



SGX-ST Announcement

ARBITRATION IN RELATION TO LEASE TO MYER PTY LTD

YTL Starhill Global REIT Management Limited (the “**Manager**”), in its capacity as manager of Starhill Global Real Estate Investment Trust (“**Starhill Global REIT**”) announces that on 23 March 2023, The Trust Company (Australia) Limited as trustee of SG REIT (SA) Sub-Trust2 (the “**Landlord**”) received a notice of arbitration (the “**Notice of Arbitration**”) from Myer Pty Ltd (“**Myer**”). The Notice of Arbitration relates to the lease by Myer for the Myer store, occupying approximately 52.0% of the net lettable area in the Myer Centre Adelaide (the “**Myer Lease**”) as at 31 December 2022. Myer alleges that there has been a breach of the Myer Lease (which currently runs until June 2032), claims unspecified damages and seeks a declaration that Myer is entitled to terminate the Myer Lease (“**the Arbitration Claim**”).

The Arbitration Claim is at an early stage and the arbitration process is expected to take in excess of 12 months through to conclusion, unless the claim is resolved earlier through other means such as settlement. Myer has been making payment of rent under the Myer Lease. On this basis, the Manager does not consider that the Arbitration Claim is likely to have a material impact on Starhill Global REIT’s distributable income for the financial year ending 30 June 2023.

Myer Centre Adelaide’s valuation of S\$239.3 million accounted for approximately 8.3% of Starhill Global REIT’s total portfolio valuation as at 30 June 2022. The Myer Lease (annual revenue of approximately S\$13.7 million) contributed approximately 7.4% and 9.0% of Starhill Global REIT’s total portfolio revenue and net property income respectively for the financial year ended 30 June 2022.

Under the Arbitration Claim, Myer alleges that the Landlord has breached, and is continuing to breach, the Myer Lease by maintaining the Myer Centre Adelaide in a condition whereby it is substantially empty of suitably presented retail stores. The Manager considers that the Arbitration Claim is ill-founded and will take all steps necessary to vigorously defend the Arbitration Claim. The Landlord has retained experienced legal counsel.

The Manager will provide further updates as and when there are any material developments in relation to the arbitration. In the meantime, unitholders are advised to exercise caution when dealing with the units in Starhill Global REIT.

YTL Starhill Global REIT Management Limited
(*Company registration no. 200502123C*)
(as Manager of Starhill Global Real Estate Investment Trust)

Lam Chee Kin
Joint Company Secretary
Singapore
23 March 2023

About Starhill Global REIT

Starhill Global REIT is a Singapore-based real estate investment trust investing primarily in real estate used for retail and office purposes, both in Singapore and overseas. Since its listing on the Mainboard of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 20 September 2005, Starhill Global REIT has grown its initial portfolio from interests in two landmark properties on Orchard Road in Singapore to nine properties in Singapore, Australia, Malaysia, Japan and China, valued at about S\$2.9 billion.

These comprise interests in Wisma Atria and Ngee Ann City on Orchard Road in Singapore, Myer Centre Adelaide, David Jones Building and Plaza Arcade in Adelaide and Perth, Australia, The Starhill and Lot 10 in Kuala Lumpur, Malaysia, a property in Tokyo, Japan and a retail property in Chengdu, China. Starhill Global REIT remains focused on sourcing attractive property assets in Singapore and overseas, while driving organic growth from its existing portfolio, through proactive leasing efforts and creative asset enhancements.

Starhill Global REIT is managed by an external manager, YTL Starhill Global REIT Management Limited, of which all of its shares are indirectly held by YTL Corporation Berhad.

Important Notice

The value of units in Starhill Global REIT (“**Units**”) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Starhill Global REIT), or any of their affiliates. An investment in Units is subject to investment risks, including possible delays in repayment, loss of income or principal invested. The Manager and its affiliates do not guarantee the performance of Starhill Global REIT or the repayment of capital from Starhill Global REIT or any particular rate of return. Unitholders 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 Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. This document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of Starhill Global REIT is not indicative of the future performance of Starhill Global REIT. Similarly, the past performance of the Manager is not indicative of the future performance of the Manager.

This document 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, outbreak of contagious diseases or pandemic, interest rate and foreign exchange trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view on future events.