

SUNTEC REIT ANNUAL GENERAL MEETING

15 April 2021



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FY 20 Highlights

Distribution to Unitholders : S\$209.2 million¹

Distribution Per Unit to Unitholders: 7.402 cents¹

Completed Acquisitions

21 Harris, Sydney
A\$297.0 million in Apr

Nova Properties, London
£430.6 million in Dec

Increased Equity

Suntec Singapore
from 60.8% to 66.3%
in Jul

Completed Development

477 Collins, Melbourne
in Jul

Capital Management

S\$2.1 billion
Debt Financing

S\$200 million
First perps
issuance

2.53% p.a.
All-in Financing
Cost

ESG

GRESB 5 Star Rating
Inaugural Participation

A\$450 million
Green Loan Facility

Note:

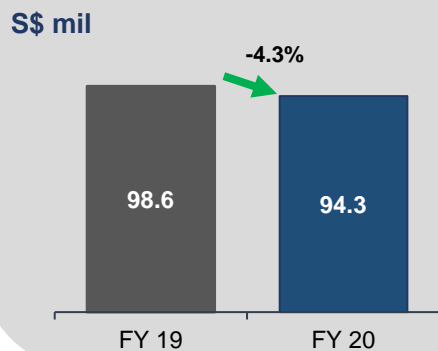
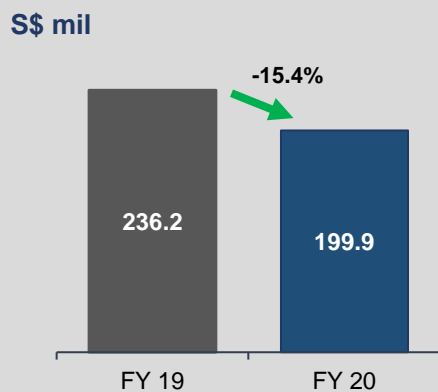
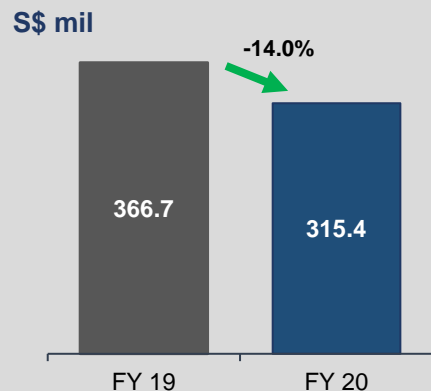
1. In 2H 20, Suntec REIT released the full S\$10.3 million distributable income that was retained in 1H 20 to Unitholders.



FINANCIAL HIGHLIGHTS



FY 20 Financial Performance



Gross Revenue declined S\$51.3 million y-o-y

Mainly due to

- Rent assistance for Suntec City Mall and significant reduction in MICE revenue due to COVID-19

Partially offset by

- + New contributions from 55 Currie Street, 477 Collins Street and 21 Harris Street

Net Property Income declined S\$36.3 million y-o-y

Mainly due to

- Lower revenue from Suntec City Mall and Suntec Singapore

Partially offset by

- + New contributions from 55 Currie Street, 477 Collins Street and 21 Harris Street

Income Contribution from JV declined S\$4.3 million y-o-y

Mainly due to

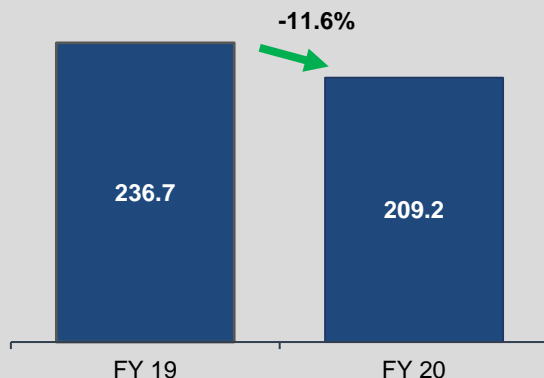
- One-off compensations received in FY 19 at MBFC Properties and rent assistance for Marina Bay Link Mall and Southgate Complex Retail

Partially offset by

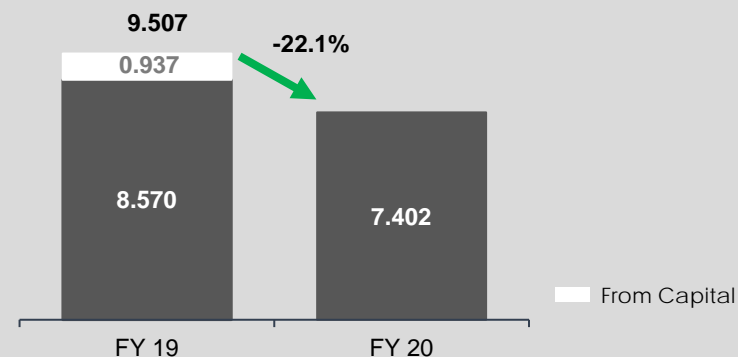
- + Stronger performance from ORQ and Southgate Complex Office

Distribution Income to Unitholders

Distributable Income from Operations
(\$ mil)



DPU to Unitholders
(SG cents)



Distributable Income from Operations

\$209.2 million, -11.6% y-o-y

- Rent assistance for Suntec City Mall, Marina Bay Link Mall and Southgate Complex Retail
- Absence of contribution from Suntec Singapore
- One-off compensation received in FY 19 at MBFC Properties

Partially offset by

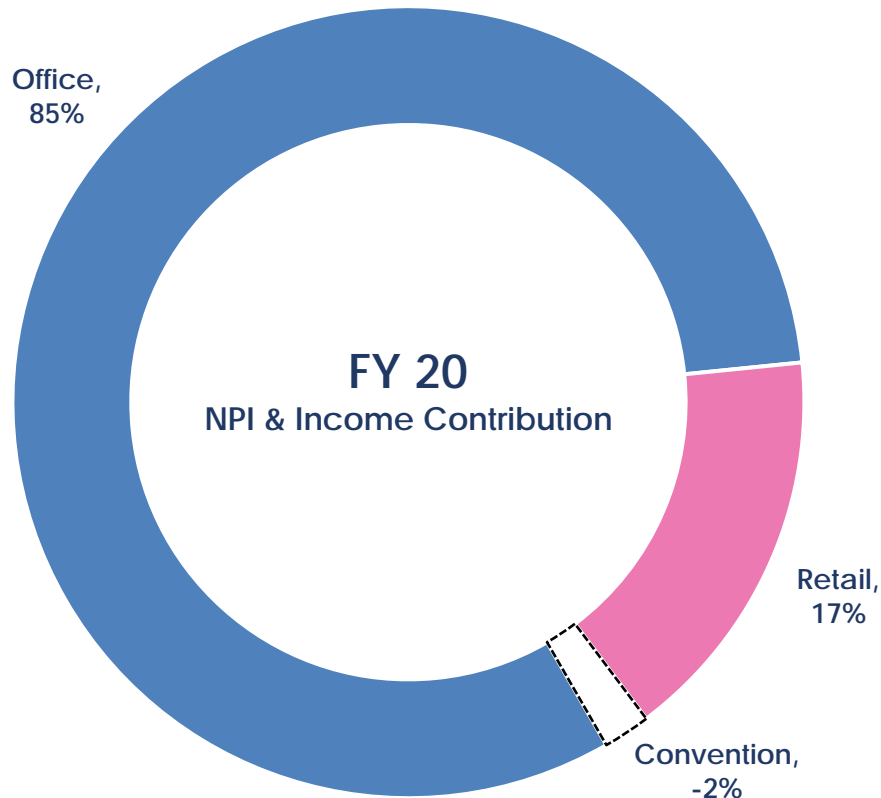
- + Better performance and contributions from the Australia Office Portfolio
- + Better performance from One Raffles Quay
- + Lower financing cost

DPU to Unitholders

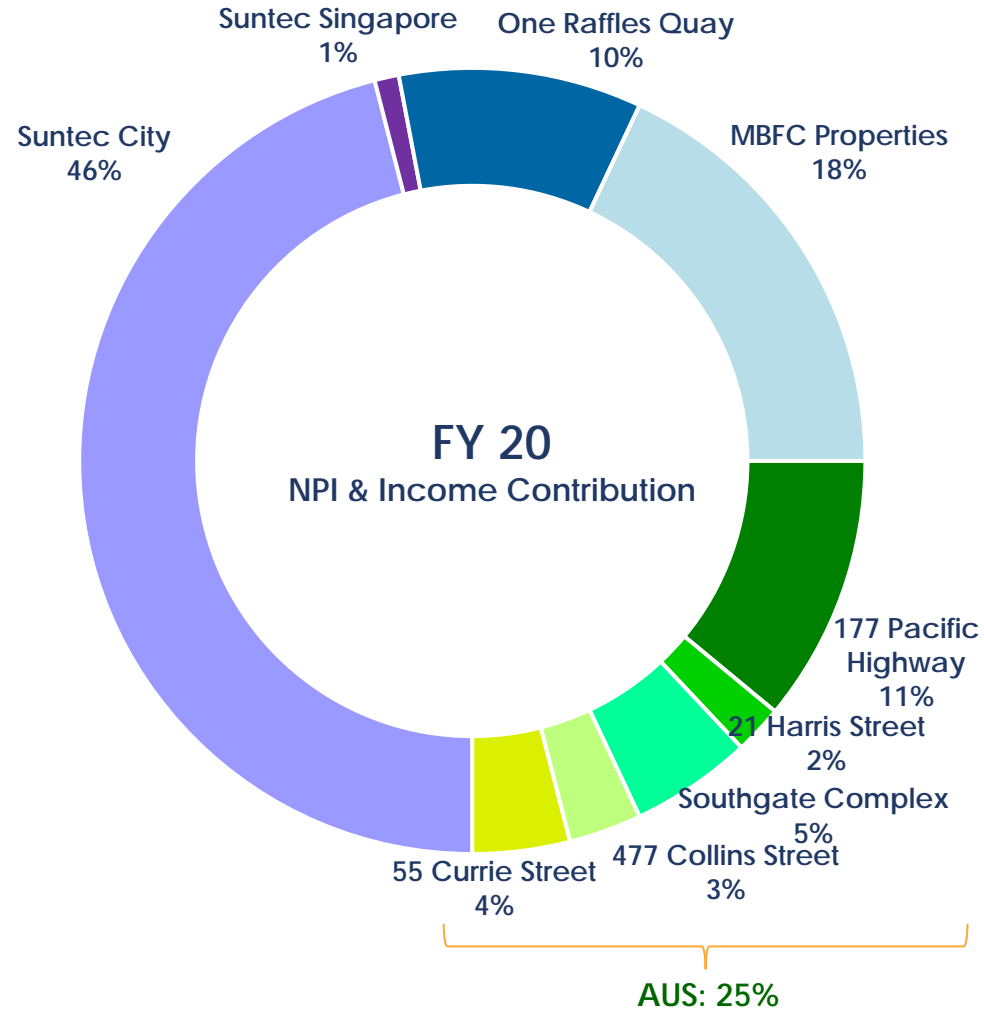
7.402 cents, -22.1% y-o-y

- Lower distributable income from operations
- Absence of capital distribution (\$26.0 mil)

Diversified Portfolio across Sector and Geography



Contribution by Segment



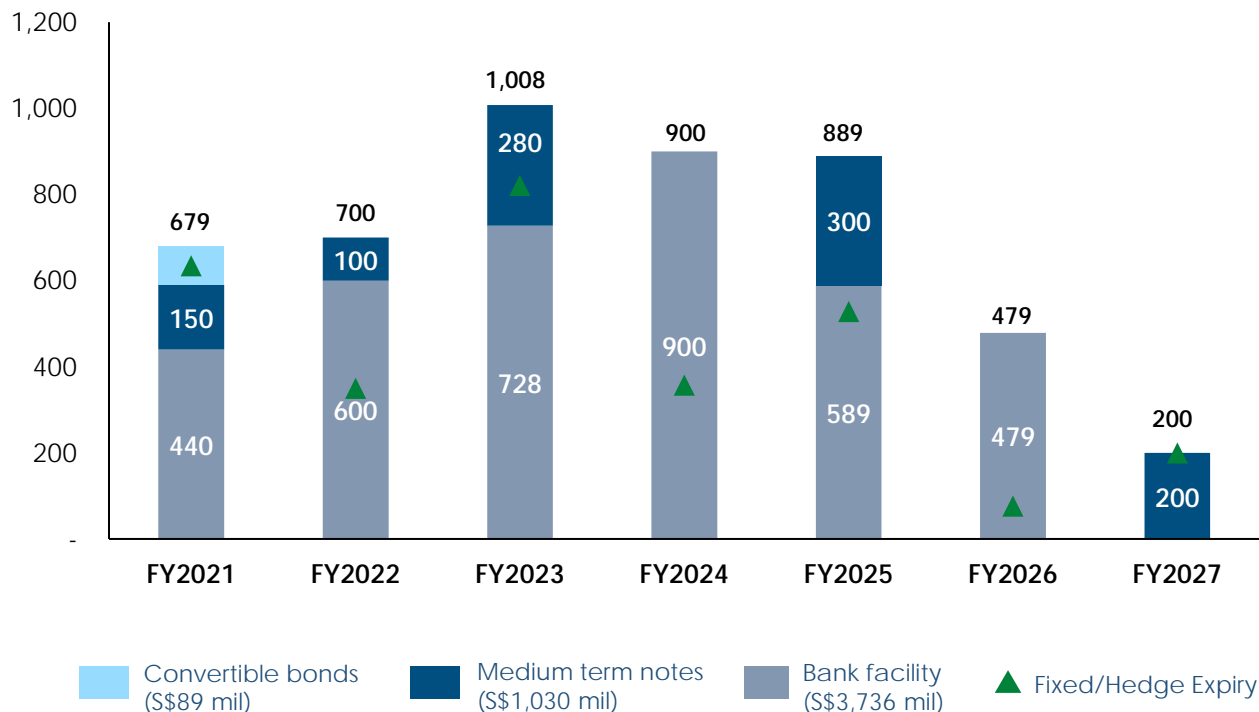
Contribution by Asset



CAPITAL MANAGEMENT

Proactive Capital Management

Debt and Interest Maturity Profile



Undrawn Facilities of \$750 million for FY 2021 Refinancing

Key Financial Indicators	As at 31 Dec '20
Aggregate Leverage Ratio ¹	44.3%
Weighted Average Debt Maturity	3.01 years
All-in Financing Cost	2.53% p.a.
Adjusted Interest Coverage Ratio ²	2.6X
Weighted average interest maturity	2.74 years
Interest Rate Borrowings (fixed)	~61%
% of AUD income hedged for 2021	>75%

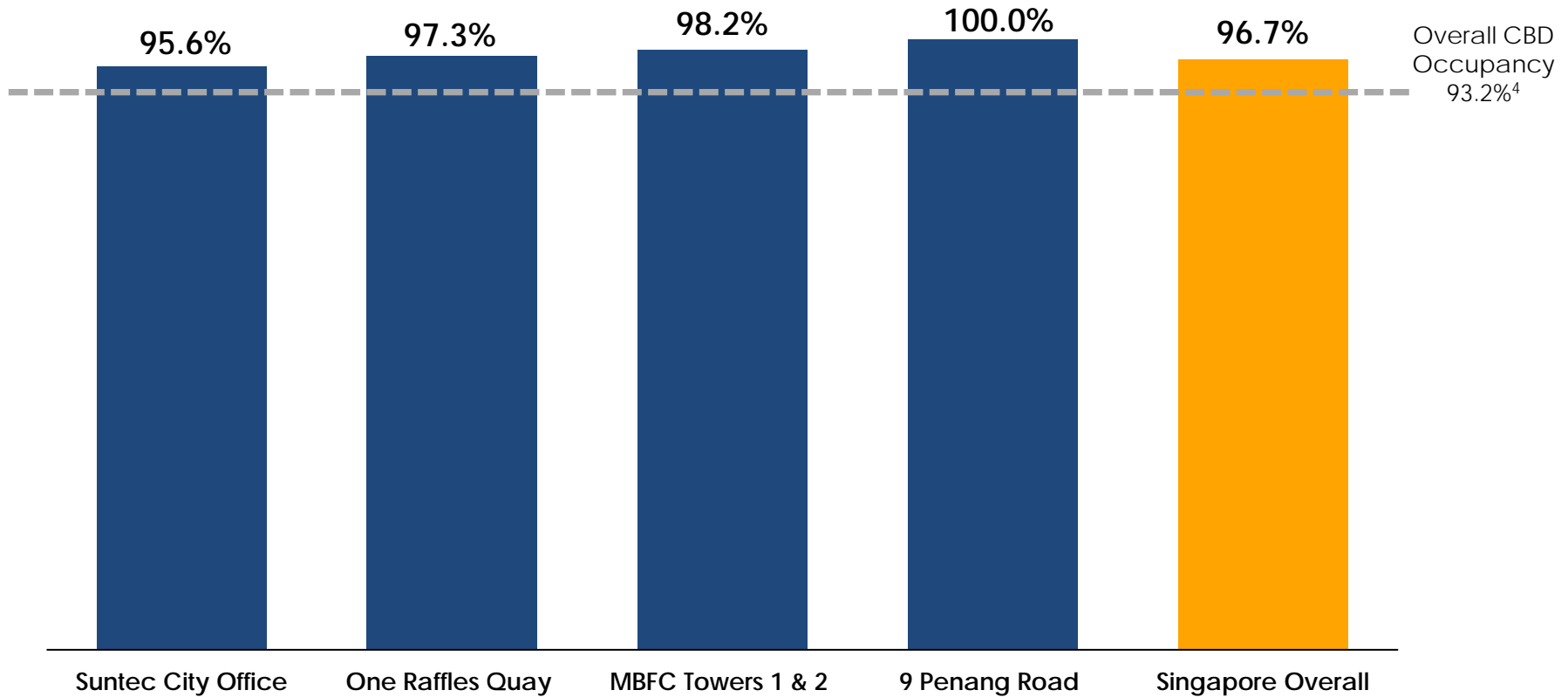
Note:

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. Adjusted interest cover ratio ("Adjusted-ICR") means 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).

SG OFFICE PORTFOLIO PERFORMANCE



Singapore Office Committed Occupancy

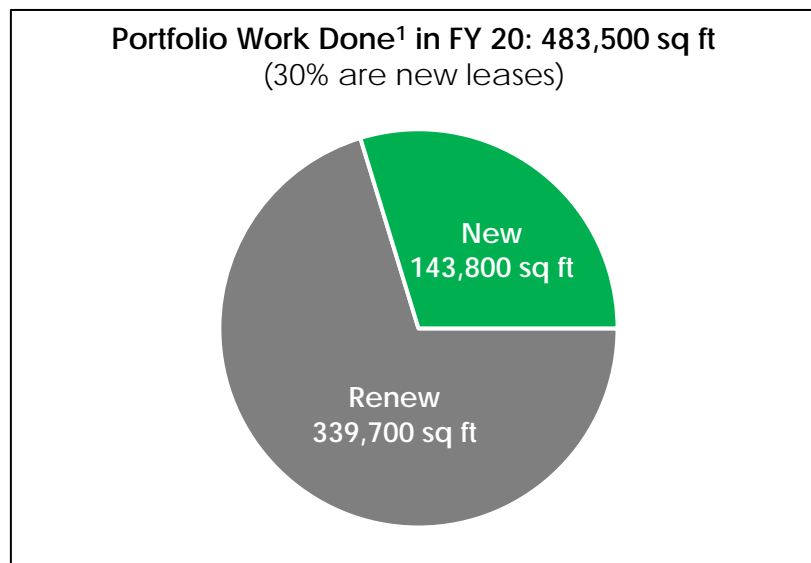


Committed Occupancy Outperformed Market

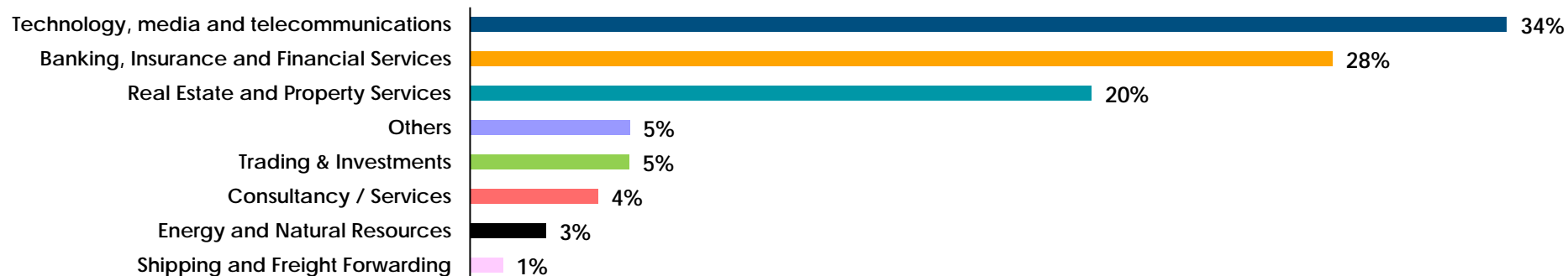
Notes:

1. Combined occupancy for One Raffles Quay office and ancillary retail was 97.3%
2. Combined occupancy for 9 Penang Road office and ancillary retail was 98.5%
3. Committed occupancy for Singapore Overall (including ancillary retail) was 96.6%
4. Source: JLL

Singapore Office Leasing Activity



New Tenants by Sector in FY 20 (sq ft)

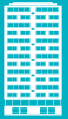


Note:
1. Reflects net lettable area of new leases and renewals committed based on Suntec REIT's interests in Suntec City Office, One Raffles Quay, Marina Bay Financial Centre Office Towers 1 and 2, and 9 Penang Road.

Suntec City Office



95.6% Committed Occupancy



27.9% of Leases Due to Expire in 2021



Rent Reversion of +7.7% for FY20
11 Consecutive Quarters
of Positive Rent Reversion



Asset Enhancement Works for
Towers 1 & 4 completed



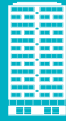
One Raffles Quay & MBFC Properties



Committed Occupancy

ORQ: 97.3%

MBFC Properties¹: 97.8%



Lease Expiries in 2021

ORQ: 9.9%

MBFC Properties: 19.9%



**Strong Positive Rent Reversions
Achieved in FY 2020**

Note:

1. MBFC Properties refer to MBFC Towers 1 & 2 and the Marina Bay Link Mall



9 Penang Road



Office Component 100% Leased
to UBS on a Long Tenure

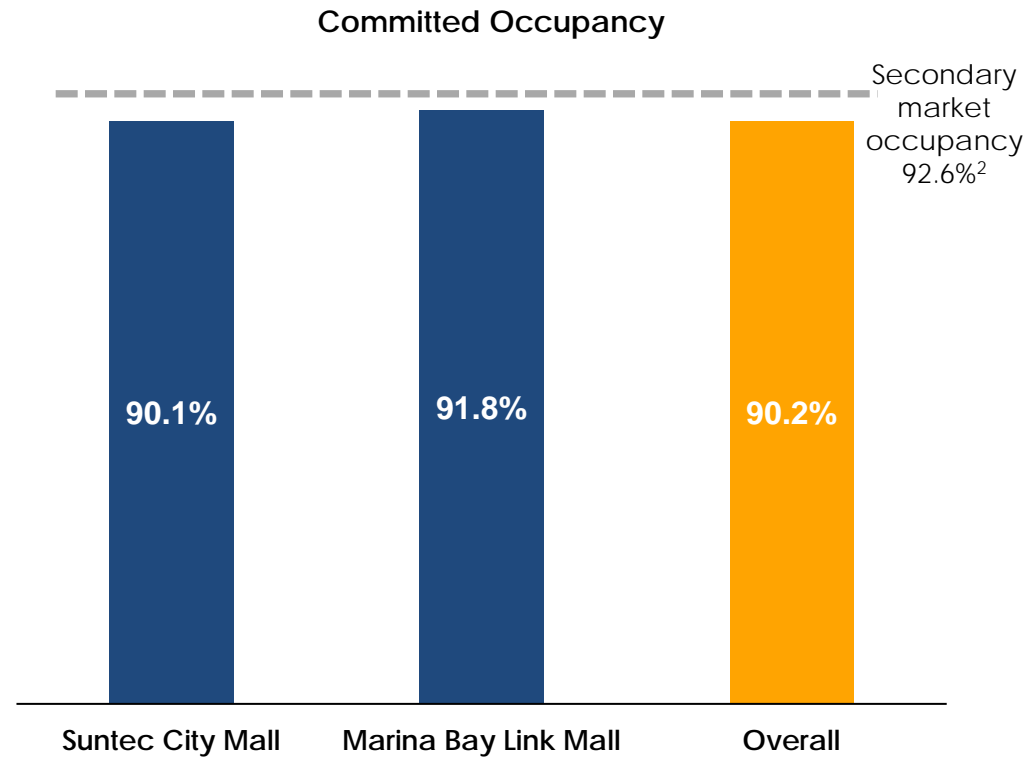
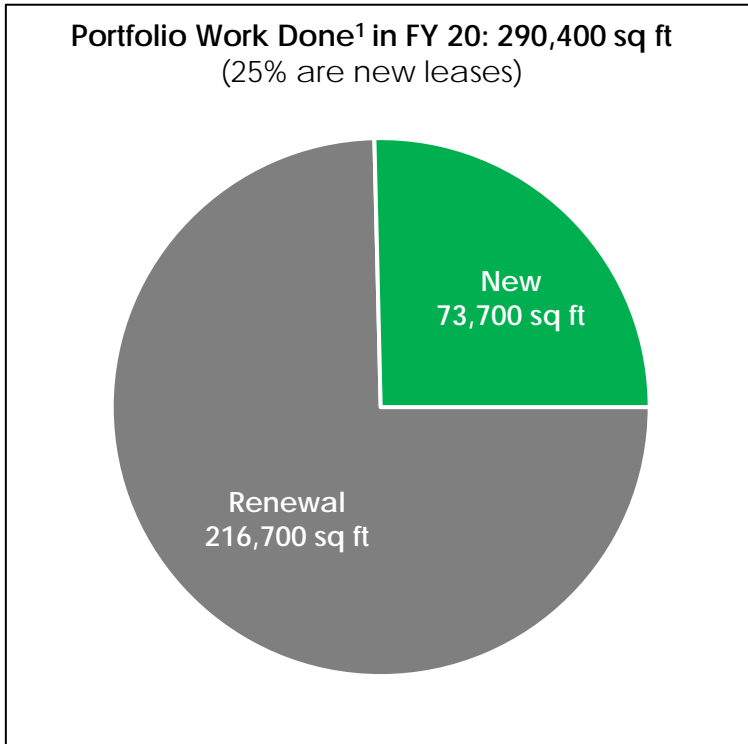


70% of Retail Units Leased to
pre-dominantly F&B Tenants





**SG RETAIL PORTFOLIO
PERFORMANCE**



Notes:

1. Reflects net lettable area of new leases and renewals committed based on Suntec REIT's interests in Suntec City Mall, Suntec Singapore (Retail) and Marina Bay Link Mall
2. Source: JLL

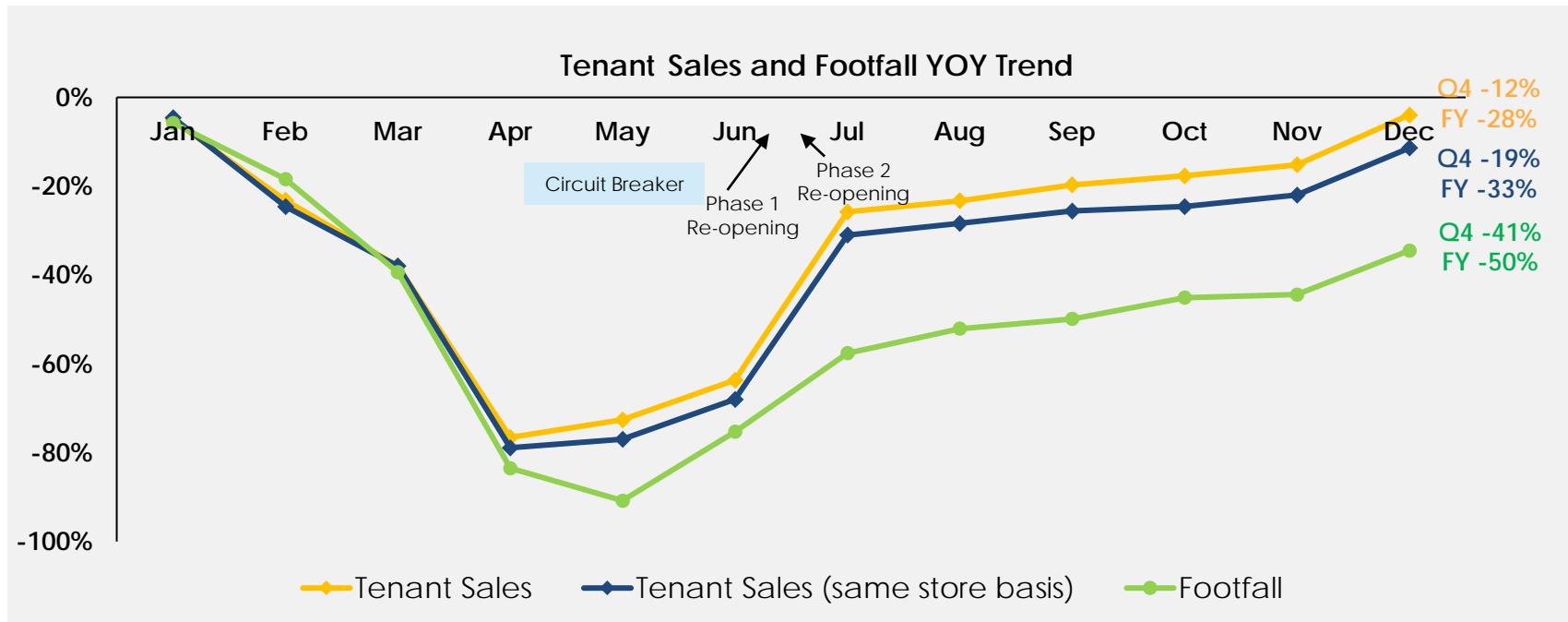
Suntec City Mall – Operational Performance



90.1% Committed Occupancy



Rent Reversion of -1.3% for FY20



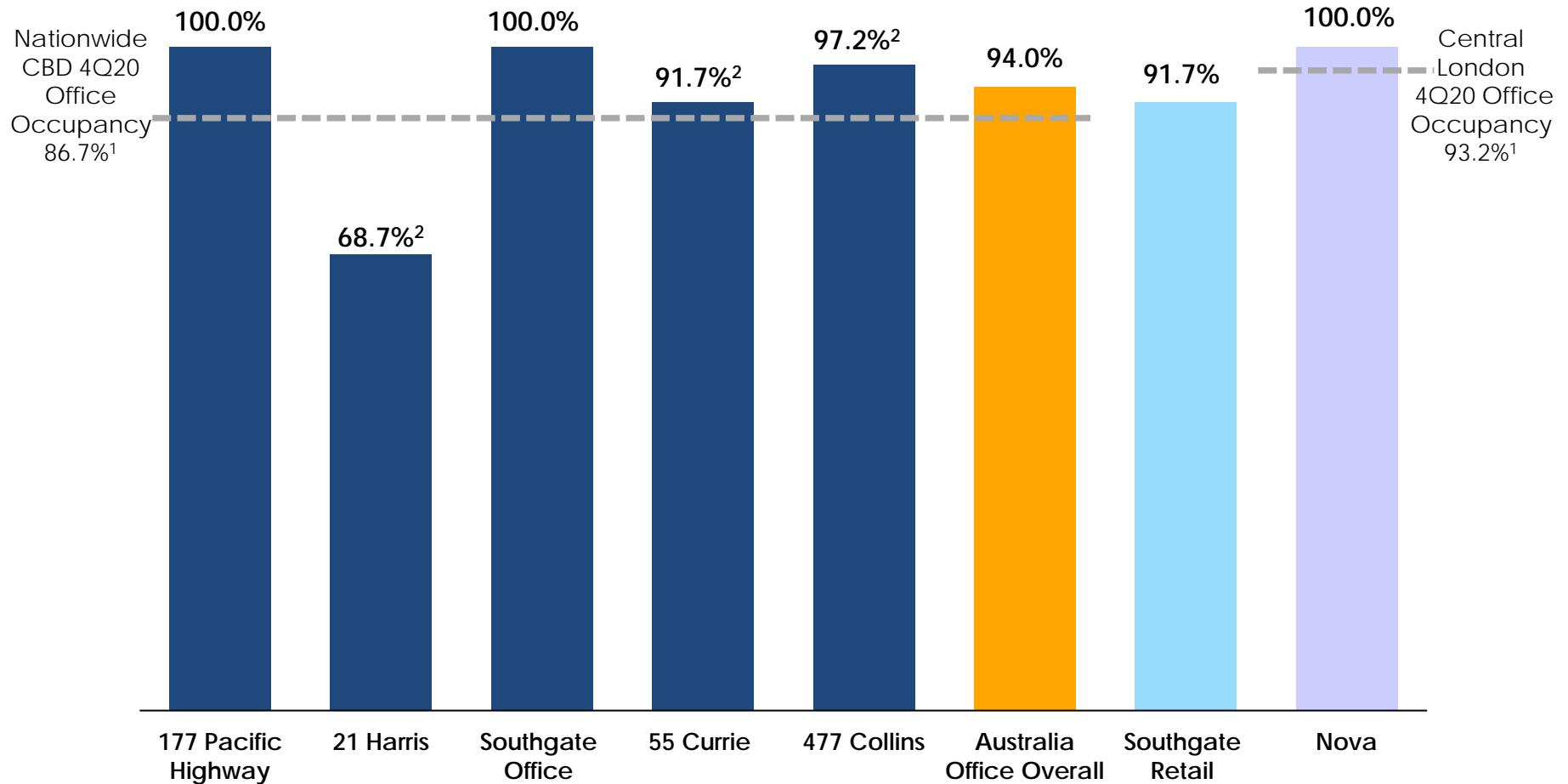
Recovery in Tenant Sales Continues to be Stronger than Footfall Improvement



AUSTRALIA & UK PORTFOLIO PERFORMANCE



Australia & UK Committed Occupancy



Notes:

1. Source: JLL

2. Rent guarantee on vacant spaces

177 Pacific Highway, Sydney



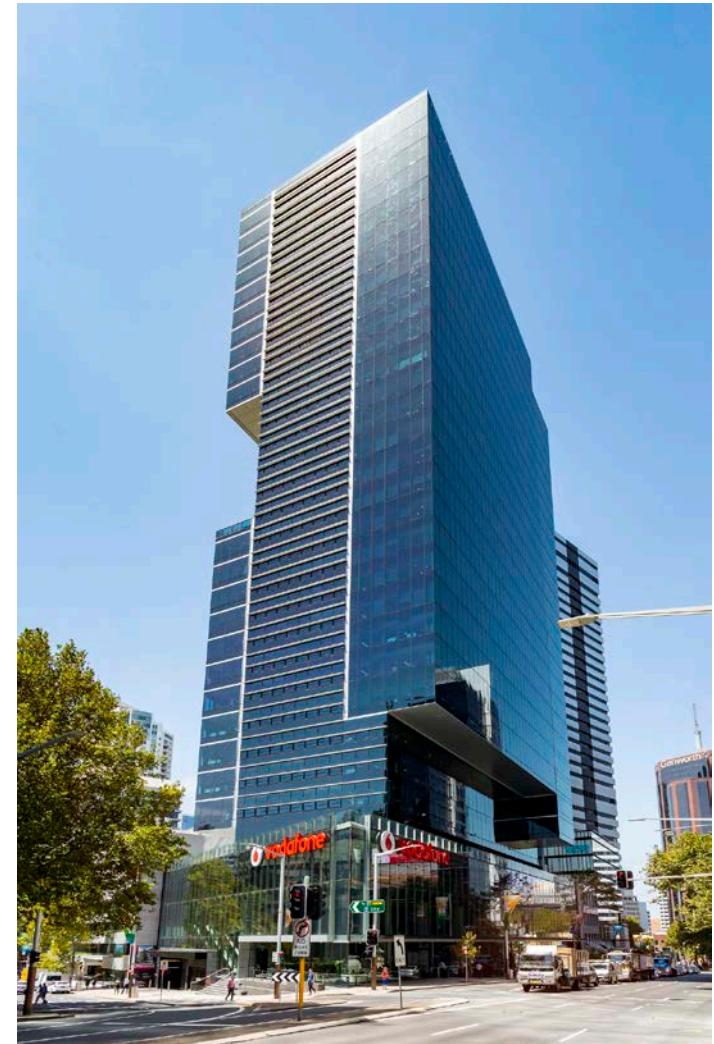
100% Committed Occupancy



3.1% of Leases Due to Expire in 2021



WALE of 4.8 years



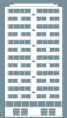
21 Harris Street, Sydney



68.7% Committed Occupancy



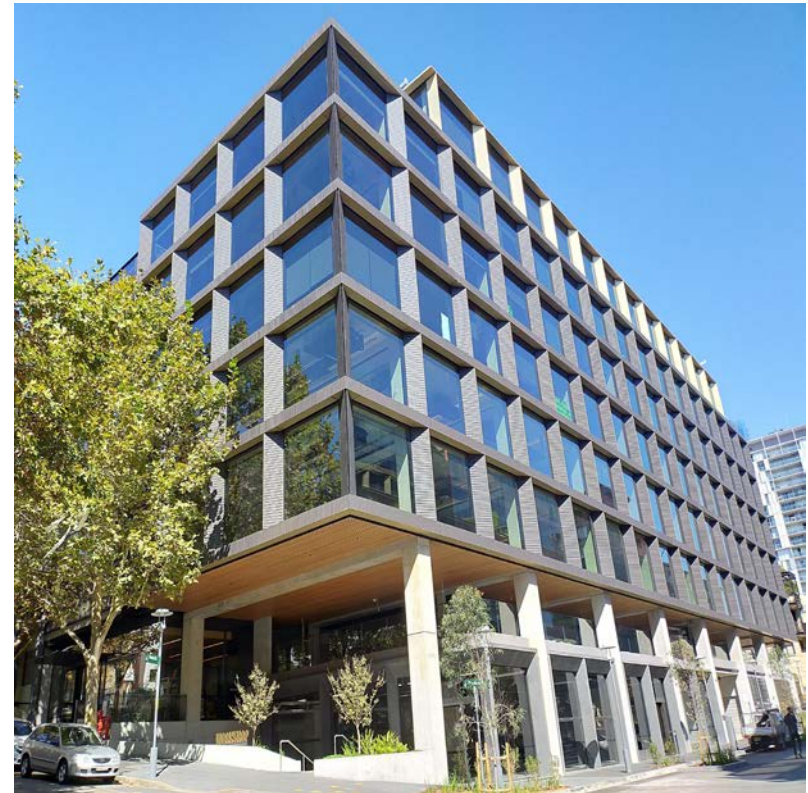
Rent Guarantee on Vacant Spaces
till April 2023



Received Practical Completion on
2 April 2020



WALE of 9.7 years



Southgate Complex, Melbourne



98.9% Committed Occupancy



7.5% of Leases Due to Expire in 2021



WALE of 4.3 years



Olderfleet, 477 Collins Street, Melbourne



97.2% Committed Occupancy



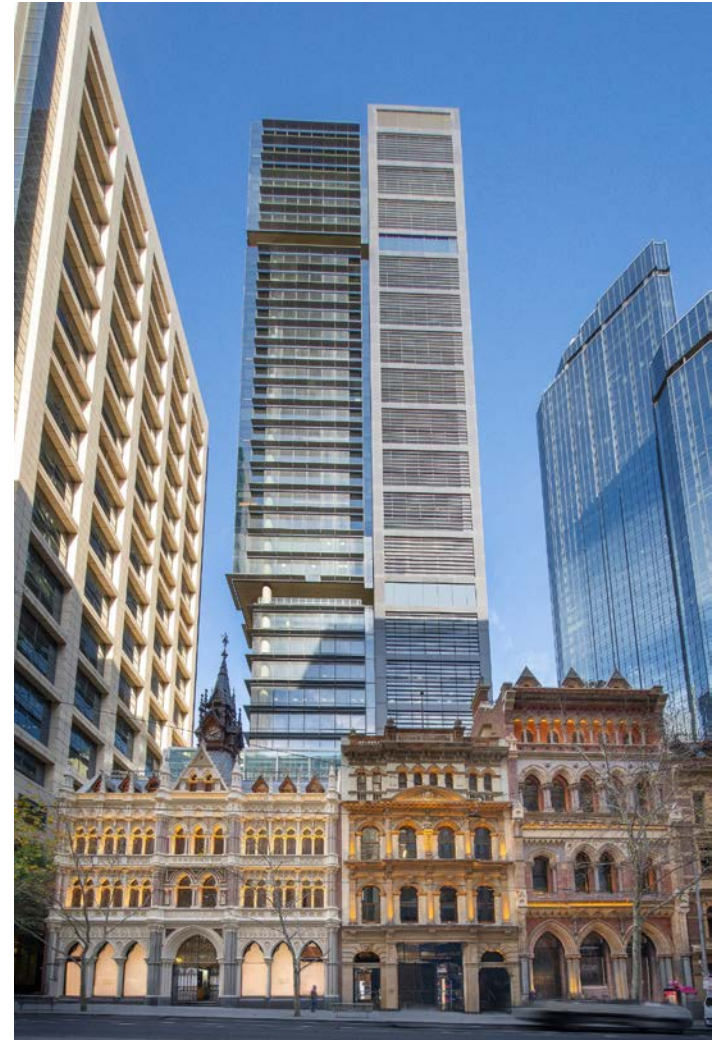
Rent Guarantee on Vacant Spaces
till July 2025



Received Practical Completion
on 31 July 2020



WALE of 10.8 years



55 Currie Street, Adelaide



91.7% Committed Occupancy



Rent Guarantee on Vacant Spaces
till November 2021



14.7% of Leases Due to Expire in 2021
Heads of Agreement for entire 14.7% signed



WALE of 3.1 years



Nova Properties, London, UK



Acquisition of 50% interest completed
in Dec'20



Initial yield of 4.6%, DPU accretive



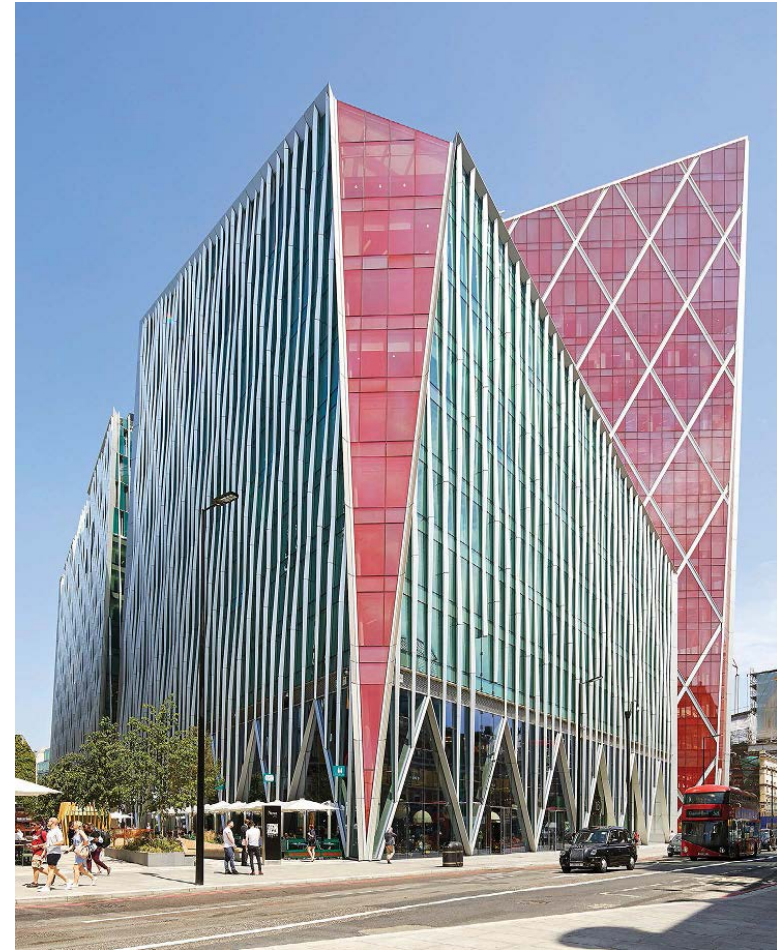
100% Committed Occupancy



2-year Guarantee on Retail Income
till December 2022



WALE of 10.6 years



Sustainability Awards & Achievements



Attained 5 Star Rating in inaugural
submission
(Highest Rating)



Improved NABERS Energy rating for
177 Pacific Highway from 5.5 Star to 6
Star Rating
(Highest Rating)



**LOOKING
AHEAD**

Looking Ahead – Singapore Office Portfolio

Outlook

- Return of workforce expected to increase in Q2 2021 from the current levels of 30% in Suntec City Office and 45% in Marina Bay offices (One Raffles Quay & MBFC Towers 1 and 2)
- Hybrid working arrangement to continue but physical office to remain relevant as companies see the need to build corporate culture and foster employee collaboration and socialisation
- Leasing demand picking up with key demand drivers from TMT, Pharmaceutical and Financial Services
- Companies remain cost conscious and continue to be prudent on rent and capital expenditure

Performance Indicators

- Revenue expected to remain stable underpinned by strong rent reversions in the past quarters
- Rent reversion for Singapore Office Portfolio will be moderated but expected to remain positive
- Occupancy for Suntec City Office and Marina Bay offices expected to remain healthy at mid 90%

Key Strategies

- Tenant retention and maintaining healthy occupancy to remain as key focuses
- Adopt flexibility in lease tenure and lease terms
- Target completion of Suntec City Office's ongoing upgrading works to enhance competitiveness
- Provide a safe and healthy environment for the return of office occupiers

Looking Ahead – Suntec City Mall

Outlook

- Singapore retail will be supported largely by domestic consumption in 2021
- Tenant sales for F&B, wellness, supermarket, homeware, sports fashion, watches & jewellery, kids' fashion & toys, optical expected to recover to 2019 level barring any worsening of the pandemic
- Mall traffic is expected to recover to ~80% of 2019 level
- Rent reversion expected to remain weak due to cautious sentiments of retailers

Performance Indicators

- Revenue is expected to improve towards 2019 level, led by improved mall occupancy which will increase progressively to approximately 95% by end 2021
- Reduction in fixed rent due to short-term rent restructure will be mitigated by increase in GTO rent

Key Strategies

- Introduce brands or concepts in trade categories with stronger post-COVID recovery and higher sales potential (e.g. groceries, home furnishing, new-to-market F&B)
- Focus marketing efforts on driving incremental sales from returning office community and local residents
- Strategic capital expenditure to attract visitors and tourists into the mall post-COVID

Looking Ahead – Suntec Convention

Outlook

- Recovery will be slow and uncertain due to weak international travel
- Safe Management Measures (SMM) for events likely to remain
- FY21 revenue supported by long term licences and small-scale events; 4 churches have obtained approval for services up to 250 members every weekend
- FY21 income will continue to see downward pressure despite reduced fixed costs

Key Strategies

- Short term focus on – “Think Local, Sell Local” to capture domestic consumption
- Work closely with authorities on ways to ease SMM to support MICE recovery, without compromising health and safety priorities
- Strategic capital expenditure on SMM infrastructure to better position Suntec Convention as the MICE destination of choice post-COVID
- Comprehensive business review to identify opportunities to pivot Suntec Convention’s core business

Looking Ahead – Australia Portfolio

Outlook

- Return of workforce approx. 50% in Sydney and Melbourne respectively, >70 % in Adelaide
- Leasing demand remain subdued as businesses actively look to reduce expenses and rationalise space requirements
- Flexible remote working arrangement is likely to continue as companies redesign offices to create collaborative team workspaces
- Nationwide CBD office vacancy rate rose from 12.2% (3Q 20) to 13.3% (4Q20)¹ and expected to increase further due to additional supply

Performance Indicators

- Strong income stream from office tenants constitute more than 90% of Australia's total rental income
- Office portfolio will remain resilient underpinned by strong occupancy, long WALE with minimal lease expiry in 2021 and annual rent escalations
- Rent rebates and rent deferment granted to retail tenants who continue to be adversely impacted due to remote working arrangements
- Vacant spaces at 55 Currie Street, 21 Harris Street and 477 Collins Street are protected by rent guarantee

Key Strategies

- Provide fully-fitted office suites to create "plug and play" solutions as occupiers look to save on fitting out capital expenditure
- Pro-active and flexible lease structures for tenant retention
- Enhance tenant experience through improving physical amenities and curating community activities

Note:

1. Source: JLL

Looking Ahead – United Kingdom

Outlook

- Re-opening of retail and F&B since 12 April 2021
- Flexible remote working arrangement likely to remain
- Leasing demand remains subdued as organisations rationalise space requirements in the near term
- High quality office buildings located near London's key transport hubs remain sought after

Performance Indicators

- Office revenue will remain resilient underpinned by full occupancy, long WALE and no lease expiry until 2027
- Rent rebates and rent deferment will be granted to retail tenants who remain impacted by the pandemic
- Risk is mitigated as retail income is supported by 2-year guarantee

Key Strategies

- Proactive risk management of leases
- Actively look for retail and F&B operators with concepts that will enhance trade mix to create a social hub for office tenants and attract leisure customers. These include augmented-reality gaming and thematic bars.

Positioning For Recovery

- 1** Proactive Lease Management to Enhance Resilience of Properties
- 2** Strengthen Balance Sheet through Active Capital Management
- 3** Further Enhance Suntec REIT's Income Stability by Sourcing for Good Quality Assets that are Accretive
- 4** Deliver Sustainable Returns and Long Term Value to Unitholders

THANK YOU



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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.