

**For Immediate Release
4 October 2021**

PRESS RELEASE



Firm recovery sustained by a resilient and diversified portfolio

- FY2021 DPU at 5.40 cents increased 98% year-on-year (“yoy”)
- Net Property Income increased 11.4% yoy
- High occupancy at 98.8%
- Healthy portfolio WALE of 5.4 years by NLA and 2.7 years by GRI

SINGAPORE, 4 October 2021 – SPH REIT Management Pte. Ltd. (“SPH RM” or the “Manager”), the Manager of SPH REIT, today announced its financial results for the full year ended 31 August 2021 (“FY2021”).

Financial Performance

For FY2021, SPH REIT’s gross revenue increased 14.8% yoy to S\$277.2 million and net property income increased 11.4% yoy to S\$202.6 million. FY2021 saw a full year contribution from Westfield Marion in South Australia which was acquired in the prior year with an incremental net property income of S\$9.3 million. Further with the stabilisation of COVID-19 situation and gradual recovery of tenant sales, rental assistance granted to eligible tenants in FY2021 was lower than that in FY2020.

Accordingly, Distribution per Unit (“DPU”) was 1.58 cents for 4Q FY2021, representing an increase of 14.5% quarter-on-quarter (“qoq”). FY2021 full year DPU is at 5.40 cents, an increase of 98.5% yoy, which includes 0.52 cents deferred from FY2020.

Operational Performance

SPH REIT achieved a high occupancy of 98.8% as at 31 August 2021 with its proactive leasing strategy targeting to provide sustainable rental income. However, the soft retail leasing sentiments impacted renewals and new leases, resulting in a negative portfolio

rental reversion of 8.4%. The portfolio's weighted average lease expiry ("WALE") stood at 5.4 years by net lettable area ("NLA") and 2.7 years by gross rental income ("GRI").

FY2021 witnessed a footfall decline of 27% for the Singapore assets due to a decline in tourist arrivals as well as the work from home arrangements. However, tenant sales have stabilised and registered a modest increase of 1% yoy. Despite a 17% decline in footfall, Paragon's tenant sales remained stable. Similarly, notwithstanding there was a 33% decrease in footfall in The Clementi Mall, tenant sales rose by 5% yoy.

For the Australian assets, both footfall and tenant sales were recovering steadily to near pre-COVID-19 levels in FY2021. However, with the resurgence of the COVID-19 cases in June 2021 in New South Wales, leading to a lockdown which is expected to be lifted in October 2021, both footfall and tenant sales at Figtree Grove Shopping Centre were affected, resulting in a decline of 11% and 7% respectively. Meanwhile, benefitting from the low incidence of COVID-19 cases in South Australia, Westfield Marion's tenant sales had increased by 5% yoy with footfall maintained.

SPH REIT continues to manage its assets proactively and work with the various stakeholders to achieve sustainable results.

Stable portfolio valuation

Valuation of SPH REIT's assets remained stable and saw a modest overall increase. Singapore assets were valued at S\$3,296.2 million as at 31 August 2021, representing a 0.3% increase yoy. Australian assets were valued at A\$840.5 million as at 31 August 2021, representing a 0.5% increase yoy.

Net asset value per unit as at 31 August 2021 remained stable at S\$0.91.

Effective capital management

SPH REIT continues to adopt a prudent and disciplined approach to capital management by maintaining a healthy balance sheet as well as diversified sources of funding. Loans were refinanced in FY2021 at a lower interest rate, resulting in lower average cost of debt of 1.84% (FY2020: 2.66%), excluding perpetual securities. As at 31 August 2021, gearing remained at 30.3% with revolving credit facility lines of S\$225 million undrawn, providing

ample debt headroom and additional liquidity if needed. Debt maturity profile remained well-spread out with weighted average term to maturity at 2.9 years.

Distribution per Unit “DPU”

Distribution per unit (“DPU”) for 4Q FY2021 is 1.58 cents and will be paid to unitholders on 19 November 2021. Full Year DPU is at 5.40 cents, which includes 0.52 cents deferred from FY2020.

Market outlook

Dr Leong Horn Kee, Chairman of SPH REIT, said: “With a gradual recovery across our markets and improved performance of our assets, we are pleased to announce a higher DPU of 1.58 cents to unitholders for 4Q FY2021. The Board will continue to work together with management and provide guidance to manage the challenges ahead and to better position SPH REIT to emerge stronger.”

Ms Susan Leng, CEO of SPH REIT, said: “Notwithstanding the rollout of vaccinations, both in Singapore and globally, which will lead to the relaxation for international travel restrictions, full recovery for leisure travel will still take some time. We are cautiously optimistic, and will continue to engage with our stakeholders to proactively manage the disruptions brought about by COVID-19. We remain committed to maximising unitholder value and our recent inclusion into the FTSE EPRA Nareit Global Developed Index has further increased our visibility to global investors and broadened our investor base.”

Summary Results of SPH REIT

	2H 2021 S\$'000	2H 2020 S\$'000	Change %
Gross revenue	137,221	108,058	27.0
Net property income	97,773	78,447	24.6
Distributable income to unitholders	81,622	14,878	NM
Distribution to unitholders	82,396	28,720	NM
Distribution per unit (cents)	2.96	1.04	NM

	FY2021 S\$'000	FY2020 S\$'000	Change %
Gross revenue	277,179	241,463	14.8
Net property income	202,627	181,943	11.4
Distributable income to unitholders	157,803	92,226	71.1
Distribution to unitholders	150,160 ¹	72,851	NM
Distribution per unit (cents)	5.40 ¹	2.72	98.5
Annual distribution yield (%)	5.93 ²	3.13 ³	89.5

Notes:

1. The distribution to unitholders for FY2021 includes S\$14.5 million of FY2020 distributable income deferred as allowed under COVID-19 relief measures, which equivalent to 0.52 cents per unit.
2. Based on S\$0.91 per unit closing price on 31 August 2021.
3. Based on S\$0.87 per unit closing price on 31 August 2020.

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ABOUT SPH REIT

SPH REIT is a Singapore-based real estate investment trust established principally to invest in a portfolio of income-producing real estate primarily for retail purposes in Asia-Pacific, as well as real estate-related assets.

SPH REIT has a portfolio of five assets in Singapore and Australia.

Its portfolio of properties in Singapore comprises a 99-year leasehold interest in Paragon that commenced on 24 July 2013, a 99-year leasehold interest in The Clementi Mall that commenced on 31 August 2010 and a 99-year leasehold interest in The Rail Mall that commenced on 18 March 1947. These Singapore properties have an aggregate net lettable area of approximately 960,000 sq. ft.

In Australia, SPH REIT owns a 50% freehold interest in Westfield Marion Shopping Centre, the largest regional shopping centre in Adelaide, South Australia. SPH REIT also owns an 85% interest in Figtree Grove Shopping Centre, a freehold sub-regional shopping centre in Wollongong, New South Wales, Australia. Both Australian properties have an aggregate gross lettable area of approximately 1.7 million sq. ft.

Visit SPH REIT's website at www.sphreit.com.sg for more details.

ABOUT THE REIT MANAGER: SPH REIT MANAGEMENT PTE. LTD.

SPH REIT is managed by SPH REIT Management Pte. Ltd., a wholly-owned subsidiary of Singapore Press Holdings Limited. The Manager's key objective for SPH REIT is to provide Unitholders with regular and stable distributions, and sustainable long-term growth in DPU and NAV per Unit, while maintaining an appropriate capital structure.

ABOUT SPONSOR: SINGAPORE PRESS HOLDINGS LTD

Incorporated in 1984, main board-listed Singapore Press Holdings Ltd (SPH) is Asia's leading media organisation, engaging minds and enriching lives across multiple languages and platforms. SPH has several business segments. The first is the media business, engaged in the publishing of newspapers, magazines and books in both print and digital editions. It also owns other digital products, online classifieds, radio stations and outdoor media.

On the retail and commercial front, SPH owns 65% in SPH REIT whose portfolio comprises three properties in Singapore, namely Paragon, The Clementi Mall and The Rail Mall. In Australia, SPH REIT holds an 85% stake in Figtree Grove Shopping Centre and a 50% stake in Westfield Marion Shopping Centre. SPH also owns and operates The Seletar Mall* and holds a 50 per cent stake in two joint venture companies which are developing an integrated development consisting of The Woodleigh Residences and The Woodleigh Mall.

Under the Purpose-Built Student Accommodation (“PBSA”) segment, the Company is an owner, manager and developer of a portfolio of PBSA in the United Kingdom and Germany, and currently operates two distinctive brands, Student Castle and Capitol Students.

The Company is also in the aged care sector in Singapore and Japan, and owns Orange Valley, one of Singapore’s largest private nursing homes.

* SPH owns a 70 per cent interest in The Seletar Mall.

For more information, please visit www.sph.com.sg.

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