STARHILL GLOBAL REIT

The Times that Define Us

STARHILL GLOBAL REIT

ANNUAL REPORT – FY 2019/20

ABOUT US

Starhill Global REIT is a Singapore-based real estate investment trust investing primarily in real estate used for retail and office purposes, both in Singapore and overseas. Since its listing on the Mainboard of the Singapore Exchange Securities Trading Limited on 20 September 2005, Starhill Global REIT has grown its initial portfolio from interests in two landmark properties on Orchard Road in Singapore to 10 properties in Singapore, Australia, Malaysia, China and Japan, valued at about S$2,941.3 million[1] as at 30 June 2020.

These comprise interests in Wisma Atria and Ngee Ann City on Orchard Road in Singapore; Myer Centre Adelaide, David Jones Building and Plaza Arcade in Adelaide and Perth, Australia; The Starhill (formerly known as Starhill Gallery) and Lot 10 Property in Kuala Lumpur, Malaysia; a retail property in Chengdu, China, and two properties in Tokyo, Japan. Starhill Global REIT remains focused on sourcing attractive property assets in Singapore and overseas, while driving organic growth from its existing portfolio through proactive leasing efforts and creative asset enhancements.

Starhill Global REIT is managed by an external manager, YTL Starhill Global REIT Management Limited, of which all of its shares are indirectly held by YTL Corporation Berhad.

VISION

To be the preferred real estate investment trust with a stable of high-quality and valuable income-generating assets.

MISSION

To deliver long-term sustainable returns to our Unitholders through growth and value creation in our assets, backed by prudent capital management.

To be a landlord of choice for our tenants and shoppers.

To be a forward-thinking real estate company with strong management expertise.

VALUES

The values to which we aspire can be summarised under six principles:

- **Integrity**
- **Client Commitment**
- **Strive for Profitability**
- **Fulfilment for our People**
- **Teamwork**
- **Highest Standards**

Note:
[1] Including right-of-use assets following the adoption of FRS 116 effective from 1 July 2019.

ONLINE ANNUAL REPORT FY 2019/20
www.starhillglobalreit.com/ir_ar.html

The Times that Define Us.

We have always thrived in good times. However, our success is best measured by how we rise during uncertain times. We believe in succeeding as one, by standing in solidarity with our tenants, partners and stakeholders. Together, we stand resilient, agile and ready to turn obstacles into opportunities as we advance our long-term growth objectives.

Contents

Our Strategy

Starhill Global REIT remains focused on sourcing attractive property assets in Singapore and overseas, while driving organic growth from its existing portfolio through proactive leasing efforts and creative asset enhancements, and maintaining a prudent capital management approach.

ACTIVE ASSET MANAGEMENT

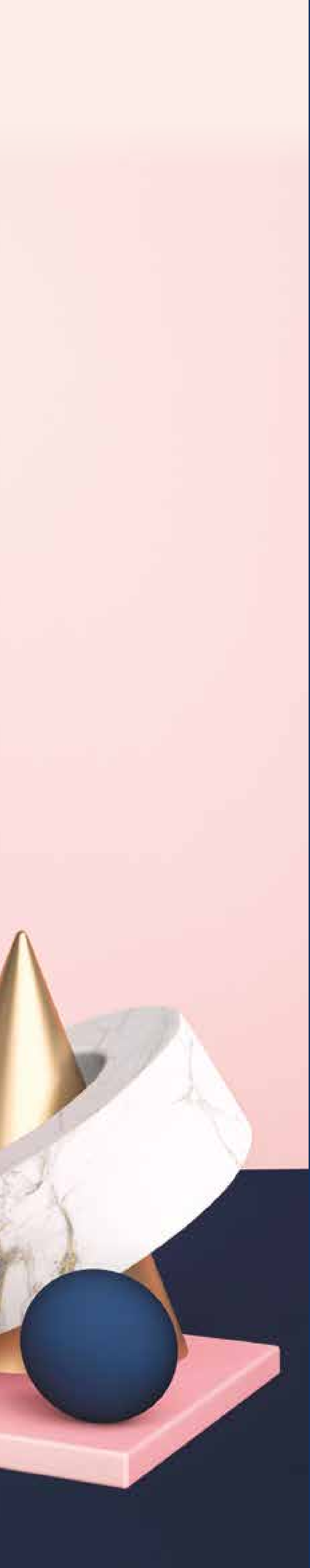
- Balance of master tenancies and anchor leases, coupled with actively managed short- to medium-term tenancies for income stability with potential rental upside
- Driving organic growth from existing portfolio through proactive leasing efforts
- Focusing on mid- to high-end retail tenant base and optimising tenant mix
- Unlocking value through creative asset enhancements
- Maintaining healthy and sustainable occupancy rates throughout economic cycles

ACQUISITION GROWTH

- Investment portfolio primarily comprising prime real estate used mainly for retail and/or office purposes with strong fundamentals and strategic locations
- Long-term yield-accretive investments made in Singapore and overseas markets

PRUDENT CAPITAL MANAGEMENT

- Managing capital to optimise Unitholders' returns with a mix of available capital sources
- Employing appropriate interest rate and foreign exchange risk management strategies



Key Highlights

GROSS REVENUE
(FY 2019/20)
S$180.8M

NET PROPERTY INCOME
(FY 2019/20)
S$132.1M

INCOME AVAILABLE FOR DISTRIBUTION
(FY 2019/20)
S$77.4M

DISTRIBUTION PER UNIT
(FY 2019/20)
2.96¢

NET ASSET VALUE
(As at 30 Jun 2020)
S$1,769.5M

GEARING
(As at 30 Jun 2020)
39.7%

RESILIENT OCCUPANCY[1]
(As at 30 Jun 2020)
96.2%

Note:
[1] Based on commenced leases as at 30 June 2020.

Significant Events in FY 2019/20

2019

AUGUST

▸ **Wisma Atria co-organised the Bicentennial National Day Bears 2019 Exhibition in partnership with The HEART Enterprise,** to support the creativity and talent of children with autism. The exhibition showcased 54 hand-sewn fabric bears to commemorate Singapore's Bicentennial and 54th National Day.

Entered into a JPY3.7 billion unsecured term loan facility agreement to refinance existing loans ahead of its maturity in July 2020.

SEPTEMBER

AWARDED SILVER AT THE ASIA PACIFIC BEST OF THE BREEDS REITS™ AWARDS 2019, in the category for retail REITs in Singapore with more than S$1 billion in market capitalisation.

◂ **Wisma Atria was the venue sponsor** for the social media contest for a meet-and-greet with McLaren Formula 1™ driver, Lando Norris.

ISSUANCE OF RM330 million senior medium term notes by Ara Bintang Berhad to refinance existing notes upon maturity in September 2019.

OCTOBER

Wisma Atria hosted the first public appearance of **MEDIACORP'S STAR SEARCH 2019 TOP 12 FINALISTS** on 19 October 2019. The meet-and-greet session was also attended by veteran artistes and Star Search alumni Desmond Tan, Felicia Chin, Zhang Yao Dong, Rayson Tan, Aileen Tan and Jeffrey Xu.

OCTOBER CONT'D

▾ **Commencement of asset enhancement works for THE STARHILL in Malaysia.**

▴ YTL Group Executive Chairman and Non-Executive Chairman of YTL Starhill Global REIT Management Limited, **Tan Sri Dato' (Dr) Francis Yeoh Sock Ping,** conferred the **HONORARY BRITISH AWARD OF KNIGHT COMMANDER OF THE MOST EXCELLENT ORDER OF THE BRITISH EMPIRE (KBE)** by Her Majesty Queen Elizabeth II for services to UK-Malaysian bilateral relations. The award was presented by His Royal Highness Prince Charles at Clarence House on 13 October 2019.

DECEMBER

COMPLETION OF RENOVATION WORKS for Plaza Arcade in Australia, with a new ceiling, improved lighting, enhanced signage and mural artwork at the laneway, among others.

2020

JANUARY

Establishment of S$2 billion multicurrency debt issuance programme, which can issue perpetual securities on top of medium term notes.

▼ **Annual traditional lion dance and dragon dance** held at Wisma Atria's outdoor event space to usher in the Lunar New Year.

FEBRUARY

▼ **Starhill Global REIT's Annual Report for FY 2018/19**

WON THE GOLD AWARD – THE HIGHEST HONOUR –

for the Print/Annual Reports Category in the 13th Annual International Design Awards (IDA) USA 2019.

Photo credit: C2 Design Studio Pte. Ltd.

Announced COVID-19 support measures, including

RENTAL REBATES AND MARKETING ASSISTANCE,

mainly for retail and office tenants at Singapore Properties.

MARCH

Fitch ratings assigned a

'BBB' CREDIT RATING

with stable outlook to SGREIT and its medium term notes programmes as well as the notes drawn under the programmes.

▼ **Implementation of stricter safe distancing measures**

APRIL

1 M

Singapore introduces elevated safe distancing measures in response to the COVID-19 pandemic. Wisma Atria Property and Ngee Ann City Property were open only for some essential services between 7 April and 1 June. In Australia, while our anchor tenant David Jones in Perth remains open, most of our tenants including Myer in Adelaide and UNIQLO in Perth chose to temporarily close their stores.

CHANGE OF DISTRIBUTION FREQUENCY

to semi-annual distributions from quarterly distributions with effect from 3Q FY 2019/20.

ADOPTION OF HALF-YEARLY

reporting of financial statements with effect from the financial year ending 30 June 2021.

MAY

SGREIT ANNOUNCED FURTHER RENTAL REBATES TO BE DISBURSED

to eligible tenants in Singapore following extension of the Circuit Breaker.

TOTAL RENTAL ASSISTANCE

S$32.2M

JUNE

Approximately S$32.2 million, including Singapore Government assistance of S$15.2 million, has been recorded in FY 2019/20 mainly as rental rebates for eligible tenants in SGREIT's portfolio to assist tenants through the COVID-19 pandemic.

ISSUED NEW FIVE-YEAR

S$100 million

unsecured medium term notes with fixed coupon rate of 3.15% per annum.

RENEWAL OF THE APPOINTMENT

of YTL Starhill Global Property Management Pte. Ltd. as the property manager of Starhill Global REIT's interests in Ngee Ann City and Wisma Atria for an additional five years.

Wisma Atria attracted shopper traffic of **16.6 million** with tenants sales down 17.6% y-o-y, in FY 2019/20.

Starhill Global REIT's investment properties were valued at approximately **S$2.94 billion,** including right-of-use assets, as at 30 June 2020.

As Singapore entered Phase Two of safe reopening, Wisma Atria Property and Ngee Ann City Property fully reopened with preventive measures in place.

NEW TECHNOLOGICAL SOLUTIONS LIKE AIR CLEANING SYSTEM AND DISINFECTION ROBOTS

will be rolled out in the next financial year.

In Solidarity

The world is facing unprecedented times. We stand in solidarity with our stakeholders and forge strong collaborations with our partners. We continue to support each other throughout different economic and business cycles while creating long-term value.

Approximately
S$32.2M
in total, including Singapore Government assistance, has been recorded in FY 2019/20 mainly as rental rebates for eligible tenants in SGREIT's portfolio to assist tenants through the COVID-19 pandemic

Rental assistance included
S$15.2M
IN PROPERTY TAX REBATES[1]
to eligible tenants and **ESTIMATED CASH GRANTS[2]** for eligible small and medium enterprises, both funded by the Singapore Government

Stepped up promotional activities such as
FREE PARKING, SPEND-AND-REDEEM SALES PROMOTION AND SOCIAL MEDIA MARKETING
to boost shopper traffic and encourage spending at Wisma Atria

Supplied surgical masks and hand sanitisers to retail and office tenants in Singapore to
SAFEGUARD THEIR HEALTH AND WELL-BEING
in view of the COVID-19 pandemic

Notes:
[1] Property tax rebate as per the Budget 2020 announced by the Singapore Government on 18 February 2020 and the Resilience Budget announced on 26 March 2020.
[2] The Singapore Government announced on 26 May 2020 as part of the Fortitude Budget, a government cash grant to qualifying property owners that would provide relief for eligible small and medium enterprises operating in qualifying non-residential properties.

STRONG SPONSOR
(As at 30 Jun 2020)
YTL Corporation combined market capitalisation of
US$4.9B
with its listed entities in Malaysia

BALANCED PORTFOLIO OF MASTER/ANCHOR LEASES
(As at 30 Jun 2020)
49.5%
by Gross Rent

RESILIENT RETAIL PORTFOLIO OCCUPANCY[3]
(As at 30 Jun 2020)
97.4%

LONG WEIGHTED AVERAGE LEASE EXPIRY[3][4]
(As at 30 Jun 2020)
8.7 YEARS
by NLA
5.6 YEARS
by Gross Rent

Notes:
[3] Based on commenced leases as at 30 June 2020.
[4] Exclude tenants' option to pre-terminate or renew their existing leases.

In Equilibrium

Having the right balance will help us thrive during this unprecedented time. We keep the interests of our stakeholders at the heart of what we do, as we stay nimble and navigate the new normal.

CHANGED TO SEMI-ANNUAL DISTRIBUTIONS AND ADOPTED HALF-YEARLY REPORTING

- Achieved cost savings and greater financial flexibility
- First semi-annual distribution period was from 1 January to 30 June 2020
- First half-yearly financial results announcement will be for 1 July to 31 December 2020

MAINTAINED FINANCIAL FLEXIBILITY

- Delayed non-essential capital expenditure
- Implemented cost-saving measures
- Passed savings from fee and salary adjustments of directors and management executives to Unitholders as part of a reduction in base management fees payable[1]

Note:
[1] Fee and salary adjustment was passed to Unitholders as part of a 10% reduction in base management fees payable by SGREIT for three months from April to June 2020.

In Focus

Looking ahead, we are well-placed to seize future opportunities in our core markets with our quality assets and tenants, prudent capital management, and strong partnership with our sponsor, YTL Corporation Bhd. As we navigate the new reality, we maintain an unwavering focus on our vision and the steady execution of our strategy to deliver long-term sustainable returns for our Unitholders.

COMMENCED ASSET ENHANCEMENT WORKS FOR THE STARHILL, ESTIMATED TO BE READY BY END 2021

The works include revamping the atrium entrance, refreshing interiors, improving accessibility and enhancing spatial layout to present an exclusive urban oasis that offers seamless integration of personalised hospitality with experiential retail

LEVERAGING GREATER CONNECTIVITY WITH ENHANCED TRANSPORT NETWORKS

Ready to welcome more shoppers with the upcoming Thomson-East Coast Line in Singapore and Putrajaya Line (previously known as Sungai Buloh-Serdang-Putrajaya Line) in Malaysia

DELIVERING STEADY VALUE CREATION WITH STRONG FUNDAMENTALS

Ready to capture new opportunities and strategic growth to complement our landmark properties in prime locations that are anchored by quality master leases

COMPLETED RENOVATION WORKS FOR PLAZA ARCADE

Brand new ceiling, improved lighting, enhanced tenancy and wayfinding signages and mural artwork at the laneway, among other improvements

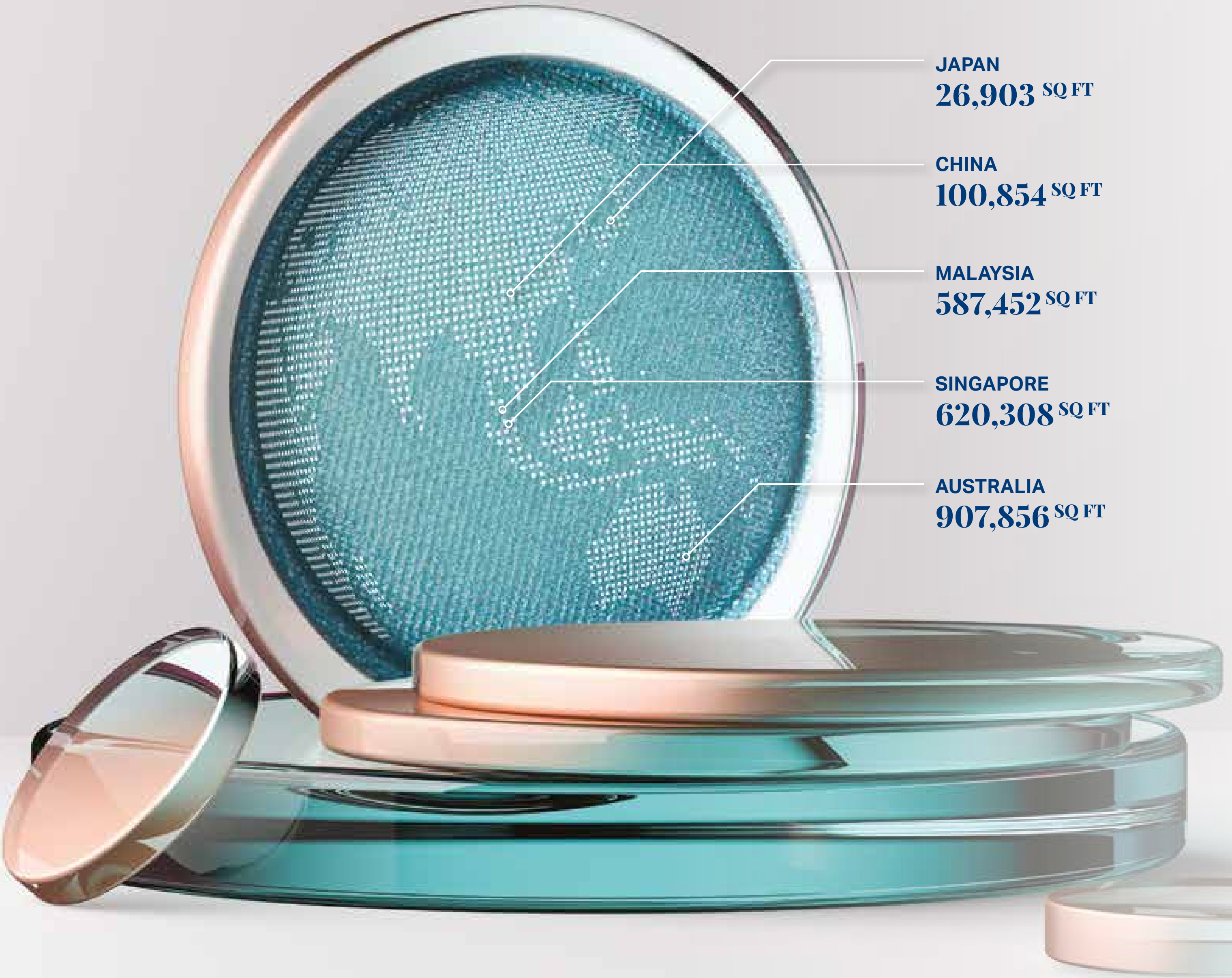
IMPROVED VIBRANCY WITH REJUVENATION OF ORCHARD ROAD

Ongoing transformation of the shopping belt into an integrated lifestyle destination


Sony Store

Our Geographical Reach

Starhill Global REIT's portfolio comprises 10 mid- to high-end properties (mainly retail assets) in six Asia-Pacific cities.



ASIA-PACIFIC CITIES	NUMBER OF PROPERTIES	RETAIL AND OFFICE SPACE	INVESTMENT PROPERTIES
6	10	2.24M SQ FT	S$2,941.3M[4]

Singapore

BY ASSET VALUE
(As at 30 Jun 2020)

S$2,062.0M

BY GROSS REVENUE
(FY 2019/20)

WISMA ATRIA PROPERTY
SINGAPORE

RETAIL 83.3%
OFFICE 16.7%

NGEE ANN CITY PROPERTY
SINGAPORE

RETAIL 78.4%
OFFICE 21.6%

Australia

BY ASSET VALUE
(As at 30 Jun 2020)

S$394.6M

BY GROSS REVENUE
(FY 2019/20)

MYER CENTRE ADELAIDE
ADELAIDE

RETAIL 89.8%
OFFICE 10.2%

DAVID JONES BUILDING & PLAZA ARCADE
PERTH

RETAIL 100%

Malaysia

BY ASSET VALUE
(As at 30 Jun 2020)

S$393.2M

BY GROSS REVENUE
(FY 2019/20)

THE STARHILL
KUALA LUMPUR

RETAIL/HOTEL[2] 100%

LOT 10 PROPERTY[1]
KUALA LUMPUR

RETAIL 100%

Japan

BY ASSET VALUE
(As at 30 Jun 2020)

S$61.8M

BY GROSS REVENUE
(FY 2019/20)

EBISU FORT[1]
TOKYO

RETAIL 100%

DAIKANYAMA[1]
TOKYO

RETAIL 100%

China

BY ASSET VALUE
(As at 30 Jun 2020)

S$28.5M[3]

BY GROSS REVENUE
(FY 2019/20)

CHINA PROPERTY
CHENGDU

RETAIL 100%

Notes:
(1) Largely retail with a small office component.
(2) The Starhill is currently undergoing asset enhancement works to convert three upper floors into hospitality use with hotel rooms to be operated as an extension of the adjoining JW Marriott Hotel Kuala Lumpur.
(3) China Property in Chengdu translated as at 30 June 2020 at RMB5.06:S$1.00. The value is reflected as S$28.5 million for rounding purposes.
(4) Including right-of-use assets following the adoption of FRS 116 effective from 1 July 2019.

Our Business in Brief

1

Singapore

Centrally-located assets in the prime stretch of Orchard Road, with excellent connectivity to transportation hubs.

Wisma Atria Property

The Wisma Atria Property comprises 257 strata lots representing 74.23% of the total share value of strata lots in Wisma Atria. These strata lots represent retail areas (excluding the space owned by Isetan and common area property) and the office tower.

Ngee Ann City Property

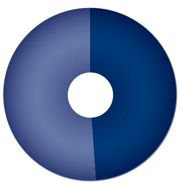
Ngee Ann City Property consists of four strata lots representing 27.23% of the total share value of strata lots in Ngee Ann City. These lots include retail and office spaces.

Read more on **pages 34 to 39**

REVENUE CONTRIBUTION
(FY 2019/20)

S$114.6M

63.4%



Ngee Ann City Property
51.3%

Wisma Atria Property
48.7%

2

Australia

The three Australia assets are located in the prime retail districts and pedestrian streets of the city centres in Adelaide and Perth.

Myer Centre Adelaide, Adelaide

An eight-storey retail centre with four basement levels, and office component which includes a six-storey office tower and two heritage buildings. It is located along the premier and iconic Rundle Mall in Adelaide's city centre.

David Jones Building, Perth

A four-storey heritage-listed retail centre anchored by David Jones.

Plaza Arcade, Perth

A three-storey heritage-listed retail building located next to the David Jones Building. The property is anchored by global apparel retailer, UNIQLO.

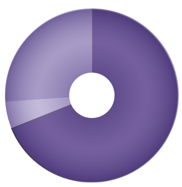
Both properties are located in the heart of Perth's city centre, and enjoy dual frontage to the bustling Murray Street Mall and Hay Street Mall.

Read more on **pages 40 to 45**

REVENUE CONTRIBUTION
(FY 2019/20)

S$43.2M

23.9%



David Jones Building
26.0%

Plaza Arcade
6.0%

Myer Centre Adelaide
68.0%

3

Malaysia

The Starhill and Lot 10 Property are strategically situated in the vibrant Bukit Bintang district, which is one of Kuala Lumpur's premier shopping districts and home to many prestigious international hotels, prime office buildings and shopping complexes.

The Starhill, Kuala Lumpur

Formerly a shopping centre comprising part of a seven-storey building with five basements and a 12-storey annex building with three basements, The Starhill is currently undergoing asset enhancement works to transform into a retail and hospitality mixed-use building. The new integrated development will comprise four retail floors and three hotel floors on the top three levels as an extension to the adjoining JW Marriott Hotel Kuala Lumpur.

Lot 10 Property, Kuala Lumpur

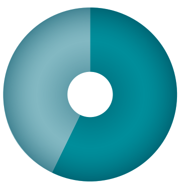
An eight-storey building with a basement and lower ground floor for retail use and a seven-storey annex building (excluding the space owned by Isetan).

Read more on **pages 46 to 49**

REVENUE CONTRIBUTION
(FY 2019/20)

S$18.3M

10.1%

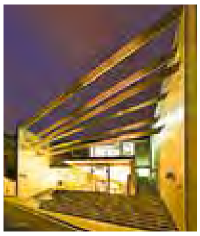


The Starhill 43.0%

Lot 10 Property 57.0%

4

Others – Japan & China



The two Japan assets in Tokyo and the China Property in Chengdu are within walking distance to subway stations.

Ebisu Fort, Tokyo

A seven-storey building (with two basement levels) located in Ebisu area (Shibuya Ward), Tokyo, opposite Yebisu Garden Place, and a seven-minute walk from Ebisu train station.

Daikanyama, Tokyo

A three-storey building (with one basement level) for retail and office use, located just three minutes from Daikanyama train station.

China Property, Chengdu

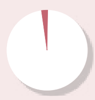
Situated on the Second Ring Road, it is near high-end residences and offices. The Nijiaqiao MRT Station is located in front of the property and provides convenient access.

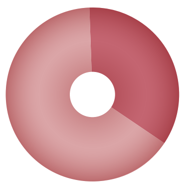
Read more on **pages 50 to 51**

REVENUE CONTRIBUTION
(FY 2019/20)

S$4.7M

2.6%





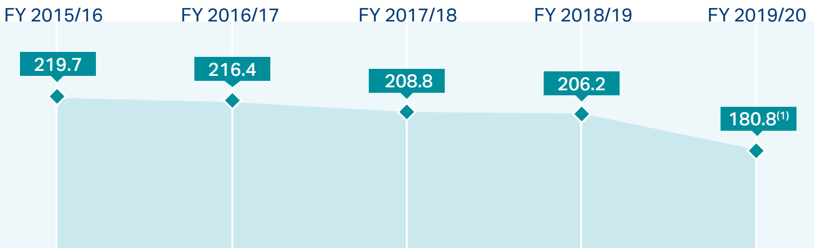
Japan 65.1%

China 34.9%

Key Figures for 5 Years

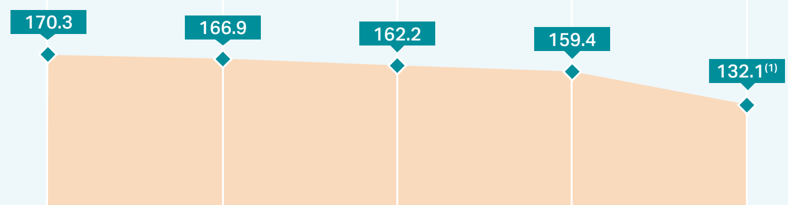
Gross Revenue
(S$ million)

(FY 2019/20)
S$180.8M



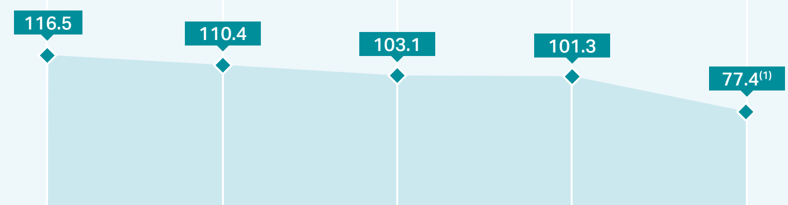
Net Property Income
(S$ million)

(FY 2019/20)
S$132.1M



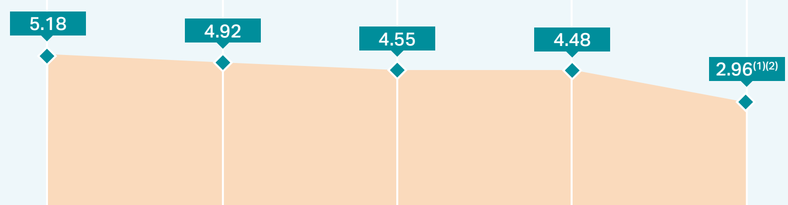
Income Available for Distribution
(S$ million)

(FY 2019/20)
S$77.4M



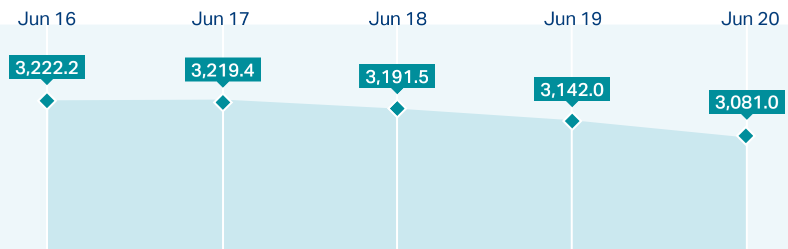
Distribution Per Unit
(cents)

(FY 2019/20)
2.96¢



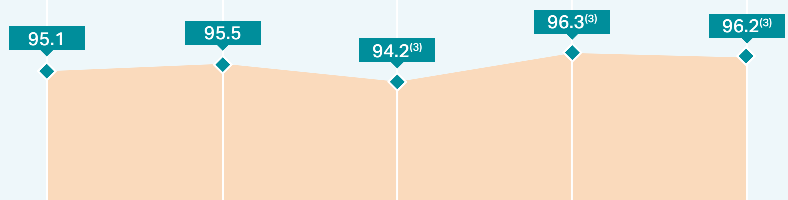
Total Assets
(S$ million)

(As at 30 Jun 2020)
S$3,081.0M



Occupancy Rate
(%)

(As at 30 Jun 2020)
96.2%



Notes:
[1] The drop in FY 2019/20 numbers was largely in line with the rental assistance for the Group's tenants affected by the COVID-19 pandemic.
[2] S$7.7 million of income available for distribution for FY 2019/20 has been deferred, as allowed under COVID-19 relief measures announced by IRAS.
[3] Based on the commenced leases at the reporting date. For prior years, the reported occupancy rates were based on committed leases, which include leases that have been contracted but have not commenced as at the reporting date.

Financial Summary

Statement of Total Return and Distribution for the Year:	FY 2019/20	FY 2018/19	Change (%)
Gross Revenue (S$ million)[1]	**S$180.8**	S$206.2	(12.3%)
Gross Revenue – excluding The Starhill[1] (S$ million)	**S$172.9**	S$188.8	(8.4%)
Net Property Income (S$ million)[1]	**S$132.1**	S$159.4	(17.1%)
Net Property Income – excluding The Starhill[1] (S$ million)	**S$124.8**	S$142.5	(12.4%)
Income Available for Distribution[2] (S$ million)	**S$77.4**	S$101.3	(23.7%)
Income to be Distributed to Unitholders[2] (S$ million)	**S$64.8**	S$97.7	(33.7%)
Distribution Per Unit (DPU)[3] (cents)	**2.96 cents**	4.48 cents	(33.9%)
Distribution Yield[4] (%)	**5.80%**	5.78%	NM
	(S$0.510)[5]	(S$0.775)[5]	
Total Return (%)	**(31.1%)**	28.0%	NM

Notes:
(1) The decline in revenue and net property income for FY 2019/20 were mainly attributed to the rental assistance for eligible tenants of the Group to assist them in cushioning the impact of the COVID-19 pandemic, as well as the rental rebate extended to the master tenant during the asset enhancement period of The Starhill in Malaysia. The impact of the rental rebate during the asset enhancement period of The Starhill on the distributable income will be partially mitigated by the Manager receiving part of its base management fee in units.
(2) Approximately S$4.9 million (FY 2018/19: S$3.6 million) of income available for distribution for FY 2019/20 has been retained for working capital requirements and S$7.7 million of income available for distribution for FY 2019/20 has been deferred, as allowed under COVID-19 relief measures announced by IRAS.
(3) The computation of DPU for FY 2019/20 was based on number of units entitled to distributions comprising (i) 2,184,012,239 units for 1Q FY 2019/20, (ii) 2,186,900,678 units for 2Q FY 2019/20, and (iii) issued and issuable units of 2,194,651,816 for the six-month period from 1 January 2020 to 30 June 2020 ("2H FY 2019/20") (FY 2018/19: 2,181,204,435 units).
(4) Based on actual DPU of 2.96 cents (FY 2018/19: 4.48 cents) for FY 2019/20.
(5) Based on the closing unit price for the financial year.

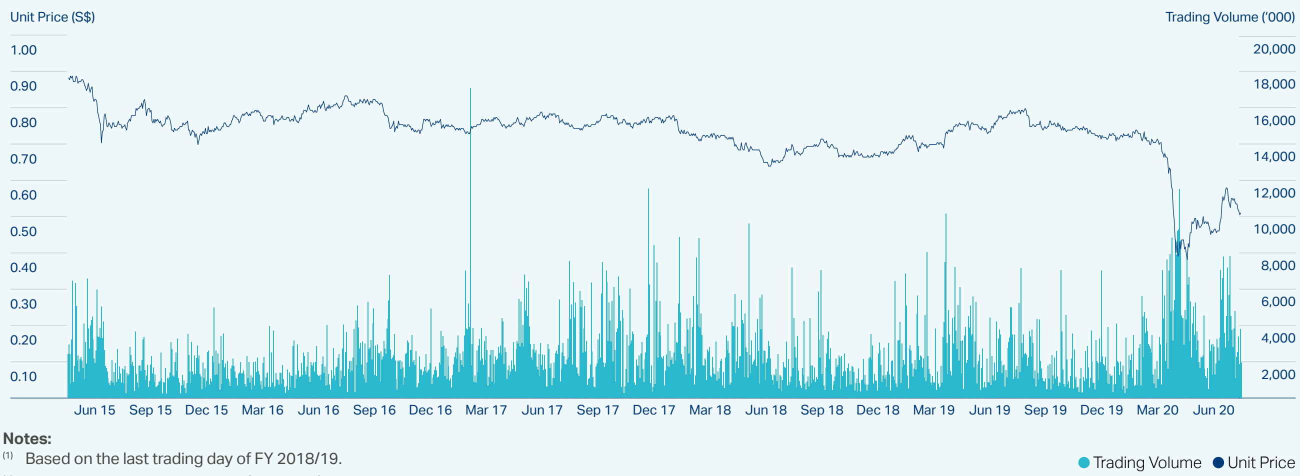
Balance Sheet as at:	30 Jun 2020	30 Jun 2019	Change (%)
Net Asset Value Per Unit	**S$0.81**	S$0.88	(8.0%)
Total Assets (S$ million)	**S$3,081.0**	S$3,142.0	(1.9%)
Investment Properties			
– Number of Properties	**10**	10	
– Valuation[1] (S$ million)	**S$2,941.3**	S$3,064.9	(4.0%)
Gearing[2]	**39.7%**	36.1%	NM

Notes:
(1) Including right-of-use assets, following the adoption of FRS 116 effective from 1 July 2019.
(2) The increase in gearing as at 30 June 2020 was largely as a result of the devaluation of the portfolio and increased borrowings mainly to part finance the asset enhancement of The Starhill and build cash balance to enhance liquidity in view of the COVID-19 pandemic.

Starhill Global REIT's Unit Price & Daily Traded Volume

(1 Jul 2015 - 30 Jun 2020)

From 1 Jul 2019 to 30 Jun 2020	
Opening price[1]	S$0.775
Closing price[2]	S$0.510
High (30 Jul 2019)	S$0.800
Low (6 Apr 2020)	S$0.380
Volume traded (in million units)	700.65



Notes:
(1) Based on the last trading day of FY 2018/19.
(2) Based on the last trading day of FY 2019/20.

Letter to Unitholders

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping (right)
PSM, KBE, CBE, FICE, DPMP, DPMS, SIMP, JP
CHAIRMAN

Mr Ho Sing (left)
CHIEF EXECUTIVE OFFICER
& EXECUTIVE DIRECTOR

Dear Unitholders,

In 2020, the global retail industry faced challenges on an unprecedented scale as a result of the COVID-19 pandemic. Global economic uncertainties and the lack of international tourism have affected the local retail sectors and caused severe business disruptions. Despite the difficult situation, we are proud of the way our people have responded, and their commitment to working with tenants to ride through the crisis. While our business is not immune to global trends, the years of a disciplined approach with a cautious investment strategy, sound tenant base and prudent capital management have given us a solid foundation to navigate the challenges ahead.

We started our financial year on a positive note with a relatively stable operational performance (excluding asset enhancement) and Distribution per Unit (DPU) for the first six months ended 31 December 2019. Unfortunately, the COVID-19 pandemic which emerged in early 2020 significantly impacted our financial performance in the second half of the financial year. As a result, we ended the financial year ended 30 June 2020 (FY 2019/20) with a modest DPU of 2.96 cents, representing a 33.9% decline over the previous year. During the year, we utilised the tax transparency extension – one of the COVID-19 relief measures announced by Inland Revenue Authority of Singapore – to defer S$7.7 million in distribution payouts, as we build financial flexibility and liquidity in view of the fluidity of the COVID-19 pandemic. In addition, we retained S$4.9 million in distributable income and utilised capital allowances of S$3.7 million. The Board recognises the importance of distributions to Unitholders, but given the unprecedented levels of uncertainty, we have decided to implement this prudent initiative to manage our cash flow and maintain our financial flexibility until the global economic outlook is clearer.

Operating Performance Amidst COVID-19

For FY 2019/20, revenue eased 12.3% over the previous financial year ended 30 June 2019 (FY 2018/19) to S$180.8 million. Net property income (NPI) for FY 2019/20 fell 17.1% year-on-year (y-o-y) to S$132.1 million. Income available for distribution for FY 2019/20 was S$77.4 million, a 23.7% decline over FY 2018/19 mainly due to the rental assistance for tenants affected by the COVID-19 pandemic.

Approximately S$32.2 million of rental rebates, including an allowance for rental arrears and rebates for the Australian tenants, has been recorded in FY 2019/20. The aggregate amount included approximately S$15.2 million of property tax rebates[1] for eligible tenants and estimated cash grants[2] for eligible small and medium enterprises, both funded by the Singapore Government. Governments around the world have implemented public health and safety measures, including safe distancing measures, to contain the spread of the COVID-19 pandemic. Retail tenants in SGREIT's prime city centre properties were particularly impacted by lower footfall due to the drop in tourist arrivals and fewer office workers in the city centre.

OUR APPROACH

Staying Steadfast

While our business is not immune to global trends, the years of a disciplined approach with a cautious investment strategy, sound tenant base and prudent capital management have given us a solid foundation to navigate the challenges ahead.

In view of the prolonged headwinds caused by the COVID-19 pandemic, SGREIT has decided to exercise financial prudence. We have delayed non-essential capital expenditure and implemented cost-saving measures. The Board took the lead with a 20% cut in the directors' fees followed by senior management with a salary cut ranging from 5% to 10% from April 2020. The savings from the directors' fees and salary adjustment have been passed to the Unitholders as part of a 10% reduction in base management fees paid by SGREIT for three months from April 2020, to show solidarity with our Unitholders.

Singapore is SGREIT's largest core market, contributing 63.4% of total revenue for FY 2019/20. NPI contracted by 10.4% y-o-y mainly as a result of rental assistance provided for its eligible tenants affected by the COVID-19 pandemic.

Tenant sales and footfall traffic at Wisma Atria fell 80.0% and 86.9% y-o-y respectively in the last quarter of FY 2019/20. This is mainly due to the Circuit Breaker implemented by the Singapore Government, which enforces strict safe distancing measures including the closure of physical stores, fall in international tourist arrivals, as well as people staying and working at home. Notwithstanding that, occupancy remained resilient with the retail and office portfolio's actual occupancy of 98.9% and 87.6% respectively as at 30 June 2020. On a positive note, tenant sales rebounded after the end of the Circuit Breaker on 1 June 2020, with Wisma Atria Property's tenant sales for July 2020 recovering to two-thirds of pre-COVID-19 levels on a y-o-y basis.

TENANT SALES

Staying Resilient

On a positive note, tenant sales rebounded after the end of the Circuit Breaker on 1 June 2020, with Wisma Atria Property's tenant sales for July 2020 recovering to two-thirds of pre-COVID-19 levels on a y-o-y basis.

The Australian portfolio, comprising Myer Centre Adelaide in Adelaide, South Australia, and the David Jones Building and adjacent Plaza Arcade in Perth, Western Australia, is the second largest contributor at 23.9% of total revenue. NPI during the year registered a 24.5% decline y-o-y due to the allowance for rental arrears and rebates for eligible tenants in Australia. Rental rebate discussions have been progressing. Similar to Singapore, Australia's retail portfolio enjoyed a stable actual occupancy of 94.3% as at 30 June 2020. During the financial year, we completed renovation works for Plaza Arcade, giving the mall a refreshed look with a new ceiling, improved lighting, enhanced signage

Notes:

(1) Property tax rebate as per the Budget 2020 announced by the Singapore Government on 18 February 2020 and the Resilience Budget announced on 26 March 2020.

(2) The Government announced on 26 May 2020 as part of the Fortitude Budget, a Government cash grant to qualifying property owners that would provide relief for small and medium enterprises operating in qualifying non-residential properties.

Letter to Unitholders

as well as a greenery-inspired mural artwork at the laneway.

Malaysia Properties, which contributed 10.1% of total revenue, saw NPI decline y-o-y by 36.2%. However, the lower contribution from Malaysia Properties was mainly due to the lower contributions from The Starhill in relation to an earlier announced asset enhancement as well as rental assistance extended to the master tenant whose sub-tenants were impacted by the Movement Control Order implemented by the Malaysian Government.

The balance of the portfolio comprising assets in Chengdu, China, and Tokyo, Japan, was largely stable for FY 2019/20.

Prudent Capital Management

As there is limited visibility to the duration and severity of the COVID-19 pandemic, we have decided to exercise more prudence in managing our balance sheet and conserve cash. The increased debt drawdown mainly to enhance liquidity and finance the ongoing asset enhancement works of The Starhill in Malaysia, coupled with a 4.0% decrease in the valuation of our investment properties, has resulted in an increase in gearing to 39.7% as at 30 June 2020, which is within the leverage limit for REITs in Singapore. The Group does not have any term debt maturities in the next 12 months, except for S$100 million medium term notes due in February 2021 and some short-term debts drawn under its revolving credit facilities. Our cash balances and undrawn committed revolving credit facilities of approximately S$385 million in aggregate as at 30 June 2020 are sufficient to refinance the maturing debt and fulfil operational needs in the new financial year.

Looking to the future

COVID-19 has disrupted the global economy and retail industry. Uncertainty of its scale, duration and long-term impact could further dampen consumer sentiment and economic growth. This will have a spillover effect on retail sales and consequently rents, occupancy rates and valuations of investment properties. Henceforth, we expect the retail operating environment to remain challenging and coupled with rental rebates, adversely impact our financial performance in the new financial year. Given the fluidity of the COVID-19 pandemic, the full impact cannot be ascertained at this juncture. Nevertheless, we remain focused on delivering operational efficiency and enhancing our financial flexibility through prudent capital management. The health and safety of the retail community remain our priority. Since the start of the pandemic, we have stepped up cleaning efforts beyond what is statutorily required to give shoppers, tenants, staff and guests peace of mind when they shop, dine and work at our malls and office properties. New disinfectant systems which utilise advanced ultraviolet technology to disinfect indoor air and difficult to reach surfaces have been deployed at Wisma Atria. We are committed to work with our tenants to navigate this difficult period and to sustain healthy occupancies at our assets.

SGREIT's portfolio is characterised by its quality master retail leases in Singapore and Malaysia which make up about 32.5% of revenue in FY 2019/20. Office portfolio contributed another 13.9% of revenue in FY 2019/20. The weighted average portfolio lease expiry by gross rent stands at 5.6 years as at 30 June 2020 while retail leases expiring in the next financial year ending 30 June 2021 is only 14.0% of gross retail rent. Portfolio occupancy remains resilient at 96.2% as at 30 June 2020.

Acknowledgements

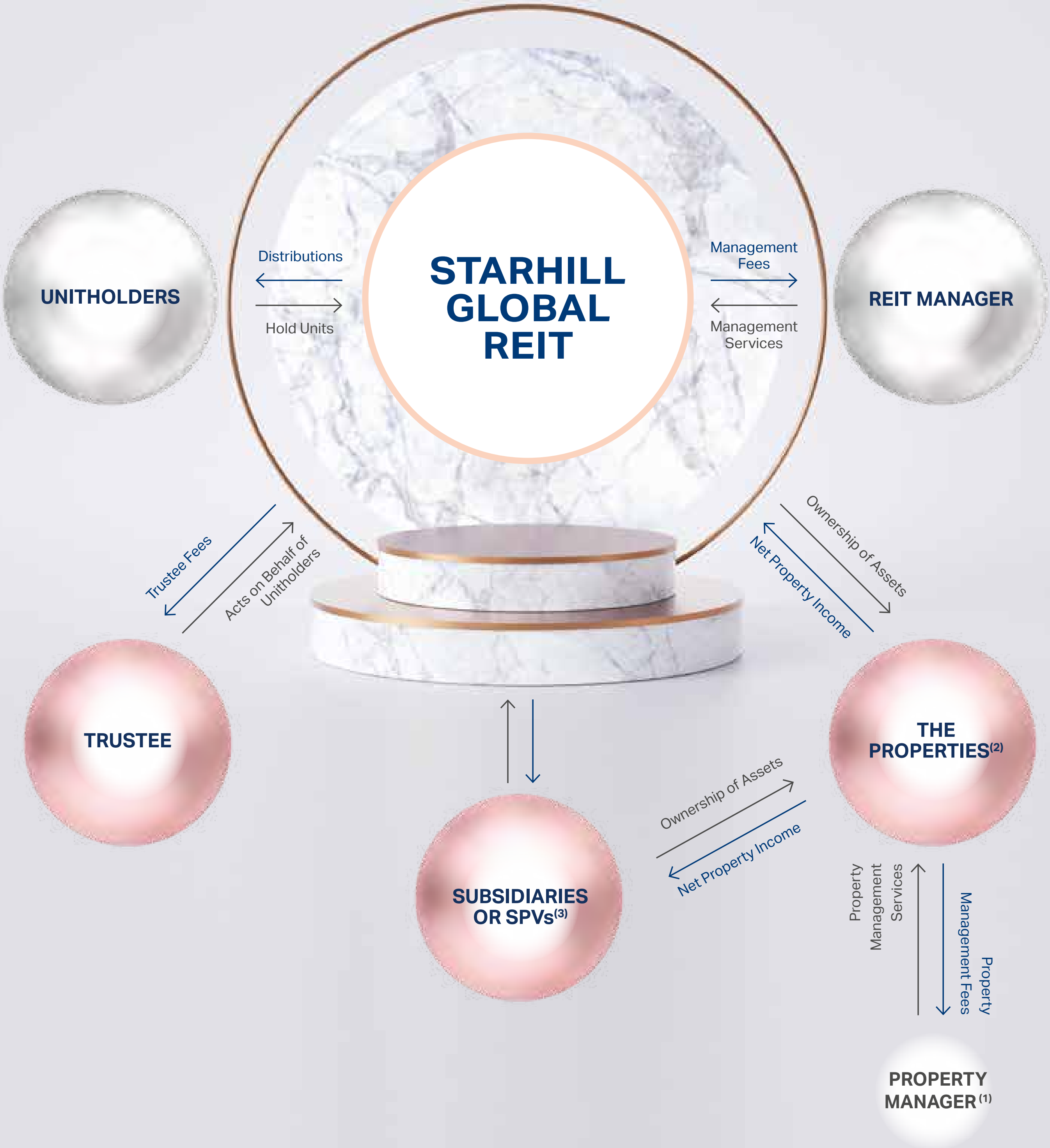
The Board and Management would like to thank our Directors for their invaluable contributions and guidance, our colleagues for their hard work and dedication, and our tenants, business partners and investors for their continued trust and support. We would also like to thank you, our Unitholders, for your support and confidence in SGREIT since listing.

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping
PSM, KBE, CBE, FICE, DPMP, DPMS, SIMP, JP
CHAIRMAN

Mr Ho Sing
CHIEF EXECUTIVE OFFICER
& EXECUTIVE DIRECTOR

28 August 2020

Trust Structure



Notes:

(1) The Property Manager manages the Singapore Properties, namely Wisma Atria Property and Ngee Ann City Property. The overseas properties are mainly managed by external property managers.

(2) The Singapore Properties are held by Starhill Global REIT. The overseas properties are held through its subsidiaries or special purpose vehicles (SPVs).

(3) The net income from overseas properties are largely repatriated to Starhill Global REIT via a combination of trust distributions, dividends, interest, as well as repayment of shareholders' loans and/or redemption of redeemable preference shares.

Board of Directors

TAN SRI DATO' (DR) FRANCIS YEOH SOCK PING
NON-EXECUTIVE CHAIRMAN

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping joined the Board on 31 December 2008. Tan Sri Francis studied at Kingston University in the United Kingdom, where he obtained a Bachelor of Science (Hons) Degree in Civil Engineering and was conferred an Honorary Doctorate of Engineering in 2004. In July 2014, Tan Sri Francis was conferred an Honorary Degree of Doctor of Laws from the University of Nottingham. He became the Managing Director of YTL Corp Berhad Group in 1988, which under his stewardship, has grown from a single listed company into a global integrated infrastructure developer, encompassing multiple listed entities, i.e. YTL Corporation Berhad, YTL Power International Berhad, YTL Hospitality REIT, Malayan Cement Berhad (formerly known as Lafarge Malaysia Berhad) and Starhill Global REIT.

Tan Sri Francis was the Managing Director of YTL Power International Berhad and YTL Land & Development Berhad, all listed on the Main Market of Bursa Malaysia Securities Berhad until 29 June 2018 when he was redesignated as Executive Chairman of these companies. He is also the Executive Chairman of Malayan Cement Berhad (formerly known as Lafarge Malaysia Berhad), which is listed on the Main Market of Bursa Malaysia Securities Berhad. Tan Sri Francis is the Executive Chairman and Managing Director of YTL e-Solutions Berhad. He is also the Executive Chairman of YTL Cement Berhad and Pintar Projek Sdn Bhd, the manager of YTL Hospitality REIT. He is the Chairman of private utilities corporations, Wessex Water Services Limited in England and Wales, and YTL PowerSeraya Pte Limited in Singapore. Tan Sri Francis is also an Independent Non-Executive Director of The Hongkong and Shanghai Banking Corporation Limited, and is a director of YTL Industries Berhad.

Tan Sri Francis is a Founder Member of the Malaysian Business Council and The Capital Markets Advisory Council, member of The Nature Conservancy Asia Pacific Council, and the Asia Business Council, Trustee of the Asia Society and Chairman for South East Asia of the International Friends of the Louvre. He is also a member of the Advisory Council of London Business School, Wharton School and INSEAD. He is the first non-Italian board member of the historic Rome Opera House and helped fund its restoration to keep it from closing. Tan Sri Francis was made a board member of Global Child Forum by His Majesty King Carl XVI Gustaf in May 2016.

Tan Sri Francis was ranked by both Fortune and Businessweek magazines as Asia's 25 Most Powerful and Influential Business Personalities and one of Asia's Top Executives by Asiamoney. He won the inaugural Ernst & Young's Master Entrepreneur in Malaysia in 2002 and was named as Malaysia's CEO of the Year by CNBC Asia Pacific in 2005.

In 2006, Tan Sri Francis was awarded the Commander of the Most Excellent Order of the British Empire (CBE) by Her Majesty Queen Elizabeth II, and in 2019, received Knight Commander of the Order of the British Empire (KBE). Tan Sri Francis received a prestigious professional accolade when made a Fellow of the Institute of Civil Engineers in London in 2008. He was the Primus Inter Pares Honouree of the 2010 Oslo Business for Peace Award, for his advocacy of socially responsible business ethics and practices. The Award was conferred by a panel of Nobel Laureates in Oslo, home of the Nobel Peace Prize. He also received the Corporate Social Responsibility Award at CNBC's 9th Asia Business Leaders Awards 2010. He received the Lifetime Achievement Award for Leadership in Regulated Industries at the 7th World Chinese Economic Summit held in London in 2015. He was also awarded the prestigious Muhammad Ali Celebrity Fight Night Award at the 2016 Celebrity Fight Night in Arizona. In 2017, he was honoured with the Kuala Lumpur Mayor's Award for Outstanding Contribution at the Kuala Lumpur Mayor Tourism Awards. This was in recognition of his efforts in the transformation of Kuala Lumpur into one of the top shopping and tourist destinations in the world. He was named CEO of the Year at the Asian Power Awards in 2017. The Japanese Government bestowed upon him the Order of the Rising Sun, Gold Rays with Rosette, in 2018 and in the same year the Italian government conferred upon him the honour of Grande Officiale of the Order of the Star of Italy.

MR HO SING
EXECUTIVE DIRECTOR

Mr Ho Sing joined the Board on 20 April 2010. He is the Chief Executive Officer of the Manager. He works with the Chairman and the Board in formulating and executing strategies for Starhill Global REIT and is responsible for the day-to-day operations of Starhill Global REIT.

He has over 26 years of leadership and management experience with multinational companies in engineering, medical, infrastructure, and real estate. These included senior positions in the Singapore Technologies Group, Dornier Medical, Sembcorp Industries and Guocoland Limited.

Mr Ho holds a Bachelor of Science degree in Aerospace Engineering from the University of Texas, Austin, USA. He also completed the Stanford Executive Program at Stanford University in 2002.

DATO' YEOH SEOK KIAN
NON-EXECUTIVE DIRECTOR

Dato' Yeoh Seok Kian joined the Board on 31 December 2008. He was appointed as an Executive Director of YTL Corp since 1984 and has been the Deputy Managing Director of YTL Corp until 29 June 2018 when he was redesignated as Managing Director. He graduated from Heriot-Watt University, Edinburgh, United Kingdom in 1981 with a Bachelor of Science (Hons) Degree in Building and was conferred an Honorary Degree of Doctor of the University in 2017. He attended the Advance Management Programme conducted by Wharton Business School, University of Pennsylvania in 1984. Dato' Yeoh is a Fellow of the Faculty of Building, United Kingdom, as well as a Member of the Chartered Institute of Building (UK).

Dato' Yeoh served as Deputy Managing Director of YTL Power International Berhad and Executive Director of YTL Land & Development Berhad, both listed on the Main Market of Bursa Malaysia Securities Berhad until 29 June 2018, when he was redesignated as Managing Director of YTL Land & Development Berhad and Executive Director of YTL Power International Berhad. He is also an Executive Director of Malayan Cement Berhad (formerly known as Lafarge Malaysia Berhad), which is listed on the Main Market of Bursa Malaysia Securities Berhad. Dato' Yeoh also sits on the boards of other public companies such as YTL Cement Berhad, YTL Industries Berhad and The Kuala Lumpur Performing Arts Centre, and private utilities corporations, Wessex Water Limited in England and Wales and YTL PowerSeraya Pte Limited in Singapore. He is also an Executive Director of Pintar Projek Sdn Bhd, the manager of YTL Hospitality REIT.

MR TAN BONG LIN
LEAD INDEPENDENT DIRECTOR

Mr Tan Bong Lin joined the Board on 1 January 2018 and is the Chairman of the Audit Committee. Mr Tan has 27 years of working experience with Wall Street investment banking and brokerage institutions. He served as the Managing Director of Citigroup Global Markets Singapore Pte Ltd from 1991 to 2007. He was also a Member of the Finance Committee of the Singapore Broadcasting Authority from 1997 to 2002.

Mr Tan is a Non-Executive Independent Director of APAC Realty Limited, and is the Non-Executive Chairman and Independent Director of RHT Health Trust Manager Pte Ltd, the manager of RHT Health Trust (which is listed on the Mainboard of SGX-ST).

Mr Tan holds a Bachelor of Accountancy degree from the University of Singapore in 1980.

MR CHING YEW CHYE
INDEPENDENT DIRECTOR

Mr Ching Yew Chye joined the Board on 1 November 2016 and is a member of the Audit Committee. He is a seasoned management and information technology professional. In 1982, he joined Accenture PLC, a global management consulting, technology services and outsourcing company. From 1997 until his retirement in 2007, he assumed various regional senior management roles in Accenture, including Managing Partner of the Financial Services Industry Group-Asia, Geographic Council Chairman-Asia and Managing Partner for South Asia Region. He was a member of the Accenture Global Executive Committee from 2001 to 2004 and served on several committees/task forces to craft Accenture's global strategy.

He is currently an Independent Non-Executive Director of Genting Plantations Berhad and United Overseas Bank (Malaysia) Berhad, and the Independent Non-Executive Chairman of AIA Berhad and AIA General Berhad. Mr Ching holds a Bachelor of Science (Honours) degree in computer science from the University of London, UK.

MR TAN WOON HUM
INDEPENDENT DIRECTOR

Mr Tan Woon Hum joined the Board on 1 August 2017 and is a member of the Audit Committee. He is currently a partner of Shook Lin & Bok LLP, a Singapore law firm, and has been with the firm since December 2003. He graduated from the National University of Singapore with a LLB (Honours) Degree in 1995 and was admitted as an Advocate and Solicitor of the Supreme Court of Singapore in 1996.

Mr Tan obtained his MBA (Finance) from the University of Leicester in 2000. He has been in private legal practice since 1996 and specialises in trust, asset and wealth management. He advises on the establishment of traditional and alternative funds including related licences and exemptions for fund management companies, as well as the establishment and listing of REITs. Mr Tan is also an Independent Non-Executive Director of Ezion Holdings Limited and AP Oil International Limited, companies listed on the Mainboard of SGX-ST, and UTI International (Singapore) Private Limited, a licensed fund manager.

Executive Officers of REIT Manager

MR HO SING
CHIEF EXECUTIVE OFFICER

Mr Ho works with the Chairman and the Board in formulating and executing strategies for Starhill Global REIT. He works closely with other members of the Manager and the Property Manager to ensure these strategies are implemented. He is also responsible for the day-to-day operations of Starhill Global REIT.

He has over 26 years of leadership and management experience with multinational companies in engineering, medical, infrastructure, and real estate. These include senior positions in the Singapore Technologies Group, Dornier Medical, Sembcorp Industries and GuocoLand Limited.

Mr Ho holds a Bachelor of Science degree in Aerospace Engineering from the University of Texas, Austin, USA. He completed the Stanford Executive Program at Stanford University in 2002.

MS ALICE CHEONG
CHIEF FINANCIAL OFFICER

Ms Cheong oversees the finance and accounting, as well as the investor relations and corporate communications functions. Ms Cheong has over 20 years of financial advisory, mergers and acquisitions and corporate finance experience, with over 10 years in the real estate sector.

Prior to joining YTL Starhill Global REIT Management Limited, she was a vice president in MEAG Pacific Star Asia Pte Ltd involved in real estate acquisitions in Asia. Ms Cheong had nine years of investment banking experience with HSBC, NM Rothschild & Sons and Hong Leong Bank in Singapore.

Ms Cheong graduated from Warwick University in the UK with a Bachelor of Science degree in Management Science. She is also a Chartered Financial Analyst (CFA Institute).

MR STEPHEN YEO
SENIOR VICE PRESIDENT
Finance & Accounting

Mr Yeo is responsible for assisting the Chief Financial Officer in the finance and accounting matters of Starhill Global REIT including financial reporting, taxation, treasury, corporate finance and capital management.

He has more than 20 years of experience in finance and accounting, statutory reporting, compliance and tax in Singapore and other regional countries. Prior to joining the Manager, he was the financial controller of Sunshine Holding Limited, a China-based real estate developer listed on the Mainboard of the SGX-ST. He was previously an audit manager with Deloitte & Touche.

Mr Yeo holds a Bachelor of Accountancy degree from Nanyang Technological University in Singapore. He is also a non-practising member of the Institute of Singapore Chartered Accountants.

MR ALVIN TAY
SENIOR VICE PRESIDENT
Asset Management

Mr Tay is responsible for the management of the REIT's portfolio. Prior to joining the Manager in 2018, Mr Tay spent 11 years with the Mapletree Group where he held various investment and asset management positions at Mapletree Industrial Fund and Mapletree Industrial Trust Management Ltd. He was responsible for evaluating and executing real estate investments in various countries, as well as formulating and executing business plans and asset enhancement initiatives, among others. From 2006 to 2007, he was with DTZ Debenham Tie Leung where he was with the forecasting team, carrying out econometric modelling and consultancy work. He started his career with the Singapore Land Authority in 2003.

Mr Tay has a Bachelor of Social Sciences (Honours) degree in Economics from the National University of Singapore.

MS CLARE KOH
SENIOR VICE PRESIDENT
Head of Investments

Ms Koh has more than 15 years of experience in corporate finance, advisory and mergers and acquisitions (M&A). Ms Koh is responsible for the sourcing, structuring and execution of acquisitions and disposals for Starhill Global REIT. She was involved in Starhill Global REIT's IPO and its acquisitions in Japan, Australia and Malaysia, and Japan disposals.

Prior to joining the Manager, she was with MEAG Pacific Star Asia Pte Ltd's investments team, and spent four years with HSBC investment bank in the execution of regional M&A and advisory transactions.

Ms Koh holds a Bachelor of Commerce degree from the University of Western Australia.

MR LAM CHEE KIN
SENIOR VICE PRESIDENT
Legal & Compliance and Company Secretary

Mr Lam is responsible for legal, compliance and company secretarial matters of the Manager and Starhill Global REIT. He has more than 20 years of experience in in-house legal counsel roles within SGX-ST listed companies and REITs. His broad experience includes corporate commercial matters in various industries including real estate, cross-border acquisitions and divestments as well as financing and regulatory compliance.

Mr Lam holds a Bachelor of Law (Honours) degree from the National University of Singapore.

MR JONATHAN KUAH
SENIOR VICE PRESIDENT
Head of Investor Relations & Corporate Planning

Mr Kuah is responsible for strategic communication with Unitholders, potential investors, analysts and media as well as corporate planning. He has over 20 years of experience in the financial industry, including over 10 years in the real estate industry.

Prior to joining the Manager, he spent five years with CapitaLand Limited as Vice President of Investor Relations. Mr Kuah also held corporate banking positions at HSBC and Crédit Agricole Corporate & Investment Bank as well as investment analyst positions at various brokerages.

Mr Kuah holds a Bachelor of Science degree in Business Administration (Finance) from California State University, Long Beach, USA.

Executive Officers of Property Manager

MS ONG MEI-LYNN
GENERAL MANAGER

Ms Ong is responsible for the overall property management of Wisma Atria Property and Ngee Ann City Property, including leasing, marketing, property operations, finance and human resources. She has more than 10 years of asset management, leasing and business development experience at property funds and developers in the Asia-Pacific region. Her property experience covers the retail, office and industrial segments in Singapore, Malaysia, China, Japan and Australia. Prior to this, she was Head of Asset Management at YTL Starhill Global REIT Management Limited, where she was responsible for the management of the REIT's portfolio. Ms Ong's experience includes asset management of logistics assets under Mapletree Logistics Trust, as well as leasing head managing commercial assets under the United Engineers group.

She holds a Bachelor of Arts degree from the National University of Singapore and a Master of Business Administration from Imperial College, London.

MS SANDRA LEE
SENIOR VICE PRESIDENT
Human Resource & Administration

Ms Lee is responsible for the full gamut of human resource management and office administration functions, including staffing, compensation and benefits, employee engagement and providing both strategic and tactical execution of all HR related programmes. She has over 20 years of HR and administration experience in real estate and related industries. Prior to this, she was HR and Administration Manager for Al Khaleej Investments (S) Pte Ltd (former owners of Wisma Atria and Forum The Shopping Mall) from 1987 to 2002 where she was involved in organisation change management and integration activities.

Ms Lee holds a Bachelor of Business degree (major in Human Resource Management) from RMIT University, Australia and a Diploma in Management Studies from the Singapore Institute of Management.

MS JENNIFER LU
VICE PRESIDENT
Finance

Ms Lu is responsible for finance, accounting and tax functions. She has more than 19 years of experience in accounting and financial analysis across several industries. She was with the media industry for six years prior to joining the Far East Organization accounts department for the hospitality and food and beverage sectors.

Ms Lu holds a double degree – Bachelor in Business (Accounting) and Bachelor in Business (Management) from Monash University, Melbourne, Australia. She is a Chartered Accountant of Singapore, a full member of CPA Australia, an Accredited Tax Practitioner (ATP) (Provisional – GST) and ATP (Income Tax).

MR TAN HOW SONG

VICE PRESIDENT
Property Operations

Mr Tan is responsible for the building operations of the Wisma Atria Property and the Ngee Ann City Property. Mr Tan has more than 10 years of experience in the property management industry. He was a project manager at Orchard Square Development Corporation (OSDC), a joint developer of Ngee Ann City, from 1997 to 2003, before joining the Property Manager. Prior to OSDC, he was the project manager managing construction activities, addition & alteration works and maintenance programmes at Metrobilt Construction, Kmart Singapore and Omni Marco Polo Hotel Singapore.

Mr Tan holds a Bachelor of Science degree in Facilities Management from Heriot-Watt University, Edinburgh, United Kingdom.

MS JENNY SOH

VICE PRESIDENT
Leasing

Ms Soh leads the leasing and tenant management of Wisma Atria Property and Ngee Ann City Property. Prior to this, she was the Assistant Vice President of the group leasing team in Frasers Property. She has over 13 years of experience in retail consultancy, strategic lease planning, budgeting, leasing negotiations and lease management for new developments and revamped malls islandwide. She started her retail leasing career in Knight Frank and her last position was Marketing Manager.

Ms Soh holds a Bachelor of Real Estate in Property Management from National University of Singapore and a Graduate Diploma in Marketing from Marketing Institute of Singapore.

MS SHARON LEE

ASSISTANT VICE PRESIDENT
Marketing

Ms Lee is responsible for developing retail marketing strategies, planning marketing campaigns and loyalty programmes to increase shopper traffic, create brand awareness and drive sales for tenants at Wisma Atria Property and Ngee Ann City Property. Ms Lee has accumulated more than 13 years of experience in the retail industry and prior to that, she was in the food and beverage industry for seven years.

She holds a Bachelor of Business & Management Studies (Marketing Specialisation) (Hons.) from the University of Bradford, United Kingdom.

Property Highlights

Name	Address	Description	NLA (sq ft) (30 Jun 2020)	Title	Number of Tenants (30 Jun 2020)
Wisma Atria Property	435 Orchard Road, Singapore 238877	257 strata lots in Wisma Atria representing 74.23% of the total share value of the strata lots in Wisma Atria	Retail: 126,251 Office: 98,889	Leasehold estate of 99 years, expiring on 31 March 2061	119
Ngee Ann City Property	391/391B Orchard Road, Singapore 238874	Four strata lots in Ngee Ann City representing 27.23% of the total share value of the strata lots in Ngee Ann City	Retail: 255,021[2] Office: 140,147	Leasehold estate of 69 years, expiring on 31 March 2072	54
Myer Centre Adelaide[3]	14-38 Rundle Mall, Adelaide, Australia	An eight-storey retail centre, with three office buildings and four basement levels	Retail: 513,742[4] Office: 98,088	Freehold	92
David Jones Building[6]	622-648 Hay Street Mall, Perth, Australia	Four-storey heritage-listed building for retail use	259,093 (GLA)	Freehold	7
Plaza Arcade[7]	650 Hay Street Mall & 185-191 Murray Street Mall, Perth, Australia	Three-storey heritage-listed building for retail use	36,933 (GLA)	Freehold	14
The Starhill (formerly known as Starhill Gallery)[8]	181 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia	Formerly a shopping centre comprising part of a seven-storey building with five basements and a 12-storey annex building with three basements. Post-asset enhancement, the mall will be an integrated development with four lower floors of retail and three upper floors of hospitality use	333,289[9][11][12]	Freehold	1
Lot 10 Property[8]	50 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia	137 strata parcels and two accessory parcels within Lot 10 shopping centre	254,163[10][12]	Leasehold estate of 99 years, expiring on 29 July 2076	1
China Property[15]	19, 4th Section, Renminnan Road, Chengdu, Sichuan, China	A four-storey plus mezzanine level retail building forming part of a mixed use commercial development	100,854 (GFA)	Leasehold estate, expiring on 27 December 2035	1
Ebisu Fort[17]	1-24-2 Ebisu-Minami, Shibuya-ku, Tokyo, Japan	Seven-storey building for retail and office use	18,816[10]	Freehold	6
Daikanyama[17]	1-31-12 Ebisu-Nishi, Shibuya-ku, Tokyo, Japan	Three-storey building for retail and office use	8,087[10]	Freehold	5

Notes:
(1) Based on commenced leases as at the reporting date.
(2) Includes 225,969 sq ft of gross lettable area leased to Toshin Development Singapore Pte. Ltd. on a master tenant basis.
(3) Myer Centre Adelaide was acquired on 18 May 2015. Based on the exchange rate of A$0.95:S$1.00 at acquisition.
(4) Excludes approximately 100,000 sq ft of unactivated vacant area in the retail centre on level 4 and level 5.
(5) Based on the exchange rate of A$1.04:S$1.00 as at 30 June 2020.
(6) David Jones Building was acquired on 20 January 2010. Based on the exchange rate of A$0.79:S$1.00 at acquisition.
(7) Plaza Arcade was acquired on 1 March 2013. Based on the exchange rate of A$0.79:S$1.00 at acquisition.
(8) Lot 10 Property and Starhill Gallery were acquired on 28 June 2010. Based on the exchange rate of RM2.32:S$1.00 at acquisition.
(9) Upon completion of asset enhancement works on The Starhill, the revamped retail mall will include hotel rooms on the upper three levels.
(10) Largely retail with some office component.

Purchase Price (S$ million)	Valuation 30 Jun 2020 (S$ million)	Occupancy Rate 30 Jun 2020 (Actual)[1]	Occupancy Rate 30 Jun 2019 (Actual)[1]	Major Tenants and Brands	Revenue FY 2019/20 (S$ million)	Revenue FY 2018/19 (S$ million)	NPI FY 2019/20 (S$ million)	NPI FY 2018/19 (S$ million)
663.0	**932.0**	Retail: 96.7% Office: 90.7%	Retail: 99.6% Office: 89.3%	COACH, Tory Burch, TAG Heuer, Emperor Watch & Jewellery (Singapore) Pte. Ltd., Food Republic, Charles & Keith	**55.8**	61.8	**42.6**	46.8
640.0	**1,130.0**	Retail: 100.0% Office: 85.4%	Retail: 99.3% Office: 95.9%	Toshin Development Singapore Pte. Ltd. (master tenant), DBS Treasures Centre	**58.8**	65.3	**47.2**	53.4
303.1[3]	**216.4[5]**	Retail: 92.4% Office: 94.6%	Retail: 93.6% Office: 75.2%	Myer Pty Ltd, Daiso, LUSH, Jamaica Blue, Sunglass Hut, Rebel, Lincraft	**29.4**	31.3	**12.8**	17.5
145.7[6]	**137.4[5]**	99.3%	98.9%	David Jones, Superdry, LUSH, Pandora, The Body Shop, Lorna Jane	**11.2**	11.9	**7.8**	9.6
61.0[7]	**40.8[5]**	86.1%	86.9%	UNIQLO, Surf Dive 'n Ski, Outback Red	**2.6**	3.0	**0.7**	1.2
271.3[8]	**245.2[13]**	100%	100%	Katagreen Development Sdn. Bhd. (master tenant)	**7.9[14]**	17.4	**7.4[14]**	16.9
173.0[8]	**148.0[13]**	100%	100%	Katagreen Development Sdn. Bhd. (master tenant)	**10.4**	10.8	**10.0**	10.4
70.6[15]	**28.5[16]**	100%	100%	Markor International Home Furnishings Co., Ltd., Chengdu Zongbei Store	**1.6**	1.8	**1.3**	1.3
71.3[17]	**45.3[18]**	100%	100%	Style Create, Plug-In, Wano KK, Family Mart. Sakura-saku KK, Prime Three	**2.2**	2.1	**1.7**	1.7
22.8[17]	**16.5[18]**	100%	100%	Good Design Company, Zwiesel, Mizutani Bicycle, Humans Brain, NAKD gym	**0.9**	0.8	**0.6**	0.6

[11] New NLA upon completion of asset enhancement works on The Starhill under the new master tenancy agreements, subject to relevant authorities' approvals.
[12] Under a master tenancy agreement with Katagreen Development Sdn. Bhd.
[13] Based on the exchange rate of RM3.07:S$1.00 as at 30 June 2020.
[14] The lower revenue and NPI were mainly due to the rental rebate extended to the master tenant during the asset enhancement of The Starhill, which is partially mitigated by the Manager receiving part of its base management fees in units.
[15] The China Property was acquired on 28 August 2007. Based on the exchange rate of RMB4.96:S$1.00 at acquisition.
[16] Based on the exchange rate of RMB5.06:S$1.00 as at 30 June 2020. The value is reflected as S$28.5 million for rounding purposes.
[17] Daikanyama was acquired on 30 May 2007 while Ebisu Fort was acquired on 26 September 2007. Based on the exchange rate of JPY79.97:S$1.00 at acquisition.
[18] Based on the exchange rate of JPY77.18:S$1.00 as at 30 June 2020.

Property Portfolio Summary

Starhill Global REIT's portfolio comprises 10 mid-to high-end retail properties located in six key cities in five countries across the Asia-Pacific region. These properties are strategically located in good to prime locations. The resilience of the portfolio is demonstrated by high occupancies since listing in 2005.

TOP 10 TENANTS

Tenant Name	Property	% of Total Portfolio Gross Rent[1][2]
Toshin Development Singapore Pte. Ltd.	Ngee Ann City Property, Singapore	22.1%
YTL Group[3]	Ngee Ann City Property & Wisma Atria Property, Singapore, The Starhill & Lot 10 Property, Malaysia	15.2%
Myer Pty Ltd	Myer Centre Adelaide, Australia	7.0%
David Jones Pty Limited	David Jones Building, Australia	4.6%
BreadTalk Group	Wisma Atria Property, Singapore	2.2%
Coach Singapore Pte. Ltd.	Wisma Atria Property, Singapore	1.6%
LVMH Group	Wisma Atria Property, Singapore	1.5%
Tory Burch Singapore Pte. Ltd.	Wisma Atria Property, Singapore	1.3%
Charles & Keith Group	Wisma Atria Property, Singapore	1.3%
Emperor Watch & Jewellery	Wisma Atria Property, Singapore	1.1%

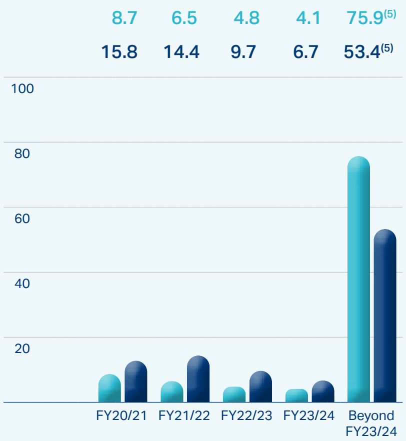
Notes:

(1) As at 30 June 2020.

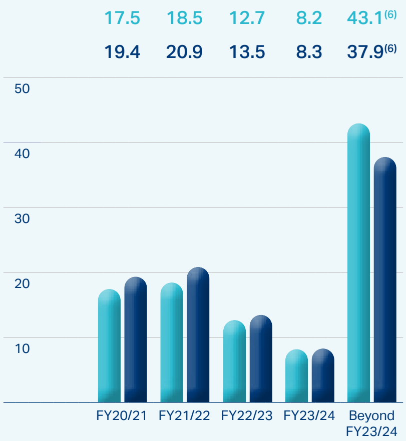
(2) The total portfolio gross rent is based on the gross rent of all the properties.

(3) Consists of Katagreen Development Sdn. Bhd., YTL Singapore Pte. Ltd., YTL Hotel (Singapore) Pte. Ltd., YTL Starhill Global REIT Management Limited and YTL Starhill Global Property Management Pte. Ltd.

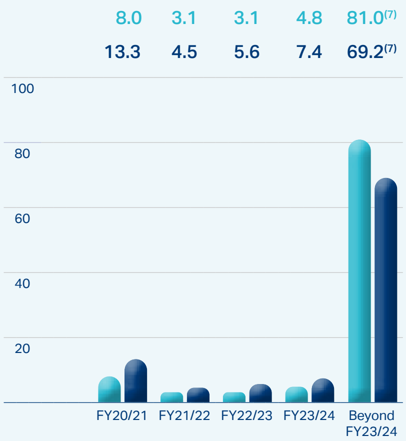
PORTFOLIO LEASE EXPIRY[1][2][3][4]
(As at 30 Jun 2020) (%)



SINGAPORE PORTFOLIO LEASE EXPIRY[1][2]
(As at 30 Jun 2020) (%)



AUSTRALIA PORTFOLIO LEASE EXPIRY[1][2]
(As at 30 Jun 2020) (%)



● By NLA ● By Gross Rent

Notes:

(1) Lease expiry schedule based on commenced leases as at 30 June 2020.

(2) Excludes tenants' option to renew or pre-terminate.

(3) Portfolio lease expiry schedule includes all of SGREIT's properties.

(4) Assuming that the option to renew for the third three-year term for Lot 10 Property is exercised.

(5) Includes the Toshin master lease, master tenancy agreements for Malaysia Properties and the anchor leases in Australia and China.

(6) Includes Toshin master lease that expires in 2025 and provides for a review of the rental rate every three years during its term.

(7) Includes anchor leases with David Jones Pty Limited and Myer Pty Ltd which are subject to periodic rent reviews and expire in 2032.

Diversified Retail and Office Portfolio

Singapore is Starhill Global REIT's largest revenue contributor at 63.4% in FY 2019/20. Australia is the second largest revenue contributor at 23.9%, followed by Malaysia at 10.1%. China and Japan accounted for the remaining 2.6% of revenue in FY 2019/20. The retail and office components contributed 86.1% and 13.9% of the Portfolio's FY 2019/20 revenue respectively.

As at 30 June 2020, the top 10 tenants of the Portfolio contributed 57.9% of the Portfolio's gross rent. The top four tenants were mainly master or anchor leases, namely Toshin Development Singapore Pte. Ltd. (Toshin), YTL Group, Myer Pty Ltd and David Jones Pty Limited, accounting for 22.1%, 15.2%, 7.0% and 4.6% of the Portfolio's gross rent respectively. No other tenant accounted for more than 3% of the Portfolio's gross rent.

Stable Lease Profile

Master leases and anchor leases provide rental income stability with potential upside. Collectively, the master leases and anchor leases for the Group accounted for approximately 49.5% of the Portfolio's gross rent as at 30 June 2020. The Manager actively manages the remaining leases of the Portfolio, which are on a short-to medium-term basis.

Toshin's lease at Ngee Ann City Property expiring in June 2025 incorporates a rent review every three years. The base rent for Toshin master lease remains unchanged following the last review in June 2019. The next review is due in June 2022.

The Malaysia Properties are under master leases which were renewed in FY 2018/19. The master tenancy agreements (MTAs) are with the same master tenant Katagreen Development Sdn. Bhd., an indirect wholly-owned subsidiary of YTL Corporation Berhad. The MTAs include a condition for Asset Enhancement Works ("AEW") on The Starhill. The MTAs has long lease tenures of approximately 19.5 years and nine years[1] for The Starhill and Lot 10 Property respectively with built-in periodic rent step-ups, providing income visibility and rent growth. Please see the section on Business Review of Malaysia Properties on pages 46 to 49 for further details.

The David Jones Building in Perth, Australia, has a long-term lease with anchor tenant David Jones Pty Limited expiring in 2032 with upward-only rent reviews every three years. In August 2020, a lease review with David Jones secured a 6.12% rental uplift for the next three years. Myer department store has a long-term anchor tenant lease at Myer Centre Adelaide expiring in 2032 which provides for an annual rent review.

As at 30 June 2020, the weighted average lease term expiry of the Portfolio is 8.7[1][2][3][4] years and 5.6[1][2][3][4] years by NLA and gross rent respectively. The weighted average lease term expiry by gross rent for new leases commenced in FY 2019/20 is 3.0[2][3][4] years. The proportion of gross rent attributed to these leases is approximately 10.8% of the Portfolio's monthly gross rental income as at 30 June 2020, excluding retail turnover rent.

For the Singapore Properties, besides the Toshin master lease, earnings are derived from retail leases in Wisma Atria Property and Ngee Ann City Property Level 5, as well as office leases which are generally contracted for a three-year period. The Japan Properties, specialty retail units in the David Jones Building and Plaza Arcade in Perth, as well as Myer Centre Adelaide in Adelaide generally have tenancies with three- to five-year lease terms. For the China Property, its sole tenant is Markor International Home Furnishings Co. Ltd., Chengdu Zongbei Store, one of China's largest furniture retailers.

Resilient Retail Occupancy

The Singapore Properties consist of both retail and office spaces and enjoy a combined occupancy of 94.6%[3] as at 30 June 2020. The retail portfolio in Singapore sustained a high occupancy of 98.9%[3] as at 30 June 2020.

In FY 2019/20, Wisma Atria Property saw tenant sales decline 17.6% y-o-y to S$154.9 million. It attracted a lower shopper traffic of 16.6 million mainly due to Circuit Breaker measures and travel restrictions. The focus of landlords has switched to maintaining occupancy levels. The retail market is likely to see a prolonged slowdown as local mobility may continue to be subjected to safe distancing measures[5]. Demand for retail space in tourist-centric areas is expected to be more susceptible to a global economic slowdown[5].

Resilient Office Portfolio

For FY 2019/20, the overall office portfolio revenue and NPI declined 5.7% and 5.6% y-o-y respectively. Office portfolio occupancy rose to 89.6%[3] as at 30 June 2020 from 87.9%[3] a year ago, as office occupancy at our Adelaide asset rose to 94.6%[3] as at 30 June 2020 from 75.2% a year ago. In Singapore, the office portfolio registered a lower combined occupancy of 87.6%[3] as at 30 June 2020, versus 93.2%[3] as at 30 June 2019. On a committed basis, the occupancy for the total office portfolio fell marginally to 91.6%[6] as at 30 June 2020 compared to 91.9%[6] as at 30 June 2019.

While most companies in the immediate term are likely to put relocation and expansion plans on hold and renew their leases amid the current pandemic and economic crisis, demand could in the mid-term derive from companies less affected by the crisis, taking the opportunity to relocate to quality space should rents fall to opportunistic levels[7].

As for the office sector in Australia, the weaker demand due to the COVID-19 pandemic has resulted in decreases in net effective rents (NER) for the majority of markets[8]. Most markets managed to avoid decreases in face rents (NFR) as landlords offered higher incentives rather than cutting NFR[8]. These falls are unlikely to see any reversal in the latter part of the year as economic uncertainty is expected to persist, particularly in the light of the recent emergence of a second wave of infections in Victoria and New South Wales[8].

Impact from COVID-19 pandemic

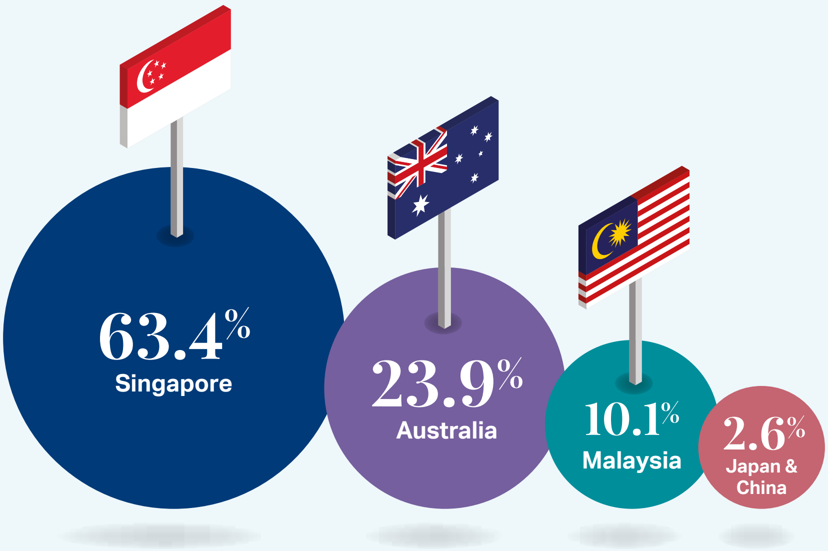
The unprecedented COVID-19 pandemic in 2020 has created significant uncertainty in the global economic prospects and adversely impacted many industries worldwide including the retail sector and the Group's operating performance.

Notes:

(1) Assuming that the option to renew for the third three-year term for Lot 10 Property is exercised.
(2) Excludes tenants' option to renew or pre-terminate.
(3) Based on commenced leases as at the reporting date.
(4) Portfolio lease expiry schedule includes all of SGREIT's properties.
(5) Savills Research Asia, Market in Minutes, Singapore Retail May 2020, 5 May 2020.
(6) Based on committed leases as at the reporting date.
(7) Knight Frank, Singapore Research, Office, Q1 2020.
(8) CBRE Research, Australia Office MarketView, Q2 2020.

Property Portfolio Summary

GROSS REVENUE BY COUNTRY
(For FY 2019/20)



GROSS REVENUE BY RETAIL AND OFFICE
(For FY 2019/20)

RETAIL 86.1%

OFFICE 13.9%

PORTFOLIO TRADE MIX
By Gross Rental Contribution
(As at 30 Jun 2020)

MASTER LEASES & ANCHOR LEASES 49.5%	OFFICE 13.4%
FASHION 8.3%	FOOD & BEVERAGE 7.8%
HEALTH & BEAUTY 6.3%	SHOES & ACCESSORIES 5.1%
JEWELLERY & WATCHES 4.2%	GENERAL TRADE 2.8%
SERVICES 1.6%	OTHERS 1.0%

Globally, many governments have implemented measures to contain the spread. Our assets in Singapore and Malaysia have encountered movement restriction orders while retail tenants in Australia, China and Japan were impacted by stricter social distancing measures and lower tourist arrivals. To help our tenants mitigate business disruption, financial assistance were extended to most of them across our assets in SGREIT's portfolio.

Asset Enhancement Initiatives

The newly-renovated spaces in our assets in Australia and Malaysia are now livelier. Global apparel retailer UNIQLO opened its first store in Perth at Plaza Arcade in August 2018 as the anchor tenant. In FY 2019/20, the mall completed aesthetic asset enhancement works which included upgrading of common areas such as the ceiling, signage and lighting of the arcade and service laneway. Completed at the end of 2019, the upgrades have lifted the vibrancy of the arcade with better lighting that enhances the shopping atmosphere with a modern touch. In addition, a new greenery-inspired mural artwork along the laneway and a new entrance signage have drawn shoppers and pedestrians into the laneway and the arcade.

In Malaysia, Lot 10 Property was redeveloped in 2017, which has resulted in a refreshed positioning for the mall. Following the success of Lot 10 Property's rejuvenation, we have embarked on another major asset enhancement initiative, this time for The Starhill.

Asset Enhancement Works for The Starhill

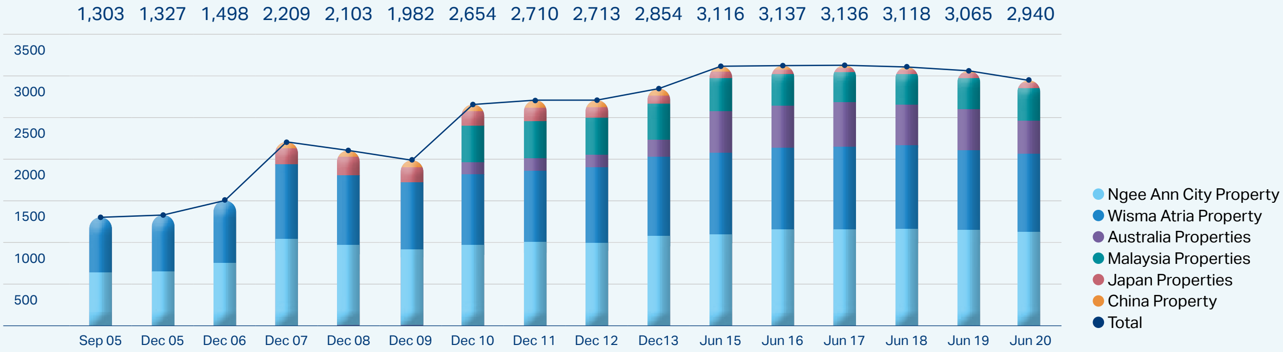
As a condition of the MTA for The Starhill, the AEW on The Starhill is being carried out at a cost of RM175 million (approximately S$57.5 million)[1], with the AEW expected to be completed at the end of 2021.

The AEW are timely as the last major renovation was in 2005, with a facelift in 2011. The Starhill is being revamped for it to stay at the forefront of a challenging retail landscape and to capitalise on the renewed vibrancy of the prime shopping stretch of Kuala Lumpur.

The conversion of the mall into an integrated development with hotel and retail elements, which is in line with global trends, will enable The Starhill to leverage on the hotel's guests to increase footfall to the retail component of the refurbished

S$1,637M
UPLIFT SINCE IPO

PORTFOLIO VALUATION
(S$ million)



PORTFOLIO VALUATION

Description	30 Jun 2020 (S$ million)	30 Jun 2019 (S$ million)	Change (S$ million)	Change (%)
Ngee Ann City Property	1,130.0	1,138.0	(8.0)	(0.7%)
Wisma Atria Property	932.0	978.0	(46.0)	(4.7%)
Australia Properties[1]	394.6	489.8	(95.2)	(19.4%)
Malaysia Properties[2]	393.2	370.8	22.4	6.0%
Japan Properties[3]	61.8	59.9	1.9	3.1%
China Property[4]	28.5	28.4	0.1	0.3%
	2,940.1[5]	**3,064.9**	**(124.8)**	**(4.1%)**

Notes:
(1) Australia Properties (David Jones Building and Plaza Arcade) in Perth and (Myer Centre Adelaide) in Adelaide translated as at 30 June 2020 at A$1.04:S$1.00 (2019: A$1.05:S$1.00).
(2) Malaysia Properties (The Starhill and Lot 10 Property) in Kuala Lumpur translated as at 30 June 2020 at RM3.07:S$1.00 (2019: RM3.06:S$1.00).
(3) Japan Properties in Tokyo translated as at 30 June 2020 at JPY77.18:S$1.00 (2019: JPY79.58:S$1.00).
(4) China Property in Chengdu translated as at 30 June 2020 at RMB5.06:S$1.00 (2019: RMB5.08:S$1.00). The value is reflected as S$28.5 million for rounding purposes.
(5) Following the adoption of FRS 116 effective from 1 July 2019, the total investment properties, including the right-of-use assets, is approximately S$2,941.3 million as at 30 June 2020.

The Starhill. The AEW permit Starhill Global REIT to deploy incremental capital into an existing high quality but aging asset, with certainty of return provided by the MTAs. Please see the section on Business Review of Malaysia Properties on pages 46 to 49 for further details.

Portfolio Asset Valuation

Starhill Global REIT's investment properties have been assessed by independent valuers at S$2,940.1 million (excluding right-of-use assets) as at 30 June 2020 (2019: S$3,064.9 million).

The y-o-y movement was largely attributed to downward revaluation mainly for the Australia Properties and Wisma Atria Property, and partially offset by net movement in foreign currencies. The decline in valuation was largely due to lower passing and market rents in view of the softer retail outlook as a result of the COVID-19 pandemic.

In foreign currency terms, the Singapore Properties, Australia Properties and the Lot 10 Property registered a lower aggregate value which was partially offset by an increase in value by The Starhill.

As at 30 June 2020, the combined valuation of the Wisma Atria Property and the Ngee Ann City Property, which comprises approximately 70.1% of the portfolio value, decreased by 2.6% to S$2,062.0 million, largely due to the challenging retail conditions in Singapore. The office components for the Singapore Properties registered a milder decrease in values.

The combined valuation of the Australia Properties was S$394.6 million (A$412.1 million), decreasing by S$95.2 million from that as at 30 June 2019 mainly due to lower reversionary rents assumed across Myer Centre Adelaide, David Jones Building and Plaza Arcade compared to its valuation as at 30 June 2019.

The Malaysia Properties were valued at S$393.2 million (RM1,206.5 million), an increase of S$22.4 million compared to 30 June 2019. In ringgit terms, valuation grew by 6.4% compared to 30 June 2019 mainly driven by the capital expenditure incurred for the AEW for The Starhill.

The Japan Properties were valued at S$61.8 million (JPY4,770.0 million), an increase of S$1.9 million from the previous valuation as at 30 June 2019 mainly due to the compression of capitalisation rate and discount rate and appreciation of the Japanese yen.

The valuation of the China Property increased S$0.1 million compared to that as at 30 June 2019 mainly due to the appreciation of the Chinese renminbi. As at 30 June 2020, the valuation of the China Property was S$28.5 million[2] (RMB144.0 million).

Notes:
(1) Based on an exchange rate of RM3.04 to S$1.00 as per the Circular to Unitholders dated 25 April 2019.
(2) The value is reflected as S$28.5 million for rounding purposes.

Singapore Properties

Centrally located in the prime stretch of Orchard Road precinct, the Properties have excellent connectivity to transportation hubs.

The Singapore Properties comprise distinctive and vibrant shopping malls strategically located in the prime stretch of Orchard Road, one of the world's leading retail destinations. With the best high-end and affordable fashion brands, Singapore is a popular tourist destination and in 2019 was ranked fifth most visited global destination out of 200 cities[(1)]. With an average spend of US$272 per day by international overnight visitors, Singapore is among the global top four cities by dollars spent[(1)].

Wisma Atria Property and Ngee Ann City Property enjoy prime Orchard Road street frontage of 190 metres and house a wide offering of international luxury brands such as Chanel, Coach, Louis Vuitton, Rolex and Tory Burch. Both malls benefit from high tourist traffic along Orchard Road, attributed to the robust tourism sector in Singapore which saw 19.1 million international visitor arrivals in 2019, a rise of 3.3% y-o-y[(2)]. In 2019, tourism receipts reached S$27.7 billion, a growth of 2.8% y-o-y[(2)]. However, due to the COVID-19 pandemic, international visitor arrivals fell 71.4% y-o-y to 2.7 million visitors in the first half of 2020[(3)].

Singapore welcomed

19.1M

INTERNATIONAL VISITORS

in 2019

SINGAPORE IS RANKED

5th

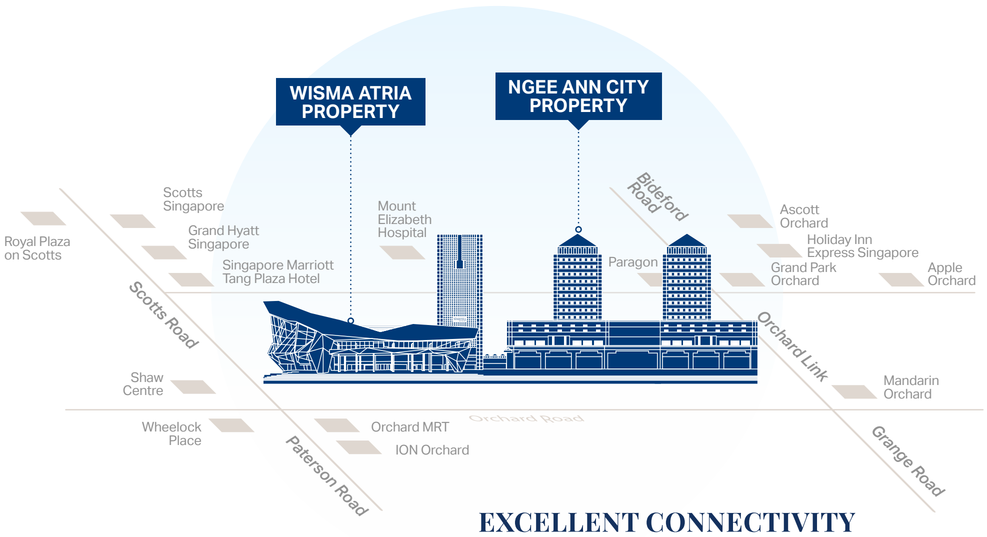
most visited Global Destination City

With an average spend of

US$272

PER DAY BY INTERNATIONAL OVERNIGHT VISITORS,

Singapore is among the global top four cities by dollars spent



EXCELLENT CONNECTIVITY AND ACCESSIBILITY

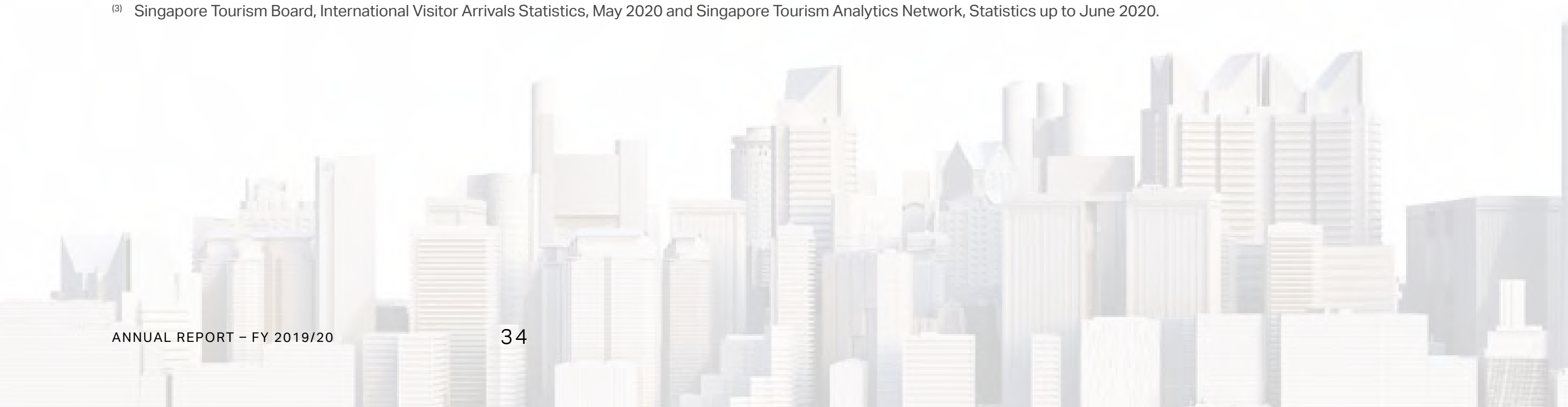
Wisma Atria has direct basement access to Orchard MRT Station, at the heart of the shopping belt.

Notes:

(1) Mastercard, Global Destination Cities Index 2019.

(2) Singapore Tourism Board, Tourism Sector Performance, Q4 2019 report.

(3) Singapore Tourism Board, International Visitor Arrivals Statistics, May 2020 and Singapore Tourism Analytics Network, Statistics up to June 2020.



WISMA ATRIA PROPERTY

The Wisma Atria Property comprises 257 strata lots representing 74.23% of the total share value of strata lots in Wisma Atria. These strata lots represent retail areas (excluding the space owned by Isetan and common area property) and the office tower.

ADDRESS:
435 Orchard Road,
Singapore 238877

VISIT:
www.wismaonline.com

74.23%
TOTAL SHARE VALUE OF STRATA LOTS
in Wisma Atria

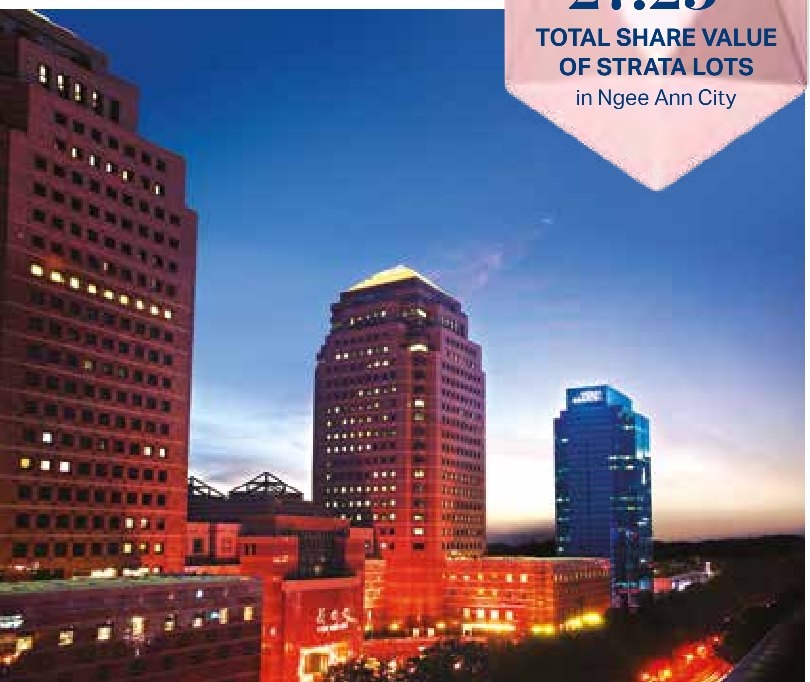
NGEE ANN CITY PROPERTY

Ngee Ann City Property consists of four strata lots representing 27.23% of the total share value of strata lots in Ngee Ann City. These lots include retail and office spaces.

ADDRESS:
391/391B Orchard Road,
Singapore 238874

VISIT:
www.ngeeanncity.com.sg

27.23%
TOTAL SHARE VALUE OF STRATA LOTS
in Ngee Ann City



Singapore Properties

WISMA ATRIA PROPERTY

Strategic Location along Orchard Road
Strategically located along the prime stretch of Orchard Road between ION Orchard and Ngee Ann City, Wisma Atria enjoys more than 100 metres of prime street frontage and has an established following among locals and tourists. It comprises a retail podium with four levels and one basement, three levels of carpark space and an office tower with 13 levels of office space. The mall enjoys excellent connectivity given its Orchard Road frontage, an underground pedestrian linkway which connects Wisma Atria to Orchard MRT Station and Ngee Ann City, as well as its close proximity to the new Orchard MRT Station along the upcoming Thomson-East Coast Line.

Differentiated Tenant Mix with Experiential Elements
The Wisma Atria Property benefits from a diversified tenant base from various sectors. Wisma Atria is home to the flagship stores of international retailers including Coach, Emperor Watch & Jewellery, Mauboussin and TAG Heuer. It also houses the first Tory Burch boutique in Singapore. Its mid-to-upscale positioning attracts fashion brands such as Cotton On, Forever New, Lacoste and Seafolly, as well as local labels such as Charles & Keith and Pedro. Complementing the shopping experience is a wide range of beauty and wellness stores including LUSH, The Face Shop and The Body Shop.

The mall serves a myriad of food and beverage options including Paradise Dynasty's flagship restaurant with a customised menu and Burger+ with its fresh concept of premium quality fusion dining at fast-food prices. Paris Baguette is an example of Wisma Atria's successful incubation of a food & beverage chain as Paris Baguette's store in Wisma Atria was its first outlet in Singapore before its expansion into a household name today. Beside these popular eateries, Wisma Atria also houses favourites such as Ben's Cookies, Famous Amos, Garrett Popcorn, Llao Llao, Fruce, Krispy Kreme, Starbucks, Din Tai Fung and Food Republic with its mouth-watering local delights.

In FY 2019/20, Wisma Atria has seen the opening of several new and exciting stores as it evolves with consumer preference for a more differentiated mix with experiential elements. Among others, the mall welcomed Singapore's leading sneaker boutique Limited EDT, Japan bridal rings boutique Venus Tears and optical prescription eyewear chain Lenskart. Food and beverage outlets like coffee joint The Coffee Bean & Tea Leaf, artisanal dessert café Bakerzin and new concept IRVINS Messy Kitchen by tourist favourite IRVINS Salted Egg, have also commenced trading in the financial year.

WISMA ATRIA PROPERTY

STRATA LOTS

257
strata lots representing 74.23% of the total share value in Wisma Atria

TENURE

99 YRS
Leasehold estate
(Expiring on 31 Mar 2061)

TOTAL NET LETTABLE AREA
(As at 30 Jun 2020)

225,140 SQ FT

RETAIL 126,251 sq ft
OFFICE 98,889 sq ft

RETAIL & OFFICE MIX
By Gross Revenue
(FY 2019/20)

RETAIL 83.3%
OFFICE 16.7%

NUMBER OF TENANTS
(As at 30 Jun 2020)

119

PURCHASE PRICE

S$663.0M

MARKET VALUATION
(As at 30 Jun 2020)

S$932.0M

OCCUPANCY RATE[1]
(As at 30 Jun 2020)

RETAIL 96.7%
OFFICE 90.7%

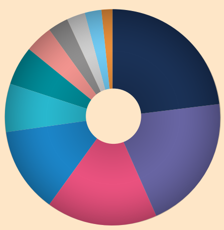
(As at 30 Jun 2019)

RETAIL 99.6%
OFFICE 89.3%

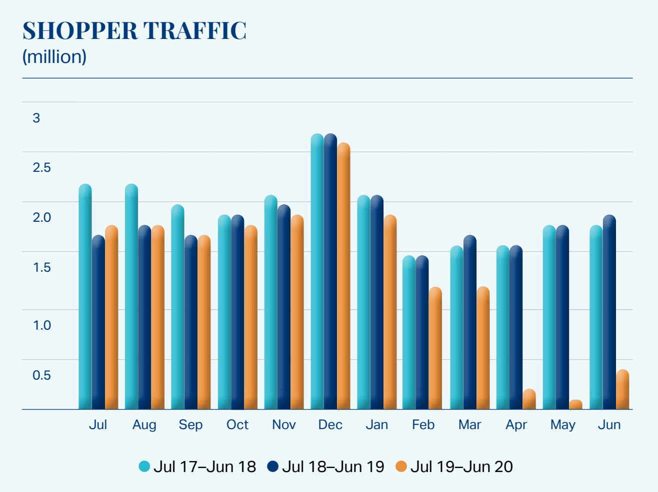
RETAIL TRADE MIX
By Gross Rental Contribution
(As at 30 Jun 2020)

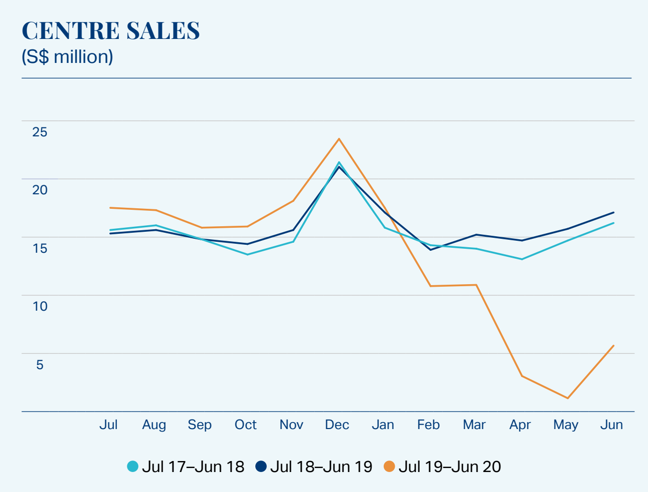
FOOD & BEVERAGE 25.3%
FASHION 25.2%
SHOES & ACCESSORIES 18.7%
JEWELLERY & WATCHES 13.4%
HEALTH & BEAUTY 10.9%
GENERAL TRADE 6.5%

OFFICE TRADE MIX
By Gross Rental Contribution
(As at 30 Jun 2020)



Real Estate and Property Services	23.1%
Retail	20.5%
Medical	16.6%
Trading	12.7%
Others	7.2%
Consultancy/Services	5.9%
Government Related	4.1%
Banking and Financial Services	3.1%
InformationTechnology	2.8%
Aerospace	2.6%
Beauty/Health	1.4%





As at 30 June 2020, Wisma Atria Property (Retail) enjoyed an occupancy of 96.7%. Tenant sales for FY 2019/20 fell 17.6% to S$154.9 million with shopper traffic down to 16.6 million due to the impact of COVID-19 related safe distancing measures, Circuit Breaker measures and travel restrictions. The Wisma Atria Property's office tower attracts tenants from the fashion retail and services sector due to its proximity to the retail stores and boutiques along Orchard Road. Among these tenants are Ermenegildo Zegna, L'Occitane, Longchamp and Valentino. Besides the prestigious Orchard Road address and direct access to Orchard MRT Station, tenants also enjoy amenities such as gyms, F&B outlets and healthcare providers. As at 30 June 2020, Wisma Atria Property (Office) was 90.7% occupied.

For FY 2019/20, retail tenants contributed 83.3% of gross revenue of Wisma Atria Property while office tenants contributed 16.7%.

Advertising and Promotions

Wisma Atria rolled out a series of promotions and events during the year to encourage repeat visits and increase customer spending. Wisma Atria co-organised the Bicentennial National Day Bears Exhibition, held from 8-18 August 2019 in partnership with The HEART Enterprise, to support the creativity and talent of children with autism. The exhibition, which was officiated by the then Senior Minister of State for the Ministry of Communications and Information & Ministry of Culture, Community and Youth, Ms Sim Ann, showcased 54 hand-sewn fabric bears to commemorate Singapore's Bicentennial, and Singapore's 54th National Day. Funds raised from the exhibition through an online auction went towards the development of the Community Village SG, which provides inclusive help to the special needs and disabled community in Singapore.

In September, Wisma Atria was the venue sponsor for a social media contest where members of the public won exclusive invites to a meet-and-greet with McLaren Formula 1™ driver, Lando Norris. Members of the public were invited to take a photograph of themselves with the McLaren 720S sports car on display at Wisma Atria's outdoor event space. Besides that, exclusive McLaren merchandise were also up for grabs in a simulated racing contest in September 2019. Wisma Atria hosted the first public appearance of Mediacorp's Star Search 2019 Top 12 finalists on 19 October 2019. The meet-and-greet session was also attended by veteran artistes and Star Search alumni Desmond Tan, Felicia Chin, Zhang Yao Dong, Rayson Tan, Aileen Tan and Jeffrey Xu.

During the year-end festive season, Wisma Atria was decked out in fairytale-inspired Christmas decorations made from recycled materials. Shoppers were enchanted by well-loved stories about Thumbelina and Little Red Riding Hood. The main Christmas tree was constructed with plywood and adorned with Christmas ornaments made of recycled paper. Together with a lighted 'Once Upon A Time' storybook installation and a pop-out castle, the mall decoration, which was up in November and December 2019, was featured in the national broadsheet newspaper The Straits Times, Visit Singapore's Instagram, as well as travel blogs. These installations created photo taking opportunities for shoppers, who posted their creative photos on Instagram for a chance to win vouchers or premiums like mugs and tote bags. The Christmas wrapping paper, which was distributed via the mall's spend-and-redeem tiers, were printed on paper made from 80% recycled material and 20% pure elemental chlorine free fiber.

In March 2020, Wisma Atria also sponsored space for an art exhibition by the Band of Doodlers and the National Arts Council Singapore. The Character Clash exhibition showcased original characters designed by young artists and a 'live' character design competition was also held.

Note:

[1] Based on commenced leases as at the reporting date.

NGEE ANN CITY PROPERTY

STRATA LOTS

4
strata lots representing 27.23% of the total share value in Ngee Ann City

TENURE

69 YRS
Leasehold estate
(Expiring on 31 Mar 2072)

TOTAL NET LETTABLE AREA
(As at 30 Jun 2020)

395,168 SQ FT

RETAIL	OFFICE
255,021 sq ft	140,147 sq ft

RETAIL & OFFICE MIX
By Gross Revenue
(FY 2019/20)

RETAIL	OFFICE
78.4%	21.6%

NUMBER OF TENANTS
(As at 30 Jun 2020)

54
(including a master tenant)

PURCHASE PRICE

S$640.0M

MARKET VALUATION
(As at 30 Jun 2020)

S$1,130.0M

OCCUPANCY RATE(1)
(As at 30 Jun 2020)

RETAIL	OFFICE
100%	85.4%

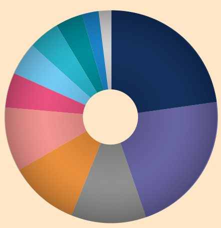
(As at 30 Jun 2019)

RETAIL	OFFICE
99.3%	95.9%

RETAIL TRADE MIX
By Gross Rental Contribution
(As at 30 Jun 2020)

TOSHIN	87.1%
HEALTH & BEAUTY	9.9%
SERVICES	2.5%
GENERAL TRADE	0.5%

OFFICE TRADE MIX
By Gross Rental Contribution
(As at 30 Jun 2020)



Real Estate and Property Services	23.0%
Retail	21.9%
Banking and Financial Services	11.3%
Beauty/Health	10.7%
Petroleum Related	9.5%
Medical	5.5%
Aerospace	4.8%
Others	4.7%
Consultancy/Services	4.2%
Trading	2.5%
Information Technology	1.9%

Singapore Properties

NGEE ANN CITY PROPERTY

Iconic Mall along Orchard Road
Located on the prime stretch of bustling Orchard Road, Ngee Ann City is easily accessible to locals and tourists. It enjoys connectivity to Orchard MRT Station through the underground pedestrian linkway from Wisma Atria and other parts of Orchard Road through the underpasses. Ngee Ann City is also one of the largest malls along Orchard Road and offers a comprehensive range of retail offerings, making it the mall of choice on Orchard Road.

Ngee Ann City Property consists of four strata lots representing 27.23% of the total share value of strata lots in Ngee Ann City. These lots include retail and office spaces in Tower B. As at 30 June 2020, Ngee Ann City Property (Retail) was 100.0% occupied and Ngee Ann City Property (Office) was 85.4% occupied.

Distinctive Landmark Property
The distinctive architecture of Ngee Ann City makes it one of the most prominent landmarks along Orchard Road. Ngee Ann City comprises a podium with five levels and two basement levels of retail space, and three levels of car parking space. Its twin towers host 18 levels of office space each. Home to many international brands, Ngee Ann City's upscale positioning has attracted luxury labels such as Chanel, Goyard, Louis Vuitton and Piaget, as well as contemporary labels including lululemon, M.A.C and Zara. With its iconic retailers and dining options, Ngee Ann City attracts discerning shoppers, families as well as tourists and business travellers from neighbouring hotels.

Tenant Mix
For FY 2019/20, 78.4% of the Ngee Ann City Property's gross revenue was from retail tenants and 21.6% from office tenants.

Retail Tenant Mix
The top contributors to Ngee Ann City Property's retail gross rent are Toshin and DBS Bank. Toshin occupies all retail areas in Ngee Ann City Property except Level 5, which is actively managed by the Manager. As at 30 June 2020, Toshin accounted for 87.1% of the gross rent of the Ngee Ann City Property (Retail). Toshin is a wholly-owned subsidiary of Toshin Development Co., Ltd., which is in turn wholly-owned by Takashimaya Company Limited, listed on the Tokyo Stock Exchange. The Toshin lease, which expires in 2025, has periodic rent reviews while ensuring income stability and potentially mitigating fluctuations in the retail market with a downside rent protection. The base rent for the Toshin master

lease remains unchanged following the last review in June 2019.

The Manager actively manages the beauty and wellness cluster on Level 5, constantly rejuvenating the tenant mix with complementary offerings, such as the DBS Treasures Centre. Beauty and wellness tenants include New York Skin Solutions, London Weight Management, Shunji Matsuo Hair Studio and TK TrichoKare.

Office Tenant Mix

Real Estate and Property Services, Retail and Banking and Financial Services are the top three trade sectors contributing to the Ngee Ann City Property's office gross rent.

Advertising and Promotions

Ngee Ann City's large outdoor semi-circular Civic Plaza[2] is a popular venue for many prestigious events including concerts, fairs, product launches, road shows, fashion showcases, carnivals and lifestyle launches. Ngee Ann City's large event hall, Takashimaya Square[2], is also a popular venue for regular bazaars and events.

NGEE ANN CITY PROPERTY (RETAIL) WAS

100%

OCCUPIED

as at 30 Jun 2020

NGEE ANN CITY PROPERTY'S

upscale positioning has attracted luxury labels such as

CHANEL, GOYARD, AND LOUIS VUITTON,

amongst others

Notes:

(1) Based on commenced leases as at the reporting date.

(2) SGREIT does not own these areas.

Australia Properties

Our stable of properties in Australia is strategically located along the pedestrian streets in the cities of Adelaide and Perth.

Myer Centre Adelaide, David Jones Building and Plaza Arcade have the common attribute of being uniquely located along the prime pedestrian streets, namely Rundle Mall retail precinct in Adelaide as well as Murray Street Mall and Hay Street Mall retail precincts in Perth respectively. The assets are within close proximity to transportation nodes in the cities. These generate consistent shopper traffic flow to our properties and make them the preferred destinations for locals and tourists.

ADELAIDE

Myer Centre Adelaide is the largest shopping mall in the city centre, and is anchored by the Myer department store. It is located on the prime retail stretch of Rundle Mall – the city's only retail pedestrian street.

Rundle Mall
– Adelaide's Prime Shopping Precinct

Being one of Australia's first pedestrian street malls, Rundle Mall is an icon in the city of Adelaide, and the precinct is a compelling retail destination. The retail strip houses over 700 retailers and 300 tenants offering various services. It attracts more than 400,000 locals and tourists to the mall every week to shop, dine and play[1]. Rundle Mall is located close to the Adelaide Railway Station and in close proximity to cultural highlights such as the Adelaide Oval, The Adelaide Central Markets and numerous galleries and museums.

Note:
[1] Rundle Mall's website.

PERTH

The Perth Properties - David Jones Building and Plaza Arcade - are located in Perth's city centre. Both properties enjoy dual frontage to the bustling Murray Street Mall and Hay Street Mall, the only two retail pedestrian streets in the city.

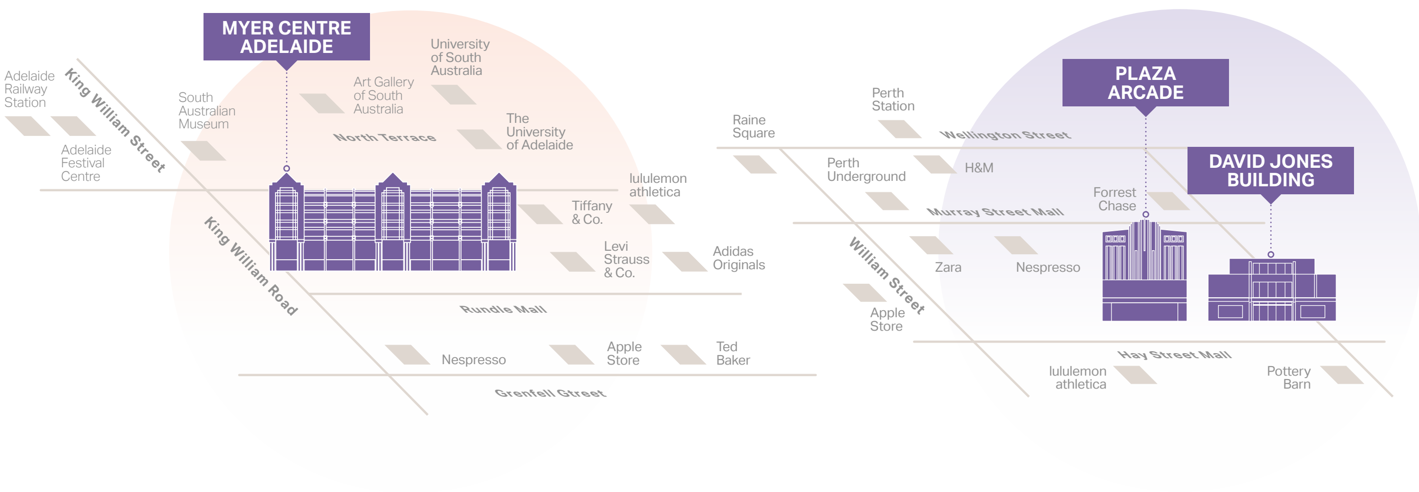
David Jones Building and Plaza Arcade
– In the Heart of Perth's City Centre

Situated in the heart of Perth's city centre, David Jones Building and Plaza Arcade are well-placed to capitalise on pedestrian traffic from the Perth Busport and train station as well as the William Street walkway link to the Perth Cultural Centre. Perth's city centre hosts international retailers including TAG Heuer, JD Sports, Louis Vuitton, Kailis Jewellery and Tiffany & Co. which have established their stores along the city's most popular shopping precincts.

Global apparel retailer UNIQLO opened its first store in Perth at Plaza Arcade in August 2018. As the mall's anchor tenant, the international brand enhanced the positioning of Plaza Arcade amidst major redevelopments at Raine Square and Forrest Chase, as well as ongoing upgrading works to Piccadilly Arcade and planned redevelopment works at Carillion City.

MYER CENTRE ADELAIDE
is the
LARGEST SHOPPING MALL
in the city centre and is located on the prime retail stretch of Rundle Mall - the city's only retail pedestrian street

PLAZA ARCADE
houses
UNIQLO'S FIRST STORE
in Perth



MYER CENTRE ADELAIDE

Eight-storey retail centre, with three office buildings and four basement levels.

ADDRESS:
14-38 Rundle Mall,
Adelaide, Australia

VISIT:
www.myercentreadelaideshopping.com.au

PLAZA ARCADE

A three-storey heritage-listed retail building located next to the David Jones Building.

ADDRESS:
650 Hay Street Mall &
185-191 Murray Street Mall,
Perth, Australia

VISIT:
www.plazaarcade.com.au

DAVID JONES BUILDING

Four-storey heritage-listed building for retail use.

ADDRESS:
622-648 Hay Street Mall,
Perth, Australia

VISIT:
www.starhillglobalreit.com/david-jones-building.html

Australia Properties

MYER CENTRE ADELAIDE

Largest Shopping Mall in Adelaide's City Centre
Myer Centre Adelaide is a prominent landmark and the largest shopping centre located in the heart of Adelaide's city centre. Popular with locals and tourists, the centre is located along the city's prime retail precinct, Rundle Mall. Myer Centre Adelaide is within walking distance to the Riverbank Entertainment Precinct, which includes the Adelaide Festival Centre and the Adelaide Oval multi-sports stadium, and also in close proximity to universities, hostels, art galleries, museums and a casino. The property is surrounded by offices in the city centre. Anchored by the largest Myer department store in South Australia, the 513,742 sq ft[1] retail centre houses 73 other retail tenants. An all-encompassing retail experience, the retail centre is home to international retailers including Daiso, LUSH, Jamaica Blue and Sunglass Hut, as well as national labels such as Rebel, Perfect Potion, Platypus Shoes, Secrets Shhh, Lincraft, Kaisercraft and ToyWorld.

Myer Centre Adelaide (Retail)
Complementing the retail experience, Myer Centre Adelaide provides a wide range of dining options with cafes and a 600-seat lower ground food court – the largest in Adelaide's city centre – serving fast food and international cuisines. The property comprises an eight-storey retail centre with four basement levels of car parking space, and an office component which includes a six-storey office tower above the retail centre and two heritage buildings.

Completed in 1991, the property went through a major A$35 million asset enhancement in 2013 and 2014 which included the refurbishment of the five-storey Myer department store. The Myer department store occupies approximately 53.0% of Myer Centre Adelaide's NLA. It accounts for 58.2% of the gross rent for Myer Centre Adelaide (Retail) as at 30 June 2020. It is also Starhill Global REIT's third largest tenant, contributing approximately 7.0% of portfolio gross rent as at 30 June 2020. Its long-term lease in the property, which expires in 2032, provides for an annual rent review.

Most of the remaining leases at the property incorporate annual upward-only rent reviews. As at 30 June 2020, the actual occupancy rate for Myer Centre Adelaide (Retail) was 92.4%[2].

MYER CENTRE ADELAIDE

8-STOREY
retail centre, with three office buildings and four basement levels

TENURE
FREEHOLD

TOTAL NET LETTABLE AREA
(As at 30 Jun 2020)
611,830 SQ FT[1]

RETAIL	OFFICE
513,742 sq ft	98,088 sq ft

RETAIL & OFFICE MIX
By Gross Revenue
(FY 2019/20)

RETAIL	OFFICE
89.8%	10.2%

NUMBER OF TENANTS
(As at 30 Jun 2020)
92
(including an anchor tenant)

PURCHASE PRICE
S$303.1M

MARKET VALUATION
(As at 30 Jun 2020)
S$216.4M

OCCUPANCY RATE[2]
(As at 30 Jun 2020)

RETAIL	OFFICE
92.4%	94.6%

(As at 30 Jun 2019)

RETAIL	OFFICE
93.6%	75.2%

RETAIL TRADE MIX
By Gross Rental Contribution
(As at 30 Jun 2020)

MYER	58.2%
FOOD & BEVERAGE	10.9%
GENERAL TRADE	7.1%
FASHION	8.5%
JEWELLERY & WATCHES	4.4%
HEALTH & BEAUTY	4.4%
SHOES & ACCESSORIES	2.6%
SERVICES	2.5%
OTHERS	1.4%

1

2

3

As the impacts of COVID-19 are realised, store network rationalisation will be a key trend, as retailers consolidate to prime brick and mortar locations and bolster their online platforms[3]. New supply and expansions to add significant floor space will likely be on hold during this period, particularly if requiring finance and investor support[3].

Myer Centre Adelaide (Office)
The office component of Myer Centre Adelaide includes Terrace Towers, a six-storey 81,117 sq ft office tower above the retail centre and two heritage buildings (Shell House and Goldsbrough House). The actual occupancy rate for Myer Centre Adelaide (Office) was 94.6%[2] as at 30 June 2020.

The Adelaide central business district (CBD) vacancy rate has been falling consistently over the past three years[4]. However, in the six months to January 2020, the Adelaide CBD vacancy rate increased by 1.2% to 14.0%[4]. Adelaide CBD recorded a net supply of 20,572 sq m in the six months to January 2020, approximately 3.6 times above the 25-year average, making it the strongest net supply since 2013[4]. However, investor demand remains strong as Adelaide continues to be viewed as an attractive value proposition with average prime yields firmer than those being achieved in South Australia[4].

The total revenue from office leases contributed approximately 10.2% of Myer Centre Adelaide's revenue in FY 2019/20.

MYER CENTRE ADELAIDE (RETAIL) was
92.4%
OCCUPIED
as at 30 Jun 2020

MYER CENTRE ADELAIDE
is home to international retailers including
DAISO, LUSH, JAMAICA BLUE,
as well as national labels such as
REBEL, PERFECT POTION AND KAISERCRAFT.

1. Australia-based Kaisercraft carries a range of stationery, gifts, homewares and arts and craft supplies. It has a global wholesale customer base and a rapidly growing retail presence within Australia.
2. Perfect Potion, a leading manufacturer of natural, organic, cruelty-free skincare and aromatherapy products, appeals to the health-conscious shopper.
3. One of the newest food retailers at Myer Centre Adelaide, Billy's Lane, is a hub of four popular eateries: Gelina Milk Bar, Little Pot, Bao and Boneshaker.

Notes:
(1) Excludes approximately 100,000 sq ft of unactivated vacant area on the highest two floors of the retail centre as at 30 June 2020.
(2) Based on commenced leases as at the reporting date.
(3) CBRE Research, Australia Retail MarketView, Q2 2020.
(4) Knight Frank Research, Adelaide CBD, Office Market Overview, March 2020.

Australia Properties

DAVID JONES BUILDING

Centrally located in Perth's prime retail stretch, the David Jones Building sits on a freehold site of approximately 71,473 sq ft in the Perth CBD in Australia. It enjoys dual frontage to the bustling Murray Street Mall and Hay Street Mall, the only two retail pedestrian streets in the city.

The property is a few minutes' walk from the Perth central train station. The building is also linked seamlessly to another major shopping centre via a covered walkway. The four-storey property, which has heritage-listed components (including a building constructed circa 1910 that was formerly the Savoy Hotel), is anchored by the upmarket David Jones department store and houses six other tenancies.

As at 30 June 2020, the property's occupancy was 99.3%. David Jones Pty Limited, which has a long-term lease in the building until 2032, occupies approximately 95.1% of the total gross lettable area. It accounts for 79.3% of the gross rent for David Jones Building as at 30 June 2020. David Jones is a leading premium retailer across the country and is owned by South African retail group Woolworths Holdings Limited. The long-term lease with David Jones Pty Limited provides stable income, with the benefit of an upward-only rent review every three years. In August 2020, there was a rental uplift of 6.12% for the David Jones lease. Besides David Jones, six tenancies occupy a gross lettable area of about 10,759 sq ft and comprise international and national brands such as Lorna Jane, LUSH, Pandora and Superdry. Most of these leases also incorporate annual upward-only rent reviews.

DAVID JONES BUILDING

HERITAGE-LISTED BUILDING

4-STOREY
building for retail use

TENURE

FREEHOLD

TOTAL GROSS LETTABLE AREA
(As at 30 Jun 2020)

259,093 SQ FT

OCCUPANCY RATE[1]
(As at 30 Jun 2020)

RETAIL
99.3%

(As at 30 Jun 2019)

RETAIL
98.9%

NUMBER OF TENANTS
(As at 30 Jun 2020)

7
(including an anchor tenant)

PURCHASE PRICE

S$145.7M

MARKET VALUATION
(As at 30 Jun 2020)

S$137.4M

RETAIL TRADE MIX
By Gross Rental Contribution
(As at 30 Jun 2020)

DAVID JONES
79.3%

FASHION
8.4%

HEALTH & BEAUTY
8.1%

JEWELLERY & WATCHES
4.2%

Note:
(1) Based on commenced leases as at the reporting date.

PLAZA ARCADE

Located next to the David Jones Building, Plaza Arcade is in the heart of the city centre and sits on a freehold site of approximately 27,523 sq ft. The property is one of two main thoroughfares with entrances at both Hay and Murray Street Malls and comprises a three-storey heritage-listed retail building with 14 tenancies. The property has a GLA of approximately 36,933 sq ft and was 86.1% occupied as at 30 June 2020.

The tenant mix is diversified, comprising fashion, food & beverage and services. Most leases at the property enjoy rental upside from an annual upward-only rent review. In 2017, the Murray Street Mall end of Plaza Arcade underwent an asset redevelopment to create additional retail space on the upper floor and a revamped façade. The asset redevelopment was completed in August 2018, featuring the new international tenant UNIQLO's first store in Perth. This complements Perth city centre's revitalised retail offerings, which include a H&M city store and the Forrest Chase and Raine Square redevelopments which have been completed. Together with UNIQLO, these developments will transform the area into a vibrant retail hub in the heart of the city.

Plaza Arcade Laneway Upgrade

In 2019, the mall's interior underwent aesthetic enhancement works, such as a new ceiling, better lighting and enhanced tenancy and wayfinding signages. The laneway beside the mall was also rejuvenated with a greenery-inspired mural artwork and a new entrance signage.

With most states having begun loosening restrictions from May after containing the spread of COVID-19, consumer confidence is slowly returning[2]. Foot traffic has returned in major centres, especially in Western Australia, South Australia and Queensland, where containment of the pandemic spread has been particularly successful[2].

However, the anticipation of a second wave of infections throughout the winter months, combined with less hours worked and higher job losses are expected to put the reins on discretionary retail spending[3].

PLAZA ARCADE

HERITAGE-LISTED RETAIL BUILDING

3-STOREY

building next to the David Jones Building. The property is anchored by international tenant UNIQLO and specialty tenants.

TENURE

FREEHOLD

TOTAL GROSS LETTABLE AREA
(As at 30 Jun 2020)

36,933 SQ FT

OCCUPANCY RATE[1]
(As at 30 Jun 2020)

RETAIL
86.1%

(As at 30 Jun 2019)

RETAIL
86.9%

NUMBER OF TENANTS
(As at 30 Jun 2020)

14
(including an anchor tenant)

PURCHASE PRICE

S$61.0M

MARKET VALUATION
(As at 30 Jun 2020)

S$40.8M

RETAIL TRADE MIX
By Gross Rental Contribution
(As at 30 Jun 2020)

UNIQLO	56.5%
FASHION	23.2%
SERVICES	6.3%
FOOD & BEVERAGE	5.8%
GENERAL TRADE	5.5%
JEWELLERY & WATCHES	2.7%

Notes:
(1) Based on commenced leases as at the reporting date.
(2) CBRE Research, Australia Retail MarketView, Q2 2020.
(3) Colliers International, Research & Forecast Report, Australia Retail, First Half 2020.

Malaysia Properties

The Starhill and Lot 10 Property are strategically situated in the vibrant Bukit Bintang district, one of Kuala Lumpur's premier shopping districts and home to prestigious international hotels, prime office buildings and shopping complexes.

The Starhill and Lot 10 Property – In The Heart Of Bukit Bintang

The Malaysia Properties comprise distinctive and vibrant shopping malls strategically located in Bukit Bintang, Kuala Lumpur's premier shopping and entertainment district with many prestigious international hotels, prime office buildings and shopping complexes. Kuala Lumpur was ranked 6th Most Visited City in the World in MasterCard's Global Destinations Cities Index for 2019, with 13.8 million international visitors.

The Starhill features a high-profile tenant base with international designer labels and luxury watch and jewellery brands. Lot 10 offers young and trendy urbanites a wide range of fashion, dining and entertainment offerings. Lot 10 is located next to the Bukit Bintang monorail station, with the H&M store directly connected to the station via a platform. The new Bukit Bintang MRT Station along the Kajang Line (previously known as Sungai Buloh-Kajang Line) have been in operation for more than two years, connecting residents in the Greater Kuala Lumpur and Klang Valley region to the city. An exit from the MRT station is located at the doorstep of Lot 10, providing commuters greater accessibility to the mall and The Starhill.

Master Tenancy Agreements Provide Income Visibility

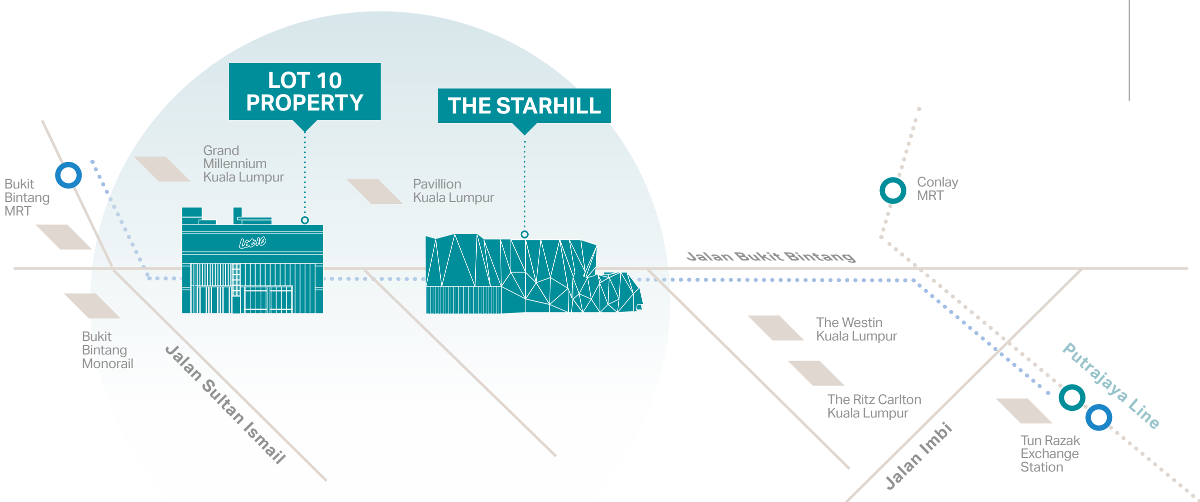
The Malaysia Properties are under master leases with Katagreen Development Sdn. Bhd., an indirect wholly-owned subsidiary of YTL Corporation Berhad. These master leases have been replaced with new MTAs in June 2019 and include a condition of AEW on The Starhill.

The tenures for the MTAs are approximately 19.5 years and nine years[(1)] for The Starhill and Lot 10 Property respectively from June 2019, providing income visibility and stability. The payment obligations of the master tenant under the MTAs are guaranteed by our sponsor YTL Corporation Berhad which has a credit rating of AA1/Stable by RAM Rating Services Berhad.

The MTA for The Starhill has a longer lease tenure than the MTA for Lot 10 Property to, among other rationales, allow a return of the capital invested in the AEW. The long tenures also allow Starhill Global REIT to maintain its balanced portfolio of long- and short-term leases, while ensuring full occupancy for the Malaysia Properties over a significant period of time. Besides that, the MTAs have built-in periodic rent step-ups which provide rent growth.

Kuala Lumpur was ranked **6th MOST VISITED CITY IN THE WORLD** in MasterCard's Global Destinations Cities Index for 2019

THE MALAYSIA PROPERTIES are under long-term master tenancy agreements of approximately 19.5 years and nine years[(1)] for **THE STARHILL AND LOT 10 PROPERTY** respectively from June 2019, and have built-in periodic rent step-ups, providing income visibility and stability as well as rent growth.



Notes:

(1) Assuming that the option to renew is exercised for the third three-year term for Lot 10 Property.

(2) Market Study Report issued by Nawawi Tie Leung Property Consultants Sdn. Bhd..

(3) Mass Rapid Transit Corporation Sdn. Bhd.'s website (https://www.mymrt.com.my/public/putrajaya-line/).

The MTAs, together with the AEW, are timely as these come at a time when competition in mid- to high-end retail in Kuala Lumpur is likely to intensify. The retail supply within a 10-kilometre radius from the Malaysia Properties is expected to increase by approximately 31% over a five-year period by 2023[2]. As a key shopping destination in Kuala Lumpur, Bukit Bintang continues to transform with improving accessibility.

THE STARHILL

Formerly a shopping centre comprising part of a seven-storey building with five basements and a 12-storey annex building with three basements. Post-asset enhancement, the mall will be an integrated development with four lower floors of retail and three upper floors of hospitality use.

ADDRESS:
181 Jalan Bukit Bintang,
55100 Kuala Lumpur,
Malaysia

VISIT:
www.thestarhill.com.my

> "The Starhill is currently undergoing asset enhancement to transform into an integrated development comprising four retail floors and upper three floors of hospitality use as an extension of the adjoining JW Marriott Hotel Kuala Lumpur."

Several large-scale projects with integrated retail concepts in Bukit Bintang due by 2023[2] would further entrench its position as the prime retail shopping precinct in Kuala Lumpur. The presence of new and existing international hotels is expected to strengthen Bukit Bintang's draw for both leisure and business travelers, thus growing the hospitality scene in the area.

LOT 10 PROPERTY

Eight-storey building with a basement and lower ground floor for retail use, and a seven-storey annex building (excludes Isetan).

ADDRESS:
50 Jalan Sultan Ismail,
50250 Kuala Lumpur,
Malaysia

VISIT:
www.lot10.com.my

The upcoming Putrajaya Line (previously known as Sungai Buloh-Serdang-Putrajaya Line) expected to be operational under Phase Two in January 2023 will have two stations located in the vicinity of the Malaysia Properties. One of the stations will be an interchange station, making it easier for commuters to transfer from the Putrajaya Line to existing and future rail lines, including the future Kuala Lumpur-Singapore High Speed Rail[3]. The new MRT line is expected to serve a population of approximately two million people stretching from Kwasa Damansara, a new township development in northwest Kuala Lumpur and its southern suburbs, to Malaysia's federal administrative centre Putrajaya[3]. Such infrastructure developments improve linkages between the city centre and suburban areas, stimulating inward movements[2].

Malaysia Properties

THE STARHILL

Luxury Retail and Lifestyle Destination

The Starhill sits on a freehold site connected to two luxury hotels: JW Marriott Hotel Kuala Lumpur and The Ritz Carlton Kuala Lumpur. Envisioned to be a luxury retail and lifestyle destination for shoppers, The Starhill is currently undergoing asset enhancements to transform into a mixed-use retail and hospitality experience.

The new integrated development will comprise four retail floors and three upper floors for hospitality use. The revamped mall will house a wide range of luxury fashion and lifestyle offerings, attracting discerning tourists and shoppers.

Asset Enhancement Works for The Starhill

As a condition to the MTA for The Starhill, the master tenant will undertake AEW on The Starhill at a cost of RM175 million, or approximately S$57.5 million[4], for a period of approximately two years. The Manager intends to finance the cost of the AEW via a combination of external borrowings and/or internal working capital.

The Starhill last underwent a major renovation in 2005, with a facelift in 2011. The AEW are aimed at reinforcing and refreshing the mall's traditional positioning as a luxury stronghold within the Bukit Bintang precinct.

The AEW will provide a revamped mall entrance, refreshed interiors with a modern and contemporary look, improved accessibility as well as activate underutilised spaces. Besides revamping retail floors, the top three levels of The Starhill will be converted into hotel rooms as an extension to the adjoining JW Marriott Hotel Kuala Lumpur, which is owned by YTL Hospitality REIT, a real estate investment trust listed on the Main Market of Bursa Malaysia Securities Berhad. The conversion of space for hospitality use is in line with the global trend to move towards integrated developments.

All approvals from the relevant authorities for the AEW were obtained by October 2019, and construction commenced immediately after. Construction works are expected to be completed at the end of 2021.

Notes:
(1) Under master lease with Katagreen Development Sdn. Bhd.
(2) New NLA upon completion of AEW on The Starhill under the new MTAs, subject to relevant authorities' approvals.
(3) Based on commenced leases as at the reporting date.
(4) Based on an exchange rate of RM3.04 to S$1.00 as per the Circular to Unitholders dated 25 April 2019.
(5) The Starhill is currently undergoing asset enhancement works to convert three upper floors into hospitality use with hotel rooms to be operated as an extension of the adjoining JW Marriott Hotel Kuala Lumpur.

THE STARHILL

Formerly a shopping centre comprising part of a

7-STOREY

building with five basements and a 12-storey annex building with three basements. Post-asset enhancement, the mall will be an integrated development with four lower floors of retail and three upper floors of hospitality use.

NUMBER OF TENANTS
(As at 30 Jun 2020)

1[1]
(master tenant)

TENURE

FREEHOLD

TOTAL NET LETTABLE AREA
(As at 30 Jun 2020)

333,289 SQ FT[2]

PURCHASE PRICE

S$271.3M

MARKET VALUATION
(As at 30 Jun 2020)

S$245.2M

OCCUPANCY RATE[3]
(As at 30 Jun 2020)

RETAIL/HOTEL[5]
100%

(As at 30 Jun 2019)

RETAIL
100%

LOT 10 PROPERTY

A Lifestyle Destination for Young Urbanites

Lot 10 Property sits on a 99-year leasehold site expiring on 29 July 2076. It is positioned to appeal to young urbanites. Home to exciting shops, dining outlets and year-round events, Lot 10 offers experiences promoting youthful exuberance, creativity and fun. Lot 10 houses the first flagship H&M store in Malaysia and will be also housing the first Don Don Donki store in Malaysia, slated to open in 2021. Other notable tenants in Lot 10 include The Hour Glass, The Coffee Bean & Tea Leaf, Sennheiser, Samsung and the Yes Mobile flagship store. The basement houses the Lot 10 Hutong, a heritage gourmet village which offers a gastronomic experience in the heart of Bukit Bintang.

The mall was revamped holistically in 2017, to appeal to tech-savvy young urbanites. Physical improvements were made, both internally and externally. Its interior ceiling was remodeled, a hoisting system to allow moving decorative pieces to hang in the central atrium was added, the carpark was redesigned while new escalators, lifts and signs were included. Externally, the vehicle drop-off closest to the monorail station was revamped, while the main entrance was made more visually appealing with colour-changing smart LED lights. A new entry point from the Bukit Bintang MRT Station was constructed to improve connectivity to the upper levels of the mall from the new MRT station, thus increasing foot traffic to the mall.

Pre-COVID-19, monthly events like the long-running Street Food Weekender, which turns the mall's terrace space into a bustling food street, have proven popular among shoppers. In addition, the monthly ArtPlusD event presents products by local artisans for sale, attracting crowds of art enthusiasts and food lovers. The mall has an indoor basketball court on Level 3 which is open to the public. Since the implementation of the Movement Control Order in March 2020, some of these events and facilities have been postponed or closed. The mall is also social media friendly, with Instagram Spots, Play Walls and free WiFi.

LOT 10 PROPERTY

8-STOREY
building with a basement and lower ground floor for retail use and a seven-storey annex building (excludes Isetan)

NUMBER OF TENANTS
(As at 30 Jun 2020)

1[(1)]
(master tenant)

TENURE

99 YRS
Leasehold estate
(Expiring on 29 Jul 2076)

TOTAL NET LETTABLE AREA
(As at 30 Jun 2020)

254,163 SQ FT[(1)]

PURCHASE PRICE

S$173.0M

MARKET VALUATION
(As at 30 Jun 2020)

S$148.0M

OCCUPANCY RATE[(2)]
(As at 30 Jun 2020)

RETAIL
100%

(As at 30 Jun 2019)

RETAIL
100%

Notes:
(1) Under master lease with Katagreen Development Sdn. Bhd.
(2) Based on commenced leases as at the reporting date.

China Property

The China Property has a single tenancy agreement, which incorporates a fixed rent with periodic rent step-ups.

CHINA PROPERTY

The China Property is located in Chengdu, the capital city of Sichuan province. The property has a gross floor area (GFA) of approximately 100,854 sq ft and comprises four levels of retail space with a mezzanine floor. Situated along the Second Ring Road, it is in close proximity to high-end residences and offices. The Nijiaqiao MRT Station is located in front of the property and provides convenient access.

The China Property is tenanted to a sole tenant, Markor International Home Furnishings Co., Ltd. Chengdu Zongbei Store, which is one of the largest furniture retailers in China. The parent company is listed on the Shanghai Stock Exchange, with a market capitalisation of RMB7.8 billion (approximately S$1.5 billion[3]) as at 30 June 2020. The tenancy agreement, which incorporates a fixed rent with a periodic rental step-up lease, provides income stability amidst the challenging retail landscape in Chengdu.

ADDRESS:
19, 4th Section,
Renminnan Road,
Chengdu, Sichuan, China

VISIT:
www.starhillglobalreit.com/china-portfolio.html

CHINA PROPERTY

4-STOREY
building plus a mezzanine for retail use

NUMBER OF TENANTS[1]
(As at 30 Jun 2020)

1

TENURE

LEASEHOLD
(Expiring on 27 Dec 2035)

TOTAL GROSS FLOOR AREA
(As at 30 Jun 2020)

100,854 SQ FT

PURCHASE PRICE

S$70.6M

MARKET VALUATION
(As at 30 Jun 2020)

S$28.5M[4]

OCCUPANCY RATE[2]
(As at 30 Jun 2020)

RETAIL
100%

(As at 30 Jun 2019)

RETAIL
100%

Notes:
(1) Under single tenancy agreement with Markor International Home Furnishings Co., Ltd. Chengdu Zongbei Store.
(2) Based on commenced leases as at the reporting date.
(3) Based on exchange rate of RMB5.06:S$1.00 as at 30 June 2020.
(4) The value is reflected as S$28.5 million for rounding purposes.

Japan Properties

Starhill Global REIT's Japan portfolio consists of two contemporary commercial buildings located within walking distance of major subway stations in prime Tokyo areas. These two properties appeal to young and stylish urbanites.

DAIKANYAMA & EBISU FORT

As at 30 June 2020, the Japan Properties are fully occupied. The Japan Properties portfolio stands at a total valuation of S$61.8 million as at 30 June 2020.

Having weighed the cost and benefits of earthquake insurance for the Japanese assets, no specific earthquake insurance has been taken up, which is consistent with industry practice in Japan.

DAIKANYAMA ADDRESS:
1-31-12 Ebisu-Nishi, Shibuya-ku, Tokyo, Japan

EBISU FORT ADDRESS:
1-24-2 Ebisu-Minami, Shibuya-ku, Tokyo, Japan

VISIT:
www.starhillglobalreit.com/portfolio-japan.html

Daikanyama, Tokyo, Japan

Ebisu Fort, Tokyo, Japan

DAIKANYAMA & EBISU FORT

NUMBER OF TENANTS
(As at 30 Jun 2020)

11

TENURE

FREEHOLD

TOTAL NET LETTABLE AREA
(As at 30 Jun 2020)

26,903 SQ FT

PURCHASE PRICE

S$94.1M

MARKET VALUATION
(As at 30 Jun 2020)

S$61.8M

RETAIL & TRADE MIX
By Gross Rental Contribution
(As at 30 Jun 2020)

OTHERS 53.7%

SERVICE 38.9%

GENERAL TRADE 7.4%

OCCUPANCY RATE[1]
(As at 30 Jun 2020)

RETAIL 100%

(As at 30 Jun 2019)

RETAIL 100%

Note:
[1] Based on commenced leases as at the reporting date.

Market Overview

Singapore

In 2020, the global retail industry faced challenges on an unprecedented scale as a result of the COVID-19 pandemic. Global economic uncertainties and the lack of international tourism have adversely impacted the local retail sectors and caused severe business disruptions. The impact of the COVID-19 pandemic weighed heavily on Singapore's economy which contracted by 13.2% y-o-y in the second quarter of 2020[1]. The fall in gross domestic product was due to the Circuit Breaker measures implemented from 7 April 2020 to 1 June 2020 to contain the spread of COVID-19 in Singapore[1], which included the suspension of non-essential services and closure of most workplace premises, as well as weak external demand amidst a global economic downturn caused by the COVID-19 pandemic. In light of the uncertain external and domestic demand outlook resulting from the COVID-19 pandemic, Singapore's economy is expected to contract between -7.0% and -5.0% in 2020[1]. The Singapore Government has committed S$45 million over a nine-month campaign to boost local tourism[2]. The "SingapoRediscovers" marketing blitz is the first concerted effort focusing on local visitors[2].

Singapore Retail

Total stock of private retail space increased marginally by 0.1% q-o-q to 50.06 mil sq ft in 2Q 2020[3]. Retail supply pipeline for 2021 and beyond continues to be thin, at an average of 360,000 sq ft per annum[3]. This is significantly lower than the five-year historical average of 1.37 mil sq ft per annum from 2015 to 2019[3]. The low supply of new retail space going forward will help to mitigate the decline in net absorption given the existing challenges in the retail market. Net absorption for 2Q 2020 declined by 904,168 sq ft following a decline of 452,084 sq ft in the previous quarter, resulting in an islandwide vacancy rate of 11.1% in 2Q 2020[3]. The Circuit Breaker measures have caused May 2020 and June 2020's retail sales (excluding motor vehicles) to fall by 45.1% and 24.2% y-o-y respectively[4]. From January to June 2020, international visitor arrivals also contracted by 71.4% to 2.7 million[5], as travel bans due to the COVID-19 pandemic led to almost non-existent arrivals in the months of April to June 2020[6]. The Singapore Tourism Board expects visitor arrivals in 2020 to fall by about 25% to 30%[7]. Moving forward, visitor arrival figures may see some improvement with eased COVID-19 measures, but recovery will be minimal[3]. Consumer confidence and global travel restrictions will continue to hinder the recovery of the travel industry[3]. Leasing volume has also slowed down in 2Q 2020 as many retailers are either putting their plans on hold or downsizing amidst business uncertainties arising from the COVID-19 pandemic[8]. During the Circuit Breaker, where only essential services were permitted to operate, the Government and mall owners have been assisting affected retail tenants in the form of rental rebates and wage support schemes. These aids have provided some relief to affected businesses and generally sustained occupancies for commercial properties during the Circuit Breaker measures. Meanwhile, more retailers are also adopting technology, internet platforms and online marketing to complement their outlets and boost productivity and efficiency. Looking ahead, occupancy levels are expected to continue to remain under pressure[3]. Rental correction is expected to accelerate in 2H 2020, as landlords face increasing pressure to strike a balance between occupancy and rents[3].

Singapore Office

The economic fallout from the pandemic weighed down on demand and rents[9] for office space islandwide. Amid the uncertainty, net new demand was muted and most of the leasing activities were driven by renewals or relocations. Islandwide vacancy increased from 5.0% in 1Q 2020 to 5.6% in 2Q 2020, led by rising vacancy rates across two submarkets q-o-q: Core CBD and Decentralised submarkets[3]. Islandwide office stock grew by 0.5% q-o-q or 0.46 mil sq ft to 88.09 mil sq ft in 2Q 2020[3]. From 2H 2020 to 2023, the total amount of confirmed islandwide future office supply stands at 3.39 mil sq ft, equivalent to average annual new supply of 1.14 mil sq ft over four years and is 35.5% lower than the 10-year historical average gross completions of 1.77 mil sq ft[3]. While the new supply pipeline remains relatively thin in 2020, vacancy levels may rise with the emerging vacant space resulting from the relocations of major occupiers[3]. Across an array of industries, businesses are tightening their belts and cost containment continues to be a key focus[3]. As a result, more firms are pushing to downsize their current footprint, either through renewals or relocations[3]. Notwithstanding, there were some signs of leasing activity from the insurance and technology sectors[3].

Over the medium term, the office market might see a shift in dynamics as corporates are likely to adopt more flexible working arrangement by utilising new communication technology to facilitate remote working arrangements. However, on the other hand, corporates might have to reduce the office density as part of the need to maintain social distancing to improve health, safety and welfare requirement for their workforce.

Australia

In light of the uncertainty and economic impact caused by the COVID-19 pandemic, the Australian economy is expected to contract by about 6% over 2020, before growing by around 5% over 2021 and 4% over 2022, in a baseline scenario[10]. The measured unemployment rate increased by more than two percentage points over the course of a few months, reaching 7.4% in June, the highest rate in more than two decades[10]. Under the baseline scenario, the unemployment rate is expected to peak at around 10% by the end of 2020[10].

Australia Retail

Discretionary spend and consumer confidence both fell substantially in March, but have started to show some signs that they are returning to 'normal' during May[11]. Retail sales for South Australia and Western Australia grew by 2.8% and 4.9% y-o-y respectively for the 12 months to June 2020[12]. With most states having begun loosening restrictions from May after containing the spread of COVID-19, consumer confidence is slowly returning[13]. Foot traffic has returned in major centres, especially in Western Australia, South Australia and Queensland, where containment of the pandemic spread has been particularly successful[13]. The recent lockdown resulting from the COVID-19 pandemic has further accelerated market penetration of the e-commerce sector as recent surveys showed that approximately 20% of online retail growth has been driven by users who have never made an online purchase before[11]. The anticipation of a second wave of infections throughout the winter months, combined with less hours worked and higher job losses, are expected to put the reins on discretionary retail spending[11]. As the impacts of COVID-19 are realised over the coming years, store network rationalisation could be a key trend, as retailers consolidate to prime brick and mortar locations and bolster their online platforms[13].Despite sentiment weighing heavily on the sector, lockdown measures and the quick recovery in May proved there remains demand for consumers to see and touch[13]. Experiential and convenience shopping destinations will likely outperform[13], with landlords thinking of ways to add value to their assets. New supply and expansions to add significant floor space will likely be on hold[13] even after the pandemic clears, as credit market and investors liquidity remains tight.

Adelaide Office

The Adelaide central business district (CBD) vacancy rate has been falling consistently over the past three years[14]. However, in the six months to January 2020, the Adelaide CBD vacancy rate increased by 1.2% to 14.0%[14]. Adelaide CBD recorded a net supply of 20,572 sq m in the six months to January 2020, approximately 3.6 times above the 25-year average, making it the strongest net supply since 2013[14]. However, investor demand remains strong as Adelaide continues to be viewed as an attractive value proposition with average prime yields firmer than those being achieved in South Australia[14]. In the six months to January 2020, the Adelaide CBD recorded negative net absorption of -110 sq m, well below the 25-year average of 6,039 sq m[14]. The negative net absorption was driven by Premium, B and C grade which totaled -17,309 sq m[14]. Despite this, the A grade stock had recorded positive net absorption of 17,120 sq m in the six months to January 2020[14].

Malaysia

Malaysia's economy contracted by 17.1% in 2Q 2020 from a marginal growth of 0.7% in 1Q 2020[15]. The performance for 2Q 2020 was the lowest recorded since 4Q 1998 (-11.2%)[15]. Tourism oriented sectors were among the worst hit due to the travel restrictions and closure of national borders. The implementation of various Movement Control Orders (MCO) in containing the spread of the COVID-19 pandemic has affected Malaysia's overall economic activities[15]. Following the gradual and progressive reopening of the economy since early May, economic activities have begun to recover from the trough in 2Q 2020[16]. The fiscal stimulus packages, alongside monetary and financial measures, will continue to underpin the improving economic outlook[16]. The pace and strength of the recovery remain subject to downside risks emanating from both domestic and external factors, including further outbreaks of the pandemic, more persistent weakness in labour market conditions, and a weaker-than-expected recovery in global growth[16].

Malaysia Retail

Retail Group Malaysia (RGM) expects the country's retail industry sales to shrink by 8.7% in 2020 which is worse than April's forecast of a 5.5% decline[17]. In 1Q 2020, retail sales fell 11.4% y-o-y[17], in view of the MCO where all retailers, except essential services, are expected to lock down operations. However, RGM projects a recovery in 2H 2020 as the economy reopens[17]. The Wholesale & Retail Trade sector recorded sales of RM102.9 billion in June 2020, a decline of 8.4% y-o-y but up 21.8% when compared to the previous month[18]. In 2019, Malaysia received a total of 26.1 million tourist arrivals, slightly higher than the 25.83 million recorded in 2018, while tourist receipts grew 2.4% y-o-y to RM86.1 billion[19]. However, in the first three months of 2020, tourist arrivals fell 36.8% y-o-y, with the steepest decline of 71.3% y-o-y in March 2020 when MCO started[19]. The cumulative supply of retail space in Klang Valley stood at about 61.48 million sq ft as of 1H 2020 following the completion of Tropicana Gardens Mall[20]. By 2H 2020, seven shopping centres/ supporting retail components with a collective retail space of about 1.65 million sq ft are scheduled to complete or open[20]. Three are located in Kuala Lumpur, namely KL East Mall and the retail components of The Exchange 106 and 8 Conlay[20]. As MCO has brought works at projects and construction site to a standstill, it is expected that the completion date of these new malls will be extended[21]. Existing shopping centres have embarked on asset enhancement initiatives such as space reconfiguration, refurbishment and rebranding to cater to shifts in consumer preferences and shopping behaviours amid growing challenges in the retail industry[20]. The Klang Valley retail landscape continues to face hardships largely due to the fallout of the COVID-19 outbreak but with restrictions further eased during the recovery phase of the MCO, retail sales are anticipated to gradually improve[20]. Retail leasing activity is expected to remain subdued as most brands have put on hold any expansion plans for this year and possibly next year[21].

China

Based on preliminary estimates, China's GDP rose 3.2% y-o-y in 2Q 2020, rebounding from the 6.8% contraction in 1Q 2020[22]. Retail sales of consumer goods in Chengdu reached RMB299.18 billion from January 2020 to May 2020, down 8.9% y-o-y[23]. Due to COVID-19, Chengdu's retail market demand continued to shrink in 2Q 2020, and net absorption decreased significantly to -238,580 sq m[23]. The citywide average vacancy rate of shopping malls increased by 4.8 percentage points q-o-q to 10.1% in 2Q 2020, exceeding 10% for the first time in three years[23]. In 2Q 2020, Chengdu's retail market overall vacancy rate continued to rise, which has accelerated brand turnover and intensified market competition and also provided existing projects with opportunities for adjustments and upgrades[23]. Even though some projects postponed their opening date, it's likely that Chengdu's retail market would still see a large volume of new supply in 2H 2020, which may further intensify market competition[23].

Japan

Based on preliminary estimates, Japan's GDP contracted at an annualised pace of 27.8% in 2Q 2020[24]. Retail sales fell by 1.2% y-o-y during the month of June 2020 – the fourth consecutive month of a decline in retail trade, largely brought about by the impact of the COVID-19 pandemic[25]. Store demand among retailers is likely to remain subdued, and the number of properties with vacant space is likely to increase further, with rent forecasted to fall over the next year until 1Q 2021[26]. However, rents are expected to rise again from 2Q 2021, which will translate to a relatively mild decline of 5.0% over the coming two years[26].

Notes:

(1) Ministry of Trade and Industry Singapore, MTI Narrows 2020 GDP Growth Forecast to "-7.0 to -5.0 Per Cent", 11 August 2020.
(2) The Business Times, Singapore launches S$45m marketing blitz to boost domestic tourism, 22 July 2020.
(3) CBRE Research, Singapore Real Estate Research Report, Q2 2020.
(4) Singapore Department of Statistics, Retail Sales Index and Food and Beverage Services Index June 2020, 5 August 2020.
(5) Singapore Tourism Board, International Visitor Arrival Statistics, May 2020 and Singapore Tourism Analytics Network (Stan), Statistics up to June 2020.
(6) Knight Frank, Singapore Research, Retail Q2 2020.
(7) Singapore Tourism Board, STB rallies tourism sector to face biggest challenge since SARS, 11 February 2020.
(8) CBRE Research, Singapore MarketView, Q2 2020.
(9) Knight Frank, Singapore Research, Office Q2 2020.
(10) Reserve Bank of Australia, Statement on Monetary Policy, August 2020.
(11) Colliers International, Research & Forecast Report, Australia Retail, First Half 2020.
(12) Australian Bureau of Statistics, Retail Trade, Australia, June 2020, 4 August 2020.
(13) CBRE Research, Australia Retail MarketView, Q2 2020.
(14) Knight Frank Research, Adelaide CBD, Office Market Overview, March 2020.
(15) Department of Statistics Malaysia, Press Release, Malaysia Economic Performance Second Quarter 2020, 14 August 2020.
(16) Bank Negara Malaysia, Press Releases, Monetary Policy Statement, 7 July 2020.
(17) The Star, Retail industry sales to shrink 8.7% this year, 13 July 2020.
(18) Department of Statistics Malaysia, Press Release, Wholesale & Retail Trade Registered Sales Value of RM102.9 billion, Maintained A Double-Digit Growth of 21.8 Per Cent in June 2020, 10 August 2020.
(19) Tourism Malaysia, Malaysia Tourism Statistics in Brief (https://www.tourism.gov.my/statistics)
(20) Knight Frank, Real Estate Highlights, Malaysia Research, 1st Half 2020.
(21) Savills Research, Asian Cities Report, Kuala Lumpur Retail, 1H 2020.
(22) National Bureau of Statistics of China, Preliminary Accounting Results of GDP for the Second Quarter and the First Half Year of 2020, 17 July 2020.
(23) Savills Research, Market in Minutes, Chengdu Retail, July 2020.
(24) Cabinet Office, Japan, Apr-Jun 2020 (First Preliminary Estimates), 17 August 2020.
(25) Inside Retail Asia, Japan retail sales fall in June, 30 July 2020.
(26) CBRE Research, Japan Retail MarketView, Q2 2020.

Financial Review

Group	FY 2019/20 (S$'000)	FY 2018/19 (S$'000)	Change (%)
Gross revenue	**180,773**	206,190	(12.3%)
Property expenses	**(48,657)**	(46,784)	4.0%
Net property income	**132,116**	159,406	(17.1%)
Non property expenses	**(59,045)**	(58,271)	1.3%
Net income before tax	**73,071**	101,135	(27.7%)
Change in fair value of derivative instruments	**(8,926)**	(11,932)	(25.2%)
Foreign exchange gain	**483**	178	171.3%
Change in fair value of investment properties	**(160,671)**	(20,315)	690.9%
Total return for the period before tax and distribution	**(96,043)**	69,066	NM
Income tax	**(1,369)**	(3,479)	(60.6%)
Total return for the period after tax, before distribution	**(97,412)**	65,587	NM
Non-tax deductible items and other adjustments	**174,766**	35,732	389.1%
Income available for distribution[1]	**77,354**	101,319	(23.7%)
Income to be distributed to Unitholders[1]	**64,754**	97,718	(33.7%)
Distribution per Unit[1]	**2.96 cents**	4.48 cents	(33.9%)
Total operating expenses[2]	**67,874**	67,314	0.8%
Net asset value[3]	**1,769,489**	1,930,021	(8.3%)
Total operating expenses to net asset value	**3.8%**	3.5%	NM

Notes:

[1] Approximately S$4.9 million (FY 2018/19: S$3.6 million) of income available for distribution for FY 2019/20 has been retained for working capital requirements and S$7.7 million of income available for distribution for FY 2019/20 has been deferred, as allowed under COVID-19 relief measures announced by IRAS.

[2] Total operating expenses mainly comprise property expenses, management fees and trust expenses, including all fees and charges paid to the Manager and Trustee.

[3] Net assets as at 30 June 2020 and 30 June 2019 respectively.

Financial Performance

Group revenue of S$180.8 million for FY 2019/20 was 12.3% lower than S$206.2 million achieved in FY 2018/19. NPI for the Group was S$132.1 million, representing a decrease of 17.1% over FY 2018/19. The decrease in NPI was largely due to the rental assistance of S$17.0 million for eligible tenants including allowance for rental arrears to cushion the impact of the COVID-19 pandemic, lower contributions from The Starhill in relation to its asset enhancement, the retail portfolio in Australia and Ngee Ann City Property (Office), as well as the depreciation of A$ against S$. Excluding The Starhill, the gross revenue and NPI for the Group decreased by 8.4% and 12.4% over FY 2018/19 respectively.

Singapore Properties contributed 63.4% of total revenue, or S$114.6 million in FY 2019/20, 9.9% lower than in FY 2018/19. NPI decreased by 10.4% to S$89.8 million in FY 2019/20, mainly due to lower contributions largely attributed to the rental assistance for eligible tenants to cushion the impact of the COVID-19 pandemic and Ngee Ann City Property (Office), partially offset by lower operating expenses for Wisma Atria Property.

Australia Properties contributed 23.9% of total revenue, or S$43.2 million in FY 2019/20, 6.5% lower than in FY 2018/19. NPI was S$21.3 million, 24.5% lower than in FY 2018/19, mainly due to lower contributions from Australia's retail portfolio including allowance for rental arrears and rebates for eligible tenants to cushion the impact of the COVID-19 pandemic, partially offset by higher contributions from Myer Centre Adelaide (Office).

Malaysia Properties contributed 10.1% of total revenue, or S$18.3 million in FY 2019/20, 35.1% lower than in FY 2018/19. NPI was S$17.4 million, 36.2% lower than in FY 2018/19. The decrease in revenue and NPI was mainly in line with the partial income disruption from the asset enhancement of The Starhill, including the rental rebate extended to the master tenant from the commencement of the works in October 2019, as well as rental assistance extended to the master tenant.

China and Japan Properties contributed 2.6% of total revenue, which was S$4.7 million in FY 2019/20 (FY 2018/19: S$4.7 million).

Non property expenses were S$59.0 million in FY 2019/20, 1.3% higher than in FY 2018/19, mainly due to higher finance expenses, partially offset by lower management fees for FY 2019/20.

Wisma Atria Property and Ngee Ann City Property are centrally located in the prime stretch of the Orchard Road precinct, with excellent connectivity to transportation hubs. The upcoming Thomson-East Coast Line with the new Orchard MRT Station is located just a stone's throw away from the Singapore Properties, and will provide better connectivity to shoppers.

Finance expenses for FY 2019/20 were S$39.9 million, 3.0% higher than in FY 2018/19. This was mainly due to higher interest costs incurred on the RM330 million senior medium term notes and the existing S$ borrowings including higher drawdowns from revolving credit facilities in FY 2019/20.

Management fees for FY 2019/20 were S$15.4 million, 2.8% lower than in FY 2018/19, mainly in line with the 10% reduction in the Manager's base management fees for the three months ended 30 June 2020. The Manager has elected to receive part of its base management fees in units for FY 2019/20.

Trust expenses for FY 2019/20 were S$4.7 million, 0.9% higher than in FY 2018/19, mainly in line with higher expenses incurred by the Trust including project expenses and professional fees, largely offset by lower expenses for Malaysia Properties.

The net loss on derivative instruments of S$8.9 million for FY 2019/20 represents mainly the change in the fair value of S$ and A$ interest rate swaps entered into for the Group's borrowings, as well as A$ forward contracts.

The net foreign exchange gain for FY 2019/20 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 S$160.7 million for FY 2019/20 represents mainly the net revaluation losses on the Group's investment properties.

Income tax includes withholding tax, corporate tax and deferred tax provided for the overseas properties. The decrease in income tax was mainly due to the lower withholding tax accrued for the Malaysia Properties in FY 2019/20.

Income available for distribution for FY 2019/20 was S$77.4 million, a decrease of 23.7% over FY 2018/19. Income to be distributed to Unitholders for FY 2019/20 was S$64.8 million, a decrease of 33.7% over FY 2018/19. Approximately S$4.9 million of income available for distribution for FY 2019/20 has been retained for working capital requirements and S$7.7 million of income available for distribution for FY 2019/20 has been deferred, as allowed under COVID-19 relief measures announced by IRAS. Total DPU for FY 2019/20 was 2.96 cents, representing a decrease of 33.9% over DPU of 4.48 cents achieved in FY 2018/19.

Assets and Liabilities

The Group's total assets as at 30 June 2020 were S$3,081.0 million, representing a decrease of S$60.9 million or 1.9%, compared to S$3,142.0 million as at 30 June 2019, mainly due to the decrease in investment properties, partially offset by increase in cash and cash equivalents, and receivables. The Group's portfolio of 10 prime properties across five countries was independently revalued at S$2,941.3 million (including ROU assets following the adoption of FRS 116) as at 30 June 2020 (2019: S$3,064.9 million), resulting in a net revaluation loss of S$160.7 million over the last valuation exercise in June 2019. The lower portfolio valuation was mainly due to downward revaluation of the Australia Properties and Wisma Atria Property in June 2020, partially offset by net movement in foreign currencies in relation to the overseas properties. The fair values of the properties include capital expenditure incurred, straight-line rental adjustments, as well as other adjustments for FY 2019/20.
The geographic breakdown of the portfolio by asset value as at 30 June 2020 is as follows: Singapore 70.1%, Australia 13.4%, Malaysia 13.4%, Japan 2.1%, and China 1.0%.

The Group's total liabilities as at 30 June 2020 were S$1,311.5 million, representing an increase of S$99.6 million or 8.2%, compared to S$1,212.0 million as at 30 June 2019, mainly due to increase in borrowings and derivative financial liabilities. The net increase in total borrowings was mainly due to the new issuance of S$100 million medium term notes in June 2020 and net drawdown of S$90 million of short-term revolving credit facilities mainly to part finance the asset enhancement works of The Starhill and working capital requirements, partially offset by repayment of S$9.6 million (A$10 million) of A$ term loan, S$50 million of term loan and S$48 million revolving credit facilities in FY 2019/20. The increase in the derivative financial liabilities was mainly attributed to the change in fair value of S$ and A$ interest rate swaps. Gearing increased from 36.1% as at 30 June 2019 to 39.7% as at 30 June 2020, largely in line with the devaluation of the portfolio and increased borrowings, mainly to part finance the asset enhancement of The Starhill and build cash balance to enhance liquidity in view of the COVID-19 pandemic.

The Group's net asset value as at 30 June 2020 was S$1,769.5 million (NAV per Unit of S$0.81), representing a decrease of S$160.5 million or 8.3%, compared to S$1,930.0 million (NAV per Unit of S$0.88) as at 30 June 2019.

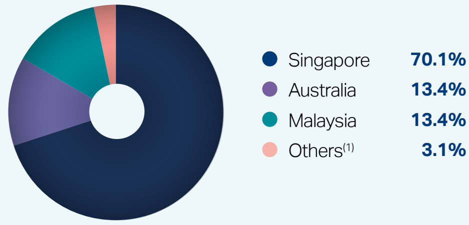
Cash Flow

Total net cash inflow (excluding effects of exchange rate differences) for FY 2019/20 was S$43.5 million, largely comprising cash flows generated from operating activities of S$102.8 million, partially offset by cash outflow from financing activities of S$30.5 million and investing activities of S$28.8 million. Cash outflow from financing activities comprised mainly repayment of borrowings and related costs, as well as distributions paid to Unitholders, partially offset by proceeds from borrowings. The cash outflow from investing activities comprised mainly capital expenditure paid in relation to The Starhill's asset enhancement, Myer Centre Adelaide and Plaza Arcade for FY 2019/20.

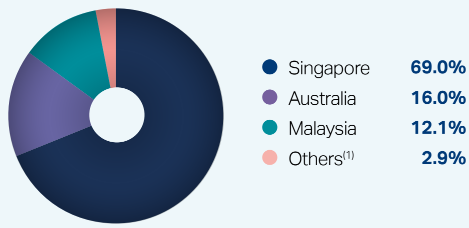
GROSS REVENUE
(S$ million)

					Total
55.8 (30.9%)	58.8 (32.5%)	43.2 (23.9%)	18.3 (10.1%)	4.7 (2.6%)	180.8
61.8 (30.0%)	65.3 (31.7%)	46.2 (22.4%)	28.2 (13.6%)	4.7 (2.3%)	206.2

ASSET VALUE BY COUNTRY
(As at 30 Jun 2020)

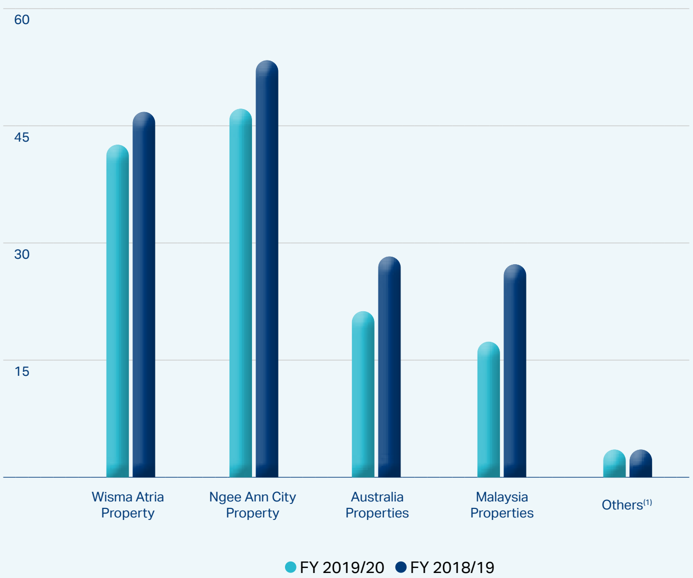


(As at 30 Jun 2019)



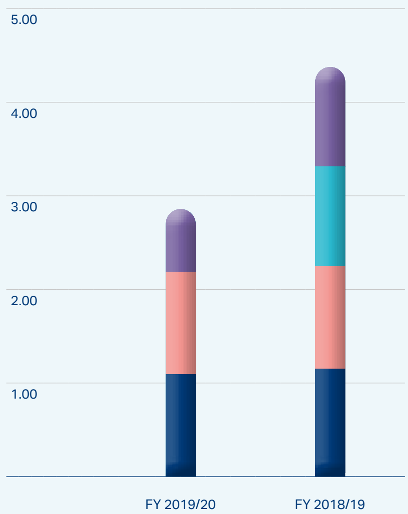
NET PROPERTY INCOME
(S$ million)

					Total
42.6 (32.2%)	47.2 (35.8%)	21.3 (16.2%)	17.4 (13.1%)	3.6 (2.7%)	132.1
46.8 (29.4%)	53.4 (33.6%)	28.3 (17.7%)	27.3 (17.1%)	3.6 (2.2%)	159.4



DISTRIBUTION PER UNIT
(cents)

	1Q	2Q	3Q	4Q	Total
FY 2019/20	1.13	1.13	–[2]	0.70[2]	2.96[3]
FY 2018/19	1.15	1.13	1.10	1.10	4.48[3]



Notes:

(1) Others comprise one property in Chengdu, China, and two properties in Tokyo, Japan, as at 30 June 2020.

(2) Following SGREIT's change of its distribution frequency to semi-annual distributions, there is no distribution declared for 3Q FY 2019/20. The reported number of 0.70 cents per unit is for 2H FY 2019/20, which excludes S$7.7 million of income available for distribution being deferred.

(3) The computation of DPU for FY 2019/20 was based on number of units entitled to distributions comprising (i) 2,184,012,239 units for 1Q FY 2019/20, (ii) 2,186,900,678 units for 2Q FY 2019/20, and (iii) issued and issuable units of 2,194,651,816 for 2H FY 2019/20 (FY 2018/19: 2,181,204,435 units).

Capital Management

Prudent Capital Management To Optimise Unitholders' Returns
Starhill Global REIT's main objective when managing capital is to be prudent and optimise Unitholders' returns through a mix of available capital sources. The Group monitors capital on the basis of both the gearing ratio and interest service coverage ratio and maintains them within the approved limits. The Group assesses its capital management approach as a key part of the Group's overall strategy and this is continuously reviewed by the Manager.

In September 2019, the Group early refinanced the existing JPY3.7 billion term loan ahead of its maturity in July 2020, with a new five-year unsecured term loan facility of the same amount with a bank.

The Group refinanced its existing senior medium term notes of RM330 million upon maturity via a new unrated issuance of five-year fixed rate senior medium term notes of the same amount in September 2019.

In June 2020, the Group issued S$100 million unsecured five-year 3.15% 2020 Series 001 MTN (maturing in June 2025) under its S$2 billion Multicurrency Debt Issuance Programme established in January 2020, where the net proceeds were used to prepay S$50 million of the S$200 million unsecured term loan (maturing in September 2021) and repay existing short-term debts drawn under its revolving credit facilities in June 2020. In addition, the Group early repaid A$10 million of the A$145 million secured term loan (maturing in November 2021) in June 2020.

In July 2020, the Group converted an existing uncommitted and unsecured revolving credit facility of S$50 million (maturing in June 2024) into a committed facility with a bank.

DEBT GEARING AND HIGHLIGHTS
(As at 30 Jun 2020)

SGD term loans	S$410m
JPY term loan	S$48m
SGD RCF	S$62m
Singapore MTNs	S$395m
Malaysia MTN	S$108m
Australia term loans	S$189m
Japan bond	S$9m
Total Debt	**S$1,221m**

Gearing ratio[1]	39.7%
Fixed/hedged debt ratio[2]	91%
Unencumbered assets ratio	75%
Interest cover for the year ended 30 June 2020[3]	2.9x
Weighted average interest rate per annum[4]	3.23%
Starhill Global REIT corporate rating by Fitch Ratings	BBB/ Stable outlook

Notes:
(1) Based on consolidated deposited property.
(2) Including interest rate derivatives such as interest rate swaps and caps.
(3) Interest coverage ratio is calculated for the 12 months ended 30 June 2020, and were within the guidelines prescribed under the Property Funds Appendix issued by Monetary Authority of Singapore.
(4) As at 30 June 2020. Includes interest rate derivatives but excludes upfront costs.

As at 30 June 2020, Starhill Global REIT's outstanding debt stood at approximately S$1,221 million, and approximately S$2.2 billion (75%) of the Group's investment properties are unencumbered, enhancing its financial flexibility. As at 30 June 2020, the average debt maturity profile of Starhill Global REIT is approximately 2.7 years.

The Group's gearing ratio increased to 39.7% as at 30 June 2020 largely as a result of the devaluation of the portfolio and increased borrowings mainly to part finance the asset enhancement of The Starhill and build cash balance to enhance liquidity in view of the COVID-19 pandemic. The Group does not have any term debt maturities in the next 12 months ending 30 June 2021, save for S$100 million medium term notes due in February 2021 and some short-term debts drawn under its revolving credit facilities. Additionally, the Group has available undrawn committed revolving credit facilities which is in excess of the maturing debts in the next 12 months and can be drawn down to fund its working capital requirements. Consequently, the increase in the gearing ratio is not expected to have a significant impact on the risk profile of Starhill Global REIT. The Manager will continue to enhance its financial flexibility through prudent capital management.

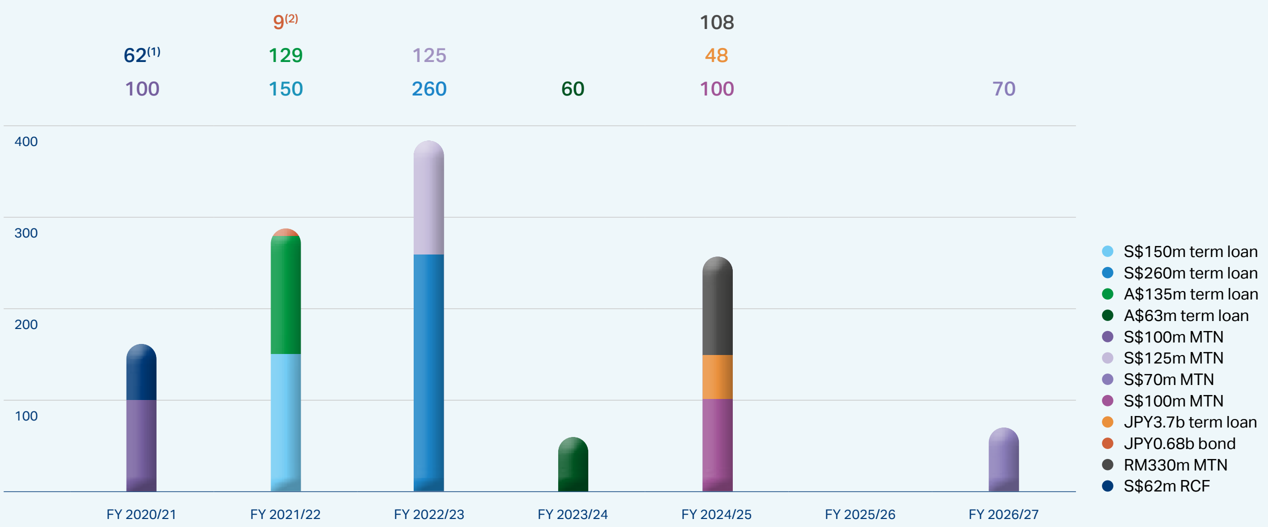
Starhill Global REIT's current financial risk management policy is described in greater detail below.

Interest Rate Risk Management
In order to protect the Group's earnings from interest rate volatility and provide stability to Unitholders' returns, Starhill Global REIT hedges substantially its interest rate exposure within the short to medium term by using fixed rate debt and interest rate derivatives including mainly interest rate swaps.

As at 30 June 2020, Starhill Global REIT hedged about 91% of its debt, of which 87% were hedged by a combination of fixed rate debt and interest rate swaps, and the remaining 4% were hedged using interest rate caps. The weighted average interest rate was approximately

DEBT MATURITY PROFILE

(As at 30 Jun 2020) (S$ million)



Notes:

(1) Comprises of short-term RCF outstanding as at 30 June 2020, which were drawn down mainly for working capital purposes including part financing the ongoing asset enhancement works for The Starhill.

(2) In August 2020, the Group refinanced the existing JPY0.68 billion (S$9 million) bond ahead of its maturity in August 2021, thereby extending the new maturity to August 2025.

3.23% per annum as at 30 June 2020. The Group's interest service coverage ratio was 2.9 times for the year ended 30 June 2020. The Manager intends to continue to secure diversified funding sources from both financial institutions and capital markets when opportunities arise, while keeping Starhill Global REIT's ongoing cost of debt competitive.

Foreign Exchange Risk Management

As at 30 June 2020, Starhill Global REIT is exposed to foreign exchange risk arising from its investments in Australia, Malaysia, China and Japan. The income generated from these investments and net assets are denominated in foreign currencies. In managing its currency risks associated with its foreign investments, Starhill Global REIT has adopted the following income and capital hedging strategies.

Income hedging

Starhill Global REIT's core portfolio is largely based in Singapore, which contributed approximately 63% of its revenue for the year ended 30June 2020, while the remaining 37% of its revenue is from the overseas assets. Starhill Global REIT actively monitors the exchange rates and assesses hedging on a case-by-case basis. The impact of the volatility in the foreign currencies mainly Australian dollar and Malaysian ringgit on its distributions has been partially mitigated by having foreign currency denominated borrowing as a natural hedge, and short-term foreign currency forward contracts for A$.

Capital hedging

In managing the currency risks associated with the capital values of Starhill Global REIT's overseas assets, borrowings are denominated in the same currency as the underlying assets to the extent feasible, to provide a natural currency hedge. As the investments in overseas assets are generally long term in nature, the remaining net positions of the foreign exchange risk on such investments are not hedged.

"The Group does not have any term debt maturities in the next 12 months ending 30 June 2021, save for S$100 million medium term notes due in February 2021 and some short-term debts drawn under its revolving credit facilities. Additionally, the Group has available undrawn committed revolving credit facilities which is in excess of maturing debts in the next 12 months and can be drawn down to fund its working capital requirements."

Risk Management

The Manager has put in place an enterprise risk management framework for Starhill Global REIT, comprising procedures and protocol to identify and initiate mitigation of enterprise risks which may arise in the management and operations of Starhill Global REIT, particularly in the areas of asset acquisitions, asset integration, financial risk management, and safety and health.

To address each of these areas, the Manager has adopted policies and/or hired or designated staff with specific expertise in that area, and continues to assess the potential impact of risks which may arise and the necessary response or process to effectively mitigate those risks.

1. ASSET ACQUISITION PROCESS

Prior to any new acquisition, each of the key risks attributable to the acquisition or the subsequent management of the asset is assessed. Functional heads in the Manager are responsible for this process. The Board is made aware of all key risks considered and that these have been addressed or mitigated appropriately.

2. ASSET INTEGRATION PROCESS

Following every successful acquisition, it is imperative that each asset is quickly integrated into Starhill Global REIT's existing portfolio, from financial, operational and compliance perspectives. This process is activated before the closing of each acquisition, and completed as soon as practicable thereafter.

3. SAFETY AND HEALTH

Standard operating procedures for fire safety practices have been put in place and appropriate insurances for the properties are procured. Renewals of required certificates and permits or inspections for fire safety, lifts and escalators are regularly reported and monitored. In addition, the internal auditor reviews periodically, the operating effectiveness of key controls over the fire safety arrangements of key assets. For more information on customer health and safety, please refer to page 67 of this Annual Report.

4. FINANCIAL RISK MANAGEMENT POLICY

Starhill Global REIT's returns are primarily from net operating income and capital appreciation of its assets. However, these returns are exposed to financial risks including credit, liquidity, interest rates and foreign currency risks.

Where appropriate, the Manager may hedge against the volatility of interest rates, foreign currency net income and foreign currency investments. Starhill Global REIT has a system of controls in place to create an acceptable balance between the cost of the financial risks occurring and the cost of managing these risks. The Manager continuously monitors the Group's financial risk management process to ensure that an appropriate balance between risk and control is achieved.

Financial risk management policies and systems are reviewed regularly to reflect changes in market conditions and Starhill Global REIT's activities. The policies contain the parameters and processes for managing these risks, and define the roles and responsibilities of those who manage the process. For more information on financial risk management, please refer to pages 154 to 162 of this Annual Report.

5. BUSINESS CONTINUITY PLANNING

The Manager has developed a plan to address the impact and recovery of unforeseen disruptions or emergency circumstances to its business and operations. Key areas such as information technology, finance, regulatory compliance, vital record storage and recovery are addressed, to ensure smooth continuation of the Manager's and the Property Manager's essential business operations, in the event of a major disruption or contingency.

6. OPERATIONAL RISK SELF ASSESSMENTS (ORSA)

The Manager has an ORSA protocol to ensure a regular review and assessment of the internal processes which have been implemented under the enterprise risk management framework. The Manager periodically conducts ORSA to assess the key risks and controls identified. This process also ensures that adequate resources are allocated to mitigate these risks.

7. RISK REPORTING

The Manager actively assesses and manages legal and compliance risks for Starhill Global REIT. Such risks may arise in each of the various jurisdictions Starhill Global REIT has assets located in, with the application of different laws and regulatory requirements, the enforceability of counterparty obligations and/or changes to applicable laws and regulations.

Quarterly reports are made to the Manager's Audit Committee (on an exceptions basis), and the Board is regularly updated on all such matters.

8. WHISTLE BLOWING POLICY

The Board has established a whistle blowing policy, pursuant to which employees and any other persons may, in confidence, raise concerns about potential or actual improprieties in financial or other operational matters, so as to facilitate independent investigations of such matters and ensure that appropriate remedial and follow-up action is taken. On an ongoing basis, the whistle blowing policy is covered during staff orientation to promote fraud awareness.

Investor Relations and Communications

Starhill Global REIT keeps Unitholders and the financial community abreast of its latest developments and strategic direction through equitable, timely and effective communications. The Manager employs communication channels such as announcements, press releases, briefing sessions, investor presentations, annual reports, corporate video, corporate website and emails to disseminate information on its financial and operational performance, business plans and latest developments. The Manager is active in engaging investors and analysts through regular meetings, property tours and attending conferences both locally and overseas throughout the year. In FY 2019/20, the Manager participated in a number of investor conferences and roadshows in Singapore, Bangkok and Tokyo. In total, we attended 131 investor meetings in the financial year.

As at 30 June 2020, Starhill Global REIT is covered by a total of eight research houses. Starhill Global REIT is a component stock of FTSE ST Real Estate Investment Trusts Index and FTSE ST Singapore Shariah Index. The Manager continues to be proactive in reaching out to Unitholders, prospective investors and analysts. It is committed to sharing accurate information with the investing public in a timely manner.

FY 2019/20 INVESTOR RELATIONS ACTIVITIES

1Q FY 2019/20 (1 Jul 2019 to 30 Sep 2019)

- Release of financial results for FY 2018/19 and results briefing for analysts
- Citi-REITAS-SGX C-Suite Singapore REITs and Sponsors Forum 2019
- UBS OneASEAN Conference 2019 in Bangkok
- Release of Annual Report for FY 2018/19
- Release of the third Sustainability Report for FY 2018/19

2Q FY 2019/20 (1 Oct 2019 to 31 Dec 2019)

- 2019 SGX-Credit Suisse Real Estate Corporate Day
- Release of 1Q FY 2019/20 financial results
- Annual General Meeting
- J.P. Morgan-SGX Corporate Day in Tokyo 2019

3Q FY 2019/20 (1 Jan 2020 to 31 Mar 2020)

- Release of 2Q FY 2019/20 financial results
- Post-results investors' luncheon hosted by DBS Vickers Securities Singapore

4Q FY 2019/20 (1 Apr 2020 to 30 Jun 2020)

- Release of 3Q FY 2019/20 financial results
- Virtual Corporate Access by SGX and Bank of China: REITs and Business Trust

Annual General Meeting held on 29 October 2019

RESEARCH COVERAGE

- CGS-CIMB Research
- Daiwa Capital Markets Singapore
- DBS Group Research
- Maybank Kim Eng Research
- OCBC Investment Research
- Soochow CSSD Capital Markets (Asia)
- RHB Securities Singapore
- UBS Global Research

UNITHOLDERS' ENQUIRIES

If you have any enquiries or would like to find out more about Starhill Global REIT, please contact:

THE MANAGER

YTL Starhill Global REIT Management Limited
391B Orchard Road
#21-08 Ngee Ann City Tower B
Singapore 238874
Phone: +65 6835 8633
Fax: +65 6835 8644
Email: info@ytlstarhill.com
Website: www.starhillglobalreit.com

THE UNIT REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623
Phone: +65 6536 5355
Fax: +65 6438 8710
Website: www.boardroomlimited.com

For depository-related matters such as change of details pertaining to Unitholders' investment records, please contact:

UNITHOLDER DEPOSITORY

The Central Depository (Pte) Limited
11 North Buona Vista Drive
#01-19/20 The Metropolis Tower 2
Singapore 138589
Phone: +65 6535 7511
Fax: +65 6535 0775
Email: asksgx@sgx.com
Website: investors.sgx.com

Sustainability Report

SUSTAINABILITY REPORT CONTENTS

CONTACT US

As part of our continued efforts to improve our reporting, we welcome stakeholders to submit their comments to us. For any questions or to deliver feedback about this report, please contact:

Investor Relations and Corporate Communications

JONATHAN KUAH
YTL Starhill Global REIT
Management Limited

391B Orchard Road,
#21-08 Ngee Ann City
Tower B, Singapore 238874

Phone: +65 6835 8633
Fax: +65 6835 8644
Email: info@ytlstarhill.com

BOARD STATEMENT

Starhill Global Real Estate Investment Trust ("SGREIT" or "We") is pleased to present our Sustainability Report from 1 July 2019 to 30 June 2020 (FY 2019/20). This is the fourth year we are publishing an annual sustainability report, and we wish to demonstrate to SGREIT stakeholders that we are committed to creating a sustainable business model.

We believe that adopting the best practices in environment, social and governance ("ESG") aspects is fundamental to the conduct of our business. Sustainable practices are essential in building a reliable and resilient business, especially today, where increased accountability is demanded from every business. Doing business responsibly not only ensures longevity for SGREIT by improving our business operations, but also creates greater long-term value for our stakeholders.

The Board considers sustainability in the formulation of SGREIT's long-term strategies. The material ESG aspects identified by the Management were approved by the Board. Under the guidance and oversight of the Board, the Management manages and monitors the material ESG aspects.

For SGREIT's properties in Singapore, we have a 10-year target to reduce energy consumption by 15% from the base year of FY 2016/17. Efforts to meet this goal have been ongoing, through the modernisation of cargo lifts at Wisma Atria, overhaul of less-efficient chiller systems at Wisma Atria and Myer Centre Adelaide, as well as switching to more energy-efficient LED lights and switching on only essential lights at night at Plaza Arcade. Based on our progress to date, we are hopeful that we will be able to achieve our 10-year goal.

We believe in sharing our spaces with the local community and we welcome social entrepreneurs and non-profit organisations seeking to hold meaningful events and public awareness campaigns in our malls. We wish to play a part in shaping the communities that we operate in, making a lasting social impact across the region.

This financial year, our property in Singapore helped encourage more sustainable living, starting with decorations made from recycled material for the year-end festivities to creating public awareness about sustainable living among shoppers through a partnership with electricity retailer Geneco. Our Malaysia Properties collaborated with other organisations on sustainability-focused events and initiatives such as monthly street food events, arts and crafts events and upcycling workshops.

As a people-oriented organisation, YTL Starhill Global REIT Management Limited (the "Manager") also recognises the importance of attracting, retaining and developing people who are committed to growing with us. Our employees are ready to take up new challenges in the dynamic, ever-changing environment of real estate investment trusts, and thrive in a supportive, family-like culture. The Manager strongly believes in upgrading the skills of its employees, encouraging them to attend training workshops and courses both locally and overseas.

Our Board and Management are committed to ensuring long-term value creation for SGREIT's stakeholders and our goal is to establish our foothold on sustainability that will make an impact across the countries that we operate in.

ABOUT THIS REPORT

Scope of the Report

The scope of this report covers the sustainability performance of our operations for FY 2019/20. All data and activities reported were from 1 July 2019 to 30 June 2020, unless stated otherwise.

This report has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards: Core option - the international standard for sustainability reporting unveiled by GRI in 2016. This report is developed with reference to the primary components set in Singapore Exchange Securities Trading Limited's ("SGX-ST") Listing Rule 711B on a 'comply or explain' basis. For further information on the relevant references, kindly refer to the GRI Content Index found on pages 78 and 79 of this Annual Report.

This report aims to provide you with a holistic overview of our initiatives and strategies related to sustainability and responsible business development. Through these actions, we aim to address the key concerns and issues that our stakeholders face. We have identified ten material ESG aspects with regard to the operations of our businesses and we are committed to addressing these material aspects so as to achieve long-term value creation for our stakeholders. The content of this report was defined by the four reporting principles established by GRI Standards:

(1) Stakeholder Inclusiveness;
(2) Sustainability Context;
(3) Materiality;
(4) Completeness.

The Stakeholder Inclusiveness principle was implemented in determining the report context through various stakeholder engagements and internal discussions amongst the Management team. This helped in understanding the reasonable expectations as well as interests of SGREIT's stakeholders.

The Sustainability Context principle was implemented in determining the report context which covered the ESG aspects. The Materiality principle was implemented in determining the report context through the abovementioned stakeholder engagements and internal discussions. After which, all relevant factors were weighed according to their respective importance to stakeholders, as well as impact on SGREIT's business. This combined assessment then allowed the Manager to identify and agree upon the appropriate material ESG aspects for the business.

The Completeness principle was implemented by examining specific and material topics to check the data availability and determination of the topics' boundaries. Unless otherwise stated, the report covers the ESG performance of SGREIT's properties across its core portfolio of properties in Singapore, Australia, and Malaysia, with FY 2016/17, FY 2017/18 and FY 2018/19 data for comparison, where available.

Our first sustainability report was published in FY 2016/17 and hence, it will be our base year to gauge our progress in building a more sustainable business. While the Water and Occupational Health & Safety modules under the GRI Standards have been revised to the 2018 version, and the Waste module under the GRI Standards have been revised to the 2020 version, this Sustainability Report is prepared based on the 2016 version. We will do a review on migrating to the new modules in the future.

Environmental performance pertains only to the common areas within SGREIT's properties which are actively managed by the property managers, and where the Manager has the ability to monitor and influence the efficiency of utilities. In general, the environmental performance of the report does not include master-tenanted areas and anchor leases over which SGREIT does not have operational control, namely Toshin at Ngee Ann City Property, Myer department store at Myer Centre Adelaide and David Jones department store at David Jones Building.

The data presented include the master-tenanted properties in Malaysia which are under a master lease with Katagreen Development Sdn. Bhd., an indirect wholly-owned subsidiary of YTL Corporation, but excludes the data on the remaining space at Ngee Ann City Property whereby the common areas are not within the operational control of SGREIT.

The data on waste for Singapore encompasses Wisma Atria under the Management Corporation Strata Title. This includes Wisma Atria Property which is owned by SGREIT, as well as Isetan's own strata space. As for Malaysia, non-recyclable waste data are not available.

The Product Responsibility and Human Capital performance indicators pertain only to the Manager in Singapore. Data on the Manager's workforce is reported in relation to the Manager in Singapore. Countries which account for less than 5% of revenue and not deemed strategic were not included in the scope of reporting. Please refer to Figure 1 below for the summarised report scope.

This report forms part of SGREIT's Annual Report FY 2019/20 and can be viewed or downloaded from www.starhillglobalreit.com. This Sustainability Report will be published annually to report on the performance and strategy on issues that are key to our stakeholders. This report is not externally assured.

Sustainability Report

Figure 1: **PROPERTIES IN SCOPE FOR THE REPORT**

Portfolio By Country	Environmental	Product Responsibility	Community	Human Capital
Singapore				
Wisma Atria Property	◆	◆	◆	◆
Ngee Ann City Property[1]		◆	◆	◆
Australia				
Myer Centre Adelaide, Adelaide[1]	◆		◆	
David Jones Building, Perth[1]	◆		◆	
Plaza Arcade, Perth	◆		◆	
Malaysia				
The Starhill, Kuala Lumpur	◆		◆	
Lot 10 Property, Kuala Lumpur	◆		◆	
Japan				
Ebisu Fort, Tokyo[2]	NA	NA	NA	NA
Daikanyama, Tokyo[2]	NA	NA	NA	NA
China				
China Property, Chengdu[2]	NA	NA	NA	NA

Notes:

[1] In general, data presented does not include the master-tenanted areas and anchor leases which SGREIT does not have operational control, namely Toshin at Ngee Ann City Property, Myer department store at Myer Centre Adelaide and David Jones department store at David Jones Building. The data presented includes the master-tenanted properties in Malaysia which is under a master lease with Katagreen Development Sdn. Bhd., an indirect wholly-owned subsidiary of YTL Corporation, but excludes the data on the remaining space at Ngee Ann City Property.

[2] Countries which account for less than 5% of revenue and not deemed strategic are not included in the scope of reporting.

SUSTAINABILITY AT STARHILL GLOBAL REIT

Our Approach to Sustainability

The Manager is dedicated to our core values of integrity, client commitment, strive for profitability, fulfilment for our people, teamwork and maintaining the highest standards. We believe that these six goals can be further championed through continuously driving our sustainability programme forward, hence making sustainability crucial to our business.

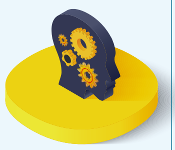
Led by Mr Ho Sing, the Chief Executive Officer ("CEO") of YTL Starhill Global REIT Management Limited, key representatives from the Manager and YTL Starhill Global Property Management Pte. Ltd. ("the Property Manager") in Singapore embed sustainable practices within the organisation. We remain focused on our sustainability framework (Figure 3), which is derived from the selected materiality issues (Figure 4).

Figure 2: **STAKEHOLDER ENGAGEMENT**

We engage our stakeholders regularly through various communication platforms, seeking to address their issues and concerns while we strive to build lasting relationships.

Stakeholder Groups	Purpose and Goal	Modes of Engagement	Key Concerns Raised by Stakeholder Group
Tenants	• Provide a comfortable and safe environment and quality tenant mix • Collaborate with tenants to drive business at the mall	• Joint promotional and strategic partnerships • Tenant satisfaction survey	• Create a conducive mall environment • Differentiated tenant mix • Stable shopper traffic
Investors	• Provide accurate information to the investing public through timely communication	• Dedicated Investor Relations section on the company's website • SGXNET announcements • Annual General Meeting • Annual report • Results briefings to analysts, investors, and the media • Meetings with investors and participation in roadshows and conferences • Mall tours upon request • Corporate video	• Access to high-quality real estate investment • Business performance and strategy • Sustainable delivery of returns
Shoppers	• Identify shoppers' needs and improve their shopping experience at the mall	• Marketing and promotional programmes and events • Online and mobile platforms • Social media	• Conducive mall environment • Differentiated tenant mix • Stable shopper traffic
Employees	• An inclusive environment with enhanced well-being and productivity, with potential and opportunities to develop skills and knowledge	• Weekly department meetings • Annual performance appraisals • Recreational and team building activities • Training courses and workshops • Employment incentives and benefits	• Communicating business strategy and developments • Reward and recognition • Training and career development • Employee wellness activities
Partners (Government, Regulators, Suppliers)	• Comply with government policies, rules, and regulations • Fair and reasonable treatment • Win-win partnership	• Meetings, feedback and correspondences • Participation in industry associations such as the REIT Association of Singapore	• Sharing of best practices • Compliance with rules and regulations
Community	• Contribute to the communities we operate in	• Corporate social responsibility programme	• Environment • Employee philanthropy

Figure 3:
SUSTAINABILITY FRAMEWORK



1 EMBRACING THE MARKETPLACE

- Corporate Governance
- Anti-Corruption and Whistle-Blowing
- Risk Management
- Customer Health and Safety
- Customer Privacy
- Tenant Satisfaction
- Unitholder Communications
- Supply Chain

2 ENVIRONMENTAL CONSERVATION

- Sustainable Certification of our Properties
- Energy Efficiency
- Water Conservation
- Waste Management

3 EMPOWERING OUR PEOPLE

- Fair Employment
- Occupational Health and Safety
- Employee Well-Being and Active Engagement
- Talent Management and Development

4 ENRICHING COMMUNITIES

- Local Communities

APPROACH TO SUSTAINABILITY

THE MANAGER IS DEDICATED TO OUR core values of integrity, client commitment, strive for profitability, fulfilment for our people, teamwork and maintaining the highest standards.

Materiality Assessment

Upon understanding the various ESG aspects raised by our stakeholders, we then map them to the GRI list of aspects. The relative importance of each aspect is considered through its impact on the business and stakeholders. The aspects are then plotted on a materiality matrix, which helps us to identify and prioritise our efforts.

The assessment produced a list of 10 material issues that were identified to share high importance for both the stakeholders, as well as the Manager. These issues were then assessed by key representatives from the Manager and Property Manager in Singapore.

The Manager regularly takes into consideration key issues that would interest stakeholders surfaced from its member representations in strategic associations including the REIT Association of Singapore, Investor Relations Professionals Association (Singapore) as well as engagement with government agencies and regulators including Building and Construction Authority, Monetary Authority of Singapore, Singapore Exchange Limited and Urban Redevelopment Authority of Singapore. The Property Manager is a member of the Orchard Road Business Association.

In Adelaide, the Centre Manager of Myer Centre Adelaide serves as a main contact for the Adelaide City Council. Myer Centre Adelaide is associated with the Rundle Mall Management Authority which focuses on promoting the Rundle Mall precinct.

The Malaysia Properties are members of the Bukit Bintang Kuala Lumpur City Centre (BBKLCC) Tourism Association, chaired by Mr Joseph Yeoh, Vice President of YTL Land & Development Berhad. BBKLCC Tourism Association works with selected malls within the precinct to promote shopping tourism.

Figure 4: **MATERIAL ASPECTS IDENTIFIED**

The GRI Standards took effect for reports or other materials published on or after 1 July 2018. Our previous sustainability report has been prepared in accordance with the GRI Standards.

Material Aspects	GRI Standards ESG Indicators
Economic Performance	GRI 201-1: Direct economic value generated and distributed
Energy	GRI 302-1: Energy consumption within the organisation GRI 302-4: Reduction of energy consumption
Water*	GRI 303-1: Water withdrawal by source
Effluents and Waste*	GRI 306-2: Waste by type and disposal method
Employment	GRI 401-1: New employee hires and employee turnover GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees GRI 401-3: Parental leave
Occupational Health and Safety*	GRI 403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities
Training and Education	GRI 404-1: Average hours of training per year per employee GRI 404-3: Percentage of employees receiving regular performance and career development reviews
Customer Health and Safety	GRI 416-1: Assessment of the health and safety impacts of product and service categories GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services
Customer Privacy	GRI 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data
Socioeconomic Compliance	GRI 419-1: Non-compliance with laws and regulations in the social and economic area

* While the Water and Occupational Health & Safety modules under the GRI Standards have been revised to the 2018 version and the Waste module under the GRI Standards have been revised to the 2020 version, this Sustainability Report is prepared based on the 2016 version.

Sustainability Report

1 EMBRACING THE MARKETPLACE

Our Approach

- Delivering profitable and sustainable business growth through effective compliance and risk management
- Operating our business responsibly with accountability
- Strengthening responsible stewardship of our assets, products and services

Corporate Governance

An extensive system of policies, processes, training and communications is in place as we uphold compliance, setting the tone for better governance and performance. For more details on SGREIT's Corporate Governance, please refer to pages 80 to 103 of this Annual Report.

Anti-Corruption and Whistle-Blowing

The Manager enforces a culture which has zero tolerance towards corruption. An anti-corruption policy is in place to provide detailed guidance on corrupt practices. Compliance training is held annually for all employees to ensure all are clear about the acceptable standards and procedures in business dealings.

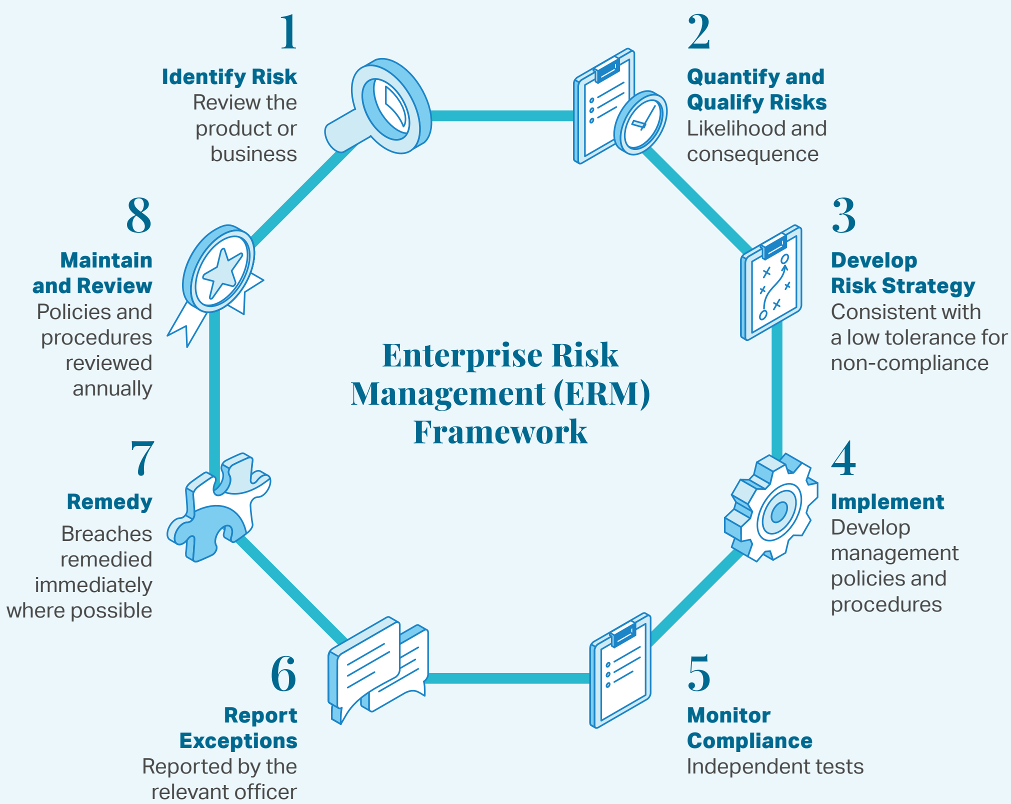
A whistle-blowing policy is also in place as a safe channel for employees and other persons to report potential or actual improprieties in financial and operational matters. Complaints can be made verbally or in writing to whistleblowing@ytlstarhill.com.

Whistle-blowers' identities are kept in confidence to the extent possible to facilitate independent investigations for appropriate remedial and follow-up actions. For more details on whistle-blowing, please refer to page 60 of this Annual Report. There were no reported cases of material non-compliance with any laws and regulations (including anti-corruption laws) in FY 2019/20. We aim to maintain the current achievement in FY 2020/21.

Risk Management

An Enterprise Risk Management (ERM) framework (Figure 5) and Board approved policies are in place to provide a structured approach to identifying and managing material risks that could arise in the course of managing SGREIT. An Operational Risk Self-Assessment (ORSA) is established to ensure risks are assessed and reviewed at least on an annual basis. For more details on risk management, please refer to page 60 of this Annual Report.

Figure 5: **ENTERPRISE RISK MANAGEMENT (ERM) FRAMEWORK**



Customer Health & Safety

SGREIT upholds high standards of health, hygiene and safety standards for our tenants and shoppers. The appropriate safety measures and standard operating procedures are in place to ensure that tenants and staff are clear about what to do in case of an emergency, and management teams are well-equipped to respond to such situations.

The Manager has implemented preventive measures in light of the COVID-19 pandemic. The installation of photocatalytic and UVC light in the air handling units (AHUs) of retail and office assets in Singapore will be able to reduce mould and viruses in the AHUs' filters. Other measures include temperature screening and queue management for shoppers, tenants and visitors to Wisma Atria, equipping all sliding doors with auto-sensor capabilities for contactless entry, application of antivirus, antimicrobial and antifungal coating spray onto high-touch points such as lift buttons and escalator handrails, as well as increased cleaning and disinfection frequency to create an environment safe for the community. New technological solutions such as disinfectant robots utilising advanced ultraviolet technology and cleaning robots will also be deployed from next financial year.

In Australia, Myer Centre Adelaide has in place preventive measures such as the installation of Perspex screens at the Reception and Customer Service Desk, increased cleaning of high traffic and high touch points as well as installation of hand sanitisers stations near all amenities, the food court and adjacent to store directories. Social distancing posters, signage and floor decals are provided to remind shoppers. Protective equipment and sanitisers or wipes are also offered to Myer Centre Adelaide staff. At Plaza Arcade, signage for social distancing is affixed on the mall's floor, sanitisers are installed in bathrooms and cleaning has been stepped up.

Standard fire safety operating procedures have been put in place. Properties in Singapore are managed by property management teams trained in first aid. The properties are also subjected to fire safety audits. Fire and evacuation drills are conducted at least once a year for the malls and office towers in Singapore, Australia and Malaysia Properties, to familiarise tenants and staff with emergency response plans. In Australia, all Myer Centre Adelaide CBRE staff are offered training in emergency procedures, and an annual inspection on fire and emergency controls are carried out by an external consultant for compliance. In Malaysia, tenants, management staff, security and fire wardens work together with the Fire and Rescue Department of Malaysia to carry out fire or evacuation drills.

Renewals of required certificates and permits or inspections for fire safety, lifts and escalators are regularly reported and monitored. Internal safety assessments such as lift maintenance are conducted based on the requirements of the relevant authorities in the respective countries. In Singapore, these requirements are listed in the Codes of Practice. In Australia, lift maintenance is carried out monthly at Myer Centre Adelaide and an annual safety test is carried out on each lift. The maintenance of lifts within the David Jones department store is done by the tenant, who provides periodic updates to the Manager. In Malaysia, safety assessment of lifts is done by the Department of Occupational Safety and Health. Internal audit also reviews the operating effectiveness of key controls over the fire safety arrangements of key assets periodically.

In the event of a safety incident at Wisma Atria, ground staff such as security officers, property officers or mall technicians will respond to the incident within a reasonable and practicable time frame. The Operations team will be updated concurrently through any available means of communication – WhatsApp messages or telephone calls. Should the incident involve any business disruption, property loss or loss of life, the Management team will be informed immediately through similar means of communication. After the incident has been adequately resolved, the operations team will submit an incident report within 24 hours of its occurrence.

In Australia, in the event of an emergency, the property manager will adhere to the Emergency Communication Flow Chart, whereby the fire command centre and security personnel will be alerted, followed by the property manager, who would then inform the Manager.

In Australia, Myer Centre Adelaide hosts the monthly Adelaide CBD BusinessWatch meetings where the various security divisions at South Australia Police Division and representatives from major organisations discuss issues relating to security, safety, threats and risks. This enables a strong working relationship between the central management and South Australia Police Division. The meetings are currently on hold due to COVID-19 restrictions.

This financial year, there was zero reported major incidents of non-compliance with regulations and/or voluntary codes relating to customer health and safety occurring on the premises of our properties. We strive to maintain a safety-first awareness in our approach towards our customers in the next financial year.

HEALTH & SAFETY

ZERO

REPORTED MAJOR INCIDENTS

of non-compliance with regulations and/or voluntary codes relating to customer health and safety occurring on the premises of our properties.

Sustainability Report

Customer Privacy

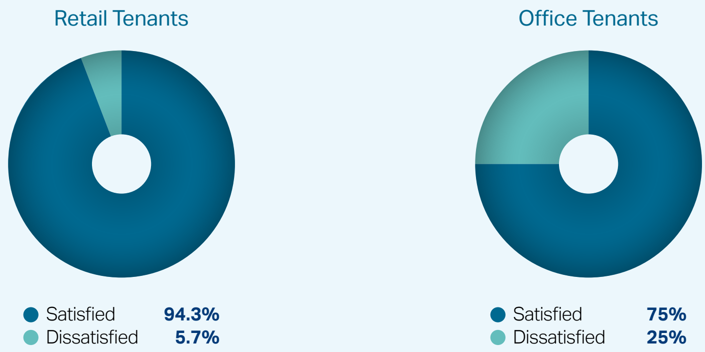
In compliance with the Singapore Personal Data Protection Act ("PDPA") 2012, the Manager has a personal data protection policy in place to safeguard data which concerns all parties in our value chain. Our policy lists clear guidelines governing the collection, use, protection and disclosure of individuals' personal data. At Wisma Atria, consent is sought and obtained from shoppers before collection, use or disclosure of their personal data in compliance with the PDPA and their personal data is protected through encryption or passwords. In FY 2019/20, there were no substantiated complaints concerning breaches of customer privacy. We aim to maintain the current performance in FY 2020/21.

Tenant Satisfaction

To improve customer service and experience, we rely on feedback to understand how to better serve them. We conduct annual tenant surveys to gather feedback from all our tenants regarding our tenant management services, building security and building maintenance. We analyse any potential gaps and areas of improvement, and identify appropriate follow-up actions. Our proactive approach has ensured that we achieve high satisfaction level at all stages of services to our customers.

In FY 2019/20, a total of 176 surveys were sent out to measure the level of satisfaction of both our office building and retail shop tenants in Ngee Ann City Property and Wisma Atria Property. We sent 75 surveys to office tenants, and 101 surveys to retail tenants. For every question in the survey, tenants could respond "Excellent", "Good", "Satisfactory", "Below Average" or "Poor". Satisfied tenants refer to those who had more than 80% of their responses in the satisfactory range of "Satisfactory", "Good" and "Excellent". The pie charts in Figure 6 show the satisfaction levels of our tenants. About 94.3% of retail tenants are satisfied while about 75.0% of office tenants are satisfied. The lower satisfaction level among office tenants are mostly over the maintenance of the buildings' facilities and security.

Figure 6: **TENANTS' SATISFACTION LEVEL**



Besides engaging our tenants through formal surveys, we also interact with them through more casual settings. For example, we organised a mass movie screening of Bad Boys for Life on 30 January 2020 for all of our tenants as a form of tenant appreciation. The activity also encouraged tenants and staff to mingle and bond with each other, forming a stronger long-term relationship.

Support for Tenants Amidst COVID-19 Pandemic

To help tenants through the business disruption due to the COVID-19 pandemic, total rental rebates for eligible tenants in SGREIT's portfolio, including an allowance for rental arrears and rebates for the Australian tenants, amounting to approximately S$32.2 million has been recorded in FY 2019/20. The aggregate amount also includes approximately S$15.2 million of property tax rebates(1) for eligible tenants and estimated cash grants (2) for eligible small and medium enterprises (SMEs), both funded by the Singapore Government. We listen to feedback from our tenants and formulate constructive efforts from there. In FY 2020/21, we aim to continue to engage our tenants in a meaningful manner.

Unitholder Communications

To promote transparency and accountability, the Manager engages in timely and effective communications with all stakeholders. This is carried out via a wide range of communication channels, such as SGX announcements, press releases, briefing sessions, investor presentations and conferences, annual reports, corporate videos, corporate website, and emails to disseminate information on its financial and operational performance, business plans and latest developments. In view of COVID-19, the manager has conducted most meetings with investors via electronic means. Prior to publication, all investor relations materials are also vetted by the Manager for accuracy, consistency, and compliance with policies.

Supply Chain

Our supply chain includes our property managers, tenants and suppliers for various services. Compliance with local government and legal requirements is a criterion for appointed contractors and service providers. Potential tenants and suppliers are also evaluated and selected based on their reputation, track records and expertise in their field to ensure common standards across SGREIT's business units. For engagements that are complex or entail high financial risks, due diligence is carried out to ascertain their financial standing and track record for heightened risk.

Notes:

(1) Property tax rebate as per the Budget 2020 announced by the Singapore Government on 18 February 2020 and the Resilience Budget announced on 26 March 2020.

(2) The Government announced on 26 May 2020 as part of the Fortitude Budget, a Government cash grant to qualifying property owners that would provide relief for Small and Medium Enterprises (SMEs) operating in qualifying non-residential properties.

2

ENVIRONMENTAL CONSERVATION

Our Approach

- Promoting energy efficiency in our properties
- Improving water efficiency

We embrace practices that are more environmentally friendly, such as improving efficiency in energy, water and waste management in our properties, raising awareness of climate change among our employees and encouraging customers to make sustainable choices. Furthermore, we have collaborated on various meaningful and novel initiatives.

The offices of the Manager and Property Manager in Singapore were re-certified by Project Eco-Office for another three years from 2018 for their green efforts. Project Eco-Office is an initiative between Singapore Environment Council and City Developments Limited that recognises environmentally friendly practices in the workplace.

SGREIT has received certifications and awards in energy and resource-efficient building management over the years and will continue to maintain our commitment in this area.

Figure 7: **SUSTAINABLE CERTIFICATION OF OUR PROPERTIES**

Certification	Description of Awards / Certifications / Ratings / Labelling Schemes	Property	Year of Award
NABERS Energy Base Building – 5.0-star rating	A national rating system that measures the environmental performance of Australian buildings, tenancies and homes.	Myer Centre Adelaide (Terrace Towers), Australia	August 2020 to August 2021
BCA Green Mark Platinum Award 2019 (For Existing Non-Residential Building)	A national initiative by the Building and Construction Authority (BCA) to shape a more environmentally friendly and sustainable built environment in Singapore.	Ngee Ann City	2019

Initiatives

Earth Hour Participation

Date: 28 March 2020

Description:

As a dedicated supporter of the Earth Hour cause, we switch off the façade lights of our properties such as Wisma Atria, Lot 10 Property and The Starhill annually and continued to do so this year. Some mall tenants also participated and turned off non-essential lights from 8.30 p.m. to 9.30 p.m. in support of Earth Hour. This year, Wisma Atria was the only Orchard Road mall to be featured in the post-event report of Singapore's First Virtual Earth Hour event hosted online by World Wide Fund for Nature (WWF) Singapore. Together, we play our part to contribute to the global movement and raise awareness about global warming.

Initiatives

Recycling Bins

Date: Ongoing

Description:

Recycling bins are provided at Wisma Atria office building and the bin centre to encourage tenants and staff to recycle more.

At Lot 10, recycling bins are also placed at various locations where members of the public can drop off pre-owned clothes, handbags, belts, linen and soft toys. This initiative was organised in collaboration with Kloth Cares by Kloth Lifestyle, a sustainable fashion brand based in Malaysia. The collection drive helps the environment by creating less waste for landfills and less pollution through the reduction in manufacturing of new clothes. Old fabrics are given a new life in many ways, such as donations to underprivileged groups, used as garments and industrial wiring cloth, turned into refuse-derived fuel as engineered fuel, or even being pieced together to make blankets and other items. Lot 10 collected 3,911.8 kg of fabric from July 2019 to June 2020, or a total of 8,890.6 kg since the collection drive started in March 2017. All proceeds from the sale of items in this campaign will be channelled to National Cancer Council Malaysia (MAKNA), Malaysia Association for the Blind (MAB) and Recycle Community Malaysia Lestari (RCOMM Lestari).

Sustainability Report

Energy Efficiency

SGREIT remains committed to a long-term target of achieving a 15% reduction in energy consumption for Wisma Atria. This will continue to be observed over a 10-year period which began in FY 2016/17.

Electrical energy is the primary source of energy used by SGREIT properties. Total electricity consumption on a portfolio basis fell 20.7% in FY 2019/20 compared to a year ago, mainly due to The Starhill being partially closed for asset enhancement works from October 2019 onwards as well as movement restrictions imposed in Singapore and Malaysia to curb the spread of COVID-19 infections. Wisma Atria Property and Ngee Ann City Property were partially closed from 7 April 2020 during the Circuit Breaker period and were progressively fully reopened from 19 June 2020 as Singapore entered the Phase Two safe reopening phase. Meanwhile, The Starhill and Lot 10 Property were closed from 18 March 2020 during the Movement Control Order. Both malls have since reopened gradually.

ENERGY

TOTAL ENERGY CONSUMPTION

on an aggregate basis has seen a **REDUCTION** of about

26.0%

from the base year of FY 2016/17, demonstrating the effectiveness of our ongoing energy conservation efforts.

In Singapore, the mechanism for passenger lifts have been switched to energy-saving models to reduce energy use.

Lights in the common areas of Wisma Atria have been switched to LED lights for greater energy efficiency, with replacement works completed in FY 2019/20. In FY 2018/19, motion sensors were added onto every LED fitting at the mid-landing of all staircases. Lights will be switched off if there is no movement in that particular landing for more than 30 seconds. Replacement works of LED fittings are ongoing for plant rooms and will be completed by FY 2020/21. The overhaul of the chiller systems at Wisma Atria, which have reached the end of their lifespan, is currently in progress. Upon the completion of the overhaul, the efficiency of the air conditioning system will improve and will further reduce energy consumption.

In Australia, Myer Centre Adelaide replaced two sets of escalators and these will slow down into energy-saving mode when no one is on the escalators and hence consume less electricity. The end-of-trip facilities comprising about 40 bicycle racks and lockers, as well as shower facilities have been upgraded and expanded with the installation of sensor lighting and a timed exhaust system, which will be activated only when required. To encourage our tenants to conserve energy, we have stipulated in our fit-out guide for tenants of Myer Centre Adelaide that only LED fittings will be approved at the design stage.

The upgrading of the Building Management System (BMS) at Myer Centre Adelaide has been completed. The new BMS enables improved, integrated control of air conditioning, mechanical and electrical systems and has multiple platforms to improve the monitoring of power usage throughout the Centre. It allows us to optimise all temperature-controlled equipment with delayed starting methodology, which reduces running time of the plant such as chillers, pumps and cooling towers. Additionally, all pumps now operate on variable speed drives, providing power savings. Following a review of chiller efficiency at Myer Centre Adelaide, the old chiller has been replaced with a chiller with higher efficiency, which could result in energy and water savings. Besides that, lights at the loading dock were also recently replaced with LED equivalents.

At Plaza Arcade in Perth, the fluorescent lighting of its main mall has been switched to energy-saving LED lights. The property manager has also put in place an electricity regime of switching on only essential lights at night, to reduce unnecessary electricity consumption.

In Malaysia, the lights for all the carpark spaces and common areas in both properties have been switched to LED lights from fluorescent ones. The master tenant also stipulates that incoming tenants must use LED lights in their fitting-out or renovation works.

In the next financial year, we aim to continue to reduce our electricity consumption in line with our 10-year goal through the modernisation of cargo lifts at Wisma Atria, which is currently ongoing. The overhaul of less-efficient chiller systems at Wisma Atria is also in progress, with one chiller system completed and another two still ongoing. At Plaza Arcade, we will continue with the current electricity regime of switching on only essential lights at night, thus reducing the amount of lights being switched on.

Figure 8: **ELECTRICITY CONSUMPTION** (MWh/'000)

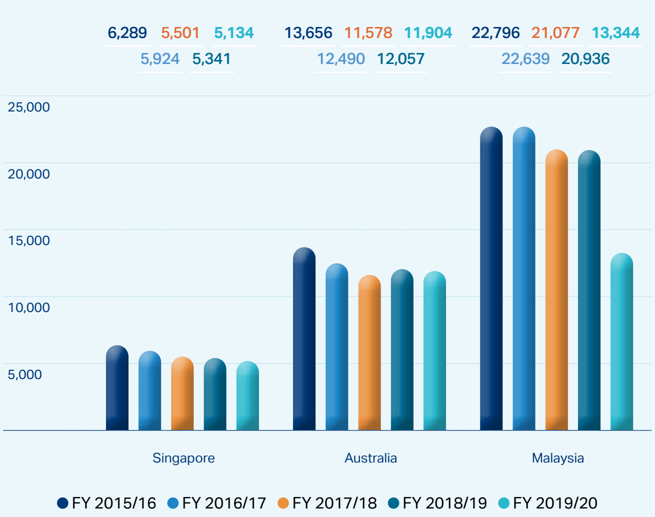
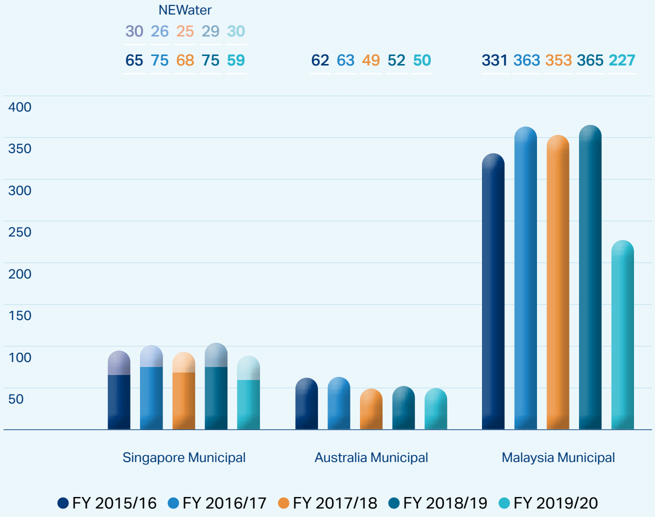


Figure 9: **WATER WITHDRAWAL** (1,000 m³)



Water Conservation

We believe that small initiatives can help to create a huge difference. In Singapore, we have increased the proportion of high-grade reclaimed water ("NEWater") used in our mall. In 2008, the use of NEWater was implemented only for cooling towers and fire protection systems such as sprinklers and wet risers. In 2013, this was expanded to include non-essential areas such as taps for AHU rooms, bin centre and adhoc cleaning like façade cleaning.

At Wisma Atria, we have installed water-saving features such as waterless urinal systems and other fittings approved by the Public Utilities Board's Water Efficiency Labelling Scheme (WELS) in Singapore. A Water Efficiency Management Plan (WEMP) is also in place, which helps the Manager understand water usage within our buildings, and thus identify areas to reduce water consumption and raise water efficiency. Private water meters were installed at essential areas as mandated by PUB to monitor water consumption and serve as an advance warning on possible pipe leakages. These translate into cost savings for tenants and discourage excessive use of water through WELS-rated fittings.

Myer Centre Adelaide uses water-saving taps that are timed to go off after a short time and waterless urinals on two levels of the building.

The Malaysia Properties have a water harvesting system on the rooftop of the buildings to collect rainwater, which is reused to water plants in the building.

In FY 2019/20, the total water consumption in our Singapore, Australia and Malaysia Properties was 29.9% lower than the previous financial year, mainly attributed to the partial opening of malls in Singapore due to the Circuit Breaker and the partial closure of The Starhill during its asset enhancement. In Malaysia, both malls were closed during the MCO while in Australia, a handful of tenants chose to close their stores at the height of the pandemic in FY 2019/20. The total consumption remained below the level seen when we first embarked on our sustainability journey in FY 2016/17. Although the total water consumption seems larger for our Malaysia Properties, total water usage per area (i.e. water intensity) is relatively comparable. Considering that Singapore and Malaysia operate under a similar climate, the total water usage intensity at Malaysia Properties is about 1.0 times total water usage intensity at Wisma Atria. When compared based on total water usage alone, Malaysia Properties used about 2.6 times more water than Wisma Atria.

For FY 2020/21, we target to review our water usage and look into areas we can improve on in maintaining water usage in our portfolio. Over the longer term, we strive to maintain current overall water consumption in our portfolio.

WATER

WATER USAGE FY 2019/20

29.9%

LOWER

than the previous financial year, mainly attributed to the partial opening of malls in Singapore due to the Circuit Breaker and the partial closure of The Starhill during its asset enhancement.

Sustainability Report

Figure 10: **TOTAL RECYCLED WASTE** (Tonnes)

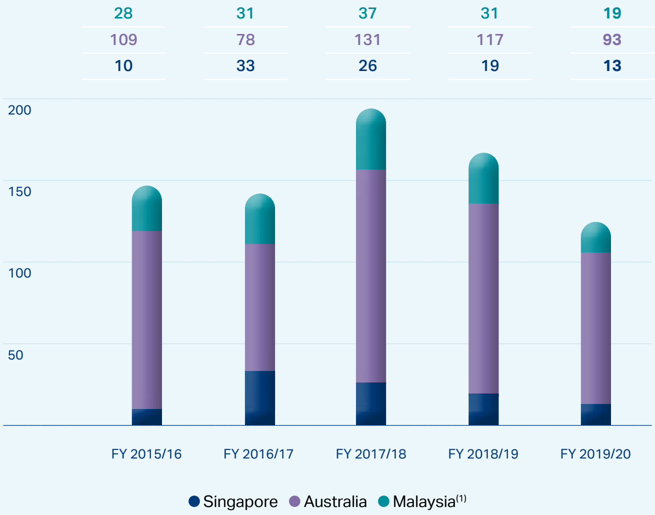
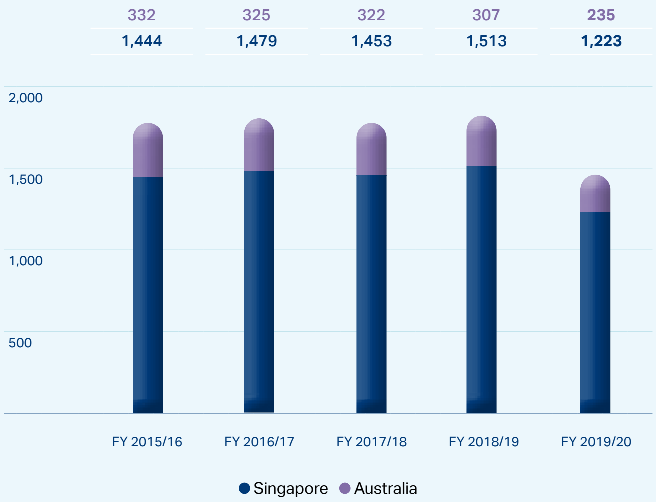


Figure 11: **NON-RECYCLED WASTE GENERATED**[(2) (3)] (Tonnes)



Notes:
(1) Total recycled waste data includes recycled oil.
(2) Data represents non-recycled solid general wastes.
(3) Excludes Malaysia as non-recycled waste data from Malaysia Properties are not available.

Waste Management
We believe in recycling our waste. We encourage our employees and tenants to separate their recyclable waste as much as possible. Many different types of non-hazardous waste are generated at SGREIT properties as our tenants span a range of industries, such as the retail and food & beverage industries (Figures 10 & 11).

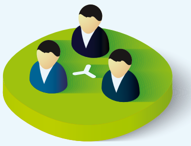
The collection and disposal of waste at our Singapore Properties are carried out by appointed contractors. In FY 2019/20, we collected a total of 1,583 tonnes of waste from our Singapore, Australia and Malaysia Properties. A total of 125 tonnes of waste were recycled, representing 7.9% of our total waste.

In Singapore, we have embarked on an e-waste collection campaign that collects e-waste from our tenants in Wisma Atria. The response has been overwhelming, with a total of 643 kg of e-waste, such as information technology (IT) peripherals, collected this financial year. Since the inaugural drive in FY 2018/19, the total weight of e-waste collected amounts to 1,125 kg.

Another significant group of recycled waste comes from our food & beverage tenants in our properties in Malaysia. Food waste such as used cooking oil is collected and sold to a third-party oil recycling company that processes the used oil into biodiesel. In FY 2019/20, about 1.5 tonnes of used cooking oil was recycled from The Starhill and Lot 10 Property. From July 2015 to June 2020, the Malaysian malls have recycled over 19.1 tonnes of used cooking oil.

In Australia, the waste data collected does not include that of Plaza Arcade and David Jones Building as waste collection was conducted by the City of Perth. We continue to support the recycling efforts by the City of Perth by allowing them to place recycling bins at Plaza Arcade. As for Myer Centre Adelaide, waste is removed by our waste removal contractor, Veolia Environment Services SA, which collects, sorts and delivers the waste to the respective facilities for recycling. Myer Centre Adelaide has a compactor dedicated to cardboard waste and recycles cooking oil.

We aim to continue encouraging recycling throughout our value chain and in the wider community through various initiatives and campaigns. In FY 2020/21, we target to maintain or increase the amount of total recycled waste as compared to the previous year.



3 EMPOWERING OUR PEOPLE

Our Approach

- Creating a well-balanced workplace that is healthy and safe
- Fostering fair and equitable workplace conditions
- Caring for our employees through active engagement
- Nurturing human capital through learning and development

Fair Employment

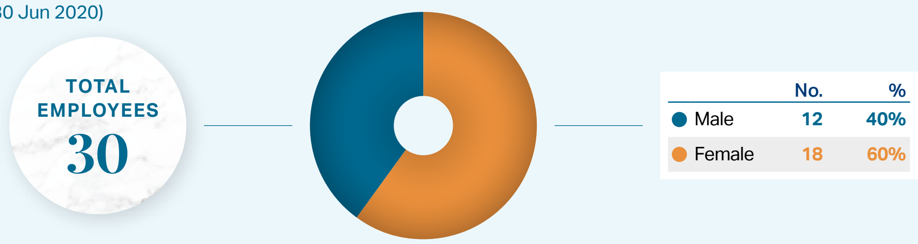
We pride ourselves in maintaining a harmonious and diverse workforce spanning different generations, genders, nationalities and skill sets. We are committed to providing equal opportunities and fair employment practices.

As at 30 June 2020, the Manager has 30 employees*, all located in Singapore. We have no temporary or part-time employees.

In FY 2019/20, the rate of new employee hires was 10.0% and the rate of employee turnover was 8.1%. The graphs in Figure 13 and Figure 14 show a detailed breakdown of the changes in our workforce according to age group and gender.

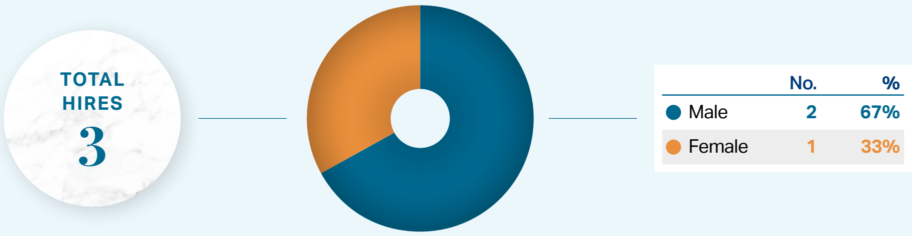
* SGREIT is managed by the Manager, YTL Starhill Global REIT Management Limited. The data reported is in relation to the Manager in Singapore.

Figure 12: **TOTAL NUMBER OF EMPLOYEES**
By Employment Category and Gender
(As at 30 Jun 2020)



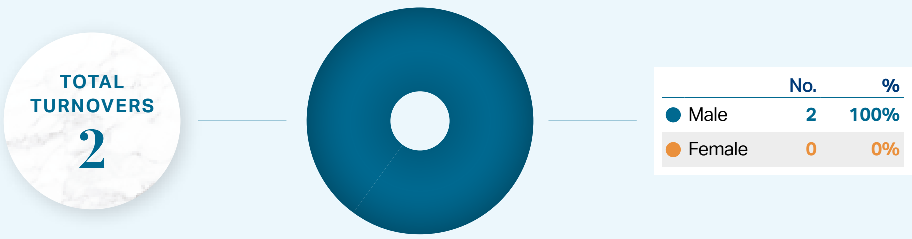
Employment Type	Male	Female	Total employees	% Total	% Male	% Female
Rank and file	0	4	4	13%	0%	100%
Executives and Supervisors	2	3	5	17%	40%	60%
Management	5	9	14	47%	36%	64%
Senior Management	5	2	7	23%	71%	29%
Total	**12**	**18**	**30**	**100%**	**40%**	**60%**

Figure 13: **EMPLOYEE HIRES IN FY 2019/20**
By Age Group and Gender



Types	Age group	Male	Female	Total	%
Hires	Below 30	1	0	1	33%
	30-50	1	1	2	67%
	Above 50	0	0	0	0%
	Total	**2**	**1**	**3**	**100%**
	% Gender	**67%**	**33%**		

Figure 14: **EMPLOYEE TURNOVER IN FY 2019/20**
By Age Group and Gender



Types	Age group	Male	Female	Total	%
Turnovers	Below 30	0	0	0	0%
	30-50	2	0	2	100%
	Above 50	0	0	0	0%
	Total	**2**	**0**	**2**	**100%**
	% Gender	**100%**	**0%**		

Sustainability Report

Occupational Health and Safety
In compliance with the Singapore Workplace Safety and Health Act 2006, the Manager places a large emphasis on cultivating good safety habits in all individuals. This has created a strong safety culture in the Manager which extends beyond physical health to mental and emotional health as well.

Additionally, our employees are provided with a wide range of life and medical insurance plans, inclusive of disability coverage, to protect them and safeguard their interests.

In response to the ongoing COVID-19 pandemic, the Manager prioritises the health and safety of our employees. Face masks are distributed to employees and hand sanitisers are provided in office common areas for employees to use. A personal digital thermometer was also issued to every employee for their daily temperature checks. The Manager has extended a telecommuting scheme or Home Office Work Arrangement (HOWA) to all staff during and post the Circuit Breaker period implemented by the Singapore Government – enabling employees to stay safe and healthy at home while remaining productive. A dedicated safe management officer has also been appointed to ensure employees keep a safe distance from each other while at work. Employees are split into teams and a weekly schedule implemented for employees who need to return to the office for work-related purposes. The digital check-in system SafeEntry is also implemented in the office. Complimentary online trainings and workshops were extended to employees during the Circuit Breaker period.

WELL-BEING

100%

OF OUR EMPLOYEES
received their appraisal. We aim to maintain the current achievement in FY 2020/21 and going forward.

In FY 2019/20, our efforts in strengthening the company's safety culture have shown results as we have experienced a zero-injury, fatality and occupational disease rate. We aim to maintain the current performance in FY 2020/21.

Employee Well-being and Active Engagement
We promote a family-like culture and focus on employee bonding to forge stronger team dynamics.

The Manager holds annual year-end luncheons to celebrate the Christmas festive season. For the Chinese New Year celebration, employees were treated to a lion dance and lohei to usher in a bountiful year ahead. For the Mid-Autumn Festival, employees bonded with each other during a *tang yuan* cooking class to make glutinous rice balls in the shape of cartoon characters. To promote team bonding, the Manager organised a catamaran cruise incentive outing on 5 July 2019. A total of 25 employees joined the outing and enjoyed food and each other's company during the cruise, as well as competed in friendly games.

We promote the merits of healthy living and encourage employees to embrace a holistic lifestyle through our Workplace Health Programme (WHP). The WHP comprises a calendar of sports and health-related activities organised for employees to experience quality work-life balance and stay fit, healthy and productive. Among others, the Manager organised regular badminton sessions for employees in our effort to promote a healthy lifestyle among employees. These workplace health and bonding activities have resulted in a happier, more cohesive and productive workforce. In 2020, these activities have been put on hold due to COVID-19. The Manager also organised educational talks for employees on first aid and survival skills crucial in the event of terrorism or a fire.

We care for our employees' health and well-being. The Manager organised flu vaccinations for all employees in view of the year-end influenza peak season. Many staff turned up for the vaccinations and stayed healthy. Such initiatives create a conducive work environment with a healthy and happy workforce.

In support of work-life balance, family-friendly initiatives such as staggered work-hours and monthly 'Bright Sky Day' are implemented at the workplace. On Bright Sky Day, staff are encouraged to leave early on Friday to spend more time with their families, or to pursue their personal interests over the weekend.

The Manager provides government-paid maternity and paternity leave to all eligible female and male employees in Singapore. In FY 2019/20, three male and eight female employees were entitled to parental leave. Employees also enjoy a range of benefits including medical insurance, birthday leave, wedding vouchers, childbirth vouchers and service awards.

Employees are encouraged to maintain a healthy lifestyle and to look after their well-being through the 'Perfect Attendance Award' issued quarterly, whereby they are rewarded with vouchers for staying healthy. For FY 2019/20, 70.8% of our employees, excluding senior management, received the Perfect Attendance Award.

There were zero absentees this financial year, thus no lost days during the period. We will continue to maintain a safety-first consciousness in the workplace in FY 2020/21.

Talent Management and Development

We believe in encouraging holistic development of our employees and grooming them to their fullest potential, personally and professionally. Hence, we are committed to learning and development programmes to drive productivity and develop the personal effectiveness of our employees.

Our employees undergo training, workshops and seminars on management, technical skills, communication, leadership and other topics relevant to their work. These opportunities allow them to improve on their job-related skills and knowledge, remain future-ready and progress to take on larger roles in the organisation.

We believe in nurturing human capital through learning and development, ensuring that employees are future-ready with skills that stay relevant. Employees are encouraged to attend training workshops and courses both locally and overseas, as well as go on overseas mall trips to familiarise themselves with the retail landscape and current trends. In light of the COVID-19 pandemic and the safe management measures implemented locally and globally, all employees are encouraged to participate in online learning and training. The intern placement programme also provides our people with valuable mentoring and supervisory experience.

In FY 2019/20, each employee underwent an average of 20.9 hours of training, with the detailed breakdown by gender and employment category illustrated in Figure 15 above. This brings the total average training hours per employee over the three-year period from the base year of FY 2017/18 for this target to 84.9 hours, which exceeds the target of 75 hours of training hours per employee over three years. Going forward, we aim to maintain 75 hours of training hours per employee over the next three-year block.

Figure 15: **AVERAGE TRAINING HOURS PER EMPLOYEE**
By Employment Category and Gender

Employee category	Male	Female
Rank and File	0 [1]	3.1
Executives and Supervisors	34.5	37.8
Management	18.5	13.2
Senior Management	27.4	41.1
Average Training Hours per Employee (By Gender)	**24.9**	**18.1**

Note:
(1) There was no male employee in the Rank and File category for FY 2019/20.

Employees were treated to a lion dance and lohei for Chinese New Year Celebration.


Employees competed in friendly games during the catamaran cruise outing.


Employees enjoyed food and each other's company during the catamaran cruise.

Staff are appraised to cultivate a learning culture in the company and to encourage employee interest in self-development for personal growth. During staff appraisal, we recognise every employee for their valuable contributions at work, identify areas of improvement and set achievable targets for the next review period.

Staff appraisals are conducted annually, in line with our employee performance management objectives. Notwithstanding the COVID-19 pandemic and staff working from home, 100% of employees received their appraisals in FY 2019/20. We aim to maintain the current achievement in FY 2020/21 and going forward.

Sustainability Report

4 ENRICHING COMMUNITIES

Our Approach

- Local Communities
- Strive to positively impact and enrich the lives of people in the communities where we operate

We strive to positively impact the lives of people in the countries where we operate in, through our participation in corporate social responsibility activities.

Promoting Sustainable Living

'Once Upon A Time' Christmas 2019

During the year-end festive season, Wisma Atria was decked out from 8 November 2019 to 25 December 2019 in fairytale-inspired Christmas decorations made from recycled materials. The main Christmas tree installation was constructed entirely using plywood and adorned with ornaments and clear baubles containing scroll strips made from recycled paper. The Christmas wrapping paper, which was distributed via the mall's spend-and-redeem tiers, were printed on paper made from 80% recycled material and 20% pure elemental chlorine free fiber.

Geneco Christmas Lodge

A series of activities were held at the Geneco Christmas Lodge at Wisma Atria to encourage shoppers to go green. Shoppers enjoyed a free cup of warm coffee, freshly brewed from sustainably-sourced beans. In addition, the lodge also housed an interactive installation, where shoppers tried to 'generate electricity' through cycling to light up an LED Christmas tree. Geneco also held specially curated sustainable crafting workshops every Friday to Sunday, from 8 November to 1 December 2019. These free workshops allowed shoppers to customise Christmas Cocodama moss balls or create coasters made from recycled T-shirts. As part of Geneco's goal to build a sustainable future, the electricity retailer worked with retailers like Wisma Atria to show how Singaporeans can adopt a well-rounded sustainable lifestyle. The event was covered by family-oriented bloggers and influencers such as Our Parenting World, Sassy Mama SG and @belandbray.

SLOW Fashion Festival

Myer Centre Adelaide hosted the SLOW Fashion Festival runway show for the first time on 27 September 2019. It was the third year of the festival in Adelaide and the event aims to promote a sustainable and ecological fashion industry in Australia. The runway show featured many home-grown Australian sustainable designers and brands such as Ansdorf, Denimsmith and Kings of Indigo. The show, which was held on the unutilised space on Level 4 of the mall, was widely covered by media personalities and influencers which helped to raise Myer Centre Adelaide's profile as a mall which embraces sustainable fashion.

Space for Charity

Bicentennial National Day Bears 2019

Wisma Atria co-organised the Bicentennial National Day Bears Exhibition held from 8-18 August 2019 in partnership with The HEART Enterprise, to support the creativity and talent of children with autism. The exhibition was officiated by then Senior Minister of State for the Ministry of Communications and Information & Ministry of Culture, Community and Youth, Ms Sim Ann, and showcased 54 hand-sewn fabric bears to commemorate Singapore's Bicentennial and Singapore's 54th National Day. Funds raised from the exhibition through an online auction went towards the development of the Community Village SG, which provides inclusive help to the special needs and disabled community in Singapore.

Salvation Army Fundraising and Gift Wrapping

Myer Centre Adelaide provided the Salvation Army a space to host their signature fundraising drive, The Red Shield Appeal, which helped fund a vast network of social and community services within South Australia.

Supporting Arts and Craft, Music and Culture

We support the local industry by hosting a series of arts and craft, music and cultural activities featuring products sourced and produced locally by local artisans in our properties on a regular basis.

Character Clash Art Exhibition

Wisma Atria sponsored space for an art exhibition by the Band of Doodlers and the National Arts Council Singapore. The

Christmas decorations made from recycled materials at Wisma Atria


Generating electricity at Geneco Christmas Lodge


Myer Centre Adelaide's inaugural SLOW Fashion Festival runway show. *Photo credit: Dimitra Koriozos*

Bicentennial National Day Bears Exhibition

ArtPlusD Event featuring local artisans


Youth sports carnival ROMP 19

A more sustainable Race Pack Collection for The Music Run


Food street #Lot10NomNom

Character Clash exhibition showcased original characters designed by young artists and a 'live' character design competition was also held on 14 March 2020.

Art Events

Lot 10 played host to the popular monthly ArtPlusD Event, where local artisans sold their wares, attracting huge crowds of art enthusiasts and food lovers.

Supporting Youth and Volunteerism

ROMP 19

Wisma Atria was one of the event sponsors for ROMP 19, a youth sports carnival that aims to build the character of youths through sports, and to promote active learning in youths through volunteerism. About 2,000 youth athletes and volunteers took part. The annual sporting carnival organised by W.A.D! Club (We Are Different) Club, the youth arm for non-profit organisation Harvest Care Centre (HCC), was into its eighth edition and was graced by Mr Desmond Lee, the then Minister for Social and Family Development, as the guest of honour.

Promoting a Healthy Lifestyle

The Music Run Race Pack Collection

Lot 10 partnered with The Music Run by CIMB Bank Berhad to make the largest 5km and 10km running event in Malaysia a fun and sustainability-focused event. During the collection of their race packs, runners were encouraged to deposit e-waste such as old phones, laptops and electronic devices, as well as old clothes. Their contribution to recycling efforts was rewarded with a chance to win prizes.

Supporting a Closely-Knit Community

Street Food Weekender

Before the COVID-19 pandemic, the terrace space of Lot 10 would be transformed into a bustling food street for the Street Food Weekender event held on the first weekend of every month. This long-running #Lot10NomNom monthly event, which started in August 2018, is well-attended and attracts large crowds with its food stalls and live music performances. The event is temporarily cancelled due to the COVID-19 pandemic.

GRI Content Index

General Standard	Disclosure	References	Omission[1]
GENERAL DISCLOSURES			
ORGANISATIONAL PROFILE			
GRI 102: General Disclosures 2016	102-1 Name of the organisation	Annual Report, About Starhill Global REIT (Inside Front Cover)	
	102-2 Activities, brands, products and services	Annual Report, About Starhill Global REIT (Inside Front Cover)	
	102-3 Location of headquarters	Annual Report, Corporate Directory (Page 170)	
	102-4 Location of operations	Annual Report, Our Geographical Reach (Page 12–13)	
	102-5 Ownership and legal form	Annual Report, Trust Structure (Page 21)	
	102-6 Markets served	Annual Report, Our Geographical Reach (Page 12–13)	
	102-7 Scale of the organisation	Annual Report, Key Highlights (Page 3) Key Figures for 5 years (Page 16) Financial Summary (Page 17) Empowering Our People (Page 73–75)	
	102-8 Information on employees and other workers	Sustainability Report, Empowering Our People (Page 73–75)	
	102-9 Supply Chain	Sustainability Report, Supply Chain (Page 68)	
	102-10 Significant changes to organisation and its supply chain	Not applicable	
	102-11 Precautionary principle or approach	Sustainability Report, Embracing the Marketplace (Page 66–68)	
	102-12 External Initiatives	Sustainability Report, Sustainability at Starhill Global REIT (Page 64–65)	
	102-13 Membership of associations	Annual Report, Sustainability at Starhill Global REIT (Page 64–65)	
STRATEGY			
GRI 102: General Disclosures 2016	102-14 Statement from senior decision-maker	Sustainability Report, Board Statement (Page 62)	
ETHICS AND INTEGRITY			
GRI 102: General Disclosures 2016	102-16 Values, principles, standards, and norms of behaviour	Sustainability Report, Embracing the Marketplace (Page 66–68)	
GOVERNANCE			
GRI 102: General Disclosures 2016	102-18 Governance structure	Sustainability Report, Embracing the Marketplace (Page 66–68)	
STAKEHOLDER ENGAGEMENT			
GRI 102: General Disclosures 2016	102-40 List of stakeholder groups	Sustainability Report, Sustainability at Starhill Global REIT (Page 64)	
	102-41 Collective bargaining agreements	Sustainability Report, Our employees are not covered by collective bargaining agreements	
	102-42 Identifying and selecting stakeholders	Sustainability Report, Sustainability at Starhill Global REIT (Page 64)	
	102-43 Approach to stakeholder engagement	Sustainability Report, Sustainability at Starhill Global REIT (Page 64)	
	102-44 Key topics and concerns raised	Sustainability Report, Sustainability at Starhill Global REIT (Page 64)	

General Standard	Disclosure	References	Omission[1]
REPORTING PRACTICE			
GRI 102: General Disclosures 2016	102-45 Entities included in the consolidated financial statements	Annual Report, Notes to the Financial Statements (Page 105–164)	
	102-46 Defining report content and topic Boundaries	Sustainability Report, About this Report (Page 63)	
	102-47 List of material topics	Sustainability Report, Sustainability at Starhill Global REIT (Page 65)	
	102-48 Restatements of information	Not applicable	
	102-49 Changes in reporting	Not applicable	
	102-50 Reporting period	Sustainability Report, About this Report (Page 63)	
	102-51 Date of most recent report	Sustainability Report, About this Report (Page 63)	
	102-52 Reporting cycle	Sustainability Report, About this Report (Page 63)	
	102-53 Contact point for questions regarding the report	Sustainability Report, About this Report (Page 62)	
	102-54 Claims of reporting in accordance with the GRI Standards	Sustainability Report, About this Report (Page 63)	
	102-55 Content Index	Sustainability Report, GRI Content Index (Page 78–79)	
	102-56 External assurance	Sustainability Report, About this Report (Page 63)	
ECONOMIC PERFORMANCE			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Annual Report, About Starhill Global REIT (Inside Front Cover), Our Strategy (Page 2)	
	103-2 The management approach and its components	Annual Report, Vision and Mission (Inside Front Cover), Our Strategy (Page 2, 6–11)	
	103-3 Evaluation of the management approach	Annual Report, Our Strategy (Page 2, 6–11)	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Annual Report, Financial Review (Page 54–57) Financial Statements (Page 105–164)	
CATEGORY: ENVIRONMENT			
ENERGY			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Environmental Conservation (Page 69–72)	
	103-2 The management approach and its components	Sustainability Report, Environmental Conservation (Page 69–72)	
	103-3 Evaluation of the management approach	Sustainability Report, Environmental Conservation (Page 69–72)	
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Sustainability Report, Environmental Conservation (Page 70–71)	
	302-4 Reduction of energy consumption	Sustainability Report, Environmental Conservation (Page 70–71)	

General Standard	Disclosure	References	Omission[1]
WATER			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Environmental Conservation (Page 69–72)	
	103-2 The management approach and its components	Sustainability Report, Environmental Conservation (Page 69–72)	
	103-3 Evaluation of the management approach	Sustainability Report, Environmental Conservation (Page 69–72)	
GRI 303: Water 2016	303-1 Water withdrawal by source	Sustainability Report, Environmental Conservation (Page 71)	
EFFLUENTS AND WASTE			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Environmental Conservation (Page 69–72)	
	103-2 The management approach and its components	Sustainability Report, Environmental Conservation (Page 69–72)	
	103-3 Evaluation of the management approach	Sustainability Report, Environmental Conservation (Page 69–72)	
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	Sustainability Report, Environmental Conservation (Page 72)	
CATEGORY: SOCIAL			
EMPLOYMENT			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Empowering Our People (Page 73–75)	
	103-2 The management approach and its components	Sustainability Report, Empowering Our People (Page 73–75)	
	103-3 Evaluation of the management approach	Sustainability Report, Empowering Our People (Page 73–75)	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability Report, Empowering Our People (Page 73)	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report, Empowering Our People (Page 73–75)	
	401-3 Parental leave	Sustainability Report, Empowering Our People (Page 74)	
OCCUPATIONAL HEALTH AND SAFETY			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Empowering Our People (Page 73–75)	
	103-2 The management approach and its components	Sustainability Report, Empowering Our People (Page 73–75)	
	103-3 Evaluation of the management approach	Sustainability Report, Empowering Our People (Page 73–75)	
GRI 403: Occupational Health and Safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Sustainability Report, Empowering Our People (Page 74)	

General Standard	Disclosure	References	Omission[1]
TRAINING AND EDUCATION			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Empowering Our People (Page 73–75)	
	103-2 The management approach and its components	Sustainability Report, Empowering Our People (Page 73–75)	
	103-3 Evaluation of the management approach	Sustainability Report, Empowering Our People (Page 73–75)	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability Report, Empowering Our People (Page 75)	
	404-3 Percentage of employees receiving regular performance and career development reviews	Sustainability Report, Empowering Our People (Page 75)	
CUSTOMER HEALTH AND SAFETY			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Embracing the Marketplace (Page 66–68)	
	103-2 The management approach and its components	Sustainability Report, Embracing the Marketplace (Page 66–68)	
	103-3 Evaluation of the management approach	Sustainability Report, Embracing the Marketplace (Page 66–68)	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Sustainability Report, Embracing the Marketplace (Page 67)	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Sustainability Report, Embracing the Marketplace (Page 67)	
CUSTOMER PRIVACY			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Embracing the Marketplace (Page 66–68)	
	103-2 The management approach and its components	Sustainability Report, Embracing the Marketplace (Page 66–68)	
	103-3 Evaluation of the management approach	Sustainability Report, Embracing the Marketplace (Page 66–68)	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Report, Embracing the Marketplace (Page 68)	
SOCIOECONOMIC COMPLIANCE			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Embracing the Marketplace (Page 66–68)	
	103-2 The management approach and its components	Sustainability Report, Embracing the Marketplace (Page 66–68)	
	103-3 Evaluation of the management approach	Sustainability Report, Embracing the Marketplace (Page 66–68)	
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	Sustainability Report, Embracing the Marketplace (Page 66)	

Corporate Governance

MANAGER OF STARHILL GLOBAL REIT

YTL Starhill Global REIT Management Limited was appointed the Manager of Starhill Global REIT in accordance with the terms of the Starhill Global REIT Trust Deed dated 8 August 2005 (as amended) ("Trust Deed").

The Manager of Starhill Global REIT has general power of management over the assets of Starhill Global REIT. The primary role of the Manager is to set the strategic direction of Starhill Global REIT and to make recommendations to HSBC Institutional Trust Services (Singapore) Limited, as trustee of Starhill Global REIT ("Trustee"), on acquisitions, divestments and enhancement of the assets of Starhill Global REIT, in accordance with its stated business strategy and the terms of the Trust Deed. Other important functions and responsibilities of the Manager include:

1. Using its best endeavours to ensure that the business of Starhill Global REIT is carried out and conducted in a proper and efficient manner and to conduct all transactions with or for Starhill Global REIT at arm's length;

2. Preparing property business plans on a regular basis, which may contain proposals and forecasts on net income, capital expenditure, sales and valuations, explanations of major variances to previous forecasts, written commentary on key issues and underlying assumptions on rental rates, occupancy costs and any other relevant assumptions (the purpose of these plans is to manage the performance of Starhill Global REIT's assets);

3. Ensuring compliance with applicable laws and regulations and the Trust Deed;

4. Attending to all communications with Unitholders; and

5. Supervising the property managers in performing the day-to-day property management functions (such as leasing, marketing, maintenance, promotion and accounting) for the properties, pursuant to the property management agreements.

Starhill Global REIT, which is constituted as a trust, has no direct staff of its own (other than the staff of its China subsidiary). It is externally managed by the Manager, who appoints experienced and well-qualified management staff to run its operations. All Directors and employees of the Manager are remunerated by the Manager and not by Starhill Global REIT.

The Trust Deed provides *inter alia* for the removal of the Manager in certain situations, including by way of resolution passed by a simple majority of Unitholders present and voting at a general meeting duly convened, with no Unitholder being disenfranchised.

On 16 September 2010, the Manager obtained a capital markets services licence from the Monetary Authority of Singapore ("MAS") to conduct REIT management activities under the Securities and Futures Act, Chapter 289 of Singapore ("SFA").

CORPORATE GOVERNANCE CULTURE

The Manager believes that strong and effective corporate governance is essential in protecting the interests of the Unitholders and is critical to the success of its performance as the Manager.

The Manager is committed to the highest standards of corporate governance and transparency in the management of Starhill Global REIT and operates in the spirit of the Code of Corporate Governance 2018 ("Code") in the discharge of its responsibilities as Manager.

The following sections describe the Manager's primary corporate governance policies and practices with specific references to the Code, which incorporate measures for avoiding conflicts of interest, including prioritising the interests of Unitholders over those of the Manager. Where there are differences from the principles and provisions of the Code, an explanation has been provided in that section. These policies and practices also ensure that applicable laws and regulations including the listing rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Code of Collective Investment Schemes ("CIS Code") (including the Property Funds Appendix), written directions, notices, codes and other guidelines issued by the MAS, the SFA and the tax ruling dated 20 May 2005 issued by the Inland Revenue Authority of Singapore are complied with, and that the Manager's obligations in the Trust Deed are honoured.

(A) BOARD MATTERS

1. The Board's Conduct of Affairs

Principle 1:

The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Board's Duties and Responsibilities

The Board of Directors of the Manager ("Board") is responsible for the overall management and corporate governance of the Manager and Starhill Global REIT, including establishing performance objectives, providing entrepreneurial leadership and setting strategic objectives for the management team of the Manager ("Management"), which is led by the Chief Executive Officer ("CEO"). In turn, Management is responsible for executing the strategic objectives and day-to-day operations of the Manager and is held accountable to the Board for its performance.

The Board oversees the achievement of all goals such as Starhill Global REIT's DPU targets and other long-term targets that the Board sets for Management so as to deliver long-term sustainable returns to Unitholders. All Board members participate in matters relating to amongst others, corporate governance, business operations and risk management, financial performance and compliance with requirements in the listing rules of the SGX-ST, the CIS Code (including the Property Funds Appendix), written directions, notices, codes and other guideline issued by the MAS, the SFA and other applicable rules and regulations.

The Board has adopted a set of internal controls with approval limits for capital expenditure, investments and divestments, bank borrowings and cheque signatories, amongst others and this is clearly communicated to Management in writing. Some matters that specifically require Board approval include the issue of new units in Starhill Global REIT, income distributions and other returns to Unitholders, acquisitions and divestments. Apart from these matters which the Board has specifically reserved authority, the Board approves transactions exceeding certain threshold limits, while delegating authority for matters below those limits to Management so as to facilitate operational efficiency.

The Board has also established a system of internal controls and an enterprise risk management framework. The application of the policies and protocol under the framework is further described on page 60.

Each Director is a fiduciary and must act honestly and objectively in the best interests of Unitholders. In furtherance of this principle, the Board has adopted a code of conduct and ethics ("Board Charter") by which all Directors must comply. This sets the appropriate tone from the top and desired organisational culture and ensures proper accountability within the Manager.

The Board Charter holds Directors to high standards of ethical conduct. This includes requiring Directors not to allow himself to be placed in a position of real or apparent conflict of interest. In the event a Director faces a real or apparent conflict of interest, he must disclose this to the Board and recuse himself from meetings and abstain from voting on decisions involving the matter. This obligation ties in with the Manager's prime responsibility in managing the assets and liabilities of Starhill Global REIT for the benefit of Unitholders. Decisions are taken objectively in the interests of the Unitholders. The Manager has also adopted guidelines, details of which are set out on pages 93 to 94, for related party transactions and dealing with conflicts of interests.

Directors must also perform their duties with due care, skill and diligence and must ensure that they possess the relevant knowledge to do so. This includes having a good understanding of their directorship duties (including their roles as Executive, Non-Executive and Independent Directors), the business of Starhill Global REIT and the environment in which it operates in.

A Director with multiple board representation is expected to ensure sufficient time and attention is given to the affairs of the Manager and Starhill Global REIT. A Director must and attend and actively participate in all meetings of the Board or Audit Committee ("AC") (if applicable) unless their attendance is impractical. The Manager believes that putting a maximum limit on the number of directorships a Director can hold is arbitrary, given that time requirements and complexity for each vary and thus should not be prescriptive. A sufficient safeguard is to require each Director to confirm his ability to devote sufficient time and attention to the affairs of the Manager and Starhill Global REIT, having regard to all his other listed company board representations and other principal commitments.

In addition, in cases where the Director(s) have multiple listed board representations, the Board conducts an annual review to ensure that they are able to and have been devoting sufficient time and attention to discharge their responsibilities adequately. Each Director confirmed his ability to devote sufficient time and attention to the affairs of the Manager and Starhill Global REIT, having regard to all his other listed company board representations and other principal commitments. Notwithstanding that some of the Directors have multiple listed board representations, the Board is satisfied that every Director is able to and has been adequately carrying out his duties as a Director of the Manager.

Corporate Governance

Directors' Development
Directors are provided with opportunities to develop and maintain their skills and knowledge to ensure that they are able to perform their duties to the best of their abilities. The Manager bears the full costs of training and development.

The Manager has in place an orientation programme aimed at familiarising new Directors with their directorship duties, the business activities and strategic directions of Starhill Global REIT, the corporate governance and risk management structure and practices, as well as their disclosure obligations as Directors. Newly appointed Directors are briefed on their roles and responsibilities as Directors of the Manager, and of the business activities and strategic directions of Starhill Global REIT. Directors who have no prior experience as a Director of an issuer listed on SGX-ST will be provided training on the roles and responsibilities of a Director of a listed issuer in accordance with the listing rules of the SGX-ST. No new Directors were appointed during FY 2019/20.

Upon appointment, Directors also receive a formal letter of appointment setting out the Director's duties, obligations and responsibilities, together with the Trust Deed and latest annual report of Starhill Global REIT and are acquainted with key Management personnel who have authority and are responsible for executing the strategic objectives and day-to-day operations of the Manager.

During their appointment, Directors are provided access to programmes, courses and seminars including those organised by the Singapore Institute of Directors ("SID"). Changes to regulations, policies, accounting standards and other relevant matters and their implications are also monitored closely. Where those changes have a significant impact on Starhill Global REIT and its obligations of continuing disclosure, the Directors will be briefed during Board meetings or by the circulation of Board papers so as to ensure that the Directors are up to date on all matters which may affect the performance of their duties.

The Board has reviewed the current training and professional development programmes in place for all Directors and is satisfied that they are adequate.

Board Committees
In the discharge of its functions, the Board is supported by an AC that provides independent oversight of Management and which also serves to ensure that there are appropriate checks and balances. The AC has clear written terms of reference setting out its composition, authorities and duties including reporting back to the Board. The names of the AC members, their terms of reference, any delegation of the Board's authority to make decisions and their duties and responsibilities are set out on pages 90 to 91.

Meetings of the Board and Board Committees
Board meetings are scheduled and held at least once every quarter. In addition to scheduled meetings, the Board and AC may also hold ad hoc meetings wherever required. If physical meetings cannot be held, the Constitution of the Manager permits Board and AC meetings to be held by way of teleconference and videoconference and decisions may also be made by way of a written resolution by the Board or AC.

Directors attend and actively participate in Board and AC meetings. Five Board meetings and four AC meetings were held in FY 2019/20 and all Directors were present. Prior to Board and AC meetings and on an ongoing basis, Management provides Directors with complete, adequate and timely information so as to enable them to make informed decisions to discharge their duties and responsibilities. Board papers and agenda are provided to each Director in advance of Board meetings so that Directors can review and consider the matters being tabled beforehand. The management accounts of Starhill Global REIT are also provided to the Board on a quarterly basis to enable the Board to keep abreast of Starhill Global REIT's financial performance. In addition, as and when any significant matter arises, Management promptly brings these matters to the Board's attention and provides the Board with the relevant financial information.

In the year under review, the number of Board and AC meetings held and attended by each Board member is as follows:

	Board	Audit Committee
	No. of meetings held in FY 2019/20: 5	No. of meetings held in FY 2019/20: 4
	Attended	Attended
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	5	NA
Mr Ho Sing	5	NA
Dato' Yeoh Seok Kian	5	NA
Mr Tan Bong Lin	5	4
Mr Ching Yew Chye	5	4
Mr Tan Woon Hum	5	4

During Board meetings, Management provides the Board with regular updates on financial results, market and business developments and business and operational information. The Board also reviews and approves the release of Starhill Global REIT's financial results. The Board may also meet to discuss and review the strategies and policies of Starhill Global REIT, including any significant matters pertaining to acquisitions and disposals, the annual budget, and the financial performance of Starhill Global REIT measured against a previously approved budget. The Board will generally review matters which have an impact on the business risks and management of liability of Starhill Global REIT, and acts on comments and recommendations from the auditors of Starhill Global REIT.

Where necessary, senior members of Management participate in Board meetings to provide additional insights and to respond to any queries from Directors. Directors have separate and independent access to senior members of Management and the company secretary at all times. Directors also have access to independent professional advice (legal, financial or otherwise) where appropriate or necessary, with the cost borne by the Manager or Starhill Global REIT, as appropriate.

The company secretary of the Manager will render necessary assistance to Directors and will ensure that the Board procedures are followed and that applicable laws and regulations are complied with. Under the direction of the Chairman, the company secretary's responsibilities include ensuring good information flow between the Board and the AC and between Management and Non-Executive Directors and advising the Board on all governance matters. The company secretary also attends all Board and AC meetings of the Manager to take minutes, which records the key issues discussed and decisions made thereon. Minutes of Board and AC meetings are circulated to all Board members for their information. The appointment and removal of the company secretary is a Board reserved matter.

2. Board Composition and Guidance

Principle 2:

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Board Independence

The composition of the Board as at 30 June 2020 is as follows:

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping
Non-Executive Chairman
(Non-Independent)

Mr Ho Sing
Executive Director &
Chief Executive Officer
(Non-Independent)

Dato' Yeoh Seok Kian
Non-Executive Director
(Non-Independent)

Mr Tan Bong Lin
Lead Independent Director
(Non-Executive) (Independent)

Mr Ching Yew Chye
Non-Executive Director
(Independent)

Mr Tan Woon Hum
Non-Executive Director
(Independent)

The Board is satisfied that there is a strong independent element on the Board that allows it to make decisions in the best interests of the Unitholders notwithstanding Independent Directors do not make up a majority of the Board. This is because the Board comprises six members, five of whom are Non-Executive Directors and three of whom are Independent Directors. This means that to attain a majority for any resolution to be passed, the approval of at least one of the Independent Directors would first have to be obtained.

In addition, Mr Tan Bong Lin has been appointed as the Lead Independent Director. He has, among others, the discretion to hold meetings with the other two Independent Directors (without the presence of Management) as he deems appropriate or necessary and provide feedback to the Chairman. More importantly, he also has the duty to provide leadership to the other Directors in situations where the Chairman faces any real or apparent conflict of interest. Independent Directors also hold meetings with the auditors regularly without the presence of Management.

The Board assesses annually and as and when circumstances require, the independence of each Director in accordance with the requirements of the Code and accompanying Practice Guidance, the Securities and Futures (Licensing and Conduct of Business) Regulations ("SFLCBR"), and the listing manual of the SGX-ST. A Director is considered to be independent if he:

1. Is independent in conduct, character and judgment;

2. Has no relationship with the Manager, its related corporations, its substantial shareholders being shareholders who have interests in voting shares with 5.0% or more of the total votes attached to all voting shares, Starhill Global REIT's substantial Unitholders being Unitholders who have interests in voting units with 5.0% or more of the total votes attached to all voting Units of Starhill Global REIT, or the Manager's officers that could interfere, or be reasonably perceived to interfere, with the exercise of that Director's independent business judgment in the best interests of the Unitholders;

3. Is independent from any management and business relationship with the Manager and Starhill Global REIT;

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4. Is not a substantial shareholder of the Manager, or a substantial Unitholder;

5. Has not served on the Board for a continuous period of nine years or longer;

6. Is not employed by the Manager, any of its related corporations, or the Trustee for the current or any of the past three financial years; and

7. Does not have an immediate family member who is employed or has been employed by the Manager, any of its related corporations, or the Trustee for the past three financial years.

Mr Ching Yew Chye has disclosed that he is the Independent Non-Executive Chairman of AIA General Berhad and AIA Berhad. AIA General Berhad is a subsidiary of AIA Berhad, which is in turn a wholly-owned subsidiary of AIA Group Limited, a substantial Unitholder. Despite the foregoing, the Board has assessed Mr Ching's independence and has taken the view that his independent business judgment and ability to act in the best interests of all Unitholders as a whole will not be impeded, given that Mr Ching is not an Executive but an Independent Director of AIA General Berhad and AIA Berhad and is not appointed on the Board as a nominee of any AIA entities. He is also not a Director of AIA Group Limited, the substantial Unitholder, and the businesses of Starhill Global REIT and each of AIA General Berhad, AIA Berhad or AIA Group Limited are distinctly different and there are therefore unlikely to be any competing interests.

Mr Tan Woon Hum has disclosed that he is a partner of M/s Shook Lin & Bok LLP ("SLB"), which provides services to the Trustee from time to time. As the amount of legal fees paid to SLB by Starhill Global REIT in FY 2018/19 is insignificant, and is also insubstantial in relation to the revenue of SLB, and there were no legal fees paid to SLB by Starhill Global REIT in FY 2019/20, and Mr Tan will not be personally involved in legal services to be provided by SLB for Starhill Global REIT, the Board has assessed Mr Tan Woon Hum's independence and has taken the view that his independent business judgment and ability to act in the best interests of all Unitholders as a whole will not be impeded.

Mr Tan Bong Lin is an Independent Non-Executive Director of APAC Realty Limited ("APAC Realty"). APAC Realty provides real estate brokerage services, franchise arrangements, and training, valuation and other ancillary services. APAC Realty provides leasing agency services to Starhill Global REIT and real estate salesperson training courses to YTL Starhill Global Property Management Pte. Ltd., a related company of the Manager, from time to time. The aggregate amount of fees paid to APAC Realty for leasing agency services and training courses in FY 2018/19 and FY 2019/20 is insignificant, and is also insubstantial, relative to the revenue of APAC Realty, and the total amount of leasing agency fees paid by Starhill Global REIT. Mr Tan's directorship in APAC Realty is Non-Executive in nature and he is not involved in its day-to-day management. He will also recuse himself from any issues and/or matters arising from the provision of any of the above services by APAC Realty to Starhill Global REIT. Based on the above, the Board has assessed Mr Tan Bong Lin's independence and has taken the view that his independent business judgment and ability to act in the best interests of all Unitholders as a whole will not be impeded.

As such, none of the Independent Directors have any relationships which are likely to affect his independent business judgment and ability to act in the best interests of all Unitholders as a whole.

Board Diversity

The size of the Board and core competencies of its members in various fields of accounting, finance, business management and legal, together with their relevant industry knowledge and strategic planning experience, effectively serve Starhill Global REIT and the Manager. Therefore, the Board's policy is to embrace diversity so as to ensure that the Board is consistently comprised of experienced and well-qualified Directors who possess an appropriate balance and mix of skills, knowledge, experience and other aspects of diversity to avoid groupthink and foster constructive debate. This allows Management to benefit from the diverse and objective perspectives on issues that are brought before the Board with a healthy exchange of ideas and views between the Board and Management.

Consistent with the Board's policy to embrace diversity, the composition of the Board (including the selection of candidates for new appointments as part of the Board's renewal process) is determined in accordance with the following principles:

1. The Board should comprise of Directors with a broad range of commercial experience including expertise in fund management and experience in all facets of the property or real estate industry; and

2. At least half of the Board should comprise of Independent Directors.

While the Board is presently composed of Directors of the same gender, it has always been the policy of the Board to appoint new Directors without regard to gender, as the Board believes the ultimate choice should primarily be based on merit. In addition, gender diversity among key Management personnel ensures that alternative and constructive views are provided to the Board during the decision making process. Please refer to pages 24 to 25.

The profiles of the Directors are set out on pages 22 to 23. The Board is of the view that its current composition comprises persons who, as a group, provide the necessary core competencies and that the current Board size is appropriate, taking into consideration the scale, nature and scope of Starhill Global REIT's operations. The composition of the Board is also reviewed regularly to ensure that it has the appropriate mix of expertise and experience.

The Non-Executive Directors participate in setting and developing strategies and goals for Management and reviewing and assessing Management's performance.

The Independent Directors led by Mr Tan Bong Lin meet regularly without the presence of Management. Mr Tan Bong Lin also provides feedback to the Board wherever appropriate enabling Management to benefit from the Independent Directors' external and objective perspective of issues that are brought before the Board. It also enables the Board to interact and work with Management through a healthy exchange of ideas and views to help shape the strategic process.

3. Chairman and Chief Executive Officer

Principle 3:

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The positions of Chairman and Chief Executive Officer ("CEO") are held by two separate persons in order to maintain an effective segregation of duties so as to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. The Chairman, Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, and the CEO, Mr Ho Sing, are not immediate family members.

The clear separation of the roles and responsibilities between the Chairman and the CEO are set out in writing. The Chairman facilitates active Board discussion on matters concerning the business of Starhill Global REIT and ensures that the Board satisfactorily oversees and evaluates the implementation of Starhill Global REIT's strategy, policies, business plans and Board decisions. In addition, the Chairman ensures that the members of the Board receive complete, adequate and timely information, facilitates the effective contribution of the Non-Executive Directors, encourages constructive relations within the Board and between the Board and Management, ensures effective communication with Unitholders and promotes a high standard of corporate governance. The CEO works with the Chairman and the Board in formulating and executing strategies for Starhill Global REIT and is responsible for executing the day-to-day operations of Starhill Global REIT.

As mentioned, Mr Tan Bong Lin has been appointed as the Lead Independent Director and he has the discretion to hold meetings with the other two Independent Directors (without the presence of Management) as he deems appropriate or necessary and he will provide feedback to the Non-Executive Chairman, where appropriate. He also has the duty to provide leadership in situations where the Chairman faces any real or apparent conflict of interest. The Lead Independent Director is also available to shareholders of the Manager and Unitholders where they have concerns and for which contact through the normal channels of the Chairman or Management has failed to resolve or is inappropriate.

4. Board Membership

Principle 4:

The Board has a formal and transparent process for the appointment and reappointment of directors, taking into account the need for progressive renewal of the Board.

The Manager has not established a nominating committee ("NC") as the Board undertakes the function of an NC, including assessing the independence of the Independent Directors on an annual basis. The Manager, taking into account the capacity of the Board to undertake the responsibilities of an NC in light of the activities and scale of the business of Starhill Global REIT, the fact that Independent Directors constitute half of the Board of the Manager and that the nomination policy is required to be approved by the Board, including by at least a majority of Independent Directors, does not consider it necessary for the Board to establish an NC. The Independent Directors constitute half the Board and therefore play a substantial role in ensuring the objectivity and independence of the decision-making process in respect of nomination.

The SGX-ST has also issued a Practice Note which provides that the requirement for the establishment of a nominating and remuneration committee under the listing manual of the SGX-ST does not apply to REITs if the REIT complies with regulations made under the SFA relating to Board composition of a REIT Manager. As the Manager complies with Regulation 13D of the SFLCBR relating to the composition of the Board of the Manager, the Manager is of the opinion that the corporate governance requirements relating to the nominating and remuneration committee have been substantively addressed.

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Therefore, the Board instead of an NC makes all decisions on matters relating to:

1. The review of succession plans for Directors including the appointment or replacement of the Chairman, the CEO and the CFO;

2. The process and criteria for evaluation of the performance of the Board, the AC and Directors;

3. The review of training and professional development programmes for the Board and its Directors; and

4. The appointment of Directors (including alternate Directors, if any).

During FY 2019/20, Directors of the Manager were not subject to periodic retirement by rotation, nor re-appointment through voting by Unitholders, as all the shares of the Manager are indirectly held by YTL Corporation Berhad and Independent Directors comprise a minimum of one-half of the Board. Pursuant to an undertaking given by YTL Corporation Berhad to the Trustee dated 21 August 2020 ("Undertaking"), Unitholders are given the right to endorse the appointment of the Directors of the Manager by way of ordinary resolution passed at the AGMs of Unitholders. Accordingly, the Directors have been put forth for Unitholders' endorsement of appointment at SG REIT's upcoming AGM. Pursuant to Rule 720(6) of the listing manual of the SGX-ST, information relating to the Directors is provided on pages 98 to 103 of this Annual Report. Succession of Directors is therefore carried out when a Director indicates his desire to retire or resign or when the Director's appointment has not been endorsed or re-endorsed (whichever applicable) by the Unitholders at the relevant AGM.

All Board appointments are approved by the Board and selection and appointment is based on merit. The criteria used by the Manager to identify and evaluate potential new Directors includes:

1. Integrity;

2. Relevant expertise (sector and functional) and the degree to which his or her skill set complements the skill set of the other Board members;

3. Reputation and standing in the market;

4. In the case of prospective Independent Directors, independence based on the criteria in the Code, the SFLCBR and the listing manual of the SGX-ST;

5. The fit and proper criteria issued by MAS;

6. Potential Directors of both genders will be considered, but the ultimate choice will primarily be based on merit; and

7. The Director should have adequate time to discharge his duties.

Any Director may source for and nominate new Directors to be appointed by the Board, through their extensive network and contacts. If necessary, the Board may seek advice from the SID or external search consultants. Prior to FY 2019/20, new potential Directors of both genders were sourced through contacts and recommendations, including recommendations from the SID, contacts from Directors, and recommendations from relevant industry professionals.

No new Directors or alternate Directors were appointed during FY 2019/20. The independence of the Independent Directors is assessed by the Board on an annual basis and as and when circumstances require. Directors are also required to report to the Board any addition to or change in their other appointments, their relationships with the Manager, its related corporations, its substantial shareholders, substantial Unitholders or the Manager's officers, if any, or any other change in circumstances which may affect their independence or judgment and ability to act in the interests of all Unitholders as a whole. In the event the Board determines that such Directors are independent notwithstanding the existence of such relationships, the Manager will disclose the relationships and its reasons in the Annual Report.

The Board ensures that new Directors are aware of their duties and obligations (1. "The Board's Conduct of Affairs") and decides if a Director is able to and has been adequately carrying out his or her duties (5. "Board Performance"). The listed company Directorships and principal commitments of each Director are disclosed on pages 22 to 23 and pages 98 to 103.

5. Board Performance

Principle 5:
The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The Manager believes that the performance of the Manager and the Board, is reflected in the long-term success of Starhill Global REIT.

Reviews of Board performance are conducted once a year. Directors are required to complete a questionnaire evaluating the Board and the AC.

The questionnaire covers objective performance criteria for the evaluation of the Board as a whole, the AC and the contribution by the Chairman and each individual Director in areas such as Board composition, access to information, Board processes, risk management, Board training and development, understanding of the business, strategic planning and any specific areas where improvements may be made. The Board will evaluate and discuss the results of the annual Board performance review with a view towards improving the effectiveness of the Board. Pursuant to the Board evaluation process, the Board is satisfied that it has achieved its performance objectives for FY 2019/20. No external facilitators have been engaged.

In conducting the review of the performance of the Board, the AC and each Director, the Manager believes that contributions from each Director go beyond his attendance at Board and committee meetings. Contributions by an individual Board member take other forms, which includes providing objective perspectives of issues, facilitating business opportunities and strategic relationships, and accessibility to Management outside of a formal environment of Board or AC meetings.

(B) REMUNERATION MATTERS

1. Procedures for Developing Remuneration Policies

Principle 6:

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

2. Level and Mix of Remuneration

Principle 7:

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

3. Disclosure on Remuneration

Principle 8:

The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The Manager has not established a remuneration committee ("RC") as the Board undertakes the function of an RC. The Manager, taking into account the capacity of the Board to undertake the responsibilities of an RC in light of the activities and scale of business of Starhill Global REIT, the fact that Independent Directors constitute half of the Board of the Manager and that the remuneration policy is required to be approved by the Board, including by at least a majority of Independent Directors, does not consider it necessary for the Board to establish an RC. The Independent Directors constitute half the Board and therefore play a substantial role and assures the objectivity and independence of the decision-making process in respect of remuneration.

Therefore, the Board approves the remuneration policy of the Manager for the Board and employees of the Manager including the specific packages for each Director, the CEO and the CFO, the total variable bonus amount payable to all employees and the corporate performance targets for payment of variable bonus and other aspects of remuneration of the CEO and the CFO including termination terms to ensure they are fair. Such matters will also require approval by at least a majority of the Independent Directors. Directors' fees are subject to approval by the Board of Directors and the shareholders of the Manager. Each Director abstains from voting in respect of the fees payable to their respective selves.

The Board of Directors seeks expert advice on remuneration and governance matters from external consultants, where necessary.

The Board will ensure that existing relationships between the group and its appointed remuneration consultants, if any, will not affect the independence and objectivity of the external remuneration consultants.

In FY2019/20, the Manager engaged Korn Ferry (SG) Pte. Ltd. ("Korn Ferry") to provide consultation services in respect of remuneration. Korn Ferry confirmed that it did not have any relationship with the Manager or Starhill Global REIT that could affect its independence and objectivity.

The remuneration of Directors and staff of the Manager is paid by the Manager from the fees it receives from Starhill Global REIT and not by Starhill Global REIT itself.

To support the business growth and aspirations, the Manager is committed to strengthen its leadership capability and organisational effectiveness through talent management. It ensures that a significant and appropriate proportion of the Executive Director's and key Management personnels' remuneration is structured by linking total compensation directly to the achievement of organisational and individual performance goals, while giving consideration to the equitability and market competitiveness of its remuneration practices so as to align performance-based remuneration with the interests of shareholders and other stakeholders and promote the long-term success of Starhill Global REIT.

In determining the mix of different forms of remuneration for executive officers, the Board seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate in finding a balance between fixed and performance-related components.

Total remuneration comprises the following components:

- Fixed remuneration comprises base salary, Central Provident Fund contributions, Annual Wage Supplement and benefits and allowances;

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- Variable bonus payments, paid wholly in cash, incentivise and reward individuals for their performance, efforts and achievement. The payment of variable bonus is subject to achievement of Starhill Global REIT's DPU, the Manager's profit after tax targets and other long-term targets approved by the Board, with substantial emphasis on the performance of Starhill Global REIT to align employee interests with the interests of Unitholders. In approving the variable bonus for FY 2019/20, the Board had taken into account the extent to which the performance targets have been met, and is of the view that remuneration is aligned to performance during FY 2019/20; and

- A long-term deferred bonus scheme, awarded wholly in cash, is put in place to retain selected management executives and talent who are key in the business operation. The scheme focuses on strengthening its organisational capability and leadership core, with the objective of encouraging loyalty and ensuring that decisions are taken with a long-term view in mind.

No share/unit option schemes or share/unit schemes have been implemented. The Board has reviewed the remuneration components above and is satisfied that there is reasonable mitigation of any potential misalignment of interests, taking into account: (i) the Board's discretion (including the requirement for approval by not less than a majority of Independent Directors) to determine whether the remuneration payable is in line with the remuneration policy; (ii) the substantial emphasis placed on the performance of Starhill Global REIT; and (iii) the absence of any remuneration payment in the form of shares or interest in the controlling Unitholder or its related entities.

The remuneration of the Non-Executive Directors is appropriate to their level of contribution, taking into account factors such as effort, time spent, and their responsibilities. For FY 2019/20, remuneration of Non-Executive Directors comprised entirely of Directors' fees payable in cash. The Directors' fees take into account industry practices and norms on remuneration. Each Director is paid a basic fee and the Chairman and the Chairman of the AC are paid a higher fee in view of the greater responsibility carried by that office. The CEO does not receive Directors' fees as he receives employee remuneration from the Manager. Each Director will be remunerated based on their level of responsibilities on the Board and the AC, in accordance with the following framework:

Fee Structure		Fees (per annum)
Board of Directors	Non-Executive Chairman	S$100,000
	Non-Executive Director	S$63,000
Audit Committee	Chairman and Lead Independent Director	S$10,000
	Member	S$5,000

The total amount of Directors' fees (gross before net of withholding tax) payable to the Non-Executive Directors for FY 2019/20 are as follows, taking into account a 20% reduction in fees from April to June 2020:

Name of Director	FY 2019/20
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	S$95,000
Dato' Yeoh Seok Kian	S$59,850
Mr Tan Bong Lin	S$69,350
Mr Ching Yew Chye	S$64,600
Mr Tan Woon Hum	S$64,600

In FY 2019/20, due to the COVID-19 pandemic, the Directors' fees were reduced by 20%, the CEO's and CFO's pay were reduced by 10%, while other senior employees' pay was reduced by 5%. The reduction was for three months from April to June 2020. The savings from the salary adjustment by the Manager was passed to Unitholders as part of a 10% reduction in base management fees payable by Starhill Global REIT for the three months from April to June 2020.

The Manager is cognisant of the requirement to disclose (i) the remuneration of the CEO and each individual Director on a named basis, (ii) the remuneration of at least the top five key Management personnel (who are not the CEO or Directors), on a named basis, in bands no wider than S$250,000 and (iii) the aggregate total remuneration paid to the top five key Management personnel. The Board has assessed and decided against the disclosure of the remuneration of the CEO and key Management personnel (who are not the CEO or Directors) on a named basis, whether in exact quantum or in bands of S$250,000 and of the aggregate total remuneration paid to the top five executive officers because it is not in the Manager's best interest to do so, taking into account, *inter alia*, the commercial sensitivity and confidential nature of remuneration matters, the presence of highly competitive conditions for talent in the industry, which is relatively small, the importance of ensuring stability and continuity of business operations of Starhill Global REIT with a competent and experienced management team in place and the negative impact which such disclosure may have on the Manager in attracting and retaining talent on a long-term basis. The non-disclosure will not be prejudicial to the interests of Unitholders as sufficient information is provided on the Manager's remuneration policy to enable Unitholders to understand the link between the remuneration paid to the CEO and key Management personnel (who are not the CEO or Directors) and performance.

As such, the Manager adopts a remuneration philosophy that is directed towards the attraction, retention and motivation of competent employees, key talents and the Directors to provide good stewardship of the Manager and key Management personnel to successfully manage Starhill Global REIT for the long term.

There were no employees of the Manager who was a substantial shareholder of the Manager, a substantial Unitholder or are immediate family members of a Director, the CEO, a substantial shareholder of the Manager or a substantial Unitholder and whose remuneration exceeds S$100,000 during FY 2019/20. "Immediate family member" refers to the spouse, child, adopted child, step-child, sibling or parent of the individual.

(C) ACCOUNTABILITY AND AUDIT

1. Risk Management and Internal Controls

Principle 9:

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Effective risk management is a fundamental part of Starhill Global REIT's business strategy. Recognising and managing risk is central to the business and to protecting Unitholders' interests and value and it is the responsibility of the Board to determine the nature and extent of the significant risks which the company is willing to take in achieving its strategic objectives and value creation.

In furtherance of this objective, Management has in place an enterprise risk management ("ERM") framework and policies, which have been approved by the Board, that provide a structured approach to identifying and managing the material risks that could arise in the course of managing Starhill Global REIT. The ERM framework and policies are monitored and reviewed by the Board as and when appropriate, and major developments and significant revisions to the ERM framework or policies will be submitted to the Board for approval. An independent consultant also reviews the ERM framework and the identified risks and control activities, and provides a report to the Board once every two years. Material risks at both the Manager and Starhill Global REIT levels are managed through this ERM framework. Application of the policies and protocol under the ERM framework in respect of Starhill Global REIT assets and operations is further described on page 60.

The Manager has also put in place a system of internal controls, compliance procedures and processes to safeguard Starhill Global REIT's assets and Unitholders' interests, manage risks and ensure compliance with high standards of corporate governance.

The AC has been tasked by the Board to include risk management within its oversight role. This includes the review of material risks identified by Management with respect to the business operations of the Manager, Starhill Global REIT and the assets of Starhill Global REIT. Financial risk management is exercised in accordance with a robust policy. During FY 2019/20, the AC and the Board, with the assistance of the internal and external auditors, has reviewed the adequacy and effectiveness of Starhill Global REIT's system of risk management and internal controls that address material risks, including material financial, operational, compliance and information technology risks. Any material non-compliance or failures in internal controls and recommendations for improvements are reported to the AC. The AC also reviewed the measures taken by Management on the recommendations made by the internal and external auditors.

The Board has received assurance from the CEO and CFO of the Manager that the financial records of Starhill Global REIT have been properly maintained and the consolidated financial statements give a true and fair view of Starhill Global REIT's operations and finances.

In addition, the Board has also received assurance from the CEO and other key management personnel who are responsible for various aspects of risk management and internal controls that Starhill Global REIT's system of risk management and internal controls in place within the Group were adequate and effective as at 30 June 2020 in addressing the material risks in the Group, including material financial, operational, compliance and information technology risks.

Based on the system of risk management and internal controls established and maintained by the Manager, work performed by the internal and external auditors, reviews performed by Management, and the assurance from the CEO and CFO of the Manager, the Board with the concurrence of the AC is of the opinion that Starhill Global REIT's system of risk management and internal controls in place within the Group were adequate and effective as at 30 June 2020 in addressing the material risks in the Group, including material financial, operational, compliance and information technology risks. The CEO and the CFO of the Manager have obtained similar assurances from the function heads of the Manager. No material weaknesses in the systems of risk management and internal controls

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were identified by the Board or the AC for FY 2019/20.

The Board notes that the system of risk management and internal controls provides reasonable, but not absolute, assurance that Starhill Global REIT will not be adversely affected by any event that could be reasonably foreseen as it works to achieve its business objectives. In this regard, the Board also notes that no system of risk management and internal controls can provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities.

2. Audit Committee

Principle 10:

The Board has an Audit Committee which discharges its duties objectively.

The AC is established by the Board from among the Directors of the Manager and currently comprises three members, all of whom are Independent Directors. The members of the AC as at 30 June 2020 are Mr Tan Bong Lin (Chairman), Mr Ching Yew Chye and Mr Tan Woon Hum. The members of the AC, collectively, have recent and relevant accounting and financial management expertise or experience and are qualified to discharge the AC's responsibilities. No former partner or Director of the Manager's existing auditing firm or audit corporation is a member of the AC within a period of two years commencing on the date of his ceasing to be a partner of the auditing firm or Director of the auditing corporation, or for as long as he has any financial interest in the auditing firm or auditing corporation.

The AC assists the Board in overseeing the ERM framework and any matters of significance affecting financial reporting and internal controls of Starhill Global REIT.

The terms of reference for the AC include:

1. Reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of Starhill Global REIT and any announcements relating to Starhill Global REIT's financial performance;

2. Reviewing at least annually the adequacy and effectiveness of the Manager's internal controls and risk management systems;

3. Reviewing the assurance from the CEO and the CFO on the financial records and financial statements;

4. Monitoring the procedures in place to ensure compliance with applicable legislation, the listing manual of the SGX-ST and the Property Funds Appendix;

5. Reviewing and making recommendations to the Board in relation to the financial statements and the audit report;

6. Monitoring the procedures established to regulate Related Party Transactions (as defined below), including ensuring compliance with the provisions of the relevant regulations;

7. Making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and approving the remuneration and terms of engagement of such auditors;

8. Ensuring that the internal audit function is adequately resourced through outsourcing the appointment to a reputable accounting firm where appropriate and approving their appointment, removal and remuneration;

9. Reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the outsourced internal audit function and ensuring that where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by Management; and

10. Reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

The AC has reviewed the procedures in place to ensure that employees of the Manager and any other persons are provided with well-defined and accessible channels to report on potential or actual improprieties in financial or other operational matters, in confidence, and for the independent investigation of any reports by employees and any other persons and appropriate follow-up action. Reports may be made to the compliance officer and to the Chairman of the AC via email at whistleblowing@ytlstarhill.com.

The AC is responsible for the nomination of external auditors and internal auditors, and reviewing the adequacy and effectiveness of existing audits in respect of cost, scope and performance. The AC meets with the internal auditor at least once a year and with the external auditor at least once every quarter without the presence of Management, to discuss any matters which the AC or the auditors believe should be discussed privately without the presence of Management.

The AC has appointed PricewaterhouseCoopers Risk Services Pte. Ltd. to perform the internal audit functions. The internal auditor subscribes to, and is guided by the Standards for the Professional Practice of Internal Auditing developed by the Institute of Internal Auditors, Inc ("IIA") and has incorporated these standards into its audit practices and meets with the standards set by the IIA. To ensure that the internal audits are performed effectively, the internal auditor recruits and employs suitably qualified professional staff with the requisite skill sets and experience. For FY 2019/20, the AC has reviewed the adequacy and effectiveness of the internal audit function and was satisfied that the internal audit function was independent, effective, adequately resourced and has appropriate standing within Starhill Global REIT and the Manager.

The internal auditor provides risk assessment services and controls assurance in order to ensure internal controls are aligned to business objectives and address related risks, and reports directly to the AC. Management is responsible for addressing issues identified by the internal auditor. The internal auditor will also audit and report on the appropriateness and effectiveness of processes for the management of Related Party Transactions at least once a year. In addition, the Trustee also has a right to review the internal audit reports so as to ascertain that the Property Funds Appendix has been complied with. The internal auditor has unrestricted access to the AC, and access to the Manager's and Starhill Global REIT's documents, records, properties and personnel, where relevant to their work.

The AC is authorised to investigate any matters within its terms of reference. It has unfettered access to and cooperation from Management and to reasonable resources to enable it to discharge its functions. The AC has also reviewed all non-audit services provided by the external auditor and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditor. The aggregate amount of fees paid and payable to the external auditor for FY 2019/20 and the breakdown into audit fees and non-audit fees are set out on page 149. Pursuant to Rule 1207(6) (c) of the listing manual of the SGX-ST, the Manager confirms that Starhill Global REIT has complied with Rules 712 and 715 of the listing manual in relation to the appointment of the external auditor.

During FY 2019/20, the AC performed independent reviews of the financial statements of Starhill Global REIT before the announcement of Starhill Global REIT's financial results, including key areas of management judgment.

The AC also reviewed and approved both the internal auditor's and the external auditor's audit plans of Starhill Global REIT for FY 2019/20. The audit findings and recommendations put up by the internal auditor and the external auditor were reported and discussed at the AC meetings.

The AC meets at least once every quarter. A total of four AC meetings were held in FY 2019/20.

As part of its oversight role over financial reporting, the Audit Committee has reviewed the following key audit matter identified by the external auditor:

Significant matter	How the AC reviewed the matter and what decisions were made
Valuation of investment properties	The Audit Committee reviewed the outcomes of the annual external valuation process and discussed the details of the valuation of Starhill Global REIT's investment properties with the Management and the external auditor. The Audit Committee had a robust discussion with Management and the professional valuers to review the methodology, bases and assumptions used in arriving at the valuation of the Singapore, Australia and Malaysia investment properties (the "Key Investment Properties"). The work performed by the external auditor was considered by the Audit Committee, including their assessment of the appropriateness of the valuation methodologies and assumptions applied in the valuation of the Key Investment Properties. No significant matter came to the attention of the Audit Committee in the course of the review, other than the valuations of investment properties being subject to significant estimation uncertainty given the constantly evolving impact from the COVID-19 pandemic. Please refer to pages 133 to 134 of the Annual Report for further details.

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT

1. Shareholder Rights and Conduct of General Meetings

Principle 11:

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

2. Engagement with Shareholders

Principle 12:

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Manager provided Unitholders with quarterly and annual financial statements for FY 2019/20. The Board, with the support of Management, is responsible for providing a balanced and informed assessment of Starhill

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Global REIT's performance, position and prospects, including interim and other price-sensitive public reports, and reports to regulators (if required). Management provides the Board with management accounts on a quarterly basis and as the Board may require from time to time to enable the Board to make a balanced and informed assessment. Financial reports and other material information are disseminated to Unitholders through announcements to SGX-ST via SGXNET, Starhill Global REIT's website and where applicable, press releases, of the performance, position and prospects of Starhill Global REIT.

All Unitholders can access the electronic copy of the Starhill Global REIT Annual Report which is published via SGXNET as well as Starhill Global REIT's website. Prior to an Annual General Meeting ("AGM"), all Unitholders will receive a notice of AGM and an accompanying request form containing instructions on accessing the Annual Report online with the option of receiving a printed version. As and when an Extraordinary General Meeting of the Unitholders is to be held, each Unitholder is sent a copy of a circular to Unitholders which contains details of the matters to be proposed for Unitholders' consideration and approval. Unitholders are invited to attend these meetings to put forward any questions they may have on the matters on the agenda. Proxy forms containing voting rules and procedures are provided to Unitholders. During the meeting, Unitholders are also briefed on the detailed voting procedures and to ensure transparency, the Manager conducts electronic poll voting and all votes cast for or against and their respective percentages will be displayed "live" immediately at the meeting after the conduct of each poll. An independent scrutineer is also appointed to validate the vote tabulation procedures. Detailed results showing the number of votes cast for and against each resolution and the respective percentages are announced on SGXNET.

Notices for the general meetings of Unitholders setting out all items of business to be transacted at the general meetings are also announced on SGXNET. The Manager is in full support of Unitholder participation at AGMs. A Unitholder is allowed to appoint one or two proxies to attend and vote at the general meetings in his/her stead. Where a Unitholder is a relevant intermediary (including but not limited to, a nominee company, a custodian bank or a CPF agent bank), such Unitholder may appoint more than two proxies to vote on its behalf at the meeting through proxy forms sent in advance, provided that each proxy must be appointed to exercise the rights attached to a different Unit or Units held by it.

All members of the Board, representatives of the Trustee, the Manager's senior management and the external auditor of Starhill Global REIT are in attendance at such general meetings. All Directors attended the general meetings held during their tenure in FY 2019/20. Unitholders are given the opportunity to air their views and ask questions regarding the matters to be tabled at the general meetings or about the conduct of audit and the preparation and content of the auditors' report. Resolutions put to the general meeting are separate unless they are interdependent and linked so as to form one significant proposal, and the reasons and material implications are explained in the notice of meeting. Minutes of general meetings record the key issues discussed and decisions made thereon including any substantial and relevant comments or queries from Unitholders relating to the agenda of the general meeting and the response from the Board and Management. These Minutes are made available to Unitholders at their request. As all Unitholders are entitled to receive these Minutes, the Manager believes that this is consistent with the intent to treat all Unitholders fairly and equitably.

The Manager is not implementing absentia voting methods such as voting via mail, e-mail or fax until security, integrity and other pertinent issues are satisfactorily resolved. For the AGM to be held in FY 2020/21, due to the current COVID-19 restriction orders in Singapore, the AGM will be convened and held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangement for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

The Manager's current distribution policy is to distribute at least 90% of Starhill Global REIT's taxable income to its unitholders or any other minimum level to qualify for tax transparency, as allowed by IRAS (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.

The Manager upholds a strong culture of continuous disclosure and transparent communication with Unitholders and the investing community. The Manager has in place a dedicated team performing the investor relations function and has developed an investor relations policy ("Communications Policy"), the cornerstone of which is delivery of timely and full disclosure of all material information relating to Starhill Global REIT by way of announcements via SGXNET in the first instance and then including the announcements on Starhill Global REIT's website at www.starhillglobalreit.com. The Communications Policy sets out the mechanism through which Unitholders may contact the Manager with questions and through which the Manager may respond to such questions. Unitholders are welcome to engage the Manager beyond general meetings by contacting the Investor Relations and Corporate Communications department, whose contact details are set out on Starhill Global REIT's website at www.starhillglobalreit.com. This allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with Unitholders. Where there is inadvertent disclosure of material information made to a select group, the Manager will make the same disclosure publicly to all others as promptly as possible, where appropriate or necessary. More details on the Manager's investor relations activities and efforts are set out on page 61.

Starhill Global REIT's website contains recent announcements, press releases, presentations, and past and current reports to Unitholders. The website also provides visitors with the option of signing up for a free email alert service on public materials released by the Manager in relation to Starhill Global REIT.

The Manager also participates in investor conferences locally and overseas as part of its efforts to cultivate and maintain regular contact with investors and analysts and to build interest in and strengthen the branding of Starhill Global REIT.

(E) MANAGING STAKEHOLDERS RELATIONSHIPS

1. Engagement with Stakeholders

Principle 13:

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Manager adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders as part of its overall strategy to ensure that the best interests of the Unitholders is served. In line with this approach, the Manager's key areas of focus in relation to the management of stakeholder relationships include sustainability and environmental and social responsibility in the business and operations of Starhill Global REIT.

The Manager has arrangements in place to identify and engage with its material stakeholder groups to gather feedback and engage with its material stakeholder groups on issues of sustainability and environmental and social responsibility that are significant and material to them. This includes maintaining Starhill Global REIT's website at www.starhillglobalreit.com, which facilitates communication and engagement with various stakeholders. The Board has considered and reviewed sustainability issues in the environment, social and governance aspects of the business of Starhill Global REIT. More information on the material sustainability issues of Starhill Global REIT are set out on pages 62 to 79.

(F) ADDITIONAL INFORMATION

1. Dealing with Related Party Transactions

(i) Review procedures for related party transactions

The Manager has established internal control procedures to ensure that transactions involving the Trustee, as trustee for Starhill Global REIT, and any Interested Person or Interested Party as defined in the listing manual of the SGX-ST and the Property Funds Appendix respectively ("Related Party Transactions") are undertaken on normal commercial terms and will not be prejudicial to the interests of Starhill Global REIT or the Unitholders. As a general rule, the Manager would have to demonstrate to the AC that such transactions satisfy the foregoing criteria, which may entail obtaining (where practicable) quotations from parties unrelated to the Manager, or obtaining valuations from independent professional valuers (in accordance with the Property Funds Appendix).

In addition, the following procedures are followed:

1. Transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) below 3.0% of Starhill Global REIT's latest audited net tangible assets will be subject to review by the AC;

2. Transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) equal to or exceeding 3.0% but below 5.0% of Starhill Global REIT's latest audited net tangible assets will be subject to the review and prior approval of the AC. Such approval shall only be given if the transactions are on normal commercial terms and consistent with similar types of transactions made by the Trustee, as trustee for Starhill Global REIT, with third parties which are unrelated to the Manager; and

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3. Transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) equal to or exceeding 5.0% of Starhill Global REIT's latest audited net tangible assets will be subject to review and prior approval of the AC which may, as it deems fit, request advice on the transaction from independent sources or advisers, including obtaining valuations from professional valuers. Further, under the listing manual of the SGX-ST and the Property Funds Appendix, such transactions would have to be approved by Unitholders at a meeting of Unitholders.

Where matters concerning Starhill Global REIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of Starhill Global REIT with a related party of the Manager or Starhill Global REIT, the Trustee is required to satisfy itself that such transactions are conducted on normal commercial terms and are not prejudicial to the interests of Starhill Global REIT or Unitholders and are in accordance with all applicable requirements of the Property Funds Appendix and/or the listing manual of the SGX-ST relating to the transaction in question. Further, the Trustee has the ultimate discretion under the Trust Deed to decide whether or not to enter into a transaction involving a related party of the Manager or Starhill Global REIT. If the Trustee is to sign any contract with a related party of the Manager or Starhill Global REIT, the Trustee will review the contract to ensure that it complies with the requirements relating to interested party transactions in the Property Funds Appendix and the provisions of the listing manual of the SGX-ST relating to interested person transactions as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST or other relevant authority to apply to real estate investment trusts.

(ii) Internal control procedures

The Manager's internal control procedures are intended to ensure that Related Party Transactions are conducted on normal commercial terms and are not prejudicial to Unitholders. The Manager maintains a register to record all Related Party Transactions (and the basis, including, where practicable, the quotations obtained to support such basis, on which they are entered into) which are entered into by Starhill Global REIT. The Manager has incorporated into its internal audit plan a review of all Related Party Transactions entered into by Starhill Global REIT.

The AC reviews the internal audit reports to ascertain that the guidelines and procedures established to monitor Related Party Transactions have been complied with. The AC periodically reviews all Related Party Transactions to ensure compliance with the internal control procedures and with the relevant provisions of the listing manual of the SGX-ST and the Property Funds Appendix. The review includes the examination of the nature of the transaction and its supporting documents or such other data deemed necessary by the AC. If a member of the AC or any Director has an interest in a transaction, he is to abstain from participating in the review and approval process in relation to that transaction. The Manager discloses in Starhill Global REIT's Annual Report the aggregate value of Related Party Transactions (equal to or exceeding S$100,000 each in value) entered into during the relevant financial year.

2. Dealing with Conflicts of Interest

The Manager has instituted the following procedures to deal with potential conflicts of interest issues which may arise in managing Starhill Global REIT:

1. The Manager will not manage any other real estate investment trust which invests in the same type of properties as Starhill Global REIT;

2. Executive officers will be employed by the Manager or measures will be put in place to mitigate any potential conflict;

3. All resolutions in writing of the Directors of the Manager in relation

to matters concerning Starhill Global REIT must be approved by a majority of the Directors, including at least one Independent Director;

4. At least half of the Board shall comprise of Independent Directors;

5. All Related Party Transactions must be reviewed by the AC and/or approved by a majority of the AC in accordance with the materiality thresholds and procedures outlined above. If a member of the AC has an interest in a transaction, he will abstain from voting;

6. In respect of matters in which a Director of the Manager or his Associates (as defined in the listing manual of the SGX-ST) have an interest, direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors of the Manager and must exclude such interested Director; and

7. The Manager and its Associates are prohibited from being counted in a quorum for or voting at any meeting of Unitholders convened to approve any matter in which the Manager or any of its Associates have a material interest.

The Directors of the Manager are under a fiduciary duty to Starhill Global REIT to act in its best interests in relation to decisions affecting Starhill Global REIT when they are voting as a member of the Board. In addition, the Directors and executive officers of the Manager are expected to act with integrity at all times. It is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of Starhill Global REIT with a related party of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) on the matter. If the said law firm is of the opinion that the Trustee has a *prima facie* case against the party allegedly in breach under such agreement, the Manager shall be obliged to take appropriate action in relation to such agreement. The Directors of the Manager (including its Independent Directors) have a duty to ensure that the Manager so complies.

Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of Starhill Global REIT with a related party of the Manager and the Trustee may take such action as it deems necessary to protect the rights of Unitholders and/or which is in the interests of Unitholders. Any decision by the Manager not to take action against a related party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such related party.

3. Dealing in Starhill Global REIT Units

Each Director of the Manager is required to give notice to the Manager of his acquisition of units or of changes in the number of units which he holds or in which he has an interest, within two business days after such acquisition or changes in interest. All dealings in units by Directors of the Manager are announced via SGXNET.

The Directors and employees of the Manager are encouraged, as a matter of internal policy, to hold units but are prohibited from dealing in the units during the following periods:

1. A one-month period preceding the announcement of the half year and full year financial statements;

2. A two-week period preceding the announcement of quarterly financial statements or business or financial updates; or

3. Any period when there exists any matter which constitutes non-public price-sensitive information in relation to the securities of Starhill Global REIT.

The Directors and employees of the Manager are advised not to deal in the units on short-term considerations. In addition, the Manager will announce via SGXNET the particulars of its holdings in the units and any changes thereto within one business day after the date on which it acquires or disposes of any units, as the case may be. The Manager has also undertaken to MAS that it will not deal in the units during the period commencing one month before the public announcement of Starhill Global REIT's annual and half-year financial results and two weeks before the public announcement of Starhill Global REIT's quarterly financial results, and ending on the date of announcement of the relevant results.

4. Fees payable to the Manager

The Manager is entitled to the following fees:

(i) Base Fee
The Base Fee covers the operational and administrative expenses incurred by the Manager in executing its

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responsibilities to manage Starhill Global REIT's portfolio. The Manager is entitled to receive a base fee of 0.5% per annum of the Value of Trust Property (excluding GST) as defined on page 118 ("Base Fee") or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of Unitholders. The Manager may opt to receive the Base Fee in respect of its properties in cash or units or a combination of cash and units (as it may determine). The portion of the Base Fee payable in cash shall be payable monthly in arrears and the portion of the Base Fee payable in the form of units shall be payable quarterly in arrears. If a trigger event occurs, resulting in the Manager being removed, the Manager is entitled to be paid the Base Fee up to the day on which the trigger event occurs.

(ii) Performance Fee

The Manager is entitled to a performance fee ("Performance Fee") where the accumulated return (comprising capital gains and accumulated distributions and assuming all distributions are reinvested in the Trust) of the units (expressed as the "Trust Index") in any Financial Year exceeds the accumulated return (comprising capital gains and accumulated distributions and assuming reinvestment of all distributions) of a benchmark index ("Benchmark Index"). The Performance Fee is calculated in two tiers as follows:

1. A Tier 1 Performance Fee equal to 5.0% of the amount by which the accumulated return of the Trust Index exceeds the accumulated return of the Benchmark Index, multiplied by the equity market capitalisation of the Trust; and
2. A Tier 2 Performance Fee which is applicable only where the accumulated return of the Trust Index is in excess of 2.0% per annum above the accumulated return of the Benchmark Index. This tier of the fee is calculated at 15.0% of the amount by which the accumulated return of the Trust Index is in excess of 2.0% per annum above the accumulated return of the Benchmark Index, multiplied by the equity market capitalisation of the Trust.

The Performance Fee, whether payable in any combination of cash and units or solely in cash or units will be payable annually in arrears within 30 days after the last day of each financial year. Please refer to pages 118 to 119 for further details on the Performance Fee.

The Performance Fee is based on accumulated return (comprising capital gains and accumulated distributions and assuming all distributions are re-invested in the Trust) of the units, such that where the accumulated return for the Trust Index exceeds the total return of the Benchmark Index, the Manager will be paid a Performance Fee. The interests of the Manager are therefore aligned with the interests of the Unitholders as the Performance Fee would be commensurate with the value that the Manager delivers to Unitholders in the form of such accumulated return. In addition, the Manager has to ensure that the Trust Index outperforms the Benchmark Index. This motivates and incentivises the Manager to grow the accumulated return to Unitholders and outperform the Benchmark Index on a long-term and sustainable basis through proactive asset management strategies, asset enhancement initiatives, disciplined investments and prudent capital and risk management. By pegging performance fee to accumulated return, the Manager will not take on excessive short-term risks that will affect returns to Unitholders.

(iii) Acquisition Fee

The Manager is entitled to an Acquisition Fee as set out in clause 15.2 of the Trust Deed. This is earned by the Manager upon completion of an acquisition. The fee seeks to motivate and compensate the Manager for the time and effort spent in sourcing, evaluating and executing acquisitions that meet Starhill Global REIT's investment criteria and increase long-term returns for Unitholders. Additional resources and costs incurred by the Manager in the course of seeking out new acquisition opportunities include, but are not limited to, due diligence efforts and man-hours spent in evaluating the transactions.

The Manager provides these services over and above the provision of ongoing management services with the aim of enhancing long-term returns, income sustainability and achieving the investment objectives of Starhill Global REIT.

The Acquisition Fee is calculated at 1.0% of the value of the real estate acquired and subject to the Property Funds Appendix, shall be paid to the Manager in the form of cash and/or Units (as the Manager shall elect). The Acquisition Fee is payable to the Manager 14 days after the completion of the relevant acquisition. Please refer to page 119.

As required by the Property Funds Appendix, where an acquisition constitutes an "interested party transaction", the Acquisition Fee payable to the Manager will be in the form of units which shall not be sold within one year from the date of issuance. This motivates the Manager to ensure that any acquisitions from interested parties perform and contribute to Unitholders' returns.

(iv) Divestment Fee

The Manager is entitled to a Divestment Fee as set out in clause 15.3 of the Trust Deed. This is earned by the Manager upon completion of a divestment. This fee seeks to motivate and compensate the Manager for its efforts in maximising value for Unitholders by selectively divesting properties that have reached a stage which offers limited scope for further income growth and recycle capital and optimise Starhill Global REIT's portfolio. The fee covers additional costs and resources incurred by the Manager, including but not limited to, sourcing for buyers, due diligence efforts and man-hours spent in the course of the transactions.

In accordance to clause 15.3 of the Trust Deed, the Divestment Fee is calculated at 0.5% of the value of the real estate divested and subject to the Property Funds Appendix, shall be paid to the Manager in the form of cash and/or units (as the Manager may elect). The Divestment Fee is payable as soon as practicable after the completion of the relevant divestment. Please refer to page 119.

As required by the Property Funds Appendix, where a divestment constitutes an "interested party transaction", the Divestment Fee payable to the Manager shall be in the form of units, which shall not be sold within one year from the date of issuance.

The Divestment Fee is lower than the Acquisition Fee because the sourcing, evaluating and executing of potential acquisition opportunities generally require more resources, effort and time on the part of the Manager as compared to divestments.

(v) Development Management Fee

The Manager is entitled to charge a development management fee equivalent to 3.0% of the total project costs incurred in development projects undertaken and managed by the Manager on behalf of Starhill Global REIT (the "Development Management Fee"), as set out in Clause 15.6 of the Trust Deed. In addition, when the estimated total project costs are greater than S$200.0 million, the Trustee and the Independent Directors of the Manager will first review and approve the quantum of the Development Management Fee payable to the Manager, whereupon the Manager may be directed by the Independent Directors to reduce the Development Management Fee.

For the purpose of calculating the Development Management Fee, "total project costs" means the sum of the construction costs, principal consultants' fees, cost of obtaining all approvals for the development project (including but not limited to any differential premium or development charge payable), site staff costs, interest costs and any other costs which meet the definition of total project costs and can be capitalised to the development project in accordance with generally accepted accounting principles in Singapore. For the avoidance of doubt, total project costs shall not include land costs.

A Development Management Fee is chargeable for all development projects undertaken by the Manager on behalf of Starhill Global REIT which include the redevelopment of an existing property. However, the Manager will not receive a Development Management Fee for activities involving refurbishment, retrofitting and renovations.

The Manager believes that having the ability to execute a development strategy when an attractive opportunity arises is beneficial to Unitholders as development projects can potentially provide significant returns to augment the income derived from the acquisitions and thus also contribute to improving the net asset value of Starhill Global REIT's portfolio, as the case may be, and provide growing distributions to Unitholders. Unlike outright acquisitions of completed income-producing properties, the process of property development is more complex as it requires a longer gestation period and involves the management and supervision of significant construction activity. The services rendered for a development project is significantly more than the services rendered for an acquisition.

The Development Management Fee shall be payable in the form of cash and/or Units (as the Manager may elect) and in equal monthly instalments over the construction period of each development project based on the Manager's best estimate of the total project costs and construction period and, if necessary, a final payment of the balance amount to be paid to the Manager or paid by the Manager when the total project costs is finalised.

Development management may at times contain certain aspects of project management. In order to ensure that there is no double-payment of fees for the same services provided, where Development Management Fees are payable to the Manager, there will not be any additional project management fees payable to the project manager and vice versa. Please refer to pages 119 to 120.

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ADDITIONAL INFORMATION ON ENDORSEMENT OF APPOINTMENT OF DIRECTORS

(Information required pursuant to Appendix 7.4.1 of the listing manual of the SGX-ST)

	Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	Mr Ho Sing	Dato' Yeoh Seok Kian	Mr Tan Bong Lin	Mr Ching Yew Chye	Mr Tan Woon Hum
Date of Appointment	31 December 2008	20 April 2010	31 December 2008	1 January 2018	1 November 2016	1 August 2017
Date of last endorsement of appointment	N.A	N.A	N.A	N.A	N.A	N.A
Age	66	54	63	64	67	50
Country of principal residence	Malaysia	Singapore	Malaysia	Singapore	Malaysia	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board has approved each Director's appointment based on an assessment of their qualification, experience and independence (in respect of the Independent Directors) and is satisfied that they will be able to contribute to the Company and Starhill Global REIT.					
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	The appointment of Mr Ho is Executive and he assists the Chairman and the Board in the formulation of business, investment and operational strategies for Starhill Global REIT and the implementation of these strategies, including overseeing investment and asset management strategies.	Non-Executive	Non-Executive	Non-Executive	Non-Executive
Job Title	Non-Executive Chairman	Executive Director and Chief Executive Officer	Non-Executive Director	Non-Executive Lead Independent Director and Chairman of the Audit Committee	Non-Executive Independent Director and Audit Committee Member	Non-Executive Independent Director and Audit Committee Member
Professional qualifications	Bachelor of Science (Hons) Degree in Civil Engineering, Kingston University, United Kingdom Honorary Doctorate of Engineering, Kingston University, United Kingdom in 2004 Honorary Degree of Doctor of Laws, University of Nottingham	Bachelor of Science degree in Aerospace Engineering, University of Texas, Austin, USA Stanford Executive Program, Stanford University in 2002	Bachelor of Science (Hons) Degree in Building, Heriot-Watt University, Edinburgh, United Kingdom in 1981 Honorary Degree of Doctor of the University, Heriot-Watt University, Edinburgh, UK in 2017 Advance Management Programme conducted by Wharton Business School, University of Pennsylvania in 1984	Bachelor of Accountancy degree from the University of Singapore in 1980	Bachelor of Science (Honours) degree in computer science, University of London, UK	National University of Singapore, LLB (Honours) Degree in 1995 Admitted as an Advocate and Solicitor of the Supreme Court of Singapore in 1996 MBA (Finance), University of Leicester in 2000

	Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	Mr Ho Sing	Dato' Yeoh Seok Kian	Mr Tan Bong Lin	Mr Ching Yew Chye	Mr Tan Woon Hum
Working experience and occupation(s) during the past 10 years	Tan Sri Francis became the Managing Director of YTL Corp Berhad Group in 1988 till 29 June 2018 when he was redesignated as Executive Chairman. Tan Sri Francis is the Executive Chairman of Malayan Cement Berhad (formerly known as Lafarge Malaysia Berhad) and the Executive Chairman and Managing Director of YTL e-Solutions Berhad. He is also the Executive Chairman of YTL Cement Berhad and Pintar Projek Sdn Bhd, the manager of YTL Hospitality REIT. He is the Chairman of private utilities corporations, Wessex Water Services Limited in England and Wales, and YTL PowerSeraya Pte Limited in Singapore. Tan Sri Francis is also an Independent Non-Executive Director of The Hongkong and Shanghai Banking Corporation Limited, and is a director of YTL Industries Berhad.	Mr Ho was the General Manager, International Investment at Guocoland Limited during 2007 – 2010. From 2010 to present, Mr Ho has also held the appointment of CEO and Executive Director of YTL Starhill Global REIT Management Limited.	Dato' Yeoh was appointed as an Executive Director of YTL Corp since 1984 and has been the Deputy Managing Director of YTL Corp until 29 June 2018 when he was redesignated as Managing Director. Dato' Yeoh is the Managing Director of YTL Land & Development Berhad and Executive Director of YTL Power International Berhad. He is also an Executive Director of Malayan Cement Berhad (formerly known as Lafarge Malaysia Berhad). Dato' Yeoh also sits on the boards of other public companies such as YTL Cement Berhad, YTL Industries Berhad and The Kuala Lumpur Performing Arts Centre, and private utilities corporations, Wessex Water Limited in England and Wales and YTL PowerSeraya Pte Limited in Singapore. He is also an Executive Director of Pintar Projek Sdn Bhd, the manager of YTL Hospitality REIT.	Mr Tan is a Non-Executive Independent Director of APAC Realty Limited and was formerly an Independent Director and Chairman of the Audit Committee of Parkway Life REIT (both of which are listed on the Mainboard of SGX-ST) from 2007 to 2016. Mr Tan is also the Non-Executive Chairman and Independent Director of RHT Health Trust Manager Pte Ltd, the manager of RHT Health Trust (which is listed on the Mainboard of SGX-ST).	Mr Ching is currently an Independent Non-Executive Director of Genting Plantations Berhad and United Overseas Bank (Malaysia) Berhad, and the Independent Non-Executive Chairman of AIA Berhad and AIA General Berhad.	Mr Tan is currently a partner of Shook Lin & Bok LLP, a Singapore law firm and has been with the firm since December 2003. He has been in private practice since 1996, specializing in trust, asset and wealth management, and has been involved in numerous S-REIT IPOs, post-IPO acquisitions, equity fund raising exercises, debt financing and securitization locally and globally. Mr Tan is currently serving as a Non-Executive Independent Director of Ezion Holdings Limited and AP Oil International Limited, both of which are listed on the Singapore Exchange, and is also a Non-Executive Independent director of UTI International (Singapore) Private Limited, a licensed fund manager dealing in Indian equities and bonds. He previously served as a Non-Executive Independent Director of Yong Xin International Holdings Limited and UBI Capital Singapore Pte Ltd.

Corporate Governance

	Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	Mr Ho Sing	Dato' Yeoh Seok Kian	Mr Tan Bong Lin	Mr Ching Yew Chye	Mr Tan Woon Hum
Other Principal Commitments including Directorships						
1. Past (for the last 5 years)	None.	None.	None.	5 July 2007 to 21 October 2016: Parkway Trust Management Limited, manager of Parkway Life REIT	HSBC Bank Malaysia Berhad (resigned 30 October 2015) Petronas Chemicals Group Berhad (Independent Non-Executive Director, Chairman of Board Nomination & Remuneration Committee, member of Board Audit Committee)	18 June 2007 to 31 December 2015: Yong Xin International Holdings Ltd
2. Present	YTL Corp Berhad Group, Executive Chairman YTL Power International Berhad and YTL Land & Development Berhad, Executive Chairman Malayan Cement Berhad (formerly known as Lafarge Malaysia Berhad), Executive Chairman YTL e-Solutions Berhad, Executive Chairman and Managing Director YTL Cement Berhad and Pintar Projek Sdn Bhd, the manager of YTL Hospitality REIT, Executive Chairman Wessex Water Services Limited in England and Wales, YTL PowerSeraya Pte Limited in Singapore, Chairman The Hongkong and Shanghai Banking Corporation Limited, Independent Non-Executive Director YTL Industries Berhad, Director	Bitwave Pte Ltd	YTL Corp, Managing Director YTL Power International Berhad, Executive Director YTL Land & Development Berhad, Managing Director Malayan Cement Berhad (formerly known as Lafarge Malaysia Berhad), Executive Director Other Board Appointments: YTL Cement Berhad, YTL Industries Berhad and The Kuala Lumpur Performing Arts Centre, and private utilities corporations, Wessex Water Limited in England and Wales and YTL PowerSeraya Pte Limited in Singapore. Pintar Projek Sdn Bhd, manager of YTL Hospitality REIT, Executive Director	APAC Realty Limited, Non-Executive Independent Director RHT Health Trust Manager Pte Ltd, the manager of RHT Health Trust, Non-Executive Chairman and Independent Director	Genting Plantations Berhad (Independent Non-Executive Director, member of Board Audit Committee) AIA Berhad and AIA General Berhad, Independent Non-Executive Chairman United Overseas Bank (Malaysia) Berhad, Independent Non-Executive Director	Ezion Holdings Limited, Independent Non-Executive Director AP Oil International Limited, Independent Non-Executive Director UTI International (Singapore) Private Limited, Independent Non-Executive Director

	Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	Mr Ho Sing	Dato' Yeoh Seok Kian	Mr Tan Bong Lin	Mr Ching Yew Chye	Mr Tan Woon Hum
Any prior experience as a director of an issuer listed on the Exchange?	Yes YTL Starhill Global REIT Management Limited	Yes YTL Starhill Global REIT Management Limited UMS Holdings	Yes YTL Starhill Global REIT Management Limited	Yes YTL Starhill Global REIT Management Limited APAC Realty Limited Parkway Trust Management Limited, manager of Parkway Life REIT RHT Health Trust Manager Pte Ltd, manager of RHT Health Trust	Yes YTL Starhill Global REIT Management Limited	Yes YTL Starhill Global REIT Management Limited Ezion Holdings Limited AP Oil International Limited Yong Xin International Holdings Limited
Shareholding interest in the listed issuer and its subsidiaries	No	150,000 units in Starhill Global REIT (direct interest) 54,000 units in Starhill Global REIT (deemed interest)	No	No	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Yes Tan Sri Francis and Dato' Yeoh are brothers Tan Sri Francis is also the Executive Chairman of YTL Corp Berhad which is a substantial unitholder of Starhill Global REIT	No	Yes Tan Sri Francis and Dato' Yeoh are brothers Dato' Yeoh is the Managing Director of YTL Corp Berhad which is a substantial unitholder of Starhill Global REIT	No	No	No
Conflict of Interest (including any competing business)	The directorships held by Tan Sri Francis in YTL Corp Berhad and its subsidiaries	No	The directorships held by Dato' Yeoh in YTL Corp Berhad and its subsidiaries	No	No	No

Note:
For more details, please refer to pages 22 to 23 of this Annual Report on the Board of Directors.

Corporate Governance

	Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	Mr Ho Sing	Dato' Yeoh Seok Kian	Mr Tan Bong Lin	Mr Ching Yew Chye	Mr Tan Woon Hum
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes	Yes	Yes	Yes
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No	No	No	No
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	No	No	No
c) Whether there is any unsatisfied judgment against him?	No	No	No	No	No	No
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No	No	No
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No	No	No
f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No	No	No	No

		Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	Mr Ho Sing	Dato' Yeoh Seok Kian	Mr Tan Bong Lin	Mr Ching Yew Chye	Mr Tan Woon Hum
g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No	No	No
h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No	No	No
i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No	No	No	No
j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–						
	I. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No	No	No	No
	II. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No	No	No	No
	III. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No	No	No	No
	IV. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere;	No	No	No	No	No	No
	In connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?						
k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No	No	No

Wisma Atria Property,
Singapore

Financials

FINANCIAL STATEMENTS

Report of the Trustee

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of Starhill Global Real Estate Investment Trust (the "Trust") and its subsidiaries (the "Group") in trust for the unitholders. In accordance with the Securities and Futures Act, Chapter 289 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of YTL Starhill Global REIT Management Limited (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 8 August 2005, as supplemented by a first supplemental deed dated 20 April 2006, an amended and restated deed dated 8 August 2007, a second amended and restated deed dated 10 December 2007, a second supplemental deed dated 22 April 2010, a third supplemental deed dated 7 June 2010, a fourth supplemental deed dated 17 March 2014, a third amending and restating deed dated 4 August 2016, a fifth supplemental deed dated 27 October 2017 and a sixth supplemental deed dated 29 October 2019 (the "Trust Deed") between the Manager and the Trustee in each annual accounting period and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Group during the year ended 30 June 2020 covered by these financial statements, set out on pages 111 to 164 in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,
HSBC Institutional Trust Services (Singapore) Limited

Authorised Signatory

Singapore
28 August 2020

Statement by the Manager

In the opinion of the board of directors of YTL Starhill Global REIT Management Limited (the "Manager"), the accompanying financial statements set out on pages 111 to 164, comprising the balance sheets, statements of total return, distribution statements and statements of movements in unitholders' funds of the Group and of the Trust, the investment properties portfolio statement and cash flow statement of the Group and a summary of significant accounting policies and other explanatory information, are drawn up so as to give a true and fair view of the financial position of Starhill Global Real Estate Investment Trust (the "Trust") and its subsidiaries (the "Group") as at 30 June 2020, the total return, distributable income and movements in unitholders' funds of the Group and the Trust, and the cash flows of the Group for the year ended 30 June 2020 in accordance with the recommendations of *Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager,
YTL Starhill Global REIT Management Limited

Ho Sing
Director

Singapore
28 August 2020

Independent Auditors' Report

Unitholders of Starhill Global Real Estate Investment Trust
(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 8 August 2005 (as amended))

Report on the financial statements

Opinion

We have audited the financial statements of Starhill Global Real Estate Investment Trust (the "Trust") and its subsidiaries (collectively, the "Group"), which comprise the balance sheet and investment properties portfolio statement of the Group and the balance sheet of the Trust as at 30 June 2020, and the statements of total return, distribution statements, statements of movements in unitholders' funds of the Group and the Trust, and the cash flow statement of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 111 to 164.

In our opinion, the accompanying consolidated financial statements of the Group and the financial statements of the Trust present fairly, in all material respects, the financial position and portfolio holdings of the Group and financial position of the Trust as at 30 June 2020, and the total return, distributable income and movements in unitholders' funds of the Group and the Trust, and the cash flows of the Group for the year ended on that date in accordance with the recommendations of *Statement of Recommended Accounting Practice ("RAP") 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 of the current period. 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.

Valuation of investment properties
(Refer to Note 4 to the financial statements)

Risk:

As at 30 June 2020, the Group's investment properties portfolio comprises 10 properties which amounted to $2,941 million (2019: $3,065 million) representing 95% (2019: 98%) of the Group's total assets.

The fair values of the investment properties were determined by external valuers using valuation techniques which include the capitalisation and discounted cash flow approaches.

The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are highly sensitive to key assumptions applied in deriving the capitalisation and discount rates i.e. a small change in the assumptions may have a significant impact to the valuation.

The heightened uncertainty in market conditions caused by the 2019 Novel Coronavirus ("COVID-19") outbreak has resulted in the inclusion by the external valuers of a material valuation uncertainty declaration in their valuation reports. Consequently, less certainty and a higher degree of caution should be attached to these valuations than would normally be the case. Values may change more rapidly and significantly than during standard market conditions.

Our response:
We assessed the Group's processes for the selection of the external valuers, the determination of the scope of work of the valuers, and the review and acceptance of the valuations reported by the external valuers. We also assessed the competency, capability and objectivity of these valuers.

We obtained an understanding of the techniques used by the external valuers in determining the valuations of individual investment properties. We considered the valuation methodologies used against those applied by other valuers for similar property type. We held discussions with the external valuers and challenged the key assumptions applied, including capitalisation and discount rates, by comparing them to market comparables, historical data and available industry data, as well as understand how the implications of the COVID-19 pandemic were considered in the valuations.

We have also considered the adequacy of the disclosures in the financial statements, in describing the inherent degree of subjectivity and key assumptions in the estimates. This includes the relationships between the key unobservable inputs and fair values, in conveying the uncertainties.

Our findings:
The Group has a process for appointing and instructing valuers, and in reviewing, challenging and accepting their valuations. The valuers are members of generally-recognised professional bodies for valuers and have considered their own independence in carrying out their work.

The valuation methodologies used are comparable to methods used in the prior year and those used for similar property types, and the key assumptions applied are within the reasonable range of available market data as at the date of valuation. The disclosures relating to the assumptions and the material uncertainty paragraph included by the external valuers in their valuation reports are appropriate.

Other information
YTL Starhill Global REIT Management Limited, the Manager of the Trust ("the Manager"), is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report. We have obtained all other information prior to the date of this auditors' report.

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 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, 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.

Responsibilities of the Manager for the financial statements
The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 issued by the Institute of Singapore Chartered Accountants, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the Manager either intends to terminate the Group or to cease operations of the Group, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 SSAs 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 Auditors' Report

Unitholders of Starhill Global Real Estate Investment Trust
(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 8 August 2005 (as amended))

As part of an audit in accordance with SSAs, 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 controls.
- Obtain an understanding of internal controls 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager'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 auditors' 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 auditors' 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 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 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.

From the matters communicated with the 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 auditors' report unless the law or regulations preclude 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.

The engagement partner on the audit resulting in this independent auditors' report is Eng Chin Chin.

KPMG LLP

Public Accountants and
Chartered Accountants

Singapore
28 August 2020

Balance Sheets

As at 30 June 2020

	Note	Group 2020 $'000	Group 2019 $'000	Trust 2020 $'000	Trust 2019 $'000
Non-current assets					
Investment properties	4	**2,941,261**	3,064,861	**2,063,099**	2,116,000
Plant and equipment	5	**51**	26	**34**	–
Interests in subsidiaries	6	**–**	–	**519,701**	576,915
		2,941,312	3,064,887	**2,582,834**	2,692,915
Current assets					
Derivative financial instruments	7	**1**	302	**1**	302
Trade and other receivables	8	**22,280**	3,846	**15,474**	4,871
Cash and cash equivalents	9	**117,442**	72,946	**67,025**	11,517
		139,723	77,094	**82,500**	16,690
Total assets		**3,081,035**	3,141,981	**2,665,334**	2,709,605
Non-current liabilities					
Trade and other payables	10	**23,536**	26,581	**17,689**	20,467
Derivative financial instruments	7	**20,408**	11,432	**12,465**	4,685
Deferred tax liabilities	11	**6,340**	6,168	**–**	–
Borrowings	12	**1,056,015**	1,004,271	**750,606**	799,037
Lease liabilities	13	**818**	–	**718**	–
		1,107,117	1,048,452	**781,478**	824,189
Current liabilities					
Trade and other payables	10	**39,344**	32,491	**29,323**	23,811
Derivative financial instruments	7	**305**	–	**305**	–
Income tax payable		**2,428**	3,180	**–**	–
Borrowings	12	**161,971**	127,837	**161,971**	20,000
Lease liabilities	13	**381**	–	**381**	–
		204,429	163,508	**191,980**	43,811
Total liabilities		**1,311,546**	1,211,960	**973,458**	868,000
Net assets		**1,769,489**	1,930,021	**1,691,876**	1,841,605
Represented by:					
Unitholders' funds	14	**1,769,489**	1,930,021	**1,691,876**	1,841,605
Units in issue ('000)	15	**2,191,127**	2,181,204	**2,191,127**	2,181,204
Net asset value per unit ($) based on:					
– Units issued and issuable at the end of the year		**0.81**	0.88	**0.77**	0.84

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

Statements of Total Return

Year ended 30 June 2020

	Note	Group		Trust	
		2020 $'000	2019 $'000	2020 $'000	2019 $'000
Gross revenue	16	**180,773**	206,190	**114,606**	127,148
Property operating expenses	17	**(48,657)**	(46,784)	**(24,798)**	(26,868)
Net property income		**132,116**	159,406	**89,808**	100,280
Interest income from fixed deposits and bank balances		**945**	956	**189**	106
Interest income from subsidiaries		**–**	–	**5,067**	5,677
Dividend income from subsidiaries	18	**–**	–	**25,373**	6,980
Management fees	19	**(15,402)**	(15,846)	**(14,493)**	(14,936)
Performance fees	19	**–**	–	**–**	–
Trust expenses	20	**(4,724)**	(4,684)	**(3,623)**	(3,469)
Finance expenses	21	**(39,864)**	(38,697)	**(26,510)**	(25,284)
		73,071	101,135	**75,811**	69,354
Change in fair value of derivative instruments		**(8,926)**	(11,932)	**(8,140)**	(6,032)
Foreign exchange gain/(loss)		**483**	178	**3,300**	(5,755)
Change in fair value of investment properties	4	**(160,671)**	(20,315)	**(54,751)**	(32,041)
Impairment loss on investment in subsidiaries	6	**–**	–	**(100,000)**	(1,000)
Total return for the year before tax and distribution		**(96,043)**	69,066	**(83,780)**	24,526
Income tax	22	**(1,369)**	(3,479)	**(681)**	(852)
Total return for the year after tax, before distribution		**(97,412)**	65,587	**(84,461)**	23,674
Non-tax deductible items and other adjustments		**174,766**	35,732	**161,815**	77,645
Income available for distribution		**77,354**	101,319	**77,354**	101,319
Earnings per unit (cents)					
Basic	23	**(4.46)**	3.01	**(3.87)**	1.09
Diluted	23	**(4.46)**	3.01	**(3.87)**	1.09

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

Distribution Statements

Year ended 30 June 2020

	Note	Group		Trust	
		2020 $'000	2019 $'000	2020 $'000	2019 $'000
Income available for distribution at the beginning of the year		**55,233**	51,414	**55,233**	51,414
Total return after tax, before distribution		**(97,412)**	65,587	**(84,461)**	23,674
Net tax and other adjustments (Note A below)		**174,766**	35,732	**161,815**	77,645
Income available for distribution		**132,587**	152,733	**132,587**	152,733
Distributions during the year:					
Unitholders					
Distribution of 1.10 cents (2018: 1.09 cents) per unit for the period 1 April to 30 June 2019		**(23,993)**	(23,775)	**(23,993)**	(23,775)
Distribution of 1.13 cents (2018: 1.15 cents) per unit for the period 1 July to 30 September 2019		**(24,679)**	(25,084)	**(24,679)**	(25,084)
Distribution of 1.13 cents (2018: 1.13 cents) per unit for the period 1 October to 31 December 2019		**(24,712)**	(24,648)	**(24,712)**	(24,648)
Distribution of 1.10 cents per unit for the period 1 January to 31 March 2019		**–**[1]	(23,993)	**–**[1]	(23,993)
		(73,384)	(97,500)	**(73,384)**	(97,500)
Income available for distribution at the end of the year		**59,203**	55,233	**59,203**	55,233
Number of units issued and issuable ('000)	15	**2,194,652**	2,181,204	**2,194,652**	2,181,204
Distribution per unit for the year (cents)		**2.96**[2]	4.48	**2.96**[2]	4.48

Note A – Net tax and other adjustments

	Group 2020 $'000	Group 2019 $'000	Trust 2020 $'000	Trust 2019 $'000
Non-tax deductible/(chargeable) items and other adjustments:				
– Management fees paid/payable in units	**8,116**	–	**8,116**	–
– Finance costs	**685**	582	**981**	848
– Sinking fund contribution	**1,548**	1,678	**1,548**	1,678
– Depreciation	**4**	–	**4**	–
– Change in fair value of derivative instruments	**8,318**	12,189	**7,532**	6,254
– Change in fair value of investment properties	**160,671**	20,315	**54,751**	32,041
– Deferred tax	**156**	108	**–**	–
– Impairment loss on investment in subsidiaries	**–**	–	**100,000**	1,000
– Foreign exchange (gain)/loss	**(111)**	72	**(2,724)**	5,915
– Other items	**(4,621)**	788	**(4,248)**	3,681
– Net overseas income not distributed to the Trust, net of amount received	**–**	–	**(4,145)**	26,228
Net tax and other adjustments	**174,766**	35,732	**161,815**	77,645

Notes:

(1) Following the change of the distribution frequency to semi-annual distributions, there was no distribution paid to its unitholders for the period from 1 January 2020 to 31 March 2020.

(2) Approximately $7.7 million of the income available for distribution for the year ended 30 June 2020 has been deferred, as allowed under the COVID-19 relief measures announced by IRAS.

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

Statements of Movements in Unitholders' Funds

Year ended 30 June 2020

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Unitholders' funds at the beginning of the year	**1,930,021**	1,990,296	**1,841,605**	1,915,431
Operations				
Change in unitholders' funds resulting from operations, before distributions	**(97,412)**	65,587	**(84,461)**	23,674
(Decrease)/Increase in unitholders' funds resulting from operations	**(97,412)**	65,587	**(84,461)**	23,674
Foreign currency translation reserve				
Translation differences from financial statements of foreign entities	**(573)**	(24,594)	**–**	–
Transfer of translation differences from total return arising from hedge accounting[1]	**(1,447)**	(877)	**–**	–
Exchange differences on monetary items forming part of net investment in foreign operations	**4,168**	(2,891)	**–**	–
Net gain/(loss) recognised directly in unitholders' funds	**2,148**	(28,362)	**–**	–
Unitholders' transactions				
Management fees paid in units	**6,226**	–	**6,226**	–
Management fees payable in units	**1,890**	–	**1,890**	–
Distributions to unitholders	**(73,384)**	(97,500)	**(73,384)**	(97,500)
Decrease in unitholders' funds resulting from unitholders' transactions	**(65,268)**	(97,500)	**(65,268)**	(97,500)
Unitholders' funds at the end of the year	**1,769,489**	1,930,021	**1,691,876**	1,841,605

Note:

[1] The Group designated its JPY loan as a net investment hedge for its Japan operations. Correspondingly, the foreign currency differences on the JPY loan was reclassified to the Group's foreign currency translation reserve, offsetting the translation differences arising from the Group's Japan operations.

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

Investment Properties Portfolio Statement

As at 30 June 2020

Description of property	Tenure	Term of lease	Remaining term of lease	Location	Existing use	Occupancy rate[11] 2020 %	At valuation 2020 $'000	At valuation 2019 $'000	Percentage of total net assets 2020 %	Percentage of total net assets 2019 %
Group										
Wisma Atria Property	Leasehold	Leasehold estate of 99 years expiring on 31 March 2061	41 years	435 Orchard Road, Singapore 238877	Retail/ Office	**96.7/90.7**	**932,000[5]**	978,000	**52.7**	50.7
Ngee Ann City Property	Leasehold	Leasehold estate of 69 years expiring on 31 March 2072	52 years	391/391B Orchard Road, Singapore 238874	Retail/ Office	**100.0/85.4**	**1,130,000[5]**	1,138,000	**63.9**	59.0
Myer Centre Adelaide[1]	Freehold	–	–	14-38 Rundle Mall, Adelaide, Australia	Retail/ Office	**92.4/94.6**	**216,418[6]**	284,625	**12.2**	14.7
David Jones Building[1]	Freehold	–	–	622-648 Hay Street Mall, Perth, Australia	Retail	**99.3**	**137,415[6]**	158,441	**7.8**	8.2
Plaza Arcade[1]	Freehold	–	–	650 Hay Street Mall and 185-191 Murray Street Mall, Perth, Australia	Retail	**86.1**	**40,794[6]**	46,679	**2.3**	2.4
The Starhill[2]	Freehold	–	–	181 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia	Retail/ Hotel[10]	**100.0**	**245,240[7]**	217,455	**13.9**	11.3
Lot 10 Property[2]	Leasehold	Leasehold estate of 99 years expiring on 29 July 2076	56 years	50 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia	Retail/ Office	**100.0**	**147,958[7]**	153,363	**8.3**	7.9
China Property[3]	Leasehold	Leasehold estate expiring on 27 December 2035	15 years	19, 4th Section, Renminnan Road, Chengdu, Sichuan, China	Retail	**100.0**	**28,432[8]**	28,358	**1.6**	1.5
Ebisu Fort[4]	Freehold	–	–	1-24-2 Ebisu-Minami, Shibuya-ku, Tokyo, Japan	Retail/ Office	**100.0**	**45,350[9]**	43,981	**2.6**	2.3
Daikanyama[4]	Freehold	–	–	1-31-12 Ebisu-Nishi, Shibuya-ku, Tokyo, Japan	Retail/ Office	**100.0**	**16,455[9]**	15,959	**0.9**	0.8
Investment properties – fair value							**2,940,062**	3,064,861	**166.2**	158.8
Investment properties – right-of-use assets							**1,199**	–	**0.1**	–
Total investment properties							**2,941,261**	3,064,861	**166.3**	158.8
Other assets and liabilities (net)							**(1,171,772)**	(1,134,840)	**(66.3)**	(58.8)
Net assets							**1,769,489**	1,930,021	**100.0**	100.0

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 (formerly known as "Starhill Gallery") 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 2020. 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 2020.
(6) Based on the valuation performed by CBRE Valuations Pty Limited as at 30 June 2020 and translated at the exchange rate of A$1.04 : $1.00 (2019: A$1.05 : $1.00).
(7) Based on the valuation performed by IVPS Property Consultant Sdn Bhd as at 30 June 2020 and translated at the exchange rate of RM3.07 : $1.00 (2019: RM3.06 : $1.00).
(8) Based on the valuation performed by Jones Lang LaSalle Corporate Appraisal and Advisory Limited as at 30 June 2020 and translated at the exchange rate of RMB5.06 : $1.00 (2019: RMB5.08 : $1.00).
(9) Based on the valuation performed by JLL Morii Valuation & Advisory K.K. as at 30 June 2020 and translated at the exchange rate of JPY77.18 : $1.00 (2019: JPY79.58 : $1.00).
(10) The Starhill is currently undergoing asset enhancement works which is expected to be completed in the second half of 2021. The mall is currently undergoing asset enhancement works to convert it into an integrated development comprising retail and hotel elements.
(11) Based on commenced leases as at 30 June 2020.

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.

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

Consolidated Cash Flow Statement

Year ended 30 June 2020

	Group	
	2020 $'000	2019 $'000
Cash flows from operating activities		
Total return for the year before tax and distribution	**(96,043)**	69,066
Adjustments for:		
Finance income	**(945)**	(956)
Depreciation	**14**	15
Management fees paid/payable in units	**8,116**	–
Finance expenses	**39,864**	38,697
Change in fair value of derivative instruments	**8,926**	11,932
Foreign exchange gain	**(483)**	(178)
Change in fair value of investment properties	**160,671**	20,315
Operating income before working capital changes	**120,120**	138,891
Trade and other receivables	**(12,891)**	(1,321)
Trade and other payables	**(2,381)**	(1,349)
Income tax paid	**(2,023)**	(2,256)
Net cash from operating activities	**102,825**	133,965
Cash flows from investing activities		
Capital expenditure on investment properties	**(29,723)**	(7,673)
Purchase of plant and equipment	**(38)**	(1)
Interest received on deposits	**932**	958
Net cash used in investing activities	**(28,829)**	(6,716)
Cash flows from financing activities		
Borrowing costs paid	**(39,079)**	(37,759)
Proceeds from borrowings	**522,156**	81,600
Repayment of borrowings	**(439,732)**	(65,879)
Payment of lease liabilities	**(443)**	–
Distributions paid to unitholders	**(73,384)**	(97,500)
Net cash used in financing activities	**(30,482)**	(119,538)
Net increase in cash and cash equivalents	**43,514**	7,711
Cash and cash equivalents at the beginning of the year	**72,946**	66,730
Effects of exchange rate differences on cash	**982**	(1,495)
Cash and cash equivalents at the end of the year	**117,442**	72,946

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

Notes to the Financial Statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 28 August 2020.

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.

For financial reporting purpose, the Trust is regarded as a subsidiary of YTL Corporation Berhad up to 31 March 2020. Accordingly, the ultimate holding company up to 31 March 2020 is Yeoh Tiong Lay & Sons Family Holdings Limited, which is incorporated in Jersey.

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.

The Trust has entered into several significant service agreements in relation to the management of the Group and its operations. The fee structure of these services is as follows:

(a) Property management fees and leasing commission

YTL Starhill Global Property Management Pte. Ltd. (the "Property Manager") is entitled to receive a fee of 3.0% per annum of gross revenue of the Wisma Atria Property and Ngee Ann City Property ("Singapore Properties") (excluding GST) for the provision of property management, lease management as well as marketing and marketing co-ordination services. The Property Manager's fee is to be paid on a monthly basis in arrears.

The Property Manager is also entitled to receive leasing commission at the rates set out below when it secures a tenant or a tenancy renewal:

(i) one month's base rental for securing a tenancy of three years or more;

(ii) two thirds of one month's base rental for securing a tenancy of two years or more but less than three years;

(iii) one third of one month's base rental for securing a tenancy of one year or more but less than two years;

(iv) one quarter of one month's base rental for securing a renewal of tenancy of three years or more;

(v) one eighth of one month's base rental for securing a renewal of tenancy of two years or more but less than three years; and

(vi) one twelfth of one month's base rental for securing a renewal of tenancy of one year or more but less than two years.

Property management fees also include fees payable mainly to third party property managers of the Australia Properties and Japan Properties.

Notes to the Financial Statements

(b) **Management fees**

Management fees include fees payable to the Manager, third party asset manager of the Japan Properties, as well as servicer of the Malaysia Properties.

Under the Trust Deed, the Manager is entitled to receive a base fee and a performance fee as follows:

Base fee

The Manager is entitled to receive a base fee of 0.5% per annum of the Value of Trust Property (excluding GST) ("Base Fee") or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of unitholders.

The Value of Trust Property means:

(i) the value of all authorised investments of the Group other than real estate related assets;

(ii) the value of real estate related assets of any entity held by the Group if such holding is less than 30.0% of the equity of such entity; and

(iii) where the Group invests in 30.0% or more of a real estate related asset of any entity, including any class of equity, equity-linked securities and/or securities issued in real estate securitisation, the Group's proportionate interest in the value of the underlying real estate of the entity issuing the equity which comprises the real estate related asset.

The Manager may opt to receive the Base Fee in respect of its properties in cash or units or a combination of cash and units (as it may determine).

The portion of the Base Fee payable in cash shall be payable monthly in arrears and the portion of the Base Fee payable in the form of units shall be payable quarterly in arrears. If a trigger event occurs, resulting in the Manager being removed, the Manager is entitled to be paid the Base Fee up to the day on which the trigger event occurs.

Performance fee

The Manager is entitled to a performance fee ("Performance Fee") where the accumulated return (comprising capital gains and accumulated distributions and assuming all distributions are re-invested in the Trust) of the units (expressed as the "Trust Index") in any financial year exceeds the accumulated return (comprising capital gains and accumulated distributions and assuming re-investment of all distributions) of a benchmark index.

The Performance Fee is calculated in two tiers as follows:

- a Tier 1 Performance Fee equal to 5.0% of the amount by which the accumulated return of the Trust Index exceeds the accumulated return of the benchmark index, multiplied by the equity market capitalisation of the Trust; and

- a Tier 2 Performance Fee which is applicable only where the accumulated return of the Trust Index is in excess of 2.0% per annum above the accumulated return of the benchmark index. This tier of the fee is calculated at 15.0% of the amount by which the accumulated return of the Trust Index is in excess of 2.0% per annum above the accumulated return of the benchmark index, multiplied by the equity market capitalisation of the Trust.

For the purposes of the Tier 1 Performance Fee and the Tier 2 Performance Fee, the amount by which the accumulated return of the Trust Index exceeds the accumulated return of the benchmark index shall be referred to as outperformance.

The outperformance of the Trust Index is assessed on a cumulative basis and any prior underperformance will need to be recovered before the Manager is entitled to any Performance Fee.

The Performance Fee, whether payable in any combination of cash and units or solely in cash or units will be payable annually in arrears. If a trigger event occurs in any financial year, resulting in the Manager being removed, the Manager is entitled to payment of any Performance Fee (whether structured in cash or in the form of units) to which it might otherwise have been entitled for that financial year in cash, which shall be calculated, as if the end of the financial year was the date of occurrence of the trigger event, in accordance with Clause 15.1.4 of the Trust Deed. If a trigger event occurs at a time when any accrued Performance Fee has not been paid, resulting in the Manager being removed, the Manager is entitled to payment of such accrued Performance Fee in cash.

The management fees (Base Fee and Performance Fee, including any accrued Performance Fee which has been carried forward from previous financial years but excluding any acquisition fee or divestment fee) to be paid to the Manager in respect of a financial year, whether in cash or in units or a combination of cash and units, is capped at an amount equivalent to 0.8% per annum of the Value of the Trust Property as at the end of the financial year (referred to as the "annual fee cap").

If the amount of such fees for a financial year exceeds the annual fee cap, the Base Fee of the financial year shall be paid to the Manager and only that portion of the Performance Fee equal to the balance of an amount up to the annual fee cap will be paid to the Manager. The remaining portion of the Performance Fee, which will not be paid, shall be accrued and carried forward for payment to the Manager in future financial years. If, at the end of a financial year, there is any accrued Performance Fee which has been accrued for a period of at least three years prior to the end of that financial year, such accrued Performance Fee shall be paid to the Manager if the accumulated return of the Trust Index in that three-year period exceeds the accumulated return of the benchmark index over the same period. The payment of such accrued Performance Fee shall not be subject to the annual fee cap.

(c) Acquisition and divestment fees

The Manager is entitled to receive an acquisition fee of 1.0% of the value of the real estate acquired. For any acquisition made by the Group in Singapore, any payment to third party agents or brokers in connection with the acquisition shall be borne by the Manager, and not additionally out of the Group. For any acquisition made by the Group outside Singapore, any payment to third party agents or brokers shall be borne by the Group, provided that the Manager shall charge an acquisition fee of 0.6% instead of 1.0%.

The Manager is entitled to receive a divestment fee of 0.5% of the value of the real estate divested. For any divestment made by the Group in Singapore, any payment to third party agents or brokers in connection with the divestment shall be borne by the Manager, and not additionally out of the Group. For any divestment made outside Singapore, any payment to third party agents or brokers shall be borne by the Group, provided that the Manager shall charge a divestment fee of 0.5% of the sale price. The Manager also receives acquisition fees and divestment fees in instances other than an acquisition and divestment of real estate.

(d) Development management fee

Under the Trust Deed, the Manager is entitled to receive a development management fee equivalent to 3.0% of the total project costs (excluding GST) incurred in development projects undertaken and managed by the Manager on behalf of the Group ("Development Management Fee").

In addition, when the estimated total project costs are greater than $200 million, the Trustee and the independent directors of the Manager (the "Independent Directors"), will first review and approve the quantum of the Development Management Fee payable to the Manager, whereupon the Manager may be directed by the Independent Directors to reduce the Development Management Fee.

Notes to the Financial Statements

For the purpose of calculating the Development Management Fee, "total project costs" means the sum of the construction costs, principal consultants' fees, cost of obtaining all approvals for the development project (including but not limited to any differential premium or development charge payable), site staff costs, interest costs and any other costs which meet the definition of total project costs and can be capitalised to the development project in accordance with generally accepted accounting principles in Singapore. For the avoidance of doubt, total project costs shall not include land costs.

The Development Management Fee shall be payable in the form of cash and/or units (as the Manager may elect) and in equal monthly instalments over the construction period of each development project based on the Manager's best estimate of the total project costs and construction period and, if necessary, a final payment of the balance amount to be paid to the Manager or paid by the Manager when the total project costs is finalised.

(e) Trustee's fee

Under the Trust Deed, the Trustee's fee shall not exceed 0.1% per annum of the value of the deposited property (subject to a minimum of $8,000 per month excluding out of pocket expenses and GST) or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of unitholders. The Trustee's fee is payable out of the deposited property of the Group on a monthly basis, in arrears. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

Based on the current agreement between the Manager and the Trustee, the Trustee's fee is less than 0.1% per annum of the value of the deposited property (subject to a minimum of $8,000 per month excluding out of pocket expenses and GST).

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").

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis, except as set out in the accounting policies below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the functional currency of the Trust. All financial information 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.

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 are described in the following notes:

- Note 4 – Valuation of investment properties
- Note 6 – Impairment on interests in subsidiaries
- Notes 7 and 25 – Valuation of financial instruments

2.5 Adoption of new/revised FRS

The Group has adopted FRS 116 *Leases* using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly, the comparative information presented for 2019 is not restated – i.e. it is presented, as previously reported, under FRS 17 and related interpretations. The details of the changes in accounting policies are disclosed below. Additionally, the disclosure requirements in FRS 116 have not generally been applied to comparative information.

Definition of a lease

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under INT FRS 104 *Determining whether an Arrangement contains a Lease*. The Group now assesses whether a contract is or contains a lease based on the definition of a lease, as explained in FRS 116.

On transition to FRS 116, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. The Group applied FRS 116 only to contracts that were previously identified as leases. Contracts that were not identified as leases under FRS 17 and INT FRS 104 were not reassessed for whether there is a lease under FRS 116. Therefore, the definition of a lease under FRS 116 was applied only to contracts entered into or changed on or after 1 July 2019.

As a lessee

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under FRS 116, the Group recognises right-of-use assets and lease liabilities for most of these leases – i.e. these leases are on-balance sheet.

On transition, for these leases, lease liabilities were measured at the present value of the remaining lease payments, discounted at the respective lessee entities incremental borrowing rates applicable to the leases as at 1 July 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The Group has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

Notes to the Financial Statements

As a lessor

The Group leases out its investment property, including own property and right-of-use assets. The Group is not required to make any adjustments on transition to FRS 116 for leases in which it acts as a lessor, except for a sub-lease. The Group sub-leases some of its properties. Under FRS 17, the head lease and sub-lease contracts were classified as operating leases. On transition to FRS 116, the right-of-use assets recognised from the head leases are presented in investment properties and measured at fair value at that date. The Group assessed the classification of the sub-lease contracts with reference to the right-of-use asset rather than the underlying asset, and concluded that they are operating leases under FRS 116. The Group has applied FRS 15 *Revenue from Contracts with Customers* to allocate consideration in the contract to each lease and non-lease component.

Impact on financial statements

On transition to FRS 116, the Group recognised right-of-use assets under its investment properties and lease liabilities of $0.8 million retrospectively as at 1 July 2019, which approximate the operating lease commitments as at 30 June 2019 under FRS 17. When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing rate of approximately 3.28% as at 1 July 2019. For the impact of FRS 116 on profit or loss in the statement of total return, see Note 13. For the details of accounting policies under FRS 116 and FRS 17, see Note 3.8.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently by the Group and the Trust to all periods in these financial statements and have been applied consistently by Group entities, except as explained in Note 2.5.

3.1 Basis of consolidation

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group is exposed to or has rights to variable returns from its involvement with an entity and has the ability to affect those returns through its power over the entity.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss in the statement of total return.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss in the statement of total return.

Subsidiaries

Subsidiaries are entities controlled by the Group and include entities that are created to accomplish a narrow and well defined objective such as the execution of a specific transaction where the substance of the relationship is that the Group controls the entity. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Accounting for subsidiaries by the Trust

Interests in subsidiaries are stated in the Trust's balance sheet at cost less accumulated impairment losses.

3.2 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rates at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting date are translated to the functional currency at the exchange rate at that date. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transactions. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year. Foreign currency differences arising on retranslation are recognised in profit or loss in the statement of total return except for the differences arising on the translation of a financial liability designated as a hedge of the net investment in foreign operation (see below).

Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates at the end of the reporting period. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Foreign currency differences are recognised in foreign currency translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount is transferred to profit or loss in the statement of total return.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in profit or loss in the Trust's statement of total return, and are reclassified to the foreign currency translation reserve in the consolidated financial statements.

Hedge of a net investment in foreign operation

The Group applies hedge accounting by designating a non-derivative financial liability as a hedge of a net investment in the foreign operation, with the corresponding foreign currency differences arising on the translation being reclassified to the Group's foreign currency translation reserve. To the extent that the hedge is ineffective, such differences are recognised in profit or loss in the statement of total return. When the hedged net investment is disposed of, the relevant amount in the foreign currency translation reserve is transferred to profit or loss in the statement of total return as part of the gain or loss on disposal.

Notes to the Financial Statements

3.3 Plant and equipment

Recognition and measurement

Plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and when the Group has an obligation to remove the asset or restore the site, an estimate of the cost of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

The gain or loss on disposal of an item of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the plant and equipment, and is recognised in profit or loss in the statement of total return.

Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The cost of the day-to-day servicing of plant and equipment are recognised in profit or loss in the statement of total return as incurred.

Depreciation

Depreciation of plant and equipment is recognised in profit or loss in the statement of total return on a straight-line basis over their estimated useful lives of two to five years.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

3.4 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both. Investment properties are measured at cost on initial recognition, and subsequently at fair value with any changes therein recognised in profit or loss in the statement of total return. Fair value is determined in accordance with the Trust Deed, which requires investment properties to be valued by independent registered valuers in such manner and frequency required under Appendix 6 of the CIS Code ("Property Fund Appendix") issued by MAS.

Subsequent expenditure relating to investment properties that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

When an investment property is disposed of, the resulting gain or loss recognised in profit or loss in the statement of total return is the difference between net disposal proceeds and the carrying amount of the property.

3.5 Intangible asset

Goodwill

Goodwill and bargain purchase may arise upon the acquisition of subsidiaries.

Goodwill represents the excess of the fair value of the consideration transferred over the Group's interest in the net fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss in the statement of total return.

Goodwill arising on the acquisition of subsidiaries (if any) is presented in intangible asset. Goodwill is measured at cost less accumulated impairment losses, and tested for impairment.

3.6 Financial instruments

(i) Initial recognition

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

(ii) Classification and measurement

Non-derivative financial assets

The Group classifies its non-derivative financial assets into the following measurement categories: amortised costs.

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Group reclassifies financial assets when and only when its business model for managing those assets changes.

Financial assets at amortised cost

A financial asset at amortised cost, which is held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, is initially measured at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Non-derivative financial liabilities

The Group classifies non-derivative financial liabilities under the other financial liabilities category. Such financial liabilities are initially measured at fair value less directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Other financial liabilities comprise borrowings, trade and other payables, and lease liabilities.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss in the statement of total return.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits.

Notes to the Financial Statements

(vi) Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met. The Group does not adopt hedge accounting for its derivative financial instruments as at 30 June 2020.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss in the statement of total return as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss in the statement of total return.

Certain derivatives and non-derivative financial instruments can be designated as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, documentation of the risk management objective and strategy for undertaking the hedge is required, including the economic relationship between the hedged item and the hedging instrument, and whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

3.7 Unitholders' funds

Unitholders' funds represent the residual interest in the Group's net assets upon termination and are classified as equity. Expenses incurred in the issuance and placement of units (if any) in the Group are deducted directly against unitholders' funds.

3.8 Leases

The Group has applied FRS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under FRS 17 and INT FRS 104. The details of accounting policies under FRS 17 and INT FRS 104 are disclosed separately.

Policy applicable from 1 July 2019

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in FRS 116.

This policy is applied to contracts entered into, on or after 1 July 2019.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset under its investment properties, and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. For right-of-use assets that meet the definition of investment property, the Group applies the fair value model in FRS 40 *Investment Property* to these assets with any change therein recognised in profit or loss in the statement of total return.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss in the statement of total return if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies FRS 115 to allocate the consideration in the contract.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'revenue'. Rental income from sub-leased property is recognised as "other income".

Generally, the accounting policies applicable to the Group as a lessor in the comparative period were not different from FRS 116.

Policy applicable before 1 July 2019

As a lessee

Payments made under operating leases were recognised in profit or loss in the statement of total return on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

As a lessor

When the Group acted as a lessor, it determined at lease inception whether each lease was a finance lease or an operating lease. To classify each lease, the Group made an overall assessment of whether the lease transferred substantially all of the risks and rewards incidental to ownership of the underlying asset. If this was the case, then the lease was a finance lease; if not, then it was an operating lease. As part of this assessment, the Group considered certain indicators such as whether the lease was for the major part of the economic life of the asset. Rental income from investment property is recognised as "revenue" on a straight-line basis over the term of the lease.

Notes to the Financial Statements

3.9 Impairment

(i) Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised costs.

Simplified approach

The Group applies the simplified approach to provide loss allowances for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months).

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when a tenant or a counterparty is unable to settle its financial and contractual obligations to the Group in full, as and when they fall due. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the tenant or counterparty;
- a breach of contract such as a default by the tenant or counterparty; or
- it is probable that the tenant or counterparty will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss in the statement of total return. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

Notes to the Financial Statements

3.10 Employee benefits

Short-term employee benefit obligations, including contributions to defined contribution pension plans, if any, are measured on an undiscounted basis and are expensed as the related service is provided in profit or loss in the statement of total return.

A liability is recognised for the amount expected to be paid under short-term cash bonus where the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.11 Revenue recognition

Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in the statement of total return on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental to be received. Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period on a receipt basis. No contingent rentals are recognised if there are uncertainties due to the possible return of amounts received.

Dividend income

Dividend income is recognised in profit or loss in the statement of total return on the date that the Trust's right to receive payment is established.

3.12 Finance income and finance expenses

Finance income comprises mainly interest income on funds invested. Interest income is recognised in profit or loss in the statement of total return, using the effective interest method.

Finance expenses comprises mainly interest expense on borrowings and lease liabilities, and amortisation of loan acquisition expenses. All borrowing costs are recognised in profit or loss in the statement of total return using the effective interest method.

3.13 Expenses

Property operating expenses

Property operating expenses are recognised on an accrual basis. Property operating expenses comprise mainly property tax, maintenance and sinking fund contributions, leasing and upkeep expenses, marketing expenses, administrative expenses, impairment loss on trade receivables as well as property management fees and leasing commission which are based on the applicable formula stipulated in Note 1(a).

Management fees

Management fees are recognised on an accrual basis based on the applicable formula stipulated in Note 1(b).

Trust expenses

Trust expenses are recognised on an accrual basis. Included in trust expenses is the Trustee's fee which is described in Note 1(e).

3.14 Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss in the statement of total return except to the extent that it relates to a business combination, or items directly related to unitholders' funds, in which case it is recognised in unitholders' funds.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred as well as current tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling dated 20 May 2005 ("Tax Ruling") on the taxation of the Trust for income earned and expenditure incurred after its listing on the SGX-ST. Subject to meeting the terms and conditions of the Tax Ruling, the Trustee will not be assessed to tax on the taxable income of the Trust. Instead, the Trustee and the Manager will deduct income tax at the prevailing corporate tax rate from the distributions made to unitholders that are made out of the taxable income of the Trust. However, where the beneficial owners are individuals or qualifying unitholders, the Trustee and the Manager will make the distributions to such unitholders without deducting any income tax. Also, where the beneficial owners are foreign non-individual unitholders or foreign funds, the Trustee and the Manager will deduct Singapore income tax at the reduced rate of 10% for such distributions.

A qualifying unitholder is a unitholder who is:

(i) a Singapore-incorporated company which is a tax resident in Singapore;

(ii) a body of persons, other than a company or a partnership, registered or constituted in Singapore (for example, a town council, a statutory board, a registered charity, a registered co-operative society, a registered trade union, a management corporation, a club and a trade and industry association);

(iii) a Singapore branch of a foreign company;

(iv) an international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act (Cap. 145); or

(v) a real estate investment trust exchange-traded fund which has been accorded the tax transparency treatment.

Notes to the Financial Statements

A foreign non-individual unitholder is one who is not a resident of Singapore for income tax purposes and:

(i) who does not have a permanent establishment in Singapore; or

(ii) who carries on any operation in Singapore through a permanent establishment in Singapore where the funds used to acquire the units are not obtained from that operation in Singapore.

A foreign fund is one who is a non-resident fund that qualifies for tax exemption under Section 13CA, 13X or 13Y of the Income Tax Act for income tax purposes and:

(i) who does not have a permanent establishment in Singapore (other than a fund manager in Singapore); or

(ii) who carries on any operation in Singapore through a permanent establishment in Singapore (other than a fund manager in Singapore), where the funds used to acquire the units are not obtained from that operation.

The Trust is exempt from Singapore income tax under Section 13(12) of the Income Tax Act on the following income:

(i) dividends;

(ii) interest on shareholder's loans; and

(iii) foreign-sourced trust distribution

payable by its subsidiaries out of underlying rental income derived from the overseas investment properties. This exemption is granted subject to certain conditions, including the condition that the Trustee is a tax resident of Singapore.

The Trust's distribution policy is to distribute at least 90% of its annual taxable income to its Unitholders or any other minimum level as allowed under the tax ruling issued by IRAS (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.

For any remaining amount of taxable income not distributed, tax will be assessed on, and collected from, the Trustee on such remaining amount (referred to as retained taxable income). In the event where a distribution is subsequently made out of such retained taxable income, the Trustee and the Manager will not have to make a further deduction of income tax from the distribution. Under the COVID-19 relief measures announced by IRAS, the Trust will have until 31 December 2021 (or any extension allowed) to distribute at least 90% of the annual taxable income derived in the financial year ended 30 June 2020.

The above Tax Ruling does not apply to gains from sale of real properties, if considered to be trading gains derived from a trade or business carried on by the Trust. Tax on such gains or profits will be assessed, in accordance with Section 10(1)(a) of the Income Tax Act, Chapter 134 and collected from the Trustee. Where the gains are capital gains, it will not be assessed to tax and the Trustee and the Manager may distribute the capital gains without tax being deducted at source.

3.15 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4. INVESTMENT PROPERTIES

	Group $'000	Trust $'000
At 1 July 2018	3,118,338	2,147,000
Additions, straight-line rental and other adjustments	9,338	1,041
Change in fair value of investment properties	(20,315)	(32,041)
Translation differences	(42,500)	–
At 30 June 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[1]	(160,671)	(54,751)
Translation differences	5,123	–
At 30 June 2020	**2,941,261**	**2,063,099**

[1] Represents fair value adjustments on the investment properties including right-of-use assets as at 30 June 2020, following the property revaluation exercise in June 2020.

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 2020 only and may change significantly after the balance sheet date as the impact of the COVID-19 outbreak unfolds.

The valuers have used valuation techniques which include the capitalisation and discounted cash flow approaches, in arriving at the open market 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 2020, investment properties with a carrying value of approximately $747.0 million (2019: $813.9 million) are mortgaged to secure credit facilities for the Group (Note 12).

Notes to the Financial Statements

Fair value hierarchy

The Group's and the Trust's investment properties of approximately $2,940.1 million and $2,062.0 million respectively (excluding the carrying amount of lease liabilities of approximately $1.2 million and $1.1 million respectively) as at 30 June 2020 are valued based on unobservable inputs and classified in Level 3 of the fair value hierarchy. The different levels of the fair value hierarchy are defined in Note 25.

The following table shows the key unobservable inputs used in the valuation models of the investment properties as at 30 June 2020:

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 6.87% (2019: from 3.70% to 6.88%) • Discount rates from 3.30% to 7.20% (2019: from 3.50% to 8.50%)	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. PLANT AND EQUIPMENT

	Group $'000	Trust $'000
Cost:		
At 1 July 2018	1,880	790
Additions	1	–
Disposal/write-off	(958)	–
Translation differences	(39)	–
At 30 June 2019	884	790
Additions	38	38
Translation differences	1	–
At 30 June 2020	**923**	**828**
Accumulated depreciation:		
At 1 July 2018	(1,838)	(790)
Depreciation charge	(15)	–
Disposal/write off	958	–
Translation differences	37	–
At 30 June 2019	(858)	(790)
Depreciation charge	(14)	(4)
Translation differences	–	–
At 30 June 2020	**(872)**	**(794)**
Carrying amount:		
At 1 July 2018	42	–
At 30 June 2019	26	–
At 30 June 2020	**51**	**34**

6. INTERESTS IN SUBSIDIARIES

	Trust	
	2020 $'000	2019 $'000
Equity investments at cost	**539,461**	480,446
Less: allowance for impairment loss	**(134,400)**	(34,400)
	405,061	446,046
Loans to subsidiaries	**181,640**	197,869
Less: allowance for impairment loss	**(67,000)**	(67,000)
	114,640	130,869
	519,701	576,915

Loans to subsidiaries are unsecured and include an interest-free portion of approximately $8.6 million (2019: $8.3 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. As the recoverable amount was lower than the net carrying amount of the Trust's interest in these subsidiaries, an impairment loss of $100.0 million (2019: $1.0 million) was recognised for the year ended 30 June 2020. 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	
	2020 $'000	2019 $'000
At 1 July	**(101,400)**	(100,400)
Impairment loss recognised	**(100,000)**	(1,000)
At 30 June	**(201,400)**	(101,400)

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Effective interest 2020 %	Effective interest 2019 %
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

Notes to the Financial Statements

7. DERIVATIVE FINANCIAL INSTRUMENTS

	2020		2019	
	Contract notional amount $'000	Fair value $'000	Contract notional amount $'000	Fair value $'000
Group				
Non-current assets				
Interest rate caps	**–**	**–**	79,200	–[1]
Current assets				
Interest rate caps	**81,600**	**–**	–	–
Foreign exchange forwards	**1,100**	**1**	10,500	302
	82,700	**1**	10,500	302
	82,700	**1**	89,700	302
Non-current liabilities				
Interest rate swaps	**574,200**	**20,408**	572,300	11,432
Current liabilities				
Foreign exchange forwards	**10,100**	**305**	–	–
	584,300	**20,713**	572,300	11,432
Trust				
Non-current assets				
Interest rate caps	**–**	**–**	79,200	–[1]
Current assets				
Interest rate caps	**81,600**	**–**	–	–
Foreign exchange forwards	**1,100**	**1**	10,500	302
	82,700	**1**	10,500	302
	82,700	**1**	89,700	302
Non-current liabilities				
Interest rate swaps	**375,000**	**12,465**	375,000	4,685
Current liabilities				
Foreign exchange forwards	**10,100**	**305**	–	–
	385,100	**12,770**	375,000	4,685

[1] Amount less than $1,000.

The Group has entered into various derivative transactions under International Swaps and Derivatives Association Master Agreements ("ISDA Master Agreements") with various bank counterparties. The derivative financial instruments presented above are not offset in the balance sheet as the right of set-off of recognised amounts is enforceable only following the occurrence of a termination event as set out in such ISDA Master Agreements. Upon the occurrence of a termination event resulting in the set-off of related derivatives in the balance sheet as at 30 June 2020, the impact would be approximately $1,000 (2019: $302,000) decrease in both derivative assets and liabilities of the Group and Trust.

As at 30 June 2020 and 30 June 2019, the Group's derivative financial assets and liabilities are not subject to an election for netting of payments under the enforceable master netting arrangements. The Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The net fair value of the derivative financial instruments represents 1.17% (2019: 0.58%) and 0.75% (2019: 0.24%) of the Group's and Trust's unitholders' funds as at 30 June 2020. The Group's and the Trust's contractual maturities analysis for derivative financial liabilities is disclosed in Note 12.

8. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Current				
Trade receivables	**10,857**	1,521	**2,607**	229
Deposits	**250**	250	**250**	250
Other receivables[1]	**10,566**	1,450	**12,338**	4,111
	21,673	3,221	**15,195**	4,590
Prepayments	**607**	625	**279**	281
	22,280	3,846	**15,474**	4,871

(1) Included the grant receivable from the Singapore government in relation to property tax rebates and other cash grants as part of the COVID-19 relief measures as at 30 June 2020.

Concentration of credit risk relating to trade receivables is limited due to the Group's and the Trust's varied mix of tenants and credit policy of obtaining security deposits from tenants for leasing the Group's and the Trust's investment properties, where applicable. As at 30 June 2020, the Group and the Trust have security deposits of approximately $28.7 million (2019: $30.7 million) and $23.6 million (2019: $24.3 million) respectively (Note 10).

There is no impairment loss arising from the Group's and the Trust's deposits and other receivables balances, none of which are past due at the reporting date. Included in other receivables of the Trust are interest income receivable from its subsidiaries of approximately $2.5 million (2019: $3.5 million) as at 30 June 2020.

The maximum exposure to credit risk for trade and other receivables (excluding prepayments) at the reporting date by geographic region was:

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Singapore	**12,643**	1,099	**15,195**	4,590
Australia	**5,702**	1,638	**–**	–
Malaysia	**3,194**	295	**–**	–
Others	**134**	189	**–**	–
	21,673	3,221	**15,195**	4,590

Notes to the Financial Statements

Impairment losses

The ageing of trade receivables at the reporting date was:

	Gross 2020 $'000	Impairment losses 2020 $'000	Gross 2019 $'000	Impairment losses 2019 $'000
Group				
Not past due	**6,439**	**–**	612	(36)
Past due 0 – 30 days	**5,256**	**(1,147)**	291	(73)
Past due 31 – 120 days	**4,299**	**(3,990)**	220	(92)
More than 120 days	**758**	**(758)**	1,117	(518)
	16,752	**(5,895)**	2,240	(719)

	Gross 2020 $'000	Impairment losses 2020 $'000	Gross 2019 $'000	Impairment losses 2019 $'000
Trust				
Not past due	**1,320**	**–**	265	(36)
Past due 0 – 30 days	**988**	**–**	73	(73)
Past due 31 – 120 days	**378**	**(79)**	70	(70)
More than 120 days	**144**	**(144)**	37	(37)
	2,830	**(223)**	445	(216)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
At 1 July	**(719)**	(670)	**(216)**	(416)
Impairment loss recognised	**(5,604)**	(939)	**(147)**	(163)
Utilised	**465**	862	**140**	363
Translation differences	**(37)**	28	**–**	–
At 30 June	**(5,895)**	(719)	**(223)**	(216)

The Group's and the Trust's historical experience in the collection of trade receivables falls largely within the recorded allowances. Due to these factors and evaluations performed, the Manager believes that, apart from the above and subject to the extent of the COVID-19 pandemic, no additional significant credit risk beyond amounts provided for collection losses is inherent in the Group's and the Trust's remaining trade receivables as at 30 June 2020, as these are partially covered by security deposits, bank/corporate guarantees and allowance for impairment.

9. CASH AND CASH EQUIVALENTS

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Cash at bank and in hand	**89,498**	36,759	**62,018**	11,043
Fixed deposits with financial institutions	**27,944**	36,187	**5,007**	474
	117,442	72,946	**67,025**	11,517

10. TRADE AND OTHER PAYABLES

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Non-current				
Security deposits[1]	**21,180**	26,581	**17,491**	20,467
Deferred income[2]	**2,356**	–	**198**	–
	23,536	26,581	**17,689**	20,467
Current				
Trade payables	**3,381**	4,718	**2,216**	3,686
Accrued expenses	**5,364**	5,955	**1,709**	1,782
Amounts due to:				
– the Manager[3]	**1,072**	2,652	**1,072**	2,652
– the Property Manager[3]	**392**	705	**392**	705
– the Trustee[3]	**120**	80	**120**	80
Interest payable	**3,344**	3,320	**2,861**	2,651
Security deposits[1]	**7,514**	4,084	**6,135**	3,790
Deferred income[2]	**421**	524	**177**	262
Other payables[4]	**17,736**	10,453	**14,641**	8,203
	39,344	32,491	**29,323**	23,811
	62,880	59,072	**47,012**	44,278

(1) Represent cash deposits received from tenants to secure leases of the Group's and the Trust's investment properties.

(2) Represent mainly accretion adjustment on security deposits, as well as rental income received in advance.

(3) The amounts due to the Manager, Property Manager and Trustee are mainly trade in nature, unsecured and interest free.

(4) Included the deferred grant liability arising from the Singapore government's property tax rebates and other cash grants as part of the COVID-19 relief measures as at 30 June 2020, which will be passed to the eligible tenants in the form of rental rebates.

The Group's and the Trust's exposure to liquidity and currency risks related to trade and other payables are disclosed in Notes 12 and 25.

Notes to the Financial Statements

11. DEFERRED TAX LIABILITIES

	Group 2020 $'000	Group 2019 $'000
Deferred tax liabilities[1]	**6,340**	6,168

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

Movement in deferred tax liabilities of the Group (prior to offsetting of balances) during the year was as follows:

	At 1 July $'000	Recognised in statement of total return (Note 22) $'000	Translation differences $'000	At 30 June $'000
Group				
2020				
Deferred tax liabilities				
Investment properties	**6,168**	**156**	**16**	**6,340**
2019				
Deferred tax liabilities				
Investment properties	6,336	108	(276)	6,168

12. BORROWINGS

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Non-current				
Secured borrowings	**297,152**	197,340	**–**	–
Unsecured borrowings	**761,726**	810,014	**752,941**	801,494
Unamortised loan acquisition expenses	**(2,863)**	(3,083)	**(2,335)**	(2,457)
	1,056,015	1,004,271	**750,606**	799,037
Current				
Secured borrowings	**–**	107,848	**–**	–
Unsecured borrowings	**162,000**	20,000	**162,000**	20,000
Unamortised loan acquisition expenses	**(29)**	(11)	**(29)**	–
	161,971	127,837	**161,971**	20,000
Total borrowings (net of borrowing costs)	**1,217,986**	1,132,108	**912,577**	819,037

The contractual terms of the Group's and the Trust's borrowings, which are measured at amortised cost are disclosed below. The Group's and the Trust's exposure to interest rate, currency and liquidity risks, is disclosed in Note 25.

Reconciliation of liabilities arising from financing activities

	Borrowings $'000	Interest payable $'000	Lease liabilities $'000	Net derivative financial (assets)/ liabilities $'000	Total $'000
Group					
Balance at 1 July 2018	1,130,329	3,332	–	(767)	1,132,894
Changes from financing cash flows					
Borrowing costs paid	(645)	(35,911)	–	(1,203)	(37,759)
Proceeds from borrowings	81,600	–	–	–	81,600
Repayment of borrowings	(65,879)	–	–	–	(65,879)
Total changes from financing cash flows	15,076	(35,911)	–	(1,203)	(22,038)
Other changes					
Effects of exchange rate differences	(14,813)	–	–	(114)	(14,927)
Change in fair value of derivative instruments	–	–	–	11,932	11,932
Amortisation of loan acquisition expenses	1,516	–	–	–	1,516
Finance expenses	–	35,899	–	1,282	37,181
Total other changes	(13,297)	35,899	–	13,100	35,702
Balance at 30 June 2019	1,132,108	3,320	–	11,130	1,146,558
Adjusted balance at 1 July 2019	1,132,108	3,320	791	11,130	1,147,349
Changes from financing cash flows					
Borrowing costs paid	(1,045)	(33,304)	–	(4,730)	(39,079)
Proceeds from borrowings	522,156	–	–	–	522,156
Repayment of borrowings	(439,732)	–	–	–	(439,732)
Payment of lease liabilities	–	–	(443)	–	(443)
Total changes from financing cash flows	81,379	(33,304)	(443)	(4,730)	42,902
Other changes					
Effects of exchange rate differences	3,185	–	(1)	167	3,351
Change in fair value of derivative instruments	–	–	–	8,926	8,926
Amortisation of loan acquisition expenses	1,314	–	–	–	1,314
Finance expenses	–	33,085	25	5,219	38,329
Others	–	243	827	–	1,070
Total other changes	4,499	33,328	851	14,312	52,990
Balance at 30 June 2020	**1,217,986**	**3,344**	**1,199**	**20,712**	**1,243,241**

Notes to the Financial Statements

Terms and debt repayment schedule

Terms and conditions of the outstanding borrowings were as follows:

	Currency	Nominal interest rate per annum %	Year of maturity	Face value $'000	Carrying amount $'000
2020					
Group					
JPY term loan facility[1]	JPY	0.69 – 0.85	2024	**47,941**	**47,941**
SGD term loan facilities[1]	SGD	1.09 – 2.91	2021 & 2022	**410,000**	**410,000**
SGD revolving credit facilities[1][2]	SGD	1.48 – 2.39	2021, 2022 & 2024	**62,000**	**62,000**
Singapore MTNs[3]	SGD	3.14 – 3.50	2021, 2023, 2025 & 2026	**395,000**	**395,000**
Japan bond[4]	JPY	0.57	2021	**8,785**	**8,785**
Australia loans[5]	A$	1.51 – 2.96	2021 & 2023	**189,605**	**189,605**
Malaysia MTN[6]	RM	4.48 – 5.50	2024	**107,547**	**107,547**
				1,220,878	**1,220,878**
Trust					
JPY term loan facility[1]	JPY	0.69 – 0.85	2024	**47,941**	**47,941**
SGD term loan facilities[1]	SGD	1.09 – 2.91	2021 & 2022	**410,000**	**410,000**
SGD revolving credit facilities[1][2]	SGD	1.48 – 2.39	2021, 2022 & 2024	**62,000**	**62,000**
Intercompany loans[3]	SGD	3.14 – 3.50	2021, 2023, 2025 & 2026	**395,000**	**395,000**
				914,941	**914,941**
2019					
Group					
JPY term loan facility[1]	JPY	0.85	2020	46,494	46,494
SGD term loan facilities[1]	SGD	2.49 – 2.93	2021 & 2022	460,000	460,000
SGD revolving credit facilities[1][2]	SGD	2.20 – 2.85	2020, 2022 & 2024	20,000	20,000
Singapore MTNs[3]	SGD	3.14 – 3.50	2021, 2023 & 2026	295,000	295,000
Japan bond[4]	JPY	0.57	2021	8,520	8,520
Australia loans[5]	A$	2.90 – 3.82	2021 & 2023	197,340	197,340
Malaysia MTN[6]	RM	4.48	2019	107,910	107,848
				1,135,264	1,135,202
Trust					
JPY term loan facility[1]	JPY	0.85	2020	46,494	46,494
SGD term loan facilities[1]	SGD	2.49 – 2.93	2021 & 2022	460,000	460,000
SGD revolving credit facilities[1][2]	SGD	2.20 – 2.85	2020, 2022 & 2024	20,000	20,000
Intercompany loans[3]	SGD	3.14 – 3.50	2021, 2023 & 2026	295,000	295,000
				821,494	821,494

(1) The Group has in place the following unsecured loan facilities as at 30 June 2020, comprising:

(i) four-year and five-year unsecured loan facilities with a club of seven banks at inception, comprising (a) term loan of $150 million (2019: $200 million) (maturing in September 2021), (b) term loan of $260 million (maturing in September 2022) and (c) $240 million committed revolving credit facilities (maturing in September 2022), of which $40 million (2019: $Nil) is outstanding under the above revolving credit facilities as at the reporting date.

(ii) five-year unsecured term loan facility of JPY3.7 billion ($47.9 million) (2019: JPY3.7 billion ($46.5 million)) (maturing in September 2024) with a bank.

The interest rate on the above unsecured loan facilities was largely hedged using a combination of interest rate swaps and caps as at 30 June 2020.

(2) The Group has in place three-year unsecured and committed revolving credit facilities of $80 million (maturing in March 2022) with two banks, of which $12 million (2019: $10 million) is outstanding as at 30 June 2020. In addition, the Group has outstanding $10 million (2019: $10 million) from its other unsecured revolving credit facilities as at 30 June 2020.

(3) The Group has outstanding medium term notes ("MTN") of $295 million (2019: $295 million) as at 30 June 2020 issued by Starhill Global REIT MTN Pte Ltd under its $2 billion multicurrency MTN programme, comprising:

(i) $100 million unsecured seven-year Singapore MTN (the "Series 002 Notes") (issued in February 2014 and maturing in February 2021) which bear a fixed rate interest of 3.50% per annum payable semi-annually in arrears.

(ii) $125 million unsecured eight-year Singapore MTN (the "Series 003 Notes") (issued in May 2015 and maturing in May 2023) which bear a fixed rate interest of 3.40% per annum payable semi-annually in arrears.

(iii) $70 million unsecured 10-year Singapore MTN (the "Series 004 Notes") (issued in October 2016 and maturing in October 2026) which bear a fixed rate interest of 3.14% per annum payable semi-annually in arrears.

In addition, as at 30 June 2020, the Group has outstanding $100 million unsecured five-year Singapore MTN (the "2020 Series 001 Notes") (issued in June 2020 and maturing in June 2025) which bear a fixed rate interest of 3.15% per annum payable semi-annually in arrears, issued under its new $2 billion multicurrency debt issuance programme.

The proceeds from the above issuances were extended as intercompany loans to the Trust at the same repayment terms.

(4) At the reporting date, the Group has JPY678 million ($8.8 million) (2019: JPY678 million ($8.5 million)) Japan bond outstanding and maturing in August 2021. Whilst no security has been pledged, the bondholders of the Japan bond have a statutory preferred right, under the Japan Asset Liquidation Law, to receive payment of all obligations under the Japan bond prior to other creditors out of the assets of the issuer (Starhill Global REIT One TMK).

(5) The Group has outstanding term loans of A$198 million (approximately $189.6 million) (2019: A$208 million ($209.6 million)) as at 30 June 2020, comprising:

(i) A$63 million ($60.3 million) (2019: A$63 million ($59.8 million)) (maturing in July 2023) loan which was hedged via interest rate swaps and is secured by a general security deed over all the assets of SG REIT (WA) Trust and a mortgage over David Jones Building.

(ii) A$135 million ($129.3 million) (2019: A$145 million ($137.6 million)) (maturing in November 2021) loan which was hedged via interest rate swaps and is secured by a general security deed over all the assets of SG REIT (SA) Sub-Trust2 and a mortgage over Myer Centre Adelaide.

(6) The Group refinanced its existing senior medium term notes of RM330 million ("Senior MTN") upon maturity via a new unrated issuance of five-year fixed-rate Senior MTN of the same amount in September 2019. The Senior MTN bear a fixed coupon rate of 5.50% per annum and have a carrying amount of RM330 million ($107.5 million) (2019: RM329.8 million ($107.8 million)) as at 30 June 2020. The notes have an expected maturity in September 2024 and legal maturity in March 2026, and are secured, inter alia, by a fixed and floating charge over all the assets of Ara Bintang Berhad, including the Malaysia Properties.

Notes to the Financial Statements

The contractual maturities by type of financial liabilities, including estimated interest payments and excluding the impact of netting agreements, were as follows:

	Note	Carrying amount $'000	Contractual cash flows $'000	Cash flows Within 1 year $'000	Within 1 to 5 years $'000	After 5 years $'000
Group						
2020						
Non-derivative financial liabilities						
JPY term loan facility	12	**47,941**	**(49,369)**	**(335)**	**(49,034)**	**–**
SGD term loan facilities	12	**410,000**	**(419,089)**	**(4,768)**	**(414,321)**	**–**
SGD revolving credit facilities	12	**62,000**	**(62,487)**	**(62,487)**	**–**	**–**
Singapore MTNs	12	**395,000**	**(441,314)**	**(113,108)**	**(254,906)**	**(73,300)**
Japan bond	12	**8,785**	**(8,849)**	**(51)**	**(8,798)**	**–**
Australia loans	12	**189,605**	**(195,961)**	**(3,041)**	**(192,920)**	**–**
Malaysia MTN	12	**107,547**	**(132,714)**	**(5,915)**	**(126,799)**	**–**
Trade and other payables	10	**54,207**	**(58,419)**	**(33,119)**	**(22,145)**	**(3,155)**
Lease liabilities	13	**1,199**	**(1,278)**	**(424)**	**(792)**	**(62)**
		1,276,284	**(1,369,480)**	**(223,248)**	**(1,069,715)**	**(76,517)**
Derivative financial liabilities						
Interest rate swaps	7	**20,408**	**–**	**–**	**–**	**–**
– inflow		**–**	**1,939**	**1,050**	**889**	**–**
– outflow		**–**	**(23,031)**	**(12,199)**	**(10,832)**	**–**
Foreign exchange forwards	7	**305**	**–**	**–**	**–**	**–**
– inflow		**–**	**9,769**	**9,769**	**–**	**–**
– outflow		**–**	**(10,060)**	**(10,060)**	**–**	**–**
		20,713	**(21,383)**	**(11,440)**	**(9,943)**	**–**
		1,296,997	**(1,390,863)**	**(234,688)**	**(1,079,658)**	**(76,517)**
2019						
Non-derivative financial liabilities						
JPY term loan facility	12	46,494	(46,928)	(402)	(46,526)	–
SGD term loan facilities	12	460,000	(496,258)	(12,865)	(483,393)	–
SGD revolving credit facilities	12	20,000	(20,032)	(20,032)	–	–
Singapore MTNs	12	295,000	(335,521)	(9,975)	(250,048)	(75,498)
Japan bond	12	8,520	(8,630)	(49)	(8,581)	–
Australia loans	12	197,340	(213,562)	(5,348)	(208,214)	–
Malaysia MTN	12	107,848	(109,129)	(109,129)	–	–
Trade and other payables	10	58,548	(61,796)	(32,037)	(17,353)	(12,406)
		1,193,750	(1,291,856)	(189,837)	(1,014,115)	(87,904)
Derivative financial liabilities						
Interest rate swaps	7	11,432	–	–	–	–
– inflow		–	26,585	9,374	17,211	–
– outflow		–	(35,140)	(12,191)	(22,949)	–
		11,432	(8,555)	(2,817)	(5,738)	–
		1,205,182	(1,300,411)	(192,654)	(1,019,853)	(87,904)

	Note	Carrying amount $'000	Contractual cash flows $'000	Cash flows Within 1 year $'000	Within 1 to 5 years $'000	After 5 years $'000
Trust						
2020						
Non-derivative financial liabilities						
JPY term loan facility	12	**47,941**	**(49,369)**	**(335)**	**(49,034)**	**–**
SGD term loan facilities	12	**410,000**	**(419,089)**	**(4,768)**	**(414,321)**	**–**
SGD revolving credit facilities	12	**62,000**	**(62,487)**	**(62,487)**	**–**	**–**
Intercompany loans	12	**395,000**	**(441,314)**	**(113,108)**	**(254,906)**	**(73,300)**
Trade and other payables	10	**40,741**	**(42,729)**	**(23,340)**	**(19,389)**	**–**
Lease liabilities	13	**1,099**	**(1,157)**	**(409)**	**(748)**	**–**
		956,781	**(1,016,145)**	**(204,447)**	**(738,398)**	**(73,300)**
Derivative financial liabilities						
Interest rate swaps	7	**12,465**	**–**	**–**	**–**	**–**
– inflow		**–**	**1,334**	**748**	**586**	**–**
– outflow		**–**	**(14,121)**	**(7,650)**	**(6,471)**	**–**
Foreign exchange forwards	7	**305**	**–**	**–**	**–**	**–**
– inflow		**–**	**9,769**	**9,769**	**–**	**–**
– outflow		**–**	**(10,060)**	**(10,060)**	**–**	**–**
		12,770	**(13,078)**	**(7,193)**	**(5,885)**	**–**
		969,551	**(1,029,223)**	**(211,640)**	**(744,283)**	**(73,300)**
2019						
Non-derivative financial liabilities						
JPY term loan facility	12	46,494	(46,928)	(402)	(46,526)	–
SGD term loan facilities	12	460,000	(496,258)	(12,865)	(483,393)	–
SGD revolving credit facilities	12	20,000	(20,032)	(20,032)	–	–
Intercompany loans	12	295,000	(335,521)	(9,975)	(250,048)	(75,498)
Trade and other payables	10	44,016	(46,600)	(23,619)	(15,566)	(7,415)
		865,510	(945,339)	(66,893)	(795,533)	(82,913)
Derivative financial liabilities						
Interest rate swaps	7	4,685	–	–	–	–
– inflow		–	19,142	6,891	12,251	–
– outflow		–	(21,791)	(7,671)	(14,120)	–
		4,685	(2,649)	(780)	(1,869)	–
		870,195	(947,988)	(67,673)	(797,402)	(82,913)

The maturity analyses show the undiscounted cash flows of the Group and the Trust's financial liabilities on the basis of their contractual maturity.

Notes to the Financial Statements

13. LEASES INCLUDING LEASE LIABILITIES

(i) Leases as lessee

Following the adoption of FRS 116, the Group recognised its existing operating lease arrangements as right-of-use assets of $1.2 million as at 30 June 2020 as presented within investment properties (Note 4), with the corresponding lease liabilities recorded in the balance sheet.

	$'000
Amounts recognised in profit or loss in the statement of total return	
2020 – Leases under FRS 116	
Interest expense on lease liabilities	**25**
Change in fair value of right-of-use assets	**418**
2019 – Operating leases under FRS 17	
Operating lease expense	462

	2020 $'000
Amounts recognised in statement of cash flows	
Total cash outflow for leases	**443**

(ii) Leases as lessor

The Group leases out its investment properties. Non-cancellable operating lease rentals are receivable as follows:

	Group $'000	Trust $'000
2020 – Operating leases under FRS 116		
Within one year	**171,962**	**115,945**
One to two years	**150,950**	**92,158**
Two to three years	**127,919**	**68,667**
Three to four years	**109,234**	**53,304**
Four to five years	**96,744**	**42,579**
More than five years	**412,682**	**306**
Total	**1,069,491**	**372,959**
2019 – Operating leases under FRS 17		
Within one year	178,344	121,655
Between one and five years	505,737	288,280
More than five years	501,859	41,014
Total	1,185,940	450,949

14. UNITHOLDERS' FUNDS

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Net assets attributable to unitholders[1]	**1,840,261**	2,002,941	**1,691,876**	1,841,605
Foreign currency translation reserve[2]	**(70,772)**	(72,920)	**–**	–
	1,769,489	1,930,021	**1,691,876**	1,841,605

[1] Included in the net assets attributable to unitholders is approximately $2.8 million (2019: $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.

15. UNITS IN ISSUE

	Group and Trust	
	2020 No. of units '000	2019 No. of units '000
At 1 July	**2,181,204**	2,181,204
Issue of units:		
– Management fees paid in units (base fee)[1]	**9,923**	–
At 30 June	**2,191,127**	2,181,204
Units to be issued:		
– Management fees payable in units (base fee)[2]	**3,525**	–
Total issued and issuable units at 30 June	**2,194,652**	2,181,204

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

[2] An estimated 3,524,668 units are issuable by the Trust to the Manager as at 30 June 2020, as partial satisfaction of the base management fees for the period from 1 April 2020 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.

Notes to the Financial Statements

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.

16. GROSS REVENUE

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Property rental income[1]	**175,416**	201,316	**109,334**	122,474
Turnover rental income	**2,003**	2,336	**1,938**	2,178
Other income	**3,354**	2,538	**3,334**	2,496
	180,773	206,190	**114,606**	127,148

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

17. PROPERTY OPERATING EXPENSES

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Maintenance and sinking fund contributions	**6,614**	6,867	**6,538**	6,796
Property management fees	**5,274**	5,485	**3,459**	3,812
Property tax	**19,424**	19,819	**12,058**	12,212
Depreciation expense	**14**	15	**4**	–
Leasing and upkeep expenses	**9,500**	10,964	**1,069**	2,064
Marketing expenses	**832**	903	**684**	747
Impairment loss recognised on trade receivables	**5,604**	939	**147**	163
Administrative expenses and others[1]	**1,395**	1,792	**839**	1,074
	48,657	46,784	**24,798**	26,868

(1) For the year ended 30 June 2020, grant income and corresponding grant expense of $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.

18. DIVIDEND INCOME FROM SUBSIDIARIES

Represents dividend income from certain subsidiaries (Note 6).

19. MANAGEMENT FEES AND PERFORMANCE FEES

Management fees include Base Fee payable to the Manager, asset management fees payable to the asset manager of the Japan Properties and fees payable to the servicer of the Malaysia Properties, which is a wholly-owned subsidiary of the Manager. Base Fee paid/payable to the Manager for the year ended 30 June 2020 amounted to approximately $14,493,000 (2019: $14,936,000). Approximately $54,000 (2019: $51,000) and $855,000 (2019: $859,000) were paid/payable to the asset manager of the Japan Properties and servicer of the Malaysia Properties for the year ended 30 June 2020 respectively. The Manager has elected for the year ended 30 June 2020 to receive part of the Manager's base management fees in units (2019: 100% in cash).

No performance fee was earned by the Manager for the years ended 30 June 2020 and 30 June 2019. The performance of the Trust Index was approximately 139% and 83% below the Benchmark Index as at 30 June 2020 and 30 June 2019 respectively.

20. TRUST EXPENSES

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Auditor's remuneration	**395**	399	**240**	240
Trustee's fees	**478**	479	**478**	479
Others[1]	**3,851**	3,806	**2,905**	2,750
	4,724	4,684	**3,623**	3,469

[1] Included in other trust expenses are (i) non-audit fees paid/payable to the auditors of the Group of approximately $166,000 (2019: $107,000); and (ii) fees paid/payable to the valuers of the Group's investment properties of approximately $137,000 (2019: $142,000) for the year ended 30 June 2020.

21. FINANCE EXPENSES

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Interest costs	**38,525**	37,181	**25,507**	24,437
Amortisation of borrowing costs	**1,314**	1,516	**981**	847
Interest expense on lease liabilities	**25**	–	**22**	–
	39,864	38,697	**26,510**	25,284

Notes to the Financial Statements

22. INCOME TAX

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Current tax				
Current year	**1,213**	3,371	**681**	852
Deferred tax				
Origination of temporary differences	**156**	108	**–**	–
	1,369	3,479	**681**	852

Reconciliation of effective tax rate

	Group 2020 $'000	Group 2019 $'000	Trust 2020 $'000	Trust 2019 $'000
Total return before tax and distribution	**(96,043)**	69,066	**(83,780)**	24,526
Income tax using Singapore tax rate of 17% (2019: 17%)	**(16,327)**	11,741	**(14,243)**	4,169
Net effect of different tax rates in other countries	**2,777**	2,932	**–**	–
Withholding tax	**1,010**	3,267	**681**	852
Income not subject to tax	**(121)**	(10,758)	**–**	–
Non-deductible items	**25,201**	9,196	**25,414**	8,730
Tax transparency	**(11,171)**	(12,899)	**(11,171)**	(12,899)
	1,369	3,479	**681**	852

23. EARNINGS PER UNIT

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Earnings attributable to unitholders	**(97,412)**	65,587	**(84,461)**	23,674
Basic earnings per unit (cents)[1]	**(4.46)**	3.01	**(3.87)**	1.09
Earnings per unit on a fully diluted basis (cents)[2]	**(4.46)**	3.01	**(3.87)**	1.09

(1) In computing the basic earnings per unit, the earnings attributable to unitholders and the weighted average number of units of 2,185,030,567 (2019: 2,181,204,435) during the year ended 30 June 2020 are used and have been calculated on a time-weighted basis. This comprises the weighted average number of (i) units in issue of 2,184,991,834; and (ii) estimated units issuable of 38,733 as at 30 June 2020.

(2) In computing the diluted earnings per unit, the weighted average number of units in issue of 2,184,991,834 (2019: 2,181,204,435) during the year ended 30 June 2020 are used and adjusted to include the potential dilutive units assuming issuance of estimated 3,524,668 units for the settlement of unpaid base management fees.

24. 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.

Notes to the Financial Statements

	Wisma Atria Property (Singapore)		Ngee Ann City Property (Singapore)	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Group				
Revenue and expenses				
External revenue	**55,768**	61,778	**58,838**	65,370
Depreciation of plant and equipment	**4**	–	**–**	–
Reportable segment net property income	**42,598**	46,835	**47,210**	53,445
Other material non-cash items:				
Change in fair value of investment properties	**(46,400)**	(20,244)	**(8,351)**	(11,797)
Unallocated items:				
Finance income				
Non-property expenses				
Finance expenses				
Change in fair value of derivative instruments				
Foreign exchange gain				
Total return for the year before tax				
Income tax				
Total return for the year				
Assets and liabilities				
Reportable segment assets	**940,348**	978,847	**1,135,694**	1,138,520
Unallocated assets				
Total assets				
Reportable segment liabilities	**(20,198)**	(17,896)	**(22,362)**	(18,848)
Unallocated liabilities				
Total liabilities				
Other segmental information				
Capital expenditure	**159**	673	**169**	16
Non-current assets	**933,133**	978,000	**1,130,000**	1,138,000

Australia Properties (Australia)		Malaysia Properties (Malaysia)		Other Properties (China/Japan)		Total	
2020 $'000	2019 $'000	2020 $'000	2019 $'000	2020 $'000	2019 $'000	2020 $'000	2019 $'000
43,189	46,186	**18,299**	28,179	**4,679**	4,677	**180,773**	206,190
–	–	**–**	–	**10**	15	**14**	15
21,338	28,265	**17,397**	27,278	**3,573**	3,583	**132,116**	159,406
(103,861)	(4,952)	**(2,121)**	15,139	**62**	1,539	**(160,671)**	(20,315)
						945	956
						(20,126)	(20,530)
						(39,864)	(38,697)
						(8,926)	(11,932)
						483	178
						(96,043)	69,066
						(1,369)	(3,479)
						(97,412)	65,587
400,601	491,677	**396,443**	371,157	**90,494**	88,519	**2,963,580**	3,068,720
						117,455	73,261
						3,081,035	3,141,981
(5,598)	(5,384)	**(6,140)**	(5,668)	**(4,379)**	(3,743)	**(58,677)**	(51,539)
						(1,252,869)	(1,160,421)
						(1,311,546)	(1,211,960)
3,950	6,757	**25,409**	197	**74**	31	**29,761**	7,674
394,627	489,745	**393,198**	370,818	**90,354**	88,324	**2,941,312**	3,064,887

Notes to the Financial Statements

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.

Major tenants

The four largest tenants located at Ngee Ann City Property, Malaysia Properties (including some office leases at Singapore Properties), Myer Centre Adelaide and David Jones Building accounted for approximately 22.1%, 15.2%, 7.0% and 4.6% (2019: 22.9%, 10.5%, 7.0% and 4.7%) of the Group's gross rent as at 30 June 2020 respectively.

25. CAPITAL AND FINANCIAL RISK MANAGEMENT

Capital management

The Group's objective when managing capital is to be prudent and optimise unitholders' return through a mix of available capital sources. The Group monitors capital on the basis of both the gearing ratio and interest service coverage ratio and maintains them within the approved limits. The Group assesses its capital management approach as a key part of the Group's overall strategy, and this is continuously reviewed by the Manager. The Group's gearing ratio as at 30 June 2020 is 39.7% (2019: 36.1%) and the interest service coverage ratio for the year ended 30 June 2020 is 2.9 times (2019: 3.8 times), which were within the guidelines prescribed under the Property Fund Appendix issued by MAS.

There were no changes in the Group's approach to capital management during the current year.

Financial risk management

Overview

The Group's returns are primarily from net operating income and capital appreciation of its assets. However, these returns are exposed to financial risks including credit, liquidity, interest rate and foreign currency risks. Where appropriate, the Manager may hedge against the volatility of interest costs, foreign currency net income and foreign currency investments.

The Group has a system of controls in place to create an acceptable balance between the cost of the financial risks occurring and the cost of managing these risks. The Manager continuously monitors the Group's financial risk management process to ensure that an appropriate balance between risk and control is achieved. Financial risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The financial risk management policies contain the parameters and processes for managing these risks, and define the roles and responsibilities of those who manage the process. The policies are described in greater detail below.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a tenant or a counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

Exposure to credit risk

The carrying amount of financial assets represents the Group's and the Trust's respective maximum exposure to credit risk, before taking into account any collateral held. The maximum exposure to credit risk by type of financial assets at the reporting date was:

		Group		Trust	
	Note	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Derivative financial instruments	7	**1**	302	**1**	302
Trade and other receivables	8	**11,924**	3,221	**5,446**	4,590
Cash and cash equivalents	9	**117,442**	72,946	**67,025**	11,517
		129,367	76,469	**72,472**	16,409

The Group has established credit procedures for its tenants, obtains security deposits and/or bank/corporate guarantees (where applicable), and monitors their balances on an ongoing basis. Where applicable, credit evaluations are performed by the Group before lease agreements are entered into with tenants.

The tenant profile of the Group is generally well-diversified, except for four (2019: four) largest tenants (Note 24), which accounted for approximately 48.9% (2019: 45.1%) of the Group's gross rent as at 30 June 2020.

The Group and the Trust held cash and cash equivalents of approximately $117.4 million and $67.0 million respectively as at 30 June 2020 (2019: $72.9 million and $11.5 million respectively), largely with financial institutions which are regulated. Given these banks' sound credit ratings of between BBB+ to AA- or its equivalent issued by international rating agencies, the Group does not expect these counterparties to fail to meet their obligations.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate to finance its operations and to mitigate the effects of fluctuations in cash flows. The Group ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations. As at 30 June 2020, the Group has undrawn and committed long-term revolving credit facilities of up to $268 million (2019: $310 million) to cover the net current liabilities of the Group of approximately $64.7 million, as well as cash and cash equivalents of approximately $117.4 million (2019: $72.9 million).

In addition, the Group also monitors and observes the Property Fund Appendix issued by MAS concerning limits on total borrowings.

Notes to the Financial Statements

Foreign currency risk

The Group is exposed to foreign currency risk arising from its investments in Australia, Malaysia, China and Japan. The income generated from these investments and net assets are denominated in foreign currencies, mainly Australian dollar ("A$"), Malaysian ringgit ("RM"), Chinese renminbi ("RMB") and Japanese yen ("JPY").

The Group's exposures to various foreign currencies (expressed in Singapore dollar equivalent), which relate primarily to its net foreign currency investments as at balance sheet date are as follows:

	A$ $'000	RM $'000	RMB $'000	JPY $'000	Total $'000
Group					
2020					
Net balance sheet exposure	**213,768**	**294,719**	**28,903**	**17,209**	**554,599**
2019					
Net balance sheet exposure	302,348	277,587	28,653	16,602	625,190

The Trust's exposures to various foreign currencies (expressed in Singapore dollar equivalent), which relate primarily to its financial instruments as at balance sheet date are as follows:

	A$ $'000	RM $'000	RMB $'000	JPY $'000	Total $'000
Trust					
2020					
Net balance sheet exposure	**795**	**–**	**–**	**(46,015)**	**(45,220)**
2019					
Net balance sheet exposure	1,982	–	–	(42,976)	(40,994)

Income hedging

Approximately 63% (2019: 62%) of the Group's revenue is derived in Singapore dollars for the year ended 30 June 2020. The Group has used a combination of local currency denominated loans and short-term A$ foreign exchange forward contracts to partially hedge its overseas net income.

The Group continues to proactively monitor the exchange rates and may use foreign exchange forward contracts or other suitable financial derivatives to hedge the impact of exchange rate fluctuations on the distributions to unitholders, where appropriate.

Capital hedging

In managing the currency risks associated with the capital values of the Group's overseas assets, borrowings are denominated in the same currency as the underlying assets to the extent feasible, to provide a natural currency hedge. As the investments in overseas assets are generally long-term in nature, the remaining net positions of the foreign exchange risk on such investments are not hedged.

Hedge of a net investment in Japan

As at 30 June 2020, the Group's investment in its Japan subsidiary is hedged by a JPY-denominated unsecured bank loan with a carrying amount of JPY3.7 billion ($47.9 million) (2019: JPY3.7 billion ($46.5 million)) which mitigates the currency risk arising from the subsidiary's net assets. The loan is designated as a net investment hedge.

The Group determines the existence of an economic relationship between the above hedging instrument and hedged item based on the currency and amount. The Group has assessed the effectiveness of the above hedging relationship at the reporting date by comparing changes in the carrying amount of the loan that is attributable to changes in the exchange rate with the changes in the net investment in the foreign operation due to movements in the exchange rate.

Sensitivity analysis

A 10% strengthening of the Singapore dollar against the following currencies at the reporting date would increase/(decrease) unitholders' funds by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Group $'000	Trust $'000
2020		
A$	**(21,377)**	**(79)**
RM	**(29,472)**	**–**
RMB	**(2,890)**	**–**
JPY	**(1,721)**	**4,601**
Financial derivatives		
– A$	**892**	**892**
2019		
A$	(30,235)	(198)
RM	(27,759)	–
RMB	(2,865)	–
JPY	(1,660)	4,298
Financial derivatives		
– A$	1,052	1,052

A 10% weakening of the Singapore dollar against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

In order to protect the Group's earnings from the volatility in interest rates and provide stability to unitholders' returns, the Group may hedge a portion of its interest rate exposure within the short to medium term by using fixed rate debt and interest rate derivatives.

The Group has hedged approximately 91% (2019: 90%) of its debt as at 30 June 2020 using a combination of derivative financial instruments and fixed rate debt. The weighted average interest rate was approximately 3.23% (2019: 3.28%) per annum as at 30 June 2020.

As at 30 June 2020, the Group has largely hedged its exposure to changes in interest rates on its variable rate borrowings by entering into the following contracts:

(i) Interest rate swaps, with a notional contract amount of $375 million (2019: $375 million) and A$208 million (2019: A$208 million), whereby it receives a variable rate equal to the Singapore swap offer rate and Australia bank bill swap bid rate on the notional amount and pays a fixed interest rate ranging from 1.71% to 2.41% (2019: 1.71% to 2.41%) per annum.

(ii) Interest rate caps, with a notional contract amount of JPY6.3 billion (2019: JPY6.3 billion), whereby the benchmark interest rate is capped at 1.0% (2019: 1.0%) per annum.

Notes to the Financial Statements

Sensitivity analysis

A change of 1% in interest rate at the reporting date would increase/(decrease) total return by the amounts shown below, arising mainly as a result of lower/higher interest expense on variable rate borrowings that are not hedged by interest rate swaps and caps, and changes in fair value of the interest rate derivatives. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Total return	
	1% increase $'000	1% decrease $'000
Group		
2020		
Variable rate instruments	**(1,537)**	**280**
Financial derivatives	**9,288**	**(9,466)**
	7,751	**(9,186)**
2019		
Variable rate instruments	(1,600)	1,056
Financial derivatives	14,943	(14,629)
	13,343	(13,573)
Trust		
2020		
Variable rate instruments	**(1,449)**	**274**
Financial derivatives	**5,805**	**(5,701)**
	4,356	**(5,427)**
2019		
Variable rate instruments	(1,515)	1,050
Financial derivatives	9,412	(9,168)
	7,897	(8,118)

Measurement of fair values

Financial derivatives

The fair values of financial derivatives are estimated based on banks' quotes. These quotes are largely tested for reasonableness by discounting estimated future cash flows based on terms and maturity of each contract and using market rates for a similar instrument at the measurement date.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are assumed to approximate their fair values because of the short period to maturity.

Other non-derivative financial liabilities are measured at fair value at initial recognition and for disclosure purposes, at each reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date. Other non-derivative financial liabilities include interest-bearing borrowings, trade and other payables, and lease liabilities.

Fair value hierarchy

The different levels of the fair value hierarchy have been defined as follows:

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

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are presented in the table below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. Further, the fair value disclosure of lease liabilities is not included below.

		Carrying amount			Fair value		
	Note	Mandatorily at FVTPL $'000	Amortised cost $'000	Other financial liabilities $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000
Group							
2020							
Financial assets measured at fair value							
Derivative financial instruments	7	1	–	–	–	1	–
Financial assets not measured at fair value							
Trade and other receivables[1]	8	–	11,924	–	–	–	–
Cash and cash equivalents	9	–	117,442	–	–	–	–
		–	129,366	–			
Financial liabilities measured at fair value							
Derivative financial instruments	7	(20,713)	–	–	–	(20,713)	–
Financial liabilities not measured at fair value							
Trade and other payables[2]	10	–	–	(25,513)	–	–	–
Security deposits	10	–	–	(28,694)	–	(28,936)	–
Variable rate borrowings (excluding medium term notes)	12	–	–	(716,404)	–	(716,404)	–
Medium term notes	12	–	–	(501,582)	–	(534,894)	–
Lease liabilities	13	–	–	(1,199)	–	–	–
		–	–	(1,273,392)			

[1] Excluding grant receivable and prepayments.

[2] Excluding security deposits, deferred income and deferred grant liability.

Notes to the Financial Statements

	Note	Carrying amount			Fair value		
		Mandatorily at FVTPL $'000	Amortised cost $'000	Other financial liabilities $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000
Group							
2019							
Financial assets measured at fair value							
Derivative financial instruments	7	302	–	–	–	302	–
Financial assets not measured at fair value							
Trade and other receivables	8	–	3,221	–	–	–	–
Cash and cash equivalents	9	–	72,946	–	–	–	–
		–	76,167	–			
Financial liabilities measured at fair value							
Derivative financial instruments	7	(11,432)	–	–	–	(11,432)	–
Financial liabilities not measured at fair value							
Trade and other payables[1]	10	–	–	(27,883)	–	–	–
Security deposits	10	–	–	(30,665)	–	(29,318)	–
Variable rate borrowings (excluding medium term notes)	12	–	–	(729,559)	–	(729,559)	–
Medium term notes	12	–	–	(402,549)	–	(413,986)	–
		–	–	(1,190,656)			

[1] Excluding security deposits and deferred income.

	Note	Carrying amount			Fair value		
		Mandatorily at FVTPL $'000	Amortised cost $'000	Other financial liabilities $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000
Trust							
2020							
Financial assets measured at fair value							
Derivative financial instruments	7	1	–	–	–	1	–
Financial assets not measured at fair value							
Trade and other receivables[1]	8	–	5,446	–	–	–	–
Cash and cash equivalents	9	–	67,025	–	–	–	–
		–	72,471	–			
Financial liabilities measured at fair value							
Derivative financial instruments	7	(12,770)	–	–	–	(12,770)	–
Financial liabilities not measured at fair value							
Trade and other payables[2]	10	–	–	(17,115)	–	–	–
Security deposits	10	–	–	(23,626)	–	(23,692)	–
Variable rate borrowings (excluding medium term notes)	12	–	–	(518,410)	–	(518,410)	–
Medium term notes	12	–	–	(394,167)	–	(423,294)	–
Lease liabilities	13	–	–	(1,099)	–	–	–
		–	–	(954,417)			

(1) Excluding grant receivable and prepayments.

(2) Excluding security deposits, deferred income and deferred grant liability.

Notes to the Financial Statements

	Note	Carrying amount			Fair value		
		Mandatorily at FVTPL $'000	Amortised cost $'000	Other financial liabilities $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000
Trust							
2019							
Financial assets measured at fair value							
Derivative financial instruments	7	302	–	–	–	302	–
Financial assets not measured at fair value							
Trade and other receivables	8	–	4,590	–	–	–	–
Cash and cash equivalents	9	–	11,517	–	–	–	–
		–	16,107	–			
Financial liabilities measured at fair value							
Derivative financial instruments	7	(4,685)	–	–	–	(4,685)	–
Financial liabilities not measured at fair value							
Trade and other payables[1]	10	–	–	(19,759)	–	–	–
Security deposits	10	–	–	(24,257)	–	(24,310)	–
Variable rate borrowings (excluding medium term notes)	12	–	–	(524,325)	–	(524,325)	–
Medium term notes	12	–	–	(294,712)	–	(306,149)	–
		–	–	(863,053)			

[1] Excluding security deposits and deferred income.

26. CAPITAL COMMITMENTS

Capital commitments (contracted but not provided) as at 30 June 2020 comprise of approximately $4.3 million (2019: $4.8 million) capital expenditure, professional fees and asset redevelopment works for the Group's investment properties, and approximately $32.3 million (2019: $57.2 million) remaining costs of asset enhancement works for The Starhill in Malaysia.

27. 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	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Property rental income from the Manager and Property Manager	**983**	1,013	**983**	1,013
Property rental income from related parties of the Manager	**19,264**	29,286	**965**	1,107
Leasing commission fees paid to the Property Manager	**(737)**	(991)	**(737)**	(991)
Property management fees paid to the Property Manager	**(3,459)**	(3,812)	**(3,459)**	(3,812)
Management fees paid to the Manager	**(14,493)**	(14,936)	**(14,493)**	(14,936)
Trustee fees paid to the Trustee	**(478)**	(479)	**(478)**	(479)
Reimbursements paid to the Property Manager	**(772)**	(909)	**(772)**	(909)
Costs of the asset enhancement works paid to related party of the Manager[1]	**(25,178)**	–	**–**	–
Servicer fees paid to a wholly-owned subsidiary of the Manager	**(855)**	(859)	**–**	–

[1] Comprises costs paid/payable to related party of the Manager for the asset enhancement works for The Starhill in Malaysia.

Notes to the Financial Statements

28. SUBSEQUENT EVENTS

Subsequent to the year ended 30 June 2020:

(a) The Group converted an existing uncommitted and unsecured revolving credit facility of $50 million (maturing in June 2024) into a committed facility with a bank in July 2020.

(b) The Trust issued 3,831,130 new units on 29 July 2020, at the issue price of $0.4934 per unit as partial satisfaction of the Manager's base management fees for the period from 1 April 2020 to 30 June 2020.

(c) The Group refinanced its existing JPY678 million bond in August 2020 ahead of its maturity in August 2021, using the proceeds from issuance of new five-year bond facility of the same amount, thereby extending the new maturity to August 2025.

(d) The Manager declared a distribution of 0.70 cents per unit in respect of the period from 1 January 2020 to 30 June 2020, which was paid on 28 August 2020.

(e) The unprecedented COVID-19 pandemic created global economic uncertainty and caused severe business disruptions. Safe management measures and travel restrictions to contain the spread of the pandemic impacted the retail industry adversely, resulting in lower footfall and sales in malls. Uncertainty on its duration, scale and long term impact of the pandemic could further dampen consumer sentiment and economic growth and adversely impact demand for commercial space, relief measures for tenants and rental collections. The Manager will continue to monitor the COVID-19 outbreak in the respective countries the Group operates in, including the guidelines and/or regulations provided by the authorities. Given the fluidity of the COVID-19 pandemic, the full impact of the pandemic to the Group's performance for the year ending 30 June 2021 cannot be ascertained as at the date of this report.

29. FINANCIAL RATIOS

	Group	
	2020 **%**	**2019** **%**
Ratio of expenses to weighted average net assets[1]	**1.05**	1.04
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.

30. NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT YET ADOPTED

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 2020 have not been applied in preparing these financial statements. The adoption of these following new standards, amendments to standards and interpretations are not expected to have a significant impact on the Group's financial statements.

- *Amendments to References to Conceptual Framework in FRS Standards*
- *Definition of a Business* (Amendments to FRS 103)
- *Definition of Material* (Amendments to FRS 1 and FRS 8)
- FRS 117 *Insurance Contracts*
- Amendments to FRS 109, FRS 39 and FRS 107: *Interest Rate Benchmark Reform*

Statistics of Unitholders

As at 28 August 2020

ISSUED AND FULLY PAID UNITS

Number of issued and fully paid Units	2,194,958,278
Voting rights	One vote per Unit
Number/Percentage of treasury Units	Nil
Number/Percentage of subsidiary holdings	Nil
Market capitalisation	S$954,806,851 (based on closing price of S$0.435 per Unit on 28 August 2020)

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 - 99	37	0.23	658	0.00
100 - 1,000	762	4.79	654,601	0.03
1,001 - 10,000	8,164	51.34	48,368,460	2.20
10,001 - 1,000,000	6,890	43.33	372,106,684	16.95
1,000,001 and above	49	0.31	1,773,827,875	80.82
Total	**15,902**	**100.00**	**2,194,958,278**	**100.00**

LOCATION OF UNITHOLDINGS

Country	No. of Unitholders	%	No. of Units	%
Singapore	15,125	95.11	2,156,528,558	98.25
Malaysia	607	3.82	33,226,020	1.51
Others	170	1.07	5,203,700	0.24
Total	**15,902**	**100.00**	**2,194,958,278**	**100.00**

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1	Raffles Nominees (Pte.) Limited	861,161,704	39.23
2	Citibank Nominees Singapore Pte Ltd	412,913,658	18.81
3	DBS Nominees (Private) Limited	186,336,804	8.49
4	DBSN Services Pte. Ltd.	57,802,016	2.63
5	HSBC (Singapore) Nominees Pte Ltd	40,957,068	1.87
6	YTL Starhill Global REIT Management Limited	26,691,728	1.22
7	OCBC Securities Private Limited	26,151,383	1.19
8	United Overseas Bank Nominees (Private) Limited	19,947,023	0.91
9	CGS-CIMB Securities (Singapore) Pte. Ltd.	15,576,889	0.71
10	Maybank Kim Eng Securities Pte. Ltd.	12,257,900	0.56
11	OCBC Nominees Singapore Private Limited	10,589,600	0.48
12	Phillip Securities Pte Ltd	8,718,909	0.40
13	KGI Securities (Singapore) Pte. Ltd.	7,344,500	0.33
14	Soon Li Heng Civil Engineering Pte Ltd	7,300,000	0.33
15	DB Nominees (Singapore) Pte Ltd	6,403,132	0.29
16	BNP Paribas Nominees Singapore Pte. Ltd.	6,180,700	0.28
17	DBS Vickers Securities (Singapore) Pte Ltd	5,259,091	0.24
18	UOB Kay Hian Private Limited	4,586,000	0.21
19	ABN Amro Clearing Bank N.V.	3,917,100	0.18
20	Majlis Ugama Islam Singapura	3,410,000	0.16
Total		**1,723,505,205**	**78.52**

Statistics of Unitholders

As at 28 August 2020

SUBSTANTIAL UNITHOLDINGS

As at 28 August 2020

Name	Direct interest		Deemed interest			
	No. of Units	%[1]	No. of Units	%[1]	Total No. of Units	%[1]
YTL Hotels & Properties Sdn Bhd	130,140,379[2]	5.93	–	–	130,140,379	5.93
Starhill Global REIT Investments Limited	539,840,000[3]	24.59	–	–	539,840,000	24.59
YTL Cayman Limited	18,000,000[4]	0.82	566,531,728[5]	25.81	584,531,728	26.63
YTL Corporation Berhad	80,054,810[6]	3.65	742,658,275[7]	33.83	822,713,085	37.48
Yeoh Tiong Lay & Sons Holdings Sdn Bhd	–	–	822,713,085[8]	37.48	822,713,085	37.48
Yeoh Tiong Lay & Sons Family Holdings Limited	–	–	822,713,085[8]	37.48	822,713,085	37.48
Yeoh Tiong Lay & Sons Trust Company Limited	–	–	822,713,085[8]	37.48	822,713,085	37.48
Puan Sri Datin Seri Tan Kai Yong @ Tan Kay Neong	–	–	822,713,085[8]	37.48	822,713,085	37.48
AIA Singapore Private Limited	158,070,000[9]	7.20	–	–	158,070,000	7.20
AIA Company Limited	–	–	158,070,000[10]	7.20	158,070,000	7.20
AIA Group Limited	–	–	158,070,000[10]	7.20	158,070,000	7.20
AIA Investment Management Private Limited	–	–	158,070,000[11]	7.20	158,070,000	7.20

Notes:

(1) The percentage interest is based on total issued Units of 2,194,958,278 as at 28 August 2020.
(2) This relates to the 130,140,379 Units held through nominee, Raffles Nominees (Pte) Limited.
(3) This relates to the 539,840,000 Units held through nominee, Raffles Nominees (Pte) Limited.
(4) This relates to the 18,000,000 Units held through nominee, Raffles Nominees (Pte) Limited.
(5) Deemed interest in 539,840,000 Units held by Starhill Global REIT Investments Limited ("SGRIL") and 26,691,728 Units held by YTL Starhill Global REIT Management Limited ("YSGRM").
(6) This relates to 80,054,810 Units held through nominee, Raffles Nominees (Pte) Limited.
(7) Deemed interest in 539,840,000 Units held by SGRIL, 18,000,000 Units held by YTL Cayman Limited, 26,691,728 Units held by YSGRM, 130,140,379 Units held by YTL Hotels & Properties Sdn Bhd ("YTLHP") and 27,986,168 Units held by Business & Budget Hotels (Penang) Sdn Bhd ("BBHP").
(8) Deemed interest in 80,054,810 Units held by YTL Corporation Berhad, 539,840,000 Units held by SGRIL, 18,000,000 Units held by YTL Cayman Limited, 26,691,728 Units held by YSGRM, 130,140,379 Units held by YTLHP and 27,986,168 Units held by BBHP.
(9) This relates to the 158,070,000 Units held by AIA Singapore Private Limited through Citibank Nominees Singapore Pte Ltd.
(10) Deemed interest in 158,070,000 Units held by AIA Singapore Private Limited through Citibank Nominees Singapore Pte Ltd.
(11) AIA Investment Management Private Limited assumed investment management of the Units for its clients.

UNITHOLDINGS OF THE DIRECTORS OF THE MANAGER

As at 21 July 2020

Name Of Director	Direct interest		Deemed interest	
	No. of Units	%[1]	No. of Units	%[1]
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	–	–	–	–
Ho Sing	150,000	–[2]	54,000[3]	–[2]
Dato' Yeoh Seok Kian	–	–	–	–
Tan Bong Lin	–	–	–	–
Ching Yew Chye	–	–	–	–
Tan Woon Hum	–	–	–	–

Notes:

(1) The percentage interest is based on total issued Units of 2,191,127,148 as at 21 July 2020.
(2) Less than 0.01%.
(3) Deemed interest by virtue of 54,000 Units held by Ms Tay Soo Sien, the spouse of Mr Ho Sing.

FREE FLOAT

Under Rule 723 of the listing manual of SGX-ST, a listed issuer must ensure that at least 10% of its listed securities are at all times held by the public. Based on information made available to the Manager as at 28 August 2020 approximately 55% of the Units were held in the hands of the public. Rule 723 of the listing manual of the SGX-ST has accordingly been complied with.

Additional Information

INTERESTED PERSON TRANSACTIONS

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under unitholders' mandate pursuant to Rule 920) S$'000	Aggregate value of all interested person transactions conducted under unitholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) S$'000
HSBC Institutional Trust Services (Singapore) Limited	Trustee		
Trustee fees[5]		478	–
YTL Corporation Berhad and its subsidiaries and/or associates	Direct and deemed interest in 37.48% of Units in Starhill Global REIT and indirect holder of all the shares of the Manager, and its subsidiaries and/or associates		
Extension of property management agreements[1]		34,021	–
Management fees[3][5] and reimbursements[3][4]		14,515	–
Property management fees and reimbursements[2]		4,968	–
Managing agent and ancillary service fees[6]		2,133	–
Servicer fees[5]		855	–
Rental rebates[7]		831	–
Total		**57,801**	**–**

Notes:

(1) Relates to the extension of the appointment of the Property Manager, as the property manager of Ngee Ann City Property and Wisma Atria Property for a further term of five years from 20 September 2020 on substantially the same terms and conditions as contained respectively in the Ngee Ann City property management agreement and the Wisma Atria property management agreement (both dated 17 August 2005, as amended) between (i) the Trustee (as trustee of Starhill Global REIT), (ii) the Manager and (iii) the Property Manager, which extension was disclosed in the Manager's announcement dated 25 June 2020. The amount disclosed is based on an estimate of the total property management fees, reimbursements and leasing commission to be paid to the Property Manager for the entire five year extension period, which depends, among others, on the gross revenue from the operations of the properties, the base rent and the period of the leases secured during such period. The total estimated fees, reimbursements and commission to be paid was aggregated for purposes of Rules 905 and 906 of the SGX-ST listing manual during the financial year ended 30 June 2020. Accordingly, such fees and expenses will not be subject to aggregation under Rules 905 and 906 of the SGX-ST listing manual in future financial years, to the extent that there is no subsequent change to the rates and/or basis of determining such fees and charges.

(2) The total estimated fees and charges payable under the Ngee Ann City property management agreement and the Wisma Atria property management agreement (both dated 17 August 2005, as amended) for the extended term of five years from 20 September 2015 was aggregated for purposes of Rules 905 and 906 of the SGX-ST listing manual during the financial period of 18 months ended 30 June 2015 and accordingly, such fees and charges will not be subject to aggregation in subsequent financial years, to the extent that there is no subsequent change to the rates and/or basis of determining such fees and charges.

(3) The Manager has elected to receive, in respect of the year ended 30 June 2020, part of its base management fees in the form of units with the balance in cash. Details are as follows:

For Period	Issue Date	Units issued	Issue Price* S$	Total Value S$'000
Base Management Fee				
1 July 2019 to 30 September 2019	30-Oct-19	2,807,804	0.7449	2,092
1 October 2019 to 31 December 2019	30-Jan-20	2,888,439	0.7240	2,091
1 January 2020 to 31 March 2020	29-Apr-20	4,226,470	0.4834	2,043
1 April 2020 to 30 June 2020	29-Jul-20	3,831,130	0.4934	1,890
		13,753,843		8,116

* Based on the volume weighted average price for a Unit for all trades in the ordinary course of trading on the SGX-ST for the last ten trading days immediately preceding the date of issue of the Units to the Manager.

(4) Relates to the non-deal road show expenses of approximately S$22,000 paid to the Manager during the year ended 30 June 2020.

(5) The fees and charges payable by Starhill Global REIT under the Starhill Global REIT Trust Deed dated 8 August 2005 (as amended) (save for the extension described in Note 2 above) are deemed to have been specifically approved by Unitholders upon subscription of Units and are therefore not subject to Rules 905 and 906 of the SGX-ST listing manual to the extent that there is no subsequent change to the fees (or the basis of determining the fees) charged under the trust deed, which will adversely affect Starhill Global REIT. In addition, the entry into the Servicer Agreement dated 6 May 2010 in relation to the acquisition of The Starhill and Lot 10 Property was approved by Unitholders at the extraordinary general meeting held on 4 June 2010 and the servicer fees payable thereunder will not be subject to Rules 905 and 906 of the SGX-ST listing manual, to the extent that there is no subsequent change to the rates for such fees.

(6) Relates to the total contract sum entered into during the year ended 30 June 2020 in relation to the common property of Wisma Atria.

(7) Relates to the total amount of rental rebates granted to the master tenant, Katagreen Development Sdn Bhd in respect of the Master Tenancy Agreement dated 18 March 2019 for Lot 10 Property during the year ended 30 June 2020.

Glossary

A

AEW
The asset enhancement works for The Starhill, details of which are set out in paragraph 2.6.1 of the Circular to Unitholders dated 25 April 2019

AGM
Annual general meeting

Australia Properties
Myer Centre Adelaide, David Jones Building and Plaza Arcade

B

Benchmark Index
Provided by FTSE International Limited. Comprises all the REITs contained in the FTSE All Cap Singapore universe

Board
Board of Directors of the Manager

C

CBD
Central Business District

CDP
The Central Depository (Pte) Limited

CEO
Chief Executive Officer

CFO
Chief Financial Officer

China Property
A four-level retail building (plus a mezzanine floor) forming part of a mixed use commercial development in Chengdu, China

Circuit Breaker
A stay-at-home order implemented as a preventive measure by the Singapore Government in response to the COVID-19 pandemic in the country.

CIS Code
Code on Collective Investment Scheme issued by MAS pursuant to section 321 of the Securities and Futures Act (Cap. 289)

CPF
Central Provident Fund

COVID-19
An infectious disease caused by a newly discovered coronavirus which spreads primarily through droplets of saliva or discharge from the nose when an infected person coughs or sneezes.

D

David Jones Building
A four-level property known as David Jones Building which includes a heritage-listed building that was formerly known as Savoy Hotel

DPU
Distribution per unit

E

EGM
Extraordinary general meeting

F

F&B
Food and beverage

Fitch Ratings
Fitch, Ratings Inc.

FTSE
FTSE International Limited

FY
Financial year

FY 2015/16 or FY 15/16
Period of 12 months from 1 July 2015 to 30 June 2016

FY 2016/17 or FY 16/17
Period of 12 months from 1 July 2016 to 30 June 2017

FY 2017/18 or FY 17/18
Period of 12 months from 1 July 2017 to 30 June 2018

FY 2018/19 or FY 18/19
Period of 12 months from 1 July 2018 to 30 June 2019

FY 2019/20 or FY 19/20
Period of 12 months from 1 July 2019 to 30 June 2020

FY 2020/21 or FY 20/21
Period of 12 months from 1 July 2020 to 30 June 2021

G

GDP
Gross domestic product

GFA
Gross floor area

GLA
Gross lettable area

Group or SGREIT Group
Starhill Global REIT and its subsidiaries

GST
Goods and services tax

I

IPO
Initial public offering

IRAS
Inland Revenue Authority of Singapore

Isetan
Isetan (Singapore) Limited or Isetan of Japan Sdn. Bhd.

J

Japan Properties
Daikanyama and Ebisu Fort

L

Lot 10 Property
137 strata parcels and two accessory parcels within Lot 10 shopping centre

M

Malaysia Properties
The Starhill and Lot 10 Property

Manager
YTL Starhill Global REIT Management Limited

MAS
Monetary Authority of Singapore

Movement Control Order or MCO
A movement restriction order implemented as a preventive measure by the Malaysia Government in response to the COVID-19 pandemic.

MRT
Mass Rapid Transit

MTAs
The master tenancy agreements for Malaysia Properties

MTN
Medium term notes

Myer Centre Adelaide
An eight-storey retail centre with four basement levels, and office component which includes a six-storey office tower and two heritage buildings

N

NA
Not applicable

NAV
Net asset value

Ngee Ann City
The building known as 'Ngee Ann City' comprising a commercial complex with 18 levels of office space in the twin office tower blocks (Towers A and B) and a seven-storey podium with three basement levels comprising retail and car parking space

Ngee Ann City Property
Four strata lots in Ngee Ann City located on:
a) Part of Basement 1, Basement 2 and Level 1 to Level 5 of the retail podium block;
b) Part of Level 13 and the whole of Level 14 to Level 19 of Tower B (office); and
c) Whole of Level 21 to Level 24 of Tower B (office)

NLA
Net lettable area

NM
Not meaningful

NPI
Net property income

P

Perth Properties
David Jones Building and Plaza Arcade

Plaza Arcade
A three-storey heritage-listed retail building known as Plaza Arcade located next to David Jones Building

pm
Per month

Portfolio
Singapore Properties, Australia Properties, Malaysia Properties, China Property and Japan Properties

Property Funds Appendix
Appendix 6 of the CIS Code issued by the MAS in relation to real estate investment trusts

Property Manager
YTL Starhill Global Property Management Pte. Ltd.

psf
Per square foot

psfpm
Per square foot per month

Q

q-o-q
Quarter-on-quarter

R

RCF
Revolving credit facility

REIT
Real estate investment trust. Where the context so requires, the term includes Starhill Global Real Estate Investment Trust

S

S-REITs
Singapore Real Estate Investment Trusts

SGX-ST
Singapore Exchange Securities Trading Limited

Singapore Properties
Wisma Atria Property and Ngee Ann City Property

sq ft
Square feet

sq m or m²
Square metre

Starhill Global REIT, SGREIT or SGR
Starhill Global Real Estate Investment Trust

T

The Starhill (formerly known as Starhill Gallery)
Formerly a shopping centre comprising part of a seven-storey building with five basements and a 12-storey annex building with three basements, The Starhill is currently undergoing asset enhancement works to transform into a retail and hospitality mixed-use building. The new integrated development will comprise four retail floors and three hotel floors on the top three levels as an extension to the adjoining JW Marriott Hotel Kuala Lumpur.

Toshin
Toshin Development Singapore Pte. Ltd.

Trustee
Unless the context otherwise requires, HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Starhill Global REIT

U

Unit
A unit representing an undivided interest in Starhill Global REIT. Where the context so requires, the definition includes a Unit of a class of Units

Unitholders
The registered holder for the time being of a Unit, including persons so registered as joint holders, except where the registered holder is CDP, the term "Unitholder" shall, in relation to Units registered in the name of CDP, mean, where the context requires, the depositor whose securities account with CDP is credited with Units

W

Wisma Atria
The building known as 'Wisma Atria' comprising a podium block with four levels and one basement level of retail space, three levels of car parking space and 13 levels of office space in the office block

Wisma Atria Property
257 strata lots in Wisma Atria

Y

y-o-y
Year-on-year

YTL Corp
YTL Corporation Berhad

YTL Group
YTL Corp and its subsidiaries

OTHERS

A$
Australian dollars, the official currency of Australia

JPY or Yen
Japanese yen, the official currency of Japan

RM or Ringgit
Malaysian ringgit, the official currency of Malaysia

RMB or Renminbi
Chinese renminbi, the official currency of China

S$, SGD and cents
Singapore dollars and cents, the official currency of Singapore

1Q, 2Q, 3Q, 4Q
Where applicable, refers to the periods from 1 July to 30 September; 1 October to 31 December; 1 January to 31 March and 1 April to 30 June

1H, 2H
Where applicable, refers to the periods from 1 July to 31 December, and 1 January to 30 June

All values are expressed in Singapore currency unless otherwise stated.

Corporate Directory

MANAGER

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391B Orchard Road
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Fax : +65 6835 8644
Email : info@ytlstarhill.com

DIRECTORS

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping
(Non-Executive Chairman)

Mr Ho Sing
(CEO & Executive Director)

Dato' Yeoh Seok Kian
(Non-Executive Director)

Mr Tan Bong Lin
(Lead Independent Director)

Mr Ching Yew Chye
(Independent Director)

Mr Tan Woon Hum
(Independent Director)

AUDIT COMMITTEE

Mr Tan Bong Lin
(Chairman)

Mr Ching Yew Chye
(Member)

Mr Tan Woon Hum
(Member)

JOINT COMPANY SECRETARIES

Mr Lam Chee Kin

Mr Abdul Jabbar bin Karam Din

TRUSTEE

Registered Address
HSBC Institutional Trust Services (Singapore) Limited
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2, #48-01
Singapore 018983

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Tower 2, #45-01
Singapore 018983
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UNIT REGISTRAR

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Partner in charge: Ms Eng Chin Chin
(With effect from FY 2015/16)

SGX CODE

Starhill Gbl

WEBSITE

www.starhillglobalreit.com

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STARHILL GLOBAL REIT

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