



# 1Q FY2022 Key Business and Operational Updates

Date: 07 January 2022



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# Contents

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<b>Statement on distribution for 1Q FY22</b>	4
<b>Key highlights</b>	6 – 7
<b>Capital management</b>	9
<b>Portfolio updates</b>	11 – 18



# 1Q FY2022 Distribution

# Statement on Distribution for 1Q FY2022

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Under the Singapore Code on Take-Overs and Mergers (the “Take-over Code”), SPH REIT is considered to be in an offer period as a result of the possible chain offer for SPH REIT. In this regard, under Rule 25 of the Take-over Code, an estimate of profit for a period which has already expired constitutes a profit forecast, and except with the consent of the Securities Industry Council, any unaudited profit figures published during an offer period must be reported on (i) by the auditor or reporting accountant and (ii) financial adviser in accordance with such rule. In addition, Rule 25 of the Take-over Code also states that a dividend forecast of a REIT would normally be regarded as a profit forecast.

SPH REIT Management Pte. Ltd. (the “Manager”), as manager of SPH REIT, will be appointing the relevant financial adviser (the “Relevant Financial Adviser”) to report on the distributions that may be made by SPH REIT to Unitholders during the offer period, in accordance with Rule 25 of the Take-over Code.

Accordingly, SPH REIT will issue the notice of books closure date and distribution payment date announcement in respect of SPH REIT’s distribution for 1Q FY2022 (the “1Q FY2022 Distribution”) after the appointed Relevant Financial Adviser and auditor of SPH REIT have completed their respective reports on the 1Q FY2022 Distribution. SPH REIT will make further announcements on SGXNET in relation to the 1Q FY2022 Distribution in due course.



# 1Q FY2022

## Key highlights

# 1Q FY2022 Key highlights

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## Proactive asset management

- Management's strategy remains focused on maintaining high occupancy and generating sustainable cash flow while working in partnership with tenants
- High occupancy rate of 98.8% across the diversified portfolio
- Healthy portfolio WALE improved to 5.5 years by NLA and 2.9 years by GRI from FY2021
- Strategically located assets with captive catchments cushioned the impact of COVID-19

## Effective capital management enhanced Unitholders' returns

- Efficient cost structure with cost of debt at 1.68%<sup>1</sup>; weighted average term to maturity at 2.7 years; debts well staggered over the next five years
- Revolving credit facility lines of S\$225 million remains undrawn

## Significant improvement in trading liquidity post FTSE EPRA NAREIT Global Developed Index inclusion

- Daily traded volume averaged 4.6 million shares during 1Q FY2022 (FY2021: 1.6 million shares)<sup>2</sup>
- Enhances visibility to global institutional investors as part of ongoing efforts to diversify Unitholder base

Note:

1. Excludes perpetual securities of SPH REIT
2. Bloomberg data

# 1Q FY2022 Key highlights – cont'd

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## Singapore

- Tenants' sales stayed resilient in 1Q FY 22 despite a 6 weeks restriction in dining-in (limited 2 pax vs 5 pax in 1Q FY21) with sales reaching 97% of 1Q FY21 for Paragon and The Clementi Mall
- Occupancy improved to 99.8% from 98.9% in 4Q FY 21, in line with the strategy of maintaining high occupancy and stabilized cashflow

## Australia

- Westfield Marion Shopping Centre continued to demonstrate its dominance in Adelaide, South Australia, with tenant sales increasing 6% yoy in the midst of COVID-19
- Figtree Grove Shopping Centre, located in Wollongong, New South Wales, was in lockdown for approx. 3.5 months until 10 Oct 21. Tenant sales have recovered close to pre-COVID-19 levels for Nov 2021 post lifting of lockdown

## Outlook

- Cautiously optimistic despite the developments surrounding the Omicron variant. Singapore's Ministry of Health has stated that the Omicron variant is likely to be more transmissible but less severe than the Delta variant.

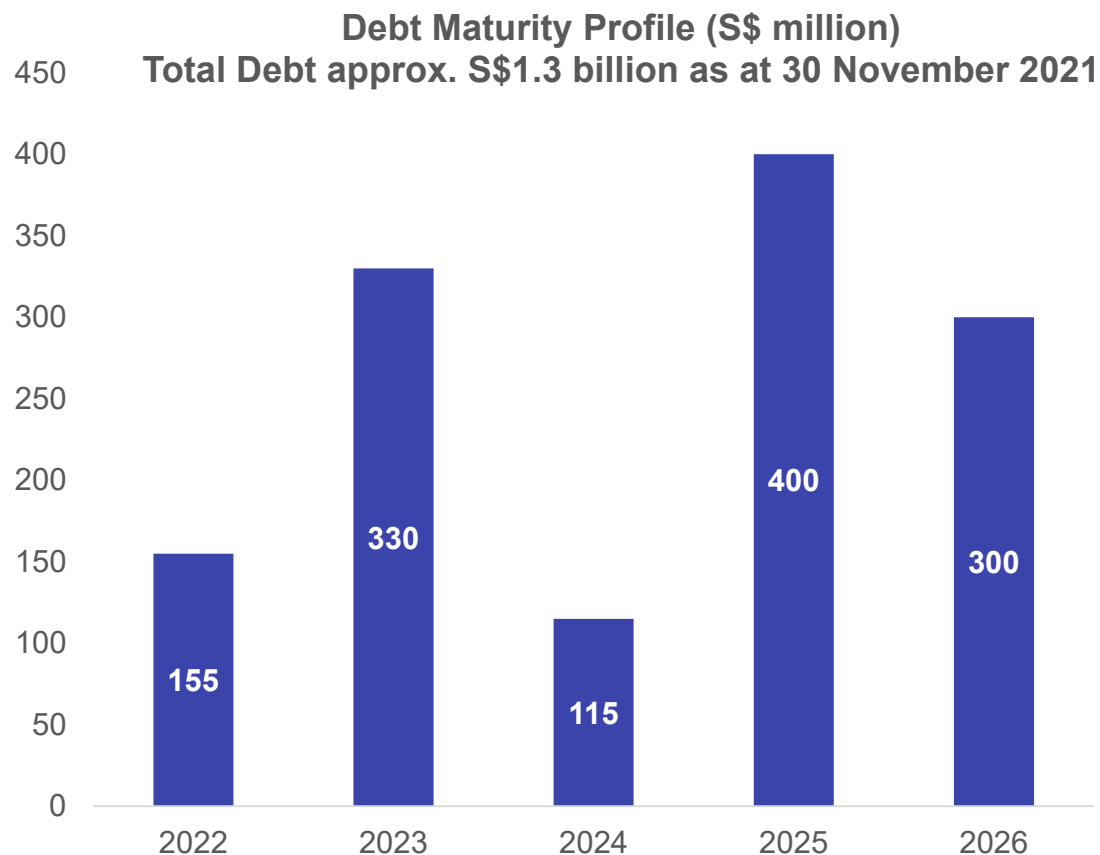




# Capital Management

# Proactive capital management to enhance Unitholders returns

Continued improvement in key financial ratios reflects portfolio resiliency



Average Cost of Debts	1.68%
Weighted Average Term to Maturity	2.7 years
Floating rate % Fixed rate %	24% 76%
Available Facilities	S\$225m

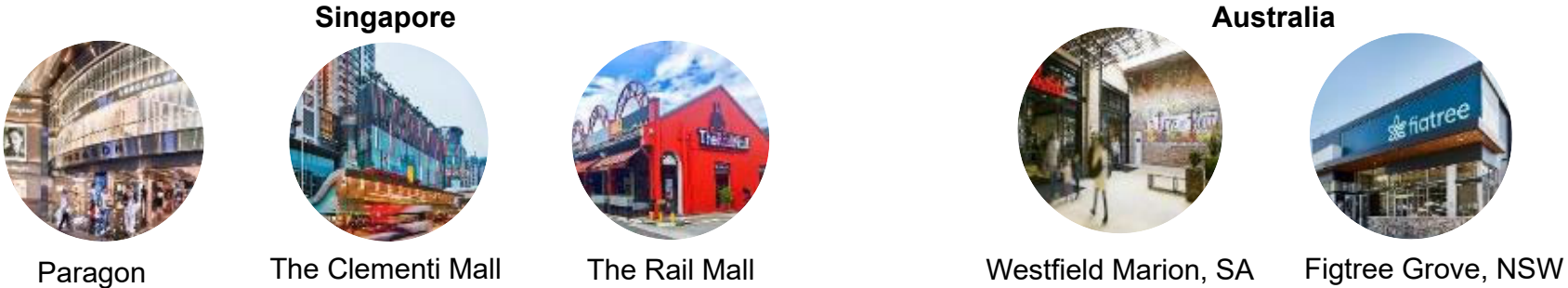
**Note:** Excludes perpetual securities of SPH REIT



## Portfolio updates

# Resilient and diversified portfolio

<p><b>98.8%</b> Portfolio occupancy</p>	<p><b>2.7m</b> Net Lettable Area (“NLA”) (sqft)</p>	<p><b>5.5 years</b> WALE by NLA</p>	<p><b>2.9 years</b> WALE by Gross Rental income</p>
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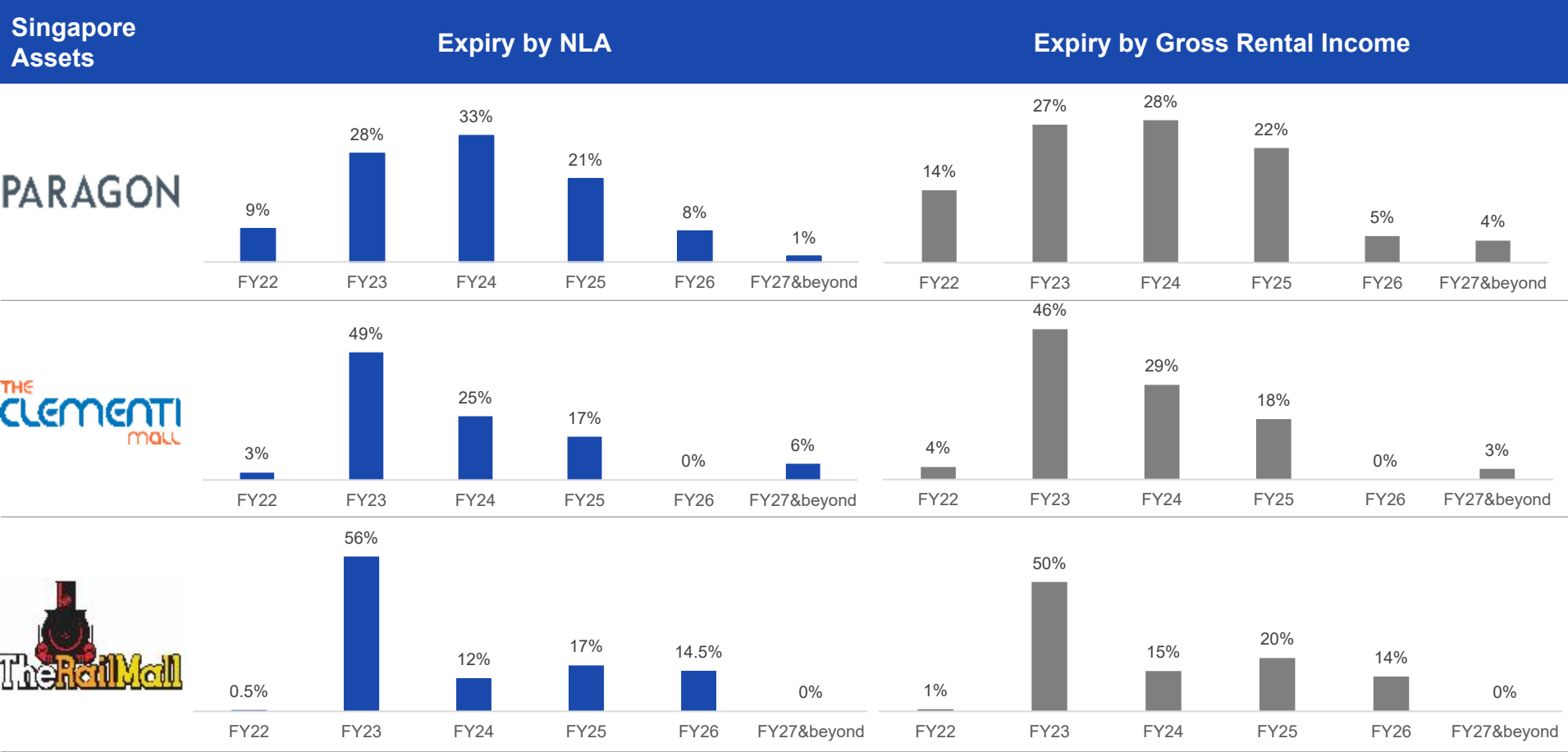


As of 30 November 2021	Singapore			Australia	
	Paragon	The Clementi Mall	The Rail Mall	Westfield Marion	Figtree Grove
<b>NLA (‘000 sqft)</b>	715	195	50	1,475	236
<b>Occupancy rate</b>	99.7%	99.9%	100%	98.2%	99.1%

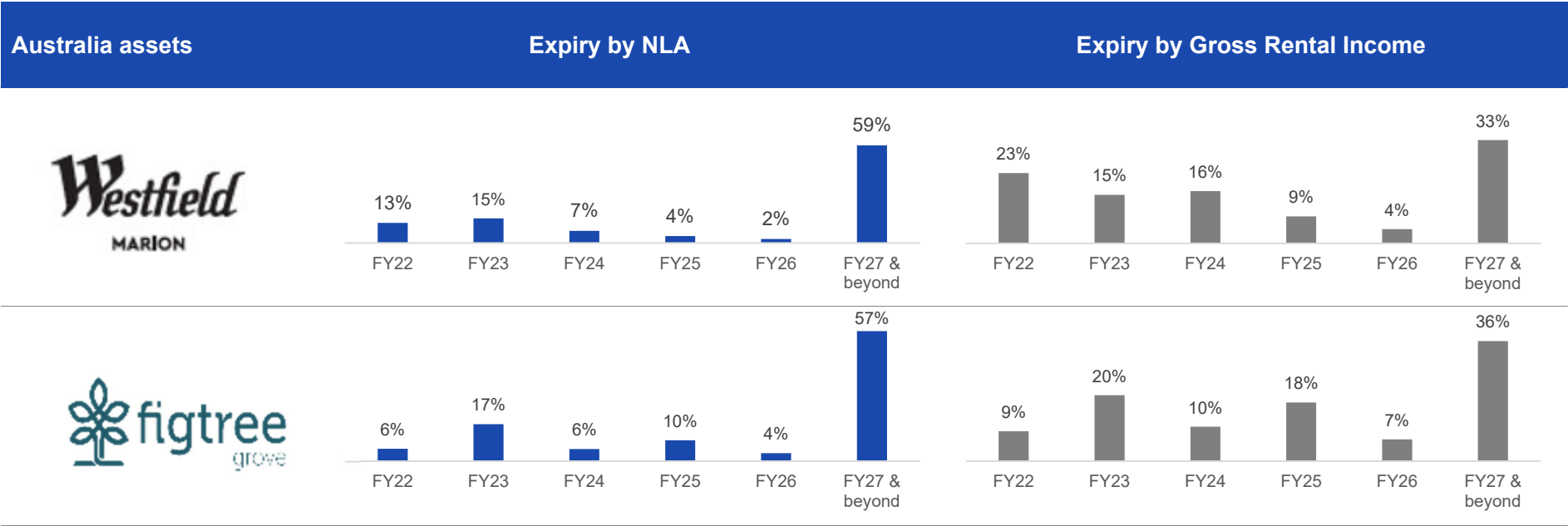
# Healthy lease expiry profile provides stability

Lease expiry as at 30 November 2021	FY22	FY23	FY24	FY25	FY26	FY27 & beyond
<b>SPH REIT Portfolio</b>						
Expiries as a % of total NLA	10%	22%	15%	10%	4%	39%
Expiries as a % of Gross rental income	14%	28%	25%	19%	5%	9%
<b>Singapore assets</b>						
Expiries as a % of total NLA	7%	34%	30%	20%	7%	2%
Expiries as a % of Gross rental income	12%	31%	28%	21%	4%	4%
<b>Australia assets</b>						
Expiries as a % of total NLA	12%	15%	7%	5%	3%	58%
Expiries as a % of Gross rental income	20%	16%	15%	11%	5%	33%

# Proactive management of lease expiry for SG assets



# Resilient and stable lease expiry profile for AU assets

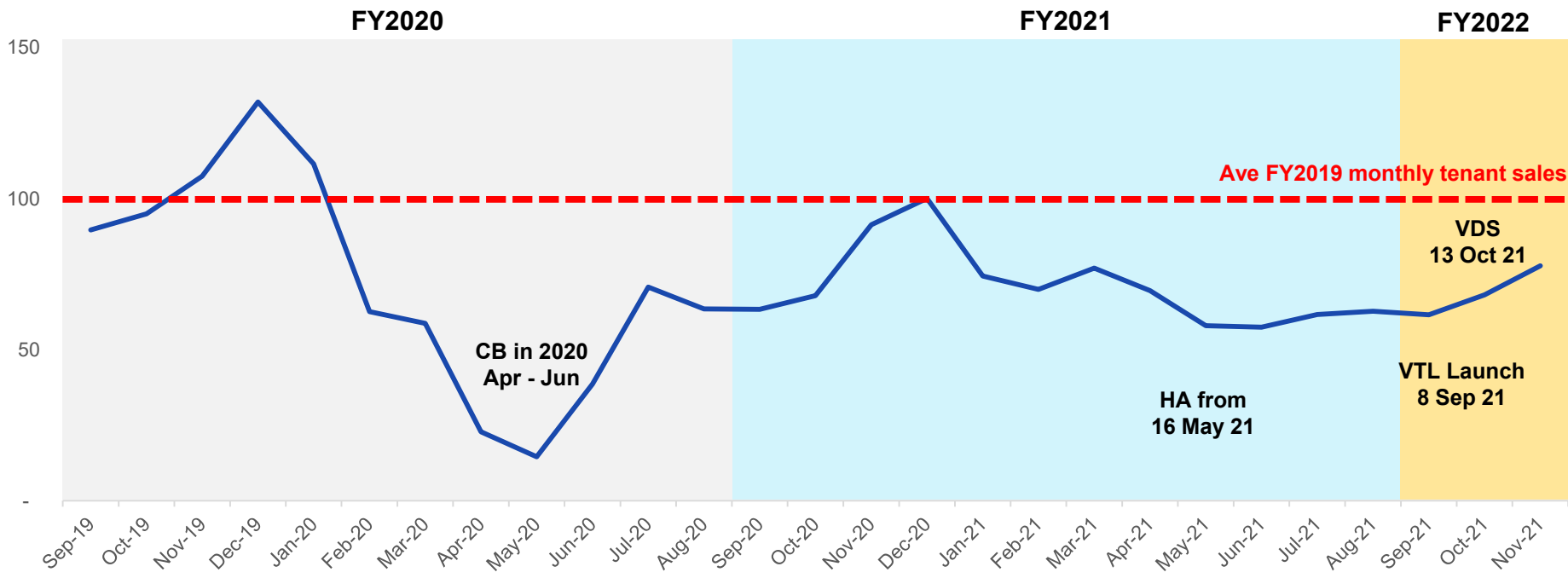


# SG: Tenant sales impacted by tightened COVID restrictions

## PARAGON

- Tenant sales declined 7% yoy, impacted by tightened COVID measures (2-pax dine in restrictions for half of 1Q FY22 vs 5 pax in 1Q FY21)
- Occupancy improved to 99.7% (FY2021: 99.1%); underpins management’s leasing strategy to sustain occupancy for strong cash flow generation

Tenant Sales Trend Index



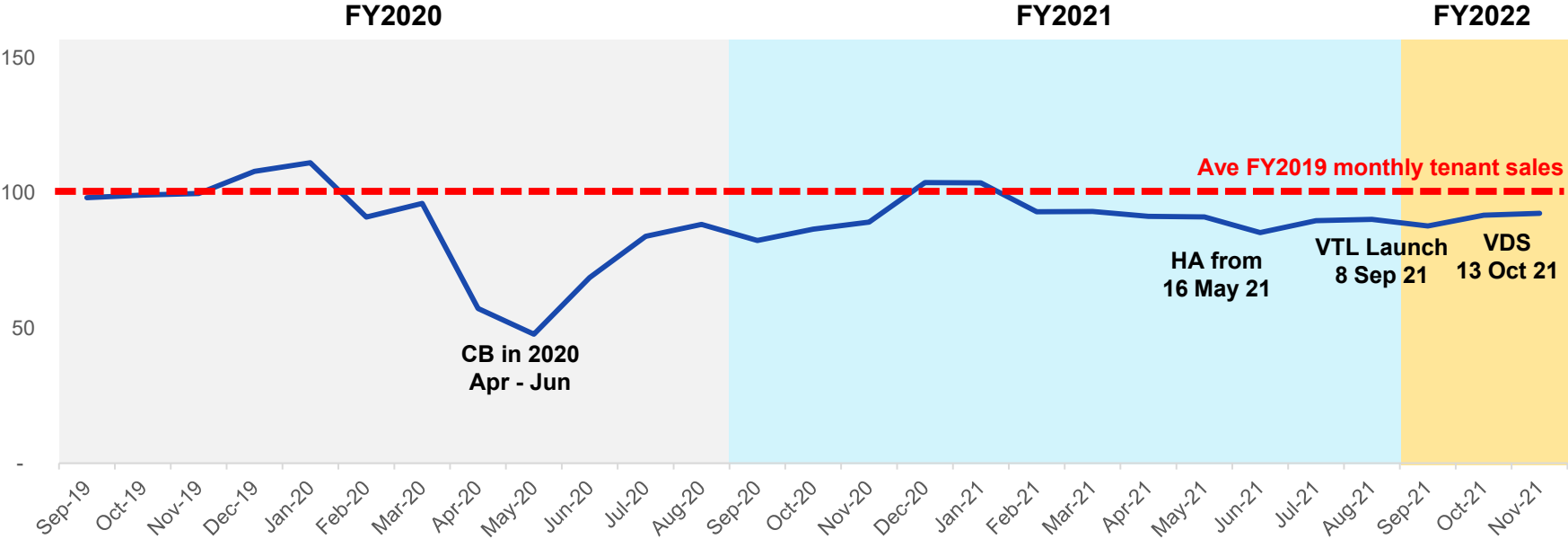


# SG: Tenant sales supported by suburban mall resilience



- Tenant sales for 1Q FY22 increased 5% yoy & recovered close to pre-COVID levels, attributed to the strengthened tenant mix from new F&B concepts & click-and-collect sports retailer Decathlon introduced in prior year
- Resilient performance due to The Clementi Mall’s strategic location within a transport hub, densely populated Clementi Town and tactical partnerships with Grab
- Introduced S<sup>3</sup> Rewards Programm in early November and recorded more than 8,000 new sign-ups within a month

Tenant Sales Trend Index

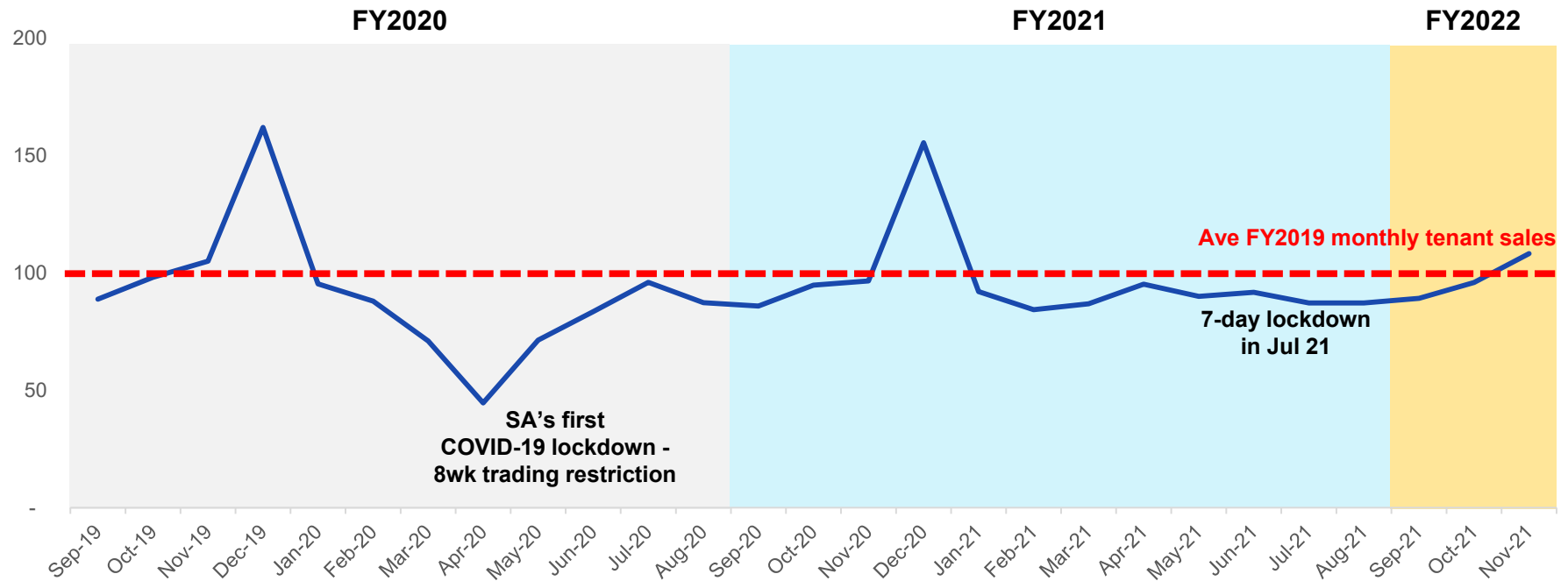


# AU: Tenant sales continues to grow



- Strategically located super regional shopping centre, bounded by three major roads, in the vicinity of community and education infrastructure extending greater access to shoppers beyond usual catchment
- Continues to demonstrate its dominance in Adelaide, South Australia, with tenant sales increasing 6% yoy in the midst of COVID-19

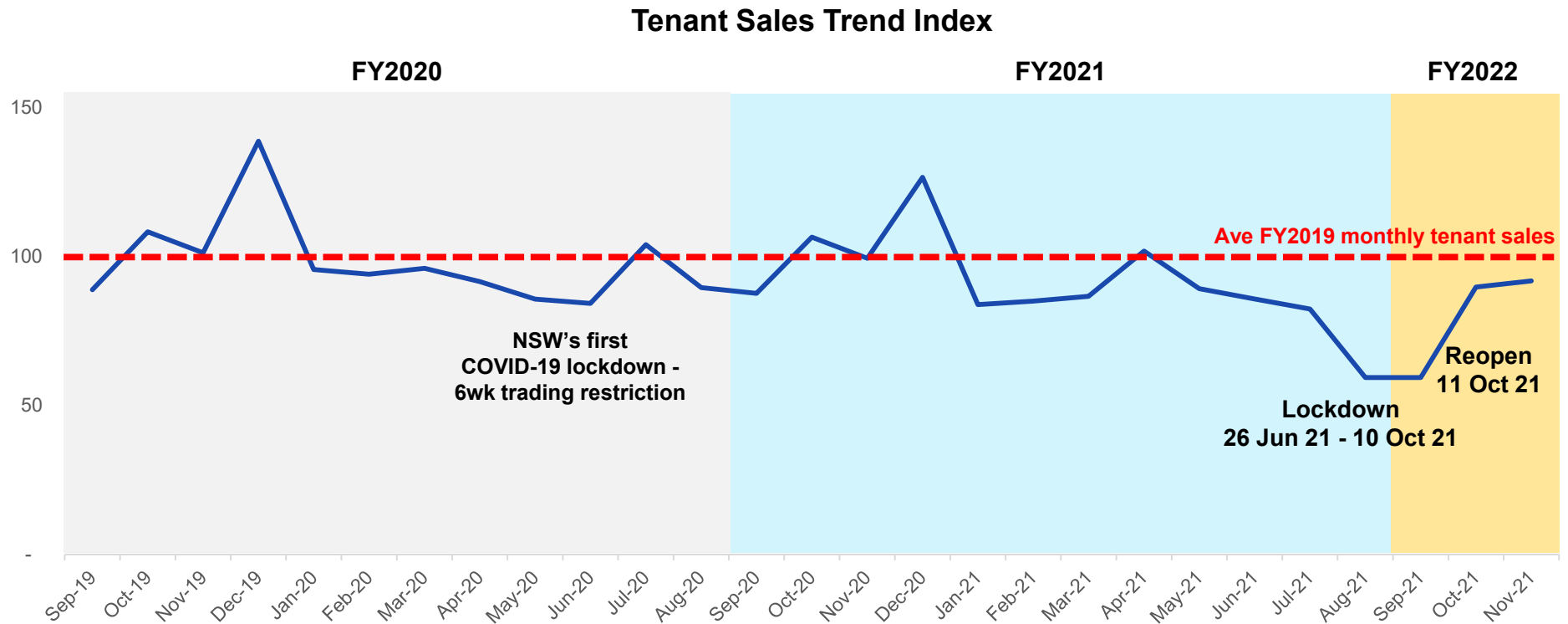
**Tenant Sales Trend Index**



# AU: Tenant sales recovering post lifting of lockdown



- Figtree was under lockdown for approx. 1.5 months of the 1Q FY22
- Tenant sales in Nov 2021 has recovered close to pre-COVID levels since the lifting of lockdown on 11 Oct 2021



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