



# 3Q FY 2020/21 Business Updates

26 April 2021

- Singapore • Australia • Malaysia • China • Japan



- Overview and Key Highlights
- Portfolio Updates
- Market Outlook





# 1 Overview and Key Highlights

# Overview of Starhill Global REIT

Singapore-based REIT investing primarily in retail and office properties, in Singapore and overseas



## Quality Assets

- Portfolio of ~S\$2.9 billion
- 10 mid- to high-end predominantly retail properties in six key 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 3Q FY 20/21 revenue: **Retail (~86%) & Office (~14%)**



## Strong Sponsor

- YTL Group owns ~37.6% of SGREIT
- Has a combined market capitalisation of US\$4.1 billion<sup>(1)</sup>



## Income Visibility

- Master/anchor leases with periodic rental reviews make up ~52% of gross rents<sup>(1)</sup>
- Staggered portfolio lease expiry profile and resilient occupancy



## Healthy Financials

- “BBB” credit rating with stable outlook by Fitch Ratings
- Gearing of 35.9%<sup>(1)</sup> and weighted average debt maturity of 3.1 years<sup>(1)</sup>

**Note:**

1. As at 31 March 2021.



# Key highlights for 3Q FY20/21



## Financial Performance



Gross Revenue  
**S\$46.4 million**

▼ 0.6% y-o-y



Net Property Income  
**S\$35.4 million**

▲ 0.6% y-o-y



Maiden Distribution  
Reinvestment Plan  
**successfully**  
*launched for 1H FY20/21  
DPU*

## Resilient Operational Performance



Retail Portfolio  
occupancy  
**97.0%<sup>(1)</sup>**  
*as at 31 Mar 2021*



Long WALE  
**8.2 years**  
*by NLA*



Expiring retail leases  
by gross rents in  
FY20/21  
**5.1%**  
*as at 31 Mar 2021*

## Prudent Capital Management



Gearing  
**35.9%**  
*as at 31 Mar 2021*



Affirmation of  
**“BBB”/Stable**  
*Credit rating by Fitch  
Ratings in Mar 2021*



Entered into a 5.5-year  
**A\$100 million**  
*unsecured bank facility  
agreement mainly to  
refinance maturing  
secured debt, enhancing  
financial flexibility*

**Note:**

1. Based on committed leases as at reporting date.

## Key highlights for 3Q FY20/21



### Capital Management

- Average debt maturity extended to 3.1 years as at 31 March 2021 (2.3 years as at 31 December 2020)
  - Drawn down on the 5-year S\$250 million unsecured term loan facilities in February 2021 to refinance the maturing S\$100 million MTN and S\$150 million term loan in 2021
  - Entered into a 5.5-year A\$100 million unsecured facility agreement in April 2021 mainly to refinance the remaining A\$80 million secured term loan in 4Q FY20/21 ahead of its maturity in November 2021, which will further increase the unencumbered asset ratio
  - Following the above planned refinancing of A\$ term loan, SGREIT does not have any debt refinancing requirements until September 2022
- Affirmation of SGREIT's "BBB" credit rating with a stable outlook by Fitch Ratings in March 2021
- Maiden Distribution Reinvestment Plan was successfully completed in March 2021
- Rental assistance for eligible tenants affected by the COVID-19 pandemic, including net allowance for rental arrears and rebates for Australia Properties, aggregated at approximately S\$9.7 million in YTD FY20/21



### Portfolio Performance

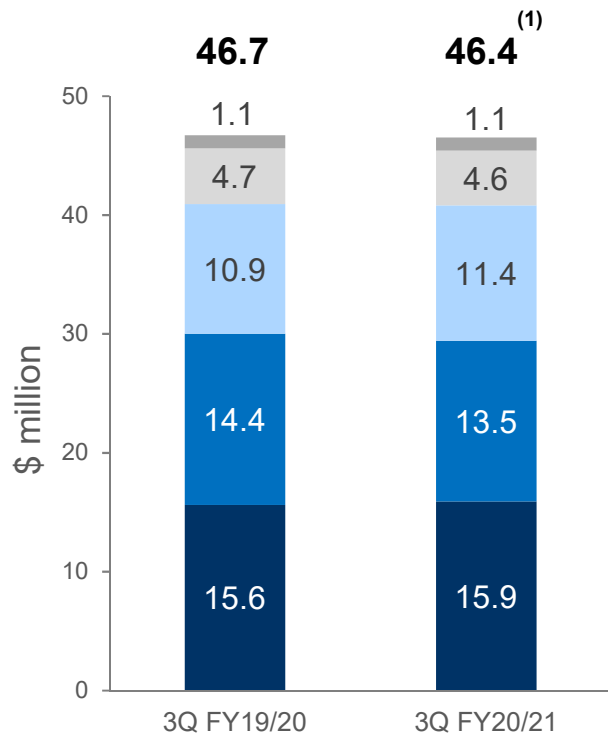
- Tenants' sales and shopper traffic of Wisma Atria Property continue to improve in 3Q FY20/21 to 83.4% and 74.2% of pre-Circuit Breaker levels respectively, boosted by Phase 3 re-opening in December 2020 and gradual return of office workers. However, tenants' sales continue to be impacted by lack of tourists due to border restrictions
- Wisma Atria Property commenced interior upgrading works at its common areas
- Malaysia's first Jonetz by Don Don Donki opened at Lot 10 Property, Kuala Lumpur, in March 2021

# 3Q FY20/21 financial performance



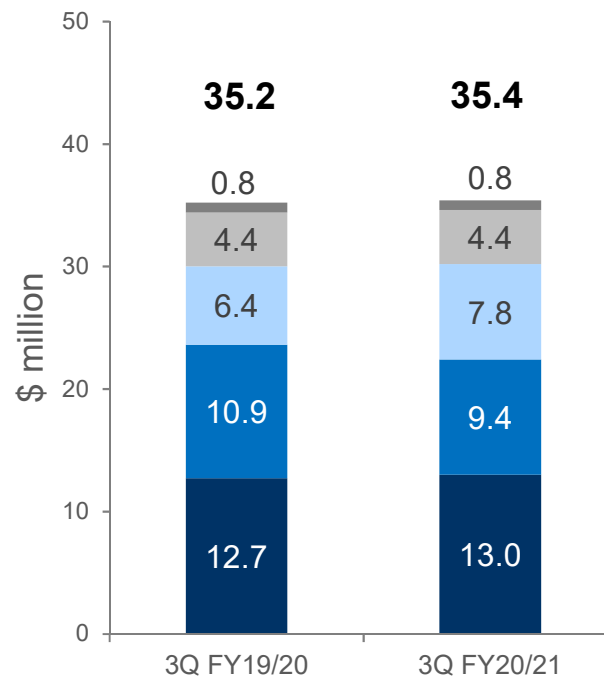
## Gross Revenue

▼ 0.6% y-o-y



## Net Property Income (NPI)

▲ 0.6% y-o-y



### Stable NPI y-o-y in 3Q FY20/21:

- ➔ Mainly due to lower rental assistance to tenants affected by COVID-19, lower operating expenses and the appreciation of A\$
- ➔ Partially offset by weaker performance of the Singapore portfolio<sup>(2)</sup>

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

**Notes:**

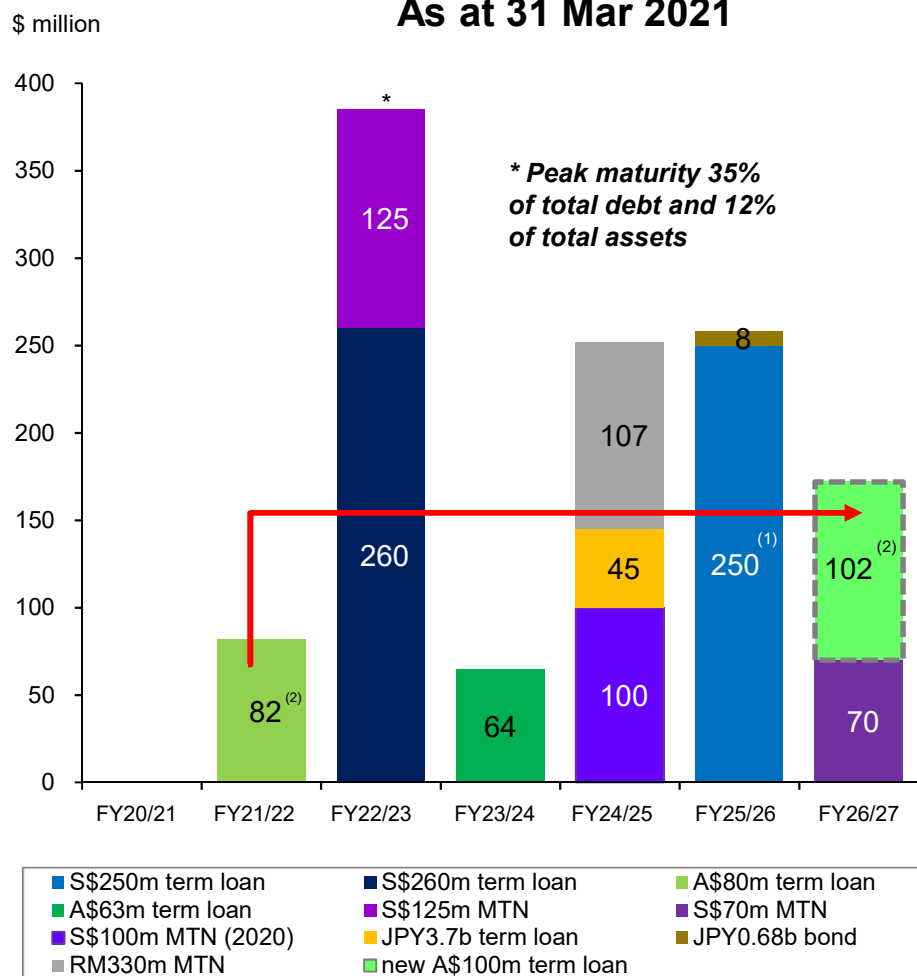
1. Total does not add up due to rounding differences.
2. Mainly due to lower rent, occupancy and allowance for rebates and arrears.

# Extended debt maturity to approximately 3.1 years

Drawn down \$250 million unsecured loan facilities in February 2021 to refinance the S\$ debts maturing in 2021



**Debt maturity profile  
As at 31 Mar 2021**

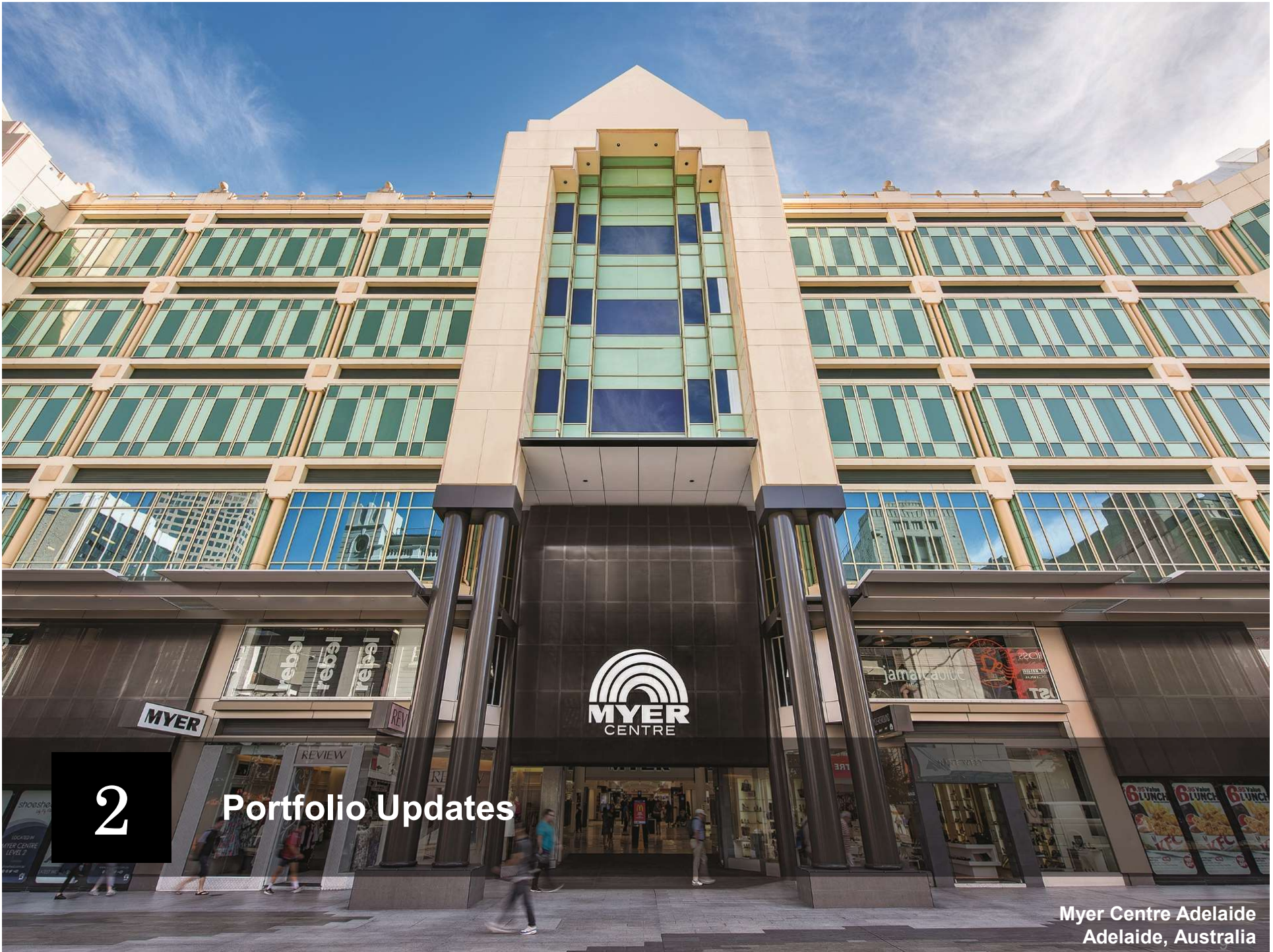


Financial Ratios	31 Mar 2021
Total debt	\$1,112 million
Gearing	35.9%
Interest cover <sup>(3)</sup>	2.5x
Average interest rate p.a. <sup>(4)</sup>	3.21%
Unencumbered assets ratio	73%
Fixed/hedged debt ratio <sup>(5)</sup>	89%
Weighted average debt maturity	3.1 years
Corporate Rating (Affirmed by Fitch Ratings in March 2021)	BBB/Stable

**Notes:**

1. In February 2021, the Group drawn down \$250 million 5-year unsecured term loan facilities to refinance \$100 million MTN upon maturity in February 2021 and \$150 million term loan ahead of maturity in September 2021.
2. In April 2021, the Group entered into a 5.5-year unsecured facility agreement for a term loan facility of A\$100 million, which will be used to early refinance the A\$80 million secured term loan ahead of its maturity in November 2021, meet working capital requirements and/or for general corporate funding purposes. The above utilisations are expected to take place in 4Q FY20/21.
3. Interest cover ratio computed based on trailing 12 months interest expenses as at 31 March 2021.
4. Includes interest rate derivatives and benchmark rates but excludes upfront costs.
5. Includes interest rate swaps.





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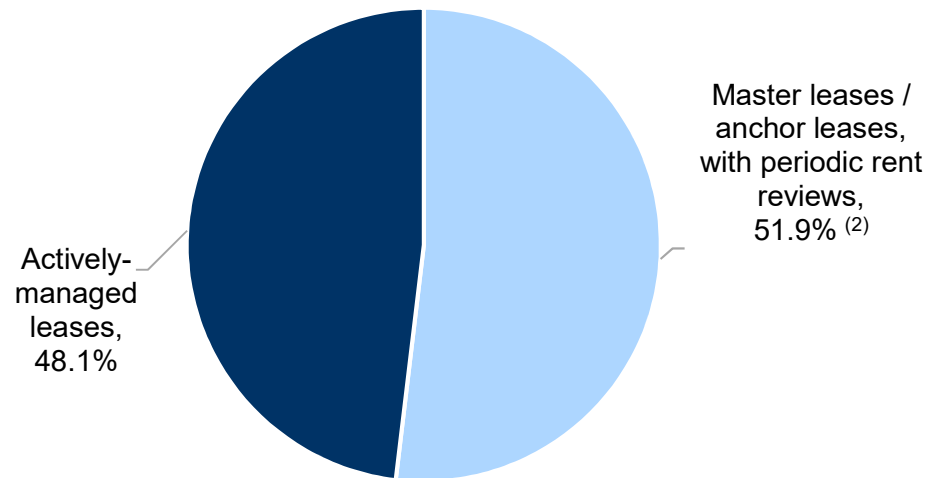
# Portfolio Updates

Myer Centre Adelaide  
Adelaide, Australia

# Balance of master / anchor leases and actively-managed leases



- Master leases and anchor leases, incorporating periodic rental reviews, represent approximately 51.9% of gross rent as at 31 March 2021
- Provide income stability during current period of COVID-19 uncertainty



Includes the following: -



Ngee Ann City Property Retail (Singapore)  
The Toshin master lease expires in 2025. Next rent review is in June 2022 (at prevailing rent or higher).



The Starhill & Lot 10 Property (KL, Malaysia)  
New master tenancy agreements commenced in June 2019 and have long tenures of approximately 19.5 years and 9 years<sup>(1)</sup> for The Starhill and Lot 10 Property respectively, with periodic rental step-ups.



Myer Centre (Adelaide, Australia)  
The long-term lease expires in 2032 and provides for an annual rent review.



David Jones Building (Perth, Australia)  
The long-term lease expires in 2032 and provides for upward-only rent review every three years. A rental uplift was secured in August 2020.

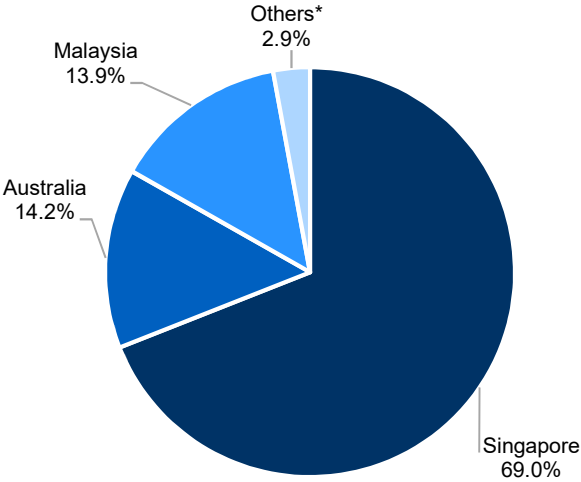
**Notes:**

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.

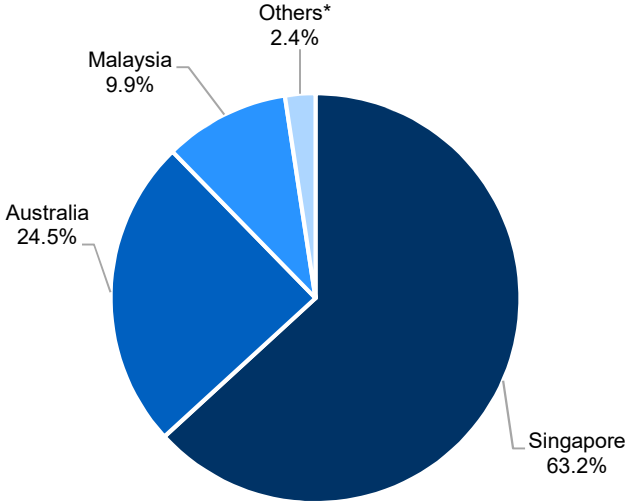
# Diversified portfolio across geography and sector



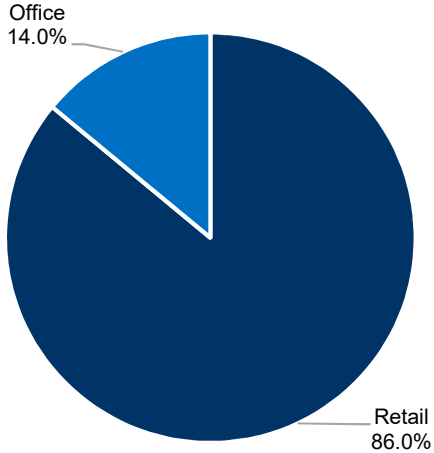
**ASSET VALUE BY COUNTRY AS AT 31 MAR 2021**



**3Q FY20/21 GROSS REVENUE BY COUNTRY**



**3Q FY20/21 GROSS REVENUE RETAIL/OFFICE**



*\*Others comprise one property in Chengdu, China, and two properties located in central Tokyo, Japan, as at 31 March 2021.*



# Prime assets in strategic locations with excellent connectivity

Portfolio actual occupancy remained resilient at 95.5% (committed 96.1%)



As at	31 Dec 08	31 Dec 09	31 Dec 10	31 Dec 11	31 Dec 12	31 Dec 13	30 Jun 15	30 Jun 16	30 Jun 17	30 Jun 18 <sup>(1)</sup>	30 Jun 19 <sup>(1)</sup>	30 Jun 20 <sup>(1)</sup>	31 Mar 21 <sup>(1)</sup>
SG Retail	98.3%	100.0%	99.1%	98.3%	99.8%	99.9%	99.4%	99.2%	99.2%	98.7% (99.1%) <sup>(2)</sup>	99.4% (99.4%) <sup>(2)</sup>	98.9% (99.5%) <sup>(2)</sup>	95.2% (98.3%) <sup>(2)</sup>
SG Office	92.4%	87.2%	92.5%	95.3%	98.3%	99.0%	99.3%	95.6%	92.9%	90.3% (95.0%) <sup>(2)</sup>	93.2% (93.9%) <sup>(2)</sup>	87.6% (90.4%) <sup>(2)</sup>	89.6% (90.2%) <sup>(2)</sup>
<b>Singapore</b>	<b>96.0%</b>	<b>95.1%</b>	<b>96.5%</b>	<b>97.1%</b>	<b>99.2%</b>	<b>99.5%</b>	<b>99.3%</b>	<b>97.9%</b>	<b>96.8%</b>	<b>95.5%</b>	<b>97.0%</b>	<b>94.6%</b>	<b>93.0%</b>
<b>Japan</b>	<b>97.1%</b>	<b>90.4%</b>	<b>86.7%</b>	<b>96.3%</b>	<b>92.7%</b>	<b>89.8%</b>	<b>96.1%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>China</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>96.4%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Australia</b>	-	-	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>99.3%</b>	<b>96.2%</b>	<b>89.7%</b>	<b>91.1%</b>	<b>88.8%</b>	<b>92.8%</b>	<b>94.3%</b>	<b>93.7%</b>
<b>Malaysia</b>	-	-	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>SG REIT portfolio</b>	<b>96.6%</b>	<b>95.4%</b>	<b>98.2%</b>	<b>98.7%</b>	<b>99.4%</b>	<b>99.4%</b>	<b>98.2%</b>	<b>95.1%</b>	<b>95.5%</b>	<b>94.2%</b> <sup>(1)</sup>	<b>96.3%</b> <sup>(1)</sup>	<b>96.2%</b> <sup>(1)</sup>	<b>95.5%</b> <sup>(1)</sup>

**Notes:**

1. Based on commenced leases as at reporting date. For prior years, the reported occupancy rates were based on committed leases, which include leases that have been contracted but have not commenced as at the reporting date.
2. Based on committed leases as at reporting date.



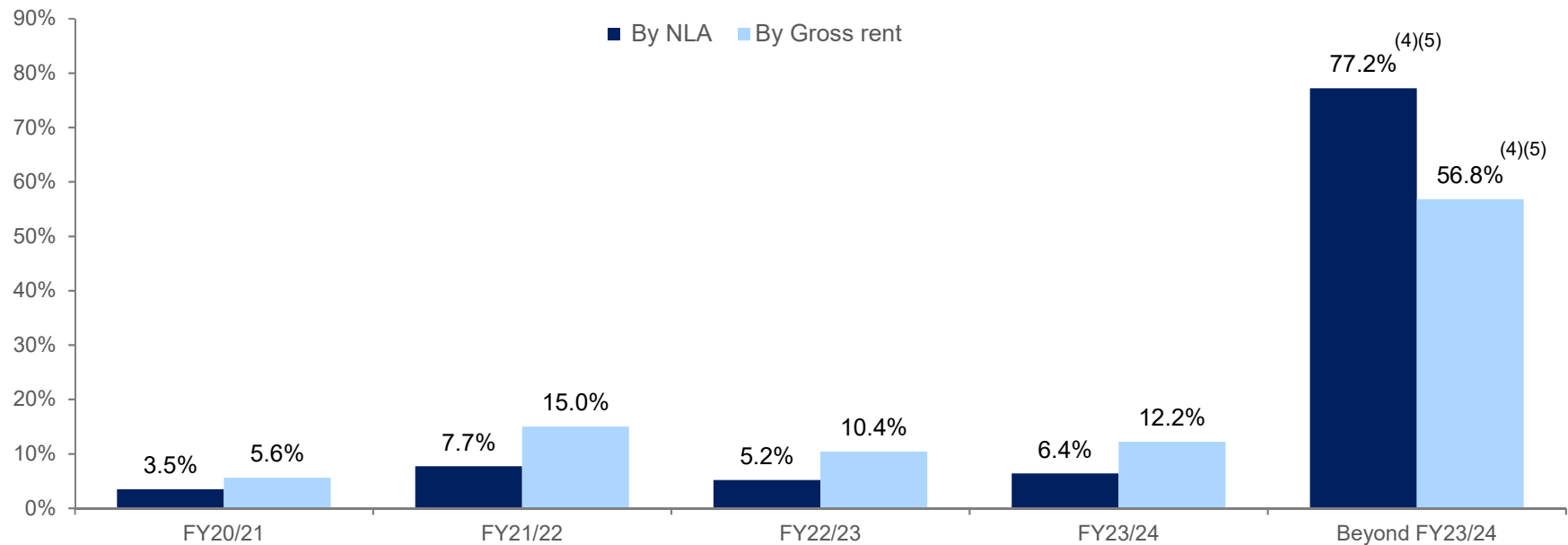
# Staggered portfolio lease expiry profile

## Long WALE of 8.2 years by NLA



Weighted average lease term of 8.2<sup>(1)</sup> and 5.4<sup>(1)</sup> years (by NLA and gross rent respectively)

Portfolio lease expiry (as at 31 March 2021) <sup>(2)(3)</sup>

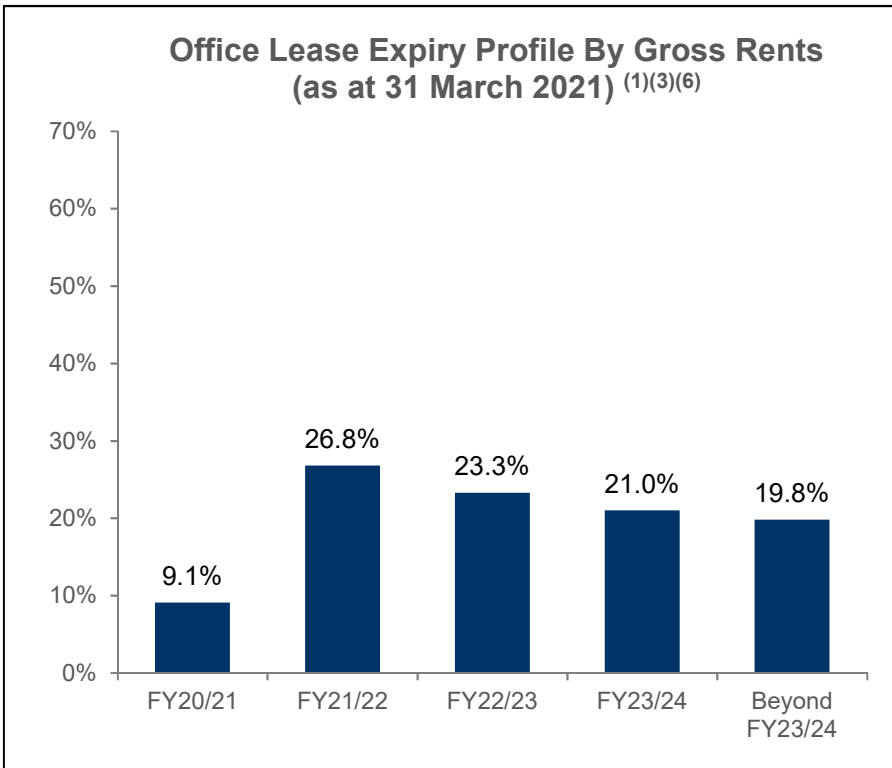
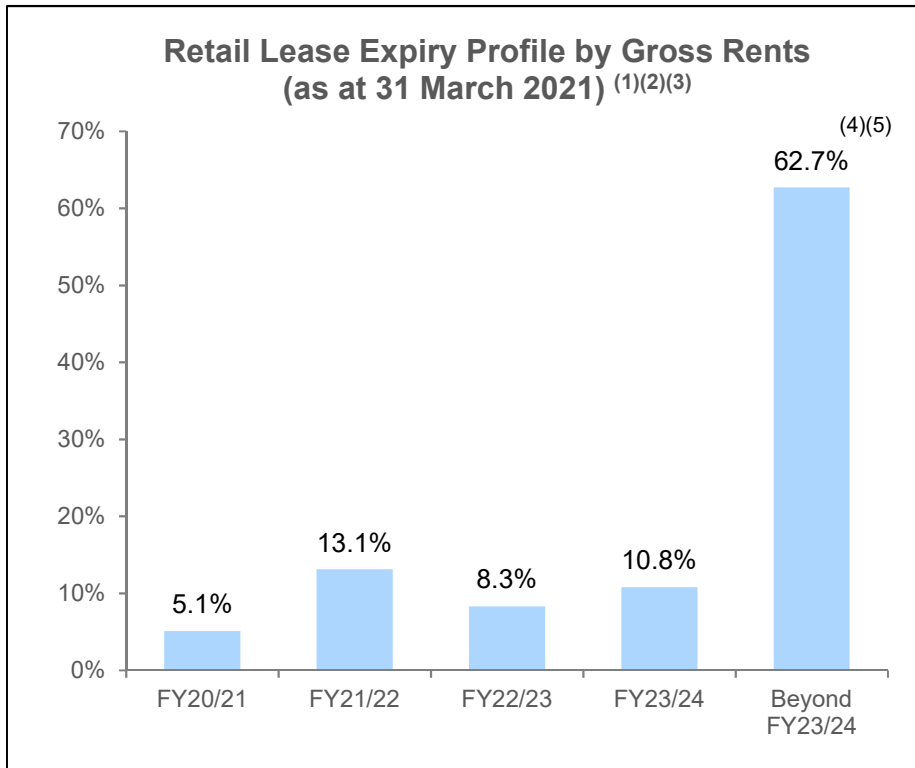


**Notes:**

1. Excludes tenants' option to renew or pre-terminate.
2. Lease expiry schedule based on commenced leases as at 31 March 2021.
3. Portfolio lease expiry schedule includes all of SGREIT's properties.
4. Includes the Toshin master lease, master tenancy agreements for Malaysia Properties and the anchor leases in Australia and China.
5. Assuming that the option to renew for the third three-year term for Lot 10 Property is exercised.

# Staggered portfolio lease expiry profile by category

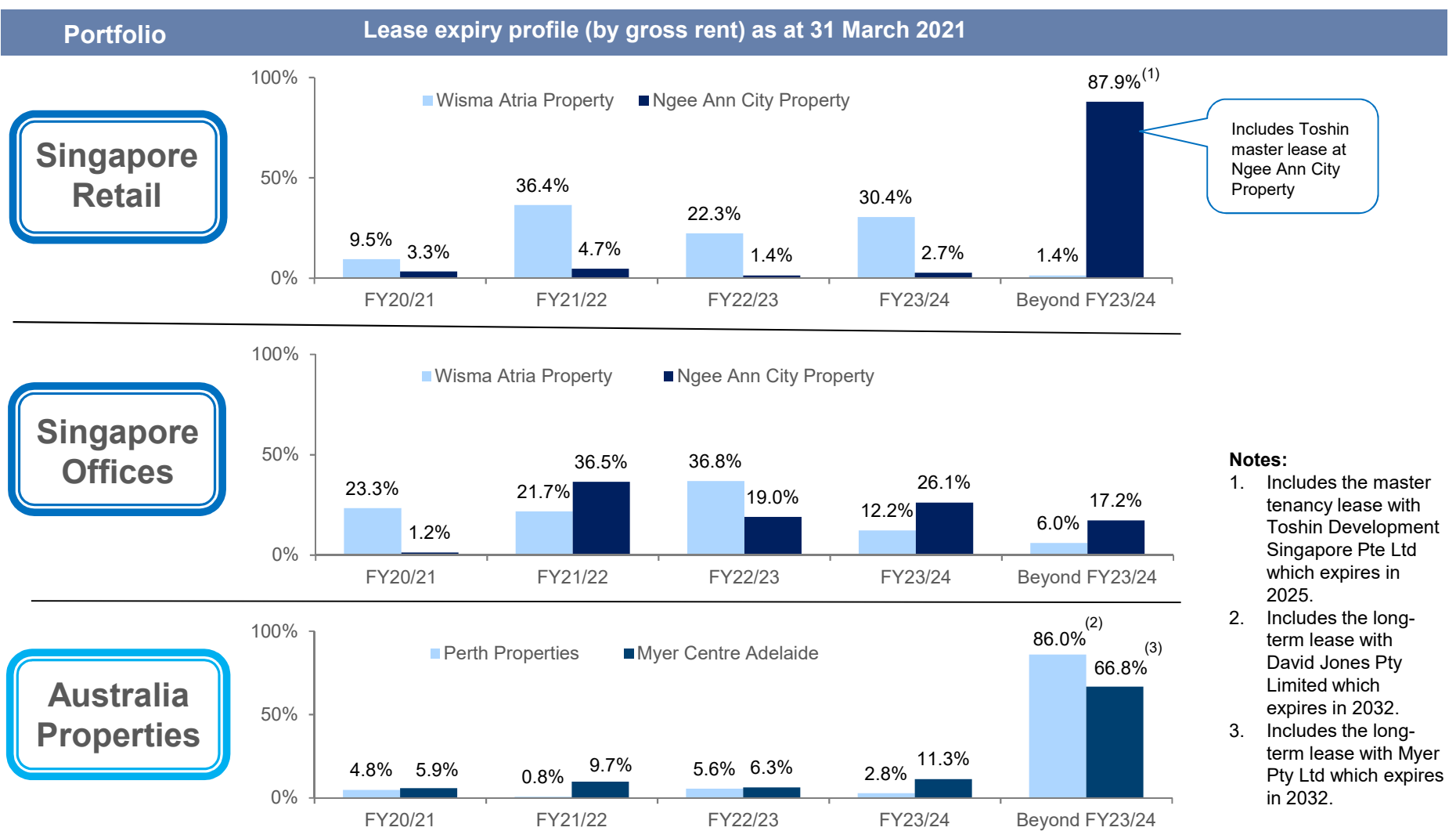
Only 5.1% of retail leases expiring in FY20/21



**Notes:**

1. Based on commenced leases as at 31 March 2021.
2. Includes all of SGREIT's retail properties.
3. Excludes tenants' option to renew or pre-terminate.
4. Includes the Toshin master lease, master tenancy agreements for Malaysia Properties and the anchor leases in Australia and China.
5. Assuming that the option to renew for the third three-year term for Lot 10 Property is exercised.
6. Comprises Wisma Atria, Ngee Ann City and Myer Centre Adelaide office properties only.

# Lease expiry profiles across geographies

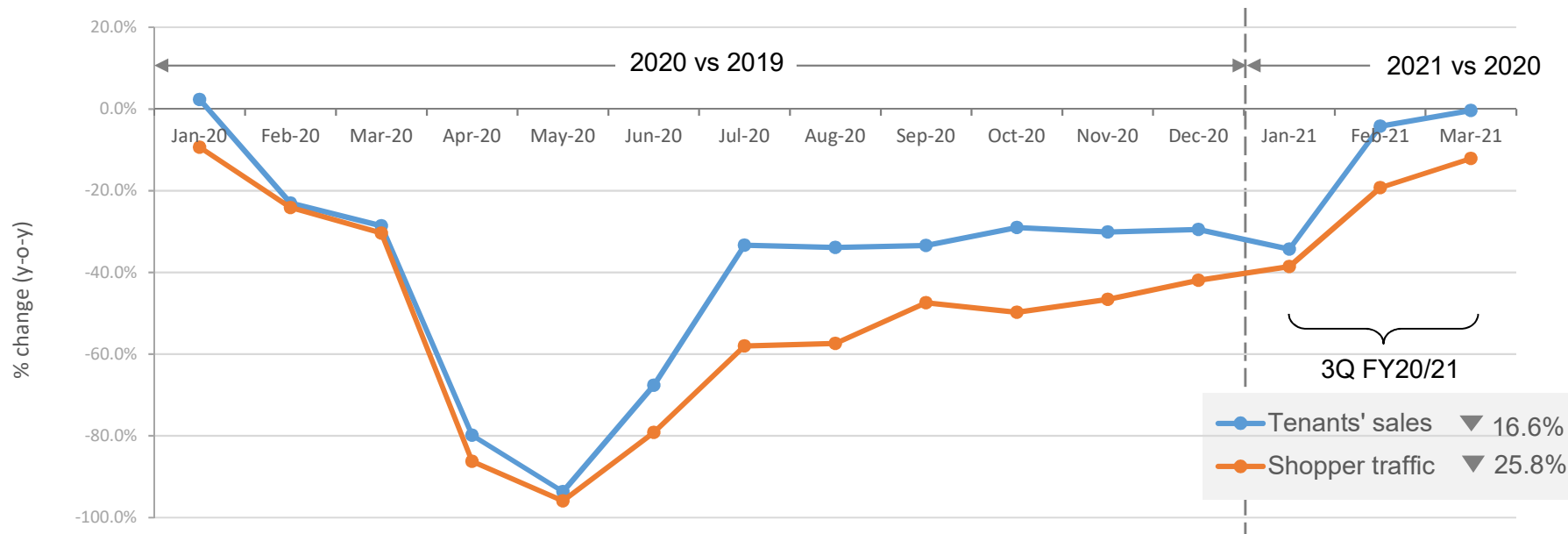


# Tenants' Sales and Shopper Traffic - Wisma Atria Property

## Recovery trend in 3Q FY20/21



### Monthly Tenants' Sales and Shopper Traffic (y-o-y)



- ➔ Tenants' sales and shopper traffic of Wisma Atria Property continue to improve in 3Q FY20/21 to 83.4% and 74.2% of pre-Circuit Breaker levels respectively, boosted by Phase 3 re-opening in December 2020 and gradual return of office workers
- ➔ Lack of tourists due to border restrictions continue to impact tenants' sales and shopper traffic
- ➔ The impact of the Code of Conduct (CoC) for leasing of retail premises in Singapore is not expected to be significant



# Prime locations at retail precincts of city centres

Appeals to both local and international brands



## New and upcoming tenants across the portfolio



Malaysia's first Jonetz by Don Don Donki opened at Lot 10 Property in March 2021



Long queue to enter Jonetz by Don Don Donki on its opening day at Lot 10

Wisma Atria Property



Lot 10 Property

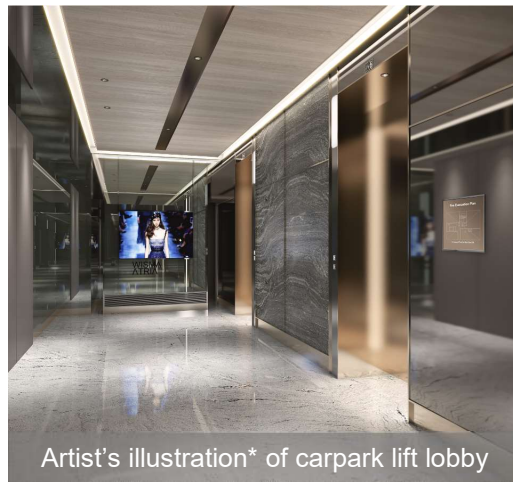
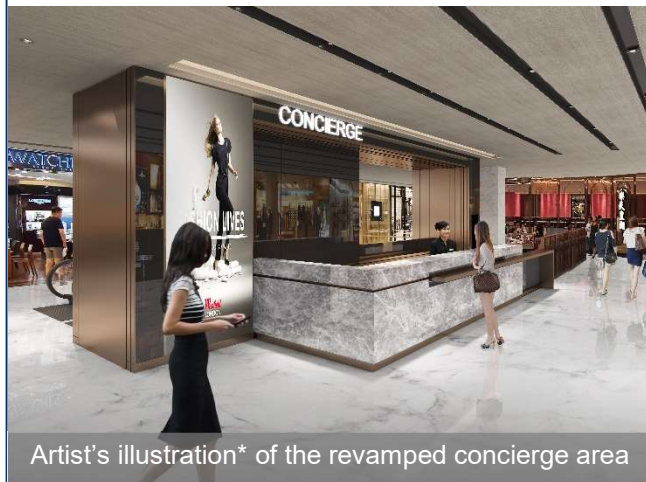




# Upgrading works for Wisma Atria Property



- ➔ Interior upgrading works have commenced at Wisma Atria Property with completion estimated by the end of next year
- ➔ The renovation is part of the overall strategy to periodically modernise and rejuvenate our malls to stay relevant as the mall of choice for shoppers
- ➔ Common facilities such as the atrium space, lift lobbies and toilets will be upgraded in two phases, done mainly through night works, to minimise disruptions to operations
- ➔ The mall will remain fully operational throughout the renovation period
- ➔ Estimated to cost approximately S\$15 million, funded by internal resources and borrowings

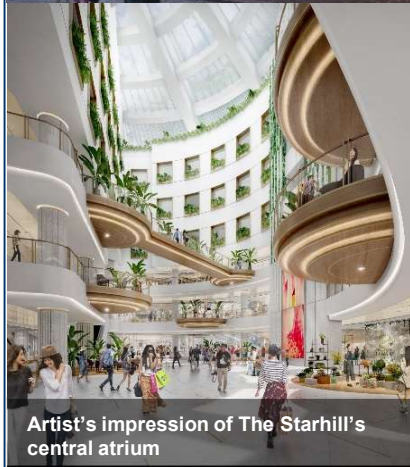


# Asset Enhancement Works for The Starhill

Estimated completion by December 2021



Artist's impression of The Starhill façade facing Jalan Bukit Bintang



Artist's impression of The Starhill's central atrium

The Starhill is undergoing asset enhancement to transform into an integrated development comprising four retail floors and upper three floors of hospitality use as an extension of the adjoining JW Marriott Hotel Kuala Lumpur

➔ Asset enhancement works for The Starhill is currently in progress with expected completion by December 2021

## New flagship boutiques & lifestyle brands at The Starhill



**Anchor tenant**

Taiwan's renowned lifestyle bookstore chain, eslite spectrum,  
- first store in Southeast Asia

## Returning brands to The Starhill with new concepts in 2021







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## Market Outlook

Artist impression of The Starhill  
Kuala Lumpur, Malaysia



## Singapore

- Based on advance estimates, Singapore economy grew by 0.2% y-o-y in 1Q 2021. Retail sales (excluding motor vehicles) rose by 7.7% y-o-y in February 2021
- International visitor arrivals to Singapore for the first three months of 2021 fell by 97.4% y-o-y due to travel restrictions. Discussions are ongoing for potential travel bubbles with some countries such as Taiwan and Australia. Singapore and Hong Kong to relaunch travel bubble on 26 May 2021 under stricter conditions
- In the Phase 3 of re-opening in December 2020, social distancing measures were further eased. Vaccination roll-out has begun since the beginning of the year and from April 2021, up to 75% of staff are allowed to return to the workplace at any one time, an easing from 50% previously
- Further q-o-q declines in rents were registered in 4Q 2020 in non-suburban submarkets due to their higher reliance on tourist and office footfall. Landlords continue to maintain a flexible stance towards rental expectations and leasing strategies to support tenants' requirements, favouring tenant retention and occupancy, according to CBRE Research

## Australia

- Australia's gross domestic product increased by 3.1% q-o-q in the December 2020 quarter, boosted by a further lift in household consumption
- Retail trade for South Australia and Western Australia rose 8.5% and 13.6% y-o-y respectively for the 12 months to February 2021. However, travel bans, store closures and staff working from home has seen CBD retail impacted significantly, according to CBRE Research

## Malaysia

- Malaysia's economy shrank 3.4% y-o-y in 4Q 2020 while sales of retail trade contracted 2.1% y-o-y in February 2021
- Five states including Kuala Lumpur entered the mid-tier conditional movement control order, which was extended to 28 April 2021

## Portfolio

- The recent roll-out of vaccines is positive for global recovery. However, we remain cautious as vaccine deployment, re-opening of borders and return of consumer confidence will take time and COVID-19 impact remains uncertain
- We will continue to monitor the impact of the pandemic on tenants' businesses so as to render necessary assistance while maintaining financial robustness given the fluidity of COVID-19

## 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

**3Q FY20/21** means the period of 3 months from 1 January 2021 to 31 March 2021

**3Q FY19/20** means the period of 3 months from 1 January 2020 to 31 March 2020

**DPU** means distribution per unit

**FY** means the financial year

**FY19/20** means the period of 12 months ended 30 June 2020

**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

**YTD FY20/21** means the period of 9 months from 1 July 2020 to 31 March 2021

**YTD FY19/20** means the period of 9 months from 1 July 2019 to 31 March 2020

*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*

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