

27 October 2023

- Singapore • Australia • Malaysia • Japan • China



- Overview and Key Highlights
- Portfolio Updates
- Market Outlook



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Kinokuniya

Overview and Key Highlights

Ngee Ann City
Singapore

Overview of Starhill Global REIT

Prime retail portfolio in key Asia Pacific cities

STARHILL
GLOBAL REIT



Quality Assets

- Portfolio of ~**S\$2.8 billion**
- **9 mid- to high-end** predominantly retail properties in six Asia Pacific cities



Strategic Locations

- **Landmark assets** at prime locations
- **Excellent connectivity** to transportation hubs
- Appeals to both local and international brands



Diversified Portfolio

- Core markets: Singapore, Australia, Malaysia
- Contribution to 1Q FY23/24 revenue: **Retail (~85%) & Office (~15%)**



Strong Sponsor

- YTL Group owns ~37.8% of SGREIT
- Has a combined market capitalisation of US\$8.5 billion⁽¹⁾



Income Visibility

- **Master/anchor leases** with periodic rental reviews make up ~52.5% of gross rent⁽²⁾
- Committed portfolio occupancy of 98.4%⁽²⁾



Healthy Financials

- “**BBB**” credit rating by Fitch Ratings⁽³⁾
- Gearing of 37.4%⁽²⁾ and weighted average debt maturity of 3.1 years⁽²⁾
- Component stock of FTSE EPRA NAREIT Global Developed Index

Notes:

1. Market capitalisation of YTL Corporation Berhad and its listed entities in Malaysia, as at 30 September 2023.
2. As at 30 September 2023.
3. Placed on rating watch negative following the Myer arbitration announcement in March 2023.

Key Highlights for 1Q FY23/24



Financial Performance



Gross Revenue

S\$47.1 million

▼ -1.0% y-o-y



Net Property Income

S\$37.4 million

▲ 0.4% y-o-y

Resilient Operational Performance



Committed Portfolio Occupancy

98.4%⁽¹⁾

as at 30 Sep 2023



Long WALE

6.3 years⁽¹⁾

by NLA



Expiring leases by gross rent in FY23/24

10.8%⁽¹⁾

as at 30 Sep 2023

Prudent Capital Management



Gearing

37.4%

as at 30 Sep 2023



Staggered Debt Maturity Profile averaging

3.1 years



Sufficient undrawn long-term committed revolving credit facility (RCF) lines to cover the remaining debts maturing in the next two years

Note:

1. Based on committed leases as at reporting date.

Key Highlights for 1Q FY23/24

Financial Highlights

- Revenue was lower by 1.0% y-o-y, resulting mainly from foreign exchange weakness and the loss of income from Japan divestment
- Net property income for 1Q FY23/24 rose 0.4% y-o-y, mainly due to higher contributions from Singapore Properties and Myer Centre Adelaide Retail

Portfolio Performance

- Next phase of Wisma Atria asset enhancement works in the basement has commenced and is expected to complete in March 2024. Mall remains operational without any major disruptions to retail business and operations
- Tenant sales and shopper traffic at the Wisma Atria Property improved by 14.5% and 6.5% y-o-y respectively, despite the commencement of renovation works in the basement in August 2023
- Higher committed portfolio occupancy of 98.4% as at 30 September 2023

Capital Management

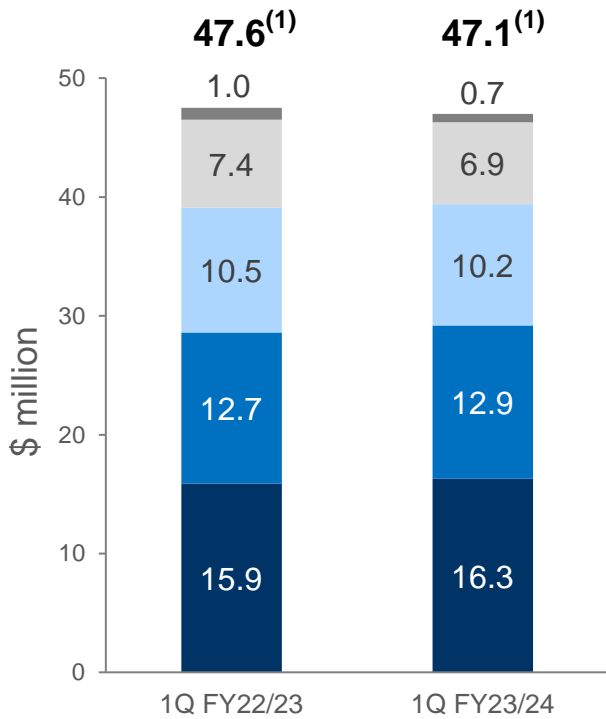
- In September 2023, SGREIT extended its existing unsecured JPY2 billion term loan for another 3 years from September 2024
- Gearing stands at 37.4%; Weighted average debt maturity of 3.1 years; 77% of borrowings are fixed/hedged as at 30 September 2023
- No term debt refinancing requirements until September 2024. SGREIT has sufficient undrawn long-term committed RCF lines to cover remaining debts maturing in the next two years

1Q FY23/24 Financial Performance



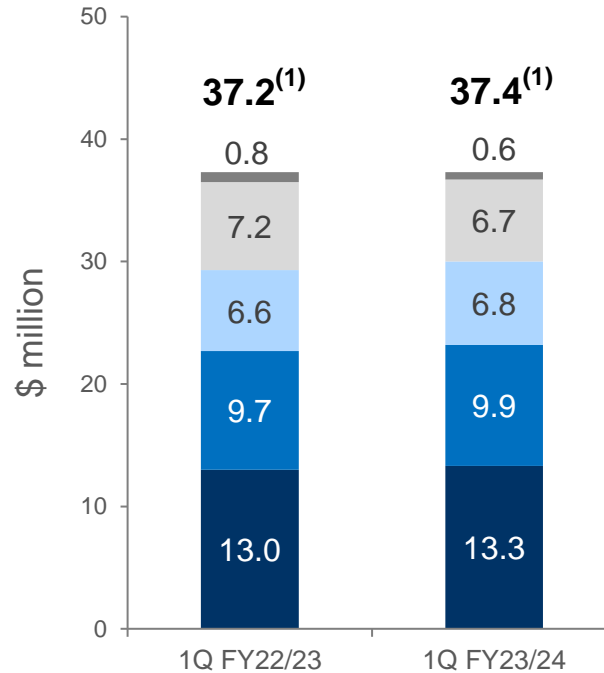
Gross Revenue

▼ -1.0% y-o-y



Net Property Income (NPI)

▲ 0.4% y-o-y



Variance in NPI y-o-y in 1Q FY23/24:

- ➔ Mainly due to higher contributions from Singapore Properties and Myer Centre Adelaide Retail
- ➔ Partially offset by depreciation of foreign currency and loss of income from Japan divestment

Ngee Ann City Property
 Wisma Atria Property
 Australia Properties
 Malaysia Properties
 Others

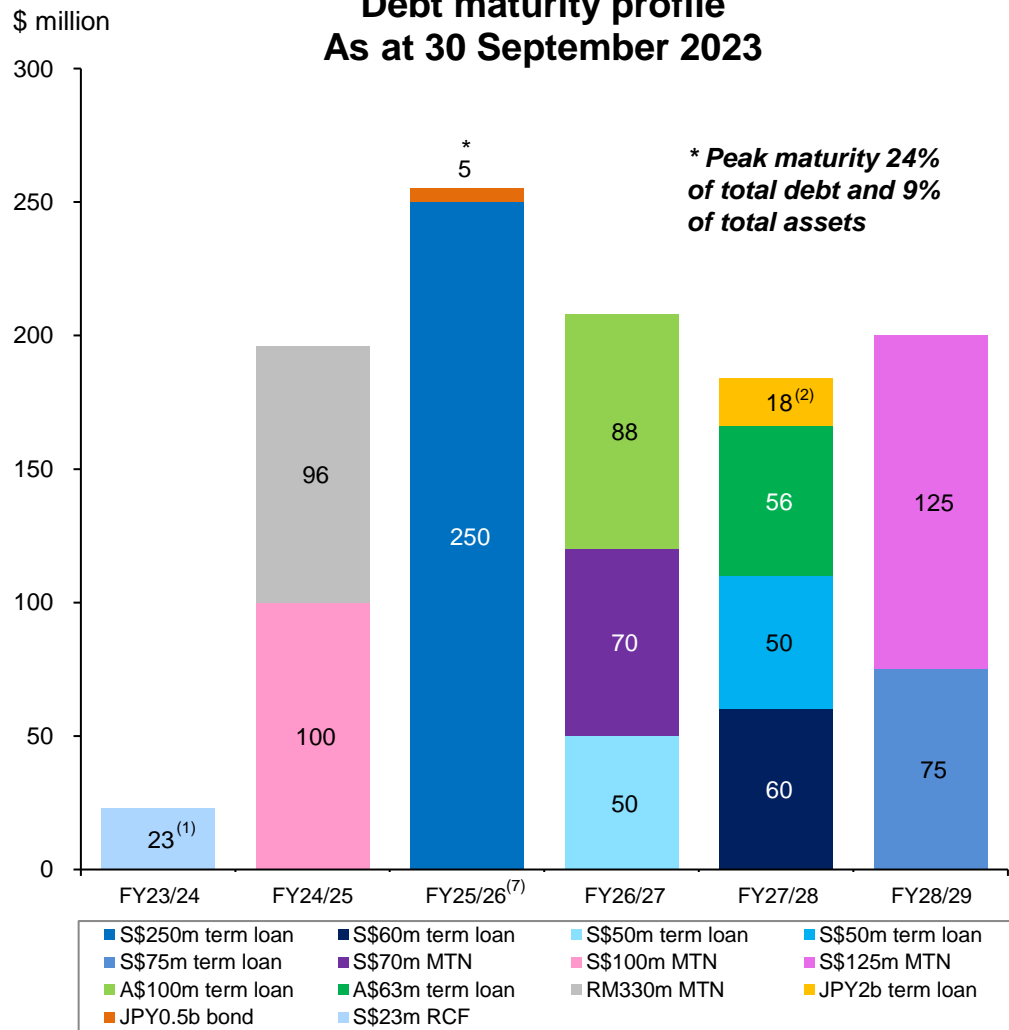
Note:

1. Total does not add up due to rounding.

Staggered Debt Maturity Profile Averaging 3.1 years



**Debt maturity profile
As at 30 September 2023**



Financial Ratios	30 Sep 2023
Total debt	\$1,066 million
Gearing	37.4%
Interest cover ⁽³⁾	3.3x
Adjusted interest cover ⁽⁴⁾	3.0x
Average interest rate p.a. ⁽⁵⁾	3.81%
Unencumbered assets ratio	86%
Fixed/hedged debt ratio ⁽⁶⁾	77%
Weighted average debt maturity	3.1 years

- Notes:**
- Comprises of short-term RCF drawn down as at 30 September 2023, for working capital purposes.
 - In September 2023, the Group extended the existing unsecured JPY2 billion term loan for another 3 years from September 2024, thereby extending the new maturity date to September 2027.
 - Interest cover ratio computed based on trailing 12 months interest expenses as at 30 September 2023.
 - The adjusted interest cover ratio takes into account the distribution on perpetual securities as at 30 September 2023.
 - Includes interest rate derivatives and benchmark rates but excludes upfront costs.
 - Includes interest rate swaps.
 - Excludes \$100 million perpetual securities (classified as equity instruments) issued in December 2020 with the first distribution rate reset falling on 15 December 2025 and subsequent resets occurring every five years thereafter.



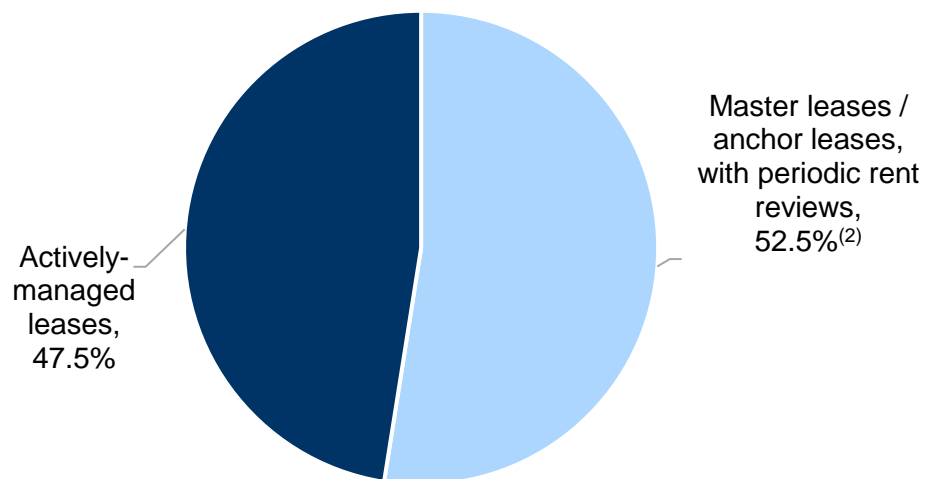
Portfolio Updates

Wisma Atria
Singapore

Balance of Master / Anchor Leases and Actively-Managed Leases



- ➔ Master leases and anchor leases, incorporating periodic rental reviews, represent approximately 52.5% of gross rent as at 30 September 2023
- ➔ Provide income and occupancy stability for the portfolio



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.

Key tenants include:



Ngee Ann City Property Retail (Singapore)
The Toshin master lease expires in June 2025.



The Starhill & Lot 10 Property (KL, Malaysia)
New master tenancy agreements expiring in December 2038 and June 2028⁽¹⁾ for The Starhill and Lot 10 Property respectively, with periodic rental step-ups.

MYER

Myer Centre (Adelaide, Australia)
Anchor lease expires in 2032 and provides for an annual rent review.

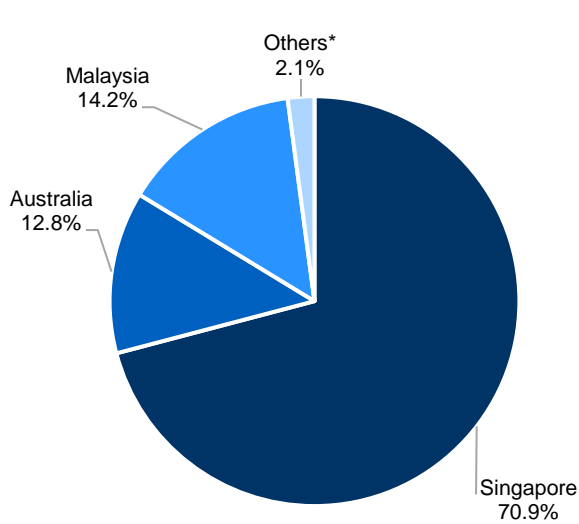


David Jones Building (Perth, Australia)
Anchor lease expires in 2032 and provides for upward-only rent review every three years. A rental uplift was secured in August 2023.

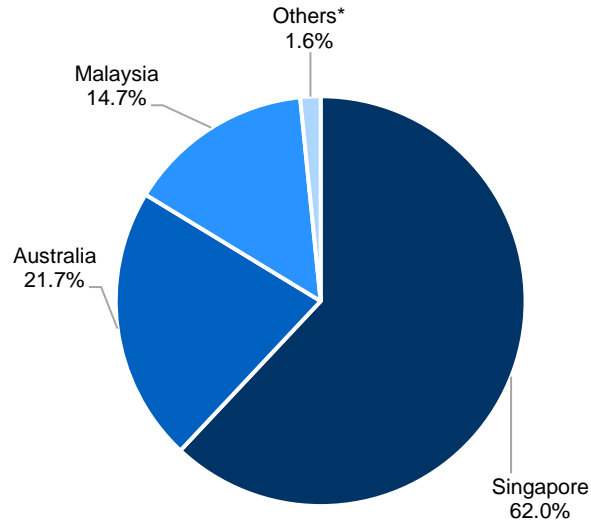
70.9% of Total Asset Value Attributed to Singapore



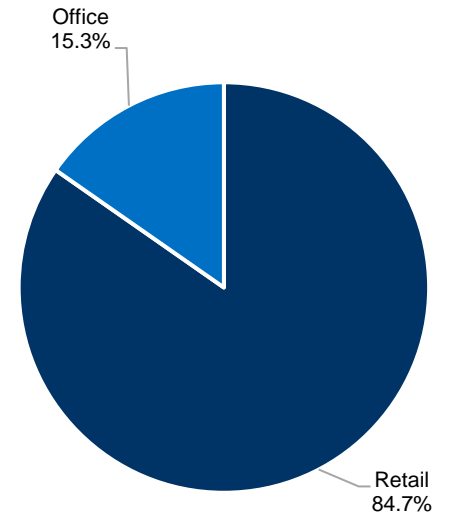
ASSET VALUE BY COUNTRY AS AT 30 SEP 2023



1Q FY23/24 GROSS REVENUE BY COUNTRY



1Q FY23/24 GROSS REVENUE RETAIL/OFFICE



*Others comprise one property each in central Tokyo, Japan and Chengdu, China, respectively.

Prime Assets in Strategic Locations with Excellent Connectivity

Higher committed portfolio occupancy of 98.4%⁽¹⁾ as at 30 September 2023



SGREIT Portfolio Occupancy⁽¹⁾

As at	30 Jun 19	30 Jun 20	30 Jun 21	30 Jun 22	30 Jun 23	30 Sep 23
<i>SG Retail</i>	99.4%	99.5%	99.3%	98.6%	100.0%	100.0%
<i>SG Office</i>	93.9%	90.4%	91.5%	96.9%	100.0%	99.1%
Singapore	97.3%	96.0%	96.3%	97.9%	100.0%	99.7%
Australia	94.2%	94.3%	94.4%	93.0%	94.5%	96.4%
Malaysia	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Japan	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
China	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
SGREIT portfolio	96.9%	96.6%	96.7%	96.6%	97.7%	98.4%

Note:

1. Based on committed leases as at reporting date.

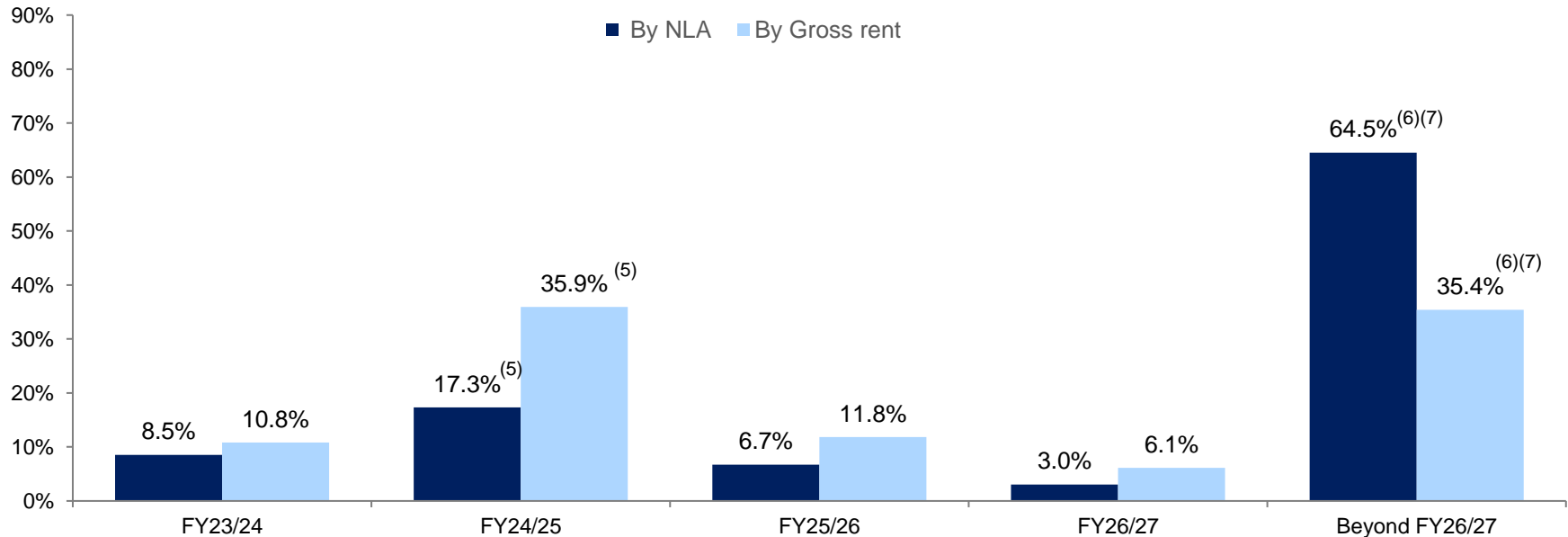
Portfolio Lease Expiry Profile

Long WALE of 6.3 years by NLA



Weighted average lease term expiry of 6.3⁽¹⁾⁽²⁾ and 4.2⁽¹⁾⁽²⁾ years (by NLA and gross rent respectively)

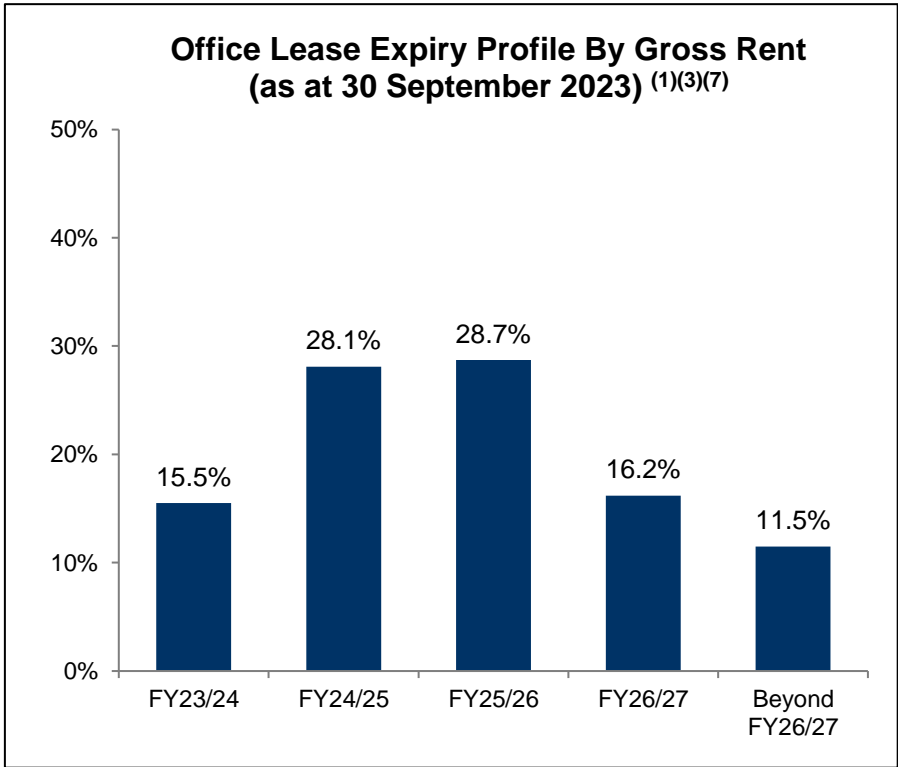
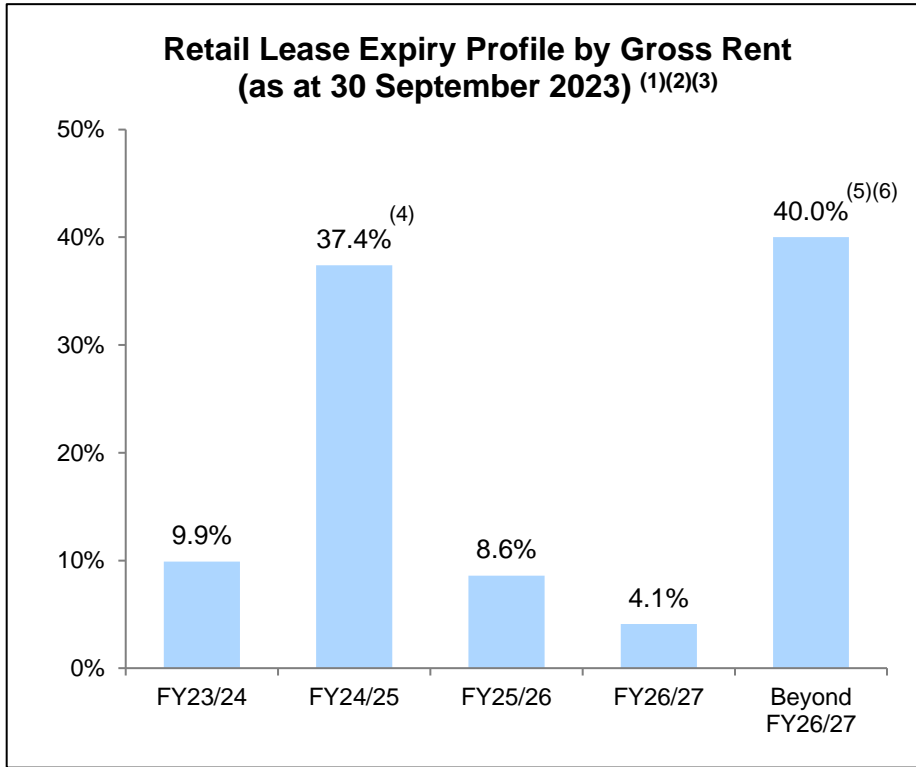
Portfolio lease expiry profile (as at 30 September 2023)⁽³⁾⁽⁴⁾



Notes:

1. Based on committed leases at 30 September 2023, including leases commencing after 30 September 2023. Based on the date of commencement of leases, portfolio WALE was 6.2 years by NLA and 3.9 years by gross rent.
2. Excludes tenants' option to renew or pre-terminate.
3. Lease expiry schedule based on committed leases as at reporting date.
4. Portfolio lease expiry schedule includes all of SGREIT's properties.
5. Includes the Toshin master lease.
6. Includes master tenancy agreements for Malaysia Properties and the anchor leases in Australia.
7. Assuming that the option to renew for the third three-year term for Lot 10 Property is exercised.

Portfolio Lease Expiry Profile by Category



Notes:

1. Based on committed leases as at reporting date.
2. Includes all of SGREIT's retail properties.
3. Excludes tenants' option to renew or pre-terminate.
4. Includes the Toshin master lease.
5. Includes master tenancy agreements for Malaysia Properties and the anchor leases in Australia.
6. Assuming that the option to renew for the third three-year term for Lot 10 Property is exercised.
7. Comprises Wisma Atria, Ngee Ann City and Myer Centre Adelaide office properties only.

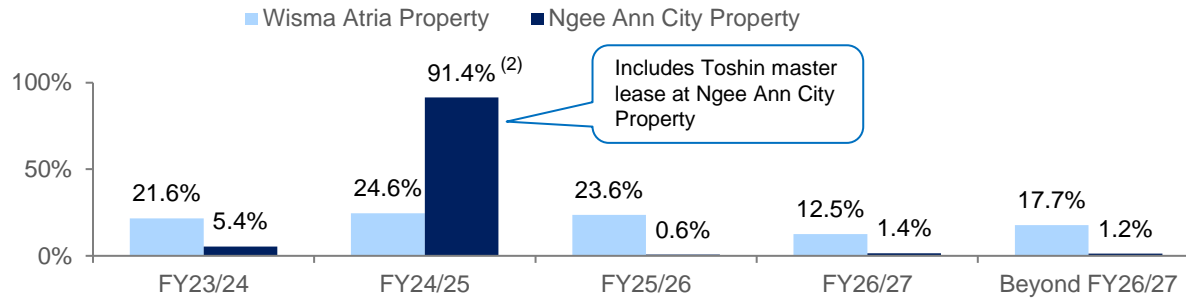
Lease Expiry Profiles across Geographies



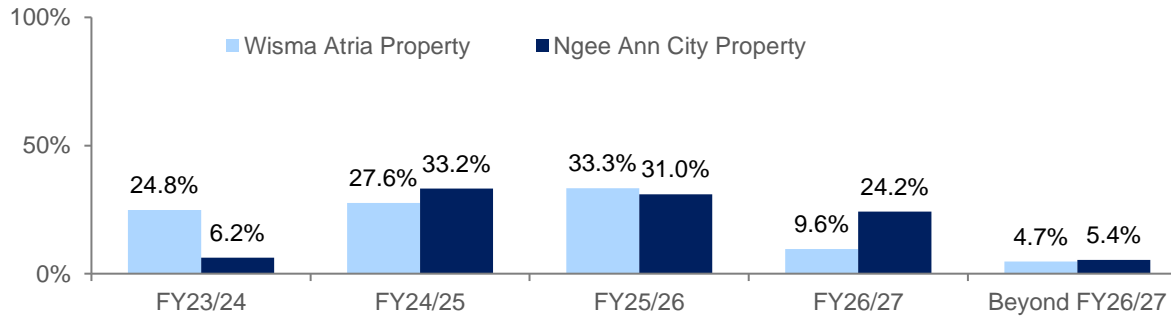
Portfolio

Lease expiry profile (by gross rent) as at 30 September 2023⁽¹⁾

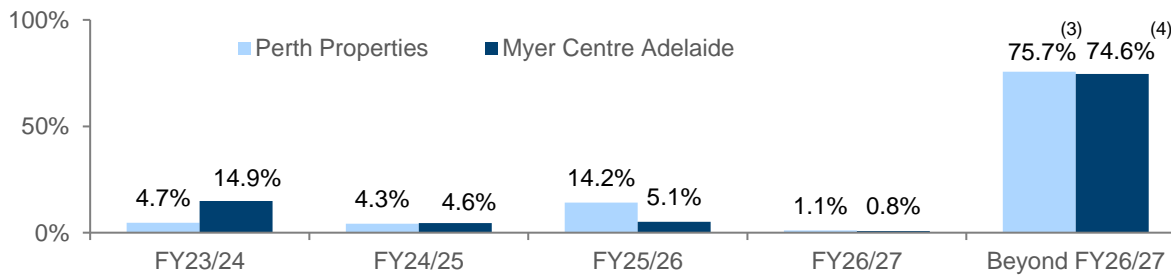
Singapore Retail



Singapore Office



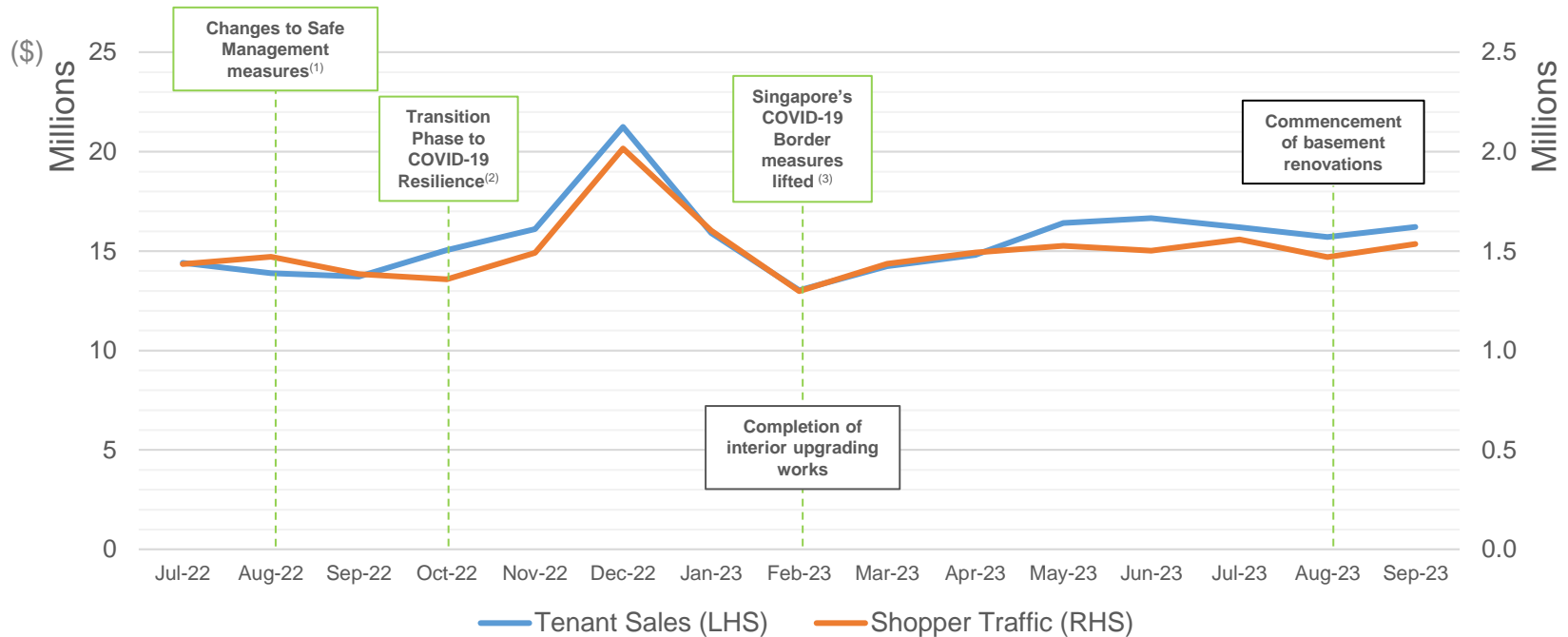
Australia Properties



Notes:

1. Based on committed leases as at reporting date.
2. Includes the master tenancy lease with Toshin Development Singapore Pte Ltd. The Manager is actively engaging Toshin in preparation of the master lease expiry in June 2025 and is in the midst of evaluating various options including master lease renewal or self-operating model, with a focus on balancing optimal returns with income stability.
3. Includes the anchor lease with David Jones Pty Limited which expires in 2032.
4. Includes the anchor lease with Myer Pty Ltd which expires in 2032.

Monthly Tenant Sales and Shopper Traffic (Jul 2022 – Sep 2023)



➔ In 1Q FY23/24, tenant sales and shopper traffic increased by 14.5% and 6.5% y-o-y respectively, despite the commencement of renovation works in the basement in August 2023

Notes:

- From 29 August 2022, all incoming travellers were not required to undergo any quarantine measures regardless of vaccination status. Singapore also made mask-wearing optional in most settings, with several exceptions, such as on public transport and in healthcare facilities.
- From 10 October 2022, group size limits on social gatherings and household visits were lifted, and safe distancing was no longer required. All employees were also allowed to return to the workplace.
- From 13 February 2023, Singapore lifted all COVID-19 related border measures.

New and Upcoming Tenants



Wisma Atria



The Starhill



Myer Centre Adelaide



David Jones Building





Market Outlook

Global

- Global economic outlook remains uncertain, with escalating geopolitical tensions, higher borrowing costs and energy prices dampening the recovery. Global growth is projected to slow down to 3.0% in 2023 from the 3.5% in 2022 and decelerate further to 2.9% in 2024⁽¹⁾

Singapore

- Based on advanced estimates, Singapore's Gross Domestic Product (GDP) rose 0.7% y-o-y in 3Q 2023, continuing the 0.5% growth in 2Q 2023⁽²⁾
- International visitor arrivals to Singapore improved to 10.14 million for the first three quarters of 2023, representing a 171% y-o-y growth⁽³⁾. Singapore Tourism Board expects tourism activity to recover to pre-pandemic levels by 2024, barring unforeseen circumstances
- Retail sales (excluding motor vehicles) rose 3.7% y-o-y in August 2023, with the Food and Alcohol Industry recording growth of 24.1% y-o-y⁽⁴⁾
- Retail rents continue to recover amid no new retail supply in Orchard Road in the next few years. Increase in office crowds and strong demand for spaces due to retailers' confidence in tourism recovery, led to the Orchard Road prime retail rent submarket outperforming in 3Q 2023 with an increase of 3.8% y-o-y⁽⁵⁾. In the near term, retailers may continue to face challenges such as manpower shortage, higher operating costs and another GST hike
- Core CBD (Grade A) office rents increased 0.4% q-o-q in 3Q 2023 at a similar pace with the last two quarters due to a positive net absorption. Grade B rents fell in 3Q 2023 for the first time after seven quarters by 0.6% q-o-q, driven by tenants' flight to quality⁽⁵⁾. While near term risks remain from slower global economic outlook and high interest rates, this will be mitigated by shrinking pool of high quality office spaces within the CBD and increasing back-to-office momentum

Notes:

1. International Monetary Fund.
2. Ministry of Trade and Industry.
3. Monthly Visitor Arrivals, Singapore Tourism Analytics Network.
4. Retail Sales Index Aug 2023, Singapore Department of Statistics.
5. CBRE Singapore Research, 3Q 2023.

Australia

- Australia's GDP rose 0.4% q-o-q in June 2023 quarter, and up 2.1% y-o-y, reflecting strong recovery in demand following COVID-19 lockdowns in September 2021⁽¹⁾
- Retail sales grew 1.5% y-o-y and 0.2% month-on-month in August 2023. Monthly sales performance continue to flatten amidst dampened consumer sentiment resulting from high interest rates⁽²⁾
- Super prime CBD rents in most markets, including South and Western Australia, generally experienced stability in 3Q 2023 q-o-q⁽²⁾. Net face rents in Western Australia remained stable in 3Q 2023 y-o-y while South Australia experienced growth of 7.4% y-o-y⁽²⁾

Malaysia

- According to advanced statistics, Malaysia's GDP grew 3.3% y-o-y in 3Q 2023 compared to the 2.9% y-o-y growth in 2Q 2023, with the Services and Construction sectors expanding by 5.1% and 5.8% y-o-y respectively⁽³⁾. The Finance Ministry projects GDP to grow 4% in 2023 and between 4% to 5% in 2024⁽⁴⁾
- Wholesale and retail trade sales increased 6.7% y-o-y in August 2023, with retail trade increasing 6.3% y-o-y⁽³⁾

Outlook

- Building on our portfolio of quality assets, we continue to focus on maintaining healthy portfolio occupancy and delivering sustainable return
- Proactive interest rate hedging partially mitigates the impact of rising rates on SGREIT's DPU

Notes:

1. Australian Bureau of Statistics.
2. CBRE Research Australia, 3Q 2023.
3. Department of Statistics, Malaysia.
4. Budget 2024: Economic Outlook, Ministry of Finance, Malaysia.

References used in this presentation, where applicable



1H, 2H means where applicable, the periods from 1 July to 31 December; and 1 January to 30 June

1Q, 2Q, 3Q, 4Q means where applicable, the periods from 1 July to 30 September; 1 October to 31 December; 1 January to 31 March and 1 April to 30 June

1Q FY23/24 means the period of 3 months from 1 July 2023 to 30 September 2023

1Q FY22/23 means the period of 3 months from 1 July 2022 to 30 September 2022

DPU means distribution per unit

FY means the financial year

FY23/24 means the period of 12 months ending 30 June 2024

GTO means gross turnover

IPO means initial public offering (Starhill Global REIT was listed on the SGX-ST on 20 September 2005)

NLA means net lettable area

NPI means net property income

pm means per month

psf means per square foot

q-o-q means quarter-on-quarter

WA and NAC mean the Wisma Atria Property (74.23% of the total share value of Wisma Atria) and the Ngee Ann City Property (27.23% of the total share value of Ngee Ann City) respectively

y-o-y means year-on-year

All values are expressed in Singapore currency unless otherwise stated

Note: Discrepancies in the tables and charts between the listed figures and totals thereof are due to rounding

Disclaimer



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