

Media release by: YTL Starhill Global REIT Management Limited (YTL Starhill Global)

Manager of: Starhill Global Real Estate Investment Trust (SGREIT)

SGREIT's DPU payout rises by 2.3%¹ y-o-y in 1H FY21/22

HIGHLIGHTS

- Revenue and NPI for 1H FY21/22 increased by 2.9% and 7.2% respectively y-o-y
- Portfolio actual occupancy remains resilient at 96.9% as at 31 December 2021, with stable retail portfolio occupancy of 97.9%
- Asset enhancement works at The Starhill completed in December 2021

SINGAPORE, 25 January 2022 – YTL Starhill Global, the manager of SGREIT, announced that revenue for first half year ended 31 December 2021 (1H FY21/22) rose by 2.9% over the previous corresponding period of first half year ended 31 December 2020 (1H FY20/21) to S\$91.0 million and Net Property Income (NPI) for 1H FY21/22 increased by 7.2% over 1H FY20/21 to S\$69.6 million. The increase in revenue and NPI were mainly due to the lower rental assistance for eligible tenants of the Group including allowance for rental arrears and rebates for Australia Properties, as well as cessation of rental rebates in Malaysia following the completion of asset enhancement works at The Starhill in December 2021, partially offset by the weaker contributions from the Wisma Atria Property (Retail).

Income available for distribution for 1H FY21/22 was S\$42.7 million, declining marginally by 1.3% year-on-year (y-o-y), mainly due to the one-off adjustment to reflect the timing difference of Singapore property tax refunds² in the previous corresponding period, and full period of distribution to the perpetual securities holders in 1H FY21/22. This was partially offset by higher NPI and lower finance costs.

¹ Excludes the release of S\$3.1 million or 0.14 cents per unit from the FY19/20 deferred distributable income for the 1H FY20/21 distribution.

² Represents the adjustment to recognise the timing difference of certain property tax rebates for eligible tenants from the Singapore government in 1H FY20/21 as part of the COVID-19 relief measures announced in 2020.

YTL Starhill Global REIT Management Limited

CRN 200502123C

Manager of Starhill Global REIT, 391B Orchard Road, #21-08, Ngee Ann City Tower B, Singapore 238874

Tel: +65 6835 8633 Fax: +65 6835 8644 www.ytlstarhill.com



Distribution per Unit (DPU) to Unitholders for 1H FY21/22 was 1.78 cents, representing a 2.3% increase over the DPU of 1.74 cents¹ for the previous corresponding period. Including FY19/20's deferred distributable income of S\$3.1 million or 0.14 cents per unit released for the 1H FY20/21 distribution, DPU would have declined by 5.3%. Based on the closing price of S\$0.655 as at 31 December 2021, the annualised yield would be 5.4%³.

SGREIT will continue with its Distribution Reinvestment Plan (DRP) for the 1H FY21/22 distribution. Issue price of new units for this DRP will be announced on or around 4 February 2022. Unitholders can expect to receive their 1H FY21/22 DPU on 23 March 2022. The record date is on 4 February 2022 at 5.00 pm.

Overview of Starhill Global REIT's financial results

(S\$ million)	1H FY21/22	1H FY20/21	Y-O-Y Change (%)
Gross revenue	91.0	88.4	2.9
Net property income	69.6	65.0	7.2
Income available for distribution	42.7	43.2	(1.3)
Income to be distributed to Unitholders	39.7 ⁴	41.4 ⁴	(4.1)
Distribution per Unit (cents)			
- DPU (excluding effects of deferred amount)	1.78	1.74 ¹	2.3
- DPU (including effects of deferred amount)	1.78	1.88	(5.3)
- Annualised	3.53	3.46 ¹	2.0

Tan Sri (Sir) Francis Yeoh, Chairman of YTL Starhill Global, said: "While we continued to navigate through the uncertainties in 2021 due to COVID-19, successful vaccination programmes and the gradual lifting of travel restrictions have put the global economy on the road to recovery. With proactive initiatives and collaboration with our stakeholders, we managed to weather the challenges faced last year, and will continue to adapt to the evolving landscape brought about by COVID-19. Our portfolio remains resilient, and we aim to emerge from this pandemic stronger than before."

³ Based on the closing unit price of S\$0.655 as at 31 December 2021 and annualised 1H FY21/22 DPU.

⁴ Approximately S\$2.9 million (1H FY20/21: S\$4.9 million) of income available for distribution for 1H FY21/22 has been retained for working capital requirements. 1H FY20/21 distribution includes the release of S\$3.1 million or 0.14 cents per unit of FY19/20 deferred distributable income.

Mr Ho Sing, CEO of YTL Starhill Global, said: “As many countries transition towards being COVID-19 endemic, we continue to enhance our portfolio so that we will be better positioned for growth. Asset enhancement works have been successfully completed at The Starhill in Kuala Lumpur, Malaysia, while interior refurbishment works are ongoing at Wisma Atria, Singapore. In 2022, we are cautiously optimistic that consumer sentiment will improve, even as new strains of COVID-19 continue to disrupt and prolong a full recovery. SGREIT continues to adopt a prudent capital management approach, with a stable gearing ratio of 36.1% as at 31 December 2021 and healthy liquidity.”

Review of portfolio performance

SGREIT’s Singapore portfolio, comprising interests in Wisma Atria and Ngee Ann City on Orchard Road, contributed 61.6% of total revenue, or S\$56.0 million in 1H FY21/22. NPI for 1H FY21/22 increased by 4.4% y-o-y to S\$43.9 million, mainly due to lower rental assistance to tenants coupled with lower allowances for rental arrears, partially offset by lower rent from the Wisma Atria Property (Retail). Amidst muted leasing sentiments, the Singapore retail portfolio registered a high actual occupancy of 99.5% as at 31 December 2021. Shopper traffic at Wisma Atria continued to recover, increasing 18.9% y-o-y in 1H FY21/22 as compared to the previous corresponding period, due to the gradual lifting of safe distancing measures and implementation of Vaccinated Travel Lanes (VTLs) in September 2021. However, consumer sentiment remains muted while tourist arrivals continue to be weak, resulting in a marginal decline of 2.8% y-o-y in tenant sales in 1H FY21/22. On a positive note, the situation improved towards the end of the year as shopper traffic and tenant sales increased 14.6% and 1.3% respectively y-o-y in 2Q FY21/22.

Interior upgrading works at Wisma Atria are ongoing and on track for completion. Atrium upgrading works are expected to commence in March 2022, where common areas as well as the concierge and bubble lifts will be undergoing enhancements. These improvements serve to rejuvenate the mall and enhance its appeal as a premier lifestyle mall.

The Singapore office portfolio registered a high committed occupancy rate of 94.7%, while actual occupancy stood at 90.4% as at 31 December 2021.

SGREIT’s Australia portfolio, comprising Myer Centre Adelaide in Adelaide, South Australia, the David Jones Building and the adjoining Plaza Arcade in Perth, Western Australia, contributed 24.1% of total revenue, or S\$21.9 million in 1H FY21/22. NPI for 1H FY21/22 increased 10.6% y-o-y to S\$13.7 million mainly due to lower allowance for rental arrears and rebates to assist eligible tenants affected by COVID-19. Australia’s retail portfolio registered stable actual occupancy of 95.3% as at 31 December 2021. All of level 4 at Myer Centre Adelaide has been activated, following the expansion of an existing

tenant, visual effects and entertainment design school Concept Design Workshop (CDW) Studios. In addition, leveraging on our ongoing relationship with Uniqlo in Australia following the successful opening of its Perth outlet at Plaza Arcade, Uniqlo will be opening its first store in South Australia at the Myer Centre Adelaide. Spanning approximately 10,000 sq ft, the store is slated to open its doors in 4Q 2022, and further strengthens Myer Centre Adelaide's positioning as a premier destination mall.

SGREIT's Malaysia portfolio, comprising The Starhill and interest in Lot 10 along Bukit Bintang in Kuala Lumpur, contributed 11.7% of total revenue, or S\$10.7 million in 1H FY21/22. NPI for 1H FY21/22 increased by 17.8% y-o-y to S\$10.3 million, mainly due to the cessation of rental rebates following the completion of asset enhancement works at The Starhill in December 2021, as well as the provision of rental assistance for COVID-19 in the previous corresponding period. Retailers such as Tom Ford, Paul & Shark, Balmain and Shiatzy Chen have since commenced operations. Eslite Spectrum, a renowned Taiwanese bookstore, is also expected to open its first flagship store in Southeast Asia at The Starhill in 2022.

The balance of SGREIT's portfolio, which comprises a property in Chengdu, China, and two properties located in central Tokyo, Japan, contributed 2.6% of total revenue, or S\$2.3 million in 1H FY21/22. NPI for 1H FY21/22 was S\$1.8 million, 2.8% lower than in 1H FY20/21.

Capital management

As at 31 December 2021, gearing stood at 36.1%. Additionally, SGREIT also entered into a facility agreement for a five and a half year unsecured term loan of S\$60 million in December 2021, which will be used in first quarter of 2022 to part refinance an existing outstanding term loan of S\$115 million ahead of its maturity in September 2022. The Group has no further refinancing requirements in FY21/22, with sufficient long-term committed and undrawn revolving credit facility lines to cover the remaining debts maturing in FY22/23.

COVID-19 developments

On 22 November 2021, Singapore reverted to the Transition Phase, with group sizes for dine-in and social gatherings increased from two to five persons⁵. As at 1 January 2022, fifty percent of workers who can work from home were allowed to return to the office, provided they are vaccinated⁶. The sale of Singapore-Malaysia VTL tickets has also been temporarily suspended from 23 December 2021 to

⁵ Ministry of Health, "Resuming Our Transition Towards COVID Resilience", 20 November 2021.

⁶ Ministry of Health, "Preparing For The Omicron Variant", 14 December 2021.

20 January 2022, in view of the surge in cases⁷. As at 21 January 2022, Malaysia has resumed the sales of the Singapore-Malaysia VTL tickets, albeit halving the quota for air and land travel⁸.

Following a record number of daily COVID-19 cases, South Australia reintroduced more stringent social distancing measures on 27 December 2021, reducing the density requirements in cafes and restaurants⁹. Western Australia has also cancelled plans to reopen its borders on 5 February 2022, given the rapid spread of the Omicron variant¹⁰.

The Group's portfolio is characterised by its quality master retail leases in Singapore and Malaysia which make up about 35.2% of revenue in 1H FY21/22. Office portfolio contributed another 14.7% of revenue in 1H FY21/22. Additionally, as at 31 December 2021, the weighted average portfolio lease expiry by gross rent stood at 5.0 years while retail leases expiring in the financial year ending 30 June 2022 comprised 6.7% of gross retail rent. The Group's retail portfolio actual occupancy remained stable at 97.9% as at 31 December 2021.

SGREIT's unaudited financial results for 1H FY21/22 are available on its website (www.starhillglobalreit.com) and on SGXNet (www.sgx.com).

- End -

Analyst, Investor and Media Contact:

Jonathan Kuah

YTL Starhill Global REIT Management Limited

Tel: (65) 6835 8693; Mobile: (65) 9753 3930

Email: jonathan.kuah@ytlstarhill.com

About Starhill Global REIT

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 (the "SGX-ST") 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\$3.0 billion.

⁷ The Straits Times, "Decision to lift Singapore-Malaysia VTL suspension to be made 2 days before 20 January 2022: Malaysian minister", 31 December 2021.

⁸ The Business Times, "Malaysia resumes ticket sales for quarantine-free travel to Singapore", 21 January 2022.

⁹ ABC News, "South Australia records 774 new COVID cases, announces new social distancing measures", 26 December 2021.

¹⁰ Channel News Asia, "Western Australia stays shut as COVID-19 deaths rise in rest of country", 21 January 2022.



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 and Lot 10 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.

Important Notice

The value of units in Starhill Global REIT (“**Units**”) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Starhill Global REIT), or any of their affiliates. An investment in Units is subject to investment risks, including possible delays in repayment, loss of income or principal invested. The Manager and its affiliates do not guarantee the performance of Starhill Global REIT or the repayment of capital from Starhill Global REIT or any particular rate of return. Unitholders have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST.

It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. This document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of Starhill Global REIT is not indicative of the future performance of Starhill Global REIT. Similarly, the past performance of the Manager is not indicative of the future performance of the Manager.

This document may contain forward-looking statements that involve assumptions, 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, outbreak of contagious diseases or pandemic, interest rate and foreign exchange trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), 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 the Manager’s current view on future events.