31 Acquisition of Assets

On 4 June 2021, Link, through a wholly-owned subsidiary, entered into a sales and purchase agreement to acquire the entire issued share capital of HK PD20 Holding Limited at an adjusted consideration of RMB2,108 million (equivalent to approximately HK$2,530 million), which is the sole owner of the entire registered capital of 廣州弦夢管理諮詢有限公司, which in turn is the sole owner of the entire registered capital of 廣州陞鹿物業管理有限公司. Link incurred acquisition-related transaction costs of HK$10 million. The transaction was completed on 28 June 2021. 廣州陞鹿物業管理有限公司 owns the Happy Valley Shopping Mall located at No. 36 Machang Road, Tianhe District, Guangzhou.

On 23 September 2021, Link, 1) through a wholly-owned subsidiary, entered into a sales and purchase agreement to acquire 75% issued capital of Jia Hua United Warehouse Investment Limited at an adjusted consideration of RMB547 million (equivalent to approximately HK$666 million), which in turn is the sole owner of the entire registered capital of 東莞嘉田倉儲有限公司; and 2) through a 75% owned subsidiary, entered into a framework agreement and an equity transfer agreement to acquire the entire registered capital of 佛山正聯倉儲有限公司 at an adjusted consideration of RMB219 million (equivalent to approximately HK$266 million). Link incurred acquisition-related transaction costs of HK$9 million in total. The transactions were completed on 27 October 2021. 東莞嘉田倉儲有限公司 and 佛山正聯倉儲有限公司 own the logistics properties located at 281 Yanhe Road, Shatian, Dongguan and Heng'er Road, Sanshui, Foshan respectively.

On 10 November 2021, Link, through its wholly-owned subsidiaries, entered into sales and purchase agreements to acquire the entire issued share capital of Apollo Luck Limited and Zung Fu Land Investment Limited (now known as Instant Success Ventures (HK) Limited) at the final considerations of HK$2,695 million and HK$3,123 million respectively. Link incurred acquisition-related transaction costs of HK$12 million in total. The transactions were completed on 31 December 2021. Apollo Luck Limited and Zung Fu Land Investment Limited own the car park/car services centres and godown buildings located at No. 60 Ka Yip Street, Chai Wan and No. 50 Po Loi Street, Hung Hom respectively.

The above acquisitions have been accounted for by the Group as acquisitions of assets as the entities acquired by the Group do not constitute a business.

The assets and liabilities arising from the acquisitions are as follows:

	Happy Valley Shopping Mall HK$'M	Logistics properties HK$'M	Car park/ car services centres and godown buildings HK$'M	Total HK$'M
Investment properties (Note 15)	3,857	1,619	5,872	11,348
Cash and cash equivalents	53	248	–	301
Other borrowings	(713)	–	–	(713)
Other net liabilities	(68)	(39)	(42)	(149)
Bank borrowings	(589)	(575)	–	(1,164)
Non-controlling interests	–	(312)	–	(312)
Purchase consideration	2,540	941	5,830	9,311
Cash and cash equivalents acquired	(53)	(248)	–	(301)
Cash outflow on acquisitions	2,487	693	5,830	9,010

32 Capital Commitments

	2022 HK$'M	2021 HK$'M
Capital expenditure of investment properties contracted but not provided for at the end of the year	3,568	709

No.	Properties	Retail GFA (sq m)	Office GFA (sq m)	Car Park Spaces	Annual Net Passing Income (RMB Million)	Income Capitalisation Capitalisation Rate	Value as at 31 March 2022 (RMB Million)	Analysis Initial Yield
4	**Link Plaza • Jingtong**							
		67,546	0	576	97	4.75%	2,560.0	3.78%
	Brief Description:	Link Plaza • Jingtong, Beijing, completed in 2014, comprises • Retail Floors from B1 to L6 • Basement Car Park Number of Car Park Spaces: 576						
	Title Details:	The registered owner of the Properties is 北京亞騰房地產經營管理有限公司 . The land use rights were granted for terms of 40 years commencing on 9 December 2010 and expiring on 8 December 2050 for commercial uses.						
5	**Link CentralWalk**							
		83,900	0	741	150	4.25%	6,340.0	2.36%
	Brief Description:	Link CentralWalk, Shenzhen, completed in 2006, comprises • Shopping Mall • Basement Car Park Number of Car Park Spaces: 741						
	Title Details:	The Properties are registered under strata-title ownership of 344 Realty Title Certificates under the name of 保怡物業管理 (深圳) 有限公司 (Baoyi Property Management (Shenzhen) Co., Ltd.). The land use rights were granted for terms of 40 years commencing on 29 September 2002 and expiring on 28 September 2042 for commercial uses.						
6	**Qibao Vanke Plaza**							
		148,853	0	1,471	304	4.50%	3,445.0*	4.42%
	Brief Description:	Qibao Vanke Plaza, Shanghai, completed in 2016, comprises • Shopping Mall • Basement Car Park Number of Car Park Spaces: 1,471						
	Title Details:	The Property is registered under strata-title ownership of 2 Realty Title Certificates under the name of 上海新寶置業有限公司 (Shanghai Xinbao Real Estate Co., Ltd.). The land use rights were granted for terms of 40 years commencing on 12 November 2012 and expiring on 11 November 2052 for commercial uses. * 50% Interest						
7	**Happy Valley Shopping Mall**							
		90,113	0	800	123	4.75%	3,384.0	3.63%
	Brief Description:	Happy Valley Shopping Mall, Guangzhou, completed in 2012, comprises • Shopping Mall • Basement Car Park Number of Car Park Spaces: 800						
	Title Details:	The Property is registered under strata-title ownership of 813 Realty Title Certificates under the name of 廣州陞鹿物業管理有限公司 (Guangzhou Bilu Property Management Co., Ltd.). The land use rights were granted for terms of 40 years commencing on 12 July 1999 and expiring on 11 July 2039 for various commercial uses.						