



SPH REIT FINANCIAL STATEMENT ANNOUNCEMENT FOR THE FIRST HALF YEAR ENDED 28 FEBRUARY 2021

Constituted in the Republic of Singapore pursuant to a Trust Deed dated 9 July 2013.

Introduction

The investment strategy of SPH REIT is to invest, directly or indirectly, in a portfolio of income-producing real estate which is used primarily for retail purposes in Asia Pacific, as well as real estate-related assets.

The portfolio of SPH REIT comprises the following five quality and well located commercial properties in Singapore and Australia:

- * Paragon, a premier upscale retail mall and medical suite/office property, well known for its upscale mall housing many luxury brands, located in the heart of Orchard Road.
- * The Clementi Mall, a mid-market suburban mall located in the centre of Clementi town, an established residential estate in the west of Singapore.
- * The Rail Mall, a unique cluster of shop units with established F&B offerings along Upper Bukit Timah Road, nestled in an affluent residential catchment.
- * SPH REIT holds a 85.0% stake in Figtree Grove Shopping Centre, an established sub-regional shopping centre in Wollongong, New South Wales, Australia.
- * SPH REIT holds a 50.0% stake in Westfield Marion Shopping Centre, the largest regional shopping centre in South Australia.

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For The First Half Year Ended 28 February 2021

1(a) An income statement together with a comparative statement for the corresponding period of the immediately preceding financial year

1(a)(i) Statement of Total Return

	<u>Group</u>		
	1H 2021	1H 2020	Change
	S\$'000	S\$'000	%
Gross revenue ¹	139,958	133,405	4.9
Property operating expenses	(35,104)	(29,909)	17.4
Net property income	104,854	103,496	1.3
Manager's management fees	(10,433)	(10,008)	4.2
Investment management fee	(1,453)	(885)	64.2
Trust expenses ²	(1,236)	(1,387)	(10.9)
Impairment loss on trade receivables ³	(1,892)	-	NM
Finance income	69	1,685	(95.9)
Finance costs	(11,856)	(16,830)	(29.6)
Grant income ⁴	2,903	-	NM
Grant expense ⁴	(2,903)	-	NM
Net income	78,053	76,071	2.6
Fair value change on investment properties ⁵	(8,438)	(2,260)	NM
Net foreign currency exchange differences ⁶	334	443	(24.6)
Total return before taxes and distribution	69,949	74,254	(5.8)
Less: income tax ⁷	(221)	(1,313)	(83.2)
Total return after taxes and before distribution	69,728	72,941	(4.4)
Attributable to:			
Unitholders	63,108	66,236	(4.7)
Perpetual securities holders ⁸	6,098	6,098	-
Non-controlling interests	522	607	(14.0)
Total return for the period	69,728	72,941	(4.4)

NM Not Meaningful

For The First Half Year Ended 28 February 2021

1(a) An income statement together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

1(a)(i) Statement of Total Return (Cont'd)

Notes:

1. The gross revenue is net of rental waivers and reliefs granted by landlord to eligible tenants in Singapore affected by COVID-19.
2. Includes recurring trust expenses such as trustee's fees, valuation fees, audit and tax adviser's fees, legal & others professional fees, cost associated with the preparation of annual reports.
3. The impairment loss on trade receivables comprises of the allowance for rental arrears and reliefs for Singapore and Australia properties.
4. Grant income relates to property tax rebates and cash grants from Singapore government as part of the COVID-19 relief measures. Grant expense relates to the property tax rebates and cash grants being passed on to eligible tenants in the form of rental reliefs in FY2021.
5. This relates to the fair value change on the investment properties as at 28 February 2021, based on the assessment performed by the Manager. It has no impact on the income available for distribution to unitholders.
6. The net foreign currency exchange differences relate mainly to unrealised foreign exchange gain from revaluing of the monetary assets and liabilities that were denominated in Australian dollars.
7. This relates to withholding tax payable for Australia income.
8. On 30 August 2019, the Trust issued S\$300.0 million of subordinated perpetual securities (the 'Perpetual Securities') at a rate of 4.10% per annum, with the first distribution rate reset falling on 30 August 2024 and subsequent resets occurring every five years thereafter. The Perpetual Securities have no fixed redemption date and redemption is at the option of the Trust in accordance with the terms of issue of the securities. The distribution is payable semi-annually at the discretion of the Trust and is non-cumulative.

For The First Half Year Ended 28 February 2021

1(a)(ii) Distribution Statement

	1H 2021 S\$'000	<u>Group</u> 1H 2020 S\$'000	Change %
Total return for the period attributable to unitholders and perpetual securities holders	69,206	72,334	(4.3)
Less: Amount reserved for distribution to perpetual securities holders	(6,098)	(6,098)	-
Add: Non-tax deductible items ¹	6,924	11,112	(37.7)
Income available for distribution	70,032	77,348	(9.5)
Add: Tax-exempt income ²	6,149	-	NM
Distributable income to unitholders	76,181	77,348	(1.5)
Distribution to unitholders³	67,764	44,132	53.5

NM Not Meaningful

Notes:

1. Non-tax deductible items refer to the Manager's management fees paid/payable in units, trustee's fees, straight-line rental adjustments, amortisation of debt issuance costs, fair value change on investment properties and net income from subsidiaries.
2. This relates to the release of tax-exempt income from Australia subsidiaries.
3. The distribution to unitholders for 1H 2021 includes the release of approximately S\$7.3 million of FY20 distributable income deferred as allowed under COVID-19 relief measures

For The First Half Year Ended 28 February 2021

1(b)(i) A balance sheet together with a comparative statement as at the end of the immediately preceding financial year

Statements of Financial Position

	<u>Group</u>		<u>Trust</u>	
	<u>As at 28 Feb 21 S\$'000</u>	<u>As at 31 Aug 20 S\$'000</u>	<u>As at 28 Feb 21 S\$'000</u>	<u>As at 31 Aug 20 S\$'000</u>
Non-current assets				
Plant and equipment	482	589	482	589
Investment properties ¹	4,140,035	4,125,447	3,287,195	3,286,200
Subsidiaries	-	-	188,658	184,410
Trade and other receivables	-	-	377,885	377,876
	<u>4,140,517</u>	<u>4,126,036</u>	<u>3,854,220</u>	<u>3,849,075</u>
Current assets				
Trade and other receivables ²	13,269	32,653	11,828	26,612
Cash and cash equivalents ³	127,485	81,974	74,469	52,770
	<u>140,754</u>	<u>114,627</u>	<u>86,297</u>	<u>79,382</u>
Total assets	<u>4,281,271</u>	<u>4,240,663</u>	<u>3,940,517</u>	<u>3,928,457</u>
Non-current liabilities				
Borrowings	1,255,758	1,083,708	943,449	778,759
Derivative financial instruments ⁴	7,370	9,398	5,495	6,607
Deferred tax liabilities ⁵	3,119	3,119	3,119	3,119
Trade and other payables ⁶	37,922	34,217	37,922	34,217
	<u>1,304,169</u>	<u>1,130,442</u>	<u>989,985</u>	<u>822,702</u>
Current liabilities				
Borrowings	49,980	214,877	49,980	214,877
Derivative financial instruments ⁴	3,678	680	3,678	680
Trade and other payables ⁶	70,722	79,955	51,026	65,817
	<u>124,380</u>	<u>295,512</u>	<u>104,684</u>	<u>281,374</u>
Total liabilities	<u>1,428,549</u>	<u>1,425,954</u>	<u>1,094,669</u>	<u>1,104,076</u>
Net assets	<u>2,852,722</u>	<u>2,814,709</u>	<u>2,845,848</u>	<u>2,824,381</u>
Represented by:				
Unitholders' funds	2,540,518	2,503,324	2,547,958	2,526,457
Perpetual securities holders' funds ⁷	297,890	297,924	297,890	297,924
Non-controlling interests	14,314	13,461	-	-
Total Equity	<u>2,852,722</u>	<u>2,814,709</u>	<u>2,845,848</u>	<u>2,824,381</u>

For The First Half Year Ended 28 February 2021

1(b)(i) A balance sheet together with a comparative statement as at the end of the immediately preceding financial year (cont'd)

Statements of Financial Position (cont'd)

Notes:

1. The carrying amounts of the investment properties as at 28 February 2021 were based on assessment by the Manager. Valuations of investment properties are currently subject to significant estimation uncertainty. The ongoing Novel Coronavirus ("COVID-19") pandemic has created a high level of uncertainty to the near-term global economic prospects and caused disruptions to various businesses. Many countries have implemented strict travel restrictions and a range of measures from 'lockdown' to 'social distancing'. These measures have negatively affected the retail sector in countries where the Group's investment properties are located, the extent of which will depend on how long the outbreak lasts and the progress of the vaccine rollout in due course.

Given that the potential impact of COVID-19 is constantly evolving, significant market uncertainty exists. Therefore the carrying amounts of the investment properties assessed by the Manager were current as at 28 February 2021 only. These carrying amounts may change significantly after the balance sheet date.

2. Trade and other receivables comprised mainly rental receivable, deposits and grant receivable. The decrease was largely attributed to the net receipt of grant receivables from the Singapore Government as part of the COVID-19 relief measures, and net settlement of rent arrears (net of allowance) for the Group during the current period.
3. The increase in cash and cash equivalents was largely attributed to cash generated from operations, partially offset by the payment of distributions.
4. Derivative financial instruments represent the fair value of the interest rate swap, cross currency swap and cross currency interest rate swap contracts.
5. Deferred tax liabilities are mainly in respect of the capital expenditures incurred for Singapore investment properties, and have been estimated based on the differences between the carrying amount and tax carrying value of these capital expenditures.
6. Trade and other payables comprised mainly rental deposits, accrued interests and other expenses, deferred grant liability and collection in advance. The decrease was largely attributed to the lower rent collection in advance, and the net realisation of deferred grant liability arising from passing through the Singapore Government's property tax rebates and other cash grants to the eligible tenants in the form of rental reliefs.
7. On 30 August 2019, the Trust issued S\$300.0 million of fixed rate Perpetual Securities. The Perpetual Securities, net of issuance costs, are classified as equity instruments and recorded as equity in the Statement of Changes in Unitholders' Funds.

For The First Half Year Ended 28 February 2021

1(b)(ii) Borrowing

Secured borrowings

	<u>Group</u>		<u>Trust</u>	
	As at 28 Feb 21	As at 31 Aug 20	As at 28 Feb 21	As at 31 Aug 20
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable within one year	49,980	214,877	49,980	214,877
Amount repayable after one year	1,255,758	1,083,708	943,449	778,759
Total	1,305,738	1,298,585	993,429	993,636

Details of collateral

The Group's secured term loans amounted to S\$1.3 billion. These relate to term loans comprising S\$995 million secured by way of a legal mortgage on Paragon, A\$105 million secured by way of a legal mortgage on Figtree Grove Shopping Centre and A\$200 million secured by way of a legal mortgage on Westfield Marion Shopping Centre.

Loan tranches of S\$215 million were successfully refinanced as five-year loan tranches on 24 February 2021.

A loan tranche of S\$50 million which matures in December 2021 will be refinanced in due course.

For The First Half Year Ended 28 February 2021

1(c) A cash flow statement together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Cash Flows

	<u>Group</u>	
	1H 2021	1H 2020
	<u>S\$'000</u>	<u>S\$'000</u>
Cash flows from operating activities		
Net income	69,728	72,941
Adjustments for:		
Fair value change on investment properties	8,438	2,260
Manager's fee paid/payable in units	10,433	10,008
Depreciation of plant and equipment	117	109
Finance income	(69)	(1,685)
Finance costs	11,856	16,830
Straight-line rental adjustments	(705)	(864)
Impairment loss on trade receivables	1,892	-
Operating cash flow before working capital changes	<u>101,690</u>	<u>99,599</u>
Changes in operating assets and liabilities		
Trade and other receivables	17,492	(7,422)
Trade and other payables	(5,145)	10,422
Net cash from operating activities	<u>114,037</u>	<u>102,599</u>
Cash flows from investing activities		
Acquisition of investment properties	-	(627,594)
Additions to investment properties	(3,946)	(2,523)
Purchase of plant and equipment	(10)	(138)
Interest received	69	1,702
Net cash used in investing activities	<u>(3,887)</u>	<u>(628,553)</u>

For The First Half Year Ended 28 February 2021

1(c) **A cash flow statement together with a comparative statement for the corresponding period of the immediately preceding financial year**

Statement of Cash Flows (Cont'd)

	<u>Group</u>	
	1H 2021	1H 2020
	S\$'000	S\$'000
Cash flows from financing activities		
Proceeds from bank loan (net of transaction costs)	-	184,469
Proceeds from the issuance of new units	-	164,477
Issue costs paid in relation to the issuance of new units	-	(1,654)
Distribution to unitholders	(48,228)	(73,655)
Distribution to perpetual securities holders	(6,132)	(6,132)
Distribution to non-controlling interests of a subsidiary	-	(485)
Payment of transaction costs related to borrowings	(538)	-
Interest paid	(11,198)	(15,435)
Net cash (used in)/from financing activities	(66,096)	251,585
Net increase/(decrease) in cash and cash equivalents	44,054	(274,369)
Effect of exchange rate fluctuations on		
cash and cash equivalents held	1,457	(636)
Cash and cash equivalents at beginning of the period	81,974	342,657
Cash and cash equivalents at end of the period	127,485	67,652

For The First Half Year Ended 28 February 2021

1(d)(i) Statement of Changes in Unitholders' Funds

	<u>Group</u>		<u>Trust</u>	
	1H 2021 S\$'000	1H 2020 S\$'000	1H 2021 S\$'000	1H 2020 S\$'000
<u>Unitholders' Funds</u>				
Balance as at beginning of period	2,503,324	2,458,864	2,526,457	2,471,777
<u>Operations</u>				
Total return for the period after tax, attributable to unitholders and perpetual securities holders	69,206	72,334	64,484	67,632
Less: Total return for the period after tax, attributable to perpetual securities holders	(6,098)	(6,098)	(6,098)	(6,098)
Net increase in assets from operations	63,108	66,236	58,386	61,534
<u>Hedging reserve</u>				
Effective portion of changes in fair value of cash flow hedges ¹	441	(4,065)	(100)	(2,545)
Net change in fair value of cash flow hedge reclassified to Statement of Total Return	1,454	1,126	1,010	1,111
<u>Foreign currency translation reserve</u>				
Translation differences from financial statements of foreign entities	5,738	(5,660)	-	-
Exchange differences on monetary item forming part of net investments in foreign operations	4,248	(3,936)	-	-
<u>Unitholders' transactions</u>				
Distribution to unitholders	(48,228)	(73,655)	(48,228)	(73,655)
Issuance of new units	-	164,477	-	164,477
Issuance costs for the new units	-	(1,654)	-	(1,654)
Manager's fee paid/payable in units	10,433	10,008	10,433	10,008
	(37,795)	99,176	(37,795)	99,176
Unitholders' funds as at end of period	2,540,518	2,611,741	2,547,958	2,631,053
<u>Perpetual Securities Holders' Funds</u>				
Balance as at beginning of period	297,924	297,924	297,924	297,924
Total return attributable to perpetual securities holders	6,098	6,098	6,098	6,098
Distribution to perpetual securities holders	(6,132)	(6,132)	(6,132)	(6,132)
Balance as at end of period	297,890	297,890	297,890	297,890

Notes:

1. This relates to interest rate swap and cross currency interest rate swap arrangements.

For The First Half Year Ended 28 February 2021

1(d)(ii) Details of Changes in Issued and Issuable Units

	<u>Group and Trust</u>	
	1H 2021	1H 2020
	No. of units '000	No. of units '000
Issued units as at beginning of period	2,763,122	2,588,701
Issue of units ¹	-	156,645
Manager's fee paid in units ²	15,675	11,875
	2,778,797	2,757,221
Issuable units:		
Manager's fee payable in units ^{3,4}	9,525	7,344
Total issued and issuable units as at end of period	2,788,322	2,764,565

Notes:

In accordance with the amendments to the Trust Deed and requirement by the Monetary Authority of Singapore, the performance fee for FY2017 and thereafter will be paid on an annual basis, after Board's approval of the audited annual accounts.

- On 2 December 2019, the Trust issued 156,645,000 units at an issue price of \$1.05 per unit.
- For 1H 2021, the issued units relates to performance management fees for FY2020 and base management fee for 4Q 2020 and 1Q 2021. For 1H 2020, the issued units relate to performance management fees for FY2019, partial satisfaction of base management fee for Q4 2019 and base management fee for Q1 2020.
- The units issuable to the Manager were in full satisfaction of management fee for respective half years.
- The number of units is calculated based on volume weighted average traded price for the last 10 business days for the respective quarters, as provided in the Trust Deed.

1(d)(iii) To show the total number of issued units excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 28 February 2021, SPH REIT had 2,778,796,714 units (31 August 2020: 2,763,122,035 units).

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

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

The financial information for the first half year ended 28 February 2021 as set out in this announcement has been extracted from the interim financial information for the first half year ended 28 February 2021, which has been reviewed by our auditors, KPMG LLP, in accordance with the Singapore Standard on Review Engagement 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

For The First Half Year Ended 28 February 2021

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

Please refer to the attached auditor's review report.

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

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 August 2020.

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

None noted.

6. **Earnings per unit ("EPU") and Distribution per unit ("DPU")**

	Group	
	1H 2021	1H 2020
<u>Earnings per unit</u>		
Weighted average number of units ¹ ('000)	2,778,666	2,678,105
Total return for the period after tax attributable to unitholders (S\$'000)	63,108	66,236
EPU ² (basic and diluted) (cents)	2.27	2.47
EPU (basic and diluted) (cents), excluding fair value change on investment properties	2.57	2.56
<u>Distribution per unit</u>		
Total number of units in issue at end of period	2,778,797	2,757,221
Distribution to unitholders ³ (S\$'000)	67,764	44,132
DPU ⁴ (cents)	2.44	1.68

Notes:

1. The weighted average number of units was based on the number of units in issue and issuable units to the Manager.
2. Included the effects of fair value change on investment properties for the respective periods.
3. As shown in 1(a)(ii) Distribution Statement.
4. The DPU was computed based on the number of units entitled to distribution.

For The First Half Year Ended 28 February 2021

7. Net Asset Value (“NAV”) per unit and Net Tangible Asset (“NTA”) per unit

	<u>Group</u>		<u>Trust</u>	
	<u>As at 28 Feb 21</u>	<u>As at 31 Aug 20</u>	<u>As at 28 Feb 21</u>	<u>As at 31 Aug 20</u>
NAV / NTA per unit ¹ (S\$)	0.91	0.91	0.92	0.91

Note:

1. The NAV per unit and NTA per unit were computed based on the net assets attributable to unitholders. Number of units used to compute NAV and NTA was based on number of units in issue as at balance sheet date.

8. Review of Performance

Review of Results for the First Half Year Ended 28 February 2021 (“1H 2021”) compared with the First Half Year Ended 29 February 2020 (“1H 2020”)

Gross revenue for 1H 2021 grew by S\$6.5 million (4.9%) to S\$140.0 million. The increase was mainly due to contribution amounting to S\$26.4 million from the 50% interest in Westfield Marion Shopping Centre which was acquired on 6 December 2019.

Property operating expenses increased by S\$5.2 million (17.4%) to S\$35.1 million for 1H 2021 largely attributed to the acquisition of Westfield Marion.

Net property income (“NPI”) of S\$104.9 million for 1H 2021 was S\$1.4 million (1.3%) higher than 1H 2020.

Net income of S\$78.1 million for 1H 2021 was S\$2.0 million (2.6%) higher than 1H 2020.

Based on the assessment performed by the Manager, the Trust has recognised a fair value loss on the investment properties amounting to S\$8.4 million. The fair value loss has no impact on the income available for distribution.

Distributable income to unitholders for 1H 2021 was S\$76.1 million, which was consistent with 1H 2020.

9. Variance from Prospect Statement

No forecast was made previously.

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

COVID-19 outbreak continued to bring uncertainties into the Group's operating environment and has negatively impacted the retail sector in Singapore and Australia. Although recent vaccine approvals have raised hopes of a turnaround in the pandemic, renewed waves and new variants of the virus pose concerns for the outlook. Amid exceptional uncertainty, the global economy is projected to grow 5.5% in 2021.

According to Ministry of Trade and Industry (MTI), Singapore economy contracted by 5.4% in 2020. For 2021, MTI has maintained the GDP growth forecast at 4.0% to 6.0%. According to Department of Statistics Singapore, most retail industries continued to register declines in sales on a year-on-year basis. Retail sales (excluding motor vehicles) decreased 8.4% in January 2021, compared to the 4.2% decline in December 2020. With the prolonged global pandemic situation and travel restrictions, international visitor arrivals to Singapore for period from September 2020 to February 2021 declined approximate 99%.

In Australia, Reserve Bank of Australia expects the Australian economy to reach their pre-pandemic levels over the course of 2021, around 6 to 12 months earlier than previously expected. The unemployment rate is likely to decline steadily to around 5.25% by mid of the year 2023. According to Australian Bureau of Statistics, retail turnover rose 10.6% compared to January 2020.

While activities have gradually resumed, COVID-19 continues to impact the financial performance of SPH REIT's portfolio with travel restrictions remain in place. The rise of new COVID-19 variants, recurring waves of infections and fresh lockdowns in many countries remain risks to global recovery. Although COVID-19 impact is still uncertain, with the rapid rollout of the vaccination in Singapore as well as around the world, the COVID-19 situation will be better contained leading to a recovery in travel. The Manager's near term focus is to maintain healthy occupancy, sustainable rental income by working with our tenants, whilst carefully managing cost.

The Manager will stay focused to position the assets to be ready to capture the business opportunities when recovery begins with the core objective of preserving long term returns for unitholders.

For The First Half Year Ended 28 February 2021

11. Distribution

(a) Current Financial Period

Any distribution recommended for the current financial period reported on? Yes.

Name of distribution:	Distribution for the period from 1 December 2020 to 28 February 2021							
Distribution Type:	(i) Taxable income (ii) Tax-exempt income							
Distribution rate per unit (cents):	<table border="1"> <thead> <tr> <th>Distribution type</th> <th>Distribution rate</th> </tr> </thead> <tbody> <tr> <td>Taxable income</td> <td>1.02 cents per unit</td> </tr> <tr> <td>Tax-exempt income</td> <td>0.22 cents per unit</td> </tr> </tbody> </table>		Distribution type	Distribution rate	Taxable income	1.02 cents per unit	Tax-exempt income	0.22 cents per unit
Distribution type	Distribution rate							
Taxable income	1.02 cents per unit							
Tax-exempt income	0.22 cents per unit							
Par value of units:	Not applicable.							
Tax rate:	<p><u>Taxable income distribution:</u></p> <p>Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distribution. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns.</p> <p>Qualifying foreign non-individual investors and foreign funds under Section 13CA, 13X or 13Y of the Singapore Income Tax Act will receive their distributions after deduction of tax at the rate of 10%. This is based on the existing income tax concession for listed REITs on distributions made to non-resident non-individual investors during the period from 18 February 2005 to 31 December 2025 and non-resident funds during the period from 1 July 2019 to 31 December 2025.</p> <p>All other investors will receive their distributions after deduction of tax at the rate of 17%.</p> <p><u>Tax-exempt income distribution:</u></p> <p>Tax-exempt income distribution is exempt from tax in the hands of all unitholders</p>							

For The First Half Year Ended 28 February 2021

11. Distribution (Cont'd)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any distribution declared for the corresponding period of the immediately preceding financial year? Yes

Name of distribution:	Distribution for the period from 2 December 2019 to 29 February 2020							
Distribution Type:	Taxable Income							
Distribution rate per unit (cents):	<table border="1"> <thead> <tr> <th>Distribution type</th> <th>Distribution rate</th> </tr> </thead> <tbody> <tr> <td>Taxable income</td> <td>0.27 cents per unit</td> </tr> <tr> <td>Tax-exempt income</td> <td>0.03 cents per unit</td> </tr> </tbody> </table>		Distribution type	Distribution rate	Taxable income	0.27 cents per unit	Tax-exempt income	0.03 cents per unit
Distribution type	Distribution rate							
Taxable income	0.27 cents per unit							
Tax-exempt income	0.03 cents per unit							
Par value of units:	Not applicable.							
Tax rate:	<p><u>Taxable income distribution:</u></p> <p>Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distribution. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns.</p> <p>Qualifying foreign non-individual investors and foreign funds under Section 13CA, 13X or 13Y of the Singapore Income Tax Act will receive their distributions after deduction of tax at the rate of 10%. This is based on the existing income tax concession for listed REITs on distributions made to non-resident non-individual investors during the period from 18 February 2005 to 31 December 2025 and non-resident funds during the period from 1 July 2019 to 31 December 2025.</p> <p>All other investors will receive their distributions after deduction of tax at the rate of 17%.</p> <p><u>Tax-exempt income distribution:</u></p> <p>Tax-exempt income distribution is exempt from tax in the hands of all unitholders</p>							

(c) Date payable

The date the distribution is payable: Tuesday, 11 May 2021.

(d) Record date

The Transfer Books and Register of Unitholders of SPH REIT have been closed at 5.00pm on 7 April 2021 for purposes of determining each Unitholder's entitlement to SPH REIT distribution.

For The First Half Year Ended 28 February 2021

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

Not applicable.

13. **Segment Results**

	<u>Group</u>		
	<u>1H</u> <u>2021</u> <u>S\$'000</u>	<u>1H</u> <u>2020</u> <u>S\$'000</u>	<u>Change</u> <u>%</u>
<u>Gross Revenue</u>			
<u>Singapore</u>			
Paragon	81,764	88,843	(8.0)
The Clementi Mall	20,527	21,280	(3.5)
The Rail Mall	2,786	2,539	9.7
	105,077	112,662	(6.7)
<u>Australia</u>			
Westfield Marion Shopping Centre	26,410	12,614	NM
Figtree Grove Shopping Centre	8,471	8,129	4.2
	34,881	20,743	68.2
Total	139,958	133,405	4.9
<u>Net Property Income</u>			
<u>Singapore</u>			
Paragon	63,167	70,752	(10.7)
The Clementi Mall	15,619	16,096	(3.0)
The Rail Mall	2,261	1,968	14.9
	81,047	88,816	(8.7)
<u>Australia</u>			
Westfield Marion Shopping Centre	17,248	8,436	NM
Figtree Grove Shopping Centre	6,559	6,244	5.0
	23,807	14,680	62.2
Total	104,854	103,496	1.3

14. **If the group has obtained a general mandate from shareholders for Interested Person Transactions, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

SPH REIT has not obtained a general mandate from unitholders for Interested Person Transactions.

15. **Confirmation By the Manager Pursuant to Rule 720(1) of the SGX Listing Manual.**

The Manager confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the SGX Listing Manual.

For The First Half Year Ended 28 February 2021

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of SPH REIT Management Pte. Ltd. (as the manager of SPH REIT) on future events.

BY ORDER OF THE BOARD

Jessie Phua Swee Hoon
Sheryl Cher Ya Li

Company Secretaries

Singapore,
29 March 2021



SPH REIT Management Pte. Ltd.
1000 Toa Payoh North
News Centre
Singapore 318994
Tel: +65 6319 3380
Fax: +65 6319 8149
www.sphreit.com.sg
Co. Regn No. 201305497E

CONFIRMATION BY THE BOARD Pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager which may render the financial results of the Group and the Trust (comprising the statement of financial position, statement of total return and distribution statement, statement of changes in Unitholders' funds and cashflow statement, together with their accompanying notes) as at 28 February 2021, to be false or misleading in any material respect.

On behalf of the Directors

A handwritten signature in blue ink, appearing to read 'Leong'.

LEONG HORN KEE
Chairman

A handwritten signature in blue ink, appearing to read 'Ginney'.

GINNEY LIM MAY LING
Director

Singapore,
29 March 2021



KPMG LLP
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Telephone +65 6213 3388
Fax +65 6225 0984
Internet kpmg.com.sg

**The Board of Directors
SPH REIT Management Pte. Ltd.
(in its capacity as Manager of SPH REIT)**

**Review of the Interim Financial Information
For the Half Year Ended 28 February 2021**

We have reviewed the accompanying Interim Financial Information of SPH REIT (the “Trust”) and its subsidiaries (collectively the “Group”) for the half year ended 28 February 2021. The Interim Financial Information consists of the following:

- Statements of financial position of the Group and the Trust as at 28 February 2021;
- Portfolio statements of the Group and Trust as at 28 February 2021;
- Statement of total return of the Group for the half year ended 28 February 2021;
- Distribution statement of the Group for the half year ended 28 February 2021;
- Statement of changes in unitholders’ funds of the Group and the Trust for the half year ended 28 February 2021;
- Statement of cash flows of the Group for the half year ended 28 February 2021; and
- Certain explanatory notes to the above financial information.

The Manager of the Trust is responsible for the preparation and presentation of this Interim Financial Information in accordance with the provisions of the Statement of Recommended Accounting Practice (“RAP”) 7 *Reporting Framework for Unit Trusts* issued by the Institute of Singapore Chartered Accountants. Our responsibility is to express a conclusion on these Interim Financial Statements based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG LLP (Registration No. T08LL1267L), an accounting limited liability partnership registered in Singapore under the Limited Liability Partnership Act (Chapter 163A) and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with the provisions of RAP 7 issued by the Institute of Singapore Chartered Accountants.

Restriction on use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting the Trust to meet the requirements of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the Trust's announcement of its interim financial information for the information of its unitholders. We do not assume responsibility to anyone other than the Trust for our work, for our report, or for the conclusions we have reached in our report.

A handwritten signature in black ink, appearing to read 'KPMG LLP', is written over the printed name 'KPMG LLP'.

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore
29 March 2021