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STOCKLAND ENTERS INTO STRATEGIC CAPITAL PARTNERSHIP WITH SUPALAI

Stockland today announced a new capital partnership in its residential portfolio, with Thailand-based SET listed Supalai PLC investing \$52.5 million for a 50 per cent interest in Stockland's newest master-planned community, Katalia at 975 Donnybrook Road in Melbourne's north.

Stockland agreed to purchase the 89 hectare site in November 2019, for \$105 million on capital efficient terms, with parcel one expected to settle in FY21. Construction is due to commence in the coming months which will allow for the first settlements under the new joint venture to occur from July 2021, with Stockland's share of FFO to be recognised in FY22. Stockland will continue to manage the development and delivery of the community, including the delivery of infrastructure, and will receive an ongoing management fee from Supalai.

Supalai is a leading residential and commercial developer listed on the Bangkok Stock Exchange with a market capitalisation of approximately AU\$2 billion. The company was established in 1989, with its first investment in Australia in 2014, and has a reputation for developing over 200 high quality and award-winning residential communities and apartments outstanding across Thailand, and is recognised for outstanding performance.

Stockland CEO Communities, Andrew Whitson said: "I'm delighted to announce this partnership with Supalai, in line with our strategy to grow our capital base with quality capital partners.

"Supalai is a well-recognised developer with a strong track record and a shared desire to deliver leading, thriving communities and value creation through innovation in property.

"Partnerships like this enhance our project returns and balance sheet capacity, to invest in other growth opportunities across our diversified portfolio including our workplace and logistics development pipeline, and further re-stocking our residential pipeline."

Through the joint venture with Supalai, Stockland plans to develop approximately 1,500 affordable new homes at Katalia, in a desirable community with open spaces, a large recreation area and a proposed future school.

Mr Whitson continued: "We continue to see strong demand from first home buyers and young families, and with our focus on affordability, Katalia will provide additional opportunities for people to enter the property market when we launch the project together with Supalai in the coming months.

"Partnering with a highly regarded group like Supalai demonstrates the strength of our brand, scale and land bank. It also recognises our capabilities and track record growing our market share and delivering some of the best master-planned communities across the country."

Dr Prateep Tangmatitham, Chairman of the Board and CEO of Supalai PLC said that he was "equally delighted to be partnering with Stockland in this high quality, high profile development and looks forward to co-operating in future acquisitions with a view to developing a long-term partnership."

Supalai was represented in the transaction by Gersh Investment Partners Limited.

The Katalia project is located in Melbourne's northern growth corridor, which is one of the fastest growing corridors in Australia, will play a key role in Melbourne's future economic and employment growth and will be home to over 260,000 people in the next 30 years. The project is located within the approved Donnybrook/Woodstock Precinct Structure Plan, one kilometre east of the Donnybrook Train Station and 30 kilometres from the Melbourne CBD, and well connected to future jobs in the nearby metropolitan activity centre.

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About Stockland: Stockland (ASX: SGP) was founded in 1952 and has grown to become Australia's largest diversified property group – owning, developing and managing a large portfolio of shopping centres, residential communities, retirement living villages, office and industrial assets. Stockland is consistently recognised by the S&P Dow Jones Sustainability Indices (DJSI) as a global real estate leader, demonstrating world leadership across the areas of corporate governance, stakeholder engagement, climate strategy, social integration and regeneration and corporate citizenship. Stockland has been identified as a global leader for its actions and strategies in response to climate change and has been awarded a position on the Climate A List by CDP and recognised as the Regional Sector Leader for Diversified Property Companies on the Global Real Estate Sustainability Benchmark (GRESB). Stockland has also been recognised as an Employer of Choice for Gender Equality by the Australian Government's Workplace Gender Equality Agency (WGEA). www.stockland.com.au