

**ASCOTT RESIDENCE TRUST**  
**2020 FULLYEAR UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT**  
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# ASCOTT RESIDENCE TRUST

## 2020 FULL YEAR UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT

### Summary of Group Results

	2H 2020 S\$'000	2H 2019 S\$'000	Better / (Worse) %	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000	Better / (Worse) %
Revenue	161,382	266,547	(39)	369,872	514,956	(28)
Gross Profit	61,040	130,341	(53)	149,602	252,611	(41)
Income available for distribution to Stapled Securityholders <sup>(1), (2)</sup>	61,667	90,934	(32)	94,226	165,557	(43)
Distribution Per Stapled Security ("DPS") (cents)	1.99	4.18	(52)	3.03	7.61	(60)

<sup>(1)</sup> Distributable income for 2H 2020 included a one-off partial distribution of divestment gain of S\$40.0 million to mitigate the impact of COVID-19 on distributions and to share past divestment gains with Stapled Securityholders.

In the 1H 2020 distribution, to mitigate the impact of COVID-19 on distributions and to share past divestment gains with Stapled Securityholders, ART had included a S\$5.0 million top-up in the 1H 2020 distribution.

Total divestment gain distributed for YTD Dec 2020 is S\$45.0 million.

In 1H 2020, in view of the uncertainty surrounding the COVID-19 situation, Ascott Residence Trust ("ART") had retained approximately 15% (S\$5.0 million) of its income available for distribution to Stapled Securityholders.

In 2H 2020, ART had released the S\$5.0 million of distributable income retained in the 1H 2020 to Stapled Securityholders.

<sup>(2)</sup> In 2H 2019 and YTD Dec 2019, distributable income included a one-off partial distribution of divestment gain of S\$17.5 million.

ART has distributed 100% of its distributable income in FY 2020 and FY 2019.

### DISTRIBUTION AND BOOK CLOSURE DATE

Distribution	For 1 January 2020 to 30 June 2020	For 1 July 2020 to 31 December 2020
Distribution Rate	1.047 cents per Stapled Security	1.986 cents per Stapled Security
Book Closure Date	6 August 2020	4 February 2021
Payment Date	28 August 2020	26 February 2021

# **ASCOTT RESIDENCE TRUST**

## **2020 FULL YEAR UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT**

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### **INTRODUCTION**

Ascott Residence Trust (“ART”) is a stapled group comprising Ascott Real Estate Investment Trust (“Ascott Reit”), a real estate investment trust, and Ascott Business Trust (“Ascott BT”), a business trust (collectively, the “Group”). Ascott Residence Trust Management Limited is the manager of Ascott Reit (“Ascott Reit Manager”) and Ascott Business Trust Management Pte. Ltd. is the trustee-manager of Ascott BT (“Ascott BT Trustee-Manager”) (collectively, the “Managers”).

ART’s objective is to invest primarily in real estate and real estate related assets which are income-producing and which are used, or predominantly used as serviced residences, rental housing properties and other hospitality assets. It has a portfolio of serviced residences, rental housing and hospitality properties across Asia Pacific, Europe and United States of America (“US”). ART’s investment policy covers any country in the world.

On 31 March 2006, Ascott Reit was listed on the Singapore Exchange Securities Trading Limited (“SGX”) with an initial portfolio of 12 properties in five countries (Singapore, China, Indonesia, the Philippines and Vietnam). In 2010, Ascott Reit enhanced the geographical diversification of its portfolio by acquiring 26 properties in Europe. In 2012, Ascott Reit acquired four properties in Kyoto, Singapore, Guangzhou and Germany. Ascott Reit also completed the divestment of Somerset Grand Cairnhill Singapore. In 2013, Ascott Reit acquired three properties in China and a portfolio of 11 rental housing properties in Japan. In 2014, Ascott Reit acquired nine properties in four countries (Australia, China, Japan and Malaysia).

On 31 December 2019, Ascott Reit completed the combination (the “Combination”) with Ascendas Hospitality Trust (“A-HTRUST”). A-HTRUST was a stapled group comprising Ascendas Hospitality Real Estate Investment Trust (“A-HTRUST REIT”) and Ascendas Hospitality Business Trust (“A-HTRUST BT”). Following the completion, A-HTRUST was delisted from SGX and unstapled. On completion, Ascott Reit acquired A-HTRUST REIT and Ascott BT acquired A-HTRUST BT.

ART has an active business trust component which derive certain of its income from non-passive income sources. Pursuant to the Property Funds Appendix, a Real Estate Investment Trust should not derive more than 10 per cent of its revenue from non-passive income sources. The Ascott BT Group has been put in place to hold such assets so as to facilitate compliance by ART with the Property Funds Appendix.

In February 2020, Ascott Reit completed the acquisition of Quest Macquarie Park Sydney, a freehold property under master lease arrangement. In July 2020, Ascott Reit completed the sale of the partial gross floor area of Somerset Liang Court. The net proceeds will be redeployed for the redevelopment of the retained gross floor area. In December 2020, Ascott Guangzhou and Somerset Azabu East was divested. As at 31 December 2020, ART’s portfolio comprises 84 operating properties<sup>1</sup> with 15,705 apartment units in 38 cities across 15 countries.

With the recent amendments to Rule 705(2) of the Listing Manual of the Singapore Exchange Trading Limited which were effective from 7 February 2020, the Managers announced on 26 February 2020 that ART will adopt the announcement of half-yearly financial statements with effect from the financial year ending 31 December 2020.

ART makes distributions to Stapled Securityholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates. Distributions are paid in Singapore dollar. Since its listing until FY2019, ART has paid 100% of its income available for distribution.

<sup>1</sup> Exclude lyf one-north Singapore and Somerset Liang Court (under development).

1(a)(i) Consolidated Statement of Total Return for 2H 2020 and 2H 2019

	Note	ASCOTT REIT GROUP			ASCOTT BT GROUP			ASCOTT RESIDENCE TRUST		
		2H 2020 S\$'000	2H 2019 S\$'000	Better / (Worse) %	2H 2020 S\$'000	2H 2019 S\$'000	Better / (Worse) %	2H 2020 S\$'000	2H 2019 S\$'000	Better / (Worse) %
<b>Revenue</b>	A.1	125,976	266,547	(53)	42,947	–	n.m.	161,382	266,547	(39)
Direct expenses	A.2	(75,724)	(136,206)	44	(24,605)	–	n.m.	(100,342)	(136,206)	26
<b>Gross Profit</b>	A.1	<b>50,252</b>	<b>130,341</b>	<b>(61)</b>	<b>18,342</b>	<b>–</b>	<b>n.m.</b>	<b>61,040</b>	<b>130,341</b>	<b>(53)</b>
Depreciation of buildings, plant and machinery	A.3	–	–	–	(9,871)	–	n.m.	(9,871)	–	n.m.
Finance income		1,055	1,341	(21)	178	–	n.m.	1,217	1,341	(9)
Other operating income	A.4	217	323	(33)	–	–	n.m.	217	323	(33)
Finance costs	A.5	(25,478)	(25,438)	–	(8,381)	–	n.m.	(28,879)	(25,438)	(14)
Managers' management fees		(10,034)	(11,976)	16	(1,606)	(8)	n.m.	(11,640)	(11,984)	3
Trustee's fee		(378)	(290)	(30)	(82)	–	n.m.	(460)	(290)	(59)
Professional fees	A.6	(1,341)	(1,469)	9	(309)	–	n.m.	(1,650)	(1,469)	(12)
Audit fees	A.7	(988)	(1,112)	11	(89)	(40)	n.m.	(1,077)	(1,152)	7
Foreign exchange gain / (loss)	A.8	2,673	(1,472)	282	8,597	–	n.m.	11,270	(1,472)	866
Other operating expenses	A.9	(1,999)	(884)	(126)	(647)	–	n.m.	(2,646)	(884)	(199)
Share of results of associate (net of tax)		(11)	17	(165)	–	–	n.m.	(11)	17	(165)
<b>Net income before changes in fair value of financial derivatives, investment properties and assets held for sale</b>		<b>13,968</b>	<b>89,381</b>	<b>(84)</b>	<b>6,132</b>	<b>(48)</b>	<b>n.m.</b>	<b>17,510</b>	<b>89,333</b>	<b>(80)</b>
Net change in fair value of financial derivatives	A.10	(396)	(1,530)	74	(71)	–	n.m.	(467)	(1,530)	69
Net change in fair value of investment securities		(374)	–	n.m.	–	–	n.m.	–	–	n.m.
Net change in fair value of investment properties and assets held for sale	A.11	(362,480)	106,191	(441)	(21,667)	–	n.m.	(379,092)	106,191	(457)
Revaluation deficit on freehold land and buildings	A.11	–	–	n.m.	(26,594)	–	n.m.	(26,594)	–	n.m.
Profit upon divestment	A.12	78,167	1,019	n.m.	–	–	n.m.	78,167	1,019	n.m.
Assets written off		(215)	(4,040)	95	–	–	n.m.	(215)	(4,040)	95
Transaction costs relating to the Combination	A.13	519	(7,081)	107	531	(12,620)	104	1,050	(19,701)	105
Impairment of goodwill	A.14	–	(60,866)	n.m.	–	(79,233)	n.m.	–	(140,099)	n.m.
<b>Total (loss) / return for the period before tax</b>		<b>(270,811)</b>	<b>123,074</b>	<b>(320)</b>	<b>(41,669)</b>	<b>(91,901)</b>	<b>55</b>	<b>(309,641)</b>	<b>31,173</b>	<b>n.m.</b>
Income tax credit / (expense)	A.15	38,956	(27,776)	240	15,882	–	n.m.	54,838	(27,776)	297
<b>Total (loss) / return for the period after tax</b>		<b>(231,855)</b>	<b>95,298</b>	<b>(343)</b>	<b>(25,787)</b>	<b>(91,901)</b>	<b>72</b>	<b>(254,803)</b>	<b>3,397</b>	<b>n.m.</b>
Attributable to:										
Stapled Securityholders and perpetual securities holders		(227,362)	95,618		(25,058)	(91,901)		(250,135)	3,717	
Non-controlling interests		(4,493)	(320)		(729)	–		(4,668)	(320)	
<b>Total (loss) / return for the period</b>		<b>(231,855)</b>	<b>95,298</b>	<b>(343)</b>	<b>(25,787)</b>	<b>(91,901)</b>	<b>72</b>	<b>(254,803)</b>	<b>3,397</b>	<b>n.m.</b>

**Consolidated Distribution Statements for 2H 2020 and 2H 2019**

	Note	ASCOTT REIT GROUP			ASCOTT BT GROUP			ASCOTT RESIDENCE TRUST		
		2H 2020 S\$'000	2H 2019 S\$'000	Better / (Worse) %	2H 2020 S\$'000	2H 2019 S\$'000	Better / (Worse) %	2H 2020 S\$'000	2H 2019 S\$'000	Better / (Worse) %
Total (loss) / return for the period attributable to Stapled Securityholders and perpetual securities holders		(227,362)	95,618	(338)	(25,058)	(91,901)	73	(250,135)	3,717	n.m.
Add / (less):										
Depreciation and amortization		5,944	6,423	7	11,459	–	n.m.	17,403	6,423	(171)
Managers' management fee payable / paid partially in Stapled Securities		7,110	8,668	18	807	4	n.m.	7,917	8,672	9
Trustee's fees <sup>1</sup>		73	41	(78)	–	–	n.m.	73	41	(78)
Unrealised foreign exchange (gain) / loss		(2,111)	2,024	204	(8,594)	–	n.m.	(10,705)	2,024	629
Net change in fair value of financial derivatives	A.10	396	1,530	74	71	–	n.m.	467	1,530	69
Net change in fair value of investment securities		374	–	n.m.	–	–	n.m.	–	–	n.m.
Net change in fair value of investment properties and assets held for sale	A.11	362,480	(106,191)	(441)	21,667	–	n.m.	379,092	(106,191)	(457)
Revaluation deficit on freehold land and buildings	A.11	–	–	–	26,594	–	n.m.	26,594	–	n.m.
Profit upon divestment	A.12	(78,167)	(1,019)	n.m.	–	–	n.m.	(78,167)	(1,019)	n.m.
Interest expense on lease liabilities		5,478	5,591	2	4,964	–	n.m.	5,478	5,591	2
Lease payments for right-of-use assets		(8,804)	(8,987)	2	(7,554)	–	n.m.	(8,804)	(8,987)	2
Assets written off		215	4,040	95	–	–	n.m.	215	4,040	95
Transaction costs relating to the Combination	A.13	(519)	7,081	107	(531)	12,620	104	(1,050)	19,701	105
Impairment of goodwill	A.14	–	60,866	n.m.	–	79,233	n.m.	–	140,099	n.m.
Tax (credit) / expense relating to the divestment of assets held for sale		(9,125)	9,125	(200)	–	–	n.m.	(9,125)	9,125	(200)
Tax expense relating to the divestment		26,696	–	n.m.	–	–	n.m.	26,696	–	n.m.
Deferred tax (credit) / expense		(59,267)	2,845	n.m.	(15,841)	–	n.m.	(75,108)	2,845	n.m.
Effect of non-controlling interests arising from the above		(6,600)	(3,817)	73	(188)	–	n.m.	(6,788)	(3,817)	78
Partial distribution of divestment gain		40,000	17,500	129	–	–	n.m.	40,000	17,500	129
Release of distributable income retained in 1H 2020		5,000	–	n.m.	–	–	n.m.	5,000	–	n.m.
Other adjustments		(528)	(184)	187	(620)	–	n.m.	(594)	(184)	223
Net effect of non-tax deductible / chargeable items and other adjustments		288,645	5,536	n.m.	32,234	91,857	65	318,594	97,393	(227)
<b>Total amount distributable for the period</b>		<b>61,283</b>	<b>101,154</b>	<b>(39)</b>	<b>7,176</b>	<b>(44)</b>	<b>n.m.</b>	<b>68,459</b>	<b>101,110</b>	<b>(32)</b>
Income available for distribution to:										
- Stapled Securityholders		54,491	90,934		7,176	(44)		61,667	90,890	
- Perpetual securities holders		6,792	10,220		–	–		6,792	10,220	
		<b>61,283</b>	<b>101,154</b>	<b>(39)</b>	<b>7,176</b>	<b>(44)</b>	<b>n.m.</b>	<b>68,459</b>	<b>101,110</b>	<b>(32)</b>
Comprises:										
- from operations		11,292	55,195		248	(44)		11,540	55,151	
- from stapled securityholders' contributions		43,199	35,739		6,928	–		50,127	35,739	
		<b>54,491</b>	<b>90,934</b>	<b>(40)</b>	<b>7,176</b>	<b>(44)</b>	<b>n.m.</b>	<b>61,667</b>	<b>90,890</b>	<b>(32)</b>

<sup>1</sup> This relates to the Singapore properties only and is not tax deductible.

## 1(a)(ii) Explanatory Notes to Consolidated Statement of Total Return

### A.1 Revenue and Gross profit

Revenue for 2H 2020 of S\$161.4 million comprised S\$43.8 million (27% of total revenue) from properties on Master Leases, S\$7.4 million (5%) from properties on management contracts with minimum guaranteed income and S\$110.2 million (68%) from properties on management contracts.

Revenue for 2H 2020 decreased by S\$105.2 million or 39% as compared to 2H 2019. This was mainly attributed to the decrease in revenue of S\$10.1 million from the divestment of Somerset Liang Court Singapore and Somerset West Lake Hanoi and lower revenue of S\$143.7 million from the existing portfolio. These decreases are partially offset by the additional contribution of S\$48.6 million from the acquisition of the A-HTRUST portfolio (acquired on 31 December 2019) and Quest Macquarie Park Sydney (acquired in February 2020).

The Group achieved a revenue per available unit ("REVPAU") of S\$49 for 2H 2020, a decrease of 69% as compared to 2H 2019.

Gross profit for 2H 2020 of S\$61.1 million comprised S\$37.9 million (62% of total gross profit) from properties on Master Leases, S\$3.1 million (5%) from properties on management contracts with minimum guaranteed income and S\$20.1 million (33%) from properties on management contracts.

As compared to 2H 2020, gross profit decreased by S\$69.2 million or 53% due to lower revenue, partially offset by lower operating costs from cost containment measures and government support measures.

On a same store basis, gross profit decreased by S\$87.3 million.

Please refer to Para 8(a) for a more detailed analysis.

### A.2 Direct expenses include the following items:

	<b>ASCOTT RESIDENCE TRUST</b>		<b>Better / (Worse) %</b>
	<b>2H 2020</b>	<b>2H 2019</b>	
	<b>S\$'000</b>	<b>S\$'000</b>	
Depreciation and amortisation <sup>1</sup>	(17,403)	(6,423)	(171)
Staff costs <sup>2</sup>	(25,016)	(31,070)	19

<sup>1</sup> Depreciation and amortisation were higher in 2H 2020 mainly due to the acquisitions and depreciation of buildings, plant and machinery of the Australia properties held by the Ascott BT Group.

<sup>2</sup> Staff costs were lower in 2H 2020 mainly due to the wage subsidies of S\$10.7 million from the government in the different countries which ART operates in, partially mitigated by the higher staff costs arising from the acquisitions.

### A.3 Depreciation of buildings, plant and machinery

This relates to the depreciation of buildings, plant and machinery for the properties in Australia held by Ascott BT Group.

### A.4 Other operating income

Other operating income was higher in 2H 2019 due to forfeiture of security deposits.

### A.5 Finance costs

Finance costs were higher in 2H 2020 due to the acquisition of the A-HTRUST portfolio and Quest Macquarie Park Sydney.

**A.6 Professional fees**

Professional fees were higher in 2H 2020 mainly due to the acquisitions.

**A.7 Audit fees**

Audit fees were lower in 2H 2020 due to fee reduction and one-off fees incurred for the acquisition of the A-HTRUST portfolio in 2H 2019.

**A.8 Foreign exchange gain / (loss)**

The foreign exchange gain recognised in 2H 2020 mainly comprised unrealised exchange gain of S\$10.7 million and realised exchange gain of S\$0.6 million (mainly arising from repayment of foreign currency bank loans with the divestment proceeds from Somerset Liang Court Singapore and gain on the foreign currency forward contracts).

The unrealised exchange gain mainly arise from EUR and AUD denominated shareholders' loans extended to the Group's subsidiaries as a result of the appreciation of these currencies against SGD as at balance sheet date and unrealised exchange gain on USD bank loans recorded by the China subsidiaries arising from the weakening of USD against RMB, partially offset by unrealised exchange loss on USD and JPY denominated shareholders' loans extended to the Group's subsidiaries due to depreciation of these currencies against SGD.

The foreign exchange loss recognised in 2H 2019 mainly comprised unrealised exchange loss of S\$2.0 million and realised exchange gain of S\$0.5 million (mainly arising from gain on the repayment of GBP denominated shareholder's loans and gain on the foreign currency forward contracts).

The unrealised exchange loss mainly arose from EUR and AUD denominated shareholders' loans extended to the Group's subsidiaries as a result of the depreciation of EUR and AUD against SGD as at balance sheet date.

**A.9 Other operating expenses**

Other operating expenses were higher in 2H 2020 mainly due to higher provision for doubtful debts.

**A.10 Net change in fair value of financial derivatives**

This mainly relates to the fair value change of foreign currency forward contracts (entered into to hedge distribution income).

**A.11 Net change in fair value of investment properties and assets held for sale / Revaluation deficit on freehold land and buildings**

This relates to the deficit on revaluation of investment properties, assets held for sale and freehold land and buildings. The deficit resulted mainly from lower valuation of the Group's properties in all countries.

In 2H 2019, the surplus on revaluation included a net gain of S\$84.3 million relating to Somerset Liang Court Singapore. In November 2019, the Group announced the divestment of partial gross floor area of Somerset Liang Court. The retained gross floor area will be redeveloped into a new serviced residence property.

**A.12 Profit upon divestment**

In 2H 2020, this relates to the profit from divestment of:

- (1) Ascott Guangzhou, pursuant to the announcement on 27 July 2020.
- (2) Somerset Azabu East. The divestment was completed on 23 December 2020.
- (3) Somerset Liang Court Singapore (arising from reversal of accrued transaction costs previously provided at 31 December 2019).

**A.13 Transaction costs relating to the Combination**

The transaction costs were incurred for the combination with A-HTRUST. While these transaction costs were recognised in the Statement of Total Return, it does not have any impact on income available for distribution to Stapled Securityholders.

In 2H 2020, this relates to the reversal of transaction costs no longer required.

**A.14 Impairment of goodwill**

The combination with A-HTRUST was through the acquisition by Ascott Reit of all the issued and paid-up stapled units in A-HTRUST by way of a trust scheme of arrangement for a consideration of S\$1.0868 for each A-HTRUST stapled unit. This represents the write-off of premium over net assets of A-HTRUST as at 31 December 2019.

**A.15 Income tax expense**

Taxation for 2H 2020 was lower by S\$82.6 million as compared to the corresponding period last year. This was mainly due to lower corporate tax due to weaker performance and reversal of deferred tax liability previously provided on the fair value surplus in FY2019. These decreases were partially offset by higher withholding tax expense provided on the divestments made in 2H 2020.



1(a)(i) Consolidated Statement of Total Return for YTD Dec 2020 and YTD Dec 2019

	ASCOTT REIT GROUP			ASCOTT BT GROUP			ASCOTT RESIDENCE TRUST		
	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000	Better / (Worse) %	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000	Better / (Worse) %	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000	Better / (Worse) %
<b>Revenue</b>	296,805	514,956	(42)	88,100	–	n.m.	369,872	514,956	(28)
Direct expenses	(166,689)	(262,345)	36	(53,555)	–	n.m.	(220,270)	(262,345)	16
<b>Gross Profit</b>	<b>130,116</b>	<b>252,611</b>	(48)	<b>34,545</b>	–	n.m.	<b>149,602</b>	<b>252,611</b>	(41)
Depreciation of buildings, plant and machinery	–	–	–	(18,930)	–	n.m.	(18,930)	–	n.m.
Finance income	1,766	2,080	(15)	240	–	n.m.	1,990	2,080	(4)
Other operating income	572	626	(9)	–	–	n.m.	555	626	(11)
Finance costs	(52,792)	(51,817)	(2)	(17,285)	–	n.m.	(60,057)	(51,817)	(16)
Managers' management fees	(21,275)	(23,416)	9	(3,853)	(8)	n.m.	(25,128)	(23,424)	(7)
Trustee's fee	(754)	(582)	(30)	(163)	–	n.m.	(917)	(582)	(58)
Professional fees	(2,785)	(2,591)	(7)	(548)	–	n.m.	(3,333)	(2,591)	(29)
Audit fees	(2,290)	(2,194)	(4)	(468)	(40)	n.m.	(2,758)	(2,234)	(23)
Foreign exchange gain	12,845	1,871	587	9,077	–	n.m.	21,922	1,871	n.m.
Other operating expenses	(3,330)	(1,993)	(67)	(929)	–	n.m.	(4,258)	(1,993)	(114)
Share of results of associate (net of tax)	56	(7)	900	–	–	n.m.	56	(7)	900
<b>Net income before changes in fair value of financial derivatives, investment properties and assets held for sale</b>	<b>62,129</b>	<b>174,588</b>	(64)	<b>1,686</b>	<b>(48)</b>	n.m.	<b>58,744</b>	<b>174,540</b>	(66)
Net change in fair value of financial derivatives	(115)	(926)	88	(174)	–	n.m.	(289)	(926)	69
Net change in fair value of investment securities	(462)	–	n.m.	–	–	n.m.	–	–	n.m.
Net change in fair value of investment properties and assets held for sale	(362,480)	250,221	(245)	(21,667)	–	n.m.	(379,092)	250,221	(252)
Revaluation deficit on freehold land and buildings	–	–	n.m.	(26,594)	–	n.m.	(26,594)	–	n.m.
Profit upon divestment	78,428	1,019	n.m.	–	–	n.m.	78,428	1,019	n.m.
Assets written off	(215)	(4,040)	95	–	–	n.m.	(215)	(4,040)	95
Transaction costs relating to the Combination	531	(7,081)	107	523	(12,620)	104	1,054	(19,701)	105
Impairment of goodwill	–	(60,866)	n.m.	–	(79,233)	n.m.	–	(140,099)	n.m.
<b>Total (loss) / return for the period before tax</b>	<b>(222,184)</b>	<b>352,915</b>	<b>(163)</b>	<b>(46,226)</b>	<b>(91,901)</b>	<b>50</b>	<b>(267,964)</b>	<b>261,014</b>	<b>(203)</b>
Income tax credit / (expense)	29,917	(44,692)	167	12,751	–	n.m.	42,668	(44,692)	195
<b>Total (loss) / return for the period after tax</b>	<b>(192,267)</b>	<b>308,223</b>	<b>(162)</b>	<b>(33,475)</b>	<b>(91,901)</b>	<b>64</b>	<b>(225,296)</b>	<b>216,322</b>	<b>(204)</b>
Attributable to:									
Stapled Securityholders and perpetual securities holders	(189,669)	308,163		(32,735)	(91,901)		(222,549)	216,262	
Non-controlling interests	(2,598)	60		(740)	–		(2,747)	60	
<b>Total (loss) / return for the period</b>	<b>(192,267)</b>	<b>308,223</b>	<b>(162)</b>	<b>(33,475)</b>	<b>(91,901)</b>	<b>64</b>	<b>(225,296)</b>	<b>216,322</b>	<b>(204)</b>

**Consolidated Distribution Statements for YTD Dec 2020 and YTD Dec 2019**

	ASCOTT REIT GROUP			ASCOTT BT GROUP			ASCOTT RESIDENCE TRUST		
	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000	Better / (Worse) %	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000	Better / (Worse) %	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000	Better / (Worse) %
Total (loss) / return for the period attributable to Stapled Securityholders and perpetual securities holders	(189,669)	308,163	(162)	(32,735)	(91,901)	64	(222,549)	216,262	(203)
Add / (less):									
Depreciation and amortisation	12,190	12,498	2	22,025	–	n.m.	34,215	12,498	(174)
Managers' management fee payable / paid partially in Stapled Securities	14,981	17,060	12	1,927	4	n.m.	16,908	17,064	1
Trustee's fees <sup>1</sup>	155	87	(78)	–	–	n.m.	155	87	(78)
Unrealised foreign exchange (gain) / loss	(12,038)	4,182	388	(8,849)	–	n.m.	(20,887)	4,182	599
Net change in fair value of financial derivatives	115	926	88	174	–	n.m.	289	926	69
Net change in fair value of investment securities	462	–	n.m.	–	–	n.m.	–	–	n.m.
Net change in fair value of investment properties and assets held for sale	362,480	(250,221)	(245)	21,667	–	n.m.	379,092	(250,221)	(252)
Revaluation deficit on freehold land and buildings	–	–	–	26,594	–	n.m.	26,594	–	n.m.
Profit upon divestment	(78,428)	(1,019)	n.m.	–	–	n.m.	(78,428)	(1,019)	n.m.
Interest expense on lease liabilities	11,090	11,202	1	10,004	–	n.m.	11,090	11,202	1
Lease payments for right-of-use assets	(17,833)	(17,795)	–	(15,059)	–	n.m.	(17,833)	(17,795)	–
Assets written off	215	4,040	95	–	–	n.m.	215	4,040	95
Transaction costs relating to the Combination	(531)	7,081	107	(523)	12,620	104	(1,054)	19,701	105
Impairment of goodwill	–	60,866	n.m.	–	79,233	n.m.	–	140,099	n.m.
Tax (credit) / expense relating to the divestment of assets held for sale	(9,125)	9,125	(200)	–	–	n.m.	(9,125)	9,125	(200)
Tax expense relating to the divestment	26,696	–	n.m.	–	–	n.m.	26,696	–	n.m.
Deferred tax (credit) / expense	(60,014)	8,761	n.m.	(13,945)	–	n.m.	(73,959)	8,761	n.m.
Effect of non-controlling interests arising from the above	(7,016)	(6,763)	4	(188)	–	n.m.	(7,204)	(6,763)	7
Partial distribution of divestment gain	45,000	17,500	157	–	–	n.m.	45,000	17,500	157
Other adjustments	134	(395)	(134)	(202)	–	n.m.	539	(395)	(236)
Net effect of non-tax deductible / chargeable items and other adjustments	288,533	(122,865)	(335)	43,625	91,857	53	332,303	(31,008)	n.m.
<b>Total amount distributable for the period</b>	<b>98,864</b>	<b>185,298</b>	<b>(47)</b>	<b>10,890</b>	<b>(44)</b>	<b>n.m.</b>	<b>109,754</b>	<b>185,254</b>	<b>(41)</b>
Income available for distribution to:									
- Stapled Securityholders	83,336	165,557		10,890	(44)		94,226	165,513	
- Perpetual securities holders	15,528	19,741		–	–		15,528	19,741	
	<b>98,864</b>	<b>185,298</b>	<b>(47)</b>	<b>10,890</b>	<b>(44)</b>	<b>n.m.</b>	<b>109,754</b>	<b>185,254</b>	<b>(41)</b>
Comprises:									
- from operations	29,434	63,533		261	(44)		29,695	63,489	
- from stapled securityholders' contributions	53,902	102,024		10,629	–		64,531	102,024	
	<b>83,336</b>	<b>165,557</b>	<b>(50)</b>	<b>10,890</b>	<b>(44)</b>	<b>n.m.</b>	<b>94,226</b>	<b>165,513</b>	<b>(43)</b>

<sup>1</sup> This relates to the Singapore properties only and is not tax deductible.

1(b)(i) **Statement of Financial Position**

	Note	ASCOTT REIT GROUP		ASCOTT BT GROUP		ASCOTT RESIDENCE TRUST	
		31 Dec 2020 S\$'000	31 Dec 2019 S\$'000	31 Dec 2020 S\$'000	31 Dec 2019 S\$'000	31 Dec 2020 S\$'000	31 Dec 2019 S\$'000
<b>Non-Current Assets</b>							
Investment properties	B.1	5,253,374	5,659,587	548,447	552,265	5,687,743	6,096,138
Investment property under development	B.2	229,900	74,860	–	–	229,900	74,860
Property, plant and equipment		35,471	44,258	573,808	584,583	609,279	628,841
Investment securities	B.3	2,072	2,534	–	–	–	–
Associate		3,026	3,006	–	–	3,026	3,006
Financial derivative assets	B.4	298	11,010	4,935	6,524	5,233	17,534
Deferred tax assets		3,027	3,212	3,435	4,335	6,462	7,547
		<b>5,527,168</b>	<b>5,798,467</b>	<b>1,130,625</b>	<b>1,147,707</b>	<b>6,541,643</b>	<b>6,827,926</b>
<b>Current Assets</b>							
Inventories		124	372	214	297	338	669
Assets held for sale	B.5	31,904	253,292	–	–	31,904	253,292
Trade and other receivables	B.6	168,739	90,231	8,056	12,504	103,238	62,459
Financial derivative assets	B.4	–	1,378	–	1,559	–	2,937
Cash and cash equivalents	B.7	454,083	245,884	32,620	29,619	486,703	275,503
		<b>654,850</b>	<b>591,157</b>	<b>40,890</b>	<b>43,979</b>	<b>622,183</b>	<b>594,860</b>
<b>Total Assets</b>		<b>6,182,018</b>	<b>6,389,624</b>	<b>1,171,515</b>	<b>1,191,686</b>	<b>7,163,826</b>	<b>7,422,786</b>
<b>Non-Current Liabilities</b>							
Interest bearing liabilities	B.13	(1,781,277)	(1,683,053)	(348,137)	(328,806)	(2,129,414)	(2,011,859)
Financial derivative liabilities	B.4	(24,075)	(4,181)	(4,840)	(1,833)	(28,915)	(6,014)
Trade and other payables	B.8	(6,475)	(8,820)	(10,214)	(9,735)	(16,689)	(18,555)
Deferred income	B.9	(216)	(605)	(2,169)	(3,781)	(2,385)	(4,386)
Deferred tax liabilities	B.10	(98,146)	(153,154)	(33,611)	(46,998)	(131,757)	(200,152)
Lease liabilities	B.11	(275,056)	(274,098)	(108,570)	(110,802)	(275,056)	(274,098)
		<b>(2,185,245)</b>	<b>(2,123,911)</b>	<b>(507,541)</b>	<b>(501,955)</b>	<b>(2,584,216)</b>	<b>(2,515,064)</b>

1(b)(i) **Statement of Financial Position**

	Note	ASCOTT REIT GROUP		ASCOTT BT GROUP		ASCOTT RESIDENCE TRUST	
		31 Dec 2020 S\$'000	31 Dec 2019 S\$'000	31 Dec 2020 S\$'000	31 Dec 2019 S\$'000	31 Dec 2020 S\$'000	31 Dec 2019 S\$'000
<b>Current Liabilities</b>							
Interest bearing liabilities	B.13	(333,081)	(311,656)	–	(25,498)	(333,081)	(337,154)
Financial derivative liabilities	B.4	(645)	(1,765)	–	(416)	(645)	(2,181)
Trade and other payables	B.12	(161,394)	(139,524)	(97,618)	(73,959)	(185,455)	(173,207)
Deferred income	B.9	(145)	(159)	(1,790)	(1,697)	(1,935)	(1,856)
Liabilities held for sale	B.5	–	(13,445)	–	–	–	(13,445)
Lease liabilities	B.11	(8,256)	(17,928)	(5,508)	(4,912)	(8,256)	(17,928)
Provision for taxation		(7,125)	(18,549)	(1,043)	(1,093)	(8,168)	(19,642)
		<b>(510,646)</b>	<b>(503,026)</b>	<b>(105,959)</b>	<b>(107,575)</b>	<b>(537,540)</b>	<b>(565,413)</b>
<b>Total Liabilities</b>		<b>(2,695,891)</b>	<b>(2,626,937)</b>	<b>(613,500)</b>	<b>(609,530)</b>	<b>(3,121,756)</b>	<b>(3,080,477)</b>
<b>Net Assets</b>		<b>3,486,127</b>	<b>3,762,687</b>	<b>558,015</b>	<b>582,156</b>	<b>4,042,070</b>	<b>4,342,309</b>
Represented by:							
Stapled Securityholders' funds		3,013,168	3,282,909	554,083	577,644	3,567,251	3,860,553
Perpetual securities holders	B.14	396,298	396,299	–	–	396,298	396,299
Non-controlling interests		76,661	83,479	3,932	4,512	78,521	85,457
<b>Total Equity</b>	1(d)(i)	<b>3,486,127</b>	<b>3,762,687</b>	<b>558,015</b>	<b>582,156</b>	<b>4,042,070</b>	<b>4,342,309</b>

## 1(b)(ii) Explanatory Notes to Statement of Financial Position

### **B.1 Investment properties**

The decrease in the Group's investment properties as at 31 December 2020 was mainly to:

- (a) the decrease in valuation on 31 December 2020 (arising from the impact of Covid-19)
- (b) the divestment of Ascott Guangzhou and Somerset Azabu East
- (c) the transfer of the retained gross floor area at Somerset Liang Court Singapore to "investment property under development" for redevelopment into a new serviced residence property
- (d) reclassification of Citadines Didot Montparnasse Paris and Citadines City Centre Grenoble from "investment properties" to "assets held for sale" pursuant to the planned divestment of the property as at 31 December 2020.

These decreases are partially offset by the reclassification of Citadines Xinghai Suzhou and Citadines Zhuankou Wuhan from assets held for sale, the acquisition of Quest Macquarie Park Sydney in February 2020 and foreign currency translation differences of S\$143.7 million (mainly from translating the Group's investment properties as a result of the appreciation of AUD, EUR, GBP and JPY against SGD).

The investment properties of the Ascott BT Group included a right-of-use asset relating to the operating lease for Sotetsu Grand Fresa Tokyo-Bay Ariake ("Ariake Hotel") on adoption of FRS 116. Ascendas Ariake Godo Kaisha ("AAGK"), a subsidiary of Ascendas Hospitality Business Trust, leases Ariake Hotel from Ascendas Hospitality Tokutei Mokuteki Kasha, a subsidiary of Ascendas Hospitality Real Estate Investment Trust. FRS 116 requires AAGK to recognise a right-of-use asset and lease liability relating to this operating lease. There is no impact for the Group as the intra-group transaction will be eliminated upon consolidation.

### **B.2 Investment property under development**

Investment property under development as at 31 December 2020 relates to the development of lyf one-north Singapore and the redevelopment of Somerset Liang Court Singapore. lyf one-north Singapore is expected to open in 2021.

### **B.3 Investment securities**

The Ascott Reit Group owns 1% interest in Ascendas Hospitality Australia Investment Fund No. 1. The effective interest held by the Group is 100%. Upon consolidation, the investment securities will be eliminated and adjusted against the non-controlling interests.

### **B.4 Financial derivative assets / liabilities**

The financial derivatives relate to the fair value of interest rate swaps (entered into to hedge interest rate risk), fair value of cross currency swaps (entered into to hedge foreign currency risk) and fair value of foreign currency forward contracts (entered into to hedge distribution income).

### **B.5 Assets held for sale and Liabilities held for sale**

The assets held for sale as at 31 December 2020 relate to the reclassification of Citadines Didot Montparnasse Paris and Citadines City Centre Grenoble from "investment properties". Please refer to Note B.1 above.

The assets and liabilities of Citadines Xinghai Suzhou and Citadines Zhuankou Wuhan were reclassified from assets held for sale and liabilities held for sale to their respective balance sheet line items due to the termination of the sale.

The assets held for sale as at 31 December 2019 relate to:

- (a) the Group's interest in the partial gross floor area of the land on which Somerset Liang Court Singapore is located, pursuant to the announcement on 21 November 2019. The divestment was completed in July 2020.
- (b) the assets and liabilities of Citadines Xinghai Suzhou and Citadines Zhuankou Wuhan pursuant to the signing of the sale and purchase agreements on 18 December 2019.

### **B.6 Trade and other receivables**

The increase in the Group's trade and other receivables as at 31 December 2020 was mainly due to the receivable for the balance consideration for the divestment of Ascott Guangzhou and higher receivables arising from rent deferment granted to master lessees and commercial tenants.

**B.7 Cash and cash equivalents**

The increase in the Group's cash and cash equivalents as at 31 December 2020 was mainly due to proceeds from divestment and cash generated from operations, partially offset by acquisition of investment properties.

**B.8 Trade and other payables (non-current)**

Trade and other payables (non-current) mainly comprise rental and other deposits.

**B.9 Deferred income (current and non-current)**

Deferred income of the Group arises from the combination with A-HTRUST and relates to the following:

- (a) cash reimbursement received from Accor for its 50% share of the AUD30.0 million capital expenditure incurred by the Accor Australia hotels for refurbishment works which was completed in 2013. The reimbursement by Accor is conditional upon the non-termination of the hotel management agreement signed between Ascendas Hotel Investment Company Pty Limited and Accor prior to 30 June 2017 and on a pro-rata basis if the termination occurs after 30 June 2017 but before 30 June 2022; and
- (b) the difference between the considerations received for rental deposits and its fair value at initial recognition.

The decrease in deferred income as at 31 December 2020 was mainly due to the amortisation of deferred income recognised in FY 2020.

**B.10 Deferred tax liabilities**

The decrease in deferred tax liabilities as at 31 December 2020 was mainly due to the reversal of deferred tax liabilities previously provided as a result of the fair value loss recognised in FY 2020.

**B.11 Lease liabilities**

The lease liabilities as at 31 December 2020 refer to the liabilities arising from the adoption of FRS 116 *Leases*.

The lease liabilities of Ascott BT Group relate to the lease liability relating to the operating lease for Ariake Hotel. See paragraph B.1 for more details. There is no impact for the Group as the intra-group transaction will be eliminated upon consolidation.

**B.12 Trade and other payables**

The increase in the trade and other payables as at 31 December 2020 was mainly due to higher other payables, partially offset by lower accruals arising from the payment of the FY 2019 performance fees and payment of transaction costs relating to the combination in 1H 2020.

**B.13 Interest bearing liabilities**

	ASCOTT REIT GROUP		ASCOTT BT GROUP		ASCOTT RESIDENCE TRUST	
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Amount repayable in one year or less or on demand</b>						
- Secured	276,244	174,719	-	-	276,244	174,719
- Unsecured	57,345	137,555	-	25,500	57,345	163,055
Less: Unamortised transaction costs	(508)	(618)	-	(2)	(508)	(620)
	333,081	311,656	-	25,498	333,081	337,154
<b>Amount repayable after one year</b>						
- Secured	468,319	561,916	-	-	468,319	561,916
- Unsecured	1,319,411	1,129,255	348,931	329,886	1,668,342	1,459,141
Less: Unamortised transaction costs	(6,453)	(8,118)	(794)	(1,080)	(7,247)	(9,198)
	1,781,277	1,683,053	348,137	328,806	2,129,414	2,011,859
<b>Total</b>	<b>2,114,358</b>	<b>1,994,709</b>	<b>348,137</b>	<b>354,304</b>	<b>2,462,495</b>	<b>2,349,013</b>

The increase in non-current interest-bearing liabilities as at 31 December 2020 was mainly due to loans drawn down to finance acquisition of Quest Macquarie Park Sydney in February 2020 and the translation differences arising from translating the foreign currency borrowings as a result of the appreciation of EUR and JPY against SGD.

#### **Details of collateral**

The borrowings of the Group are generally secured by:

- Mortgage on subsidiaries' investment properties and the assignment of the rights, titles and interests with respect to these properties
- Assignment of rental proceeds from the investment properties and insurance policies relating to these properties
- Pledge of shares of some subsidiaries
- Corporate guarantee from Ascott Reit, Ascendas Hospitality Real Estate Investment Trust and Ascendas Hospitality Business Trust

#### **Capital management**

As at 31 December 2020, the Group's gearing was 36.3%, well below the 50% gearing limit allowable under the property funds appendix issued by the Monetary Authority of Singapore. In this regard, the lease liabilities recognised by virtue of FRS 116 were excluded as these operating leases were entered into in the ordinary course of business and were in effect before 1 January 2019. The average cost of debts was 1.8% per annum, with a 12-month trailing interest cover of 2.2 times. S\$1,944 million or 79% of the Group's borrowings are on fixed interest rates, of which S\$261 million is due in the next 12 months.

Out of the Group's total borrowings, 14% falls due in 2021, 31% falls due in 2022, 22% falls due in 2023, 19% falls due in 2024 and the balance falls due after 2024.

The Managers adopt a proactive capital management strategy and has commenced discussions to refinance the loan facilities due in 2021, ahead of their maturity dates.

#### **B.14 Perpetual securities**

On 30 June 2015, Ascott Reit issued S\$250.0 million of fixed rate perpetual securities with an initial distribution rate of 4.68% per annum, with the first distribution rate reset falling on 30 June 2020 and subsequent resets occurring every five years thereafter. As announced on 29 May 2020, the S\$250.0 million perpetual securities would not be redeemed. The distribution rate applicable to the perpetual securities was reset to 3.07% per annum on 30 June 2020.

On 4 September 2019, Ascott Reit issued S\$150.0 million of fixed rate perpetual securities with an initial distribution rate of 3.88% per annum, with the first distribution rate reset falling on 4 September 2024 and subsequent resets occurring every five years thereafter. The proceeds were used to redeem the S\$150.0 million perpetual securities with its first call date on 27 October 2019.

Distributions are payable semi-annually in arrears at the discretion of Ascott Reit and will be non-cumulative. The perpetual securities have no fixed redemption date and redemption is at the option of Ascott Reit in accordance with the terms of issue of the perpetual securities.

1(c) Consolidated Statement of Cash Flows for 2H 2020 and 2H 2019

	ASCOTT REIT GROUP		ASCOTT BT GROUP		ASCOTT RESIDENCE TRUST	
	2H 2020 S\$'000	2H 2019 S\$'000	2H 2020 S\$'000	2H 2019 S\$'000	2H 2020 S\$'000	2H 2019 S\$'000
<b>Operating Activities</b>						
Total (loss) / return for the period before tax	(270,811)	123,074	(41,669)	(91,901)	(309,641)	31,173
<u>Adjustments for:</u>						
Depreciation and amortisation	5,944	6,423	11,459	–	17,403	6,423
Loss on disposal of property, plant and equipment	12	31	–	–	12	31
Assets written off	215	4,040	–	–	215	4,040
Amortisation of deferred income	–	–	(817)	–	(817)	–
Finance costs	25,478	25,438	8,381	–	28,879	25,438
Finance income	(1,055)	(1,341)	(178)	–	(1,217)	(1,341)
Provision for doubtful debts addition	1,203	107	359	–	1,562	107
Managers' management fees payable / paid partially in Stapled Securities	7,110	8,668	807	4	7,917	8,672
Unrealised foreign exchange (gain) / loss	(2,111)	2,024	(8,594)	–	(10,705)	2,024
Revaluation deficit on freehold land and buildings	–	–	26,594	–	26,594	–
Net change in fair value of investment properties and assets held for sale	362,480	(106,191)	21,667	–	379,092	(106,191)
Net change in fair value of financial derivatives	396	1,530	71	–	467	1,530
Net change in fair value of investment securities	374	–	–	–	–	–
Profit upon divestment	(78,167)	(1,019)	–	–	(78,167)	(1,019)
Transaction costs relating to the Combination	(519)	7,081	(531)	12,620	(1,050)	19,701
Impairment of goodwill	–	60,866	–	79,233	–	140,099
Share of results of associate	11	(17)	–	–	11	(17)
<b>Operating profit before working capital changes</b>	<b>50,560</b>	<b>130,714</b>	<b>17,549</b>	<b>(44)</b>	<b>60,555</b>	<b>130,670</b>
Changes in working capital	(4,923)	(45,391)	2,297	35,001	(2,636)	(10,390)
<b>Cash generated from operations</b>	<b>45,637</b>	<b>85,323</b>	<b>19,846</b>	<b>34,957</b>	<b>57,919</b>	<b>120,280</b>
Income tax paid	(8,901)	(13,828)	(91)	–	(8,992)	(13,828)
<b>Cash flows from operating activities</b>	<b>36,736</b>	<b>71,495</b>	<b>19,755</b>	<b>34,957</b>	<b>48,927</b>	<b>106,452</b>
<b>Balance carried forward</b>	<b>36,736</b>	<b>71,495</b>	<b>19,755</b>	<b>34,957</b>	<b>48,927</b>	<b>106,452</b>



**1(c) Consolidated Statement of Cash Flows for 2H 2020 and 2H 2019**

	ASCOTT REIT GROUP		ASCOTT BT GROUP		ASCOTT RESIDENCE TRUST	
	2H 2020 S\$'000	2H 2019 S\$'000	2H 2020 S\$'000	2H 2019 S\$'000	2H 2020 S\$'000	2H 2019 S\$'000
<b>Balance brought forward</b>	<b>36,736</b>	<b>71,495</b>	<b>19,755</b>	<b>34,957</b>	<b>48,927</b>	<b>106,452</b>
<b>Investing Activities</b>						
Acquisition of subsidiaries, net of cash acquired	–	(6,668)	–	(8,839)	–	(15,507)
Acquisition of property, plant and equipment	(1,823)	(4,291)	(3,725)	–	(5,548)	(4,291)
Advance (to) / from related corporations	(2,520)	–	2,520	–	–	–
Capital expenditure on investment properties and assets held for sale	(3,339)	(7,404)	–	–	(3,339)	(7,404)
Capital expenditure on investment property under development	(5,023)	(6,197)	–	–	(5,023)	(6,197)
Deposit received for divestment of subsidiaries / investment property	6,404	3,878	–	–	6,404	3,878
Disposal of subsidiaries, net of cash disposed of	122,233	13,446	–	–	122,233	13,446
Interest received	628	1,341	16	–	644	1,341
Proceeds on disposal of assets held for sale	163,333	–	–	–	163,333	–
Proceeds on disposal of investment properties	75,384	–	–	–	75,384	–
Payment of transaction costs for disposal of assets held for sale	(7,722)	(6)	–	–	(7,722)	(6)
Payment of transaction costs relating to the Combination	(26)	(1,292)	(21)	–	(47)	(1,292)
Proceeds from sale of property, plant and equipment	3	26	–	–	3	26
<b>Cash flows from / (used in) investing activities</b>	<b>347,532</b>	<b>(7,167)</b>	<b>(1,210)</b>	<b>(8,839)</b>	<b>346,322</b>	<b>(16,006)</b>
<b>Financing Activities</b>						
Distribution to Stapled Securityholders	(28,778)	(74,616)	(3,690)	–	(32,468)	(74,616)
Distribution to perpetual securities holders	(6,782)	(9,626)	–	–	(6,782)	(9,626)
Dividend paid to non-controlling interests	(683)	(2,382)	(23)	–	(706)	(2,382)
Interest paid	(25,715)	(25,281)	(7,513)	–	(28,264)	(25,281)
Payment of lease liabilities	(4,034)	(3,586)	(2,600)	–	(4,034)	(3,586)
Proceeds from bank borrowings and issue of medium term notes	337,057	88,961	550	–	337,607	88,961
Proceeds from issuance of perpetual securities	–	150,000	–	–	–	150,000
Redemption of perpetual securities	–	(150,000)	–	–	–	(150,000)
Payment of transaction costs on issue of perpetual securities	–	(1,169)	–	–	–	(1,169)
Repayment of bank borrowings and medium term notes	(451,717)	(37,277)	–	–	(451,717)	(37,277)
Change in restricted cash deposits	1,017	443	(108)	–	909	443
Payment of transaction costs on bank borrowings	(1,545)	(482)	–	–	(1,545)	(482)
<b>Cash flows used in financing activities</b>	<b>(181,180)</b>	<b>(65,015)</b>	<b>(13,384)</b>	<b>–</b>	<b>(187,000)</b>	<b>(65,015)</b>
<b>Increase / (decrease) in cash and cash equivalents</b>	<b>203,088</b>	<b>(687)</b>	<b>5,161</b>	<b>26,118</b>	<b>208,249</b>	<b>25,431</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>250,608</b>	<b>248,658</b>	<b>24,406</b>	<b>–</b>	<b>275,014</b>	<b>248,658</b>
Effect of exchange rate changes on balances held in foreign currencies	(2,309)	(1,407)	629	–	(1,680)	(1,407)
Cash and cash equivalents reclassified from / (to) assets held for sale	2,339	(2,674)	–	–	2,339	(2,674)
<b>Cash and cash equivalents at end of the period</b>	<b>453,726</b>	<b>243,890</b>	<b>30,196</b>	<b>26,118</b>	<b>483,922</b>	<b>270,008</b>
Restricted cash deposits	357	1,994	2,424	3,501	2,781	5,495
<b>Cash and cash equivalents in the Statement of Financial Position</b>	<b>454,083</b>	<b>245,884</b>	<b>32,620</b>	<b>29,619</b>	<b>486,703</b>	<b>275,503</b>

1(c) Consolidated Statement of Cash Flows for YTD Dec 2020 and YTD Dec 2019

	ASCOTT REIT GROUP		ASCOTT BT GROUP		ASCOTT RESIDENCE TRUST	
	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000
<b>Operating Activities</b>						
Total (loss) / return for the period before tax	(222,184)	352,915	(46,226)	(91,901)	(267,964)	261,014
<u>Adjustments for:</u>						
Depreciation and amortisation	12,190	12,498	22,025	–	34,215	12,498
Loss on disposal of property, plant and equipment	8	18	–	–	8	18
Assets written off	215	4,040	–	–	215	4,040
Amortisation of deferred income	–	–	(1,571)	–	(1,571)	–
Finance costs	52,792	51,817	17,285	–	60,057	51,817
Finance income	(1,766)	(2,080)	(240)	–	(1,990)	(2,080)
Provision for doubtful debts addition	1,721	159	365	–	2,086	159
Managers' management fees payable / paid partially in Stapled Securities	14,981	17,060	1,927	4	16,908	17,064
Unrealised foreign exchange (gain) / loss	(12,038)	4,182	(8,849)	–	(20,887)	4,182
Revaluation deficit on freehold land and buildings	–	–	26,594	–	26,594	–
Net change in fair value of investment properties and assets held for sale	362,480	(250,221)	21,667	–	379,092	(250,221)
Net change in fair value of financial derivatives	115	926	174	–	289	926
Net change in fair value of investment securities	462	–	–	–	–	–
Profit upon divestment	(78,428)	(1,019)	–	–	(78,428)	(1,019)
Transaction costs relating to the Combination	(531)	7,081	(523)	12,620	(1,054)	19,701
Impairment of goodwill	–	60,866	–	79,233	–	140,099
Share of results of associate	(56)	7	–	–	(56)	7
<b>Operating profit before working capital changes</b>	<b>129,961</b>	<b>258,249</b>	<b>32,628</b>	<b>(44)</b>	<b>147,514</b>	<b>258,205</b>
Changes in working capital	(52,046)	(41,000)	865	35,001	(51,192)	(5,999)
<b>Cash generated from operations</b>	<b>77,915</b>	<b>217,249</b>	<b>33,493</b>	<b>34,957</b>	<b>96,322</b>	<b>252,206</b>
Income tax paid	(22,014)	(23,211)	(213)	–	(22,227)	(23,211)
<b>Cash flows from operating activities</b>	<b>55,901</b>	<b>194,038</b>	<b>33,280</b>	<b>34,957</b>	<b>74,095</b>	<b>228,995</b>
<b>Balance carried forward</b>	<b>55,901</b>	<b>194,038</b>	<b>33,280</b>	<b>34,957</b>	<b>74,095</b>	<b>228,995</b>

1(c) Consolidated Statement of Cash Flows for YTD Dec 2020 and YTD Dec 2019

	ASCOTT REIT GROUP		ASCOTT BT GROUP		ASCOTT RESIDENCE TRUST	
	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000
<b>Balance brought forward</b>	<b>55,901</b>	<b>194,038</b>	<b>33,280</b>	<b>34,957</b>	<b>74,095</b>	<b>228,995</b>
<b>Investing Activities</b>						
Acquisition of subsidiaries, net of cash acquired	–	(6,668)	–	(8,839)	–	(15,507)
Acquisition of investment property	(42,761)	(58,106)	–	–	(42,761)	(58,106)
Acquisition of property, plant and equipment	(4,247)	(9,786)	(6,777)	–	(11,024)	(9,786)
Advance (to) / from related corporations	(33,299)	–	33,299	–	–	–
Capital expenditure on investment properties and assets held for sale	(8,295)	(13,585)	(389)	–	(8,684)	(13,585)
Capital expenditure on investment property under development	(11,628)	(8,286)	–	–	(11,628)	(8,286)
Deposit received for divestment of subsidiaries / investment property	21,168	3,878	–	–	21,168	3,878
Disposal of subsidiaries, net of cash disposed of	130,070	13,649	–	–	130,070	13,649
Interest received	1,339	2,080	78	–	1,417	2,080
Proceeds on disposal of assets held for sale	163,333	348,333	–	–	163,333	348,333
Proceeds on disposal of investment properties	75,384	–	–	–	75,384	–
Payment of transaction costs for disposal of assets held for sale	(7,722)	(2,756)	–	–	(7,722)	(2,756)
Payment of transaction costs relating to the Combination	(2,597)	(1,292)	(8,608)	–	(11,205)	(1,292)
Proceeds from sale of property, plant and equipment	15	41	–	–	15	41
Settlement of hedging instruments	(3,329)	–	1,063	–	(2,266)	–
<b>Cash flows from / (used in) investing activities</b>	<b>277,431</b>	<b>267,502</b>	<b>18,666</b>	<b>(8,839)</b>	<b>296,097</b>	<b>258,663</b>
<b>Financing Activities</b>						
Distribution to Stapled Securityholders	(126,001)	(160,464)	(11,205)	–	(137,206)	(160,464)
Distribution to perpetual securities holders	(15,550)	(19,200)	–	–	(15,550)	(19,200)
Dividend paid to non-controlling interests	(3,700)	(3,085)	(53)	–	(3,736)	(3,085)
Interest paid	(48,219)	(48,928)	(16,355)	–	(54,570)	(48,928)
Payment of lease liabilities	(7,450)	(7,518)	(5,065)	–	(7,450)	(7,518)
Proceeds from bank borrowings and issue of medium term notes	695,303	547,444	8,330	–	703,633	547,444
Proceeds from issuance of perpetual securities	–	150,000	–	–	–	150,000
Redemption of perpetual securities	–	(150,000)	–	–	–	(150,000)
Payment of transaction costs on issue of perpetual securities	(179)	(1,169)	–	–	(179)	(1,169)
Repayment of bank borrowings and medium term notes	(626,507)	(745,138)	(25,500)	–	(652,007)	(745,138)
Change in restricted cash deposits	1,637	337	1,077	–	2,714	337
Payment of transaction costs on bank borrowings	(2,114)	(2,056)	–	–	(2,114)	(2,056)
<b>Cash flows used in financing activities</b>	<b>(132,780)</b>	<b>(439,777)</b>	<b>(48,771)</b>	<b>–</b>	<b>(166,465)</b>	<b>(439,777)</b>
<b>Increase in cash and cash equivalents</b>	<b>200,552</b>	<b>21,763</b>	<b>3,175</b>	<b>26,118</b>	<b>203,727</b>	<b>47,881</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>243,890</b>	<b>225,516</b>	<b>26,118</b>	<b>–</b>	<b>270,008</b>	<b>225,516</b>
Effect of exchange rate changes on balances held in foreign currencies	6,610	(715)	903	–	7,513	(715)
Cash and cash equivalents reclassified from / (to) assets held for sale	2,674	(2,674)	–	–	2,674	(2,674)
<b>Cash and cash equivalents at end of the period</b>	<b>453,726</b>	<b>243,890</b>	<b>30,196</b>	<b>26,118</b>	<b>483,922</b>	<b>270,008</b>
Restricted cash deposits	357	1,994	2,424	3,501	2,781	5,495
<b>Cash and cash equivalents in the Statement of Financial Position</b>	<b>454,083</b>	<b>245,884</b>	<b>32,620</b>	<b>29,619</b>	<b>486,703</b>	<b>275,503</b>

1(d)(i) Statement of Movements in Stapled Securityholders' Funds for 2H 2020 and YTD Dec 2020

ASCOTT REIT GROUP	Attributable to Stapled Securityholders					Total S\$'000	Perpetual securities holders S\$'000	Non- controlling interests S\$'000	Total S\$'000
	Stapled Securities in issue S\$'000	Revenue Reserve S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	Hedging reserve S\$'000				
<b>At 1 January 2020</b>	<b>2,187,662</b>	<b>1,330,517</b>	<b>(235,539)</b>	<b>4,015</b>	<b>(3,746)</b>	<b>3,282,909</b>	<b>396,299</b>	<b>83,479</b>	<b>3,762,687</b>
Total return for the period	–	37,693	–	–	–	37,693	–	1,895	39,588
Total return attributable to perpetual securities holders	–	(8,736)	–	–	–	(8,736)	8,736	–	–
<u>Other comprehensive income</u>									
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	44,077	–	–	44,077	–	2,026	46,103
Effective portion of change in fair values of cash flow hedges	–	–	–	–	(8,596)	(8,596)	–	–	(8,596)
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	–	–	–	–	832	832	–	–	832
Total other comprehensive income	–	–	44,077	–	(7,764)	36,313	–	2,026	38,339
<u>Contributions by and distributions to owners</u>									
Ascott Reit Manager's management fees payable in Stapled Securities	7,839	–	–	–	–	7,839	–	–	7,839
Acquisition fees payable in Stapled Securities	(12)	–	–	–	–	(12)	–	–	(12)
Issue expenses relating to perpetual securities	–	–	–	–	–	–	21	–	21
Distribution to Stapled Securityholders	(35,879)	(61,344)	–	–	–	(97,223)	–	–	(97,223)
Distribution to perpetual securities holders	–	–	–	–	–	–	(8,768)	–	(8,768)
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	(3,017)	(3,017)
Total contributions by and distributions to owners	(28,052)	(61,344)	–	–	–	(89,396)	(8,747)	(3,017)	(101,160)
Transfer between reserves	–	(359)	–	359	–	–	–	–	–
<b>At 30 June 2020</b>	<b>2,159,610</b>	<b>1,297,771</b>	<b>(191,462)</b>	<b>4,374</b>	<b>(11,510)</b>	<b>3,258,783</b>	<b>396,288</b>	<b>84,383</b>	<b>3,739,454</b>

1(d)(i) Statement of Movements in Stapled Securityholders' Funds for 2H 2020 and YTD Dec 2020

ASCOTT REIT GROUP	Attributable to Stapled Securityholders					Total S\$'000	Perpetual securities holders S\$'000	Non- controlling interests S\$'000	Total S\$'000
	Stapled Securities in issue S\$'000	Revenue Reserve S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	Hedging reserve S\$'000				
<b>At 30 June 2020</b>	<b>2,159,610</b>	<b>1,297,771</b>	<b>(191,462)</b>	<b>4,374</b>	<b>(11,510)</b>	<b>3,258,783</b>	<b>396,288</b>	<b>84,383</b>	<b>3,739,454</b>
Total loss for the period	–	(227,362)	–	–	–	(227,362)	–	(4,493)	(231,855)
Total return attributable to perpetual securities holders	–	(6,792)	–	–	–	(6,792)	6,792	–	–
<u>Other comprehensive income</u>									
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	9,098	–	–	9,098	–	(2,861)	6,237
Effective portion of change in fair values of cash flow hedges	–	–	–	–	109	109	–	–	109
Realisation of reserves upon divestment	–	819	(3,737)	(819)	–	(3,737)	–	–	(3,737)
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	–	–	–	–	2,045	2,045	–	–	2,045
Total other comprehensive income	–	819	5,361	(819)	2,154	7,515	–	(2,861)	4,654
<u>Contributions by and distributions to owners</u>									
Ascott Reit Manager's management fees payable in Stapled Securities	7,110	–	–	–	–	7,110	–	–	7,110
Distribution to Stapled Securityholders	(10,636)	(18,142)	–	–	–	(28,778)	–	–	(28,778)
Distribution to perpetual securities holders	–	–	–	–	–	–	(6,782)	–	(6,782)
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	(683)	(683)
Total contributions by and distributions to owners	(3,526)	(18,142)	–	–	–	(21,668)	(6,782)	(683)	(29,133)
<u>Change in ownership interests in subsidiaries</u>									
Change in ownership interests in subsidiaries with a change in control	–	–	3,007	–	–	3,007	–	–	3,007
Change in ownership interests in subsidiaries with no change in control	–	(315)	–	–	–	(315)	–	315	–
Total change in ownership interests in subsidiaries	–	(315)	3,007	–	–	2,692	–	315	3,007
Transfer between reserves	–	207	–	(207)	–	–	–	–	–
<b>At 31 December 2020</b>	<b>2,156,084</b>	<b>1,046,186</b>	<b>(183,094)</b>	<b>3,348</b>	<b>(9,356)</b>	<b>3,013,168</b>	<b>396,298</b>	<b>76,661</b>	<b>3,486,127</b>

1(d)(i) Statement of Movements in Stapled Securityholders' Funds for 2H 2020 and YTD Dec 2020

ASCOTT BT GROUP	Attributable to Stapled Securityholders				Total S\$'000	Perpetual securities holders S\$'000	Non- controlling interests S\$'000	Total S\$'000
	Stapled Securities in issue S\$'000	Revenue Reserve S\$'000	Foreign currency translation reserve S\$'000	Hedging reserve S\$'000				
<b>At 1 January 2020</b>	<b>669,545</b>	<b>(91,901)</b>	–	–	<b>577,644</b>	–	<b>4,512</b>	<b>582,156</b>
Total return for the period	–	(7,677)	–	–	(7,677)	–	(11)	(7,688)
<u>Other comprehensive income</u>								
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	4,874	–	4,874	–	(55)	4,819
Effective portion of change in fair values of cash flow hedges	–	–	–	(436)	(436)	–	5	(431)
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	–	–	–	331	331	–	–	331
Total other comprehensive income	–	–	4,874	(105)	4,769	–	(50)	4,719
<u>Contributions by and distributions to owners</u>								
Ascott BT Trustee-Manager's management fees payable in Stapled Securities	1,119	–	–	–	1,119	–	–	1,119
Acquisition fees payable in Stapled Securities	8	–	–	–	8	–	–	8
Distribution to Stapled Securityholders	–	(7,515)	–	–	(7,515)	–	–	(7,515)
Dividend paid to non-controlling interests	–	–	–	–	–	–	(30)	(30)
Total contributions by and distributions to owners	1,127	(7,515)	–	–	(6,388)	–	(30)	(6,418)
<b>At 30 June 2020</b>	<b>670,672</b>	<b>(107,093)</b>	<b>4,874</b>	<b>(105)</b>	<b>568,348</b>	–	<b>4,421</b>	<b>572,769</b>

1(d)(i) Statement of Movements in Stapled Securityholders' Funds for 2H 2020 and YTD Dec 2020

ASCOTT BT GROUP	Attributable to Stapled Securityholders				Total S\$'000	Perpetual securities holders S\$'000	Non- controlling interests S\$'000	Total S\$'000
	Stapled Securities in issue S\$'000	Revenue Reserve S\$'000	Foreign currency translation reserve S\$'000	Hedging reserve S\$'000				
<b>At 30 June 2020</b>	<b>670,672</b>	<b>(107,093)</b>	<b>4,874</b>	<b>(105)</b>	<b>568,348</b>	<b>–</b>	<b>4,421</b>	<b>572,769</b>
Total return for the period	–	(25,058)	–	–	(25,058)	–	(729)	(25,787)
<u>Other comprehensive income</u>								
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	13,986	–	13,986	–	271	14,257
Effective portion of change in fair values of cash flow hedges	–	–	–	(470)	(470)	–	(8)	(478)
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	–	–	–	160	160	–	–	160
Total other comprehensive income	–	–	13,986	(310)	13,676	–	263	13,939
<u>Contributions by and distributions to owners</u>								
Ascott BT Trustee-Manager's management fees payable in Stapled Securities	807	–	–	–	807	–	–	807
Distribution to Stapled Securityholders	(3,677)	(13)	–	–	(3,690)	–	–	(3,690)
Dividend paid to non-controlling interests	–	–	–	–	–	–	(23)	(23)
Total contributions by and distributions to owners	(2,870)	(13)	–	–	(2,883)	–	(23)	(2,906)
<b>At 31 December 2020</b>	<b>667,802</b>	<b>(132,164)</b>	<b>18,860</b>	<b>(415)</b>	<b>554,083</b>	<b>–</b>	<b>3,932</b>	<b>558,015</b>

1(d)(i) **Statement of Movements in Stapled Securityholders' Funds for 2H 2020 and YTD Dec 2020**

ASCOTT RESIDENCE TRUST	Attributable to Stapled Securityholders					Total S\$'000	Perpetual security holders S\$'000	Non- controlling interests S\$'000	Total S\$'000
	Stapled Securities in issue S\$'000	Revenue Reserve S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	Hedging reserve S\$'000				
<b>At 1 January 2020</b>	<b>2,857,207</b>	<b>1,238,616</b>	<b>(235,539)</b>	<b>4,015</b>	<b>(3,746)</b>	<b>3,860,553</b>	<b>396,299</b>	<b>85,457</b>	<b>4,342,309</b>
Total return for the period	–	27,586	–	–	–	27,586	–	1,921	29,507
Total return attributable to perpetual securities holders	–	(8,736)	–	–	–	(8,736)	8,736	–	–
<u>Other comprehensive income</u>									
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	48,816	–	–	48,816	–	2,010	50,826
Effective portion of change in fair values of cash flow hedges	–	–	–	–	(9,027)	(9,027)	–	–	(9,027)
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	–	–	–	–	1,163	1,163	–	–	1,163
Total other comprehensive income	–	–	48,816	–	(7,864)	40,952	–	2,010	42,962
<u>Contributions by and distributions to owners</u>									
Ascott Reit Manager's management fees payable in Stapled Securities	7,839	–	–	–	–	7,839	–	–	7,839
Ascott BT Trustee-Manager's management fees payable in Stapled Securities	1,119	–	–	–	–	1,119	–	–	1,119
Acquisition fees payable in Stapled Securities	(4)	–	–	–	–	(4)	–	–	(4)
Issue expenses relating to perpetual securities	–	–	–	–	–	–	21	–	21
Distribution to Stapled Securityholders	(35,879)	(68,859)	–	–	–	(104,738)	–	–	(104,738)
Distribution to perpetual securities holders	–	–	–	–	–	–	(8,768)	–	(8,768)
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	(3,030)	(3,030)
Total contributions by and distributions to owners	(26,925)	(68,859)	–	–	–	(95,784)	(8,747)	(3,030)	(107,561)
Transfer between reserves	–	(359)	–	359	–	–	–	–	–
<b>At 30 June 2020</b>	<b>2,830,282</b>	<b>1,188,248</b>	<b>(186,723)</b>	<b>4,374</b>	<b>(11,610)</b>	<b>3,824,571</b>	<b>396,288</b>	<b>86,358</b>	<b>4,307,217</b>



1(d)(i) **Statement of Movements in Stapled Securityholders' Funds for 2H 2020 and YTD Dec 2020**

	Attributable to Stapled Securityholders					Total S\$'000	Perpetual securities holders S\$'000	Non- controlling interests S\$'000	Total S\$'000
	Stapled Securities in issue S\$'000	Revenue Reserve S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	Hedging reserve S\$'000				
<b>ASCOTT RESIDENCE TRUST</b>									
<b>At 30 June 2020</b>	<b>2,830,282</b>	<b>1,188,248</b>	<b>(186,723)</b>	<b>4,374</b>	<b>(11,610)</b>	<b>3,824,571</b>	<b>396,288</b>	<b>86,358</b>	<b>4,307,217</b>
Total return for the period	–	(250,135)	–	–	–	(250,135)	–	(4,668)	(254,803)
Total return attributable to perpetual securities holders	–	(6,792)	–	–	–	(6,792)	6,792	–	–
<u>Other comprehensive income</u>									
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	23,367	–	–	23,367	–	(2,778)	20,589
Effective portion of change in fair values of cash flow hedges	–	–	–	–	(369)	(369)	–	–	(369)
Realisation of reserves upon divestment	–	819	(3,737)	(819)	–	(3,737)	–	–	(3,737)
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	–	–	–	–	2,205	2,205	–	–	2,205
Total other comprehensive income	–	819	19,630	(819)	1,836	21,466	–	(2,778)	18,688
<u>Contributions by and distributions to owners</u>									
Ascott Reit Manager's management fees payable in Stapled Securities	7,110	–	–	–	–	7,110	–	–	7,110
Ascott BT Trustee-Manager's management fees payable in Stapled Securities	807	–	–	–	–	807	–	–	807
Distribution to Stapled Securityholders	(14,313)	(18,155)	–	–	–	(32,468)	–	–	(32,468)
Distribution to perpetual securities holders	–	–	–	–	–	–	(6,782)	–	(6,782)
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	(706)	(706)
Total contributions by and distributions to owners	(6,396)	(18,155)	–	–	–	(24,551)	(6,782)	(706)	(32,039)
<u>Change in ownership interests in subsidiaries</u>									
Change in ownership interests in subsidiaries with a change in control	–	–	3,007	–	–	3,007	–	–	3,007
Change in ownership interests in subsidiaries with no change in control	–	(315)	–	–	–	(315)	–	315	–
Total change in ownership interests in subsidiaries	–	(315)	3,007	–	–	2,692	–	315	3,007
Transfer between reserves	–	207	–	(207)	–	–	–	–	–
<b>At 31 December 2020</b>	<b>2,823,886</b>	<b>913,877</b>	<b>(164,086)</b>	<b>3,348</b>	<b>(9,774)</b>	<b>3,567,251</b>	<b>396,298</b>	<b>78,521</b>	<b>4,042,070</b>

1(d)(i) **Statement of Movements in Stapled Securityholders' Funds for 2H 2019 and YTD Dec 2019**

ASCOTT REIT GROUP	Attributable to Stapled Securityholders					Total S\$'000	Perpetual securities holders S\$'000	Non- controlling interests S\$'000	Total S\$'000
	Stapled Securities in issue S\$'000	Revenue Reserve S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	Hedging reserve S\$'000				
<b>At 1 January 2019</b>	<b>1,744,738</b>	<b>1,104,734</b>	<b>(212,000)</b>	<b>3,576</b>	<b>3,003</b>	<b>2,644,051</b>	<b>397,127</b>	<b>89,731</b>	<b>3,130,909</b>
Adjustment on initial recognition of FRS 116	–	9,802	–	–	–	9,802	–	–	9,802
Total return for the period	–	212,545	–	–	–	212,545	–	380	212,925
Total return attributable to perpetual securities holders	–	(9,521)	–	–	–	(9,521)	9,521	–	–
<u>Other comprehensive income</u>									
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	(15,265)	–	–	(15,265)	–	(97)	(15,362)
Effective portion of change in fair values of cash flow hedges	–	–	–	–	(6,675)	(6,675)	–	–	(6,675)
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	–	–	–	–	(808)	(808)	–	–	(808)
Total other comprehensive income	–	–	(15,265)	–	(7,483)	(22,748)	–	(97)	(22,845)
<u>Contributions by and distributions to owners</u>									
Ascott Reit Manager's management fees payable in Stapled Securities	8,352	–	–	–	–	8,352	–	–	8,352
Distribution to Stapled Securityholders	(22,539)	(63,309)	–	–	–	(85,848)	–	–	(85,848)
Distribution to perpetual securities holders	–	–	–	–	–	–	(9,574)	–	(9,574)
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	(703)	(703)
Total contributions by and distributions to owners	(14,187)	(63,309)	–	–	–	(77,496)	(9,574)	(703)	(87,773)
Transfer between reserves	–	(351)	–	351	–	–	–	–	–
<b>At 30 June 2019</b>	<b>1,730,551</b>	<b>1,253,900</b>	<b>(227,265)</b>	<b>3,927</b>	<b>(4,480)</b>	<b>2,756,633</b>	<b>397,074</b>	<b>89,311</b>	<b>3,243,018</b>

1(d)(i) **Statement of Movements in Stapled Securityholders' Funds for 2H 2019 and YTD Dec 2019**

ASCOTT REIT GROUP	Attributable to Stapled Securityholders								
	Stapled Securities in issue	Revenue Reserve	Foreign currency translation reserve	Capital reserve	Hedging reserve	Total	Perpetual securities holders	Non-controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>At 30 June 2019</b>	<b>1,730,551</b>	<b>1,253,900</b>	<b>(227,265)</b>	<b>3,927</b>	<b>(4,480)</b>	<b>2,756,633</b>	<b>397,074</b>	<b>89,311</b>	<b>3,243,018</b>
Total return for the period	–	95,618	–	–	–	95,618	–	(320)	95,298
Total return attributable to perpetual securities holders	–	(10,220)	–	–	–	(10,220)	10,220	–	–
<u>Other comprehensive income</u>									
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	(11,283)	–	–	(11,283)	–	(232)	(11,515)
Effective portion of change in fair values of cash flow hedges	–	–	–	–	1,022	1,022	–	–	1,022
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	–	–	–	–	(288)	(288)	–	–	(288)
Total other comprehensive income	–	–	(11,283)	–	734	(10,549)	–	(232)	(10,781)
<u>Contributions by and distributions to owners</u>									
Ascott Reit Manager's management fees payable in Stapled Securities	8,668	–	–	–	–	8,668	–	–	8,668
Issue of Stapled Securities for the Combination	510,899	–	–	–	–	510,899	–	–	510,899
Acquisition fees payable in Stapled Securities	3,822	–	–	–	–	3,822	–	–	3,822
Issue of perpetual securities	–	–	–	–	–	–	150,000	–	150,000
Redemption of perpetual securities	–	–	–	–	–	–	(150,000)	–	(150,000)
Issue expenses relating to perpetual securities	–	–	–	–	–	–	(1,369)	–	(1,369)
Distribution to Stapled Securityholders	(66,278)	(8,338)	–	–	–	(74,616)	–	–	(74,616)
Distribution to perpetual securities holders	–	–	–	–	–	–	(9,626)	–	(9,626)
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	(2,382)	(2,382)
Total contributions by and distributions to owners	457,111	(8,338)	–	–	–	448,773	(10,995)	(2,382)	435,396
<u>Change in ownership interests in subsidiaries</u>									
Change in ownership interests in subsidiaries with a change in control	–	–	3,009	–	–	3,009	–	(3,253)	(244)
Change in ownership interests in subsidiaries with no change in control	–	(355)	–	–	–	(355)	–	355	–
Total change in ownership interests in subsidiaries	–	(355)	3,009	–	–	2,654	–	(2,898)	(244)
Transfer between reserves	–	(88)	–	88	–	–	–	–	–
<b>At 31 December 2019</b>	<b>2,187,662</b>	<b>1,330,517</b>	<b>(235,539)</b>	<b>4,015</b>	<b>(3,746)</b>	<b>3,282,909</b>	<b>396,299</b>	<b>83,479</b>	<b>3,762,687</b>

1(d)(i) Statement of Movements in Stapled Securityholders' Funds for 2H 2019 and YTD Dec 2019

ASCOTT BT GROUP	Attributable to Stapled Securityholders					Total S\$'000	Perpetual securities holders S\$'000	Non- controlling interests S\$'000	Total S\$'000
	Stapled Securities in issue S\$'000	Revenue Reserve S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	Hedging reserve S\$'000				
<b>At 9 September 2019 (date of constitution)</b>	–	–	–	–	–	–	–	–	–
<u>Total comprehensive income for the period</u>									
Loss for the period	–	(91,901)	–	–	–	(91,901)	–	–	(91,901)
Total comprehensive income	–	(91,901)	–	–	–	(91,901)	–	–	(91,901)
<u>Contributions by and distributions to owners</u>									
Ascott BT Trustee-Manager's management fees payable in Stapled Securities	4	–	–	–	–	4	–	–	4
Issue of Stapled Securities for the Combination	664,662	–	–	–	–	664,662	–	–	664,662
Acquisition fees payable in Stapled Securities	4,879	–	–	–	–	4,879	–	–	4,879
Total contributions by and distributions to owners	669,545	–	–	–	–	669,545	–	–	669,545
<u>Change in ownership interests in subsidiaries</u>									
Acquisition through business combination	–	–	–	–	–	–	–	4,512	4,512
Total change in ownership interests in subsidiaries	–	–	–	–	–	–	–	4,512	4,512
<b>At 31 December 2019</b>	<b>669,545</b>	<b>(91,901)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>577,644</b>	<b>–</b>	<b>4,512</b>	<b>582,156</b>

1(d)(i) Statement of Movements in Stapled Securityholders' Funds for 2H 2019 and YTD Dec 2019

ASCOTT RESIDENCE TRUST	Attributable to Stapled Securityholders					Total S\$'000	Perpetual securities holders S\$'000	Non- controlling interests S\$'000	Total S\$'000
	Stapled Securities in issue S\$'000	Revenue Reserve S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	Hedging reserve S\$'000				
<b>At 1 January 2019</b>	<b>1,744,738</b>	<b>1,104,734</b>	<b>(212,000)</b>	<b>3,576</b>	<b>3,003</b>	<b>2,644,051</b>	<b>397,127</b>	<b>89,731</b>	<b>3,130,909</b>
Adjustment on initial recognition of FRS 116	–	9,802	–	–	–	9,802	–	–	9,802
Total return for the period	–	212,545	–	–	–	212,545	–	380	212,925
Total return attributable to perpetual securities holders	–	(9,521)	–	–	–	(9,521)	9,521	–	–
<u>Other comprehensive income</u>									
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	(15,265)	–	–	(15,265)	–	(97)	(15,362)
Effective portion of change in fair values of cash flow hedges	–	–	–	–	(6,675)	(6,675)	–	–	(6,675)
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	–	–	–	–	(808)	(808)	–	–	(808)
Total other comprehensive income	–	–	(15,265)	–	(7,483)	(22,748)	–	(97)	(22,845)
<u>Contributions by and distributions to owners</u>									
Ascott Reit Manager's management fees payable in Stapled Securities	8,352	–	–	–	–	8,352	–	–	8,352
Distribution to Stapled Securityholders	(22,539)	(63,309)	–	–	–	(85,848)	–	–	(85,848)
Distribution to perpetual securities holders	–	–	–	–	–	–	(9,574)	–	(9,574)
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	(703)	(703)
Total contributions by and distributions to owners	(14,187)	(63,309)	–	–	–	(77,496)	(9,574)	(703)	(87,773)
Transfer between reserves	–	(351)	–	351	–	–	–	–	–
<b>At 30 June 2019</b>	<b>1,730,551</b>	<b>1,253,900</b>	<b>(227,265)</b>	<b>3,927</b>	<b>(4,480)</b>	<b>2,756,633</b>	<b>397,074</b>	<b>89,311</b>	<b>3,243,018</b>

1(d)(i) **Statement of Movements in Stapled Securityholders' Funds for 2H 2019 and YTD Dec 2019**

	Attributable to Stapled Securityholders								
	Stapled Securities in issue S\$'000	Revenue Reserve S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	Hedging reserve S\$'000	Total S\$'000	Perpetual securities holders S\$'000	Non-controlling interests S\$'000	Total S\$'000
<b>ASCOTT RESIDENCE TRUST</b>									
<b>At 30 June 2019</b>	<b>1,730,551</b>	<b>1,253,900</b>	<b>(227,265)</b>	<b>3,927</b>	<b>(4,480)</b>	<b>2,756,633</b>	<b>397,074</b>	<b>89,311</b>	<b>3,243,018</b>
Total return for the period	–	3,717	–	–	–	3,717	–	(320)	3,397
Total return attributable to perpetual securities holders	–	(10,220)	–	–	–	(10,220)	10,220	–	–
<u>Other comprehensive income</u>									
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	(11,283)	–	–	(11,283)	–	(232)	(11,515)
Effective portion of change in fair values of cash flow hedges	–	–	–	–	1,022	1,022	–	–	1,022
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	–	–	–	–	(288)	(288)	–	–	(288)
Total other comprehensive income	–	–	(11,283)	–	734	(10,549)	–	(232)	(10,781)
<u>Contributions by and distributions to owners</u>									
Ascott Reit Manager's management fees payable in Stapled Securities	8,668	–	–	–	–	8,668	–	–	8,668
Ascott BT Trustee-Manager's management fees payable in Stapled Securities	4	–	–	–	–	4	–	–	4
Issue of Stapled Securities for the Combination	1,175,561	–	–	–	–	1,175,561	–	–	1,175,561
Acquisition fees payable in Stapled Securities	8,701	–	–	–	–	8,701	–	–	8,701
Issue of perpetual securities	–	–	–	–	–	–	150,000	–	150,000
Redemption of perpetual securities	–	–	–	–	–	–	(150,000)	–	(150,000)
Issue expenses relating to perpetual securities	–	–	–	–	–	–	(1,369)	–	(1,369)
Distribution to Stapled Securityholders	(66,278)	(8,338)	–	–	–	(74,616)	–	–	(74,616)
Distribution to perpetual securities holders	–	–	–	–	–	–	(9,626)	–	(9,626)
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	(2,382)	(2,382)
Total contributions by and distributions to owners	1,126,656	(8,338)	–	–	–	1,118,318	(10,995)	(2,382)	1,104,941
<u>Change in ownership interests in subsidiaries</u>									
Acquisition through business combination	–	–	–	–	–	–	–	1,978	1,978
Change in ownership interests in subsidiaries with a change in control	–	–	3,009	–	–	3,009	–	(3,253)	(244)
Change in ownership interests in subsidiaries with no change in control	–	(355)	–	–	–	(355)	–	355	–
Total change in ownership interests in subsidiaries	–	(355)	3,009	–	–	2,654	–	(920)	1,734
Transfer between reserves	–	(88)	–	88	–	–	–	–	–
<b>At 31 December 2019</b>	<b>2,857,207</b>	<b>1,238,616</b>	<b>(235,539)</b>	<b>4,015</b>	<b>(3,746)</b>	<b>3,860,553</b>	<b>396,299</b>	<b>85,457</b>	<b>4,342,309</b>

1(d)(ii) Details of any change in the Units / Stapled Securities

	Ascott Reit Units		Ascott BT Units <sup>(1)</sup>		Stapled Securities <sup>(3)</sup>	
	2H 2020 '000	2H 2019 '000	2H 2020 '000	2H 2019 '000	2H 2020 '000	2H 2019 '000
<b>Balance as at beginning of period / At date of constitution</b>	<b>3,101,133</b>	<b>2,174,777</b>	<b>3,101,133</b>	<b>–</b>	<b>3,101,133</b>	<b>–</b>
<b>Issue of new Stapled Securities:</b>						
- partial payment of management fees in Stapled Securities	6,915	4,034	6,915	–	6,915	–
- distribution <i>in specie</i> <sup>(2)</sup>	–	–	–	2,178,811	–	2,178,811
- partial consideration paid in Stapled Securities pursuant to the Combination	–	904,278	–	904,278	–	904,278
<b>Balance as at end of period</b>	<b>3,108,048</b>	<b>3,083,089</b>	<b>3,108,048</b>	<b>3,083,089</b>	<b>3,108,048</b>	<b>3,083,089</b>

	Ascott Reit Units		Ascott BT Units		Stapled Securities <sup>(3)</sup>	
	YTD Dec 2020 '000	YTD Dec 2019 '000	YTD Dec 2020 '000	YTD Dec 2019 '000	YTD Dec 2020 '000	YTD Dec 2019 '000
<b>Balance as at beginning of period / At date of constitution</b>	<b>3,083,089</b>	<b>2,164,592</b>	<b>3,083,089</b>	<b>–<sup>(1)</sup></b>	<b>3,083,089</b>	<b>–</b>
<b>Issue of new Stapled Securities:</b>						
- partial payment of management fees in Stapled Securities	18,511	14,219	18,511	–	18,511	–
- distribution <i>in specie</i> <sup>(2)</sup>	–	–	–	2,178,811 <sup>(2)</sup>	–	2,178,811
- partial consideration paid in Stapled Securities pursuant to the Combination	–	904,278	–	904,278	–	904,278
- payment of acquisition fee in Stapled Securities	6,448	–	6,448	–	6,448	–
<b>Balance as at end of period</b>	<b>3,108,048</b>	<b>3,083,089</b>	<b>3,108,048</b>	<b>3,083,089</b>	<b>3,108,048</b>	<b>3,083,089</b>

(1) Less than 1,000 at date of constitution. Ascott Reit established a wholly-owned business trust, Ascott BT, on 9 September 2019 in connection with the Combination. As at the date of constitution, there was one issued and outstanding Ascott BT unit which was held by the trustee of Ascott Reit.

(2) On 21 October 2019, the unitholders of Ascott Reit approved the Ascott Reit Scheme (as defined in the Composite Document dated 26 September 2019). Terms defined in the Composite Document have the same meanings when used in this Announcement.

On 31 December 2019, pursuant to and on the terms of the Ascott Reit Scheme, each Unitholder of Ascott Reit as at the Ascott Reit Scheme Entitlement Date of 30 December 2019, 5.00 pm, was issued one Ascott BT Unit for each Ascott Reit Unit held by it.

(3) Each Ascott BT Unit was stapled to one Ascott Reit Unit so as to form one Stapled Security in accordance with the Stapling Deed.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by our auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the most recently audited annual financial statements have been applied**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2019.

5. **If there are any changes in the accounting policies and methods of computation required by an accounting standard, what has changed, as well as the reasons for the change**

The Group adopted a number of new standards, amendments to standards and interpretations that are effective for annual periods beginning on or after 1 January 2020. The adoption of new standards, amendments to standards and interpretations did not result in any significant impact on the financial statements of the Group.

6. **Earnings per Stapled Security (“EPS”) and Distribution per Stapled Security (“DPS”) for the financial period**

In computing the EPS, the weighted average number of Stapled Securities for the period is used for the computation.

	GROUP		GROUP	
	2H 2020 S\$'000	2H 2019 S\$'000	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000
Total return for the period attributable to Stapled Securityholders and perpetual securities holders	(250,135)	3,717	(222,549)	216,262
Less: Total return attributable to perpetual securities holders	(6,792)	(10,220)	(15,528)	(19,741)
<b>Total return for the period attributable to Stapled Securityholders</b>	<b>(256,927)</b>	<b>(6,503)</b>	<b>(238,077)</b>	<b>196,521</b>

<b>Earnings per Stapled Security (EPS)</b>	2H 2020	2H 2019 <sup>(1)</sup>	YTD Dec 2020	YTD Dec 2019 <sup>(1)</sup>
Weighted average number of Stapled Securities for the period ('000)				
– Basic	3,104,632	2,176,948	3,096,484	2,174,217
– Diluted	3,114,136	2,185,718	3,111,159	2,185,718
<b>EPS (cents)</b> (based on the weighted average number of Stapled Securities for the period)				
– Basic	(8.28)	(0.30)	(7.69)	9.04
– Basic <sup>(2)</sup>	0.46	8.42	1.07	11.31
– Diluted	(8.28)	(0.30)	(7.69)	8.99

<sup>(1)</sup> As the Combination was completed on 31 December 2019, there are no earnings derived from A-HTRUST in 2H 2019 and YTD Dec 2019. As such, the consideration units issued pursuant to the Combination are not included in the weighted average number of Stapled Securities used for the computation of EPS.

<sup>(2)</sup> Exclude the effects of the net change in fair value of investment properties and freehold land and buildings, net of tax and non-controlling interests.



In computing the DPS, the number of Stapled Securities as at the end of each period is used for the computation.

<b>Distribution per Stapled Security (DPS)</b>	<b>2H 2020</b>	<b>2H 2019</b>	<b>YTD Dec 2020</b>	<b>YTD Dec 2019</b>
Number of Stapled Securities entitled to distribution <sup>(1)</sup> ('000)	3,108,048	2,178,811	3,108,048	2,178,811
<b>DPS (cents)</b>	1.99	4.18	3.03	7.61

<sup>(1)</sup> The consideration units issued pursuant to the Combination are not entitled to the permitted distribution. The DPS for 2H 2019 pertained to the permitted distribution before the completion of the Combination. Permitted distribution is calculated based on the amount available for distribution from 1 July 2019 to 31 December 2019.

**7. Net asset value (“NAV”) Per Stapled Security / Net Tangible Assets (“NTA”) Per Stapled Security**

	<b>GROUP</b>	
	<b>31 Dec 2020</b>	<b>31 Dec 2019</b>
NAV / NTA per Stapled Security <sup>(1)</sup> (S\$)	1.15	1.25
Adjusted NAV / NTA per Stapled Security (excluding the distributable income to Stapled Securityholder) (S\$)	1.13	1.22

<sup>(1)</sup> NAV / NTA per Stapled Security is computed based on net asset value / net tangible asset over the issued Stapled Securities at the end of the period.

## 8. Group Performance Review

### 8(a) Revenue and Gross Profit Analysis – 2H 2020 vs 2H 2019 (Local Currency (“LC”))

		<u>Revenue</u> <sup>1</sup>				<u>Gross Profit</u> <sup>1</sup>				<u>REVPAU Analysis</u> <sup>2</sup>		
		2H 2020	2H 2019	Better/ (Worse)		2H 2020	2H 2019	Better/ (Worse)		2H 2020	2H 2019	Better/ (Worse)
		LC'm		LC'm	%	LC'm		LC'm	%	LC/day		%
<b><u>Master Leases</u></b>												
Australia	AUD	2.8	3.8	(1.0)	(26)	2.5	3.6	(1.1)	(31)	–	–	–
France	EUR	5.2	11.0	(5.8)	(53)	4.1	10.1	(6.0)	(59)	–	–	–
Germany	EUR	4.7	5.1	(0.4)	(8)	4.3	4.7	(0.4)	(9)	–	–	–
Japan	JPY	1,037.1	–	1,037.1	n.m.	912.8	–	912.8	n.m.	–	–	–
Singapore	S\$	9.5	8.1	1.4	17	8.1	6.7	1.4	21	–	–	–
South Korea	KRW	1,785.7	–	1,785.7	n.m.	1,526.2	–	1,526.2	n.m.	–	–	–
<b><u>Management contracts with minimum guaranteed income</u></b>												
Belgium	EUR	1.8	5.6	(3.8)	(68)	0.3	2.0	(1.7)	(85)	12	84	(86)
Spain	EUR	1.1	2.9	(1.8)	(62)	0.4	1.4	(1.0)	(71)	7	104	(93)
United Kingdom <sup>3</sup>	GBP	1.6	2.6	(1.0)	(38)	1.1	1.3	(0.2)	(15)	34	148	(77)
<b><u>Management contracts</u></b>												
Australia	AUD	36.0	16.9	19.1	113	5.6	6.1	(0.5)	(8)	46	132	(65)
China	RMB	92.3	128.8	(36.5)	(28)	25.4	48.3	(22.9)	(47)	326	446	(27)
Indonesia <sup>4</sup>	IDR	49,611.7	85,644.9	(36,033.2)	(42)	9,709.7	31,154.1	(21,444.4)	(69)	648	1,133	(43)
Japan	JPY	1,117.9	2,248.9	(1,131.0)	(50)	517.5	1,150.2	(632.7)	(55)	1,793	12,000	(85)
Malaysia	MYR	3.6	7.1	(3.5)	(49)	(0.2)	1.6	(1.8)	(113)	94	187	(50)
Philippines	PHP	181.5	484.6	(303.1)	(63)	(14.9)	167.0	(181.9)	(109)	1,689	4,820	(65)
Singapore	S\$	2.6	14.1	(11.5)	(82)	0.3	6.3	(6.0)	(95)	70	217	(68)
United Kingdom <sup>3</sup>	GBP	2.4	14.4	(12.0)	(83)	–	6.4	(6.4)	(100)	21	145	(86)
United States of America	USD	9.4	43.2	(33.8)	(78)	(2.6)	17.3	(19.9)	(115)	49	229	(79)
Vietnam	VND <sup>1</sup>	194.0	361.0	(167.0)	(46)	97.5	191.5	(94.0)	(49)	733	1,665	(56)

<sup>1</sup> Revenue and Gross Profit figures are stated in millions, except for VND which are stated in billions.

<sup>2</sup> REVPAU for Japan refers to serviced residences and excludes rental housing. REVPAU for IDR and VND are stated in thousands.

<sup>3</sup> The management contracts with minimum guaranteed income for three of the properties in United Kingdom have expired on 30 April 2020 and they were converted to one-year management contracts from May 2020. For comparison purposes, the revenue, gross profit and REVPAU amounts for 2H 2019 has been reclassified from the “Management Contracts with Minimum Guaranteed Income” category to “Management Contracts” category.

<sup>4</sup> The reporting currency for Indonesia has been changed from USD to IDR from 1 January 2020. For comparison purposes, the revenue, gross profit and REVPAU amounts for 2H 2019 were amended to IDR.

8(a) **Revenue and Gross Profit Analysis – 2H 2020 vs. 2H 2019 (S\$)**

	<b>Revenue</b>				<b>Gross Profit</b>				<b>REVPAU Analysis <sup>1</sup></b>		
	2H 2020	2H 2019	Better/ (Worse)		2H 2020	2H 2019	Better/ (Worse)		2H 2020	2H 2019	Better/ (Worse)
	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%	S\$/day	S\$/day	%
<b>Master Leases</b>											
Australia	2.8	3.6	(0.8)	(22)	2.5	3.4	(0.9)	(26)	–	–	–
France	8.5	16.8	(8.3)	(49)	6.8	15.3	(8.5)	(56)	–	–	–
Germany	7.5	7.7	(0.2)	(3)	6.9	7.2	(0.3)	(4)	–	–	–
Japan	13.4	–	13.4	n.m.	11.8	–	11.8	n.m.	–	–	–
Singapore	9.5	8.1	1.4	17	8.1	6.7	1.4	21	–	–	–
South Korea	2.1	–	2.1	n.m.	1.8	–	1.8	n.m.	–	–	–
<b>Sub-total</b>	<b>43.8</b>	<b>36.2</b>	<b>7.6</b>	<b>21</b>	<b>37.9</b>	<b>32.6</b>	<b>5.3</b>	<b>16</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Management contracts with minimum guaranteed income</b>											
Belgium	2.9	8.6	(5.7)	(66)	0.5	3.0	(2.5)	(83)	20	129	(84)
Spain	1.7	4.4	(2.7)	(61)	0.7	2.1	(1.4)	(67)	11	158	(93)
United Kingdom <sup>2</sup>	2.8	4.6	(1.8)	(39)	1.9	2.2	(0.3)	(14)	60	256	(77)
<b>Sub-total</b>	<b>7.4</b>	<b>17.6</b>	<b>(10.2)</b>	<b>(58)</b>	<b>3.1</b>	<b>7.3</b>	<b>(4.2)</b>	<b>(58)</b>	<b>25</b>	<b>157</b>	<b>(84)</b>
<b>Management contracts</b>											
Australia	35.2	15.9	19.3	121	5.5	5.8	(0.3)	(5)	45	124	(64)
China	18.5	25.2	(6.7)	(27)	5.0	9.4	(4.4)	(47)	65	87	(25)
Indonesia	4.6	8.3	(3.7)	(45)	0.9	3.0	(2.1)	(70)	60	110	(45)
Japan	14.4	28.5	(14.1)	(49)	6.7	14.6	(7.9)	(54)	23	152	(85)
Malaysia	1.2	2.3	(1.1)	(48)	(0.1)	0.5	(0.6)	(120)	31	62	(50)
Philippines	5.1	12.9	(7.8)	(60)	(0.4)	4.4	(4.8)	(109)	48	128	(63)
Singapore	2.6	14.1	(11.5)	(82)	0.3	6.3	(6.0)	(95)	70	217	(68)
United Kingdom <sup>2</sup>	4.2	24.8	(20.6)	(83)	–	11.1	(11.1)	(100)	36	250	(86)
United States of America	12.8	59.2	(46.4)	(78)	(3.6)	23.7	(27.3)	(115)	67	313	(79)
Vietnam	11.6	21.6	(10.0)	(46)	5.8	11.6	(5.8)	(50)	44	100	(56)
<b>Sub-total</b>	<b>110.2</b>	<b>212.8</b>	<b>(102.6)</b>	<b>(48)</b>	<b>20.1</b>	<b>90.4</b>	<b>(70.3)</b>	<b>(78)</b>	<b>50</b>	<b>158</b>	<b>(68)</b>
<b>Group</b>	<b>161.4</b>	<b>266.6</b>	<b>(105.2)</b>	<b>(39)</b>	<b>61.1</b>	<b>130.3</b>	<b>(69.2)</b>	<b>(53)</b>	<b>49</b>	<b>158</b>	<b>(69)</b>

<sup>1</sup> REVPAU for Japan refers to serviced residences and excludes rental housing.

<sup>2</sup> The management contracts with minimum guaranteed income for three of the properties in United Kingdom have expired on 30 April 2020 and they were converted to one-year management contracts from May 2020. For comparison purposes, the revenue, gross profit and REVPAU amounts for 2H 2019 has been reclassified from the "Management Contracts with Minimum Guaranteed Income" category to "Management Contracts" category.

## **Group**

Please refer to para 1(a)(ii)(A.1) for analysis of the Group's revenue and gross profit.

## **Analysis By Country**

### **A. Master Leases**

#### ***Australia***

Both revenue and gross profit decreased by AUD 1.0 million or 26% and AUD 1.1 million or 31% respectively due to rent waiver provided to the master lessees as per the Mandatory Code of Conduct in view of COVID-19, mitigated by the acquisition of Quest Macquarie Park Sydney in February 2020.

In SGD terms, revenue and gross profit decreased by S\$0.8 million or 22% and S\$0.9 million or 26% respectively due to lower underlying performance, mitigated by appreciation of AUD against SGD.

#### ***France***

Both revenue and gross profit decreased by EUR 5.8 million and EUR 6.0 million respectively. This was mainly due to rent abatement of EUR 5.0 million for FY 2020 and the change to one-year variable master lease for four of the properties from 25 March 2020 as a result of COVID-19 pandemic (EUR 0.7 million).

In SGD terms, revenue and gross profit decreased by S\$8.3 million or 49% and S\$8.5 million or 56% respectively due to lower underlying performance, mitigated by appreciation of EUR against SGD.

#### ***Germany***

Both revenue and gross profit decreased by EUR 0.4 million due to lower variable rent from Madison Hamburg.

In SGD terms, revenue decreased by S\$0.2 million or 3% due to lower underlying performance, mitigated by appreciation of EUR against SGD. Gross profit decreased by S\$0.3 million or 4%.

#### ***Japan***

This relates to the contribution from the five hotels under the A-HTRUST portfolio, namely Hotel WBF Kitasemba East, Hotel WBF Kitasemba West, Hotel WBF Honmachi, Sotetsu Grand Fresa Osaka-Namba and Sotetsu Grand Fresa Tokyo-Bay Ariake in Japan.

Two of the properties in Osaka were temporarily closed during 2H 2020 due to low occupancies.

The master lessee of Hotel WBF Kitasemba East, Hotel WBF Kitasemba West and Hotel WBF Honmachi filed for civil rehabilitation on 27 April 2020. WBF Kitasemba East and WBF Kitasemba West are currently closed and will be converted from master lease to management contracts in 2021.

#### ***Singapore***

Both revenue and gross profit increased by S\$1.4 million due to the maiden contribution from Park Hotel Clarke Quay from 1 January 2020.

On a same store basis, revenue and gross profit decreased by S\$2.6 million, as compared to 2H 2019, due to the rental relief provided to the master lessee as part of the COVID-19 relief measures and absence of variable rent as a result of weaker performance from Ascott Orchard due to COVID-19.

#### ***South Korea***

This relates to the contribution from the two hotels under the A-HTRUST portfolio.

## **B. Management contracts with minimum guaranteed income**

### ***Belgium***

Revenue decreased by EUR 3.8 million or 68% due to lower demand and temporary closure of one of the properties during 2H 2020, mitigated by an income top-up from the property manager of EUR 0.7 million. REVPAU decreased by 86% in 2H 2020.

Gross profit decreased by EUR 1.7 million or 85% due to lower revenue, partially offset by lower staff costs and marketing expense.

In SGD terms, revenue decreased by S\$5.7 million or 66% as compared to 2H 2019 and gross profit decreased by S\$2.5 million or 83% due to lower underlying performance mitigated by appreciation of EUR against SGD.

### ***Spain***

Revenue decreased by EUR 1.8 million or 62% due to lower demand as well as temporary closure of the property during 2H 2020. The decrease in revenue was mitigated by an income top-up from the property manager of EUR 0.8 million. REVPAU decreased by 93% in 2H 2020.

Gross profit decreased by EUR 1.0 million or 71% due to lower revenue, partially offset by lower staff costs, marketing expense and operation & maintenance expense.

In SGD terms, revenue decreased by S\$2.7 million or 61% and gross profit decreased by S\$1.4 million or 67% due to lower underlying performance mitigated by appreciation of EUR against SGD.

### ***United Kingdom***

Revenue and gross profit for 2H 2020 include the six months contribution from Citadines South Kensington.

The 2H 2020 contribution from the three properties (namely, Citadines Barbican, Citadines Holborn-Covent Garden and Citadines Trafalgar Square) have been reclassified from the "Management Contracts with Minimum Guaranteed Income" category to "Management Contracts" category as their management contracts have been converted to one-year management contracts without minimum guaranteed income upon the expiry on 30 April 2020 due to COVID-19 pandemic.

Revenue decreased by GBP 1.0 million or 38% affected by an absence of international travel demand and lockdown of United Kingdom. The decrease in revenue was mitigated by an income top-up from the property manager of GBP 0.9 million. REVPAU decreased by 77% in 2H 2020.

Gross profit decreased by GBP 0.2 million or 15% due to lower revenue, partially offset by lower staff costs (due to wage subsidies), property tax expense (due to one-year business rates relief granted by the UK Government with effect from 1 April 2020), operation & maintenance expense and marketing expense.

In SGD terms, revenue decreased by S\$1.8 million or 39% due to lower underlying performance, mitigated by appreciation of GBP against SGD. Gross profit, in SGD terms, decreased by S\$0.3 million or 14%.

## **C. Management contracts**

### ***Australia***

Revenue increased by AUD 19.1 million due to the maiden contribution from the six hotels in the A-HTRUST portfolio from 1 January 2020.

REVPAU decreased by 65% in 2H 2020 due to lower occupancy as a result of lower leisure and corporate demand from closure of the Australian borders to non-residents, intra-state travel restrictions and lockdown measures in Australia.

Gross profit decreased by AUD 0.5 million or 8% due to lower contribution from the existing portfolio, partially offset by the contribution from the acquisitions.

On a same store basis, revenue and REVPAU decreased mainly due to lower leisure and corporate demand arising from the border closure. The absence of traditional demand was mitigated by block bookings from Australia's government, military and healthcare workers at some properties. Gross profit decreased due to lower revenue, partially mitigated by lower staff costs (due to wage credit given by the government under the JobKeeper scheme), operation & maintenance expense and marketing expense.

In SGD terms, revenue increased by S\$19.3 million. Gross profit decreased by S\$0.3 million or 5% due to lower underlying performance.

### ***China***

Revenue decreased by RMB 36.5 million or 28% and REVPAU decreased by 27% due to lower demand resulting from the COVID-19 outbreak and travel restrictions on foreign visitors during 2H 2020. While the recovery in international and expatriate demand remains soft, business is supported by domestic business travel and demand for leisure travel.

Gross profit decreased by RMB 22.9 million or 47% due to lower revenue, mitigated by lower staff costs (due to wage subsidies from the government), operation & maintenance expense and property tax (due to rebates from the government).

In SGD terms, revenue decreased by S\$6.7 million or 27% due to lower underlying performance, mitigated by appreciation of RMB against SGD. Gross profit decreased by S\$4.4 million or 47%.

### ***Indonesia***

Revenue decreased by IDR 36.0 billion or 42% and REVPAU decreased by 43% due to lower demand arising from Large Scale Social Restriction in Jakarta whereby international and domestic flights were banned and local movements were restricted.

Gross profit decreased by IDR 21.4 billion or 69% due to lower revenue, partially offset by lower operation & maintenance expense and marketing expense.

In SGD terms, revenue decreased by S\$3.7 million or 45% and gross profit decreased by S\$2.1 million or 70% due to lower underlying performance.

### ***Japan***

Revenue decreased by JPY 1,131.0 million or 50% due to weaker demand for the serviced residences as a result of COVID-19. The contribution from the rental housing portfolio (which cater to local Japanese residents) remain resilient.

Gross profit decreased by JPY 632.7 million or 55% due to lower revenue, partially offset by lower staff costs (due to wage subsidies from the government), operation & maintenance expense and marketing expense.

In SGD terms, revenue decreased by S\$14.1 million or 49% and gross profit decreased by S\$7.9 million or 54% due to lower underlying performance, mitigated by appreciation of JPY against SGD.

### ***Malaysia***

Revenue decreased by MYR 3.5 million or 49% and REVPAU decreased by 50% as compared to 2H 2019 due to the closure of the border and lower demand arising from the recovery movement control order. Due to the spike in COVID-19 cases, Kuala Lumpur was under conditional recovery movement order from October 2020 and extended until March 2021. Gross profit decreased by MYR 1.8 million due to lower revenue, mitigated by lower staff costs (due to wage subsidies) and operation & maintenance expense.

In SGD terms, revenue decreased by S\$1.1 million or 48% and gross profit decreased by S\$0.6 million due to lower underlying performance.

### ***The Philippines***

Revenue decreased by PHP 303.1 million or 63% due to lower occupancies arising from travel restrictions for foreign nationals. REVPAU decreased by 65%.

Gross profit decreased by PHP 181.9 million due to lower revenue, partially offset by lower staff costs, operation & maintenance expense and marketing expense.

In SGD terms, revenue and gross profit decreased by S\$7.8 million or 60% and S\$4.8 million respectively due to lower underlying performance, mitigated by appreciation of PHP against SGD.

### ***Singapore***

Revenue decreased by S\$11.5 million or 82% and gross profit decreased by S\$6.0 million or 95% due to the sale of partial gross floor area of Somerset Liang Court completed on 15 July 2020.

On a same store basis, revenue decreased by S\$2.2 million due to absence of international travelers. Occupancy remain high at Citadines Mount Sophia, albeit at lower room rates, with the stay home notice business. Gross profit decreased by S\$1.4 million due to lower revenue, partially offset by lower staff costs (due to the Job Support Scheme from the government), property tax expense (due to property tax rebates given by the Singapore government) and operation & maintenance expense.

### ***United Kingdom***

This relates to contribution from three properties (namely, Citadines Barbican, Citadines Holborn-Covent Garden and Citadines Trafalgar Square) for 2H 2020.

Revenue decreased by GBP 12.0 million or 83% due to lower occupancies from the lockdown. REVPAU decreased by 86% in 2H 2020. Gross profit decreased by GBP 6.4 million due to lower revenue, partially offset by lower staff costs (due to wage subsidies), property tax expense (due to one-year business rates relief granted by the UK Government with effect from 1 April 2020), operation & maintenance expense and marketing expense.

In SGD terms, revenue decreased by S\$20.6 million or 83% and gross profit decreased by S\$11.1 million due to lower underlying performance, mitigated by appreciation of GBP against SGD.

### ***The United States of America***

Revenue decreased by USD 33.8 million or 78% and REVPAU decreased by 79% as compared to 2H 2019 due to lower occupancies from the drop in leisure and transient stays and temporary closure of Element New York Times Square West in late August to December 2020. Alternative source of business from healthcare groups and block bookings helped to mitigate the reduction in revenue.

Gross profit decreased by USD 19.9 million due to lower revenue, partially offset by lower staff costs, operation & maintenance expense and marketing expense.

In SGD terms, revenue decreased by S\$46.4 million or 78% and gross profit decreased by S\$27.3 million due to lower underlying performance.

### ***Vietnam***

Revenue decreased by VND 167.0 billion or 46% as compared to 2H 2019 due to divestment of Somerset West Lake Hanoi in October 2019 and weak corporate demand arising from COVID-19 outbreak. REVPAU decreased by 56%.

Gross profit decreased by VND 94.0 billion or 49% due to lower revenue, mitigated by lower staff costs, operation & maintenance expense and marketing expense.

Excluding the contribution from Somerset West Lake Hanoi (which was divested on 31 October 2019) for 2H 2019, revenue and gross profit decreased by 44% and 48% respectively.

In SGD terms, revenue decreased by S\$10.0 million or 46% and gross profit decreased by S\$5.8 million or 50% due to lower underlying performance.

8(b) **Revenue and Gross Profit Analysis – YTD Dec 2020 vs YTD Dec 2019 (Local Currency (“LC”))**

		Revenue <sup>1</sup>				Gross Profit <sup>1</sup>				REVPAU Analysis <sup>2</sup>		
		YTD Dec 2020	YTD Dec 2019	Better/ (Worse)		YTD Dec 2020	YTD Dec 2019	Better/ (Worse)		YTD Dec 2020	YTD Dec 2019	Better/ (Worse)
		LC'm	LC'm	LC'm	%	LC'm	LC'm	LC'm	%	LC/day	LC/day	%
<b>Master Leases</b>												
Australia	AUD	7.1	7.6	(0.5)	(7)	6.5	7.2	(0.7)	(10)	–	–	–
France	EUR	15.7	21.7	(6.0)	(28)	13.6	19.8	(6.2)	(31)	–	–	–
Germany	EUR	9.4	10.1	(0.7)	(7)	8.5	9.3	(0.8)	(9)	–	–	–
Japan	JPY	2,243.2	–	2,243.2	n.m.	1,997.1	–	1,997.1	n.m.	–	–	–
Singapore	S\$	21.8	18.6	3.2	17	19.0	15.8	3.2	20	–	–	–
South Korea	KRW	4,458.9	–	4,458.9	n.m.	3,996.9	–	3,996.9	n.m.	–	–	–
<b>Management contracts with minimum guaranteed income</b>												
Belgium	EUR	4.5	10.5	(6.0)	(57)	0.9	3.6	(2.7)	(75)	20	79	(75)
Spain	EUR	2.4	5.8	(3.4)	(59)	0.9	2.8	(1.9)	(68)	13	105	(88)
United Kingdom <sup>3</sup>	GBP	8.5	13.1	(4.6)	(35)	3.8	5.3	(1.5)	(28)	62	129	(52)
<b>Management contracts</b>												
Australia	AUD	75.9	31.0	44.9	145	8.6	11.6	(3.0)	(26)	53	134	(60)
China	RMB	179.3	257.2	(77.9)	(30)	57.3	102.8	(45.5)	(44)	311	449	(31)
Indonesia <sup>4</sup>	IDR	105,857.8	163,958.7	(58,100.9)	(35)	20,560.4	57,574.8	(37,014.4)	(64)	690	1,076	(36)
Japan	JPY	2,465.3	4,564.6	(2,099.3)	(46)	1,142.5	2,392.0	(1,249.5)	(52)	2,848	12,107	(76)
Malaysia	MYR	8.8	13.5	(4.7)	(35)	0.6	2.7	(2.1)	(78)	115	180	(36)
Philippines	PHP	495.9	976.9	(481.0)	(49)	54.6	341.0	(286.4)	(84)	2,389	4,892	(51)
Singapore	S\$	12.8	26.7	(13.9)	(52)	6.4	11.5	(5.1)	(44)	123	207	(41)
United Kingdom <sup>3</sup>	GBP	3.0	19.2	(16.2)	(84)	(0.1)	8.5	(8.6)	(101)	18	145	(88)
United States of America	USD	23.9	78.7	(54.8)	(70)	(5.0)	30.0	(35.0)	(117)	63	210	(70)
Vietnam	VND <sup>1</sup>	422.7	710.8	(288.1)	(41)	215.8	383.3	(167.5)	(44)	860	1,626	(47)

<sup>1</sup> Revenue and Gross Profit figures are stated in millions, except for VND which are stated in billions.

<sup>2</sup> REVPAU for Japan refers to serviced residences and excludes rental housing. REVPAU for IDR and VND are stated in thousands.

<sup>3</sup> The management contracts with minimum guaranteed income for three of the properties in United Kingdom have expired on 30 April 2020 and they were converted to one-year management contracts from May 2020. For comparison purposes, the revenue, gross profit and REVPAU amounts from May 2019 to December 2019 has been reclassified from the “Management Contracts with Minimum Guaranteed Income” category to “Management Contracts” category.

<sup>4</sup> The reporting currency for Indonesia has been changed from USD to IDR from 1 January 2020. For comparison purposes, the revenue, gross profit and REVPAU amounts for YTD Dec 2019 were amended to IDR.



8(b) **Revenue and Gross Profit Analysis – YTD Dec 2020 vs. YTD Dec 2019 (\$\$)**

	Revenue				Gross Profit				REVPAU Analysis <sup>1</sup>		
	YTD Dec 2020	YTD Dec 2019	Better/ (Worse)		YTD Dec 2020	YTD Dec 2019	Better/ (Worse)		YTD Dec 2020	YTD Dec 2019	Better/ (Worse)
	\$S'm	\$S'm	\$S'm	%	\$S'm	\$S'm	\$S'm	%	\$S/day	\$S/day	%
<b>Master Leases</b>											
Australia	6.7	7.3	(0.6)	(8)	6.1	6.8	(0.7)	(10)	–	–	–
France	24.6	33.3	(8.7)	(26)	21.2	30.3	(9.1)	(30)	–	–	–
Germany	14.7	15.4	(0.7)	(5)	13.4	14.2	(0.8)	(6)	–	–	–
Japan	28.9	–	28.9	n.m.	25.8	–	25.8	n.m.	–	–	–
Singapore	21.8	18.6	3.2	17	19.0	15.8	3.2	20	–	–	–
South Korea	5.2	–	5.2	n.m.	4.6	–	4.6	n.m.	–	–	–
<b>Sub-total</b>	<b>101.9</b>	<b>74.6</b>	<b>27.3</b>	<b>37</b>	<b>90.1</b>	<b>67.1</b>	<b>23.0</b>	<b>34</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Management contracts with minimum guaranteed income</b>											
Belgium	7.0	16.1	(9.1)	(57)	1.3	5.6	(4.3)	(77)	31	122	(75)
Spain	3.7	8.8	(5.1)	(58)	1.5	4.2	(2.7)	(64)	20	160	(88)
United Kingdom <sup>2</sup>	15.1	22.8	(7.7)	(34)	6.7	9.3	(2.6)	(28)	110	226	(51)
<b>Sub-total</b>	<b>25.8</b>	<b>47.7</b>	<b>(21.9)</b>	<b>(46)</b>	<b>9.5</b>	<b>19.1</b>	<b>(9.6)</b>	<b>(50)</b>	<b>58</b>	<b>167</b>	<b>(65)</b>
<b>Management contracts</b>											
Australia	71.8	29.5	42.3	143	8.1	11.0	(2.9)	(26)	50	128	(61)
China	35.7	50.9	(15.2)	(30)	11.4	20.4	(9.0)	(44)	62	89	(30)
Indonesia	10.0	15.7	(5.7)	(36)	2.0	5.5	(3.5)	(64)	66	103	(36)
Japan	31.7	57.0	(25.3)	(44)	14.7	29.9	(15.2)	(51)	37	151	(76)
Malaysia	2.9	4.5	(1.6)	(36)	0.2	0.9	(0.7)	(78)	38	59	(36)
Philippines	13.7	25.6	(11.9)	(46)	1.5	8.9	(7.4)	(83)	66	128	(48)
Singapore	12.8	26.7	(13.9)	(52)	6.4	11.5	(5.1)	(44)	123	207	(41)
United Kingdom <sup>2</sup>	5.2	33.4	(28.2)	(84)	(0.2)	14.8	(15.0)	(101)	32	251	(87)
United States of America	33.0	107.4	(74.4)	(69)	(7.0)	40.9	(47.9)	(117)	87	286	(70)
Vietnam	25.4	41.9	(16.5)	(39)	12.9	22.6	(9.7)	(43)	52	96	(46)
<b>Sub-total</b>	<b>242.2</b>	<b>392.6</b>	<b>(150.4)</b>	<b>(38)</b>	<b>50.0</b>	<b>166.4</b>	<b>(116.4)</b>	<b>(70)</b>	<b>59</b>	<b>150</b>	<b>(61)</b>
<b>Group</b>	<b>369.9</b>	<b>514.9</b>	<b>(145.0)</b>	<b>(28)</b>	<b>149.6</b>	<b>252.6</b>	<b>(103.0)</b>	<b>(41)</b>	<b>59</b>	<b>152</b>	<b>(61)</b>

<sup>1</sup> REVPAU for Japan refers to serviced residences and excludes rental housing.

<sup>2</sup> The management contracts with minimum guaranteed income for three of the properties in United Kingdom have expired on 30 April 2020 and they were converted to one-year management contracts from May 2020. For comparison purposes, the revenue, gross profit and REVPAU amounts from May 2019 to December 2019 has been reclassified from the "Management Contracts with Minimum Guaranteed Income" category to "Management Contracts" category.

For the year ended 31 December 2020 (“YTD Dec 2020”), revenue decreased by S\$145.0 million as compared to the corresponding period last year (“YTD Dec 2019”). The decrease in revenue was mainly due to decrease in revenue of S\$15.5 million from the divestment of Ascott Raffles Place Singapore, Somerset Liang Court Singapore and Somerset West Lake Hanoi and lower revenue of S\$231.3 million from the existing properties, partially offset by additional contribution of S\$101.8 million from the acquisition of the A-HTRUST portfolio, Quest Macquarie Park Sydney (acquired in February 2020) and Citadines Connect Sydney Airport (acquired in May 2019).

REVPAU decreased by 61%, from S\$152 in YTD Dec 2019 to S\$59 in YTD Dec 2020.

Gross profit for YTD Dec 2020 decreased by S\$103.0 million or 41% as compared to YTD Dec 2019 due to lower revenue, partially offset by lower operating costs from cost containment measures and government support measures.

**(c) Change in value of investment properties and assets held for sale**

The change in value of investment properties and assets held for sale will affect the net asset value but has no impact on the unitholders’ distribution.

Any increase or decrease in value is credited or charged to the Statement of Total Return as net appreciation or depreciation on revaluation of investment properties.

As at 31 December 2020, independent full valuations were carried out by HVS (except for the six hotel properties in Australia, two properties in South Korea and the three properties in USA). The two properties in South Korea and the three properties in USA were valued by Colliers. For the six hotel properties in Australia, the valuations were carried out by CBRE. In determining the fair value of the Group’s portfolio, the discounted cash flow method and residual land method were used. The valuation methods used are consistent with that used for the 31 December 2019 valuation and prior years.

The outbreak of the COVID-19 has impacted market activity in many property sectors. As the impact of COVID-19 is fluid and evolving, significant market uncertainty exists. Consequently, the valuations of investment properties are currently subject to material estimation uncertainty. The carrying amounts of the investment properties were current as at 31 December 2020 only. Values may change more rapidly and significantly than during normal market conditions.

The Group’s portfolio was revalued at S\$6.6 billion, resulting in a deficit of S\$405.7 million which was recognised in the Consolidated Statement of Total Return in 2H 2020. The deficit resulted mainly from lower valuation of the Group’s properties in all countries in view of soft operating performance and business outlook. The net impact on the Consolidated Statement of Total Return was S\$332.2 million (net of tax and non-controlling interests).

**9. Variance from forecast**

The Group has not disclosed any forecast to the market.

**10. Commentary of the significant trends and the competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months**

The International Monetary Fund forecasts the global economy to grow 5.2% in 2021, recovering from a decline of 4.4% in 2020<sup>1</sup>. The World Tourism Organization (UNWTO) expects international visitor arrivals to rebound by the second half of 2021, after falling by more than 70% in 2020, but a full recovery to 2019 levels could take two-and-a-half to four years depending on when travel restrictions are lifted<sup>2</sup>.

Market conditions are expected to remain challenging in the near term, given the resurgence and uncertainty around new strains of the coronavirus. In several countries, movement and travel restrictions continue to be in place. As at 31 December 2020, 10 ART properties were temporarily closed to consolidate resources. 6 of the 10 properties are on master leases and ART continues to receive rental from these properties even when they are closed.

<sup>1</sup> “World Economic Outlook” (November 2020), International Monetary Fund

<sup>2</sup> “Tourism back to 1990 levels as arrivals fall by more than 70%” (17 December 2020), UNWTO

ART's geographically diversified presence, portfolio of predominantly long-stay properties and mix of stable and growth income streams have mitigated some of the impact from COVID-19. For FY 2020, about two-thirds of ART's gross profit was from master leases and management contracts with minimum guaranteed income. However, some of ART's lessees have been impacted by spread of the virus and lockdowns. In December 2020, expiring master leases in France were renewed with adjustments made to the rent structure, and rent negotiations with other lessees are ongoing. These changes will affect ART's income in the coming months but are crucial in tiding ART over the immediate operating challenges, towards a more sustainable recovery.

Despite the near-term headwinds, there is significant pent-up demand for travel, and the domestic, leisure and free independent segments are expected to continue leading the recovery. As vaccinations become widely available, travel is expected to restart, albeit at an uneven pace.

Long-stay properties, such as serviced residences, have generally outperformed other lodging asset classes during the pandemic and investment demand continues to be strong. As a testament to the resilience of the asset class, ART successfully unlocked the value of Ascott Guangzhou and Somerset Azabu East Tokyo in December 2020, divesting at 52% and 63% above the respective book values. The divestments of Citadines Didot Montparnasse Paris and Citadines City Centre Grenoble, at 69% and 35% above the respective book values, are expected to complete in the first quarter of 2021.

ART adopts a disciplined approach in its capital and cashflow management. As at 31 December 2020, ART had a total of approximately S\$1 billion in cash on-hand and unutilised credit facilities, sufficient to cover more than 3 years' fixed costs under a worst-case, zero-income scenario. The funds available include sale proceeds from recent divestments, which further strengthen ART's financial capacity and flexibility to distribute part of the proceeds to Stapled Securityholders, pare down debt and/or finance potential acquisitions.

Looking ahead, ART continues to actively enhance the portfolio to drive returns to Stapled Securityholders. Ascott Reit's investment mandate will be expanded to include student accommodation, with effect from 27 February 2021. In pivoting towards the longer-stay accommodation asset class, part of the divestment proceeds is expected to be redeployed into the acquisition of 183-unit Signature West Midtown, ART's first purpose-built student accommodation asset. The acquisition, which is expected to be 4.4% accretive on the FY 2020 pro forma Distribution per Stapled Security, is expected to complete at the end of 1Q 2021.

The refurbishment of Hotel Central Times Square (formerly known as DoubleTree by Hilton Hotel New York – Times Square South), which was previously postponed to conserve cash, will commence in the second quarter of 2021. Iy one-north Singapore, ART's maiden development project, is expected to complete in the fourth quarter of 2021.

## 11. **DISTRIBUTIONS**

### 11(a) **Current financial period**

Any distributions declared for the current financial period? Yes

Period of distribution : Distribution for 1 July 2020 to 31 December 2020

<b>Distribution Type</b>	<b>Distribution Rate (cents)</b>
Taxable Income	0.267
Tax Exempt Income	0.800
Capital	0.723
Other gains	0.196
<b>Total</b>	<b>1.986</b>

### 11(b) **Corresponding period of the preceding financial period**

Any distributions declared for the corresponding period of the immediate preceding financial period? Yes

Period of distribution : Distribution for 1 July 2019 to 31 December 2019

<b>Distribution Type</b>	<b>Distribution Rate (cents)</b>
Taxable Income	0.616
Tax Exempt Income	2.935
Capital	0.400
Other gains	0.229
<b>Total</b>	<b>4.180</b>

### 11(c) Tax rate : **Taxable Income Distribution**

Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

**Tax-Exempt Income Distribution**

Tax-exempt income distribution is exempt from tax in the hands of all Stapled Securityholders.

**Capital Distribution**

Capital distribution represents a return of capital to Stapled Securityholders for tax purposes and is therefore not subject to income tax. For Stapled Securityholders who are liable to tax on profits from sale of Stapled Securities, the amount of capital distribution will be applied to reduce the cost base of their Stapled Securities for tax purposes.

**Other Gains Distribution**

Distribution of other gains is not taxable in the hand of Stapled Securities holders.

11(d) Book closure date : 4 February 2021

11(e) Date payable : 26 February 2021

**12. If no distribution has been declared/recommended, a statement to that effect**

Not applicable.

**13. General mandate for Interested Person Transactions (“IPT”)**

The Group has not obtained a general mandate from Stapled Securityholders for IPT.

**14. Confirmation pursuant to Rule 720(1) of the Listing Manual**

The Managers confirm that they have procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “Listing Manual”), as required by Rule 720(1) of the Listing Manual.

**15. Segment Revenue and Results**

	Revenue		Gross Profit	
	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000
Singapore	34,507	45,235	25,324	27,298
Australia	78,459	36,746	14,288	17,864
Belgium	6,990	16,122	1,339	5,571
China	35,744	50,932	11,413	20,369
France	24,582	33,312	21,236	30,254
Germany	14,727	15,442	13,359	14,221
Indonesia	10,058	15,740	1,958	5,479
Japan	60,597	57,012	40,390	29,876
Malaysia	2,888	4,462	192	881
Philippines	13,752	25,635	1,514	8,947
South Korea	5,204	–	4,664	–
Spain	3,708	8,830	1,443	4,225
United Kingdom	20,274	56,181	6,498	24,121
United States of America	33,023	107,374	(6,962)	40,893
Vietnam	25,359	41,933	12,946	22,612
<b>Group</b>	<b>369,872</b>	<b>514,956</b>	<b>149,602</b>	<b>252,611</b>

16. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Please refer to paragraph 8 on the review.

17. **Breakdown of Revenue and Total Return**

	YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000	Better/ (Worse) %
(a) Revenue reported for first half year	208,490	248,409	(16)
(b) Total return after taxation reported for first half year	29,507	212,925	(86)
(c) Revenue reported for second half year	161,382	266,547	(39)
(d) Total return after taxation reported for second half year	(254,803)	3,397	n.m.

18. **Breakdown of Total Distributions**

1 January 2019 to 30 June 2019 - paid  
 1 July 2019 to 31 December 2019 - paid  
 1 January 2020 to 30 June 2020 - paid  
 1 July 2020 to 31 December 2020 - to be paid

YTD Dec 2020 S\$'000	YTD Dec 2019 S\$'000
–	74,623
–	90,934
32,559	–
61,667	–

19. **Confirmation pursuant to Rule 704(13) of the Listing Manual**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Ascott Residence Trust Management Limited, being the manager of Ascott Reit, and Ascott Business Trust Management Pte. Ltd., being the trustee-manager of Ascott Business Trust (collectively, the “Managers”) confirm that there is no person occupying a managerial position in the Managers or in any of its or Ascott Residence Trust’s principal subsidiaries who is a relative of a director, chief executive officer, substantial shareholder of the Managers or substantial Stapled Securityholder of Ascott Residence Trust.

On behalf of the Board of Directors

Tan Beng Hai  
Chairman

Beh Siew Kim  
Director

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

BY ORDER OF THE BOARD  
Ascott Residence Trust Management Limited  
(Company registration no. 200516209Z)  
As Manager of Ascott Real Estate Investment Trust

BY ORDER OF THE BOARD  
Ascott Business Trust Management Pte. Ltd.  
(Company registration no. 201925299R)  
As Trustee-Manager of Ascott Business Trust

Karen Chan  
Company Secretary

27 January 2021