



THAKRAL
CORPORATION LTD

ANNUAL GENERAL MEETING

BUSINESS UPDATE
12 JUNE 2020

A BRIGHTER AND
SUSTAINABLE FUTURE

VALUE FOR
SHAREHOLDERS



ABOUT US

Thakral Corporation Ltd (“TCL” or the “Group”) is listed on the SGX Mainboard since December 1995. The Group’s core investments comprise real estates in Australia, Japan and Singapore, which are actively managed by its investment team. It also invests in the marketing and distribution of brands in beauty, wellness and lifestyle categories in China, Southeast Asia and India.



ABOUT OUR INVESTMENTS

Thakral Capital (TCap) Australia

- We invest directly or with co-investors in real estate and other investment opportunities including property-backed financial instruments.
- The Group also earns income from the services rendered from originating, packaging and managing of such projects.
- Expanded through a joint venture into development and management of over-50s lifestyle resorts in Australia under the GemLife brand.



TCAP AUSTRALIA

- Since 2010, the Group has invested and committed in excess of A\$454 million of capital into projects with an end value surpassing A\$4.3 billion.
- To date, the Group has successfully completed 17 projects, with another 10 in the pipeline, 8 of which are under construction.





TCAP AUSTRALIA

INVESTMENT TRACK RECORD

COMPLETED PROJECTS



Australia Towers Stage 1
Sydney



The Quay
Melbourne



GLNG Portfolio
Gladstone



Harbour One
Melbourne



Emerant Lane
Sydney



Union Balmain
Sydney



Sephora
Brisbane



Gateway
Mackay



VIDA
Brisbane



TCAP AUSTRALIA

INVESTMENT TRACK RECORD

COMPLETED PROJECTS



FV
Brisbane



Sanctuary Cammeray
Sydney



Newstead Series
Brisbane



The Grove
Richlands



Eden
Greenacre



The Residences
Carindale



Portavilla
Murarrie



Ancassa
Cannon Hill



Grange Residences
Brisbane



TCAP AUSTRALIA INVESTMENT TRACK RECORD

PROJECTS UNDER CONSTRUCTION & CONTRACTED



Parkridge Noosa
Noosa Heads



The Oxford, Bondi Junction
Sydney



Jubilee Office
Brisbane



Kangaroo Point
Brisbane



TCAP AUSTRALIA ACTIVE PROJECTS

PROJECT UPDATES: PARKRIDGE NOOSA

- Community facilities including a restaurant, pool and gym were completed and operational since the fourth quarter of 2019.
- The stage 2 settlements are continuing and expected to have no fall overs to date.



TCAP AUSTRALIA ACTIVE PROJECTS

PROJECT UPDATES: THE OXFORD RESIDENCES

- Construction of The Oxford Residences project in Sydney's Bondi Junction continues, with building topped up.
- Practical completion expected fourth quarter 2020.



TCAP AUSTRALIA INVESTMENT HOLDING

PROJECT UPDATES: GLNG HOUSING

- 13 GLNG houses sold with the most recent sold at A\$365,000
- Remaining 88 GLNG houses
 - 41 are leased at the average of A\$375 per week with the latest leased at A\$390 per week
 - 8 continue to be leased to GLNG
 - Remaining available for sale or lease



GEMLIFE AUSTRALIA OVER-50S LIFESTYLE RESORTS

GemLife provides over-50s lifestyle resorts under a 50-50 joint venture between TCL's Investment Division and a subsidiary of Australia-based Living Gems Lifestyle Resorts.

Focused on the creation and management of several master-planned, award-winning gated lifestyle resorts in Queensland, New South Wales and Victoria.



GEMLIFE HIGHLIGHTS *OVER-50S LIFESTYLE RESORTS*

- To date, GemLife has 8 resorts with a target of more than 2,300 homes to be built across the eastern seaboard of Australia, of which 5 resorts have commenced construction.
- A total of 6 more resorts are in the pipeline, which may add 1,400 homes to our Australian investment.



GEMLIFE BRIBIE ISLAND Over-50s Lifestyle Resort

Bribie resort clinched Queensland Master Builder 2019 awards for the best country club in its region



GEMLIFE HIGHFIELDS *Over-50s Lifestyle Resort*

Highfields resort clinched Queensland Master Builder 2019 awards for the best country club in its region



**GEMLIFE
WOODEND**
Over-50s
Lifestyle
Resort

**FIRST
GEMLIFE
RESORT IN
VICTORIA**



GEMLIFE MAROOCHY QUAYS

*Over-50s
Lifestyle
Resort*





GEMLIFE PACIFIC PARADISE

Over-50s Lifestyle Resort

Sales for newly acquired project have been strong. Construction on residential units have commenced.





- Sales at the Bribie Island, Highfields, Woodend, Maroochy Quays and Pacific Paradise projects continue to progress well with strong settlements expected in the coming months.
- Bribie Island and Highfields resorts clinched Queensland Master Builder 2019 awards for the Best Country Club in their respective regions.
- Over 340 houses are occupied for these projects.
- Constructions at these projects are at various stages.

GEMLIFE HIGHLIGHTS

*BRIBIE ISLAND,
HIGHFIELDS,
WOODEND,
MAROOCHY QUAYS
& PACIFIC PARADISE
UPDATES*



GEMLIFE LENNOX HEAD



April
2020

Senior's Compatibility Certificate received in April 2020.

June
2020

Formal DA is expected to be received in June 2020. Construction to commence in Q4 2020.



GEMLIFE TWEED WATERS



PLANS FOR THE TWEED WATERS PROJECT ARE IN MOTION.



UPON COMPLETION, IT WILL ADD 97 HOMES TO THE GEMLIFE OVER-50S LIFESTYLE RESORTS.



LAND SETTLEMENT OCCURRED ON 31ST MARCH 2020.



GEMLIFE GOLD COAST

Over-50s Lifestyle Resort



GemLife™

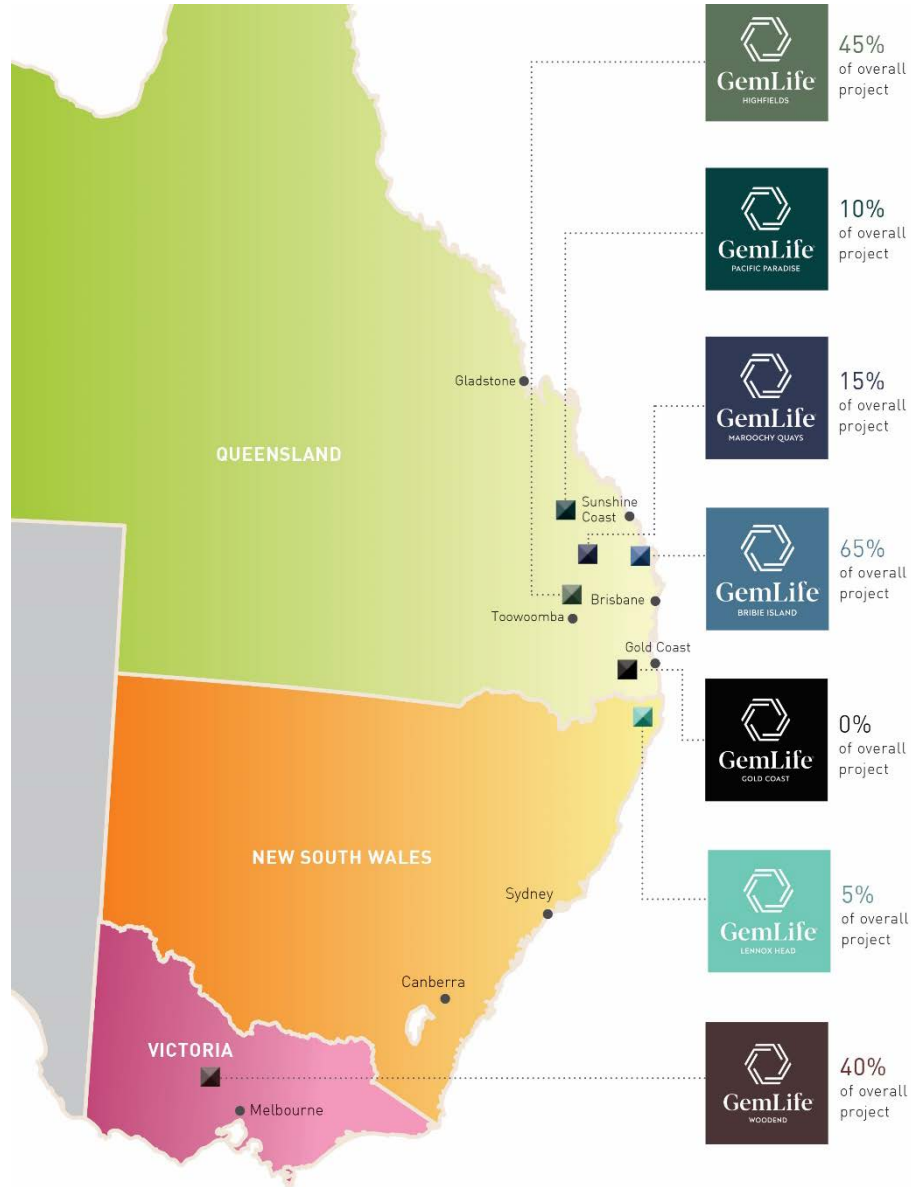
GOLD COAST

- Plans for the Gold Coast project are in motion.
- Upon completion, it will add about 405 homes to the GemLife over-50s lifestyle resorts.
- Land settlement occurred on 15th May 2020.



GEMLIFE AUSTRALIA

Project Construction Completion Status





GemLife rapidly introduced a number of initiatives in response to the COVID-19 pandemic aimed at supporting residents in 'staying-at-home' and protecting their health and wellbeing.

These include:

- GemLife COVID-19 Bulletin news-sheet
- COVID-19 Facebook group Bulletin Boards
- May newsletter
- Closure/partial re-opening of communal facilities
- Private sales appointments
- GemLife Eats initiative
- Stan entertainment gift cards
- Kahoot trivia games
- Letters to residents from Director & CEO
- Digital sales packs



GemLife Eats initiative - CEO delivering meals to resorts residents during Covid-19.

GEMLIFE COVID-19 RESPONSE



In late March, GemLife commenced production of special COVID-19 Bulletins for its resorts at Bribie Island, Highfields, Woodend and Maroochydore, to ensure residents were fully informed and educated about the COVID-19 pandemic. These two-page newsletters were initially published twice weekly, then later reduced to weekly as the situation stabilised in Australia. The Bulletins serve to educate our communities about social distancing and hygiene practices, update residents on the latest government directives, sharing tips and advice to make day-to-day living easier as well as providing useful local and national contacts & resources.



COMMUNICATIONS & BULLETINS EFFECTS OF COVID-19



AUSTRALIA INVESTMENTS

Outlook for 2020

- In Australia, the effects of COVID-19 may dampen demand for housing as the economy in 2020 is forecast to fall into its first recession in 29 years.¹
- Economists are expecting house prices to fall by up to 10% later in the year², with potential flow on effect on settlements.
- Construction delays may be expected due to supply chain disruption for projects.
- The Group will therefore stay prudent and be selective in pursuing new investment opportunities in Australia.
- GemLife maintains its target to grow the number of its retirement homes to 4,000 units over the long-term.
- Given the uncertain backdrop, the Group expects general business environment to remain challenging for the balance of 2020. However, the Group is confident that the GemLife business, underpinned by the underlying growth trends in the sector, will continue to do well and the prudence in the residential sector will see it well placed to take advantage of the next cycle in that sector.

¹ Source: <https://asia.nikkei.com/Economy/Australia-faces-end-of-world-s-longest-boom-with-recession-coming>

² Source: <https://www.theguardian.com/world/2020/mar/26/coronavirus-restrictions-tipped-to-send-australian-house-prices-tumbling>



JAPAN INVESTMENTS

Properties Portfolio

The Group focuses mainly on commercial properties.

Investments are all located in Osaka and have been made through subsidiaries as well as associates.

Investments in Japan contributed an unrealised fair value gain of S\$9.8 million in FY2019 to the group revenue.

Overall the value of Japanese property related investments increased to S\$108.6 million (including the new investments) in FY2019 from S\$71.1 million in FY2018.



JAPAN INVESTMENTS

Properties Portfolio

- 7 office buildings – Yotsubashi Nakano Building, Yotsubashi East Building, Itachibori Square, Utsubo East Building, River Point Kitahama Building, Yotsubashi Grand and Umeda Pacific Building
- 3 business hotels – Best Western Osaka Tsukamoto Hotel, R Hotels Inn Osaka Kita Umeda and Hotel WBF Namba Motomachi



JAPAN INVESTMENT HIGHLIGHTS

7 Office Buildings



YOTSUBASHI EAST BUILDING



YOTSUBASHI NAKANO BUILDING



YOTSUBASHI GRAND BUILDING



UMEDA PACIFIC BUILDING



RIVER POINT KITAHAMA BUILDING



REFURBISHMENT OF RIVER POINT KITAHAMA



JAPAN INVESTMENT HIGHLIGHTS

7 Office Buildings



ITACHIBORI SQUARE



REFURBISHMENT OF ITACHIBORI SQUARE



UTSUBO EAST BUILDING



REFURBISHMENT OF UTSUBO EAST BUILDING



JAPAN INVESTMENT HIGHLIGHTS

3 Business Hotels



R HOTELS INN OSAKA KITA UMEDA



BEST WESTERN OSAKA TSUKAMOTO HOTEL



HOTEL WBF NAMBA MOTOMACHI



- In Japan the office property yields are expected to hold up with the tight rental market and additional supply not expected till 2022.
- Japanese hotel property although tenanted on long-term leases, rental yields would be under pressure due to the unprecedented decline in Japan's retail and hospitality sectors and its postponement of the 2020 Olympics.
- The Group is seeing demand for signing up new leases for its office properties
- Also looking at alternate use for the hotel properties and to divest some of these to reinvest in attractive deals should such opportunities arise.

JAPAN INVESTMENTS

*Outlook for 2020
& Effects of
Covid-19*



THE RIVERWALK OFFICE UNIT

EXPANSION OF INVESTMENT INTO SOUTHEAST ASIA

- Our commercial property in Singapore continues to provide a stable long-term recurring income for the Group.



- Focused on the distribution of global beauty, wellness and lifestyle brands.
- Selling to a range of online and offline retail channels.
- Supporting the sourcing needs of wholesalers, retailers and ecommerce players.
- Supplying interior decoration solutions to developers, designers, contractors and consumers.
- Key markets include Greater China, Southeast Asia and India

INVESTMENT IN LIFESTYLE DIVISION



ROBOMASTER S1



INVESTMENT IN LIFESTYLE DIVISION



INVESTMENT IN LIFESTYLE DIVISION
KEY MARKETS

GREATER CHINA
(INCLUDING HONG KONG)
SOUTHEAST ASIA
INDIA



LIFESTYLE CORE STRATEGY

BRAND DISTRIBUTION

- Focusing on three select beauty categories: fragrance, at-home beauty devices, niche skin & hair care
- Working with brands that have a differentiated positioning and fit Asian consumers' needs
- Building strong beauty channel relationships (both online and offline) to drive scale



CURRENTBODY
THE BEAUTY DEVICE EXPERTS

关注店铺 ♥

首页 所有商品 明星单品 护理需求 优选品牌 专属配件 品牌故事

天猫6.18 | CURRENTBODY
THE BEAUTY DEVICE EXPERTS

6.18 预售抢付尾款

限时至高赠千元豪礼

尾款支付时间: 6.01 01:00-6.03 24:00



Expanded into online retail, via a joint venture with UK-based CurrentBody.com, a global leader in at-home beauty device retail.

LIFESTYLE - CORE STRATEGY

E-COMMERCE RETAIL EXPANSION



- Ensuring the safety of our people and complying with local laws, our offices were closed during respective lockdown periods in each country.
- With staff working from home and limited new supplies, we continued to sell existing inventory via e-commerce channels, providing some cushioning against the impact of the crisis.
- The Group also leveraged its access and resources to supply critical health related items such as thermometers, masks, sanitisers and others from approved Chinese factories to global buyers at competitive prices, creating a new source of revenue.
- At the same time, government support including a two-month rent-free period in Shanghai and working capital from the Singapore Government Enterprise Financing Scheme helped alleviate the drop in business and cash flow.

INVESTMENT IN LIFESTYLE DIVISION *OPERATIONAL UPDATE & EFFECTS OF COVID-19*



INVESTMENT IN LIFESTYLE DIVISION

Outlook 2020

- With our Hong Kong office fully operational and our China business getting back to 'normal', the Group will continue to focus on managing our costs and capital commitments while improving cashflow.
- We will continue to manage our portfolio of brands and are cautiously considering new brands that fit our category and channel focus

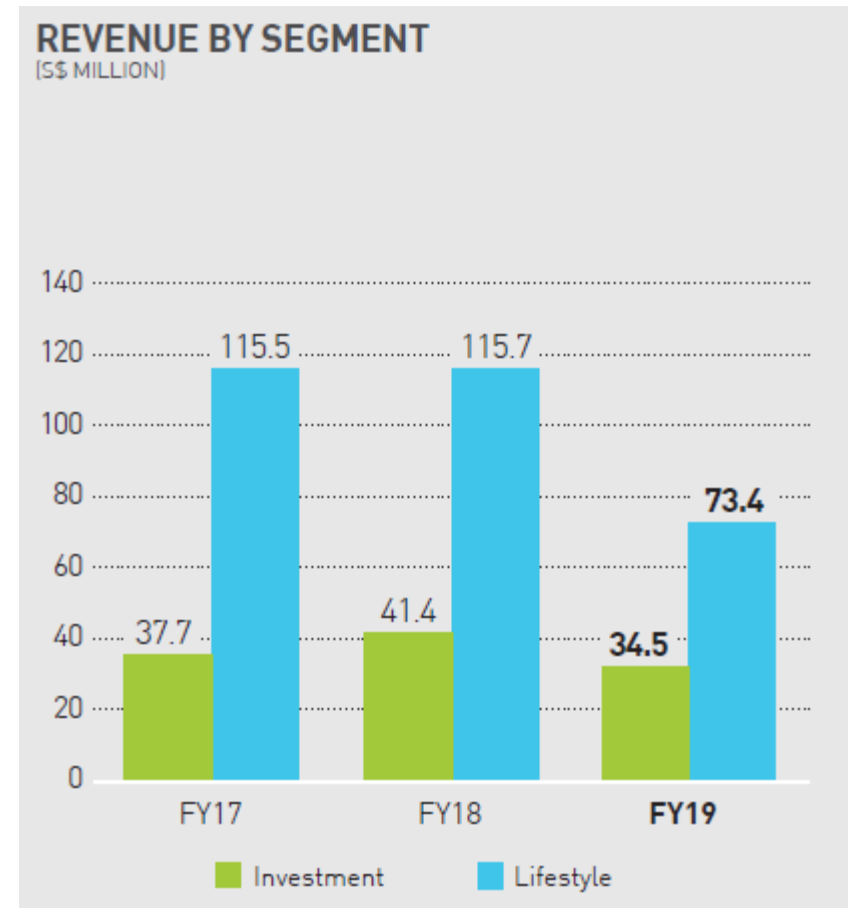
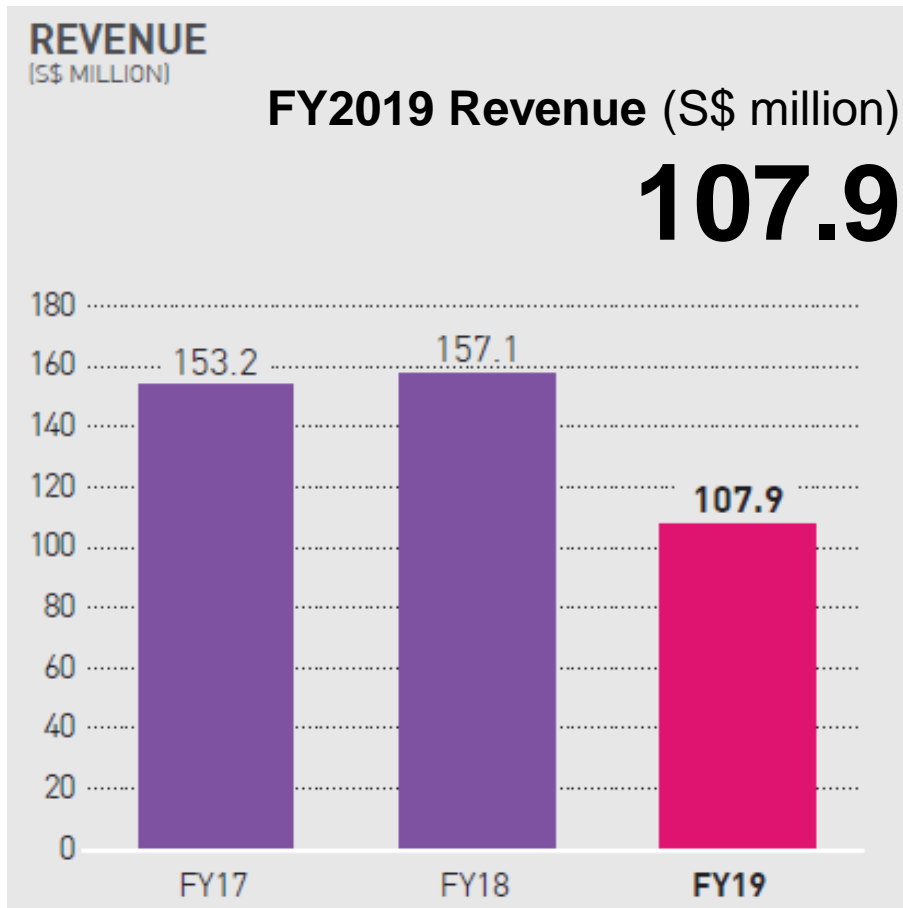


A BRIGHTER AND
SUSTAINABLE
FUTURE
—
VALUE FOR
SHAREHOLDERS

GROUP FINANCIAL RESULTS FY2019



GROUP FINANCIAL SNAPSHOT



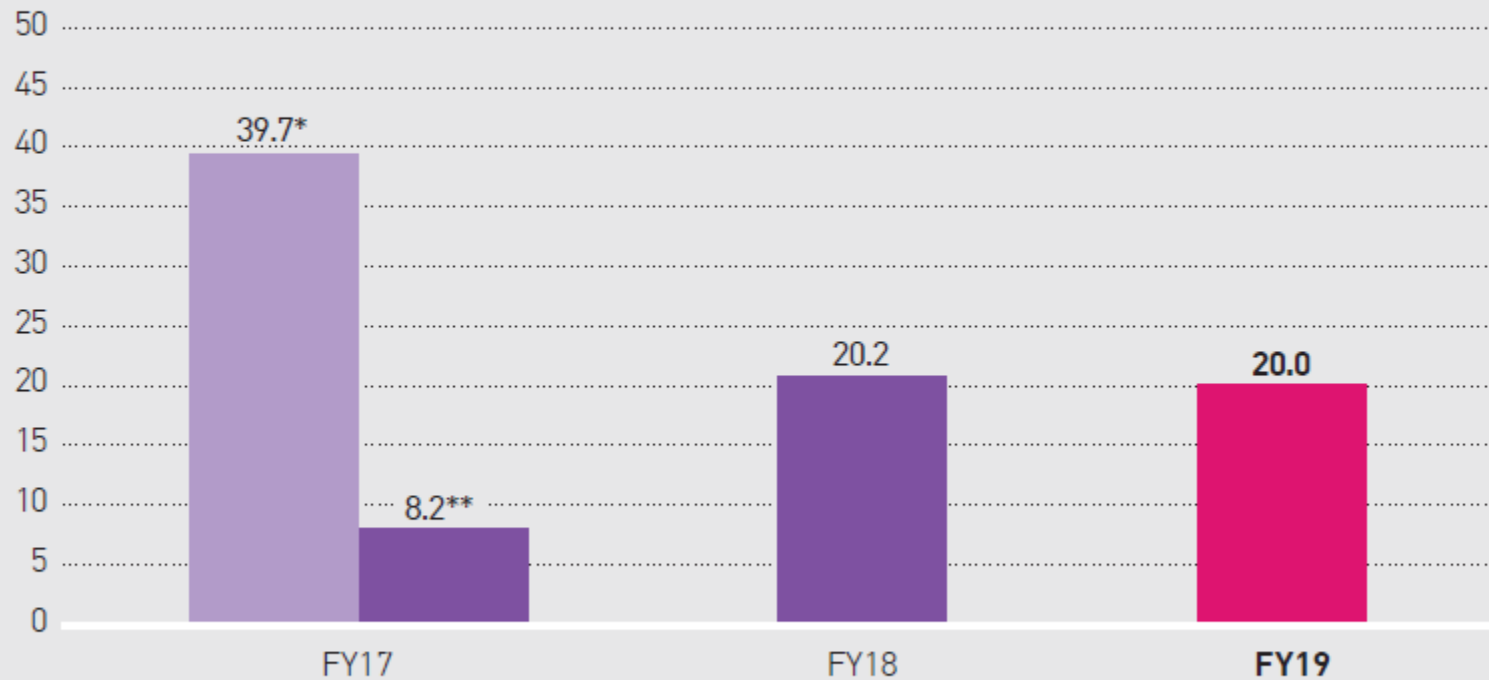


GROUP FINANCIAL SNAPSHOT

NET PROFIT
(S\$ MILLION)

FY2019 Net Profit (S\$ million)

20.0



* Includes gain from sale of warehouse properties in Hong Kong in FY17, net of related costs

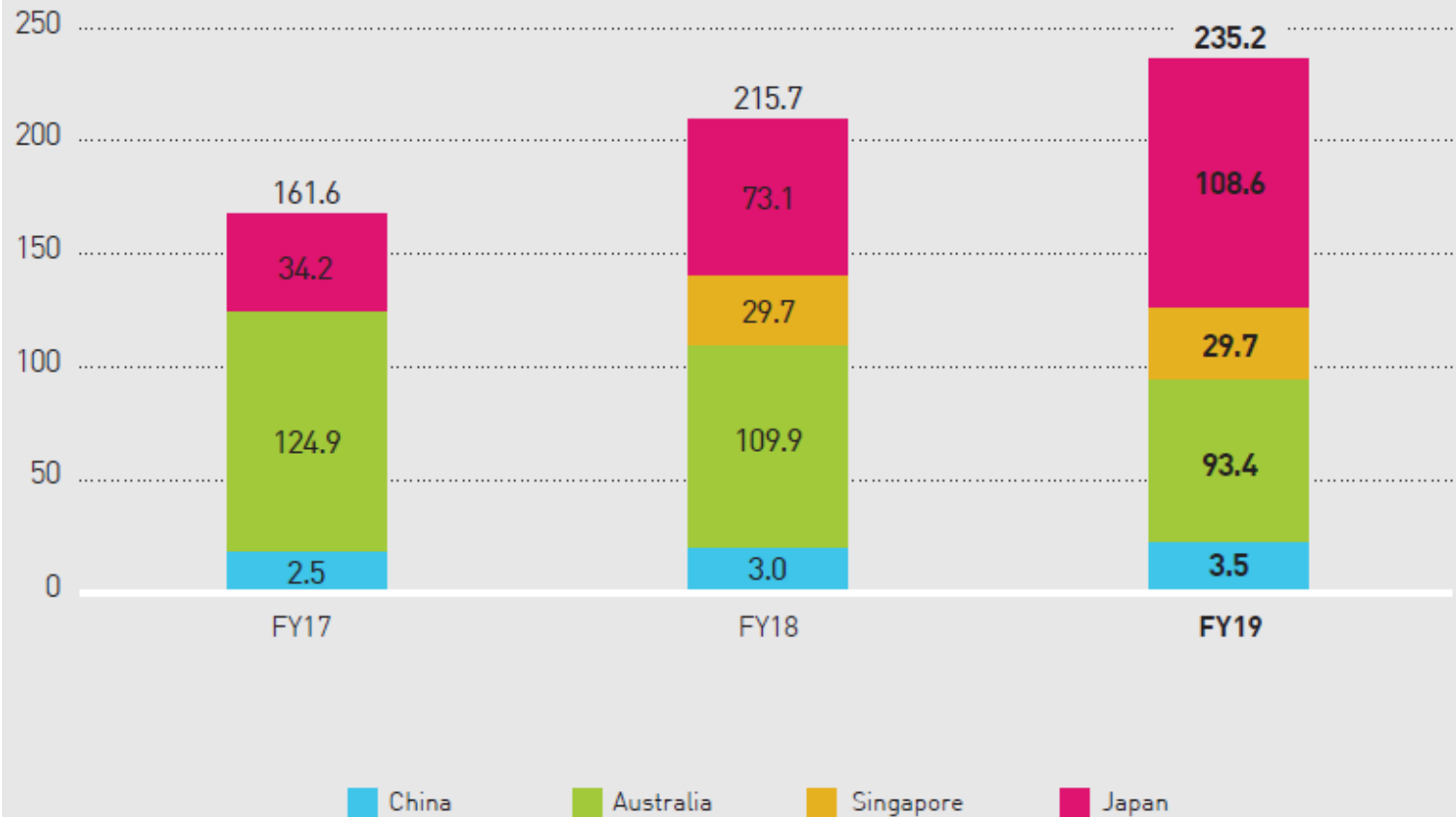
** Excludes net gain from sale of warehouse properties in Hong Kong in FY17



GROUP FINANCIAL SNAPSHOT

GEOGRAPHIC REAL ESTATE RELATED INVESTMENTS

[\$ MILLION]





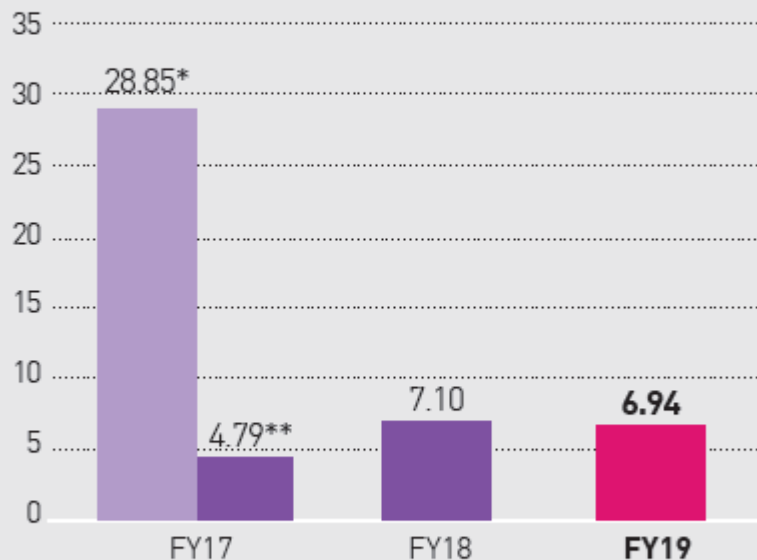
GROUP FINANCIAL SNAPSHOT

EARNINGS PER SHARE

(CENTS)

FY2019 - Earnings Per Share (cents)

6.94



* Includes gain from sale of warehouse properties in Hong Kong in FY17, net of related costs

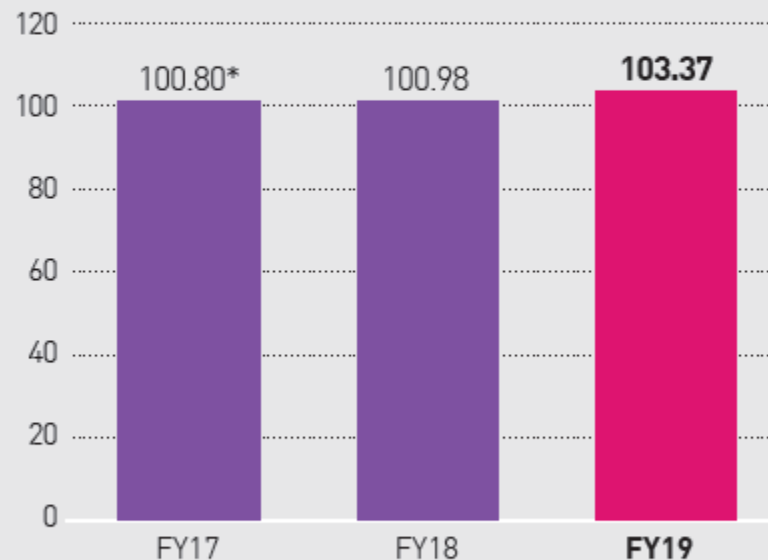
** Excludes net gain from sale of warehouse properties in Hong Kong in FY17

NET ASSET VALUE

(CENTS)

FY2019 - Net Asset Value (cents)

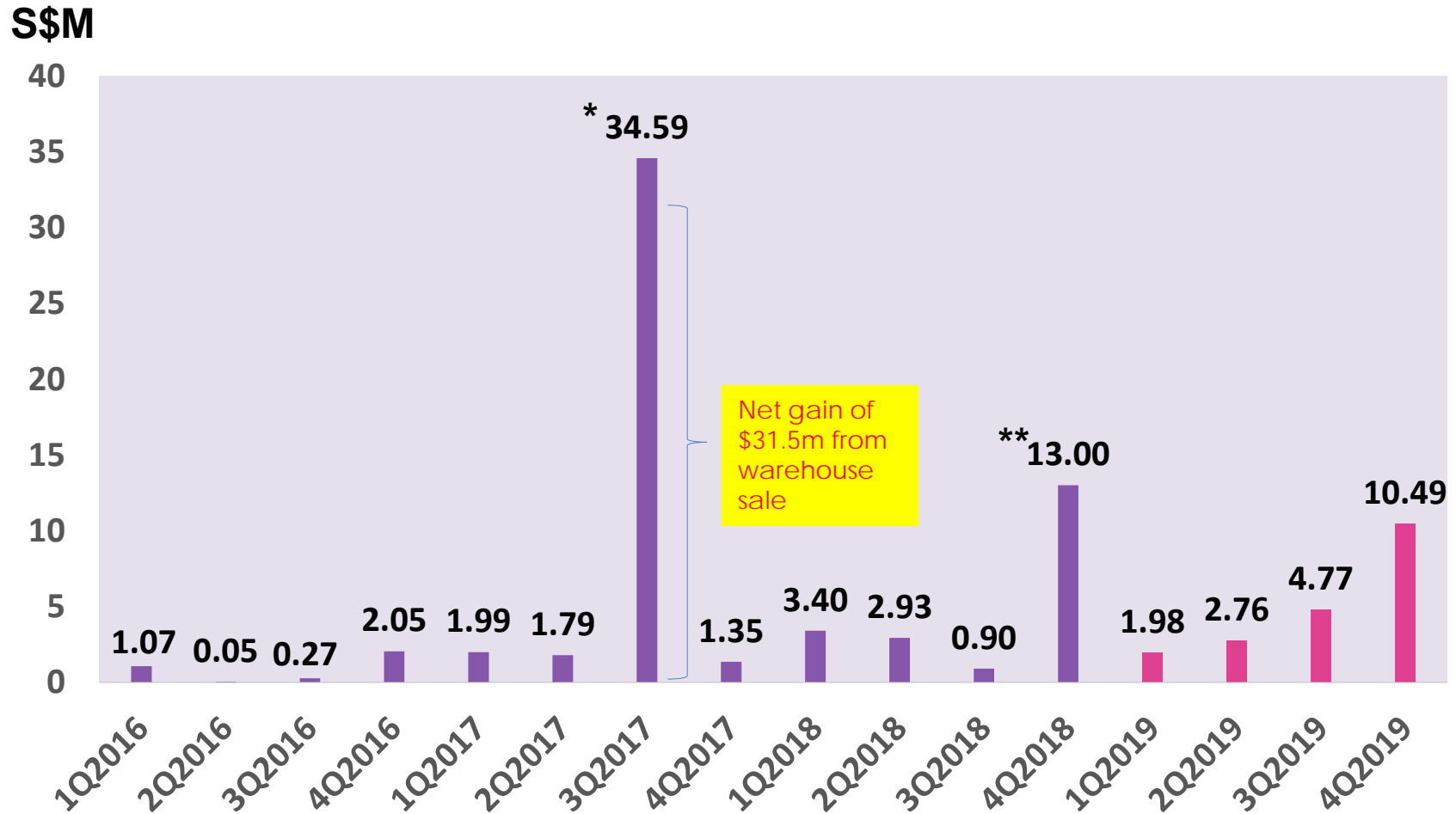
103.37



* Includes gain from sale of warehouse properties in Hong Kong in FY17



GROUP-SEQUENTIAL NET PROFIT



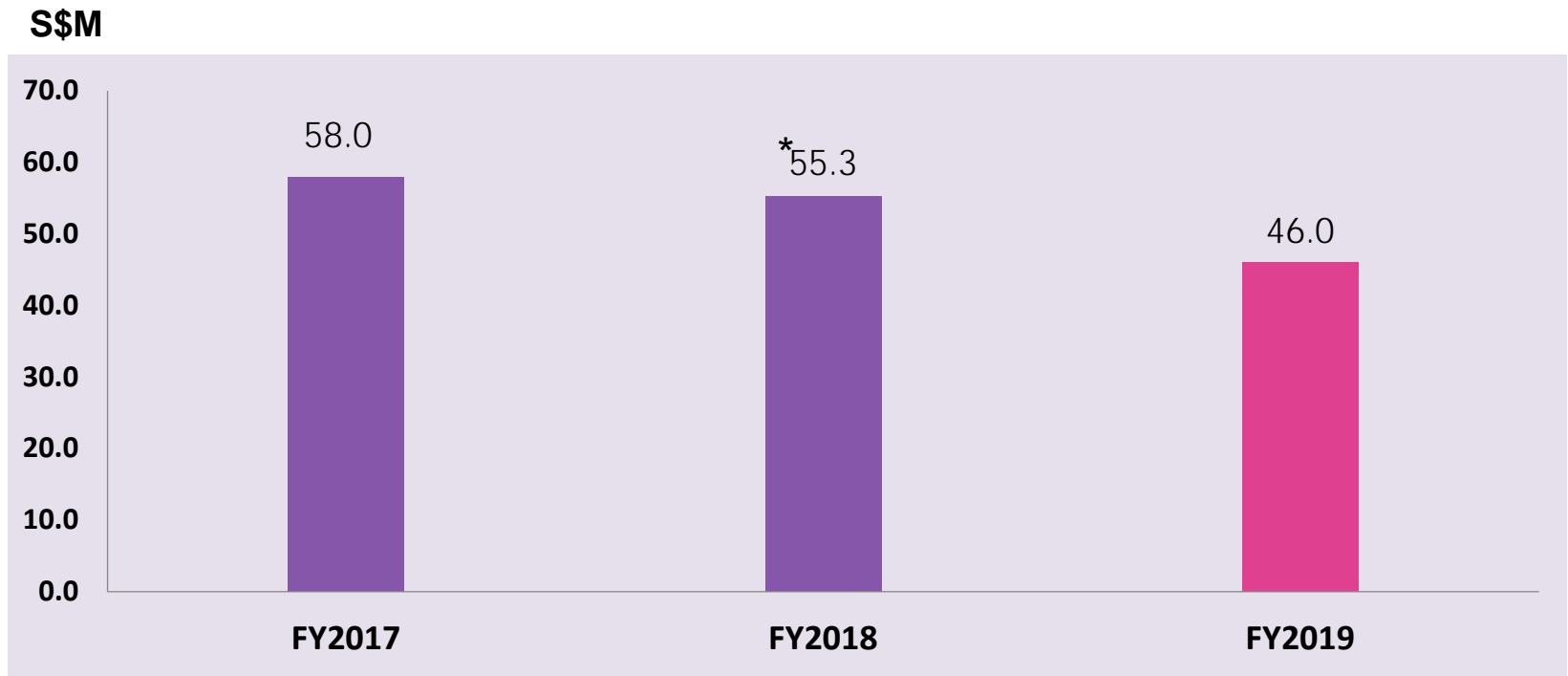
*Includes gain of S\$33.9 million from sale of warehouse properties in Hong Kong

**Enhancement in value from strong growth in the valuation of the Japanese Investments



GROUP DEBT

(incl. trust receipt and lease liabilities outstanding)



* Includes S\$21 million loan added upon acquisition of the Riverwalk office property



GROUP KEY FINANCIAL RATIOS

- Share Price : S\$0.42 (10 Jun 2020)
- PE Ratio : 6.05*
- Earnings/Share : 7 cents*
- Price/Revenue : 0.51 times*
- Shares Outstanding : 130.86m shares
- FY19 Dividend Yield : 8.20%
- 5-year NAV Growth : 40%

**Source: Bloomberg*



INVESTOR RELATIONS ACTIVITIES

- Quarterly (till FY2019) and half yearly (wef FY2020) announcements/press releases on financial performance
- Major corporate and business developments and material information – announcements/press releases
- Media interviews with major media organisations such as CNBC, The Edge and The Daily NNA, Japan
- Participation in SGX initiatives e.g. SGX Securities Market Open Event and SGX Research 10-in-10
- Annual Report
- Shareholder Queries
- General Meeting(s)
- Other IR-related matters



THANK YOU!

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