



# SUNTEC REIT FINANCIAL RESULTS

For the 2H and Financial Year  
ended 31 December 2023

24 January 2024





# Agenda

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# FY 23 Financial Overview

## Distributable Income to Unitholders

**S\$206.8 million**

-19.1% y-o-y

Distribution Income  
from Operations

**S\$183.8 million**

-21.0% y-o-y

Capital Distribution

**S\$23.0 million**

## Distribution Per Unit to Unitholders

**7.135 cents**

-19.7% y-o-y

DPU from  
Operations

**6.341 cents**

-21.6% y-o-y

DPU from Capital

**0.794 cents**

## Asset Under Management

**S\$12.2 billion**

## Divestment

Divested **S\$94.4 million** of  
strata units<sup>1</sup> at Suntec City Office  
Towers at **31%** above book value

## Capital Management

Refinanced **S\$500 million**  
due in FY 2024

~50% of Total Debt are Green /  
Sustainability-Linked Loans

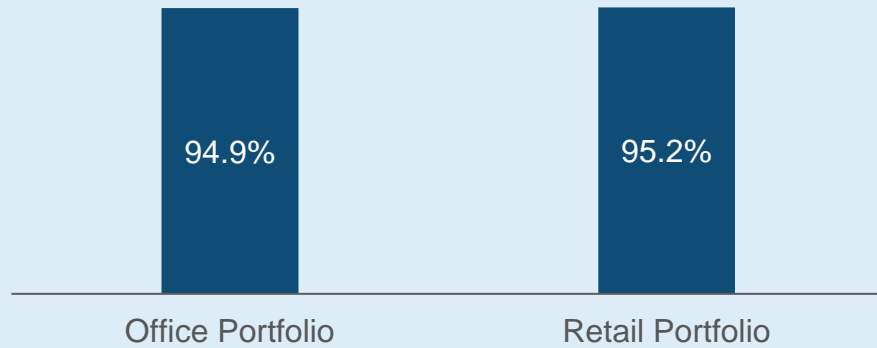
Notes:

1. Total 7 strata units of which 3 units will be completed in 1Q 2024

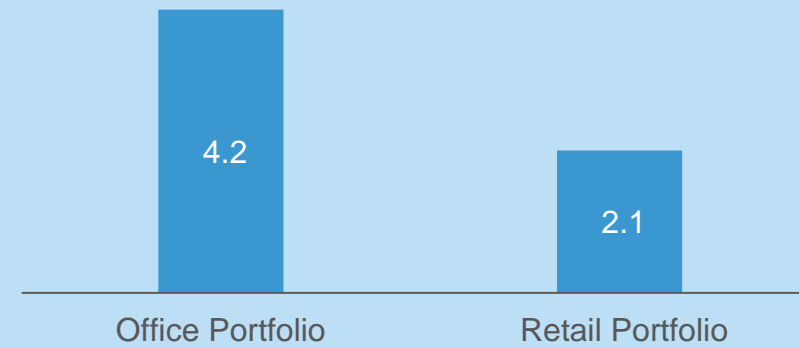


# FY 23 Operational Overview

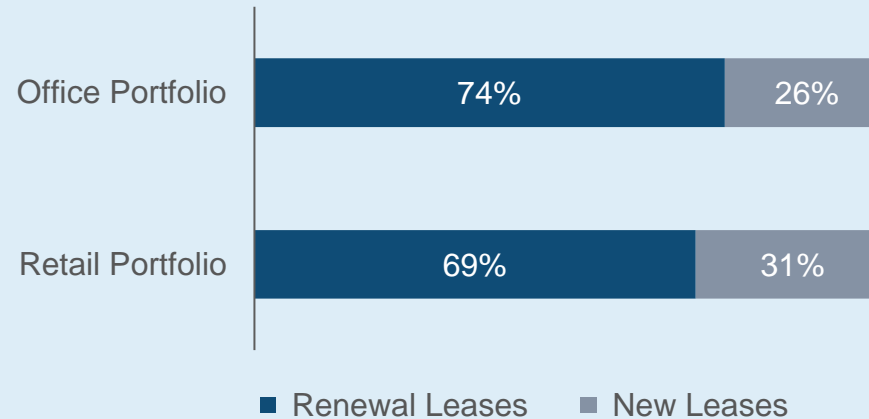
## Portfolio Committed Occupancy



## Portfolio WALE

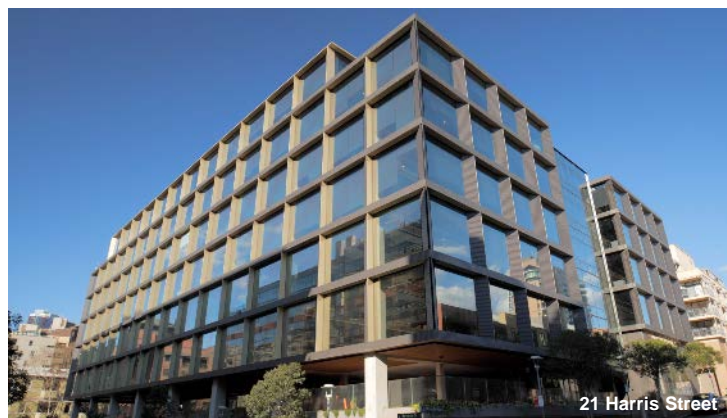
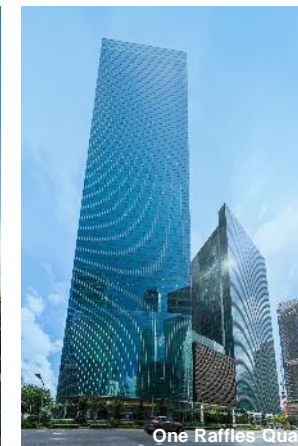


**Work Done**  
**1.17M** sq ft





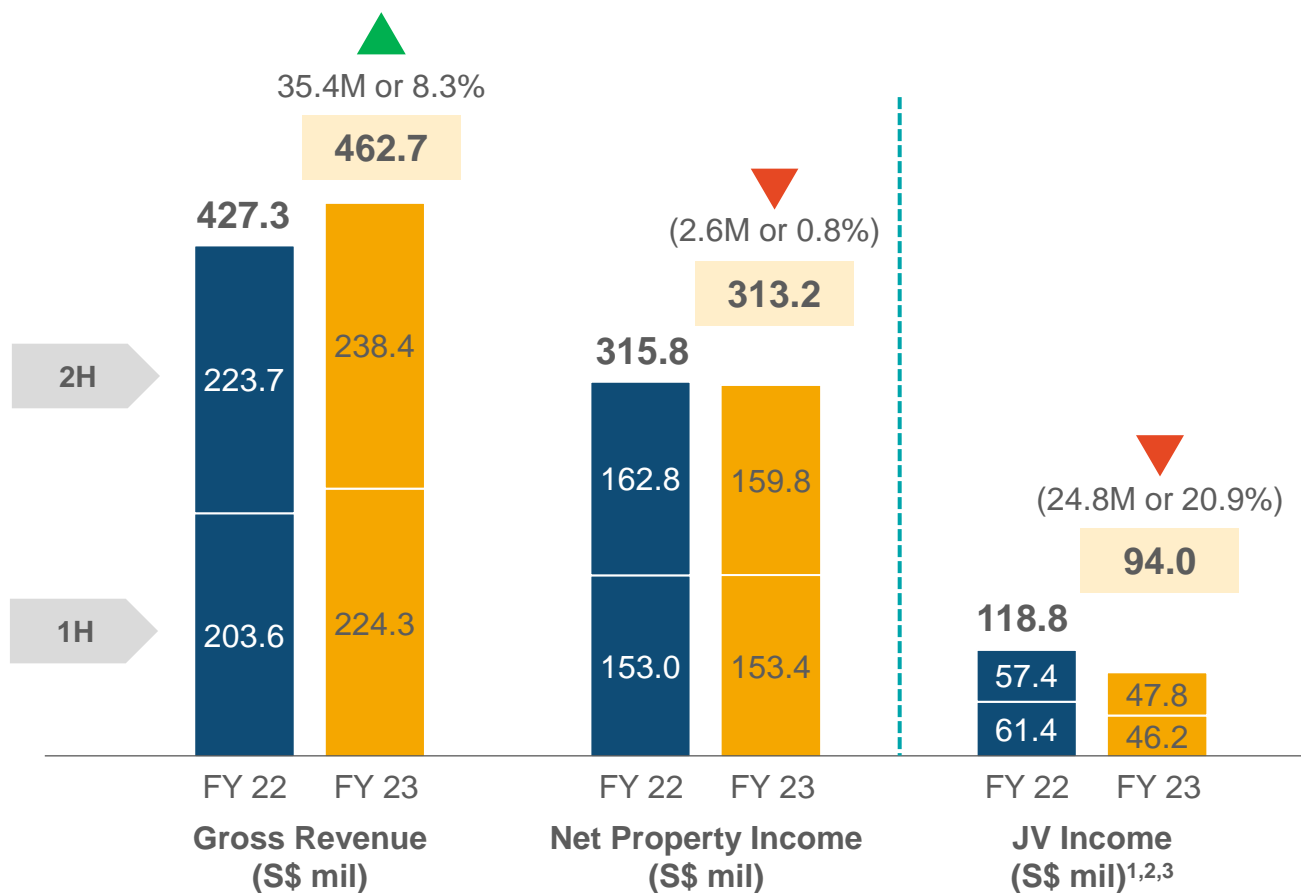
# Financial Highlights





# Portfolio Financial Performance Remained Resilient

Gross Revenue Improved 8.3% in FY 23



## Mainly due to:

### Gross Revenue & Net Property Income:

- ▲ Higher contribution from Suntec City Office, Suntec City Mall and Suntec Convention
- ▲ Higher contribution from The Minster Building (London)
- ▼ Higher maintenance fund contribution and commencement of sinking fund contribution in 2023
- ▼ Lower contribution from the Australia portfolio

### JV Income:

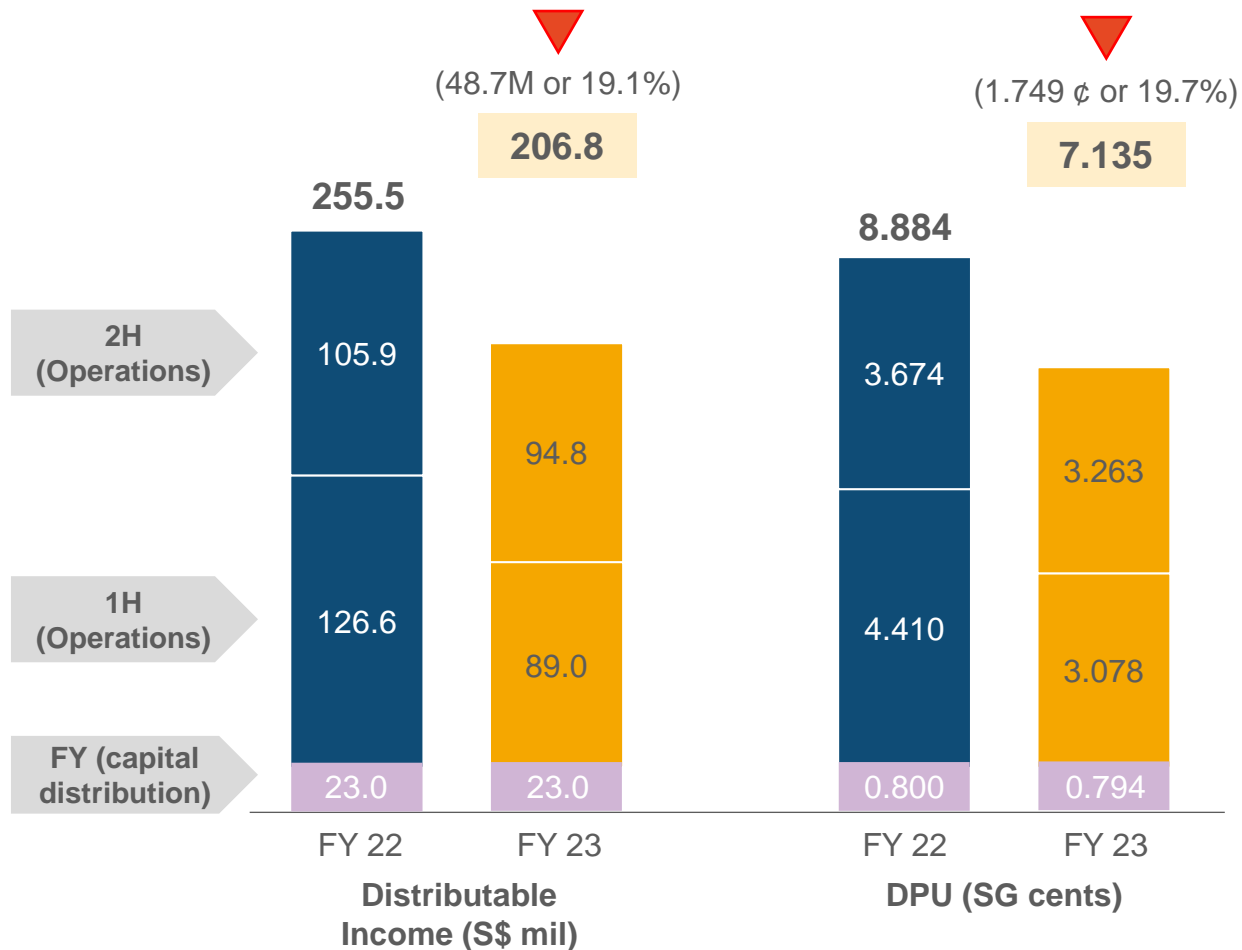
- ▼ Higher interest expense<sup>4</sup> at MBFC Properties and One Raffles Quay
- ▼ Lower contribution from Southgate Complex (Melbourne)
- ▲ Stronger operating performance at MBFC Properties and One Raffles Quay
- ▼ Weaker AUD against SGD

#### Notes:

- Ownership interest of 33.3% for One Raffles Quay and MBFC Properties, 50.0% for Southgate Complex and Nova Properties.
- Excludes share of profits relating to (loss)/gain on fair value adjustments of (S\$40.8) mil for the half year ended 31 December 2023 ("2H 23") and S\$5.5 mil for the half year ended 31 December 2022 ("2H 22")
- Excludes share of profits relating to (loss)/gain on fair value adjustments of (S\$40.8) mil for the financial year ended 31 December 2023 ("FY 23") and \$64.9 mil for the financial year ended 31 December 2022 ("FY 22")
- Existing shareholder loan to MBFC Properties was replaced with a bank loan taken at the property level.



# Improvement in Operations Eroded By Higher Financing Costs



## Mainly due to:

- ▼ Higher financing cost (2H 23: \$20.1m; FY 23: \$55.7m)
- ▼ Weaker AUD against SGD (2H 23: \$2.3m; FY 23: \$6.0m)
- ▼ Higher maintenance fund contribution in 2023 (2H 23: \$4.6m; FY 23: \$9.2m)
- ▲ Higher NPI on better operating performance
- ▲ Dividend contribution from Suntec Convention



# Distribution Payment

Distribution Payment	
Distribution Period	1 Oct 2023 – 31 Dec 2023
Amount (cents/unit)	1.866 <sup>1,2</sup>

Ex-date	31 Jan 2024
Record date	1 Feb 2024
Payment date	28 Feb 2024

Notes:

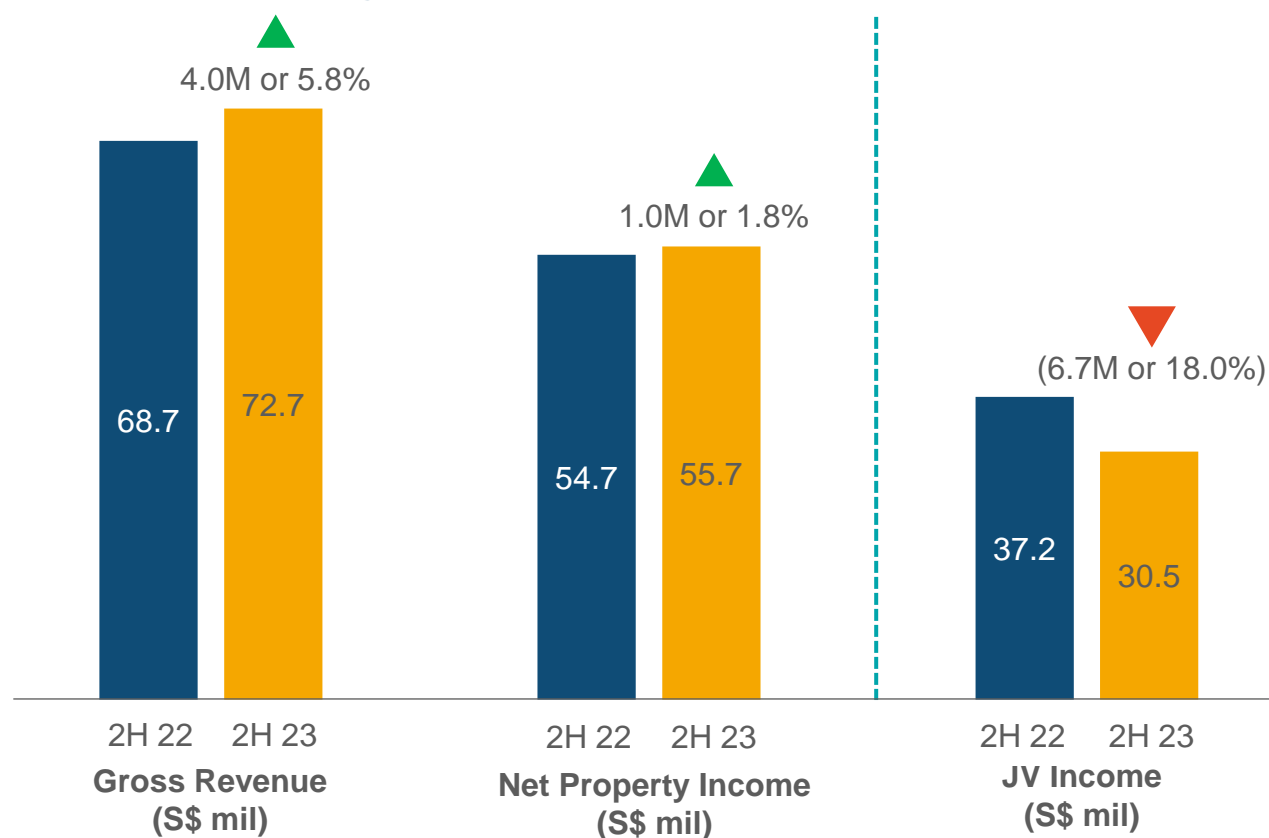
1. Total of 7.135 cents for FY 2023.

2. The Manager has elected to continue to receive 50% of its asset management fees in units and balance in cash in FY 2023.

# Singapore Office Portfolio Revenue and NPI Strengthened

JV Income Impacted by Higher Interest Expense

Singapore Office Portfolio Performance



## Mainly due to:

### Gross Revenue & Net Property Income:

- ▲ Higher occupancy and rent at Suntec City Office
- ▼ Higher maintenance fund contribution and commencement of sinking fund contribution in 2023

### JV Income:

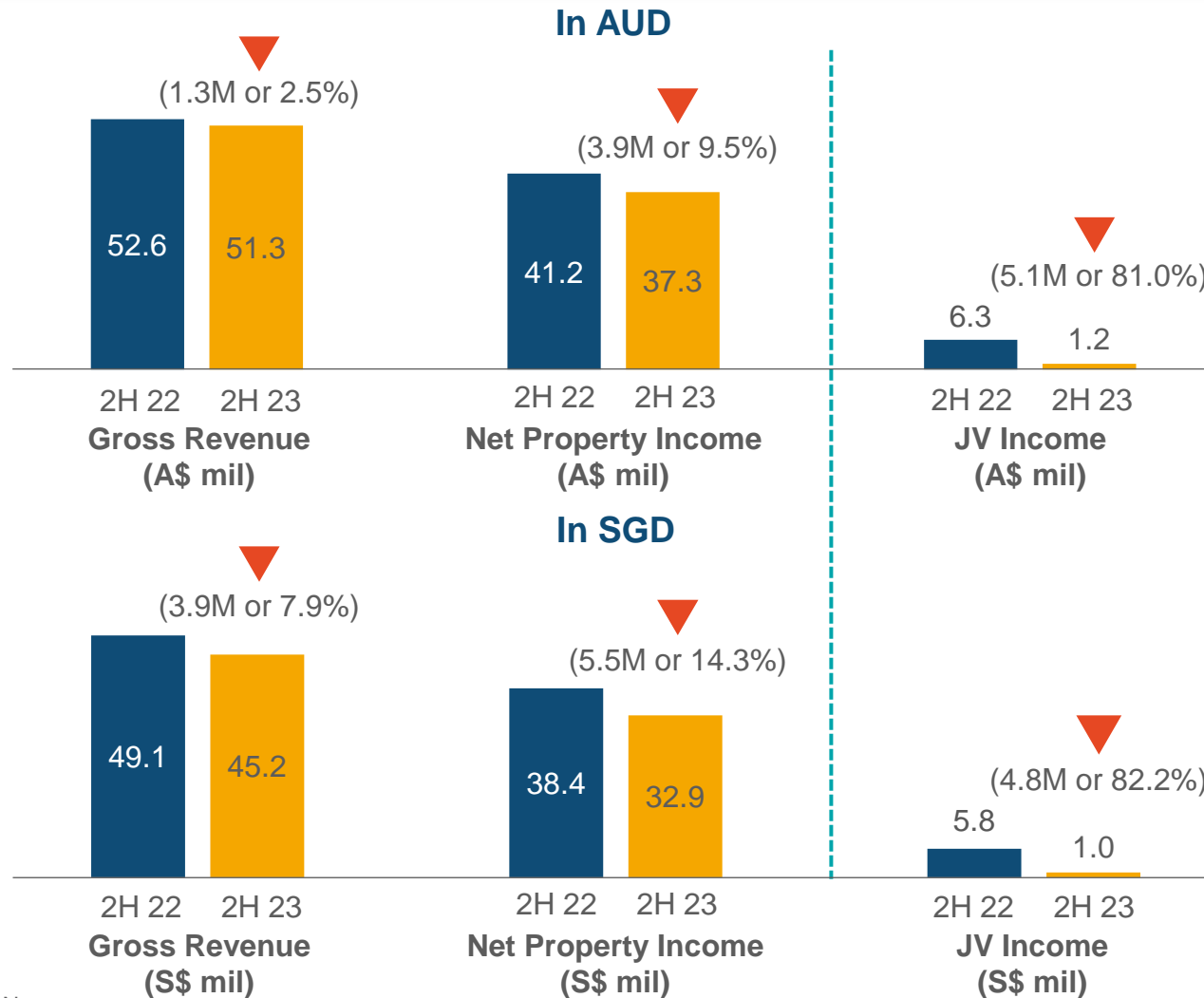
- ▼ Higher interest expense at One Raffles Quay and MBFC Properties<sup>1</sup>
- ▲ Higher occupancy and rent at MBFC Properties
- ▲ Higher occupancy at One Raffles Quay

Note:

1. Existing shareholder loan to MBFC Properties was replaced with a bank loan taken at the property level.



# Australia Portfolio Impacted by Vacancies, Incentives and Interest Expense



## Mainly due to:

### Gross Revenue & Net Property Income:

- ▼ Incentives for new leases and renewals at 177 Pacific Highway (Sydney)
- ▼ Lower occupancy at 55 Currie Street (Adelaide)
- ▲ Higher occupancy at 21 Harris Street (Sydney)

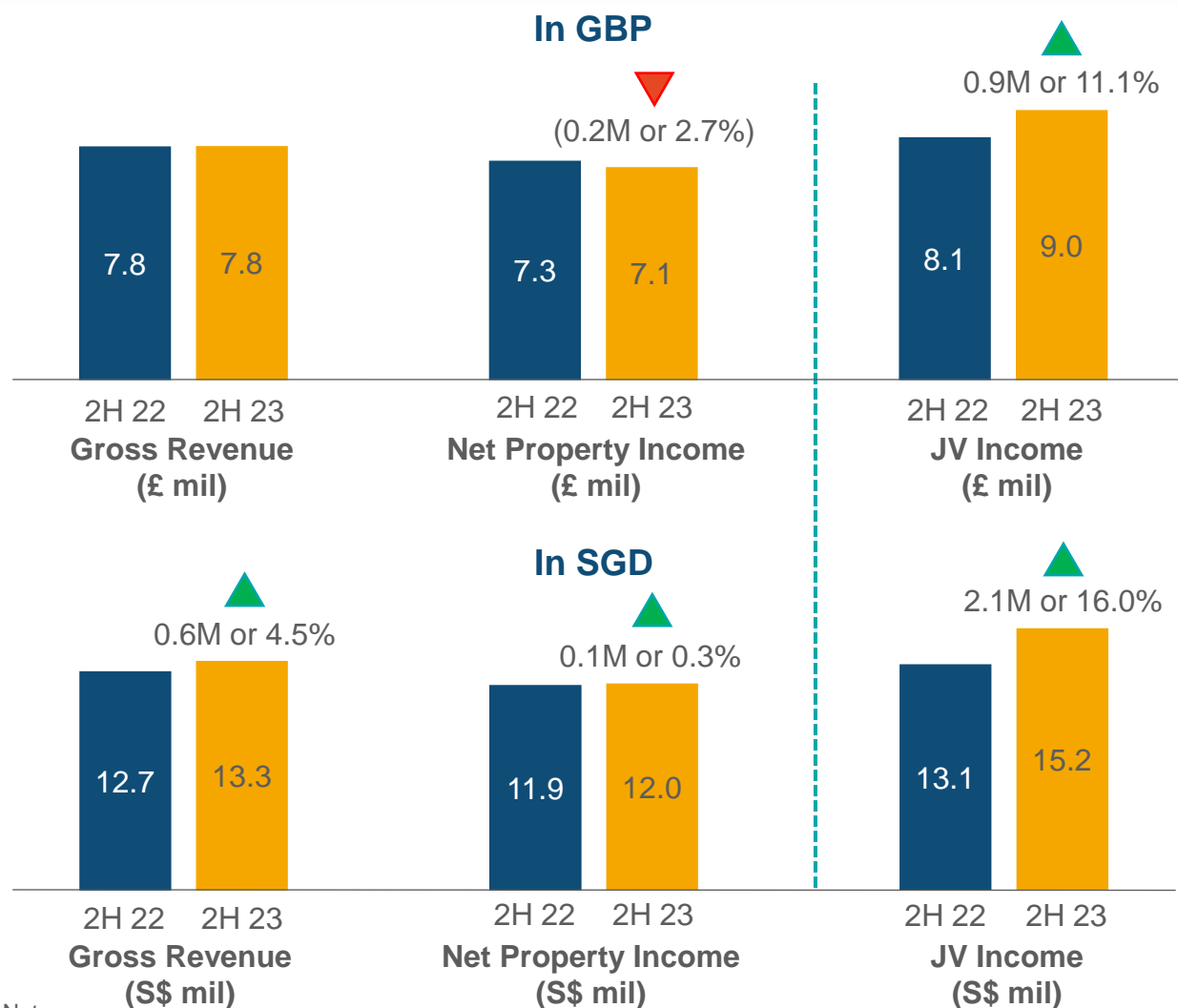
### JV Income:

- ▼ Lower occupancy at Southgate Complex
- ▼ One-off reversal of incentive overprovision in 2H 22
- ▼ Higher interest expense
- ▼ Weaker AUD against SGD<sup>1</sup>

Note:

1. Based on exchange rates of S\$0.8829 = A\$1.00 for 2H 23 and S\$0.9319 = A\$1.00 for 2H 22

# UK Portfolio Remained Stable YoY



## Mainly due to:

### Gross Revenue & Net Property Income:

- ▼ Higher operating expenses at The Minster Building due to vacancies

### JV Income:

- ▲ Lower costs and reversal of impairment of receivables at Nova Properties (London)
- ▲ Stronger GBP against SGD<sup>1</sup>

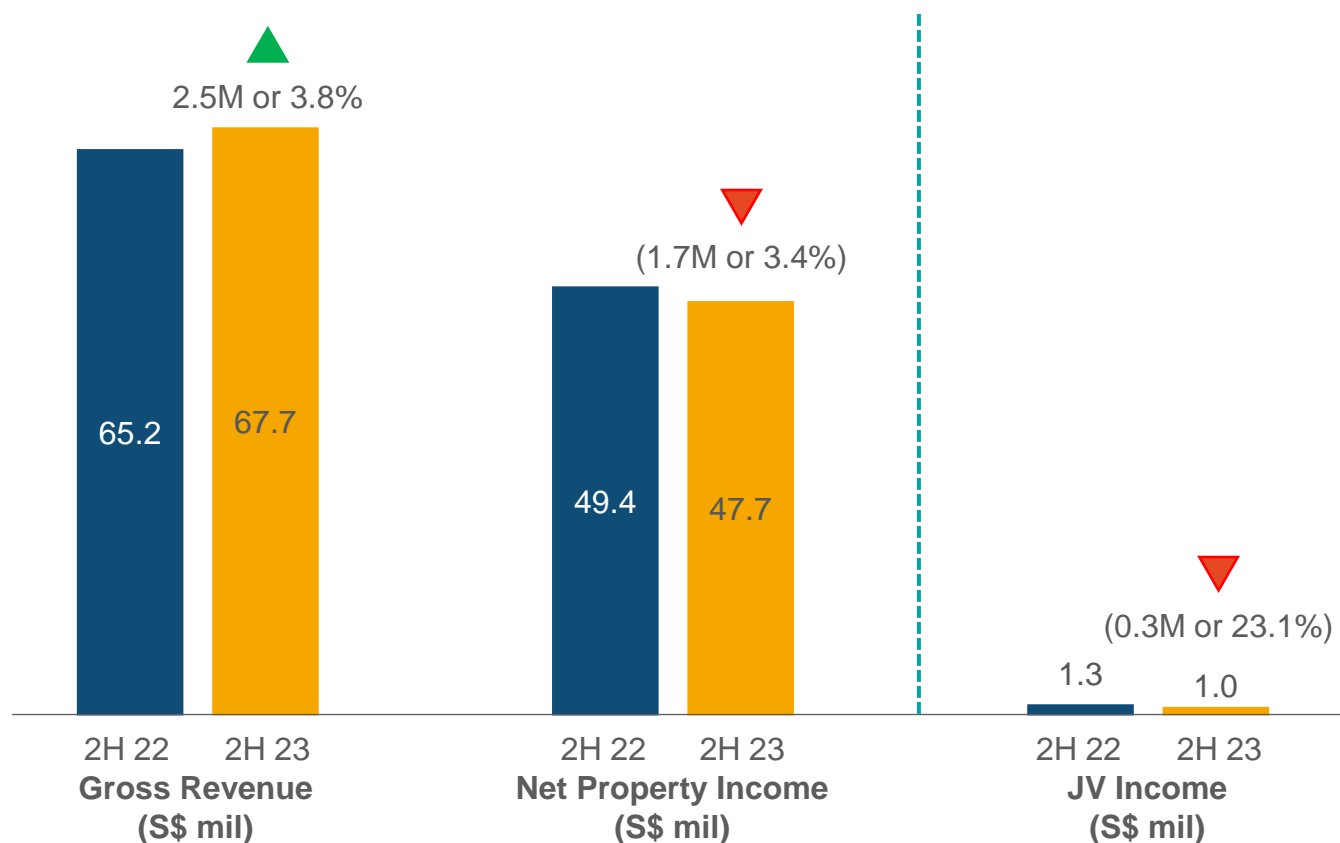
Note:

1. Based on exchange rates of S\$1.6888 = £1.00 for 2H 23 and S\$1.6274 = £1.00 for 2H 22



# Singapore Retail Portfolio Revenue Improved

NPI Impacted by Higher Expenses



Mainly due to:

**Gross Revenue & Net Property Income:**

- ▲ Higher occupancy and rent at Suntec City Mall
- ▲ One-off property tax refund at Suntec City Mall
- ▼ Higher maintenance fund contribution and commencement of sinking fund contribution in 2023
- ▼ Higher reinstatement expenses due to exit of Pure Yoga

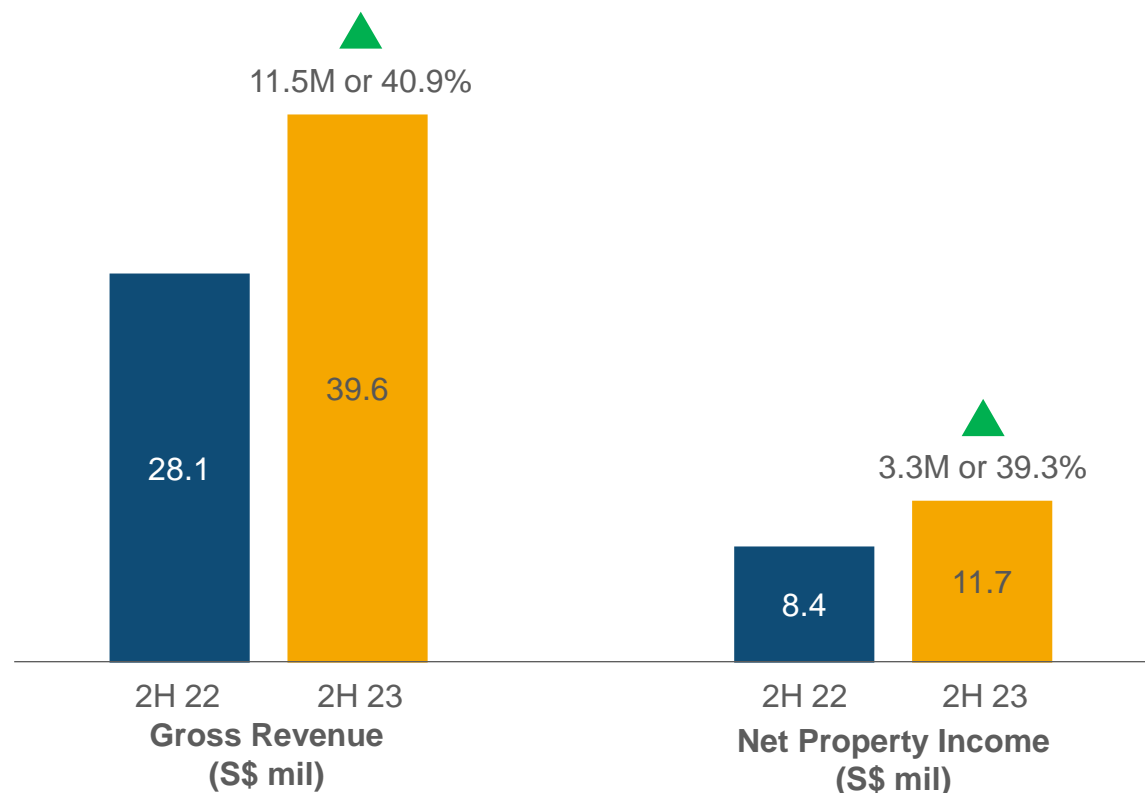
**JV Income:**

- ▼ Interest expense on bank loan taken at MBFC Properties<sup>1</sup>
- ▲ Higher occupancy and rent at Marina Bay Link Mall

Note:

1. Existing shareholder loan to MBFC Properties was replaced with a bank loan taken at the property level.

# Robust Recovery for Suntec Convention



## Mainly due to:

- ▲ Higher revenue from MICE, long term licences and advertising
- ▼ Higher variable costs in line with higher MICE revenue
- ▼ Higher fixed costs mainly due to ramping up of staff recruitment, increase in facilities expenses and higher property tax
- ▼ Higher maintenance fund contribution and commencement of sinking fund contribution in 2023



# Portfolio Valuation Remained Stable

Singapore Assets Strengthened while Overseas Assets' Cap Rates Expanded

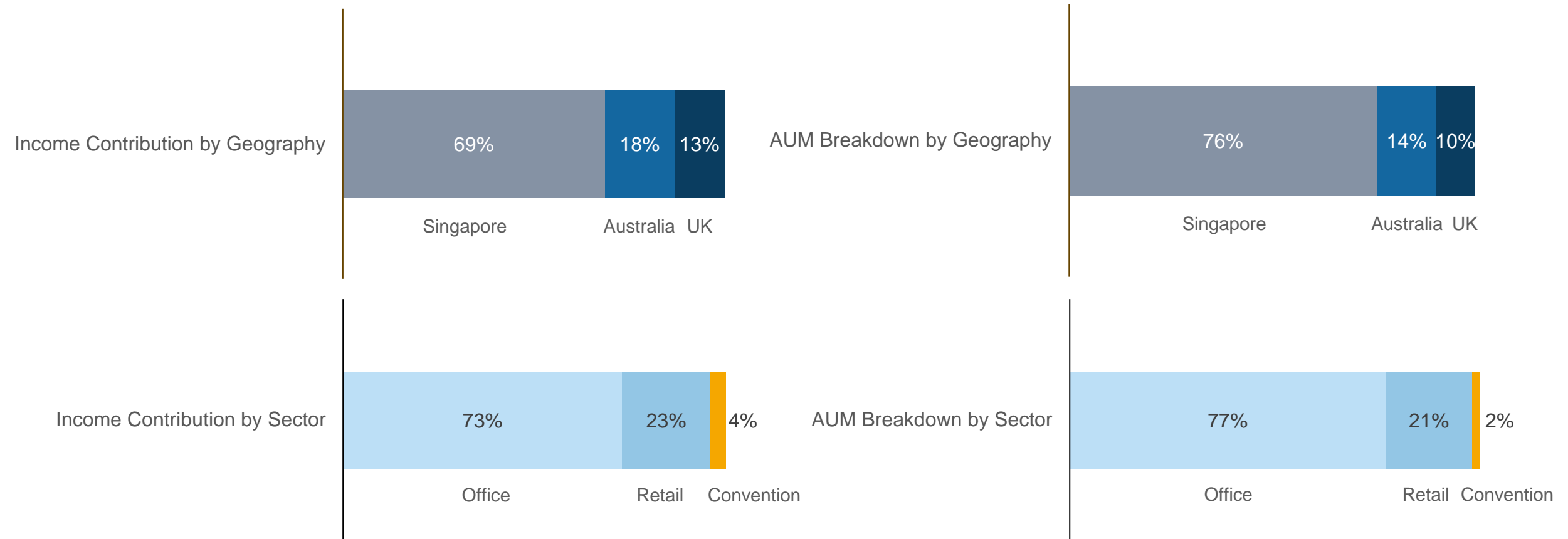
Investment Properties	31 Dec 22	31 Dec 23	<u>Against 31 Dec 22</u>		Range of Cap Rates as at 31 Dec 22	Range of Cap Rates as at 31 Dec 23
			Variance (\$)	Variance (%)		
<b>Singapore <sup>1</sup></b>	<b>S\$8,769.7M</b>	<b>S\$9,041.1M</b>	<b>S\$271.4M</b>	<b>3.1%</b>		
Office	S\$6,150.0M	S\$6,325.7M	S\$175.7M	2.9%	3.40% - 3.50%	3.40% - 3.50%
Retail <sup>2</sup>	S\$2,401.3M	S\$2,490.0M	S\$88.7M	3.7%	4.25% - 4.50%	4.25% - 4.50%
Convention	S\$218.4M	S\$225.4M	S\$7.0M	3.2%	5.75%	5.50%
<b>Australia</b>	<b>A\$2,006.5M</b>	<b>A\$1,915.7M</b>	<b>-A\$90.8M</b>	<b>-4.5%</b>	4.50% - 6.75%	5.13% - 7.25%
<b>UK</b>	<b>£748.3M</b>	<b>£671.9M</b>	<b>-£76.4M</b>	<b>-10.2%</b>	4.43% - 4.66%	4.96% - 5.25%
<b>Total</b>	<b>S\$11,808.4M <sup>3,4</sup></b>	<b>S\$11,893.5M <sup>3,4</sup></b>	<b>S\$85.1M</b>	<b>0.7%</b>		

Notes:

1. Singapore Portfolio increased by S\$304.1M or 3.5% year-on-year on a same store basis.
2. Includes Suntec REIT's share of retail space under Suntec Singapore and MBFC Properties (i.e. Marina Bay Link Mall).
3. Exchange rate for AUD to SGD was 0.9065 in December 2022 and 0.8991 in December 2023.
4. Exchange rate for GBP to SGD was 1.6301 in December 2022 and 1.6817 in December 2023.

# Diversified Portfolio Across Geography and Sector

## Singapore Market and Office Assets Are Mainstays





# Capital Management





# Key Financial Indicators

	As at 31 Dec 22	As at 31 Dec 23
<b>NAV Per Unit</b>	<b>S\$2.12</b>	<b>S\$2.10</b>
<b>Total Debt Outstanding</b>	<b>S\$4,865 mil</b>	<b>S\$4,277 mil</b>
<b>Aggregate Leverage Ratio<sup>1</sup></b>	<b>42.4%</b>	<b>42.3%</b>
<b>Weighted Average Debt Maturity</b>	<b>2.85 years</b>	<b>3.00 years</b>
<b>All-in Financing Cost<sup>2</sup></b>	<b>2.94% p.a.</b>	<b>3.84% p.a.<sup>3</sup></b>
<b>Adjusted ICR<sup>4</sup></b>	<b>2.4X</b>	<b>2.0X</b>
<b>Weighted Average Interest Maturity</b>	<b>2.38 years</b>	<b>2.22 years</b>
<b>Interest Rate Borrowings (fixed)</b>	<b>~66%<sup>5</sup></b>	<b>~61%<sup>5</sup></b>
<b>+/- 10 bp Change in All-in Financing Cost</b>	<b>+/- 0.185 cts to DPU<sup>6</sup></b>	<b>+/- 0.183 cts to DPU<sup>7</sup></b>
<b>% of Foreign Currency Income Hedged<sup>8</sup></b>	<b>~60%</b>	<b>~47%</b>
<b>+/- 5% Change in Foreign Currency</b>	<b>+/- 0.06 cts to DPU<sup>6</sup></b>	<b>+/- 0.06 cts to DPU<sup>7</sup></b>

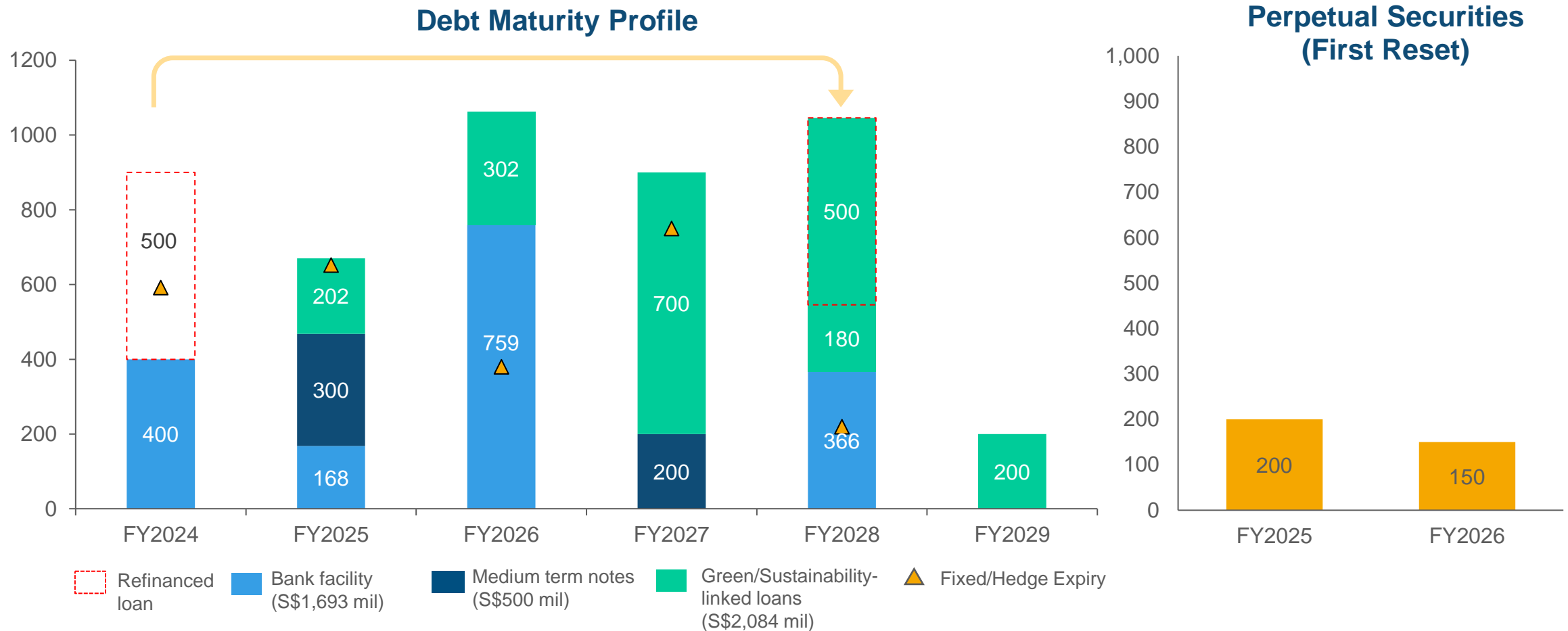
## Notes:

1. "Aggregate Leverage Ratio" refers to the ratio of total borrowings (inclusive of proportionate share of borrowings of joint ventures) and deferred payments (if any) to the value of the Deposited Property.
2. Excludes joint venture loans.
3. The all-in financing cost for 4Q 2023 was 4.04%. All-in financing cost for 4Q 2022 was higher mainly due to higher interest rates.
4. Adjusted interest cover ratio ("Adjusted-ICR") refers to the ratio that is calculated by dividing the trailing 12 months earnings before interest, tax, sinking fund contribution, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), by the trailing 12 months interest expense, borrowing-related fees and distributions on hybrid securities (if any).
5. Including joint venture loans, the total interest rate borrowings (fixed) is 58.6% (31 Dec 2022: 62.5%).
6. Based on total issued and issuable Suntec REIT units as at 31 Dec 2022.
7. Based on total issued and issuable Suntec REIT units as at 31 Dec 2023.
8. Refers to AUD and GBP income hedged.



# Refinanced S\$500 mil loan with Sustainability-Linked Loan

~50% of Total Debt are Green / Sustainability-Linked Loans



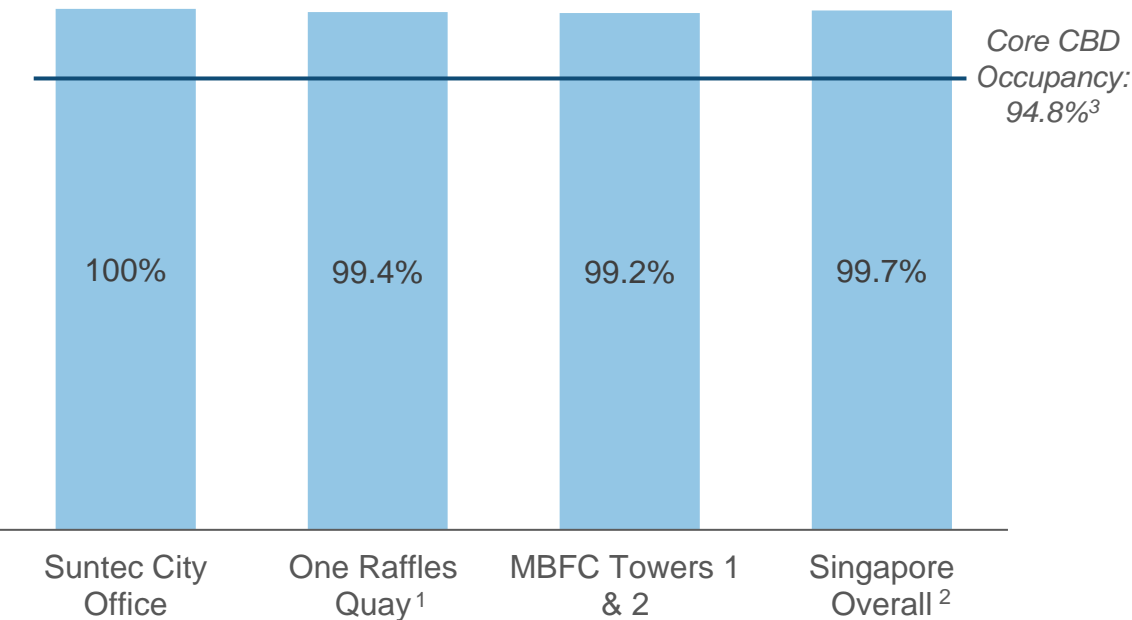
# Singapore Office Portfolio Performance



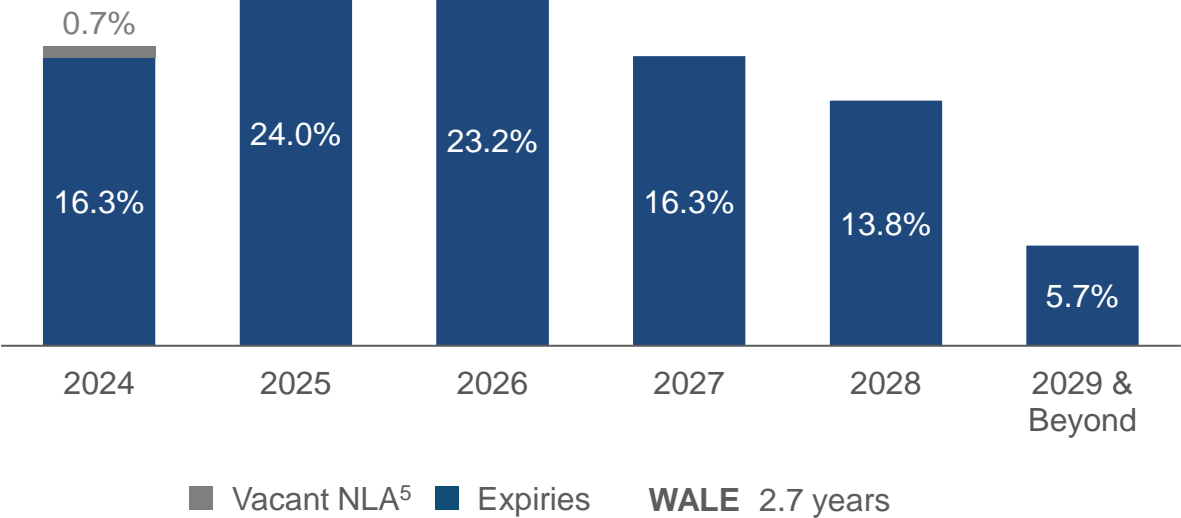


# Singapore Office Portfolio Near Full Occupancy

## Committed Occupancy As at 31 Dec 23



## Lease Expiry Profile % of Total NLA<sup>4</sup> Comparison



Notes:

- 1. Combined occupancy for One Raffles Quay office and ancillary retail was 99.4%.
- 2. Committed occupancy for Singapore Overall (including ancillary retail) was 99.7%.
- 3. Source: CBRE as at 4Q 2023.
- 4. Based on Suntec REIT's interests in Suntec City Office, One Raffles Quay and Marina Bay Financial Centre Office Towers 1 and 2.
- 5. Includes leases which expired on 31 December 2023.

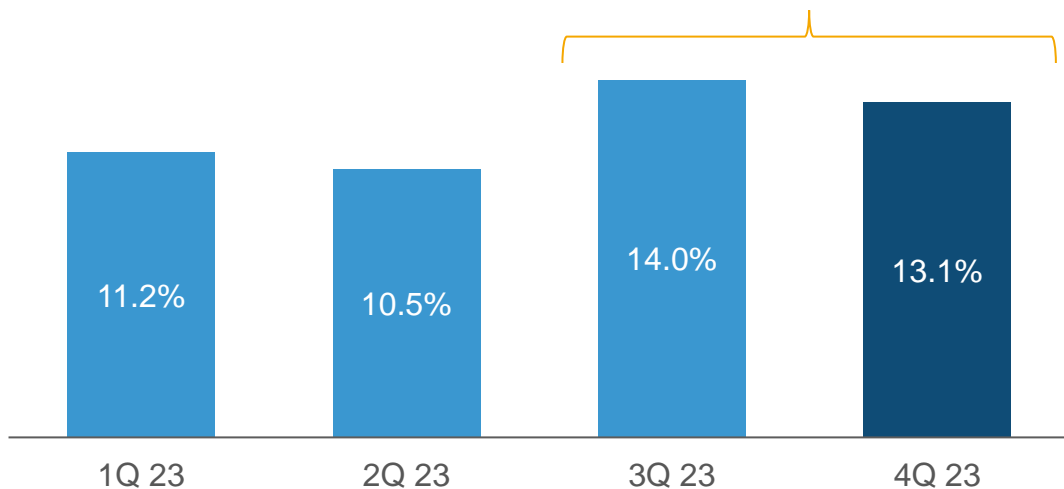


# Strong Rent Reversion

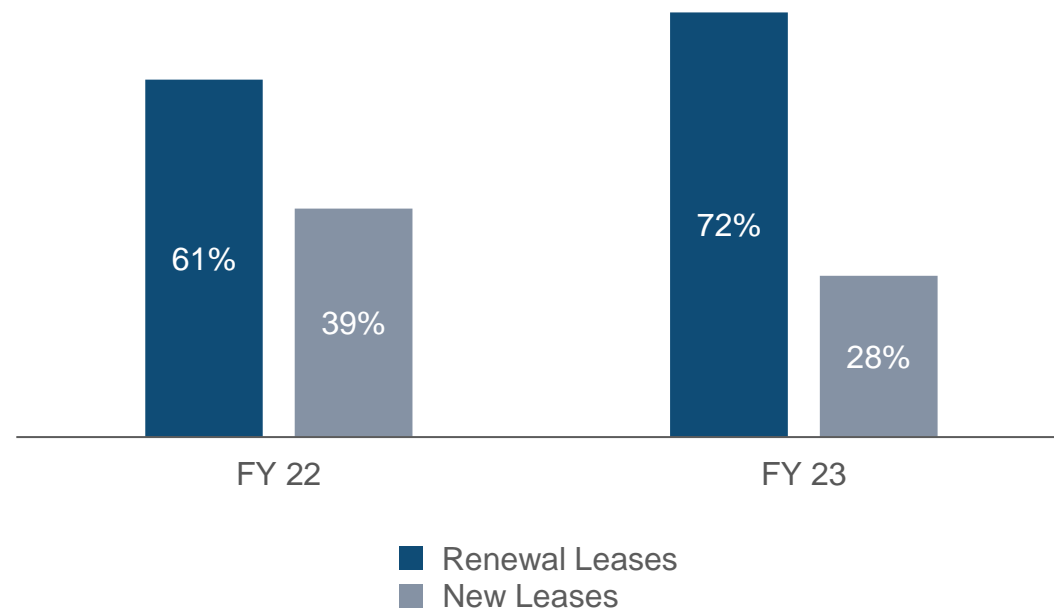
Positive Rent Reversion Across 22 Quarters

**Rent Reversion**  
**+12.3%** for FY 23

**+13.7%** for 2H 23



**Work Done<sup>1</sup>**  
**729,200** sq ft in FY 23



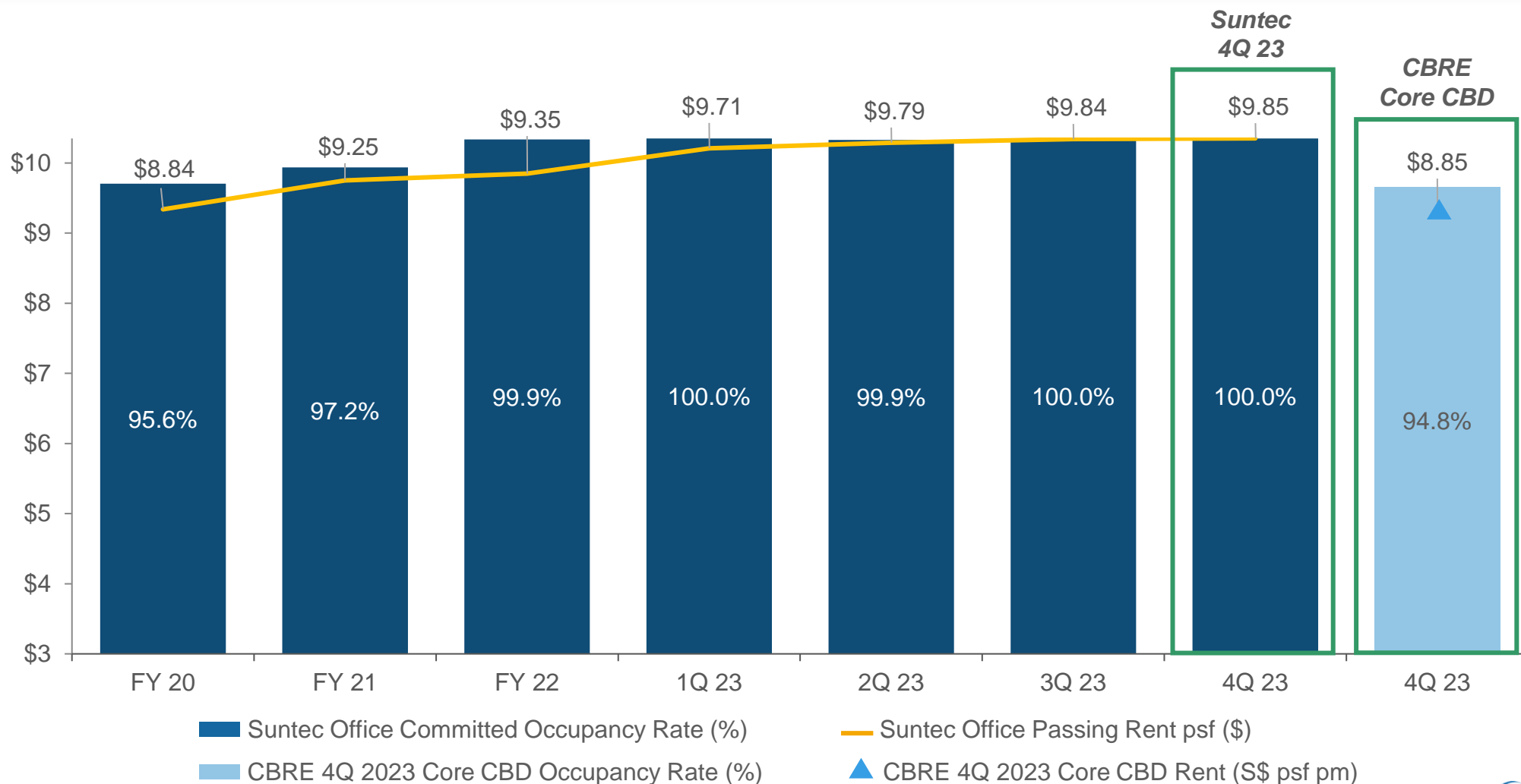
Note:

1. Reflects net lettable area of new leases and renewals committed.

# Suntec City Office Performance



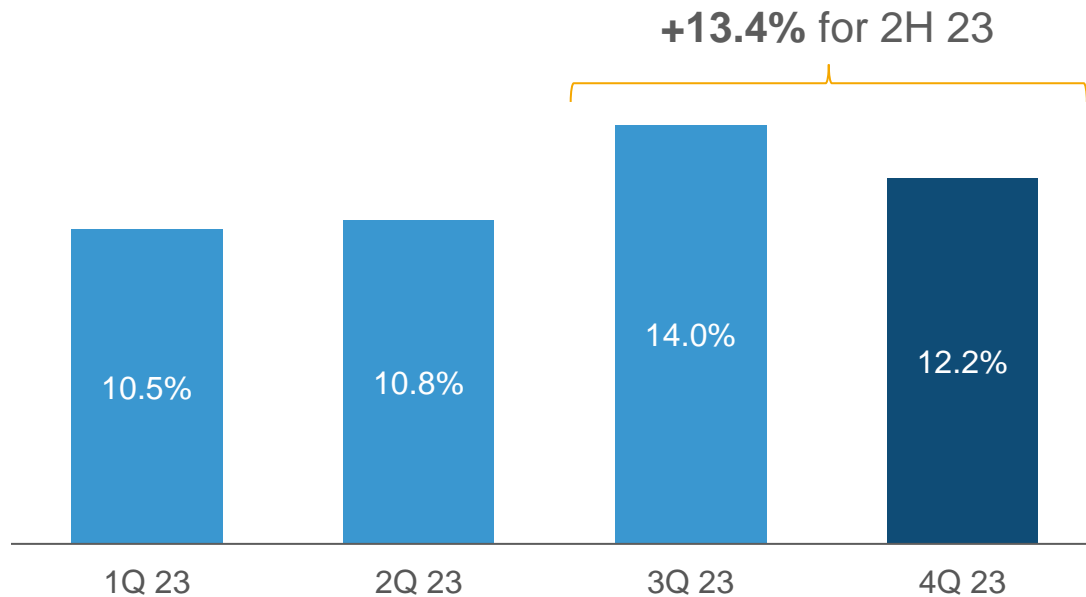
# Occupancy and Rent Continue to Outperform Market



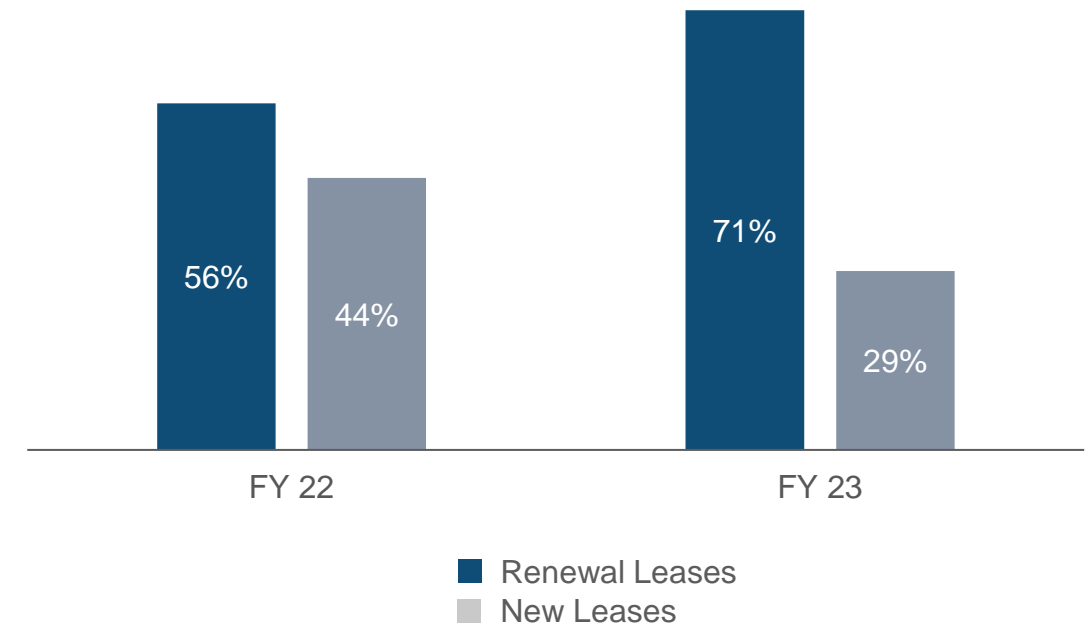


# Strong Rent Reversion With High Tenant Retention

**Rent Reversion**  
**+12.4%** for FY 23



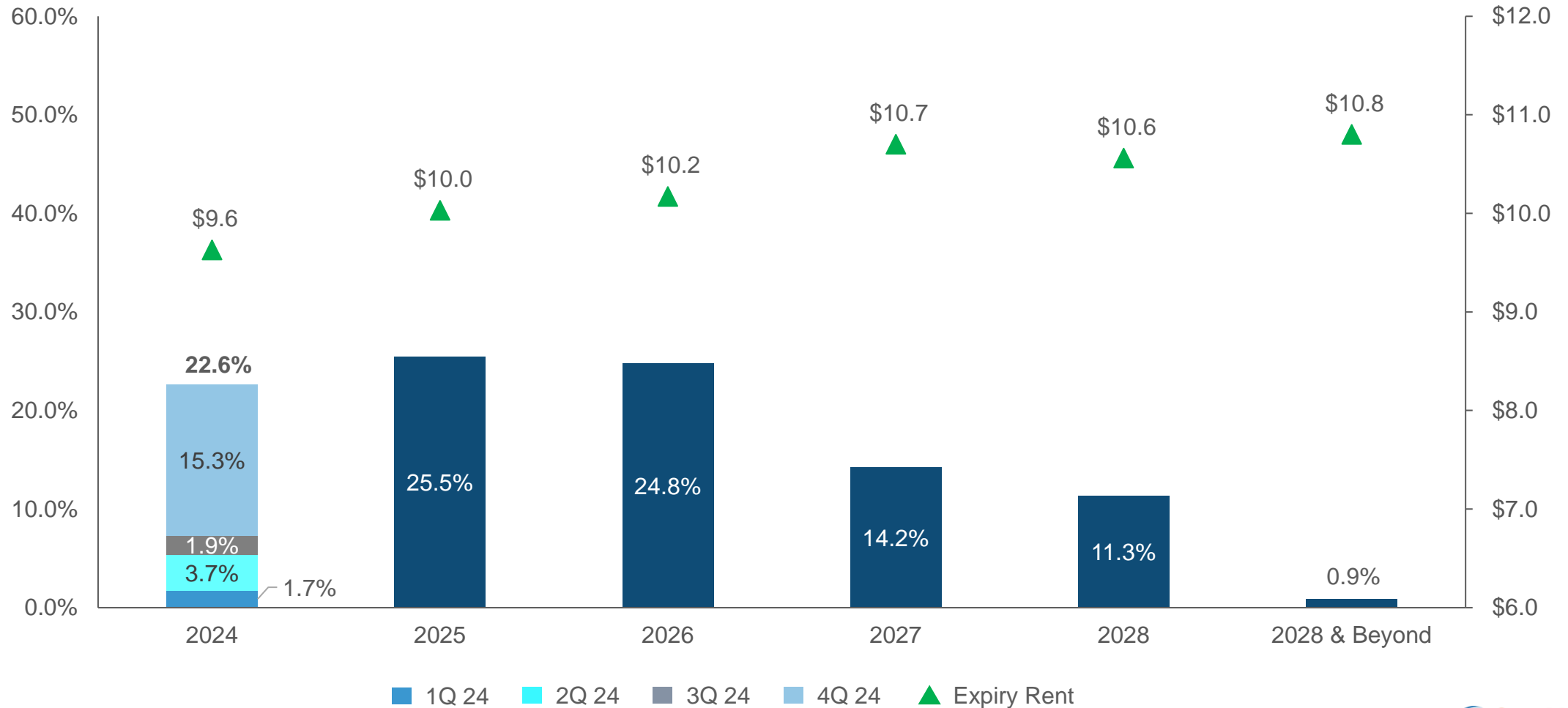
**Work Done<sup>1</sup>**  
**504,700** sq ft in FY 23



Note:

1. Reflects net lettable area of new leases and renewals committed.

# Well Spread Expiry Profile



# Performance of One Raffles Quay and Marina Business Financial Centre Towers 1 & 2

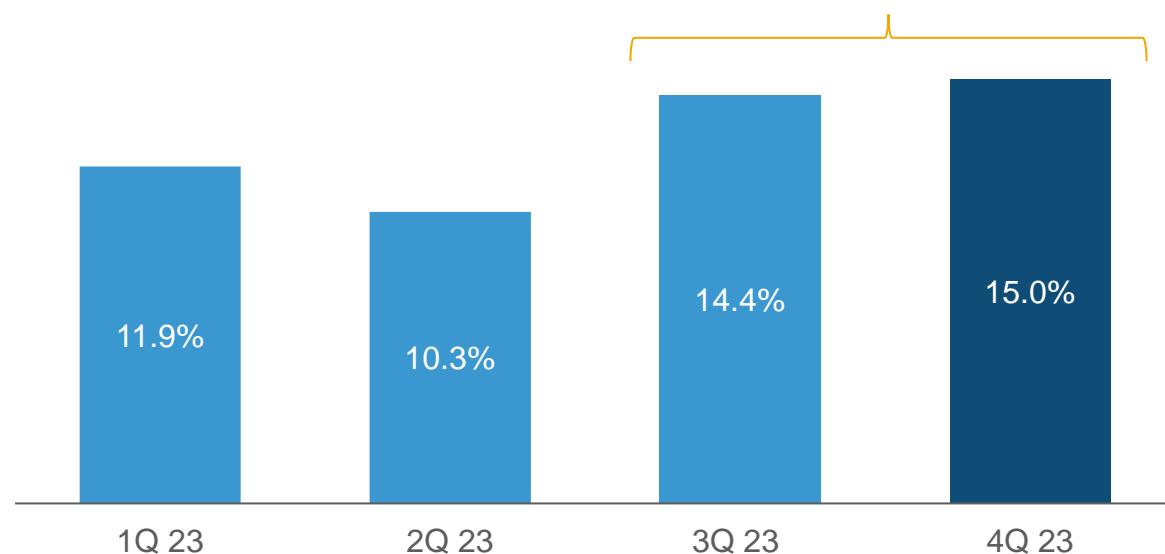




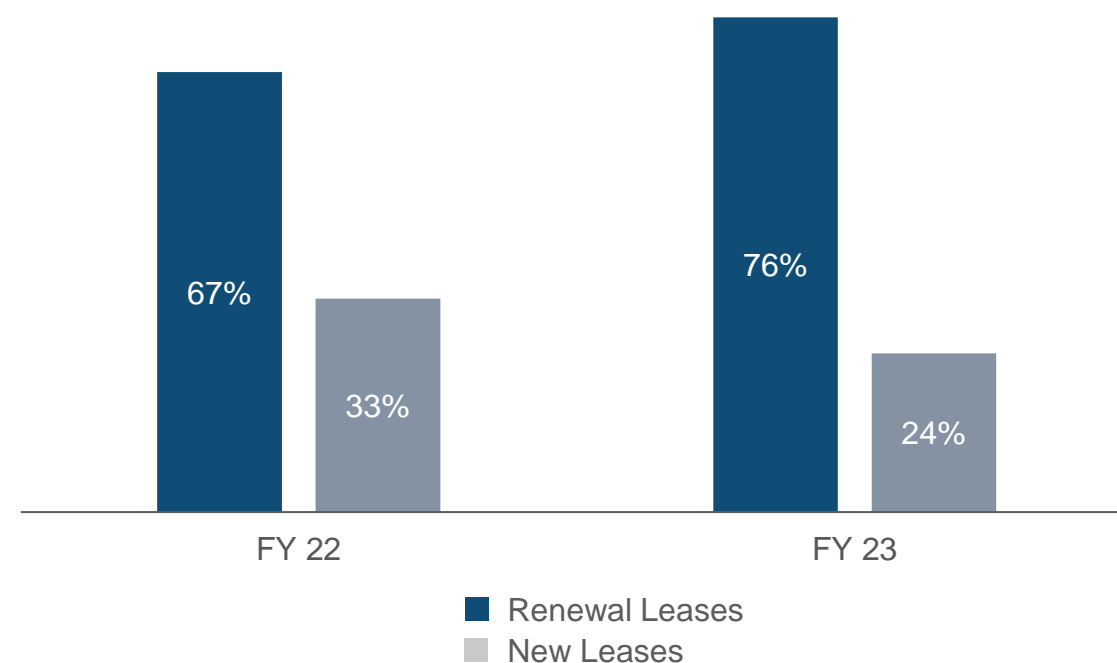
# Strong Rent Reversion with High Tenant Retention

**Rent Reversion**  
**+12.2%** for FY 23

**+14.7%** for 2H 23



**Work Done<sup>1</sup>**  
**224,500** sq ft in FY 23



Note:

1. Based on Suntec REIT's interests in One Raffles Quay and Marina Bay Financial Centre Office Towers 1 and 2. Reflects net lettable area of new leases and renewals committed.

# Asset Enhancement Initiatives

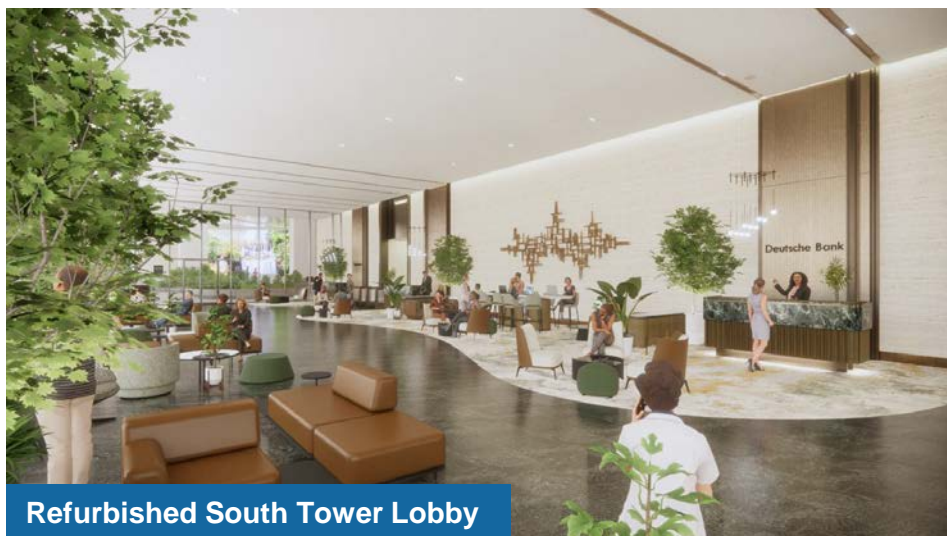
At Main Office Lobbies & Garden Plaza with Target Completion in 4Q 2024



Arrival Experience at Garden Plaza



New Outdoor F&B Unit at Garden Plaza



Refurbished South Tower Lobby



New F&B Unit at North Tower

*Note: Perspectives shown are for illustration purpose only*





MBFC Properties, Singapore

# Singapore Office Outlook and Focus

Geo-political tensions and economic headwinds weigh on projected GDP growth of 1% to 3%

Lackluster office market with limited demand drivers

Moderate rent growth amidst cautionary demand and onstream CBD supply

Tenant retention remains key priority

Rent reversions remain positive but will moderate

Revenue continues to strengthen, underpinned by strong occupancies and past quarters of robust rent reversions



# Australia Portfolio Performance



# Portfolio Committed Occupancy Outperforms Market

## Committed Occupancy

As at 31 Dec 23



Note:

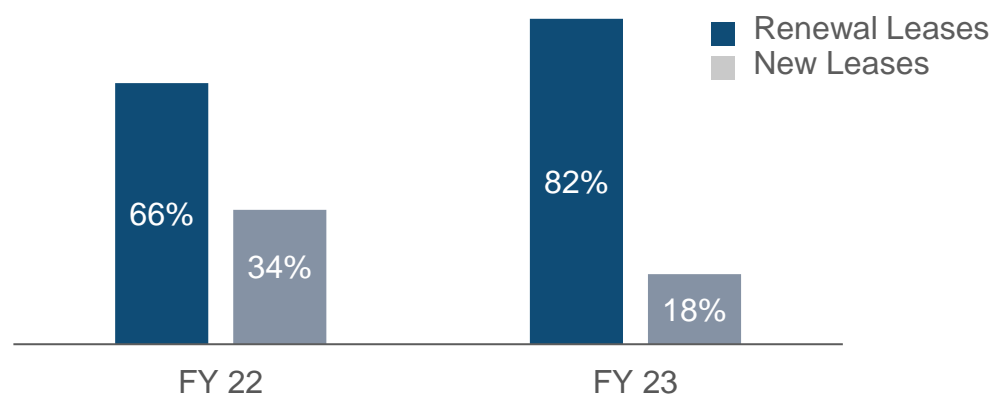
1. Source: JLL as at 4Q 2023.

# Active Leasing to Bring in New Tenants

Healthy Rent Reversion and Majority of Leases Expiring 2028 and Beyond

## Work Done<sup>1</sup>

**160,600** sq ft in FY 23

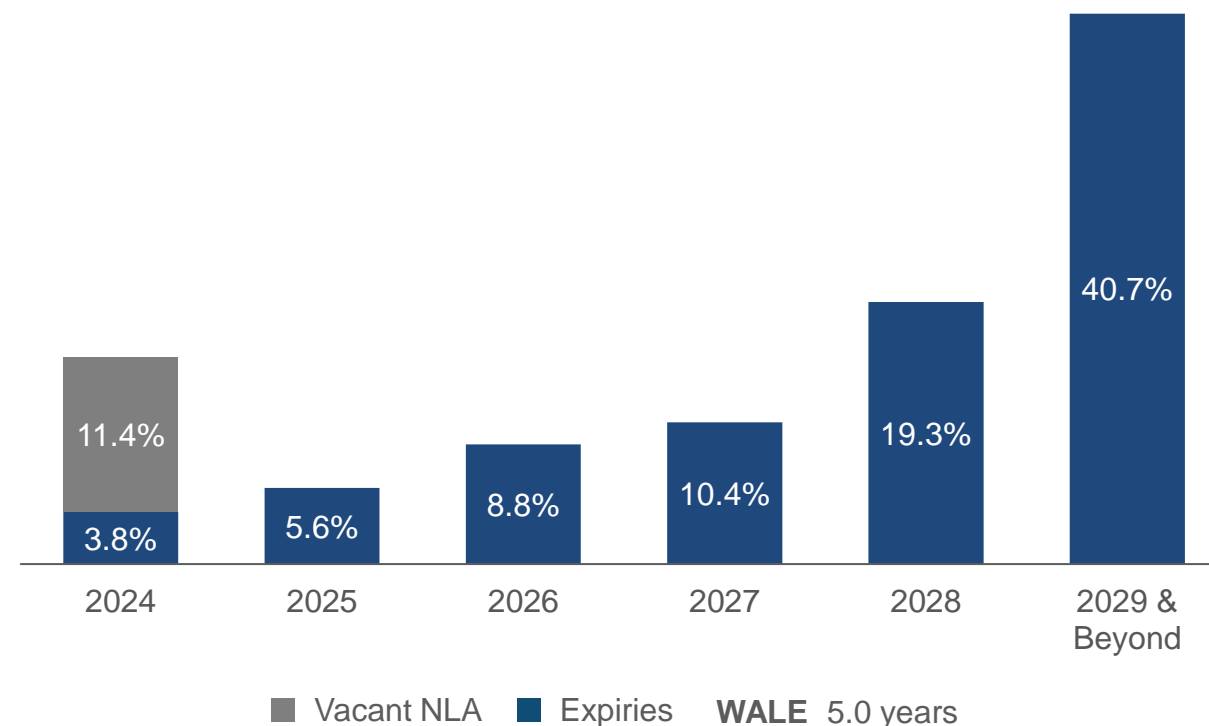


## Rent Reversion

**+12.8%**  
for 2H 23

**+16.7%**  
for FY 23

## Lease Expiry Profile % of Total NLA<sup>2</sup> Comparison



### Notes:

1. Based on Suntec REIT's interests in 177 Pacific Highway, 21 Harris Street, Southgate Complex, 477 Collins Street and 55 Currie Street. Reflects net lettable area of new leases and renewals committed.

2. Based on Suntec REIT's interest in 177 Pacific Highway, 21 Harris Street, Southgate Complex, 477 Collins Street and 55 Currie Street.



# Asset Enhancements to Elevate Asset Appeal

BEFORE



AFTER



Rejuvenated lobby space



Rejuvenated lobby space



Refreshed conference and meeting facilities



New third spaces and cafe



# Asset Enhancements to Support Tenant Retention

BEFORE



AFTER



Refurbished lobby



Refitted cafe with new counter seating





Southgate Complex, Melbourne

# Australia

## Outlook and Focus

Macroeconomic challenges remain with low GDP growth and inflationary pressure despite low unemployment rate<sup>1</sup>

Negative net absorption and new completions drove nationwide CBD office market vacancy to 14.9%<sup>2</sup>

Stable prime rents with incentives in Melbourne and Adelaide on the uptrend

Asset enhancement initiatives underway for Southgate Complex

Satisfying tenants' demand with fully fitted small office suites and flexible lease terms

Lower revenue expected due to leasing downtime of vacancies and incentives

Note:

1. FY23 Forecast from Reserve Bank of Australia: GDP Growth = 1.1%, Inflation Rate = 4.5%, Unemployment Rate = 3.75%

2. Source: JLL as at 4Q23

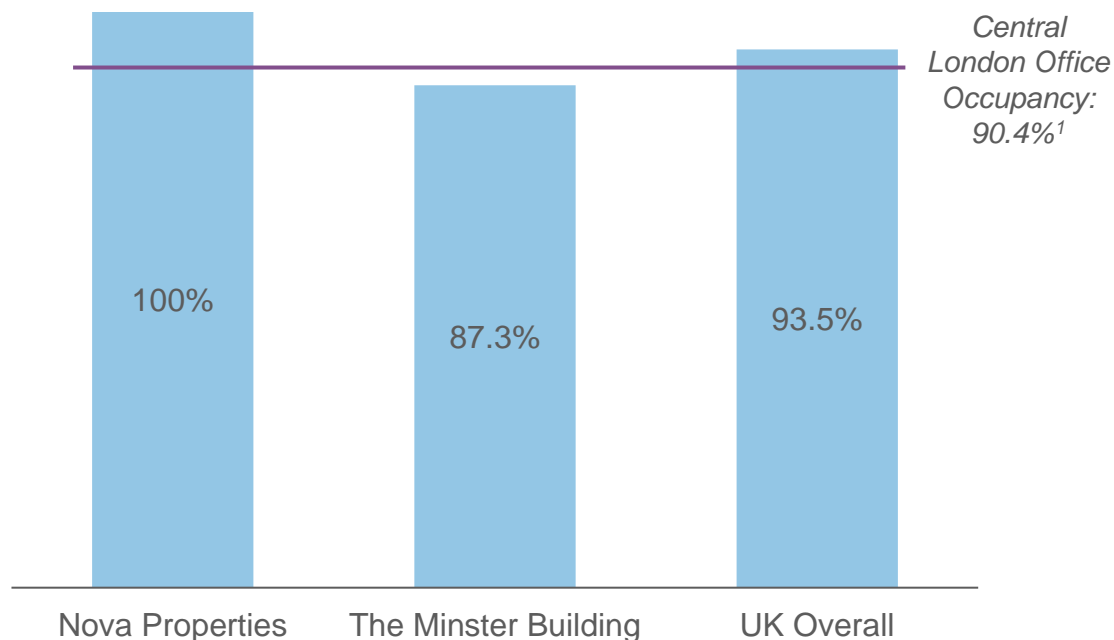


# UK Portfolio Performance



# Portfolio Committed Occupancy Outperforms Market

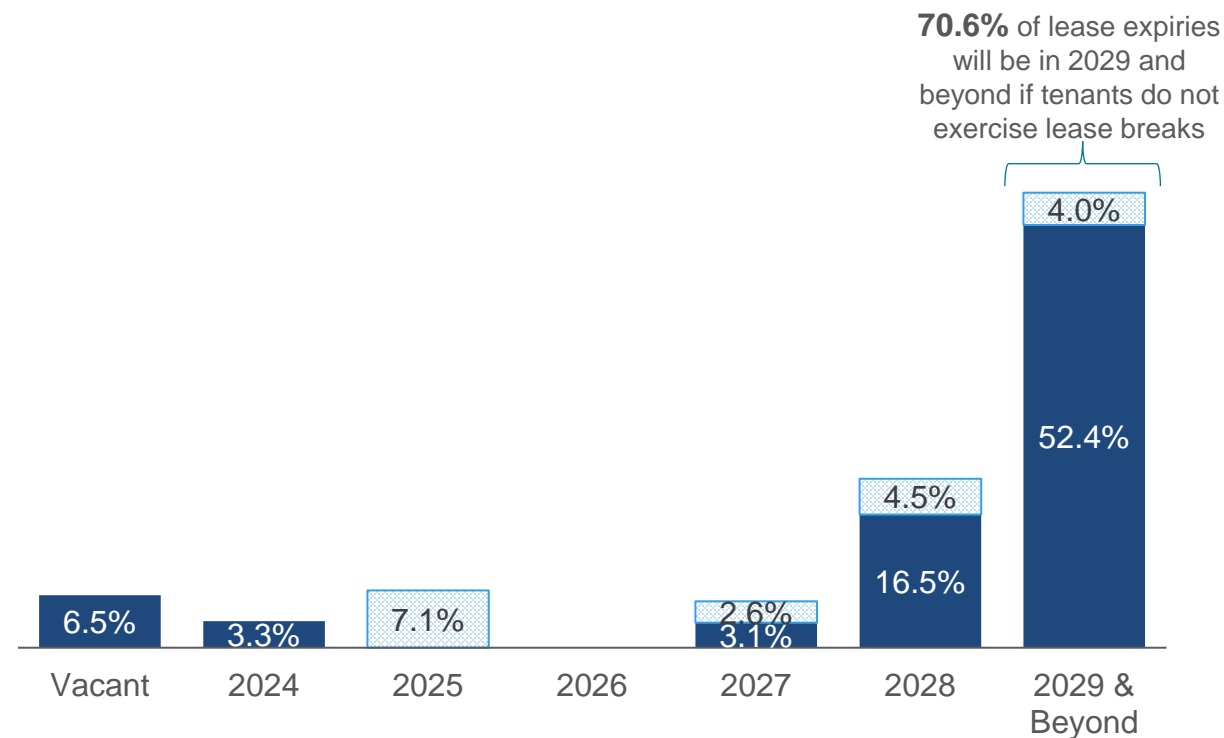
## Committed Occupancy As at 31 Dec 23



### Notes:

1. Source: JLL as at 3Q 2023.
2. Based on Suntec REIT's interest in Nova Properties and The Minster Building.
3. WALE to Break is 7.1 years.

## Lease Expiry Profile % of Total NLA<sup>2</sup> Comparison



Lease breaks  
(18.2%)

Lease expiries

WALE 8.1 years<sup>3</sup>



The Minster Building, London

Note:

1. Source: JLL as at 3Q 2023

## UK Office Outlook and Focus

Global uncertainties and economic challenges continue to weigh on business sentiments

Central London occupancy of 90.4%<sup>1</sup> expected to improve on the back of slowing supply

Good quality office space in prime locations continue to be sought after

Backfill of vacancies at The Minster Building

Proactive lease management to remove lease breaks

Revenue will be impacted by leasing downtime of vacancies at The Minster Building

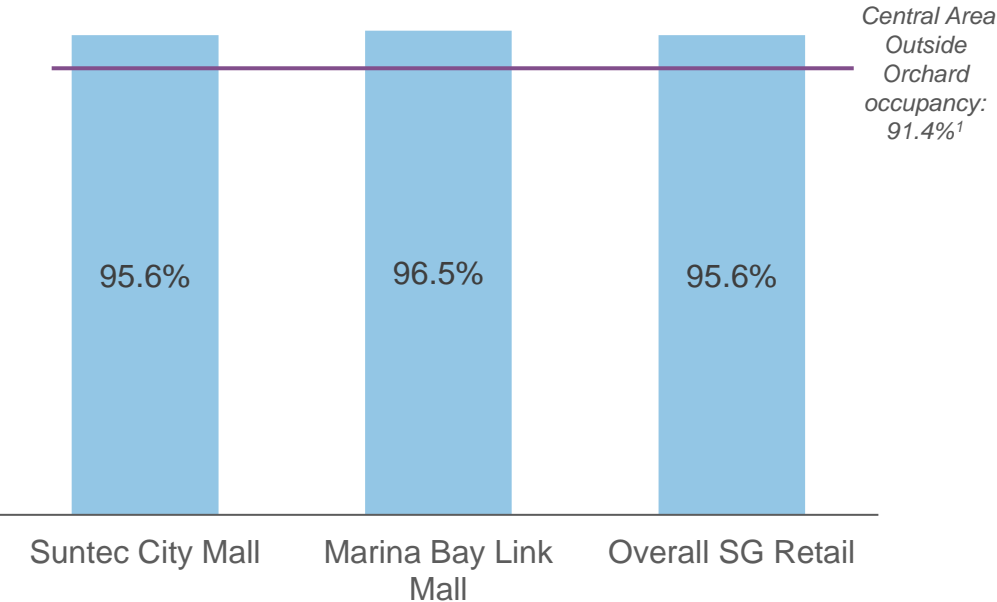


# Singapore Retail Portfolio Performance

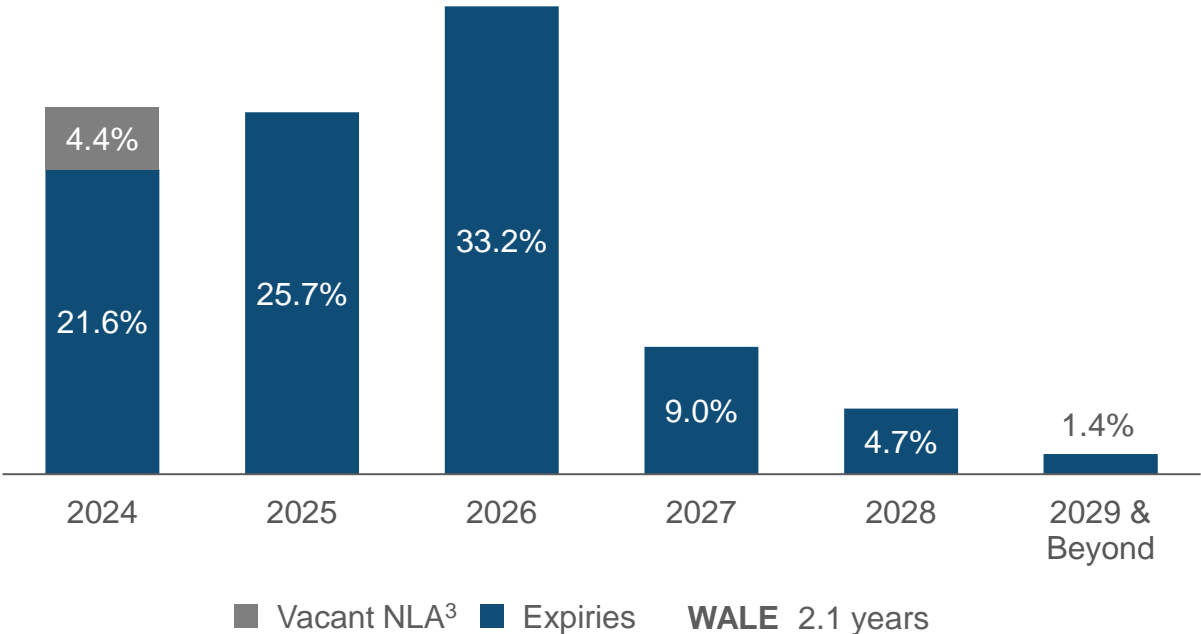


# Portfolio Committed Occupancy Remained Healthy

Committed Occupancy  
As at 31 Dec 23



Lease Expiry Profile  
% of Total NLA<sup>2</sup> Comparison



Notes:  
1. Source: URA as at 3Q 2023.  
2. Based on Suntec REIT's interests in Suntec City Mall, Suntec Singapore (Retail) and Marina Bay Link Mall.  
3. Includes leases which expired on 31 December 2023.



# Suntec City Mall Performance





# Strong Full Year Performance from Suntec City Mall

Improvement Across Key Operating Indicators



**Revenue**  
**S\$133.3M**  
+6.5% y-o-y



**Rent  
Reversion**  
▲ **21.8%**



**New  
Brands**  
**43**



**Shopper  
Traffic**  
▲ **8.0%**  
y-o-y



**Tenant  
Sales psf**  
▲ **4.1%**  
y-o-y



**Suntec+  
Members**  
▲ **16.0%**  
y-o-y

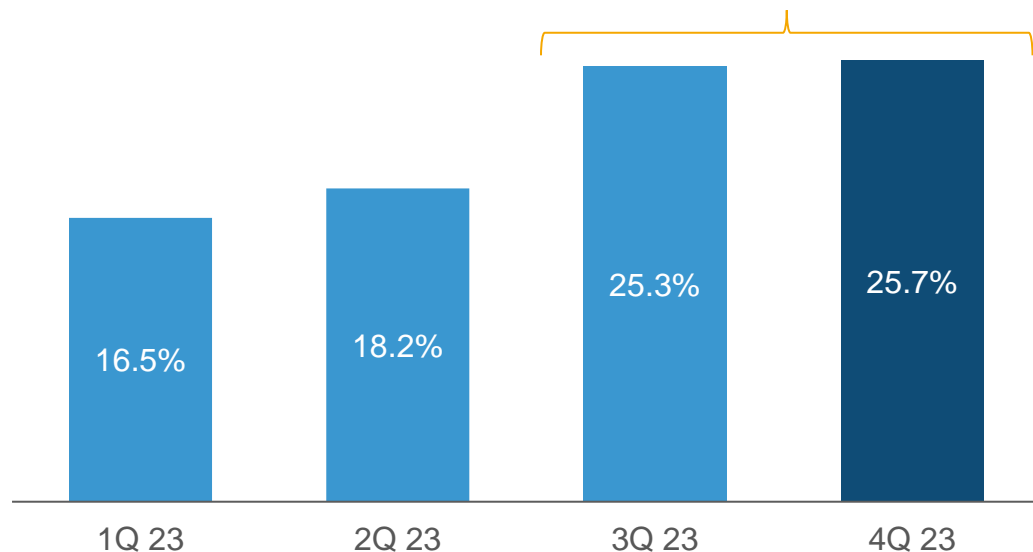
# Positive Rent Reversion for 7 Consecutive Quarters

Rent Growth Supported by Strong Rent Reversion

## Rent Reversion

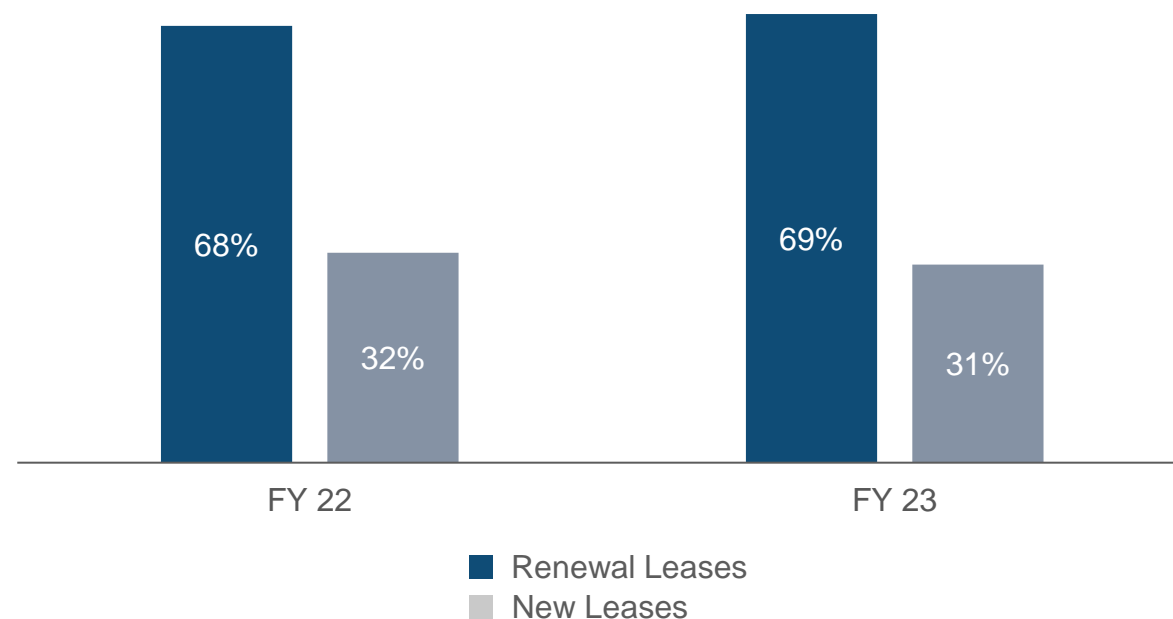
**+21.8%** for FY 23

**+25.9%** for 2H 23



## Work Done<sup>1</sup>

**241,600** sq ft in FY 23



Note:

1. Reflects net lettable area of new leases and renewals committed based on Suntec REIT's interests in Suntec City Mall and Suntec Singapore (Retail).

# Refreshed Tenant Mix at Suntec City Mall

18 New-to-Market and 25 New-to-Suntec Brands in FY23

## New-to-Market<sup>1</sup>



## New-to-Suntec<sup>1</sup>



Note:

1. Does not reflect all the leases which commenced operations in FY 23.



# Strategic Marketing Partnerships Throughout 2023

Strengthened Mindshare Amongst Shoppers and Partners



LEGO Lunar New Year Campaign



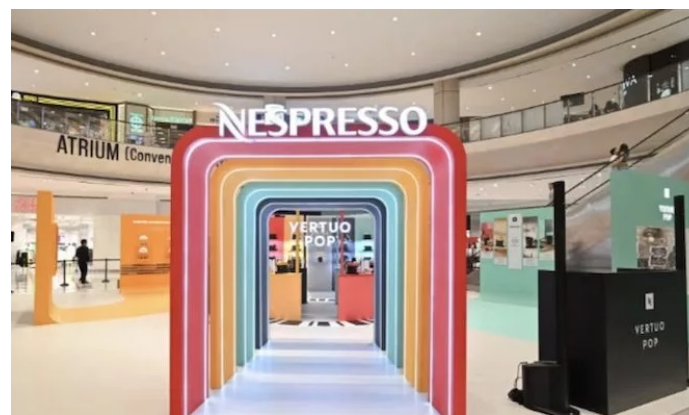
Warner Brothers 100<sup>th</sup> Anniversary



LINE Christmas Campaign



Carnival & Snow Show at Suntec Plaza



Nespresso Pop-Up Activation

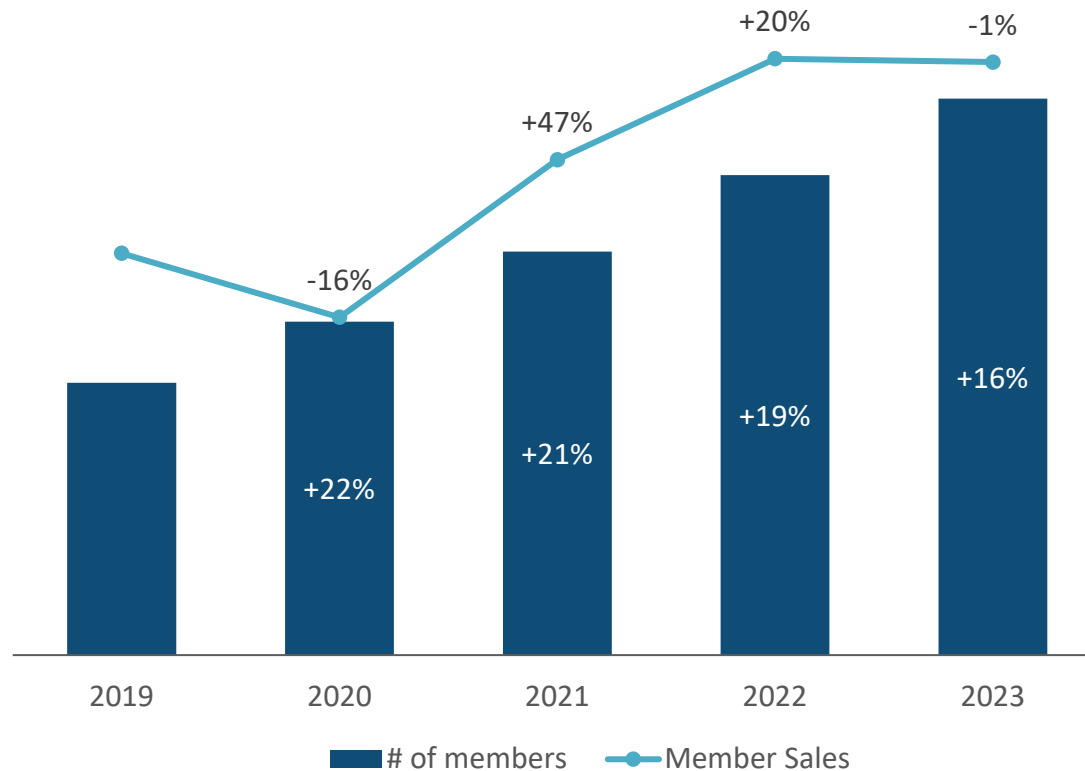


Mobile Legends Playoffs

# 16% Increase in Suntec+ Members

## Maintained High Engagement Levels

### # of Suntec+ Members and Member Spend



### Transactions per Member

6.9 in 2019

7.7 in 2022

7.2 in 2023



### Sales per Transaction

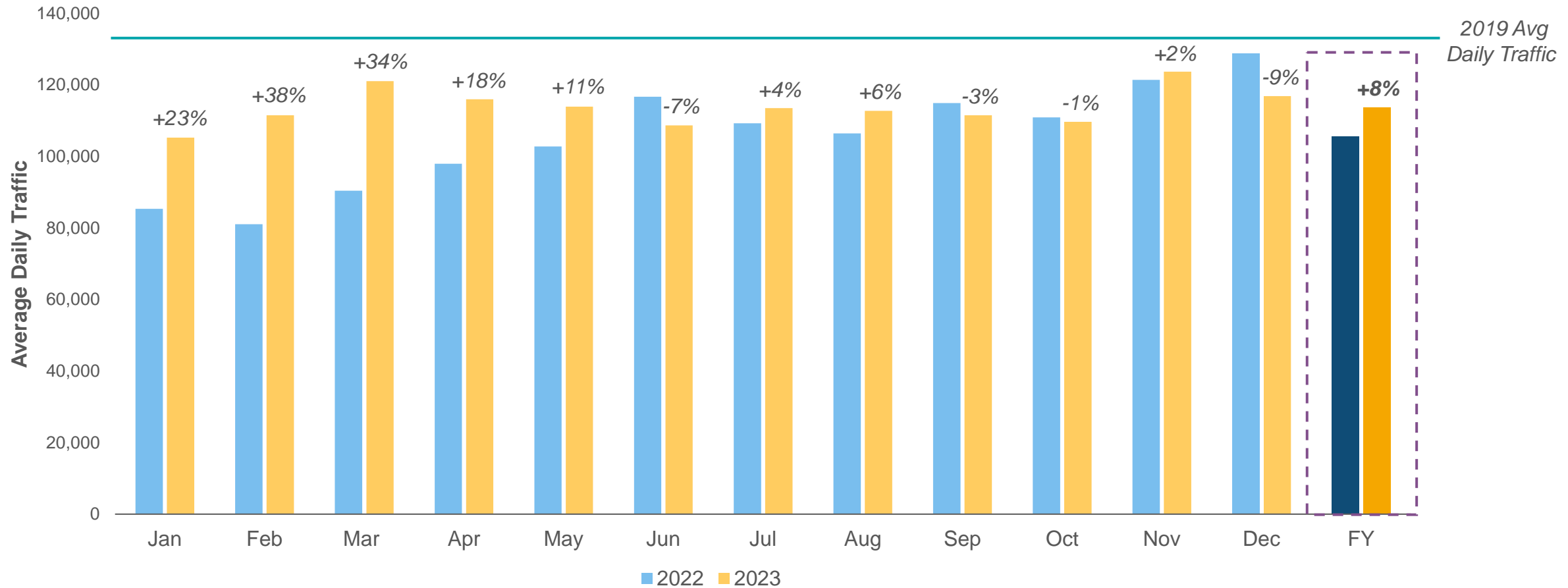
+7% Y-o-Y

+29% vs. 2019



# FY 23 Traffic Improved +8% YoY

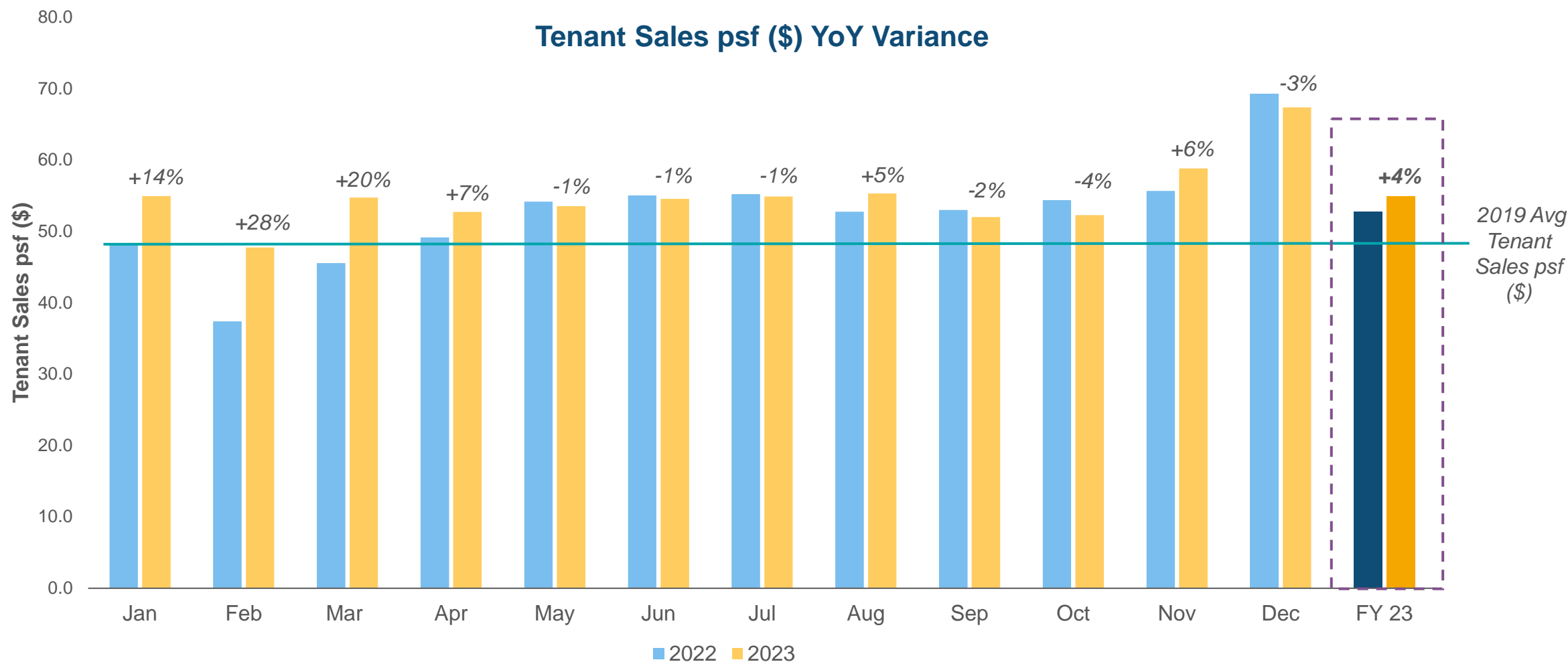
## YoY Traffic Variance





# FY23 Tenant Sales Continued to Grow

Sales Remained 14% Above 2019 Levels Despite Slower Recovery in Traffic





Suntec City Mall, Singapore

# Singapore Retail Outlook and Focus

Cautious domestic consumption due to inflationary pressures and GST hike<sup>1</sup>

Ongoing tourism recovery remains key factor for retail sales growth<sup>2</sup>

Rent growth and occupancy underpinned by active leasing demand and limited supply

Proactive lease management to improve occupancy and trade mix

Curate differentiated marketing activities to draw shoppers and tourists

Improvement in revenue supported by higher occupancy, rent and marcoms revenue

Note:

1. Business Times, 20 Dec 2023

2. Business Times, 3 Nov 2023



# Suntec Convention Performance





# Year of Strong Performance for Suntec Convention

Earlier Than Expected Recovery to Pre-COVID Levels



**Revenue**  
**S\$63.8M**

+57.9% y-o-y  
+3.4% vs. 2019



**New Events to SG**

**15**



**NPI**  
**S\$14.8M**

+31.0% y-o-y  
+11.3% vs. 2019



**World's Leading  
Hi-Tech Meeting &  
Convention Centre**

# Diverse Line Up of MICE Events



Legacy Dance Festival - Glowheart  
1 Jun



25<sup>th</sup> World Congress of Dermatology  
SINGAPORE 2023

25<sup>th</sup> World Congress of Dermatology  
3 – 8 Jul



WorldSkills ASEAN 2023  
23 – 25 Jul



Comex Asia 2023  
31 Aug – 3 Sep



2023 World Conference  
on Lung Cancer

SEPTEMBER 9-12, 2023 | SINGAPORE

World Conference on Lung Cancer 2023  
9 – 12 Sep



Anime Festival Asia 2023  
24 – 26 Nov



Suntec Convention, Singapore

# Suntec Convention Outlook and Focus

Full tourism recovery highly dependent on Chinese market<sup>1</sup>

MICE growth in tandem with SG tourism recovery

Delay in Marina Bay Sands expansion offers opportunity to capture convention uptick

Growth supported by long-term licences, MICE and consumer events

Maintain strict discipline on cost control

Higher dividend contributions expected

Note:

1. Business Times, 30 Dec 2023



# Our ESG Commitment





# ESG Initiatives

## Environmental

**Upgraded Building Management System for 55 Currie and Southgate Complex.**

**Cyclical replacement of Air Handling Units at Suntec Office Towers and One Raffles Quay to improve energy efficiency.**

**Implemented energy optimization programme across all assets to improve energy efficiency.**

**Waste reduction and recycling awareness activities.**

## Social

**Toy collection drive at Suntec City in support of Food from the Heart Toy Buffet Carnival benefitted around 2,000 underprivileged children.**

**Donation drive at Suntec City in support of the Lee Kuan Yew Centennial Fund. The Fund supports education-related initiatives to develop young leaders in Singapore.**

## Governance

**Nominating and Remuneration Committee (NRC) formed to oversee human capital, performance, nomination and remuneration.**

**Participated in SIAS' Corporate Governance Pledge 2023**



# Continual Commitment to ESG



G R E S B  
★★★★★ 2023

Attained highest GRESB  
5 Star rating for  
4 consecutive years

‘A’ for Public Disclosure

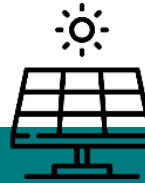
## Achievement



All assets  
Green Building certified  
477 Collins and Nova Properties  
achieved WELL Platinum  
Certification



177 Pacific Highway  
55 Currie Street  
Carbon Neutral



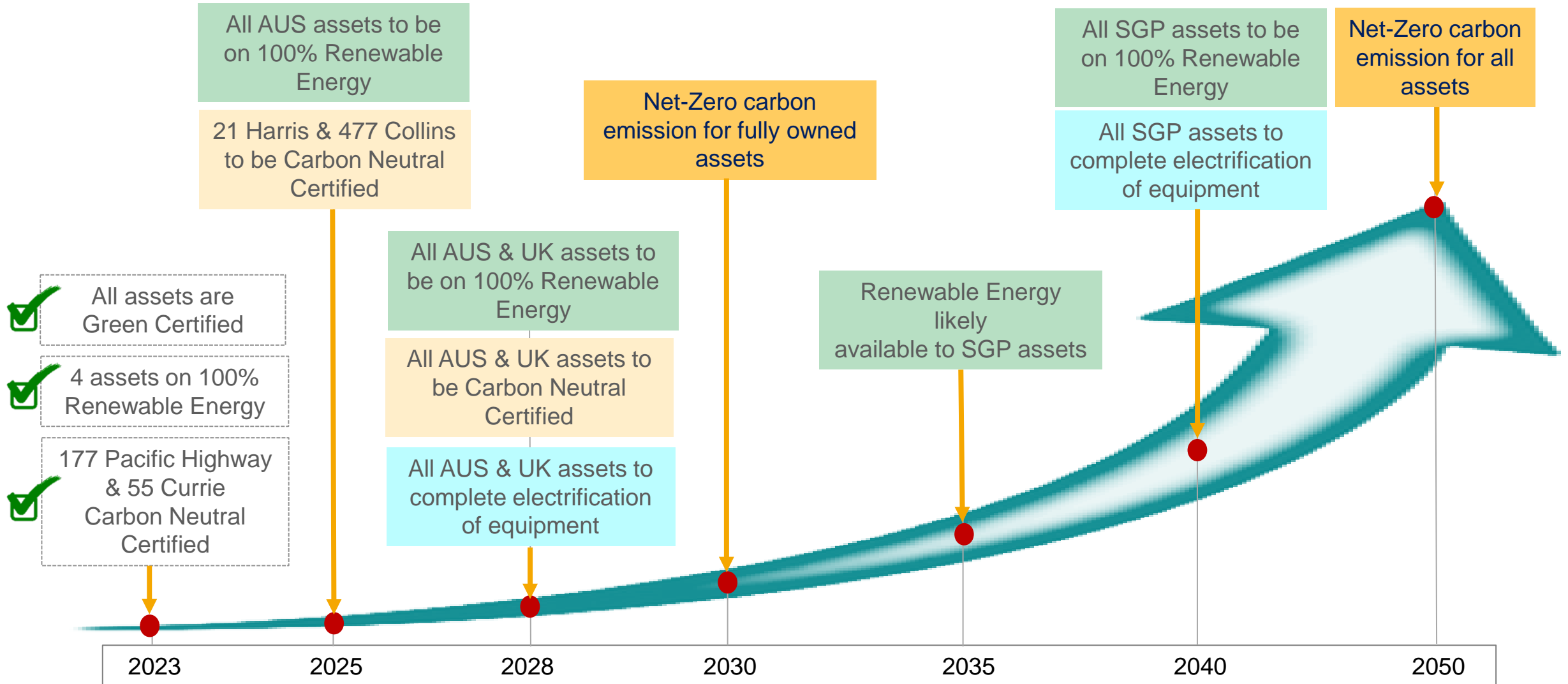
21 Harris Street, 477 Collins  
Street, Nova Properties and  
The Minster Building using  
100% Renewable Energy



About 50% of total debt are  
green / sustainability-  
linked loans



# Roadmap Towards Net-Zero Carbon Emission Target by 2050



# Looking Ahead





# Earnings Expected to Remain Impacted

Singapore	Australia	UK	Interest Rates
<ul style="list-style-type: none"> <li>• <b>Lackluster office market and moderate office rent growth</b></li> <li>• <b>Cautious optimism in retail sales growth</b></li> <li>• MICE industry and tourism sector to recover and drive retail sales</li> <li>• <b>Higher revenue expected</b> due to higher occupancy and rent and more MICE events</li> </ul>	<ul style="list-style-type: none"> <li>• Macroeconomic challenges remain</li> <li>• <b>Office vacancy to increase</b> in CBD market</li> <li>• <b>Incentives in Melbourne and Adelaide on the uptrend</b></li> <li>• <b>Revenue will be impacted</b> by leasing downtime and incentives</li> </ul>	<ul style="list-style-type: none"> <li>• Geopolitical uncertainties and economic challenges weigh on business sentiments</li> <li>• Good quality office space in prime locations remain well sought after</li> <li>• <b>Revenue will be impacted</b> by vacancy and leasing downtime at The Minster Building</li> </ul>	<ul style="list-style-type: none"> <li>• Despite Federal Reserve signaling interest rate cuts in 2024, <b>interest rates are expected to remain high</b></li> </ul>



Improvements in  
Operating  
Performance



Vacancies at 55 Currie,  
Southgate Complex and  
The Minster Building



Elevated  
Interest Rates



Reduced  
Earnings



# Navigating Challenges



Proactive Capital  
Management



Unlock Value from Asset  
Enhancement Initiatives and  
Divestment of Mature Assets



Explore Good Quality, Accretive  
Assets



Continual Commitment to  
Sustainability Practices





# Thank you

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# Disclaimer

This presentation is focused on the comparison of the actual results for the half year and financial year ended 31 December 2023 versus results achieved for the half year and financial year ended 31 December 2022.

The information included in this release does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for units in Suntec REIT (“**Units**”) in Singapore or any other jurisdiction.

This presentation 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, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in the expected levels of occupancy rates, property rental income, changes in operating expenses, 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. Past performance is not necessarily indicative of future performance. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of Suntec REIT. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.

## IMPORTANT NOTICE

1. The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, ARA Trust Management (Suntec) Limited (as the manager of Suntec REIT) (the “Manager”) or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.
2. Investors should note that they will 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 holders of Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.
3. The past performance of Suntec REIT is not necessarily indicative of the future performance of Suntec REIT.



# About Suntec REIT



177 Pacific Highway, Sydney

# About Suntec REIT

Singapore's First Composite REIT



**Market Capitalisation**  
**S\$3.6 Billion<sup>1</sup>**

**Asset Under Management**  
**S\$12.2 Billion<sup>2</sup>**

Listed on **9 Dec 2004** on the SGX-ST

High quality **office** assets, complemented by **retail and convention** components

**10** properties – **3** in Singapore, **2** in Sydney, **2** in Melbourne, **1** in Adelaide and **2** in UK

Note:

1. Based on 31 December 2023 closing price of \$1.23.
2. Based on exchange rates of S\$0.899=A\$1.00 and S\$1.682=£1.00 as at 31 December 2023.

# Portfolio Snapshot

## Singapore and UK Properties

	Suntec City		One Raffles Quay	MBFC Properties	Nova Properties	The Minster Building
	Suntec City – Office & Retail	Suntec Convention				
<b>Description</b>	Integrated commercial development comprising five office towers and one of Singapore largest retail mall	World-class convention and exhibition centre	Two premium Grade A office towers	Two premium Grade A office towers and a subterranean mall	Two Grade A Office buildings with ancillary retail development	Grade A Office building
<b>Ownership</b>	100%	66.3%	33.33%	33.33%	50%	100%
<b>City/Country</b>	Singapore	Singapore	Singapore	Singapore	London, UK	London, UK
<b>Segment</b>	Office and Retail	Convention	Office	Office and Retail	Office	Office
<b>NLA<sup>1</sup> (sq ft)</b>	Office:~1.2 mil Retail:~0.9 mil	~430,000	~440,000	Office:~542,000 Retail:~32,000	~280,000	~293,000
<b>Valuation as of 31 Dec 2023</b>	Office: S\$3,272.0 mil Retail: S\$2,401.4 mil	S\$225.4 mil	S\$1,324.0 mil	S\$1,818.3 mil	£395.0 mil <sup>2</sup>	£276.9 mil <sup>3</sup>
<b>Cap rate</b>	Office: 3.50% Retail: 4.50%	5.50%	3.40%	Office: 3.40% Retail: 4.25%	4.96%	5.25%

### Notes:

1. Based on Suntec REIT's interests in the respective properties.
2. The valuation reflects the price that would be received from the sale of the investment property where the Purchaser's cost (including stamp duty) is assumed to be 6.8%, in line with accounting standards. The valuation based on the price that would be received for the sale of the special purpose vehicle holding the investment property where the Purchaser's cost (excluding stamp duty) is assumed to be 1.8% is £414.4 million as of 31 Dec 23.
3. The valuation reflects the price that would be received from the sale of the investment property where the Purchaser's cost (including stamp duty) is assumed to be 6.8%, in line with accounting standards. The valuation based on the price that would be received for the sale of the special purpose vehicle holding the investment property where the Purchaser's cost (excluding stamp duty) is assumed to be 1.8% is £290.5 million as of 31 Dec 23.



# Portfolio Snapshot

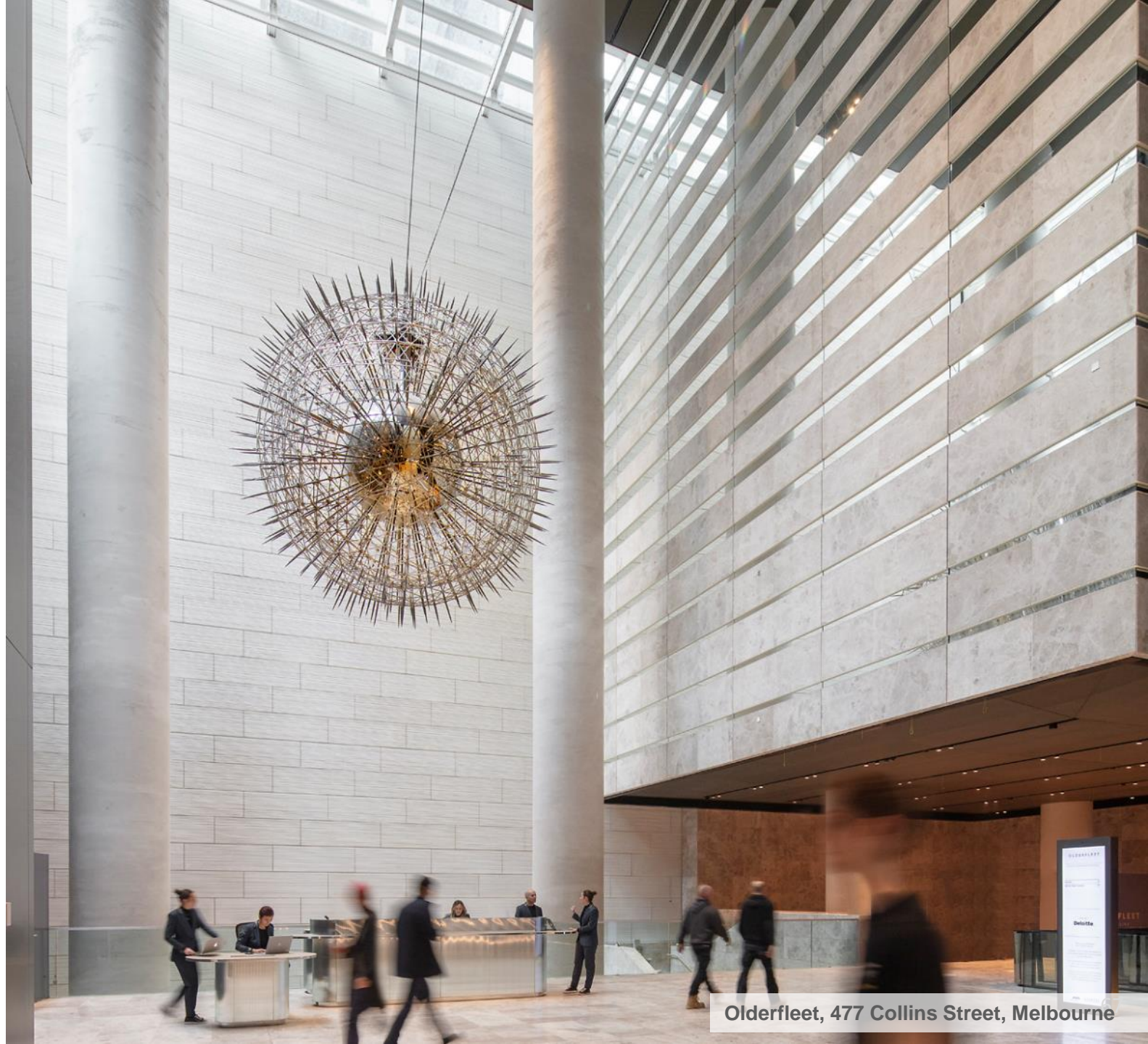
## Australia Properties

	177 Pacific Highway	Southgate Complex	Olderfleet 477 Collins Street	55 Currie Street	21 Harris Street
<b>Description</b>	31-storey Grade A office building	Integrated development comprising two A-Grade office towers and a retail podium	Premium Grade, 40-level state- of-the-art building	Twelve-storey, Grade A office building	Nine-storey, Grade A office building
<b>Ownership</b>	100%	50%	50%	100%	100%
<b>City/ Country</b>	Sydney	Melbourne	Melbourne	Adelaide	Sydney
<b>Segment</b>	Office	Office and Retail	Office	Office	Office
<b>NLA<sup>1</sup> (sq ft)</b>	~431,000	Office:~355,000 Retail:~52,000	~315,000	~282,000	~203,000
<b>Valuation as of 31 Dec 2023</b>	A\$688.0 mil	A\$365.0 mil	A\$450.0 mil	A\$128.7 mil	A\$284.0 mil
<b>Cap rate</b>	5.50%	Office: 6.00% Retail: 6.25%	5.13%	7.25%	5.50%

Note:

1. Based on Suntec REIT's interests in the respective properties.

# Appendix



Olderfleet, 477 Collins Street, Melbourne

# Singapore Portfolio Increased by S\$271.4 million or 3.1%

## Increase in Valuation Across All Asset Classes

Investment Properties	31 Dec 22	31 Dec 23	31 Dec 23	<u>Against 31 Dec 22</u>		Cap Rates as at 31 Dec 23
				Variance (\$)	Variance (%)	
<b>Singapore <sup>1</sup></b>						
Suntec City Office	S\$3,145.0M	S\$3,272.0M	S\$2,635 psf	S\$127.0M	4.0%	3.50%
Suntec City Retail <sup>2</sup>	S\$2,315.3M	S\$2,401.4M	S\$2,716 psf	S\$86.1M	3.7%	4.50%
Suntec Convention	S\$218.4M	S\$225.4M	S\$524 psf	S\$7.0M	3.2%	5.50%
MBFC Properties (1/3)	S\$1,767.7M	S\$1,818.3M	S\$3,176 psf	S\$50.6M	2.8%	Office: 3.40% Retail: 4.25%
One Raffles Quay (1/3)	S\$1,323.3M	S\$1,324.0M	S\$2,998 psf	S\$0.7M	0.1%	3.40%
<b>Total</b>	<b>S\$8,769.7M</b>	<b>S\$9,041.1M</b>	<b>-</b>	<b>S\$271.4M</b>	<b>3.1%</b>	<b>-</b>

Notes:

1. Singapore Portfolio increased by S\$304.1M or 3.5% year-on-year on a same store basis.
2. Includes Suntec REIT's share of retail space under Suntec Singapore.



# Australia Portfolio Decreased by A\$90.8 million or 4.5%

Cap Rate Expansion of ~25 to 60 bps

Investment Properties	31 Dec 22	31 Dec 23	31 Dec 23	<u>Against 31 Dec 22</u>		Cap Rates as at 31 Dec 23
				Variance (\$)	Variance (%)	
Australia						
177 Pacific Highway	A\$712.0M	A\$688.0M	A\$17,186 psm	-A\$24.0M	-3.4%	5.50%
21 Harris Street	A\$300.0M	A\$284.0M	A\$15,408 psm	-A\$16.0M	-5.3%	5.50%
477 Collins Street (50%)	A\$478.0M	A\$450.0M	A\$7,680 psm	-A\$28.0M	-5.9%	5.13%
Southgate Complex (50%)	A\$372.5M	A\$365.0M	A\$4,831 psm	-A\$7.5M	-2.0%	Office: 6.00% Retail: 6.25%
55 Currie Street	A\$144.0M	A\$128.7M	A\$4,902 psm	-A\$15.3M	-10.6%	7.25%
Total	A\$2,006.5M	A\$1,915.7M	-	-A\$90.8M	-4.5%	-
	S\$1,818.9M <sup>1</sup>	S\$1,722.4M <sup>1</sup>	-	-S\$96.5M	-5.3%	-

Notes:

1. Exchange rate for AUD to SGD was 0.9065 in December 2022, and 0.8991 in December 2023.

# UK Portfolio Decreased by £76.4 million or 10.2%

Cap Rate Expansion of ~50 to 60 bps

Investment Properties	31 Dec 22	31 Dec 23	31 Dec 23	<u>Against 31 Dec 22</u>		Cap Rates as at 31 Dec 23
				Variance (\$)	Variance (%)	
UK						
Nova Properties (50%) <sup>1</sup>	£434.0M	£395.0M	£1,414 psf	-\$39.0M	-9.0%	4.96%
The Minster Building <sup>2</sup>	£314.3M	£276.9M	£936 psf	-\$37.4M	-11.9%	5.25%
Total	£748.3M	£671.9M	-	-\$76.4M	-10.2%	-
	S\$1,219.8M <sup>3</sup>	S\$1,130.0M <sup>3</sup>	-	-\$89.8M	-7.4%	-
Grand Total (SG, AUS, UK)	S\$11,808.4M	S\$11,893.5M		S\$85.1M	0.7%	

Notes:

1. The valuation reflects the price that would be received from the sale of the investment property where the Purchaser's cost (including stamp duty) is assumed to be 6.8%, in line with accounting standards. The valuation based on the price that would be received for the sale of the special purpose vehicle holding the investment property where the Purchaser's cost (excluding stamp duty) is assumed to be 1.8% is £455.0 million as of 31 Dec 22 and is £414.4 million as of 31 Dec 23.
2. The valuation reflects the price that would be received from the sale of the investment property where the Purchaser's cost (including stamp duty) is assumed to be 6.8%, in line with accounting standards. The valuation based on the price that would be received for the sale of the special purpose vehicle holding the investment property where the Purchaser's cost (excluding stamp duty) is assumed to be 1.8% is £329.7 million as of 31 Dec 22 and is £290.5 million as of 31 Dec 23.
3. Exchange rate for GBP to SGD was 1.6301 in December 2022 and 1.6817 in December 2023.