

Suntec Real Estate Investment Trust and its Subsidiaries

Interim Financial Information
For the six months period ended 30 June 2024

Suntec Real Estate Investment Trust and its Subsidiaries

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Suntec Real Estate Investment Trust and its Subsidiaries

Introduction

Suntec Real Estate Investment Trust (“Suntec REIT”) is a real estate investment trust constituted by the Trust Deed entered into on 1 November 2004 (as amended) between ESR Trust Management (Suntec) Limited (formerly known as ARA Trust Management (Suntec) Limited) as the Manager of Suntec REIT and HSBC Institutional Trust Services (Singapore) Limited as the Trustee of Suntec REIT.

Suntec REIT owns Suntec City Mall which comprises approximately 822,000 sq. ft of net lettable area and certain office units in Suntec Towers One, Two and Three and the whole of Suntec Towers Four and Five, which form part of the integrated commercial development known as “Suntec City”. The property portfolio also comprises 66.3 per cent effective interest in Suntec Singapore Convention & Exhibition Centre and approximately 144,000 sq. ft of net lettable area of Suntec City Mall (“Suntec Singapore”), a one-third interest in One Raffles Quay (“ORQ”) and a one-third interest in Marina Bay Financial Centre Towers 1 and 2, and the Marina Bay Link Mall (collectively known as “MBFC Properties”). Suntec REIT also holds a 100 per cent interest in the commercial building located at 177 Pacific Highway, Sydney, Australia (“177 Pacific Highway”), a 100 per cent interest in the commercial building located at 21 Harris Street, Pyrmont, Sydney, Australia (“21 Harris Street”), a 50.0 per cent interest in Southgate Complex, Melbourne, Australia (“Southgate Complex”), a 50.0 per cent interest in a commercial building, Olderfleet, at 477 Collins Street, Melbourne, Australia (“Olderfleet, 477 Collins Street”), a 100 per cent interest in a freehold office building at 55 Currie Street, Adelaide, Australia (“55 Currie Street”) and a 50.0 per cent interest in two grade A office buildings with ancillary retail in Victoria, West End, London, United Kingdom (“Nova Properties”) and a 100 per cent interest in a Grade A office building with ancillary retail located at 3 Minster Court, City of London, United Kingdom (“The Minster Building”).

Suntec Real Estate Investment Trust and its Subsidiaries

**Summary of results
For the six months period ended 30 June 2024**

	Group		Change %
	Six-month period ended 30.6.2024 \$'000	Six-month period ended 30.6.2023 \$'000	
Gross revenue	226,882	224,300	1.2
Net property income	150,993	153,304	(1.5)
Income from joint ventures	49,655	46,159	7.6
- loans to joint ventures	8,237	8,866	(7.1)
- share of profits	41,418	37,293	11.1
Distribution income	88,692	100,502	(11.8)
- from operations	88,692	89,002	(0.3)
- from capital	-	11,500	n.m.
Number of issued and issuable units at the end of the period entitled to distribution ('000) ^(a)	2,917,972	2,893,383	0.8
Distribution per Unit ("DPU") (cents) ^{(a), (b)}	3.042	3.476	(12.5)
- 1 January to 31 March ^(c)	1.511	1.737	(13.0)
- 1 April to 30 June	1.531	1.739	(12.0)

n.m. – not meaningful

Footnotes:

(a) The computation of Distribution per Unit for the period from 1 April 2024 to 30 June 2024 is based on the number of units entitled to distribution:

- (i) The number of units in issue as at 30 June 2024 of 2,913,675,445; and
- (ii) The units issuable to the Manager by 30 July 2024 as partial satisfaction of asset management base fees incurred for the period from 1 April 2024 to 30 June 2024 of 4,296,557.

(b) Please refer to Distribution statement on Page 6.

(c) Distribution of 1.511 cents per unit for the period 1 January 2024 to 31 March 2024 was paid on 30 May 2024.

Suntec Real Estate Investment Trust and its Subsidiaries

**Statements of financial position
As at 30 June 2024**

	Note	Group		Trust	
		30.6.2024 \$'000	31.12.2023 \$'000	30.6.2024 \$'000	31.12.2023 \$'000
Non-current assets					
Plant and equipment		1,190	1,697	405	927
Investment properties	3	7,960,354	7,964,809	5,350,825	5,375,239
Interests in joint ventures	4	2,843,927	2,829,479	898,857	901,918
Interests in subsidiaries		–	–	2,674,863	2,601,034
Long term investment		–	–	637	637
Derivative assets		17,297	24,387	6,869	6,657
		<u>10,822,768</u>	<u>10,820,372</u>	<u>8,932,456</u>	<u>8,886,412</u>
Current assets					
Investment properties held for sale	3	25,184	39,761	25,184	39,761
Derivative assets		9,550	11,239	1,951	412
Trade and other receivables		54,048	39,931	38,795	19,852
Cash and cash equivalents		186,862	217,925	50,486	89,077
		<u>275,644</u>	<u>308,856</u>	<u>116,416</u>	<u>149,102</u>
Total assets		<u>11,098,412</u>	<u>11,129,228</u>	<u>9,048,872</u>	<u>9,035,514</u>
Current liabilities					
Interest-bearing borrowings	5	501,855	399,853	299,760	399,853
Trade and other payables		120,221	119,998	119,020	120,574
Derivative liabilities		262	192	262	192
Security deposits		21,206	23,628	17,697	16,866
Current tax liabilities		4,121	8,699	–	–
		<u>647,665</u>	<u>552,370</u>	<u>436,739</u>	<u>537,485</u>
Non-current liabilities					
Interest-bearing borrowings	5	3,733,918	3,860,497	2,817,713	2,708,348
Security deposits		61,790	60,386	50,734	51,363
Derivative liabilities		3,887	14,630	3,887	12,926
Deferred tax liabilities		56,636	57,445	–	–
		<u>3,856,231</u>	<u>3,992,958</u>	<u>2,872,334</u>	<u>2,772,637</u>
Total liabilities		<u>4,503,896</u>	<u>4,545,328</u>	<u>3,309,073</u>	<u>3,310,122</u>
Net assets		<u>6,594,516</u>	<u>6,583,900</u>	<u>5,739,799</u>	<u>5,725,392</u>

Suntec Real Estate Investment Trust and its Subsidiaries

**Statements of financial position (cont'd)
As at 30 June 2024**

	Note	Group		Trust	
		30.6.2024 \$'000	31.12.2023 \$'000	30.6.2024 \$'000	31.12.2023 \$'000
Represented by:					
Unitholders' funds		6,118,672	6,107,793	5,391,797	5,377,352
Perpetual securities holders	6	348,002	348,040	348,002	348,040
Non-controlling interests		127,842	128,067	–	–
		<u>6,594,516</u>	<u>6,583,900</u>	<u>5,739,799</u>	<u>5,725,392</u>
Units in issue ('000)	7	<u>2,913,675</u>	<u>2,897,274</u>	<u>2,913,675</u>	<u>2,897,274</u>
Net asset value per Unit (S\$)	8	<u>2.097</u>	<u>2.099</u>	<u>1.848</u>	<u>1.848</u>

Suntec Real Estate Investment Trust and its Subsidiaries

**Statement of total return
For the six months period ended 30 June 2024**

	Note	Group		Change %
		Six-months period ended 30.6.2024	Six-months period ended 30.6.2023	
		\$'000	\$'000	
Gross revenue		226,882	224,300	1.2
Property expenses		(75,889)	(70,996)	(6.9)
Net property income		150,993	153,304	(1.5)
Other income		674	2,379	(71.7)
Share of profit of joint ventures		41,418	37,293	11.1
Finance income		10,081	11,467	(12.1)
Finance costs		(88,446)	(84,930)	(4.1)
Net finance costs		(78,365)	(73,463)	(6.7)
Asset management fees				
- base fee		(20,498)	(20,387)	(0.5)
- performance fee		(9,997)	(9,966)	(0.3)
Trust expenses		(3,396)	(3,611)	6.0
Net income		80,829	85,549	(5.5)
Net change in fair value of financial derivatives		5,371	(7,290)	173.7
Net change in fair value of investment properties	3	–	578	n.m.
Net gain from divestment of investment properties		8,618	–	n.m.
Total return for the period before tax	9	94,818	78,837	20.3
Tax expense		(5,864)	(7,533)	22.2
Total return for the period after tax		88,954	71,304	24.8
Attributable to:				
Unitholders of the Trust and perpetual securities holders		88,242	72,118	22.4
Non-controlling interests		712	(814)	187.5
		88,954	71,304	24.8
Earnings per Unit (cents)				
Basic	10	2.791	2.257	23.7
Diluted	10	2.783	2.251	23.6

n.m. – not meaningful

Suntec Real Estate Investment Trust and its Subsidiaries

**Distribution statement
For the six months period ended 30 June 2024**

	Group	
	Six-months period ended 30.6.2024 \$'000	Six-months period ended 30.6.2023 \$'000
Amount available for distribution to Unitholders at the beginning of the period	54,153	57,270
Total return attributable to Unitholders and perpetual securities holders before distribution	88,242	72,118
Less: Total return attributable to perpetual securities holders	(6,968)	(6,930)
Net tax adjustments (Note A)	(68,815)	(53,094)
Taxable income	12,459	12,094
Add:		
Dividend income (Note B)	76,233	76,908
Others (Note C)	–	11,500
Amount available for distribution to Unitholders	142,845	157,772
Distribution to Unitholders		
Distribution of 1.990 cents per Unit for period from 1/10/2022 to 31/12/2022	–	(57,445)
Distribution of 1.737 cents per Unit for period from 1/1/2023 to 31/3/2023	–	(50,197)
Distribution of 1.866 cents per Unit for period from 1/10/2023 to 31/12/2023	(54,290)	–
Distribution of 1.511 cents per Unit for period from 1/1/2024 to 31/3/2024	(44,026)	–
Distribution to Unitholders	(98,316)	(107,642)
Income available for distribution to Unitholders at end of the period	44,529	50,130
Distribution per Unit (cents) from 1 January to 30 June (Note D)	3.042	3.476

Suntec Real Estate Investment Trust and its Subsidiaries

Distribution statement (cont'd) For the six months period ended 30 June 2024

Note A

	Group	
	Six-months period ended 30.6.2024 \$'000	Six-months period ended 30.6.2023 \$'000
Net tax adjustments comprise:		
Asset management fee paid/payable in Units	14,121	14,075
Amortisation of transaction costs	4,611	4,700
Net profit from subsidiaries and joint ventures	(77,935)	(82,350)
Net foreign currency exchange differences	(358)	(332)
Net change in fair value of financial derivatives	(5,292)	8,653
Net change in fair value of investment properties	–	(578)
Net gain from divestment of investment properties	(8,618)	–
Sinking fund contribution	2,773	4,106
Trustee's fees	1,013	1,024
Deferred tax	469	948
Other items ⁽¹⁾	401	(3,340)
Net tax adjustments	(68,815)	(53,094)

⁽¹⁾ This mainly relates to non-tax-deductible expenses and rollover adjustments after finalisation of prior year adjustments.

Suntec Real Estate Investment Trust and its Subsidiaries

Distribution statement (cont'd) For the six months period ended 30 June 2024

Note B

This relates to the dividend income and distribution of profits received from subsidiaries and a joint venture.

	Group	
	Six-months period ended 30.6.2024 \$'000	Six-months period ended 30.6.2023 \$'000
Wholly owned subsidiaries		
Comina Investment Limited	13,437	13,094
Suntec Harmony Pte. Ltd.	3,200	–
Suntec REIT Capital Pte. Ltd.	9,500	9,400
Suntec REIT (Australia) Trust	19,144	26,205
Suntec REIT UK 1 Pte. Ltd.	8,195	9,016
Victoria Circle Unit Trust 1	7	9
Victoria Circle Unit Trust 2	7	9
Suntec REIT UK (LP) Pte. Ltd.	3,103	2,996
	56,593	60,729
Joint Venture		
BFC Development LLP	19,640	16,179
	76,233	76,908

Note C

This relates to a portion of the sales proceeds from disposal of an investment property in December 2015.

Note D

The Distribution per Unit relates to the distributions in respect of the relevant financial period. The distribution for the fourth quarter of the financial year will be paid subsequent to the reporting date.

Suntec Real Estate Investment Trust and its Subsidiaries

**Statements of movements in unitholders' funds
For the six months period ended 30 June 2024**

	Group		Trust	
	Six-months period ended 30.6.2024	Six-months period ended 30.6.2023	Six-months period ended 30.6.2024	Six-months period ended 30.6.2023
	\$'000	\$'000	\$'000	\$'000
Unitholders' funds at the beginning of the period	6,107,793	6,116,353	5,377,352	5,188,508
Total return attributable to Unitholders and perpetual securities holders	88,242	72,118	110,607	123,802
Less: Total return attributable to perpetual securities holders	(6,968)	(6,930)	(6,968)	(6,930)
Hedging reserve				
Effective portion of changes in fair value of cash flow hedges ⁽¹⁾	2,185	17	–	–
Foreign currency translation reserve				
Translation differences from financial statements of foreign operations	16,614	43,368	–	–
Net gain recognised directly in Unitholders' funds	18,799	43,385	–	–
Unitholders' transactions				
Creation of Units				
- asset management fees payable in Units ⁽²⁾ Units to be issued	4,553	4,495	4,553	4,495
- asset management fees payable in Units ⁽²⁾	4,569	4,596	4,569	4,596
Distributions to Unitholders	(98,316)	(107,642)	(98,316)	(107,642)
Net decrease in Unitholders' funds resulting from Unitholders' transactions	(89,194)	(98,551)	(89,194)	(98,551)
Unitholders' funds at end of the period	6,118,672	6,126,375	5,391,797	5,206,829

⁽¹⁾ This represents the Group's share of fair value change of the cash flow hedges as a result of interest rate swaps entered into by subsidiaries and joint ventures.

⁽²⁾ This represents the value of units issued and to be issued the Manager as partial satisfaction of asset management fees incurred for the financial period from 1 January to 30 June. The asset management base fee units for the quarter ended 30 June 2024 are to be issued within 30 days from quarter end.

Suntec Real Estate Investment Trust and its Subsidiaries

**Statements of movements in unitholders' funds (cont'd)
For the six months period ended 30 June 2024**

	Group		Trust	
	Six-months period ended 30.6.2024 \$'000	Six-months period ended 30.6.2023 \$'000	Six-months period ended 30.6.2024 \$'000	Six-months period ended 30.6.2023 \$'000
Perpetual securities holders at the beginning of the period	348,040	348,040	348,040	348,040
Total return attributable to perpetual securities holders	6,968	6,930	6,968	6,930
Transactions with perpetual securities holders				
Distribution to perpetual securities holders	(7,006)	(6,968)	(7,006)	(6,968)
Net decrease resulting from transactions with perpetual securities holders	(7,006)	(6,968)	(7,006)	(6,968)
Perpetual securities holders at the end of the period	348,002	348,002	348,002	348,002
Non-controlling interests at the beginning of the period	128,067	119,726	–	–
Total return attributable to non-controlling interests	712	(814)	–	–
Share of hedging reserve	748	–	–	–
Transactions with non-controlling interests				
Distribution to non-controlling interests	(1,685)	–	–	–
Net decrease resulting from transactions with non-controlling interests	(1,685)	–	–	–
Non-controlling interests at the end of the period	127,842	118,912	–	–

Suntec Real Estate Investment Trust and its Subsidiaries

Portfolio statements

As at 30 June 2024

Group

Description of Property	Tenure of Land	Term of Lease	Remaining Term of Lease	Location	Existing Use	Committed Occupancy Rate as at		Carrying Value as at		Percentage of Total Unitholders' funds as at	
						30.6.2024 %	31.12.2023 %	30.6.2024 \$'000	31.12.2023 \$'000	30.6.2024 %	31.12.2023 %
Investment properties in Singapore											
Suntec City Mall	Leasehold	99 years	64 years	3 Temasek Boulevard	Commercial	95.6	95.6	2,143,770	2,143,000	35.0	35.1
Suntec City Office Towers	Leasehold	99 years	64 years	5 - 9 Temasek Boulevard	Commercial	100	100	3,207,055	3,232,239	52.4	52.9
Suntec Singapore [^]	Leasehold	99 years	64 years	1 Raffles Boulevard	Commercial	n.m.	n.m.	729,909	729,700	11.9	12.0
Investment properties in Australia											
177 Pacific Highway	Freehold	–	–	177 – 199 Pacific Highway, North Sydney	Commercial	100	100	621,735	618,567	10.2	10.1
21 Harris Street	Freehold	–	–	21 Harris Street, Pyrmont, New South Wales	Commercial	98.8	98.8	255,844	255,337	4.2	4.2
55 Currie Street	Freehold	–	–	55 Currie Street, Adelaide	Commercial	56.2	56.2	120,834	115,712	2.0	1.9
Olderfleet, 477 Collins Street	Freehold	–	–	477 Collins Street, Melbourne	Commercial	100	100	405,863	404,586	6.6	6.6
Investment property in United Kingdom											
The Minster Building	Leasehold	999 years	966 years	21 Mincing Lane, EC3, London	Commercial	91.3	87.3	475,344	465,668 ⁽¹⁾	7.8	7.6
Investment properties								7,960,354	7,964,809	130.1	130.4
Investment properties held for sale								25,184 ⁽²⁾	39,761 ⁽²⁾	0.4	0.7
Interests in joint ventures								2,843,927	2,829,479	46.5	46.3
Other assets and liabilities (net)								10,829,465 (4,234,949)	10,834,049 (4,250,149)	177.0 (69.2)	177.4 (69.6)
Net assets								6,594,516	6,583,900	107.8	107.8
Perpetual securities holders								(348,002)	(348,040)	(5.7)	(5.7)
Non-controlling interests								(127,842)	(128,067)	(2.1)	(2.1)
Unitholders' funds								6,118,672	6,107,793	100.0	100.0

[^] denotes Suntec Singapore Convention and Exhibition Centre.

(1) The valuation reflects the price that would be received from the sale of the investment property where the Purchaser's cost (including stamp duty) is assumed to be 6.8%, in line with accounting standards. The valuation based on the price that would be received for the sale of the special purpose vehicle holding the investment property where the Purchaser's cost (excluding stamp duty) is assumed to be 1.8% is \$498.1 million (2023: \$488.5 million).

(2) As at 30 June 2024, investment properties with a carrying value of \$25,184,000 (2023: \$39,761,000) relating to the proposed divestment of two (2023: three) strata units of Suntec City Office have been reclassified to investment properties held for sale (Note 3).

Suntec Real Estate Investment Trust and its Subsidiaries

Portfolio statements (cont'd)

As at 30 June 2024

Trust

Description of Property	Tenure of Land	Term of Lease	Remaining Term of Lease	Location	Existing Use	Committed Occupancy Rate as at		Carrying Value as at		Percentage of Total Unitholders' funds as at	
						30.6.2024	31.12.2023	30.6.2024	31.12.2023	30.6.2024	31.12.2023
						%	%	\$'000	\$'000	%	%
<i>Investment properties in Singapore</i>											
Suntec City Mall	Leasehold	99 years	64 years	3 Temasek Boulevard	Commercial	95.6	95.6	2,143,770	2,143,000	39.8	39.9
Suntec City Office Towers	Leasehold	99 years	64 years	5 - 9 Temasek Boulevard	Commercial	100	100	3,207,055	3,232,239	59.5	60.1
Investment properties								5,350,825	5,375,239	99.2	100.0
Investment properties held for sale								25,184 ⁽¹⁾	39,761 ⁽¹⁾	0.5	0.7
Interests in joint ventures								898,857	901,918	16.7	16.8
Interests in subsidiaries								2,674,863	2,601,034	49.6	48.4
Other assets and liabilities (net)								8,949,729	8,917,952	166.0	165.9
								(3,209,930)	(3,192,560)	(59.5)	(59.4)
Net assets								5,739,799	5,725,392	106.5	106.5
Perpetual securities holders								(348,002)	(348,040)	(6.5)	(6.5)
Unitholders' funds								5,391,797	5,377,352	100.0	100.0

(1) As at 30 June 2024, investment properties with a carrying value of \$25,184,000 (2023: \$39,761,000) relating to the proposed divestment of two (2023: three) strata units of Suntec City Office have been reclassified to investment properties held for sale (Note 3).

Suntec Real Estate Investment Trust and its Subsidiaries

Portfolio statements (cont'd) As at 30 June 2024

Note:

Suntec City Mall is one of Singapore's largest shopping mall and comprises approximately 822,000 sq. ft of net lettable area.

Suntec City Office Towers comprise 12 (2023: 12) strata lots in Suntec City Office Tower One, 1 (2023: 1) strata lot in Suntec City Office Tower Two, 71 (2023: 74) strata lots in Suntec City Office Tower Three and all (2023: all) the strata lots in Suntec City Office Towers Four and Five.

Suntec Singapore comprises more than one million square feet of versatile floor space over six levels which includes approximately 144,000 square feet of retail space.

177 Pacific Highway is a 31-storey commercial building located in North Sydney, Australia.

21 Harris Street is a 9-storey commercial office building located in Pyrmont, New South Wales, Australia.

55 Currie Street is a 12-storey commercial building located in Adelaide, Australia.

Olderfleet, 477 Collins Street is a 40-storey office building located in Melbourne, Australia.

The Minster Building is a 11-storey office building located in London, United Kingdom.

The carrying amounts of the investment properties as at 30 June 2024 were based on independent valuations undertaken by Cushman & Wakefield VHS Pte. Ltd., Jones Lang LaSalle Advisory Services Pty Ltd, and Colliers International Property Consultants Limited as at 31 December 2023, adjusted for capital expenditure incurred subsequent to the valuation date and translation differences. The Group has assessed that the carrying amounts of these investment properties as at 30 June 2024 approximate their fair values.

Suntec Real Estate Investment Trust and its Subsidiaries

**Statement of cash flows
For the six months period ended 30 June 2024**

	Group	
	Six-month period ended 30.6.2024 \$'000	Six-month period ended 30.6.2023 \$'000
Cash flows from operating activities		
Total return before tax	94,818	78,837
<u>Adjustments for:</u>		
Reversal of impairment on trade receivables	(194)	(98)
Asset management fees paid/payable in Units	14,121	14,075
Depreciation of plant and equipment	281	317
Assets written off	518	–
Net change in fair value of financial derivatives	(5,371)	7,290
Net change in fair value of investment properties	–	(578)
Net finance costs	78,365	73,463
Net gain from divestment of investment properties	(8,618)	–
Share of profit of joint ventures	(41,418)	(37,293)
Operating cash flows before changes in working capital	132,502	136,013
<u>Changes in working capital:</u>		
Trade and other receivables	3,466	(27,056)
Trade and other payables	(17,657)	11,724
Cash generated from operations activities	118,311	120,681
Income taxes paid, net	(4,672)	(19,554)
Net cash flows from operating activities	113,639	101,127
Cash flows from investing activities		
Capital expenditure on investment properties	(4,620)	(1,938)
Deposit received from divestment of investment properties	315	254
Dividend income received from joint ventures	16,643	19,089
Interest received from loan to joint ventures	9,704	11,468
Additional investments in joint ventures	(2,183)	–
Purchase of plant and equipment	(293)	(811)
Loan repayment by joint ventures	12,339	583,854
Net proceeds from divestment of investment properties	47,871	–
Net cash from investing activities	79,776	611,916

Suntec Real Estate Investment Trust and its Subsidiaries

**Statement of cash flows (cont'd)
For the six months period ended 30 June 2024**

	Group	
	Six-month period ended 30.6.2024 \$'000	Six-month period ended 30.6.2023 \$'000
Cash flows from financing activities		
Distributions to Unitholders	(98,316)	(107,642)
Distributions to perpetual securities holders	(7,006)	(6,968)
Dividends paid to non-controlling interests	(1,685)	–
Financing cost paid	(85,803)	(80,506)
Repayment of medium-term notes	–	(180,000)
Proceeds from interest-bearing loans	950,000	546,000
Repayment of interest-bearing loans	(982,862)	(940,961)
Net cash flows used in financing activities	(225,672)	(770,077)
Net decrease in cash and cash equivalents	(32,257)	(57,034)
Cash and cash equivalents at beginning of the period	217,925	269,610
Effects on exchange rate fluctuations on cash held	1,194	1,787
Cash and cash equivalents at end of the period	186,862	214,363

Significant non-cash transactions

There were the following non-cash transactions:

Six-month period ended 30 June 2024

The Group had issued or would be issuing a total of 8,537,053 Units to the Manager, amounting to approximately \$9.1 million at unit prices ranging from \$1.0633 to \$1.0738 as satisfaction of the asset management fees payable in Units in respect of the period ended 30 June 2024.

Six-month period ended 30 June 2023

The Group had issued or would be issuing a total of 6,702,762 Units to the Manager, amounting to approximately \$9.1 million at unit prices ranging from \$1.2967 to \$1.4234 as satisfaction of the asset management fees payable in Units in respect of the period ended 30 June 2023.

Suntec Real Estate Investment Trust and its Subsidiaries

Notes to interim financial statements For the six months period ended 30 June 2024

1. Corporate information

Suntec Real Estate Investment Trust (the “Trust”) is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 1 November 2004 (as amended) (the “Trust Deed”) between ESR Trust Management (Suntec) Limited (formerly known as ARA Trust Management (Suntec) Limited) (the “Manager”) and HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust in trust for the holders (“Unitholders”) of Units in the Trust (the “Units”).

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 9 December 2004 and was included in the Central Provident Fund (“CPF”) Investment Scheme on 9 December 2004.

The principal activity of the Trust and its subsidiaries is to invest in income producing real estate and real estate related assets, which are used or substantially used for commercial purposes, with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth.

The interim financial statements (“Financial Statements”) relate to the Trust and its subsidiaries (the “Group”).

2. Basis of preparation

The Financial Statements has been prepared in accordance with the Statement of Recommended Accounting Practice (“RAP”) 7 “Reporting Framework for Investment Funds” issued by the Institute of Singapore Chartered Accountants, and the applicable requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore and the provisions of the Trust Deed and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2023. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles of Financial Reporting Standards in Singapore (“FRS”).

The Financial Statements do not contain all of the information required for full annual financial statements.

The Financial Statements have been prepared on a historical cost basis, except for the investment properties and financial derivatives which are stated at their fair values.

The Financial Statements are presented in Singapore dollars which is the Trust’s functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

The preparation of the Financial Statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Suntec Real Estate Investment Trust and its Subsidiaries

Notes to interim financial statements For the six months period ended 30 June 2024

2. Basis of preparation (cont'd)

In preparing these Financial Statements, significant judgements made by the Manager in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

The accounting policies applied by the Group in these Financial Statements are the same as those applied by the Group in its financial statements as at and for the year ended 31 December 2023, except that the Group adopted various revised standards that are effective for annual periods beginning on 1 January 2024. The adoption of the revised standards did not have a material impact on the Group's Financial Statements.

3. Investment properties

	Group		Trust	
	30.6.2024	31.12.2023	30.6.2024	31.12.2023
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the period	7,964,809	7,906,828	5,375,239	5,215,000
Capital expenditure	4,620	9,848	770	3,003
Capitalisation of straight-line rental income	1,513	3,625	–	–
Tenant incentives	4,152	4,120	–	–
Divestments	–	(32,734)	–	(32,734)
Reclassification to investment properties held for sale	(25,184)	(39,761)	(25,184)	(39,761)
	7,949,910	7,851,926	5,350,825	5,145,508
Changes in fair value	–	109,859	–	229,731
Effects of movements in exchange rates	10,444	3,024	–	–
Balance at end of the period	7,960,354	7,964,809	5,350,825	5,375,239

As at 30 June 2024, Suntec REIT had completed the divestment of three strata units in Suntec City Office and granted Options to Purchase for another two strata units in Suntec City Office to unrelated third parties. The carrying value of these two (2023: three) strata units have been reclassified to investment properties held for sale.

The carrying amounts of the investment properties as at 30 June 2024 were based on independent valuations undertaken by Cushman & Wakefield VHS Pte. Ltd., Jones Lang LaSalle Advisory Services Pty Ltd, and Colliers International Property Consultants Limited as at 31 December 2023, adjusted for capital expenditure incurred subsequent to the valuation date and translation differences. The Group has assessed that the carrying amounts of these investment properties as at 30 June 2024 approximate their fair values.

Suntec Real Estate Investment Trust and its Subsidiaries

Notes to interim financial statements For the six months period ended 30 June 2024

3. Investment properties (cont'd)

Measurement of fair value

The fair values of investment properties were determined by external independent valuers having appropriate recognised professional qualifications and recent experience in the location and category of properties being valued. Independent valuations of the investment properties are carried out at least once a year.

The valuers have considered valuation techniques including the discounted cash flow method, capitalisation approach and/or direct comparison method. The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value. The capitalisation approach capitalises an income stream into a present value using single-year capitalisation rates. The direct comparison method involves the analysis of comparable sales of similar properties, with adjustments made to differentiate the comparable in terms of location, area, quality and other relevant factors.

The valuation technique(s) considered by valuers for each property is in line with market practices generally adopted in the jurisdiction in which the property is located.

4. Interests in joint ventures

	Group		Trust	
	30.6.2024 \$'000	31.12.2023 \$'000	30.6.2024 \$'000	31.12.2023 \$'000
Investment in joint ventures	2,268,824	2,255,291	847,514	850,574
Loans to joint ventures	575,103	574,188	51,343	51,344
	<u>2,843,927</u>	<u>2,829,479</u>	<u>898,857</u>	<u>901,918</u>

Included in the Group's loans to joint ventures as at 30 June 2024 are amounts of \$312.8 million (2023: \$310.0 million which bear interest ranging from 5.00% to 6.23% (2023: 5.00% to 6.33%) per annum. The remaining balances are interest-free.

The Trust's loans to joint ventures bear interest between 6.16% to 6.23% (2023: 5.80% to 6.33%) per annum.

The loans to joint ventures have no fixed terms of repayment. The loans to joint ventures represent the Group's and the Trust's net investments in the joint ventures and the settlement of these loans is neither planned nor likely to occur in the foreseeable future. Accordingly, the loans are classified as non-current.

Suntec Real Estate Investment Trust and its Subsidiaries

Notes to interim financial statements For the six months period ended 30 June 2024

4. Interests in joint ventures (cont'd)

Details of the material joint ventures are as follows:

Name of joint ventures	Principal place of business	Effective equity interest held by the Group	
		30.6.2024 %	31.12.2023 %
One Raffles Quay Pte. Ltd.	Singapore	33.33	33.33
BFC Development LLP	Singapore	33.33	33.33
Southgate Trust	Australia	50.0	50.0
Nova Limited Partnership	United Kingdom	50.0	50.0
Nova Residential Limited Partnership	United Kingdom	50.0	50.0

One Raffles Quay Pte. Ltd. owns One Raffles Quay, Singapore.

BFC Development LLP ("BFCDLLP") owns Marina Bay Financial Centre Towers 1 and 2 and the Marina Bay Link Mall, Singapore.

Suntec REIT (Australia) Trust owns 50% interest in Southgate Trust which in turn, owns 100% in Southgate Complex, Melbourne, Australia.

Nova Limited Partnership owns the properties, Nova North, Nova South, and commercial units in The Nova Building, United Kingdom.

Nova Residential Limited Partnership holds the residential ground lease in The Nova Building, United Kingdom.

5. Interest-bearing borrowings

	Group		Trust	
	30.6.2024 \$'000	31.12.2023 \$'000	30.6.2024 \$'000	31.12.2023 \$'000
Term loans				
- secured	1,841,714	1,472,144	945,060	537,110
- unsecured	2,394,059	2,788,206	2,172,413	2,571,091
	<u>4,235,773</u>	<u>4,260,350</u>	<u>3,117,473</u>	<u>3,108,201</u>
Classified as:				
Current	501,855	399,853	299,760	399,853
Non-current	3,733,918	3,860,497	2,817,713	2,708,348
	<u>4,235,773</u>	<u>4,260,350</u>	<u>3,117,473</u>	<u>3,108,201</u>

Suntec Real Estate Investment Trust and its Subsidiaries

Notes to interim financial statements For the six months period ended 30 June 2024

5. Interest-bearing borrowings (cont'd)

Secured loans

As at 30 June 2024, the Group has in place the following loan facilities:

- S\$388.0 million secured term loan facility, bank guarantee facility and revolving credit facility (2023: S\$388.0 million secured term loan facility and revolving credit facility);
- S\$950.0 million (2023: S\$540.0 million) secured syndicated term loan facility;
- A\$450.0 million (2023: A\$450.0 million) secured term green loan facility; and
- GBP75.0 million (2023: GBP100.0 million) secured syndicated term loan facility.

As at 30 June 2024, the Group has drawn down S\$1,849.6 million (2023: S\$1,478.8 million) of the secured facilities.

The facilities are secured on the following:

- A first legal mortgage on Suntec Singapore, Suntec City Mall, 177 Pacific Highway, 55 Currie Street and 21 Harris Street (2023: Suntec Singapore, Suntec City Mall, 177 Pacific Highway, 55 Currie Street and 21 Harris Street);
- A first fixed charge over the central rental collection account in relation to the Suntec Singapore and Suntec City Mall (2023: Suntec Singapore and Suntec City Mall);
- A first registered general security over the rental collection accounts in relation to the 177 Pacific Highway, 55 Currie Street and 21 Harris Street, supported by account bank deeds from the account banks (2023: 177 Pacific Highway, 55 Currie Street and 21 Harris Street);
- An assignment of the rights, title and interest in the key documents and the proceeds in connection with Suntec Singapore and Suntec City Mall (2023: Suntec Singapore and Suntec City Mall);
- An assignment of the rights, title and interest in the insurance policies in relation to Suntec Singapore and Suntec City Mall (2023: Suntec Singapore and Suntec City Mall);
- A fixed and floating charge over the assets of a subsidiary in relation to Suntec Singapore (2023: Suntec Singapore), agreements, collateral, as required by the financial institutions granting the facility;
- A first registered specific security deed in respect of all units and shares in, and any shareholder loans to Suntec REIT 177 Trust, Suntec REIT 55 Trust and Suntec REIT 21 Trust (2023: Suntec REIT 177 Trust, Suntec REIT 55 Trust and Suntec REIT 21 Trust);
- First ranking charge over units in the JPUTs, bank accounts of the JPUTs, and bank accounts of a subsidiary (2023: First ranking charge over units in the JPUTs, bank accounts of the JPUTs, and bank accounts of a subsidiary); and
- Corporate guarantees from the Trust.

Unsecured loans

Included in unsecured term loans are medium term notes ("EMTN") amounting to S\$500.0 million (2023: S\$500.0 million). The EMTN is issued by a wholly owned subsidiary of the Trust, and the funds are allocated for the Group's operations.

Suntec Real Estate Investment Trust and its Subsidiaries

Notes to interim financial statements For the six months period ended 30 June 2024

6. Perpetual securities holders

On 15 October 2020, the Trust updated its EMTN Programme (“Programme”) to increase the Programme limit from US\$1,500.0 million to US\$2,000.0 million and to issue perpetual securities under the Programme. The Programme was renamed as the US\$2,000.0 million Euro Medium Term Securities Programme.

On 27 October 2020, the Trust issued S\$200.0 million of fixed rate subordinated perpetual securities with an initial distribution rate of 3.80% per annum. The first distribution rate reset falls on 27 October 2025 with subsequent resets occurring every five years thereafter.

On 15 June 2021 the Trust issued S\$150.0 million of fixed rate subordinated perpetual securities with an initial distribution rate of 4.25% per annum. The first distribution rate reset falls on 15 June 2026 with subsequent resets occurring every five years thereafter.

The perpetual securities have no fixed redemption date and redemption is at the option of the Trust in accordance with the terms of issue of the securities. The distribution will be payable semi-annually at the discretion of the Trust and will be non-cumulative.

In terms of distribution payments or in the event of winding-up of the Trust:

- These perpetual securities rank pari passu with the holders of preferred Units (if any) and rank ahead of the Unitholders of the Trust, but junior to the claims of all other present and future creditors of the Trust.
- The Trust shall not declare or pay any distributions to the Unitholders, or make redemptions, unless the Trust declares or pays any distributions to the holders of the perpetual securities.

These perpetual securities are classified as equity instruments and recorded within the Statements of Movements in Unitholders’ Funds. The S\$348.0 million (2023: S\$348.0 million) presented on the Statements of Financial Position represents the S\$350.0 million (2023: S\$350.0 million) perpetual securities net of issue costs and distributions made to perpetual securities holders and includes total return attributable to perpetual securities holders from the issue date.

7. Units in issue

	Group and Trust	
	30.6.2024	31.12.2023
	'000	'000
Units in issue:		
At the beginning of the period	2,897,274	2,875,948
Issue of units:		
- asset management fees paid in Units	16,401	21,326
Issued units at the end of the period	2,913,675	2,897,274
Units to be issued:		
- asset management fees payable in Units	4,297	12,161
Total issued and issuable Units at the end of the period	2,917,972	2,909,435

Suntec Real Estate Investment Trust and its Subsidiaries

**Notes to interim financial statements
For the six months period ended 30 June 2024**

8. Net asset value per Unit

	Note	Group		Trust	
		30.6.2024 \$'000	31.12.2023 \$'000	30.6.2024 \$'000	31.12.2023 \$'000
Net asset value per Unit is based on:					
Net assets attributable to Unitholders		6,118,672	6,107,793	5,391,797	5,377,352
		'000	'000	'000	'000
Total issued and issuable Units at the end of the period	7	2,917,972	2,909,435	2,917,972	2,909,435

9. Total return before tax

The following items have been included in arriving at total return for the period before tax:

	Group	
	Six- months period ended 30.6.2024 \$'000	Six- months period ended 30.6.2023 \$'000
Interest income	9,704	11,467
Net foreign exchange gain	377	–
Finance income	10,081	11,467
Interest expense	(82,518)	(77,136)
Amortisation of transaction costs	(5,928)	(7,764)
Net foreign exchange loss	–	(30)
Finance costs	(88,446)	(84,930)
Depreciation of plant and equipment	(281)	(317)
Assets written off	(518)	–
Reversal of impairment on trade receivables	194	98

Suntec Real Estate Investment Trust and its Subsidiaries

**Notes to interim financial statements
For the six months period ended 30 June 2024**

10. Earnings per Unit

Basic earnings per Unit (“EPU”) is based on:

	Group	
	Six- months period ended 30.6.2024 \$'000	Six- months period ended 30.6.2023 \$'000
Total return for the period after tax attributable to Unitholders and perpetual securities holders	88,242	72,118
Less: Total return for the period attributable to perpetual securities holders	(6,968)	(6,930)
Total return attributable to Unitholders	81,274	65,188

	Number of Units Group	
	Six-month period ended 30.6.2024 '000	Six-month period ended 30.6.2023 '000
Weighted average number of Units:		
- outstanding during the period	2,911,578	2,888,286
- to be issued as payment of asset management fees payable in Units	24	19
	2,911,602	2,888,305

In calculating diluted earnings per Unit, the weighted average number of Units in issue is as set out below:

	Number of Units Group	
	Six-month period ended 30.6.2024 '000	Six-month period ended 30.6.2023 '000
Weighted average number of Units:		
- used in calculation of basic earning per Unit	2,911,602	2,888,305
- to be issued in relation to asset management fees	8,974	7,368
Weighted average number of Units		
- used in calculation of diluted earnings per Unit	2,920,576	2,895,673

Suntec Real Estate Investment Trust and its Subsidiaries

Notes to interim financial statements For the six months period ended 30 June 2024

11. Financial ratios

	Group		Trust	
	Six-month period ended 30.06.2024	Six-month period ended 30.06.2023	Six-month period ended 30.06.2024	Six-month period ended 30.06.2023
	%	%	%	%
Expenses to weighted average net assets ¹				
- including performance component of asset management fees	1.06	1.06	1.08	1.12
- excluding performance component of asset management fees	0.74	0.75	0.73	0.76
Portfolio turnover rate ²	—	—	—	—

¹ The annualised ratios are computed in accordance with the guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group and the Trust, excluding property expenses, interest expense and income tax expense.

² The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group and the Trust expressed as a percentage of daily average net asset value.

Suntec Real Estate Investment Trust and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months period ended 30 June 2024

Explanatory Notes

A. Statements of Financial Position (*Please refer to Pages 3-4*)

- i. Long term investment*
This relates to the Trust's 0.1% direct interest in Victoria Circle Unit Trust 1 and Victoria Circle Unit Trust 2 (collectively, the "VCUTs") which indirectly holds 50.0% interest in Nova Properties. The remaining 99.9% interest in the VCUTs is held by Suntec REIT UK 1 Pte. Ltd., a wholly owned subsidiary of the Trust.
- ii. Derivative assets & liabilities*
This relates to foreign currency exchange contracts and interest rate swaps. The increase in net derivative assets for the Group was mainly due to favourable rate movements in relation to the interest rate swaps entered.
- iii. Investment properties held for sale*
As at 30 June 2024, investment properties held for sale for the Group and the Trust relate to two strata units in Suntec City Office where Options to Purchase have been granted to unrelated third parties. As at 31 December 2023, investment properties held for sale relate to three strata units in Suntec City Office for which Options to Purchase had been granted. The divestment of these three units have been completed in 1H FY24.
- iv. Trade and other receivables*
The increase for the Trust was mainly due to dividend receivable from joint ventures and a subsidiary. The increase for the Group was mainly due to dividend receivable from joint ventures, partially offset by collection of trade receivables.
- v. Cash and cash equivalents*
Please refer to Statement of Cash Flows on Pages 14-15.
- vi. Interest-bearing borrowings*
The interest-bearing borrowings are stated at amortised cost. The current portion of the interest-bearing borrowings as at 30 June 2024 for the Group relates to S\$300.0 million medium-term notes at the Trust and a A\$225.0 million loan facility due in the next 12 months.

The decrease in current borrowings for the Trust was mainly due to loan repayments during the period, partially offset by reclassification of borrowings due in the next 12 months from non-current to current, while the increase in current borrowings for the Group was mainly due to reclassification of borrowings due in the next 12 months from non-current to current.

The increase in non-current borrowings for the Trust was mainly due to drawdown of the S\$950.0 million sustainability linked loan during the year, partially offset by loan repayments and reclassification of borrowings due in the next 12 months from non-current to current.

The decrease in non-current borrowings for the Group was mainly due to reclassification of borrowings due in the next 12 months from non-current to current, partially offset by higher borrowings at the Trust.
- vii. Current tax liabilities*
The decrease in current tax liabilities at the Group was mainly due to payment of tax during the period, and additional provision for prior year taxes made as at 31 December 2023.

Suntec Real Estate Investment Trust and its Subsidiaries

**Other Information Required by Listing Rule Appendix 7.2
For the six months period ended 30 June 2024**

Explanatory Notes (cont'd)

B. Statement of Total Return (Please refer to Page 5)

i. Gross revenue

Gross revenue comprises mainly rental income from retail mall and offices, convention revenue and income from rental of atrium and media spaces.

	Group		
	1H FY24	1H FY23	Change
	\$'000	\$'000	%
Gross Revenue			
Suntec City	130,767	126,979	3.0
Suntec Singapore	39,286	34,730	13.1
177 Pacific Highway	17,434	17,926	(2.7)
21 Harris Street	9,235	9,195	0.4
55 Currie Street	4,356	7,650	(43.1)
Olderfleet, 477 Collins Street	13,367	13,464	(0.7)
The Minster Building	12,437	14,356	(13.4)
	226,882	224,300	1.2

For 1H FY24, the gross revenue was \$226.9 million, \$2.6 million or 1.2% higher year-on-year. The increase was mainly due to higher revenue from Suntec City, Suntec Singapore and 21 Harris Street. This was offset by lower revenue from 177 Pacific Highway, 55 Currie Street, Olderfleet, 477 Collins Street and The Minster Building.

Suntec City revenue increased by \$3.8 million or 3.0% year-on-year, mainly to due to higher retail revenue of \$3.0 million arising from higher rent. Revenue from Suntec City Office increased by \$0.8 million due to higher occupancy and rent. As at 30 June 2024, the committed occupancy of Suntec City Mall was 95.6%, a decline of 2.7 percentage point year-on-year while the committed occupancy of Suntec City Office achieved 100%, an increase of 0.1 percentage point year-on-year.

Suntec Singapore's revenue contribution of \$39.3 million in 1H FY24 comprises \$28.2 million from convention and \$11.1 million from retail as compared to \$24.2 million from convention and \$10.5 million from retail in 1H FY23. The convention revenue increased by \$4.0 million as a result of higher revenue from MICE, long-term licences and advertising. Suntec Singapore's retail revenue improved \$0.6 million compared to 1H FY23 mainly due to higher rent.

177 Pacific Highway gross revenue of \$17.4 million was 2.7% lower year-on-year mainly due to incentives given for new leases and renewals. 21 Harris revenue of \$9.2 million was 0.4% higher year-on-year as result of higher occupancy and rent.

55 Currie Street revenue of \$4.4 million for 1H FY24 was 43.1% lower compared to 1H FY23 due to lower occupancy arising from the exit of an anchor tenant. Gross revenue of Olderfleet, 477 Collins Street of \$13.4 million was 0.7% lower year-on-year due to the weaker Australian dollar.

As at 30 June 2024, the committed occupancy for 177 Pacific Highway and Olderfleet, 477 Collins Street maintained at 100%. The committed occupancy for 21 Harris Street increased by 3.5 percentage points to 98.8% while the committed occupancy for 55 Currie Street declined 43.8 percentage point to 56.2%.

Suntec Real Estate Investment Trust and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2
For the six months period ended 30 June 2024

Explanatory Notes (cont'd)

B. Statement of Total Return (Please refer to Page 5) (cont'd)

i. Gross revenue (cont'd)

The Minster Building revenue of \$12.4 million was 13.4% lower year-on-year mainly due to lower occupancy from the re-entry of a co-working tenant. As at 30 June 2024, the committed occupancy for The Minster Building was 91.3%, a decline of 8.7 percentage points.

ii. Net property income

	Group		
	1H FY24	1H FY23	Change
	\$'000	\$'000	%
Net Property Income			
Suntec City	95,137	91,387	4.1
Suntec Singapore	12,258	10,607	15.6
177 Pacific Highway	13,713	14,711	(6.8)
21 Harris Street	7,199	7,255	(0.8)
55 Currie Street	1,653	5,127	(67.8)
Olderfleet, 477 Collins Street	10,240	10,464	(2.1)
The Minster Building	10,793	13,753	(21.5)
	150,993	153,304	(1.5)

The net property income for 1H FY24 was \$151.0 million, \$2.3 million or 1.5% lower year-on-year, mainly attributable to lower contribution from The Minster Building and incentives for new and renewal leases at 177 Pacific Highway, higher vacancy at 55 Currie Street and the weaker Australian Dollar. The decrease was partially offset by higher contribution from Suntec City and Suntec Singapore.

iii. Other income

This relates to the income support in relation to 21 Harris Street, Olderfleet, 477 Collins Street, Nova Properties and The Minster Building. Other income for 1H FY24 was lower mainly due to the expiry of some income support arrangements.

iv. Share of profit of joint ventures

	Group		
	1H FY24	1H FY23	Change
	\$'000	\$'000	%
Share of profit of joint ventures			
One-third interest in ORQ	13,398	13,053	2.6
One-third interest in MBFC Properties	19,526	16,104	21.2
50% interest in Southgate Complex	996	2,687	(62.9)
50% interest in Nova Properties	7,498	5,449	37.6
	41,418	37,293	11.1

Share of profits of joint ventures for 1H FY24 of \$41.4 million was 11.1% higher mainly due to increase in share of profits from ORQ and MBFC Properties as a result of higher occupancy and rent as well as the recovery of doubtful debts at Nova Properties. This was partially offset by lower share of profits from Southgate Complex mainly due to higher interest expense and incentives given.

Suntec Real Estate Investment Trust and its Subsidiaries

**Other Information Required by Listing Rule Appendix 7.2
For the six months period ended 30 June 2024**

Explanatory Notes (cont'd)

B. Statement of Total Return (Please refer to Page 5) (cont'd)

iv. Share of profit of joint ventures (cont'd)

The committed occupancy for ORQ was 99.4%, 0.6 percentage point lower year-on-year while the committed occupancy at MBFC Towers 1 & 2 was 97.4%, 0.2 percentage point lower year-on-year. Southgate Complex's committed occupancy declined 1.3 percentage point to 87.3%. Nova Properties maintained 100% committed occupancy as at 30 June 2024.

v. Finance income

	Group		
	1H FY24	1H FY23	Change
	\$'000	\$'000	%
Interest income			
- Fixed deposits and current account	1,467	2,601	(43.6)
- Loans to joint ventures	8,237	8,866	(7.1)
Net foreign exchange gain	377	-	n.m.
	10,081	11,467	(12.1)

Finance income was lower for 1H FY24 mainly due to less fixed deposits placed and lower interest earned from loans to joint ventures as the shareholder's loan to BFCDLLP was repaid by an external bank loan taken at the entity level.

vi. Finance costs

	Group		
	1H FY24	1H FY23	Change
	\$'000	\$'000	%
Interest expense	(82,518)	(77,136)	(7.0)
Amortisation and transaction costs	(5,928)	(7,764)	23.6
Net foreign exchange loss	-	(30)	n.m.
	(88,446)	(84,930)	(4.1)

Interest expense, comprising interest on bank loans, notes and interest rate swaps for 1H FY24 was higher compared to the corresponding period mainly due to higher interest rates.

Amortisation of transaction costs for 1H FY24 was lower compared to the corresponding period mainly due to higher write off of unamortised transaction costs in relation to repayment of the Group's external borrowings in 1H FY23.

The all-in financing cost for the Group was 4.02% per annum for 1H FY24 (1H FY23 3.64%). The aggregate leverage ratio ("ALR") was 42.3% as at 30 June 2024 (31 Dec 2023: 42.3%).

As at 30 June 2024, the 12-months trailing interest coverage ratio and adjusted interest coverage ratio was 2.0 times and 1.9 times respectively (30 June 2023: 2.2 times and 2.1 times).

Suntec Real Estate Investment Trust and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months period ended 30 June 2024

Explanatory Notes (cont'd)

B. Statement of Total Return (Please refer to Page 5) (cont'd)

- vii. *Net change in fair value of financial derivatives*
This relates to the net gain / (loss) arising from fair value remeasurement of the foreign currency exchange contracts, interest rate swaps. These have no significant impact on distributable income.
- viii. *Net change in fair value of investment properties*
This relates to the net revaluation gain on investment properties and have no impact on distributable income. The gain in 1H FY23 relates to revaluation gain from Suntec Singapore, where a valuation was required for the purpose of bank loan refinancing. For the Group's other investment properties, there was no valuation exercise undertaken as at 30 June 2024 and as at 30 June 2023.
- ix. *Net gain from divestment of investment properties*
For the Group and Trust, this relates to the completion of the divestment of three strata units in Suntec City Office in 1H FY24.
- x. *Income tax expense*
This relates to income tax on operating profits and non-tax transparent income received, withholding tax as well as deferred tax provision. The income tax was lower year-on-year mainly due to reversal of over provision of prior year tax in 1H FY24.
- xi. *Earnings per Unit (cents)*
EPU is higher in 1H FY24 mainly due to net gain from divestment of investment properties, gain on change in fair value of financial derivatives and higher share of profit from joint ventures, partially offset by higher property expense and interest expense.

C. Distribution Statement (Please refer to Pages 6 - 8)

The distribution income for 1H FY24 was \$88.7 million, 11.8% lower compared to the corresponding period. Excluding distribution income from capital of \$11.5 million declared in 1H FY23, distribution income for 1H FY24 was in line with 1H FY23.

The DPU for 1H FY24 was 3.042 cents per unit, 12.5% lower year-on-year mainly due to absence of distribution income from capital in 1H FY24.

Distribution of 1.511 cents per unit, or approximately \$44.0 million for the period from 1 January 2024 to 31 March 2024 was paid on 30 May 2024.

Distribution of 1.531 cents per unit, or approximately \$44.7 million for the period from 1 April 2024 to 30 June 2024 will be paid by end of August 2024.

Suntec Real Estate Investment Trust and its Subsidiaries

**Other Information Required by Listing Rule Appendix 7.2
For the six months period ended 30 June 2024**

Explanatory Notes (cont'd)

- D. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The interim financial statements as set out on pages 4 to 24 have been reviewed by Ernst & Young LLP in Singapore in accordance with the Singapore Standard on Review Engagement 2410 – *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

- E. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Please see attached review report.

- F. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

The current results are broadly in line with the Trust's commentary made in the FY2023 Financial Results Announcement under item G. The Trust has not disclosed any financial forecast to the market.

Suntec Real Estate Investment Trust and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months period ended 30 June 2024

Explanatory Notes (cont'd)

G. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

Based on the report released by the Ministry of Trade and Industry (“MTI”) on 12 July 2024, the Singapore economy improved by 2.9% year-on-year in the second quarter of 2024. The Singapore economy is expected to grow between 1.0% to 3.0% in 2024.

Singapore Office

Core CBD Grade A office market will be supported by the limited new supply pipeline beyond 2024, and the below-average completions between 2025 and 2027¹. Occupiers are expected to continue focus on cost management in view of global macroeconomic uncertainties. However, flight to quality of office space continues to be businesses’ talent attraction and retention strategy. Office demand is driven by smaller space requirements and technology, non-bank financial services and professional services continue to drive demand.

Revenue for our Singapore Office Portfolio is likely to strengthen on the back of past twenty-four consecutive quarters of positive rent reversions. Rent reversion for our Singapore Office Portfolio is expected to moderate but remain positive.

Singapore Retail

The Singapore Retail market has seen sales declined following a strong first quarter which had several high-profile concerts. Retail sales for April and May 2024 declined 6.2% and 2.0% year-on-year respectively². However, retailers remain optimistic about tourism recovery, and leasing demand remained strong, driven mainly by F&B operators.

Visitor arrivals to Singapore is expected to recover to about 86% of pre-COVID 2019 levels³. The return of tourists and the recovery of Meetings, Incentives, Conventions and Exhibitions (“MICE”) events will help boost mall traffic and tenant sales. Though tenant sales slowed in the second quarter, retail sales could see improved momentum in the second half of 2024⁴, overall tenant sales are expected to remain above pre-COVID levels. Revenue from Suntec City Mall is expected to improve, underpinned by higher occupancy and rent and higher marcoms revenue.

Singapore Convention

Singapore Tourism Board continues to boost MICE in Singapore through positioning Singapore as the “World’s Best MICE City”, and the effort is expected to drive MICE growth and business travel. The return of international headline events, alongside new events such as Silmo Singapore and Solana Breakpoint continue to gather pace. Higher income contribution is expected for Suntec Convention in 2024.

Australia Office and Retail

According to the Australian Bureau of Statistics, the Australian economy grew by 1.1% on a year-on-year basis in the first quarter of 2024.

¹ CBRE, Singapore Figures Report 2Q 2024

² CBRE, Singapore Figures Report 2Q 2024

³ The Business Times Article (“Singapore tourist arrivals dip to 1.36 million in April, after March’s Taylor Swift-led high”) dated 16 May 2024

⁴ The Straits Times Article (“Singapore retail takings rose 2.2% in May, thanks to car sales) dated 5 July 2024

Suntec Real Estate Investment Trust and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months period ended 30 June 2024

Explanatory Notes (cont'd)

G. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months (cont'd)

Australia Office and Retail (cont'd)

The national office CBD occupancy stood at 84.6% in the first quarter of 2024, a decrease of 0.5 percentage point quarter-on-quarter. Prime office occupancy rate in Adelaide⁵ increased 1.4 percentage point to 83.4%. In contrast, in Melbourne and Sydney, the prime office occupancy rate decreased by 1.4 percentage point and 1.2 percentage point respectively to 80.4% and 84.4%.

Despite the positive net absorption in first quarter of 2024, overall Australia CBD vacancy rate is expected to remain high. Office vacancy in Sydney is expected to remain elevated due to the new supply, while Melbourne office vacancy will also remain elevated due to the soft demand. In Adelaide, optimism from the defence-related infrastructural projects may boost demand in the mid- to long- term. Revenue from the Suntec REIT Australia office portfolio is expected to be impacted by leasing downtime and higher incentives from weak market conditions.

The CBD retail market in Melbourne continues to be weak, with low leasing activity due to mismatch in landlord and tenant rental expectations. Rents remained stable quarter-on-quarter⁶.

United Kingdom Office and Retail

According to the Office for National Statistics, the United Kingdom GDP increased by 0.3% on a year-on-year basis in the first quarter of 2024⁷.

Occupancy in the Central London Office market increased by 0.4 percentage point quarter-on-quarter, to 91.2%⁷ due to an increase in active demand.

Leasing activity remained strong, albeit at a slower rate. Demand continues to be driven by flight to quality of office space, mainly by Banking & Finance and the Services sectors.

Suntec REIT's office revenue from the United Kingdom will be weighed down by tenant incentives for vacant space at The Minster Building.

⁵ JLL, Australia Office Overview and Outlook, Sydney CBD Office, North Shore Office and Melbourne CBD Office Market Reports 1Q 2024

⁶ JLL Australian Retail Preliminary Overview 2Q 2024

⁷ JLL, Central London Office Market Report 1Q 2024

Suntec Real Estate Investment Trust and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months period ended 30 June 2024

Explanatory Notes (cont'd)

H. Distribution Information

(a) Current Financial Period Reported on

Any distribution recommended for the current financial period reported on? Yes

Name of distribution: Distribution for the period 1 January 2024 to 30 June 2024

Distribution rate:	Distribution Type	Distribution Rate Per Unit (cents)
	Taxable income	2.936
	Tax-exempt income	0.106
	Total	3.042

Tax Rate

Taxable income

These distributions are made out of Suntec REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through partnership or as trading assets).

Tax-exempt income

Tax-exempt income distribution is exempt from tax in the hands of all Unitholders.

Remark

Taxable income comprised 1.450 cents per unit for the period 1 January 2024 to 31 March 2024 and 1.486 cents per unit for the period 1 April 2024 to 30 June 2024.

Tax exempt income comprised 0.061 cents per unit for the period 1 January 2024 to 31 March 2024, and 0.045 cents per unit for the period 1 April 2024 to 30 June 2024.

A distribution of 1.511 cents per unit for the period 1 January 2024 to 31 March 2024 was paid on 30 May 2024.

Suntec Real Estate Investment Trust and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months period ended 30 June 2024

Explanatory Notes (cont'd)

H. Distribution Information (cont'd)

Corresponding Period of the Immediate Preceding Financial Year

Any distribution declared for the corresponding period of the immediately preceding financial year? Yes

Name of distribution: Distribution for the period 1 January 2023 to 30 June 2023

Distribution rate:	<table border="1"><thead><tr><th>Distribution Type</th><th>Distribution Rate Per Unit (cents)</th></tr></thead><tbody><tr><td>Taxable income</td><td>2.971</td></tr><tr><td>Tax-exempt income</td><td>0.107</td></tr><tr><td>Capital distribution</td><td>0.398</td></tr><tr><td>Total</td><td>3.476</td></tr></tbody></table>	Distribution Type	Distribution Rate Per Unit (cents)	Taxable income	2.971	Tax-exempt income	0.107	Capital distribution	0.398	Total	3.476
Distribution Type	Distribution Rate Per Unit (cents)										
Taxable income	2.971										
Tax-exempt income	0.107										
Capital distribution	0.398										
Total	3.476										

Tax Rate

Taxable income

These distributions are made out of Suntec REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through partnership or as trading assets).

Tax-exempt income

Tax-exempt income distribution is exempt from tax in the hands of all Unitholders.

Capital distribution

Capital distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who hold the Units as trading assets, the amount of capital gain distribution will be applied to reduce the cost base of their Units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the Units.

Remark

Taxable income comprised 1.528 cents per unit for the period 1 January 2023 to 31 March 2023 and 1.443 cents per unit for the period 1 April 2023 to 30 June 2023.

Tax exempt income comprised 0.010 cents per unit for the period 1 January 2023 to 31 March 2023, and 0.097 cents per unit for the period 1 April 2023 to 30 June 2023.

Capital distribution comprised 0.199 cents per unit for the period 1 January 2023 to 31 March 2023, and 0.199 cents per unit for the period 1 April 2023 to 30 June 2023.

A distribution of 1.737 cents per unit for the period 1 January 2023 to 31 March 2023 was paid on 30 May 2023.

Suntec Real Estate Investment Trust and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months period ended 30 June 2024

Explanatory Notes (cont'd)

H. Distribution Information (cont'd)

(b) Date Payable

A distribution of 1.531 cents per unit for the period 1 April 2024 to 30 June 2024 will be paid on/about 29 August 2024.

(a) Books Closure Date

Date on which Registrable Transfers received by the Trust will be registered before entitlements to the distributions are determined: 2 August 2024, 5.00pm.

I. If no distribution has been declared/(recommended), a statement to that effect

Not applicable

J. Aggregate value of Interested Person Transactions under Rule 920(1)(a)(ii)

Suntec REIT does not have in place a general mandate for interested person transactions.

K. Negative confirmation pursuant to Rule 705(5) of the Listing Manual

On behalf of the Board of Directors of ESR Trust Management (Suntec) Limited (formerly known as ARA Trust Management (Suntec) Limited) ("the Manager"), we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Manager of Suntec REIT which may render the interim financial information of the Group and Trust to be false or misleading in any material aspect.

On behalf of the Board of the Manager
ESR Trust Management (Suntec) Limited
(formerly known as ARA Trust Management (Suntec) Limited)

Lim Hwee Chiang, John
Director

Chong Kee Hiong
Director and Chief Executive Officer

L. Confirmation pursuant to Appendix 7.7 under Rule 720(1) of the Listing Manual

The Board of Directors of ESR Trust Management (Suntec) Limited (formerly known as ARA Trust Management (Suntec) Limited) (as Manager for Suntec REIT) hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

Suntec Real Estate Investment Trust and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months period ended 30 June 2024

This release may contain forward-looking statements that involve 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 similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), 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. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current views of management on future events.

The value of units in Suntec REIT ("Units") and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, ESR Trust Management (Suntec) Limited (formerly known as 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.

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 Singapore Exchange Securities Trading Limited (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.

The past performance of Suntec REIT is not necessarily indicative of the future performance of Suntec REIT.

BY ORDER OF THE BOARD
ESR TRUST MANAGEMENT (SUNTEC) LIMITED
(formerly known as ARA Trust Management (Suntec) Limited)
AS MANAGER OF SUNTEC REAL ESTATE INVESTMENT TRUST
(Company registration no. 200410976R)

Chong Kee Hiong
Director

25 July 2024