



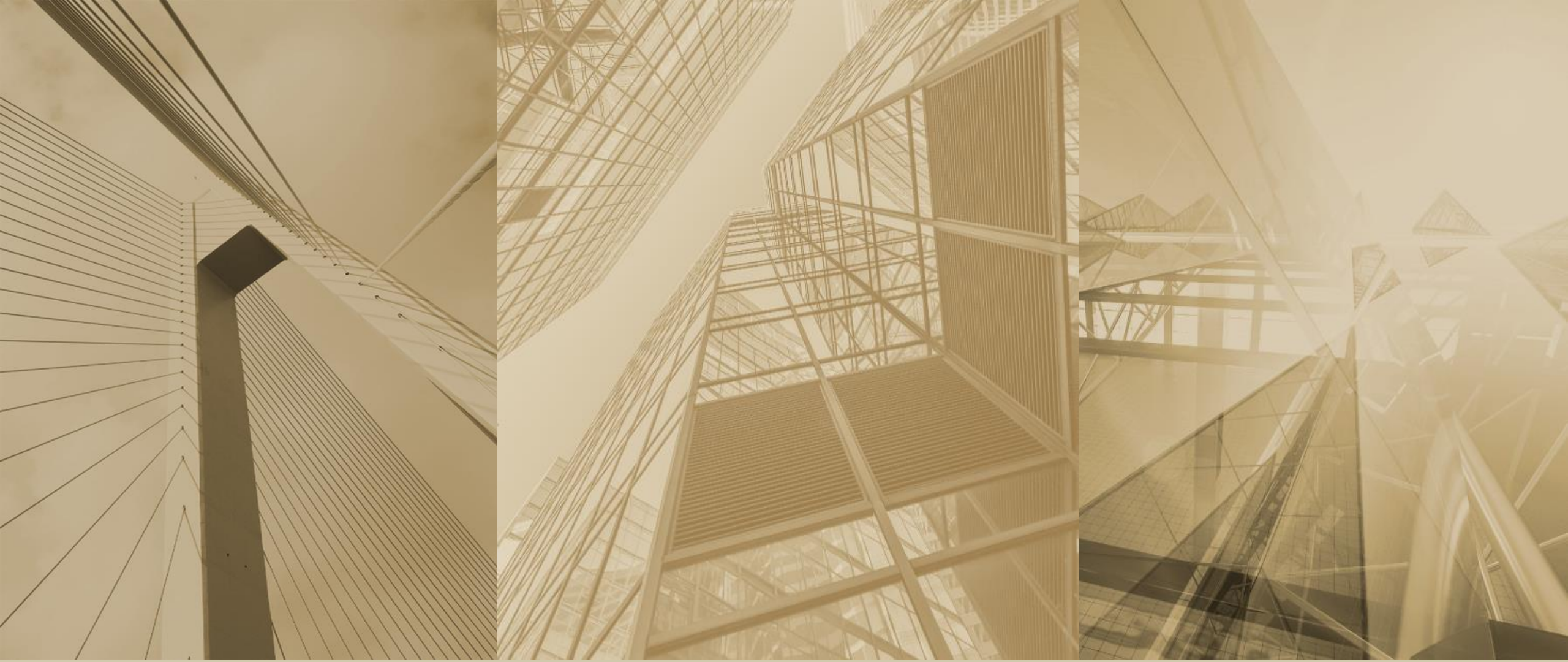
A MEMBER OF THE TECITY GROUP

FY2022 Results Briefing

2nd March 2023

PROGRAMME OUTLINE

Time	Programme	Presenter
10:00 AM	Opening Address	Ms. Selina Ho <i>Head, Investor Relations & Corporate Secretariat</i> <i>Head, Corporate Communications</i>
10:05 AM	<ul style="list-style-type: none"> ▪ FY2022 Highlights ▪ Business Highlights (Property) ▪ Business Highlights (Hospitality) ▪ Business Highlights (Resources) ▪ Financial Highlights 	Dr. Allen Tan <i>Senior Portfolio Manager</i> Mr. James Kwie <i>Portfolio Manager</i> Ms. Joyce Tan <i>Group Financial Controller</i>
10:30 AM	Q&A Session	Key Management Team
11:00 AM	End of Session	



FY2022 Highlights

By: Dr. Allen Tan

ORGANISATIONAL STRUCTURE⁽¹⁾

TECITY GROUP

66.9%



A MEMBER OF THE TECITY GROUP

PROPERTY

RESOURCES

HOSPITALITY

Straits Developments Private Ltd ("SDPL")
100% Stake

Corporate and operational arm for the Group; new business and property business, excluding SRE

STC Property Management Sdn. Bhd. ("STCPM")
100% Stake

Developer of Straits City Project Penang

Straits Investment Management Pte. Ltd. ("SIM")
100% Stake

Fund management specialising in global real estate securities

Straits Real Estate Pte. Ltd. ("SRE")
100% Stake

Investment vehicle seeking out real estate related opportunities globally

Malaysia Smelting Corporation Berhad ("MSC")
52.0% Stake

Largest independent custom tin smelter in the world

Far East Hospitality Holdings Pte Ltd ("FEHH")
30.0% Stake

An established international hospitality owner and operator

ESR Group ("ESR")
3.7% Stake

APAC's largest real estate and real assets fund manager

Suntec REIT
1.9% Stake

One of the largest commercial REITs in Singapore

SDAX Financial
14.3% Stake

An integrated digital financial services platform

(1) As of 31 Dec 2022

FY2022 KEY HIGHLIGHTS

Robust performance across all segments

Financial Highlights

Group EBITDA increased 52.9% to S\$613.4 million

- Earnings per share rose significantly from S\$0.58 in FY2021 to S\$1.27 in FY2022

Real Estate EBITDA up by 68.7% to S\$579.4 million

- From a net gain on disposal of ARA; and despite net fair value losses from investment properties

Resources EBITDA declined 8.2% to S\$54.6 million

- Mainly due to higher smelting and operating costs (energy and consumables)

Hospitality returned to profitability with EBITDA of S\$0.8 million

- Due to stronger corporate and leisure demands as more countries reopen their borders

Corporate Highlights

Group

- Private placement to raise gross proceeds of S\$80.9 million
- Completed special dividend via distribution in specie in the form of ESR or STC shares to reward shareholders
- Completed S\$370 million ESR exchangeable bond issuance; 1.9x oversubscribed

Real Estate

- SRE on growth track with new acquisitions: properties and development land in Gloucester Business Park, UK (GBP122 million); consolidated remaining 20% stake in ILP Trust No. 1 in Australia Logistics Portfolio
- Crowne Plaza Hotel to open in 1Q 2024 in Straits City, Penang

Resources

- Proposed dividends of 7 sens; reflected a 30% payout of net profit

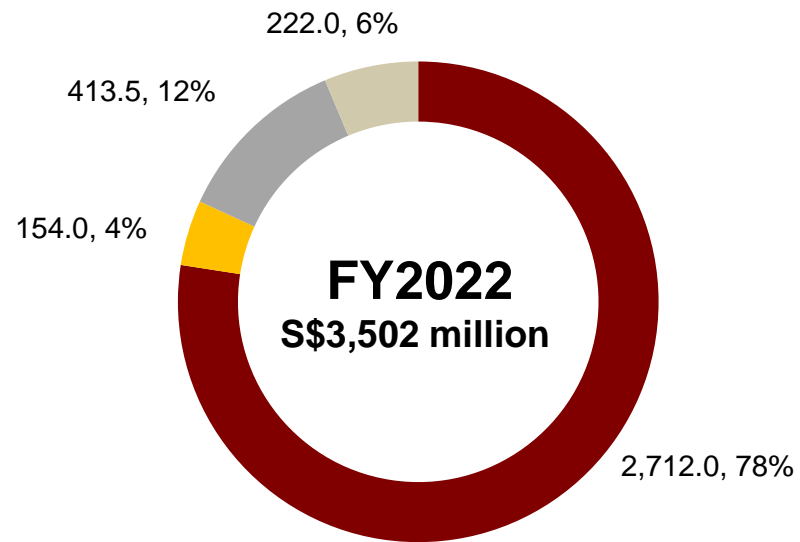
Hospitality

- Hospitality business improved as borders reopened and global business and leisure travel picked up since 2Q 2022

ASSET SEGMENTATION

Well-balanced portfolio

TOTAL ASSETS (S\$M)

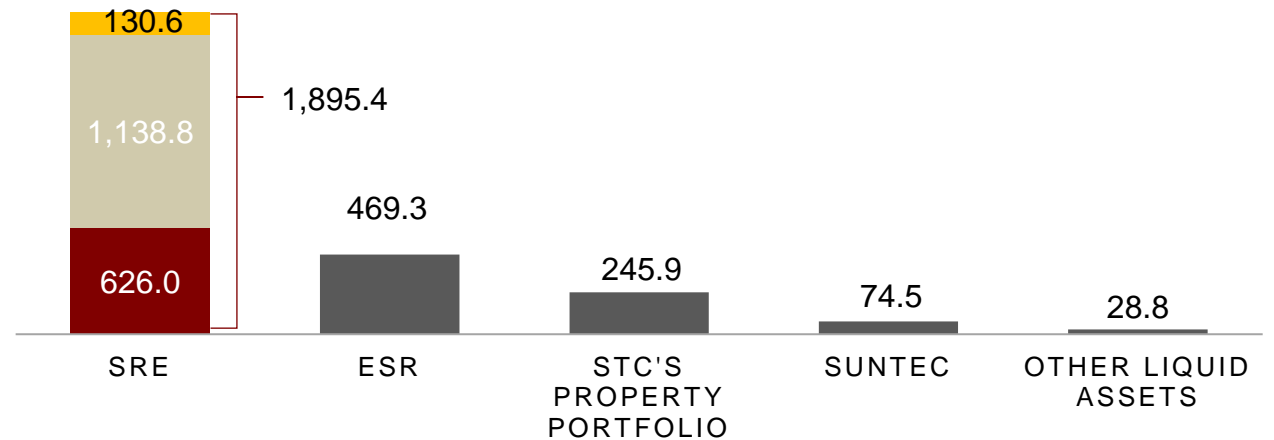


■ Real Estate ■ Hospitality ■ Resources ■ Others ⁽¹⁾

⁽¹⁾ Others comprise mainly Group-level corporate and treasury services, securities and other investments including SDAX

REAL ESTATE ASSETS BREAKDOWN (S\$M)

REAL ESTATE ASSETS BREAKDOWN



■ Cash & Others

- Chongqing Mall, 45 St. Georges Terrace, Bourne Business Park, Docklands, Logistics assets & Gloucester Business Park
- Harmony III, JVF II, 320 Pitt St., Logistics JV in Korea, Suntec Place JV, SIM UK & investment in secured notes



By: Dr. Allen Tan

Bourne Business Park, Surrey, United Kingdom

Business Highlights: Property

By: Dr. Allen Tan

INVESTED IN A PORTFOLIO OF ATTRACTIVE REAL ASSETS

Our business model is to create value – directly and with partners – and recycle capital at the appropriate time

ASSET HIGHLIGHTS

Key Themes

- ✓ Recurring Rental Income
- ✓ Secular Demand for Modern Logistics Assets
- ✓ China Reopening Upside
- ✓ Investment in Developed Market Office with Value-Add Potential

SINGAPORE

Most Exclusive Freehold Residential



Good Class Bungalows (S\$167.0m)

SOUTH KOREA

State-of-the-art Modern Logistics



Arenas Yeongjong Logistics (S\$225.3m)

Anseong Logistics (S\$66.3m)

UNITED KINGDOM

Business & Warehouse Retail Parks



Bourne Business Park (S\$109.2m)

AUSTRALIA

Office & Logistics



1010 La Trobe Building 1, Melbourne (S\$142.5m)



1010 La Trobe Building 2, Melbourne (S\$142.5m)

CHINA

Retail, Leisure, Entertainment



Chongqing Retail Mall (S\$151.5m)

JAPAN

Office



Japan Value Fund II (S\$168.5m)

MALAYSIA

Retail & Mixed-Use Development



Malaysia Retail Portfolio



Straits City



UK Warehouse Retail Parks (S\$78.6m)



Gloucester Business Park (S\$197.2m)



45 St. Georges Terrace, Perth (S\$47.0m)



320 Pitt Street, Sydney (S\$350.7m)



Logistics Portfolio in Victoria & South Australia (S\$418.9m)



Suntec Place - Sanlin Mall (S\$209.9m)

Note: Figures represent Company's pro-rata share of property value as of 31 December 2022.

SRE: KEY ACQUISITIONS IN THE UK AND AUSTRALIA

Growing portfolio of new economy assets



Acquired Gloucester Business Park for £122M

7 offices and 2 industrial buildings with NLA 522,000 sqft

- 100% occupied with the majority from energy, cyber technology, financial services, and healthcare sectors
- Key tenants: EDF Energy, Ecclesiastical Insurance, GE Aviation, and Lockheed Martin etc
- WAULT: 8.1 years to break; 8.7 years to expiry

6 development land plots ~830,000 sqft

- Expected to support up to 310,000 sqft of modern, environmental-friendly industrial buildings once fully developed



Consolidated remaining 20% stake in ILP Trust No. 1

8 properties across Victoria and South Australia with a mix of built-to-suit facilities and multi-tenanted estates

- Long term cash flow stability
- Occupancy ~ 97% with a healthy weighted average lease term of 7.4 years
- Strong blue-chip tenants: Coca Cola Europacific, Raytheon, Siemens, Incitec Pivot and Visy Glass

STCPM: STRAITS CITY, FUTURE CITY

Unlocking value of prime land in Butterworth, Penang



A **smart** and **sustainable** integrated mixed-use development over 40 acres of land with offices, residential apartments, hotels, service apartments, and retail components.

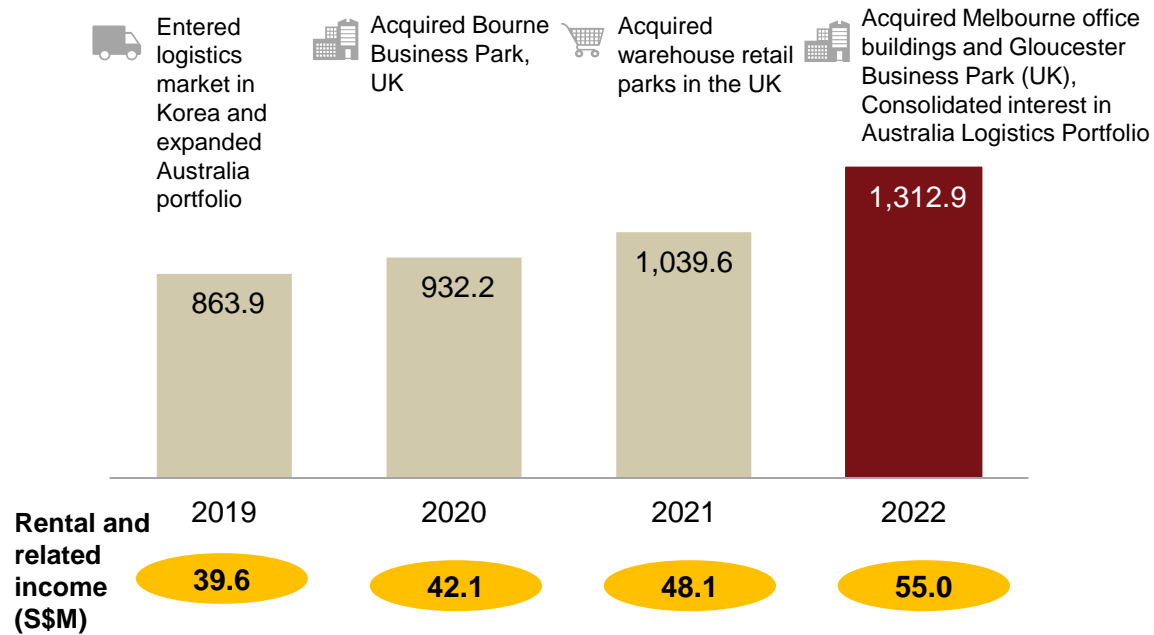
Key Developments in 2H 2022

- Partnership with IHG Hotels & Resorts to bring Crowne Plaza Hotels & Resorts to Straits City
- 1Q 2024: Target opening

WELL-DIVERSIFIED INVESTMENT PROPERTY PORTFOLIO

Growing recurring income from property portfolio

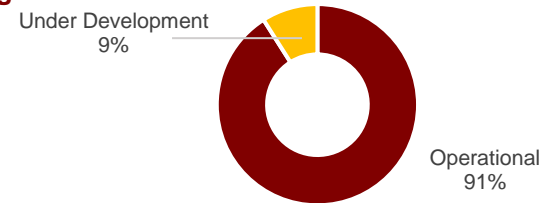
INVESTMENT PROPERTIES (S\$M)



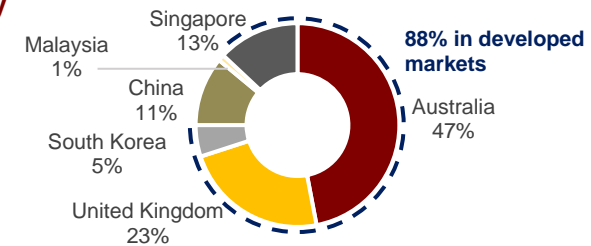
Growing recurring revenue streams from Investment Properties portfolio

BREAKDOWN OF INVESTMENT PROPERTIES BY VALUE

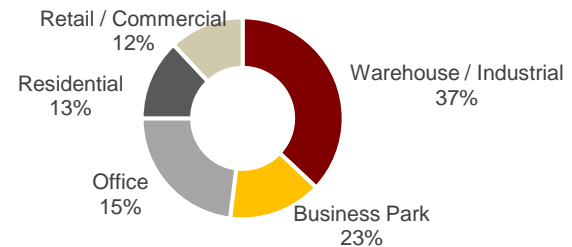
By Operating Status



By Geography



By Asset Class



SIM: EXPANDING PORTFOLIO

Identifying unique investment opportunities in public markets



Global fund manager in equities, fixed income and alternative investments with CMS license from MAS

- Assets under management/advisory: S\$511 million
- Assets growth: 46% CAGR over 7-year period
- Strategic partner with Nikko AM and UBS
 - NikkoAM-Straits Trading Asia Ex-Japan REIT ETF
 - NikkoAM-Shenton Global Property Securities Fund
 - NikkoAM-Straits Trading MSCI China Electric Vehicles and Future Mobility ETF
 - Straits Global Property Strategy
 - Straits Defined Risk Strategy



The Clan Hotel, Singapore

Business Highlights: Hospitality

By: Mr. James Kwie

FEHH: A PREMIER HOTEL OWNER & OPERATOR

Well-positioned in key markets for a rebound in tourism

Key Developments: 2H2022



- A 30% equity stake in the joint venture with Far East Orchard
- Manages close to 16,500 rooms over 90 properties in 9 countries

- Uplift from reopened borders and a pick up in global business and leisure travel since 2Q2022
- Focus on actively managing hospitality portfolio to capitalise on tourism sector's eventual rebound while pursuing growth opportunities to achieve 25,000 rooms goal by 2025

New Openings in 2H

- Adina Service Apartments Singapore (88 keys) (Jul 2022)
- Vibe Hotel Singapore (256 keys) (Nov 2022); first to open outside Australia

Upcoming Openings in 2023

- Five new hotels (>750 rooms) slated to open across Australia, Japan, Malaysia, and Switzerland

Sources: Far East Orchard Limited and Far East Hospitality websites



RHT Tin Mine in Klian Intan, Perak

Business Highlights: Resources

By: Mr. James Kwie

MSC: RESILIENT PERFORMANCE

Enhanced operating efficiencies; focus on logistics and cost management



World's leading producer of tin metal and a **global leader in custom tin smelting** since 1887; Our tin brand is registered on London Metal Exchange and KL Tin Market.

Net Profit (RM'mil)	FY2022	FY2021	Chg (%)
Tin Mining	95.1	109.4	(13.1)
Tin Smelting	(5.5)	12.1	NM
Total	98.4	118.1	(16.7)

Key Developments: 2H2022

- Revenue +39.7% yoy to RM1.5 billion from higher average tin prices and comparatively higher sales of refined tin
- Tin prices +5% to RM136,700/MT in FY22 (FY21: RM130,600/MT)
- Bottomline impacted by mainly unplanned furnace outage in 3Q, higher operating costs and a one-off legal settlement

Outlook

- Anticipates higher mining productivity in FY23 from efficiency improvement
- Expect cost savings of ~30% from new smelter
- Long-term tin prospects intact as it is a key component in emerging technologies, such as lithium-ion batteries for electric vehicles



Straits City, Malaysia (artist impression)

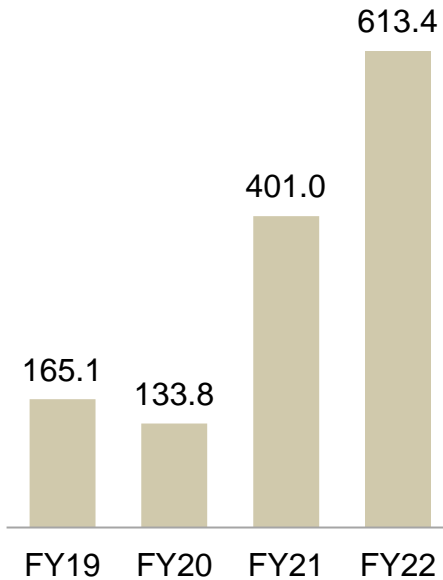
Financial Highlights: FY2022

By: Ms. Joyce Tan

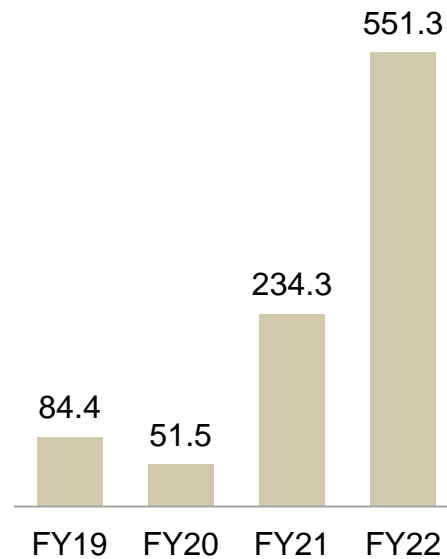
FY2022 FINANCIAL HIGHLIGHTS

Growing profitability and cash flows

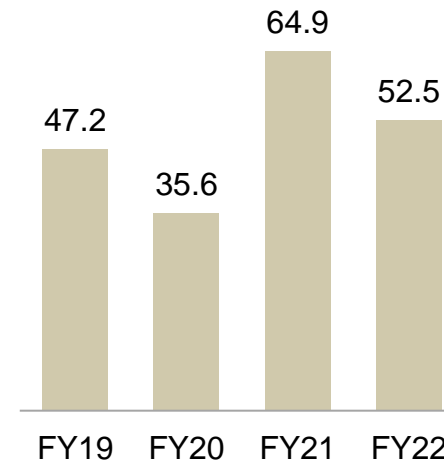
EBITDA ⁽¹⁾ (\$M)



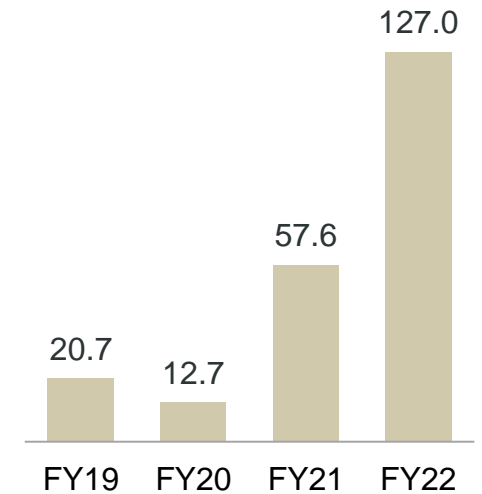
PATNCI ⁽²⁾ (\$M)



OPERATING CASH FLOW ⁽³⁾ (\$M)



EARNINGS PER SHARE (¢)



(1) EBITDA calculated as profit before tax plus depreciation expense, amortisation expense, and finance costs

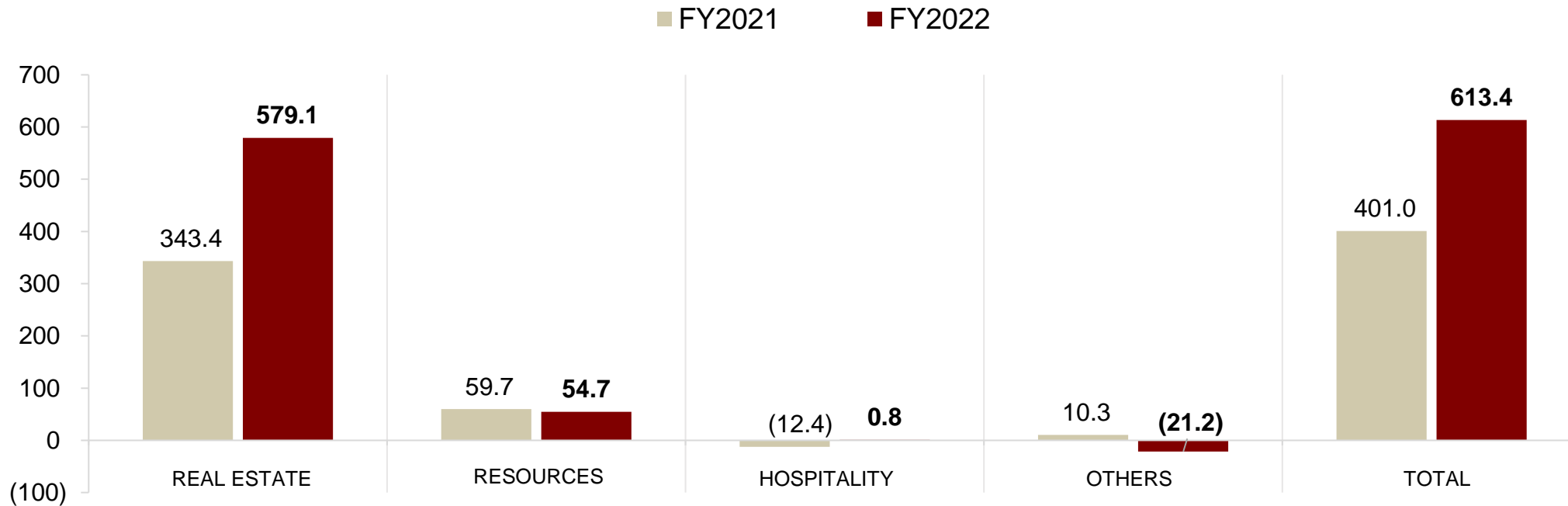
(2) PATNCI calculated as profit after tax minus profit attributable to non-controlling interests

(3) Before changes in working capital

EBITDA BY SEGMENTS

Main profit driver: Real estate

FULL YEAR EBITDA (\$M)

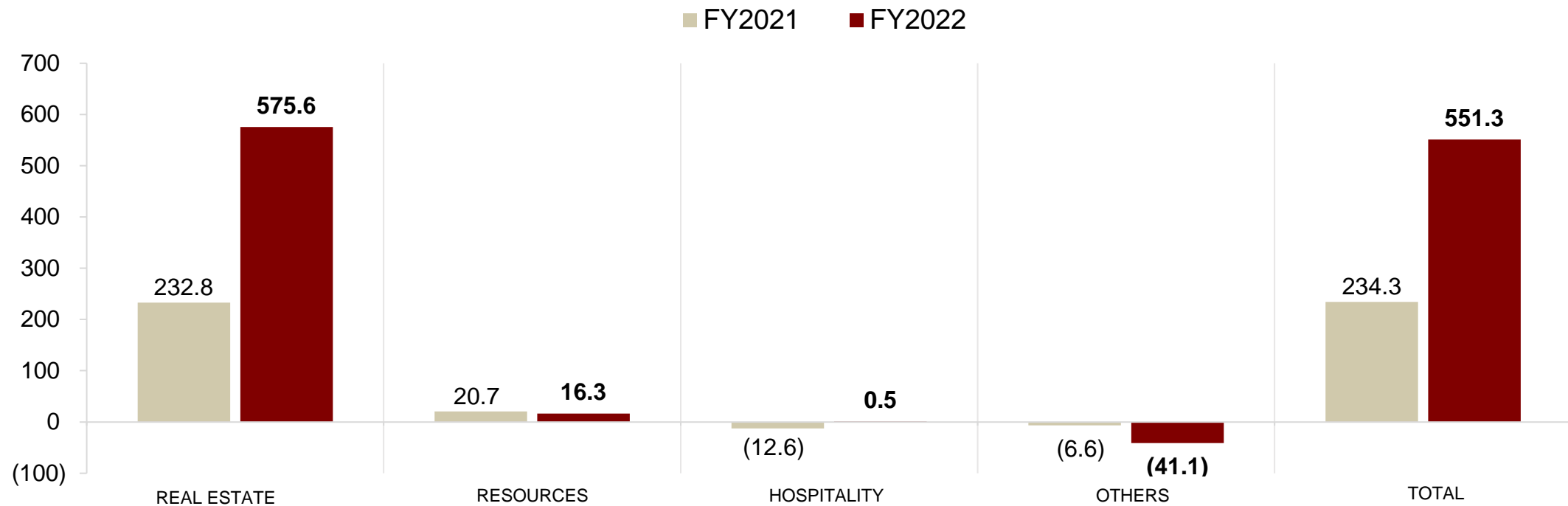


*Note: Others comprise corporate expenses and others
EBITDA calculated as profit before tax plus depreciation and amortisation expenses, and finance costs*

PATNCI BY SEGMENTS

Main profit driver: Real estate

FULL YEAR PATNCI (S\$M)

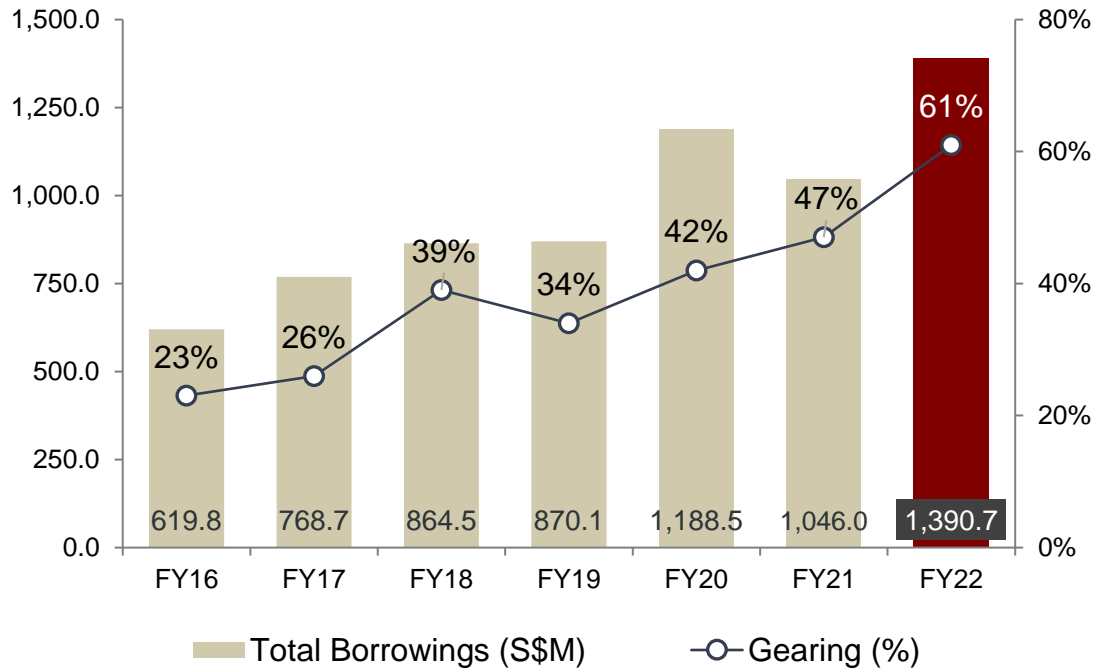


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PATNCI calculated as profit after tax minus profit attributable to non-controlling interests*

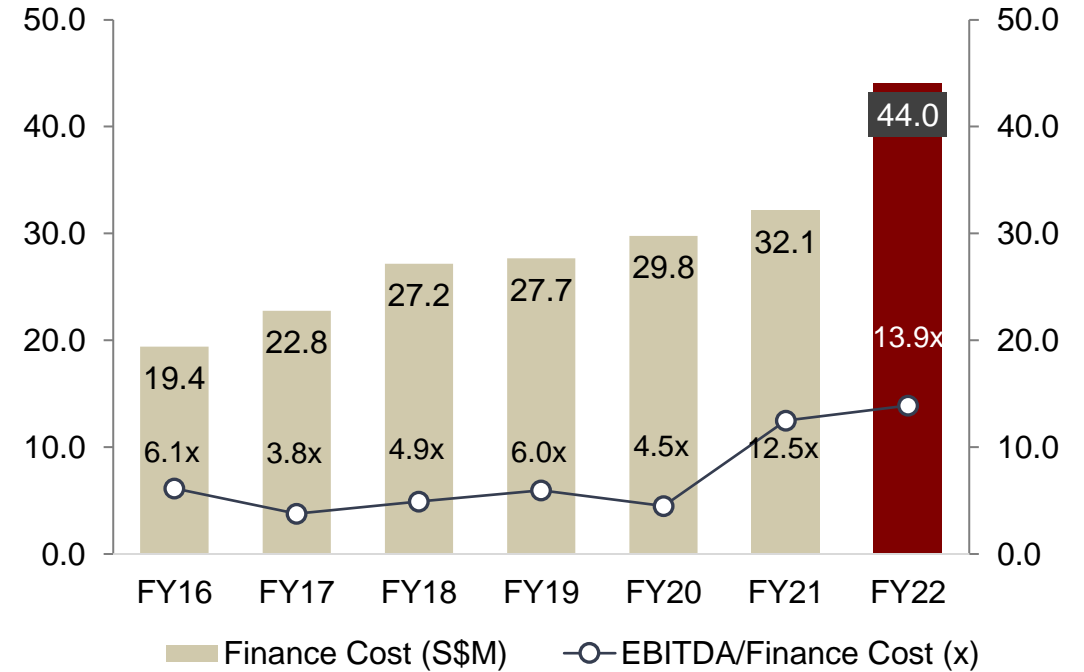
GROUP FINANCIAL HIGHLIGHTS

Prudent Financial Metrics

GEARING



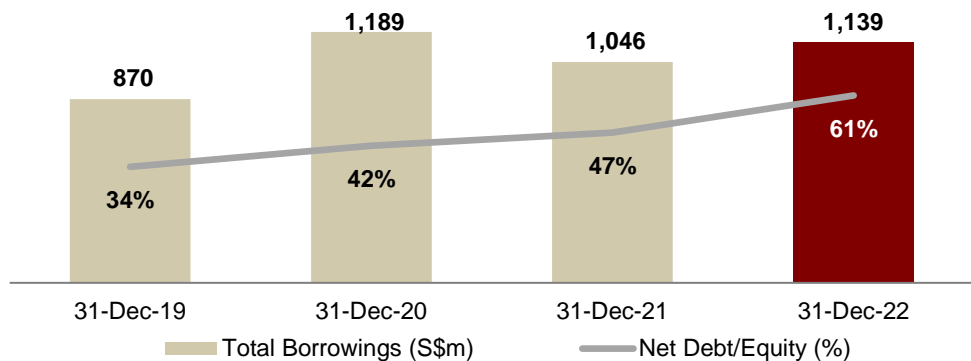
INTEREST COVERAGE RATIO



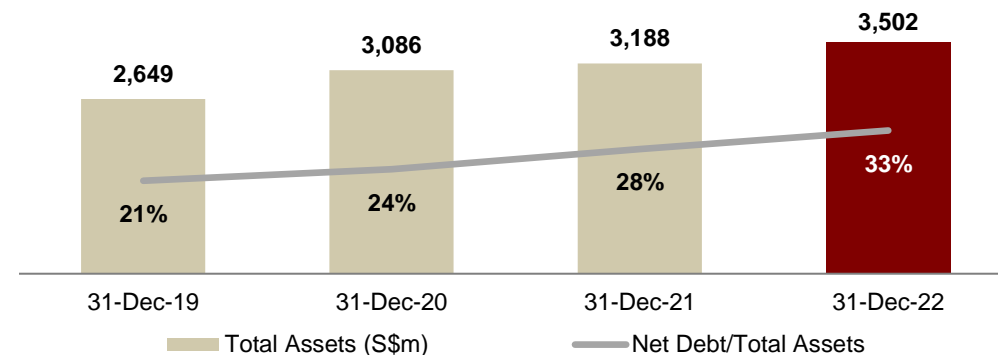
PRUDENT CAPITAL MANAGEMENT WITH HEALTHY DEBT ROOM

Gearing increased in FY22 mainly due to secured loans

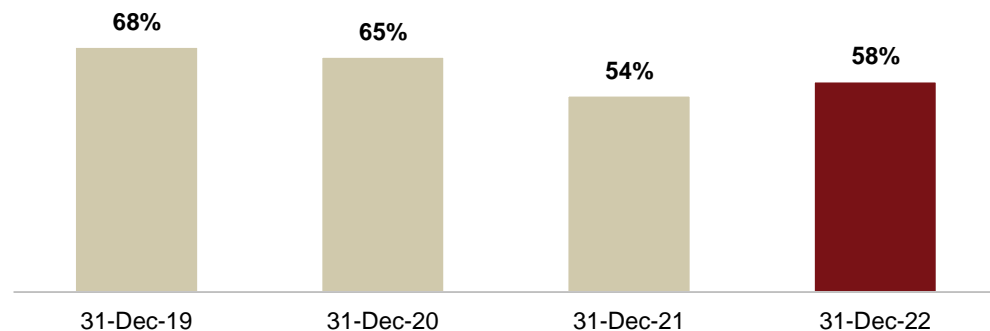
NET DEBT / TOTAL EQUITY



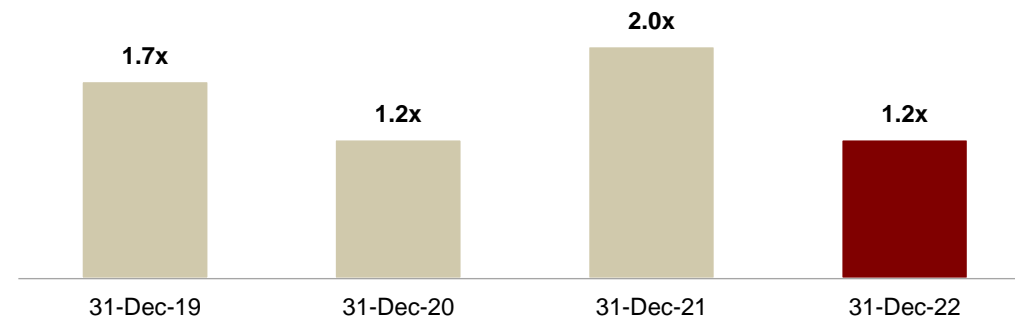
NET DEBT / TOTAL ASSETS



SECURED DEBT / INVESTMENT PROPERTIES



OPERATING CASH FLOW ⁽¹⁾ / INTEREST EXPENSE ⁽²⁾



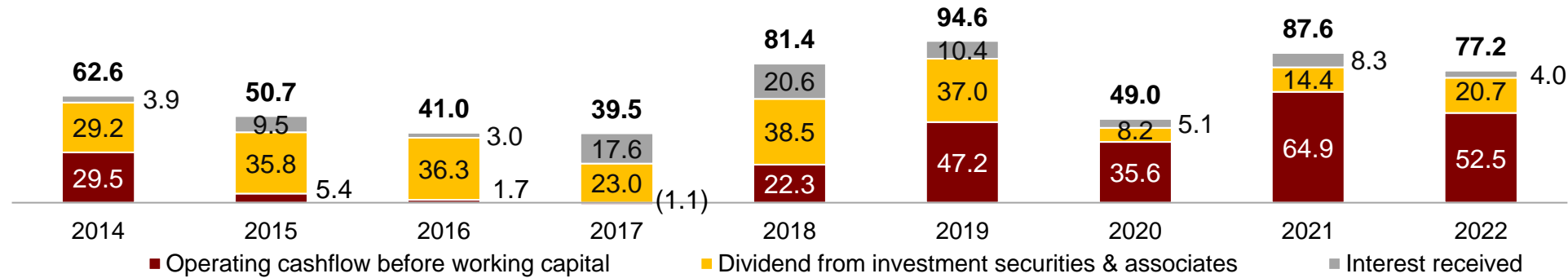
(1) OCF before changes in working capital

(2) Refers to finance costs

SUSTAINABLE CASH FLOWS SUPPORTED BY TRACK RECORD OF HARVESTING INVESTMENTS AND RECYCLING CAPITAL

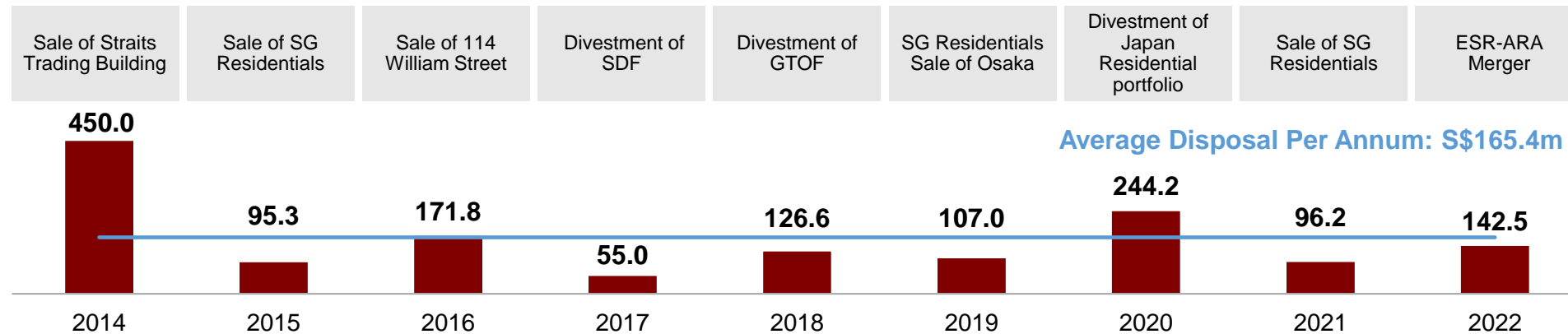
Recurring cash flows from multiple sources

CASHFLOW (S\$M)



✓ Successful track record across property cycles

✓ 10 divestments since 2014



✓ Realised S\$1,489 million in cash proceeds

HEALTHY BALANCE SHEET

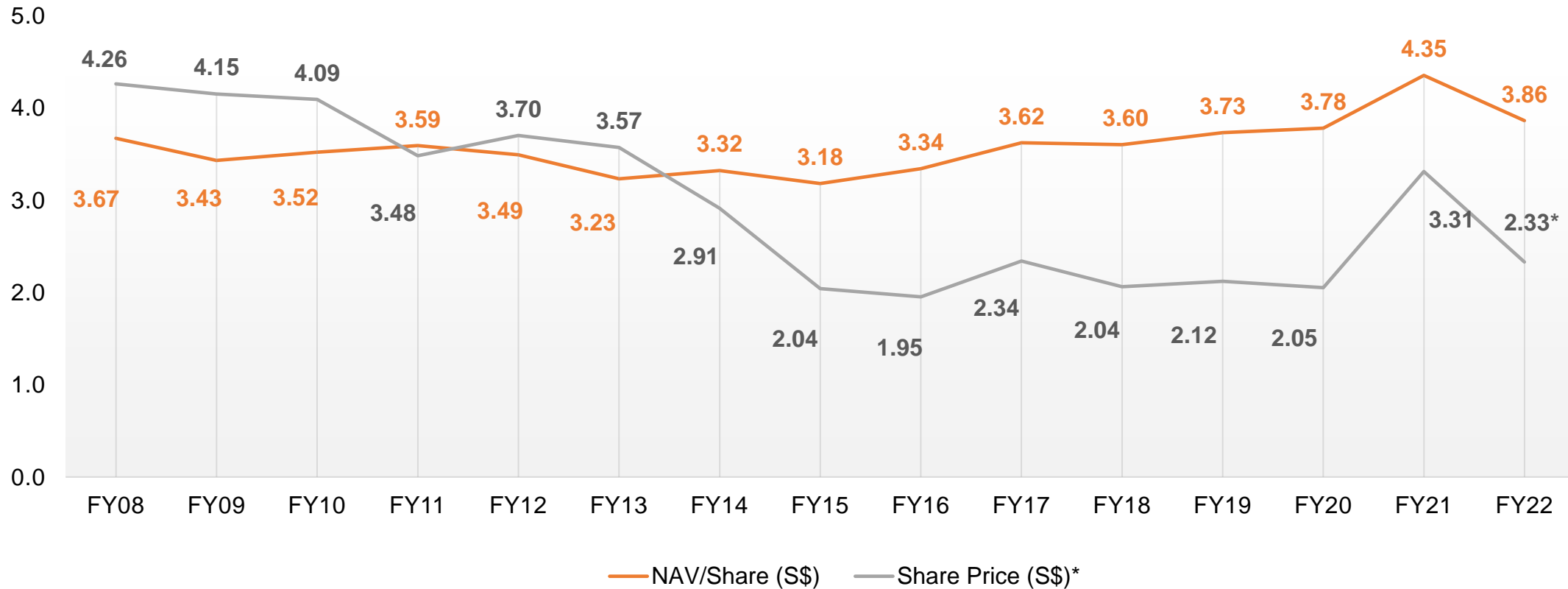
Balance sheet supported by an attractive and liquid portfolio

S\$ Million	31 Dec 2021	31 Dec 2022
Cash and short-term deposits	141.6	251.7
Total Assets	3,187.9	3,501.5
Total Borrowings	1,046.0	1,390.7
Total Liabilities	1,253.1	1,627.0
Total Equity	1,934.9	1,874.5
NAV/share (S\$)	4.35	3.86
Net debt/Total equity	46.7%	60.8%
Group ROE	14.2%	31.4%

As of 31 December 2022.

NAV PER SHARE

Post-ARA-ESR merger

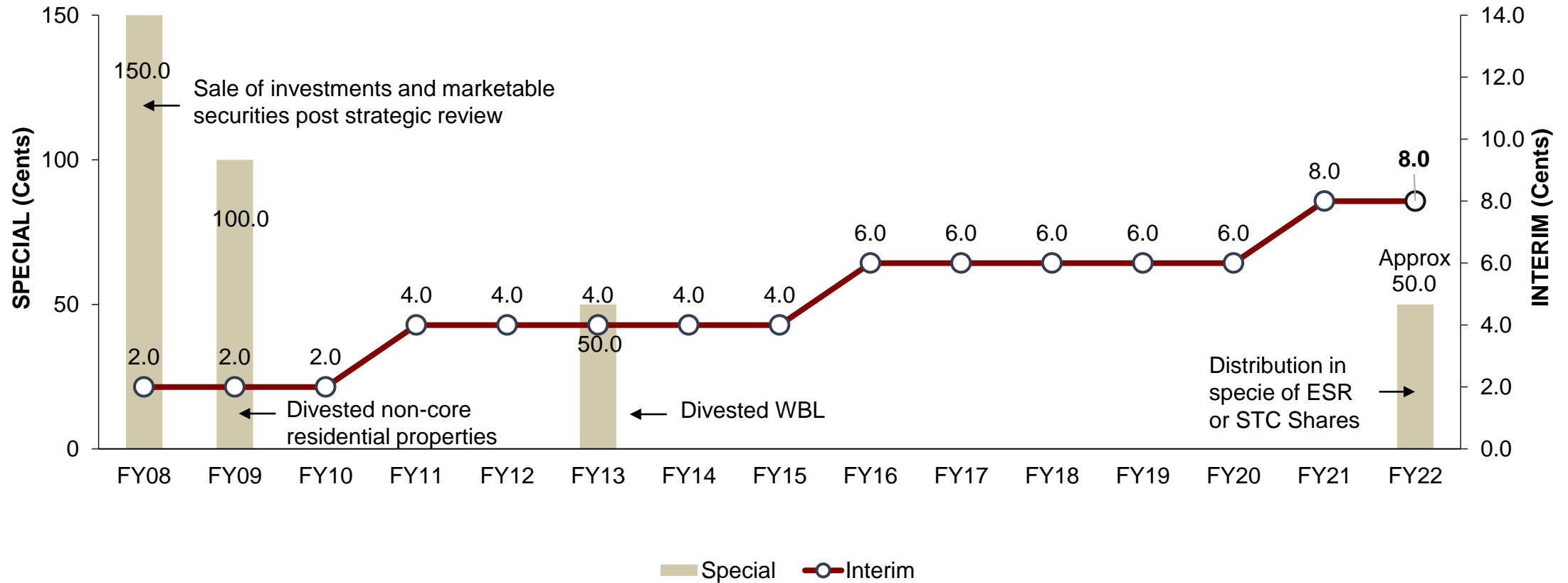


* Closing price as at the last trading day of the financial year / period

SUSTAINED DIVIDEND GROWTH

A one-tier tax-exempt interim dividend of S\$0.08 per share

DIVIDEND PER SHARE



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These factors include, but are not limited to, (i) general global, regional and local political, social and economic conditions (including, but not limited to, factors such as the political landscape, environmental conditions and viral epidemics such as human avian flu and severe acute respiratory syndrome) that may result in reduced occupancy rates and room rates for the hospitality investments of the Company or affect the other investments of the Company, (ii) the cyclical nature of the property market and tourism industry in the countries in which the Company operates and fluctuations in tin prices, (iii) the Company not being successful in the implementation of its business strategies or in managing its growth, (iv) regulatory developments and changes in the industries in which the Company operates, the general economic condition of, and changes in, the economy in Asia-Pacific and Europe, (v) competition in the hospitality industry and the hospitality-related industry in the Asia-Pacific and Europe region, (vi) hostilities (including future terrorist attacks) or fear of hostilities that affect travel in general, within or to the Asia-Pacific region or any other countries in which the hospitality investments of the Company are located or have operations, (vii) changes in the supply and demand for tin metal, (viii) changes in the price of tin as a result of speculation, (viii) changes in interest rates or inflation rates, (ix) wars or acts of international or domestic terrorism, (x) occurrences of catastrophic events, natural disasters and acts of God that affect the business or properties of the Company, and (xi) other factors beyond the control of the Company. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of the Company's management on future events. The Company assumes no responsibility to amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events, or otherwise.

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THANK YOU

Q&A Session

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When asking a question via Zoom:

- Use the 'Raise Hand' function and wait for the Host to call you. Please click unmute when promoted and state your name and organisation before asking your question.
- Alternatively, you can type your question in the Q&A box.