UOBKayHian

Country Daily Singapore

Wednesday, 15 July 2026

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	52508.3	0.0	(0.8)	2.6	9.2
S&P 500	7543.6	0.4	0.5	1.5	10.2
FTSE 100	10529.4	0.3	(1.3)	0.6	6.0
AS30	9001.3	(0.0)	(0.0)	(0.1)	(0.2)
CSI 300	4796.5	2.2	0.1	0.4	3.6
FSSTI	5495.6	0.5	2.9	9.3	18.3
HSCEI	8103.1	0.5	4.3	(3.2)	(9.1)
HSI	24340.7	0.5	3.6	(1.5)	(5.0)
JCI	6039.5	0.0	0.9	0.5	(30.2)
KLCI	1719.9	1.3	2.2	2.2	2.4
KOSPI	6856.8	0.7	(10.4)	(15.6)	62.7
Nikkei 225	67743.5	0.7	(0.8)	2.6	34.6
SET	1626.0	(0.1)	1.4	2.1	29.1
TWSE	44738.0	(1.4)	(1.6)	1.3	54.5
BDI	2980.0	0.7	3.7	9.2	58.8
CPO (RM/mt)	4466.5	0.0	(0.5)	(0.0)	13.6
Brent Crude (US$/bbl)	84.7	1.7	14.3	(3.0)	39.2

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Analyst Marketing on 2H Thai Strategy and Healthcare Sector presentation	Malaysia	13 Jul	15 Jul
Virtual Post-Results Meeting with ASL Marine Holdings Ltd (ASL SP)	Singapore	21 Jul	21 Jul

Corporate and Macro Calendar

Economic Indicator/Event	Date
6-Month T-Bill Auction	16 July
Balance of Trade JUN	17 July
Non-Oil Exports MoM JUN	17 July
Non-Oil Exports YoY JUN	17 July

Please click on the page number to move to the relevant pages

Top Stories

Company Update | Starhill Global REIT (SGREIT SP/**NOT RATED**/S$0.55) Page 2

SGREIT possesses income stability with master and anchor leases accounting for 54.3% of gross rental income as of Mar 26. SGREIT benefits from step-up in rents of 4.75% for The Starhill in Dec 25 and 6.1% for David Jones Building in Aug 26. New CEO Kemmy Tan took over in Jul 26. She previously served as CEO of M+S, the JV between Khazanah Nasional and Temasek.

Market Spotlight

Page 5

- US stocks were higher on Tuesday, with all indexes rising as the information technology, communication services and energy sectors gained. There were more advancers than decliners on both NYSE and NASDAQ.

- The FSSTI rose 25.27 points to 5,495.61, supported by strength in OCBC and DBS. Mid-cap indices fell while small-cap indices rose, with a broad market advance on S$2.24b turnover.

Technical Analysis

Monthly Technical Indices Watch – Indices Outlook Page 6

FTSE Straits Times Index (STI IND): New high in the formation

Disclaimer: *In Traders' Corner, technical analysis is carried out purely based on charting patterns, price movements and trends, and is thus independent of the fundamental research views of our analysts. As a result, and from time to time, we may make a technical recommendation that is opposite to our fundamental BUY/HOLD/SELL rating.*

Starhill Global REIT (SGREIT SP)

Regional Player With Retail Assets Across Singapore, Malaysia And Australia

NOT RATED	
Share Price	S$0.55
Target Price	n.a.
Upside	n.a.

Analyst(s)
Jonathan Koh, CFA, MSc Econ
jonathankoh@uobkh.com
+65 6590 6620

Highlights

- SGREIT possesses income stability with master and anchor leases accounting for 54.3% of gross rental income as of Mar 26.
- SGREIT benefits from step-up in rents of 4.75% for The Starhill in Dec 25 and 6.1% for David Jones Building in Aug 26.
- New CEO Kemmy Tan took over in Jul 26. She previously served as CEO of M+S, the JV between Khazanah Nasional and Temasek.

Analysis

- **Master and anchor leases provide income stability.** Master and anchor leases, incorporating periodic rent reviews, represented 54.3% of gross rental income as of Mar 26. Properties under master and anchor leases include Ngee Ann City in Singapore (Toshin Development), The Starhill and Lot 10 in Kuala Lumpur (Katagreen Development), Myer Centre in Adelaide (Myer) and David Jones Building in Perth (David Jones).
- **Renewal of Toshin lease provides income stability.** The renewal of the master lease with Toshin Development, the operator of Takashimaya at Ngee Ann City, was signed in Nov 23 ahead of the existing lease expiry in Jun 25. The renewed lease has an initial term of 12 years from Jun 25 to Jun 37, with extension options to lengthen the tenancy by up to nine years till 2046. The Toshin lease contributed 37% of Starhill Global REIT's (SGREIT) group NPI in 3QFY26. The renewal substantially extends SGREIT's WALE weighted by gross rent from 4.2 years to 8.4 years. The new agreement also introduces a profit-sharing mechanism through an annual turnover rent based on Toshin's operating performance. Toshin has posted security deposits of five months.
- **Wisma Atria offers luxury and premium brands** Burberry, Tod's and Tory Burch, alongside trendy retail names, such as Lacoste, Mango and Charles & Keith. Its food & beverage offerings include Food Republic, Haidilao Hot Pot, Paradise Dynasty and Din Tai Fung. SGREIT undertook targeted enhancements to improve visitor experience, including upgrade of interior areas and revamp of the drop-off point to improve accessibility. It also repurposed underutilised Level 7 car park space into 3,250sf of new office space. The AEI achieved the targeted ROI of more than 8%.

Key Financials

Year to 30 Jun (S$m)	2021	2022	2023	2024	2025
Net turnover	181	186	188	190	192
EBITDA	115	126	129	131	130
Operating profit	115	126	129	131	130
Net profit (rep./act.)	54	50	28	63	109
Net profit (adj.)	71	82	84	79	81
EPU (S$ cent)	3.2	3.7	3.7	3.5	3.6
DPU (S$ cent)	4.0	3.8	3.8	3.6	3.7
PE (x)	16.9	14.8	14.6	15.5	15.3
P/B (x)	0.7	0.7	0.7	0.8	0.8
DPU yld (%)	7.2	7.0	7.0	6.7	6.7
Net margin (%)	30.0	26.8	15.0	33.0	56.7
Net debt/(cash) to equity (%)	52.8	53.9	55.8	57.0	53.7
Interest cover (x)	2.8	3.4	3.4	3.2	3.2
ROE (%)	3.0	2.7	1.6	3.6	6.3
Consensus DPU (S$ cent)	-	-	-	-	-
UOBKH/Consensus (x)	-	-	-	-	-

Source: Starhill Global REIT, Bloomberg, UOB Kay Hian

Stock Data

GICS Sector	Real Estate
Bloomberg ticker	SGREIT SP
Shares issued (m)	2,321.0
Market cap (S$m)	1,265.0
Market cap (US$m)	978.7
3-mth avg daily t'over (US$m)	0.6

Price Performance (%)

52-week high/low				S$0.60/S$0.515
1mth	3mth	6mth	1yr	YTD
0.9	(1.8)	(9.2)	4.8	(8.4)

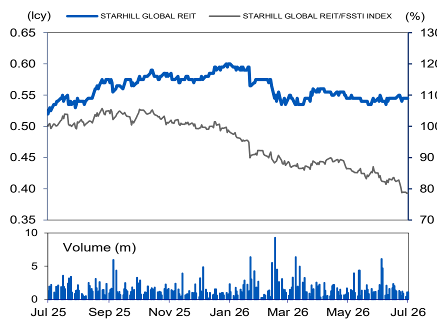
Major Shareholders

	%
YTL Corporation	37.9

Balance Sheet Metrics

FY25 NAV/Share (S$)	0.73
FY25 Net Debt/Share (S$)	0.43

Price Chart



Source: Bloomberg

Company Description

SGREIT owns a portfolio of predominantly retail and commercial properties across Singapore, Australia, Malaysia, Japan and China. Listed on the SGX in 2005, SGREIT's portfolio is valued at S$2.8b and comprises landmark assets including Wisma Atria and interests in Ngee Ann City on Orchard Road, as well as premier retail properties in Kuala Lumpur and Australia.

- **Backfilling vacant spaces at Wisma Atria.** Wisma Atria's occupancy was 98.6% as of Dec 25. New tenants Kwanpen, a Singaporean luxury fashion brand, opened in Jul 25 and Christian Louboutin, a French fashion designer, is scheduled to open in Sep 26. Committed occupancy is expected to recover back to 100%.
- **Monetising office strata lots at Wisma Atria.** SGREIT completed the divestment of 7,653sf of office strata lots at Level 12 of Wisma Atria in Oct 24 for S$16.1m, or S$2,100 psf. The transaction was completed at a 22.2% premium to the asset's latest valuation, reflecting the resilience of prime Orchard Road office assets. The divestment proceeds are earmarked for debt reduction, acquisitions, working capital, or distributions to unitholders. SGREIT still owns about 67,000sf of office strata lots at Wisma Atria.
- **Renewal of Lot 10 lease provides income stability.** In Jan 25, Katagreen Development, a wholly owned subsidiary of YTL Corp, exercised its option to extend the master lease of Lot 10 in Kuala Lumpur for a third three-year term commencing 1 Jul 25. The renewed lease provides an annual rent of RM37.8m, representing a 6.0% increase from the previous lease, while YTL Corp continues to guarantee the tenant's payment obligations. The Starhill benefitted from a step-up in rent of 4.75% in Dec 25.
- **Myer's claim was dismissed.** SGREIT's Australian portfolio comprises Myer Centre in Adelaide and David Jones Building and Plaza Arcade in Perth. Myer Centre and David Jones Building are anchored by major department store operators Myer and David Jones. Occupancy at the David Jones Building remained high at 99.3% as of Dec 25. David Jones Building will benefit from a step-up in rent of 6.1% in Aug 26. The arbitration tribunal has issued a final award in favour of SGREIT. Myer has to honour the existing lease. SGREIT could recover a portion of its legal fees incurred of A$5m. Myer's lease contributed about 9% of group NPI in FY25.

Valuation/Recommendation

- **SGREIT has appointed Kemmy Tan as its new CEO** and Executive Director with effect from 1 Jul 26, succeeding long-serving CEO Ho Sing. Kemmy Tan brings more than three decades of real estate experience, most recently serving as CEO of M+S, the JV between Khazanah Nasional and Temasek that developed the landmark Marina One and DUO projects in Singapore. She previously held senior leadership roles at YTL Land and other property companies. Her appointment is expected to strengthen SGREIT's strategic, investment and asset management capabilities, while pursuing growth opportunities across the Asia Pacific region.
- **SGREIT benefits from appreciation of the Malaysian ringgit (MYR) and Australian dollar (AUD).** The MYR has strengthened due to the strong Malaysian economy, supported by robust investment activities, particularly in electronics, AI-related infrastructure and data centres. It benefitted from firmer commodity prices, including palm oil and energy, and growth in exports of electrical and electronics products. It saw capital inflows into its equity and bond markets. Reserve Bank of Australia has maintained a more hawkish stance compared with other central banks, which attracted capital inflows due to firmer domestic interest rates. Australia benefitted from strong demand for key commodity exports, including copper and uranium.

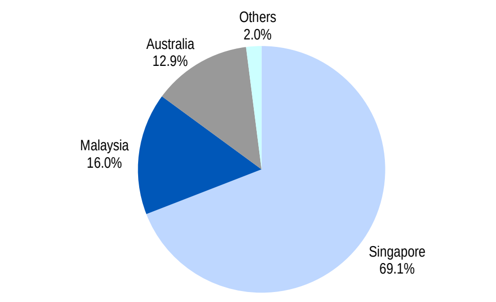
Earnings Revision/Risk

- **Attractive valuations.** SGREIT provides FY27 DPU of 3.8 S cents and FY27 DPU yield of 6.9% based on consensus estimates. The stock is currently trading at P/NAV of 0.76x.
- Aggregate leverage was 35.5% as of Mar 26. Interest coverage was 3x.

Share Price Catalyst

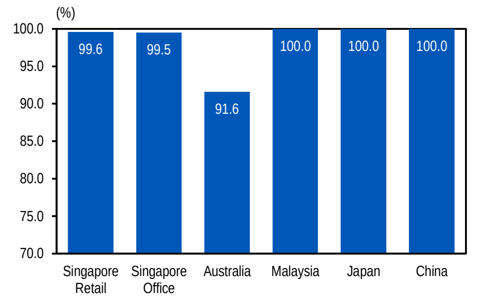
- a) Increase in shopper traffic and tenant sales, supported by growth in domestic consumption, rising population and household income; b) step-up in rents for The Starhill in Kuala Lumpur and David Jones Building in Perth; and c) appreciation of MYR and AUD.

Asset Value By Country



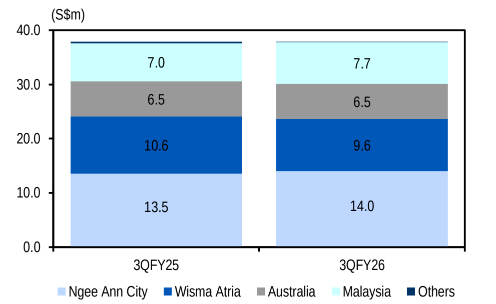
Source: SGREIT

Occupancy Rate By Country



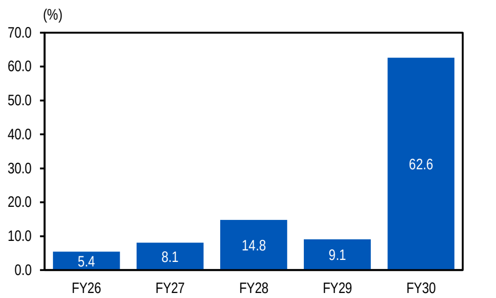
Source: SGREIT

NPI By Country



Source: SGREIT

Retail Lease Expiry Profile By GRI



Source: SGREIT

Profit & Loss

Year to 30 Jun (S$m)	2022	2023	2024	2025
Net turnover	186.4	187.8	189.8	192.1
EBITDA	125.5	129.2	130.7	130.1
Deprec. & amort.	0.0	0.0	0.0	0.0
EBIT	125.5	129.2	130.7	130.1
Total other non-operating income	(32.0)	(55.6)	(16.7)	27.6
Associate contributions	0.0	0.0	0.0	0.0
Net interest income/(expense)	(37.5)	(37.8)	(41.2)	(40.3)
Pre-tax profit	56.0	35.8	72.8	117.5
Tax	(2.3)	(3.8)	(6.3)	(4.8)
Minorities	0.0	0.0	0.0	0.0
Perpetual Securities	(3.9)	(3.9)	(3.9)	(3.9)
Net profit	49.9	28.2	62.7	108.8
Net profit (adj.)	81.9	83.8	79.4	81.2

Balance Sheet

Year to 30 Jun (S$m)	2022	2023	2024	2025
Fixed assets	2,893.3	2,767.8	2,762.2	2,755.8
Other LT assets	15.2	20.0	11.3	1.0
Cash/ST investment	85.7	68.3	60.6	84.5
Other current assets	3.3	4.1	4.2	4.9
Total assets	2,997.4	2,860.3	2,838.2	2,846.2
ST debt	125.0	3.0	195.8	64.2
Other current liabilities	40.6	38.0	47.3	37.3
LT debt	956.0	1,042.0	845.2	954.9
Other LT liabilities	28.8	28.2	30.8	48.4
Shareholders' equity	1,847.0	1,749.1	1,719.1	1,741.4
Minority interest	0.0	0.0	0.0	0.0
Total liabilities & equity	2,997.4	2,860.3	2,838.2	2,846.2

Cash Flow

Year to 30 Jun (S$m)	2022	2023	2024	2025
Operating	124.3	123.5	136.6	125.6
Pre-tax profit	88.0	91.4	89.5	89.8
Tax	0.0	0.0	0.0	0.0
Deprec. & amort.	0.0	0.0	0.0	0.0
Associates	0.0	0.0	0.0	0.0
Working capital changes	0.0	0.0	0.0	0.0
Non-cash items	5.7	3.2	3.1	3.1
Other operating cashflows	30.6	28.9	44.0	32.7
Investing	(19.7)	2.3	(12.9)	32.2
Capex (growth)	(0.0)	0.0	0.0	0.0
Capex (maintenance)	(20.1)	(17.8)	(14.7)	(10.6)
Proceeds from sale of assets	0.0	18.4	0.0	40.9
Others	0.4	1.7	1.8	1.8
Financing	(123.2)	(138.0)	(130.7)	(132.4)
Issue of shares	0.0	0.0	0.0	0.0
Distribution to unitholders	(77.4)	(80.8)	(82.9)	(70.4)
Proceeds from borrowings	(5.0)	(14.8)	(2.0)	(14.6)
Loan repayment	0.0	0.0	0.0	0.0
Others/interest paid	(40.8)	(42.4)	(45.8)	(47.4)
Net cash inflow (outflow)	(18.6)	(12.2)	(7.0)	25.4
Beginning cash & cash equivalent	108.3	85.7	68.3	60.6
Changes due to forex impact	(4.1)	(5.2)	(0.7)	(1.5)
Ending cash & cash equivalent	85.7	68.3	60.6	84.5

Key Metrics

Year to 30 Jun (S$m)	2022	2023	2024	2025
Profitability				
EBITDA margin	67.3	68.8	68.9	67.7
Pre-tax margin	30.1	19.1	38.4	61.1
Net margin	26.8	15.0	33.0	56.7
ROA	1.6	1.0	2.2	3.8
ROE	2.7	1.6	3.6	6.3
Growth				
Turnover	2.8	0.7	1.1	1.2
EBITDA	8.8	3.0	1.2	(0.5)
Pre-tax profit	(3.3)	(36.1)	103.5	61.3
Net profit	(8.2)	(43.6)	122.5	73.7
Net profit (adj.)	15.7	2.3	(5.3)	2.3
EPU	14.3	1.4	(5.8)	1.0
Leverage				
Debt to total capital	36.9	37.4	37.7	36.9
Debt to equity	58.5	59.7	60.6	58.5
Net debt/(cash) to equity	53.9	55.8	57.0	53.7
Interest cover (x)	3.4	3.4	3.2	3.2

MARKET SPOTLIGHT

Market News

US stocks were higher on Tuesday, as information technology, communication services and energy sectors led shares higher. At the close of the NYSE, the Dow Jones rose 0.02% while the S&P 500 index was up 0.38%, and the NASDAQ Composite index gained 0.90%. Advancing stocks outnumbered falling ones on the NYSE by 1,631 to 1,112 and 97 ended unchanged; on the Nasdaq Stock Exchange, 2,681 advanced and 2,192 declined, while 184 ended unchanged.

During the last trading session, the FSSTI index rose 25.27pt to 5,495.61. Among the top active stocks were OCBC Bank (+1.5%), Keppel (-1.3%), DBS (+1.8%), Yangzijiang Shipbuilding (-0.3%) and ISDN (+4.0%). The FTSE ST Mid Cap index fell 0.2%, while the FTSE ST Small Cap Index gained 0.2%. The broader market had 280 gainers and 291 losers with a total trading value of S$2.24b.

FTSE Straits Times Index (STI IND)
New high in the formation

Last close: 5,495.61

Outlook:
The FSSTI index presents an aggressively bullish posture, characterised by wide positive deviation above the dynamic cloud overlay. A recent breakout has driven the index to new structural highs, backed by a rising base line support floor. This trend continuation is supported by the MACD sustaining a strong bullish divergence profile. Consequently, the macro outlook projects a direct path toward the 5,501 all-time high target, contingent upon price holding above the base line threshold.

Strategy:
We recommend a strategy of systematic accumulation in quality equities as price retraces toward the dynamic base line support. This key structural level serves a dual purpose: it marks an attractive institutional value zone for deploying fresh capital while simultaneously functioning as a strict risk-mitigation marker to limit downside tracking.

Support: 5,240 / 5,155
Resistance: 5,500 / 5,590

Analyst
Wong Shueh Ting, CFTe
+65 6590 6616
shuehting@uobkh.com