Starhill Global Real Estate Investment Trust
and its Subsidiaries
(Constituted in the Republic of Singapore pursuant to a trust deed dated 8 August 2005 (as amended))

Interim Financial Statements
For the second half and full year ended 30 June 2021

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Summary of results

	Group 01/01/21 to 30/06/21 $'000	Group 01/01/20 to 30/06/20 $'000	Increase / (Decrease) %	Group 01/07/20 to 30/06/21 $'000	Group 01/07/19 to 30/06/20 $'000	Increase / (Decrease) %
Gross revenue	92,867	84,055	10.5%	181,287	180,773	0.3%
Net property income	69,751	58,045	20.2%	134,737	132,116	2.0%
Income available for distribution [a]	44,939	26,861	67.3%	88,177	77,354	14.0%
Income to be distributed to Unitholders [b]	45,909	15,363	198.8%	87,339	64,754	34.9%
Distribution per unit ("DPU")	Cents per unit		%	Cents per unit		%
DPU (including deferred portion) [b],[c],[d]	2.07	0.70	195.7%	3.95	2.96	33.4%
DPU (excluding deferred portion) [b],[c],[d]	1.86	1.05	77.1%	3.60	3.31	8.8%

Footnotes:

(a) The increase in income available for distribution for second half (“2H FY20/21”) and full year ended 30 June 2021 (“FY20/21”) were mainly in line with the higher net property income (“NPI”), adjustment to reflect the timing difference of property tax refunds in Singapore and one-off capital allowance claim in the second half (“2H FY19/20”) and full year ended 30 June 2020 (“FY19/20”). The increase in NPI were mainly due to the lower rental assistance for eligible tenants of the Group affected by COVID-19 pandemic and appreciation of A$ against S$ during the current period.

(b) Approximately $3.6 million and $8.5 million (2H and FY19/20: $3.8 million and $4.9 million) of income available for distribution for 2H and FY20/21 has been retained for working capital requirements respectively. This also includes the release of $3.1 million (0.14 cents) and $4.6 million (0.21 cents) for 1H and 2H FY20/21 distribution respectively, totaling $7.7 million or 0.35 cents per unit relating to FY19/20’s deferred distributable income.

(c) The computation of DPU for 2H FY20/21 is based on the number of units entitled to distributions comprising issued and issuable units of 2,217,828,055 (2H FY19/20: 2,194,958,278 units).

(d) The computation of DPU for FY20/21 is based on the number of units entitled to distributions comprising of (i) 2,203,594,600 units for 1H FY20/21, and (ii) issued and issuable units of 2,217,828,055 for 2H FY20/21 (FY19/20: 2,184,012,239 units for 1Q FY19/20, 2,186,900,678 units for 2Q FY19/20 and 2,194,958,278 units for 2H FY19/20).

Distribution details

Distribution period	1 January 2021 to 30 June 2021
Distribution amount to Unitholders	2.07 cents per unit
Record date	6 August 2021
Payment date	24 September 2021

The Manager has determined that the distribution reinvestment plan (“DRP”) will apply to the distribution for the period from 1 January 2021 to 30 June 2021. The issue price of each new unit for this DRP will be set at a discount of approximately 2% to the volume-weighted average traded price per unit for all trades on the SGX-ST for each of the market days during the period of 10 market days prior to and ending on the record date. The Manager will announce further details on the issue price of the new units for the DRP on or around Friday, 6 August 2021.

Balance sheets
As at 30 June 2021

	Note	Group 2021 $'000	Group 2020 $'000	Trust 2021 $'000	Trust 2020 $'000
Non-current assets					
Investment properties	4	2,964,648	2,941,261	2,008,704	2,063,099
Plant and equipment		29	51	21	34
Interests in subsidiaries	5	–	–	659,123	519,701
Derivative financial instruments		1,303	–	1,303	–
Trade and other receivables		185	–	–	–
		2,966,165	2,941,312	2,669,151	2,582,834
Current assets					
Derivative financial instruments		91	1	91	1
Trade and other receivables		5,008	22,280	5,386	15,474
Cash and cash equivalents		108,323	117,442	50,913	67,025
		113,422	139,723	56,390	82,500
Total assets		3,079,587	3,081,035	2,725,541	2,665,334
Non-current liabilities					
Trade and other payables		22,799	23,536	18,093	17,689
Derivative financial instruments		7,324	20,408	5,020	12,465
Deferred tax liabilities	6	6,795	6,340	–	–
Borrowings	7	1,105,353	1,056,015	927,150	750,606
Lease liabilities		341	818	248	718
		1,142,612	1,107,117	950,511	781,478
Current liabilities					
Trade and other payables		41,514	39,344	28,467	29,323
Derivative financial instruments		2,489	305	689	305
Income tax payable		2,418	2,428	–	–
Borrowings	7	–	161,971	–	161,971
Lease liabilities		457	381	457	381
		46,878	204,429	29,613	191,980
Total liabilities		1,189,490	1,311,546	980,124	973,458
Net assets		1,890,097	1,769,489	1,745,417	1,691,876
Represented by:					
Unitholders' funds	8	1,790,478	1,769,489	1,645,798	1,691,876
Perpetual securities holders' funds	9	99,619	–	99,619	–
Units in issue ('000)	10	2,214,204	2,191,127	2,214,204	2,191,127
Net asset value and net tangible asset per unit ($) based on:					
Units issued and issuable at the end of the year		0.81	0.81	0.74	0.77

Statements of total return
Year ended 30 June 2021

		Group		Trust	
	Note	**12 months ended 30 June 2021 $'000**	**12 months ended 30 June 2020 $'000**	**12 months ended 30 June 2021 $'000**	**12 months ended 30 June 2020 $'000**
Gross revenue	11	181,287	180,773	114,006	114,606
Property operating expenses	12	(46,550)	(48,657)	(26,638)	(24,798)
Net property income		134,737	132,116	87,368	89,808
Interest income from fixed deposits and bank balances		451	945	119	189
Interest income from subsidiaries		–	–	5,711	5,067
Dividend income from subsidiaries		–	–	4,989	25,373
Management fees		(15,500)	(15,402)	(14,524)	(14,493)
Performance fees [(1)]		–	–	–	–
Trust expenses		(3,924)	(4,724)	(2,763)	(3,623)
Finance expenses		(41,411)	(39,864)	(28,021)	(26,510)
		74,353	73,071	52,879	75,811
Change in fair value of derivative instruments		12,755	(8,926)	8,466	(8,140)
Foreign exchange (loss)/gain		(1,033)	483	(543)	3,300
Change in fair value of investment properties	4	(28,095)	(160,671)	(59,043)	(54,751)
Impairment loss on investment in subsidiaries	5	–	–	–	(100,000)
Total return for the year before tax and distribution		57,980	(96,043)	1,759	(83,780)
Income tax		(1,462)	(1,369)	(698)	(681)
Total return for the year after tax, before distribution	13	56,518	(97,412)	1,061	(84,461)
Less: Amount reserved for distribution to perpetual securities holders		(2,088)	–	(2,088)	–
Non-tax deductible items and other adjustments		33,747	174,766	89,204	161,815
Income available for distribution		88,177	77,354	88,177	77,354
Earnings per unit (cents)					
Basic	14	2.47	(4.46)	(0.05)	(3.87)
Diluted	14	2.47	(4.46)	(0.05)	(3.87)

Note:

(1) Performance fees are calculated annually as at 30 June. There is no performance fee for the financial year ended 30 June 2021 as the performance of Starhill Global REIT's trust index is approximately 143% below the benchmark index as at 30 June 2021.

Distribution statements
Year ended 30 June 2021

	Group		**Trust**	
	12 months ended 30 June 2021 $'000	**12 months ended 30 June 2020 $'000**	**12 months ended 30 June 2021 $'000**	**12 months ended 30 June 2020 $'000**
Income available for distribution at the beginning of the year	59,203	55,233	59,203	55,233
Total return after tax, before distribution	56,518	(97,412)	1,061	(84,461)
Less: Amount reserved for distribution to perpetual securities holders	(2,088)	–	(2,088)	–
Net tax and other adjustments (Note A below)	33,747	174,766	89,204	161,815
Income available for distribution	147,380	132,587	147,380	132,587
Distributions during the year:				
Unitholders				
Distribution of 1.10 cents per unit for the period 1 April to 30 June 2019	– [(1)]	(23,993)	– [(1)]	(23,993)
Distribution of 1.13 cents per unit for the period 1 July to 30 September 2019	– [(1)]	(24,679)	– [(1)]	(24,679)
Distribution of 1.13 cents per unit for the period 1 October to 31 December 2019	– [(1)]	(24,712)	– [(1)]	(24,712)
Distribution of 0.70 cents per unit for the period 1 January to 30 June 2020	(15,365)[(1)]	–	(15,365)[(1)]	–
Distribution of 1.88 cents per unit for the period 1 July to 31 December 2020	(41,428)[(1)]	–	(41,428)[(1)]	–
	(56,793)	(73,384)	(56,793)	(73,384)
Income available for distribution at the end of the year	90,587	59,203	90,587	59,203

Distribution statements (continued)
Year ended 30 June 2021

		Group		Trust	
	Note	**12 months ended 30 June 2021 $'000**	**12 months ended 30 June 2020 $'000**	**12 months ended 30 June 2021 $'000**	**12 months ended 30 June 2020 $'000**
Number of units issued and issuable ('000)	10	2,217,828	2,194,652	2,217,828	2,194,652
Distribution per unit for the year (cents)		3.95(2)	2.96(2)	3.95(2)	2.96(2)
Note A – Net tax and other adjustments					
Non-tax deductible/ (chargeable) items and other adjustments:					
- Management fees paid/payable in units		8,133	8,116	8,133	8,116
- Finance costs		1,171	685	1,466	981
- Sinking fund contribution		1,549	1,548	1,549	1,548
- Depreciation		13	4	13	4
- Change in fair value of derivative instruments		(12,363)	8,318	(8,073)	7,532
- Change in fair value of investment properties		28,095	160,671	59,043	54,751
- Deferred tax		109	156	–	–
- Impairment loss on investment in subsidiaries		–	–	–	100,000
- Foreign exchange loss/(gain)		738	(111)	(172)	(2,724)
- Other items		6,302	(4,621)	7,230	(4,248)
- Net overseas income not distributed to the Trust, net of amount received		–	–	20,015	(4,145)
Net tax and other adjustments		33,747	174,766	89,204	161,815

Notes:

(1) Following the change of the distribution frequency to semi-annual distributions, distributions paid to its unitholders during the year ended 30 June 2021 were for the periods from 1 January to 30 June 2020 and 1 July to 31 December 2020.

(2) Approximately $7.7 million (or $0.35 cents per unit) of the income available for distribution for the year ended 30 June 2020 was deferred, as allowed under the COVID-19 relief measures. This has been fully released in the distributions declared for the year ended 30 June 2021.

Statements of total return
Second half year ended 30 June 2021

	Note	Group 6 months ended 30 June 2021 $'000	Group 6 months ended 30 June 2020 $'000	Trust 6 months ended 30 June 2021 $'000	Trust 6 months ended 30 June 2020 $'000
Gross revenue	11	92,867	84,055	58,839	51,382
Property operating expenses	12	(23,116)	(26,010)	(13,525)	(11,822)
Net property income		69,751	58,045	45,314	39,560
Interest income from fixed deposits and bank balances		209	433	59	159
Interest income from subsidiaries		–	–	3,751	2,499
Dividend income from subsidiaries		–	–	791	4,967
Management fees		(7,711)	(7,479)	(7,197)	(7,024)
Performance fees		–	–	–	–
Trust expenses		(1,843)	(2,564)	(1,253)	(1,924)
Finance expenses		(20,495)	(19,949)	(14,030)	(13,340)
		39,911	28,486	27,435	24,897
Change in fair value of derivative instruments		8,006	(8,145)	5,443	(6,719)
Foreign exchange (loss)/gain		(1,651)	174	(3,619)	4,094
Change in fair value of investment properties	4	(27,896)	(160,671)	(58,850)	(54,751)
Impairment loss on investment in subsidiaries	5	–	–	–	(100,000)
Total return for the period before tax and distribution		18,370	(140,156)	(29,591)	(132,479)
Income tax		(191)	(28)	(369)	(304)
Total return for the period after tax, before distribution	13	18,179	(140,184)	(29,960)	(132,783)
Less: Amount reserved for distribution to perpetual securities holders		(1,909)	–	(1,909)	–
Non-tax deductible items and other adjustments		28,669	167,045	76,808	159,644
Income available for distribution		44,939	26,861	44,939	26,861
Earnings per unit (cents)					
Basic	14	0.74	(6.40)	(1.44)	(6.07)
Diluted	14	0.74	(6.40)	(1.44)	(6.07)

Distribution statements
Second half year ended 30 June 2021

	Group		Trust	
	6 months ended 30 June 2021 $'000	**6 months ended 30 June 2020 $'000**	**6 months ended 30 June 2021 $'000**	**6 months ended 30 June 2020 $'000**
Income available for distribution at the beginning of the period	87,076	57,054	87,076	57,054
Total return after tax, before distribution	18,179	(140,184)	(29,960)	(132,783)
Less: Amount reserved for distribution to perpetual securities holders	(1,909)	–	(1,909)	–
Net tax and other adjustments (Note A below)	28,669	167,045	76,808	159,644
Income available for distribution	132,015	83,915	132,015	83,915
Distributions during the period:				
Unitholders				
Distribution of 1.13 cents per unit for the period 1 October to 31 December 2019	–	(24,712)	–	(24,712)
Distribution of 1.88 cents per unit for the period 1 July to 31 December 2020	(41,428)	–	(41,428)	–
	(41,428)	(24,712)	(41,428)	(24,712)
Income available for distribution at the end of the period	90,587	59,203	90,587	59,203

Distribution statements (continued)
Second half year ended 30 June 2021

	Note	Group 6 months ended 30 June 2021 $'000	Group 6 months ended 30 June 2020 $'000	Trust 6 months ended 30 June 2021 $'000	Trust 6 months ended 30 June 2020 $'000
Number of units issued and issuable ('000)	10	2,217,828	2,194,652	2,217,828	2,194,652
Distribution per unit for the period (cents)		2.07	0.70	2.07	0.70
Note A – Net tax and other adjustments					
Non-tax deductible/ (chargeable) items and other adjustments:					
- Management fees paid/payable in units		4,030	3,933	4,030	3,933
- Finance costs		813	377	932	511
- Sinking fund contribution		775	774	775	774
- Depreciation		7	4	7	4
- Change in fair value of derivative instruments		(7,671)	7,833	(5,107)	6,407
- Change in fair value of investment properties		27,896	160,671	58,850	54,751
- Deferred tax		30	79	–	–
- Impairment loss on investment in subsidiaries		–	–	–	100,000
- Foreign exchange loss/(gain)		1,469	29	3,293	(3,889)
- Other items		1,320	(6,655)	1,865	(6,495)
- Net overseas income not distributed to the Trust, net of amount received		–	–	12,163	3,648
Net tax and other adjustments		28,669	167,045	76,808	159,644

Statements of movements in unitholders' funds
Year ended 30 June 2021

	Group		Trust	
	12 months ended 30 June 2021 $'000	**12 months ended 30 June 2020 $'000**	**12 months ended 30 June 2021 $'000**	**12 months ended 30 June 2020 $'000**
Unitholders' funds at the beginning of the year	1,769,489	1,930,021	1,691,876	1,841,605
Operations				
Change in unitholders' funds resulting from operations, before distributions	56,518	(97,412)	1,061	(84,461)
Amount reserved for distribution to perpetual securities holders	(2,088)	–	(2,088)	–
Increase/(decrease) in unitholders' funds resulting from operations	54,430	(97,412)	(1,027)	(84,461)
Foreign currency translation reserve				
Translation differences from financial statements of foreign entities	11,762	(573)	–	–
Transfer of translation differences from total return arising from hedge accounting (1)	4,209	(1,447)	–	–
Exchange differences on monetary items forming part of net investment in foreign operations	(4,361)	4,168	–	–
Net gain recognised directly in unitholders' funds	11,610	2,148	–	–
Unitholders' transactions				
Management fees paid in units	6,114	6,226	6,114	6,226
Management fees payable in units	2,019	1,890	2,019	1,890
Distribution reinvestment plan (2)	3,609	–	3,609	–
Distributions to unitholders	(56,793)	(73,384)	(56,793)	(73,384)
Decrease in unitholders' funds resulting from unitholders' transactions	(45,051)	(65,268)	(45,051)	(65,268)
Unitholders' funds at the end of the year	1,790,478	1,769,489	1,645,798	1,691,876

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

Statements of movements in unitholders' funds (continued)
Year ended 30 June 2021

	Group		Trust	
	12 months ended 30 June 2021 $'000	**12 months ended 30 June 2020 $'000**	**12 months ended 30 June 2021 $'000**	**12 months ended 30 June 2020 $'000**
Perpetual securities holders' funds				
Balance at the beginning of the year	–	–	–	–
Issue of perpetual securities	100,000	–	100,000	–
Issuance cost	(550)	–	(550)	–
Total return attributable to perpetual securities holders	2,088	–	2,088	–
Distribution to perpetual securities holders	(1,919)	–	(1,919)	–
Balance at the end of the year	99,619	–	99,619	–

Notes:

(1) The Group designated its JPY and AUD loans as net investment hedges for part of its Japan and Australia operations. Correspondingly, the foreign currency differences on the JPY and AUD loans were reclassified to the Group's foreign currency translation reserve, offsetting the translation differences arising from the Group's Japan and Australia operations.

(2) These represent 7,042,361 (2020: Nil) units issued in March 2021 as part payment of distribution for 1 July to 31 December 2020 through distribution reinvestment plan.

Statements of movements in unitholders' funds
Second half year ended 30 June 2021

	Group		Trust	
	6 months ended 30 June 2021 $'000	**6 months ended 30 June 2020 $'000**	**6 months ended 30 June 2021 $'000**	**6 months ended 30 June 2020 $'000**
Unitholders' funds at the beginning of the period	1,813,754	1,927,844	1,711,456	1,845,438
Operations				
Change in unitholders' funds resulting from operations, before distributions	18,179	(140,184)	(29,960)	(132,783)
Amount reserved for distribution to perpetual securities holders	(1,909)	–	(1,909)	–
Increase/(decrease) in unitholders' funds resulting from operations	16,270	(140,184)	(31,869)	(132,783)
Foreign currency translation reserve				
Translation differences from financial statements of foreign entities	(3,267)	(1,252)	–	–
Transfer of translation differences from total return arising from hedge accounting	3,698	(2,084)	–	–
Exchange differences on monetary items forming part of net investment in foreign operations	(6,188)	5,944	–	–
Net (loss)/gain recognised directly in unitholders' funds	(5,757)	2,608	–	–
Unitholders' transactions				
Management fees paid in units	2,011	2,043	2,011	2,043
Management fees payable in units	2,019	1,890	2,019	1,890
Distribution reinvestment plan	3,609	–	3,609	–
Distributions to unitholders	(41,428)	(24,712)	(41,428)	(24,712)
Decrease in unitholders' funds resulting from unitholders' transactions	(33,789)	(20,779)	(33,789)	(20,779)
Unitholders' funds at the end of the period	1,790,478	1,769,489	1,645,798	1,691,876
Perpetual securities holders' funds				
Balance at the beginning of the period	99,629	–	99,629	–
Total return attributable to perpetual securities holders	1,909	–	1,909	–
Distribution to perpetual securities holders	(1,919)	–	(1,919)	–
Balance at the end of the period	99,619	–	99,619	–

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

Investment properties portfolio statement
As at 30 June 2021

Description of property	Tenure	Term of lease	Remaining term of lease	Location	Existing use	Occupancy rate [12] 2021 %	At valuation 2021 $'000	At valuation 2020 $'000	Percentage of Unitholders' funds 2021 %	Percentage of Unitholders' funds 2020 %
Group										
Wisma Atria Property	Leasehold	Leasehold estate of 99 years expiring on 31 March 2061	40 years	435 Orchard Road, Singapore 238877	Retail/Office	96.5/85.0	878,000[5]	932,000	49.0	52.7
Ngee Ann City Property	Leasehold	Leasehold estate of 69 years expiring on 31 March 2072	51 years	391/391B Orchard Road, Singapore 238874	Retail/Office	99.7/92.1	1,130,000[5]	1,130,000	63.1	63.9
Myer Centre Adelaide [1]	Freehold	–	–	14-38 Rundle Mall, Adelaide, Australia	Retail/Office	93.6/94.2	243,507[6]	216,418	13.6	12.2
David Jones Building [1]	Freehold	–	–	622-648 Hay Street Mall, Perth, Australia	Retail	98.9	146,508[7]	137,415	8.2	7.8
Plaza Arcade [1]	Freehold	–	–	650 Hay Street Mall and 185-191 Murray Street Mall, Perth, Australia	Retail	72.9	49,004[7]	40,794	2.7	2.3
The Starhill [2]	Freehold	–	–	181 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia	Retail/Hotel [11]	100.0	279,763[8]	245,240	15.6	13.9
Lot 10 Property [2]	Leasehold	Leasehold estate of 99 years expiring on 29 July 2076	55 years	50 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia	Retail/Office	100.0	147,005[8]	147,958	8.2	8.3
China Property [3]	Leasehold	Leasehold estate expiring on 27 December 2035	14 years	19, 4th Section, Renminnan Road, Chengdu, Sichuan, China	Retail	100.0	29,760[9]	28,432	1.7	1.6
Ebisu Fort [4]	Freehold	–	–	1-24-2 Ebisu-Minami, Shibuya-ku, Tokyo, Japan	Retail/Office	100.0	44,377[10]	45,350	2.5	2.6
Daikanyama [4]	Freehold	–	–	1-31-12 Ebisu-Nishi, Shibuya-ku, Tokyo, Japan	Retail/Office	100.0	15,927[10]	16,455	0.9	0.9
Investment properties – fair value							2,963,851	2,940,062	165.5	166.2
Investment properties – right-of-use assets							797	1,199	0.1	0.1
Total investment properties							2,964,648	2,941,261	165.6	166.3
Other assets and liabilities (net)							(1,074,551)	(1,171,772)	(60.0)	(66.3)
Net assets							1,890,097	1,769,489	105.6	100.0
Perpetual securities holders' funds							(99,619)	–	(5.6)	–
Unitholders' funds							1,790,478	1,769,489	100.0	100.0

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

Investment properties portfolio statement (continued)
As at 30 June 2021

Notes:

(1) David Jones Building, Plaza Arcade and Myer Centre Adelaide (the "Australia Properties") were acquired on 20 January 2010, 1 March 2013 and 18 May 2015 respectively.

(2) The Starhill and Lot 10 Property (the "Malaysia Properties") were acquired on 28 June 2010.

(3) China Property was acquired on 28 August 2007.

(4) The Japan Properties comprise two properties as at 30 June 2021. Daikanyama and Ebisu Fort were acquired on 30 May 2007 and 26 September 2007 respectively.

(5) The valuation of the Trust's Wisma Atria Property and Ngee Ann City Property were based on the valuation performed by CBRE Pte. Ltd. as at 30 June 2021.

(6) Based on the valuation performed by Knight Frank Valuations as at 30 June 2021 and translated at the exchange rate of A$0.99 : $1.00 (2020: A$1.04 : $1.00).

(7) Based on the valuation performed by Colliers International (WA) Pty Ltd as at 30 June 2021 and translated at the exchange rate of A$0.99 : $1.00 (2020: A$1.04 : $1.00).

(8) Based on the valuation performed by Nawawi Tie Leung Property Consultants Sdn Bhd as at 30 June 2021 and translated at the exchange rate of RM3.09 : $1.00 (2020: RM3.07 : $1.00).

(9) Based on the valuation performed by Jones Lang LaSalle Corporate Appraisal and Advisory Limited as at 30 June 2021 and translated at the exchange rate of RMB4.81 : $1.00 (2020: RMB5.06 : $1.00).

(10) Based on the valuation performed by JLL Morii Valuation & Advisory K.K. as at 30 June 2021 and translated at the exchange rate of JPY82.25 : $1.00 (2020: JPY77.18 : $1.00).

(11) The Starhill is currently undergoing asset enhancement works which is expected to be completed before end of 2021. The mall is currently undergoing asset enhancement works to convert it into an integrated development comprising retail and hotel elements.

(12) Based on commenced leases as at 30 June 2021.

The Manager believes that the above independent valuers have appropriate professional qualifications and experience in the location and category of the Group's investment properties being valued. Full valuations of the above properties were performed as at year-end.

Consolidated cash flow statement
Second half and full year ended 30 June 2021

	Group			
	12 months ended 30 June 2021 $'000	**12 months ended 30 June 2020 $'000**	**6 months ended 30 June 2021 $'000**	**6 months ended 30 June 2020 $'000**
Cash flows from operating activities				
Total return for the year before tax and distribution	57,980	(96,043)	18,370	(140,156)
Adjustments for:				
Finance income	(451)	(945)	(209)	(433)
Depreciation	22	14	11	9
Management fees paid/payable in units	8,133	8,116	4,030	3,933
Finance expenses	41,411	39,864	20,495	19,949
Change in fair value of derivative instruments	(12,755)	8,926	(8,006)	8,145
Foreign exchange loss/(gain)	1,033	(483)	1,651	(174)
Change in fair value of investment properties	28,095	160,671	27,896	160,671
Operating income before working capital changes	123,468	120,120	64,238	51,944
Trade and other receivables	13,530	(12,891)	5,358	(11,590)
Trade and other payables	6,460	(2,381)	(1,563)	(4,469)
Income tax paid	(1,241)	(2,023)	(614)	(397)
Net cash from operating activities	142,217	102,825	67,419	35,488
Cash flows from investing activities				
Capital expenditure on investment properties	(34,937)	(29,723)	(15,029)	(13,222)
Purchase of plant and equipment	–	(38)	–	(38)
Interest received on deposits	473	932	215	461
Net cash used in investing activities	(34,464)	(28,829)	(14,814)	(12,799)

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

Consolidated cash flow statement (continued)
Second half and full year ended 30 June 2021

	Group			
	12 months ended 30 June 2021 $'000	**12 months ended 30 June 2020 $'000**	**6 months ended 30 June 2021 $'000**	**6 months ended 30 June 2020 $'000**
Cash flows from financing activities				
Borrowing costs paid	(44,261)	(39,079)	(23,060)	(19,676)
Proceeds from borrowings [(1)]	405,729	522,156	352,008	268,322
Repayment of borrowings [(1)]	(523,544)	(439,732)	(351,800)	(193,898)
Net proceeds from issuance of perpetual securities [(2)]	99,450	–	–	–
Payment of lease liabilities	(387)	(443)	(170)	(232)
Distributions paid to unitholders [(3)]	(53,184)	(73,384)	(37,819)	(24,712)
Distributions paid to perpetual securities holders	(1,919)	–	(1,919)	–
Net cash (used in)/generated from financing activities	(118,116)	(30,482)	(62,760)	29,804
Net (decrease)/increase in cash and cash equivalents	(10,363)	43,514	(10,155)	52,493
Cash and cash equivalents at the beginning of the year/period	117,442	72,946	119,589	63,936
Effects of exchange rate differences on cash	1,244	982	(1,111)	1,013
Cash and cash equivalents at the end of the year/period	108,323	117,442	108,323	117,442

Notes:

(1) The movement during the year ended 30 June 2021 relates mainly to the refinancing of JPY678 million ($8.7 million) Japan bond, drawdown of $250 million club loan facilities and A$100 million ($102.0 million) term loan, as well as drawdown of $45 million revolving credit facilities. The repayment also includes the settlement of revolving credit facilities of $107 million and A$135 million ($137.8 million) term loan, as well as the prepayment of $170 million term loan and repayment of $100 million medium term notes ("MTN") during the current period.

(2) Represents the proceeds from the issuance of perpetual securities during the current period, net of issuance costs.

(3) Excludes the non-cash portion of the distributions, which was paid through the distribution reinvestment plan during the current period.

Notes to the Financial Statements

These notes form an integral part of the unaudited interim financial statements ("Financial Statements").

1. General

Starhill Global Real Estate Investment Trust (the "Trust") is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 8 August 2005 and any amendments or modifications thereof between YTL Starhill Global REIT Management Limited (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"), governed by the laws of the Republic of Singapore ("Trust Deed"). On 8 August 2005, the Trust was declared an authorised unit trust scheme under the Trustees Act, Chapter 337.

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 20 September 2005 and was approved to be included under the Central Provident Fund ("CPF") Investment Scheme on 14 June 2005.

The principal activity of the Trust and its subsidiaries (the "Group") is to invest primarily in prime real estate used mainly for retail and/or office purposes, with the objective of delivering regular and stable distributions to unitholders and to achieve long-term growth in the net asset value per unit.

2. Basis of preparation

2.1 Statement of compliance

The Financial Statements 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 ("ISCA"), the applicable requirements of the Code on Collective Investment Schemes ("CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted should generally comply with the principles relating to recognition and measurement of the Singapore Financial Reporting Standards ("FRS"). The Financial Statements are to be read in conjunction with the Group's last annual consolidated financial statements for the year ended 30 June 2020. The Financial Statements does not contain all of the information required for a full set of annual financial statements.

2.2 Basis of measurement

The Financial Statements have been prepared on the historical cost basis, except as set out in the financial statements for the year ended 30 June 2020.

2.3 Functional and presentation currency

The Financial Statements are presented in Singapore dollars, which is the functional currency of the Trust. All financial statements presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of Financial Statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources.

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 any future periods affected.

In preparing the Financial Statements, the significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements were the same as those applied in the financial statements for the year ended 30 June 2020.

3. Significant accounting policies

The accounting policies applied by the Group in the Financial Statements are the same as those applied in its financial statements for the year ended 30 June 2020, except for the adoption of the new standards and amendments which became effective for financial year beginning on or after 1 July 2020. The adoption of these amendments to standards and interpretations do not have a significant impact on the Financial Statements.

A number of new standards, amendments to standards and interpretations that have been issued as of the balance sheet date but are not yet effective for the year ended 30 June 2021 have not been applied in preparing the Financial Statements. The adoption of these new standards, amendments to standards and interpretations are not expected to have a significant impact on the Group's financial statements.

4. Investment properties

	Group $'000	Trust $'000
At 1 July 2019	3,064,861	2,116,000
Recognition of right-of-use assets following the adoption of FRS 116	791	679
Adjusted balance at 1 July 2019	3,065,652	2,116,679
Additions, straight-line rental and other adjustments	31,157	1,171
Change in fair value of investment properties	(160,671)	(54,751)
Translation differences	5,123	–
At 30 June 2020	2,941,261	2,063,099
At 1 July 2020	2,941,261	2,063,099
Additions, straight-line rental and other adjustments	34,794	4,648
Change in fair value of investment properties (1)	(28,095)	(59,043)
Translation differences	16,688	–
At 30 June 2021	2,964,648	2,008,704

(1) Represents fair value adjustments on the investment properties including right-of-use assets as at 30 June 2021, following the property revaluation exercise in June 2021.

Investment properties are stated at fair value based on valuations performed by independent professional valuers having appropriate recognised professional qualifications and experience in the location and category of property being valued. The Group has a framework with respect to the measurement of fair values of its investment properties, which is regularly reviewed by the Manager.

In determining the fair value, the external valuers have used valuation techniques which involve certain estimates. In relying on the valuation reports, the Manager has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions. The valuation reports are prepared in accordance with recognised appraisal and valuation standards, and included a material valuation uncertainty clause due to the disruption to the market at that date caused by the COVID-19 outbreak. The inclusion of this clause indicates that there is substantially more uncertainty than normal and therefore a higher likelihood that the assumptions upon which the external valuers have based their valuations prove to be inaccurate. The carrying amounts of the Group's investment properties were current as at 30 June 2021 only and may change significantly after the balance sheet date if the impact of the COVID-19 outbreak worsens.

The valuers have used valuation techniques which include the capitalisation and discounted cash flow approaches, in arriving at the fair value as at the balance sheet date. The capitalisation approach capitalises an income stream into a present value using single-year capitalisation rates. The income stream used is adjusted to market rentals currently being achieved within comparable investment properties and recent leasing transactions achieved within the investment property. The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value. The discounted cash flow method requires the valuer to assume a rental growth rate indicative of market and the selection of a target internal rate of return consistent with current market requirements.

As at 30 June 2021, investment properties with a carrying value of approximately $573.3 million (2020: $747.0 million) are mortgaged to secure credit facilities for the Group.

Fair value hierarchy

The Group's and the Trust's investment properties of approximately $2,963.9 million (2020: $2,940.1 million) and $2,008.0 million (2020: $2,062.0 million) respectively (excluding the carrying amount of lease liabilities of approximately $0.8 million and $0.7 million respectively) as at 30 June 2021 are valued based on unobservable inputs and classified in Level 3 of the fair value hierarchy.

The following table shows the key unobservable inputs used in the valuation models of the investment properties as at 30 June 2021:

Investment properties	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Commercial properties for leasing	• Capitalisation rates from 3.50% to 7.00% (2020: from 3.50% to 6.87%) • Discount rates from 3.30% to 8.50% (2020: from 3.30% to 7.20%)	The estimated fair value would increase if capitalisation rates and discount rates decrease.

Key unobservable inputs correspond to:

- Capitalisation rates largely derived from comparable transactions.
- Discount rates, which are largely based on the risk-free rate of government bonds in the relevant market, adjusted for a risk premium to reflect the increased risk of investing in the asset class.

5. Interests in subsidiaries

	Trust	
	2021	**2020**
	$'000	**$'000**
Equity investments at cost	553,471	539,461
Less: allowance for impairment loss	(134,400)	(134,400)
	419,071	405,061
Loans to subsidiaries	307,052	181,640
Less: allowance for impairment loss	(67,000)	(67,000)
	240,052	114,640
	659,123	519,701

Loans to subsidiaries are unsecured and include an interest-free portion of approximately $8.3 million (2020: $8.6 million). Loans to subsidiaries are measured at amortised cost, where the carrying amounts approximate their fair values and the settlement of these amounts is neither planned nor likely to occur in the foreseeable future.

The Manager has reassessed for impairment by comparing the recoverable amount of the Trust's interests in subsidiaries against the carrying amount of the Trust's interests in subsidiaries. The recoverable amount was estimated based on the fair value of the subsidiaries' net assets as at the reporting date, which is classified in Level 3 of the fair value hierarchy. The impairment on the net carrying amount of the loans to subsidiaries has been measured on the 12-month expected credit loss basis.

The movement in the allowance for impairment loss in respect of interests in the subsidiaries was as follows:

	Trust	
	2021 **$'000**	**2020** **$'000**
At 1 July	(201,400)	(101,400)
Impairment loss recognised	–	(100,000)
At 30 June	(201,400)	(201,400)

Details of the subsidiaries are as follows:

Name of subsidiary	**Country of incorporation**	**Effective interest**	
		2021 **%**	**2020** **%**
Starhill Global REIT Japan SPC One Pte Ltd (1)	Singapore	100	100
Starhill Global REIT Japan SPC Two Pte Ltd (1)	Singapore	100	100
Starhill Global REIT MTN Pte Ltd (1)	Singapore	100	100
SG REIT (M) Pte Ltd (1)	Singapore	100	100
SG REIT (WA) Pte Ltd (1)	Singapore	100	100
Starhill Global REIT One TMK (2)	Japan	100	100
Starhill Global ML K.K. (3)	Japan	100	100
Top Sure Investment Limited (4)	Hong Kong	100	100
Chengdu Xin Hong Management Co., Ltd (4)	China	100	100
SG REIT (WA) Trust (2)	Australia	100	100
SG REIT (WA) Sub-Trust1 (2)	Australia	100	100
SG REIT (SA) Sub-Trust2 (2)	Australia	100	100
Ara Bintang Berhad (2)	Malaysia	100	100

(1) Audited by KPMG LLP
(2) Audited by other member firms of KPMG International
(3) Not required to be audited by the laws of the country of incorporation
(4) Audited by other auditors

6. Deferred tax liabilities

	Group 2021 $'000	Group 2020 $'000
Deferred tax liabilities [1]	6,795	6,340

[1] In respect of the China Property and has been estimated on the basis of an asset sale at the current book value.

7. Borrowings

	Group 2021 $'000	Group 2020 $'000	Trust 2021 $'000	Trust 2020 $'000
Non-current				
Secured borrowings	170,509	297,152	–	–
Unsecured borrowings	939,268	761,726	931,025	752,941
Unamortised loan acquisition expenses	(4,424)	(2,863)	(3,875)	(2,335)
	1,105,353	1,056,015	927,150	750,606
Current				
Unsecured borrowings	–	162,000	–	162,000
Unamortised loan acquisition expenses	–	(29)	–	(29)
	–	161,971	–	161,971
Total borrowings (net of borrowing costs)	1,105,353	1,217,986	927,150	912,577

Secured

The Group has outstanding unrated five-year fixed-rate Senior MTN of RM330 million ($106.9 million) as at 30 June 2021 (2020: RM330 million ($107.5 million)). The Senior MTN bear a fixed coupon rate of 5.50% per annum, and have an expected maturity in September 2024 and legal maturity in March 2026. The notes are secured, inter alia, by a fixed and floating charge over all the assets of Ara Bintang Berhad, including the Malaysia Properties.

The Group has outstanding term loan of A$63 million ($63.7 million) (maturing in July 2023) as at 30 June 2021 (2020: A$198 million ($189.6 million)) secured by a general security deed over all the assets of SG REIT (WA) Trust and a mortgage over David Jones Building. SG REIT (WA) Trust is wholly owned by the Group. Following the full repayment of the A$135 million secured loan during the year ended 30 June 2021, the mortgage on Myer Centre Adelaide has been duly released.

Unsecured

As at 30 June 2021, the Group has outstanding medium term notes of $195 million (2020: $295 million) issued under its $2 billion Multicurrency MTN Programme originally established in 2008, comprising:

- $125 million unsecured eight-year Singapore MTN (the "Series 003 Notes") (maturing in May 2023) which bear a fixed rate interest of 3.40% per annum payable semi-annually in arrear; and
- $70 million unsecured 10-year Singapore MTN (the "Series 004 Notes") (maturing in October 2026) which bear a fixed rate interest of 3.14% per annum payable semi-annually in arrear.

In addition, as at 30 June 2021, the Group has outstanding medium term notes of $100 million (2020: $100 million) unsecured five-year Singapore MTN (the "2020 Series 001 Notes") (maturing in June 2025) which bear a fixed rate interest of 3.15% per annum payable semi-annually in arrear, issued under its $2 billion Multicurrency Debt Issuance Programme, established in January 2020.

As at 30 June 2021, the Group has in place:

- five-year unsecured loan facilities with a club of various banks, comprising (a) outstanding term loan of $240 million (maturing in September 2022) and (b) $50 million committed revolving credit facilities (maturing in September 2022) (2020: outstanding four-year and five-year term loans of $150 million and $260 million respectively). There is no amount outstanding on these revolving credit facilities as at 30 June 2021.
- five-year unsecured loan facilities with a club of various banks, comprising (a) term loan of $250 million (maturing in February 2026) drawn in February 2021 and (b) $200 million committed revolving credit facilities (maturing in February 2026). There is no amount outstanding on these revolving credit facilities as at 30 June 2021.
- five-year unsecured term loan facility of JPY3.7 billion ($45.0 million) (maturing in September 2024) (2020: JPY3.7 billion ($47.9 million)).
- five and a half year unsecured term loan facility of A$100 million ($101.0 million) (maturing in November 2026) drawn in May and June 2021.
- various unsecured and committed revolving credit facilities of $170 million (maturing between March 2022 and June 2024), of which no amount is outstanding as at 30 June 2021.

The Group has JPY678 million ($8.2 million) of Japan bond outstanding as at 30 June 2021 (2020: JPY678 million ($8.8 million), maturing in August 2025 ("Series 4 Bonds"). The bondholders of Series 4 Bonds have a statutory preferred right, under the Japan Asset Liquidation Law, to receive payment of all obligations under the bonds prior to other creditors out of the assets of Starhill Global REIT One TMK.

8. Unitholders' funds

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Net assets attributable to unitholders [1]	1,849,640	1,840,261	1,645,798	1,691,876
Foreign currency translation reserve [2]	(59,162)	(70,772)	–	–
	1,790,478	1,769,489	1,645,798	1,691,876

[1] Included in the net assets attributable to unitholders is approximately $2.8 million (2020: $2.8 million) retained to satisfy certain legal reserve requirements in China.

[2] The foreign currency translation reserve comprises (i) the foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Trust; (ii) the transfer of translation differences arising from hedge accounting; and (iii) the foreign exchange differences on monetary items which form part of the Group's net investment in foreign operations.

9. Perpetual securities holders' funds

On 15 December 2020, the Trust issued $100 million of subordinated perpetual securities at a fixed rate of 3.85% per annum, with the first distribution rate reset falling on 15 December 2025 and subsequent resets occurring every five years thereafter. The perpetual securities have no fixed redemption date and redemption is at the option of the Trust in accordance with the terms of issue of the securities. The distribution is payable semi-annually at the discretion of the Trust and is non-cumulative. Accordingly, the perpetual securities are classified as equity. The expenses relating to the issue of the perpetual securities are deducted against the proceeds from the issue.

10. Units in issue

	Group and Trust	
	2021 No. of units '000	2020 No. of units '000
At 1 July	2,191,127	2,181,204
Issue of units:		
• Management fees paid in units (base fee) [1]	16,034	9,923
• Distribution reinvestment plan [2]	7,043	–
At 30 June	2,214,204	2,191,127
Units to be issued:		
• Management fees payable in units (base fee) [3]	3,624	3,525
Total issued and issuable units at 30 June	2,217,828	2,194,652

[1] During the year ended 30 June 2021, the Trust issued 16,034,142 (2020: 9,922,713) units at the issue price ranging from $0.4353 to $0.5637 (2020: $0.4834 to $0.7449) per unit, as partial satisfaction of the above base management fees to the Manager.

(2) During the year ended 30 June 2021, the Trust issued 7,042,361 (2020: Nil) units at an issue price of $0.5123 per unit pursuant to the distribution reinvestment plan.

(3) An estimated 3,624,404 (2020: 3,524,668) units are issuable by the Trust to the Manager as at 30 June 2021, as partial satisfaction of the base management fees for the period from 1 April to 30 June 2021 (2020: 1 April to 30 June 2020).

Each unit in the Trust represents an undivided interest in the Trust. The rights and interests of unitholders are contained in the Trust Deed and include the right to:

- Attend all unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 unitholders or of the unitholders representing not less than 10% of the issued units) at any time convene a meeting of unitholders in accordance with the provisions of the Trust Deed;

- Receive income and other distributions attributable to the units held; and

- Participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a unitholder does not have the right to require that any assets (or part thereof) of the Trust be transferred to him.

The restrictions of a unitholder include the following:

- A unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and

- A unitholder has no right to request the Trust to redeem his units while the units are listed on SGX-ST.

The Trust Deed contains provisions that are designed to limit the liability of a unitholder to the amount paid or payable for any units in the Trust. The provisions seek to ensure that if the issue price of the units held by a unitholder has been fully paid, no such unitholder, by reason alone of being a unitholder, will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that liabilities of the Trust exceed its assets.

11. Gross revenue

	Group			
	12 months ended 30 June 2021 $'000	**12 months ended 30 June 2020 $'000**	**6 months ended 30 June 2021 $'000**	**6 months ended 30 June 2020 $'000**
Property rental income (1)	177,255	175,416	90,782	81,326
Turnover rental income	1,728	2,003	1,033	778
Other income	2,304	3,354	1,052	1,951
	181,287	180,773	92,867	84,055

	Trust			
	12 months ended 30 June 2021 $'000	**12 months ended 30 June 2020 $'000**	**6 months ended 30 June 2021 $'000**	**6 months ended 30 June 2020 $'000**
Property rental income	110,195	109,334	56,934	48,664
Turnover rental income	1,518	1,938	859	778
Other income	2,293	3,334	1,046	1,940
	114,006	114,606	58,839	51,382

(1) Included rental assistance of approximately $9.1 million (2020: $12.8 million) for eligible tenants to cushion the impact of the COVID-19 pandemic for the year ended 30 June 2021.

12. Property operating expenses

	Group			
	12 months ended 30 June 2021 $'000	**12 months ended 30 June 2020 $'000**	**6 months ended 30 June 2021 $'000**	**6 months ended 30 June 2020 $'000**
Maintenance and sinking fund contributions	6,486	6,614	3,245	3,244
Property management fees	5,377	5,274	2,727	2,460
Property tax	19,309	19,424	9,642	9,685
Depreciation expense	22	14	11	9
Leasing and upkeep expenses	10,428	9,500	6,584	4,240
Marketing expenses	1,287	832	643	284
Impairment loss recognised (reversal of allowance) on trade receivables	2,389	5,604	(451)	5,486
Administrative expenses and others (1)	1,252	1,395	715	602
	46,550	48,657	23,116	26,010

	Trust			
	12 months ended 30 June 2021 $'000	**12 months ended 30 June 2020 $'000**	**6 months ended 30 June 2021 $'000**	**6 months ended 30 June 2020 $'000**
Maintenance and sinking fund contributions	6,408	6,538	3,204	3,204
Property management fees	3,421	3,459	1,748	1,549
Property tax	11,988	12,058	5,930	6,102
Depreciation expense	14	4	6	4
Leasing and upkeep expenses	1,154	1,069	830	247
Marketing expenses	988	684	523	210
Impairment loss recognised on trade receivables	1,876	147	831	147
Administrative expenses and others [1]	789	839	453	359
	26,638	24,798	13,525	11,822

[1] For the year ended 30 June 2021, grant income and corresponding grant expense of $1.6 million (2020: $15.2 million) have been recognised in relation to the rental relief for eligible tenants from the Singapore government as part of the COVID-19 relief measures.

13. Total return for the year/period after tax

The following items have been included in arriving at total return for the year/period after tax:

	Group			
	12 months ended 30 June 2021 $'000	**12 months ended 30 June 2020 $'000**	**6 months ended 30 June 2021 $'000**	**6 months ended 30 June 2020 $'000**
Auditors' remuneration	346	395	173	198
Trustee's fees	470	478	234	239
Non-audit fees to the auditors of the Group	127	166	60	108
Valuation fees	197	189	126	121

	Trust			
	12 months ended 30 June 2021 $'000	**12 months ended 30 June 2020 $'000**	**6 months ended 30 June 2021 $'000**	**6 months ended 30 June 2020 $'000**
Auditors' remuneration	225	240	113	120
Trustee's fees	470	478	234	239
Non-audit fees to the auditors of the Group	125	161	60	106
Valuation fees	61	71	39	50

14. Earnings per unit

	Group			
	12 months ended 30 June 2021 \$'000	**12 months ended 30 June 2020 \$'000**	**6 months ended 30 June 2021 \$'000**	**6 months ended 30 June 2020 \$'000**
Earnings attributable to unitholders (1)	54,430	(97,412)	16,270	(140,184)
Basic earnings per unit (cents) (2)	2.47	(4.46)	0.74	(6.40)
Earnings per unit on a fully diluted basis (cents) (3)	2.47	(4.46)	0.74	(6.40)

	Trust			
	12 months ended 30 June 2021 \$'000	**12 months ended 30 June 2020 \$'000**	**6 months ended 30 June 2021 \$'000**	**6 months ended 30 June 2020 \$'000**
Earnings attributable to unitholders (1)	(1,027)	(84,461)	(31,869)	(132,783)
Basic earnings per unit (cents) (2)	(0.05)	(3.87)	(1.44)	(6.07)
Earnings per unit on a fully diluted basis (cents) (3)	(0.05)	(3.87)	(1.44)	(6.07)

(1) Net of amount reserved for distribution to perpetual securities holders.

(2) In computing the basic earnings per unit for the year ended 30 June 2021, the earnings attributable to unitholders and the weighted average number of units of 2,201,954,047 (2020: 2,185,030,567) during the year ended 30 June 2021 are used and have been calculated on a time-weighted basis. This comprises the weighted average number of (i) units in issue of 2,201,944,117 (2020: 2,184,991,834); and (ii) estimated units issuable for the settlement of unpaid base management fees.

In computing the basic earnings per unit for the six months ended 30 June 2021, the earnings attributable to unitholders and the weighted average number of units of 2,208,040,395 (2020: 2,187,883,714) during the six months ended 30 June 2021 are used and have been calculated on a time-weighted basis. This comprises the weighted average number of (i) units in issue of 2,208,020,371 (2020: 2,187,864,348); and (ii) estimated units issuable for the settlement of unpaid base management fees.

(3) In computing the diluted earnings per unit for the year ended 30 June 2021, the weighted average number of units in issue of 2,201,944,117 (2020: 2,184,991,834) during the year ended 30 June 2021 are used and adjusted to include the potential dilutive units assuming issuance of estimated 3,624,404 (2020: 3,524,668) units for the settlement of unpaid base management fees.

In computing the diluted earnings per unit for the six months ended 30 June 2021, the weighted average number of units in issue of 2,208,020,371 (2020: 2,187,864,348) during the six months ended 30 June 2021 are used and adjusted to include the potential dilutive units assuming issuance of estimated 3,624,404 (2020: 3,524,668) units for the settlement of unpaid base management fees.

15. Operating segments

Segment information is presented in respect of the Group's portfolio of investment properties. The investment properties are managed separately because they require different operating and marketing strategies. This primary format is based on the Group's internal reporting structure for the purpose of allocating resources and assessing performance by the senior management of the Manager, which is the Group's Chief Operating Decision Maker ("CODM") on a regular basis. This forms the basis of identifying the operating segments of the Group under FRS 108 *Operating Segments*.

All of the Group's reportable segments are investment properties located in Singapore, Adelaide and Perth-Australia, Kuala Lumpur-Malaysia, and others (consisting of China Property in Chengdu and two properties in Tokyo, Japan). The segments are as follows:

- Wisma Atria Property
- Ngee Ann City Property
- Australia Properties
- Malaysia Properties
- Other Properties

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly finance income, non-property expenses, finance expenses and income tax expense.

Performance is measured based on the net property income of each operating segment, which is the gross revenue less property operating expenses, as included in the internal management reports that are reviewed by the Group's CODM. Segment net property income is used to measure performance as such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. There are no transactions between reportable segments.

Segment assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly cash and cash equivalents, derivative financial instruments, borrowings, income tax payable and deferred tax liabilities. Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one year. Information regarding the Group's reportable segments is presented in the tables below.

	Wisma Atria Property (Singapore)		Ngee Ann City Property (Singapore)		Australia Properties (Australia)		Malaysia Properties (Malaysia)		Other Properties (China/Japan)		Total	
	2021 $'000	**2020 $'000**	**2021 $'000**	**2020 $'000**	**2021 $'000**	**2020 $'000**	**2021 $'000**	**2020 $'000**	**2021 $'000**	**2020 $'000**	**2021 $'000**	**2020 $'000**
Group												
Revenue and expenses												
External revenue	50,493	55,768	63,513	58,838	44,316	43,189	18,259	18,299	4,706	4,679	181,287	180,773
Depreciation of plant and equipment	13	4	–	–	–	–	–	–	9	10	22	14
Reportable segment net property income	35,877	42,598	51,491	47,210	26,434	21,338	17,363	17,397	3,572	3,573	134,737	132,116
Other material non-cash items:												
Change in fair value of investment properties	(58,949)	(46,400)	(94)	(8,351)	20,675	(103,861)	8,268	(2,121)	2,005	62	(28,095)	(160,671)
Unallocated items:												
Finance income											451	945
Non-property expenses											(19,424)	(20,126)
Finance expenses											(41,411)	(39,864)
Change in fair value of derivative instruments											12,755	(8,926)
Foreign exchange (loss)/gain											(1,033)	483
Total return for the year before tax											57,980	(96,043)
Income tax											(1,462)	(1,369)
Total return for the year											56,518	(97,412)

	Wisma Atria Property (Singapore)		**Ngee Ann City Property (Singapore)**		**Australia Properties (Australia)**		**Malaysia Properties (Malaysia)**		**Other Properties (China/Japan)**		**Total**	
	2021 $'000	**2020 $'000**	**2021 $'000**	**2020 $'000**	**2021 $'000**	**2020 $'000**	**2021 $'000**	**2020 $'000**	**2021 $'000**	**2020 $'000**	**2021 $'000**	**2020 $'000**
Group												
Assets and liabilities												
Reportable segment assets	880,991	940,348	1,130,903	1,135,694	440,785	400,601	426,822	396,443	90,321	90,494	2,969,822	2,963,580
Unallocated assets											109,765	117,455
Total assets											3,079,587	3,081,035
Reportable segment liabilities	(19,903)	(20,198)	(23,318)	(22,362)	(8,150)	(5,598)	(5,026)	(6,140)	(4,670)	(4,379)	(61,067)	(58,677)
Unallocated liabilities											(1,128,423)	(1,252,869)
Total liabilities											(1,189,490)	(1,311,546)
Other segmental information												
Capital expenditure	4,190	159	120	169	2,787	3,950	27,553	25,409	287	74	34,937	29,761
Non-current assets	878,725	933,133	1,130,000	1,130,000	439,204	394,627	426,768	393,198	90,165	90,354	2,964,862	2,941,312

Breakdown of sales

	Group		
	2021 $'000	**2020 $'000**	**Increase/ (decrease) %**
Gross revenue for six months from 1 July to 31 December	88,420	96,718	(8.6%)
Total return after tax for six months from 1 July to 31 December	38,339	42,772	(10.4%)
Gross revenue for six months from 1 January to 30 June	92,867	84,055	10.5%
Total return after tax for six months from 1 January to 30 June	18,179	(140,184)	NM

Geographical segments

The Group's operations and its identifiable assets are located in Singapore (consisting of Wisma Atria Property and Ngee Ann City Property), Adelaide and Perth-Australia (consisting of Myer Centre Adelaide, David Jones Building and Plaza Arcade), Kuala Lumpur-Malaysia (consisting of The Starhill and Lot 10 Property), and others (consisting of the China Property in Chengdu and two properties in Tokyo, Japan). Accordingly, no geographical segmental analysis is separately presented.

16. Capital commitments

Capital commitments (contracted but not provided) as at 30 June 2021 comprise of approximately $13.9 million (2020: $4.3 million) capital expenditure, professional fees and interior upgrading works for the Group's investment properties, and approximately $4.8 million (2020: $32.3 million) remaining costs of asset enhancement works for The Starhill in Malaysia.

17. Related parties

During the financial year, other than related party information shown elsewhere in the Financial Statements, the following were significant related party transactions carried out in the normal course of business:

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Property rental income from the Manager and Property Manager	961	983	961	983
Property rental income from related parties of the Manager [1]	19,245	19,264	986	965
Leasing commission fees paid to the Property Manager	(755)	(737)	(755)	(737)
Property management fees paid to the Property Manager	(3,421)	(3,459)	(3,421)	(3,459)
Management fees paid to the Manager	(14,524)	(14,493)	(14,524)	(14,493)
Trustee fees paid to the Trustee	(470)	(478)	(470)	(478)
Reimbursements paid to the Property Manager	(678)	(772)	(678)	(772)
Costs of the asset enhancement works paid to related party of the Manager [2]	(27,401)	(25,178)	–	–
Servicer fees paid to a wholly-owned subsidiary of the Manager	(873)	(855)	–	–

(1) Net of rental assistance of approximately $1.7 million (2020: $0.9 million) to cushion the impact of the COVID-19 pandemic.

(2) Comprises costs paid/payable to related party of the Manager for the asset enhancement works for The Starhill in Malaysia.

18. Subsequent event

Subsequent to the year ended 30 June 2021, the Manager declared a distribution of 2.07 cents per unit in respect of the period from 1 January 2021 to 30 June 2021, which is payable on 24 September 2021.

19. Financial ratios

	Group	
	2021	**2020**
	%	**%**
Ratio of expenses to weighted average net assets [1]	1.05	1.05
Portfolio turnover rate [2]	–	–

(1) The ratios are computed in accordance with guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group and exclude property related expenses, finance expenses and the performance component of the Manager's fees.

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

Other Information Required By Listing Rule Appendix 7.2

Other Information

1. General

The balance sheet and investment properties portfolio statement of Starhill Global Real Estate Investment Trust (the "Trust" or "Starhill Global REIT") and its subsidiaries (the "Group") and balance sheet of the Trust as at 30 June 2021 and the related statements of total return, distribution statements, statements of movement in unitholders' fund of the Group and the Trust, and the cash flow statement of the Group for the second half and full year then ended and certain explanatory notes have not been audited or reviewed.

1(i) To show the total number of issued units excluding treasury units and subsidiary holdings as at the end of the current financial period, and as at the end of the immediately preceding year

Starhill Global REIT did not hold any treasury units and subsidiary holdings as at 30 June 2021 and 30 June 2020. The total number of issued units as at the end of the current year, and as at the end of the immediately preceding year are disclosed in Note 10 to the Financial Statements.

1(ii) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury units and subsidiary holdings as at the end of the current financial period reported on

Not applicable.

2. Review of performance of the Group

	Group 01/01/21 to 30/06/21 $'000	Group 01/01/20 to 30/06/20 $'000	Increase / (Decrease) %	Group 01/07/20 to 30/06/21 $'000	Group 01/07/19 to 30/06/20 $'000	Increase / (Decrease) %
Gross revenue	**92,867**	**84,055**	**10.5%**	**181,287**	**180,773**	**0.3%**
Property expenses	(23,116)	(26,010)	(11.1%)	(46,550)	(48,657)	(4.3%)
Net property income	**69,751**	**58,045**	**20.2%**	**134,737**	**132,116**	**2.0%**
Non property expenses	(29,840)	(29,559)	1.0%	(60,384)	(59,045)	2.3%
Net income before tax	**39,911**	**28,486**	**40.1%**	**74,353**	**73,071**	**1.8%**
Change in fair value of derivative instruments	8,006	(8,145)	NM	12,755	(8,926)	NM
Foreign exchange (loss)/gain	(1,651)	174	NM	(1,033)	483	NM
Change in fair value of investment properties	(27,896)	(160,671)	(82.6%)	(28,095)	(160,671)	(82.5%)
Total return for the period before tax and distribution	**18,370**	**(140,156)**	**NM**	**57,980**	**(96,043)**	**NM**
Income tax	(191)	(28)	582.1%	(1,462)	(1,369)	6.8%
Total return for the period after tax, before distribution	**18,179**	**(140,184)**	**NM**	**56,518**	**(97,412)**	**NM**
Less: Amount reserved for distribution to perpetual securities holders	(1,909)	-	NM	(2,088)	-	NM
Non-tax deductible items and other adjustments	28,669	167,045	(82.8%)	33,747	174,766	(80.7%)
Income available for distribution	**44,939**	**26,861**	**67.3%**	**88,177**	**77,354**	**14.0%**
Income to be distributed to Unitholders	**45,909**	**15,363**	**198.8%**	**87,339**	**64,754**	**34.9%**

Financial performance - Second half year ended 30 June 2021 ("2H FY20/21") vs Second half year ended 30 June 2020 ("2H FY19/20")

Group revenue of $92.9 million in 2H FY20/21 was 10.5% higher than the $84.1 million achieved in the previous corresponding period. Net property income ("NPI") for the Group in 2H FY20/21 was $69.8 million, representing an increase of 20.2% over the previous corresponding period. The increase in NPI was largely due to the lower rental assistance for eligible tenants in the Group affected by COVID-19 pandemic, aggregating approximately $0.6 million in 2H FY20/21 (2H FY19/20: $17.0 million) and the appreciation of A$ against S$.

Singapore Properties contributed 63.4% of total revenue, or $58.8 million in 2H FY20/21, 14.5% higher than in 2H FY19/20. NPI for 2H FY20/21 was $45.3 million, 14.5% higher than in 2H FY19/20, mainly due to the lower rental assistance for eligible tenants affected by COVID-19 pandemic, partially offset by lower occupancy and rent at Wisma Atria Property (Retail) coupled with higher allowance for rental arrears and other operating expenses. The lower rental assistance was partly attributed to the reversal of allowance for rebates for the master lease at Ngee Ann City Property (Retail) in 2H FY20/21 following the finalisation of the mandatory cash grant for eligible small and medium enterprises.

Australia Properties contributed 24.3% of total revenue, or $22.6 million in 2H FY20/21, 6.9% higher than in 2H FY19/20. NPI for 2H FY20/21 was $14.0 million, 76.2% higher than in 2H FY19/20, largely attributed to the reversal of allowance for rental arrears and rebates following the rental collection from the tenants, and the appreciation of A$ against S$, partially offset by higher other operating expenses mainly due to a one-off reinstatement of unutilised area in Myer Centre Adelaide, and lower occupancy and rent.

Malaysia Properties contributed 9.8% of total revenue, or $9.1 million in 2H FY20/21, 1.6% lower than in 2H FY19/20. NPI for 2H FY20/21 was $8.7 million, 1.5% lower than in 2H FY19/20.

China and Japan Properties contributed 2.5% of total revenue, or $2.4 million in 2H FY20/21, 1.7% higher than in 2H FY19/20. NPI for 2H FY20/21 was $1.7 million, 0.6% higher than in 2H FY19/20.

Non property expenses were $29.8 million in 2H FY20/21, 1.0% higher than in 2H FY19/20, mainly in line with the higher finance costs and management fees incurred during the current period.

The change in fair value of derivative instruments in 2H FY20/21 represents mainly the change in the fair value of S$ and A$ interest rate swaps entered into for the Group's borrowings.

The net foreign exchange loss in 2H FY20/21 arose mainly from the foreign exchange differences on translation of foreign currency denominated transactions and monetary items, as well as realised foreign exchange differences from the settlement of forward contracts.

The change in fair value of investment properties of $27.9 million represents mainly the net revaluation losses on the Group's investment properties in 2H FY20/21.

The variance in income tax was mainly attributed to the withholding tax provision for the Malaysia Properties and Australia Properties in 2H FY20/21.

Income available for distribution for 2H FY20/21 after deducting amount reserved for distribution to perpetual securities holders was $44.9 million, 67.3% higher than in 2H FY19/20. The increase in income available for distribution was mainly due to the higher NPI, adjustment to reflect the timing difference of property tax refunds in Singapore and one-off capital allowance claim in the previous corresponding period. Including the release of approximately $4.6 million of FY19/20 distributable income deferred as allowed under COVID-19 relief measures, the income to be distributed to Unitholders for 2H FY20/21 was $45.9 million, 198.8% higher than in 2H FY19/20. Approximately $3.6 million of income available for distribution for 2H FY20/21 has been retained for working capital requirements.

Financial performance - Year ended 30 June 2021 ("FY20/21") vs Year ended 30 June 2020 ("FY19/20")

Group revenue of $181.3 million in FY20/21 was 0.3% higher than the $180.8 million achieved in the previous corresponding period. NPI for the Group in FY20/21 was $134.7 million, representing an increase of 2.0% over the previous corresponding period. The increase in NPI was largely due to the lower rental assistance for eligible tenants in the Group affected by COVID-19 pandemic, including allowance for rental arrears and rebates for Australia Properties, aggregating approximately $9.6 million in FY20/21, as well as the appreciation of A$ against S$.

Singapore Properties contributed 62.9% of total revenue, or $114.0 million in FY20/21, 0.5% lower than in FY19/20. NPI for FY20/21 was $87.4 million, 2.7% lower than in FY19/20, mainly due to lower contributions from Wisma Atria Property (Retail) including higher rental assistance, lower occupancy and rent, as well as higher allowance for rental arrears. Contributions from Ngee Ann City Property were higher mainly due to lower rental assistance in FY20/21.

Australia Properties contributed 24.4% of total revenue, or $44.3 million in FY20/21, 2.6% higher than in FY19/20. NPI for FY20/21 was $26.4 million, 23.9% higher than in FY19/20, largely attributed to lower allowance for rental arrears and rebates, and the appreciation of A$ against S$, partially offset by lower occupancy and rent.

Malaysia Properties contributed 10.1% of total revenue, or $18.3 million in FY20/21, 0.2% lower than in FY19/20. NPI for FY20/21 was $17.4 million, 0.2% lower than in FY19/20. Approximately $1.6 million (FY19/20: $0.8 million) of rental assistance has been extended to the master tenant of Malaysia Properties, whose sub-tenants were impacted by the various rounds of Movement Control Order ("MCO") amidst the COVID-19 pandemic.

China and Japan Properties contributed 2.6% of total revenue, or $4.7 million in FY20/21, 0.6% higher than in FY19/20. NPI for FY20/21 was $3.6 million, in line with FY19/20.

Non property expenses were $60.4 million in FY20/21, 2.3% higher than in FY19/20, mainly due to higher finance costs incurred during the current period, partially offset by lower trust expenses.

The change in fair value of derivative instruments in FY20/21 represents mainly the change in the fair value of S$ and A$ interest rate swaps entered into for the Group's borrowings.

The net foreign exchange loss in FY20/21 arose mainly from the foreign exchange differences on translation of foreign currency denominated transactions and monetary items, as well as realised foreign exchange differences from the settlement of forward contracts.

The change in fair value of investment properties of $28.1 million in FY20/21 was mainly in line with the downward revaluation of Wisma Atria Property, partially offset by the higher valuation of Australia Properties and The Starhill as at 30 June 2021.

The variance in income tax was mainly attributed to higher withholding tax for the Australia Properties in FY20/21.

Income available for distribution for FY20/21 after deducting amount reserved for distribution to perpetual securities holders was $88.2 million, 14.0% higher than in FY19/20. The increase in income available for distribution was mainly due to the higher NPI, adjustment to reflect the timing difference of property tax refunds in Singapore and one-off capital allowance claim in the previous corresponding period. Including the full release of approximately $7.7 million of FY19/20 distributable income deferred as allowed under COVID-19 relief measures, income to be distributed to Unitholders was $87.3 million, 34.9% higher than in FY19/20. Approximately $8.5 million of income available for distribution for FY20/21 has been retained for working capital requirements.

Assets and liabilities - 30 June 2021 vs 30 June 2020

The Group's total assets as at 30 June 2021 were $3,079.6 million, representing a decrease of $1.4 million, compared to $3,081.0 million as at 30 June 2020, mainly due to the decrease in trade and other receivables, and cash and cash equivalents, partially offset by the increase in investment properties. The lower receivables were largely attributed to the receipt of grant receivable from the Singapore government in relation to the finalisation of property tax refunds and cash grants to eligible tenants, as well as lower net rental arrears for the Group as at 30 June 2021, following the rental collection from the tenants and utilisation of existing allowance for impairment on its trade receivables. The Group's portfolio of 10 prime properties across five countries was independently revalued at $2,964.6 million (including rights-of-use assets) as at 30 June 2021 (2020: $2,941.3 million). The increase of $23.4 million or 0.8% was mainly in line with the upward revaluation for the Australia Properties (improved general retail outlook) and The Starhill (ongoing asset enhancement work), as well as net movement in foreign currencies in relation to the overseas properties, partially offset by downward revaluation of Wisma Atria Property (lower passing and market rents due to challenging retail conditions in Singapore) as at 30 June 2021. The fair values of the properties include capital expenditure incurred mainly for The Starhill's asset enhancement, Wisma Atria Property and Myer Centre Adelaide, straight-line rental adjustments, as well as other adjustments during the year ended 30 June 2021. The geographic breakdown of the portfolio by asset value as at 30 June 2021 was as follows: Singapore 67.8%, Australia 14.8%, Malaysia 14.4%, Japan 2.0%, and China 1.0%.

The Group's total liabilities as at 30 June 2021 were $1,189.5 million, representing a decrease of $122.1 million or 9.3%, compared to $1,311.5 million as at 30 June 2020, mainly due to the decrease in borrowings and derivative financial liabilities. The net decrease in total borrowings was mainly in line with the net repayment of $62 million of short-term revolving credit facilities, part prepayment of $20 million term loan (maturing in September 2022), as well as full repayment of A$135 million secured term loan which was financed by the issuance of $100 million perpetual securities (classified as equity instruments) in December 2020 and drawdown of new A$100 million unsecured term loan in May and June 2021. The decrease in the derivative financial liabilities was mainly attributed to the change in fair value of $ and A$ interest rate swaps. As at 30 June 2021, gearing stands at 36.1% and interest coverage ratio based on trailing 12 months interest expenses is approximately 2.8 times.

The Group's net asset value attributable to Unitholders as at 30 June 2021 was $1,790.5 million (excluding perpetual securities holders' funds of $99.6 million) (net asset value per unit of $0.81), representing an increase of $21.0 million or 1.2%, compared to $1,769.5 million (net asset value per unit of $0.81) as at 30 June 2020.

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

The Trust has not disclosed any forecast to the market.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

The global economic growth projection was revised upwards from 5.5% to 6.0% in 2021[1], reflecting additional fiscal support in several large economies and a vaccine-powered recovery in 2H 2021.

In Singapore, GDP[2] expanded by 14.3% year-on-year (y-o-y) in 2Q 2021, based on advanced estimates. Growth of retail sales (excluding motor vehicles) increased by 63.2% y-o-y in May 2021[3], albeit slowing by 6.3% as compared to April 2021, due to the implementation of Phase 2 (Heightened Alert). With strict travel restrictions still in place, international visitor arrivals for 1H 2021 fell by 95.5% y-o-y to 118,663[4]. Prime rents in Orchard Road declined 8.7% y-o-y in 2Q 2021[5], though the rate of decline has slowed. The recovery of the retail market will depend on the resilience of economic activity and consumer sentiment on the back of the vaccination roll-out, and the ability to contain subsequent outbreaks[5].

Grade A Core CBD office rents fell 5.8% y-o-y in 2Q 2021, though rents improved by 1.0% quarter-on-quarter on the back of fairly tight vacancy rates and landlords in better performing buildings beginning to push for higher rents[5].

Australia's GDP grew 1.1% y-o-y in 1Q 2021[6], the first quarter of positive y-o-y growth since March 2020 mainly due to an increase in private consumption. June 2021 retail trade numbers also increased 2.9% y-o-y[7]. In 2Q 2021, while retail rents in Adelaide remained relatively stable, Perth's super prime and prime retail market rents experienced declines y-o-y[8]. CBD retailers continue to be impacted by the challenges of social distancing, travel restrictions and remote working.

Malaysia's GDP contracted 0.5% y-o-y in 1Q 2021[9], improving from a 3.4% y-o-y contraction in 4Q 2020. As at 1Q 2021, Retail Group Malaysia lowered its retail sales growth projection for 2021 from 4.9% to 4.1% due to the MCO being imposed in almost all states[10]. Despite the Full MCO implemented on 1 June 2021, which halted all retail activities except for essential services, the implementation of the National Recovery Plan and the RM150 billion PEMULIH Assistance Package could soften the economic impact[11].

Overall, the recovery of retail sector remains uncertain, with new COVID-19 strains and clusters causing further disruption globally. While Starhill Global REIT's retail portfolio maintains a strong occupancy rate, prevailing conditions may impact factors such as rental reversions and occupancy over the next year. Singapore recently reverted to Phase 2 (Heightened Alert) on 22 July 2021 due to a sharp spike in COVID-19 cases[12]. The country continues to roll out its vaccination programme, with plans to progressively ease measures for vaccinated persons[13]. South Australia recently entered a seven day lockdown, which ended on 27 July 2021[14]. In addition, Malaysia had on 27 June 2021 announced that its full lockdown will be extended until daily COVID-19 cases fall below 4,000[15]. The speed of the global vaccine roll-out will play an integral role in the resumption of international travel and economic recovery worldwide. We are evaluating the provision of supplementary rental support for eligible tenants in addition to the assistance provided by the respective governments. Due to the fluidity of the situation, at this juncture it is not possible to determine the extent of the impact that these wider developments will have on Starhill Global REIT's financial performance in the next reporting period and over the next 12 months.

Notwithstanding these factors, the Group's portfolio is characterised by quality master retail leases in Singapore and Malaysia, which contributed 34.1% of revenue in FY20/21. As at 30 June 2021, the weighted average portfolio lease expiry by net lettable area stood at 7.9 years while retail leases expiring in the financial year ending 30 June 2022 comprised 13.5% of gross retail rent. The Group's retail portfolio committed occupancy remained stable at 97.5% as at 30 June 2021.

<u>Sources</u>

1 International Monetary Fund's World Economic Outlook Reports in January and March 2021

2 Ministry of Trade and Industry

3 Retail Sales Index, (2017 = 100), In Chained Volume Terms, Monthly, Seasonally Adjusted

4 Singapore Tourism Board

5 CBRE Singapore

6 Australian Bureau of Statistics, 1Q 2021

7 Australian Bureau of Statistics, Seasonally Adjusted, June 2021

8 CBRE Australia Research

9 Department of Statistics Malaysia, Malaysia Economic Performance 1Q 2021

10 The Star, "Retail group sees lower growth rate in 2021", 8 March 2021

11 CBRE | WTW

12 Ministry of Health, "Going back to Phase 2 Heightened Alert", 20 July 2021

13 The Straits Times, "Singapore to review COVID-19 rules in early August, ease measures for vaccinated people if situation under control", 26 July 2021

14 ABC News, "South Australia records no new COVID-19 cases after lockdown, warning issued over 'hoax' text messages", 28 July 2021

15 The Straits Times, Malaysia's COVID-19 lockdown to be extended beyond June 28: PM Muhyiddin, 28 June 2021

5. Distribution

5(a) Current financial period

Any distributions declared for current financial period:	Yes
Name of distribution:	Distribution for the period from 1 January 2021 to 30 June 2021

Distribution rate:

	Unitholders' Distribution
	For the period from 1 January 2021 to 30 June 2021
	Cents
Taxable income component	1.84*
Tax-exempt income component	0.23
Total	2.07

* Includes 0.21 cents from the release of FY19/20's distributable income deferred as allowed under the COVID-19 relief measures.

The Manager has determined that the DRP will apply to the distribution for the period from 1 January to 30 June 2021.

Par value of units:	Not applicable
Tax Rate:	<u>Taxable income component</u> Taxable income distributions are made out of the Trust's taxable income. Unitholders receiving such distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through partnership or as trading assets). <u>Tax-exempt component</u> Tax-exempt income component is exempt from tax in the hands of all Unitholders.

5(b) Corresponding period of the immediately preceding financial year

Any distributions declared for the previous corresponding financial period:	Yes
Name of distribution:	Distribution for the period from 1 January 2020 to 30 June 2020

Distribution rate

	Unitholders' Distribution
	For the period from 1 January 2020 to 30 June 2020
	Cents
Taxable income component	0.70*
Total	0.70

* Exclude 0.35 cents or $7.7 million of FY19/20's distributable income deferred as allowed under the COVID-19 relief measures.

Par value of units:	Not applicable
Tax Rate:	Taxable income component Taxable income distributions are made out of the Trust's taxable income. Unitholders receiving such distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through partnership or as trading assets).

5(c) Date payable: 24 September 2021

5(d) Record date: 6 August 2021

5(e) Distribution policy

Starhill Global REIT's current distribution policy is to distribute on a semi-annual basis at least 90% of Starhill Global REIT's taxable income to its Unitholders or any other minimum level as allowed under the tax ruling issued by Inland Revenue Authority of Singapore (as may be updated from time to time), with the actual level of distribution to be determined at the discretion of the Manager, having regard to funding requirements, operations and debt repayments, other capital management considerations, and the overall stability of distributions.

6. If no distribution has been declared/(recommended), a statement to that effect

Not applicable.

7. If the Group has obtained a general mandate from Unitholders for IPTs, the aggregate value of each transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

Starhill Global REIT has not obtained a Unitholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual.

8. 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 unitholder of the issuer pursuant to Rule 704(13)

Pursuant to Rule 704(13) of the SGX-ST Listing Manual, the Manager confirms that there is no person occupying a managerial position in the Manager or in any principal subsidiaries of the Manager or Starhill Global REIT who is a relative of a director, chief executive officer, substantial shareholder of the Manager or substantial unitholder of Starhill Global REIT for the year ended 30 June 2021.

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

The Board of Directors of the Manager confirms that it has procured undertakings from all its directors and executive officers in the form as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

10. Certification pursuant to Paragraph 7.3 of the Property Funds Appendix

The Manager hereby certifies that in relation to the distribution to the Unitholders of Starhill Global REIT for the six months ended 30 June 2021:

1. Starhill Global REIT will declare a distribution ("Distribution") in excess of its profits (defined as the total return for the period after tax before distribution for the purpose of this certification). The excess is mainly a result of differences between Financial Reporting Standards and income tax rules, applied to certain items reported in the statement of total return (see details in the distribution statement); and
2. The Manager is satisfied on reasonable grounds that, immediately after making the Distribution, Starhill Global REIT will be able to fulfil from its deposited property, its liabilities as and when they fall due.

By Order of the Board
YTL Starhill Global REIT Management Limited
As Manager of Starhill Global Real Estate Investment Trust

Lim Wai Pun / Lam Chee Kin
Joint Company Secretaries
Singapore
29 July 2021