



Hutchison Port Holdings Trust is a business trust constituted on 25 February 2011 under the laws of the Republic of Singapore and managed by Hutchison Port Holdings Management Pte. Limited.

## HUTCHISON PORT HOLDINGS TRUST (“HPH Trust”) FINANCIAL STATEMENT ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

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Footnote:

(a) The listing manual issued by the Singapore Exchange Securities Trading Limited (“Listing Manual”).

**1(a)(i) Consolidated income statement for the year ended 31 December 2020**

	Group		
	01/01/2020 to 31/12/2020	01/01/2019 to 31/12/2019	Favorable/ (Unfavorable)
	HK\$'M	HK\$'M	%
<b>Revenue and other income</b>	10,705.8	11,120.9	(3.7)
Cost of services rendered	(3,568.4)	(3,881.6)	8.1
Staff costs	(256.4)	(288.0)	11.0
Depreciation and amortisation	(3,054.0)	(3,079.7)	0.8
Other operating income <sup>(a)</sup>	193.2	96.4	100.4
Other operating expenses	(513.3)	(537.1)	4.4
<b>Total operating expenses</b>	(7,198.9)	(7,690.0)	6.4
<b>Operating profit</b>	3,506.9	3,430.9	2.2
Interest and other finance costs	(766.3)	(1,075.2)	28.7
Share of profits less losses after tax of associated companies	(83.5)	(92.3)	9.5
Share of profits less losses after tax of joint ventures	73.4	38.3	91.6
<b>Profit before tax</b>	2,730.5	2,301.7	18.6
Tax <sup>(b)</sup>	(718.0)	(480.0)	(49.6)
<b>Profit for the year</b>	2,012.5	1,821.7	10.5
Allocated as:			
Profit attributable to non-controlling interests	(1,181.1)	(1,293.5)	(8.7)
Profit attributable to unitholders of HPH Trust	831.4	528.2	57.4
<b>Earnings per unit attributable to unitholders of HPH Trust</b>	<b>HK cents</b> 9.54	<b>HK cents</b> 6.06	57.4

*Footnotes:*

- (a) Other operating income was HK\$193.2 million for the year ended 31 December 2020 compared to HK\$96.4 million for the year ended 31 December 2019. The increase was mainly due to the wage subsidy from the Hong Kong Employment Support Scheme and gain on disposal of fixed assets.
- (b) Tax was HK\$718.0 million for the year ended 31 December 2020 compared to HK\$480.0 million for the year ended 31 December 2019. The increase was mainly due to higher profit and increase of tax rate upon the expiries of "High and New Technology Enterprise" status of YICT Phase III.

1(a)(ii) Consolidated statement of comprehensive income for the year ended 31 December 2020

	Group		
	01/01/2020 to 31/12/2020	01/01/2019 to 31/12/2019	Favorable/ (Unfavorable)
	HK\$'M	HK\$'M	%
<b>Profit for the year</b>	2,012.5	1,821.7	10.5
<b>Other comprehensive income/(loss)<sup>(a)</sup>:</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Remeasurement of defined benefit plans	143.4	31.1	361.1
Investments			
Valuation losses taken to reserves	(60.4)	(91.6)	34.1
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Cash flow hedges arising from cross currency interest rate swap contracts and interest rate swap contracts			
Fair value losses recognised directly in reserves	(175.7)	(35.6)	(393.5)
Costs of hedging			
Changes in fair value of currency basis spread	19.3	(8.3)	332.5
Share of other comprehensive income/(loss) of associated companies	24.1	(11.3)	313.3
Share of other comprehensive income/(loss) of joint ventures	2.4	(0.9)	366.7
Currency translation differences	352.8	(115.3)	406.0
<b>Total other comprehensive income/(loss) for the year</b>	305.9	(231.9)	231.9
<b>Total comprehensive income for the year</b>	2,318.4	1,589.8	45.8
Allocated as:			
Attributable to non-controlling interests	(1,354.7)	(1,240.8)	9.2
Attributable to unitholders of HPH Trust	963.7	349.0	176.1

Footnote:

(a) Items shown within other comprehensive income/(loss) have no tax effect.

1(b)(i) Statement of financial position as at 31 December 2020

	Group	
	31/12/2020	31/12/2019
	HK\$'M	HK\$'M
<b>ASSETS</b>		
<b>Non-current assets</b>		
Fixed assets	22,839.0	23,789.5
Projects under development	478.2	648.1
Leasehold land and land use rights	35,843.7	37,047.0
Railway usage rights	11.1	10.8
Customer relationships	5,167.6	5,501.8
Goodwill	11,270.0	11,270.0
Associated companies	1,032.6	952.5
Joint ventures	2,593.1	2,656.7
Other non-current assets	428.1	560.7
Pension assets	85.7	-
Deferred tax assets	19.3	25.0
<b>Total non-current assets</b>	<b>79,768.4</b>	<b>82,462.1</b>
<b>Current assets</b>		
Cash and bank balances <sup>(a)</sup>	7,766.6	7,040.2
Trade and other receivables	3,033.6	3,056.0
Inventories	99.3	102.4
<b>Total current assets</b>	<b>10,899.5</b>	<b>10,198.6</b>
<b>Current liabilities</b>		
Trade and other payables	5,517.5	5,783.1
Bank and other debts	3,990.6	4,097.3
Current tax liabilities	278.6	473.9
<b>Total current liabilities</b>	<b>9,786.7</b>	<b>10,354.3</b>
<b>Net current assets/(liabilities)</b>	<b>1,112.8</b>	<b>(155.7)</b>
<b>Total assets less current liabilities</b>	<b>80,881.2</b>	<b>82,306.4</b>
<b>Non-current liabilities</b>		
Bank and other debts	25,328.2	26,459.1
Pension obligations	-	41.7
Deferred tax liabilities	9,536.0	9,918.2
Other non-current liabilities	413.1	324.1
<b>Total non-current liabilities</b>	<b>35,277.3</b>	<b>36,743.1</b>
<b>Net assets</b>	<b>45,603.9</b>	<b>45,563.3</b>
<b>EQUITY</b>		
Units in issue	68,553.8	68,553.8
Reserves	(42,551.8)	(42,702.9)
<b>Net assets attributable to unitholders of HPH Trust</b>	<b>26,002.0</b>	<b>25,850.9</b>
Non-controlling interests	19,601.9	19,712.4
<b>Total equity</b>	<b>45,603.9</b>	<b>45,563.3</b>

Footnote:

(a) Restricted deposit of HK\$42.0 million was released after the full repayment of a bank loan during the year ended 31 December 2020.

1(b)(i) Statement of financial position as at 31 December 2020 (Continued)

	Trust	
	31/12/2020	31/12/2019
	HK\$'M	HK\$'M
<b>ASSETS</b>		
<b>Non-current asset</b>		
Investment in a subsidiary company	24,246.8	25,088.9
<b>Total non-current asset</b>	24,246.8	25,088.9
<b>Current assets</b>		
Cash and bank balances	3.7	2.5
Trade and other receivables	1.1	1.9
<b>Total current assets</b>	4.8	4.4
<b>Current liability</b>		
Trade and other payables	22.3	16.8
<b>Total current liability</b>	22.3	16.8
<b>Net current liabilities</b>	(17.5)	(12.4)
<b>Total assets less current liabilities</b>	24,229.3	25,076.5
<b>Net assets</b>	24,229.3	25,076.5
<b>EQUITY</b>		
Units in issue	68,553.8	68,553.8
Reserves	(44,324.5)	(43,477.3)
<b>Total equity</b>	24,229.3	25,076.5

**1(b)(ii) Aggregate amount of the Group's borrowings and debt securities as at 31 December 2020**

<b>Group</b>	<b>Current portion HK\$'M</b>	<b>Non-current portion HK\$'M</b>	<b>Total HK\$'M</b>
Unsecured bank loans	3,992.0	17,628.0	21,620.0
Guaranteed notes	-	7,800.0	7,800.0
<b>Total principal amount of bank and other debts</b>	3,992.0	25,428.0	29,420.0
Unamortised loan facilities fees and discounts related to debts	(1.4)	(99.8)	(101.2)
	3,990.6	25,328.2	29,318.8

**Aggregate amount of the Group's borrowings and debt securities as at 31 December 2019**

<b>Group</b>	<b>Current portion HK\$'M</b>	<b>Non-current portion HK\$'M</b>	<b>Total HK\$'M</b>
Unsecured bank loans	192.0	18,731.4	18,923.4
Secured bank loan	10.5	45.0	55.5
Guaranteed notes	3,900.0	7,800.0	11,700.0
<b>Total principal amount of bank and other debts</b>	4,102.5	26,576.4	30,678.9
Unamortised loan facilities fees and discounts related to debts	(1.6)	(117.3)	(118.9)
Unrealised loss on bank and other debts pursuant to interest rate swap contracts	(3.6)	-	(3.6)
	4,097.3	26,459.1	30,556.4

**Details of any collateral at HPH Trust**

Bank loan of HK\$55.5 million was secured by a charge over certain assets of subsidiary companies as at 31 December 2019. No assets were pledged as security for bank and other debts as at 31 December 2020 upon repayment of the secured bank loan during the year.

1(c) Consolidated statement of cash flows for the year ended 31 December 2020

	Group	
	01/01/2020 to 31/12/2020	01/01/2019 to 31/12/2019
	HK\$'M	HK\$'M
<b>Operating activities</b>		
Cash generated from operations	6,608.8	6,369.3
Interest and other finance costs paid	(738.4)	(999.5)
Tax paid <sup>(a)</sup>	(1,285.7)	(735.2)
<b>Net cash from operating activities</b>	4,584.7	4,634.6
<b>Investing activities</b>		
Loan to an associated company	(99.9)	(133.2)
Purchase of fixed assets and projects under development	(463.7)	(581.4)
Proceeds on disposal of fixed assets	24.9	15.8
Dividends received from investments	33.5	25.7
Dividends received from associated companies and joint ventures	142.8	102.5
Interest received	84.9	147.8
Repayment of loan by a joint venture	1.6	1.6
Restricted deposit released	42.0	-
<b>Net cash used in investing activities</b>	(233.9)	(421.2)
<b>Financing activities</b>		
New borrowings <sup>(b)</sup>	3,870.8	6,210.0
Repayment of borrowings <sup>(b)</sup>	(5,159.3)	(7,219.0)
Upfront debt transaction costs and facilities fees of borrowings	-	(40.8)
Principal elements of lease payments	(12.7)	(4.4)
Payment to acquire additional interest in a subsidiary company <sup>(c)</sup>	(9.8)	-
Distributions to unitholders of HPH Trust	(810.1)	(1,261.4)
Dividends to non-controlling interests	(1,461.3)	(1,424.0)
<b>Net cash used in financing activities</b>	(3,582.4)	(3,739.6)
<b>Net changes in cash and cash equivalents</b>	768.4	473.8
Cash and cash equivalents at beginning of the year	6,998.2	6,524.4
Cash and cash equivalents at end of the year	7,766.6	6,998.2

Footnotes:

- (a) Tax paid was HK\$1,285.7 million for the year ended 31 December 2020 whereas it was HK\$735.2 million for the year ended 31 December 2019. The increase was mainly due to the deferral of HIT and YICT 2019 profits tax payments to 2020.
- (b) The Group drew down new bank loan of US\$500 million during the year ended 31 December 2020 to redeem US\$500 million guaranteed notes, whereas for the year ended 31 December 2019, the Group issued US\$500 million 2.875% guaranteed notes due in 2024 and drew down new bank loans of US\$150 million and HK\$1.1 billion to refinance bank borrowings.
- (c) It represented the cash consideration to acquire 5.27% equity interest in Hutchison Inland Container Depots Limited, a subsidiary of HPH Trust, in July 2020.

# 1(d)(i) Statement of changes in equity for the year ended 31 December 2020

## Group

	Units in issue HK\$'M	Exchange and other reserves HK\$'M	Revaluation reserve HK\$'M	Hedging reserve HK\$'M	Costs of hedging reserve HK\$'M	Pension reserve HK\$'M	Accumulated losses HK\$'M	Attributable to unitholders HK\$'M	Non-controlling interests HK\$'M	Total HK\$'M
At 1 January 2020	68,553.8	(212.8)	(243.1)	(102.7)	(38.4)	213.1	(42,319.0)	25,850.9	19,712.4	45,563.3
Profit for the year	-	-	-	-	-	-	831.4	831.4	1,181.1	2,012.5
Other comprehensive income/(loss):										
Remeasurement of defined benefit plans	-	-	-	-	-	143.4	-	143.4	-	143.4
Investments:										
Valuation losses taken to reserves	-	-	(60.4)	-	-	-	-	(60.4)	-	(60.4)
Cash flow hedges arising from cross currency interest rate swap contracts and interest rate swap contracts										
Fair value losses recognised directly in reserves	-	-	-	(175.7)	-	-	-	(175.7)	-	(175.7)
Costs of hedging										
Changes in fair value of currency basis spread	-	-	-	-	19.3	-	-	19.3	-	19.3
Share of other comprehensive income of associated companies	-	17.8	-	-	-	-	-	17.8	6.3	24.1
Share of other comprehensive income of joint ventures	-	2.4	-	-	-	-	-	2.4	-	2.4
Currency translation differences	-	185.5	-	-	-	-	-	185.5	167.3	352.8
<b>Total other comprehensive income/(loss)</b>	<b>-</b>	<b>205.7</b>	<b>(60.4)</b>	<b>(175.7)</b>	<b>19.3</b>	<b>143.4</b>	<b>-</b>	<b>132.3</b>	<b>173.6</b>	<b>305.9</b>
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>205.7</b>	<b>(60.4)</b>	<b>(175.7)</b>	<b>19.3</b>	<b>143.4</b>	<b>831.4</b>	<b>963.7</b>	<b>1,354.7</b>	<b>2,318.4</b>
Transferred to/(from) reserve	-	0.2	-	-	-	-	(0.2)	-	-	-
Transactions with owners:										
Relating to purchase of non-controlling interests	-	(2.5)	-	-	-	-	-	(2.5)	4.7	2.2
Distributions	-	-	-	-	-	-	(810.1)	(810.1)	-	(810.1)
Dividends	-	-	-	-	-	-	-	-	(1,469.9)	(1,469.9)
<b>At 31 December 2020</b>	<b>68,553.8</b>	<b>(9.4)</b>	<b>(303.5)</b>	<b>(278.4)</b>	<b>(19.1)</b>	<b>356.5</b>	<b>(42,297.9)</b>	<b>26,002.0</b>	<b>19,601.9</b>	<b>45,603.9</b>
At 1 January 2019	68,553.8	(133.8)	(151.5)	(67.1)	(30.1)	182.0	(41,585.6)	26,767.7	19,900.4	46,668.1
Profit for the year	-	-	-	-	-	-	528.2	528.2	1,293.5	1,821.7
Other comprehensive (loss)/income:										
Remeasurement of defined benefit plans	-	-	-	-	-	31.1	-	31.1	-	31.1
Investments:										
Valuation losses taken to reserves	-	-	(91.6)	-	-	-	-	(91.6)	-	(91.6)
Cash flow hedges arising from cross currency interest rate swap contracts and interest rate swap contracts										
Fair value losses recognised directly in reserves	-	-	-	(35.6)	-	-	-	(35.6)	-	(35.6)
Costs of hedging										
Changes in fair value of currency basis spread	-	-	-	-	(8.3)	-	-	(8.3)	-	(8.3)
Share of other comprehensive loss of associated companies	-	(7.8)	-	-	-	-	-	(7.8)	(3.5)	(11.3)
Share of other comprehensive loss of joint ventures	-	(0.9)	-	-	-	-	-	(0.9)	-	(0.9)
Currency translation differences	-	(66.1)	-	-	-	-	-	(66.1)	(49.2)	(115.3)
<b>Total other comprehensive (loss)/income</b>	<b>-</b>	<b>(74.8)</b>	<b>(91.6)</b>	<b>(35.6)</b>	<b>(8.3)</b>	<b>31.1</b>	<b>-</b>	<b>(179.2)</b>	<b>(52.7)</b>	<b>(231.9)</b>
<b>Total comprehensive (loss)/income</b>	<b>-</b>	<b>(74.8)</b>	<b>(91.6)</b>	<b>(35.6)</b>	<b>(8.3)</b>	<b>31.1</b>	<b>528.2</b>	<b>349.0</b>	<b>1,240.8</b>	<b>1,589.8</b>
Transferred (from)/to reserve	-	(4.2)	-	-	-	-	(0.2)	(4.4)	4.4	-
Transactions with owners:										
Distributions	-	-	-	-	-	-	(1,261.4)	(1,261.4)	-	(1,261.4)
Dividends	-	-	-	-	-	-	-	-	(1,433.2)	(1,433.2)
<b>At 31 December 2019</b>	<b>68,553.8</b>	<b>(212.8)</b>	<b>(243.1)</b>	<b>(102.7)</b>	<b>(38.4)</b>	<b>213.1</b>	<b>(42,319.0)</b>	<b>25,850.9</b>	<b>19,712.4</b>	<b>45,563.3</b>



1(d)(i) Statement of changes in equity for the year ended 31 December 2020 (Continued)

Trust

	Units in issue HK\$'M	Accumulated losses HK\$'M	Attributable to unitholders HK\$'M
At 1 January 2020	68,553.8	(43,477.3)	<b>25,076.5</b>
Loss and total comprehensive loss for the year	-	(37.1)	<b>(37.1)</b>
Transactions with owners:			
Distributions	-	(810.1)	<b>(810.1)</b>
<b>At 31 December 2020</b>	<u>68,553.8</u>	<u>(44,324.5)</u>	<u><b>24,229.3</b></u>
At 1 January 2019	68,553.8	(42,179.3)	<b>26,374.5</b>
Loss and total comprehensive loss for the year	-	(36.6)	<b>(36.6)</b>
Transactions with owners:			
Distributions	-	(1,261.4)	<b>(1,261.4)</b>
<b>At 31 December 2019</b>	<u>68,553.8</u>	<u>(43,477.3)</u>	<u><b>25,076.5</b></u>

**1(d)(ii) Details of any changes in units for the year ended 31 December 2020**

Group	
01/01/2020 to 31/12/2020	01/01/2019 to 31/12/2019
8,711,101,022	8,711,101,022

At beginning and at end of the year

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

The financial information for the year ended 31 December 2020 set out in Item 1 and 6 of this announcement was extracted from the financial statements of HPH Trust and its subsidiary companies (the “Group”) for the year ended 31 December 2020 (“Financial Statements”) which have been audited in accordance with International Standards on Auditing issued by International Auditing and Assurance Standards Board.

**3. Where the figures have been audited or reviewed, the auditor’s report (including any qualifications or emphasis of matter).**

The auditor’s report on the Financial Statements dated 8 February 2021 issued by PricewaterhouseCoopers LLP is enclosed in Appendix 1.

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

The accounting policies and methods of computation used in the preparation of the Financial Statements for the current year are consistent with those specified in the audited financial statements of the Group for the year ended 31 December 2019 except for the adoption of the standards, amendments and interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) that are relevant to the Group’s operations and mandatory for annual accounting periods beginning 1 January 2020 as well as the early adoption of Amendments to HKFRS 16 as explained in item 5 below. The effect of the adoption of these standards, amendments and interpretations was not material to the Group’s results or financial position.

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

The Group has adopted all of the new and revised standards, amendments and interpretations issued by the HKICPA that are relevant to the Group’s operations and mandatory for annual period beginning 1 January 2020. The effect of the adoption of these new and revised standards, amendments and interpretations was not material to the Group’s results or financial position.

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

Early adoption of amendments to existing standards

The Group has early adopted Amendments to HKFRS 16 Leases on COVID-19-related rent concessions for the annual period beginning 1 January 2020. The amendment exempts lessees from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and allows lessees to account for such rent concessions as if they were not lease modifications. It applies to COVID-19-related rent concessions that reduce lease payments due on or before 30 June 2021. The amendment does not affect lessors. The effect of the early adoption of this amendment was not material to the Group's results or financial position.

**6. Group's earnings per unit ("EPU") and distribution per unit ("DPU") for the year ended 31 December 2020**

	<b>01/01/2020 to 31/12/2020</b>	<b>01/01/2019 to 31/12/2019</b>
(i) Weighted average number of units in issue	8,711,101,022	8,711,101,022
(ii) Earnings per unit for the year based on the weighted average number of units in issue (HK cents) - Basic and diluted	9.54	6.06
(iii) Number of units issued at end of the year	8,711,101,022	8,711,101,022
(iv) Distribution per unit for the year (HK cents) <sup>(a)</sup>	12.00	11.00

*Footnote:*

- (a) *HPH Trust will make distribution to unitholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates.*

**7(a) Net asset value (“NAV”) attributable to unitholders per unit based on units issued as at 31 December 2020<sup>(a)</sup>**

	Group		Trust	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Net asset value attributable to unitholders per unit (HK\$) <sup>(a)</sup>	2.98	2.97	2.78	2.88
Net asset value attributable to unitholders per unit before deducting distribution per unit for the financial year ended (HK\$) <sup>(a)</sup>	3.03	3.03	2.82	2.94
Net asset value attributable to unitholders per unit after deducting distribution per unit for the financial year ended (HK\$) <sup>(a)</sup>	2.91	2.92	2.70	2.83

Footnote:

(a) The number of units used for computation of NAV per unit is 8,711,101,022 which is the number of units in issue as at 31 December 2020 (31 December 2019: 8,711,101,022).

**7(b) Rate of return<sup>(a)</sup>**

Year	Rate of Return (%)
For the year ended 31 December 2020	3.8%

Footnote:

(a)  $Rate\ of\ Return\ (\%) = (A-B)/B \times 100$

A = NAV per unit before interim distribution per unit as of the end of the year

B = NAV per unit as of the beginning of the year (after deducting total distribution per unit for the financial period ended 31 December 2019)

8. Value of assets by region as at 31 December 2020

Trust

Kind of assets	Region	Net Asset Value (HK\$'M)	Investment Ratio
Investment in a subsidiary <sup>(a)</sup>	Hong Kong	24,246.8	100.1%
Cash and other assets (after deduction of liabilities)	Singapore	(14.3)	(0.1%)
Other liabilities	Hong Kong	(3.2)	(0.0%)
Total net assets		24,229.3	100.0%

Group

Region <sup>(b)</sup>	Net Asset Value (HK\$'M)	Investment Ratio
Singapore	(14.3)	(0.0%)
Hong Kong <sup>(c)</sup>	(7,517.5)	(16.5%)
Mainland China	53,135.7	116.5%
Total net assets	45,603.9	100.0%

Footnotes:

- (a) It represents investment in HPHT Limited, a wholly owned subsidiary of HPH Trust, which is the holding company of the underlying assets of HPH Trust.
- (b) It represents the net asset value segmented by geographical locations where the operation is performed.
- (c) US\$3.2 billion (equivalent to HK\$25,038 million) and HK\$4.0 billion of bank loans and guaranteed notes are grouped under Hong Kong region.

## 9. Review of performance

### Consolidated income statement (01/01/2020-31/12/2020 vs 01/01/2019-31/12/2019)

Revenue and other income for the year was HK\$10,705.8 million, HK\$415.1 million or 3.7% below last year. Combined container throughput<sup>(a)</sup> of HIT<sup>(b)</sup>, COSCO-HIT<sup>(c)</sup> and ACT<sup>(d)</sup> (collectively “HPHT Kwai Tsing”) increased by 0.6% as compared to last year, mainly due to higher transshipment cargoes but partially offset by the decrease in intra-Asia and US cargoes. Container throughput of YICT<sup>(e)</sup> increased by 2.1% as compared to 2019, primarily driven by the increase in US, EU and transshipment cargoes, but partially offset by decrease in empty cargoes. Average revenue per TEU for Hong Kong was below last year, mainly attributed to the increased empty and transshipment mix. Average revenue per TEU for China was below last year, largely due to increased transshipment mix.

Cost of services rendered was HK\$3,568.4 million, HK\$313.2 million or 8.1% below last year. This was attributed to savings arising from SPA arrangement, cost control initiatives, lower fuel price and reduction in operating costs due to PRC government’s supportive measures to COVID-19, but partially offset by the increase in external contractors’ costs and higher throughput. Staff costs were HK\$256.4 million, HK\$31.6 million or 11.0% below last year. The decrease was primary due to fewer headcount, employee activities and reduction in staff costs due to PRC government’s supportive measures to COVID-19. Depreciation and amortisation was HK\$3,054.0 million, HK\$25.7 million or 0.8% below last year. Other operating income was HK\$193.2 million, HK\$96.8 million or 100.4% above last year. The increase was largely due to the wage subsidy from the Hong Kong Employment Support Scheme and gain on disposal of fixed assets.

Other operating expenses were HK\$513.3 million, HK\$23.8 million or 4.4% below last year, mainly due to savings in general overheads such as business promotion and travelling expenses, and savings in HIT’s depot rental, but partially offset by government’s rates refund to HIT received in 2019

As a result, total operating profit was HK\$3,506.9 million, HK\$76.0 million or 2.2% above last year.

Interest and other finance costs were HK\$766.3 million, HK\$308.9 million or 28.7% below last year, primarily due to lower LIBOR applied on the bank loans’ interest rates.

Share of profits less losses after tax of associated companies was a loss of HK\$83.5 million, HK\$8.8 million or 9.5% better than last year, mainly due to better performance of HICT.

#### *Footnotes:*

*(a) Represents the allocated throughput from Hong Kong Seaport Joint Operating Alliance with effect from 1 April 2019*

*(b) HIT means Terminals 4, 6, 7 and two berths in Terminal 9, located at Kwai Tsing, Hong Kong.*

*(c) COSCO-HIT means Terminal 8 East, located at Kwai Tsing, Hong Kong.*

*(d) ACT means Terminal 8 West, located at Kwai Tsing, Hong Kong.*

*(e) YICT means Yantian International Container Terminals, located at Yantian, Shenzhen, China, which comprises Yantian International Container Terminals Phases I & II, Phase III & Phase III Expansion, and Shenzhen Yantian West Port Terminals Phases I & II*

## 9. Review of performance (Continued)

Share of profits less losses after tax of joint ventures was HK\$73.4 million, HK\$35.1 million or 91.6% above last year, mainly due to better combined results of COSCO-HIT and ACT resulting from the wage subsidy from the Hong Kong Employment Support Scheme and lower interest costs.

Taxation was HK\$718.0 million, HK\$238.0 million or 49.6% higher than last year, primarily due to higher profit and increase of tax rate upon the expiries of “High and New Technology Enterprise” status of YICT Phase III.

Overall profit was HK\$2,012.5 million, HK\$190.8 million or 10.5% above last year. Profit attributable to unitholders of HPH Trust was HK\$831.4 million, HK\$303.2 million or 57.4% above last year.

### Material changes in statement of financial position and consolidated statement of cash flows

Please refer to footnotes of 1(b)(i) and 1(c).



**10. Where a forecast, or a prospect statement, has been previously disclosed to unitholders, any variance between it and the actual results.**

No forecast statement for the financial year 2020 has been disclosed.

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

2020 has been a challenging year with an abrupt interruption to trade in the first half followed by a significant upturn in the second half. Shipping lines have been adjusting capacity and schedules to cope with increased outbound cargoes from China, congestion delays at container terminals in Europe and the USA and a shortage of shipping containers. A desirable return to more predictable shipping schedules is awaited.

The increase in outbound cargoes to the US and the Europe in the second half of 2020 of 24% and 18% year on year, respectively, reflects increased household and hospital PPE demand in these regions, airline freighter capacity cuts and efforts to catch up from pandemic disrupted supply chains. It is unclear as to whether these factors will continue to drive cargo volumes in 2021 given the unpredictable economic trajectories of the European and USA economies.

Consequently, in view of the continuing supply chain disruptions and economic uncertainties, management remains cautious about future cargo volumes and will continue to focus on operational efficiency and cost saving measures. HPH Trust continues to build on its strengths and is committed to serving its customers with its unparalleled mega-vessel handling capabilities.

## 12. Distribution

### (a) Current financial period

Any distribution recommended for the current financial period	:	Yes
Amount	:	HK\$670.7 million
Distribution type	:	Cash
Distribution rate	:	7.70 HK cents per unit for the period 1 July 2020 to 31 December 2020
Par value	:	Not applicable
Tax rate	:	Distributions received by either Singapore tax resident Unitholders or non-Singapore tax resident Unitholders are exempted from Singapore income tax and also not subject to Singapore withholding tax. The Unitholders are not entitled to tax credits of any taxes paid by the Trustee-Manager of HPH Trust.

## 12. Distribution (Continued)

### (b) Corresponding period of the immediately preceding financial period

Any distribution recommended for the previous corresponding period	:	Yes
Amount	:	HK\$435.5 million
Distribution type	:	Cash
Distribution rate	:	5.00 HK cents per unit for the period 1 July 2019 to 31 December 2019
Par value	:	Not applicable
Tax rate	:	Distributions received by either Singapore tax resident Unitholders or non-Singapore tax resident Unitholders are exempted from Singapore income tax and also not subject to Singapore withholding tax. The Unitholders are not entitled to tax credits of any taxes paid by the Trustee-Manager of HPH Trust.

**12. Distribution (Continued)****(c) Date Payable**

26 March 2021

**(d) Record date**

The Transfer Books and Register of HPH Trust will be closed at 5:00 p.m. on 18 February 2021 for the purposes of determining each unitholder's entitlement to the Distribution. Registered unitholders (other than The Central Depository (Pte) Limited ("CDP")), and unitholders whose securities accounts with CDP are credited with units, at 5:00 p.m. on 18 February 2021 will be entitled to the Distribution to be paid on or about 26 March 2021.

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

Not applicable.

**14. General mandate from unitholders for interested person transaction ("IPT")**

No IPT general mandate has been obtained.

**15. Segmented revenue and results for the business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Management considers the business from geographic segment perspective.

	Revenue and other income		Non-current assets	
	01/01/2020 to 31/12/2020	01/01/2019 to 31/12/2019	31/12/2020	31/12/2019
	HK\$'M	HK\$'M	HK\$'M	HK\$'M
Hong Kong	3,266.7	3,521.8	21,941.5	23,065.2
Mainland China	7,439.1	7,599.1	57,826.9	59,396.9
	10,705.8	11,120.9	79,768.4	82,462.1

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

Please refer to Item 9.

**17. A breakdown of Group's revenue and profit after tax before deducting non-controlling interest as follows:-**

	01/01/2020 to 31/12/2020 HK\$'M	01/01/2019 to 31/12/2019 HK\$'M	Favorable/ (Unfavorable) %
a) Revenue and other income			
- 1 <sup>st</sup> half year	4,776.7	5,423.8	(11.9)
- 2 <sup>nd</sup> half year	5,929.1	5,697.1	4.1
	10,705.8	11,120.9	(3.7)
b) Profit after tax before deducting non-controlling interest			
- 1 <sup>st</sup> half year	679.0	820.4	(17.2)
- 2 <sup>nd</sup> half year	1,333.5	1,001.3	33.2
	2,012.5	1,821.7	10.5

**18. Breakdown of the total distribution for the year ended 31 December 2020**

	01/01/2020 to 31/12/2020 HK\$'M	01/01/2019 to 31/12/2019 HK\$'M
Total distribution <sup>(a)</sup>		
- 1 January to 30 June	374.6	522.7
- 1 July to 31 December <sup>(b)</sup>	670.7	435.5
	1,045.3	958.2

*Footnotes:*

- (a) HPH Trust will make distribution to unitholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates.
- (b) For the six-month period ended 31 December 2020, the Trustee-Manager approved a distribution per unit of 7.70 HK cents totalling HK\$670.7 million to the unitholders of the Trust.

**19. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Trustee-Manager confirms that it has procured the undertakings from its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

**20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) of the Listing Manual. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual, the Trustee-Manager confirms that there is no person occupying a managerial position in the Company or in any of HPH Trust's principal subsidiaries who is a relative of a director, chief executive officer, substantial shareholder of the Company or substantial unitholder of HPH Trust for the financial year ended 31 December 2020.

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

BY ORDER OF THE BOARD

HUTCHISON PORT HOLDINGS MANAGEMENT PTE. LIMITED

(INCORPORATED IN THE REPUBLIC OF SINGAPORE WITH LIMITED LIABILITY)

(COMPANY REGISTRATION NO. 201100749W)

AS TRUSTEE-MANAGER OF HPH TRUST

Ms Kim Yi Hwa

Company Secretary

8 February 2021

## **21. Outline of the Trustee-Manager**

### **(a) Amount of capital**

The Trustee-Manager, Hutchison Port Holdings Management Pte. Limited, has an issued and paid-up capital of HK\$100,001.

### **(b) Description of business and outline of operation**

The Trustee-Manager was incorporated in Singapore under the Companies Act, Chapter 50 of Singapore on 7 January 2011. Its registered office is located at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623. The Trustee-Manager is an indirect wholly-owned subsidiary of CK Hutchison Holdings Limited.

The Trustee-Manager manages HPH Trust's business with the key objective of providing Unitholders with stable and regular distributions as well as long-term DPU growth.

### **(c) Miscellaneous**

Not applicable.

## 22. Financial information of the Trustee-Manager

### 22(a) Income statement for the year ended 31 December 2020

	01/01/2020 to 31/12/2020	01/01/2019 to 31/12/2019
	HK\$'M	HK\$'M
<b>Revenue and other income</b>	25.0	24.8
Staff costs	(2.3)	(3.3)
Depreciation	(0.2)	(0.1)
Other operating expenses	(5.0)	(5.4)
<b>Total operating expenses</b>	(7.5)	(8.8)
<b>Operating profit</b>	17.5	16.0
Finance costs	-	-
<b>Profit before tax</b>	17.5	16.0
Tax	(2.8)	(2.7)
<b>Profit for the year</b>	14.7	13.3



**22. Financial information of the Trustee-Manager (Continued)**

**22(b) Statement of financial position as at 31 December 2020**

	31/12/2020	31/12/2019
	HK\$'M	HK\$'M
<b>ASSETS</b>		
<b>Non-current assets</b>		
Fixed assets	-	-
Right-of-use assets	0.2	0.4
<b>Total non-current assets</b>	0.2	0.4
<b>Current assets</b>		
Cash and cash equivalents	10.8	8.7
Trade and other receivables	12.3	12.8
<b>Total current assets</b>	23.1	21.5
<b>Current liabilities</b>		
Trade and other payables	4.9	4.4
Lease liabilities	0.2	0.2
Current tax liabilities	2.9	2.6
<b>Total current liabilities</b>	8.0	7.2
<b>Net current assets</b>	15.1	14.3
<b>Total assets less current liabilities</b>	15.3	14.7
<b>Non-current liability</b>		
Lease liabilities	-	0.2
<b>Total non-current liability</b>	-	0.2
<b>Net assets</b>	15.3	14.5
<b>EQUITY</b>		
Share capital	0.1	0.1
Reserves	15.2	14.4
<b>Total equity</b>	15.3	14.5



## INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF HUTCHISON PORT HOLDINGS TRUST

### Report on the Audit of the Financial Statements

#### Our opinion

In our opinion, the accompanying consolidated financial statements of Hutchison Port Holdings Trust ("the Trust") and its subsidiaries ("the Group") and the statement of financial position of the Trust are properly drawn up in accordance with the provisions of the Singapore Business Trusts Act ("the Act") and Hong Kong Financial Reporting Standards ("HKFRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Trust as at 31 December 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Trust for the financial year ended on that date.

#### *What we have audited*

The financial statements of the Trust and the Group comprise:

- the consolidated income statement of the Group for the year ended 31 December 2020;
- the consolidated statement of comprehensive income of the Group for the year then ended;
- the consolidated statement of financial position of the Group as at 31 December 2020;
- the statement of financial position of the Trust as at 31 December 2020;
- the consolidated statement of cash flows of the Group for the year then ended;
- the consolidated statement of changes in equity of the Group for the year then ended;
- the statement of changes in equity of the Trust for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

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T: (65) 6236 3388, www.pwc.com/sg GST No.: M90362193L Reg. No.: T09LL0001D

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**INDEPENDENT AUDITOR’S REPORT TO THE UNITHOLDERS OF HUTCHISON PORT HOLDINGS TRUST (CONTINUED)**

**Our Audit Approach**

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

*Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<p><b>Goodwill and other operating assets</b></p> <p><i>Refer to notes 3(a), 3(b), 3(c) and 14(b) to the financial statements</i></p> <p>The Group has a significant amount of goodwill and other operating assets arising primarily from the acquisition of deep-water container ports in Shenzhen and Hong Kong in 2011.</p> <p>Goodwill is subject to impairment tests annually and whenever there is an indication of impairment, while other operating assets are subject to impairment tests when there is an indication of impairment.</p> <p>For the purpose of the Group’s impairment assessments, impairment was assessed using value-in use-models for deep water container ports in Shenzhen and Hong Kong, which are the cash generating units (“CGUs”) of the Group.</p>	<p>We have performed the following procedures to evaluate the Group’s impairment assessments:</p> <ul style="list-style-type: none"><li>• Assessed the appropriateness of the valuation methodology used;</li><li>• Assessed the reasonableness of key assumptions based on our knowledge of the business and industry and with the involvement of our valuation specialists;</li><li>• Considered the potential impact of reasonably possible changes on the key assumptions; and</li></ul>



**INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF HUTCHISON PORT HOLDINGS TRUST (CONTINUED)**

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**Key Audit Matter**

**How our audit addressed the Key Audit Matter**

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**Goodwill and other operating asset  
(Continued)**

In carrying out the impairment assessments, significant judgements are required to determine the assumptions. The most significant assumptions relate to discount rates and growth rates in revenue and cost of services rendered.

Based on the results of these impairment assessments conducted by the Group, the Group determined that there is no impairment of goodwill and other operating assets. This conclusion was based on recoverable amounts, calculated under the value-in-use models, which exceeded the carrying values of CGUs as at 31 December 2020.

The significant assumptions are disclosed in note 14(b) to the financial statements.

We have performed the following procedures to evaluate the Group's impairment assessments:  
(Continued)

- Tested source data to supporting evidence on a sample basis, such as approved budgets and available market data and considered the reasonableness of these budgets.

We found the assumptions adopted in relation to these impairment assessments to be supportable and reasonable based on available evidence.

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**INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF HUTCHISON PORT HOLDINGS TRUST (CONTINUED)**

<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<p><b>Revenue recognition</b></p> <p><i>Refer to notes 3(e) and 4 to the financial statements</i></p> <p>Revenue from rendering of container handling services is recognised and accrued with reference to the throughput handled and the terms of agreements for such service.</p> <p>For the year ended 31 December 2020, revenue from container handling services amounting to HK\$10,417 million is recognised based on the containers handled as well as the tariff applied. The tariff applied is the rate agreed with customers or estimated by management based on the latest terms of the agreement or latest negotiation with customers and other industry considerations as appropriate.</p> <p>Due to the large variety and complexity of contractual terms, as well as ongoing negotiations with customers, significant judgements are required to estimate the tariff rate applied. If the actual rate differs from the estimated rate applied, this will have an impact on the accuracy of revenue recognised in the current year and accrued as at year end.</p>	<p>We have performed the following procedures in relation to the accuracy of net revenue recognised and accrued:</p> <ul style="list-style-type: none"><li>• Understood, evaluated and tested the key controls over the tariff applied in container handling services.</li><li>• We selected a sample of transactions and:<ul style="list-style-type: none"><li>○ Agreed the applied tariff to the respective terms in the contracts or latest correspondence with customers where the tariff has been estimated by management.</li><li>○ Agreed throughput handled, used in the calculation of tariffs, to the operating system recording throughput.</li><li>○ Tested revenue calculations and agreed the revenue recognised to the underlying accounting records.</li></ul></li><li>• Checked to bank advices or credit notes on a sample basis for the net settlement and reviewed aged items for any disputed amounts.</li></ul> <p>We found the judgement made by management in estimating tariff in the revenue recognised and accrued to be supportable and reasonable based on available evidence.</p>



## **INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF HUTCHISON PORT HOLDINGS TRUST (CONTINUED)**

### **Other Information**

Hutchison Port Holdings Management Pte. Limited (the "Trustee-Manager") is responsible for the Other Information. The Other Information refers to the information in the annual report which does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the information on statistics of unitholdings, which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the Other Information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

When we read the information on statistics of unitholdings, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with ISAs.

### **Responsibilities of Trustee-Manager for the Financial Statements**

The Trustee-Manager is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and HKFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, the Trustee-Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Trustee-Manager's responsibilities include overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.





## **INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF HUTCHISON PORT HOLDINGS TRUST (CONTINUED)**

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Trustee-Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Trustee-Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



**INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF HUTCHISON PORT HOLDINGS TRUST (CONTINUED)**

From the matters communicated with the Trustee-Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Trustee-Manager have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Charlotte Hsu Yuh Feng.

A handwritten signature in blue ink, appearing to read 'PricewaterhouseCoopers LLP', is written over a faint, larger version of the same text.

PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants  
Singapore, 8 February 2021