK\$ m)

FY Mar	2020A	2021A	2022F	2023F	2024F
Fixed Assets	194,613	200,375	218,200	226,542	233,852
Other LT Assets	231	218	218	218	218
Intangibles Assets	424	392	392	392	392
Associates/JVs	0	0	10,108	10,508	10,982
Bank Balance/Cash & Liquid	7,877	2,530	1,945	4,195	3,692
ST Investments	2,746	2,742	2,742	2,742	2,742
Inventory	0	0	0	0	0
Debtors	1,231	1,195	1,205	1,215	1,230
Other Non Cash Current	497	2,433	128	128	128
<b>Total Assets</b>	<b>207,619</b>	<b>209,885</b>	<b>234,939</b>	<b>245,940</b>	<b>253,236</b>
ST Debt	937	3,248	5,682	16,382	16,682
Creditors	2,640	2,504	2,494	2,484	2,504
Other Current Liab	2,278	2,893	2,923	2,953	2,983
LT Debt	33,661	35,388	51,682	45,382	45,382
Deferred Tax Liabilities	2,871	3,029	3,029	3,029	3,029
Other LT Liabilities	5,115	4,130	4,130	4,130	4,130
Non-Controlling Interests	406	(27)	421	507	593
Unitholders' funds	159,711	158,720	164,578	171,073	177,932
<b>Total Capital</b>	<b>207,619</b>	<b>209,885</b>	<b>234,939</b>	<b>245,940</b>	<b>253,236</b>
Share Capital (m)	2,057	2,071	2,082	2,082	2,082
Gross Debt	(34,598)	(38,636)	(57,364)	(61,764)	(62,064)
Working Capital	6,496	255	(5,079)	(13,539)	(14,378)
Book NAV (HK\$)	77.61	76.24	79.05	82.17	85.47
Gross Gearing (%)	17	18	24	25	25

Source: DBS HK

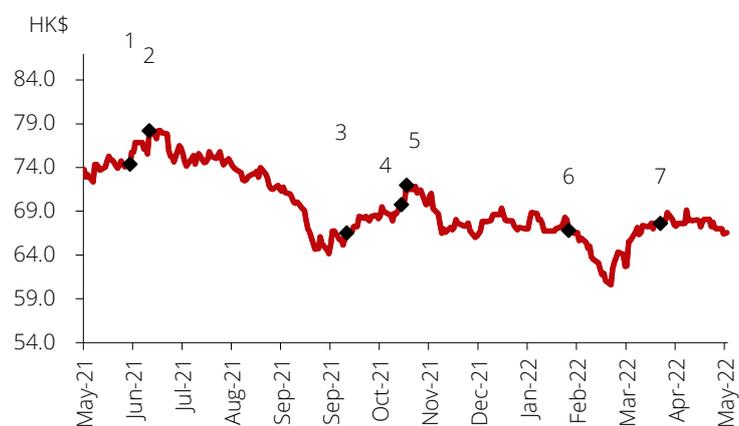
## Cash Flow Statement (HK\$ m)

FY Mar	2020A	2021A	2022F	2023F	2024F
Pre-Tax Income	(16,591)	1,844	7,528	7,969	8,420
Associates' Profits	0	0	(125)	(400)	(474)
Tax Paid	(933)	(737)	(1,205)	(1,299)	(1,398)
Depr/Amort	75	75	75	75	75
Disposal of FAs/Subsidiaries	15	0	0	0	0
Chg in Wkg.Cap.	(282)	(70)	10	10	35
Other Non-Cash	24,305	5,966	1,002	1,516	1,586
<b>Operational CF</b>	<b>6,589</b>	<b>7,078</b>	<b>7,286</b>	<b>7,872</b>	<b>8,244</b>
Net Capex	(1,673)	(8,375)	(11,928)	(1,908)	(625)
Net change in asso/jv	0	0	(9,984)	0	0
Net Change in Investments	(2,777)	0	0	0	0
Assoc, MI, Invsmt	3,918	(2,167)	2,395	90	90
<b>Investment CF</b>	<b>(532)</b>	<b>(10,542)</b>	<b>(19,517)</b>	<b>(1,818)</b>	<b>(535)</b>
Net Chg in Debt	10,129	3,169	18,728	4,400	300
New issues/Unit Buyback	(4,240)	(379)	0	0	0
Distribution Paid	(5,930)	(3,966)	(6,399)	(6,598)	(6,837)
Other Financing CF	(725)	(884)	(683)	(1,606)	(1,676)
<b>Financing CF</b>	<b>(766)</b>	<b>(2,060)</b>	<b>11,646</b>	<b>(3,804)</b>	<b>(8,213)</b>
Chg in Cash	5,291	(5,524)	(585)	2,250	(504)

Source: Company, DBS HK

**Link REIT**

**Target Price & Ratings History**



S.No.	Date	Closing Price	12-mth Target Price	Rating
1:	7-Jun-21	HK\$74.10	HK\$80.40	Buy
2:	18-Jun-21	HK\$75.55	HK\$80.65	Buy
3:	8-Oct-21	HK\$65.90	HK\$80.65	Buy
4:	8-Nov-21	HK\$68.70	HK\$81.45	Buy
5:	11-Nov-21	HK\$70.40	HK\$82.80	Buy
6:	11-Feb-22	HK\$68.00	HK\$83.30	Buy
7:	4-Apr-22	HK\$67.65	HK\$82.00	Buy

Source: DBS HK

Analyst: Percy Leung  
 Jeff Yau

## Link REIT

DBS HK recommendations are based on an Absolute Total Return\* Rating system, defined as follows:

**STRONG BUY** (>20% total return over the next 3 months, with identifiable share price catalysts within this time frame)

**BUY** (>15% total return over the next 12 months for small caps, >10% for large caps)

**HOLD** (-10% to +15% total return over the next 12 months for small caps, -10% to +10% for large caps)

**FULLY VALUED** (negative total return, i.e., > -10% over the next 12 months)

**SELL** (negative total return of > -20% over the next 3 months, with identifiable share price catalysts within this time frame)

\*Share price appreciation + dividends

Completed Date: 13 May 2022 15:47:07 (HKT)

Dissemination Date: 13 May 2022 16:31:57 (HKT)

Sources for all charts and tables are DBS HK unless otherwise specified.

### GENERAL DISCLOSURE/DISCLAIMER

**This report is prepared by DBS Bank (Hong Kong) Limited ("DBS HK").** This report is solely intended for the clients of DBS Bank Ltd., DBS HK, DBS Vickers (Hong Kong) Limited ("DBSV HK"), and DBS Vickers Securities (Singapore) Pte Ltd. ("DBSVS"), its respective connected and associated corporations and affiliates only and no part of this document may be (i) copied, photocopied or duplicated in any form or by any means or (ii) redistributed without the prior written consent of DBS HK.

The research set out in this report is based on information obtained from sources believed to be reliable, but we (which collectively refers to DBS Bank Ltd., DBS HK, DBSV HK, DBSVS, its respective connected and associated corporations, affiliates and their respective directors, officers, employees and agents (collectively, the "DBS Group") have not conducted due diligence on any of the companies, verified any information or sources or taken into account any other factors which we may consider to be relevant or appropriate in preparing the research. Accordingly, we do not make any representation or warranty as to the accuracy, completeness or correctness of the research set out in this report. Opinions expressed are subject to change without notice. This research is prepared for general circulation. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees, who should obtain separate independent legal or financial advice. The DBS Group accepts no liability whatsoever for any direct, indirect and/or consequential loss (including any claims for loss of profit) arising from any use of and/or reliance upon this document and/or further communication given in relation to this document. This document is not to be construed as an offer or a solicitation of an offer to buy or sell any securities. The DBS Group, along with its affiliates and/or persons associated with any of them may from time to time have interests in the securities mentioned in this document. The DBS Group, may have positions in, and may effect transactions in securities mentioned herein and may also perform or seek to perform broking, investment banking and other banking services for these companies.

Any valuations, opinions, estimates, forecasts, ratings or risk assessments herein constitutes a judgment as of the date of this report, and there can be no assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments. The information in this document is subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed, it may not contain all material information concerning the company (or companies) referred to in this report and the DBS Group is under no obligation to update the information in this report.

This publication has not been reviewed or authorized by any regulatory authority in Singapore, Hong Kong or elsewhere. There is no planned schedule or frequency for updating research publication relating to any issuer.

The valuations, opinions, estimates, forecasts, ratings or risk assessments described in this report were based upon a number of estimates and assumptions and are inherently subject to significant uncertainties and contingencies. It can be expected that one or more of the estimates on which the valuations, opinions, estimates, forecasts, ratings or risk assessments were based will not materialize or will vary significantly from actual results. Therefore, the inclusion of the valuations, opinions, estimates, forecasts, ratings or risk assessments described herein IS NOT TO BE RELIED UPON as a representation and/or warranty by the DBS Group (and/or any persons associated with the aforesaid entities), that:

- (a) such valuations, opinions, estimates, forecasts, ratings or risk assessments or their underlying assumptions will be achieved, and
- (b) there is any assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments stated therein.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets. Any assumptions made in this report that refers to commodities, are for the purposes of making forecasts for the company (or companies) mentioned herein. They are not to be construed as recommendations to trade in the physical commodity or in the futures contract relating to the commodity referred to in this report.

DBS Vickers Securities (USA) Inc ("DBSVUSA"), a US-registered broker-dealer, does not have its own investment banking or research department, has not participated in any public offering of securities as a manager or co-manager or in any other investment banking transaction in the past twelve months and does not engage in market-making.

**Link REIT**

---

Neither DBS Bank Ltd nor DBS HK market makes in equity securities of the issuer(s) or company(ies) mentioned in this Research Report.

**ANALYST CERTIFICATION**

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible for the content of this research report, in part or in whole, certifies that he or his associate<sup>1</sup> does not serve as an officer of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant) and the research analyst(s) primarily responsible for the content of this research report or his associate does not have financial interests<sup>2</sup> in relation to an issuer or a new listing applicant that the analyst reviews. DBS Group has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the DBS Group and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of DBS Group's compensation to any specific investment banking function of the DBS Group.

**COMPANY-SPECIFIC / REGULATORY DISCLOSURES**

1. DBS Bank Ltd, DBS HK, DBSVS or their subsidiaries and/or other affiliates have a proprietary position in Link REIT (823 HK) recommended in this report as of 11 May 2022.
2. **Compensation for investment banking services:**  
DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA have received compensation, within the past 12 months for investment banking services from Link REIT (823 HK) as of 30 Apr 2022.
3. DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA have managed or co-managed a public offering of securities for Link REIT (823 HK) in the past 12 months, as of 30 Apr 2022.

DBSVUSA does not have its own investment banking or research department, nor has it participated in any public offering of securities as a manager or co-manager or in any other investment banking transaction in the past twelve months. Any US persons wishing to obtain further information, including any clarification on disclosures in this disclaimer, or to effect a transaction in any security discussed in this document should contact DBSVUSA exclusively.

4. **Disclosure of previous investment recommendation produced:**  
DBS Bank Ltd, DBSVS, DBS HK, their subsidiaries and/or other affiliates of DBSVUSA may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed on page 1 of this report to view previous investment recommendations published by DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA in the preceding 12 months.

---

<sup>1</sup> An associate is defined as (i) the spouse, or any minor child (natural or adopted) or minor step-child, of the analyst; (ii) the trustee of a trust of which the analyst, his spouse, minor child (natural or adopted) or minor step-child, is a beneficiary or discretionary object; or (iii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

<sup>2</sup> Financial interest is defined as interests that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

## RESTRICTIONS ON DISTRIBUTION

<b>General</b>	This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation.
<b>Australia</b>	<p>This report is being distributed in Australia by DBS Bank Ltd, DBSVS or DBSV HK. DBS Bank Ltd holds Australian Financial Services Licence no. 475946.</p> <p>DBS Bank Ltd, DBSVS and DBSV HK are exempted from the requirement to hold an Australian Financial Services Licence under the Corporation Act 2001 ("CA") in respect of financial services provided to the recipients. Both DBS Bank Ltd and DBSVS are regulated by the Monetary Authority of Singapore under the laws of Singapore, and DBSV HK is regulated by the Hong Kong Securities and Futures Commission under the laws of Hong Kong, which differ from Australian laws.</p> <p>Distribution of this report is intended only for "wholesale investors" within the meaning of the CA.</p>
<b>Hong Kong</b>	This report is being distributed in Hong Kong by DBS Bank Ltd, DBS Bank (Hong Kong) Limited and DBS Vickers (Hong Kong) Limited, all of which are registered with or licensed by the Hong Kong Securities and Futures Commission to carry out the regulated activity of advising on securities. DBS Bank Ltd., Hong Kong Branch is a limited liability company incorporated in Singapore.
<b>Indonesia</b>	This report is being distributed in Indonesia by PT DBS Vickers Sekuritas Indonesia.
<b>Malaysia</b>	<p>This report is distributed in Malaysia by AllianceDBS Research Sdn Bhd ("ADBSR"). Recipients of this report, received from ADBSR are to contact the undersigned at 603-2604 3333 in respect of any matters arising from or in connection with this report. In addition to the General Disclosure/Disclaimer found at the preceding page, recipients of this report are advised that ADBSR (the preparer of this report), its holding company Alliance Investment Bank Berhad, their respective connected and associated corporations, affiliates, their directors, officers, employees, agents and parties related or associated with any of them may have positions in, and may effect transactions in the securities mentioned herein and may also perform or seek to perform broking, investment banking/corporate advisory and other services for the subject companies. They may also have received compensation and/or seek to obtain compensation for broking, investment banking/corporate advisory and other services from the subject companies.</p> <p style="text-align: right;"> Wong Ming Tek, Executive Director, ADBSR</p>
<b>Singapore</b>	This report is distributed in Singapore by DBS Bank Ltd (Company Regn. No. 196800306E) or DBSVS (Company Regn No. 198600294G), both of which are Exempt Financial Advisers as defined in the Financial Advisers Act and regulated by the Monetary Authority of Singapore. DBS Bank Ltd and/or DBSVS, may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, DBS Bank Ltd accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact DBS Bank Ltd at 6878 8888 for matters arising from, or in connection with the report.
<b>Thailand</b>	<p>This report is being distributed in Thailand by DBS Vickers Securities (Thailand) Co Ltd.</p> <p>For any query regarding the materials herein, please contact [Chanpen Sirithanarattanaku] at [research@th.dbs.com]</p>
<b>United Kingdom</b>	<p>This report is produced by DBS HK which is regulated by the Hong Kong Monetary Authority</p> <p>This report is disseminated in the United Kingdom by DBS Vickers Securities (UK) Ltd ("DBSVUK"). DBSVUK is authorised and regulated by the Financial Conduct Authority in the United Kingdom.</p> <p>In respect of the United Kingdom, this report is solely intended for the clients of DBSVUK, its respective connected and associated corporations and affiliates only and no part of this document may be (i) copied, photocopied or duplicated in any form or by any means or (ii) redistributed without the prior written consent of DBSVUK. This communication is directed at persons having professional experience in matters relating to investments. Any investment activity following from this communication will only be engaged in with such persons. Persons who do not have professional experience in matters relating to investments should not rely on this communication.</p>

<p><b>Dubai International Financial Centre</b></p>	<p>This communication is provided to you as a Professional Client or Market Counterparty as defined in the DFSA Rulebook Conduct of Business Module (the "COB Module"), and should not be relied upon or acted on by any person which does not meet the criteria to be classified as a Professional Client or Market Counterparty under the DFSA rules.</p> <p>This communication is from the branch of DBS Bank Ltd operating in the Dubai International Financial Centre (the "DIFC") under the trading name "DBS Bank Ltd. (DIFC Branch)" ("DBS DIFC"), registered with the DIFC Registrar of Companies under number 156 and having its registered office at units 608 - 610, 6th Floor, Gate Precinct Building 5, PO Box 506538, DIFC, Dubai, United Arab Emirates.</p> <p>DBS DIFC is regulated by the Dubai Financial Services Authority (the "DFSA") with a DFSA reference number F000164. For more information on DBS DIFC and its affiliates, please see <a href="http://www.dbs.com/ae/our--network/default.page">http://www.dbs.com/ae/our--network/default.page</a>.</p> <p>Where this communication contains a research report, this research report is prepared by the entity referred to therein, which may be DBS Bank Ltd or a third party, and is provided to you by DBS DIFC. The research report has not been reviewed or authorised by the DFSA. Such research report is distributed on the express understanding that, whilst the information contained within is believed to be reliable, the information has not been independently verified by DBS DIFC.</p> <p>Unless otherwise indicated, this communication does not constitute an "Offer of Securities to the Public" as defined under Article 12 of the Markets Law (DIFC Law No.1 of 2012) or an "Offer of a Unit of a Fund" as defined under Article 19(2) of the Collective Investment Law (DIFC Law No.2 of 2010).</p> <p>The DFSA has no responsibility for reviewing or verifying this communication or any associated documents in connection with this investment and it is not subject to any form of regulation or approval by the DFSA. Accordingly, the DFSA has not approved this communication or any other associated documents in connection with this investment nor taken any steps to verify the information set out in this communication or any associated documents, and has no responsibility for them. The DFSA has not assessed the suitability of any investments to which the communication relates and, in respect of any Islamic investments (or other investments identified to be Shari'a compliant), neither we nor the DFSA has determined whether they are Shari'a compliant in any way.</p> <p>Any investments which this communication relates to may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on any investments. If you do not understand the contents of this document you should consult an authorised financial adviser.</p>
<p><b>United States</b></p>	<p>This report was prepared by DBS HK. DBSVUSA did not participate in its preparation. The research analyst(s) named on this report are not registered as research analysts with FINRA and are not associated persons of DBSVUSA. The research analyst(s) are not subject to FINRA Rule 2241 restrictions on analyst compensation, communications with a subject company, public appearances and trading securities held by a research analyst. This report is being distributed in the United States by DBSVUSA, which accepts responsibility for its contents. This report may only be distributed to Major U.S. Institutional Investors (as defined in SEC Rule 15a-6) and to such other institutional investors and qualified persons as DBSVUSA may authorize. Any U.S. person receiving this report who wishes to effect transactions in any securities referred to herein should contact DBSVUSA directly and not its affiliate.</p>
<p><b>Other jurisdictions</b></p>	<p>In any other jurisdictions, except if otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions.</p>

**DBS Bank (Hong Kong) Limited**

13<sup>th</sup> Floor One Island East, 18 Westlands Road, Quarry Bay, Hong Kong

Tel: (852) 3668-4181, Fax: (852) 2521-1812

**Link REIT**

---

**DBS Regional Research Offices**

---

**HONG KONG**

DBS Bank (Hong Kong) Ltd

Contact: Dennis Lam

13th Floor One Island East,  
18 Westlands Road, Quarry Bay, Hong Kong

Tel: 852 3668 4181

Fax: 852 2521 1812

e-mail: dbsvhk@dbs.com

**SINGAPORE**

DBS Bank Ltd

Contact: Janice Chua

12 Marina Boulevard,  
Marina Bay Financial Centre Tower 3  
Singapore 018982

Tel: 65 6878 8888

e-mail: groupresearch@dbs.com

Company Regn. No. 196800306E

**INDONESIA**

PT DBS Vickers Sekuritas (Indonesia)

Contact: Maynard Priajaya Arif

DBS Bank Tower  
Ciputra World 1, 32/F  
Jl. Prof. Dr. Satrio Kav. 3-5  
Jakarta 12940, Indonesia

Tel: 62 21 3003 4900

Fax: 6221 3003 4943

e-mail: indonesiaresearch@dbs.com

**THAILAND**

DBS Vickers Securities (Thailand) Co Ltd

Contact: Chanpen Sirithanarattanakul

989 Siam Pivat Tower Building,  
9th, 14th-15th Floor

Rama 1 Road, Pathumwan,

Bangkok Thailand 10330

Tel. 66 2 857 7831

Fax: 66 2 658 1269

e-mail: research@th.dbs.com

Company Regn. No 0105539127012

Securities and Exchange Commission, Thailand