

SUNTEC REIT 3Q 2021 UPDATE

22 October 2021



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Looking Ahead

3Q 21 Highlights



DISTRIBUTABLE INCOME FROM OPERATIONS
S\$63.7 million, +22.0% y-o-y



DISTRIBUTION PER UNIT TO UNITHOLDERS
2.232 cents, +20.8% y-o-y



ACTIVE PORTFOLIO MANAGEMENT

The Minster Building, City of London: Acquisition completed on 28 Jul 2021
Suntec City Office Strata Units: Divestment completed on 21 Sep 2021



SUSTAINABILITY

Awarded Highest Accolade of GRESB Global Sector Leader for Office-Listed Category
Ranked Number One in Asia (Office)



MBFC Properties

One Raffles Quay

Suntec City

177 Pacific Highway

Olderfleet, 477 Collins Street

Southgate Complex

55 Currie Street

21 Harris Street

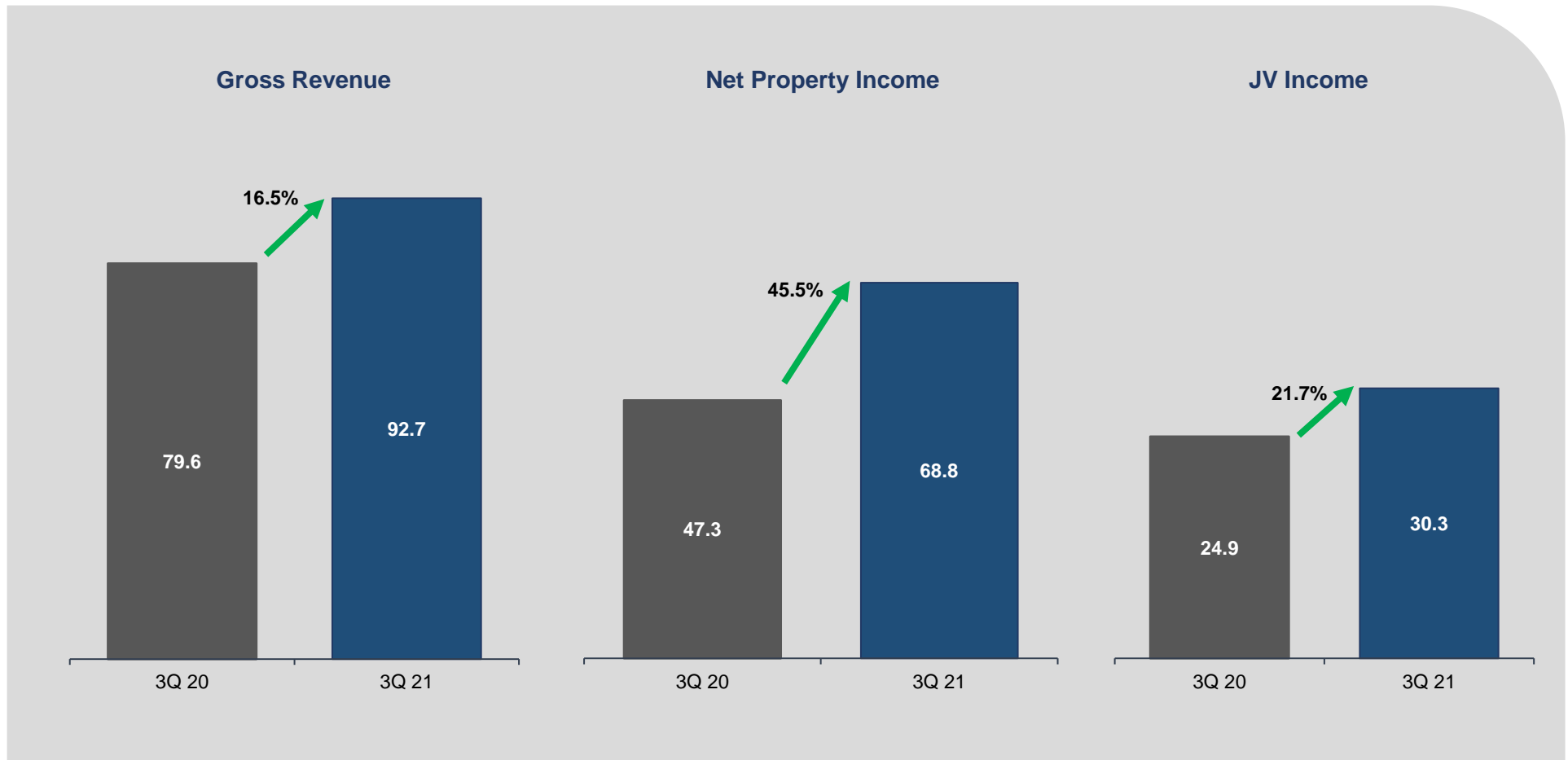
Nova Properties

The Minster Building

FINANCIAL HIGHLIGHTS

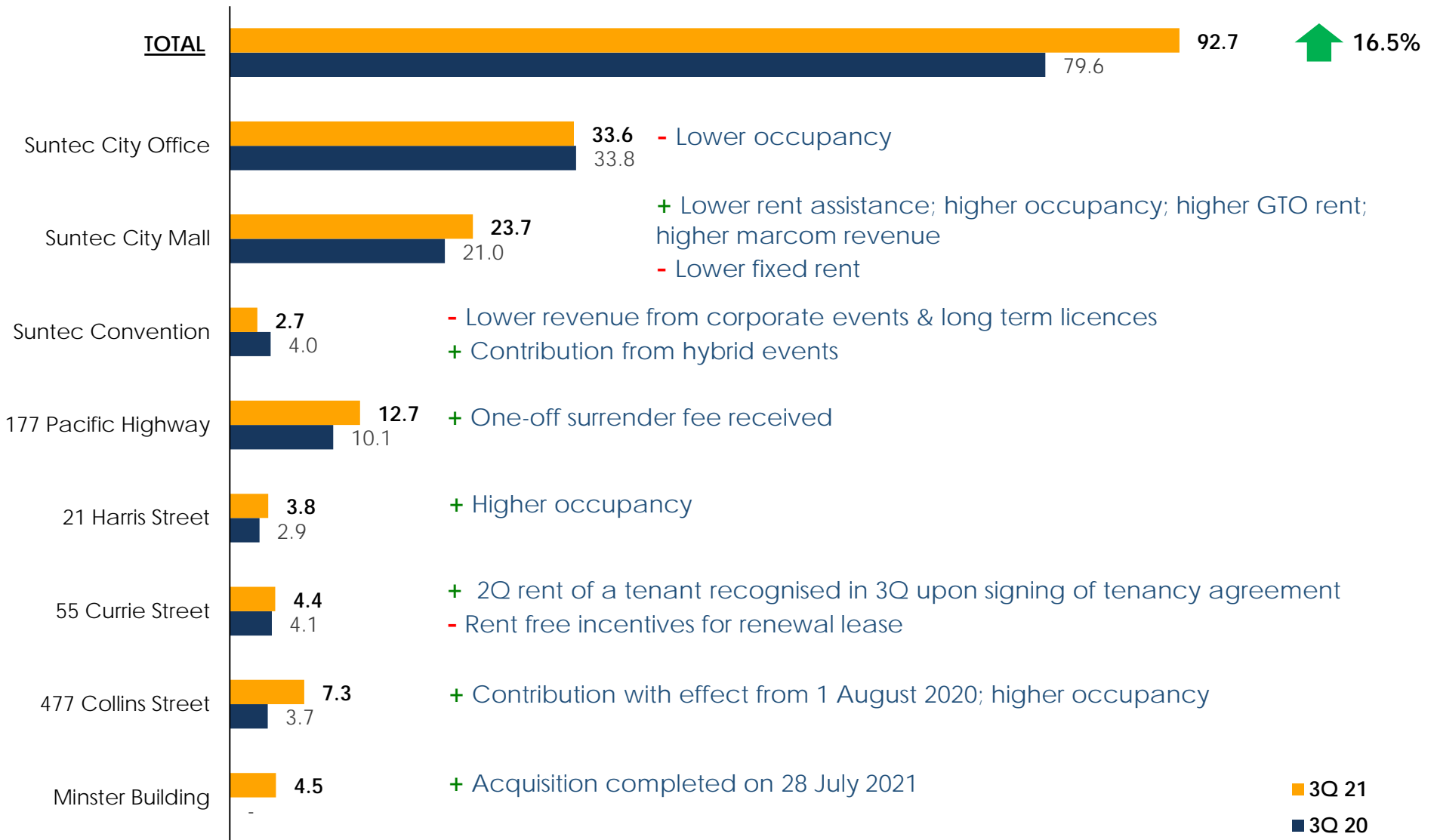


3Q 21 Financial Performance

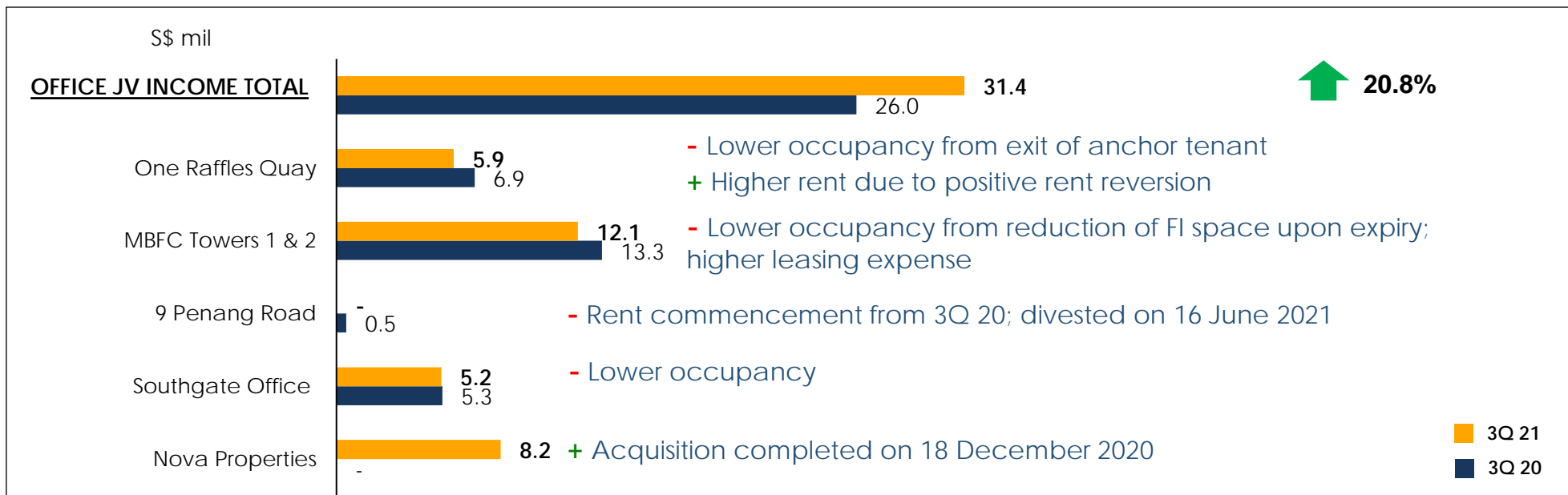
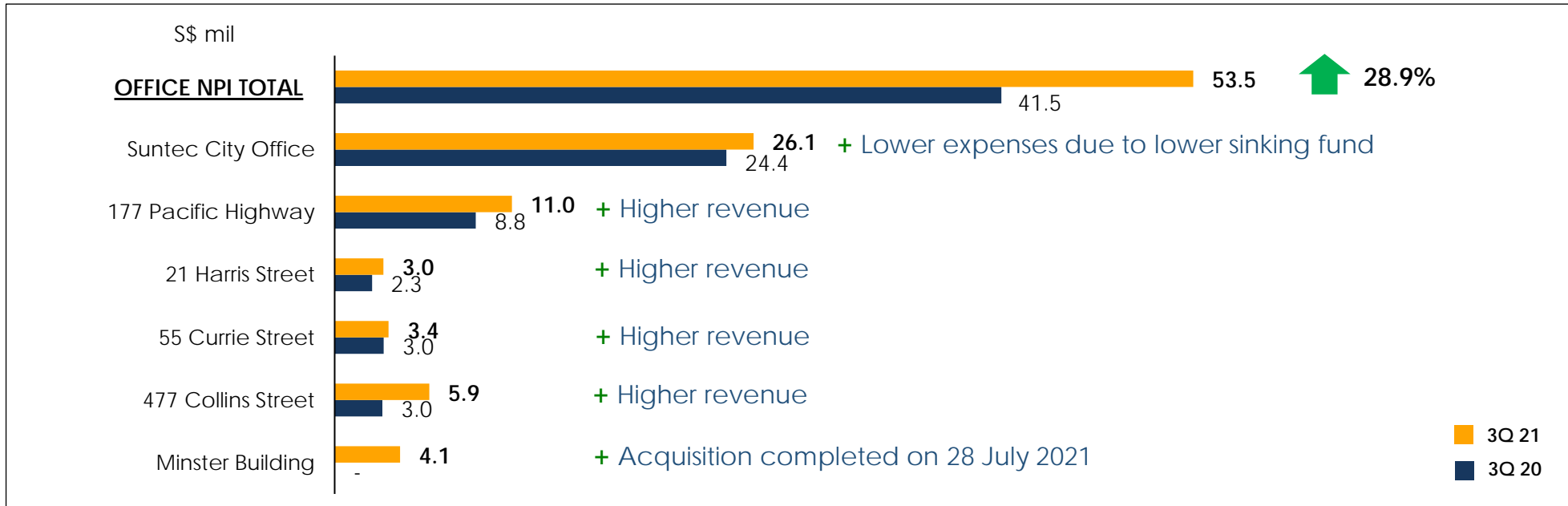


3Q 21 Gross Revenue increased 16.5% y-o-y

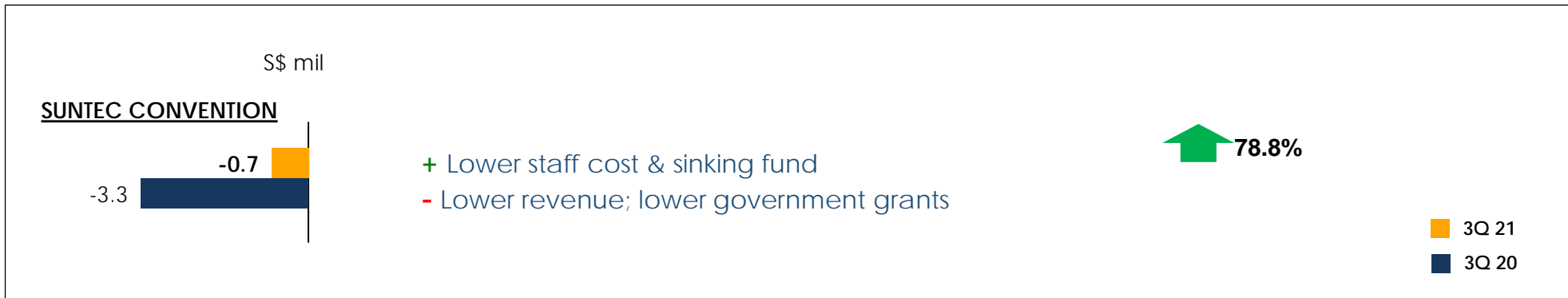
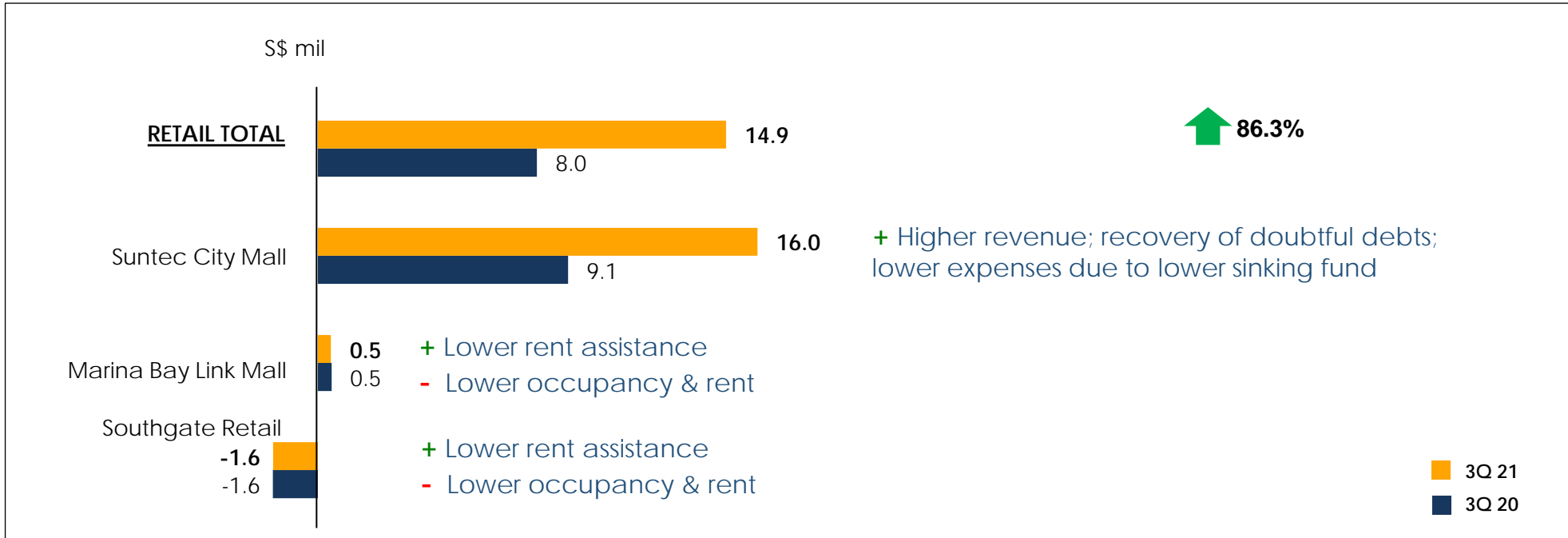
S\$ mil



3Q 21 NPI & JV Income

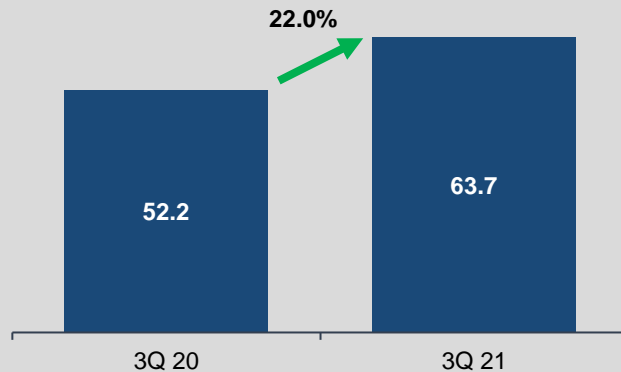


3Q 21 NPI & JV Income

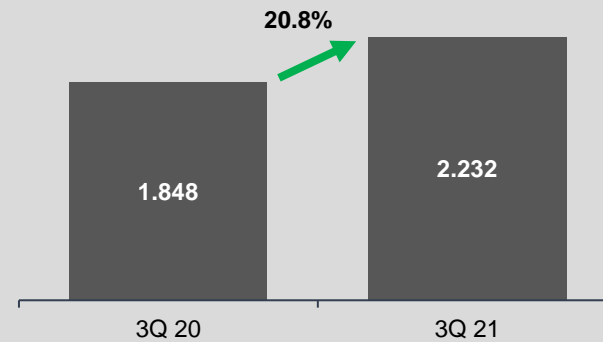


Distribution Income to Unitholders

Distributable Income from Operations
(\$ mil)



DPU to Unitholders
(SG cents)



Distributable Income from Operations

\$63.7 million, +22.0% y-o-y

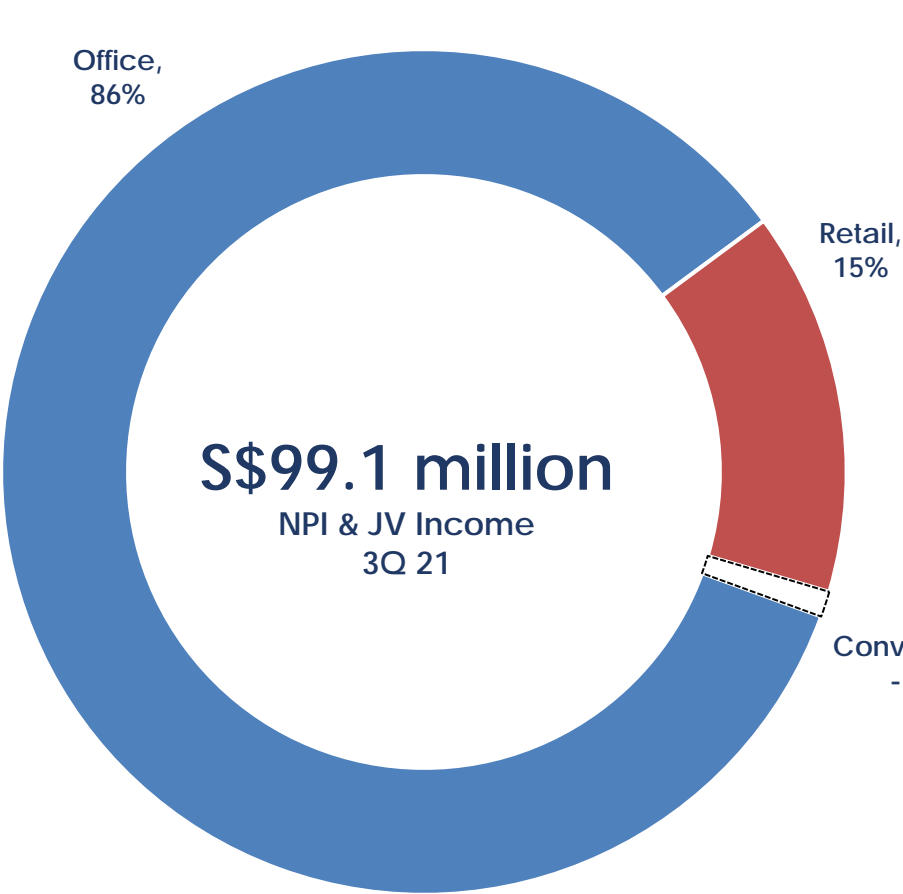
- + Contribution from Nova Properties, The Minster Building, 477 Collins Street
- + Lower retail rent assistance
- + One-off surrender fee from 177 Pacific Highway
- Lower occupancy partially mitigated by positive rent reversions for SG office assets
- Higher financing cost to fund acquisitions

DPU to Unitholders

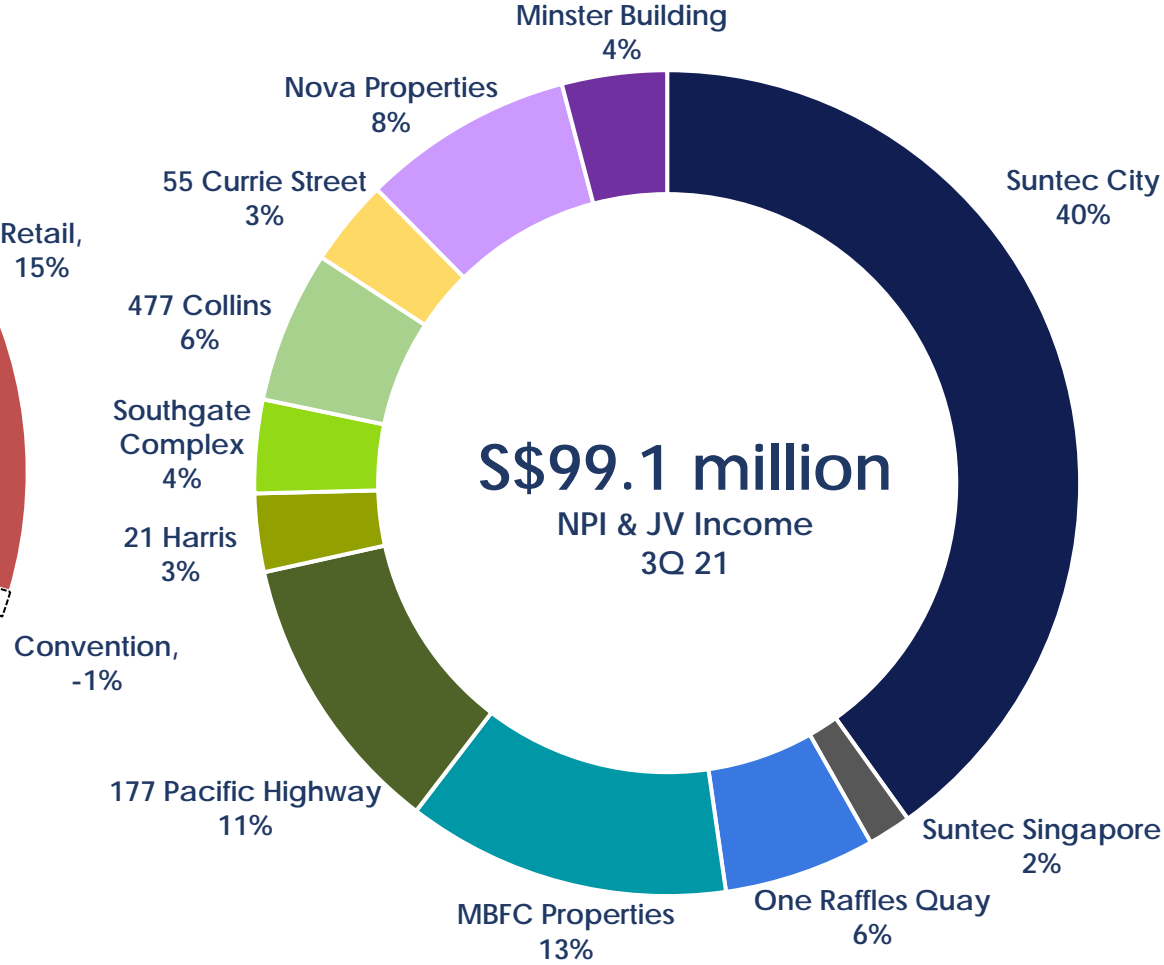
2.232 cents, +20.8% y-o-y

- + Higher distributable income from operations

Diversified Portfolio across Sector and Geography



Contribution by Sector



Contribution by Asset

Distribution Timetable

Distribution Payment	
Distribution Period	1 July – 30 September 2021
Amount (cents/unit)	2.232

Ex-date	29 Oct 2021
Record date	1 Nov 2021
Payment date	29 Nov 2021



CAPITAL MANAGEMENT

Key Financial Indicators

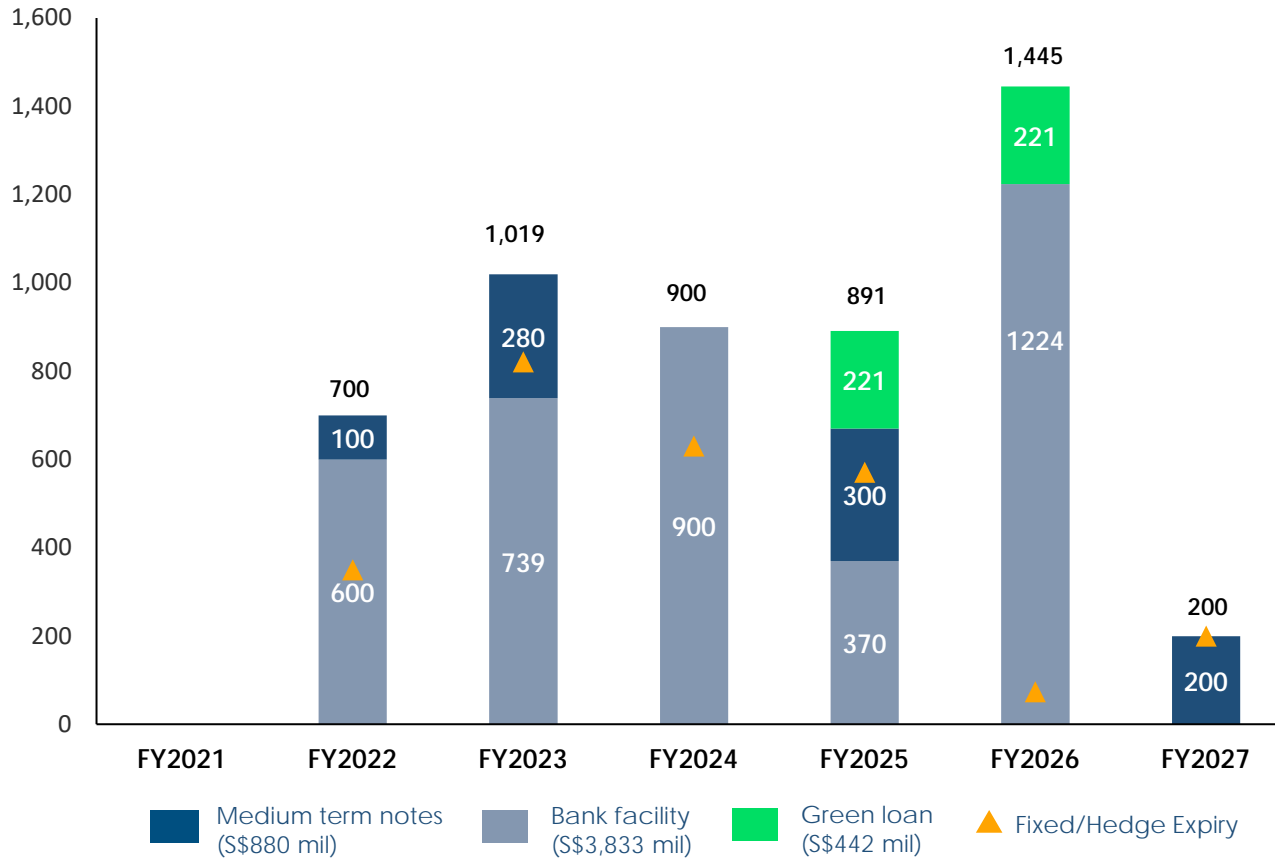
	As at 30 Sep '21	As at 30 Jun '21
NAV Per Unit ¹	S\$2.047	S\$2.062
Total Debt Outstanding	S\$5,155 mil	S\$4,889 mil
Aggregate Leverage Ratio ²	44.3%	43.1%
Weighted Average Debt Maturity	3.07 years	2.99 years
All-in Financing Cost	2.32% p.a.	2.41% p.a.
Adjusted ICR ³	2.7X	2.8X
Weighted average interest maturity	2.33 years	2.38 years
Interest Rate Borrowings (fixed)	~57%	~64%
% of AUD income hedged ⁴	~81%	~80%

Notes:

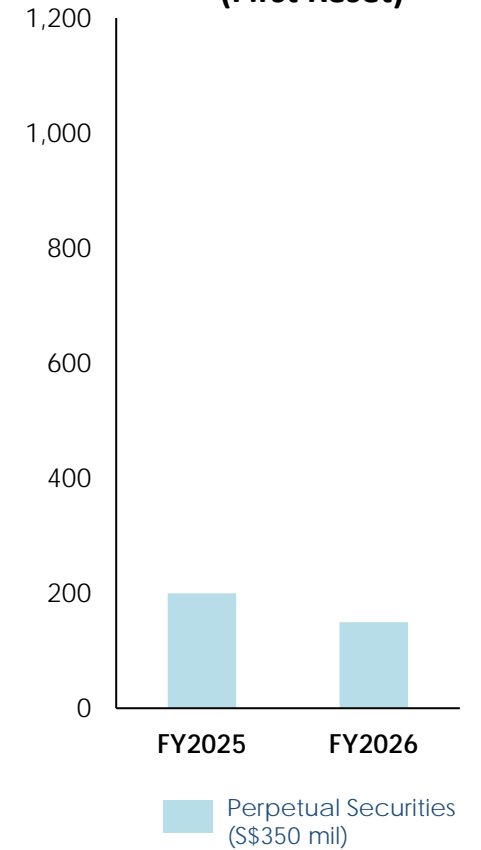
1. Excludes perpetual securities
2. "Aggregate Leverage Ratio" refers to the ratio of total borrowings (inclusive of proportionate share of borrowings of joint ventures) and deferred payments (if any) to the value of the Deposited Property.
3. Adjusted interest cover ratio ("Adjusted-ICR") refers to 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).
4. Refers to income hedged for FY 21.

Proactive Capital Management

Debt & Interest Maturity Profile



Perpetual Securities (First Reset)

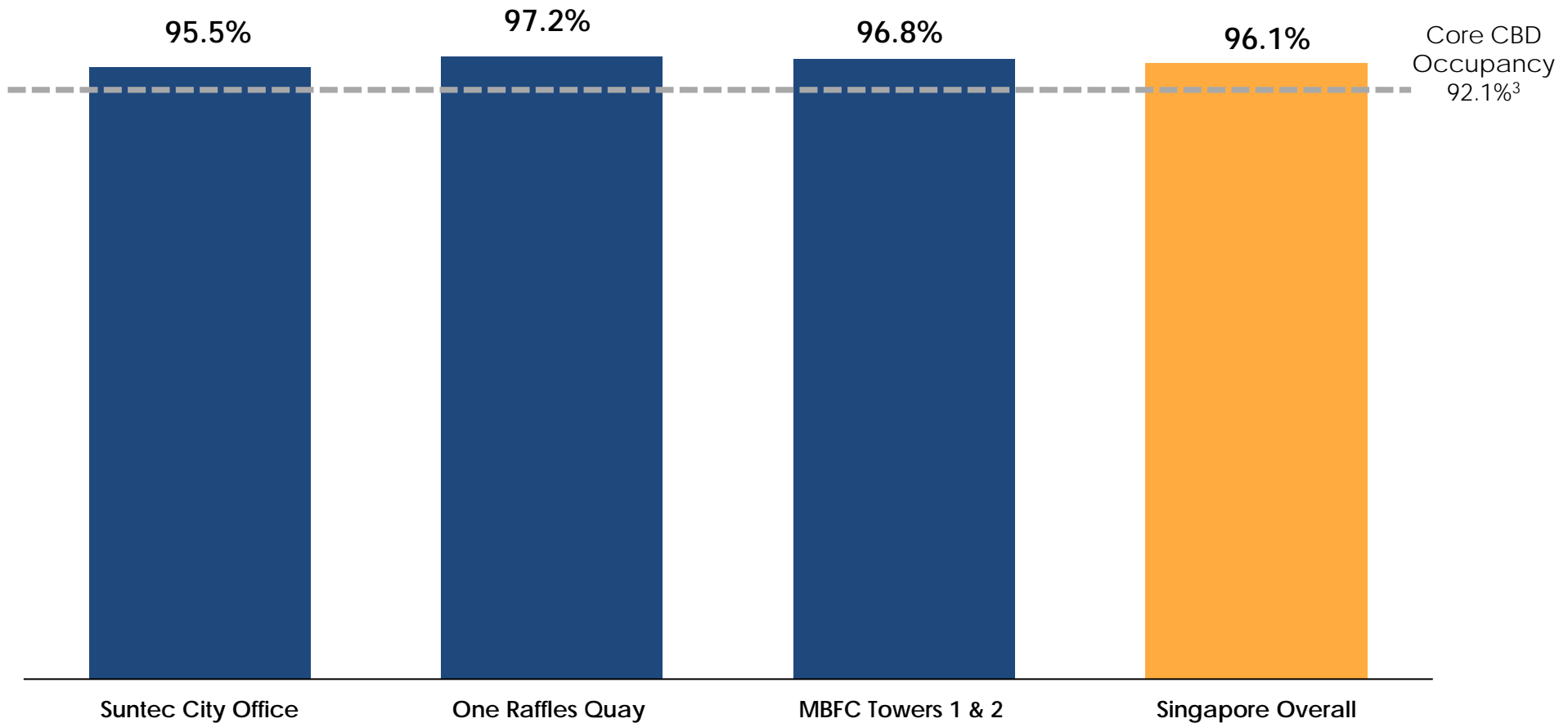


Completed Re-Financing for 2021

A photograph of the Singapore skyline, featuring several prominent skyscrapers with glass facades. The buildings are reflected in the water in the foreground. The sky is a clear blue with some light clouds. A white banner with blue text is overlaid on the right side of the image.

SINGAPORE OFFICE PORTFOLIO PERFORMANCE

Singapore Office Committed Occupancy

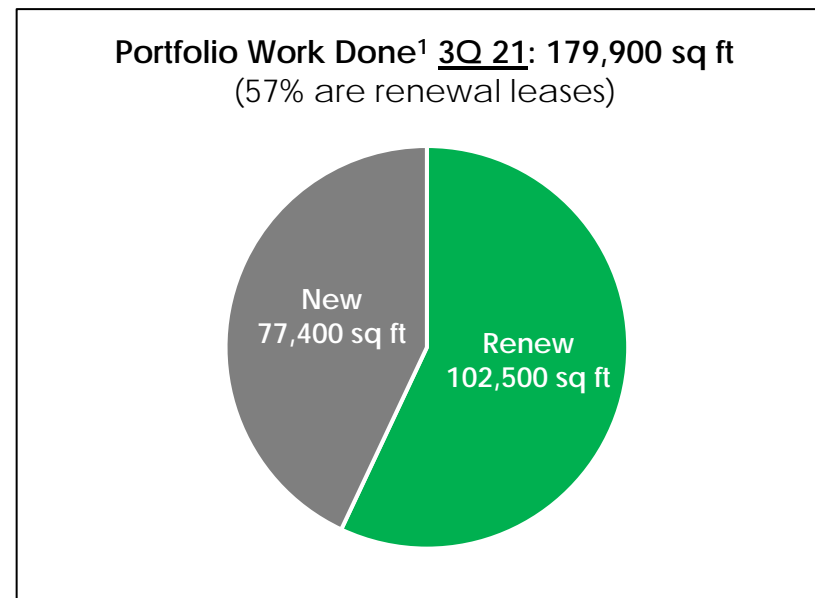
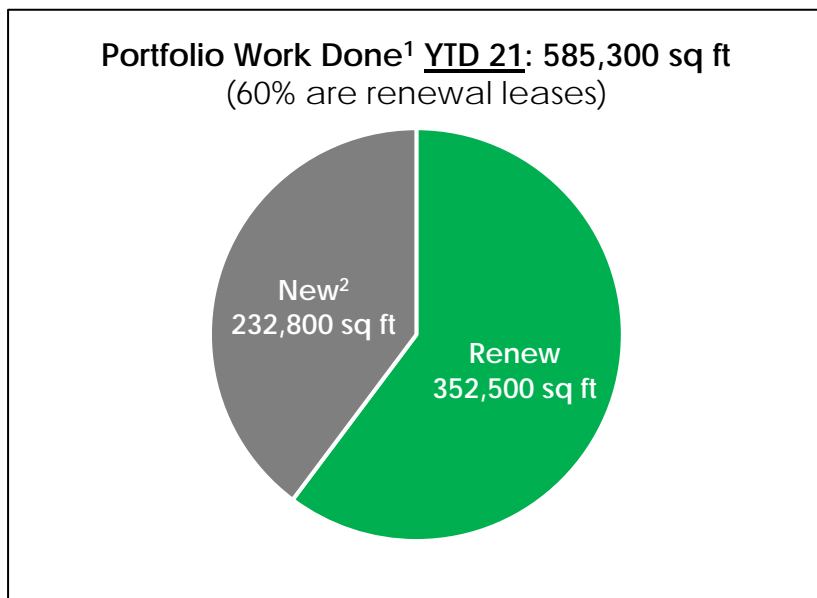


Singapore Office Portfolio Occupancy Remains Strong

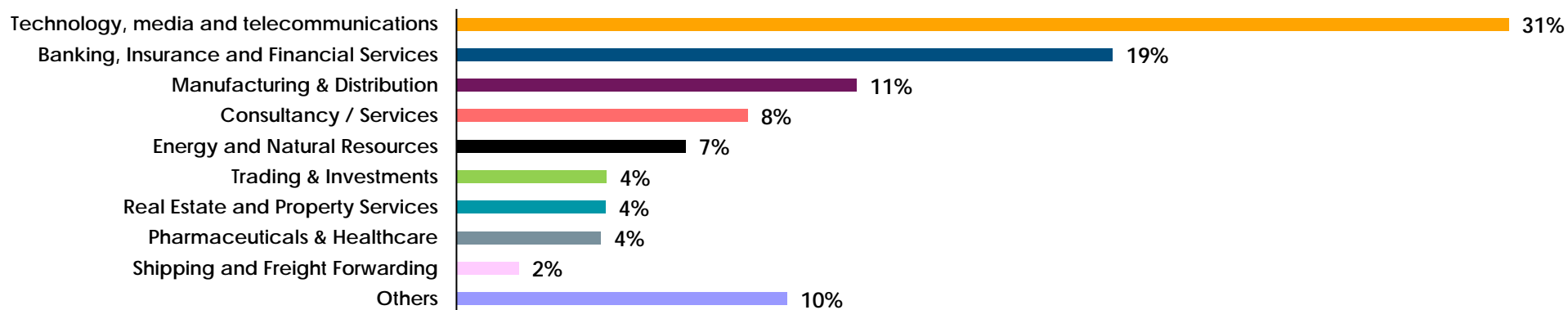
Notes:

1. Combined occupancy for One Raffles Quay office and ancillary retail was 97.2%.
2. Committed occupancy for Singapore Overall (including ancillary retail) was 96.1%.
3. Source: CBRE as at 3Q 2021

Singapore Office Leasing Activity



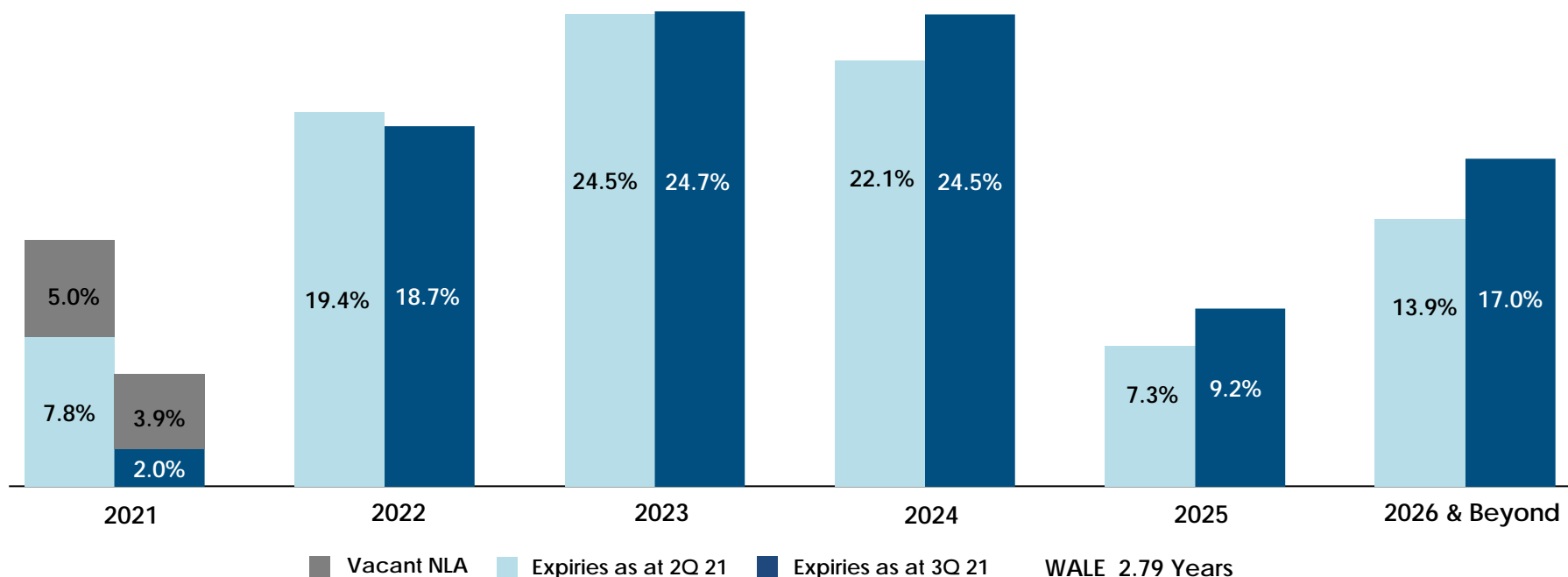
New Tenants by Sector YTD 21 (sq ft)



- Notes:
1. Reflects net lettable area of new leases and renewals committed based on Suntec REIT's interests in Suntec City Office, One Raffles Quay and Marina Bay Financial Centre Office Towers 1 and 2.
 2. Excludes new leases (about 11,500 sq ft) committed for units that were vacant for more than 1 year.

Singapore Office Lease Expiry

% of Total NLA¹ Q-o-Q Comparison



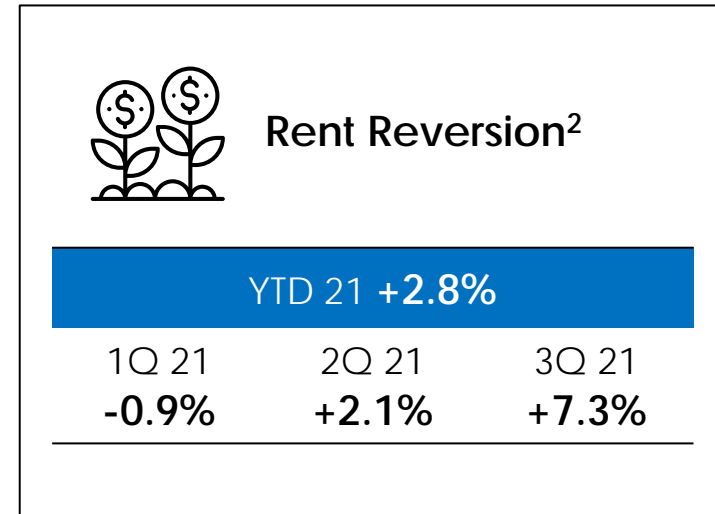
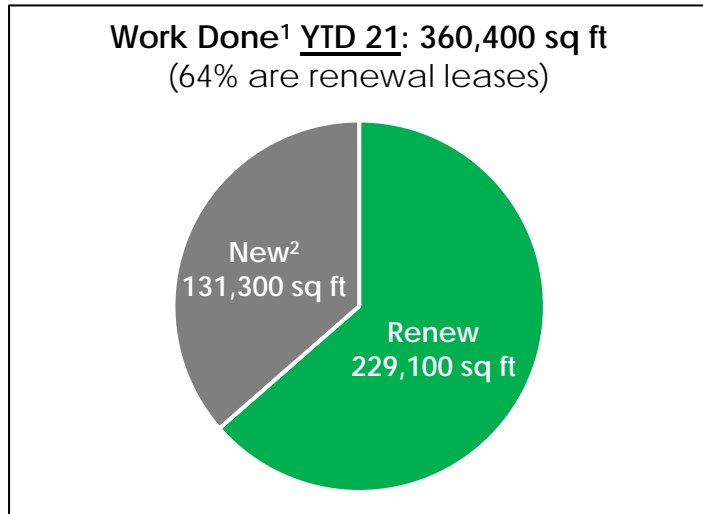
	FY2021	FY2022	FY2023	FY2024	FY2025	FY 2026 & Beyond
Sq ft	43,971	419,374	552,882	549,481	207,329	381,457
%	2.0%	18.7%	24.7%	24.5%	9.2%	17.0%

Well Spread Portfolio Lease Expiry Providing Support, Enhancing Resilience

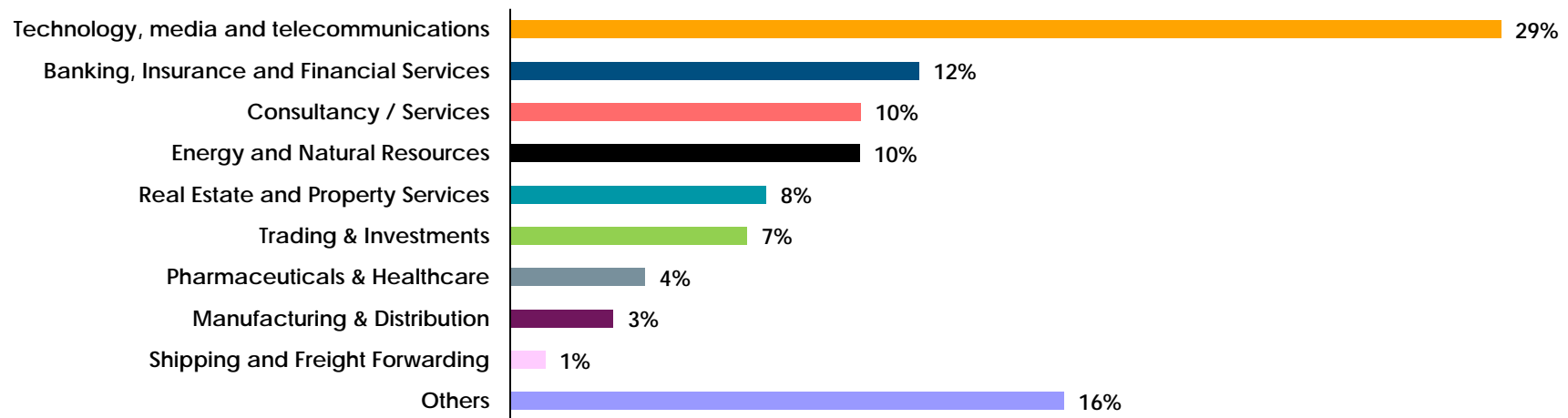
Note:

1. Based on Suntec REIT's interests in Suntec City Office, One Raffles Quay and Marina Bay Financial Centre Office Towers 1 and 2.

Suntec City Office – Leasing Activity



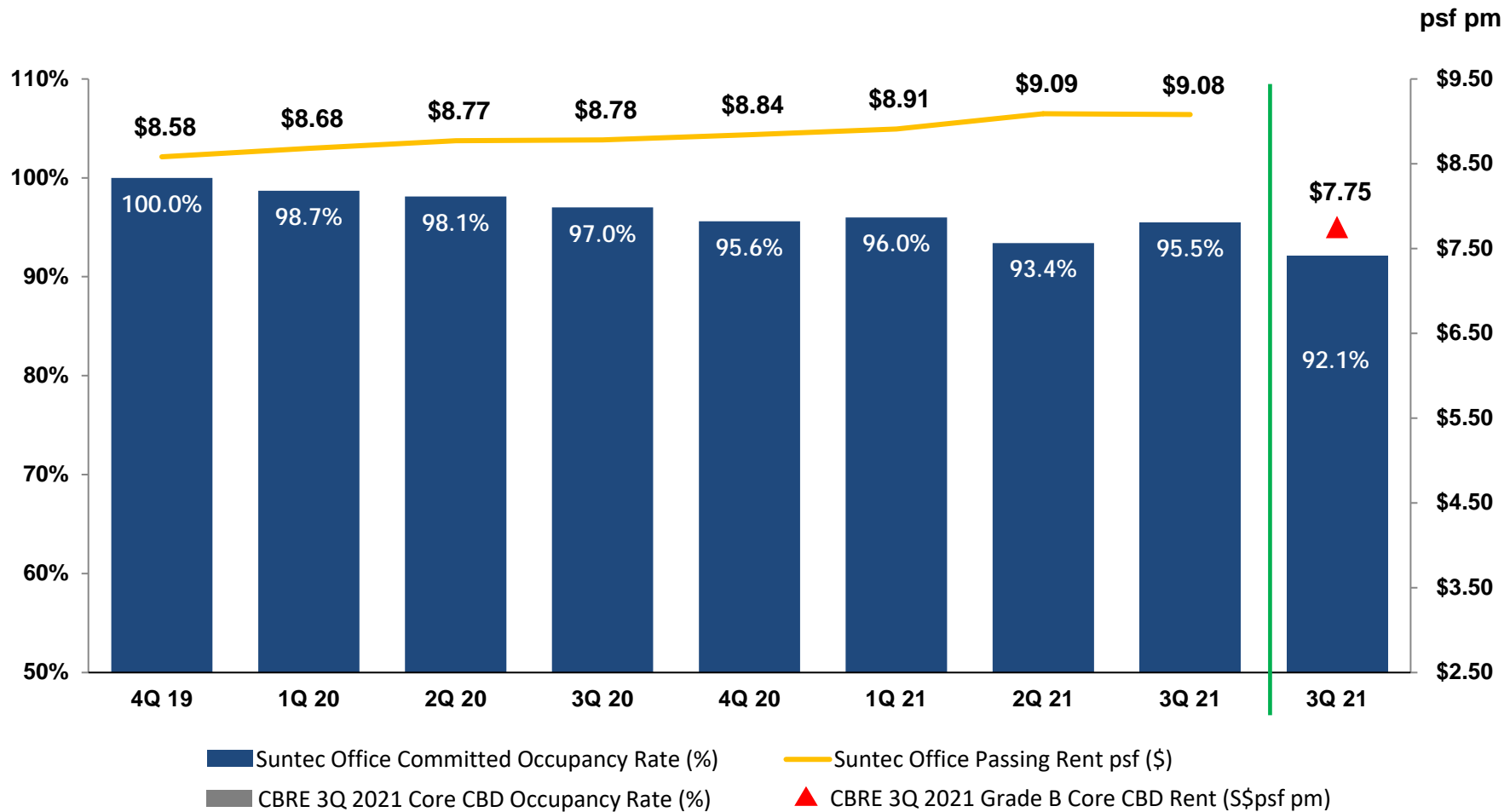
New Tenants by Sector YTD 21 (sq ft)



Notes:

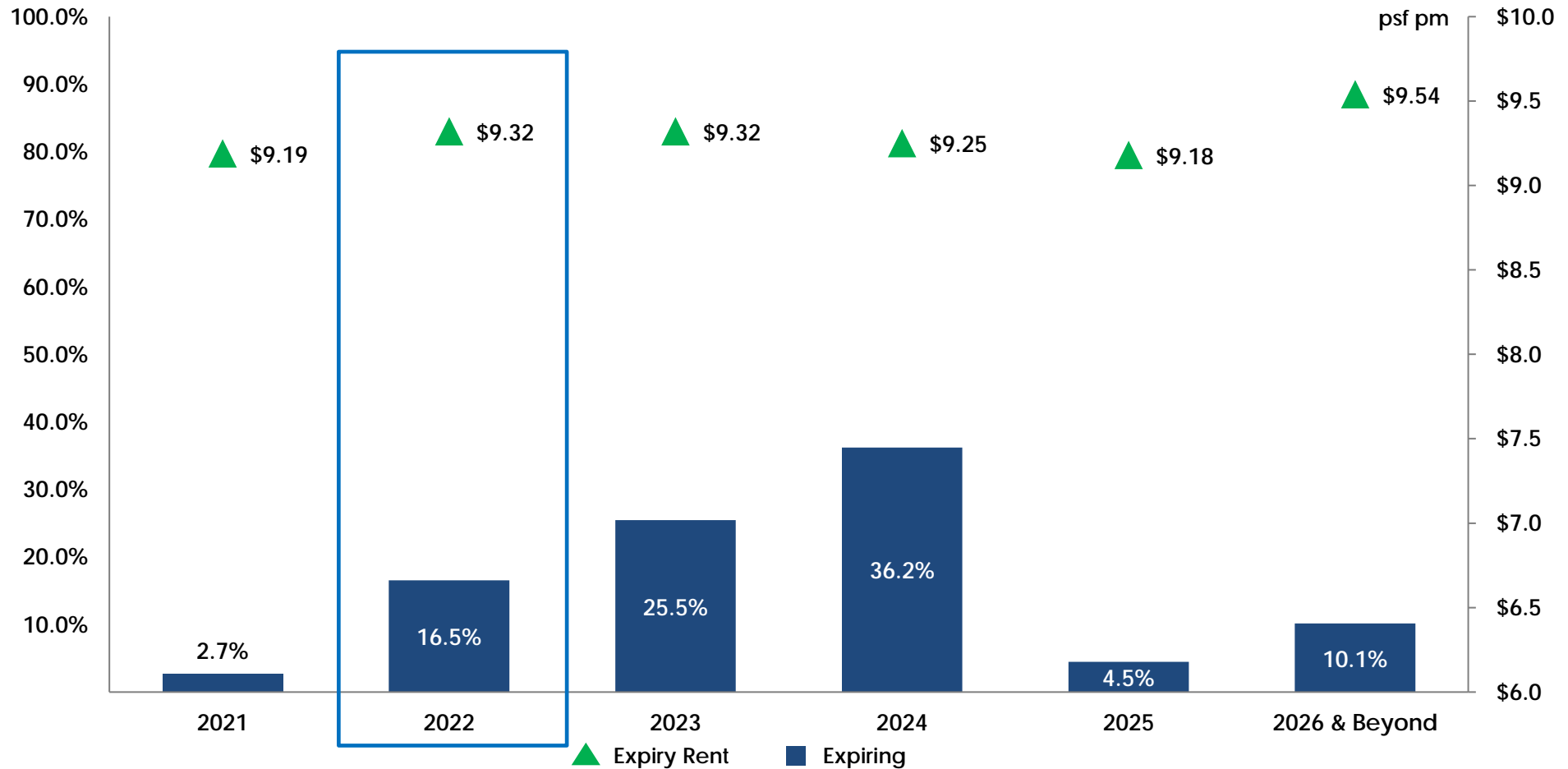
1. Reflects net lettable area of new leases and renewals committed.
2. Excludes new leases (about 7,200 sq ft) committed for units that were vacant for more than 1 year.

Suntec City Office - Committed Occupancy & Average Gross Rent



Strong Occupancy and Stable Gross Rent Above Market Level

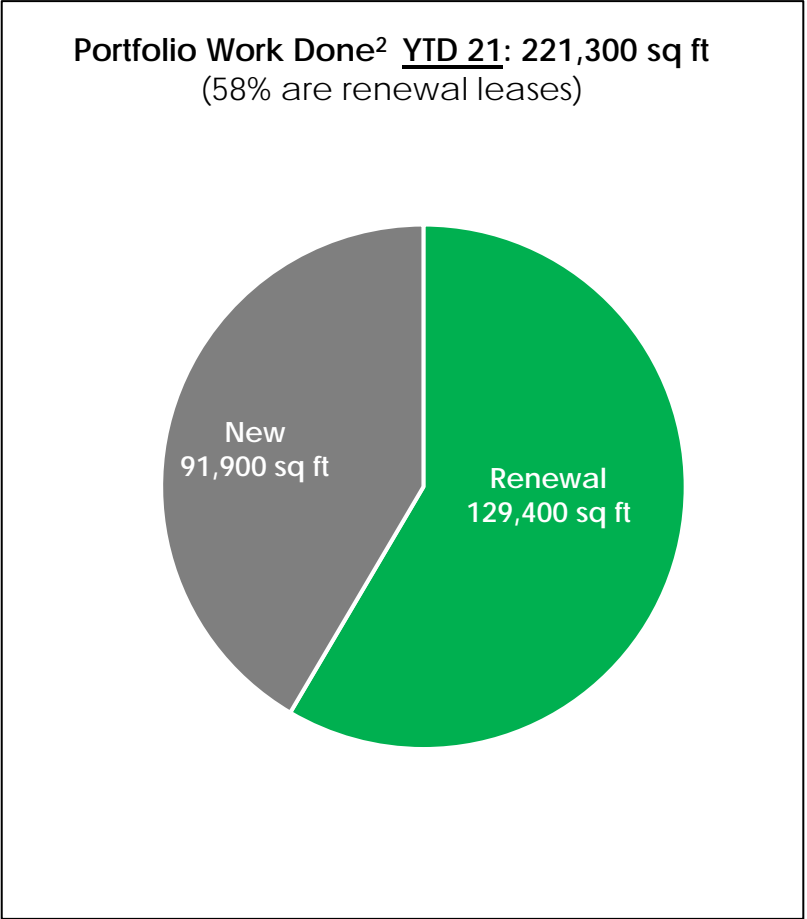
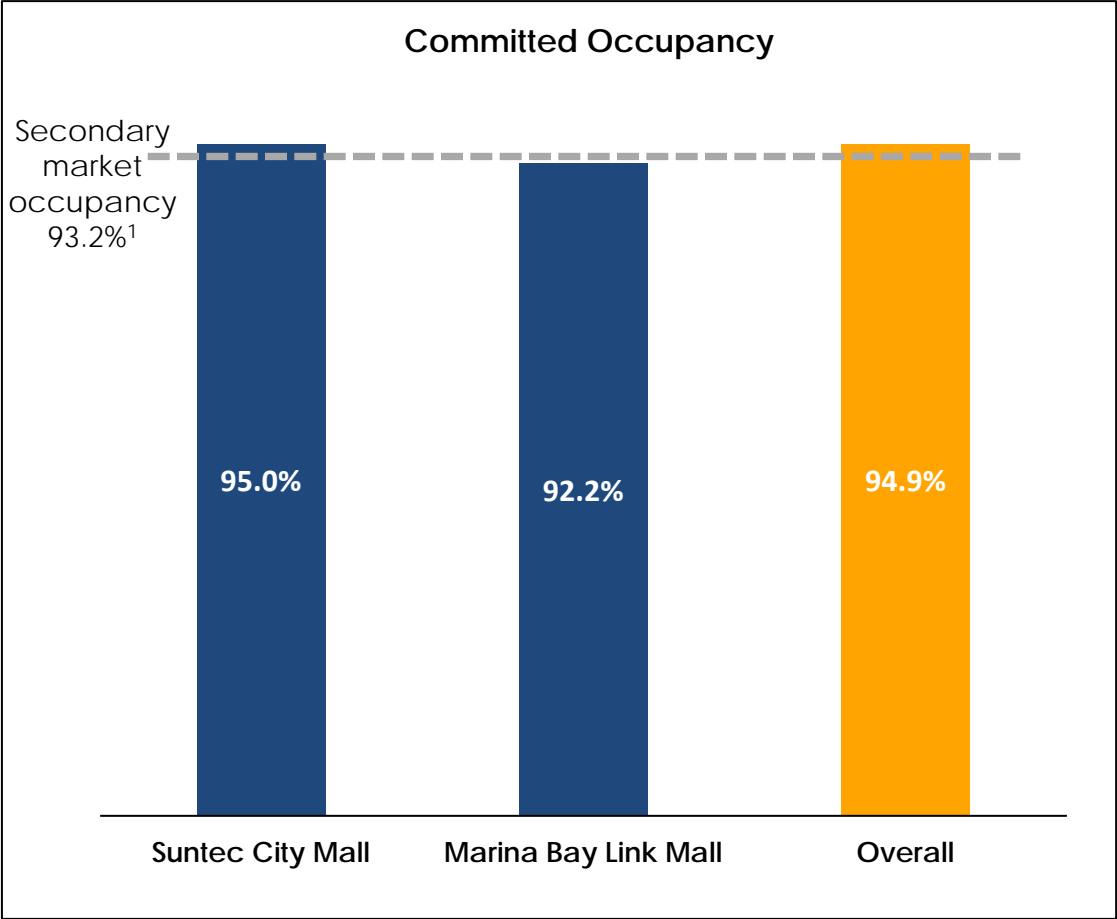
Suntec City Office – Lease Expiry & Expiry Rent



Balancing Occupancy with Higher Expiry Rents In 2022



SINGAPORE
RETAIL PORTFOLIO
PERFORMANCE

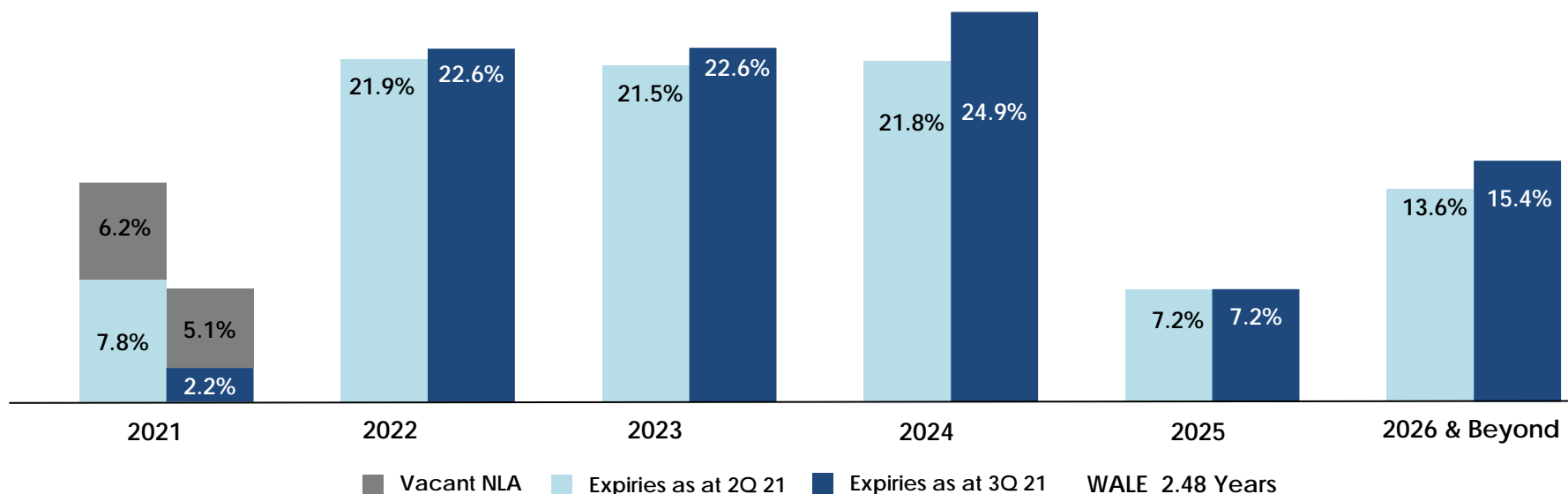


Notes:

- 1. Source: JLL as at 2Q 2021
- 2. 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.

Suntec City Mall & MBLM Lease Expiry

% of Total NLA¹ Q-o-Q Comparison



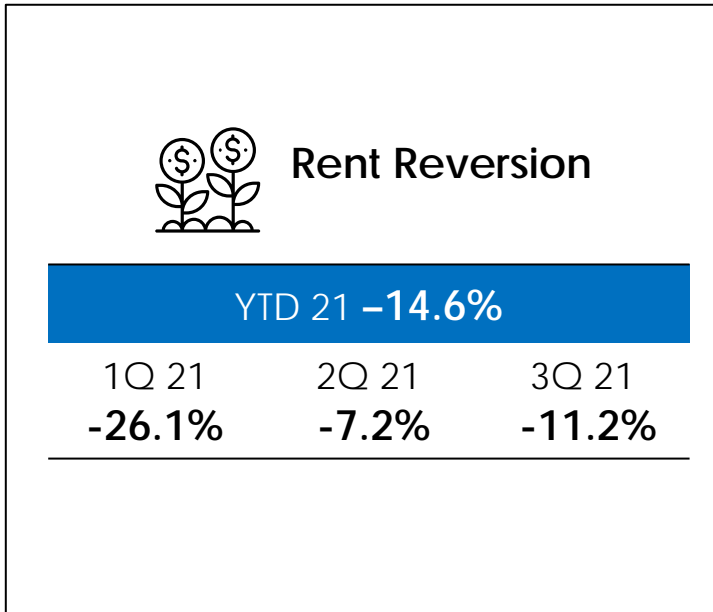
	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026 & Beyond
Sq ft	19,698	206,017	206,481	227,393	65,608	140,553
%	2.2%	22.6%	22.6%	24.9%	7.2%	15.4%

Well Spread Lease Expiry Provides Re-Positioning Opportunity

Note:

1. Based on Suntec REIT's interests in Suntec City Mall, Suntec Singapore (Retail) and Marina Bay Link Mall.

Suntec City Mall – Leasing Activity



- Excluding anchor leases, YTD 21 and 3Q 21 rent reversion will both be -10%
- Despite COVID-19 disruptions, 19 new-to-market or new-to-Suntec brands were introduced in 2021
- ~50% of these were to cater to Singaporeans' desire for new F&B concepts
- 35% of mall's NLA will be occupied by activity-based and experiential concepts
- Together with >25% of NLA for F&B, Suntec City mall will strengthen its position as destination of choice

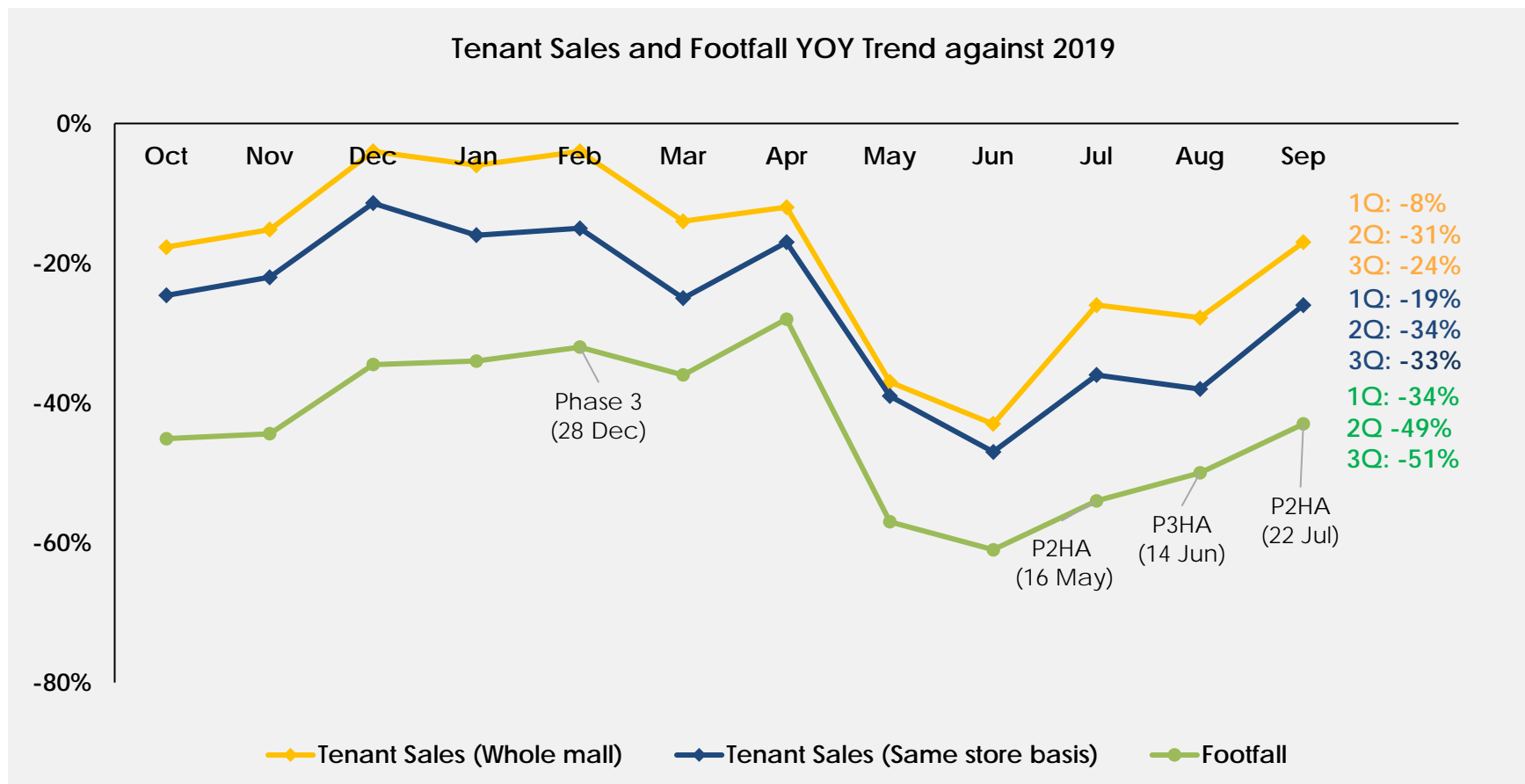
Future-Proofing of Suntec City Mall to Better Retain and Attract Customers

New and upcoming store openings:



Suntec City Mall – Footfall and Tenant Sales

- Tenant sales continue to recover faster than footfall increase
- Recovery picked up pace in August following the announcement of 'Preparatory Stage'

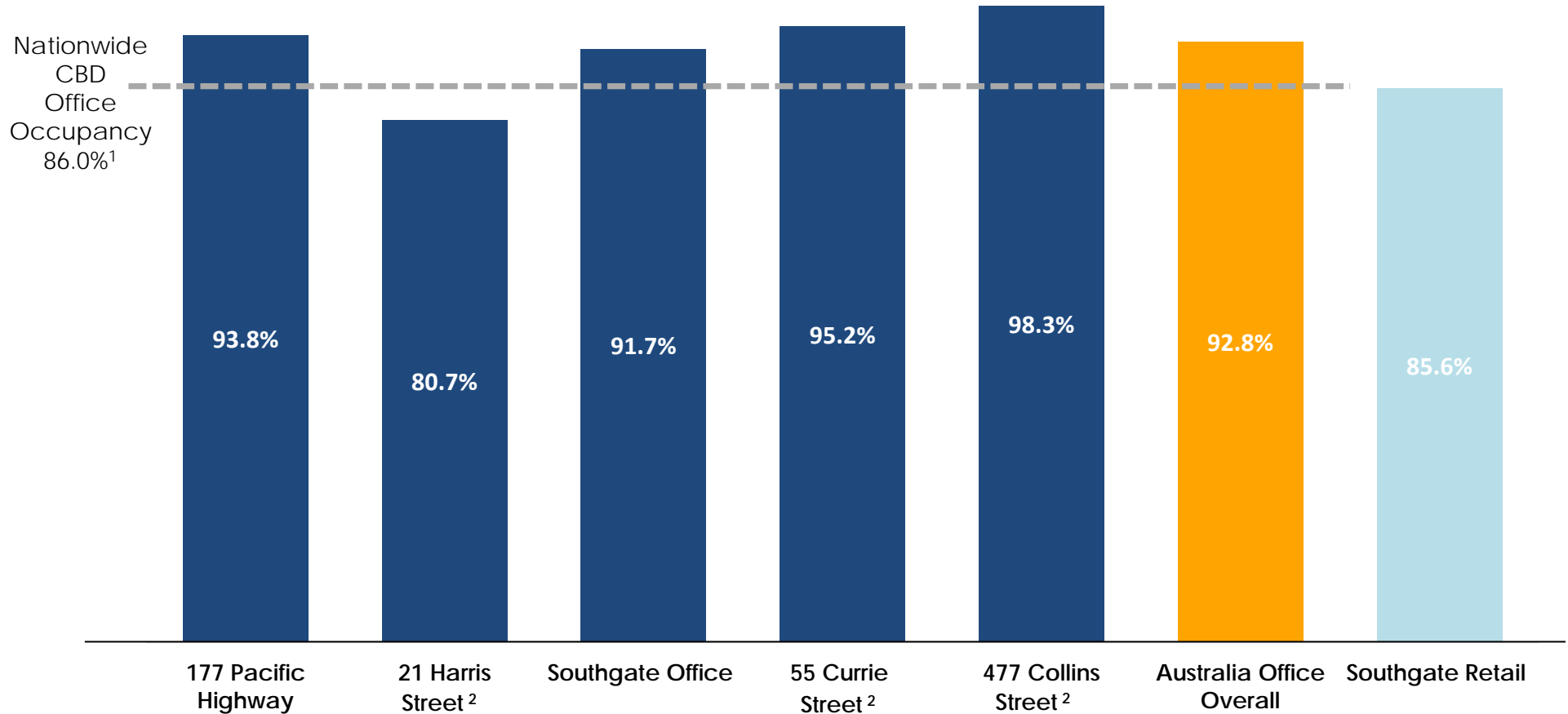


Continued Recovery of Footfall & Tenant Sales in 3Q 21



AUSTRALIA & UK PORTFOLIO PERFORMANCE

Australia Committed Occupancy



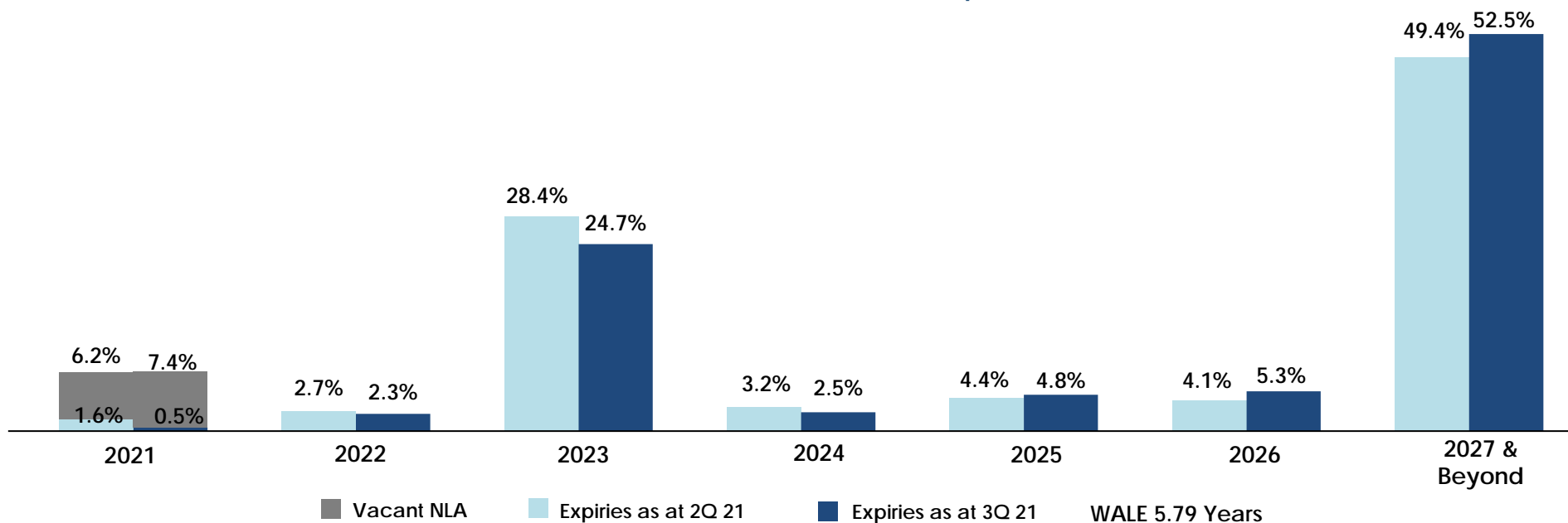
Healthy Occupancy Across Australia Office Portfolio

Notes:

1. Source: JLL as at 2Q 2021
2. Rent guarantee on vacant spaces.

Australia Portfolio Lease Expiry

% of Total NLA¹ Q-o-Q Comparison



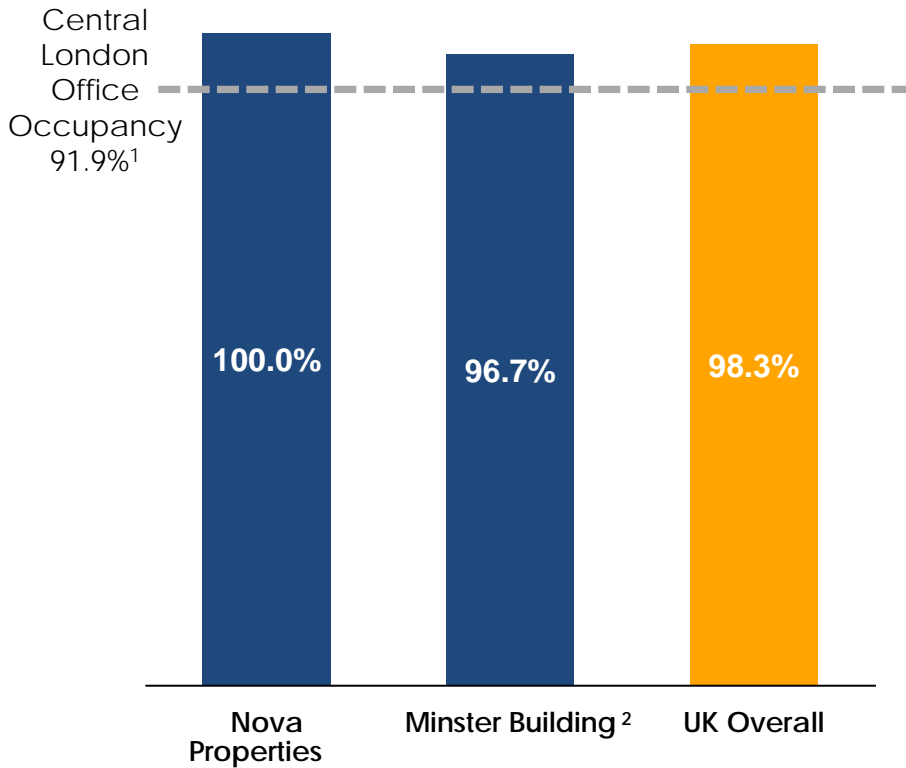
	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027 & Beyond
Sq ft	8,414	37,978	405,042	40,056	79,134	86,583	859,132
%	0.5%	2.3%	24.7%	2.5%	4.8%	5.3%	52.5%

Minimal Lease Expiries in 2021 & 2022

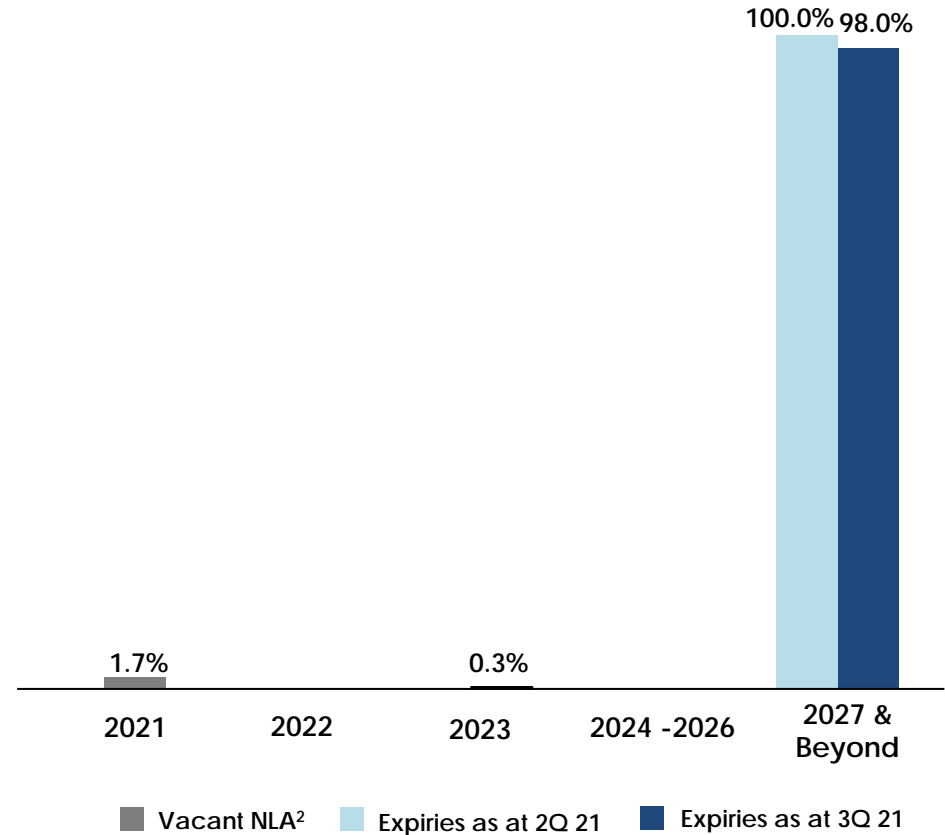
- Notes:
1. Based on Suntec REIT's interests in 177 Pacific Highway, 21 Harris Street, Southgate Complex (Office and Retail), 477 Collins Street and 55 Currie.
 2. 3.5% of NLA is covered by rent guarantees (55 Currie Street, 21 Harris Street and 477 Collins Street).

UK Portfolio Summary

Committed Occupancy



Lease Expiry % of Total NLA³ Q-o-Q Comparison



Occupancy Outperformed Market Level

Long WALE of 10.9 Years

Notes:

1. Source: JLL as at 2Q 2021
2. Rent guarantee on vacant spaces.
3. Based on Suntec REIT's interests in Nova Properties and Minster Building.



**LOOKING
AHEAD**

Outlook

- Return of workforce likely to increase from current level if situation stabilises
- Singapore GDP growth expected to stay robust with progressive easing of border restrictions
- Strong recovery of FDI in Singapore expected to drive employment with demand for real estate moving in tandem
- Leasing activities driven by expansionary requirements and relocation from buildings undergoing redevelopment/asset enhancement
- Market rent recovery to continue, supported by limited new supply and demand from growth sectors - TMT, financial services and health-care related
- Positive rent reversion expected for full year 2021
- Revenue growth expected from higher occupancy and cumulative positive rent reversions for the past 13 quarters

Outlook

- Footfall performing slightly better during the first 2 weeks of 'Stabilisation Phase' in Oct vs. earlier periods with similar restrictions
- Footfall and tenant sales unlikely to be too affected by vaccination-differentiated Safe Management Measures (SMM)
- Cautious optimism on the continued recovery of footfall and tenant sales
- Vast majority of tenants will receive additional rent assistance for 2nd P2HA period; total assistance over both P2HA periods will exceed mandatory 0.5 months
- Rent reversion to remain weak due to uncertainty in operating environment and cautious sentiments of retailers
- Mall occupancy on track to remain around 95% by end 2021
- Revenue recovery will be supported by higher occupancy and higher GTO rents, but slowed by negative rent reversions from past few quarters

Outlook

- Recovery slow due to weak international business and leisure travel
- Domestic market key driver for recovery, aided by easing of restrictions on larger-scale events in tandem with high vaccination rates
- Increased number of Vaccinated Travel Lanes (VTLs) aid recovery; but more VTLs from different parts of the world, especially in Asia required
- Physical-virtual hybrid events a mainstay for MICE business
- Pent up demand for local consumer shows, dining events
- Working closely with government agencies to host larger-scale pilot events
- Capturing new revenue streams to diversify business
- 100% of staff fully vaccinated, undergoing regular testing - a competitive advantage for “fully vaccinated” events
- Investment in SMM infrastructure to better position as the MICE destination of choice
- Income contribution remains significantly impacted

Outlook

- Extended lockdowns in Sydney and Melbourne dampened economic recovery
- Return of workforce in Adelaide about 70%; majority in Sydney/Melbourne not expected to return until early 2022
- Nationwide CBD office vacancy of 14.0%¹ expected to increase further
- Flexible remote working arrangement to remain; 'flight to quality' continues benefitting new Grade A properties like 21 Harris Street and 477 Collins Street with occupancies strengthening
- Balance vacant spaces at 21 Harris Street and 477 Collins Street, protected by rent guarantee
- CBD retail in Melbourne continues to be challenging with slow return of workforce
- Rent rebates or turnover-only rent structure for retail tenants (impacting less than 5% of AU portfolio revenue)
- Revenue resilient underpinned by strong office occupancy, annual rent escalations and long WALE with minimal lease expiries in 2021 and 2022

Note:

1. Source: JLL as at 2Q 2021

Outlook

- Return to work at about 50% since lockdown ended in April ; hybrid work arrangement remains
- Leasing activity continues to improve, with active demand in West End and City of London recovering to pre-COVID levels, driven by TMT and Banking & Finance sectors
- High quality office buildings located near London's key transport hubs remain well sought after
- Office revenue resilient underpinned by high occupancy, long WALE and no lease expiry until 2027
- Retail income supported by 2-year guarantee; improvements in tenant sales expected with further easing of restrictions

- 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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About Suntec REIT

Singapore's first composite REIT



S\$4.0 Billion¹

Market Capitalisation

S\$11.6 Billion²

Assets Under Management

- 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

Notes:

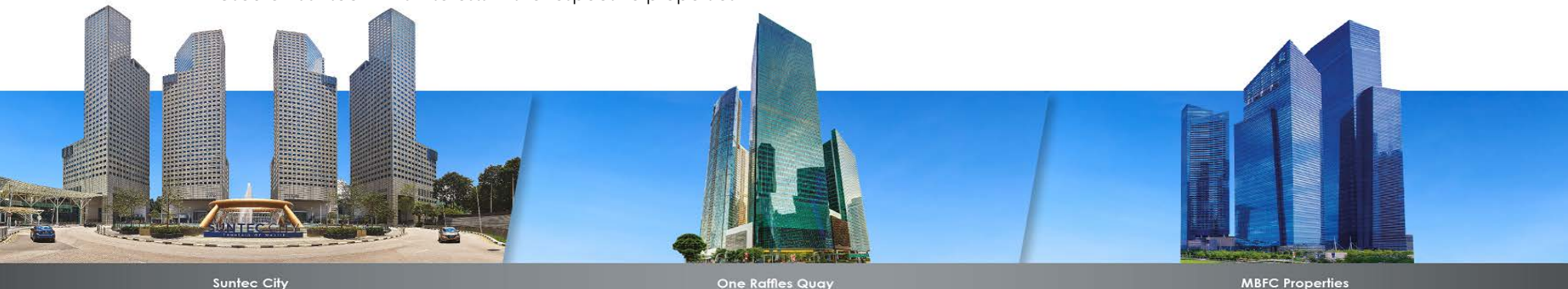
1. Based on 30/9/21 closing price of \$1.42
2. Based on exchange rates of S\$0.9825=A\$1.00 and S\$1.8513=£\$1.00 as at 30 Sep 2021

Portfolio Snapshot

	Suntec City		One Raffles Quay	MBFC Properties
	Suntec City – Office & Retail	Suntec Convention		
Description	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
Ownership	100%	66.3%	33.33%	33.33%
City/Country	Singapore	Singapore	Singapore	Singapore
Segment	Office Retail	Convention	Office	Office Retail
NLA¹ (sq ft)	Office: ~1.3 mil Retail: ~0.9 mil	~430,000	~440,000	Office: ~546,000 Retail: ~32,000
Valuation	Office: S\$2,917.1 mil Retail: S\$2,225.4 mil	S\$179.0 mil	S\$1,247.3 mil	S\$1,682.0 mil
Cap rate	Office: 3.75% Retail: 4.75%	6.00%	3.625%	Office: 3.625% Retail: 4.50%

Note:

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



Suntec City

One Raffles Quay

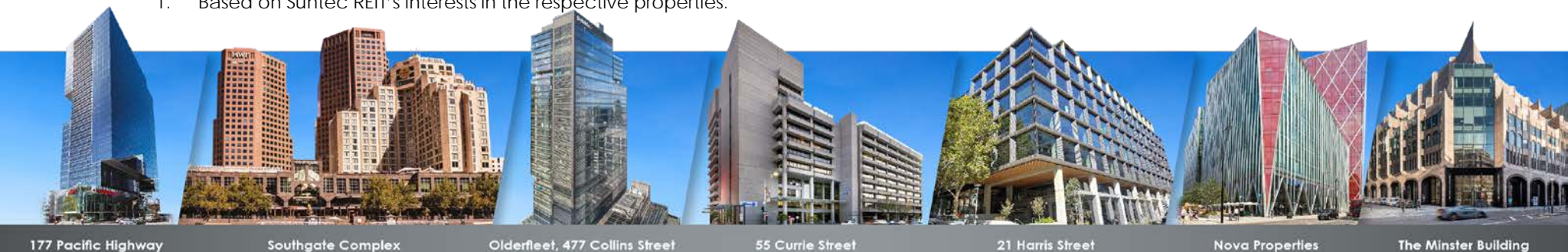
MBFC Properties

Portfolio Snapshot

	177 Pacific Highway	Southgate Complex	Olderfleet 477 Collins Street	55 Currie Street	21 Harris Street	Nova Properties	The Minster Building
Description	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	Two Grade A Office buildings with ancillary retail development	Grade A Office building
Ownership	100%	50%	50%	100%	100%	50%	100%
City/Country	Sydney, Australia	Melbourne, Australia	Melbourne, Australia	Adelaide, Australia	Sydney, Australia	London, UK	London, UK
Segment	Office	Office Retail	Office	Office	Office	Office	Office
NLA¹ (sq ft)	~431,000	Office: ~355,000 Retail: ~53,000	~315,000	~282,000	~203,000	~280,000	~293,000
Valuation	A\$645.0 mil	A\$385.5 mil	A\$445.0 mil	A\$150.0 mil	A\$300.0 mil	£436.0 mil	£370.0 mil
Cap rate	5.00%	Office: 5.25% Retail: 5.75%	4.63%	6.75%	5.13%	4.73%	4.40%

Note:

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



This presentation is focused on the comparison of business updates for the quarter ended 30 September 2021 versus the quarter ended 30 September 2020.

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.