

Divestment of 30% Interest in 9 Penang Road

16 June 2021



Overview

- Sale of 30% interest in 9 Penang Road for S\$295.5 million (S\$2,468 psf) to existing JV partner, Haiyi Holdings Pte. Ltd.
- 5.7% above valuation¹
- 30.3% above total development cost²
- Resilient office segment continue to anchor Suntec REIT

Building Completion	2019
Total NLA	399,044 sq ft
Committed Occupancy (as at 31 Mar 2021)	98.7%
Valuation ¹	S\$931.8 million
Total Development Cost ²	S\$756.0 million

Notes:

¹ Based on the average of independent valuations by Knight Frank Pte Ltd and Savills Valuation and Professional Services (S) Pte Ltd as at 1 May 2021.

² Includes land and construction costs.



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Active Portfolio Management to Enhance Unitholder Value

2

Strengthen Balance Sheet

3

Realise Value of Capital Appreciation



Enhance Resilience and Diversification of Suntec REIT's Portfolio

- Acquisition of Nova Properties, London in Dec 2020 (NPI yield of 4.6%)



Portfolio Optimisation: Divestment of 9 Penang Road

- Asset Value Maximised through Redevelopment
- NPI yield of 3.3%¹
- Office Component 100% Leased on Long Tenure



Former Park Mall Building



Maximised Asset Value through Redevelopment

Note:

¹ On stabilised basis.

Strengthen Balance Sheet

Net Divestment Proceeds

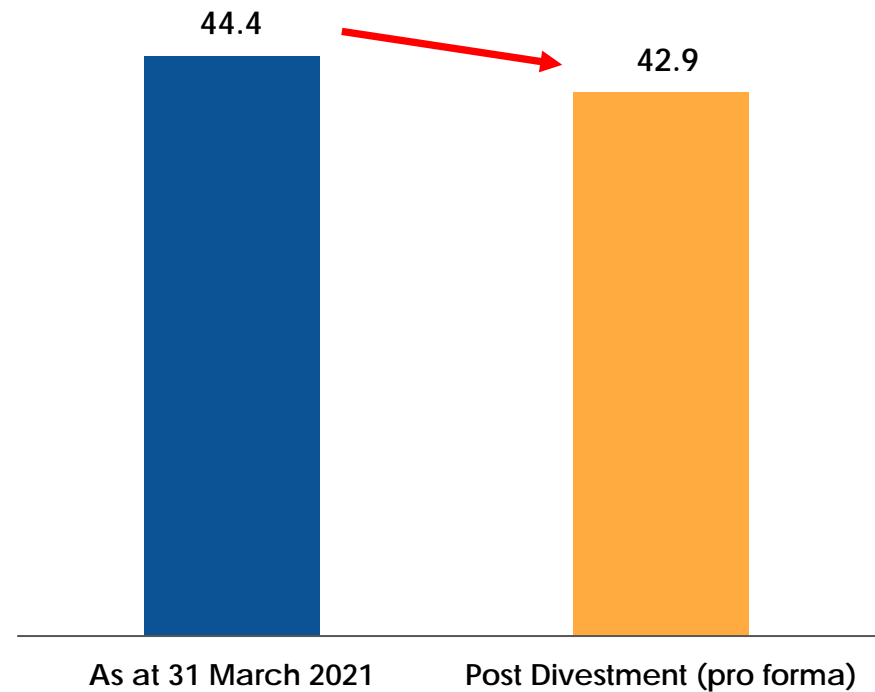


Pare Down Debt



Redeploy Funds to Higher
Yielding Assets

Aggregate Leverage Ratio
Reduced by 1.5 percentage points

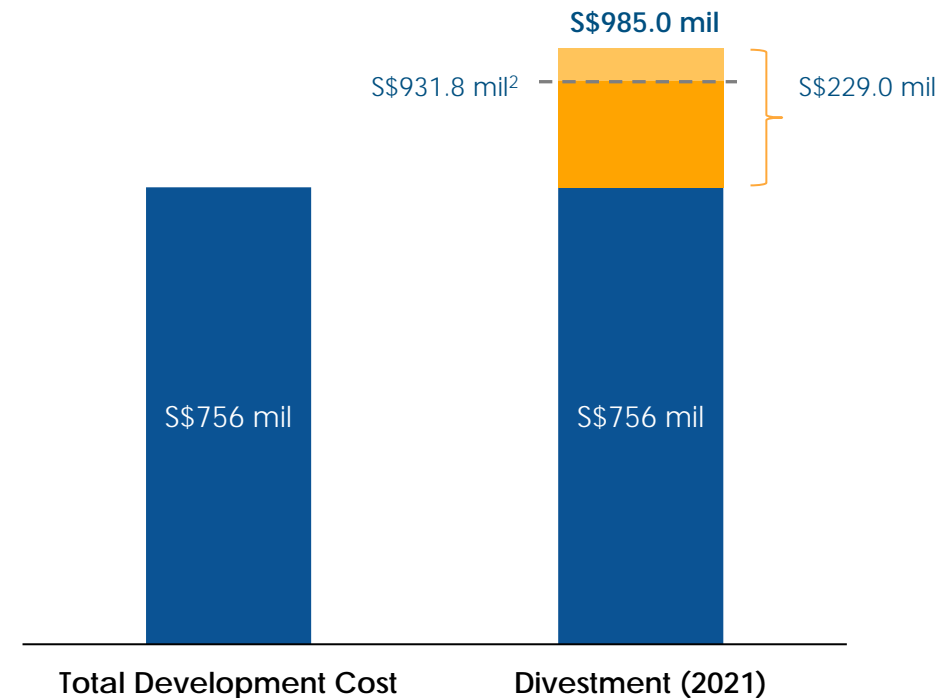


Realised Value of Capital Appreciation

Agreed Value of S\$985.0 million

Realised Asset Value Upside of S\$229.0 million

- NPI yield of 3.3%¹
- 5.7% above latest valuation of S\$931.8 million² (S\$2,335 psf)
- 30.3% higher than total development cost³ of S\$756.0 million (S\$1,895 psf)
- Capital gains equivalent to approx. 2.27 cents per unit



Returns on Investment of 305%⁴

Notes:

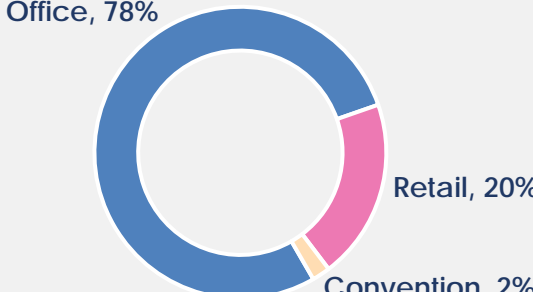
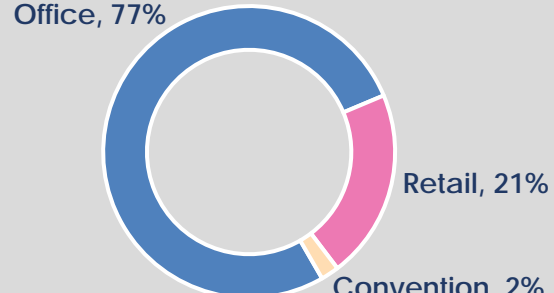
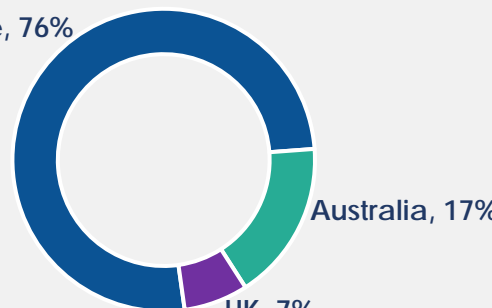
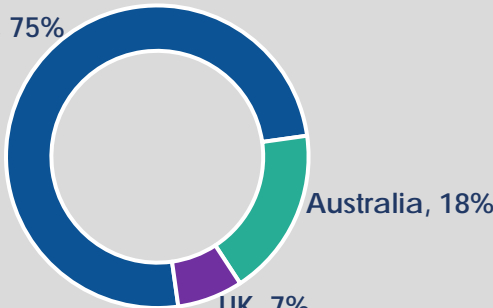
¹ On stabilised basis.

² Based on the average of independent valuations by Knight Frank Pte Ltd and Savills Valuation and Professional Services (S) Pte Ltd as at 1 May 2021.

³ Includes land and construction costs.

⁴ Net divestment profit as percentage of cost of investment.

Pro Forma Impact

For Illustrative Purpose	Before	After
DPU	7.402 cents	7.402 cents ¹
NAV per Unit	S\$2.054 ²	S\$2.057 ³
Assets Under Management	S\$11.7 billion	S\$11.5 billion ⁴
Deposited Property (by Segment)	 <p>Office, 78% Retail, 20% Convention, 2%</p>	 <p>Office, 77% Retail, 21% Convention, 2%</p>
Deposited Property (by Country)	 <p>Singapore, 76% Australia, 17% UK, 7%</p>	 <p>Singapore, 75% Australia, 18% UK, 7%</p>

Notes:

¹ Based on pro forma financial effects of the divestment for FY 2020, assuming the divestment was completed on 1 January 2020. DPU remains unchanged as no income contribution from 9 Penang Road was declared in FY 2020.

² Based on number of units issued and to be issued as at 31 December 2020.

³ Based on number of units issued and to be issued as at 31 December 2020, inclusive of divestment fee.

⁴ Assuming net proceeds is utilised to pare down debt.

Resilient Office Segment Continue to Anchor Suntec REIT

THANK YOU

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