



A MEMBER OF THE TECITY GROUP

CORPORATE PRESENTATION

June 2019

1Q 2019

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CONTENTS



FY2018 & 1Q 2019 HIGHLIGHTS

A REVIEW OF FY2018

1 Achieved record
PATNCI in FY2018

S\$71.7 million
+ 54.5%

SRE PROFIT
S\$40.2 million
+ 48.3%

ARA SHARE OF PROFIT
S\$24.2 million
+ 64.6%

MSC PROFIT
RM34.3 million
+ 113.0%

2 Scaled up through our growth platforms

- Logistics real estate market in Australia
- Residential and office real estate market in Japan

3 Continued to focus on capital efficiencies

- Crystallised valuation gains and recycling capital in Japan office market
- Divested non-core assets

4 Exploring options to unlock value

- Jointly exploring options with MSC to unlock value for the freehold land at Butterworth, Penang

1Q2019 KEY HIGHLIGHTS

1Q2019 PATNCI
S\$17.3 million
1 +78% yoy

- **SRE:** Higher property revenue from investment property portfolio
- **ARA:** Share of profit from ARA improved to S\$11.4 million in 1Q2019
- **Resources:** MSC's PAT increased 88% to RM8.6million

Continuing to value- add
2 to property assets

- On-going asset enhancement on office properties in Australia (320 Pitt Street and 45 St Georges Terrace)

Driving sustainable return
3 on equity

- Continue with strategy to recycle capital from low yielding assets i.e. seeking to capitalise on the resilient Good Class Bungalows market



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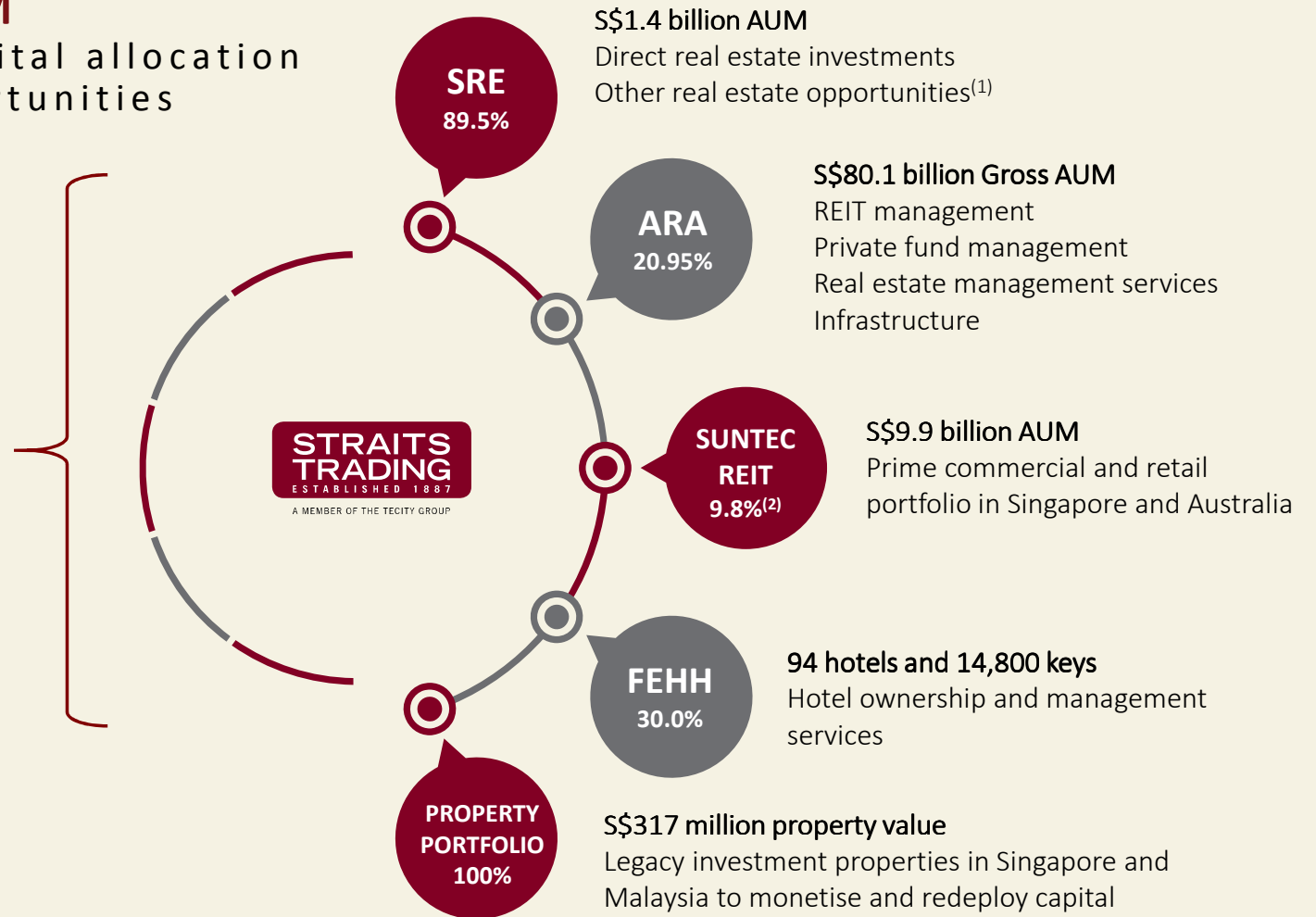
BUSINESS HIGHLIGHTS

REAL ESTATE ECOSYSTEM

REAL ESTATE ECOSYSTEM

Structured for efficient capital allocation & enhanced access to opportunities

1. Enhanced deal flows
2. Capital recycling opportunities along real estate value chain
3. Multiple platforms with cross-fertilisation



(1) Including investments in development projects, special situations, mezzanine deals, etc.
(2) Aggregate interest in Suntec REIT including deemed interest through ARA group companies

STRAITS REAL ESTATE

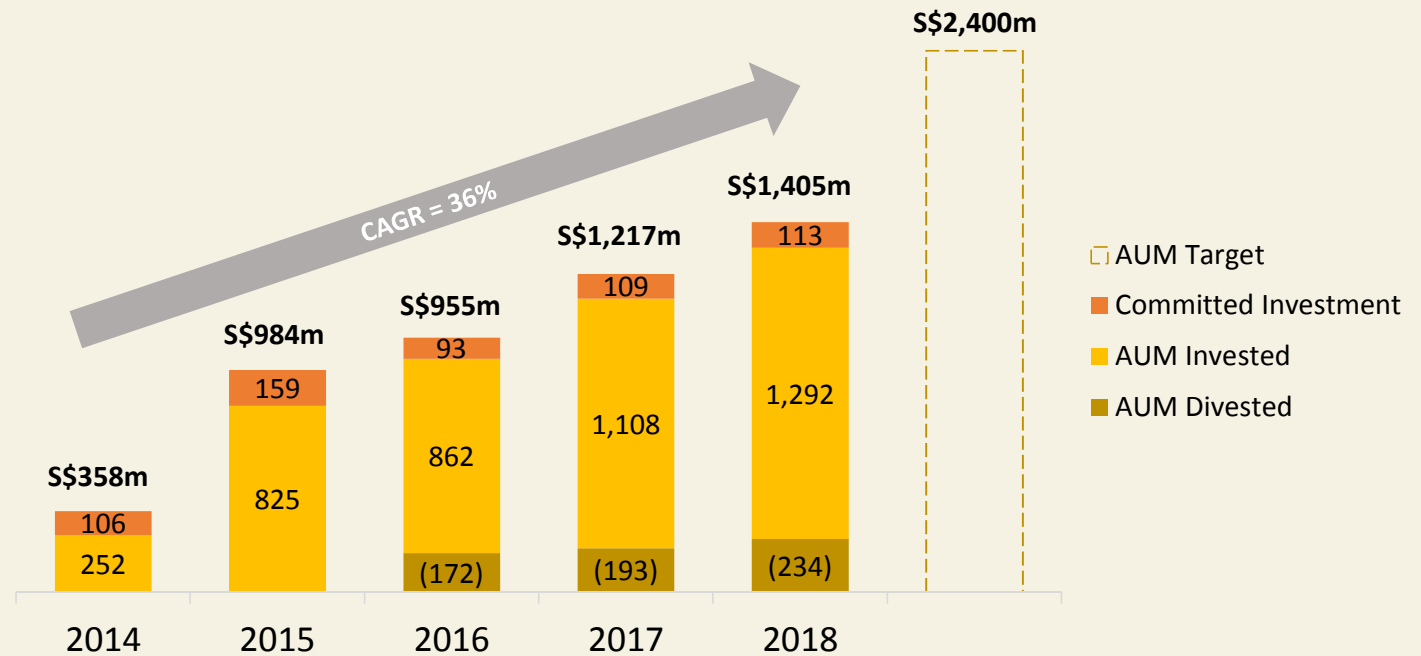
A growing global real estate investor

Nurturing Platforms

(as of December 2018)

- **S\$1.4 billion**
AUM
- **S\$704.4 million**
Net capital invested
- **S\$2.4 billion**
AUM target
- **Return in 2018**
5.5% ROIC
8.0% ROE

SRE AUM Growth (S\$m)



STRAITS REAL ESTATE

Access to and identify opportunities with unrealised latent value

- Leverage strong shareholders' network for wide opportunity set
- Investment strategy focus – Value-add space; anchored on prudent underwriting, optimal deal structuring and platform partnership
- Enhance asset value via active asset & property management

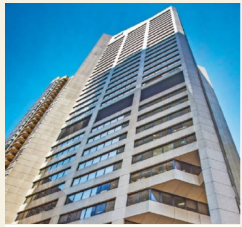
	Office	Logistics	Residential	Retail
Australia	Tapping on local asset managers' ability	Nurturing platform with Commercial & General		
Korea		Nurturing platform with IGIS Asset Management		
Japan	Anchor partnership with Savills Investment Management		Anchor partnership with Savills Investment Management	
China				Established a scalable beachhead
Malaysia				Partnership with ARA

STRAITS REAL ESTATE

Focused diversification within the value-add space

AUSTRALIA

- Seeking strong recurring cash flow with value-adding opportunities
- Building an operating platform focusing on the growing logistics sector



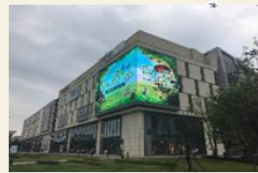
320 Pitt Street, Sydney
S\$252.0m



45 St Georges, Perth
S\$55.9m



Logistic Portfolio, Adelaide
S\$106.6m



Chongqing Retail Mall
S\$161.8m



Malaysia Retail Portfolio
S\$231.4m



JAPAN

- Two-fold investment focus leveraging on local access and favourable market trends
- Aggregating a larger income-producing portfolio with exit optionality



Greater Tokyo Office Fund
(fully divested)



Japan Value Fund II
S\$92.3m

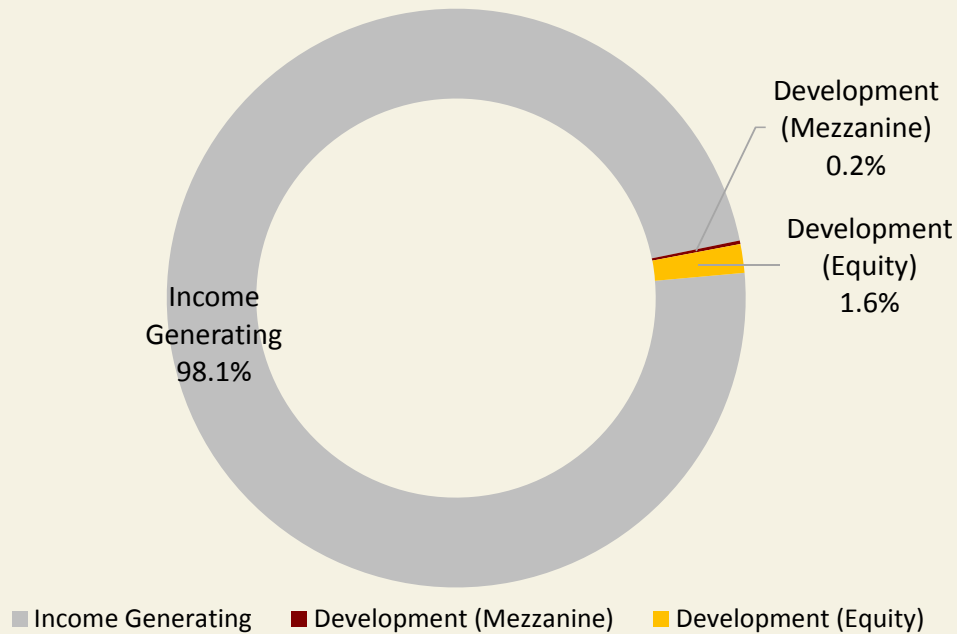


Japan Residential Portfolio
S\$268.2m

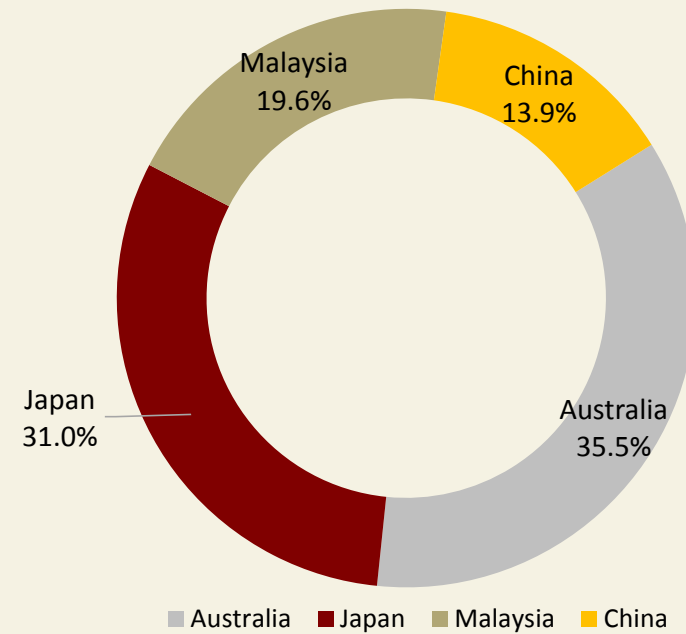
SRE ASSET ALLOCATION

Development vs income generating assets⁽¹⁾ and country allocation

Development vs Income Generating⁽¹⁾



Allocation by Country⁽¹⁾

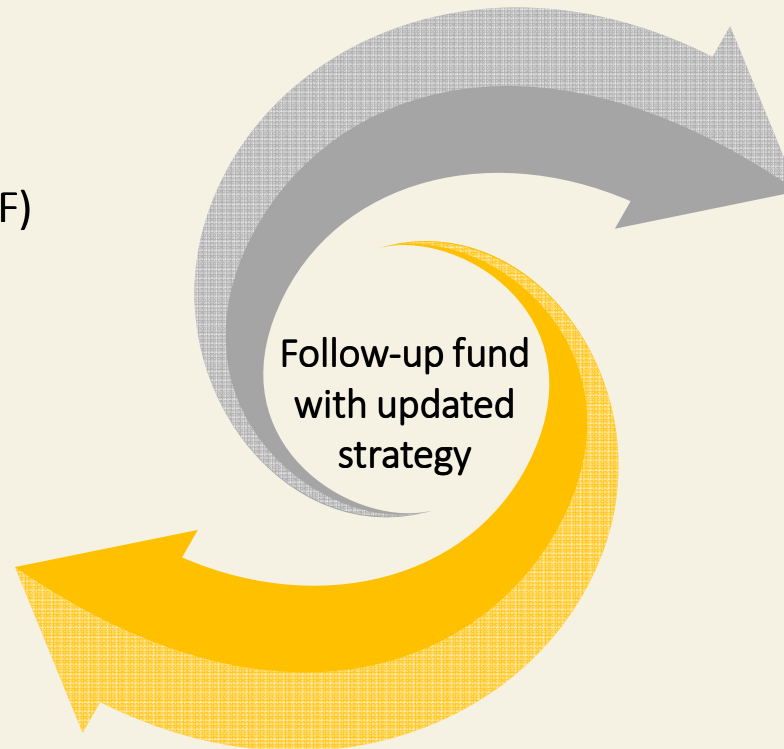


JAPAN STRATEGY

Recycle capital into assets with higher gains potential

Successful divestment of the Greater Tokyo Office Fund (GTOF)

- Acquired 47.5% stake in a portfolio of office properties in June 2015
- Portfolio fully divested in FY2018; crystallised valuation gains of S\$35.0m



Established Japan Value Fund II

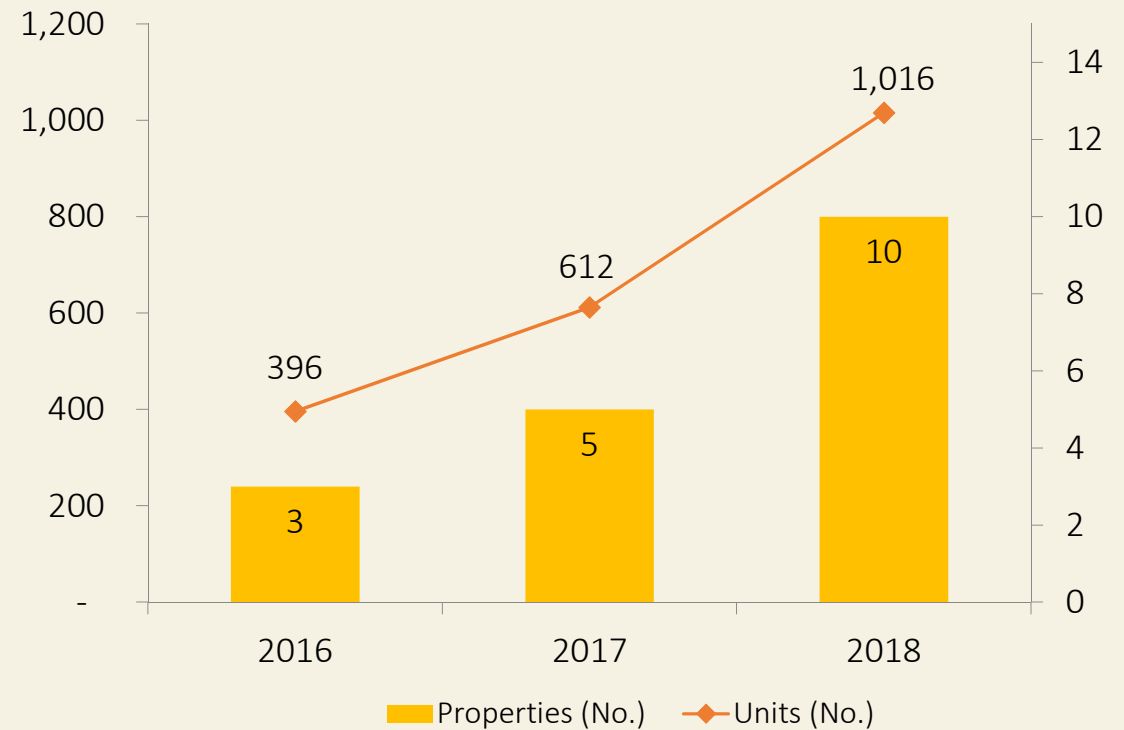
- Redeployed capital into a larger portfolio in June 2018
- Updated mandate to acquire office and other assets in the Greater Tokyo and other key cities in Japan
- Invested ~JPY3bn out of JPY8.0bn in committed capital

JAPAN STRATEGY

Growing income-producing residential assets to aggregate into a larger portfolio

Portfolio of 1,016 units and growing

- Quality assets located near transport nodes and key amenities in Greater Tokyo and Osaka
- Occupancies around 95%
- Cash yield of ~8% (on stabilised basis)



AUSTRALIA STRATEGY

Seeking assets with strong immediate cashflow and value-adding opportunities

Added prime located assets in Sydney & Perth CBD in 2017

320 Pitt Street
(Sydney CBD)



- Ongoing asset enhancement works
- Valuation gain of S\$30.0 million

45 St Georges Terrace
(Perth CBD)



- Leveraging on recovering office sector
- Occupancies over 90%

Entry into Australia's vibrant logistics segment

- Joint venture with Commercial & General (C&G)
- 80% interest in the initial portfolio of 5 logistics properties; total value AUD137.5m
- Acquiring a build-to-suit project in the "Technology Park" precinct of Mawson Lakes, South Australia, which will be 100% occupied by a blue-chip tenant on a long term lease



Port Adelaide Property (Incitec Pivot Centre)



Salisbury Property (Coca-Cola Amatil)

Property	Tenant	Area (sqm)
Port Adelaide Property	Incitec Pivot Centre	17,251
Kilkenny Property	OI Glass	50,277 (land area)
Bayswater Property	Siemens (anchor tenant)	30,555
Salisbury Property	Coca-Cola Amatil	46,469
Land Parcel (Salisbury)	To be developed	151,900 (land area)

New Investment

“Build-to-core” strategy for Korean Logistics

Maiden entry into Korea’s vibrant logistics segment

- Investment platform agreement with IGIS Asset Management (“IGIS”), one of the largest asset managers in Korea with AUM of ~USD22 billion
- Strong appetite for core logistics assets with transactions at ~5.5% - 6.0% yield
- 94.7% interest in the Investment Vehicle (“REF”) with an initial commitment of ~KRW104.2 billion (~S\$120 million)
- Expected portfolio size of up to **KRW400 billion** (~S\$462 million) once capital is fully deployed

Seed Asset	Freehold land to develop into a modern 5-storey ramp up logistics facility
Ownership	50% by REF
Description	Located in Incheon, South Korea, approx. 8 km from the air cargo terminal of Incheon International Airport and accessible via Expressway
Land Details	~ 62,000 m ² ; freehold
Land Cost	KRW 64.2 billion
GFA	~190,000 m ²
Construction Cost	De-risked with guaranteed maximum price with main contractor
Target Completion/TOP	Construction to commence in July 2019 and is targeted to complete in FY2021



Artist’s impression of Seed Asset

Aims to develop a scalable logistics portfolio with combined initial capital commitment of S\$220 million (together with logistics platform in Australia)

ARA ASSET MANAGEMENT

Accelerated expansion since privatisation

2017⁽¹⁾

A premier **real estate** fund manager

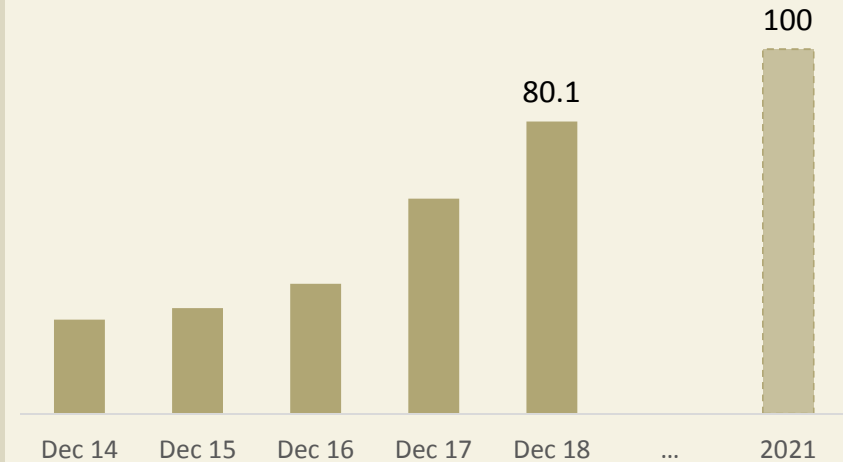
- 21 cities
- 8 countries
- Asia Pacific presence
 - 11 REITS
- 9 private real estate funds
 - AUM S\$40 billion

2018

A premier global **real assets** fund manager

- **Over 100** cities⁽²⁾
- **23** countries⁽²⁾
- **Global** presence
 - **20** REITS⁽³⁾
- **Over 70** private real estate funds⁽³⁾
- Gross Assets **S\$80.1 billion**⁽⁴⁾

Gross Assets (S\$ billion)



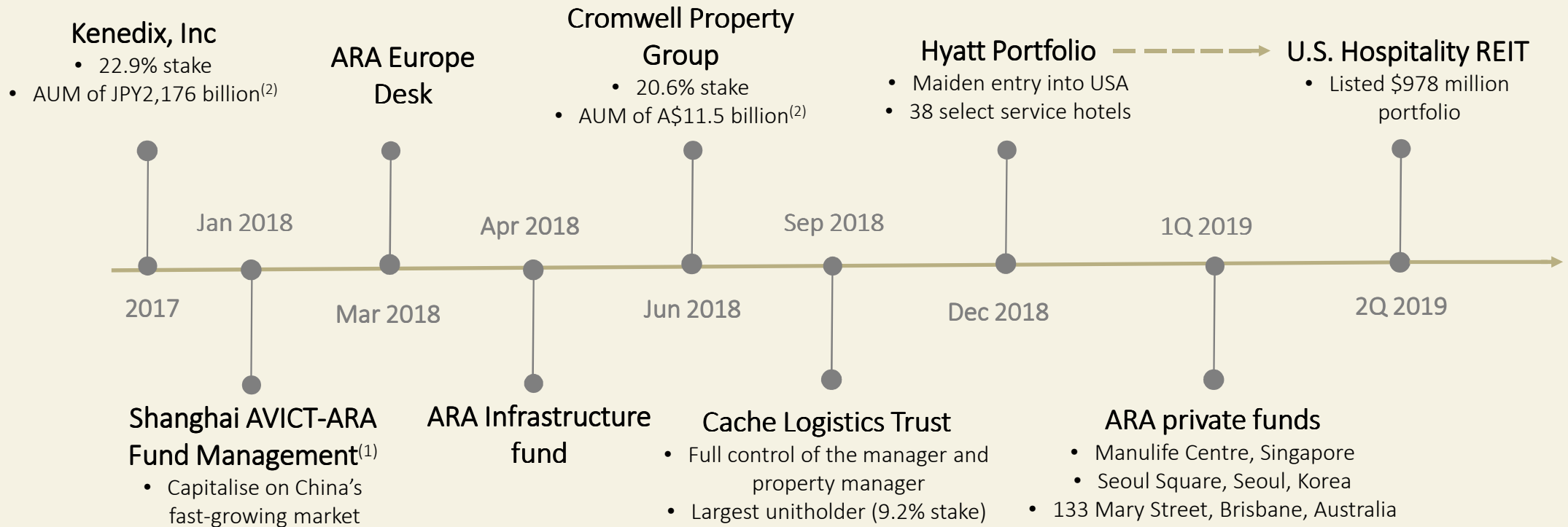
Aiming “to achieve an AUM of \$100 billion by 2021...”⁽⁵⁾

Sources:

- (1) Press release by ARA Asset Management “ARA Establishes European Platform” dated 1 March 2018
- (2) ARA website <http://www.ara-group.com/>
- (3) Press release by ARA Asset Management “ARA Group completes acquisition of 19.5% interest in Cromwell” dated 4 June 2018
- (4) Includes assets under management by ARA Asset Management Limited and the Group of companies (“ARA Group”) and its Associates and Joint Ventures as at 31 December 2018
- (5) The Business Times “Steadfast about growth” 25 August 2018

ARA ASSET MANAGEMENT

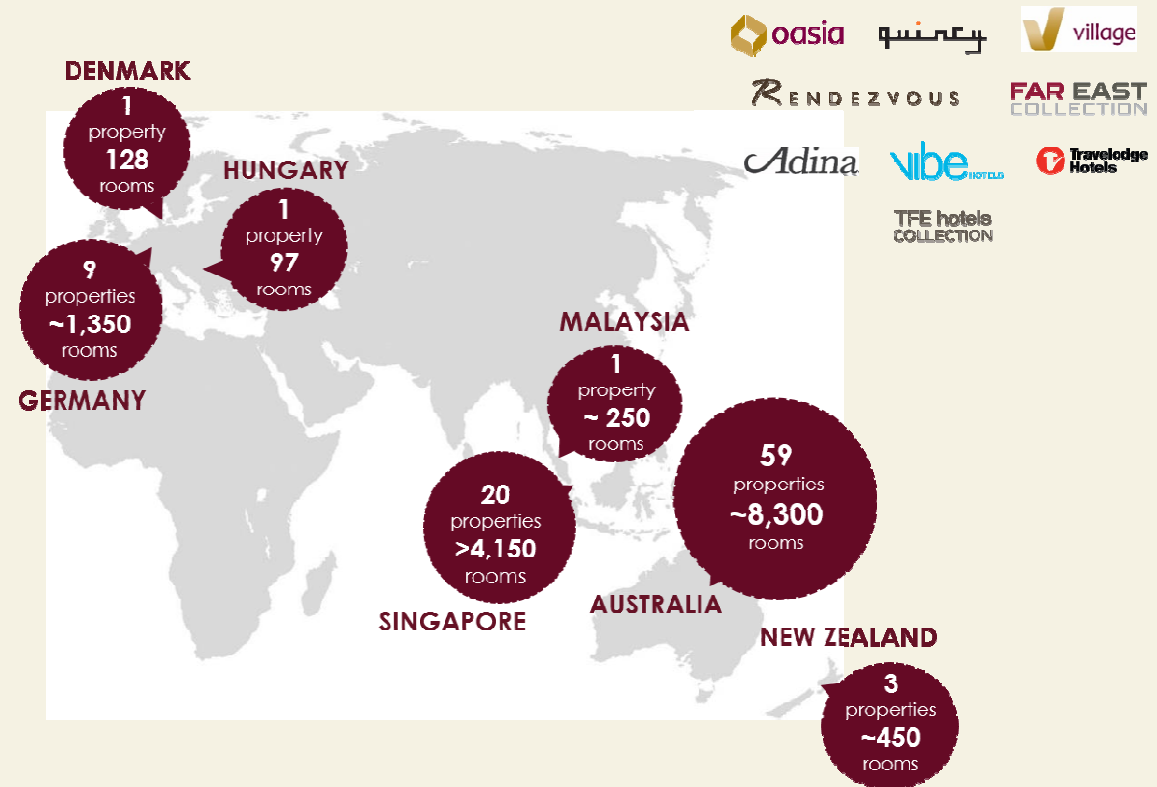
A multi-platform, multi-product global funds management platform



FAR EAST HOSPITALITY HOLDINGS

A scalable platform that allows us to tap into growth in the hospitality industry

- 70-30 JV between Far East Orchard Limited and STC
 - A premier hotel owner and operator
 - Hospitality partnership with Toga Group
 - 9 brands across 7 countries and 25 cities
-
- Launched in FY2018: 4 hotels & serviced apartments in Australia
 - 94 properties with over 14,700 rooms (as at December 2018)
 - Secured contracts for ~2,600 rooms, including 3 hotels in Sentosa with 839 keys
 - Maiden foray into Japan: development of a 306-key hotel in Ariake, Tokyo



*As at Sep 2018

Source: Far East Orchard Limited Investor Presentation, 3 October 2018

FAR EAST HOSPITALITY HOLDINGS

Building a stronger pipeline

Strong hospitality
pipeline up to
2020
& beyond⁽¹⁾

2018

- >94 properties
- >14,700 rooms

2020⁽²⁾

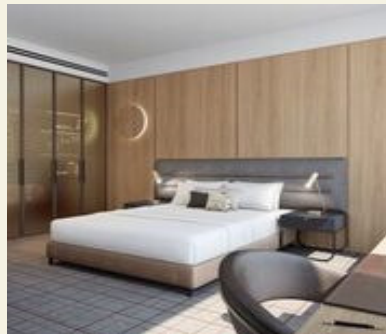
- 115 properties
- >18,500 rooms

2023 TARGET

- 150 properties or
30,000 rooms



Adina Apartment Hotel
Melbourne West End
Australia



Vibe Hotel Darling Harbour
Australia



Adina Apartment Hotel
Freiburg, Germany



Adina Apartment Hotel
Munich, Germany

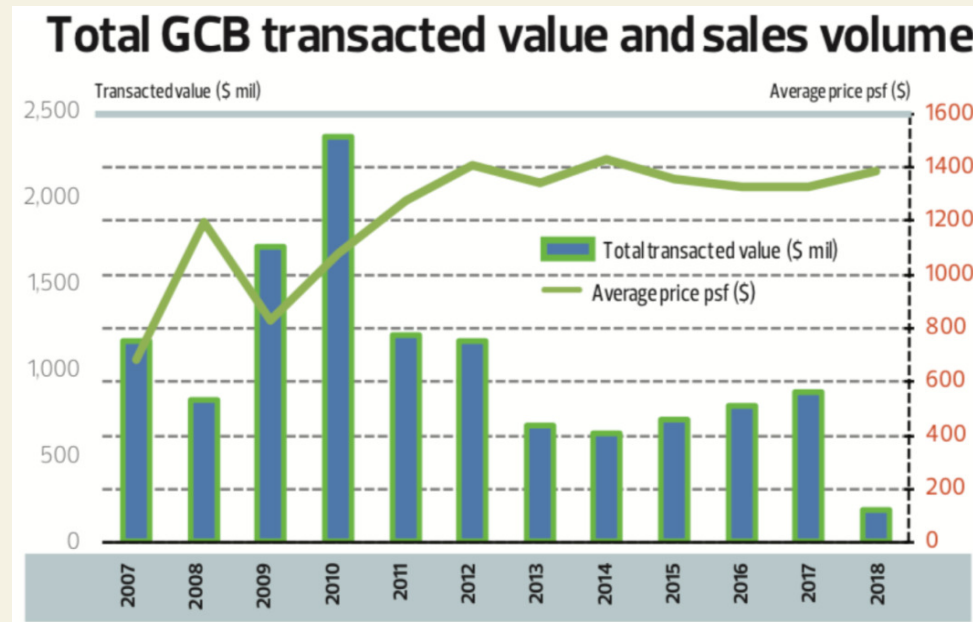


Village Hotel at Sentosa
Singapore

PROPERTY PORTFOLIO

Singapore & Malaysia Property Portfolio – To monetise and redeploy capital

- Singapore bungalows and apartments: S\$272.2 million
- Malaysia properties⁽¹⁾: S\$44.9 million
- Divested three Gallop Green units in 2018; three more divested during 1st half of 2019
- Average Good Class Bungalow (GCB) transacted at S\$1,515 psf in 2018, 14% above the S\$1,330 psf registered in 2017⁽²⁾



(1) Including STC's land parcels at Butterworth, Penang

(2) Estimation by RealStar and List Sotheby's (Source: URA, Business Time articles)

PROPERTY PORTFOLIO

Unlocking value of prime land in Butterworth, Penang

- Non-binding MOU with MSC to jointly explore options to unlock the value of freehold land in Butterworth, Penang.
- Land size: 40.1 acres (STC: 26.2 acres; MSC: 13.9 acres)
- Prime location:
 - 5 to 10 min drive to the newly launched integrated transportation hub, Penang Sentral
- Penang Draft Master Plan 2030: Butterworth earmarked as an extension of George Town



Artist's impression



Source: Extracted from article "Steering the course for Penang" in The Edge Financial Daily, 29 June 2018



BUSINESS HIGHLIGHTS

RESOURCES

MALAYSIA SMELTING CORPORATION

Largest Independent Custom Tin Smelter

Production of 27,085 tonnes of tin in 2018, approximately 7.5% of total global supply⁽¹⁾

Malaysia's Largest Tin Mine

Mine production up 6% to 2,355 tonnes at Rahman Hydraulic Tin mine (RHT) in 2018, accounting for >60% of Malaysia's output⁽¹⁾

Stronger Financial Performance in FY2018 and 1Q2019

- FY2018 net profit more than doubled to RM34.3 million from improved operating efficiencies of tin smelting segment
- Net profit for 1Q2019 rose by 88% to RM8.6 million, due largely to sustained yield improvement



Source: The Business Times, 31 Dec 2018

TRANSFORMATION PLANS

Becoming an efficient and fully integrated tin company



TIN SMELTING

- **Port Klang Smelter**
 - To complete testing by end 2019
 - To commence commercial operations by 2020, subject to necessary licenses from relevant authorities



TIN MINING

- **Extension of mine life at the RHT, Perak**
 - Successful exploration lifted mineral resource by more than two third to 50,000 tonnes of contained tin
- **Increased mining productivity**
 - Rose from 8.4 tonnes/day to 9.0 tonnes/day
 - To reach 10 tonnes/day in two years



OUTLOOK

- Expect recovery yields, production and cost efficiencies to improve once Port Klang smelter is fully operational



**FINANCIAL HIGHLIGHTS
1Q2019 and FY2018**



5-YEAR GROUP FINANCIAL HIGHLIGHTS

S\$'m	FY 2018	FY 2017 (Restated)*	FY 2016	FY 2015	FY 2014
EBITDA	133.4	85.8	119.1	30.5	58.8
EBIT	126.8	80.2	114.4	26.6	55.1
Profit before tax	99.6	57.5	94.9	10.9	25.4
PATNCI	71.7	46.4	67.3	8.5	18.6
EPS (cents)	17.6	11.4	16.5	2.1	4.6
Net gearing (%)	38.8	25.9	22.5	22.8	Net cash

GROUP FINANCIAL HIGHLIGHTS

S\$'m	1Q 2019	1Q 2018	% change	FY 2018	FY 2017 (Restated)*	% change
EBITDA	30.9	21.3	45.0%	133.4	85.8	55.4
EBIT	29.2	19.6	49.1%	126.8	80.2	58.1
Profit before tax	22.3	13.1	69.5%	99.6	57.5	73.4
PATNCI	17.3	9.7	78.1%	71.7	46.4	54.5
EPS (cents)	4.2	2.4	75.0%	17.6	11.4	54.4

- PATNCI rose 78% to S\$17.3 million for the first quarter of 2019
- PATNCI of S\$71.7 million for full year 2018 is the highest since 2014

GROUP FINANCIAL HIGHLIGHTS

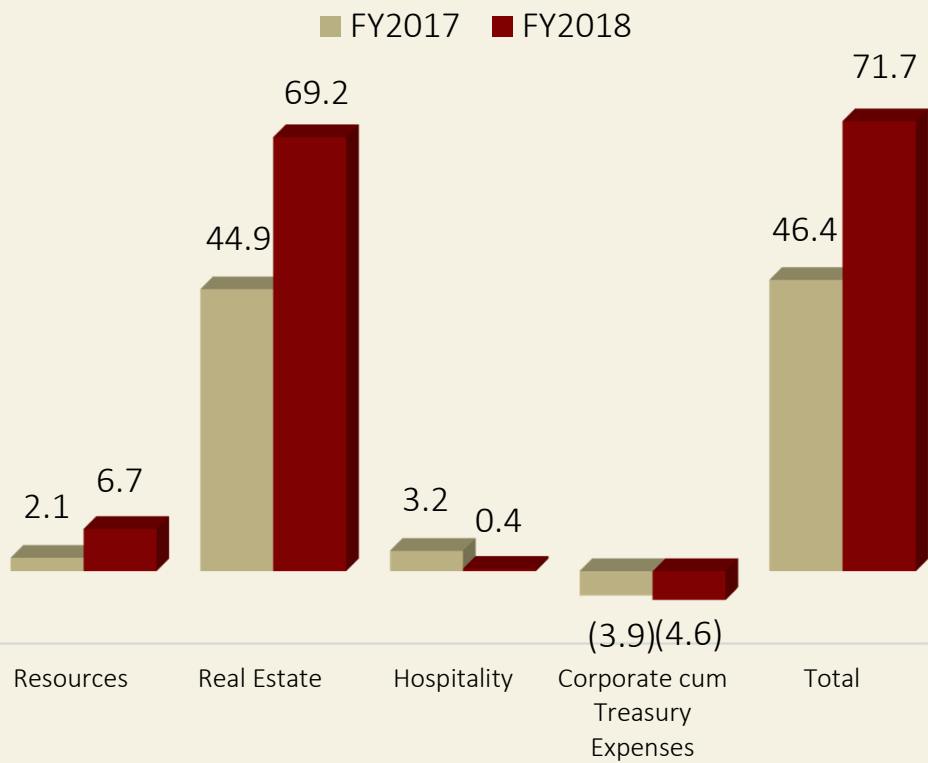
Strong financial position and prudent financial metrics

S\$m	31 Mar 2019	31 Dec 2018
Cash and short-term deposits	309.3	244.9
Total assets	2,645.6	2,576.3
Total borrowings	898.6	864.5
Total liabilities	1,037.5	977.7
Total equity	1,608.1	1,598.6
NAV/share (S\$)	3.62	3.60
Net debt/Total equity	36.6%	38.8%
EBITDA/Interest expenses	4.45	4.91

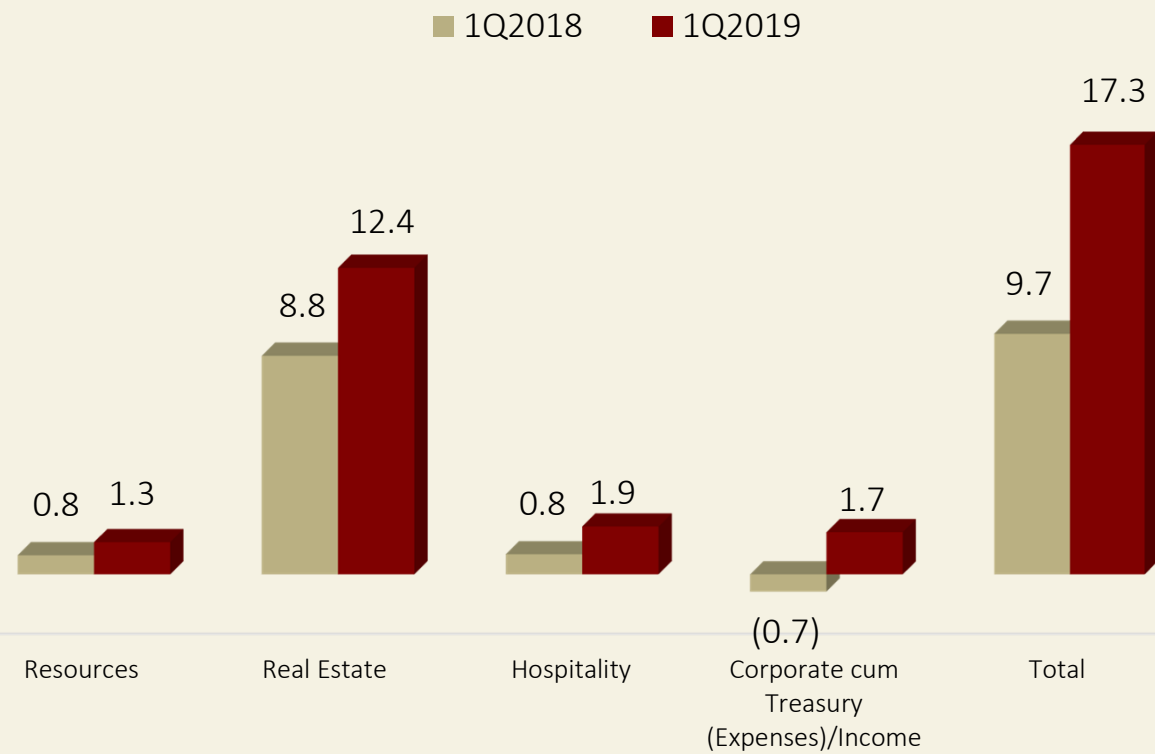
PATNCI BY BUSINESS SEGMENTS

Main drivers of profitability - Real Estate segment and SRE

FULL YEAR PATNCI (S\$ million)



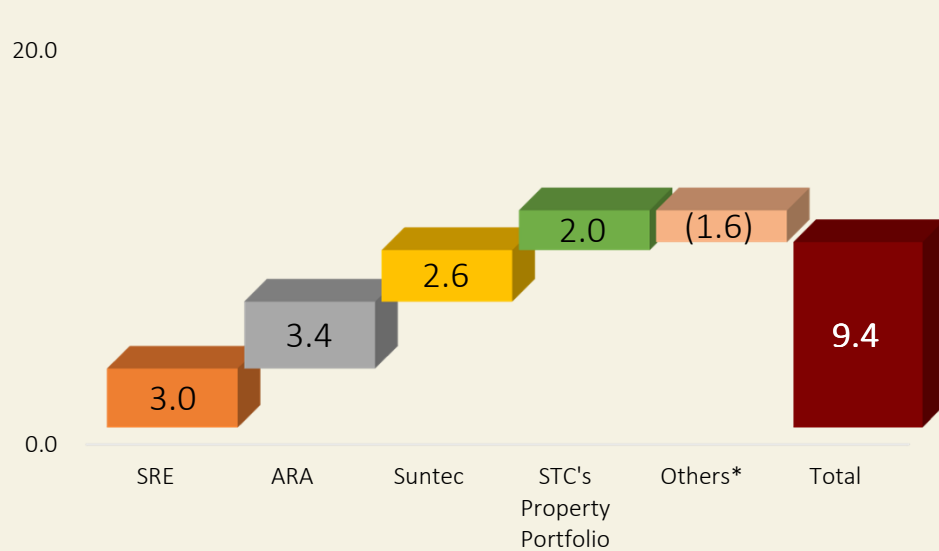
1Q PATNCI (S\$ million)



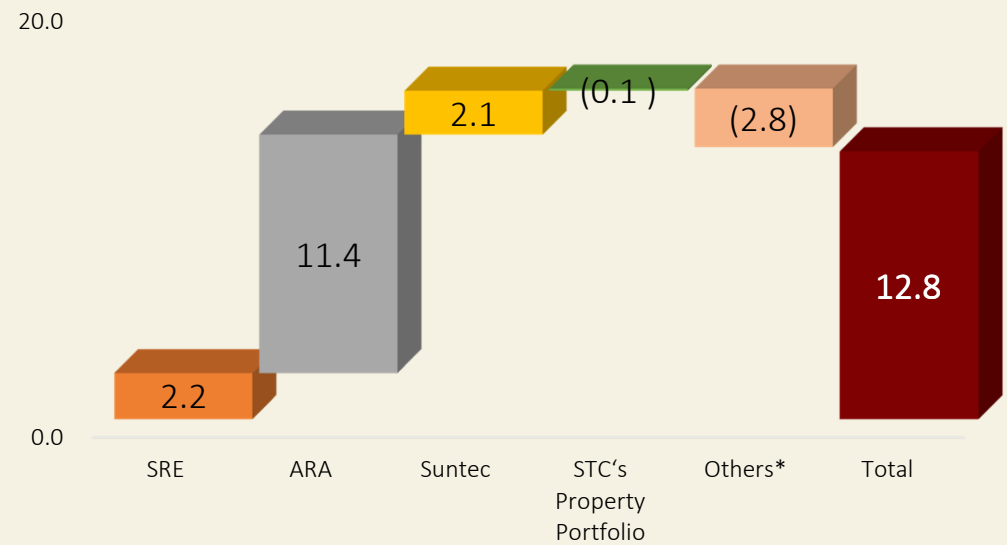
PAT BREAKDOWN: REAL ESTATE SEGMENT

The drivers of profitability

1Q2018 (S\$ million)



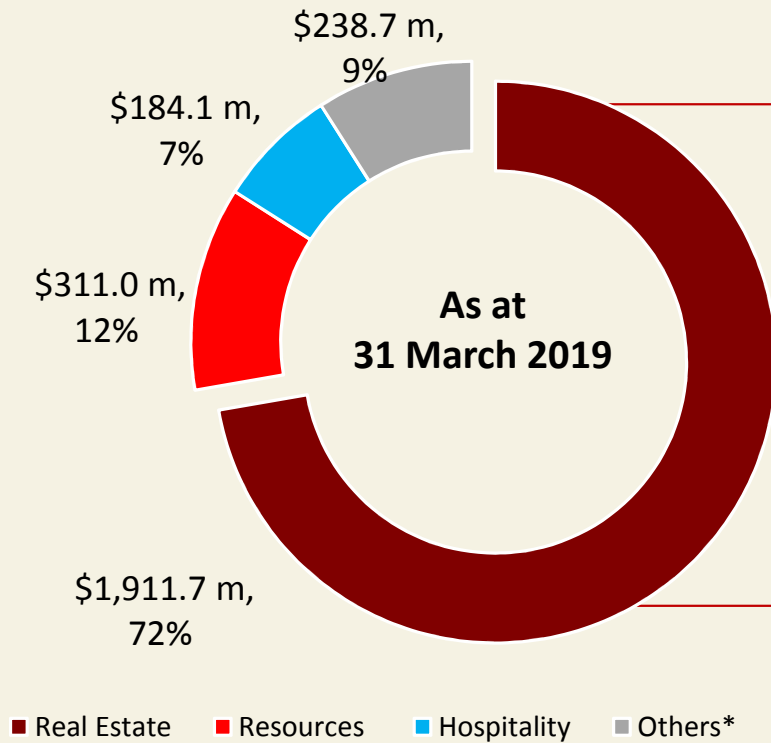
1Q2019 (S\$ million)



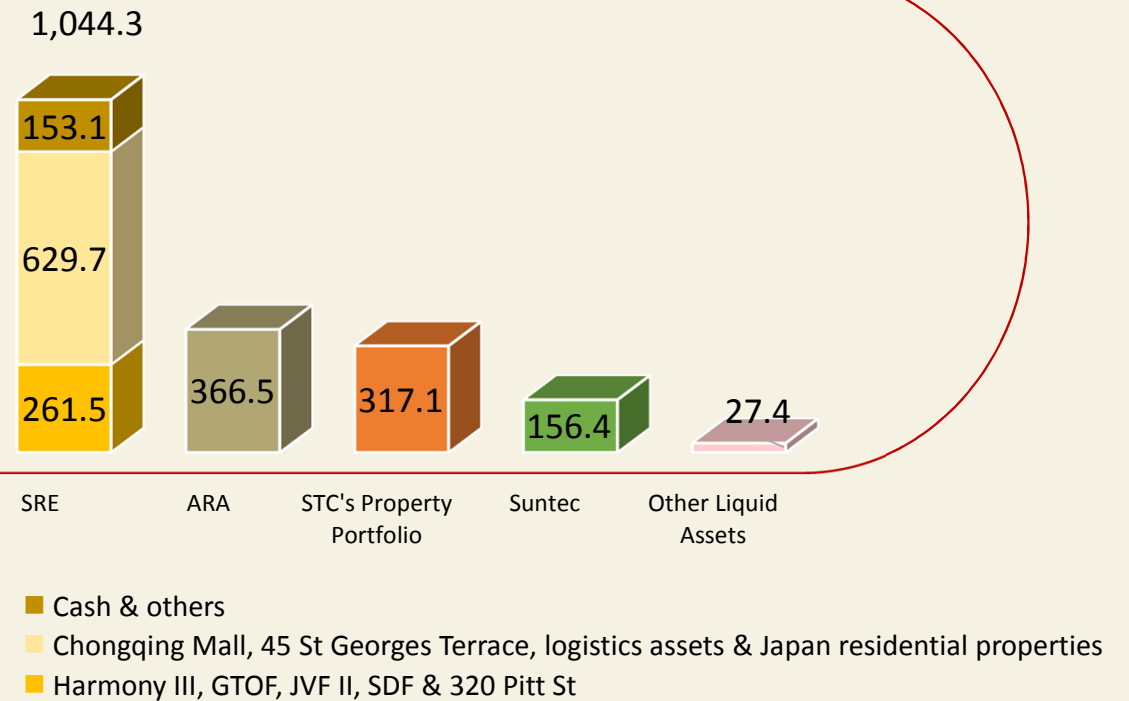
- The Real Estate Segment will continue to be the drivers of profitability including that from ARA

TOTAL ASSETS

S\$2.65 billion in total assets as of Mar 2019 (Dec 2018: S\$2.58 billion)
79% from real estate and hospitality segments



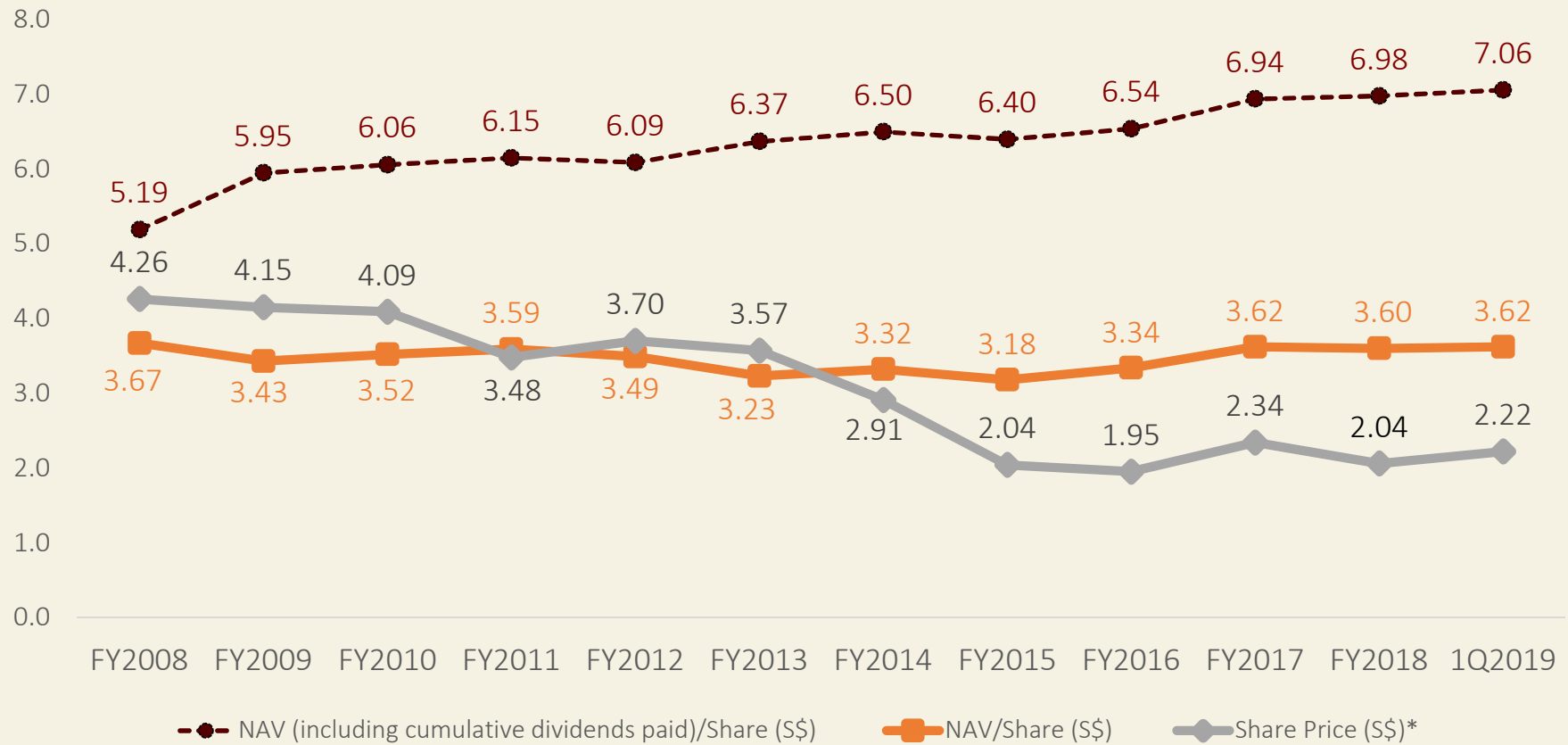
Real Estate Assets Breakdown (S\$ million)



* Others comprise mainly Group-level cash, separate account portfolio

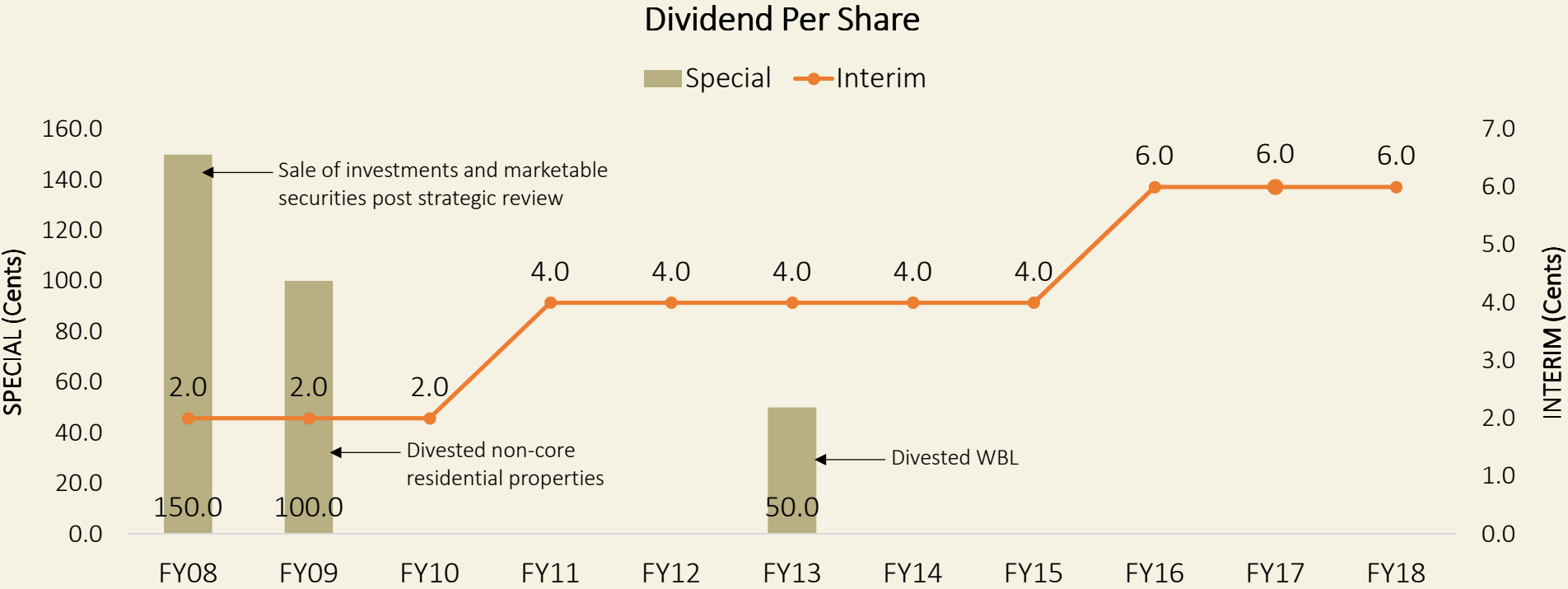
NET ASSET VALUE PER SHARE

Stock price is currently trading at a discount to our intrinsic value



DIVIDEND RECORD

Rising dividends reflects improvement in our business



KEY COMPONENTS OF STC'S PORTFOLIOS

	Key Components	Consolidated Balance Sheet	Consolidated Profit & Loss
Straits Real Estate (SRE)	Chongqing Retail Mall	Investment property	Property revenue & fair value changes
	45 St Georges Terrace, Perth		
	Japan Residential Portfolio		
	Australia Logistics Portfolio		
	320 Pitt Street, Sydney	Joint venture	Share of results & interest income
	Malaysia Retail Portfolio (Harmony III)	Associate	Share of results
	Japan Value Fund II		
ARA		Associate	Share of results
STC's Property Portfolio	Singapore Residential Portfolio	Investment property	Property revenue & fair value changes
	Butterworth Land, Penang	Land under development	
Hospitality (Far East Hospitality Holdings)		Associate/ investment securities	Share of results & dividend
Malaysia Smelting Corp (MSC)		Consolidated assets	Consolidated P&L
Suntec REIT units		Investment securities & fair value changes	Dividend



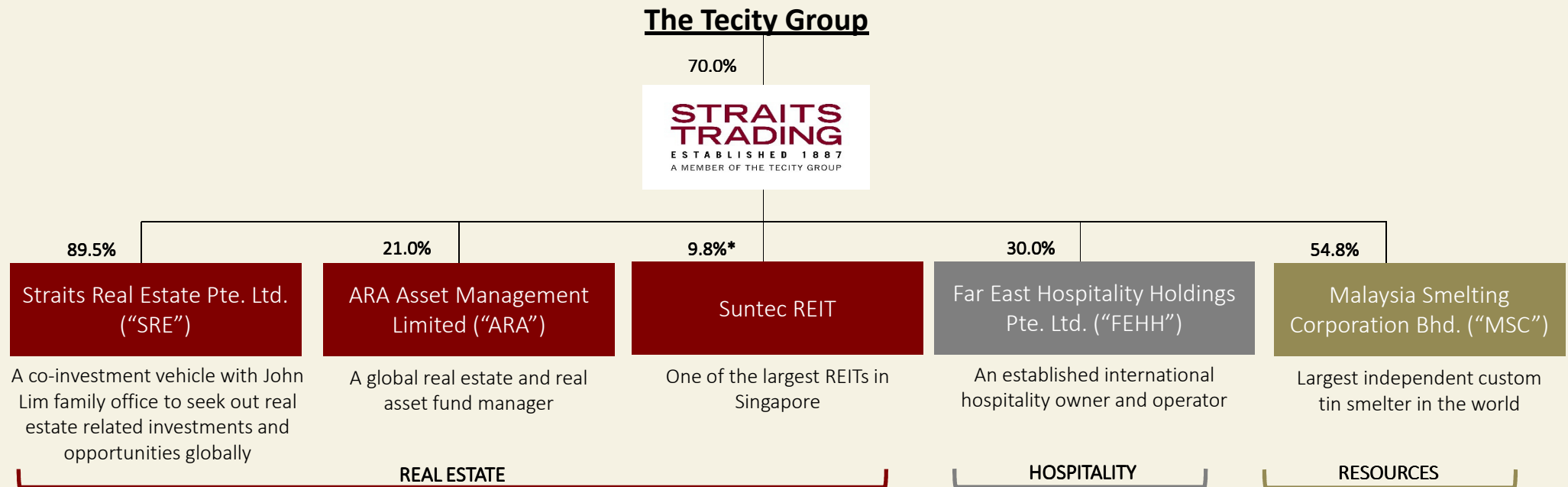
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APPENDIX

CORPORATE STRUCTURE

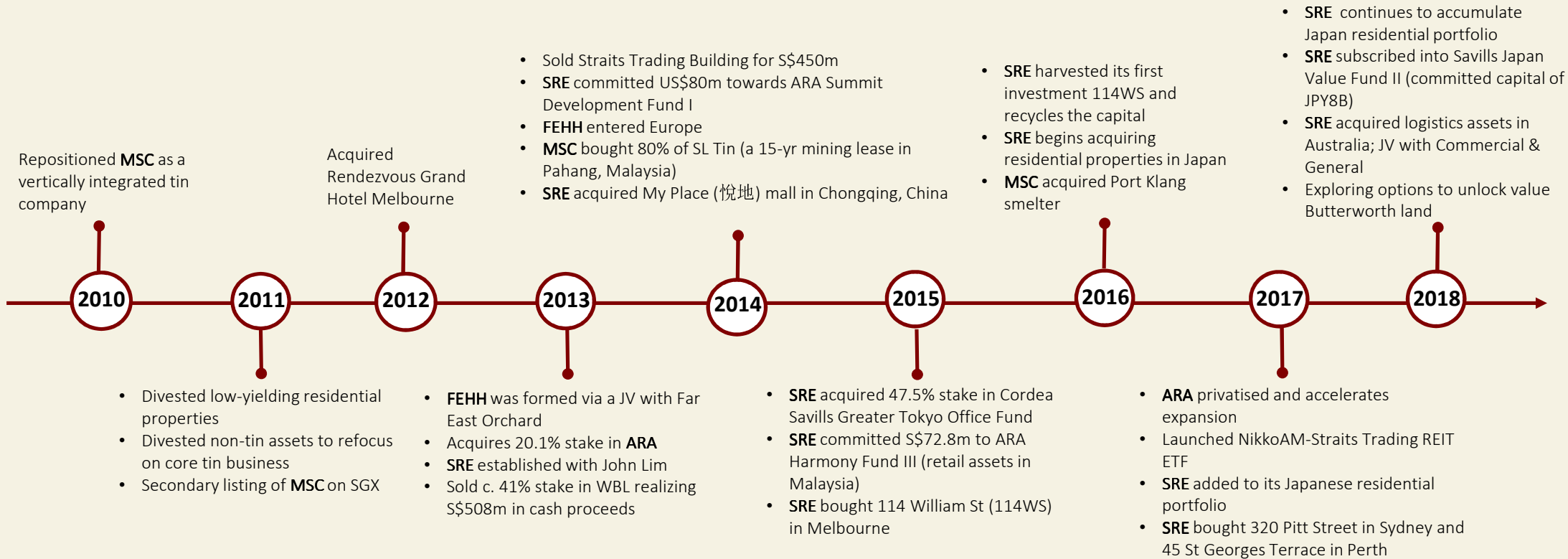
Structured to implement our strategy as a capital allocator



* Aggregate interest in Suntec REIT including deemed interest through ARA group companies

BUSINESS TRANSFORMATION SINCE 2008

Redefining focus and making new investments





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THANK YOU