

Ascott Residence Trust

**(Constituted in the Republic of Singapore pursuant to a stapling deed
effective on 31 December 2019)**

Condensed interim financial statements
Six-month period and full year ended 31 December 2021

TABLE OF CONTENTS

A.	Condensed Statements of Financial Position	1
B.	Statements of Total Return and Condensed Statement of Comprehensive Income of the Ascott BT Group	3
C.	Distribution Statements	9
D.	Condensed Statements of Movements in Stapled Securityholders' Funds	11
E.	Portfolio Statements	21
F.	Condensed Statements of Cash Flows	38
G.	Notes to the Condensed Interim Financial Statements	42

Condensed Statements of Financial Position
As at 31 December 2021

	Note	Ascott Reit Group		Ascott BT Group		Stapled Group	
		31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
Non-current assets							
Investment properties	3	5,882,709	5,253,374	515,117	548,447	6,297,854	5,687,743
Property, plant and equipment	4	37,189	35,471	587,578	573,808	624,767	609,279
Investment properties under development	5	302,863	229,900	–	–	302,863	229,900
Investment securities		2,163	2,072	–	–	–	–
Associate		3,013	3,026	–	–	3,013	3,026
Joint venture	6	13,800	–	–	–	13,800	–
Financial derivative assets		18,814	298	1,097	4,935	19,911	5,233
Deferred tax assets		3,171	3,027	4,405	3,435	7,576	6,462
		<u>6,263,722</u>	<u>5,527,168</u>	<u>1,108,197</u>	<u>1,130,625</u>	<u>7,269,784</u>	<u>6,541,643</u>
Current assets							
Inventories		85	124	248	214	334	338
Trade and other receivables		183,038	168,739	10,520	8,056	104,429	103,238
Assets held for sale	7	1,519	31,904	–	–	1,519	31,904
Financial derivative assets		536	–	10,312	–	10,848	–
Cash and cash equivalents		301,163	454,083	45,169	32,620	346,332	486,703
		<u>486,341</u>	<u>654,850</u>	<u>66,249</u>	<u>40,890</u>	<u>463,462</u>	<u>622,183</u>
Total assets		<u>6,750,063</u>	<u>6,182,018</u>	<u>1,174,446</u>	<u>1,171,515</u>	<u>7,733,246</u>	<u>7,163,826</u>
Non-current liabilities							
Financial liabilities	8	1,733,950	1,781,277	230,789	348,137	1,964,739	2,129,414
Financial derivative liabilities		1,100	24,075	–	4,840	1,100	28,915
Trade and other payables		–	6,475	9,618	10,214	9,618	16,689
Deferred income		–	216	1,128	2,169	1,128	2,385
Deferred tax liabilities		111,455	98,146	38,330	33,611	149,785	131,757
Lease liabilities	9	267,238	275,056	94,448	108,570	267,238	275,056
		<u>2,113,743</u>	<u>2,185,245</u>	<u>374,313</u>	<u>507,541</u>	<u>2,393,608</u>	<u>2,584,216</u>
Current liabilities							
Financial liabilities	8	645,764	333,081	118,421	–	764,185	333,081
Financial derivative liabilities		728	645	–	–	728	645
Trade and other payables		135,691	161,394	120,000	97,618	166,562	185,455
Deferred income		–	145	969	1,790	969	1,935
Current tax liabilities		28,932	7,125	1,902	1,043	30,834	8,168
Lease liabilities	9	8,641	8,256	5,524	5,508	8,641	8,256
		<u>819,756</u>	<u>510,646</u>	<u>246,816</u>	<u>105,959</u>	<u>971,919</u>	<u>537,540</u>
Total liabilities		<u>2,933,499</u>	<u>2,695,891</u>	<u>621,129</u>	<u>613,500</u>	<u>3,365,527</u>	<u>3,121,756</u>
Net assets		<u>3,816,564</u>	<u>3,486,127</u>	<u>553,317</u>	<u>558,015</u>	<u>4,367,719</u>	<u>4,042,070</u>

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Financial Position (continued)
As at 31 December 2021

	Note	Ascott Reit Group		Ascott BT Group		Stapled Group	
		31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
Represented by:							
Stapled Securityholders' funds		3,341,450	3,013,168	549,409	554,083	3,890,860	3,567,251
Perpetual securities holders		396,298	396,298	–	–	396,298	396,298
Non-controlling interests		78,816	76,661	3,908	3,932	80,561	78,521
		<u>3,816,564</u>	<u>3,486,127</u>	<u>553,317</u>	<u>558,015</u>	<u>4,367,719</u>	<u>4,042,070</u>
Stapled Securities in issue ('000)	10	<u>3,276,547</u>	<u>3,108,048</u>	<u>3,276,547</u>	<u>3,108,048</u>	<u>3,276,547</u>	<u>3,108,048</u>
Net asset value/Net tangible asset per Stapled Security (\$)		<u>1.02</u>	<u>0.97</u>	<u>0.17</u>	<u>0.18</u>	<u>1.19</u>	<u>1.15</u>

The accompanying notes form an integral part of these condensed interim financial statements.

Statements of Total Return
Six-month period ended 31 December 2021

	Note	Ascott Reit Group		Ascott BT Group		Stapled Group	
		Six-month period ended 31/12/2021 \$'000	Six-month period ended 31/12/2020 \$'000	Six-month period ended 31/12/2021 \$'000	Six-month period ended 31/12/2020 \$'000	Six-month period ended 31/12/2021 \$'000	Six-month period ended 31/12/2020 \$'000
Gross revenue	11	165,291	125,976	51,146	42,947	209,370	161,382
Direct expenses		(85,787)	(75,724)	(32,373)	(24,605)	(118,160)	(100,342)
Gross profit		79,504	50,252	18,773	18,342	91,210	61,040
Depreciation of buildings, plant and machinery		–	–	(9,448)	(9,871)	(9,448)	(9,871)
Finance income	14	314	713	99	97	388	794
Other income		4,547	217	2,434	–	6,981	217
Finance costs	14	(24,864)	(25,478)	(7,850)	(8,381)	(28,264)	(28,879)
Managers' management fees	12	(10,682)	(10,034)	(1,992)	(1,606)	(12,674)	(11,640)
Trustee's fee		(372)	(378)	(81)	(82)	(453)	(460)
Professional fees	13	(2,133)	(1,341)	(400)	(309)	(2,533)	(1,650)
Audit fees		(1,088)	(988)	(99)	(89)	(1,187)	(1,077)
Foreign exchange (loss)/gain		(9,090)	2,673	(7,836)	8,597	(16,926)	11,270
Other operating expenses		(258)	(1,999)	(233)	(647)	(490)	(2,646)
Net income/(loss) before share of results of associate and joint venture		35,878	13,637	(6,633)	6,051	26,604	17,098
Share of results (net of tax) of:							
- associate		(16)	(11)	–	–	(16)	(11)
- joint venture		(211)	–	–	–	(211)	–
Net income/(loss)	15	35,651	13,626	(6,633)	6,051	26,377	17,087
Net change in fair value of financial derivatives		(104)	(54)	–	10	(104)	(44)
Net change in fair value of investment securities		16	(374)	–	–	–	–
Net change in fair value of investment properties, investment properties under development and assets held for sale		115,809	(362,480)	4,993	(21,667)	126,058	(379,092)
Revaluation surplus/(deficit) on freehold land and buildings		–	–	21,201	(26,594)	21,201	(26,594)
Profit from divestments	16	1,347	78,167	–	–	1,347	78,167
Assets written off		(4)	(215)	–	–	(4)	(215)
Transaction costs relating to the combination ⁽¹⁾		–	519	–	531	–	1,050
Total return/(loss) for the period before income tax		152,715	(270,811)	19,561	(41,669)	174,875	(309,641)
Income tax (expense)/credit	17	(23,533)	38,956	(5,878)	15,882	(29,411)	54,838
Total return/(loss) for the period		129,182	(231,855)	13,683	(25,787)	145,464	(254,803)

⁽¹⁾ Refers to the combination of Ascott Reit and Ascendas Hospitality Trust on 31 December 2019 (the "Combination")

The accompanying notes form an integral part of these condensed interim financial statements.

Statements of Total Return (continued)
Six-month period ended 31 December 2021

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended
Note	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total return/(loss) attributable to:						
Stapled Securityholders and perpetual securities holders	129,781	(227,362)	13,610	(25,058)	146,049	(250,135)
Non-controlling interests	(599)	(4,493)	73	(729)	(585)	(4,668)
	<u>129,182</u>	<u>(231,855)</u>	<u>13,683</u>	<u>(25,787)</u>	<u>145,464</u>	<u>(254,803)</u>
Earnings per Stapled Security (cents)						
Basic					<u>4.34</u>	<u>(8.28)</u>
Diluted					<u>4.33</u>	<u>(8.28)</u>

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statement of Comprehensive Income of the Ascott BT Group
Six-month period ended 31 December 2021

	Six-month period ended 31/12/2021	Six-month period ended 31/12/2020
	\$'000	\$'000
Profit/(loss) for the period	13,683	(25,787)
Items that may be reclassified subsequently to profit or loss:		
Effective portion of change in fair values of cash flow hedges	1,125	(478)
Revaluation surplus on freehold land and buildings	3,716	–
Net change in fair value of cash flow hedge reclassified to Statement of Total Return	206	160
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	(15,498)	14,257
Total other comprehensive income for the period, net of tax	(10,451)	13,939
Total comprehensive income for the period	3,232	(11,848)

The accompanying notes form an integral part of these condensed interim financial statements.

Statements of Total Return
Full year ended 31 December 2021

	Note	Ascott Reit Group		Ascott BT Group		Stapled Group	
		Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000	Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000	Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000
Gross revenue	11	301,973	296,805	106,818	88,100	394,412	369,872
Direct expenses		(156,867)	(166,689)	(64,255)	(53,555)	(221,122)	(220,270)
Gross profit		145,106	130,116	42,563	34,545	173,290	149,602
Depreciation of buildings, plant and machinery		–	–	(19,015)	(18,930)	(19,015)	(18,930)
Finance income	14	2,920	1,766	199	240	3,070	1,990
Other income		14,276	572	2,434	–	16,676	555
Finance costs	14	(49,168)	(52,792)	(15,981)	(17,285)	(55,977)	(60,057)
Managers' management fees	12	(20,534)	(21,275)	(4,186)	(3,853)	(24,720)	(25,128)
Trustee's fee		(729)	(754)	(163)	(163)	(892)	(917)
Professional fees	13	(3,632)	(2,785)	(640)	(548)	(4,272)	(3,333)
Audit fees		(2,331)	(2,290)	(470)	(468)	(2,801)	(2,758)
Foreign exchange (loss)/gain		(2,439)	12,845	(871)	9,077	(3,310)	21,922
Other operating expenses		(6,797)	(3,330)	(561)	(929)	(7,359)	(4,258)
Net income before share of results of associate and joint venture		76,672	62,073	3,309	1,686	74,690	58,688
Share of results (net of tax) of:							
- associate		(28)	56	–	–	(28)	56
- joint venture		(211)	–	–	–	(211)	–
Net income	15	76,433	62,129	3,309	1,686	74,451	58,744
Net change in fair value of financial derivatives		–	(115)	–	(174)	–	(289)
Net change in fair value of investment securities		91	(462)	–	–	–	–
Net change in fair value of investment properties, investment properties under development and assets held for sale		115,809	(362,480)	4,993	(21,667)	126,058	(379,092)
Revaluation surplus/ (deficit) on freehold land and buildings		–	–	21,201	(26,594)	21,201	(26,594)
Profit from divestments	16	153,226	78,428	–	–	153,226	78,428
Assets written off		(4)	(215)	–	–	(4)	(215)
Transaction costs relating to the Combination		–	531	–	523	–	1,054
Total return/(loss) for the year before income tax		345,555	(222,184)	29,503	(46,226)	374,932	(267,964)
Income tax (expense)/credit	17	(56,995)	29,917	(7,520)	12,751	(64,515)	42,668
Total return/(loss) for the year		288,560	(192,267)	21,983	(33,475)	310,417	(225,296)

The accompanying notes form an integral part of these condensed interim financial statements.

Statements of Total Return (continued)
Full year ended 31 December 2021

	Note	Ascott Reit Group		Ascott BT Group		Stapled Group	
		Full year ended 31/12/2021	Full year ended 31/12/2020	Full year ended 31/12/2021	Full year ended 31/12/2020	Full year ended 31/12/2021	Full year ended 31/12/2020
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total return/(loss) attributable to:							
Stapled Securityholders and perpetual securities holders		287,488	(189,669)	21,913	(32,735)	309,317	(222,549)
Non-controlling interests		1,072	(2,598)	70	(740)	1,100	(2,747)
		<u>288,560</u>	<u>(192,267)</u>	<u>21,983</u>	<u>(33,475)</u>	<u>310,417</u>	<u>(225,296)</u>
Earnings per Stapled Security (cents)	18						
Basic						<u>9.36</u>	<u>(7.69)</u>
Diluted						<u>9.32</u>	<u>(7.69)</u>

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statement of Comprehensive Income of the Ascott BT Group
Full year ended 31 December 2021

	Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000
Profit/(loss) for the year	21,983	(33,475)
Items that may be reclassified subsequently to profit or loss:		
Effective portion of change in fair values of cash flow hedges	1,495	(909)
Revaluation surplus on freehold land and buildings	3,716	–
Net change in fair value of cash flow hedge reclassified to Statement of Total Return	409	491
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	(13,045)	19,076
Total other comprehensive income for the year, net of tax	<u>(7,425)</u>	<u>18,658</u>
Total comprehensive income for the year	<u>14,558</u>	<u>(14,817)</u>

The accompanying notes form an integral part of these condensed interim financial statements.

Distribution Statements
Full year ended 31 December 2021

		Stapled Group	
		Full year ended	Full year ended
Note		31/12/2021	31/12/2020
		\$'000	\$'000
	Distribution to Stapled Securityholders at beginning of the year	61,670	90,986
	Total return/(loss) attributable to Stapled Securityholders and perpetual securities holders	309,317	(222,549)
	Less: Total return attributable to perpetual securities holders	(13,495)	(15,528)
	Distribution adjustments	(158,499)	332,303
A	Distribution to Stapled Securityholders for the year	137,323	94,226
B	Distribution to Stapled Securityholders	198,993	185,212
	Distributions to Stapled Securityholders during the year		
	- Distribution of 4.18 cents per Stapled Security for the period from 1 July 2019 to 31 December 2019	-	(91,074)
	- Distribution of 1.05 cents per Stapled Security for the period from 1 January 2020 to 30 June 2020	-	(32,468)
	- Distribution of 1.99 cents per Stapled Security for the period from 1 July 2020 to 31 December 2020	(61,726)	-
	- Distribution of 2.05 cents per Stapled Security for the period from 1 January 2021 to 30 June 2021	(63,746)	-
	- Distribution of 0.545 cents per Stapled Security for the period from 1 July 2021 to 19 September 2021	(17,006)	-
		(142,478)	(123,542)
	Distribution to Stapled Securityholders at end of the year	56,515	61,670
	Distribution per Stapled Security (cents)	4.32	3.03

The accompanying notes form an integral part of these condensed interim financial statements.

Distribution Statements (continued)
Full year ended 31 December 2021

Note A – Distribution adjustments

	Stapled Group	
	Full year ended	Full year ended
	31/12/2021	31/12/2020
	\$'000	\$'000
Distribution adjustment items:		
- Net change in fair value of investment properties, investment properties under development and assets held for sale	(126,058)	379,092
- Revaluation (surplus)/deficit on freehold land and buildings	(21,201)	26,594
- Net change in fair value of financial derivatives	–	289
- Profit from divestments	(153,226)	(78,428)
- Assets written off	4	215
- Depreciation expense	32,644	34,215
- Managers' management fees paid/payable in Stapled Securities	17,030	16,908
- Ascott Reit Trustee's fee	157	155
- Foreign exchange loss/(gain) – unrealised	14,609	(20,887)
- Interest expense on lease liabilities	10,519	11,090
- Lease payments for right-of-use assets	(17,454)	(17,833)
- Deferred tax expense/(credit)	19,327	(73,959)
- Tax credit relating to the divestment of assets held for sale	–	(9,125)
- Tax expense relating to the divestment	22,494	26,696
- Non-controlling interests' share of adjustments	(2,646)	(7,204)
- Partial distribution of divestment gain	45,000	45,000
- Other adjustments	302	539
- Transaction costs relating to the Combination	–	(1,054)
Net effect of distribution adjustments	(158,499)	332,303

Note B – Distribution to Stapled Securityholders for the year

	Stapled Group	
	Full year ended	Full year ended
	31/12/2021	31/12/2020
	\$'000	\$'000
Comprises:		
- from operations	142,910	29,695
- from Stapled Securityholders' contributions	(5,587)	64,531
Distribution to Stapled Securityholders	137,323	94,226

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Movements in Stapled Securityholders' Funds
Full year ended 31 December 2021

	Attributable to Stapled Securityholders								
	Stapled Securities in issue \$'000	Revenue reserve \$'000	Foreign currency translation reserve \$'000	Capital reserve \$'000	Hedging reserve \$'000	Total \$'000	Perpetual securities \$'000	Non- controlling interests \$'000	Total equity \$'000
Ascott Reit Group									
At 1 January 2020	2,187,662	1,330,517	(235,539)	4,015	(3,746)	3,282,909	396,299	83,479	3,762,687
Total loss for the year	–	(189,669)	–	–	–	(189,669)	–	(2,598)	(192,267)
Total return attributable to perpetual securities holders	–	(15,528)	–	–	–	(15,528)	15,528	–	–
Other comprehensive income									
Effective portion of change in fair values of cash flow hedges	–	–	–	–	(8,487)	(8,487)	–	–	(8,487)
Net change in fair value of cash flow hedge reclassified to Statement of Total Return	–	–	–	–	2,877	2,877	–	–	2,877
Realisation of reserves upon divestment	–	819	(3,737)	(819)	–	(3,737)	–	–	(3,737)
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	53,175	–	–	53,175	–	(835)	52,340
Total other comprehensive income	–	819	49,438	(819)	(5,610)	43,828	–	(835)	42,993
Transactions with owners, recognised directly in equity									
Contributions by and distributions to owners									
Ascott Reit Manager's management fee payable in Stapled Securities	14,949	–	–	–	–	14,949	–	–	14,949
Acquisition fees payable in Stapled Securities	(12)	–	–	–	–	(12)	–	–	(12)
Issue expenses relating to perpetual securities	–	–	–	–	–	–	21	–	21
Distribution to Stapled Securityholders	(46,515)	(79,486)	–	–	–	(126,001)	–	–	(126,001)
Distribution to perpetual securities holders	–	–	–	–	–	–	(15,550)	–	(15,550)
Distribution to non-controlling interests	–	–	–	–	–	–	–	(3,700)	(3,700)
Total contributions by and distributions to owners	(31,578)	(79,486)	–	–	–	(111,064)	(15,529)	(3,700)	(130,293)

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Movements in Stapled Securityholders' Funds (continued)
Full year ended 31 December 2021

	Attributable to Stapled Securityholders					Total \$'000	Perpetual securities \$'000	Non- controlling interests \$'000	Total equity \$'000
	Stapled Securities in issue \$'000	Revenue reserve \$'000	Foreign currency translation reserve \$'000	Capital reserve \$'000	Hedging reserve \$'000				
Ascott Reit Group									
<i>Change in ownership interests in subsidiaries</i>									
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 contributions by and distributions to owners	–	(315)	3,007	–	–	2,692	–	315	3,007
Transfer between reserves	–	(152)	–	152	–	–	–	–	–
At 31 December 2020	2,156,084	1,046,186	(183,094)	3,348	(9,356)	3,013,168	396,298	76,661	3,486,127

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Movements in Stapled Securityholders' Funds (continued)
Full year ended 31 December 2021

	Attributable to Stapled Securityholders								
	Stapled Securities in issue \$'000	Revenue reserve \$'000	Foreign currency translation reserve \$'000	Capital reserve \$'000	Hedging reserve \$'000	Total \$'000	Perpetual securities \$'000	Non- controlling interests \$'000	Total equity \$'000
Ascott Reit Group									
At 1 January 2021	2,156,084	1,046,186	(183,094)	3,348	(9,356)	3,013,168	396,298	76,661	3,486,127
Total return for the year	–	287,488	–	–	–	287,488	–	1,072	288,560
Total return attributable to perpetual securities holders	–	(13,495)	–	–	–	(13,495)	13,495	–	–
Other comprehensive income									
Effective portion of change in fair values of cash flow hedges	–	–	–	–	5,967	5,967	–	–	5,967
Net change in fair value of cash flow hedge reclassified to Statement of Total Return	–	–	–	–	3,347	3,347	–	–	3,347
Realisation of reserves upon divestment	–	1,389	2,046	(1,389)	–	2,046	–	–	2,046
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	6,856	–	–	6,856	–	1,630	8,486
Total other comprehensive income	–	1,389	8,902	(1,389)	9,314	18,216	–	1,630	19,846
Transactions with owners, recognised directly in equity									
Contributions by and distributions to owners									
Ascott Reit Manager's management fee payable in Stapled Securities	14,907	–	–	–	–	14,907	–	–	14,907
Issue of Stapled Securities under private placement	150,000	–	–	–	–	150,000	–	–	150,000
Issue expenses relating to private placement	(1,950)	–	–	–	–	(1,950)	–	–	(1,950)
Distribution to Stapled Securityholders	(5,292)	(115,913)	–	–	–	(121,205)	–	–	(121,205)
Distribution to perpetual securities holders	–	–	–	–	–	–	(13,495)	–	(13,495)
Distribution to non-controlling interests	–	–	–	–	–	–	–	(868)	(868)
Total contributions by and distributions to owners	157,665	(115,913)	–	–	–	41,752	(13,495)	(868)	27,389

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Movements in Stapled Securityholders' Funds (continued)
Full year ended 31 December 2021

	Attributable to Stapled Securityholders					Total \$'000	Perpetual securities \$'000	Non- controlling interests \$'000	Total equity \$'000
	Stapled Securities in issue \$'000	Revenue reserve \$'000	Foreign currency translation reserve \$'000	Capital reserve \$'000	Hedging reserve \$'000				
Ascott Reit Group									
<i>Changes in ownership interests in subsidiaries</i>									
Change in ownership interests in subsidiaries with a change in control	–	–	(4,123)	(1,235)	–	(5,358)	–	–	(5,358)
Change in ownership interests in subsidiaries with no change in control	–	(321)	–	–	–	(321)	–	321	–
Total changes in ownership interests in subsidiaries	–	(321)	(4,123)	(1,235)	–	(5,679)	–	321	(5,358)
At 31 December 2021	2,313,749	1,205,334	(178,315)	724	(42)	3,341,450	396,298	78,816	3,816,564

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Movements in Stapled Securityholders' Funds (continued)
Full year ended 31 December 2021

	Attributable to Stapled Securityholders						
	Stapled Securities in issue \$'000	Revenue reserve \$'000	Foreign currency translation reserve \$'000	Hedging reserve \$'000	Total \$'000	Non- controlling interests \$'000	Total equity \$'000
Ascott BT Group							
At 1 January 2020	669,545	(91,901)	–	–	577,644	4,512	582,156
Total comprehensive income for the year							
Loss for the year	–	(32,735)	–	–	(32,735)	(740)	(33,475)
Effective portion of change in fair values of cash flow hedges	–	–	–	(906)	(906)	(3)	(909)
Net change in fair value of cash flow hedge reclassified to Statement of Total Return	–	–	–	491	491	–	491
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	18,860	–	18,860	216	19,076
Total comprehensive income	–	(32,735)	18,860	(415)	(14,290)	(527)	(14,817)
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners							
Ascott BT Trustee-Manager's management fee payable in Stapled Securities	1,926	–	–	–	1,926	–	1,926
Acquisition fees payable in Stapled Securities	8	–	–	–	8	–	8
Distribution to Stapled Securityholders	(3,677)	(7,528)	–	–	(11,205)	–	(11,205)
Distribution to non-controlling interests	–	–	–	–	–	(53)	(53)
Total contributions by and distributions to owners	(1,743)	(7,528)	–	–	(9,271)	(53)	(9,324)
At 31 December 2020	667,802	(132,164)	18,860	(415)	554,083	3,932	558,015

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Movements in Stapled Securityholders' Funds (continued)
Full year ended 31 December 2021

	Attributable to Stapled Securityholders							
	Stapled Securities in issue \$'000	Revenue reserve \$'000	Foreign currency translation reserve \$'000	Hedging reserve \$'000	Asset revaluation reserve \$'000	Total \$'000	Non- controlling interests \$'000	
Ascott BT Group								
At 1 January 2021	667,802	(132,164)	18,860	(415)	–	554,083	3,932	558,015
Total comprehensive income for the year								
Profit for the year	–	21,913	–	–	–	21,913	70	21,983
Revaluation surplus on freehold land and buildings	–	–	–	–	3,679	3,679	37	3,716
Effective portion of change in fair values of cash flow hedges	–	–	–	1,476	–	1,476	19	1,495
Net change in fair value of cash flow hedge reclassified to Statement of Total Return	–	–	–	409	–	409	–	409
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	(12,972)	–	–	(12,972)	(73)	(13,045)
Total comprehensive income	–	21,913	(12,972)	1,885	3,679	14,505	53	14,558
Transactions with owners, recognised directly in equity								
Contributions by and distributions to owners								
Ascott BT Trustee-Manager's management fee payable in Stapled Securities	2,094	–	–	–	–	2,094	–	2,094
Distribution to Stapled Securityholders	(21,571)	298	–	–	–	(21,273)	–	(21,273)
Distribution to non-controlling interests	–	–	–	–	–	–	(77)	(77)
Total contributions by and distributions to owners	(19,477)	298	–	–	–	(19,179)	(77)	(19,256)
At 31 December 2021	648,325	(109,953)	5,888	1,470	3,679	549,409	3,908	553,317

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Movements in Stapled Securityholders' Funds (continued)
Full year ended 31 December 2021

	Attributable to Stapled Securityholders								
	Stapled Securities in issue \$'000	Revenue reserve \$'000	Foreign currency translation reserve \$'000	Capital reserve \$'000	Hedging reserve \$'000	Total \$'000	Perpetual securities \$'000	Non- controlling interests \$'000	Total equity \$'000
Stapled Group									
At 1 January 2020	2,857,207	1,238,616	(235,539)	4,015	(3,746)	3,860,553	396,299	85,457	4,342,309
Total loss for the year	–	(222,549)	–	–	–	(222,549)	–	(2,747)	(225,296)
Total return attributable to perpetual securities holders	–	(15,528)	–	–	–	(15,528)	15,528	–	–
Other comprehensive income									
Effective portion of change in fair values of cash flow hedges	–	–	–	–	(9,396)	(9,396)	–	–	(9,396)
Net change in fair value of cash flow hedge reclassified to Statement of Total Return	–	–	–	–	3,368	3,368	–	–	3,368
Realisation of reserves upon divestment	–	819	(3,737)	(819)	–	(3,737)	–	–	(3,737)
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	72,183	–	–	72,183	–	(768)	71,415
Total other comprehensive income	–	819	68,446	(819)	(6,028)	62,418	–	(768)	61,650
Transactions with owners, recognised directly in equity									
Contributions by and distributions to owners									
Ascott Reit Manager's management fee payable in Stapled Securities	14,949	–	–	–	–	14,949	–	–	14,949
Ascott BT Trustee-Manager's management fee payable in Stapled Securities	1,926	–	–	–	–	1,926	–	–	1,926
Acquisition fees payable in Stapled Securities	(4)	–	–	–	–	(4)	–	–	(4)
Issue expenses relating to issuance of perpetual securities	–	–	–	–	–	–	21	–	21
Distribution to Stapled Securityholders	(50,192)	(87,014)	–	–	–	(137,206)	–	–	(137,206)
Distribution to perpetual securities holders	–	–	–	–	–	–	(15,550)	–	(15,550)
Distribution to non-controlling interests	–	–	–	–	–	–	–	(3,736)	(3,736)
Total contributions by and distributions to owners	(33,321)	(87,014)	–	–	–	(120,335)	(15,529)	(3,736)	(139,600)

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Movements in Stapled Securityholders' Funds (continued)
Full year ended 31 December 2021

	Attributable to Stapled Securityholders								
	Stapled Securities in issue \$'000	Revenue reserve \$'000	Foreign currency translation reserve \$'000	Capital reserve \$'000	Hedging reserve \$'000	Total \$'000	Perpetual securities \$'000	Non- controlling interests \$'000	Total equity \$'000
Stapled Group									
<i>Changes in ownership interests in subsidiaries</i>									
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 changes in ownership interests in subsidiaries	–	(315)	3,007	–	–	2,692	–	315	3,007
Transfer between reserves	–	(152)	–	152	–	–	–	–	–
At 31 December 2020	<u>2,823,886</u>	<u>913,877</u>	<u>(164,086)</u>	<u>3,348</u>	<u>(9,774)</u>	<u>3,567,251</u>	<u>396,298</u>	<u>78,521</u>	<u>4,042,070</u>

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Movements in Stapled Securityholders' Funds (continued)
Full year ended 31 December 2021

	Attributable to Stapled Securityholders									
	Stapled Securities in issue \$'000	Revenue reserve \$'000	Foreign currency translation reserve \$'000	Capital reserve \$'000	Hedging reserve \$'000	Asset revaluation reserve \$'000	Total \$'000	Perpetual securities \$'000	Non- controlling interests \$'000	Total equity \$'000
Stapled Group										
At 1 January 2021	2,823,886	913,877	(164,086)	3,348	(9,774)	–	3,567,251	396,298	78,521	4,042,070
Total return for the year	–	309,317	–	–	–	–	309,317	–	1,100	310,417
Total return attributable to perpetual securities holders	–	(13,495)	–	–	–	–	(13,495)	13,495	–	–
Other comprehensive income										
Effective portion of change in fair values of cash flow hedges	–	–	–	–	7,462	–	7,462	–	–	7,462
Net change in fair value of cash flow hedge reclassified to Statement of Total Return	–	–	–	–	3,756	–	3,756	–	–	3,756
Realisation of reserves upon divestment	–	1,389	2,046	(1,389)	–	–	2,046	–	–	2,046
Revaluation change on freehold land and buildings	–	–	–	–	–	3,716	3,716	–	–	3,716
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	(6,087)	–	–	–	(6,087)	–	1,530	(4,557)
Total other comprehensive income	–	1,389	(4,041)	(1,389)	11,218	3,716	10,893	–	1,530	12,423
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Ascott Reit Manager's management fee payable in Stapled Securities	14,907	–	–	–	–	–	14,907	–	–	14,907
Ascott BT Trustee-Manager's management fee payable in Stapled Securities	2,094	–	–	–	–	–	2,094	–	–	2,094
Issue of Stapled Securities under private placement	150,000	–	–	–	–	–	150,000	–	–	150,000
Issue expenses relating to private placement	(1,950)	–	–	–	–	–	(1,950)	–	–	(1,950)
Distribution to Stapled Securityholders	(26,863)	(115,615)	–	–	–	–	(142,478)	–	–	(142,478)
Distribution to perpetual securities holders	–	–	–	–	–	–	–	(13,495)	–	(13,495)
Distribution to non-controlling interests	–	–	–	–	–	–	–	–	(911)	(911)
Total contributions by and distributions to owners	138,188	(115,615)	–	–	–	–	22,573	(13,495)	(911)	8,167

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Movements in Stapled Securityholders' Funds (continued)
Full year ended 31 December 2021

	Attributable to Stapled Securityholders						Total \$'000	Perpetual securities \$'000	Non- controlling interests \$'000	Total equity \$'000
	Stapled Securities in issue \$'000	Revenue reserve \$'000	Foreign currency translation reserve \$'000	Capital reserve \$'000	Hedging reserve \$'000	Asset revaluation reserve \$'000				
Stapled Group										
<i>Changes in ownership interests in subsidiaries</i>										
Change in ownership interests in subsidiaries with a change in control	–	–	(4,123)	(1,235)	–	–	(5,358)	–	–	(5,358)
Change in ownership interests in subsidiaries with no change in control	–	(321)	–	–	–	–	(321)	–	321	–
Total changes in ownership interests in subsidiaries	–	(321)	(4,123)	(1,235)	–	–	(5,679)	–	321	(5,358)
At 31 December 2021	<u>2,962,074</u>	<u>1,095,152</u>	<u>(172,250)</u>	<u>724</u>	<u>1,444</u>	<u>3,716</u>	<u>3,890,860</u>	<u>396,298</u>	<u>80,561</u>	<u>4,367,719</u>

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements
As at 31 December 2021

By Geography

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
						Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
						31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
				\$'000	\$'000	\$'000	\$'000	%	%	%	%		
Investment Properties and Investment properties under development													
Australia													
Citadines on Bourke Melbourne	131-135 Bourke Street, Melbourne, Victoria 3000	Freehold	Not applicable	Not applicable	Not applicable	159,455	153,993	159,455	153,993	4.1	4.3	4.8	5.1
Citadines Connect Sydney Airport	113-121 Baxter Road, Mascot, New South Wales, NSW 2020	Freehold	Not applicable	Not applicable	Not applicable	61,958	64,535	61,958	64,535	1.6	1.8	1.9	2.1
Citadines St Georges Terrace Perth	185 St Georges Terrace, Perth WA 6000	Freehold	Not applicable	Not applicable	Not applicable	18,005	18,074	18,005	18,074	0.5	0.5	0.5	0.6
Quest Campbelltown	1 Rennie Road, Woodbine, NSW 2560	Freehold	Not applicable	Not applicable	Not applicable	22,274	22,220	22,274	22,220	0.6	0.6	0.7	0.7
Quest Mascot	108-114 Robey Road, Mascot, NSW 2020	Freehold	Not applicable	Not applicable	Not applicable	25,675	25,947	25,675	25,947	0.7	0.7	0.8	0.9
Quest Macquarie Park	71 Epping Road, Macquarie Park, NSW 2113	Freehold	Not applicable	Not applicable	Not applicable	43,453	48,511	43,453	48,511	1.1	1.5	1.3	1.6
Quest Sydney Olympic Park	6 Edwin Flack Avenue, Sydney Olympic Park, NSW 2127	Leasehold	99 years	90 years	91 years	45,734	40,828	45,734	40,828	1.2	1.1	1.4	1.4
Balance carried forward						376,554	374,108	376,554	374,108	9.8	10.5	11.4	12.4

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
						Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
						31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
				\$'000	\$'000	\$'000	\$'000	%	%	%	%		
Balance brought forward						376,554	374,108	376,554	374,108	9.8	10.5	11.4	12.4
Belgium													
Citadines Sainte-Catherine Brussels	51 quai au Bois à Brûler, 1000 Brussels	Freehold	Not applicable	Not applicable	Not applicable	32,561	34,002	32,561	34,002	0.8	1.0	1.0	1.1
Citadines Toison d'Or Brussels	61-63 avenue de la Toison d'Or, 1060 Brussels	Freehold	Not applicable	Not applicable	Not applicable	28,253	29,352	28,253	29,352	0.7	0.8	0.8	1.0
China													
Citadines Xinghai Suzhou	Block 27, Jiacheng Gardens, 58 Xinghai Street, Suzhou Industrial Park, Suzhou 215021	Leasehold	70 years	45 years	46 years	28,998	27,450	28,998	27,450	0.7	0.8	0.9	0.9
Citadines Zhuankou Wuhan	159 Dongfeng Avenue (Xianglong Business Centre Zone C), Wuhan Economic and Technological Development Zone, Wuhan 430056	Leasehold	40 years	22 years	23 years	40,776	38,941	40,776	38,941	1.0	1.1	1.2	1.3
Balance carried forward						507,142	503,853	507,142	503,853	13.0	14.2	15.3	16.7

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
						Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
						31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
		\$'000	\$'000	\$'000	\$'000	%	%	%	%				
Balance brought forward						507,142	503,853	507,142	503,853	13.0	14.2	15.3	16.7
China (continued)													
Somerset Grand Central Dalian	No. 128-2 Jinma Road, Dalian Development Area, Dalian 116600	Leasehold	50 years	35 years	36 years	92,108	88,745	92,108	88,745	2.4	2.5	2.8	2.9
Somerset Heping Shenyang	80 Taiyuan North Street, Heping District, Shenyang 110000	Leasehold	40 years	25 years	26 years	69,742	67,770	69,742	67,770	1.8	1.9	2.1	2.2
Somerset Olympic Tower Property Tianjin	126 Chengdu Road, Heping District, Tianjin 300051	Leasehold	70 years	41 years	42 years	68,009	65,469	68,009	65,469	1.7	1.8	2.0	2.2
Somerset Xu Hui Shanghai ⁽¹⁾	888 Shaanxi Nan Road, Xu Hui District, Shanghai 200031	Leasehold	70 years	–	45 years	–	78,745	–	78,745	–	2.2	–	2.6
Balance carried forward						737,001	804,582	737,001	804,582	18.9	22.6	22.2	26.6

⁽¹⁾ Somerset Xu Hui Shanghai was divested on 27 May 2021 to Shanghai Junhui Shiye Co. Ltd., an unrelated third party, through the divestment of the Ascott Reit Group's interest in Shanghai Xinwei Real Estate Development Co. Ltd. The sale price was agreed on a willing buyer willing seller basis taking into account the agreed property value of the property of RMB1,050 million, being 171% above the valuation of the property as at 31 December 2020.

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
						Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
						31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
				\$'000	\$'000	\$'000	\$'000	%	%	%	%		
Balance brought forward						737,001	804,582	737,001	804,582	18.9	22.6	22.2	26.6
France													
Citadines Antigone Montpellier ⁽²⁾	588 boulevard d'Antigone, 34000 Montpellier	Freehold	Not applicable	Not applicable	Not applicable	15,230	14,676	15,230	14,676	0.4	0.4	0.5	0.5
Citadines Austerlitz Paris ⁽²⁾	27 rue Esquirol, 75013 Paris	Freehold	Not applicable	Not applicable	Not applicable	11,846	11,964	11,846	11,964	0.3	0.3	0.4	0.4
Citadines Castellane Marseille ⁽²⁾	60 rue du Rouet, 13006 Marseille	Freehold	Not applicable	Not applicable	Not applicable	10,307	9,890	10,307	9,890	0.3	0.3	0.3	0.3
Citadines City Centre Lille ⁽²⁾	Avenue Willy Brandt – Euralille, 59777 Lille	Freehold	Not applicable	Not applicable	Not applicable	13,384	13,240	13,384	13,240	0.3	0.4	0.4	0.4
Citadines Croisette Cannes ⁽²⁾	1 rue le Poussin, 06400 Cannes	Freehold	Not applicable	Not applicable	Not applicable	7,846	7,817	7,846	7,817	0.2	0.2	0.2	0.3
Balance carried forward						795,614	862,169	795,614	862,169	20.4	24.2	24.0	28.5

⁽²⁾ As at 31 December 2021, these 20 (31 December 2020: 20) investment properties are leased to related corporations under master lease arrangements.

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
						Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
						31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
				\$'000	\$'000	\$'000	\$'000	%	%	%	%		
Balance brought forward						795,614	862,169	795,614	862,169	20.4	24.2	24.0	28.5
France (continued)													
Citadines Les Halles Paris ⁽²⁾	4 rue des Innocents, 75001 Paris	Freehold	Not applicable	Not applicable	Not applicable	90,426	92,012	90,426	92,012	2.3	2.6	2.7	3.1
Citadines Maine Montparnasse Paris ⁽²⁾	67 avenue du Maine, 75014 Paris	Freehold	Not applicable	Not applicable	Not applicable	17,076	17,707	17,076	17,707	0.4	0.5	0.5	0.6
Citadines Montmartre Paris ⁽²⁾	16 avenue Rachel, 75018 Paris	Freehold	Not applicable	Not applicable	Not applicable	37,536	37,009	37,536	37,009	1.0	1.0	1.1	1.2
Citadines Place d'Italie Paris ⁽²⁾	18 place d'Italie, 75013 Paris	Freehold	Not applicable	Not applicable	Not applicable	53,382	52,961	53,382	52,961	1.4	1.5	1.6	1.8
Citadines Prado Chanot Marseille ⁽²⁾	9-11 boulevard de Louvain, 13008 Marseille	Freehold	Not applicable	Not applicable	Not applicable	8,646	8,487	8,646	8,487	0.2	0.2	0.3	0.3
Balance carried forward						1,002,680	1,070,345	1,002,680	1,070,345	25.7	30.0	30.2	35.5

⁽²⁾ As at 31 December 2021, these 20 (31 December 2020: 20) investment properties are leased to related corporations under master lease arrangements.

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
						Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
						31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
				\$'000	\$'000	\$'000	\$'000	%	%	%	%		
Balance brought forward						1,002,680	1,070,345	1,002,680	1,070,345	25.7	30.0	30.2	35.5
France (continued)													
Citadines Presqu'île Lyon ⁽²⁾	2 rue Thomassin, 69002 Lyon	Freehold	Not applicable	Not applicable	Not applicable	20,307	21,217	20,307	21,217	0.5	0.6	0.6	0.7
Citadines République Paris ⁽²⁾	75 bis, avenue Parmentier, 75011 Paris	Freehold	Not applicable	Not applicable	Not applicable	21,999	22,652	21,999	22,652	0.6	0.6	0.7	0.8
Citadines Tour Eiffel Paris ⁽²⁾	132 boulevard de Grenelle, 75015 Paris	Freehold	Not applicable	Not applicable	Not applicable	70,181	71,992	70,181	71,992	1.8	2.0	2.1	2.4
Citadines Trocadéro Paris ⁽²⁾	29 bis, rue Saint-Didier, 75116 Paris	Freehold	Not applicable	Not applicable	Not applicable	50,536	49,867	50,536	49,867	1.3	1.4	1.5	1.7
La Clef Louvre Paris ⁽²⁾	8 rue de Richelieu, 75001 Paris	Freehold	Not applicable	Not applicable	Not applicable	47,074	46,277	47,074	46,277	1.2	1.3	1.4	1.5
Balance carried forward						1,212,777	1,282,350	1,212,777	1,282,350	31.1	35.9	36.5	42.6

⁽²⁾ As at 31 December 2021, these 20 (31 December 2020: 20) investment properties are leased to related corporations under master lease arrangements.

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
						Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
						31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
				\$'000	\$'000	\$'000	\$'000	%	%	%	%		
Balance brought forward						1,212,777	1,282,350	1,212,777	1,282,350	31.1	35.9	36.5	42.6
Germany													
Citadines Arnulfpark Munich ⁽²⁾	Arnulfstrasse 51, 80636 München	Freehold	Not applicable	Not applicable	Not applicable	36,890	38,620	36,890	38,620	0.9	1.2	1.1	1.3
Citadines City Centre Frankfurt ⁽²⁾	Europa-Allee 23, 60327 Frankfurt am Main	Freehold	Not applicable	Not applicable	Not applicable	61,535	64,766	61,535	64,766	1.6	1.8	1.8	2.1
Citadines Kurfürstendamm Berlin ⁽²⁾	Olivaer Platz 1, 10707 Berlin-Wilmersdorf	Freehold	Not applicable	Not applicable	Not applicable	22,676	22,652	22,676	22,652	0.6	0.6	0.7	0.8
Citadines Michel Hamburg ⁽²⁾	Ludwig-Erhard-Straße 7, 20459 Hamburg	Leasehold	99 years	89 years	90 years	48,613	49,930	48,613	49,930	1.3	1.4	1.5	1.7
The Madison Hamburg	Schaarsteinweg 4, 20459 Hamburg	Freehold	Not applicable	Not applicable	Not applicable	75,688	79,184	75,688	79,184	2.0	2.2	2.3	2.6
Indonesia													
Ascott Jakarta ⁽³⁾	Jalan Kebon Kacang Raya No. 2, Jakarta 10230	Leasehold	26 years	2 years	3 years	57,978	57,718	57,978	57,718	1.5	1.6	1.7	1.9
Somerset Grand Citra Jakarta ⁽³⁾	Jalan Prof Dr Satrio Kav. 1, Jakarta 12940	Leasehold	30 years	3 years	4 years	35,299	36,202	35,299	36,202	0.9	1.0	1.1	1.2
Balance carried forward						1,551,456	1,631,422	1,551,456	1,631,422	39.9	45.7	46.7	54.2

⁽²⁾ As at 31 December 2021, these 20 (31 December 2020: 20) investment properties are leased to related corporations under master lease arrangements.

⁽³⁾ The valuations of the Indonesia properties were based on the assumption that the lease will be renewed upon their expiry.

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
				31/12/2021	31/12/2020	Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
				\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%	%	%	%
Balance brought forward						1,551,456	1,631,422	1,551,456	1,631,422	39.9	45.7	46.7	54.2
Japan													
Citadines Central Shinjuku	1-2-9, Kabuki-cho, Shinjuku-ku, Tokyo 1600021	Freehold	Not applicable	Not applicable	Not applicable	132,757	140,255	132,757	140,255	3.4	4.0	4.0	4.7
Citadines Karasuma-Gojo Kyoto	432 Matsuya-cho, Gojo-dori Karasuma-Higashiiru, Shimogyo-ku, Kyoto 600-8105	Freehold	Not applicable	Not applicable	Not applicable	51,074	58,158	51,074	58,158	1.3	1.6	1.5	1.9
Citadines Shinjuku Tokyo	1-28-13 Shinjuku, Shinjuku-ku, Tokyo 1600022	Freehold	Not applicable	Not applicable	Not applicable	100,287	113,866	100,287	113,866	2.6	3.2	3.0	3.8
Actus Hakata V-Tower	3-15-10 Hakata Ekimae, Hakata-ku, Fukuoka	Freehold	Not applicable	Not applicable	Not applicable	47,999	48,539	47,999	48,539	1.2	1.4	1.4	1.6
Big Palace Kita 14jo	4-1-6 Kita14jo Nishi, Kita-ku, Sapporo	Freehold	Not applicable	Not applicable	Not applicable	21,111	19,281	21,111	19,281	0.5	0.5	0.6	0.6
Gravis Court Kakomachi	13-10, Kakomachi, Naka-ku, Hiroshima	Freehold	Not applicable	Not applicable	Not applicable	7,424	7,638	7,424	7,638	0.2	0.2	0.2	0.3
Balance carried forward						1,912,108	2,019,159	1,912,108	2,019,159	49.1	56.6	57.4	67.1

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
				31/12/2021	31/12/2020	Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
				\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%	%	%	%
Balance brought forward						1,912,108	2,019,159	1,912,108	2,019,159	49.1	56.6	57.4	67.1
Japan (continued)													
Gravis Court Kokutaiji	2-1-9, Kokutaijimachi, Naka-ku, Hiroshima	Freehold	Not applicable	Not applicable	Not applicable	5,669	5,912	5,669	5,912	0.1	0.2	0.2	0.2
Gravis Court Nishiharaekimae	8-38-10, Nishihara, Asaminami-ku, Hiroshima	Freehold	Not applicable	Not applicable	Not applicable	4,708	4,843	4,708	4,843	0.1	0.1	0.1	0.2
Infini Garden	3-2-2,3,4,5 KashiiTeriha, Higashi-ku, Fukuoka	Freehold	Not applicable	Not applicable	Not applicable	87,498	88,138	87,498	88,138	2.2	2.5	2.6	2.9
Roppongi Residences Tokyo	3-4-31 Roppongi, Minato-ku, Tokyo 106-0032	Freehold	Not applicable	Not applicable	Not applicable	42,140	41,259	42,140	41,259	1.1	1.2	1.3	1.4
S-Residence Fukushima Luxe	7-22-9, Fukushima, Fukushima-ku, Osaka	Freehold	Not applicable	Not applicable	Not applicable	37,404	40,003	37,404	40,003	1.0	1.1	1.1	1.3
S-Residence Hommachi Marks	2-3-6, Tokuicho, Chuo-ku, Osaka	Freehold	Not applicable	Not applicable	Not applicable	20,043	20,685	20,043	20,685	0.5	0.6	0.6	0.7
S-Residence Midoribashi Serio	3-17-6, Nakamoto, Higashinari-ku, Osaka	Freehold	Not applicable	Not applicable	Not applicable	17,909	18,315	17,909	18,315	0.5	0.5	0.5	0.6
S-Residence Tanimachi 9 chome	4-29, Ikutamamaemachi, Tennoji-ku, Osaka	Freehold	Not applicable	Not applicable	Not applicable	21,467	22,231	21,467	22,231	0.6	0.6	0.6	0.7
Hotel WBF Honmachi	4-4-10, Kitakyuhojimachi, Chuo-ku, Osaka 541-0057	Freehold	Not applicable	Not applicable	Not applicable	34,394	44,050	34,394	44,050	0.9	1.2	1.0	1.5
Hotel WBF Kitasemba East	2-6-8, Awajicho, Chuo-ku, Osaka 541-0047	Freehold	Not applicable	Not applicable	Not applicable	36,529	42,762	36,529	42,762	0.9	1.2	1.1	1.4
Balance carried forward						2,219,869	2,347,357	2,219,869	2,347,357	57.0	65.8	66.5	78.0

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
				31/12/2021	31/12/2020	Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
				\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%	%	%	%
Balance brought forward						2,219,869	2,347,357	2,219,869	2,347,357	57.0	65.8	66.5	78.0
Japan (continued)													
Hotel WBF Kitasemba West	3-2-7, Awajicho, Chuo-ku, Osaka 541-0047	Freehold	Not applicable	Not applicable	Not applicable	36,840	43,091	36,840	43,091	0.9	1.2	1.1	1.4
Sotetsu Grand Fresa Tokyo-Bay Ariake	3-6-6 Ariake Koto-ku, Tokyo 135-0063	Freehold	Not applicable	Not applicable	Not applicable	320,220	342,608	320,220	342,608	8.2	9.6	9.6	11.3
Alpha Square Kita 15 jo ⁽⁴⁾	2-5, Kita 15 jo Higashi 1-chome, Higashi-ku, Sapporo-shi, Hokkaido	Freehold	Not applicable	Not applicable	–	28,464	–	28,464	–	0.6	–	0.9	–
Big Palace Minami 5 jo ⁽⁵⁾	3-1, Minami 5-jo Nishi 8-chome, Chuo-ku, Sapporo-shi, Hokkaido	Freehold	Not applicable	Not applicable	–	29,650	–	29,650	–	0.8	–	0.9	–
City Court Kita 1 jo ⁽⁶⁾	6-3 Kita 1-jo Higashi 1-chome, Chuo-ku, Sapporo-shi, Hokkaido	Freehold	Not applicable	Not applicable	–	33,327	–	33,327	–	0.9	–	1.0	–
Balance carried forward						2,668,370	2,733,056	2,668,370	2,733,056	68.4	76.6	80.0	90.7

⁽⁴⁾ On 25 June 2021, the Ascott REIT group acquired Alpha Square Kita 15 jo from Alpha Court Co., Ltd., an unrelated third party. The valuation was based on discounted cashflow method.

⁽⁵⁾ On 17 June 2021, the Ascott REIT group acquired Big Palace Minami 5 jo from Big Co. Ltd, an unrelated third party. The valuation was based on discounted cashflow method.

⁽⁶⁾ On 30 June 2021, the Ascott REIT group acquired City Court Kita 1 jo from G Nine Japan Ten TMK, an unrelated third party. The valuation was based on discounted cashflow method.

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
						Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
						31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
				\$'000	\$'000	\$'000	\$'000	%	%	%	%		
Balance brought forward						2,668,370	2,733,056	2,668,370	2,733,056	68.4	76.6	80.0	90.7
Malaysia													
Somerset Kuala Lumpur	187, Jalan Ampang, 50450, Kuala Lumpur	Freehold	Not applicable	Not applicable	Not applicable	43,444	43,626	43,444	43,626	1.1	1.2	1.3	1.4
Philippines													
Ascott Makati	Glorietta 4, Ayala Center, Makati City 1224	Leasehold	48 years	23 years	24 years	107,227	114,769	107,227	114,769	2.8	3.2	3.2	3.8
Somerset Millennium Makati	104 Aguirre Street, Legaspi Village, Makati City 1229	Freehold	Not applicable	Not applicable	Not applicable	15,167	15,937	15,167	15,937	0.4	0.5	0.5	0.5
Singapore													
Ascott Orchard Singapore ⁽²⁾	11 Cairnhill Road, Singapore 229724	Leasehold	99 years	91 years	92 years	398,614	396,904	398,614	396,904	10.3	11.2	11.9	13.2
Somerset Liang Court Property Singapore (under development)	177B River Valley Road, Singapore 179032	Leasehold	99 years	99 years	56 years	184,000	143,100	184,000	143,100	4.7	4.0	5.5	4.7
Citadines Mount Sophia Property Singapore	8 Wilkie Road, #01-26 Wilkie Edge, Singapore 228095	Leasehold	96 years	83 years	84 years	122,557	122,108	122,557	122,108	3.1	3.4	3.7	4.1
Balance carried forward						3,539,379	3,569,500	3,539,379	3,569,500	90.8	100.1	106.1	118.4

⁽²⁾ As at 31 December 2021, these 20 (31 December 2020: 20) investment properties are leased to related corporations under master lease arrangements.

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	At Valuation						Percentage of Securityholders' funds			
				Remaining Term of Lease		Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
				31/12/2021	31/12/2020	\$'000	\$'000	\$'000	\$'000	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Balance brought forward						3,539,379	3,569,500	3,539,379	3,569,500	90.8	100.1	106.1	118.4
Singapore (continued)													
lyf one-north Singapore (under development)	Lot 5360P MK3 at Nepal Hill, one-north, Portsdown Road	Leasehold	60 years	57 years	58 years	118,863	86,800	118,863	86,800	3.1	2.4	3.6	2.9
Riverside Hotel Robertson Quay (formerly known as Park Hotel Clarke Quay)	1 Unity Street, Singapore 237983	Leasehold	99 years	83 years	84 years	321,975	322,000	321,975	322,000	8.3	9.0	9.6	10.7
Spain													
Citadines Ramblas Barcelona	Ramblas 122, 08002 Barcelona	Freehold	Not applicable	Not applicable	Not applicable	61,394	64,897	61,394	64,897	1.6	1.8	1.8	2.2
The United Kingdom													
Citadines Barbican London	7-21 Goswell Road, London EC1M 7AH	Freehold	Not applicable	Not applicable	Not applicable	77,875	72,000	77,875	72,000	2.0	2.0	2.3	2.4
Citadines Trafalgar Square London	18/21 Northumberland Avenue, London WC2N 5EA	Freehold	Not applicable	Not applicable	Not applicable	178,436	156,065	178,436	156,065	4.6	4.4	5.3	5.2
Citadines South Kensington London	35A Gloucester Road, London SW7 4PL	Freehold	Not applicable	Not applicable	Not applicable	79,106	69,517	79,106	69,517	2.0	1.9	2.4	2.3
Citadines Holborn-Covent Garden London	94-99 High Holborn, London WC1V 6LF	Freehold	Not applicable	Not applicable	Not applicable	162,327	144,636	162,327	144,636	4.2	4.1	4.9	4.8
The United States of America													
voco Times Square South (formerly known as Hotel Central Times Square)	343 West 36th Street, New York, New York, 10018	Freehold	Not applicable	Not applicable	Not applicable	153,168	136,911	153,168	136,911	3.9	3.9	4.6	4.5
Element New York Times Square West	311 West 39th Street, New York, New York, 10018	Leasehold	99 years	91 years	92 years	193,693	177,556	193,693	177,556	5.0	5.0	5.8	5.9
Balance carried forward						4,886,216	4,799,882	4,886,216	4,799,882	125.5	134.6	146.4	159.3

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
						Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
						31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
				\$'000	\$'000	\$'000	\$'000	%	%	%	%		
Balance brought forward						4,886,216	4,799,882	4,886,216	4,799,882	125.5	134.6	146.4	159.3
The United States of America (continued)													
Sheraton Tribeca New York Hotel	370 Canal Street, New York, New York, 10013	Leasehold	99 years	91 years	92 years	195,063	179,820	195,063	179,820	5.0	5.0	5.8	6.0
Paloma West Midtown (formerly known as Signature West Midtown) ⁽⁷⁾	800 Marietta Street NW, Atlanta, Georgia, 30318	Freehold	Not applicable	Not applicable	–	144,083	–	144,083	–	3.7	–	4.3	–
Wildwood Lubbock ⁽⁸⁾	1701 N. Quaker Avenue, Lubbock, Texas, 79416	Freehold	Not applicable	Not applicable	–	99,855	–	99,855	–	2.6	–	3.0	–
Seven07 ⁽⁹⁾	707 South Fourth Street, Champaign, Illinois 61820	Freehold	Not applicable	Not applicable	–	115,164	–	115,164	–	3.0	–	3.4	–
The Link University City ⁽¹⁰⁾	3600 Lancaster Avenue, Philadelphia, Pennsylvania 19104	Freehold	Not applicable	Not applicable	–	89,046	–	89,046	–	2.3	–	2.7	–
Uncommon Wilmington ⁽¹¹⁾	2421 Playa Way, Wilmington, North Carolina 28403	Freehold	Not applicable	Not applicable	–	74,315	–	74,315	–	1.9	–	2.2	–
Latitude on Hillsborough ⁽¹²⁾	5701 Hillsborough Street, Raleigh, North Carolina 27606	Freehold	Not applicable	Not applicable	–	88,205	–	88,205	–	2.3	–	2.6	–
Balance brought forward						5,691,947	4,979,702	5,691,947	4,979,702	146.3	139.6	170.4	165.3

⁽⁷⁾ On 27 February 2021, the Ascott Reit Group acquired Paloma West Midtown (formerly known as Signature West Midtown) from Atlanta Student LL, LLC, an unrelated third party. The valuation was based on direct capitalisation method.

⁽⁸⁾ On 22 September 2021, the Ascott Reit Group acquired Wildwood Lubbock from CH Realty VIII/SH Lubbock Wildwood, L.P., an unrelated third party. The valuation was based on direct capitalisation method.

⁽⁹⁾ On 16 November 2021, the Ascott Reit Group acquired Seven07 from CRP/ODC Champaign Venture, L.L.C., an unrelated third party. The valuation was based on direct capitalisation method.

⁽¹⁰⁾ On 29 December 2021, the Ascott Reit Group acquired The Link University City from CA Residential Drexel, LLC, an unrelated third party. The valuation was based on direct capitalisation and discounted cashflow method.

⁽¹¹⁾ On 29 December 2021, the Ascott Reit Group acquired Uncommon Wilmington from DRI/CA Wilmington, LLC, an unrelated third party. The valuation was based on direct capitalisation method.

⁽¹²⁾ On 29 December 2021, the Ascott Reit Group acquired Latitude on Hillsborough from Raleigh NP Property Owner, LLC, an unrelated third party. The valuation was based on discounted cashflow method.

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
						Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
						31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
		\$'000	\$'000	\$'000	\$'000	%	%	%	%				
Balance brought forward						5,691,947	4,979,702	5,691,947	4,979,702	146.3	139.6	170.4	165.3
Vietnam													
Somerset Chancellor Court Ho Chi Minh City	21-23 Nguyen Thi Minh Khai Street, District 1, Ho Chi Minh City	Leasehold	48 years	20 years	21 years	47,089	47,714	47,089	47,714	1.2	1.4	1.4	1.6
Somerset Grand Hanoi	49 Hai Ba Trung Street, Hanoi	Leasehold	45 years	16 years	17 years	95,601	96,533	95,601	96,533	2.5	2.7	2.9	3.2
Somerset Ho Chi Minh City	8A Nguyen Binh Khiem Street, District 1, Ho Chi Minh City	Leasehold	45 years	18 years	19 years	39,854	40,459	39,854	40,459	1.0	1.1	1.2	1.3
Somerset Hoa Binh Hanoi	106 Hoang Quoc Viet Street, Cau Giay, Hanoi	Leasehold	36 years	20 years	21 years	35,202	35,554	35,202	35,554	0.9	1.0	1.0	1.2
Portfolio of investment properties and investment properties under development						5,909,693	5,199,962	5,909,693	5,199,962	151.9	145.8	176.9	172.6
Right-of-use assets						275,879	283,312	275,879	283,312	7.1	7.9	8.3	9.4
Investment properties and investment properties under development on the Condensed Statement of Financial Position of the Ascott Reit Group						6,185,572	5,483,274	6,185,572	5,483,274	159.0	153.7	185.2	182.0
Balance carried forward						6,185,572	5,483,274	6,185,572	5,483,274	159.0	153.7	185.2	182.0

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
						Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
						31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
				\$'000	\$'000	\$'000	\$'000	%	%	%	%		
Balance brought forward						6,185,572	5,483,274	6,185,572	5,483,274	159.0	153.7	185.2	182.0
Investment properties of the Ascott BT Group													
Japan													
Sotetsu Grand Fresa Osaka-Namba	1-1-13, Nipponbashi, Chuo-ku, Osaka 542-0073	Freehold	Not applicable	Not applicable	Not applicable	243,131	252,448	–	–	6.2	7.1	–	–
South Korea													
Sotetsu Hotels The Splaisir Dongdaemun	226 Jangchoongdan-ro, Gwanghui-dong, Jung-gu, Seoul	Freehold	Not applicable	Not applicable	Not applicable	84,116	88,961	–	–	2.2	2.5	–	–
ibis Ambassador Seoul Insadong	31 Samil-daero 30-gil, Ikseon-dong, Jongno-gu, Seoul	Freehold	Not applicable	Not applicable	Not applicable	87,898	92,960	–	–	2.3	2.6	–	–
Investment properties and investment properties under development on the Condensed Statement of Financial Position of the Stapled Group						6,600,717	5,917,643	6,185,572	5,483,274	169.7	165.9	185.2	182.0
Balance carried forward						6,600,717	5,917,643	6,185,572	5,483,274	169.7	165.9	185.2	182.0

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

Description of Property	Location	Tenure of Land	Term of Lease	Remaining Term of Lease		At Valuation				Percentage of Securityholders' funds			
				31/12/2021	31/12/2020	Stapled Group		Ascott Reit Group		Stapled Group		Ascott Reit Group	
				\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%	%	%	%
Balance brought forward						6,600,717	5,917,643	6,185,572	5,483,274	169.7	165.9	185.2	182.0
Freehold land and buildings of the Ascott BT Group													
Australia													
Courtyard by Marriott Sydney-North Ryde	7-11 Talavera Road, North Ryde, NSW 2113	Freehold	Not applicable	Not applicable	Not applicable	48,324	46,254	–	–	1.2	1.3	–	–
Novotel Sydney Central	169-179 Thomas Street, Sydney, NSW 2000	Freehold	Not applicable	Not applicable	Not applicable	150,611	144,071	–	–	3.9	4.0	–	–
Novotel Sydney Parramatta	350 Church Street, Parramatta, NSW 2150	Freehold	Not applicable	Not applicable	Not applicable	37,520	34,941	–	–	1.0	1.0	–	–
Pullman and Mercure Brisbane King George Square	Corner Ann and Roma Street, Brisbane, QLD 4000	Freehold	Not applicable	Not applicable	Not applicable	71,842	66,667	–	–	1.8	1.9	–	–
Pullman and Mercure Melbourne Albert Park	65 Queens Road, Melbourne, VIC 3004	Freehold	Not applicable	Not applicable	Not applicable	90,337	87,309	–	–	2.3	2.4	–	–
Pullman Sydney Hyde Park	36 College Street, Sydney, NSW 2000	Freehold	Not applicable	Not applicable	Not applicable	143,347	139,421	–	–	3.7	3.9	–	–
Portfolio of freehold land and buildings of the Ascott BT Group						541,981	518,663	–	–	13.9	14.5	–	–
Total investment properties, investment properties under development and freehold land and buildings						7,142,698	6,436,306	6,185,572	5,483,274	183.6	180.4	185.2	182.0
Other assets and liabilities (net)						(2,774,979)	(2,394,236)	(2,369,008)	(1,997,147)	(71.3)	(67.1)	(70.9)	(66.3)
Net assets						4,367,719	4,042,070	3,816,564	3,486,127	112.3	113.3	114.3	115.7
Perpetual securities holders						(396,298)	(396,298)	(396,298)	(396,298)	(10.2)	(11.1)	(11.9)	(13.2)
Non-controlling interests						(80,561)	(78,521)	(78,816)	(76,661)	(2.1)	(2.2)	(2.4)	(2.5)
Stapled Securityholders' funds						3,890,860	3,567,251	3,341,450	3,013,168	100.0	100.0	100.0	100.0

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (continued)
As at 31 December 2021

On 31 December 2021, Citadines Zhuankou Wuhan, Somerset Grand Central Dalian, Somerset Heping Shenyang, Somerset Olympic Tower Property Tianjin, Citadines Central Shinjuku, Citadines Karasuma-Gojo Kyoto, Citadines Shinjuku Tokyo, Actus Hakata V-Tower, Big Palace Kita 14jo, Gravis Court Kakomachi, Gravis Court Kokutaiji, Gravis Court Nishiharaekimae, Infini Garden, Roppongi Residences Tokyo, S-Residence Fukushima Luxe, S-Residence Hommachi Marks, S-Residence Midoribashi Serio, S-Residence Tanimachi 9 chome, Alpha Square Kita 15 jo, Big Palace Minami 5 jo, City Court Kita 1 jo, Citadines Mount Sophia Property Singapore, voco Times Square South (formerly known as Hotel Central Times Square), Element New York Times Square West, Sheraton Tribeca New York Hotel, Paloma West Midtown (formerly known as Signature West Midtown), Seven07, Somerset Chancellor Court Ho Chi Minh City, Somerset Grand Hanoi and Somerset Ho Chi Minh City were pledged as securities to banks for banking facilities granted to certain subsidiaries (Note 8).

On 31 December 2020, Citadines Zhuankou Wuhan, Somerset Grand Central Dalian, Somerset Heping Shenyang, Somerset Olympic Tower Property Tianjin, Citadines Central Shinjuku, Citadines Karasuma-Gojo Kyoto, Citadines Shinjuku Tokyo, Actus Hakata V-Tower, Big Palace Kita 14jo, Gravis Court Kakomachi, Gravis Court Kokutaiji, Gravis Court Nishiharaekimae, Infini Garden, Roppongi Residences Tokyo, S-Residence Fukushima Luxe, S-Residence Hommachi Marks, S-Residence Midoribashi Serio, S-Residence Tanimachi 9 chome, Citadines Mount Sophia Property Singapore, Hotel Central Times Square, Element New York Times Square West, Sheraton Tribeca New York Hotel, Somerset Chancellor Court Ho Chi Minh City, Somerset Grand Hanoi and Somerset Ho Chi Minh City were pledged as securities to banks for banking facilities granted to certain subsidiaries (Note 8).

As at 31 December 2021, the carrying amounts for most of the investment properties and investment properties under development were based on independent valuations carried out by Colliers. The remaining properties valuations are conducted by the following valuers: Alpha Square Kita 15 jo conducted by Savills Japan Co.,Ltd, Big Palace Minami 5 jo conducted by Cushman & Wakefield K.K., City Court Kita 1 Jyo conducted by Asset Valuation Partners, The Link University City conducted by Newmark Valuation & Advisory, LLC, and Uncommon Wilmington and Latitude on Hillsborough are conducted by Newmark Knight Frank Valuation & Advisory, LLC. The freehold land and buildings of the six Australia properties were stated at fair value based on valuations carried out by CBRE Valuations Pty Limited. The Managers believe that the external property valuers have appropriate professional qualifications and recent experience in the location and category of the properties being valued. The Stapled Group's valuations include plant and equipment located in the investment properties. The valuations adopted in the portfolio table above were adjusted for values ascribed to plant and equipment.

As at 31 December 2020, the carrying amounts of all the investment properties and investment properties under development were based on independent valuations carried out by HVS except for two South Korea properties and three United States properties (which were conducted by Colliers International). The freehold land and buildings of the six Australia properties were stated at fair value based on valuations carried out by CBRE Valuations Pty Limited. The Managers believe that the external property valuers have appropriate professional qualifications and recent experience in the location and category of the properties being valued. The Stapled Group's valuations include plant and equipment located in the investment properties. The valuations adopted in the portfolio table above were adjusted for values ascribed to plant and equipment.

The fair values were derived based on the discounted cash flow, direct capitalisation and residual land value methods (2020: discounted cash flow and residual land value methods). The specific risks inherent in each of the properties are taken into consideration in arriving at the valuations. The valuation methods used in determining the fair value involve certain estimates including those relating to discount rate, terminal capitalisation rate, capitalisation rate, revenue per available unit and gross development costs.

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Cash Flows
Full year ended 31 December 2021

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000	Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000	Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000
Cash flows from operating activities						
Total return/(loss) for the year before income tax	345,555	(222,184)	29,503	(46,226)	374,932	(267,964)
Adjustments for:						
Depreciation of property, plant and equipment	10,494	12,190	22,150	22,025	32,644	34,215
Amortisation of deferred income	–	–	(1,694)	(1,571)	(1,694)	(1,571)
Finance costs	49,168	52,792	15,981	17,285	55,977	60,057
Finance income	(2,920)	(1,766)	(199)	(240)	(3,070)	(1,990)
Foreign exchange loss/(gain) – unrealised	13,436	(12,038)	1,173	(8,849)	14,609	(20,887)
Loss on disposal of property, plant and equipment	29	8	–	–	29	8
Managers' management fees paid/payable in Stapled Securities	14,936	14,981	2,094	1,927	17,030	16,908
Revaluation (surplus)/deficit on freehold land and buildings	–	–	(21,201)	26,594	(21,201)	26,594
Net change in fair value of investment properties, investment properties under development and assets held for sale	(115,809)	362,480	(4,993)	21,667	(126,058)	379,092
Net change in fair value of financial derivatives	–	115	–	174	–	289
Net change in fair value of investment securities	(91)	462	–	–	–	–
Profit from divestments	(153,226)	(78,428)	–	–	(153,226)	(78,428)
Assets written off	4	215	–	–	4	215
Transaction costs relating to the Combination	–	(531)	–	(523)	–	(1,054)
Impairment loss/(write back) of trade and other receivables	5,571	1,721	(87)	365	5,484	2,086
Share of results of associate (net of tax)	28	(56)	–	–	28	(56)
Share of results of joint venture (net of tax)	211	–	–	–	211	–
Operating income before working capital changes	167,386	129,961	42,727	32,628	195,699	147,514
Changes in working capital:						
Inventories	37	248	(35)	83	2	331
Trade and other receivables	(44,370)	(42,456)	(2,827)	1,853	(31,957)	(40,202)
Trade and other payables	(18,744)	(9,838)	20,295	(1,071)	(13,688)	(11,321)
Cash generated from operations	104,309	77,915	60,160	33,493	150,056	96,322
Income tax paid	(2,923)	(22,014)	(1,507)	(213)	(4,430)	(22,227)
Net cash generated from operating activities	101,386	55,901	58,653	33,280	145,626	74,095
Balance carried forward	101,386	55,901	58,653	33,280	145,626	74,095

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Cash Flows (continued)
Full year ended 31 December 2021

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Full year ended	Full year ended	Full year ended	Full year ended	Full year ended	Full year ended
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance brought forward	101,386	55,901	58,653	33,280	145,626	74,095
Cash flows from investing activities						
Acquisition of investment properties ⁽¹⁾	(663,973)	(42,761)	–	–	(663,973)	(42,761)
Advance (to)/from related corporations	–	(33,299)	–	33,299	–	–
Capital expenditure on investment properties	(31,274)	(8,295)	(784)	(389)	(32,058)	(8,684)
Capital expenditure on investment properties under development	(69,149)	(11,628)	–	–	(69,149)	(11,628)
Deposit received for divestment of subsidiaries	–	21,168	–	–	–	21,168
Deposit paid for acquisition of investment property	(798)	–	–	–	(798)	–
Loan to joint venture	(14,011)	–	–	–	(14,011)	–
Disposal of subsidiaries, net of cash disposed of ⁽²⁾	203,995	130,070	–	–	203,995	130,070
Proceeds from disposal of assets held for sale	49,444	163,333	–	–	49,444	163,333
Proceeds from disposal of investment properties	–	75,384	–	–	–	75,384
Payment of transaction costs for disposal of investment properties	(871)	–	–	–	(871)	–
Proceeds from disposal of strata units	647	–	–	–	647	–
Payment of transaction costs for disposal of assets held for sale	–	(7,722)	–	–	–	(7,722)
Payment of transaction costs relating to the Combination	–	(2,597)	–	(8,608)	–	(11,205)
Refund of deposit received for divestment of subsidiaries	(8,671)	–	–	–	(8,671)	–
Interest received	2,510	1,339	41	78	2,551	1,417
Proceeds from sale of property, plant and equipment	7	15	–	–	7	15
Purchase of property, plant and equipment	(3,555)	(4,247)	(2,110)	(6,777)	(5,665)	(11,024)
Settlement of hedging instruments	–	(3,329)	–	1,063	–	(2,266)
Net cash (used in)/generated from investing activities	(535,699)	277,431	(2,853)	18,666	(538,552)	296,097
Balance carried forward	(434,313)	333,332	55,800	51,946	(392,926)	370,192

⁽¹⁾ Acquisition of investment properties include \$655,023,000 (2020: \$42,761,000) under investment properties (Note 3) and \$8,950,000 (2020: Nil) under property, plant and equipment.

⁽²⁾ Proceeds from disposal of subsidiaries for the year ended 31 December 2021 included the amount of \$183,585,000 for Shanghai Xinwei Real Estate Development Co. Ltd. and \$20,410,000 for Guangzhou Hai Yi Real Estate Development Co, Ltd.

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Cash Flows (continued)
Full year ended 31 December 2021

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Full year ended 31/12/2021	Full year ended 31/12/2020	Full year ended 31/12/2021	Full year ended 31/12/2020	Full year ended 31/12/2021	Full year ended 31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance brought forward	(434,313)	333,332	55,800	51,946	(392,926)	370,192
Cash flows from financing activities						
Distributions to Stapled Securityholders	(121,205)	(126,001)	(21,273)	(11,205)	(142,478)	(137,206)
Distributions to perpetual securities holders	(13,495)	(15,550)	–	–	(13,495)	(15,550)
Dividends paid to non-controlling interests	(868)	(3,700)	(77)	(53)	(911)	(3,736)
Proceeds from issue of Stapled Securities	150,000	–	–	–	150,000	–
Payment of issue expenses on issuance of Stapled Securities	(1,926)	–	–	–	(1,926)	–
Proceeds from borrowings	754,954	695,303	–	8,330	754,954	703,633
Repayment of borrowings	(422,698)	(626,507)	–	(25,500)	(422,698)	(652,007)
Payment of transaction costs on borrowings	(4,619)	(2,114)	–	–	(4,619)	(2,114)
Payment of lease liabilities	(8,384)	(7,450)	(5,256)	(5,065)	(8,384)	(7,450)
Interest paid	(45,572)	(48,219)	(15,480)	(16,355)	(51,929)	(54,570)
Payment of transaction costs on issuance of perpetual securities	–	(179)	–	–	–	(179)
Change in restricted cash deposits	(14)	1,637	132	1,077	118	2,714
Net cash generated from/(used in) financing activities	286,173	(132,780)	(41,954)	(48,771)	258,632	(166,465)
Net (decrease)/increase in cash and cash equivalents	(148,140)	200,552	13,846	3,175	(134,294)	203,727
Cash and cash equivalents at 1 January	453,726	243,890	30,196	26,118	483,922	270,008
Effect of exchange rate changes on balances held in foreign currency	(4,794)	6,611	(1,165)	903	(5,959)	7,514
Cash and cash equivalents reclassified from assets held for sale	–	2,673	–	–	–	2,673
Cash and cash equivalents at 31 December	300,792	453,726	42,877	30,196	343,669	483,922
Restricted cash deposits	371	357	2,292	2,424	2,663	2,781
Cash and cash equivalents in the Statement of Financial Position	301,163	454,083	45,169	32,620	346,332	486,703

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Statements of Cash Flows (continued)
Full year ended 31 December 2021

Significant non-cash transactions

Ascott Reit Group

During the year, the Ascott Reit Group has the following significant non-cash transactions:

- The Ascott Reit Group incurred capital expenditure on investment properties of \$31,079,000 (2020: \$8,490,000), of which \$Nil (2020: \$195,000) was included in trade and other payables.
- The Ascott Reit Group incurred capital expenditure on investment properties under development of \$70,459,000 (2020: \$14,993,000), of which \$6,172,000 (2020: \$4,862,000) was unpaid and included in trade and other payables.
- The Ascott Reit Group acquired property, plant and equipment with an aggregate cost of \$3,552,000 (2020: \$4,203,000) of which \$Nil (2020: \$3,000) was included in trade and other payables.

Stapled Group

During the year, the Stapled Group has the following significant non-cash transactions:

- The Stapled Group incurred capital expenditure on investment properties of \$31,863,000 (2020: \$8,879,000), of which \$Nil (2020: \$195,000) was included in trade and other payables.
- The Stapled Group incurred capital expenditure on investment properties under development of \$70,459,000 (2020: \$14,993,000), of which \$6,172,000 (2020: \$4,862,000) was unpaid and included in trade and other payables.
- The Stapled Group acquired property, plant and equipment with an aggregate cost of \$5,662,000 (2020: \$10,980,000), of which \$Nil (2020: \$3,000) was included in trade and other payables.

The accompanying notes form an integral part of these condensed interim financial statements.

Notes to the Condensed Interim Financial Statements

1 General

Ascott Residence Trust is a stapled group comprising Ascott Real Estate Investment Trust (“Ascott Reit”) and its subsidiaries (the “Ascott Reit Group”) and Ascott Business Trust (“Ascott BT”) and its subsidiaries (the “Ascott BT Group”) (collectively, the “Stapled Group”).

Ascott Reit is a Singapore-domiciled unit trust constituted pursuant to the Ascott Reit trust deed dated 19 January 2006 (as amended) (the “Ascott Reit Trust Deed”) between Ascott Residence Trust Management Limited (the “Ascott Reit Manager”) and DBS Trustee Limited (the “Ascott Reit Trustee”). The Ascott Reit Trust Deed is governed by the laws of the Republic of Singapore. The Ascott Reit Trustee is under a duty to take into custody and hold the assets of Ascott Reit held by it or through its subsidiaries in trust for the holders of units in Ascott Reit.

Ascott BT is a business trust constituted by a trust deed dated 9 September 2019 (as amended) (the “Ascott BT Trust Deed”) and is managed by Ascott Business Trust Management Pte. Ltd. (the “Ascott BT Trustee-Manager”).

A stapling deed dated 9 September 2019 was entered into between the Ascott Reit Manager, the Ascott Reit Trustee and the Ascott BT Trustee-Manager (the “Stapling Deed”).

On 31 December 2019, the units in each of Ascott Reit and Ascott BT are stapled together and cannot be traded separately. Each stapled security in Ascott Residence Trust (the “Stapled Security”) comprises a unit in Ascott Reit (the “Ascott Reit Unit”) and a unit in Ascott BT (the “Ascott BT Unit”).

The principal activities of the significant subsidiaries of the Stapled Group are those relating to investment 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, student accommodation and other hospitality assets in any country in the world.

For financial reporting purposes, the intermediate and ultimate holding companies of the Stapled Group are CapitaLand Investment Limited and Temasek Holdings (Private) Limited. The intermediate and ultimate holding companies are incorporated in the Republic of Singapore.

2 Summary of significant accounting policies

2.1 Basis of preparation

The condensed interim financial statements of the Ascott Reit Group and the Stapled Group have been prepared in accordance with the Statement of Recommended Accounting Practice (“RAP”) 7 “*Reporting Framework for Unit Trusts*” issued by the Institute of Singapore Chartered Accountants, and the applicable requirements of the Code on Collective Investment Schemes (the “CIS Code”) issued by the Monetary Authority of Singapore (“MAS”). RAP 7 requires that accounting policies adopted should generally comply with the recognition and measurement principles of the Singapore Financial Reporting Standards (“FRSs”).

The condensed interim financial statements of the Ascott BT Group have been prepared in accordance with Singapore Financial Reporting Standard (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore.

The condensed interim financial statements do not include all of the information required for a complete set of financial statements prepared in accordance with FRS/SFRS(I) Standards and should be read in conjunction with the Stapled Group’s annual consolidated financial statements as at and for the year ended 31 December 2020. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial positions and performances of the Ascott Reit Group, the Ascott BT Group and the Stapled Group since the last annual financial statements.

These condensed interim financial statements are presented in Singapore Dollars, which is the functional currency of Ascott Reit and Ascott BT. All financial information presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

The accounting policies applied in these condensed interim financial statements are the same as those applied in the Stapled Group's consolidated financial statements as at and for the year ended 31 December 2020, except for the adoption of new and amendments to FRSs/SFRS(I)s that are effective for annual periods beginning on 1 January 2021. The adoption of these new and revised standards did not have any material impact on the Stapled Group's condensed interim financial statements.

2.2 Use of estimates and judgements

The preparation of the condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following note

- Note 3 – classification of investment properties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 3, 4 and 5 determination of fair value of investment properties, freehold land and buildings, and investment properties under development

Measurement of fair values

A number of the Stapled Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Ascott Reit Group, the Ascott BT Group and the Stapled Group have an established control framework with respect to the measurement of fair values. Significant fair value measurements, including Level 3 fair values, will be reported directly to the Chief Executive Officer ("CEO") of the Managers.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as valuation of investment property by external property valuers, is used to measure fair values, then management assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of FRSs/SFRS(I)s, including the level in the fair value hierarchy in which such valuations should be classified.

The valuation of significant assets and their financial impact are discussed by the Audit Committee and Board of Directors of the Managers.

When measuring the fair value of an asset or a liability, the Ascott Reit Group, the Ascott BT Group and the Stapled Group use observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Ascott Reit Group, the Ascott BT Group and the Stapled Group recognise transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 23 – fair value of assets and liabilities.

2.3 Seasonal operations

The businesses of the Ascott Reit Group, the Ascott BT Group and the Stapled Group are not affected significantly by seasonal or cyclical factors during the financial period.

3 Investment properties

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January	5,253,374	5,659,587	548,447	552,265	5,687,743	6,096,138
Acquisition of investment properties	655,023	42,761	–	–	655,023	42,761
Capital expenditure	31,079	8,490	784	389	31,863	8,879
Disposal of subsidiaries (Note 19)	(79,647)	(103,422)	–	–	(79,647)	(103,422)
Net change in fair value of investment properties	113,305	(362,310)	4,993	(21,667)	123,554	(378,922)
Disposal of investment properties	(393)	(46,612)	–	–	(393)	(46,612)
Assets written off	(4)	(215)	–	–	(4)	(215)
Transfer (to)/from assets held for sale (Note 7)	(1,519)	66,599	–	–	(1,519)	66,599
Transfer from property, plant and equipment	13	783	–	–	13	783
Transfer to investment properties under development (Note 5)	–	(140,300)	–	–	–	(140,300)
Translation difference	(88,522)	128,013	(39,107)	17,460	(118,779)	142,054
At 31 December	<u>5,882,709</u>	<u>5,253,374</u>	<u>515,117</u>	<u>548,447</u>	<u>6,297,854</u>	<u>5,687,743</u>

The Stapled Group assessed the classification of its investment properties as investment properties or property, plant and equipment based on its business model, taking into consideration the quantum of other income derived from ancillary services rendered relative to total revenue and employment of external property managers to operate the investment properties, amongst other factors.

Certain investment properties of the Stapled Group with an aggregate carrying value of \$2,065,838,000 (31 December 2020: \$1,691,149,000) are pledged as securities to banks for banking facilities granted to certain subsidiaries (see Note 8).

Measurement of fair value

The following table reconciles the net carrying value of the investment properties to the fair value.

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying value of investment properties	5,882,709	5,253,374	515,117	548,447	6,297,854	5,687,743
Less: Carrying amount of lease liabilities	(275,879)	(283,312)	(99,972)	(114,078)	(275,879)	(283,312)
Fair value of investment properties	<u>5,606,830</u>	<u>4,970,062</u>	<u>415,145</u>	<u>434,369</u>	<u>6,021,975</u>	<u>5,404,431</u>

Valuation technique

The Stapled Group's investment property portfolio is valued by external property valuers annually. External valuations are also carried out on occurrence of acquisitions. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion.

The valuers have considered the discounted cash flow and direct capitalisation methods (31/12/2020: discounted cash flow method) in arriving at the fair value as at the reporting date. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated discount rate, terminal capitalisation rate, capitalisation rate and revenue per available unit. The external property valuers have considered available information as at 31 December 2021 relating to COVID-19 and have made necessary adjustments to the valuation.

The valuation reports associated with certain investment properties in Japan contain the 'material valuation uncertainty' clause due to ongoing market disruption caused by the COVID-19 pandemic, which resulted in a reduction in transactional evidence and market yields. This clause does not invalidate the valuation but implies that there is substantially more uncertainty than under normal market conditions. Accordingly, the valuer cannot attach as much weight as usual to previous market evidence for comparison purposes, and there is an increased risk that the price realised in an actual transaction would differ from the value conclusion.

The valuation of the Stapled Group's investment property portfolio is discussed with the Audit Committee and Board of Directors in accordance with the Stapled Group's reporting policies.

Significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 3 fair values of investment properties, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<p><i>Discounted cash flow:</i> The valuation model considers the present value of net cash flows to be generated from the property, taking into account expected rental growth rate and occupancy rate. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location and lease terms.</p>	<p>Stapled Group</p> <ul style="list-style-type: none"> • Discount rate: South East Asia and Australia: 5.00% - 10.50% (31/12/2020: 4.23% - 10.67%) North Asia: 3.30% - 5.80% (31/12/2020: 3.90% - 8.08%) Europe and United Kingdom: 5.42% - 8.25% (31/12/2020: 4.15% - 9.01%) United States of America: 5.00% - 7.34% (31/12/2020: 7.31% - 7.34%) 	<p>The estimated fair value would increase (decrease) if:</p> <ul style="list-style-type: none"> • the discount rate were lower (higher); or • the terminal capitalisation rate were lower (higher)

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
	<ul style="list-style-type: none"> Terminal capitalisation rate: South East Asia and Australia: 3.50% - 7.25% (31/12/2020: 3.50% - 7.75%) North Asia: 3.50% - 5.30% (31/12/2020: 4.20% - 6.00%) Europe and United Kingdom: 4.90% - 8.00% (31/12/2020: 4.75% - 7.75%) United States of America: 5.00% - 5.75% (31/12/2020: 5.75%) 	
<i>Direct Capitalisation method:</i> The valuation method considers the net present value of the expected future operating income of the property and dividing them by the capitalisation rate. This method is applied to the student accommodation properties.	<p style="text-align: center;">Stapled Group</p> <ul style="list-style-type: none"> Capitalisation rate: United States of America: 4.25% to 5.00% (31/12/2020: Not applicable) 	The estimated fair value would increase (decrease) if the capitalisation rate were lower (higher).

Sensitivity analysis for key unobservable inputs

The significant unobservable inputs used in the fair value measurement of the Stapled Group's investment properties are discount rate, terminal capitalisation rate and capitalisation rate. Significant decreases in the discount rate, terminal capitalisation rate and capitalisation rate in isolation would result in a significantly higher fair value measurement. Conversely, a significant increase would result in a significantly lower fair value measurement.

4 Property, plant and equipment

	Ascott BT Group		Stapled Group	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
Freehold land and buildings				
Balance at 1 January	518,663	524,900	518,663	524,900
Additions	487	741	487	741
Depreciation charge for the year	(13,627)	(14,028)	(13,627)	(14,028)
Revaluation surplus/(deficit)	25,601	(26,594)	25,601	(26,594)
Reclassifications from other property, plant and equipment carried at cost	3,677	5,638	3,677	5,638
Translation difference	7,180	28,006	7,180	28,006
Balance at 31 December	541,981	518,663	541,981	518,663
Other property, plant and equipment carried at cost	45,597	55,145	82,786	90,616
Total property, plant and equipment at 31 December	587,578	573,808	624,767	609,279

During the year ended 31 December 2021, the Ascott BT Group and the Stapled Group acquired assets with a cost of \$2,110,000 and \$14,612,000 respectively (31 December 2020: \$6,777,000 and \$10,980,000). The Ascott Reit Group acquired assets with a cost of \$12,502,000 during the year ended 31 December 2021 (31 December 2020: \$4,203,000).

Assets with a carrying amount of \$36,000 (31 December 2020: \$23,000) were disposed/written off during the year ended 31 December 2021 by the Ascott Reit Group and the Stapled Group.

Measurement of fair value

The Stapled Group engaged external property valuers to perform full valuation of its freehold land and buildings at each financial year end. The fair values of the freehold land and buildings were derived based on the discounted cash flow method.

Valuation technique and significant unobservable inputs

Freehold land and buildings are stated at fair value based on valuation performed by external property valuers. The fair values were derived based on the discounted cash flow method (31/12/2020: discounted cash flow method). In determining the fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of freehold land and buildings include market-corroborated discount rate, terminal capitalisation rate and revenue per available unit. The external property valuers have considered available information as at 31 December 2021 relating to COVID-19 and have made necessary adjustments to the valuation.

The valuation reports associated with freehold land and buildings in Australia contain the 'material valuation uncertainty' clause due to ongoing market disruption caused by the COVID-19 pandemic, which resulted in a reduction in transactional evidence and market yields. This clause does not invalidate the valuation but implies that there is substantially more uncertainty than under normal market conditions. Accordingly, the valuer cannot attach as much weight as usual to previous market evidence for comparison purposes, and there is an increased risk that the price realised in an actual transaction would differ from the value conclusion.

The valuation of the Stapled Group's freehold land and buildings is discussed with the Audit Committee and Board of Directors in accordance with the Stapled Group's reporting policies.

The following table shows the significant unobservable inputs used in the valuation models:

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<i>Discounted cash flow</i>	<p>Stapled Group</p> <ul style="list-style-type: none"> • Discount rate: Australia: 6.00% - 7.50% (31/12/2020: 6.00% - 7.75%) • Terminal capitalisation rate: Australia: 5.00% - 6.00% (31/12/2020: 5.00% - 6.25%) 	<p>The estimated fair value would increase (decrease) if:</p> <ul style="list-style-type: none"> • the discount rate were lower (higher); or • the terminal capitalisation rate were lower (higher).

Sensitivity analysis for key unobservable inputs

The significant unobservable inputs used in the fair value measurement of the Stapled Group's freehold land and buildings are discount rate and terminal capitalisation rate. Significant decreases in the discount rate and terminal capitalisation rate in isolation would result in a significantly higher fair value measurement. Conversely, a significant increase would result in a significantly lower fair value measurement.

5 Investment properties under development

	Ascott Reit Group and Stapled Group	
	31/12/2021	31/12/2020
	\$'000	\$'000
At 1 January	229,900	74,860
Development costs and interest capitalised ⁽¹⁾	70,459	14,993
Transfer from investment properties (Note 3)	–	140,300
Net change in fair value of investment properties under development	2,504	(253)
At 31 December	302,863	229,900

⁽¹⁾ Capitalised costs included \$190,000 (31 December 2020: \$395,000) paid/payable to related corporations.

Measurement of fair value

In accordance with the Code of Collective Investment Scheme, the Stapled Group engaged external property valuers to perform full valuation of its investment properties under development at each financial year end. The fair values of the investment properties under development were derived based on the residual land value method.

Valuation technique and significant unobservable inputs

Investment properties under development is stated at fair value based on valuation performed by external property valuers. In determining the fair value, the valuers have adopted the residual land value method. The key assumptions used to determine the fair value of investment properties under development include market-corroborated discount rate, terminal capitalisation rate and gross development costs. The external property valuers have considered available information as at 31 December 2021 relating to COVID-19 and have made necessary adjustments to the valuation.

The valuation of the Stapled Group's investment property under development portfolio is discussed with the Audit Committee and Board of Directors in accordance with the Stapled Group's reporting policies.

The following table shows the significant unobservable inputs used in the valuation models:

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Under the residual land value method of valuation, the total gross development costs and developer's profit are deducted from the gross development value to arrive at the residual value of land. The gross development value is the estimated value of the property assuming satisfactory completion of the development as at the date of the valuation.	<ul style="list-style-type: none"> • Discount rates: 5.00% - 6.40% (31/12/2020: 4.32% - 5.69%) • Terminal capitalisation rates: 3.50% - 4.88% (31/12/2020: 3.50% - 4.75%) • Gross development costs: \$51,170,000 - \$134,373,000 (31/12/2020: \$55,140,000 - \$131,066,000) 	<p>The estimated fair value would increase (decrease) if:</p> <ul style="list-style-type: none"> • the discount rates were lower (higher); • the terminal capitalisation rates were lower (higher); or • the gross development costs decrease (increase).

Sensitivity analysis for key unobservable inputs

The significant unobservable inputs used in the fair value measurement of the Stapled Group's investment properties under development are discount rate, terminal capitalisation rate and gross development costs. Significant decreases in the discount rate, terminal capitalisation rate and gross development costs in isolation would result in a significantly higher fair value measurement. Conversely, a significant increase would result in a significantly lower fair value measurement.

6 Joint venture

	Ascott Reit Group and Stapled Group	
	31/12/2021	31/12/2020
	\$'000	\$'000
Investment in joint venture	—*	—
Less: Share of joint venture post acquisition revenue reserve	(211)	—
	(211)	—
Loan to joint venture	14,011	—
	13,800	—

* Less than \$1,000.

Loan to joint venture is unsecured and interest free, and is not expected to be repaid in the next twelve months from the reporting date.

Details of the joint venture are as follows:

Name of joint venture	Principal place of business/Country of incorporation	Effective interests held by the Stapled Group	
		31/12/2021	31/12/2020
		%	%
Held through Ascott Reit subsidiaries			
Columbia PBSA Venture Pte Ltd	Singapore	50.0	—
Held by Columbia PBSA Venture Pte Ltd			
Columbia Student Venture REIT LLC	United States of America	50.0	—
Columbia Student Venture, LLC	United States of America	45.0	—
Columbia Student Property Owner, LLC	United States of America	45.0	—

On 16 June 2021, Ascott Residence Trust (“ART”) announced that it will jointly invest and develop a freehold 678-bed student accommodation asset located in South Carolina, USA with The Ascott Limited (“Ascott”). Construction of the student accommodation asset is scheduled to start in third quarter of 2021 and complete in second quarter of 2023. At the initial stage, ART and Ascott will jointly invest in the asset to own 45% stake each. A third-party partner will own the remaining 10% stake. There is a put and call option for the remaining stake of 10% exercisable by either party after the property achieves certain performance conditions and 24 months after completion of the development.

7 Assets held for sale

	Ascott Reit Group and Stapled Group	
	31/12/2021	31/12/2020
	\$'000	\$'000
Citadines Didot Montparnasse Paris, France - Investment property	—	22,333
	—	22,333
Citadines City Centre Grenoble, France - Investment property	—	9,571
	—	9,571
Somerset Grand Citra Jakarta - Investment property	1,519	—
	1,519	—
Assets held for sale	1,519	31,904

During the year, pursuant to the planned divestment of nine strata units in Somerset Grand Citra Jakarta, the investment property pertaining to these nine units have been reclassified to assets held for sale.

On 17 July 2020 and 8 September 2020, the Ascott Reit Group entered into two conditional sales and purchase agreements with an unrelated third party, to divest its interests in Citadines Didot Montparnasse Paris and Citadines City Centre Grenoble for purchase considerations of EUR 23.6 million and EUR 8.1 million respectively. The combined consideration of EUR 31.7 million is approximately 58.5% above the properties' carrying value as at 31 December 2020 which was appraised based on the discounted cash flow method. The divestments were completed in 2021.

Fair value hierarchy

On 31 December 2020, the Stapled Group's investment property held for sale are valued based on independent valuation conducted by Colliers (2020: HVS) using the discounted cash flow method.

The fair value measurement for assets held for sale for the Stapled Group have been categorised as level 3 fair values.

Reconciliation of Level 3 fair value

The following table presents the reconciliation of the assets held for sale from the beginning balances to the ending balances for Level 3 fair values.

	Ascott Reit Group and Stapled Group	
	31/12/2021	31/12/2020
	\$'000	\$'000
Balance at 1 January	31,904	253,292
Transfer to property, plant and equipment	–	(650)
Disposal of assets held for sale	(31,986)	(155,016)
Transfer from investment properties	1,519	31,904
Transfer to investment properties	–	(98,503)
Reclassifications from assets held for sale	–	(4,210)
Net change in fair value recognised in Statement of Total Return	–	83
Translation difference	82	5,004
Balance at 31 December	<u>1,519</u>	<u>31,904</u>

8 Financial liabilities

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-current liabilities						
Secured bank loans	713,314	464,906	–	–	713,314	464,906
Unsecured bank loans	618,638	610,761	230,789	278,457	849,427	889,218
Medium term notes	401,998	705,610	–	69,680	401,998	775,290
	<u>1,733,950</u>	<u>1,781,277</u>	<u>230,789</u>	<u>348,137</u>	<u>1,964,739</u>	<u>2,129,414</u>
Current liabilities						
Secured bank loans	155,018	275,846	–	–	155,018	275,846
Unsecured bank loans	203,979	57,235	48,718	–	252,697	57,235
Medium term notes	286,767	–	69,703	–	356,470	–
	<u>645,764</u>	<u>333,081</u>	<u>118,421</u>	<u>–</u>	<u>764,185</u>	<u>333,081</u>
	<u>2,379,714</u>	<u>2,114,358</u>	<u>349,210</u>	<u>348,137</u>	<u>2,728,924</u>	<u>2,462,495</u>

Aggregate leverage and interest coverage ratios

As at 31 December 2021, aggregate leverage of the Ascott Reit Group and the Stapled Group were 37.3% and 37.1% (31 December 2020: 36.4% and 36.3%) respectively, and interest coverage ratio was 3.7 times (31 December 2020: 2.7 times).

Secured bank loans

The Ascott Reit Group's secured bank loans are secured on certain investment properties (Note 3), pledge of shares of certain subsidiaries, pledge over certain bank deposits, assignment of rental proceeds from the properties, assignment of insurance policies on the properties and corporate guarantee from Ascott Reit.

Loan covenant

As at 31 December 2021, the Stapled Group has complied with all debt covenants or obtained waivers to defer testing of debt covenant compliance.

9 Lease liabilities

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current	8,641	8,256	5,524	5,508	8,641	8,256
Non-current	267,238	275,056	94,448	108,570	267,238	275,056
Total	275,879	283,312	99,972	114,078	275,879	283,312

The investment properties of the Ascott BT Group included a right-of-use asset relating to the operating lease for Ariake Hotel on adoption of FRS 116/SFRS(I) 16. Ascendas Ariake Godo Kaisha ("AAGK"), a subsidiary of Ascott BT, leases Ariake Hotel from Ascendas Hospitality Tokutei Mokuteki Kaisha, a subsidiary of Ascott Reit. FRS 116/SFRS(I) 16 requires AAGK to recognise a right-of-use asset and lease liability relating to this operating lease. There is no impact for the Stapled Group as the intra-group transaction will be eliminated upon consolidation.

10 Stapled securities in issue and perpetual securities

(a) Stapled Securities in issue

	Ascott Reit Units		Ascott BT Units		Stapled Securities	
	Full year ended	Full year ended	Full year ended	Full year ended	Full year ended	Full year ended
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	'000	'000	'000	'000	'000	'000
At 1 January	3,108,048	3,083,089	3,108,048	3,083,089	3,108,048	3,083,089
Issue of new Stapled Securities:						
- Private placement	152,594	–	152,594	–	152,594	–
- Management fees paid in Stapled Securities	15,905	18,511	15,905	18,511	15,905	18,511
- Acquisition fees paid in Stapled Securities	–	6,448	–	6,448	–	6,448
At 31 December	3,276,547	3,108,048	3,276,547	3,108,048	3,276,547	3,108,048

	Ascott Reit Units		Ascott BT Units		Stapled Securities	
	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	'000	'000	'000	'000	'000	'000
At 1 July	3,117,135	3,101,133	3,117,135	3,101,133	3,117,135	3,101,133
Issue of new Stapled Securities:						
- Private placement	152,594	–	152,594	–	152,594	–
- Management fees paid in Stapled Securities	6,818	6,915	6,818	6,915	6,818	6,915
At 31 December	<u>3,276,547</u>	<u>3,108,048</u>	<u>3,276,547</u>	<u>3,108,048</u>	<u>3,276,547</u>	<u>3,108,048</u>

(b) Perpetual securities

Perpetual securities are classified as equity instruments and recorded within the Statements of Movements in Stapled Securityholders' Funds. The \$396,298,000 (31 December 2020: \$396,298,000) presented on the Statements of Financial Position represents the \$400,000,000 (31 December 2020: \$400,000,000) perpetual securities net of issue costs and include total return attributable to perpetual securities holders from issue date.

11 Gross revenue

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross rental income	159,036	118,855	13,816	14,422	165,785	125,736
Hospitality income	5,184	6,385	–	–	5,184	6,385
Hotel revenue	–	–	36,482	27,708	36,482	27,708
Amortisation of deferred income	–	–	848	817	848	817
Car park income	1,071	736	–	–	1,071	736
	<u>165,291</u>	<u>125,976</u>	<u>51,146</u>	<u>42,947</u>	<u>209,370</u>	<u>161,382</u>

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Full year ended	Full year ended	Full year ended	Full year ended	Full year ended	Full year ended
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross rental income	289,691	282,298	27,952	29,788	303,264	297,053
Hospitality income	10,290	12,945	–	–	10,290	12,945
Hotel revenue	–	–	77,172	56,741	77,172	56,741
Amortisation of deferred income	–	–	1,694	1,571	1,694	1,571
Car park income	1,992	1,562	–	–	1,992	1,562
	<u>301,973</u>	<u>296,805</u>	<u>106,818</u>	<u>88,100</u>	<u>394,412</u>	<u>369,872</u>

12 Managers' management fees

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Six-month period ended 31/12/2021	Six-month period ended 31/12/2020	Six-month period ended 31/12/2021	Six-month period ended 31/12/2020	Six-month period ended 31/12/2021	Six-month period ended 31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Ascott Reit Manager's fees						
- Base fee	7,901	8,351	–	–	7,901	8,351
- Performance fee	2,599	1,489	–	–	2,599	1,489
	<u>10,500</u>	<u>9,840</u>	<u>–</u>	<u>–</u>	<u>10,500</u>	<u>9,840</u>
Ascott BT Trustee-Manager's fees						
- Base fee	–	–	509	252	509	252
- Performance fee	–	–	487	15	487	15
	<u>–</u>	<u>–</u>	<u>996</u>	<u>267</u>	<u>996</u>	<u>267</u>
Onshore fees paid/payable to related entities of the Managers	<u>182</u>	<u>194</u>	<u>996</u>	<u>1,339</u>	<u>1,178</u>	<u>1,533</u>
	<u>10,682</u>	<u>10,034</u>	<u>1,992</u>	<u>1,606</u>	<u>12,674</u>	<u>11,640</u>
	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Full year ended 31/12/2021	Full year ended 31/12/2020	Full year ended 31/12/2021	Full year ended 31/12/2020	Full year ended 31/12/2021	Full year ended 31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Ascott Reit Manager's fees						
- Base fee	15,576	16,812	–	–	15,576	16,812
- Performance fee	4,638	4,127	–	–	4,638	4,127
	<u>20,214</u>	<u>20,939</u>	<u>–</u>	<u>–</u>	<u>20,214</u>	<u>20,939</u>
Ascott BT Trustee-Manager's fees						
- Base fee	–	–	1,046	529	1,046	529
- Performance fee	–	–	1,145	734	1,145	734
	<u>–</u>	<u>–</u>	<u>2,191</u>	<u>1,263</u>	<u>2,191</u>	<u>1,263</u>
Onshore fees paid/payable to related entities of the Managers	<u>320</u>	<u>336</u>	<u>1,995</u>	<u>2,590</u>	<u>2,315</u>	<u>2,926</u>
	<u>20,534</u>	<u>21,275</u>	<u>4,186</u>	<u>3,853</u>	<u>24,720</u>	<u>25,128</u>

13 Professional fees

For the six-month period ended 31 December 2021, professional fees of the Ascott Reit Group, the Ascott BT Group and the Stapled Group include valuation fees of \$227,000, \$44,000 and \$271,000 respectively (six-month period ended 31 December 2020: \$108,000, \$64,000 and \$172,000 respectively).

For the full year ended 31 December 2021, professional fees of the Ascott Reit Group, the Ascott BT Group and the Stapled Group include valuation fees of \$518,000, \$73,000 and \$591,000 respectively (2020: \$421,000, \$64,000 and \$485,000 respectively).

14 Finance income and costs

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Six-month period ended 31/12/2021	Six-month period ended 31/12/2020	Six-month period ended 31/12/2021	Six-month period ended 31/12/2020	Six-month period ended 31/12/2021	Six-month period ended 31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Interest income from related party	25	16	–	–	–	–
Financial income arising from remeasuring the deferred income	–	69	78	81	78	150
Bank deposits	289	628	21	16	310	644
Finance income	314	713	99	97	388	794
Amortisation of transaction costs	(1,470)	(1,877)	(170)	(167)	(1,640)	(2,044)
Interest on bank loans	(20,662)	(20,476)	(3,856)	(3,915)	(24,518)	(24,391)
Cash flow hedges, reclassified from hedging reserve	(1,679)	(2,046)	(206)	(160)	(1,885)	(2,206)
Cross currency interest rate swaps ⁽¹⁾	4,868	4,864	919	929	5,787	5,793
Interest expense on lease liabilities	(5,232)	(5,479)	–	–	(5,232)	(5,479)
Interest expense on lease liabilities paid/payable to the Ascott Reit Group	–	–	(4,427)	(4,964)	–	–
Interest paid/payable to a related corporation	(50)	(42)	(25)	(16)	(50)	(42)
Financial expense from remeasuring the security deposits	–	(79)	(78)	(81)	(78)	(160)
Others	(639)	(343)	(7)	(7)	(648)	(350)
Finance costs	(24,864)	(25,478)	(7,850)	(8,381)	(28,264)	(28,879)

⁽¹⁾ Interest income arising from cross currency interest rate swaps are classified within finance costs as these financial derivatives were entered into by the Stapled Group as cash flow hedging instruments for certain bank loans.

Ascott Residence Trust
Condensed interim financial statements
Six-month period and full year ended
31 December 2021

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000	Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000	Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000
Interest income from related party	49	16	–	–	–	–
Financial income arising from remeasuring the deferred income	361	411	158	162	519	573
Bank deposits	2,510	1,339	41	78	2,551	1,417
Finance income	2,920	1,766	199	240	3,070	1,990
Amortisation of transaction costs	(3,132)	(3,988)	(340)	(327)	(3,472)	(4,315)
Interest on bank loans	(40,426)	(44,094)	(7,708)	(8,484)	(48,134)	(52,578)
Cash flow hedges, reclassified from hedging reserve	(3,347)	(2,877)	(409)	(491)	(3,756)	(3,368)
Cross currency interest rate swaps ⁽¹⁾	9,619	10,435	1,822	2,213	11,441	12,648
Interest expense on lease liabilities	(10,519)	(11,090)	–	–	(10,519)	(11,090)
Interest expense on lease liabilities paid/payable to the Ascott Reit Group	–	–	(9,123)	(10,004)	–	–
Interest paid/payable to a related corporation	(98)	(100)	(49)	(16)	(98)	(100)
Financial expense from remeasuring the security deposits	(391)	(417)	(158)	(162)	(549)	(579)
Others	(874)	(661)	(16)	(14)	(890)	(675)
Finance costs	(49,168)	(52,792)	(15,981)	(17,285)	(55,977)	(60,057)

⁽¹⁾ Interest income arising from cross currency interest rate swaps are classified within finance costs as these financial derivatives were entered into by the Stapled Group as cash flow hedging instruments for certain bank loans.

15 Net income/(loss)

The following items have been included in arriving at net (income)/loss for the period:

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Depreciation of property, plant and equipment	5,913	5,943	10,971	11,460	16,884	17,403
Loss on disposal of property, plant and equipment	30	12	–	–	30	12
Impairment loss on trade and other receivables (written back)/recognised	(483)	983	(129)	190	(612)	1,173
Write-off of trade and other receivables	278	220	25	169	303	389
	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Full year ended	Full year ended	Full year ended	Full year ended	Full year ended	Full year ended
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Depreciation of property, plant and equipment	10,494	12,190	22,150	22,025	32,644	34,215
Loss on disposal of property, plant and equipment	29	8	–	–	29	8
Impairment loss on trade and other receivables recognised/(written back)	5,179	1,383	(112)	195	5,067	1,578
Write-off of trade and other receivables	392	338	25	170	417	508

16 Profit from divestments

On 27 May 2021, the Ascott Reit Group completed the divestment of a wholly-owned subsidiary, Shanghai Xinwei Real Estate Development Co. Ltd., for total consideration of \$217.1 million. The disposed subsidiary contributed profit after tax of \$1.3 million from 1 January 2021 to the date of disposal.

On 1 April 2021, the Ascott Reit Group completed the divestment of a serviced residence property in France, Citadines City Centre Grenoble, for total consideration of \$12.8 million. The disposed serviced residence property contributed profit after tax of \$161,000 from 1 January 2021 to the date of disposal.

On 4 May 2021, the Ascott Reit Group completed the divestment of a serviced residence property in France, Citadines Didot Montparnasse Paris, for total consideration of \$37.9 million. The disposed serviced residence property contributed profit after tax of \$565,000 from 1 January 2021 to the date of disposal.

	Ascott Reit Group and Stapled Group		Ascott Reit Group and Stapled Group	
	Six-month period ended 31/12/2021 \$'000	Six-month period ended 31/12/2020 \$'000	Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000
Gain on divestment of subsidiaries ⁽¹⁾	1,003	47,052	136,053	47,313
Gain on disposal of investment properties ⁽²⁾	–	30,820	607	30,820
Gain on divestment of assets held for sale	344	295	16,566	295
Profit from divestments	1,347	78,167	153,226	78,428

⁽¹⁾ Gain on divestment of subsidiaries for the full year ended 31 December 2021 included \$1,259,000 relating to Guangzhou Hai Yi Real Estate Development Co, Ltd.. which was divested on 9 December 2020. Gain on divestment relating to Shanghai Xinwei Real Estate Development Co. Ltd. was \$134,794,000.

⁽²⁾ Gain on disposal of investment properties for the full year ended 31 December 2021 relate to the reversal of transaction costs no longer required for the serviced residence property in Japan which was divested on 23 December 2020.

17 Income tax (expense)/credit

The Ascott Reit Group, the Ascott BT Group and the Stapled Group calculate the period income tax expense using the tax rates that would be applicable to the expected total annual earnings. The major components of income tax expenses in the condensed interim financial statements are:

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Six-month period ended 31/12/2021 \$'000	Six-month period ended 31/12/2020 \$'000	Six-month period ended 31/12/2021 \$'000	Six-month period ended 31/12/2020 \$'000	Six-month period ended 31/12/2021 \$'000	Six-month period ended 31/12/2020 \$'000
Current tax credit/(expense)	1,764	(20,311)	(2,338)	41	(574)	(20,270)
Deferred tax expense relating to origination and reversal of temporary differences	(25,297)	59,267	(3,540)	15,841	(28,837)	75,108
Income tax (expense)/credit	(23,533)	38,956	(5,878)	15,882	(29,411)	54,838

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Full year ended 31/12/2021	Full year ended 31/12/2020	Full year ended 31/12/2021	Full year ended 31/12/2020	Full year ended 31/12/2021	Full year ended 31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current tax expense	(41,101)	(30,097)	(4,087)	(1,194)	(45,188)	(31,291)
Deferred tax expense relating to origination and reversal of temporary differences	(15,894)	60,014	(3,433)	13,945	(19,327)	73,959
Income tax (expense)/ credit	(56,995)	29,917	(7,520)	12,751	(64,515)	42,668

18

Earnings per Stapled Security

Basic earnings per Stapled Security

The calculation of basic earnings per Stapled Security for the Stapled Group was based on the total return/(loss) for the period attributable to Stapled Securityholders and a weighted average number of Stapled Securities outstanding.

	Stapled Group		Stapled Group	
	Six-month period ended 31/12/2021	Six-month period ended 31/12/2020	Full year ended 31/12/2021	Full year ended 31/12/2020
	\$'000	\$'000	\$'000	\$'000
Total return/(loss) attributable to Stapled Securityholders and perpetual securities holders	146,049	(250,135)	309,317	(222,549)
Less: Total return attributable to perpetual securities holders	(6,803)	(6,792)	(13,495)	(15,528)
Total return/(loss) attributable to Stapled Securityholders	<u>139,246</u>	<u>(256,927)</u>	<u>295,822</u>	<u>(238,077)</u>
Issued Stapled Securities at the beginning of the period	3,117,135	3,101,133	3,108,048	3,083,089
Effect of issue of new Stapled Securities:				
- Private placement	85,420	–	43,061	–
- Acquisition fees paid in Stapled Securities	–	–	–	3,471
- Management fees paid in Stapled Securities	3,672	3,499	9,065	9,924
Weighted average number of Stapled Securities outstanding during the period	<u>3,206,227</u>	<u>3,104,632</u>	<u>3,160,174</u>	<u>3,096,484</u>

Diluted earnings per Stapled Security

The calculation of diluted earnings per Stapled Security for the Stapled Group was based on the total return for the period attributable to Stapled Securityholders and a weighted average number of Stapled Securities outstanding after adjustment for the effects of all dilutive potential Stapled Securities.

	Stapled Group		Stapled Group	
	Six-month period ended 31/12/2021 '000	Six-month period ended 31/12/2020 '000	Full year ended 31/12/2021	Full year ended 31/12/2020
Weighted average number of Stapled Securities used in calculation of basic earnings per Stapled Security	3,206,227	3,104,632	3,160,174	3,096,484
Weighted average number of unissued Stapled Securities for base and performance fees	10,154	–	13,848	–
Weighted average number of Stapled Securities outstanding (diluted) during the period	<u>3,216,381</u>	<u>3,104,632</u>	<u>3,174,022</u>	<u>3,096,484</u>

At 31 December 2020, 14,675,000 unissued Stapled Securities for base management and performance fees were excluded from the diluted weighted average number of Stapled Securities calculation as their effect would have been anti-dilutive.

19 Disposal of subsidiaries

The list of subsidiaries disposed during the year ended 31 December 2021 and 31 December 2020 is as follows:

Name of subsidiaries	Date of disposal	Equity interest disposed %
Guangzhou Hai Yi Real Estate Development Co, Ltd.	9 December 2020	100.0
Shanghai Xinwei Real Estate Development Co. Ltd.	27 May 2021	100.0

Effect of disposal

The cash flows relating to assets and liabilities of the subsidiaries disposed during the year ended 31 December 2021 and 31 December 2020 are provided below:

	Note	Ascott Reit Group and Stapled Group	
		Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000
Investment properties	3	79,647	103,422
Property, plant and equipment		356	1,071
Trade and other receivables		853	12,397
Cash and cash equivalents		5,976	5,420
Trade and other payables		(2,861)	(5,667)
Current tax liabilities		(9)	(326)
Net assets disposed		<u>83,962</u>	<u>116,317</u>
Transfer from foreign currency translation reserve to Statement of Total Return		(4,123)	3,007
Transfer from capital reserve to Statement of Total Return		(1,235)	–
Gain on disposal (before tax)		134,794	47,052
Tax expense relating to the divestment		(18,860)	(26,502)
Accrual of transaction costs		1,086	15,340
Cash flow on disposal of subsidiaries		<u>195,624</u>	<u>155,214</u>
Less: Cash disposed		(5,976)	(5,420)
Less: Deposit received		(6,191)	–
Less: Outstanding consideration not received		–	(19,724)
Add: Consideration to be refunded to the purchaser		128	–
Net cash flow on disposal of subsidiaries		<u>183,585</u>	<u>130,070</u>

20 Related parties

In the normal course of the operations of the Ascott Reit Group, the Ascott Reit Manager's management fees and the Ascott Reit Trustee's fees have been paid or are payable to the Ascott Reit Manager and the Ascott Reit Trustee, respectively.

In the normal course of the operations of the Ascott BT Group, the Ascott BT Trustee-Manager's management fees and the Ascott BT Trustee-Manager's trustee fees have been paid or are payable to the Ascott BT Trustee-Manager.

During the financial period, there were the following significant related party transactions, which were carried out in the normal course of business on arm's length commercial terms:

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Acquisition fees paid/ payable to the Ascott Reit Manager	4,576	452	–	–	4,576	452
Compensation fees paid/ payable to related corporations	–	9,657	–	–	–	9,657
Divestment fees paid/payable to the Ascott Reit Manager	853	1,197	–	–	853	1,197
Rental income received/ receivable from related corporations	247	(5,126)	–	–	247	(5,126)
Rental income received/ receivable from master lease arrangements with related corporations	(23,948)	(17,196)	–	–	(23,948)	(17,196)
Rental income received/ receivable from master lease arrangements with the Ascott BT Group	(7,067)	(7,541)	–	–	–	–
Serviced residence management fees paid/payable to related corporations	3,650	2,712	–	–	3,650	2,712
Service fee paid/payable to related corporations	7,661	6,305	–	–	7,661	6,305

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000	Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000	Full year ended 31/12/2021 \$'000	Full year ended 31/12/2020 \$'000
Acquisition fees paid/ payable to the Ascott Reit Manager	6,251	440	–	8	6,251	448
Compensation fees paid/ payable to related corporations	2,430	9,657	–	–	2,430	9,657
Divestment fees paid/payable to the Ascott Reit Manager	2,193	1,197	–	–	2,193	1,197
Rental income received/ receivable from related corporations	(2,550)	(10,673)	–	–	(2,550)	(10,673)
Rental income received/ receivable from master lease arrangements with related corporations	(47,095)	(42,624)	–	–	(47,095)	(42,624)
Rental income received/ receivable from master lease arrangements with the Ascott BT Group	(14,379)	(15,033)	–	–	–	–
Serviced residence management fees paid/payable to related corporations	6,313	8,178	–	–	6,313	8,178
Service fee paid/payable to related corporations	15,044	13,749	–	–	15,044	13,749

21 Financial ratios

	Ascott Reit Group		Stapled Group	
	Six-month period ended 31/12/2021 %	Six-month period ended 31/12/2020 %	Six-month period ended 31/12/2021 %	Six-month period ended 31/12/2020 %
Ratio of expenses to average net asset value ⁽¹⁾				
- including performance component of the Ascott Reit Manager's management fees	0.40	0.40	0.41	0.41
- excluding performance component of the Ascott Reit Manager's management fees	0.33	0.36	0.34	0.37
Portfolio turnover rate ⁽²⁾	5.63	–	4.88	–

⁽¹⁾ The annualised ratio is computed in accordance with guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses at the Ascott Reit Group and the Stapled Group level, excluding property related expenses, borrowing costs and foreign exchange gains/(losses).

⁽²⁾ The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Ascott Reit Group and the Stapled Group expressed as a percentage of weighted average net asset value.

	Ascott Reit Group		Stapled Group	
	Full year ended 31/12/2021 %	Full year ended 31/12/2020 %	Full year ended 31/12/2021 %	Full year ended 31/12/2020 %
Ratio of expenses to average net asset value ⁽¹⁾				
- including performance component of the Ascott Reit Manager's management fees	0.94	0.82	0.96	0.85
- excluding performance component of the Ascott Reit Manager's management fees	0.81	0.71	0.82	0.74
Portfolio turnover rate ⁽²⁾	<u>6.99</u>	<u>1.16</u>	<u>6.06</u>	<u>1.00</u>

⁽¹⁾ The annualised ratio is computed in accordance with guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses at the Ascott Reit Group and the Stapled Group level, excluding property related expenses, borrowing costs and foreign exchange gains/(losses).

⁽²⁾ The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Ascott Reit Group and the Stapled Group expressed as a percentage of weighted average net asset value.

22 **Operating segments**

Information about reportable segments

Geographical segments

The principal business of the Stapled Group are investing in investment properties.

Stapled Group	Singapore	Australia	Belgium	China	France	Germany	Indonesia	Japan	Subtotal
Six-month period ended 31 December 2021	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross rental income	11,588	6,266	3,437	12,008	12,883	7,160	5,028	29,448	87,818
Hotel revenue	–	36,482	–	–	–	–	–	–	36,482
Other income	507	1,105	489	153	735	377	65	1,733	5,164
Gross revenue	12,095	43,853	3,926	12,161	13,618	7,537	5,093	31,181	129,464
Direct expenses	(5,256)	(36,548)	(3,735)	(9,686)	(748)	(611)	(3,966)	(9,790)	(70,340)
Segment gross profit	6,839	7,305	191	2,475	12,870	6,926	1,127	21,391	59,124
Net change in fair value of investment properties, investment properties under development and assets held for sale	4,537	(3,083)	(335)	(147)	15,625	(707)	1,457	24,280	41,627
Depreciation of buildings, plant and machinery	–	(9,448)	–	–	–	–	–	–	(9,448)
Revaluation surplus on freehold land and buildings	–	21,201	–	–	–	–	–	–	21,201

Geographical segments

Stapled Group	Malaysia	Philippines	South Korea	Spain	United Kingdom	United States of America	Vietnam	Subtotal	Total
Six-month period ended 31 December 2021	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross rental income	1,208	7,963	2,280	2,687	16,731	37,686	9,412	77,967	165,785
Hotel revenue	–	–	–	–	–	–	–	–	36,482
Other income	43	344	–	160	196	809	387	1,939	7,103
Gross revenue	1,251	8,307	2,280	2,847	16,927	38,495	9,799	79,906	209,370
Direct expenses	(1,195)	(6,006)	(253)	(1,751)	(8,208)	(25,586)	(4,821)	(47,820)	(118,160)
Segment gross profit	56	2,301	2,027	1,096	8,719	12,909	4,978	32,086	91,210
Net change in fair value of investment properties, investment properties under development and assets held for sale	46	(4,453)	(107)	(1,260)	46,464	53,535	(9,794)	84,431	126,058
Depreciation of buildings, plant and machinery	–	–	–	–	–	–	–	–	(9,448)
Revaluation surplus on freehold land and buildings	–	–	–	–	–	–	–	–	21,201
Finance income									388
Finance costs									(28,264)
Profit from divestments									1,347
Unallocated net expense									(27,617)
Reportable segment profit before income tax									174,875
Income tax expense									(29,411)
Total return for the period									145,464

Ascott Residence Trust
Condensed interim financial statements
Six-month period and full year ended
31 December 2021

Geographical segments

Stapled Group	Singapore	Australia	Belgium	China	France	Germany	Indonesia	Japan	Subtotal
Six-month period ended 31 December 2020	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross rental income	11,485	7,656	2,577	18,130	7,131	7,142	4,544	26,682	85,347
Hotel revenue	–	27,708	–	–	–	–	–	–	27,708
Other income	524	2,711	311	321	1,390	336	58	1,154	6,805
Gross revenue	12,009	38,075	2,888	18,451	8,521	7,478	4,602	27,836	119,860
Direct expenses	(3,682)	(30,144)	(2,406)	(13,375)	(1,718)	(573)	(3,697)	(9,361)	(64,956)
Segment gross profit	8,327	7,931	482	5,076	6,803	6,905	905	18,475	54,904
Net change in fair value of investment properties, investment properties under development and assets held for sale	(21,512)	(18,424)	(6,962)	(44,728)	(25,761)	(8,685)	(3,995)	(25,073)	(155,140)
Depreciation of buildings, plant and machinery	–	(9,871)	–	–	–	–	–	–	(9,871)
Revaluation deficit on freehold land and buildings	–	(26,594)	–	–	–	–	–	–	(26,594)

Geographical segments

Stapled Group	Malaysia	Philippines	South Korea	Spain	United Kingdom	United States of America	Vietnam	Subtotal	Total
Six-month period ended 31 December 2020	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross rental income	1,157	4,786	2,092	1,621	6,859	12,760	11,114	40,389	125,736
Hotel revenue	–	–	–	–	–	–	–	–	27,708
Other income	29	328	–	76	152	24	524	1,133	7,938
Gross revenue	1,186	5,114	2,092	1,697	7,011	12,784	11,638	41,522	161,382
Direct expenses	(1,240)	(5,510)	(304)	(1,047)	(5,091)	(16,405)	(5,789)	(35,386)	(100,342)
Segment gross (loss)/profit	(54)	(396)	1,788	650	1,920	(3,621)	5,849	6,136	61,040
Net change in fair value of investment properties, investment properties under development and assets held for sale	(4,199)	(5,295)	(14,938)	(8,699)	(53,605)	(115,300)	(21,916)	(223,952)	(379,092)
Depreciation of buildings, plant and machinery	–	–	–	–	–	–	–	–	(9,871)
Revaluation deficit on freehold land and buildings	–	–	–	–	–	–	–	–	(26,594)
Finance income									794
Finance costs									(28,879)
Profit from divestments									78,167
Unallocated net expense									(5,206)
Reportable segment loss before income tax									(309,641)
Income tax credit									54,838
Total loss for the period									(254,803)

Geographical segments

Stapled Group	Singapore	Australia	Belgium	China	France	Germany	Indonesia	Japan	Subtotal
Full year ended 31 December 2021	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross rental income	26,927	15,931	5,011	25,962	25,024	14,557	10,377	55,052	178,841
Hotel revenue	–	77,172	–	–	–	–	–	–	77,172
Other income	1,051	2,543	613	736	1,948	633	120	3,089	10,733
Gross revenue	27,978	95,646	5,624	26,698	26,972	15,190	10,497	58,141	266,746
Direct expenses	(8,767)	(73,774)	(5,093)	(19,856)	(2,133)	(1,047)	(7,936)	(19,187)	(137,793)
Segment gross profit	19,211	21,872	531	6,842	24,839	14,143	2,561	38,954	128,953
Net change in fair value of investment properties, investment properties under development and assets held for sale	4,537	(3,083)	(335)	(147)	15,625	(707)	1,457	24,280	41,627
Depreciation of buildings, plant and machinery	–	(19,015)	–	–	–	–	–	–	(19,015)
Revaluation surplus on freehold land and buildings	–	21,201	–	–	–	–	–	–	21,201

Geographical segments

Stapled Group	Malaysia	Philippines	South Korea	Spain	United Kingdom	United States of America	Vietnam	Subtotal	Total
Full year ended 31 December 2021	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross rental income	2,152	14,012	4,478	3,667	24,713	55,479	19,922	124,423	303,264
Hotel revenue	–	–	–	–	–	–	–	–	77,172
Other income	69	570	–	258	306	1,163	877	3,243	13,976
Gross revenue	2,221	14,582	4,478	3,925	25,019	56,642	20,799	127,666	394,412
Direct expenses	(2,239)	(11,259)	(491)	(2,428)	(12,521)	(44,318)	(10,073)	(83,329)	(221,122)
Segment gross (loss)/profit	(18)	3,323	3,987	1,497	12,498	12,324	10,726	44,337	173,290
Net change in fair value of investment properties, investment properties under development and assets held for sale	46	(4,453)	(107)	(1,260)	46,464	53,535	(9,794)	84,431	126,058
Depreciation of buildings, plant and machinery	–	–	–	–	–	–	–	–	(19,015)
Revaluation surplus on freehold land and buildings	–	–	–	–	–	–	–	–	21,201
Finance income									3,070
Finance costs									(55,977)
Profit from divestments									153,226
Unallocated net expense									(26,921)
Reportable segment profit before income tax									374,932
Income tax expense									(64,515)
Total return for the year									310,417

Ascott Residence Trust
Condensed interim financial statements
Six-month period and full year ended
31 December 2021

Geographical segments

Stapled Group	Singapore	Australia	Belgium	China	France	Germany	Indonesia	Japan	Subtotal
Full year ended 31 December 2020	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross rental income	33,156	17,682	6,391	34,780	21,815	13,925	9,927	58,115	195,791
Hotel revenue	–	56,741	–	–	–	–	–	–	56,741
Other income	1,351	4,035	599	964	2,767	802	131	2,482	13,131
Gross revenue	34,507	78,458	6,990	35,744	24,582	14,727	10,058	60,597	265,663
Direct expenses	(9,183)	(64,170)	(5,651)	(24,331)	(3,346)	(1,368)	(8,100)	(20,207)	(136,356)
Segment gross profit	25,324	14,288	1,339	11,413	21,236	13,359	1,958	40,390	129,307
Net change in fair value of investment properties, investment properties under development and assets held for sale	(21,512)	(18,424)	(6,962)	(44,728)	(25,761)	(8,685)	(3,995)	(25,073)	(155,140)
Depreciation of buildings, plant and machinery	–	(18,930)	–	–	–	–	–	–	(18,930)
Revaluation deficit on freehold land and buildings	–	(26,594)	–	–	–	–	–	–	(26,594)

Geographical segments

Stapled Group	Malaysia	Philippines	South Korea	Spain	United Kingdom	United States of America	Vietnam	Subtotal	Total
Full year ended 31 December 2020	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross rental income	2,843	13,049	5,204	3,547	19,939	32,530	24,150	101,262	297,053
Hotel revenue	–	–	–	–	–	–	–	–	56,741
Other income	45	703	–	161	335	493	1,210	2,947	16,078
Gross revenue	2,888	13,752	5,204	3,708	20,274	33,023	25,360	104,209	369,872
Direct expenses	(2,696)	(12,238)	(540)	(2,265)	(13,776)	(39,985)	(12,414)	(83,914)	(220,270)
Segment gross profit/(loss)	192	1,514	4,664	1,443	6,498	(6,962)	12,946	20,295	149,602
Net change in fair value of investment properties, investment properties under development and assets held for sale	(4,199)	(5,295)	(14,938)	(8,699)	(53,605)	(115,300)	(21,916)	(223,952)	(379,092)
Depreciation of buildings, plant and machinery	–	–	–	–	–	–	–	–	(18,930)
Revaluation deficit on freehold land and buildings	–	–	–	–	–	–	–	–	(26,594)
Finance income									1,990
Finance costs									(60,057)
Profit from divestments									78,428
Transaction costs relating to the Combination									1,054
Unallocated net expense									(14,365)
Reportable segment loss before income tax									(267,964)
Income tax credit									42,668
Total loss for the year									(225,296)

Geographical segments

Stapled Group	Singapore	Australia	Belgium	China	France	Germany	Indonesia	Japan	Subtotal
31 December 2021	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets and liabilities									
Reportable segment assets	1,264,947	1,011,472	68,159	342,500	503,759	264,350	101,998	1,485,249	5,042,434
Reportable segment liabilities	263,713	313,283	61,484	109,949	405,894	211,835	8,207	1,010,669	2,385,034
Other Segmental Information									
Capital expenditure:									
- investment properties	101	32	39	156	–	22	–	9,346	9,696
- property, plant and equipment	345	2,659	137	963	–	–	106	230	4,440
- investment properties under development	70,459	–	–	–	–	–	–	–	70,459
Depreciation	1,920	22,779	136	710	–	–	432	289	26,266
31 December 2020									
Assets and liabilities									
Reportable segment assets	1,142,057	992,655	67,737	585,306	533,461	270,615	102,178	1,504,770	5,198,779
Reportable segment liabilities	63,641	300,891	57,950	158,099	393,132	210,638	10,525	1,117,209	2,312,085
Other Segmental Information									
Capital expenditure:									
- investment properties	38	3,111	52	16	–	61	304	1,283	4,865
- property, plant and equipment	28	7,861	73	650	–	–	62	442	9,116
- investment properties under development	14,993	–	–	–	–	–	–	–	14,993
Depreciation	1,934	22,564	90	1,381	–	–	699	394	27,062

Geographical segments

Stapled Group	Malaysia	Philippines	South	Spain	United	United	Vietnam	Subtotal	Total
31 December 2021	\$'000	\$'000	Korea	\$'000	Kingdom	States of	\$'000	\$'000	\$'000
			\$'000		\$'000	America			
						\$'000			
Assets and liabilities									
Reportable segment assets	44,507	169,244	178,851	66,408	534,012	1,460,060	237,730	2,690,812	7,733,246
Reportable segment liabilities	566	34,651	48,437	49,349	58,572	765,208	23,710	980,493	3,365,527
Other Segmental Information									
Capital expenditure:									
- investment properties	-	360	103	22	569	21,085	28	22,167	31,863
- property, plant and equipment	43	78	-	3	44	623	431	1,222	5,662
- investment properties under development	-	-	-	-	-	-	-	-	70,459
Depreciation	96	1,591	-	93	826	2,328	1,444	6,378	32,644
31 December 2020									
Assets and liabilities									
Reportable segment assets	44,641	176,624	190,270	68,461	469,353	772,718	242,980	1,965,047	7,163,826
Reportable segment liabilities	417	32,667	50,695	49,525	50,395	592,815	33,157	809,671	3,121,756
Other Segmental Information									
Capital expenditure:									
- investment properties	-	149	-	1,858	705	1,302	-	4,014	8,879
- property, plant and equipment	59	370	-	25	135	177	1,098	1,864	10,980
- investment properties under development	-	-	-	-	-	-	-	-	14,993
Depreciation	140	1,897	-	139	1,669	1,640	1,668	7,153	34,215

Major customers

For the six-month period ended 31 December 2021, revenue from related corporations accounted for approximately \$23,948,000 (six-month period ended 31 December 2020: \$17,196,000) of the gross revenue of the Stapled Group. Such revenue is attributable to the France segment, Germany segment and Singapore segment.

For the full year ended 31 December 2021, revenue from related corporations accounted for approximately \$47,095,000 (2020: \$42,624,000) of the gross revenue of the Stapled Group. Such revenue is attributable to the France segment, Germany segment and Singapore segment.

23 **Fair value of assets and liabilities**

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount				Fair value				
	Mandatorily at FVTPL \$'000	Fair value – hedging instruments \$'000	Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Ascott Reit Group									
31 December 2021									
Financial assets measured at fair value									
Investment securities	2,163	–	–	–	2,163	–	–	2,163	2,163
Interest rate swaps used for hedging	–	1,995	–	–	1,995	–	1,995	–	1,995
Cross currency interest rate swaps used for hedging	–	17,355	–	–	17,355	–	17,355	–	17,355
	<u>2,163</u>	<u>19,350</u>	<u>–</u>	<u>–</u>	<u>21,513</u>				
Financial assets not measured at fair value									
Loan to associate	–	–	3,536	–	3,536				
Loan to joint venture	–	–	14,011	–	14,011				
Trade and other receivables ⁽¹⁾	–	–	170,665	–	170,665				
Cash and cash equivalents	–	–	301,163	–	301,163				
	<u>–</u>	<u>–</u>	<u>489,375</u>	<u>–</u>	<u>489,375</u>				
Financial liabilities measured at fair value									
Interest rate swaps used for hedging	–	(1,828)	–	–	(1,828)	–	(1,828)	–	(1,828)
Financial liabilities not measured at fair value									
Bank loans	–	–	–	(1,690,949)	(1,690,949)	–	(1,692,839)	–	(1,692,839)
Medium term notes	–	–	–	(688,765)	(688,765)	–	(713,688)	–	(713,688)
Trade and other payables ⁽²⁾	–	–	–	(119,118)	(119,118)				
	<u>–</u>	<u>–</u>	<u>–</u>	<u>(2,498,832)</u>	<u>(2,498,832)</u>				

⁽¹⁾ Excluding prepayments.

⁽²⁾ Excluding advance rental and liability for employee benefits.

	Carrying amount				Fair value				
	Mandatorily at FVTPL \$'000	Fair value – hedging instruments \$'000	Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Ascott Reit Group									
31 December 2020									
Financial assets measured at fair value									
Investment securities	2,072	–	–	–	2,072	–	–	2,072	2,072
Cross currency interest rate swaps used for hedging	–	298	–	–	298	–	298	–	298
	<u>2,072</u>	<u>298</u>	<u>–</u>	<u>–</u>	<u>2,370</u>				
Financial assets not measured at fair value									
Loan to associate	–	–	3,521	–	3,521				
Trade and other receivables ⁽¹⁾	–	–	158,107	–	158,107				
Cash and cash equivalents	–	–	454,083	–	454,083				
	<u>–</u>	<u>–</u>	<u>615,711</u>	<u>–</u>	<u>615,711</u>				
Financial liabilities measured at fair value									
Interest rate swaps used for hedging	–	(5,390)	–	–	(5,390)	–	(5,390)	–	(5,390)
Cross currency interest rate swaps used for hedging	–	(19,330)	–	–	(19,330)	–	(19,330)	–	(19,330)
	<u>–</u>	<u>(24,720)</u>	<u>–</u>	<u>–</u>	<u>(24,720)</u>				
Financial liabilities not measured at fair value									
Bank loans	–	–	–	(1,408,748)	(1,408,748)	–	(1,411,575)	–	(1,411,575)
Medium term notes	–	–	–	(705,610)	(705,610)	–	(746,779)	–	(746,779)
Trade and other payables ⁽²⁾	–	–	–	(146,694)	(146,694)				
Rental deposits (non-current)	–	–	–	(6,475)	(6,475)	–	(6,709)	–	(6,709)
	<u>–</u>	<u>–</u>	<u>–</u>	<u>(2,267,527)</u>	<u>(2,267,527)</u>				

⁽¹⁾ Excluding prepayments.

⁽²⁾ Excluding advance rental, liability for employee benefits and rental deposits (non-current).

	Carrying amount			Fair value				
	Fair value – hedging instruments \$'000	Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Ascott BT Group								
31 December 2021								
Financial assets measured at fair value								
Interest rate swaps used for hedging	1,097	–	–	1,097	–	1,097	–	1,097
Cross currency interest rate swaps used for hedging	10,312	–	–	10,312	–	10,312	–	10,312
	<u>11,409</u>	<u>–</u>	<u>–</u>	<u>11,409</u>				
Financial assets not measured at fair value								
Trade and other receivables ⁽¹⁾	–	9,898	–	9,898				
Cash and cash equivalents	–	45,169	–	45,169				
	<u>–</u>	<u>55,067</u>	<u>–</u>	<u>55,067</u>				
Financial liabilities not measured at fair value								
Bank loans	–	–	(279,507)	(279,507)	–	(280,525)	–	(280,525)
Medium term notes	–	–	(69,703)	(69,703)	–	(70,215)	–	(70,215)
Trade and other payables ⁽²⁾	–	–	(112,652)	(112,652)				
Rental deposits (non-current)	–	–	(9,242)	(9,242)	–	(9,324)	–	(9,324)
	<u>–</u>	<u>–</u>	<u>(471,104)</u>	<u>(471,104)</u>				

⁽¹⁾ Excluding prepayments.

⁽²⁾ Excluding advance rental, liability for employee benefits and rental deposits (non-current).

	Carrying amount				Fair value			
	Fair value – hedging instruments \$'000	Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Ascott BT Group								
31 December 2020								
Financial assets measured at fair value								
Cross currency interest rate swaps used for hedging	4,935	–	–	4,935	–	4,935	–	4,935
Financial assets not measured at fair value								
Trade and other receivables ⁽¹⁾	–	7,446	–	7,446				
Cash and cash equivalents	–	32,620	–	32,620				
	–	40,066	–	40,066				
Financial liabilities measured at fair value								
Interest rate swaps used for hedging	(704)	–	–	(704)	–	(704)	–	(704)
Cross currency interest rate swaps used for hedging	(4,136)	–	–	(4,136)	–	(4,136)	–	(4,136)
	(4,840)	–	–	(4,840)				
Financial liabilities not measured at fair value								
Bank loans	–	–	(278,457)	(278,457)	–	(280,537)	–	(280,537)
Medium term notes	–	–	(69,680)	(69,680)	–	(70,557)	–	(70,557)
Trade and other payables ⁽²⁾	–	–	(89,244)	(89,244)				
Rental deposits (non-current)	–	–	(9,800)	(9,800)	–	(9,916)	–	(9,916)
	–	–	(447,181)	(447,181)				

⁽¹⁾ Excluding prepayments.

⁽²⁾ Excluding advance rental, liability for employee benefits and rental deposits (non-current).

	Carrying amount			Fair value				
	Fair value – hedging instruments \$'000	Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Stapled Group								
31 December 2021								
Financial assets measured at fair value								
Interest rate swaps used for hedging	3,092	–	–	3,092	–	3,092	–	3,092
Cross currency interest rate swaps used for hedging	27,667	–	–	27,667	–	27,667	–	27,667
	<u>30,759</u>	<u>–</u>	<u>–</u>	<u>30,759</u>				
Financial assets not measured at fair value								
Loan to associate	–	3,536	–	3,536				
Loan to joint venture	–	14,011	–	14,011				
Trade and other receivables ⁽¹⁾	–	91,434	–	91,434				
Cash and cash equivalents	–	346,332	–	346,332				
	<u>–</u>	<u>455,313</u>	<u>–</u>	<u>455,313</u>				
Financial liabilities measured at fair value								
Interest rate swaps used for hedging	(1,828)	–	–	(1,828)	–	(1,828)	–	(1,828)
Financial liabilities not measured at fair value								
Bank loans	–	–	(1,970,456)	(1,970,456)	–	(1,973,364)	–	(1,973,364)
Medium term notes	–	–	(758,468)	(758,468)	–	(783,903)	–	(783,903)
Trade and other payables ⁽²⁾	–	–	(142,641)	(142,641)				
Rental deposits (non-current)	–	–	(9,242)	(9,242)	–	(9,324)	–	(9,324)
	<u>–</u>	<u>–</u>	<u>(2,880,807)</u>	<u>(2,880,807)</u>				

⁽¹⁾ Excluding prepayments.

⁽²⁾ Excluding advance rental, liability for employee benefits and rental deposits (non-current).

	Carrying amount			Fair value				
	Fair value – hedging instruments \$'000	Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Stapled Group								
31 December 2020								
Financial assets measured at fair value								
Cross currency interest rate swaps used for hedging	5,233	–	–	5,233	–	5,233	–	5,233
Financial assets not measured at fair value								
Loan to associate	–	3,521	–	3,521				
Trade and other receivables ⁽¹⁾	–	91,996	–	91,996				
Cash and cash equivalents	–	486,703	–	486,703				
	–	582,220	–	582,220				
Financial liabilities measured at fair value								
Interest rate swaps used for hedging	(6,094)	–	–	(6,094)	–	(6,094)	–	(6,094)
Cross currency interest rate swaps used for hedging	(23,466)	–	–	(23,466)	–	(23,466)	–	(23,466)
	(29,560)	–	–	(29,560)				
Financial liabilities not measured at fair value								
Bank loans	–	–	(1,687,205)	(1,687,205)	–	(1,692,112)	–	(1,692,112)
Medium term notes	–	–	(775,290)	(775,290)	–	(817,336)	–	(817,336)
Trade and other payables ⁽²⁾	–	–	(162,380)	(162,380)				
Rental deposits (non-current)	–	–	(16,275)	(16,275)	–	(16,625)	–	(16,625)
	–	–	(2,641,150)	(2,641,150)				

⁽¹⁾ Excluding prepayments.

⁽²⁾ Excluding advance rental, liability for employee benefits and rental deposits (non-current).

During the financial year ended 31 December 2021 and 31 December 2020, there were no transfers between Level 1 and 2 of the fair value hierarchy.

24 Commitments

As at the reporting date, the Stapled Group had the following commitments:

	Ascott Reit Group		Ascott BT Group		Stapled Group	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
Commitments in respect of:						
- capital expenditure and development expenditure contracted but not provided for	113,842	16,611	660	623	114,502	17,234
- acquisition of investment property ⁽¹⁾	39,124	–	–	–	39,124	–

⁽¹⁾ Commitment for acquisition of investment property relates to the balance 98% purchase consideration of US\$28.9 million for the acquisition of Latitude at Kent, which is expected to take place in February 2022.

25 Subsequent events

On 27 December 2021, the Ascott Reit Group entered into two conditional sale and purchase agreements to acquire four student accommodation properties in USA for an aggregate purchase consideration of US\$ 213.0 million (equivalent to \$291.2 million). The acquisition of The Link University, Uncommon Wilmington and Latitude on Hillsborough has been completed on 30 December 2021. The completion of the acquisition of Latitude at Kent is expected to take place in February 2022.