Frasers Centrepoint Trust
(Constituted in the Republic of Singapore pursuant to a trust deed dated 5 June 2006)
(as amended, restated and supplemented)
managed by
FRASERS CENTREPOINT ASSET MANAGEMENT LTD.
CIRCULAR TO UNITHOLDERS IN RELATION TO:

(1) THE PROPOSED ARF TRANSACTION;
(2) THE PROPOSED EQUITY FUND RAISING;
(3) THE PROPOSED ISSUE AND PLACEMENT OF NEW UNITS TO THE SPONSOR GROUP UNDER THE PRIVATE PLACEMENT;
(4) THE PROPOSED WHITEWASH RESOLUTION; AND
(5) THE PROPOSED BEDOK POINT DIVESTMENT.

CIRCULAR DATED 3 SEPTEMBER 2020
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IMPORTANT DATES AND TIMES FOR UNITHOLDERS

Last date and time for pre-registration for Extraordinary General Meeting ("EGM")
: Friday, 25 September 2020 at 10.00 a.m.

Last date and time for submission of questions in advance and lodgement of Proxy Forms
: Friday, 25 September 2020 at 10.00 a.m.

Date and time of EGM convened and held by electronic means
: Monday, 28 September 2020 at 10.00 a.m.
OVERVIEW OF PROPOSED TRANSACTIONS

TRANSFORMATIVE PORTFOLIO EXPANSION
Fortifying Frasers Centrepoint Trust’s position as one of the largest suburban retail mall owners in Singapore

(I) PROPOSED ACQUISITION OF APPROXIMATELY 63.11% REMAINING INTEREST IN A PORTFOLIO OF 5 RETAIL MALLS (THE “ARF SINGAPORE RETAIL ASSETS”) AND 1 OFFICE PROPERTY

(II) PROPOSED DIVESTMENT OF BEDOK POINT (THE “BEDOK POINT DIVESTMENT”)

KEY STATISTICS

PROPOSED ARF ACQUISITION

<table>
<thead>
<tr>
<th>Properties</th>
<th>Valuation²</th>
<th>NLA</th>
<th>NPI Yield⁴</th>
<th>DPU Accretion (FY2019)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>S$3,066.0m</td>
<td>1,109,205 sq ft</td>
<td>5.0%³</td>
<td>8.59%⁵</td>
</tr>
</tbody>
</table>

PROPOSED BEDOK POINT DIVESTMENT

<table>
<thead>
<tr>
<th>Property</th>
<th>Valuation²</th>
<th>NLA</th>
<th>NPI Yield⁴</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>S$108.1m</td>
<td>82,713 sq ft</td>
<td>2.5%³</td>
</tr>
</tbody>
</table>

KEY FIGURES OF THE ENLARGED RETAIL PORTFOLIO⁷

<table>
<thead>
<tr>
<th>Malls</th>
<th>sq ft</th>
<th>Total Assets²</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>&gt;2.3m</td>
<td>S$6.65b</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Leases</th>
<th>Catchment Population⁶</th>
<th>Annual Visits⁹</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;1,500</td>
<td>3.0m</td>
<td>227m</td>
</tr>
</tbody>
</table>

¹ Portfolio of 5 retail malls and 1 office property in Singapore.
² Approximately the aggregate of the averages of the two independent valuations of each ARF Singapore Asset as at 1 August 2020.
³ NPI Yield for ARF Singapore Retail Assets only. Excludes Central Plaza.
⁴ NPI Yield calculated based on NPI for financial year ending 30 September 2019 (“FY2019”) and agreed property values of the ARF Singapore Retail Assets (in respect of the ARF Singapore Retail Assets) and Bedok Point Divestment Consideration (in respect of Bedok Point).
⁵ Pro forma effects of the proposed Transactions for FY2019. Refer to rationale 5 “DPU Accretive Transactions” in this gatefold for illustrative pro forma impact.
⁶ FCT’s total assets following the proposed ARF Transactions and the proposed Bedok Point Divestment. Total valuation for the Enlarged Retail Portfolio is S$6.1 billion.
⁷ Equivalent to 52% of Singapore population in 2020.
⁸ For FY2019.
⁹ The valuation of Bedok Point was conducted on the basis of Bedok Point as a redevelopment site, assuming that the change of use/re-zoning of Bedok Point to “Residential with Commercial on 1st Storey” is approved and the land lease can be topped up to 99 years subject to payment of lease renewal premium.

This section is qualified in its entirety by, and should be read in conjunction with, the full text of this Circular. The meaning of each capitalised term is found in the Glossary of this Circular.
<table>
<thead>
<tr>
<th>Property Name</th>
<th>Type</th>
<th>NLA $^{(sq. ft)}$</th>
<th>No. of Storeys</th>
<th>Committed Occupancy</th>
<th>Agreed Property Value</th>
<th>NPI Yield $^{(11)}$</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tiong Bahru Plaza</strong></td>
<td>Retail</td>
<td>214,708</td>
<td>4 storeys with 3 basement levels</td>
<td>97.4%</td>
<td>S$654.0 million</td>
<td>4.9%</td>
</tr>
<tr>
<td><strong>White Sands</strong></td>
<td>Retail</td>
<td>128,631 $^{(12)}$</td>
<td>5 storeys with 3 basement levels</td>
<td>97.7%</td>
<td>S$428.0 million</td>
<td>4.9%</td>
</tr>
<tr>
<td><strong>Hougang Mall</strong></td>
<td>Retail</td>
<td>150,593 $^{(13)}$</td>
<td>5 storeys with 2 basement levels</td>
<td>95.5%</td>
<td>S$432.0 million</td>
<td>5.0%</td>
</tr>
<tr>
<td><strong>Century Square</strong></td>
<td>Retail</td>
<td>202,446 $^{(14)}$</td>
<td>5 storeys with 3 basement levels</td>
<td>96.7%</td>
<td>S$574.0 million</td>
<td>5.1%</td>
</tr>
<tr>
<td><strong>Tampines 1</strong></td>
<td>Retail</td>
<td>268,577</td>
<td>5 storeys with 2 basement levels</td>
<td>91.9%</td>
<td>S$762.0 million</td>
<td>5.1%</td>
</tr>
<tr>
<td><strong>Central Plaza</strong></td>
<td>Office</td>
<td>144,250 $^{(15)}$</td>
<td>20 storeys with 3 basement levels</td>
<td>94.3%</td>
<td>S$215.0 million</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

$^{(10)}$ “NLA” refers to net lettable area and excludes Community Sports Facilities Scheme (“CSFS”) space.

$^{(11)}$ NPI Yield calculated based on NPI for financial year 2019.

$^{(12)}$ Excludes CSFS space of approximately 21,744 sq ft.

$^{(13)}$ Excludes CSFS space of approximately 15,767 sq ft.

$^{(14)}$ Excludes CSFS space of approximately 8,547 sq ft.

$^{(15)}$ Excludes CSFS space of approximately 28,355 sq ft.
Suburban Malls Remains an Attractive Asset Class

- Well-positioned to benefit from the Singapore Government’s plan to decentralise and grow regional and sub-regional centres
- The ARF Singapore Retail Assets are located in densely populated suburbs above or next to major transport nodes with strong catchment, and are complementary to FCT’s existing retail portfolio

3km Catchment of FCT Retail Malls and ARF Singapore Retail Assets

- Attractive dynamics and resilient with focus on Essential Services

Enlarged Retail Portfolio: Essential Services by GRI

- Higher tenant mix allocation to Essential Services compared to Central Malls.

Percentage of NLA Allocated to Essential Services

1 Represents 37% of Singapore population in 2020.
2 Based on projection by Independent Market Research Consultant.
3 Population in overlapping areas are only counted once.
4 As at 30 June 2020, on a pro forma basis.
5 Excludes Bedok Point.
6 The groupings of essential and non-essential services are based on Ministry of Trade and Industry’s press release on 21 April 2020. Note that the individual product group may not align perfectly to the announced essential services.
2 **Enlarged Scale with Portfolio Growth**

- Resilient portfolio well-positioned to deliver steady performance
- Increase in FCT’s market share of suburban retail floor space, making FCT one of Singapore’s largest suburban mall owners
- To rank amongst top 10 largest S-REITs by market capitalisation
  - Enhance FCT’s visibility among S-REITs and increase FCT’s relevance amongst global investors
  - Potential for higher constituent weightage in key indices like FTSE EPRA/NAREIT index
  - Potential to drive higher trading liquidity and broaden FCT’s unitholders base
- Strengthens FCT’s resilience and relevance with enlarged offerings to retailers and shoppers

![S-REITs Ranked by Market Capitalisation (S$ billion)](chart)

3 **Quality Portfolio with Improved Diversification**

- Diversified asset base with reduced concentration risk from any single asset
- Post proposed Transactions, no single asset represents more than 22% of the aggregate value of FCT’s Enlarged Retail Portfolio compared to around 30% now

![Pre proposed Transactions: Breakdown of Asset by Valuation](chart)

![Post proposed Transactions: Breakdown of Asset by Valuation](chart)

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22 Assumed merger of CMT and CCT is completed and the respective market capitalisation and free float figures are aggregated.
23 Assumed an Equity Fund Raising of S$1,300.0 million with the Sponsor Group subscribing for its pro-rata stake.
24 Illustrative market capitalisation of FCT (post-proposed Equity Fund Raising) is calculated as the sum of (a) market capitalisation of FCT from Bloomberg as at 28 August 2020, (b) assumed gross proceeds of S$1,300.0 million from the proposed Equity Fund Raising, and (c) the amount of ARF Acquisition Fee and Bedok Point Divestment Fee of S$19.3 million and S$0.5 million respectively.
25 Based on FCT’s proportionate interest in the properties as at 30 September 2019. Central Plaza excluded.
26 Based on FCT’s 36.9% interest in ARF.
27 Includes Yishun 10 Retail Podium.
28 Valuation based on 40.0% stake in SST. FCT owns 40% stake in SST which holds the interest in Waterway Point and the proportionate valuation is S$520.0m.
29 Assumes that the proposed ARF Acquisition and the proposed Bedok Point Divestment have taken place.
**Efficient Holding Structure**
- FCT to have full control of the ARF Singapore Retail Assets via an efficient structure allowing Unitholders to enjoy tax transparency

**Existing Structure**

- AsiaRetail Fund Limited 30%
- ARF Singapore PropCos & Century Square Holding Pte Ltd 100.0%
- ARF Singapore Assets 100.0%

**New Structure**

- Tax leakage of approx. S$4.7m

**DPU Accretive Transactions**

**FY2019 Pro forma**
- Distribution per Unit (Singapore cents)
  - Before the proposed ARF Transaction: 11.99
  - After the proposed ARF Acquisition and the proposed EFR: 12.98
  - After the proposed ARF Acquisition & the proposed Bedok Point Divestment and the proposed EFR: +8.59%

  - Distribution per Unit (Singapore cents)
  - Before the proposed ARF Transaction: 7.34
  - After the proposed ARF Acquisition and the proposed EFR: 7.31
  - After the proposed ARF Acquisition & the proposed Bedok Point Divestment and the proposed EFR: +0.40%

**9M2020 Pro forma**
- Distribution per Unit (Singapore cents)
  - Before the proposed ARF Transaction: 9.03
  - After the proposed ARF Acquisition and the proposed EFR: 9.44
  - After the proposed ARF Acquisition & the proposed Bedok Point Divestment and the proposed EFR: +4.72%

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30 Prior to 1 September 2020, AsiaRetail Fund Limited was known as PGIM Real Estate AsiaRetail Fund Limited.
31 Tax leakage of S$4.7m for FY2019, based on 36.9% proportionate interest in ARF.
32 The Manager is currently exploring how tax transparency can be achieved in respect of Century Square, including the transfer of Century Square to be held directly by FCT.
33 The pro forma financial effects of the proposed ARF Transaction, the proposed Equity Fund Raising and the proposed Bedok Point Divestment on the DPU, NAV per Unit and capitalisation presented below are strictly for illustrative purposes and are prepared based on FCT Group’s latest audited financial statements for FY2019 and FCT Group’s unaudited financial statements for 9M2020.
34 Excluded one-off rental rebates of S$18.9 million (net of asset and property management fees) disbursed to tenants by FCT for the period April 2020 to June 2020.
35 Excluded one-off rental rebates of S$36.5 million (net of asset and property management fees) disbursed to tenants by FCT and ARF for the period April 2020 to June 2020.
36 Calculated based on DPU of three decimal places.
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<td>Existing Interested Person Transactions</td>
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### NOTICE OF EXTRAORDINARY GENERAL MEETING

### PROXY FORM
CORPORATE INFORMATION

Directors of Frasers Centrepoint Asset Management Ltd. 
(the “Manager” and the directors, the “Directors”) 
: Dr Cheong Choong Kong 
(Chairman, Non-Executive and Independent Director) 
Mr Ho Chai Seng 
(Non-Executive and Independent Director) 
Mr Ho Chee Hwee Simon 
(Non-Executive and Non-Independent Director) 
Ms Koh Choon Fah 
(Non-Executive and Independent Director) 
Mr Low Chee Wah 
(Non-Executive and Non-Independent Director) 
Mr Christopher Tang Kok Kai 
(Non-Executive and Non-Independent Director)

Registered Office of the Manager: 438 Alexandra Road 
#21-00, Alexandra Point 
Singapore 119958 

Trustee of FCT (the “Trustee”): HSBC Institutional Trust Services (Singapore) Limited 
10 Marina Boulevard 
Marina Bay Financial Centre 
Tower 2 #48-01 
Singapore 018983

Legal Adviser for the proposed Transactions (as defined herein) and to the Manager: Allen & Gledhill LLP 
One Marina Boulevard #28-00 
Singapore 018989

Legal Adviser to the Manager in relation to the proposed ARF Transaction as to Malaysia Law: Rahmat Lim & Partners 
Suite 33.01, Level 33 
The Gardens North Tower 
Mid Valley City, Lingkaran Syed Putra 
59200 Kuala Lumpur, Malaysia

Joint Lead Managers and Underwriters for the proposed Equity Fund Raising (the “Joint Lead Managers and Underwriters”): DBS Bank Ltd. 
12 Marina Boulevard 
Marina Bay Financial Centre Tower 3 
Singapore 018982

Citigroup Global Markets Singapore Pte. Ltd. 
8 Marina View 
#21-00 Asia Square Tower 1 
Singapore 018960

Oversea-Chinese Banking Corporation Limited 
63 Chulia Street 
#10-00 
Singapore 049514
Legal Adviser to the Joint Lead Managers and Underwriters for the proposed Equity Fund Raising: Allen & Overy LLP
50 Collyer Quay
#09-01 OUE Bayfront
Singapore 049321

Legal Adviser to the Trustee: Shook Lin & Bok LLP
1 Robinson Road
#18-00 AIA Tower
Singapore 048542

Unit Registrar and Unit Transfer Office (the “Unit Registrar”): Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Independent Financial Adviser to the Independent Directors, the Audit, Risk and Compliance Committee of the Manager and to the Trustee (the “IFA”): Ernst & Young Corporate Finance Pte. Ltd.
One Raffles Quay
North Tower, Level 18
Singapore 048583

Independent Valuers: For the ARF Singapore Assets (as defined herein):

Colliers International Consultancy & Valuation (Singapore) Pte. Ltd. (“Colliers”) (appointed by the Trustee)
12 Marina View
#19-02 Asia Square Tower 2
Singapore 018961

Savills Valuation And Professional Services (S) Pte. Ltd. (“Savills Singapore”) (appointed by the Manager)
30 Cecil Street
#20-03 Prudential Tower
Singapore 049712

For the ARF Malaysia Asset (as defined herein):

Colliers International Consultancy & Valuation (Singapore) Pte. Ltd. (defined as “Colliers” above) (appointed by the Trustee)
12 Marina View
#19-02 Asia Square Tower 2
Singapore 018961

1 The valuation report in relation to the ARF Malaysia Asset to be issued to the Trustee will be jointly issued by Colliers and Rahim & Co.
Rahim & Co International Sdn Bhd ("Rahim & Co", and together with Colliers as independent valuers appointed by the Trustee, the “Trustee ARF Malaysian Asset Valuers”) (appointed by the Trustee)¹
Level 17, Menara Liberty, 1008 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia

Savills (Malaysia) Sdn Bhd ("Savills Malaysia") (appointed by the Manager)
Level 9, Menara Millenium, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia

For Bedok Point (as defined herein):

Jones Lang LaSalle Property Consultants Pte. Ltd. ("JLL")
(appointed by the Trustee)
1 Paya Lebar Link #10-08
Paya Lebar Quarter Tower 2
Singapore 408533

Colliers International Consultancy & Valuation (Singapore) Pte. Ltd.
(defined as "Colliers" above)
(appointed by the Manager)
12 Marina View
#19-02 Asia Square Tower 2
Singapore 018961

Independent Market Research Consultant (the “Independent Market Research Consultant”): Cistri Pte. Ltd.
6 Battery Road #15-05
Singapore 049909

¹ The valuation report in relation to the ARF Malaysia Asset to be issued to the Trustee will be jointly issued by Colliers and Rahim & Co.
SUMMARY

The following summary is qualified in its entirety by, and should be read in conjunction with, the full text of this Circular. Meanings of defined terms may be found in the Glossary on pages 90 to 99 of this Circular.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them. Unless otherwise stated, the S$ equivalent of the RM figures in this Circular have been arrived at based on an assumed exchange rate of S$1.00 : RM3.0676.

OVERVIEW

Overview of FCT

FCT is a leading developer-sponsored real estate investment trust (“REIT”). FCT’s property portfolio comprises the following suburban retail properties in Singapore: Causeway Point, Northpoint City North Wing (including Yishun 10 Retail Podium), Anchorpoint, YewTee Point, Bedok Point, Changi City Point and Waterway Point (40%-interest) (the “Existing Portfolio”). The Existing Portfolio has total assets of approximately S$3.7 billion as at 31 March 2020. FCT’s malls are strategically located in various established residential townships and have a large and diversified tenant base covering a wide variety of trade sectors. (See Appendix A of this Circular which provides further details on the Existing Portfolio.)

As at 28 August 2020, being the latest practicable date prior to the printing of this Circular (the “Latest Practicable Date”), FCT also holds an interest of approximately 36.89% in AsiaRetail Fund Limited (“ARF”). FCT has been acquiring shares in ARF over a period of time since 5 April 2019 with the most recent acquisition being completed on 6 July 2020. In addition, FCT also holds a 31.15% stake in Hektar Real Estate Investment Trust, a retail-focused REIT in Malaysia listed on the Main Market of Bursa Malaysia Securities Berhad.

FCT is focused on increasing Unitholder value by pursuing organic, enhancement and acquisition growth strategies. With proactive asset and lease management initiatives, FCT is well-positioned to achieve sustainable rental growth. To unlock the full potential of its assets, FCT continues to enhance existing assets to optimise their performance. The potential acquisitions of new assets will also help FCT gain greater scale and drive further income growth and diversification for Unitholders. Listed on the Main Board of the SGX-ST since 5 July 2006, FCT is managed by Frasers Centrepoint Asset Management Ltd., a real estate management company and a subsidiary of Frasers Property Limited, the sponsor of FCT (the “Sponsor”).

The Sponsor is a multi-national owner-operator-developer of real estate products and services across the property value chain. Listed on the Main Board of the SGX-ST and headquartered in Singapore, the Sponsor and its subsidiaries (the “Sponsor Group”) have total assets of approximately S$38.7 billion as at 31 March 2020.

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1 Prior to 1 September 2020, AsiaRetail Fund Limited was known as PGIM Real Estate AsiaRetail Fund Limited.

2 For further information on FCT’s acquisition of shares in ARF, please refer to the announcements issued by FCT on the SGXNET, including the announcements dated 28 February 2019, 21 March 2019, 5 April 2019, 26 April 2019, 2 July 2019, 1 October 2019, 30 June 2020 and 6 July 2020.
The Sponsor’s multi-national businesses operate across five asset classes, namely, residential, retail, commercial & business parks, industrial & logistics as well as hospitality. The Sponsor Group has businesses in Southeast Asia, Australia, Europe and China, and its well-established hospitality business owns and/or operates serviced apartments and hotels in over 70 cities across Asia, Australia, Europe, the Middle East and Africa.

SUMMARY OF APPROVALS SOUGHT

The Manager seeks approval from the Unitholders for:

(i) Resolution 1 (Ordinary Resolution\(^1\)): the proposed acquisition of approximately 63.11% of the total issued share capital of ARF (the “Sale Shares”) through:

   a. the acquisition of the Sale Shares (the “ARF Acquisition”) by FCT Holdings (Sigma) Pte. Ltd., a wholly-owned subsidiary of FCT (the “FCT ARF Purchaser”), from Frasers Property Investments (Bermuda) Limited (the “FPL ARF Vendor”), for a purchase consideration of approximately S$1,057.4 million (the “ARF Purchase Consideration”); which is subject to

   b. the divestment of 100% of the total issued share capital of Mallco Pte. Ltd. (the “Mallco Divestment”, and Mallco Pte. Ltd., “Mallco”), a wholly-owned subsidiary of ARF which holds a retail mall in Malaysia, being Setapak Central (the “ARF Malaysia Asset”) by ARMF (Mauritius) Limited (the “Mallco Vendor”), to Frasers Property Gold Pte. Ltd. (the “FPL Mallco Purchaser”) for a sale price of approximately S$39.7 million (the “Mallco Divestment Consideration”);

(ii) Resolution 2 (Ordinary Resolution): the proposed issue of up to 628,019,324 New Units under an equity fund raising (the “Equity Fund Raising”) to part-finance the Total Acquisition Cost (as defined herein) and to pare down existing indebtedness;

(iii) Resolution 3 (Ordinary Resolution): the proposed issue and placement of New Units to the Sponsor Group under the Private Placement (as defined herein) (the “Sponsor Placement”);

(iv) Resolution 4 (Ordinary Resolution): the proposed Whitewash Resolution; and

(v) Resolution 5 (Ordinary Resolution): FCT’s proposed divestment of a leasehold interest in the whole of the land lots 4710W, 4711V, 10529L and 10530N all of Mukim 27 together with the building erected thereon, situated at 799 New Upper Changi Road, Singapore 467351, currently known as Bedok Point (“Bedok Point”) to Chempaka Development Pte Ltd, a wholly-owned subsidiary of the Sponsor (the “Bedok Point Purchaser”, and the divestment of Bedok Point to the Bedok Point Purchaser, the “Bedok Point Divestment”), for a sale price of S$108.0 million (the “Bedok Point Divestment Consideration”),

(collectively, the “Transactions”).

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1 “Ordinary Resolution” refers to a resolution proposed and passed as such by a majority being greater than 50.0% of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed.
Unitholders should note that Resolution 1 (the proposed ARF Transaction), Resolution 2 (the proposed Equity Fund Raising) and Resolution 3 (the proposed Sponsor Placement) are inter-conditional. Resolution 1, Resolution 2 and Resolution 3 are also contingent upon the passing of Resolution 4 (the proposed Whitewash Resolution). Resolution 5 (the proposed Bedok Point Divestment) is contingent upon the passing of Resolution 1, Resolution 2, Resolution 3 and Resolution 4.

RESOLUTION 1: THE PROPOSED ARF TRANSACTION

Description of ARF and the ARF Assets

ARF is a private investment vehicle set up as a company incorporated in Bermuda. It is the largest non-listed retail mall fund in Singapore, owning five retail malls in Singapore (being Tiong Bahru Plaza, White Sands, Hougang Mall, Century Square and Tampines 1) (the “ARF Singapore Retail Assets”), one office property in Singapore (being Central Plaza) (together with the ARF Singapore Retail Assets, the “ARF Singapore Assets”) and one retail mall in Malaysia (being Setapak Central) (together with the ARF Singapore Assets, the “ARF Assets”). ARF does not invest and/or manage other businesses save for the ARF Assets. With effect from 1 September 2020, ARF is managed by Frasers Property Corporate Services (Singapore) Pte. Ltd., a wholly-owned subsidiary of the Sponsor. As highlighted above, as at the Latest Practicable Date, FCT holds an interest of approximately 36.89% in ARF through the FCT ARF Purchaser. The remaining approximately 63.11% of the interest in ARF is held by the Sponsor through the FPL ARF Vendor, a company incorporated in Bermuda and wholly-owned by the Sponsor.

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1 This reflects the commercial intention between FCT and the Sponsor that the Sponsor will only acquire Bedok Point if FCT acquires the Sale Shares.

2 Prior to 1 September 2020, ARF was managed by PGIM Real Estate, the real estate investment business of PGIM, Inc.
The following tables set out a summary of selected information on the ARF Assets as at 30 June 2020, unless otherwise stated.

<table>
<thead>
<tr>
<th>Proposed ARF Acquisition</th>
</tr>
</thead>
<tbody>
<tr>
<td>S/No</td>
</tr>
<tr>
<td>-----</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>3</td>
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<tr>
<td>4</td>
</tr>
<tr>
<td>5</td>
</tr>
<tr>
<td>6</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Notes:
(1) “GFA” refers to gross floor area.
(2) “sq ft” refers to square feet.
(3) “NLA” refers to net lettable area and excludes Community Sports Facilities Scheme (“CSFS”) space.
(4) “GRI” refers to gross rental income.
(5) Colliers relied on the capitalisation approach and a discounted cash flow analysis.
(6) Savills Singapore relied on the capitalisation approach and a discounted cash flow analysis.
(7) Total of 338 carpark lots are shared between Tiong Bahru Plaza and Central Plaza.
(8) Excludes CSFS space of approximately 21,744 sq ft.
(9) Excludes CSFS space of approximately 15,767 sq ft.
(10) Excludes CSFS space of approximately 8,547 sq ft.
(11) Excludes CSFS space of approximately 28,355 sq ft.
<table>
<thead>
<tr>
<th>S/No</th>
<th>Property</th>
<th>Location</th>
<th>Type</th>
<th>Title</th>
<th>Expiry</th>
<th>GFA (sq ft)</th>
<th>NLA (sq ft)</th>
<th>Number of Storeys</th>
<th>Number of Car Park Lots</th>
<th>Committed Occupancy</th>
<th>Weighted Average Lease Expiry (years)</th>
<th>Valuation by Trustee ARF Malaysian Asset Valuers (as at 1 August 2020) (million(1))</th>
<th>Valuation by Savills Malaysia (as at 1 August 2020) (million(2))</th>
<th>Agreed Property Value (million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Setapak Central</td>
<td>No. 67, Jalan Taman Ibu Kota, Taman Danau Kota, Setapak, 53300 Kuala Lumpur, Malaysia</td>
<td>Retail</td>
<td>Leasehold</td>
<td>20 November 2010</td>
<td>1,087,295</td>
<td>512,806</td>
<td>3-storeys with 1 basement level</td>
<td>1,069</td>
<td>98.3%</td>
<td>0.92</td>
<td>0.80</td>
<td>RM300.0 (approximately S$97.8)</td>
<td>RM335.0 (approximately S$109.2)</td>
</tr>
</tbody>
</table>

**Notes:**

1. The Trustee ARF Malaysian Asset Valuers relied on the investment method.
2. Savills Malaysia relied on the investment method.
ARF Sale and Purchase Agreement and Mallco Share Sale Agreement

On 3 September 2020, the FCT ARF Purchaser and the Manager entered into a sale and purchase agreement with the FPL ARF Vendor (the “ARF Sale and Purchase Agreement”) to acquire the Sale Shares from the FPL ARF Vendor.

On the same date, the Mallco Vendor, a wholly-owned subsidiary of ARF and an entity in which FCT has an interest of approximately 36.89% through ARF and the FCT ARF Purchaser, and the Trustee entered into a sale and purchase agreement with the FPL Mallco Purchaser, a wholly-owned subsidiary of the Sponsor (the “Mallco Share Sale Agreement”), in relation to the proposed Mallco Divestment, which will be completed prior to the completion of the proposed ARF Acquisition (“ARF Acquisition Completion”).

Upon completion of the proposed Mallco Divestment and the proposed ARF Acquisition (the “ARF Transaction”), FCT will hold a 100% interest in ARF without Mallco.

(See paragraphs 2.10 and 2.11 of the Letter to Unitholders for further details.)

ARF Purchase Consideration and Valuation

ARF Singapore Assets

The Trustee has commissioned an independent valuer, Colliers, and the Manager has commissioned an independent valuer, Savills Singapore, to respectively value each of the ARF Singapore Assets.

The agreed property value for the ARF Singapore Assets, which was negotiated on a willing-buyer and willing-seller basis with reference to the independent valuations by Colliers and Savills Singapore (collectively, the “Singapore ARF Independent Valuers”), is S$3,065.0 million (the “ARF Singapore Assets Agreed Property Value”) and is approximately the aggregate of the averages of the two independent valuations of each ARF Singapore Asset1 of S$3,066.0 million as at 1 August 2020.

ARF Purchase Consideration

The ARF Purchase Consideration payable to the FPL ARF Vendor under the ARF Sale and Purchase Agreement of approximately S$1,057.4 million is equivalent to the proportionate amount of the adjusted net asset value of ARF (the “ARF NAV”)2 (as at 30 June 2020, being the last calendar date of the most recently completed quarter prior to the signing of the ARF Sale and Purchase Agreement) attributable to the Sale Shares, being approximately 63.11% of the total issued share capital of ARF, less the amount of dividends and distributions declared by ARF in respect of the Sale Shares in relation to the period from 1 April 2020 to 30 June 2020 and paid to the FPL ARF Vendor3.

(See Appendix C of this Circular for further details regarding the valuation of the ARF Assets.)

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1 Please refer to the respective tables for each of the ARF Singapore Assets under paragraph 2.2 of the Letter to Unitholders, which sets out a comparison of the agreed property value against the two independent valuations in respect of each of the ARF Singapore Assets and the valuation methods.

2 The ARF NAV as at 30 June 2020 takes into account both the ARF Singapore Assets Agreed Property Value and the ARF Malaysia Asset Agreed Property Value.

3 For the avoidance of doubt: (i) the FPL ARF Vendor and the FCT ARF Purchaser will be entitled to their proportionate share of dividends and distributions declared by ARF for the period from 1 July 2020 up to (and including) the date of the ARF Acquisition Completion and (ii) the FPL ARF Vendor shall be entitled to any increase in the profit reserves in respect of the Sale Shares (which has not been declared by ARF as dividends or distributions pursuant to (i) above, and after relevant adjustments so as not to take into account any fair value changes in investment properties and any non-cash items) in relation to the period from 1 July 2020 up to (and including) the ARF Acquisition Completion.
Estimated Total Acquisition Cost

The estimated total cost of the proposed ARF Acquisition (the “Total Acquisition Cost”) is approximately S$1,108.8 million, comprising:

(i) the ARF Purchase Consideration of approximately S$1,057.4 million;

(ii) the acquisition fee¹ payable to the Manager for the proposed ARF Acquisition (the “ARF Acquisition Fee”) pursuant to the trust deed dated 5 June 2006 constituting FCT (as amended, restated and supplemented) (the “Trust Deed”) of approximately S$19.3 million²; and

(iii) the estimated stamp duties, professional and other fees and expenses incurred or to be incurred by FCT in connection with the proposed ARF Acquisition and the proposed Equity Fund Raising of approximately S$32.1 million.

Method of Financing

The Manager intends to finance the Total Acquisition Cost (excluding the ARF Acquisition Fee Units) through the net proceeds from the proposed Equity Fund Raising. Additionally, as the completion of the proposed Mallco Divestment will take place prior to the ARF Acquisition Completion, the ARF Purchase Consideration payable will be reduced by the amount of the Mallco Divestment Consideration.

The final decision regarding the amount of equity to be employed to fund the Total Acquisition Cost will be made by the Manager at the appropriate time taking into account the then prevailing market conditions to provide overall distribution per Unit (“DPU”) accretion to Unitholders, while maintaining an optimum level of leverage.

(See paragraph 2.7 of the Letter to Unitholders for further details.)

Payment of the ARF Acquisition Fee in Units

The Manager shall be paid the ARF Acquisition Fee of approximately S$19.3 million for the proposed ARF Acquisition pursuant to the Trust Deed. As the proposed ARF Acquisition is an “interested party transaction” under the Property Funds Appendix, the ARF Acquisition Fee will be in the form of Units which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

Based on an illustrative issue price of S$2.22 per ARF Acquisition Fee Unit, the number of ARF Acquisition Fee Units to be issued shall be approximately 8,713,512 Units.

Mallco Divestment Consideration and Valuation

The Trustee has commissioned the Trustee ARF Malaysian Asset Valuers as independent valuers, and the Manager has commissioned an independent valuer, Savills Malaysia, to respectively value the ARF Malaysia Asset.

¹ As the proposed ARF Acquisition is an “interested party transaction” under Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the “MAS”, and Appendix 6, the “Property Funds Appendix”), the ARF Acquisition Fee will be in the form of Units (“ARF Acquisition Fee Units”) which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

² The ARF Acquisition Fee is 1.0% of the proportionate amount of the ARF Singapore Assets Agreed Property Value attributable to the Sale Shares, being approximately 63.11% of the total issued share capital of ARF.
The agreed property value for the ARF Malaysia Asset, which was negotiated on a willing-buyer and willing-seller basis with reference to the independent valuations by the Trustee ARF Malaysian Asset Valuers and Savills Malaysia (collectively, the “Malaysia ARF Independent Valuers”, and together with the Singapore ARF Independent Valuers, the “ARF Independent Valuers”), is RM318.0 million (approximately S$103.7 million) (the “ARF Malaysia Asset Agreed Property Value”) and is approximately the average of the two independent valuations of the ARF Malaysia Asset\(^1\) of RM317.5 million (approximately S$103.5 million) as at 1 August 2020.

The Mallco Divestment Consideration payable by the FPL Mallco Purchaser under the Mallco Sale Agreement of approximately S$39.7 million takes into account:

(i) the adjusted net asset value of Mallco and its subsidiaries of approximately S$4.5 million (based on the *pro forma* completion statement of Mallco and its subsidiaries as at 30 June 2020) which takes into account the ARF Malaysia Asset Agreed Property Value of RM318.0 million (approximately S$103.7 million); and

(ii) the estimated amount for the assignment of an existing shareholder’s loan to the FPL Mallco Purchaser, of which the aggregate principal amount owed by Mallco is approximately S$35.2 million.

The Mallco Divestment Consideration will be subject to further completion adjustments based on the actual aggregate net assets and liabilities of Mallco and its subsidiaries as at the date of completion of the proposed Mallco Divestment.

**Estimated Mallco Divestment Cost**

The estimated cost of the proposed Mallco Divestment (the “Mallco Divestment Cost”) is approximately S$0.1 million, comprising the estimated professional and other fees and expenses incurred or to be incurred by the Mallco Vendor in connection with the proposed Mallco Divestment.

**Conversion to LLP**

As soon as practicable following the ARF Acquisition Completion, the intention is to convert ARMF (TBP) Private Limited, ARMF (Central Plaza) Pte. Ltd., ARMF (Whitesands) Pte. Ltd., ARMF (Hougang Mall) Pte. Ltd. and ARMF II (Tampines) Pte. Ltd., being the Singapore property-holding companies of Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1 respectively (the “ARF Singapore PropCos”), to limited liability partnerships (the “ARF Singapore Prop LLPs”) pursuant to Section 21 of the Limited Liability Partnerships Act, Chapter 163A of Singapore (the “LLP Conversion”). The LLP Conversion would allow Unitholders to enjoy tax transparency treatment on FCT’s income from Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1. The income generated from Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1 will not be subject to corporate income tax at the ARF Singapore Prop LLPs level as a limited liability partnership is tax transparent for Singapore tax purposes.

As Century Square’s property holding company, Century Square Holding Pte Ltd, is the Singapore branch of a Mauritius-incorporated company, the Manager is currently exploring how tax transparency can be achieved in respect of Century Square, including the transfer of Century Square to be held directly by FCT.

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\(^1\) Please refer to the table for the ARF Malaysia Asset under paragraph 2.3 of the Letter to Unitholders, which sets out a comparison of the agreed property value against the two independent valuations in respect of the ARF Malaysia Asset and the valuation methods.
Interested Person Transaction and Interested Party Transaction

As at the Latest Practicable Date, the Sponsor holds, through its wholly-owned subsidiaries, Frasers Property Retail Trust Holdings Pte. Ltd. (“FPRTH”) and the Manager, an aggregate interest in 409,430,348 Units, which is equivalent to approximately 36.57% of the total number of Units in issue as at the Latest Practicable Date (the “Existing Units”), and is therefore regarded as a “controlling Unitholder” of FCT under the listing manual of the SGX-ST (the “Listing Manual”) and the Property Funds Appendix. In addition, as the Manager is a wholly-owned subsidiary of the Sponsor, the Sponsor is therefore regarded as a “controlling shareholder” of the Manager under both the Listing Manual and the Property Funds Appendix.

In relation to the proposed ARF Acquisition, as the FPL ARF Vendor is a wholly-owned subsidiary of the Sponsor, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the FPL ARF Vendor (being a subsidiary of a “controlling Unitholder” of FCT and a subsidiary of a “controlling shareholder” of the Manager) is an “interested person” (for the purposes of the Listing Manual) and an “interested party” (for the purposes of the Property Funds Appendix) of FCT. Therefore, the proposed ARF Acquisition is an “interested person transaction” under Chapter 9 of the Listing Manual, as well as an “interested party transaction” under the Property Funds Appendix.

In relation to the proposed Mallco Divestment, as the FPL Mallco Purchaser is a wholly-owned subsidiary of the Sponsor, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the FPL Mallco Purchaser (being a subsidiary of a “controlling Unitholder” of FCT and a subsidiary of a “controlling shareholder” of the Manager) is an “interested person” (for the purposes of the Listing Manual) and an “interested party” (for the purposes of the Property Funds Appendix) of FCT. Therefore, the proposed Mallco Divestment is an “interested person transaction” under Chapter 9 of the Listing Manual, as well as an “interested party transaction” under the Property Funds Appendix.

(See paragraph 10.1 of the Letter to Unitholders for further details.)

RESOLUTION 2: THE PROPOSED EQUITY FUND RAISING

The Manager is seeking Unitholders’ approval for the proposed issue of up to 628,019,324 new Units (the “New Units”) (representing approximately 56.1% of the Existing Units), pursuant to the proposed Equity Fund Raising as required by Rule 805(1) of the Listing Manual.

Based on an illustrative issue price of S$2.22 per New Unit (the “Illustrative Issue Price”), the proposed Equity Fund Raising is expected to raise gross proceeds of up to approximately S$1,394.2 million. The net proceeds of the proposed Equity Fund Raising will be used to part-finance the Total Acquisition Cost and to pare down existing indebtedness.

The structure and timing of the proposed Equity Fund Raising have not been determined by the Manager. If and when the Manager decides to undertake the proposed Equity Fund Raising, the proposed Equity Fund Raising may, at the Manager’s absolute discretion and subject to the then prevailing market conditions, comprise:

(i) a private placement of New Units to institutional and other investors (the “Private Placement”); and/or

(ii) a non-renounceable preferential offering of New Units to the existing Unitholders on a pro rata basis (the “Preferential Offering”, and the New Units to be issued pursuant to the Preferential Offering, the “Preferential Offering Units”).

1 For the avoidance of doubt, the Private Placement is inclusive of the proposed Sponsor Placement.
The structure and timing of the proposed Equity Fund Raising and the issue price of the New Units (the “Issue Price”) will be determined in accordance with, among others, Chapter 8 of the Listing Manual. The Issue Price will comply with Rules 811(1) and 811(5) of the Listing Manual, and will not be at more than a 10.0% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the underwriting agreement between the Manager and the Joint Lead Managers and Underwriters (the “Underwriting Agreement”) is signed, or (if trading in the Units is not available for a full market day) for trades done on the SGX-ST for the preceding market day up to the time the Underwriting Agreement is signed, excluding (where applicable) declared distributions, provided that the holders of the New Units are not entitled to the declared distributions. The Underwriting Agreement is anticipated to be signed upon the terms of the proposed Equity Fund Raising being agreed upon, which will be after receipt of the approval of the relevant resolutions by the Unitholders at the EGM.

On 3 September 2020, the SGX-ST granted its approval in-principle for the listing and quotation of the New Units on the Main Board of the SGX-ST, subject to certain conditions which are further set out in paragraph 3.5 of this Letter to Unitholders.

The Issue Price of the New Units issued under the Private Placement may differ from the Issue Price of the New Units issued under the Preferential Offering.

The Manager will announce the details of the proposed Equity Fund Raising on the SGXNET at the appropriate time when it launches the proposed Equity Fund Raising in such structure and at such time as may be agreed with the Joint Lead Managers and Underwriters.

**Commitment of the Sponsor**

To demonstrate its support for FCT, the Sponsor, which, through its wholly-owned subsidiaries, FPRTH and the Manager (in its own capacity) (the “Relevant Entities”), owns 409,430,348 Units as at the Latest Practicable Date representing approximately 36.57% of the total number of Existing Units, has provided to the Manager and the Joint Lead Managers and Underwriters an irrevocable undertaking (the “Sponsor Irrevocable Undertaking”) that, among other things, in the event that the proposed Equity Fund Raising includes a Preferential Offering:

(i) subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST), and in any case not later than the last day for acceptance of the Preferential Offering Units, it will procure the Relevant Entities to accept and subscribe for the Relevant Entities’ total provisional allotment of the Preferential Offering Units (the “Allotted Preferential Offering Units”); and

(ii) it will, in addition to paragraph (i) above, procure that the Relevant Entities make excess applications for up to 245,123,341 additional Preferential Offering Units (the “Excess Preferential Offering Units”), above the Allotted Preferential Offering Units, which are not taken up by other Unitholders and subscribe for such Excess Preferential Offering Units allotted to the Relevant Entities, such that the total number of Allotted Preferential Offering Units and Excess Preferential Offering Units applied for by the Relevant Entities is equivalent to 100% of the total number of Preferential Offering Units (i.e. the Sponsor, through the Relevant Entities, will take up any remaining Preferential Offering Units not taken up by the other Unitholders). For the avoidance of doubt, the Relevant Entities, among others, will rank last in the allocation of Excess Preferential Offering Units applications. (See paragraph 3.2 of the Letter to Unitholders for further details.)
Use of Proceeds and Set-Off Mechanism

The Manager intends to utilise the net proceeds from the proposed Equity Fund Raising to part-finance the Total Acquisition Cost of S$1,108.8 million and the balance to pare down existing indebtedness, with the ARF Acquisition Fee to be funded by the issuance of the ARF Acquisition Fee Units.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, utilise the net proceeds of the proposed Equity Fund Raising at its absolute discretion for other purposes, including without limitation, to fund capital expenditures.

The Manager will make periodic announcements on the utilisation of the net proceeds of the proposed Equity Fund Raising via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where proceeds are to be used for working capital purposes, the Manager will disclose a breakdown with specific details on the use of proceeds for working capital in FCT’s announcements on the use of proceeds and in FCT’s annual report and where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such a deviation.

Pending the deployment of the net proceeds of the proposed Equity Fund Raising, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or be used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

Further details pertaining to the use of proceeds of the proposed Equity Fund Raising (including details on the final percentage allocation for each use) will be announced at the appropriate time.

In the event that the proposed Equity Fund Raising includes a Preferential Offering, pursuant to the ARF Sale and Purchase Agreement, the ARF Purchase Consideration that the FCT ARF Purchaser is required to pay will be reduced by the total issue price of the Units to be subscribed by the Relevant Entities under the Preferential Offering pursuant to the terms of the Sponsor Irrevocable Undertaking (the “FPL Subscription Amount”). Therefore, it would not be necessary for the Sponsor to fund the FPL Subscription Amount.

(See paragraph 3.3 of the Letter to Unitholders for further details.)

Consequential Adjustment to Distribution Period and Status of New Units

FCT’s policy is to distribute its distributable income on a half-yearly basis to Unitholders.

However, in the event that the proposed Equity Fund Raising includes a Private Placement, the Manager may decide to make adjustments to the distribution period which may include, among others, a cumulative distribution, an advanced distribution or such other plans to ensure fairness to existing Unitholders holding Units on the day immediately prior to the date on which the New Units are issued under the Private Placement.

In the event that the Manager undertakes a Preferential Offering, the New Units issued in connection with the Preferential Offering will, upon issue and allotment, rank pari passu in all respects with the Units in issue on the day immediately prior to the date on which the New Units are issued under the Preferential Offering, including the right to any distributions which may accrue prior to the issuance of the New Units under the Preferential Offering.

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1 FCT announced the change to half-yearly reporting of financial results and to half-yearly distributions on 13 May 2020, following the amendments to Rule 705(2) of the Listing Manual which took effect from 7 February 2020.
Further details pertaining to any adjustments to the distribution period, if any, and the status of the New Units issued pursuant to the proposed Equity Fund Raising will be announced at the appropriate time.

**RESOLUTION 3: THE PROPOSED SPONSOR PLACEMENT**

In the event that the proposed Equity Fund Raising includes a Private Placement, to provide a higher degree of certainty for the successful completion of the Private Placement and to enable the Sponsor Group to be in a position to support FCT and align its interest with the Unitholders, the Manager is seeking Unitholders’ approval for the proposed Sponsor Placement, as part of the Private Placement.

Pursuant to the Sponsor Irrevocable Undertaking, the Sponsor has also undertaken that should the Sponsor Group be offered New Units under the proposed Sponsor Placement, the Sponsor Group will subscribe for such number of New Units under the Private Placement up to its proportionate pre-placement unitholdings in FCT. The Sponsor Group’s percentage unitholdings in FCT will not increase after the completion of the Private Placement.

The New Units placed to the Sponsor Group under the proposed Sponsor Placement will be issued at the same price as the New Units issued to other investors under the Private Placement.

The Manager believes that the size of the Sponsor Group’s unitholdings in FCT provides a degree of stability to FCT as an investment vehicle, and allowing New Units to be placed to the Sponsor Group would help to maintain such stability, which is to the benefit of Unitholders.

(See paragraph 4 of the Letter to Unitholders for further details.)

**Interested Person Transaction and Rule 812 of the Listing Manual**

As stated above, as at the Latest Practicable Date, the Sponsor is regarded as a “controlling Unitholder” of FCT and a “controlling shareholder” of the Manager under the Listing Manual. Accordingly, the Sponsor’s subsidiaries are associates of a “controlling Unitholder” of FCT and a “controlling shareholder” of the Manager under the Listing Manual.

Therefore, for the purposes of Chapter 9 of the Listing Manual, the Sponsor and its subsidiaries are each an “interested person” of FCT and the proposed Sponsor Placement is an “interested person transaction” under Chapter 9 of the Listing Manual.

If such number of New Units are placed to the Sponsor Group pursuant to the Private Placement in order for the Sponsor Group to maintain its proportionate pre-placement unitholdings, there is a possibility (depending on the actual Issue Price and the number of New Units placed under the proposed Sponsor Placement) that the value of New Units placed to the Sponsor Group may exceed 5.0% of FCT’s latest audited net tangible assets (“NTA”) or net asset value (“NAV”). In such circumstances, under Rule 906(1)(a) of the Listing Manual, the Manager is required to seek the approval of Unitholders for the placement of New Units to the Sponsor Group.

Pursuant to Rule 805(1) of the Listing Manual, the Manager is seeking the specific approval of Unitholders for the issue of the New Units to the Sponsor Group under the Private Placement.

Under Rule 812(2) of the Listing Manual, Unitholders’ approval by way of Ordinary Resolution is required for placement of the New Units to the Sponsor Group. This is because the Sponsor is a Substantial Unitholder of FCT. The Sponsor and its associates are prohibited from voting on the resolution to permit such a placement of the New Units to the Sponsor Group.

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1 The Sponsor Placement will apply to any upsize option to issue additional New Units under the Private Placement which may be exercised by the Manager.

2 “Substantial Unitholder” refers to a person with an interest in Units constituting not less than 5.0% of all Existing Units.
RATIONALE FOR THE PROPOSED ARF TRANSACTION AND THE PROPOSED EQUITY FUND RAISING (INCLUDING THE PROPOSED SPONSOR PLACEMENT)

The Manager believes that the proposed ARF Transaction and the proposed Equity Fund Raising (including the proposed Sponsor Placement) represents a rare opportunity for FCT to increase its number of retail properties from 7 to 11 and substantially increase its retail NLA to 2.3 million square feet, making FCT one of Singapore’s largest suburban mall owners. The increase in FCT’s market capitalisation post the proposed Equity Fund Raising is expected to elevate FCT to among the top ten Singapore REITs (“S-REIT”) by market capitalisation. The suburban retail sector in Singapore has demonstrated its relevance and resilience during this COVID-19 pandemic, and the Manager believes this transaction will bring the following key benefits to Unitholders:

(i) Suburban Malls Remains an Attractive Asset Class

(a) Suburban malls are well-positioned to benefit from the Singapore Government’s plan to decentralise and grow regional and sub-regional centres

(b) The ARF Singapore Retail Assets are located in densely populated suburbs above or next to major transport nodes with strong catchment, and are complementary to FCT’s existing portfolio

(c) Suburban malls have attractive dynamics and are resilient as they focus on Essential Services

(d) The suburban regions in Singapore have a lower retail space per capita compared with the national average of about 6.4 sq ft per capita which is comparatively lower than regional cities like Hong Kong and Kuala Lumpur

(ii) Enlarged Scale

(a) FCT’s portfolio is resilient and well-positioned to deliver steady performance

(b) The increase in market capitalisation post the proposed Equity Fund Raising potentially places FCT amongst the top ten largest S-REITs by market capitalisation and free float, with the potential for higher constituent weightage in key indices like the FTSE EPRA/NAREIT Index

(c) With the addition of the ARF Singapore Retail Assets to its portfolio, FCT will be amongst the largest suburban mall owners in Singapore

(d) Increase in FCT’s portfolio of malls from 7 to 11 following the completion of the proposed Transactions will strengthen FCT’s ability to offer more options to retailers and shoppers

(iii) Quality Portfolio with Improved Diversification

(a) Reduced concentration risk from any single asset

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1 The groupings of essential and non-essential services are based on Ministry of Trade and Industry’s press release on 21 April 2020. Note that the individual product group may not align perfectly to the announced Essential Services.
(iv) Efficient Holding Structure

(a) After the proposed ARF Transaction and LLP Conversion, the ARF Singapore Assets\(^1\) will be held via a structure that would allow Unitholders to enjoy tax transparency.

(v) DPU Accretive

(See paragraph 5 of the Letter to Unitholders for further details.)

**RESOLUTION 4: THE PROPOSED WHITEWASH RESOLUTION**

**Waiver of the Singapore Code on Take-overs and Mergers**

The Securities Industry Council ("SIC") has on 20 August 2020 granted a waiver (the "SIC Waiver") to the Relevant Entities of the requirement for the Relevant Entities to make a mandatory offer (the “Mandatory Offer”) for the remaining Units not owned or controlled by the Relevant Entities, in the event that they incur an obligation to make a Mandatory Offer pursuant to Rule 14 of the Singapore Code on Take-overs and Mergers (the “Code”) as a result of the subscription by the Relevant Entities of the Preferential Offering Units (the “Sponsor Preferential Offering Units”) in accordance with the terms of the Sponsor Irrevocable Undertaking, subject to the satisfaction of the conditions specified in the SIC Waiver (as set out in paragraph 6.2 of the Letter to Unitholders) including the Unitholders other than the Relevant Entities and the parties acting in concert with them (the “Concert Party Group”) and parties not independent of them (the “Independent Unitholders”) approving a resolution (the “Whitewash Resolution”) by way of a poll to waive their rights to receive a general offer for their Units from the Relevant Entities.

In addition to the taking up by the Relevant Entities of their pro rata entitlements to the Preferential Offering, the Sponsor has, subject to and conditional upon the approval of the proposed Whitewash Resolution by the Independent Unitholders, irrevocably undertaken to procure the Relevant Entities to apply for the Excess Preferential Offering Units. The exact percentage increase of the Concert Party Group’s aggregate Unitholding in FCT (“Unitholding”) will depend on the overall level of acceptances and excess applications by Unitholders for the Preferential Offering as according to Rule 877(10) of the Listing Manual, the Relevant Entities, among others, will rank last in the allocation of Excess Preferential Offering Unit applications. The Concert Party Group’s percentage Unitholding after the Preferential Offering will therefore vary depending on the final allocation of the Excess Preferential Offering Units applied for.

Rule 14.1(b) of the Code states that the Concert Party Group would be required to make a Mandatory Offer, if the Concert Party Group holds not less than 30.0% but not more than 50.0% of the voting rights of FCT and the Concert Party Group acquires in any period of six months additional Units which carry more than 1.0% of the voting rights of FCT. If the Concert Party Group’s percentage Unitholding after the Preferential Offering increases by more than 1.0% as a result of any allocation further to the application of the Relevant Entities for the Excess Preferential Offering Units, the Concert Party Group would then be required to make a Mandatory Offer unless waived by the SIC. A waiver is accordingly sought by the Relevant Entities and the SIC Waiver was granted subject to the satisfaction of the conditions specified in the SIC Waiver (as set out in paragraph 6.2 of the Letter to Unitholders), including the proposed Whitewash Resolution being approved by Independent Unitholders by way of a poll at the EGM.

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\(^1\) The Manager is currently exploring how tax transparency can be achieved in respect of Century Square, including the transfer of Century Square to be held directly by FCT.
Accordingly, the Manager is seeking approval from the Independent Unit holders for a waiver of their right to receive a Mandatory Offer from the Relevant Entities, in the event that they incur an obligation to make a Mandatory Offer as a result of the subscription by the Relevant Entities of the Excess Preferential Offering Units in accordance with the terms of the Sponsor Irrevocable Undertaking.

**Rationale for the Proposed Whitewash Resolution**

The proposed Whitewash Resolution is to enable the subscription by the Relevant Entities of the Excess Preferential Offering Units in accordance with the terms of the Sponsor Irrevocable Undertaking.

The application for the Excess Preferential Offering Units pursuant to the Sponsor Irrevocable Undertaking demonstrates the Sponsor’s support for and confidence in the Preferential Offering and its long-term commitment to FCT, and will further enhance the chances of a successful Preferential Offering.

**RESOLUTION 5: THE PROPOSED BEDOK POINT DIVESTMENT**

**Description of Bedok Point**

Bedok Point is located in the town centre of Bedok, which is one of the largest residential estates in Singapore by population. The mall is well-served by the nearby Bedok Mass Rapid Transit (“MRT”) station and the Bedok bus interchange. Bedok Point has five retail levels (including one basement level) and one basement car park and offers an array of restaurants, food outlets, enrichment centres, retail and service offerings.

The following table sets out a summary of selected information on Bedok Point as at 30 June 2020, unless otherwise stated.

<table>
<thead>
<tr>
<th>Location</th>
<th>799 New Upper Changi Road, Singapore 467351</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title</td>
<td>Leasehold title expiring on 14 March 2077</td>
</tr>
<tr>
<td>GFA (sq ft)</td>
<td>133,597</td>
</tr>
<tr>
<td>NLA (sq ft)</td>
<td>82,713</td>
</tr>
<tr>
<td>Number of Storeys</td>
<td>Five retail levels (including one basement level) and one basement car park</td>
</tr>
<tr>
<td>Number of Car Park Lots</td>
<td>76</td>
</tr>
<tr>
<td>Committed Occupancy</td>
<td>92.0%</td>
</tr>
</tbody>
</table>
| Weighted Average Lease Expiry (years) | By GRI: 1.17    
  |                                                               | By NLA: 1.60          |
| Independent Valuation by JLL (as at 1 August 2020) | S$108.9 million |
| Independent Valuation by Colliers (as at 1 August 2020) | S$107.2 million |
| Bedok Point Divestment Consideration(2) | S$108.0 million |
Bedok Point Put and Call Option Agreement

On 3 September 2020, the Trustee entered into a put and call option agreement with the Bedok Point Purchaser (the “Bedok Point Put and Call Option Agreement”) in relation to the proposed Bedok Point Divestment. Pursuant to the Bedok Point Put and Call Option Agreement, the Bedok Point Purchaser and the Trustee are required to enter into a sale and purchase agreement for Bedok Point, the form of which is appended to the Bedok Point Put and Call Option Agreement (the “Bedok Point Purchase Agreement”), on the day the Bedok Point Call Option (as defined herein) is exercised by the Bedok Point Purchaser, or on the day the Bedok Point Put Option (as defined herein) is exercised by the Trustee (as the case may be).

(See paragraph 7.5 of the Letter to Unitholders for further details.)

Bedok Point Divestment Consideration and Valuation

The Trustee has commissioned an independent valuer, JLL, and the Manager has commissioned an independent valuer, Colliers, to respectively value Bedok Point. JLL, in its report dated 1 August 2020, stated that the open market value of Bedok Point as at 1 August 2020 was S$108.9 million. Colliers, in its report dated 1 August 2020, stated that the open market value of Bedok Point as at 1 August 2020 was S$107.2 million.

In arriving at the open market values of Bedok Point, both JLL and Colliers relied on the comparison method and residual method. Additionally, the valuation of Bedok Point was conducted on the basis of Bedok Point as a redevelopment site, assuming that the change of use/re-zoning of Bedok Point to “Residential with Commercial on 1st Storey” is approved and the land lease can be topped up to 99 years subject to payment of lease renewal premium.

The Bedok Point Divestment Consideration is S$108.0 million, which was negotiated on a willing-buyer and willing-seller basis after taking into account the independent valuations of Bedok Point and represents approximately the average of the two independent valuations of Bedok Point of S$108.1 million.

On 3 September 2020, which is the date the Trustee and the Bedok Point Purchaser entered into the Bedok Point Put and Call Option Agreement, the Bedok Point Purchaser had paid to the Trustee an option fee of S$1.00 (the “Bedok Point Option Fee”) (which shall be applied towards payment of the Bedok Point Divestment Consideration upon exercise of the Bedok Point Put Option or the Bedok Point Call Option (as the case may be)) and the balance of the Bedok Point Divestment Consideration shall be paid by the Bedok Point Purchaser to the Trustee and/or such other person as the Trustee may direct on completion of the proposed Bedok Point Divestment (the “Bedok Point Divestment Completion”).

(See Appendix C of this Circular for further details regarding the valuation of Bedok Point.)
Estimated Total Bedok Point Divestment Cost

The estimated total cost of the proposed Bedok Point Divestment (the “Total Bedok Point Divestment Cost”) is approximately S$0.8 million, comprising:

(i) the divestment fee¹ payable to the Manager for the proposed Bedok Point Divestment (the “Bedok Point Divestment Fee”) pursuant to the Trust Deed of approximately S$0.5 million (being 0.5% of the Bedok Point Divestment Consideration); and

(ii) the estimated professional and other fees and expenses incurred or to be incurred by FCT in connection with the proposed Bedok Point Divestment of approximately S$0.3 million.

Use of Bedok Point Divestment Proceeds

The net proceeds from the proposed Bedok Point Divestment of approximately S$107.7 million may be used to repay debt, finance any capital expenditure and asset enhancement works and/or to finance general corporate and working capital requirements.

Interested Person Transaction and Interested Party Transaction

As the Bedok Point Purchaser is a wholly-owned subsidiary of the Sponsor, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the Bedok Point Purchaser (being a subsidiary of a “controlling Unitholder” of FCT and a subsidiary of a “controlling shareholder” of the Manager) is an “interested person” (for the purposes of the Listing Manual) and an “interested party” (for the purposes of the Property Funds Appendix) of FCT. Therefore, the proposed Bedok Point Divestment is an “interested person transaction” under Chapter 9 of the Listing Manual, as well as an “interested party transaction” under the Property Funds Appendix.

(See paragraph 10.1 of the Letter to Unitholders for further details.)

Payment of Bedok Point Divestment Fee in Units

The Manager shall be paid the Bedok Point Divestment Fee of approximately S$0.5 million (being 0.5% of the Bedok Point Divestment Consideration) for the proposed Bedok Point Divestment pursuant to the Trust Deed. As the proposed Bedok Point Divestment is an “interested party transaction” under the Property Funds Appendix, the Bedok Point Divestment Fee will be in the form of Units which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

Based on an illustrative issue price of S$2.22 per Bedok Point Divestment Fee Unit, the number of Bedok Point Divestment Fee Units to be issued shall be approximately 243,243 Units.

¹ As the proposed Bedok Point Divestment is an “interested party transaction” under the Property Funds Appendix, the Bedok Point Divestment Fee will be in the form of Units (the “Bedok Point Divestment Fee Units”) which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.
RATIONALE FOR THE PROPOSED BEDOK POINT DIVESTMENT

The Manager believes that the proposed Bedok Point Divestment will benefit Unitholders as it is in line with the Manager’s proactive portfolio management strategy¹, allowing FCT to unlock value and redeploy it to acquire higher yielding assets with larger scale.

(See paragraph 8 of the Letter to Unitholders for further details.)

¹ The Manager regularly reviews the property portfolio of FCT as part of its proactive portfolio management strategy and where the Manager considers that any property has reached a stage where its divestment is in the interest of Unitholders, the Manager may recommend the divestment and redeploy the divestment proceeds into the acquisition of properties that meet its investment criteria.
INDICATIVE TIMETABLE

Any changes to the timetable below will be announced.

<table>
<thead>
<tr>
<th>Event</th>
<th>Date and Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Last date and time for pre-registration for EGM</td>
<td>25 September 2020 at 10.00 a.m.</td>
</tr>
<tr>
<td>Last date and time for lodgement of Proxy Forms</td>
<td>25 September 2020 at 10.00 a.m.</td>
</tr>
<tr>
<td>Date and time of the EGM</td>
<td>28 September 2020 at 10.00 a.m.</td>
</tr>
</tbody>
</table>

If the approvals sought at the EGM are obtained, the Manager will work with the Joint Lead Managers and Underwriters for the proposed Equity Fund Raising to determine the most appropriate time to launch the proposed Equity Fund Raising.
To: The Unitholders of Frasers Centrepoint Trust

Dear Sir/Madam

1. **SUMMARY OF APPROVALS SOUGHT**

The Manager is convening the EGM to seek Unitholders’ approval for:

(i) **Resolution 1**: the proposed ARF Transaction (Ordinary Resolution);

(ii) **Resolution 2**: the proposed Equity Fund Raising (Ordinary Resolution);

(iii) **Resolution 3**: the proposed Sponsor Placement (Ordinary Resolution);

(iv) **Resolution 4**: the proposed Whitewash Resolution (Ordinary Resolution); and

(v) **Resolution 5**: the proposed Bedok Point Divestment (Ordinary Resolution).

Unitholders should note that Resolution 1 (the proposed ARF Transaction), Resolution 2 (the proposed Equity Fund Raising) and Resolution 3 (the proposed Sponsor Placement) are inter-conditional. Resolution 1, Resolution 2 and Resolution 3 are also contingent upon the passing of Resolution 4 (the proposed Whitewash Resolution). Resolution 5 (the proposed Bedok Point Divestment) is contingent upon the passing of Resolution 1, Resolution 2, Resolution 3 and Resolution 4.

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1 This reflects the commercial intention between FCT and the Sponsor that the Sponsor will only acquire Bedok Point if FCT acquires the Sale Shares.
2. RESOLUTION 1: THE PROPOSED ARF TRANSACTION

2.1 Description of ARF

ARF is a private investment vehicle set up as a company incorporated in Bermuda. It is the largest non-listed retail mall fund in Singapore, owning five retail malls in Singapore (being Tiong Bahru Plaza, White Sands, Hougang Mall, Century Square and Tampines 1), one office property in Singapore (being Central Plaza) and one retail mall in Malaysia (being Setapak Central). ARF does not invest and/or manage other businesses save for the ARF Assets. With effect from 1 September 2020, ARF is managed by Frasers Property Corporate Services (Singapore) Pte. Ltd., a wholly-owned subsidiary of the Sponsor.\(^1\) As highlighted above, as at the Latest Practicable Date, FCT holds an interest of approximately 36.89% in ARF through the FCT ARF Purchaser. The remaining approximately 63.11% of the interest in ARF is held by the Sponsor through the FPL ARF Vendor, a company incorporated in Bermuda and wholly-owned by the Sponsor.

Further details on each of the ARF Assets are set out in the subsequent pages.

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\(^1\) Prior to 1 September 2020, ARF was managed by PGIM Real Estate, the real estate investment business of PGIM, Inc.
2.2 Description of the ARF Singapore Assets in relation to the proposed ARF Acquisition

Tiong Bahru Plaza

302 Tiong Bahru Road, Tiong Bahru Plaza, Singapore 168732

Description

Tiong Bahru Plaza features communal spaces for residents and shoppers to mingle. Refreshed to capture both the characteristics of the old neighbourhood and the new hip factor, to indulge both the young and old, Tiong Bahru Plaza is your perfect hang out spot.

It includes an open terrace on level 4, an open plaza at level 1 to showcase flea markets, music performances, movie screenings and more. On level 3, a bird-shaped playground design inspired by iconic mosaic ones from the past entertains the young while retaining a heritage charm.

Tiong Bahru Plaza is a destination mall that offers an array of food & beverage ("F&B") establishments and shopping options, serving the needs of residents around the vicinity, business executives from Central Plaza offices and students from the neighbouring schools. Tiong Bahru Plaza has undergone several asset enhancement and refurbishment works, with the latest completed in December 2016.

Located in the centre of the city area amidst the charming Tiong Bahru estate, the mall is easily accessible as it is situated above the Tiong Bahru MRT station on the East West line.
The table below sets out a summary of selected information on Tiong Bahru Plaza as at 30 June 2020, unless otherwise stated.

<table>
<thead>
<tr>
<th>Title</th>
<th>99-year leasehold title expiring on 31 August 2090</th>
</tr>
</thead>
<tbody>
<tr>
<td>GFA (sq ft)</td>
<td>317,001</td>
</tr>
<tr>
<td>NLA (sq ft)</td>
<td>214,708</td>
</tr>
<tr>
<td>Number of Storeys</td>
<td>4-storeys with 3 basement levels</td>
</tr>
<tr>
<td>Number of Car Park Lots</td>
<td>338(^{(1)})</td>
</tr>
<tr>
<td>Committed Occupancy</td>
<td>97.4%</td>
</tr>
<tr>
<td>Weighted Average Lease Expiry (years)</td>
<td>By GRI: 1.93</td>
</tr>
<tr>
<td></td>
<td>By NLA: 2.11</td>
</tr>
<tr>
<td>Independent Valuation by Colliers (as at 1 August 2020)(^{(2)})</td>
<td>S$660.0 million</td>
</tr>
<tr>
<td>Independent Valuation by Savills Singapore (as at 1 August 2020)(^{(3)})</td>
<td>S$639.0 million</td>
</tr>
<tr>
<td>Agreed Property Value</td>
<td>S$654.0 million</td>
</tr>
<tr>
<td>Premium/Discount of Agreed Property Value to Independent Valuation by Colliers</td>
<td>-0.9%</td>
</tr>
<tr>
<td>Premium/Discount of Agreed Property Value to Independent Valuation by Savills Singapore</td>
<td>2.3%</td>
</tr>
<tr>
<td>Agreed Property Value per sq ft of NLA</td>
<td>S$3,046</td>
</tr>
<tr>
<td>NPI(^{(1)}) (FY2019(^{(2)}))</td>
<td>S$32.1 million</td>
</tr>
<tr>
<td>NPI Yield (FY2019) Based on Agreed Property Value</td>
<td>4.9%</td>
</tr>
</tbody>
</table>

Notes:

(1) Total of 338 carpark lots are shared between Tiong Bahru Plaza and Central Plaza.
(2) Colliers relied on the capitalisation approach and a discounted cash flow analysis.
(3) Savills Singapore relied on the capitalisation approach and a discounted cash flow analysis.

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1 "NPI" refers to net property income.
2 “FY2019” refers to the financial year ended 30 September 2019.
White Sands

1 Pasir Ris Central Street 3, White Sands, Singapore 518457

Description

White Sands comprises of 6 levels of exciting lifestyle and dining options. Shoppers can pamper themselves with an array of offerings from food items, basic fashion, books, beauty products and more to complete their vacation and daily needs.

Situated within the recreational zone along the eastern coastline of Singapore, White Sands is a popular shopping destination among weekend holiday makers and shoppers. It is the mall of choice for many of those residing in the East, located close to the Pasir Ris MRT station, offering Tampines and Pasir Ris residents the convenience of a one-stop shopping mall in an upbeat retail environment, with a focus on a healthy and active lifestyle.

Apart from being a popular everyday shopping destination for the community, the mall is also a favourite and convenient stopover for National Servicemen as part of their journey to and from the Pulau Tekong training camp.

The most recent asset enhancement and refurbishment works to White Sands was completed in the first quarter of 2016.
The table below sets out a summary of selected information on White Sands as at 30 June 2020, unless otherwise stated.

<table>
<thead>
<tr>
<th>Title</th>
<th>99-year leasehold title expiring on 30 April 2092</th>
</tr>
</thead>
<tbody>
<tr>
<td>GFA (sq ft)</td>
<td>227,244</td>
</tr>
<tr>
<td>NLA (sq ft)</td>
<td>128,631(^{(1)})</td>
</tr>
<tr>
<td>Number of Storeys</td>
<td>5-storeys with 3 basement levels</td>
</tr>
<tr>
<td>Number of Car Park Lots</td>
<td>187</td>
</tr>
<tr>
<td>Committed Occupancy</td>
<td>97.7%</td>
</tr>
<tr>
<td>Weighted Average Lease Expiry (years)</td>
<td>By GRI: 1.60</td>
</tr>
<tr>
<td></td>
<td>By NLA: 1.66</td>
</tr>
<tr>
<td>Independent Valuation by Colliers (as at 1 August 2020)(^{(2)})</td>
<td>S$428.0 million</td>
</tr>
<tr>
<td>Independent Valuation by Savills Singapore (as at 1 August 2020)(^{(3)})</td>
<td>S$427.5 million</td>
</tr>
<tr>
<td>Agreed Property Value</td>
<td>S$428.0 million</td>
</tr>
<tr>
<td>Discount/Premium of Agreed Property Value to Independent Valuation by Colliers</td>
<td>0.0%</td>
</tr>
<tr>
<td>Discount/Premium of Agreed Property Value to Independent Valuation by Savills Singapore</td>
<td>0.1%</td>
</tr>
<tr>
<td>Agreed Property Value per sq ft of NLA</td>
<td>S$3,327</td>
</tr>
<tr>
<td>NPI (FY2019)</td>
<td>S$20.9 million</td>
</tr>
<tr>
<td>NPI Yield (FY2019) Based on Agreed Property Value</td>
<td>4.9%</td>
</tr>
</tbody>
</table>

Notes:

(1) Excludes CSFS space of approximately 21,744 sq ft.

(2) Colliers relied on the capitalisation approach and a discounted cash flow analysis.

(3) Savills Singapore relied on the capitalisation approach and a discounted cash flow analysis.
Hougang Mall

90 Hougang Avenue 10, Hougang Mall, Singapore 538766

Description

Located close to the Hougang MRT station, Hougang Mall extends vibes of vibrancy, warmth and familiarity to its shoppers, many of whom visit the mall several times a week or day, simply to hang out with family and friends or to pick up daily necessities.

Popular amongst the residents from the nearby communities, it aims to deliver a truly exceptional retail experience. Shoppers can look forward to a plethora of fresh initiatives such as new offerings and events including an ever-changing atrium showcase featuring delicious dishes, home furnishing, accessories, gifts, electronic gadgets and more.

Established household giants such as Harvey Norman, FairPrice Supermarket, Popular Bookstore and Cheng San Community Library are some of Hougang Mall’s anchor tenants ensuring convenience and familiar comfort to all shoppers under one roof.
The table below sets out a summary of selected information on Hougang Mall as at 30 June 2020, unless otherwise stated.

<table>
<thead>
<tr>
<th>Title</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>99-year leasehold title expiring on 30 April 2093</td>
<td></td>
</tr>
<tr>
<td>GFA (sq ft)</td>
<td>232,662</td>
</tr>
<tr>
<td>NLA (sq ft)</td>
<td>150,593&lt;sup&gt;(1)&lt;/sup&gt;</td>
</tr>
<tr>
<td>Number of Storeys</td>
<td>5-storeys with 2 basement levels</td>
</tr>
<tr>
<td>Number of Car Park Lots</td>
<td>152</td>
</tr>
<tr>
<td>Committed Occupancy</td>
<td>95.5%</td>
</tr>
<tr>
<td>Weighted Average Lease Expiry (years)</td>
<td>By GRI: 1.32</td>
</tr>
<tr>
<td></td>
<td>By NLA: 1.34</td>
</tr>
<tr>
<td>Independent Valuation by Colliers (as at 1 August</td>
<td>S$432.0 million</td>
</tr>
<tr>
<td>2020)&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td>Independent Valuation by Savills Singapore (as at</td>
<td>S$434.0 million</td>
</tr>
<tr>
<td>1 August 2020)&lt;sup&gt;(3)&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td>Agreed Property Value</td>
<td>S$432.0 million</td>
</tr>
<tr>
<td>Discount/Premium of Agreed Property Value to</td>
<td>0.0%</td>
</tr>
<tr>
<td>Independent Valuation by Colliers</td>
<td></td>
</tr>
<tr>
<td>Discount/Premium of Agreed Property Value to</td>
<td>-0.5%</td>
</tr>
<tr>
<td>Independent Valuation by Savills Singapore</td>
<td></td>
</tr>
<tr>
<td>Agreed Property Value per sq ft of NLA</td>
<td>S$2,869</td>
</tr>
<tr>
<td>NPI (FY2019)</td>
<td>S$21.6 million</td>
</tr>
<tr>
<td>NPI Yield (FY2019) Based on Agreed Property Value</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

Notes:

(1) Excludes CSFS space of approximately 15,767 sq ft.
(2) Colliers relied on the capitalisation approach and a discounted cash flow analysis.
(3) Savills Singapore relied on the capitalisation approach and a discounted cash flow analysis.
Century Square

2 Tampines Central 5, Century Square, Singapore 529509

Description

The new Century Square showcases curated offers, new-to-market concepts with exciting brands to complement the larger Tampines retail ecosystem.

Modernised with a new façade, the mall comprises of a 5-storey shopping mall with 3 basement levels and offers a wide range of shops and services catering to the community and families.

Shoppers can enjoy a wide array of family-friendly services and activity spaces such as larger nursing rooms, family car park lots, roof deck with communal spaces, 24-hour gym and National Library Board's first-of-its-kind virtual library in a mall at Level 4.

The most recent asset enhancement and refurbishment works to Century Square was completed in May 2018.
The table below sets out a summary of selected information on Century Square as at 30 June 2020, unless otherwise stated.

<table>
<thead>
<tr>
<th><strong>Title</strong></th>
<th><strong>99-year leasehold title expiring on 31 August 2091</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GFA (sq ft)</strong></td>
<td>327,223</td>
</tr>
<tr>
<td><strong>NLA (sq ft)</strong></td>
<td>202,446(^{(1)})</td>
</tr>
<tr>
<td><strong>Number of Storeys</strong></td>
<td>5-storeys with 3 basement levels</td>
</tr>
<tr>
<td><strong>Number of Car Park Lots</strong></td>
<td>298</td>
</tr>
<tr>
<td><strong>Committed Occupancy</strong></td>
<td>96.7%</td>
</tr>
</tbody>
</table>
| **Weighted Average Lease Expiry (years)** | By GRI: 1.39  
By NLA: 1.59 |
| **Independent Valuation by Colliers (as at 1 August 2020)\(^{(2)}\)** | S$580.0 million |
| **Independent Valuation by Savills Singapore (as at 1 August 2020)\(^{(3)}\)** | S$560.5 million |
| **Agreed Property Value** | S$574.0 million |
| **Discount/Premium of Agreed Property Value to Independent Valuation by Colliers** | -1.0% |
| **Discount/Premium of Agreed Property Value to Independent Valuation by Savills Singapore** | 2.4% |
| **Agreed Property Value per sq ft of NLA** | S$2,835 |
| **NPI (FY2019)** | S$29.4 million |
| **NPI Yield (FY2019) Based on Agreed Property Value** | 5.1% |

**Notes:**

1. Excludes CSFS space of approximately 8,547 sq ft.
2. Colliers relied on the capitalisation approach and a discounted cash flow analysis.
3. Savills Singapore relied on the capitalisation approach and a discounted cash flow analysis.
Tampines 1

10 Tampines Central 1, Tampines 1, Singapore 529536

Description

Tampines 1 is a haven for fashionistas and foodies with its dazzling array of renowned international fashion brands and trendy dining concepts.

This iconic retail landmark in the East is home to 165 retail and dining tenants. Shoppers can expect a carefully curated stable of lifestyle, beauty and fashion brands including Uniqlo, The Editor’s Market, Daniel Wellington, Muji, AW LAB, Vans and Sephora as well as household names such as Cold Storage and Daiso.

To top off the shopping experience is a myriad of dining offerings to tempt even the most discerning palates from Asian delights to international favourites. It is your go-to mall to experience the latest fashion trends, dining styles and lifestyle options.
The table below sets out a summary of selected information on Tampines 1 as at 30 June 2020, unless otherwise stated.

<table>
<thead>
<tr>
<th>Title</th>
<th>99-year leasehold title expiring on 31 March 2089</th>
</tr>
</thead>
<tbody>
<tr>
<td>GFA (sq ft)</td>
<td>380,898</td>
</tr>
<tr>
<td>NLA (sq ft)</td>
<td>268,577</td>
</tr>
<tr>
<td>Number of Storeys</td>
<td>5-storeys with 2 basement levels</td>
</tr>
<tr>
<td>Number of Car Park Lots</td>
<td>203</td>
</tr>
<tr>
<td>Committed Occupancy</td>
<td>91.9%</td>
</tr>
<tr>
<td>Weighted Average Lease Expiry (years)</td>
<td>By GRI: 1.18</td>
</tr>
<tr>
<td></td>
<td>By NLA: 1.17</td>
</tr>
<tr>
<td>Independent Valuation by Colliers (as at 1 August 2020)(^{(1)})</td>
<td>S$762.0 million</td>
</tr>
<tr>
<td>Independent Valuation by Savills Singapore (as at 1 August 2020)(^{(2)})</td>
<td>S$781.0 million</td>
</tr>
<tr>
<td>Agreed Property Value</td>
<td>S$762.0 million</td>
</tr>
<tr>
<td>Discount/Premium of Agreed Property Value to Independent Valuation by Colliers</td>
<td>0.0%</td>
</tr>
<tr>
<td>Discount/Premium of Agreed Property Value to Independent Valuation by Savills Singapore</td>
<td>-2.4%</td>
</tr>
<tr>
<td>Agreed Property Value per sq ft of NLA</td>
<td>S$2,837</td>
</tr>
<tr>
<td>NPI (FY2019)</td>
<td>S$38.8 million</td>
</tr>
<tr>
<td>NPI Yield (FY2019) Based on Agreed Property Value</td>
<td>5.1%</td>
</tr>
</tbody>
</table>

Notes:

(1) Colliers relied on the capitalisation approach and a discounted cash flow analysis.

(2) Savills Singapore relied on the capitalisation approach and a discounted cash flow analysis.
Central Plaza

298 Tiong Bahru Road, Central Plaza, Singapore 168730

Description

Central Plaza is a 20-storey office building located within the city centre, strategically located outside the Central Business District at Tiong Bahru Road. The building is conveniently located next to the Tiong Bahru MRT station and Tiong Bahru Plaza. Total office space is approximately 172,000 square feet.
The table below sets out a summary of selected information on Central Plaza as at 30 June 2020, unless otherwise stated.

<table>
<thead>
<tr>
<th>Title</th>
<th>99-year leasehold title expiring on 31 August 2090</th>
</tr>
</thead>
<tbody>
<tr>
<td>GFA (sq ft)</td>
<td>202,191</td>
</tr>
<tr>
<td>NLA (sq ft)</td>
<td>144,250(^{(1)})</td>
</tr>
<tr>
<td>Number of Storeys</td>
<td>20-storeys with 3 basement levels</td>
</tr>
<tr>
<td>Number of Car Park Lots</td>
<td>338(^{(2)})</td>
</tr>
<tr>
<td>Committed Occupancy</td>
<td>94.3%</td>
</tr>
<tr>
<td>Weighted Average Lease Expiry (years)</td>
<td>By GRI: 1.28</td>
</tr>
<tr>
<td></td>
<td>By NLA: 1.27</td>
</tr>
<tr>
<td>Independent Valuation by Colliers (as at 1 August 2020)(^{(3)})</td>
<td>S$220.0 million</td>
</tr>
<tr>
<td>Independent Valuation by Savills Singapore (as at 1 August 2020)(^{(4)})</td>
<td>S$208.0 million</td>
</tr>
<tr>
<td>Agreed Property Value</td>
<td>S$215.0 million</td>
</tr>
<tr>
<td>Discount/Premium of Agreed Property Value to Independent Valuation by Colliers</td>
<td>-2.3%</td>
</tr>
<tr>
<td>Discount/Premium of Agreed Property Value to Independent Valuation by Savills Singapore</td>
<td>3.4%</td>
</tr>
<tr>
<td>Agreed Property Value per sq ft of NLA</td>
<td>S$1,490</td>
</tr>
<tr>
<td>NPI (FY2019)</td>
<td>S$7.4 million</td>
</tr>
<tr>
<td>NPI Yield (FY2019) Based on Agreed Property Value</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

Notes:

1. Excludes CSFS space of approximately 28,355 sq ft.
2. Total of 338 carpark lots are shared between Tiong Bahru Plaza and Central Plaza.
3. Colliers relied on the capitalisation approach and a discounted cash flow analysis.
4. Savills Singapore relied on the capitalisation approach and a discounted cash flow analysis.
2.3 Description of the ARF Malaysia Asset in relation to the proposed Malico Divestment

Setapak Central

No. 67, Jalan Taman Ibu Kota, Taman Danau Kota, Setapak, 53300 Kuala Lumpur, Malaysia

Description

Setapak Central is located approximately 6 kilometres to the north of the Kuala Lumpur City Centre. The mall is well-served by key highways such as Duta-Ulu Klang Expressway and Middle Ring Road 2. Its anchor tenants, Parkson, Econsave, H&M and MBO Cinemas are strong retail brands.
The table below sets out a summary of selected information on Setapak Central as at 30 June 2020, unless otherwise stated.

<table>
<thead>
<tr>
<th>Title</th>
<th>99-year leasehold title expiring on 20 November 2106</th>
</tr>
</thead>
<tbody>
<tr>
<td>GFA (sq ft)</td>
<td>1,087,295</td>
</tr>
<tr>
<td>NLA (sq ft)</td>
<td>512,806</td>
</tr>
<tr>
<td>Number of Storeys</td>
<td>3-storeys with 1 basement level</td>
</tr>
<tr>
<td>Number of Car Park Lots</td>
<td>1,069</td>
</tr>
<tr>
<td>Committed Occupancy</td>
<td>98.3%</td>
</tr>
<tr>
<td>Weighted Average Lease Expiry (years)</td>
<td>By GRI: 0.92</td>
</tr>
<tr>
<td></td>
<td>By NLA: 0.80</td>
</tr>
<tr>
<td>Independent Valuation by the Trustee ARF Malaysian Asset Valuers (as at 1 August 2020)</td>
<td>RM300.0 million (approximately S$97.8 million)</td>
</tr>
<tr>
<td>Independent Valuation by Savills Malaysia (as at 1 August 2020)</td>
<td>RM335.0 million (approximately S$109.2 million)</td>
</tr>
<tr>
<td>Agreed Property Value</td>
<td>RM318.0 million (approximately S$103.7 million)</td>
</tr>
<tr>
<td>Discount/Premium of Agreed Property Value to Independent Valuation by the Trustee ARF Malaysian Asset Valuers</td>
<td>6.0%</td>
</tr>
<tr>
<td>Discount/Premium of Agreed Property Value to Independent Valuation by Savills Malaysia</td>
<td>-5.1%</td>
</tr>
<tr>
<td>Agreed Property Value per sq ft of NLA</td>
<td>RM620</td>
</tr>
<tr>
<td>NPI (FY2019)</td>
<td>RM29.0 million (approximately S$9.5 million)</td>
</tr>
<tr>
<td>NPI Yield (FY2019) Based on Agreed Property Value</td>
<td>9.1%</td>
</tr>
<tr>
<td></td>
<td>8.3% to 8.5%(3)</td>
</tr>
</tbody>
</table>

Notes:
(1) The Trustee ARF Malaysian Asset Valuers relied on the investment method.
(2) Savills Malaysia relied on the investment method.
(3) Adjusted NPI yield which takes into account the potential sinking funds and service charges that were not charged in FY2019.
2.4 Structure of the proposed ARF Transaction

Malco is a wholly-owned subsidiary of ARF which holds the ARF Malaysia Asset indirectly. As FCT’s current strategy is to grow its portfolio of Singapore assets, it is proposed that as part of the proposed ARF Transaction, Malco be divested by the Malco Vendor, a wholly-owned subsidiary of ARF and an entity in which FCT has an interest of approximately 36.89% through ARF and the FCT ARF Purchaser, to the FPL Malco Purchaser, a wholly-owned subsidiary of the Sponsor.

Subsequent to the proposed Malco Divestment, the Sale Shares are to be acquired by the FCT ARF Purchaser, a wholly-owned subsidiary of FCT, from the FPL ARF Vendor, a company incorporated in Bermuda and wholly-owned by the Sponsor.

Upon completion of the proposed Malco Divestment, which will take place prior to the ARF Acquisition Completion, ARF will not hold Malco (and consequently, the ARF Malaysia Asset). After completion of the proposed ARF Transaction, FCT will hold a 100% interest in ARF without Malco.

2.5 ARF Purchase Consideration and Valuation

ARF Singapore Assets

The Trustee has commissioned an independent valuer, Colliers, and the Manager has commissioned an independent valuer, Savills Singapore, to respectively value each of the ARF Singapore Assets.
The ARF Singapore Assets Agreed Property Value, which was negotiated on a willing-buyer and willing-seller basis with reference to the independent valuations by the Singapore ARF Independent Valuers, is S$3,065.0 million and is approximately the aggregate of the averages of the two independent valuations of each ARF Singapore Asset\(^1\) of S$3,066.0 million as at 1 August 2020.

**ARF Purchase Consideration**

The ARF Purchase Consideration payable to the FPL ARF Vendor under the ARF Sale and Purchase Agreement of approximately S$1,057.4 million is equivalent to the proportionate amount of the ARF NAV\(^2\) (as at 30 June 2020, being the last calendar date of the most recently completed quarter prior to the signing of the ARF Sale and Purchase Agreement) attributable to the Sale Shares, being approximately 63.11% of the total issued share capital of ARF, less the amount of dividends and distributions declared by ARF in respect of the Sale Shares in relation to the period from 1 April 2020 to 30 June 2020 and paid to the FPL ARF Vendor\(^3\).

(See Appendix C of this Circular for further details regarding the valuation of the ARF Assets.)

**2.6 Estimated Total Acquisition Cost**

The estimated Total Acquisition Cost is approximately S$1,108.8 million, comprising:

(i) the ARF Purchase Consideration of approximately S$1,057.4 million;
(ii) the ARF Acquisition Fee\(^4\) payable to the Manager for the proposed ARF Acquisition pursuant to the Trust Deed of approximately S$19.3 million; and
(iii) the estimated stamp duties, professional and other fees and expenses incurred or to be incurred by FCT in connection with the proposed ARF Acquisition and the proposed Equity Fund Raising of approximately S$32.1 million.

**2.7 Method of Financing**

The Manager intends to finance the Total Acquisition Cost (excluding the ARF Acquisition Fee Units) through the net proceeds from the proposed Equity Fund Raising. Additionally, as the completion of the proposed Mallco Divestment will take place prior to the ARF Acquisition Completion, the ARF Purchase Consideration payable will be reduced by the amount of the Mallco Divestment Consideration.

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1 Please refer to the respective tables for each of the ARF Singapore Assets under paragraph 2.2 of this Letter to Unitholders, which sets out a comparison of the agreed property value against the two independent valuations in respect of each of the ARF Singapore Assets and the valuation methods.

2 The ARF NAV as at 30 June 2020 takes into account both the ARF Singapore Assets Agreed Property Value and the ARF Malaysia Asset Agreed Property Value.

3 For the avoidance of doubt: (i) the FPL ARF Vendor and the FCT ARF Purchaser will be entitled to their proportionate share of dividends and distributions declared by ARF for the period from 1 July 2020 up to (and including) the date of the ARF Acquisition Completion and (ii) the FPL ARF Vendor shall be entitled to any increase in the profit reserves in respect of the Sale Shares (which has not been declared by ARF as dividends or distributions pursuant to (i) above, and after relevant adjustments so as not to take into account any fair value changes in investment properties and any non-cash items) in relation to the period from 1 July 2020 up to (and including) the ARF Acquisition Completion.

4 As the proposed ARF Acquisition is an “interested party transaction” under the Property Funds Appendix, the ARF Acquisition Fee will be in the form of the ARF Acquisition Fee Units which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

5 The ARF Acquisition Fee is 1.0% of the proportionate amount of the ARF Singapore Assets Agreed Property Value attributable to the Sale Shares, being approximately 63.11% of the total issued share capital of ARF.
The final decision regarding the amount of equity to be employed to fund the Total Acquisition Cost will be made by the Manager at the appropriate time taking into account the then prevailing market conditions to provide overall DPU accretion to Unitholders, while maintaining an optimum level of leverage.

2.8 Mallco Divestment Consideration and Valuation

The Trustee has commissioned the Trustee ARF Malaysian Asset Valuers as independent valuers, and the Manager has commissioned an independent valuer, Savills Malaysia, to respectively value the ARF Malaysia Asset.

The ARF Malaysia Asset Agreed Property Value, which was negotiated on a willing-buyer and willing-seller basis with reference to the independent valuations by the Malaysia ARF Independent Valuers, is RM318.0 million (approximately S$103.7 million) and is approximately the average of the two independent valuations of the ARF Malaysia Asset\(^1\) of RM317.5 million (approximately S$103.5 million) as at 1 August 2020.

The Mallco Divestment Consideration payable by the FPL Mallco Purchaser under the Mallco Share Sale Agreement of approximately S$39.7 million takes into account:

(i) the adjusted net asset value of Mallco and its subsidiaries of approximately S$4.5 million (based on the pro forma completion statement of Mallco and its subsidiaries as at 30 June 2020) which takes into account the ARF Malaysia Asset Agreed Property Value of RM318.0 million (approximately S$103.7 million); and

(ii) the estimated amount for the assignment of an existing shareholder’s loan to the FPL Mallco Purchaser, of which the aggregate principal amount owed by Mallco is approximately S$35.2 million.

The Mallco Divestment Consideration will be subject to further completion adjustments based on the actual aggregate net assets and liabilities of Mallco and its subsidiaries as at the date of completion of the proposed Mallco Divestment.

2.9 Estimated Mallco Divestment Cost

The estimated Mallco Divestment Cost is approximately S$0.1 million, comprising the estimated professional and other fees and expenses incurred or to be incurred by the Mallco Vendor in connection with the proposed Mallco Divestment.

2.10 Principal Terms of the ARF Sale and Purchase Agreement

In connection with the proposed ARF Acquisition, FCT had on 3 September 2020, through the FCT ARF Purchaser and the Manager, entered into the ARF Sale and Purchase Agreement with the FPL ARF Vendor to acquire the Sale Shares.

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Please refer to the table for the ARF Malaysia Asset under paragraph 2.3 of this Letter to Unitholders, which sets out a comparison of the agreed property value against the two independent valuations in respect of the ARF Malaysia Asset and the valuation methods.

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The principal terms of the ARF Sale and Purchase Agreement include, among others, the following conditions precedent:

(i) the receipt by the Manager of confirmations from the Inland Revenue Authority of Singapore or any relevant taxation authority (such confirmations on such terms as may be acceptable to the Manager in its discretion) that no taxes will be imposed nor will any taxation claim result from or arise by reference to the LLP Conversions;

(ii) the receipt of the consent or no objection decision (as the case may be) from the Bermuda Monetary Authority pursuant to the Exchange Control Act 1972 (and regulations thereunder) in respect of the transfer of the Sale Shares to the FCT ARF Purchaser;

(iii) the approval from the board of ARF approving the transfer of the Sale Shares from the FPL ARF Vendor to the FCT ARF Purchaser in accordance with the bye-laws of ARF being granted or obtained and remaining in full force and effect and not withdrawn or revoked or amended, on or before the ARF Acquisition Completion;

(iv) the resolution approving the proposed ARF Acquisition having been passed by the Unitholders at the EGM;

(v) the receipt of approval-in-principle from the SGX-ST for the listing and quotation of the Preferential Offering Units on such terms as may be acceptable to the Manager (in its absolute discretion), and there not having occurred any revocation or withdrawal of such approval;

(vi) the receipt of the SIC Waiver from the SIC (such waiver not being revoked or repealed) and the fulfilment of the conditions under the SIC Waiver;

(vii) subject to the SIC Waiver being granted, the proposed Whitewash Resolution having been passed at the EGM; and

(viii) the issue, listing and quotation of the Preferential Offering Units on the Main Board of the SGX-ST.

The ARF Sale and Purchase Agreement provides that the ARF Purchase Consideration that the FCT ARF Purchaser is required to pay will be reduced by the FPL Subscription Amount. Therefore, the Manager will only launch the Equity Fund Raising if the conditions precedent set out in paragraphs 2.10(i), (ii), (iii), (iv) and (vii) above have been satisfied or waived.

2.11 Principal Terms of the Mallco Share Sale Agreement

In connection with the proposed Mallco Divestment, the Mallco Vendor (an entity in which FCT has an interest of approximately 36.89% through ARF and the FCT ARF Purchaser) and the Trustee had on 3 September 2020 entered into the Mallco Share Sale Agreement with the FPL Mallco Purchaser to sell 100% of the total issued share capital of Mallco.

1 This condition precedent may be waived by the Manager in its discretion, at any time, by notice in writing to the FCT ARF Purchaser and the FPL ARF Vendor.
The principal terms of the Mallco Share Sale Agreement include, among others:

(i) the following conditions precedent:

(1) the resolution for the transaction in respect of which the proposed Mallco Divestment is a part of i.e. Resolution 1 (the proposed ARF Transaction) having been passed by Unitholders at the EGM; and

(2) the approval from the board of ARF approving the transfer of all of the total issued share capital of Mallco from the Mallco Vendor to the FPL Mallco Purchaser, in accordance with the bye-laws of ARF, being granted or obtained and remaining in full force and effect and not withdrawn or revoked or amended, on or before the completion of the proposed Mallco Divestment;

(ii) the Mallco Vendor has also provided an indemnity to the FPL Mallco Purchaser, from 36.89% of all liabilities sustained by Festiva Mall Sdn. Bhd. ("FMSB"), a wholly-owned Malaysian subsidiary of Mallco which holds the ARF Malaysia Asset directly, and/or AsiaMalls Sdn. Bhd. ("AMSB") which is the holding company of FMSB, which may arise from the ongoing claim by the joint management body of the ARF Malaysia Asset (the "Joint Management Body") against FMSB and/or AMSB for service charge and sinking fund contributions liable to be paid to the Joint Management Body in relation to the ARF Malaysia Asset. The FPL Mallco Purchaser has the right to seek the payment of such indemnity from FCT. The maximum limit of claims under this indemnity is approximately RM7.8 million, being 36.89% of RM21.2 million; and

(iii) the maximum aggregate liability of the Mallco Vendor under the Mallco Share Sale Agreement (including in respect of historical liabilities relating to Mallco and its subsidiaries) is 36.89% of the sum of the Mallco Divestment Consideration and the absolute value of the external liabilities of Mallco and its subsidiaries.

2.12 Asset Management Agreement in relation to the proposed ARF Acquisition

After the completion of the proposed ARF Transaction, it is intended that ARF will appoint the Manager as the asset manager of ARF. The fees payable to the Manager for its role as the asset manager of ARF will be at the rates payable under the Trust Deed, being among others, (i) a base fee of 0.3% per annum of the value of the deposited property of ARF, and (ii) a performance fee of 5.0% per annum of the net property income of ARF.

For the avoidance of doubt, the computation of fees payable to the Manager in its capacity as the manager of FCT will take into account the fees payable to it in its capacity as the portfolio manager of ARF and there will be no double payment of fees for services provided to ARF.
2.13 Property Management Agreements in relation to the proposed ARF Acquisition

In relation to the ARF Singapore Retail Assets, AsiaMalls Management Pte Ltd (“AMM”), a wholly-owned subsidiary of Frasers Property Retail Management Pte. Ltd.¹, was appointed the property manager of the ARF Singapore Retail Assets and will continue to be the property manager of the ARF Singapore Retail Assets after the completion of the proposed ARF Transaction. Under each of the retail mall management agreements in relation to the ARF Singapore Retail Assets (the “Retail Mall Management Agreements”), AMM shall be entitled to receive a monthly management fee comprising:

(i) 2.0% of the gross income of the relevant month for the relevant ARF Singapore Retail Asset; and

(ii) 2.5% of the net property income of the relevant month for the relevant ARF Singapore Retail Asset.

Under each Retail Mall Management Agreement, these arrangements will continue until 31 December 2024.

In relation to Central Plaza, AMM was appointed the property manager of Central Plaza and will continue to be the property manager of Central Plaza after the completion of the proposed ARF Transaction. Under the property management agreement in relation to Central Plaza (the “Property Management Agreement”), AMM shall be entitled to receive a monthly management fee comprising 3.0% of the net property income of the relevant month for Central Plaza. Under the Property Management Agreement, this arrangement will continue until 31 December 2024.

2.14 Conversion to LLP

As soon as practicable following the ARF Acquisition Completion, the intention is to convert the ARF Singapore PropCos to limited liability partnerships pursuant to Section 21 of the Limited Liability Partnerships Act, Chapter 163A of Singapore. The LLP Conversion would allow Unitholders to enjoy tax transparency treatment on FCT’s income from Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1. The income generated from Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1 will not be subject to corporate income tax at the ARF Singapore Prop LLPs level as a limited liability partnership is tax transparent for Singapore tax purposes.

As Century Square’s property holding company, Century Square Holding Pte Ltd, is the Singapore branch of a Mauritius-incorporated company, the Manager is currently exploring how tax transparency can be achieved in respect of Century Square, including the transfer of Century Square to be held directly by FCT.

2.15 Payment of the ARF Acquisition Fee in Units

The Manager shall be paid the ARF Acquisition Fee of approximately S$19.3 million for the proposed ARF Acquisition pursuant to the Trust Deed. As the proposed ARF Acquisition is an “interested party transaction” under the Property Funds Appendix, the ARF Acquisition Fee will be in the form of the ARF Acquisition Fee Units which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

Based on an illustrative issue price of S$2.22 per ARF Acquisition Fee Unit, the number of ARF Acquisition Fee Units to be issued shall be approximately 8,713,512 Units.

¹ Frasers Property Retail Management Pte. Ltd. is a wholly-owned subsidiary of the Sponsor and the current property manager of the Existing Portfolio.
3. RESOLUTION 2: THE PROPOSED EQUITY FUND RAISING

3.1 The Proposed Equity Fund Raising

The Manager proposes to issue up to 628,019,324 New Units (representing approximately 56.1% of the Existing Units), pursuant to the proposed Equity Fund Raising.

Based on the Illustrative Issue Price of S$2.22 per New Unit, the proposed Equity Fund Raising is expected to raise gross proceeds of up to approximately S$1,394.2 million. The net proceeds of the proposed Equity Fund Raising will be used to part-finance the Total Acquisition Cost and to pare down existing indebtedness.

The structure and timing of the proposed Equity Fund Raising have not been determined by the Manager. If and when the Manager decides to undertake the proposed Equity Fund Raising, the proposed Equity Fund Raising may, at the Manager’s absolute discretion and subject to the then prevailing market conditions, comprise:

(i) a Private Placement\(^1\) of New Units to institutional and other investors; and/or

(ii) a non-renounceable Preferential Offering of New Units to the existing Unitholders on a pro rata basis.

Unitholders should note that the Preferential Offering will be on a non-renounceable basis. The ARE\(^2\) will not be renounceable or transferable and will be for use only by entitled Unitholders.

The Manager will work with the Joint Lead Managers and Underwriters to determine the structure of the proposed Equity Fund Raising, the timing for the proposed Equity Fund Raising and the Issue Price, taking into account market conditions and other factors that the Manager and the Joint Lead Managers and Underwriters may consider relevant.

The Issue Price under the proposed Equity Fund Raising will be determined by the Manager and the Joint Lead Managers and Underwriters closer to the date of commencement of the proposed Equity Fund Raising. The actual number of New Units to be issued pursuant to the proposed Equity Fund Raising will depend on the aggregate amount of proceeds to be raised from the proposed Equity Fund Raising and the Issue Price.

The structure and timing of the proposed Equity Fund Raising and the Issue Price will be determined in accordance with, among others, Chapter 8 of the Listing Manual. The Issue Price for New Units under the Private Placement and/or Preferential Offering will comply with Rules 811(1) and 811(5) of the Listing Manual, and will not be at more than a 10.0% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the Underwriting Agreement is signed, or (if trading in the Units is not available for a full market day) for trades done on the SGX-ST for the preceding market day up to the time the Underwriting Agreement is signed, excluding (where applicable) declared distributions, provided that the holders of the New Units are not entitled to the declared distributions.

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1 For the avoidance of doubt, the Private Placement is inclusive of the proposed Sponsor Placement.

2 “ARE” refers to the application for rights entitlement acceptance form for New Units provisionally allotted to entitled Unitholders under the Preferential Offering and application form for excess New Units.
The Underwriting Agreement is anticipated to be signed upon the terms of the proposed Equity Fund Raising being agreed upon, which will be after receipt of the approval of the relevant resolutions by the Unitholders at the EGM.

The unitholding interest of existing Unitholders may be diluted by the issue of New Units in the event that the Manager issues New Units under the proposed Equity Fund Raising and such existing Unitholders do not participate or do not have the opportunity to participate in the proposed Equity Fund Raising.

On 3 September 2020, the SGX-ST granted its approval in-principle for the listing and quotation of the New Units on the Main Board of the SGX-ST, subject to certain conditions which are further set out in paragraph 3.5 of this Letter to Unitholders.

The Issue Price of the New Units issued under the Private Placement may differ from the Issue Price of the New Units issued under the Preferential Offering.

The Manager will announce the details of the proposed Equity Fund Raising on the SGXNET at the appropriate time when it launches the proposed Equity Fund Raising in such structure and at such time as may be agreed with the Joint Lead Managers and Underwriters.

The proposed Equity Fund Raising and any underwriting obligations are subject to, among others, prevailing market conditions and mutual agreement to the terms of the proposed Equity Fund Raising, such as the Issue Price of the New Units, and execution of the Underwriting Agreement.

3.2 Commitment of the Sponsor

To demonstrate its support for FCT, the Sponsor, which, through the Relevant Entities, owns 409,430,348 Units as at the Latest Practicable Date representing approximately 36.57% of the total number of Existing Units, has provided to the Manager and the Joint Lead Managers and Underwriters, the Sponsor Irrevocable Undertaking that, among other things, in the event that the proposed Equity Fund Raising includes a Preferential Offering:

(i) subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST), and in any case not later than the last day for acceptance of the Preferential Offering Units, it will procure the Relevant Entities to accept and subscribe for the Allotted Preferential Offering Units; and

(ii) it will, in addition to paragraph (i) above, procure that the Relevant Entities apply for up to 245,123,341 Excess Preferential Offering Units, above the Allotted Preferential Offering Units, which are not taken up by other Unitholders and subscribe for such Excess Preferential Offering Units allotted to the Relevant Entities, such that the total number of Allotted Preferential Offering Units and Excess Preferential Offering Units applied for by the Relevant Entities is equivalent to 100% of the total number of Preferential Offering Units (i.e. the Sponsor, through the Relevant Entities, will take up any remaining Preferential Offering Units not taken up by the other Unitholders). For the avoidance of doubt, the Relevant Entities, among others, will rank last in the allocation of Excess Preferential Offering Units applications.
The Sponsor Irrevocable Undertaking is subject to the following conditions precedent:

(1) the approval in-principle having been obtained from the SGX-ST for the listing and quotation of the New Units on the Main Board of the SGX-ST and such approval not having been withdrawn or revoked on or prior to the completion of the proposed Equity Fund Raising;

(2) the entry into the ARF Sale and Purchase Agreement and the ARF Sale and Purchase Agreement not having been terminated and remaining in full force and effect; and

(3) the resolution approving the proposed ARF Transaction having been passed by the Unitholders at the EGM;

(4) the receipt of the SIC Waiver from the SIC (such waiver not being revoked or repealed) that the Relevant Entities need not, subject to the fulfilment of conditions to be laid down by the SIC, make a Mandatory Offer pursuant to Rule 14 of the Code as a result of the subscription by the Relevant Entities of the Sponsor Preferential Offering Units in accordance with the terms of the Sponsor Irrevocable; and

(5) subject to the SIC Waiver being granted, the passing of the proposed Whitewash Resolution by the Independent Unitholders.

3.3 Use of Proceeds and Set-Off Mechanism

Based on the Illustrative Issue Price of S$2.22 per New Unit, the proposed Equity Fund Raising is expected to raise gross proceeds of up to approximately S$1,394.2 million. Based on the Manager’s current estimates, assuming that 585,585,586 New Units are issued to raise gross proceeds of S$1,300 million, the Manager expects to use the gross proceeds from the proposed Equity Fund Raising in the following manner:

(i) approximately S$1,017.7 million (which is equivalent to approximately 78.3% of the gross proceeds of the proposed Equity Fund Raising) to fund the ARF Purchase Consideration of approximately S$1,057.4 million¹;

(ii) approximately S$32.1 million (which is equivalent to approximately 2.5% of the gross proceeds of the proposed Equity Fund Raising) to pay the estimated stamp duties, professional and other fees and expenses incurred or to be incurred by FCT in connection with the proposed ARF Acquisition and the proposed Equity Fund Raising; and

(iii) approximately S$250.2 million (which is equivalent to approximately 19.2% of the gross proceeds of the proposed Equity Fund Raising) to pare down existing indebtedness.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, utilise the net proceeds of the proposed Equity Fund Raising at its absolute discretion for other purposes, including without limitation, to fund capital expenditures.

¹ As the completion of the proposed Mallco Divestment will take place prior to the ARF Acquisition Completion, the ARF Purchase Consideration will be reduced by approximately S$39.7 million which is the amount of the Mallco Divestment Consideration.
The Manager will make periodic announcements on the utilisation of the net proceeds of the proposed Equity Fund Raising via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where proceeds are to be used for working capital purposes, the Manager will disclose a breakdown with specific details on the use of proceeds for working capital in FCT’s announcements on the use of proceeds and in FCT’s annual report and where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such a deviation.

Pending the deployment of the net proceeds of the proposed Equity Fund Raising, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or be used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

Further details pertaining to the use of proceeds of the proposed Equity Fund Raising (including details on the final percentage allocation for each use) will be announced at the appropriate time.

In the event that the proposed Equity Fund Raising includes a Preferential Offering, pursuant to the ARF Sale and Purchase Agreement, the ARF Purchase Consideration that the FCT ARF Purchaser is required to pay will be reduced by the FPL Subscription Amount. Therefore, it would not be necessary for the Sponsor to fund the FPL Subscription Amount.

It should be noted that FCT is currently not under pressure from its bankers to repay any of its existing borrowings and has sufficient resources to meet its current capital commitments. The Manager is of the opinion that, after taking into consideration FCT’s internal resources, its available loan facilities and the net proceeds of the proposed Equity Fund Raising, the working capital available to FCT is sufficient to meet its present obligations as and when they fall due.

### 3.4 Consequential Adjustment to Distribution Period and Status of New Units

FCT’s policy is to distribute its distributable income on a half-yearly basis to Unitholders.\(^1\)

However, in the event that the proposed Equity Fund Raising includes a Private Placement, the Manager may decide to make adjustments to the distribution period which may include, among others, a cumulative distribution, an advanced distribution or such other plans to ensure fairness to existing Unitholders holding Units on the day immediately prior to the date on which the New Units are issued under the Private Placement.

In the event that the Manager undertakes a Preferential Offering, the New Units issued in connection with the Preferential Offering will, upon issue and allotment, rank pari passu in all respects with the Units in issue on the day immediately prior to the date on which the New Units are issued under the Preferential Offering, including the right to any distributions which may accrue prior to the issuance of the New Units under the Preferential Offering.

Further details pertaining to any adjustments to the distribution period, if any, and the status of the New Units issued pursuant to the proposed Equity Fund Raising will be announced at the appropriate time.

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1 FCT announced the change to half-yearly reporting of financial results and to half-yearly distributions on 13 May 2020, following the amendments to Rule 705(2) of the Listing Manual which took effect from 7 February 2020.
3.5 Receipt of Approval in-Principle

Approval in-principle has been obtained from the SGX-ST for the listing and quotation of the New Units on the Main Board of the SGX-ST. The SGX-ST’s in-principle approval is not to be taken as an indication of the merits of the proposed Equity Fund Raising, FCT and/or its subsidiaries. The SGX-ST’s in-principle approval is subject to the following:

(i) compliance with the SGX-ST’s listing requirements;

(ii) Unitholders’ approval of the proposed Equity Fund Raising; and

(iii) submission of:

(1) a written undertaking from FCT that it will comply with Rule 803 of the Listing Manual;

(2) a written confirmation from FCT that it will not issue the New Units to persons prohibited under Rule 812(1) of the Listing Manual unless specific unitholders’ approval for such a placement is obtained;

(3) a written undertaking from FCT that it will comply with Rules 704(30) and 1207(20) of the Listing Manual in relation to the use of the proceeds from the proposed Equity Fund Raising and where proceeds are to be used for working capital purposes, FCT will disclose a breakdown with specific details on the use of proceeds for working capital in its announcements on use of proceeds and in the annual report; and

(4) a written undertaking from FCT that it will comply with the confirmation given in Rule 877(10) of the Listing Manual with regards to the allotment of any excess New Units.
3.6 Requirement for Unitholders’ Approval for the Proposed Equity Fund Raising

The Manager is seeking the approval of Unitholders for the proposed issue of up to 628,019,324 New Units (representing approximately 56.1% of the Existing Units) under the proposed Equity Fund Raising pursuant to Rule 805(1) of the Listing Manual. For the avoidance of doubt, the Manager will not be relying on the general mandate that was obtained by the Manager from Unitholders at the annual general meeting of Unitholders held on 13 January 2020 to issue the New Units.

4. RESOLUTION 3: THE PROPOSED SPONSOR PLACEMENT

4.1 Proposed Subscription by the Sponsor Group

As at the Latest Practicable Date, the Sponsor, through the Relevant Entities, holds 409,430,348 Units, which is equivalent to approximately 36.57% of the total number of Existing Units. In the event that the proposed Equity Fund Raising includes a Private Placement, to provide a higher degree of certainty for the successful completion of the Private Placement and to enable the Sponsor Group to be in a position to support FCT and align its interests with the Unitholders, the Manager is seeking approval from Unitholders for the proposed issue of such number of New Units for subscription by the Sponsor Group in order to raise monies to part-finance the Total Acquisition Cost and to pare down existing indebtedness.

Pursuant to the Sponsor Irrevocable Undertaking, the Sponsor has also undertaken that should the Sponsor Group be offered New Units under the proposed Sponsor Placement, the Sponsor Group will subscribe for such number of New Units under the Private Placement up to its proportionate pre-placement unitholdings in FCT. The Sponsor Group’s percentage unitholdings in FCT will not increase after the Private Placement.

The New Units placed to the Sponsor Group under the proposed Sponsor Placement will be issued at the same price as the New Units issued to other investors under the Private Placement.

The Manager believes that the size of the Sponsor Group’s unitholdings in FCT provides a degree of stability to FCT as an investment vehicle, and allowing New Units to be placed to the Sponsor Group would help to maintain such stability, which is to the benefit of Unitholders.

4.2 Requirement for Unitholders’ Approval for the proposed Sponsor Placement

Pursuant to Rule 805(1) of the Listing Manual, the Manager is seeking the specific approval of Unitholders for the issue of the New Units to the Sponsor Group as part of the Private Placement.

Under Rule 812(2) of the Listing Manual, the approval of Unitholders by way of Ordinary Resolution is required for the placement of the New Units to the Sponsor Group pursuant to the Private Placement. This is because the Sponsor is a Substantial Unitholder of FCT. The Sponsor and each of its associates are prohibited from voting on the resolution to permit such a placement of the New Units to the Sponsor Group.

Unitholders’ approval is also required as the proposed Sponsor Placement is an “interested person transaction” under Chapter 9 of the Listing Manual.

(See paragraph 10.1 of this Letter to Unitholders for further details.)

1 The Sponsor Placement will apply to any upsize option to issue additional New Units which may be exercised by the Manager.
5. **RATIONALE FOR THE PROPOSED ARF TRANSACTION AND THE PROPOSED EQUITY FUND RAISING (INCLUDING THE PROPOSED SPONSOR PLACEMENT)**

The Manager believes that the proposed ARF Transaction and the proposed Equity Fund Raising (including the proposed Sponsor Placement) represents a rare opportunity for FCT to increase its number of retail properties from 7 to 11 and substantially increase its retail NLA to 2.3 million square feet, making FCT one of Singapore’s largest suburban mall owners. The increase in FCT’s market capitalisation post the proposed Equity Fund Raising is expected to elevate FCT to among the top ten S-REITs by market capitalisation. The suburban retail sector in Singapore has demonstrated its relevance and resilience during this COVID-19 pandemic, and the Manager believes this transaction will bring the following key benefits to Unitholders:

### 5.1 Suburban Malls Remains an Attractive Asset Class

Despite the challenges posed by the COVID-19 pandemic on the economy, the suburban retail market remains resilient and continues to present opportunities for suburban mall owners.

Since the commencement of Phase 2 of Singapore’s re-opening on 19 June 2020, more than 99% of the retailers and F&B operators in the ARF Singapore Retail Assets and the Existing Portfolio have resumed business.

The Independent Market Research Consultant’s retail sales forecast over the next few years is as follows:

<table>
<thead>
<tr>
<th></th>
<th>H1 2020(^{(1)})</th>
<th>H2 2020(^{(1)})</th>
<th>CY 2021(^{(2)})</th>
<th>CY 2022(^{(2)})</th>
<th>CY 2023(^{(2)})</th>
<th>CY 2024(^{(2)})</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Suburban Malls</strong></td>
<td>-14.0%</td>
<td>-6.0%</td>
<td>7.6%</td>
<td>5.8%</td>
<td>4.4%</td>
<td>3.3%</td>
</tr>
</tbody>
</table>

**Source:** Independent Market Research Consultant

**Notes:**

1. Six months on same six months in the previous year.
2. Calendar year on previous calendar year.

The Manager believes that the long-term performance of the ARF Singapore Retail Assets will be underpinned by the (a) location of the ARF Singapore Retail Assets along major transport nodes with strong population catchments, (b) attractive dynamics of the suburban retail malls and (c) the Singapore Government’s drive to decentralise the city through its masterplan.

### 5.1.1 Suburban malls are well-positioned to benefit from the Singapore Government’s plan to decentralise and grow regional and sub-regional centres

According to the Independent Market Research Consultant, the Singapore Government’s drive to decentralise the city could result in more people working closer to home and potentially making more use of their local neighbourhood malls. For instance, Tampines has already seen significant office and other commercial development as the Singapore Government has worked with tenants to support demand for space in the area. Another example is Woodlands which has been designated as a regional centre.
(a) In the North:

- Woodlands is established as a regional centre, and is slated to be the largest economic hub in the Northern region, generating new jobs and enhancing connectivity; and

- Yishun is expected to have increased accessibility with the opening of Yishun Integrated Transport Hub, Springleaf MRT station and more park connectors;

(b) In the Northeast:

- Punggol is to be established as Singapore’s first truly smart district, a vibrant economic and learning hub with shared spaces between industry and academia; and

- Hougang will include the development of Lorong Halus into a new jobs cluster, with a new integrated transport hub with opening of Cross Island Line interchange by 2029;

(c) In the East:

- Tampines is home to a large part of the Eastern population as an established regional centre with plans for larger scale residential developments in Tampines North and South; and

- Pasir Ris will include the development of a new large scale residential development, more jobs close to homes with the growth of Pasir Ris Wafer Fab Park, and better connectivity with the new Cross Island Line;

(d) In the Central,

- Bukit Merah is expected to have new residential developments, recreational facilities and amenities, including a world class Outram Medical Campus by 2023; and

- Queenstown is slated to be Singapore’s first satellite town to be rejuvenated with new housing, community facilities, work and institutional spaces.

Source: Urban Redevelopment Authority and Independent Market Research Consultant

5.1.2 The ARF Singapore Retail Assets are located in densely populated suburbs above or next to major transport nodes with strong catchment, and are complementary to FCT’s existing portfolio

The ARF Singapore Retail Assets are conveniently located above or next to MRT stations and/or bus interchanges, which are an integral part of the communities’ everyday commute. According to the Independent Market Research Consultant, the MRT stations that serve the ARF Singapore Retail Assets enjoy commuter traffic ranging from 19.9 million to 38.6 million passengers for each MRT station in 2019.
According to the Independent Market Research Consultant, the retail properties in the Existing Portfolio (excluding Bedok Point) have a catchment population of 2.1 million within a 3km radius of the respective malls. The addition of the ARF Singapore Retail Assets will add a further 40% of 3km catchment population, bringing the total coverage of both the Existing Portfolio (excluding Bedok Point) and the ARF Singapore Retail Assets (the “Enlarged Retail Portfolio”\(^1\)) to approximately 3.0 million, which is equivalent to 52% of the total Singapore population in 2020.

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\(^1\) See Appendix A of this Circular which provides further details on the Existing Portfolio (excluding Bedok Point) and the ARF Singapore Assets (the “Post Transaction Portfolio”).
The Manager believes that the strategic location of its Singapore retail properties in the Enlarged Retail Portfolio allows the suburban malls to play a key role in the hearts of the communities’ routines, enabling a live, work, play environment as the Enlarged Retail Portfolio provides convenient access to essential products and services to the catchment population and commuting traffic as well as convenient venues for social and family gatherings.

The Manager believes that the ARF Singapore Retail Assets is a complementary addition to the Existing Portfolio. The Existing Portfolio is mainly located in the Northern and Northeastern regions and the ARF Singapore Retail Assets will further strengthen FCT’s presence in the Eastern region. After the proposed ARF Transaction, FCT will have a significant presence in the Northern, Northeastern and Eastern regions of Singapore.

5.1.3 **Suburban malls have attractive dynamics and are resilient as they focus on Essential Services**

The Manager believes that the ARF Singapore Retail Assets would continue to demonstrate defensiveness and resilience with emphasis on Essential Services. Only Essential Services were allowed by the Government to continue to operate during the “circuit breaker” period in Singapore from 7 April 2020 to 1 June 2020 (the “Circuit Breaker Period”). As at 30 June 2020, Essential Services comprised approximately 53.7% of FCT’s GRI and approximately 52.9% of the ARF Singapore Retail Assets’ GRI. The GRI contribution from Essential Services of the Enlarged Retail Portfolio is approximately 53.6%.

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The groupings of essential and non-essential services are based on Ministry of Trade and Industry’s press release on 21 April 2020. Note that the individual product group may not align perfectly to the announced Essential Services.
Notes:

(1) The groupings of essential and non-essential services are based on Ministry of Trade and Industry’s press release on 21 April 2020. Note that the individual product group may not align perfectly to the announced Essential Services.

(2) As at 30 June 2020, on a pro forma basis.

(3) Excludes Bedok Point.

According to the Independent Market Research Consultant, suburban malls in Singapore have certain features that limit the impact of the COVID-19 pandemic. Some of these features include, among others:

- low reliance on tourism, which has been impacted by the COVID-19 pandemic;
- higher tenant mix allocation to Essential Services, with more focus on necessities and essential goods and services, such as groceries and F&B, which are more resilient during downturns; and

Percentage of NLA Allocated to Essential Services

Suburban Retail Malls

- 40.0% Essential Services
- 60.0% Non-Essential Services

Central Malls

- 20.0 – 30.0% Essential Services
- 70.0 – 80.0% Non-Essential Services

Source: Independent Market Research Consultant

- generally well planned supply of suburban retail space by the Singapore Government, in line with population growth in the region. This moderate growth in retail floorspace supply prevents oversupply.
5.1.4 The suburban regions in Singapore have a lower retail space per capita compared with the national average of about 6.4 sq ft per capita which is comparatively lower than regional cities like Hong Kong and Kuala Lumpur.

According to the Independent Market Research Consultant, the average retail space per capita for Singapore in 2019 is about 6.4 square feet per capita in 2019. This is lower compared to its global peers such as Hong Kong\(^1\) at 10.1 square feet per capita and Kuala Lumpur at 9.9 square feet per capita. By global standards, Singapore’s provision of retail space per capita is moderate.

The retail malls in the ARF Singapore Retail Assets are mainly located in the Outer Northeast and Outer East regions which have relatively low retail space per capita of 2.32 and 4.31, respectively. Similarly, the retail malls in FCT’s Existing Portfolio are also generally located in the low retail space per capita regions. The Manager believes that the low retail space per capita in these regions help to underpin the long-term sustainability of the shopper traffic to the malls and their performance.

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1 Based on 2015, which is the Independent Market Research Consultant’s most recent data.
5.2 **Enlarged Scale**

5.2.1 **FCT’s portfolio is resilient and well-positioned to deliver steady performance**

Since its initial public offering ("IPO") in 2006, FCT has a track record of steady growth in the number of properties in its portfolio and total assets. FCT has grown through acquisitions of new properties, asset enhancement initiatives and organically over the years since IPO. The number of properties in its portfolio has increased from three to seven, and its total assets has grown from approximately S$955 million at IPO to approximately S$3,964 million as at 31 March 2020. Following the completion of the proposed Transactions, FCT would have an enlarged portfolio of 11 malls and its total assets would be approximately S$6,650 million, which is over 6 times larger compared with its portfolio at IPO.

### FCT Total Assets (S$ million)

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</thead>
<tbody>
<tr>
<td>955</td>
<td>1,065</td>
<td>1,127</td>
<td>1,165</td>
<td>1,516</td>
<td>1,787</td>
<td>1,917</td>
<td>2,135</td>
<td>2,522</td>
<td>2,549</td>
<td>2,595</td>
<td>2,751</td>
<td>2,840</td>
<td>3,857</td>
<td>3,964</td>
</tr>
</tbody>
</table>

### Notes:

1. Percentage stake post-redemption in the capital of ARF.
2. Assumes the proposed ARF Acquisition and the proposed Bedok Point Divestment have taken place.
5.2.2 The increase in market capitalisation post the proposed Equity Fund Raising potentially places FCT amongst the top ten largest S-REITs by market capitalisation and free float, with the potential for higher constituent weightage in key indices like the FTSE EPRA/NAREIT Index.

The proposed ARF Transaction and the proposed Equity Fund Raising would potentially rank FCT as the eighth largest S-REIT by market capitalisation and free float.

**S-REITs Ranked by Market Capitalisation (S$ billion)**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Name</th>
<th>Market Capitalisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>CMT + CCT</td>
<td>13.3</td>
</tr>
<tr>
<td>2</td>
<td>AREIT</td>
<td>12.0</td>
</tr>
<tr>
<td>3</td>
<td>MLT</td>
<td>7.9</td>
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<tr>
<td>4</td>
<td>MCT</td>
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<tr>
<td>5</td>
<td>KDCREIT</td>
<td>6.4</td>
</tr>
<tr>
<td>6</td>
<td>FCT</td>
<td>4.7</td>
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<tr>
<td>7</td>
<td>Suntec FCT</td>
<td>4.1</td>
</tr>
<tr>
<td>8</td>
<td>KREIT</td>
<td>3.9</td>
</tr>
<tr>
<td>9</td>
<td>MACT</td>
<td>3.6</td>
</tr>
<tr>
<td>10</td>
<td>FCT</td>
<td>2.8</td>
</tr>
</tbody>
</table>

(S-REITs Ranked by Free Float (S$ billion))

<table>
<thead>
<tr>
<th>Rank</th>
<th>Name</th>
<th>Free Float</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>ARBET</td>
<td>9.6</td>
</tr>
<tr>
<td>2</td>
<td>CMT + CCT</td>
<td>9.0</td>
</tr>
<tr>
<td>3</td>
<td>MLT</td>
<td>5.4</td>
</tr>
<tr>
<td>4</td>
<td>MCT</td>
<td>5.3</td>
</tr>
<tr>
<td>5</td>
<td>AREIT</td>
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<td>KDCREIT</td>
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<td>7</td>
<td>FCT</td>
<td>3.2</td>
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<tr>
<td>8</td>
<td>Suntec FCT</td>
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<tr>
<td>9</td>
<td>KREIT</td>
<td>2.0</td>
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<tr>
<td>10</td>
<td>MACT</td>
<td>2.0</td>
</tr>
</tbody>
</table>

Source: Bloomberg as at Latest Practicable Date

Notes:

1. Assumed merger of CMT and CCT is completed and the respective market capitalisation and free float figures are aggregated.

2. Assumed an Equity Fund Raising of S$1,300.0 million with the Sponsor Group subscribing for its pro rata stake.

3. Illustrative market capitalisation of FCT (post-proposed Equity Fund Raising) is calculated as the sum of (a) market capitalisation of FCT from Bloomberg as of the Latest Practicable Date, (b) assumed gross proceeds of S$1,300.0 million from the proposed Equity Fund Raising, and (c) the amount of ARF Acquisition Fee and Bedok Point Divestment Fee of S$19.3 million and S$0.5 million respectively.

4. Illustrative free float of FCT (post-proposed Equity Fund Raising) is calculated as the sum of (a) free float of FCT from Bloomberg as of the Latest Practicable Date, and (b) approximately 63.4% of assumed gross proceeds of S$1,300.0 million from the proposed Equity Fund Raising.

The larger scale of the Enlarged Retail Portfolio will enhance FCT’s visibility within the S-REITs universe and increase the relevance of FCT amongst the global investor community. It is expected that with the increase in market capitalisation and free float, FCT’s index weightage in indices, such as the FTSE EPRA/NAREIT index of which it is a constituent, would increase correspondingly. This will help to drive higher trading liquidity and broaden FCT’s unitholders base.
5.2.3 With the addition of the ARF Singapore Retail Assets to its portfolio, FCT will be amongst the largest suburban mall owners in Singapore

Following the proposed ARF Transaction, FCT is set to become one of the largest retail floor space owners in Singapore with 10.2% of total retail floor space and one of the largest suburban mall owners in Singapore.

![Chart showing Share of Retail Floor Space by Owner (Suburban) and Island-wide)](chart)

**Source:** Independent Market Research Consultant

**Note:**

(1) As at the first quarter of 2020 ended 31 March 2020. Excluding Bedok Point.

5.2.4 Increase in FCT’s portfolio of malls from 7 to 11 following the completion of the proposed Transactions will strengthen FCT’s ability to offer more options to retailers and shoppers

With the increase in FCT’s portfolio of malls from 7 to 11 following the completion of the proposed Transactions, FCT will benefit from enlarged shopper outreach and greater economies of scale in its business operations and synergies in its marketing programmes.

The shopper loyalty programme of the ARF Singapore Retail Assets will be merged with Frasers’ current shopper loyalty programme Frasers Experience (“**FRx**”). The total membership of FRx after the proposed ARF Transaction is expected to reach 800,000\(^1\), which is a significant scale to drive many marketing programmes such as digital and omnichannel retailing by leveraging on the multi-feature app on Frasers e-Store, and Makan Master. The number of leases\(^2\) is also expected to increase from over 800 to over 1,500. This will help FCT to offer more value to its retailers, F&B tenants and shoppers and strengthen its resilience and relevance in the suburban mall retail business.

5.3 Quality Portfolio with Improved Diversification

Following the proposed Transactions, the Enlarged Retail Portfolio will have a diversified asset base with reduced concentration risk from any single asset. The single largest asset would represent no more than 22% of the aggregate value of FCT’s Enlarged Retail Portfolio compared to approximately 30% now.

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1. Based on aggregate membership of FRx and ARF’s loyalty programme as at June 2020.
5.4 Efficient Holding Structure

After the proposed ARF Transaction and upon completion of the LLP Conversion, the ARF Singapore Assets\(^1\) will be held via an efficient structure. This would allow Unitholders to enjoy tax transparency. Furthermore, FCT will have full control of the properties.

Notes:

(1) The Manager is currently exploring how tax transparency can be achieved in respect of Century Square, including the transfer of Century Square to be held directly by FCT.

(2) Prior to 1 September 2020, AsiaRetail Fund Limited was known as PGIM Real Estate AsiaRetail Fund Limited.

(3) Tax leakage of S$4.7 million for FY2019, based on 36.9% proportionate interest in ARF.
5.5 DPU Accretive

Taking into account (i) the proposed ARF Transaction (ii) the proposed Bedok Point Divestment and (iii) the proposed Equity Fund Raising, the DPU is expected to be accretive to Unitholders based on the pro forma financial effects on the DPU of FCT for FY2019 and the nine-month financial period from 1 October 2019 to 30 June 2020 (“9M2020”). The total impact of these transactions is expected on a pro forma basis, to translate to a DPU accretion of 8.59% and 0.40% for FY2019 and 9M2020 respectively. For the 9M2020, DPU accretion excluding the one-off rental rebates disbursed to tenants during the Circuit Breaker Period (ended on 1 June 2020), is expected to be 4.72%.

The pro forma DPU also takes into consideration the following assumptions:

(i) ARF Purchase Consideration for the Sale Shares of approximately S$1,057.4 million;

(ii) gross proceeds of approximately S$1,300.0 million is raised from the issue of 585,585,586 New Units at the Issue Price of S$2.22 pursuant to the proposed Equity Fund Raising;

(iii) issue of 8,713,512 new Units as a payment of the ARF Acquisition Fee for the proposed ARF Acquisition, and the issue of 243,243 new Units as a payment of the Bedok Point Divestment Fee for the proposed Bedok Point Divestment;

(iv) one-off rental rebates of S$36.5 million (net of asset and property management fees) disbursed to tenants during the Circuit Breaker Period (ended on 1 June 2020) for 9M2020;

(v) the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising were completed on 1 October 2018 or 1 October 2019 (as the case may be), and FCT held the ARF Singapore Assets through to 30 September 2019 or 30 June 2020 (as the case may be); and

(vi) the completion of the LLP Conversion of the ARF Singapore PropCos to ARF Singapore Prop LLPs immediately upon the ARF Acquisition Completion and that no tax liability is imposed due to the LLP Conversion.

6. RESOLUTION 4: THE PROPOSED WHITEWASH RESOLUTION

6.1 Rule 14 of the Code

The Manager proposes to seek approval from the Independent Unitholders for a waiver of their right to receive a Mandatory Offer from the Relevant Entities, in the event that they incur an obligation to make a Mandatory Offer as a result of the subscription by the Relevant Entities of the Sponsor Preferential Offering Units in accordance with the terms of the Sponsor Irrevocable Undertaking.

In addition to the taking up by the Relevant Entities of their pro rata entitlements to the Preferential Offering, the Sponsor has, subject to and conditional upon the approval of the proposed Whitewash Resolution by the Independent Unitholders, irrevocably undertaken to procure the Relevant Entities to apply for the Excess Preferential Offering Units. The exact percentage increase of the Concert Party Group’s aggregate Unitholding will depend on the overall level of acceptances and excess applications by Unitholders for the Preferential Offering as according to Rule 877(10) of the Listing Manual, the Relevant Entities, among others, will rank last in the allocation of Excess Preferential Offering Unit applications. The Concert Party Group’s percentage Unitholding after the Preferential Offering will therefore vary depending on the final allocation of the Excess Preferential Offering Units applied for.
Rule 14.1(b) of the Code states that the Concert Party Group would be required to make a Mandatory Offer, if the Concert Party Group holds not less than 30.0% but not more than 50.0% of the voting rights of FCT and the Concert Party Group acquires in any period of six months additional Units which carry more than 1.0% of the voting rights of FCT. If the Concert Party Group’s percentage Unitholding after the Preferential Offering increases by more than 1.0% as a result of any allocation further to the application of the Relevant Entities for the Excess Preferential Offering Units, the Concert Party Group would then be required to make a Mandatory Offer unless waived by the SIC.

For illustrative purposes, the following example shows an illustrative scenario where the proposed Equity Fund Raising is for gross proceeds of $1,300.0 million and (i) 585,585,586 New Units are issued pursuant to the proposed Equity Fund Raising (comprising 225,225,226 New Units issued under the Private Placement and 360,360,360 New Units issued under the Preferential Offering), and (ii) 8,713,512 ARF Acquisition Fee Units and 243,243 Bedok Point Divestment Fee Units are issued to the Manager in its personal capacity as payment for the ARF Acquisition Fee and Bedok Point Divestment Fee respectively.

Based on an Illustrative Issue Price of (i) $2.22 per New Unit and (ii) $2.22 per ARF Acquisition Fee Unit and Bedok Point Divestment Fee Unit, the aggregated unitholding of the Concert Party Group immediately after the issue of all the above-mentioned new Units will be 50.24%.

The following table sets out the respective maximum unitholdings of the Concert Party Group if (i) the Manager receives 8,713,512 ARF Acquisition Fee Units and 243,243 Bedok Point Divestment Fee Units and (ii) the Concert Party Group accepts its pro rata provisional allotment of the Preferential Offering Units in full and is allocated in full its application for the Excess Preferential Offering Units pursuant to the Sponsor Irrevocable Undertaking to procure the Relevant Entities to accept and subscribe for the Allotted Preferential Offering Units and to make excess application for up to 228,560,953 Excess Preferential Offering Units, and to subscribe for such Excess Preferential Offering Units allotted to the Relevant Entities such that the total number of Allotted Preferential Offering Units and Excess Preferential Offering Units applied for by the Relevant Entities is equivalent to 100% of the total number of Preferential Offering Units (based on an illustrative issue price of $2.22 per ARF Acquisition Fee Unit, Bedok Point Divestment Fee Unit and Preferential Offering Unit).
As at the Latest Practicable Date | After the Private Placement | After the Preferential Offering(1) and Issuance of the ARF Acquisition Fee Units and Bedok Point Divestment Fee Units
---|---|---
Issued Units | 1,119,447,127 | 1,344,672,353 | 1,705,032,713 | 1,713,989,468
Number of Units held by the Concert Party Group | 409,430,348 | 491,804,978 | 852,165,338 | 861,122,093
Number of Units held by Unitholders, other than the Concert Party Group | 710,016,779 | 852,867,375 | 852,867,375 | 852,867,375
% of issued Units held by the Concert Party Group | 36.57% | 36.57% | 49.98% | 50.24%
% of issued Units held by Unitholders, other than the Concert Party Group | 63.43% | 63.43% | 50.02% | 49.76%

Note:
(1) Assuming the Concert Party Group accepts its pro rata provisional allotment of the Preferential Offering Units in full and is allocated in full its application for the Excess Preferential Offering Units.

For illustrative purposes, the following example shows an illustrative scenario where the proposed Equity Fund Raising is for gross proceeds of S$1,150.0 million and (i) 518,018,018 New Units are issued pursuant to the proposed Equity Fund Raising (comprising 157,657,658 New Units issued under the Private Placement and 360,360,360 New Units issued under the Preferential Offering), and (ii) 8,713,512 ARF Acquisition Fee Units and 243,243 Bedok Point Divestment Fee Units are issued to the Manager in its personal capacity as payment for the ARF Acquisition Fee and Bedok Point Divestment Fee respectively.

Based on an Illustrative Issue Price of (i) S$2.22 per New Unit and (ii) S$2.22 per ARF Acquisition Fee Unit and Bedok Point Divestment Fee Unit, the aggregated unitholding of the Concert Party Group immediately after the issue of all the above-mentioned new Units will be 50.80%.

The following table sets out the respective maximum unitholdings of the Concert Party Group if (i) the Manager receives 8,713,512 ARF Acquisition Fee Units and 243,243 Bedok Point Divestment Fee Units and (ii) the Concert Party Group accepts its pro rata provisional allotment of the Preferential Offering Units in full and is allocated in full its application for the Excess Preferential Offering Units pursuant to the Sponsor Irrevocable Undertaking to procure the Relevant Entities to accept and subscribe for the Allotted Preferential Offering Units and to make excess application for up to 228,560,953 Excess Preferential Offering Units, and to subscribe for such Excess Preferential Offering Units allotted to the Relevant Entities such that the total number of Allotted Preferential Offering Units and Excess Preferential Offering Units applied for by the Relevant Entities is equivalent to 100% of the total number of Preferential Offering Units (based on an illustrative issue price of S$2.22 per ARF Acquisition Fee Unit, Bedok Point Divestment Fee Unit and Preferential Offering Unit).
### 6.2 Application for Waiver from Rule 14 of the Code

An application was made to the SIC on 29 June 2020 for the waiver of the obligation of the Relevant Entities to make a Mandatory Offer under Rule 14 of the Code should the obligation to do so arise as a result of the subscription by the Relevant Entities of the Excess Preferential Offering Units in accordance with the terms of the Sponsor Irrevocable Undertaking.

The SIC granted the SIC Waiver on 20 August 2020, subject to, *inter alia*, the satisfaction of the following conditions:

(i) a majority of Unitholders approve at a general meeting, before the issue of the Allotted Preferential Offering Units and the Excess Preferential Offering Units, the proposed Whitewash Resolution by way of a poll to waive their rights to receive a general offer from the Relevant Entities;

(ii) the proposed Whitewash Resolution is separate from other resolutions;

(iii) the Concert Party Group and parties not independent of them abstain from voting on the proposed Whitewash Resolution;

---

<table>
<thead>
<tr>
<th>Issued Units</th>
<th>As at the Latest Practicable Date</th>
<th>After the Private Placement</th>
<th>After the Preferential Offering(1) and Issuance of the ARF Acquisition Fee Units and Bedok Point Divestment Fee Units</th>
<th>After the Preferential Offering(1) and Issuance of the ARF Acquisition Fee Units and Bedok Point Divestment Fee Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Units held by the Concert Party Group</td>
<td>409,430,348</td>
<td>467,092,589</td>
<td>827,452,949</td>
<td>836,409,704</td>
</tr>
<tr>
<td>Number of Units held by Unitholders, other than the Concert Party Group</td>
<td>710,016,779</td>
<td>810,012,196</td>
<td>810,012,196</td>
<td>810,012,196</td>
</tr>
<tr>
<td>% of issued Units held by the Concert Party Group</td>
<td>36.57%</td>
<td>36.57%</td>
<td>50.53%</td>
<td>50.80%</td>
</tr>
<tr>
<td>% of issued Units held by Unitholders, other than the Concert Party Group</td>
<td>63.43%</td>
<td>63.43%</td>
<td>49.47%</td>
<td>49.20%</td>
</tr>
</tbody>
</table>

**Note:**
(1) Assuming the Concert Party Group accepts its *pro rata* provisional allotment of the Preferential Offering Units in full and is allocated in full its application for the Excess Preferential Offering Units.
the Concert Party Group did not acquire or are not to acquire any Units or instruments convertible into and options in respect of Units (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Units which have been disclosed in this Circular):

1. during the period between the first announcement of the proposed Preferential Offering and the date Unitholders’ approval is obtained for the proposed Whitewash Resolution; and

2. in the six months prior to the first announcement of the proposed Preferential Offering, but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to the proposed Preferential Offering;

FCT appoints an independent financial adviser to advise the Independent Unitholders on the proposed Whitewash Resolution;

FCT sets out clearly in this Circular:

1. details of the Preferential Offering and the proposed issue of the Allotted Preferential Offering Units and the Excess Preferential Offering Units to the Relevant Entities;

2. the dilution effect to existing Unitholders upon the issue of the Allotted Preferential Offering Units and the Excess Preferential Offering Units to the Relevant Entities;

3. the number and percentage of Units as well as the number of instruments convertible into, rights to subscribe for and options in respect of Units held by the Concert Party Group as at the Latest Practicable Date;

4. the number and percentage of Units to be acquired by the Concert Party Group upon the issue of the Allotted Preferential Offering Units and the Excess Preferential Offering Units;

5. a specific and prominent reference to the fact that the issue of the Allotted Preferential Offering Units and the Excess Preferential Offering Units could result in the Concert Party Group holding over 49.0% of the Units and to the fact that the Concert Party Group will be free to acquire further Units without incurring any obligation under Rule 14 of the Code to make a general offer; and

6. a specific and prominent reference to the fact that Unitholders, by voting for the proposed Whitewash Resolution, are waiving their rights to a general offer from the Relevant Entities at the highest price paid by the Concert Party Group for Units in the past six months preceding the commencement of the offer;

this Circular states that the waiver granted by SIC to the Relevant Entities from the requirement to make a general offer under Rule 14 of the Code is subject to the conditions set out in paragraphs 6.2(i) to (vi) of this Letter to Unitholders;

FCT obtains SIC’s approval in advance for the parts of this Circular that refer to the proposed Whitewash Resolution; and
to rely on the proposed Whitewash Resolution, approval of the proposed Whitewash Resolution must be obtained within three months of the date of the SIC Waiver and the acquisition of the Allotted Preferential Offering Units and the Excess Preferential Offering Units by the Concert Party Group must be completed within three months of the date of the approval of the proposed Whitewash Resolution.

Independent Unitholders should note that (A) the issue of the Allotted Preferential Offering Units and the Excess Preferential Offering Units could result in the Concert Party Group holding over 49.0% of the Units and that the Concert Party Group will be free to acquire further Units without incurring any obligation under Rule 14 of the Code to make a general offer, and (B) by voting for the proposed Whitewash Resolution, they are waiving their rights to receive a general offer from the Relevant Entities at the highest price paid by the Concert Party Group for Units in the six months preceding the commencement of the proposed Equity Fund Raising.

6.3 Units Previously Issued to the Manager in Payment of Fees

Under paragraph 2(d) of Appendix 1 of the Code, a condition to a waiver to Rule 14 of the Code is that the Concert Party Group did not acquire or are not to acquire any Units or instruments convertible into and options in respect of Units (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Units which have been disclosed in this Circular) (i) during the period between the first announcement of the proposed Preferential Offering and the date the Unitholders’ approval is obtained for the proposed Whitewash Resolution and (ii) in the six months prior to the first announcement of the proposed Preferential Offering but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to the Preferential Offering (the “Relevant Period”).

In this regard, it is disclosed that the Manager has received Units as payment for its management fees or acquisition fees on 11 August 2020, 27 July 2020, 24 April 2020, 24 January 2020 and 25 October 2019 during the Relevant Period. The acquisition of these Units do not constitute a breach of paragraph 2(d) of Appendix 1 of the Code as these are new Units issued for the purpose of payment of the Manager’s management and acquisition fees.

6.4 Rationale for the Proposed Whitewash Resolution

The proposed Whitewash Resolution is to enable the subscription by the Relevant Entities of the Excess Preferential Offering Units in accordance with the terms of the Sponsor Irrevocable Undertaking.

The application for the Excess Preferential Offering Units pursuant to the Sponsor Irrevocable Undertaking demonstrates the Sponsor’s support for and confidence in the Preferential Offering and its long-term commitment to FCT, and will further enhance the chances of a successful Preferential Offering.

7. RESOLUTION 5: THE PROPOSED BEDOK POINT DIVESTMENT

7.1 Description of Bedok Point

Bedok Point is located in the town centre of Bedok, which is one of the largest residential estates in Singapore by population. The mall is well-served by the nearby Bedok MRT station and the Bedok bus interchange. Bedok Point has five retail levels (including one basement level) and one basement car park and offers an array of restaurants, food outlets, enrichment centres, retail and service offerings.
The following table sets out a summary of selected information on Bedok Point as at 30 June 2020, unless otherwise stated.

<table>
<thead>
<tr>
<th>Location</th>
<th>799 New Upper Changi Road, Singapore 467351</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title</td>
<td>Leasehold title expiring on 14 March 2077</td>
</tr>
<tr>
<td>GFA (sq ft)</td>
<td>133,597</td>
</tr>
<tr>
<td>NLA (sq ft)</td>
<td>82,713</td>
</tr>
<tr>
<td>Number of Storeys</td>
<td>Five retail levels (including one basement level) and one basement car park</td>
</tr>
<tr>
<td>Number of Car Park Lots</td>
<td>76</td>
</tr>
<tr>
<td>Committed Occupancy</td>
<td>92.0%</td>
</tr>
<tr>
<td>Weighted Average Lease Expiry (years)</td>
<td>By GRI: 1.17 By NLA: 1.60</td>
</tr>
<tr>
<td>Independent Valuation by JLL (as at 1 August 2020)</td>
<td>S$108.9 million</td>
</tr>
<tr>
<td>Independent Valuation by Colliers (as at 1 August 2020)</td>
<td>S$107.2 million</td>
</tr>
<tr>
<td>Bedok Point Divestment Consideration (2)</td>
<td>S$108.0 million</td>
</tr>
</tbody>
</table>

Notes:

(1) JLL and Colliers relied on the comparison method and residual method. Additionally, the valuation of Bedok Point was conducted on the basis of Bedok Point as a redevelopment site, assuming that the change of use/re-zoning of Bedok Point to “Residential with Commercial on 1st Storey” is approved and the land lease can be topped up to 99 years subject to payment of lease renewal premium.

(2) Valuation of Bedok Point as at 30 September 2019 was S$94.0 million.

7.2 Bedok Point Divestment Consideration and Valuation

The Trustee has commissioned an independent valuer, JLL, and the Manager has commissioned an independent valuer, Colliers, to respectively value Bedok Point. JLL, in its report dated 1 August 2020, stated that the open market value of Bedok Point as at 1 August 2020 was S$108.9 million. Colliers, in its report dated 1 August 2020, stated that the open market value of Bedok Point as at 1 August 2020 was S$107.2 million.

In arriving at the open market values of Bedok Point, both JLL and Colliers relied on the comparison method and residual method. Additionally, the valuation of Bedok Point was conducted on the basis of Bedok Point as a redevelopment site, assuming that the change of use/re-zoning of Bedok Point to “Residential with Commercial on 1st Storey” is approved and the land lease can be topped up to 99 years subject to payment of lease renewal premium.

The Bedok Point Divestment Consideration is S$108.0 million, which was negotiated on a willing-buyer and willing-seller basis after taking into account the independent valuations of Bedok Point and represents approximately the average of the two independent valuations of Bedok Point of S$108.1 million.

On 3 September 2020, which is the date the Trustee and the Bedok Point Purchaser entered into the Bedok Point Put and Call Option Agreement, the Bedok Point Purchaser had paid to the Trustee the Bedok Point Option Fee of S$1.00 (which shall be applied
towards payment of the Bedok Point Divestment Consideration upon exercise of the Bedok Point Put Option or the Bedok Point Call Option (as the case may be)) and the balance of the Bedok Point Divestment Consideration shall be paid by the Bedok Point Purchaser to the Trustee and/or such other person as the Trustee may direct on the Bedok Point Divestment Completion.

(See Appendix C of this Circular for further details regarding the valuation of Bedok Point.)

7.3 Estimated Total Bedok Point Divestment Cost

The estimated Total Bedok Point Divestment Cost is approximately S$0.8 million, comprising:

(i) the Bedok Point Divestment Fee\(^1\) of approximately S$0.5 million (being 0.5% of the Bedok Point Divestment Consideration); and

(ii) the estimated professional and other fees and expenses incurred or to be incurred by FCT in connection with the proposed Bedok Point Divestment of approximately S$0.3 million.

7.4 Use of Bedok Point Divestment Proceeds

The net proceeds from the proposed Bedok Point Divestment of approximately S$107.7 million may be used to repay debt, finance any capital expenditure and asset enhancement works and/or to finance general corporate and working capital requirements.

7.5 Principal Terms of the Bedok Point Put and Call Option Agreement

In connection with the proposed Bedok Point Divestment, FCT had on 3 September 2020, through the Trustee, entered into the Bedok Point Put and Call Option Agreement with the Bedok Point Purchaser to sell Bedok Point.

The principal terms of the Bedok Point Put and Call Option Agreement and Bedok Point Purchase Agreement (the form of which is appended to the Bedok Point Put and Call Option Agreement) include, among others, the following:

(i) Pursuant to the Bedok Point Put and Call Option Agreement:

a. in consideration of the Bedok Point Purchaser’s payment of the Bedok Point Option Fee to the Trustee, the Trustee granted to the Bedok Point Purchaser a right (the “Bedok Point Call Option”) to require the Trustee to enter into the Bedok Point Purchase Agreement with the Bedok Point Purchaser for the sale and purchase of Bedok Point at the Bedok Point Divestment Consideration and on the terms of the Bedok Point Purchase Agreement; and

b. in consideration of the mutual covenants in the Bedok Point Put and Call Option Agreement, the Bedok Point Purchaser granted to the Trustee a right (the “Bedok Point Put Option”) to require the Bedok Point Purchaser to enter into the Bedok Point Purchase Agreement with the Trustee for the sale and purchase of Bedok Point at the Bedok Point Divestment Consideration and on the terms of the Bedok Point Purchase Agreement.

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\(^1\) As the proposed Bedok Point Divestment is an "interested party transaction" under the Property Funds Appendix, the Bedok Point Divestment Fee will be in the form of the Bedok Point Divestment Fee Units which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.
(ii) The exercise of the Bedok Point Call Option and the Bedok Point Put Option will be subject to, the fulfilment of the following conditions:

a. the Unitholders’ approval for the proposed Bedok Point Divestment being obtained;

b. the ARF Acquisition Completion having taken place; and

c. the Bedok Point Purchaser obtaining the written confirmation from the Singapore Land Authority (on behalf of the President of the Republic of Singapore) that based on the outline application advice from the Urban Redevelopment Authority dated 21 February 2020 as supplemented by an email dated 15 June 2020 from the Urban Redevelopment Authority (“URA OPA”), it has in-principle no objections to recommend to the President of the Republic of Singapore to renew the lease term of Bedok Point to a fresh leasehold term of at least 99 years.

(iii) The Bedok Point Purchaser may exercise the Bedok Point Call Option before the expiry of the period commencing on the Bedok Point Conditions Fulfilment Date and expiring at 5 p.m. on the date falling seven business days thereafter (or such other date as the parties may mutually agree in writing) (“Bedok Point Call Option Exercise Period”). If the Bedok Point Call Option has not been exercised by the Bedok Point Purchaser during the Bedok Point Call Option Exercise Period, the Trustee may exercise the Bedok Point Put Option before the expiry of the period commencing immediately after the expiry of the Bedok Point Call Option Exercise Period and ending at 5 p.m. seven business days thereafter.

(iv) Pursuant to the Bedok Point Purchase Agreement, the Trustee shall deliver to the Bedok Point Purchaser on Bedok Point Divestment Completion vacant possession of such part(s) of Bedok Point which are not occupied by the tenants or licensees under existing tenancy agreements and new tenancy agreements entered into after the date of the Bedok Point Purchase Agreement.

(v) The Bedok Point Purchaser shall be entitled to terminate the Bedok Point Put and Call Option Agreement and/or the Bedok Point Purchase Agreement if:

a. any government agency or competent authority shall acquire or give notice of acquisition or intended acquisition of the whole of Bedok Point or any 3% or more, in aggregate, of the land area of Bedok Point; or

b. any reply received by the Bedok Point Purchaser, from the relevant authorities to its legal requisitions in respect of Bedok Point is unsatisfactory.

(vi) Either the Bedok Point Purchaser or the Trustee shall be entitled to terminate the Bedok Point Put and Call Option Agreement and/or the Bedok Point Purchase Agreement if there is any material damage to or destruction of Bedok Point or any part(s) thereof by fire or other cause or event such that part(s) of Bedok Point, which in aggregate, comprise 5% or more of the net lettable area of Bedok Point, is rendered unfit for use or occupation, or rendered unsafe, or cannot be lawfully used.

---

1 “Bedok Point Conditions Fulfilment Date” means (i) the date the Trustee serves written notice on the Bedok Point Purchaser that the Unitholders’ approval for the proposed Bedok Point Divestment has been obtained and the ARF Acquisition Completion has taken place; or (ii) the date the Bedok Point Purchaser serves written notice on the Trustee that the Bedok Point Purchaser has obtained the written confirmation from the Singapore Land Authority (on behalf of the President of the Republic of Singapore) that based on the URA OPA, it has in-principle no objections to recommend to the President of the Republic of Singapore to renew the lease term of Bedok Point to a fresh leasehold term of at least 99 years, whichever is the later date.
7.6 Entry into Deeds of Assignment and Novation Agreements

In connection with the proposed Bedok Point Divestment, the Trustee will also enter into various deeds of assignment and novation agreements with the Bedok Point Purchaser in relation to material contracts in connection with Bedok Point (including occupation agreements, building maintenance contracts, building guarantees and warranties and utilities).

7.7 Payment of Bedok Point Divestment Fee in Units

The Manager shall be paid the Bedok Point Divestment Fee of approximately S$0.5 million (being 0.5% of the Bedok Point Divestment Consideration) for the proposed Bedok Point Divestment pursuant to the Trust Deed. As the proposed Bedok Point Divestment is an “interested party transaction” under the Property Funds Appendix, the Bedok Point Divestment Fee will be in the form of the Bedok Point Divestment Fee Units which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

Based on an illustrative issue price of S$2.22 per Bedok Point Divestment Fee Unit, the number of Bedok Point Divestment Fee Units to be issued shall be approximately 243,243 Units.

8. RATIONALE FOR THE PROPOSED BEDOK POINT DIVESTMENT

The Manager believes that the proposed Bedok Point Divestment will benefit Unitholders as it is in line with the Manager’s proactive portfolio management strategy, allowing FCT to unlock value and redeploy it to acquire higher yielding assets with larger scale.

9. PRO FORMA FINANCIAL EFFECTS

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the proposed ARF Transaction, the proposed Equity Fund Raising and the proposed Bedok Point Divestment on the DPU, NAV per Unit and capitalisation presented below are strictly for illustrative purposes and are prepared based on FCT Group’s latest audited financial statements for FY2019 (the “FY2019 Audited Financial Statements”), FCT Group’s unaudited financial statements for 9M2020 (the “9M2020 Unaudited Financial Statements”) and the unaudited management accounts of the ARF Assets and/or Bedok Point (as the case may be) and assumptions as follows:

(i) the ARF Purchase Consideration for the Sale Shares is approximately S$1,057.4 million;

(ii) gross proceeds of up to approximately S$1,300.0 million are raised from the issue of up to approximately 585.6 million New Units at the Illustrative Issue Price of S$2.22 pursuant to the proposed Equity Fund Raising;

(iii) the ARF Acquisition Fee of approximately S$19.3 million is payable to the Manager wholly in Units;

(iv) the ARF Acquisition Fee Units are issued at S$2.22 per Unit;

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1 The Manager regularly reviews the property portfolio of FCT as part of its proactive portfolio management strategy and where the Manager considers that any property has reached a stage where its divestment is in the interest of Unitholders, the Manager may recommend the divestment and redeploy the divestment proceeds into the acquisition of properties that meet its investment criteria.

2 “FCT Group” means FCT and its subsidiaries.
(v) the completion of the LLP Conversion of ARF Singapore PropCos to ARF Singapore Prop LLPs immediately upon the ARF Acquisition Completion and that no tax liability is imposed due to the LLP Conversion; and

(vi) the financial effects set out below are theoretical in nature and are therefore not necessarily indicative of the future financial position and earnings of FCT Group.

9.1 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY

The following tables set out the pro forma financial effects of the proposed Transactions on FCT’s DPU for FY2019 and 9M2020, as if the proposed Transactions were completed on 1 October 2018 for FY2019 and 1 October 2019 for 9M2020, and FCT held the ARF Singapore Assets through to 30 September 2019 or 30 June 2020 (as the case may be), and gross proceeds of approximately S$1,300.0 million were raised from the issue of approximately 585.6 million New Units at the Issue Price of S$2.22 per Unit pursuant to the proposed Equity Fund Raising:

<table>
<thead>
<tr>
<th>Pro forma effects of the proposed Transactions for FY2019</th>
<th>Effects of the proposed Transactions</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2019 Audited Financial Statements</td>
<td>Before the proposed ARF Transaction</td>
<td>After the proposed ARF Transaction and the proposed Equity Fund Raising</td>
<td>After the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising</td>
</tr>
<tr>
<td><strong>Total return for the year (S$’000)</strong></td>
<td>205,956</td>
<td>212,485</td>
<td>269,986</td>
</tr>
<tr>
<td><strong>Distributable Income (S$’000)</strong></td>
<td>118,718</td>
<td>133,936</td>
<td>222,342(4)</td>
</tr>
<tr>
<td><strong>Weighted average number of Issued and Issuable Units (’000)</strong></td>
<td>1,003,727(5)</td>
<td>1,116,923(6)</td>
<td>1,711,731(7)</td>
</tr>
<tr>
<td><strong>DPU (Singapore cents)</strong></td>
<td>11.97(9)</td>
<td>11.99(9)</td>
<td>12.98(9)</td>
</tr>
<tr>
<td><strong>DPU Accretion (%)</strong></td>
<td><strong>8.31</strong>(10)(11)</td>
<td><strong>8.59</strong>(10)(11)</td>
<td></td>
</tr>
</tbody>
</table>

Notes:

(1) Based on FY2019 Audited Financial Statements.

(2) Based on FY2019 Audited Financial Statements and adjustments made to assume that:

(i) The acquisition of 99,150 shares in the capital of ARF took place on 1 October 2018 and expenses have been deducted for borrowing costs from the drawdown of loans to fund the acquisition, the Manager’s management fees, the transaction costs and the Trustee’s fees incurred in connection with the acquisition;

(ii) Divestments of Liang Court, Kinta City, Island Plaza and 1st Avenue Mall took place on 30 September 2018;
(iii) FCT Group’s total return and distributable income took into account FCT’s share of the effects of capital redemptions in the capital of ARF during FY2019;

(iv) Acquisition of additional 48,229 shares in the capital of ARF took place on 1 October 2018; and

(v) Acquisition of 40% of the total issued units of SST and 40% share of a unitholders’ loan previously extended by the unitholders of SST to SST took place on 1 October 2018.

(3) Included gain on divestment of Bedok Point.

(4) Assumed 100% payout ratio from ARF.

(5) Based on the weighted average number of Units issued and issuable as at 30 September 2019.

(6) Based on the weighted average number of Units issued and issuable as at 30 September 2019 and included the approximate 0.8 million acquisition fees in Units issued in relation to the acquisition of 48,229 shares in the capital of ARF.

(7) Assumed the issue of approximately 585.6 million new Units at S$2.22 per Unit pursuant to the proposed Equity Fund Raising and the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition.

(8) Assumed the issue of approximately 585.6 million new Units at S$2.22 per Unit pursuant to the proposed Equity Fund Raising, the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition, and the issue of approximately 0.2 million new Units as payment of the Bedok Point Divestment Fee for the proposed Bedok Point Divestment.

(9) Excluded release of prior year’s retention of distributable income of 0.10 Singapore cents per unit.

(10) DPU Accretion based on the DPU before the proposed ARF Transaction of 11.99 Singapore cents.

(11) Calculated based on DPU of three decimal places.

<table>
<thead>
<tr>
<th>Pro forma effects of the proposed Transactions for 9M2020</th>
<th>Effects of the proposed Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9M2020 Unaudited Financial Statements(1)</td>
</tr>
<tr>
<td>Total return for the year (S$’000)</td>
<td>69,818</td>
</tr>
<tr>
<td>Distributable Income</td>
<td>81,440</td>
</tr>
<tr>
<td>Weighted average number of Issued and Issuable Units ('000)</td>
<td>1,117,870(5)</td>
</tr>
<tr>
<td>DPU (Singapore cents)</td>
<td>7.29</td>
</tr>
<tr>
<td>DPU Accretion (%)</td>
<td></td>
</tr>
</tbody>
</table>

Notes:

(1) Based on the 9M2020 Unaudited Financial Statements. During the Circuit Breaker Period which ended on 1 June 2020, both FCT and ARF disbursed approximately S$36.5 million of rental rebates (net of asset and property management fees) to tenants.

(2) Based on 9M2020 Unaudited Financial Statements and adjustments made to assume that:
(i) the acquisition of 48,229 shares in the capital of ARF on 1 October 2019 and expenses have been
deducted for borrowing costs from the drawdown of loans to fund the acquisition, the Manager’s
management fees, the transaction costs and the Trustee’s fees incurred in connection with the
acquisition; and

(ii) the divestments of 1st Avenue Mall and Mallco took place on 30 September 2019.

(3) Included gain on divestment of Bedok Point.

(4) Assumed 100% payout ratio from ARF.

(5) Based on the weighted average number of Units issued and issuable as at 30 June 2020.

(6) Based on the weighted average number of Units issued and issuable as at 30 June 2020 after issuance of
acquisition fees of approximately 0.8 million Units in relation to the acquisition of 48,229 shares in the capital
of ARF.

(7) Assumed the issue of approximately 585.6 million new Units at S$2.22 per Unit pursuant to the proposed
Equity Fund Raising and the issue of approximately 8.7 million new Units as payment of the ARF Acquisition
Fee for the proposed ARF Acquisition.

(8) Assumed the issue of approximately 585.6 million new Units at S$2.22 per Unit pursuant to the proposed
Equity Fund Raising, the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee
for the proposed ARF Acquisition, and the issue of approximately 0.2 million new Units as a payment of the
Bedok Point Divestment Fee for the proposed Bedok Point Divestment.

(9) DPU Accretion based on the DPU before the proposed ARF Transaction of 7.34 Singapore cents.

(10) Calculated based on DPU of three decimal places.

During the Circuit Breaker Period which ended on 1 June 2020, both FCT and ARF
disbursed approximately S$36.5 million (net of asset and property management fees)
of rental rebates to tenants in the third quarter ended 30 June 2020. Excluding the one-off
rental rebates disbursed to tenants, the table below sets out the pro forma effects on the
DPU:

<table>
<thead>
<tr>
<th>9M2020 Unaudited Financial Statements</th>
<th>Effects of the proposed Transactions</th>
<th>After the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total return for the year (S$’000)</td>
<td>92,702(1)</td>
<td>103,054(2)</td>
</tr>
<tr>
<td>Distributable Income</td>
<td>100,342(1)</td>
<td>161,742(2)</td>
</tr>
<tr>
<td>Weighted average number of Issued and Issuable Units (’000)</td>
<td>1,117,870</td>
<td>1,118,716</td>
</tr>
<tr>
<td>DPU (Singapore cents)</td>
<td>8.98</td>
<td>9.44</td>
</tr>
<tr>
<td>DPU Accretion (%)</td>
<td>4.56(3)(4)</td>
<td>4.72(3)(4)</td>
</tr>
</tbody>
</table>

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Notes:
(1) Excluded one-off rental rebates of S$18.9 million (net of asset and property management fees) disbursed to tenants by FCT for the period April 2020 to June 2020.
(2) Excluded one-off rental rebates of S$36.5 million (net of asset and property management fees) disbursed to tenants by FCT and ARF for the period April 2020 to June 2020.
(3) DPU Accretion based on the DPU before the proposed ARF Transaction of 9.03 Singapore cents.
(4) Calculated based on DPU of three decimal places.

9.2 Pro Forma NAV

The following tables set out the pro forma financial effects of the proposed Transactions on the NAV per Unit as at 30 September 2019 and 30 June 2020, as if FCT had completed the proposed Transactions on those dates, taking into account gross proceeds of approximately S$1,300 million were raised from the issue of approximately 585.6 million New Units at the Issue Price of S$2.22 per Unit pursuant to the proposed Equity Fund Raising:

<table>
<thead>
<tr>
<th>Pro forma effects of the proposed Transactions for FY2019</th>
<th>FY2019 Audited Financial Statements(1)</th>
<th>Before the proposed ARF Transaction(2)</th>
<th>After the proposed ARF Transaction and the proposed Equity Fund Raising</th>
<th>After the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAV (SS’000)</td>
<td>2,471,059</td>
<td>2,470,960(3)</td>
<td>3,781,914</td>
<td>3,795,614(4)</td>
</tr>
<tr>
<td>Issued and Issuable Units ('000)</td>
<td>1,117,509</td>
<td>1,118,336(6)</td>
<td>1,712,635(7)</td>
<td>1,712,878(8)</td>
</tr>
<tr>
<td>NAV per Unit (S$)</td>
<td>2.21</td>
<td>2.21</td>
<td>2.21</td>
<td>2.22</td>
</tr>
</tbody>
</table>

Notes:
(1) Based on FY2019 Audited Financial Statements.
(2) Based on FY2019 Audited Financial Statements and adjustment made to assume the acquisition of 48,229 shares in the capital of ARF.
(3) Included write-off of transaction costs arising from the acquisition of 48,229 shares in the capital of ARF.
(4) Included gain on divestment of Bedok Point.
(5) Number of issued and issuable units as at 30 September 2019.
(6) Included approximately 0.8 million Units issued in relation to the acquisition of 48,229 shares in the capital of ARF.
(7) Assumed the issue of approximately 585.6 million new Units at S$2.22 per Unit pursuant to the proposed Equity Fund Raising and the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition.
(8) Assumed the issue of approximately 585.6 million new Units at S$2.22 per Unit pursuant to the proposed Equity Fund Raising, the issue of approximately 8.7 million new Units as payment of ARF Acquisition Fee for the proposed ARF Acquisition, and issue of approximately 0.2 million new Units as payment of the Bedok Point Divestment Fee for the proposed Bedok Point Divestment.
**Pro forma effects of the proposed Transactions for 9M2020**

<table>
<thead>
<tr>
<th>9M2020 Unaudited Financial Statements(1)</th>
<th>Effects of the proposed Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAV (SS’000)</td>
<td>Before the proposed ARF Transaction(2)</td>
</tr>
<tr>
<td>2,451,521</td>
<td>2,451,421(3)</td>
</tr>
<tr>
<td>Issued and issuable Units (’000)</td>
<td>1,119,139(5)</td>
</tr>
<tr>
<td>NAV per Unit (S$)</td>
<td>2.19</td>
</tr>
</tbody>
</table>

**Notes:**

2. Based on the 9M2020 Unaudited Financial Statements and adjustment made to assume the acquisition of 48,229 shares in the capital of ARF.
3. Included write-off of transaction costs arising from the acquisition of 48,229 shares in the capital of ARF.
4. Included gain on divestment of Bedok Point.
5. Number of issued and issuable Units as at 30 June 2020.
6. Included approximately 0.8 million Units issued in relation to the acquisition of 48,229 shares in the capital of ARF.
7. Assumed the issue of approximately 585.6 million new Units at S$2.22 per Unit pursuant to the proposed Equity Fund Raising and the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition.
8. Assumed the issue of approximately 585.6 million new Units at S$2.22 per Unit pursuant to the proposed Equity Fund Raising, the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition, and the issue of approximately 0.2 million new Units as payment of the Bedok Point Divestment Fee for the proposed Bedok Point Divestment.
9.3 *Pro Forma Capitalisation*

FOR ILLUSTRATIVE PURPOSES ONLY: The following tables set out the *pro forma* capitalisation of FCT as at 30 September 2019 and 30 June 2020, as if FCT had completed the proposed Transactions on those dates, taking into account gross proceeds of approximately S$1,300 million were raised from the issue of approximately 585.6 million New Units at the Issue Price of S$2.22 per Unit pursuant to the proposed Equity Fund Raising:

<table>
<thead>
<tr>
<th></th>
<th>FY2019 Audited Financial Statements</th>
<th>Before the proposed ARF Transaction</th>
<th>After the proposed ARF Transaction and the proposed Equity Fund Raising</th>
<th>After the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total gross borrowings (SS’000)</strong></td>
<td>1,269,005(2)</td>
<td>1,466,343(2)(3)</td>
<td>2,421,569(2)</td>
<td>2,315,589(2)(4)</td>
</tr>
<tr>
<td><strong>Total Unitholders’ funds (SS’000)</strong></td>
<td>2,471,059</td>
<td>2,470,960(5)</td>
<td>3,781,914(6)</td>
<td>3,795,614(7)</td>
</tr>
<tr>
<td><strong>Total Capitalisation (SS’000)</strong></td>
<td>3,740,064</td>
<td>3,937,303</td>
<td>6,203,483</td>
<td>6,111,203</td>
</tr>
<tr>
<td><strong>Gearing ratio (%)</strong></td>
<td>32.9</td>
<td>36.2</td>
<td>36.0</td>
<td>34.9</td>
</tr>
</tbody>
</table>

Notes:

(1) Based on FY2019 Audited Financial Statements.

(2) Included FCT’s 40.0% proportionate share of borrowing in SST.

(3) Included drawdown of S$197.3 million short term borrowings to fund acquisition of 48,229 shares in the capital of ARF.

(4) Net proceeds from divestment of Bedok Point assumed to repay existing borrowings.

(5) Included write-off of transaction costs arising from the acquisition of 48,229 shares in the capital of ARF.

(6) Assumed the issue of approximately 585.6 million new Units at S$2.22 per Unit pursuant to the proposed Equity Fund Raising and the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition.

(7) Assumed the issue of approximately 585.6 million new Units at S$2.22 per Unit pursuant to the proposed Equity Fund Raising, the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition, and the issue of approximately 0.2 million new Units as payment of the Bedok Point Divestment Fee for the proposed Bedok Point Divestment.

(8) Computed as gross borrowings over total assets. In accordance with the Property Funds Appendix, the gearing ratio included FCT’s 40% proportionate share of deposited property value and borrowing in SST.
Pro forma effects of the proposed Transactions for 9M2020

<table>
<thead>
<tr>
<th></th>
<th>9M2020 Unaudited Financial Statements(1)</th>
<th>Before the proposed ARF Transaction</th>
<th>After the proposed ARF Transaction and the proposed Equity Fund Raising</th>
<th>After the proposed ARF Transaction, proposed Bedok Point Divestment and the proposed Equity Fund Raising</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total gross borrowings (S$'000)</td>
<td>1,368,560(2)</td>
<td>1,565,897(2)(3)</td>
<td>2,721,448(2)</td>
<td>2,615,468(2)(4)</td>
</tr>
<tr>
<td>Total Unitholders’ funds (S$'000)</td>
<td>2,451,521</td>
<td>2,451,421(5)</td>
<td>3,807,974(6)</td>
<td>3,821,674(7)</td>
</tr>
<tr>
<td>Total Capitalisation (S$'000)</td>
<td>3,820,081</td>
<td>4,017,318</td>
<td>6,529,422</td>
<td>6,437,142</td>
</tr>
<tr>
<td>Gearing ratio (%)</td>
<td>35.0</td>
<td>38.1</td>
<td>40.4</td>
<td>39.3</td>
</tr>
</tbody>
</table>

Notes:
(1) Based on 9M2020 Unaudited Financial Statements.
(2) Included FCT’s 40.0% proportionate share of borrowing in SST.
(3) Included drawdown of S$197.3 million short term borrowings to fund acquisition of 48,229 shares in the capital of ARF.
(4) Net proceeds from divestment of Bedok Point assumed to repay existing indebtedness.
(5) Included write-off of transaction costs arising from the acquisition of 48,229 shares in the capital of ARF.
(6) Assumed the issue of approximately 585.6 million new Units at S$2.22 per Unit pursuant to the proposed Equity Fund Raising and the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition.
(7) Assumed the issue of approximately 585.6 million new Units at S$2.22 per Unit pursuant to the proposed Equity Fund Raising, the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition, and the issue of approximately 0.2 million new Units as payment of the Bedok Point Divestment Fee for the proposed Bedok Point Divestment.
(8) Computed as gross borrowings over total assets. In accordance with the Property Funds Appendix, the gearing ratio included FCT’s 40% proportionate share of deposited property value and borrowing in SST.

10. REQUIREMENT OF UNITHOLDERS’ APPROVAL

10.1 Interested Person Transaction and Interested Party Transaction

10.1.1 Related Party Transactions

Under Chapter 9 of the Listing Manual, where FCT proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S$100,000, with the same interested person during the same financial year) is equal to or exceeds 5.0% of the FCT Group’s latest audited NTA, Unitholders’ approval is required in respect of the transaction.
Paragraph 5.2(b) of the Property Funds Appendix also imposes a requirement for Unitholders’ approval for an interested party transaction by FCT whose value (either in itself or when aggregated with the value of other transactions with the same interested party during the current financial year) is equal to or exceeds 5.0% of the FCT Group’s latest audited NAV.

Based on the FY2019 Audited Financial Statements, the audited NTA and NAV of the FCT Group attributable to Unitholders was approximately S$2,471.1 million as at 30 September 2019. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by FCT with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S$100,000) entered into with the same interested person during the current financial year, equal to or in excess of S$123.6 million, such a transaction would be subject to Unitholders’ approval under Rule 906(1) of the Listing Manual and Paragraph 5.2(b) of the Property Funds Appendix.

Save for the relevant proposed Transactions, the value of all “interested person transactions” entered into between FCT and the Sponsor Group and its associates during the course of the current financial year ending 30 September 2020 that are subject to disclosure under Chapter 9 of the Listing Manual is approximately S$41.5 million (the “Existing Interested Person Transactions”) (which is approximately 1.7% of the latest audited NTA and NAV of the FCT Group as at 30 September 2019).

Details of the Existing Interested Person Transactions may be found in Appendix E of this Circular.

10.1.2 The Sponsor

As at the Latest Practicable Date, the Sponsor, through the Relevant Entities, owns 409,430,348 Units, representing 36.57% of the total number of Existing Units, and is therefore regarded as a “controlling Unitholder” of FCT under both the Listing Manual and the Property Funds Appendix. In addition, as the Manager is a wholly-owned subsidiary of the Sponsor, the Sponsor is therefore regarded as a “controlling shareholder” of the Manager under both the Listing Manual and the Property Funds Appendix.

10.1.3 The Proposed ARF Transaction

In relation to the proposed ARF Acquisition, as the FPL ARF Vendor is a wholly-owned subsidiary of the Sponsor, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the FPL ARF Vendor (being a subsidiary of a “controlling Unitholder” of FCT and a subsidiary of a “controlling shareholder” of the Manager) is an “interested person” (for the purposes of the Listing Manual) and an “interested party” (for the purposes of the Property Funds Appendix) of FCT.

In relation to the proposed Mallco Divestment, as the FPL Mallco Purchaser is a wholly-owned subsidiary of the Sponsor, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the FPL Mallco Purchaser (being a subsidiary of a “controlling Unitholder” of FCT and a subsidiary of a “controlling shareholder” of the Manager) is an “interested person” (for the purposes of the Listing Manual) and an “interested party” (for the purposes of the Property Funds Appendix) of FCT.
Therefore, the proposed ARF Transaction is an “interested person transaction” under Chapter 9 of the Listing Manual, as well as an “interested party transaction” under the Property Funds Appendix, in respect of which the specific approval of the Unitholders is required.

Given that the aggregate value of the ARF Purchase Consideration of approximately S$1,057.4 million (which is approximately 42.8% of the audited NTA of the FCT Group and of the audited NAV attributable to Unitholders as at 30 September 2019) exceeds the said threshold, the proposed ARF Transaction is subject to the approval of the Unitholders pursuant to Rule 906(1)(a) of the Listing Manual and Paragraph 5.2(b) of the Property Funds Appendix.

In approving the proposed ARF Transaction, Unitholders will be deemed to have approved all documents required to be executed or assigned by the parties in order to give effect to the proposed ARF Transaction.

10.1.4 The Proposed Sponsor Placement

The Sponsor is regarded as a “controlling Unitholder” of FCT and a “controlling shareholder” of the Manager and the Sponsor’s subsidiaries are associates of a “controlling Unitholder” of FCT and a “controlling shareholder” of the Manager under the Listing Manual. Therefore, for the purposes of Chapter 9 of the Listing Manual, the Sponsor and its subsidiaries are each an “interested person” of FCT and the proposed Sponsor Placement is an “interested person transaction” under Chapter 9 of the Listing Manual in respect of which the specific approval of the Unitholders may be required.

If such number of New Units are placed to the Sponsor Group pursuant to the Private Placement in order for the Sponsor Group to maintain its proportionate pre-placement unitholdings, there is a possibility (depending on the actual Issue Price and the number of New Units placed under the proposed Sponsor Placement) that the value of New Units placed to the Sponsor Group may exceed 5.0% of the FCT Group’s latest audited NTA. In such circumstances, under Rule 906(1)(a) of the Listing Manual, the Manager is required to seek the approval of Unitholders for the placement of New Units to the Sponsor Group.

Accordingly, the Manager is seeking Unitholders’ approval for the proposed issue and placement of the New Units for subscription by the Sponsor Group.

10.1.5 The Proposed Bedok Point Divestment

As the Bedok Point Purchaser is a wholly-owned subsidiary of the Sponsor, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the Bedok Point Purchaser (being a subsidiary of a “controlling Unitholder” of FCT and a subsidiary of a “controlling shareholder” of the Manager) is an “interested person” (for the purposes of the Listing Manual) and an “interested party” (for the purposes of the Property Funds Appendix) of FCT.

Therefore, the proposed Bedok Point Divestment is an “interested person transaction” under Chapter 9 of the Listing Manual, as well as an “interested party transaction” under the Property Funds Appendix, in respect of which the specific approval of the Unitholders is required.
The Bedok Point Divestment Consideration is S$108.0 million (which is approximately 4.4% of the audited NTA of the FCT Group and of the audited NAV attributable to Unitholders as at 30 September 2019).

However, when aggregated with the ARF Purchase Consideration of approximately S$1,057.4 million, the total value of the Bedok Point Consideration and the ARF Purchase Consideration is approximately S$1,165.4 million (which is approximately 47.2% of the audited NTA of the FCT Group and of the audited NAV attributable to Unitholders as at 30 September 2019). Therefore, the proposed Bedok Point Divestment is subject to the approval of the Unitholders pursuant to Rule 906(1)(b) of the Listing Manual and Paragraphs 5.2(b) and 5.3 of the Property Funds Appendix.

In approving the proposed Bedok Point Divestment, Unitholders will be deemed to have approved all documents required to be executed or assigned by the parties in order to give effect to the proposed Bedok Point Divestment.

10.2 Major Transaction

Chapter 10 of the Listing Manual governs the acquisition or divestment of assets, including options to acquire or dispose of assets, by FCT. Such transactions are classified into the following categories:

(i) non-discloseable transactions;

(ii) discloseable transactions;

(iii) major transactions; and

(iv) very substantial acquisitions or reverse takeovers.

A transaction by FCT may fall into any of the categories set out above depending on the size of the relative figures computed on the following bases of comparison:

(1) the NAV of the assets to be disposed of, compared with FCT’s NAV pursuant to Rule 1006(a) of the Listing Manual;

(2) the net profits attributable to the assets to be acquired or disposed of, compared with FCT’s net profits pursuant to Rule 1006(b) of the Listing Manual; and

(3) the aggregate value of the consideration given or received, compared with FCT’s market capitalisation based on the total number of issued Units excluding treasury Units pursuant to Rule 1006(c) of the Listing Manual.

Rule 1006(d) of the Listing Manual is not applicable to either of the proposed ARF Transaction or the proposed Bedok Point Divestment as FCT will not be issuing any Units as consideration for the proposed ARF Transaction or the proposed Bedok Point Divestment.
10.2.1 The Proposed ARF Transaction

The relative figures computed on the bases set out in Rules 1006(a), 1006(b) and 1006(c) of the Listing Manual in respect of the proposed ARF Transaction are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Proposed ARF Transaction (S$ million)</th>
<th>FCT (S$ million)</th>
<th>Relative figure (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rule 1006(a)</td>
<td>Net asset value of the assets to be disposed of</td>
<td>N.A.</td>
<td></td>
</tr>
<tr>
<td>Rule 1006(b)</td>
<td>Net profits attributable to the assets to be acquired or disposed of, compared with FCT's net profits</td>
<td>37.2&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>69.8</td>
</tr>
<tr>
<td>Rule 1006(c)</td>
<td>Aggregate value of the consideration given or received, compared with FCT’s market capitalisation based on the total number of issued Units</td>
<td>1,097.1&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>2,935.0&lt;sup&gt;(3)&lt;/sup&gt;</td>
</tr>
<tr>
<td>Rule 1006(d)</td>
<td>The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue</td>
<td>N.A.</td>
<td></td>
</tr>
</tbody>
</table>

Notes:

(1) Based on incremental net profit arising from proposed ARF Transaction for the period 9M2020.

(2) Based on the aggregate of the Mallco Divestment Consideration and the ARF Purchase Consideration.

(3) Based on the weighted average price of the Units transacted on the SGX-ST on 2 September 2020, being the market day preceding the date of signing of the ARF Sale and Purchase Agreement, the Mallco Share Sale Agreement and the Bedok Point Put and Call Option Agreement, of S$2.6218 per Unit.

Where any of the relative figures computed on the bases set out above exceeds 20.0%, the transaction is classified as a major transaction under Rule 1014 of the Listing Manual which would be subject to the approval of Unit holders, unless such transaction is in the ordinary course of FCT’s business.

The Manager is of the view that the proposed ARF Transaction is in the ordinary course of FCT’s business as the proposed ARF Transaction is within the investment policy of FCT and does not change the risk profile of FCT. As such, the proposed ARF Transaction is not subject to Chapter 10 of the Listing Manual.
However, as the proposed ARF Transaction constitutes an “interested person transaction” under Chapter 9 of the Listing Manual, as well as an “interested party transaction” under the Property Funds Appendix, the proposed ARF Transaction will still be subject to the specific approval of Unitholders.

10.2.2 The Proposed Bedok Point Divestment

The relative figures computed on the bases set out in Rules 1006(a), 1006(b) and 1006(c) of the Listing Manual in respect of the proposed Bedok Point Divestment are as follows:

<table>
<thead>
<tr>
<th>Rule 1006(a)</th>
<th>Proposed Bedok Point Divestment (S$ million)</th>
<th>FCT (S$ million)</th>
<th>Relative figure (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net asset value of the assets to be disposed of</td>
<td>106.3(1)</td>
<td>2,451.5</td>
<td>4.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rule 1006(b)</th>
<th>Net profits attributable to the assets to be acquired or disposed of, compared with FCT’s net profits</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>69.8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rule 1006(c)</th>
<th>Aggregate value of the consideration given or received, compared with FCT’s market capitalisation based on the total number of issued Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>108.0</td>
<td>2,935.0(2)</td>
</tr>
</tbody>
</table>

Notes:

(1) Based on net selling price of S$108.0 million for the proposed Bedok Point Divestment after transferring tenants’ deposits.

(2) Based on the weighted average price of the Units transacted on the SGX-ST on 2 September 2020, being the market day preceding the date of signing of the ARF Sale and Purchase Agreement, the Mallco Share Sale Agreement and the Bedok Point Put and Call Option Agreement, of S$2.6218 per Unit.

Given that none of the relative figures computed on the bases set out above exceeds 50.0%, the proposed Bedok Point Divestment is in the ordinary course of FCT’s business pursuant to Rule 1014(3) of the Listing Manual. As such, the proposed Bedok Point Divestment is not subject to Chapter 10 of the Listing Manual.

However, as the proposed Bedok Point Divestment constitutes an “interested person transaction” under Chapter 9 of the Listing Manual, as well as an “interested party transaction” under the Property Funds Appendix, the proposed Bedok Point Divestment will still be subject to the specific approval of Unitholders.
11. ADVICE OF THE IFA

The Manager has appointed the IFA pursuant to Rule 921(4) of the Listing Manual as well as to advise the independent directors of the Manager (the “Independent Directors”), the Audit, Risk and Compliance Committee of the Manager (the “Audit, Risk and Compliance Committee”) and the Trustee in relation to the proposed ARF Transaction, the proposed Sponsor Placement, the proposed Whitewash Resolution and the proposed Bedok Point Divestment. A copy of the letter from the IFA to the Independent Directors, the Audit, Risk and Compliance Committee and the Trustee, containing its advice in full (the “IFA Letter”) is set out in Appendix B of this Circular and Unitholders are advised to read the IFA Letter carefully.

11.1 The Proposed ARF Transaction

Having considered the factors and the assumptions set out in the IFA Letter, and subject to the qualifications set out therein, the IFA is of the opinion that the proposed ARF Transaction is based on normal commercial terms and is not prejudicial to the interests of FCT and its minority Unitholders.

The IFA is of the opinion that the Independent Directors and the Audit, Risk and Compliance Committee can recommend that Unitholders vote in favour of the resolution in connection with the proposed ARF Transaction.

11.2 The Proposed Sponsor Placement

Under Rule 921(4)(b)(i) of the Listing Manual, an opinion from an independent financial adviser is not required for New Units issued pursuant to Part IV of Chapter 8 of the Listing Manual for cash.

Accordingly, as the proposed Sponsor Placement involves the issue of Units in accordance with the requirements under Part IV of Chapter 8 of the Listing Manual, a letter from an independent financial adviser is not strictly required.

However, for the purpose of good corporate governance and to ensure that there is an independent analysis of the proposed Sponsor Placement, the Manager has appointed the IFA to advise the Independent Directors, the Audit, Risk and Compliance Committee and the Trustee as to whether the proposed Sponsor Placement is based on normal commercial terms and is not prejudicial to the interests of FCT and its minority Unitholders.

Having considered the factors and made the assumptions set out in the IFA Letter, and subject to the qualifications set out therein, the IFA is of the opinion that the proposed Sponsor Placement is based on normal commercial terms and is not prejudicial to the interests of FCT and its minority Unitholders.

The IFA is of the opinion that the Independent Directors and the Audit, Risk and Compliance Committee can recommend that Unitholders vote in favour of the resolution in connection with the proposed Sponsor Placement.

11.3 The Proposed Whitewash Resolution

Having considered the factors and made the assumptions set out in the IFA Letter, and subject to the qualifications set out therein, the IFA is of the opinion that the proposed Whitewash Resolution is fair and reasonable.

The IFA is of the opinion that the Independent Directors and the Audit, Risk and Compliance Committee can recommend that the Independent Unitholders vote in favour of the proposed Whitewash Resolution.
11.4 The Proposed Bedok Point Divestment

Having considered the factors and the assumptions set out in the IFA Letter, and subject to the qualifications set out therein, the IFA is of the opinion that the proposed Bedok Point Divestment is based on normal commercial terms and is not prejudicial to the interests of FCT and its minority Unitholders.

The IFA is of the opinion that the Independent Directors and the Audit, Risk and Compliance Committee can recommend that Unitholders vote in favour of the resolution in connection with the proposed Bedok Point Divestment.

12. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

As at the Latest Practicable Date,

(i) Dr Cheong Choong Kong is the Independent Non-Executive Chairman of the Manager and has a direct interest in 144,649 Units (which is equivalent to approximately 0.01% of the 1,119,447,127 Units in issue);

(ii) Mr Ho Chee Hwee Simon is a Non-Executive Director of the Manager and has a deemed interest in 100,000 Units (which is equivalent to approximately 0.01% of the 1,119,447,127 Units in issue); and

(iii) Mr Christopher Tang Kok Kai is a Non-Executive Director of the Manager. He has a direct interest and a deemed interest in an aggregate of 689,220 Units (which is equivalent to approximately 0.06% of the 1,119,447,127 Units in issue).

Based on the Register of Directors’ Unitholdings maintained by the Manager, the direct and deemed interests of the Directors in the Units as at the Latest Practicable Date are as follows:

<table>
<thead>
<tr>
<th>Name of Director</th>
<th>Direct Interest</th>
<th>Deemed Interest</th>
<th>Total no. of Units held</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Units</td>
<td>% (1)(2)</td>
<td>No. of Units</td>
</tr>
<tr>
<td></td>
<td>held</td>
<td></td>
<td>held</td>
</tr>
<tr>
<td>Dr Cheong Choong Kong</td>
<td>144,649</td>
<td>0.01</td>
<td></td>
</tr>
<tr>
<td>Mr Ho Chai Seng</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Mr Ho Chee Hwee Simon</td>
<td>–</td>
<td>–</td>
<td>100,000</td>
</tr>
<tr>
<td>Ms Koh Choon Fah</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Mr Low Chee Wah</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Mr Christopher Tang Kok Kai</td>
<td>50,000</td>
<td>0.00</td>
<td>639,220</td>
</tr>
</tbody>
</table>

Notes:

(1) The percentage is based on 1,119,447,127 Units in issue as at the Latest Practicable Date.

(2) Any discrepancies are due to rounding. For the purpose of disclosures of the percentage interests of the directors, percentages are rounded to two decimal places.
Based on the Register of Substantial Unitholders' Unitholdings maintained by the Manager, the Substantial Unitholders and their interests in the Units as at the Latest Practicable Date are as follows:

<table>
<thead>
<tr>
<th>Name of Substantial Unitholder</th>
<th>Direct Interest</th>
<th>Deemed Interest</th>
<th>Total No. of Units held</th>
<th>%&lt;sup&gt;(1)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frasers Property Retail Trust Holdings Pte. Ltd.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of Units held</td>
<td>360,510,801</td>
<td></td>
<td></td>
<td>32.20</td>
</tr>
<tr>
<td>%&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Frasers Property Limited&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>–</td>
<td>–</td>
<td>409,430,348</td>
<td>36.57</td>
</tr>
<tr>
<td>No. of Units held</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thai Beverage Public Company Limited&lt;sup&gt;(3)&lt;/sup&gt;</td>
<td>–</td>
<td>–</td>
<td>409,430,348</td>
<td>36.57</td>
</tr>
<tr>
<td>No. of Units held</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International Beverage Holdings Limited&lt;sup&gt;(4)&lt;/sup&gt;</td>
<td>–</td>
<td>–</td>
<td>409,430,348</td>
<td>36.57</td>
</tr>
<tr>
<td>No. of Units held</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%&lt;sup&gt;(1)&lt;/sup&gt;</td>
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<td></td>
</tr>
<tr>
<td>InterBev Investment Limited&lt;sup&gt;(5)&lt;/sup&gt;</td>
<td>–</td>
<td>–</td>
<td>409,430,348</td>
<td>36.57</td>
</tr>
<tr>
<td>No. of Units held</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sriiwana Company Limited&lt;sup&gt;(6)&lt;/sup&gt;</td>
<td>–</td>
<td>–</td>
<td>409,430,348</td>
<td>36.57</td>
</tr>
<tr>
<td>No. of Units held</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maxtop Management Corp.&lt;sup&gt;(7)&lt;/sup&gt;</td>
<td>–</td>
<td>–</td>
<td>409,430,348</td>
<td>36.57</td>
</tr>
<tr>
<td>No. of Units held</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risen Mark Enterprise Ltd.&lt;sup&gt;(8)&lt;/sup&gt;</td>
<td>–</td>
<td>–</td>
<td>409,430,348</td>
<td>36.57</td>
</tr>
<tr>
<td>No. of Units held</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>%&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Golden Capital (Singapore) Limited&lt;sup&gt;(9)&lt;/sup&gt;</td>
<td>–</td>
<td>–</td>
<td>409,430,348</td>
<td>36.57</td>
</tr>
<tr>
<td>No. of Units held</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MM Group Limited&lt;sup&gt;(10)&lt;/sup&gt;</td>
<td>–</td>
<td>–</td>
<td>409,430,348</td>
<td>36.57</td>
</tr>
<tr>
<td>No. of Units held</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TCC Assets Limited&lt;sup&gt;(11)&lt;/sup&gt;</td>
<td>–</td>
<td>–</td>
<td>409,430,348</td>
<td>36.57</td>
</tr>
<tr>
<td>No. of Units held</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charoen Sirivadhanabhakdi&lt;sup&gt;(12)&lt;/sup&gt;</td>
<td>–</td>
<td>–</td>
<td>409,430,348</td>
<td>36.57</td>
</tr>
<tr>
<td>No. of Units held</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Khunying Wanna Sirivadhanabhakdi&lt;sup&gt;(13)&lt;/sup&gt;</td>
<td>–</td>
<td>–</td>
<td>409,430,348</td>
<td>36.57</td>
</tr>
<tr>
<td>No. of Units held</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Schroders plc&lt;sup&gt;(14)&lt;/sup&gt;</td>
<td>–</td>
<td>–</td>
<td>58,360,834</td>
<td>5.21</td>
</tr>
</tbody>
</table>

Notes:

(1) The percentage is based on 1,119,447,127 Units in issue as at the Latest Practicable Date. Any discrepancies are due to rounding. For the purpose of disclosures of the percentage interests of the Substantial Unitholders, percentages are rounded to two decimal places.

(2) The Sponsor holds a 100% direct interest in each of Frasers Centrepoint Asset Management Ltd. ("FCAM") and FPRTH; and FCAM and FPRTH hold units in FCT. The Sponsor therefore has a deemed interest in the units in FCT in which each of FCAM and FPRTH has an interest, by virtue of Section 4 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA").

(3) Thai Beverage Public Company Limited ("ThaiBev") holds a 100% direct interest in International Beverage Holdings Limited ("IBHL");
- IBHL holds a 100% direct interest in InterBev Investment Limited ("IBIL");
- IBIL holds a greater than 20% interest in the Sponsor;
- the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
- FCAM and FPRTH hold units in FCT.
ThaiBev therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.
(4) IBHL holds a 100% direct interest in IBIL;
   – IBIL holds a greater than 20% interest in the Sponsor;
   – the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
   – FCAM and FPRTH hold units in FCT.
   IBIL therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.

(5) IBIL holds a greater than 20% interest in the Sponsor;
   – the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
   – FCAM and FPRTH hold units in FCT.
   IBIL therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.

(6) Siriwana Company Limited (“SCL”) holds a greater than 20% interest in ThaiBev;
   – ThaiBev holds a 100% direct interest in IBHL;
   – IBHL holds a 100% direct interest in IBIL;
   – IBIL holds a greater than 20% interest in the Sponsor;
   – the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
   – FCAM and FPRTH hold units in FCT.
   SCL therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.

(7) Maxtop Management Corp. (“MMC”) together with Risen Mark Enterprise Ltd. (“Risen Mark”) and Golden Capital (Singapore) Limited (“GC”) collectively holds a greater than 20% interest in ThaiBev;
   – ThaiBev holds a 100% direct interest in IBHL;
   – IBHL holds a 100% direct interest in IBIL;
   – IBIL holds a greater than 20% interest in the Sponsor;
   – the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
   – FCAM and FPRTH hold units in FCT.
   MMC therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.

(8) Risen Mark together with MMC and GC collectively holds a greater than 20% interest in ThaiBev;
   – ThaiBev holds a 100% direct interest in IBHL;
   – IBHL holds a 100% direct interest in IBIL;
   – IBIL holds a greater than 20% interest in the Sponsor;
   – the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
   – FCAM and FPRTH hold units in FCT.
   Risen Mark therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.

(9) GC together with MMC and Risen Mark collectively holds a greater than 20% interest in ThaiBev;
   – ThaiBev holds a 100% direct interest in IBHL;
   – IBHL holds a 100% direct interest in IBIL;
   – IBIL holds a greater than 20% interest in the Sponsor;
   – the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
   – FCAM and FPRTH hold units in FCT.
   GC therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.

(10) MM Group Limited (“MM”) holds a 100% direct interest in each of MMC, Risen Mark and GC;
    – MMC, Risen Mark and GC collectively holds a greater than 20% interest in ThaiBev;
    – ThaiBev holds a 100% direct interest in IBHL;
    – IBHL holds a 100% direct interest in IBIL;
    – IBIL holds a greater than 20% interest in the Sponsor;
    – the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
    – FCAM and FPRTH hold units in FCT.
    MM therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.

(11) TCC Assets Limited (“TCCA”) holds a majority interest in the Sponsor;
     – the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
     – FCAM and FPRTH hold units in FCT.
     TCCA therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.

(12) Charoen Sirivadhanabhakdi and his spouse, Khunying Wanna Sirivadhanabhakdi, each owns 50% of the issued and paid-up share capital of TCCA;
     – TCCA holds a majority interest in the Sponsor;
     – the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
     – FCAM and FPRTH hold units in FCT.
     Charoen Sirivadhanabhakdi therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.
Khunying Wanna Sirivadhanabhakdi and her spouse, Charoen Sirivadhanabhakdi, each owns 50% of the issued and paid-up share capital of TCCA; 
- TCCA holds a majority interest in the Sponsor; 
- the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and 
- FCAM and FPRTH hold units in FCT. 
Khunying Wanna Sirivadhanabhakdi therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.

Holdings information as at 28 August 2020, as received from Schroder plc on 1 September 2020.

Save as otherwise disclosed in this Circular and based on information available to the Manager as at the Latest Practicable Date, none of the Directors or the Substantial Unitholders has an interest, direct or indirect, in the proposed Transactions.

13. DIRECTORS’ SERVICE CONTRACTS

13.1 The Proposed ARF Transaction

No person is proposed to be appointed as a Director in connection with the proposed ARF Transaction or any other transactions contemplated in relation to the proposed ARF Transaction.

13.2 The Proposed Bedok Point Divestment

No person is proposed to be appointed as a Director in connection with the proposed Bedok Point Divestment or any other transactions contemplated in relation to the proposed Bedok Point Divestment.

14. RECOMMENDATIONS

14.1 On Resolution 1: The Proposed ARF Transaction

Based on the opinion of the IFA (as set out in the IFA Letter in Appendix B of this Circular) and the rationale for the proposed ARF Transaction and the proposed Equity Fund Raising (including the proposed Sponsor Placement) as set out in paragraph 5 of this Letter to Unitholders, the Independent Directors and the Audit, Risk and Compliance Committee believe that the proposed ARF Transaction is based on normal commercial terms and would not be prejudicial to the interests of FCT or its minority Unitholders.

Accordingly, the Independent Directors and the Audit, Risk and Compliance Committee recommend that the Unitholders vote at the EGM in favour of Resolution 1 relating to the proposed ARF Transaction.

14.2 On Resolution 2: The Proposed Equity Fund Raising

Having considered the rationale for the proposed ARF Transaction and the proposed Equity Fund Raising (including the proposed Sponsor Placement) as set out in paragraph 5 of this Letter to Unitholders, the Directors believe that the proposed Equity Fund Raising would be beneficial to, and is in the interests of, FCT and its minority Unitholders.

Accordingly, the Directors recommend that the Unitholders vote at the EGM in favour of Resolution 2 relating to the issue of New Units under the proposed Equity Fund Raising.
14.3 On Resolution 3: The Proposed Sponsor Placement

Based on the opinion of the IFA (as set out in the IFA Letter in Appendix B of this Circular) and the rationale for the proposed ARF Transaction and the proposed Equity Fund Raising (including the proposed Sponsor Placement) as set out in paragraph 5 of this Letter to Unitholders, the Independent Directors and the Audit, Risk and Compliance Committee believe that the proposed Sponsor Placement is based on normal commercial terms and would not be prejudicial to the interests of FCT or its minority Unitholders.

Accordingly, the Independent Directors and the Audit, Risk and Compliance Committee recommend that the Unitholders vote at the EGM in favour of Resolution 3 relating to the proposed Sponsor Placement.

14.4 On Resolution 4: The Proposed Whitewash Resolution

Based on the opinion of the IFA (as set out in the IFA Letter in Appendix B of this Circular) and the rationale for the proposed Whitewash Resolution as set out in paragraph 6.4 of this Letter to Unitholders, the Independent Directors and the Audit, Risk and Compliance Committee believe that the proposed Whitewash Resolution is fair and reasonable.

Accordingly, the Independent Directors and the Audit, Risk and Compliance Committee recommend that the Independent Unitholders vote at the EGM in favour of Resolution 4 relating to the proposed Whitewash Resolution.

14.5 On Resolution 5: The Proposed Bedok Point Divestment

Based on the opinion of the IFA (as set out in the IFA Letter in Appendix B of this Circular) and the rationale for the proposed Bedok Point Divestment as set out in paragraph 8 of this Letter to Unitholders, the Independent Directors and the Audit, Risk and Compliance Committee believe that the proposed Bedok Point Divestment is based on normal commercial terms and would not be prejudicial to the interests of FCT or its minority Unitholders.

The Audit, Risk and Compliance Committee further confirms that it has undertaken due process to ensure that the terms of the proposed Bedok Point Divestment are generally in line with that which have been obtained had Bedok Point been sold to a non-interested party.

Accordingly, the Independent Directors and the Audit, Risk and Compliance Committee recommend that the Unitholders vote at the EGM in favour of Resolution 5 relating to the proposed Bedok Point Divestment.

15. EXTRAORDINARY GENERAL MEETING

The EGM will be convened and held by way of electronic means on 28 September 2020 for the purpose of considering and, if thought fit, passing (with or without modification), the resolutions set out in the Notice of EGM which is set out on pages F-1 to F-5 of this Circular. The purpose of this Circular is to provide Unitholders with relevant information about the resolutions. Approval by way of an Ordinary Resolution is required in respect of the resolutions.

A Depositor shall not be regarded as a Unitholder entitled to attend the EGM and to speak and vote unless he is shown to have Units entered against his name in the Depository Register, as certified by The Central Depository (Pte) Limited (“CDP”) as at 72 hours before the time fixed for the EGM.
16. **ABSTENTIONS FROM VOTING**

Rule 919 of the Listing Manual prohibits interested persons and their associates (as defined in the Listing Manual) from voting on a resolution in relation to a matter in respect of which such persons are interested in at the EGM.

16.1 **Resolution 1: The Proposed ARF Transaction**

Given that both the FPL ARF Vendor and the FPL Mallco Purchaser are wholly-owned subsidiaries of the Sponsor, the Sponsor (i) will abstain, and will ensure that its subsidiaries and associates (including FPRTH and the Manager) will abstain, from voting on Resolution 1 and (ii) will not, and will procure that its subsidiaries and associates (including FPRTH and the Manager) will not, accept appointments as proxies in relation to Resolution 1 unless specific instructions as to voting are given.

16.2 **Resolution 3: The Proposed Sponsor Placement**

Rule 812(2) of the Listing Manual prohibits the restricted placee(s) under Rule 812(1) and each of its associates (as defined in the Listing Manual), from voting on the resolution to approve the placement to the restricted placee(s).

Given that the proposed Sponsor Placement involves the placement of New Units to the Sponsor Group under the Private Placement, the Sponsor and FPRTH (i) will abstain, and will ensure that its subsidiaries and associates (including the Manager) will abstain, from voting on Resolution 3 and (ii) will not, and will procure that its subsidiaries and associates (including the Manager) will not, accept appointments as proxies in relation to Resolution 3 unless specific instructions as to voting are given.

16.3 **Resolution 4: The Proposed Whitewash Resolution**

Pursuant to the SIC Waiver granted in relation to Resolution 4, the Concert Party Group and parties not independent of them are required to abstain from voting on Resolution 4.

16.4 **Resolution 5: The Proposed Bedok Point Divestment**

Given that Bedok Point will be sold to the Bedok Point Purchaser, which is a wholly-owned subsidiary of the Sponsor, the Sponsor (i) will abstain, and will ensure that its subsidiaries and associates (including FPRTH and the Manager) will abstain, from voting on Resolution 5 and (ii) will not, and will procure that its subsidiaries and associates (including FPRTH and the Manager) will not, accept appointments as proxies in relation to Resolution 5 unless specific instructions as to voting are given.

17. **ACTIONS TO BE TAKEN BY UNITHOLDERS**

Unitholders will find enclosed in this Circular the Notice of Extraordinary General Meeting and a Proxy Form.

Due to the current COVID-19 restriction orders in Singapore, a Unitholder will not be able to attend the EGM in person. A Unitholder must appoint the Chairman of the EGM as his proxy to attend, speak and vote on his behalf at the EGM if such Unitholder wishes to exercise his voting rights at the EGM.
A Unitholder should complete, sign and return the enclosed Proxy Form in accordance with the instructions printed thereon as soon as possible in the following manner:

(a) if submitted by post, be lodged at the Unit Registrar’s office at Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or

(b) if submitted electronically, be submitted via email to the Unit Registrar at FCTEGM2020@boardroomlimited.com,

in either case, by no later than 10.00 a.m. on 25 September 2020, being 72 hours before the time fixed for the EGM.

Unitholders should read the notes in the Notice of Extraordinary General Meeting and the Proxy Form carefully.

18. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed ARF Transaction, the proposed Equity Fund Raising, the proposed Sponsor Placement, the proposed Whitewash Resolution, the proposed Bedok Point Divestment, FCT and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

19. JOINT LEAD MANAGERS AND UNDERWRITERS’ RESPONSIBILITY STATEMENT

To the best of the Joint Lead Managers and Underwriters’ knowledge and belief, the information about the proposed Equity Fund Raising and the proposed Sponsor Placement contained in the “Summary” section and paragraphs 3 and 4 of this Letter to Unitholders constitutes full and true disclosure of all material facts about the proposed Equity Fund Raising and the proposed Sponsor Placement, and the Joint Lead Managers and Underwriters are not aware of any facts the omission of which would make any statement about the proposed Equity Fund Raising and the proposed Sponsor Placement contained in the said paragraphs misleading.

20. CONSENTS

Each of the IFA, the ARF Independent Valuers, JLL and Colliers (in respect of Bedok Point) (the “Bedok Point Independent Valuers”) and the Independent Market Research Consultant has given and not withdrawn its written consent to the issue of this Circular with the inclusion of its name and, respectively, the IFA Letter, the Valuation Certificates and the independent market research report dated 24 August 2020 by the Independent Market Research Consultant (the “Independent Market Research Report”), and all references thereto, in the form and context in which they appear in this Circular.
21. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection¹ during normal business hours at the registered office of the Manager located at 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958 from the date of this Circular up to and including the date falling three months after the date of this Circular:

(i) the Mallco Share Sale Agreement;
(ii) the ARF Sale and Purchase Agreement;
(iii) the Bedok Point Put and Call Option Agreement;
(iv) the IFA Letter;
(v) the full valuation report issued by Colliers in respect of the ARF Singapore Assets;
(vi) the full valuation report issued by Savills Singapore in respect of the ARF Singapore Assets;
(vii) the full valuation report issued by the Trustee ARF Malaysian Asset Valuers in respect of the ARF Malaysia Asset;
(viii) the full valuation report issued by Savills Malaysia in respect of the ARF Malaysia Asset;
(ix) the full valuation report issued by JLL in respect of Bedok Point;
(x) the full valuation report issued by Colliers in respect of Bedok Point;
(xi) the Independent Market Research Report;
(xii) the FY2019 Audited Financial Statements; and
(xiii) the letter of consent from each of the IFA, the ARF Independent Valuers, the Bedok Point Independent Valuers and the Independent Market Research Consultant.

The Trust Deed will be available for inspection at the registered office of the Manager for so long as FCT is in existence.

Yours faithfully

Frasers Centrepoint Asset Management Ltd.
(as manager of Frasers Centrepoint Trust)

Dr Cheong Choong Kong
Chairman and Non-Executive Independent Director

¹ Prior appointment with the Manager (telephone number: +65 6277 2657) will be appreciated.
IMPORTANT NOTICE

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of FCT is not necessarily indicative of the future performance of FCT.

This Circular may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view of future events.

If you have sold or transferred all your Units, you should immediately inform the purchaser or transfeeree or the bank, stockbroker or other agent through whom the sale or transfer was effected for onward notification to the purchaser or transfeeree, that this Circular (together with the Notice and the Proxy Form) may be accessed at FCT’s website at the URL https://www.frasersproperty.com/reits/fct, and are also available on the website of the SGX-ST at the URL https://www.sgx.com/securities/company-announcements.

This Circular is issued to Unitholders solely for the purpose of convening the EGM and seeking the approval of Unitholders for the resolutions to be proposed at the EGM. This Circular does not constitute an offering document for the offer of the New Units in the United States or any other jurisdiction, and no offer of any New Units is being made in this Circular. Any offer of New Units will be made in compliance with all applicable laws and regulations.

This Circular is not for distribution, directly or indirectly, in or into the United States. Any proposed issue of New Units described in this Circular will not be registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States, or under the securities laws of any other jurisdiction, and any such New Units may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable laws. The Manager does not intend to conduct a public offering of any securities of FCT in the United States.
Glossary

In this Circular, the following definitions apply throughout unless the context otherwise requires:

“%” : Per centum or percentage

“9M2020” : The nine-month financial period from 1 October 2019 to 30 June 2020

“9M2020 Unaudited Financial Statements” : FCT Group’s unaudited financial statements for 9M2020

“Allotted Preferential Offering Units” : The Relevant Entities’ total provisional allotment of the Preferential Offering Units

“AMM” : AsiaMalls Management Pte Ltd

“AMSB” : AsiaMalls Sdn. Bhd., the holding company of FMSB

“ARE” : The application for rights entitlement acceptance form for New Units provisionally allotted to entitled Unitholders under the Preferential Offering and application form for excess New Units.

“ARF” : AsiaRetail Fund Limited

“ARF Acquisition” : The proposed acquisition by the FCT ARF Purchaser of the Sale Shares from the FPL ARF Vendor

“ARF Acquisition Completion” : Completion of the proposed ARF Acquisition

“ARF Acquisition Fee” : The acquisition fee payable to the Manager for the proposed ARF Acquisition pursuant to the Trust Deed of approximately S$19.3 million

“ARF Acquisition Fee Units” : The Units to be issued to the Manager as payment for the ARF Acquisition Fee

“ARF Assets” : The ARF Singapore Assets together with the ARF Malaysia Asset

“ARF Independent Valuers” : The Singapore ARF Independent Valuers and the Malaysia ARF Independent Valuers

“ARF Malaysia Asset” : One retail mall in Malaysia (being Setapak Central)

“ARF Malaysia Asset Agreed Property Value” : The agreed property value for the ARF Malaysia Asset, which was negotiated on a willing-buyer and willing-seller basis with reference to the independent valuations by the Malaysia ARF Independent Valuers
“ARF NAV” : The adjusted net asset value of ARF

“ARF Purchase Consideration” : The purchase consideration payable to the FPL ARF Vendor under the ARF Sale and Purchase Agreement

“ARF Sale and Purchase Agreement” : The sale and purchase agreement entered into between the FCT ARF Purchaser, the Manager and the FPL ARF Vendor on 3 September 2020

“ARF Singapore Assets” : Five retail malls (being Tiong Bahru Plaza, White Sands, Hougang Mall, Century Square and Tampines 1) and one office property (being Central Plaza) in Singapore

“ARF Singapore Assets Agreed Property Value” : The agreed property value for the ARF Singapore Assets, which was negotiated on a willing-buyer and willing-seller basis with reference to the independent valuations by the Singapore ARF Independent Valuers

“ARF Singapore Prop LLPs” : The limited liability partnerships to which the ARF Singapore PropCos will be converted as soon as practicable following the ARF Acquisition Completion

“ARF Singapore PropCos” : ARMF (TBP) Private Limited, ARMF (Central Plaza) Pte. Ltd., ARMF (Whitesands) Pte. Ltd., ARMF (Hougang Mall) Pte. Ltd. and ARMF II (Tampines) Pte. Ltd., being the Singapore property-holding companies of Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1 respectively

“ARF Singapore Retail Assets” : Five retail malls (being Tiong Bahru Plaza, White Sands, Hougang Mall, Century Square and Tampines 1) in Singapore

“ARF Transaction” : The proposed ARF Acquisition and the proposed Mallco Divestment

“Audit, Risk and Compliance Committee” : The Audit, Risk and Compliance Committee of the Manager

“Bedok Point” : The land lots 4710W, 4711V, 10529L and 10530N all of Mukim 27 together with the building erected thereon, situated at 799 New Upper Changi Road, Singapore 467351, currently known as Bedok Point

“Bedok Point Call Option” : The right granted by the Trustee to the Bedok Point Purchaser to require the Trustee to enter into the Bedok Point Purchase Agreement with the Bedok Point Purchaser for the sale and purchase of Bedok Point at the Bedok Point Divestment Consideration and on the terms of the Bedok Point Purchase Agreement
“Bedok Point Call Option Exercise Period” : The period commencing on the Bedok Point Conditions Fulfilment Date and expiring at 5 p.m. on the date falling seven business days thereafter (or such other date as the parties may mutually agree in writing)

“Bedok Point Conditions Fulfilment Date” : (i) The date the Trustee serves written notice on the Bedok Point Purchaser that the Unitholders’ approval for the proposed Bedok Point Divestment has been obtained and the ARF Acquisition Completion has taken place; or

(ii) the date the Bedok Point Purchaser serves written notice on the Trustee that the Bedok Point Purchaser has obtained the written confirmation from the Singapore Land Authority (on behalf of the President of the Republic of Singapore) that based on the URA OPA, it has in-principle no objections to recommend to the President of the Republic of Singapore to renew the lease term of the Bedok Point to a fresh leasehold term of at least 99 years,

whichever is the later date.

“Bedok Point Divestment” : The proposed divestment by the Trustee of Bedok Point to the Bedok Point Purchaser

“Bedok Point Divestment Completion” : Completion of the proposed Bedok Point Divestment

“Bedok Point Divestment Consideration” : The sale price payable by the Bedok Point Purchaser under the Bedok Point Put and Call Option Agreement

“Bedok Point Divestment Fee” : The divestment fee payable to the Manager for the proposed Bedok Point Divestment pursuant to the Trust Deed of approximately S$0.5 million

“Bedok Point Divestment Fee Units” : The Units to be issued to the Manager as payment for the Bedok Point Divestment Fee

“Bedok Point Independent Valuers” : JLL and Colliers (in respect of the Bedok Point)

“Bedok Point Option Fee” : The option fee of S$1.00 paid by the Bedok Point Purchaser to the Trustee in relation to the Bedok Point Put and Call Option Agreement

“Bedok Point Purchase Agreement” : The sale and purchase agreement for Bedok Point, the form of which is appended to the Bedok Point Put and Call Option Agreement

“Bedok Point Purchaser” : Chempaka Development Pte Ltd, a wholly-owned subsidiary of the Sponsor
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Bedok Point Put and Call Option Agreement”</td>
<td>The put and call option agreement entered into between the Trustee and the Bedok Point Purchaser on 3 September 2020</td>
</tr>
<tr>
<td>“Bedok Point Put Option”</td>
<td>The right granted by the Bedok Point Purchaser to the Trustee to require the Bedok Point Purchaser to enter into the Bedok Point Purchase Agreement with the Trustee for the sale and purchase of Bedok Point at the Bedok Point Divestment Consideration and on the terms of the Bedok Point Purchase Agreement</td>
</tr>
<tr>
<td>“CDP”</td>
<td>The Central Depository (Pte) Limited</td>
</tr>
<tr>
<td>“Circuit Breaker Period”</td>
<td>The “circuit breaker” period in Singapore from 7 April 2020 to 1 June 2020</td>
</tr>
<tr>
<td>“Circular”</td>
<td>This circular to Unitholders dated 3 September 2020</td>
</tr>
<tr>
<td>“Code”</td>
<td>The Singapore Code on Take-overs and Mergers</td>
</tr>
<tr>
<td>“Colliers”</td>
<td>Colliers International Consultancy &amp; Valuation (Singapore) Pte. Ltd.</td>
</tr>
<tr>
<td>“Concert Party Group”</td>
<td>The Relevant Entities and the parties acting in concert with them</td>
</tr>
<tr>
<td>“CSFS”</td>
<td>Community Sports Facilities Scheme</td>
</tr>
<tr>
<td>“Directors”</td>
<td>The directors of the Manager</td>
</tr>
<tr>
<td>“DPU”</td>
<td>Distribution per Unit</td>
</tr>
<tr>
<td>“EGM”</td>
<td>The extraordinary general meeting of the Unitholders, notice of which is given on pages F-1 to F-5 of this Circular</td>
</tr>
<tr>
<td>“Enlarged Retail Portfolio”</td>
<td>The Existing Portfolio (excluding Bedok Point) and the ARF Singapore Retail Assets</td>
</tr>
<tr>
<td>“Equity Fund Raising”</td>
<td>The proposed issue of up to 628,019,324 New Units</td>
</tr>
<tr>
<td>“Excess Preferential Offering Units”</td>
<td>The up to 245,123,341 additional Preferential Offering Units that the Sponsor will procure the Relevant Entities to make excess applications for</td>
</tr>
<tr>
<td>“Existing Interested Person Transactions”</td>
<td>The interested person transactions entered into between FCT and the Sponsor Group and its associates during the course of the current financial year ending 30 September 2020</td>
</tr>
</tbody>
</table>
"Existing Portfolio" : The current portfolio of FCT comprising Causeway Point, Northpoint City North Wing (including Yishun 10 Retail Podium), Anchorpoint, YewTee Point, Bedok Point, Changi City Point and Waterway Point (40%-interest)

"Existing Units" : The Units in issue as at the Latest Practicable Date

"F&B" : Food & beverage

"FCAM" : Frasers Centrepoint Asset Management Ltd.

"FCT" : Frasers Centrepoint Trust

"FCT ARF Purchaser" : FCT Holdings (Sigma) Pte. Ltd., a wholly-owned subsidiary of FCT

"FCT Group" : FCT and its subsidiaries

"FMSB" : Festiva Mall Sdn. Bhd., a wholly-owned Malaysian subsidiary of Mallco which holds the ARF Malaysia Asset directly

"FPL ARF Vendor" : Frasers Property Investments (Bermuda) Limited, a company incorporated in Bermuda and wholly-owned by the Sponsor

"FPL Mallco Purchaser" : Frasers Property Gold Pte. Ltd., a wholly-owned subsidiary of the Sponsor

"FPL Subscription Amount" : The total issue price of the Units to be subscribed by the Relevant Entities under the Preferential Offering pursuant to the terms of the Sponsor Irrevocable Undertaking

"FPRTH" : Frasers Property Retail Trust Holdings Pte. Ltd.

"FRx" : Frasers’ current shopper loyalty programme Frasers Experience

"FY2019" : The financial year ended 30 September 2019

"FY2019 Audited Financial Statements" : FCT Group’s latest audited financial statements for FY2019

"GC" : Golden Capital (Singapore) Limited

"GFA" : Gross floor area

"GRI" : Gross rental income

"HDB" : Housing Development Board

"IBHL" : International Beverage Holdings Limited
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>“IBIL”</td>
<td>InterBev Investment Limited</td>
</tr>
<tr>
<td>“IFA”</td>
<td>Ernst &amp; Young Corporate Finance Pte. Ltd.</td>
</tr>
<tr>
<td>“IFA Letter”</td>
<td>The letter from the IFA to the Independent Directors, the Audit, Risk and Compliance Committee and the Trustee containing its advice as set out in Appendix B of this Circular</td>
</tr>
<tr>
<td>“Illustrative Issue Price”</td>
<td>The illustrative issue price of S$2.22 per New Unit issued under the proposed Equity Fund Raising</td>
</tr>
<tr>
<td>“Independent Directors”</td>
<td>The independent directors of the Manager, being Dr Cheong Choong Kong, Mr Ho Chai Seng and Ms Koh Choon Fah</td>
</tr>
<tr>
<td>“Independent Market Research Consultant”</td>
<td>Cistri Pte. Ltd.</td>
</tr>
<tr>
<td>“Independent Unitholders”</td>
<td>Unitholders other than the Concert Party Group and parties not independent of them</td>
</tr>
<tr>
<td>“IPO”</td>
<td>Initial public offering</td>
</tr>
<tr>
<td>“Issue Price”</td>
<td>The issue price of the New Units issued under the proposed Equity Fund Raising</td>
</tr>
<tr>
<td>“JLL”</td>
<td>Jones Lang LaSalle Property Consultants Pte. Ltd.</td>
</tr>
<tr>
<td>“Joint Lead Managers and Underwriters”</td>
<td>DBS Bank Ltd., Citigroup Global Markets Singapore Pte. Ltd. and Oversea-Chinese Banking Corporation Limited</td>
</tr>
<tr>
<td>“Joint Management Body”</td>
<td>The joint management body of the ARF Malaysia Asset</td>
</tr>
<tr>
<td>“Latest Practicable Date”</td>
<td>28 August 2020, being the latest practicable date prior to the printing of this Circular</td>
</tr>
<tr>
<td>“Listing Manual”</td>
<td>The listing manual of the SGX-ST</td>
</tr>
<tr>
<td>“LLP Conversion”</td>
<td>The conversion of the ARF Singapore PropCos to ARF Singapore Prop LLPs pursuant to Section 21 of the Limited Liability Partnerships Act, Chapter 163A of Singapore, as soon as practicable following the ARF Acquisition Completion</td>
</tr>
<tr>
<td>“Malaysia ARF Independent Valuers”</td>
<td>The Trustee ARF Malaysian Asset Valuers and Savills Malaysia</td>
</tr>
</tbody>
</table>
"Malco" : Mallco Pte. Ltd., a wholly-owned subsidiary of ARF which holds the ARF Malaysia Asset indirectly

"Malco Divestment" : The proposed divestment of 100% of the total issued share capital of Mallco by the Mallco Vendor to the FPL Mallco Purchaser

"Malco Divestment Consideration" : The sale price of approximately S$39.7 million in relation to the proposed Mallco Divestment

"Malco Divestment Cost" : The estimated cost of the proposed Mallco Divestment of approximately S$0.1 million

"Malco Share Sale Agreement" : The sale and purchase agreement entered into between the Mallco Vendor, the Trustee and the FPL Mallco Purchaser on 3 September 2020

"Malco Vendor" : ARMF (Mauritius) Limited, a wholly-owned subsidiary of ARF and an entity in which FCT has an interest of approximately 36.89% through ARF and the FCT ARF Purchaser

"Manager" : Frasers Centrepoint Asset Management Ltd., in its capacity as manager of FCT

"Mandatory Offer" : The mandatory offer for the remaining Units not owned or controlled by the Relevant Entities

"MAS" : Monetary Authority of Singapore

"MM" : MM Group Limited

"MMC" : Maxtop Management Corp.

"MRT" : Mass Rapid Transit

"NAV" : Net asset value

"New Units" : The new Units proposed to be issued under the proposed Equity Fund Raising

"NLA" : Net lettable area

"NPI" : Net property income

"NTA" : Net tangible assets

"Ordinary Resolution" : A resolution proposed and passed as such by a majority being greater than 50.0% of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed
“Post Transaction Portfolio” : The Existing Portfolio (excluding Bedok Point) and the ARF Singapore Assets.

“Preferential Offering” : A non-renounceable preferential offering of New Units to the existing Unitholders on a pro rata basis

“Preferential Offering Units” : The New Units to be issued pursuant to the Preferential Offering

“Private Placement” : A private placement of New Units to institutional and other investors

“Property Funds Appendix” : Appendix 6 of the Code on Collective Investment Schemes

“Property Management Agreement” : The property management agreement in relation to Central Plaza

“Rahim & Co” : Rahim & Co International Sdn Bhd

“REIT” : Real estate investment trust

“Relevant Entities” : FPRTH and the Manager (in its own capacity)

“Relevant Period” : (i) The period between the first announcement of the proposed Preferential Offering and the date the Unitholders’ approval is obtained for the proposed Whitewash Resolution and (ii) the six months prior to the first announcement of the proposed Preferential Offering but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to the Preferential Offering

“Retail Mall Management Agreements” : The retail mall management agreements in relation to the ARF Singapore Retail Assets

“Risen Mark” : Risen Mark Enterprise Ltd.

“RM” : Malaysian Ringgit, being the lawful currency of Malaysia

“S$” and “cents” : Singapore dollars and cents, being the lawful currency of the Republic of Singapore

“Sale Shares” : Approximately 63.11% of the total issued share capital of ARF

“Savills Malaysia” : Savills (Malaysia) Sdn Bhd

“Savills Singapore” : Savills Valuation And Professional Services (S) Pte. Ltd.

“SCL” : Siriwana Company Limited
“Securities Act” : The U.S. Securities Act of 1933, as amended

“SFA” : Securities and Futures Act, Chapter 289 of Singapore

“SGX-ST” : Singapore Exchange Securities Trading Limited

“SIC” : Securities Industry Council

“SIC Waiver” : The waiver granted by the SIC on 20 August 2020

“Singapore ARF Independent Valuers” : Colliers and Savills Singapore, in respect of the ARF Singapore Assets

“Sponsor” : Frasers Property Limited

“Sponsor Group” : The Sponsor and its subsidiaries

“Sponsor Irrevocable Undertaking” : The irrevocable undertaking provided by the Sponsor to the Manager and the Joint Lead Managers and Underwriters

“Sponsor Placement” : The proposed issue and placement of New Units to the Sponsor Group under the Private Placement

“Sponsor Preferential Offering Units” : The Preferential Offering Units to be subscribed for by the Relevant Entities in accordance with the terms of the Sponsor Irrevocable Undertaking

“sq ft” : Square feet

“S-REIT” : Singapore REIT

“SST” : Sapphire Star Trust

“Substantial Unitholder” : A person with an interest in Units constituting not less than 5.0% of all Existing Units

“TCCA” : TCC Assets Limited

“ThaiBev” : Thai Beverage Public Company Limited

“Total Acquisition Cost” : The estimated total cost of the proposed ARF Acquisition of approximately S$1,108.8 million

“Total Bedok Point Divestment Cost” : The estimated total cost of the proposed Bedok Point Divestment of approximately S$0.8 million

“Transactions” : The proposed ARF Transaction, the proposed Equity Fund Raising, the proposed Sponsor Placement, the proposed Whitewash Resolution and the proposed Bedok Point Divestment
“Trust Deed” : The trust deed constituting FCT dated 5 June 2006 (as amended, restated and supplemented)

“Trustee” : HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of FCT

“Trustee ARF Malaysian Asset Valuers” : Rahim & Co and Colliers as independent valuers appointed by the Trustee in relation to the ARF Malaysian Asset

“Underwriting Agreement” : The underwriting agreement anticipated to be entered into between the Manager and the Joint Lead Managers and Underwriters upon the terms of the proposed Equity Fund Raising being agreed upon

“Unit” : A unit representing an undivided interest in FCT

“Unit Registrar” : Boardroom Corporate & Advisory Services Pte. Ltd.

“United States” : United States of America

“Unitholders” : Unitholders of FCT

“Unitholding” : In relation to a Unitholder, the unitholding of that Unitholder in FCT

“URA OPA” : The outline application advice from the Urban Redevelopment Authority dated 21 February 2020 as supplemented by an email dated 15 June 2020 from the Urban Redevelopment Authority

“Whitewash Resolution” : The proposed whitewash resolution to be approved by the Independent Unitholders, by way of a poll, to waive their rights to receive a general offer for their Units from the Relevant Entities

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons, where applicable, shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated. Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding.
APPENDIX A

DETAILS OF THE EXISTING PORTFOLIO, ARF SINGAPORE ASSETS AND POST TRANSACTION PORTFOLIO

The table below sets out selected information about the Existing Portfolio as at 30 June 2020.

<table>
<thead>
<tr>
<th></th>
<th>Causeway Point</th>
<th>Northpoint City North Wing(1)</th>
<th>Yishun 10 Retail Podium</th>
<th>Changi City Point</th>
<th>Bedok Point</th>
<th>YewTee Point</th>
<th>Anchorpoint</th>
<th>Waterway Point (40%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GFA(2) (sq ft)</td>
<td>629,160</td>
<td>364,596</td>
<td>10,344</td>
<td>306,378</td>
<td>133,597</td>
<td>117,594</td>
<td>110,373</td>
<td>542,493</td>
</tr>
<tr>
<td>NLA(2) (sq ft)</td>
<td>420,082</td>
<td>219,365</td>
<td></td>
<td>205,028</td>
<td>82,713</td>
<td>73,669</td>
<td>70,988</td>
<td>371,200</td>
</tr>
<tr>
<td>No. of Leases</td>
<td>211</td>
<td>171</td>
<td>126</td>
<td>38</td>
<td>68</td>
<td>51</td>
<td>202</td>
<td></td>
</tr>
<tr>
<td>Car Park Lots</td>
<td>839</td>
<td>235</td>
<td>627(3)</td>
<td>76</td>
<td>83</td>
<td>128(4)</td>
<td>622</td>
<td></td>
</tr>
<tr>
<td>Title</td>
<td>99-year leasehold title expiring on 29 October 2094</td>
<td>99-year leasehold title expiring on 31 March 2089</td>
<td>60-year leasehold title expiring on 29 April 2069</td>
<td>99-year leasehold title expiring on 14 March 2077</td>
<td>99-year leasehold title expiring on 2 January 2105</td>
<td>Freehold</td>
<td>99-year leasehold title expiring on 17 May 2110</td>
<td></td>
</tr>
<tr>
<td>Adopted Capitalisation Rate for Valuation as at 30 September 2019</td>
<td>4.75%</td>
<td>4.75%</td>
<td>3.75%</td>
<td>5.00%</td>
<td>5.00%</td>
<td>5.00%</td>
<td>4.50%</td>
<td>4.50%</td>
</tr>
<tr>
<td>Valuation as at 30 September 2019</td>
<td>S$1,298 million</td>
<td>S$771.5 million</td>
<td>S$38 million</td>
<td>S$342 million</td>
<td>S$94 million</td>
<td>S$189 million</td>
<td>S$113.5 million</td>
<td>S$1,300 million(6)</td>
</tr>
<tr>
<td>Valuation per sq ft of NLA</td>
<td>S$3,090</td>
<td>S$3,517</td>
<td>S$3,674</td>
<td>S$1,668</td>
<td>S$1,136</td>
<td>S$2,566</td>
<td>S$1,599</td>
<td>S$3,502</td>
</tr>
<tr>
<td>As percentage of aggregate appraised value of Existing Portfolio</td>
<td>38.6%</td>
<td>24.0%</td>
<td>10.2%</td>
<td>2.8%</td>
<td>5.6%</td>
<td>3.4%</td>
<td>15.4%</td>
<td></td>
</tr>
<tr>
<td>Net Property Income (FY2019)</td>
<td>S$65.8 million</td>
<td>S$39.2 million</td>
<td>S$17.5 million</td>
<td>S$2.7 million</td>
<td>S$10.3 million</td>
<td>S$3.8 million</td>
<td>S$59.1 million(7)</td>
<td></td>
</tr>
<tr>
<td>Net Property Income Yield (FY2019)</td>
<td>5.1%</td>
<td>4.8%</td>
<td>5.1%</td>
<td>2.8%</td>
<td>5.5%</td>
<td>3.4%</td>
<td>4.5%</td>
<td></td>
</tr>
<tr>
<td>Committed Occupancy as at 30 June 2020</td>
<td>96.9%</td>
<td>96.3%</td>
<td>93.9%</td>
<td>92.0%</td>
<td>97.4%</td>
<td>93.3%</td>
<td>96.6%</td>
<td></td>
</tr>
</tbody>
</table>

Notes:

(1) Northpoint City North Wing was formerly known as Northpoint Shopping Centre.
(2) GFA and NLA as stated in valuation reports dated 30 September 2019 for the respective assets.
(3) The car park lots are shared between Changi City Point, Capri By Fraser and ONE@Changi City.
(4) Part of limited common property for the exclusive benefit of YewTee Point.
(5) Located at Anchorpoint but part of the common property of the strata sub-divided mixed-use development, which comprises Anchorpoint.
(6) Valuation based on 100% as at 30 September 2019. FCT owns 40% stake in SST which holds the interest in Waterway Point and the proportionate valuation is S$520.0 million.
(7) NPI based on 100% for the financial year ended 30 September 2019. FCT owns 40% stake in SST which holds the interest in Waterway Point and the proportionate NPI is S$23.6 million.
The table below sets out selected information about the ARF Singapore Assets as at 30 June 2020.

<table>
<thead>
<tr>
<th></th>
<th>Tiong Bahru Plaza</th>
<th>White Sands</th>
<th>Hougang Mall</th>
<th>Century Square</th>
<th>Tampines 1</th>
<th>Central Plaza</th>
</tr>
</thead>
<tbody>
<tr>
<td>GFA (sq ft)</td>
<td>317,001</td>
<td>227,244</td>
<td>232,662</td>
<td>327,223</td>
<td>380,898</td>
<td>202,191</td>
</tr>
<tr>
<td>NLA (sq ft)</td>
<td>214,708</td>
<td>128,631</td>
<td>150,593</td>
<td>202,446</td>
<td>268,577</td>
<td>144,250</td>
</tr>
<tr>
<td>No. of Leases</td>
<td>140</td>
<td>132</td>
<td>121</td>
<td>147</td>
<td>165</td>
<td>22</td>
</tr>
<tr>
<td>Car Park Lots</td>
<td>338(5)</td>
<td>187</td>
<td>152</td>
<td>298</td>
<td>203</td>
<td>338(5)</td>
</tr>
<tr>
<td><strong>Title</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>99-year leasehold title expiring on 31 August 2090</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adopted Capitalisation Rate</td>
<td>4.70%</td>
<td>4.70%</td>
<td>4.70%</td>
<td>4.70%</td>
<td>4.70%</td>
<td>3.50%</td>
</tr>
<tr>
<td>Valuation as at 1 August 2020</td>
<td>$660 million</td>
<td>$428 million</td>
<td>$432 million</td>
<td>$580 million</td>
<td>$762 million</td>
<td>$220 million</td>
</tr>
<tr>
<td>Valuation per sq ft of NLA</td>
<td>$3,074</td>
<td>$3,327</td>
<td>$2,869</td>
<td>$2,865</td>
<td>$2,837</td>
<td>$1,525</td>
</tr>
<tr>
<td><strong>Title</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>99-year leasehold title expiring on 30 April 2092</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adopted Capitalisation Rate</td>
<td>4.75%</td>
<td>4.75%</td>
<td>4.75%</td>
<td>4.75%</td>
<td>4.75%</td>
<td>3.75%</td>
</tr>
<tr>
<td>Valuation as at 1 August 2020</td>
<td>$639 million</td>
<td>$427.5 million</td>
<td>$434 million</td>
<td>$560.5 million</td>
<td>$781 million</td>
<td>$208 million</td>
</tr>
<tr>
<td>Valuation per sq ft of NLA</td>
<td>$2,976</td>
<td>$3,323</td>
<td>$2,882</td>
<td>$2,769</td>
<td>$2,908</td>
<td>$1,442</td>
</tr>
<tr>
<td><strong>Title</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>99-year leasehold title expiring on 30 March 2089</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adopted Capitalisation Rate</td>
<td>4.75%</td>
<td>4.75%</td>
<td>4.75%</td>
<td>4.75%</td>
<td>4.75%</td>
<td>3.75%</td>
</tr>
<tr>
<td>Valuation as at 1 August 2020</td>
<td>$654 million</td>
<td>$428 million</td>
<td>$432 million</td>
<td>$574 million</td>
<td>$762 million</td>
<td>$215 million</td>
</tr>
<tr>
<td>Valuation per sq ft of NLA</td>
<td>$3,046</td>
<td>$3,327</td>
<td>$2,869</td>
<td>$2,835</td>
<td>$2,837</td>
<td>$1,490</td>
</tr>
<tr>
<td><strong>Title</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>99-year leasehold title expiring on 31 August 2090</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adopted Capitalisation Rate</td>
<td>4.9%</td>
<td>4.9%</td>
<td>5.0%</td>
<td>5.1%</td>
<td>5.1%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Valuation as at 1 August 2020</td>
<td>$32.1 million</td>
<td>$20.9 million</td>
<td>$21.6 million</td>
<td>$29.4 million</td>
<td>$38.8 million</td>
<td>$7.43 million</td>
</tr>
<tr>
<td>Valuation per sq ft of NLA</td>
<td>$97.4%</td>
<td>$97.7%</td>
<td>$95.5%</td>
<td>$96.7%</td>
<td>$91.9%</td>
<td>$94.3%</td>
</tr>
</tbody>
</table>

Notes:

1. Excludes CSFS space of approximately 21,744 sq ft.
2. Excludes CSFS space of approximately 15,767 sq ft.
3. Excludes CSFS space of approximately 8,547 sq ft.
4. Excludes CSFS space of approximately 28,355 sq ft.
5. Total of 338 carpark lots are shared between Tiong Bahru Plaza and Central Plaza.
1.1 **Lease Expiry Profile for the Existing Portfolio (as at 30 June 2020)**

The graph below illustrates the lease expiry profile (by GRI) of the Existing Portfolio as at 30 June 2020.

![Lease Expiry Chart](chart.png)

1.2 **Trade Sector Analysis for the Existing Portfolio (as at 30 June 2020)**

The chart below provides a breakdown by GRI of the different trade sectors represented in the Existing Portfolio.

![Trade Sector Chart](chart.png)
1.3 Top 10 Tenants Analysis for the Existing Portfolio (as at 30 June 2020)

The table below sets out the top 10 tenants of the Existing Portfolio by GRI.

<table>
<thead>
<tr>
<th>Top 10 Tenants</th>
<th>Percentage Contribution to GRI (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NTUC Fairprice Co-operative(1)</td>
<td></td>
</tr>
<tr>
<td>Dairy Farm Group(2)</td>
<td></td>
</tr>
<tr>
<td>Copitiam Pte Ltd(3)</td>
<td></td>
</tr>
<tr>
<td>Metro (Private) Limited(4)</td>
<td></td>
</tr>
<tr>
<td>Courts (Singapore) Limited</td>
<td></td>
</tr>
<tr>
<td>Koufu Group</td>
<td></td>
</tr>
<tr>
<td>Cotton On Group(5)</td>
<td></td>
</tr>
<tr>
<td>Hanbaobao Pte Limited(6)</td>
<td></td>
</tr>
<tr>
<td>Yum! Brands(7)</td>
<td></td>
</tr>
<tr>
<td>BreadTalk Group(8)</td>
<td></td>
</tr>
<tr>
<td>Other Tenants</td>
<td>77.6%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

Notes:
(1) Includes NTUC FairPrice, NTUC Healthcare (Unity) and NTUC Club.
(2) Includes leases for Cold Storage supermarkets, Guardian Pharmacy & 7-Eleven.
(3) Operator of Kopitiam food courts, includes Kopitiam, Bagus.
(4) Includes leases for Metro Department Store & Clinic Service Centre.
(6) Operates McDonald’s outlets.
(7) Operates KFC and Pizza Hut outlets.
(8) Includes BreadTalk, Toast Box and Din Tai Fung.

2. POST TRANSACTION PORTFOLIO

The table below sets out selected information about the Post Transaction Portfolio as at 30 June 2020, unless otherwise stated.

<table>
<thead>
<tr>
<th></th>
<th>Existing Portfolio</th>
<th>ARF</th>
<th>Bedok Point</th>
<th>Post Transaction Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>GFA (sq ft)</td>
<td>2,214,535</td>
<td>2,191,440</td>
<td>2,182,440</td>
<td>2,169,440</td>
</tr>
<tr>
<td>NLA (sq ft)</td>
<td>1,453,389</td>
<td>1,109,205</td>
<td>1,109,205</td>
<td>1,109,205</td>
</tr>
<tr>
<td>Number of Leases</td>
<td>867</td>
<td>727</td>
<td>38</td>
<td>1,556</td>
</tr>
<tr>
<td>Number of Car Park Lots</td>
<td>2,610(1)(2)</td>
<td>1,178(3)</td>
<td>76</td>
<td>3,712</td>
</tr>
<tr>
<td>Valuation</td>
<td>S$3,366.0 million(4)(5)</td>
<td>S$3,065.0 million(6)</td>
<td>S$94.0 million(4)</td>
<td>S$6,337.0 million</td>
</tr>
<tr>
<td>Valuation per sq ft of NLA</td>
<td>S$2,735</td>
<td>S$2,763</td>
<td>S$1,136</td>
<td>S$2,808</td>
</tr>
<tr>
<td></td>
<td>Existing Portfolio</td>
<td>ARF</td>
<td>Bedok Point</td>
<td>Post Transaction Portfolio</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>---------------------</td>
<td>-----</td>
<td>-------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Committed Occupancy as at 30 June 2020</td>
<td>95.9%</td>
<td>95.3%</td>
<td>92.0%</td>
<td>95.8%</td>
</tr>
<tr>
<td>Net Property Income Yield (FY2019)</td>
<td>4.8%</td>
<td>4.9%</td>
<td>2.8%</td>
<td>4.9%</td>
</tr>
<tr>
<td>WALE as at 30 June 2020 (years)</td>
<td>By GRI: 1.61</td>
<td>By GRI: 1.47</td>
<td>By GRI: 1.17</td>
<td>By GRI: 1.55</td>
</tr>
<tr>
<td></td>
<td>By NLA: 1.69</td>
<td>By NLA: 1.53</td>
<td>By NLA: 1.60</td>
<td>By NLA: 1.62</td>
</tr>
</tbody>
</table>

Notes:
1. Includes 128 car park lots located at Anchorpoint but comprise part of the common property of a strata sub-divided mixed-use development, which in turn comprises Anchorpoint and The Anchorage (a condominium), and the 83 car park lots which are part of limited common property for the exclusive benefit of YewTee Point.
2. Car Park Lots are shared between Changi City Point, Capri By Fraser and ONE@Changi City.
3. Car Park Lots are shared between Tiong Bahru Plaza and Central Plaza.
5. Includes 40% of Waterway Point.
6. Valuations as at 1 August 2020.

2.1 Lease Expiry Profile for the Post Transaction Portfolio (as at 30 June 2020)

The graph below illustrates the lease expiry profile (by GRI) of the Post Transaction Portfolio as at 30 June 2020.
2.2 Trade Sector Analysis for the Post Transaction Portfolio (as at 30 June 2020)

The chart below provides a breakdown by GRI of the different trade sectors represented in the Post Transaction Portfolio.

![Trade Sector Chart]

- F&B, 35.7%
- Beauty & Health, 13.8%
- Fashion, 12.5%
- Services, 10.5%
- Supermarket & Hypermarket, 5.5%
- Office, 2.6%
- Books, Music, Arts & Craft, Hobbies, 2.5%
- Leisure/Entertainment, 2.6%
- Jewellery & Watches, 2.1%
- Office, 2.6%
- Sports Apparel & Equipment, 2.1%
- Education, 2.0%
- Household, 6.6%

2.3 Top 10 Tenants Analysis for the Post Transaction Portfolio (as at 30 June 2020)

The table below sets out the top 10 tenants of the Post Transaction Portfolio by GRI.

<table>
<thead>
<tr>
<th>Top 10 Tenants</th>
<th>Percentage Contribution to GRI (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NTUC Fairprice Co-operative (1)</td>
<td></td>
</tr>
<tr>
<td>Dairy Farm Group (2)</td>
<td></td>
</tr>
<tr>
<td>Copitiam Pte Ltd (3)</td>
<td></td>
</tr>
<tr>
<td>Metro (Private) Limited (4)</td>
<td></td>
</tr>
<tr>
<td>BreadTalk Group (5)</td>
<td>18.5%</td>
</tr>
<tr>
<td>Hanbaobao Pte Limited (6)</td>
<td></td>
</tr>
<tr>
<td>Koufu Group</td>
<td></td>
</tr>
<tr>
<td>Yum! Brands (7)</td>
<td></td>
</tr>
<tr>
<td>Courts (Singapore) Limited</td>
<td></td>
</tr>
<tr>
<td>OCBC</td>
<td></td>
</tr>
<tr>
<td><strong>Other Tenants</strong></td>
<td>81.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100%</td>
</tr>
</tbody>
</table>

Notes:

(1) Includes NTUC FairPrice, NTUC Healthcare (Unity) and NTUC Club.
(2) Includes leases for Cold Storage supermarkets, Guardian Pharmacy & 7-Eleven.
(3) Operator of Kopitiam food courts, includes Kopitiam, Bagus.
(4) Includes leases for Metro Department Store & Clinique Service Centre.
(5) Includes Breadtalk, Toast Box and Din Tai Fung.
(6) Operates McDonald's outlets.
(7) Operates KFC and Pizza Hut outlets.
3 September 2020

The Independent Directors and the Audit, Risk and Compliance Committee of Frasers Centrepoint Asset Management Ltd.
(As Manager of Frasers Centrepoint Trust)
438 Alexandra Road
#21-00, Alexandra Point
Singapore 119958

HSBC Institutional Trust Services (Singapore) Limited
(As Trustee of Frasers Centrepoint Trust)
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2 #48-01
Singapore 018983

Dear Sirs:

(A) THE PROPOSED ARF TRANSACTION AS AN INTERESTED PERSON TRANSACTION;

(B) THE PROPOSED ISSUE AND PLACEMENT OF NEW UNITS TO THE SPONSOR GROUP UNDER THE PRIVATE PLACEMENT AS AN INTERESTED PERSON TRANSACTION;

(C) THE PROPOSED WHITEWASH RESOLUTION; AND

(D) THE PROPOSED BEDOK POINT DIVESTMENT AS AN INTERESTED PERSON TRANSACTION

1 INTRODUCTION

Frasers Centrepoint Asset Management Ltd. (as manager of Frasers Centrepoint Trust (“FCT”)) (the “Manager”) seeks approval from the unitholders of FCT (the “Unitholders”) for, among others:

(i) Resolution 1 (Ordinary Resolution): The Proposed ARF Acquisition and the Proposed Malco Divestment (together, the “ARF Transaction”)

The proposed acquisition of approximately 63.11% of the total issued share capital of AsiaRetail Fund Limited (“ARF” and the approximately 63.11% of the total issued share capital, the “Sale Shares”) through:

(a) the acquisition of the Sale Shares (the “ARF Acquisition”) by FCT Holdings (Sigma) Pte. Ltd., a wholly-owned subsidiary of FCT (the “FCT ARF Purchaser”), from Frasers Property Investments (Bermuda) Limited (the “FPL ARF Vendor”), for a purchase consideration of approximately S$1,057.4 million (the “ARF Purchase Consideration”); which is subject to

1 “Ordinary Resolution” refers to a resolution proposed and passed as such by a majority being greater than 50.0% of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the trust deed constituting FCT dated 5 June 2006 (as amended, restated and supplemented from time to time) (the “Trust Deed”).
(b) the divestment of 100.0% of the total issued share capital of Mallco Pte. Ltd., a wholly-owned subsidiary of ARF (the “Mallco Divestment” and Mallco Pte. Ltd., “Mallco”), which holds a retail mall in Malaysia, being Setapak Central (the “ARF Malaysia Asset”) by ARMF (Mauritius) Limited (the “ARF Vendor”), to Frasers Property Gold Pte. Ltd., (the “FPL Mallco Purchaser”) for a sale price of approximately S$39.7 million (the “Mallco Divestment Consideration”).

Description of ARF and the ARF Assets

ARF is a private investment vehicle set up as a company incorporated in Bermuda. It is the largest non-listed retail mall fund in Singapore, owning five retail malls in Singapore (being Tiong Bahru Plaza, White Sands, Hougang Mall, Century Square and Tampines 1) (the “ARF Singapore Retail Assets”), one office property in Singapore (being Central Plaza) (together with the ARF Singapore Retail Assets, the “ARF Singapore Assets”) and one retail mall in Malaysia (being Setapak Central) (together with the ARF Singapore Asset, the “ARF Assets”). ARF does not invest in and/or manage other businesses save for the ARF Assets. With effect from 1 September 2020, ARF is managed by Frasers Property Corporate Services (Singapore) Pte Ltd, a wholly-owned subsidiary of the sponsor of FCT, Frasers Property Limited (the “Sponsor”). As at 28 August 2020, being the latest practicable date prior to the printing of the circular to Unitholders dated 3 September 2020 (the “Circular” and the latest practicable date, the “Latest Practicable Date”), FCT holds an interest of approximately 36.89% in ARF through the FCT ARF Purchaser. The remaining approximately 63.11% of the interest in ARF is held by the Sponsor through the FPL ARF Vendor, a company incorporated in Bermuda and wholly-owned by the Sponsor.

Interested Person Transaction and Interested Party Transaction

As at the Latest Practicable Date, the Sponsor holds, through its wholly-owned subsidiaries, Frasers Property Retail Trust Holdings Pte. Ltd. (“FPRTH”) and the Manager, an aggregate interest in 409,430,348 units in FCT (the “Units”), which is equivalent to approximately 36.57% of the total number of Units in issue as at the Latest Practicable Date (the “Existing Units”), and is therefore regarded as a “controlling Unitholder” of FCT under the listing manual of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) (the “Listing Manual”) and Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the “Property Funds Appendix”). In addition, as the Manager is a wholly-owned subsidiary of the Sponsor, the Sponsor is therefore regarded as a “controlling shareholder” of the Manager under both the Listing Manual and the Property Funds Appendix.

In relation to the proposed ARF Acquisition, as the FPL ARF Vendor is a wholly-owned subsidiary of the Sponsor, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the FPL ARF Vendor (being a subsidiary of a “controlling Unitholder” of FCT and a subsidiary of a “controlling shareholder” of the Manager) is an “interested person” (for the purposes of the Listing Manual) and an “interested party” (for the purposes of the Property Funds Appendix) of FCT. Therefore, the proposed ARF Acquisition is an “interested person transaction” under Chapter 9 of the Listing Manual, as well as an “interested party transaction” under the Property Funds Appendix.

In relation to the Mallco Divestment, as the FPL Mallco Purchaser is a wholly-owned subsidiary of the Sponsor, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the FPL Mallco Purchaser (being a subsidiary of a “controlling Unitholder” of FCT and a subsidiary of a “controlling shareholder” of the Manager) is an “interested person” (for the purposes of the Listing Manual) and an “interested party” (for the purposes of the Property Funds Appendix) of FCT. Therefore, the proposed Mallco Divestment is an “interested person transaction” under Chapter 9 of the Listing Manual, as well as an “interested party transaction” under the Property Funds Appendix.

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1 Prior to 1 September 2020, ARF was managed by PGIM Real Estate, the real estate investment business of PGIM, Inc.
Divestment is an “interested person transaction” under Chapter 9 of the Listing Manual, as well as an “interested party transaction” under the Property Funds Appendix.

(ii) Resolution 3 (Ordinary Resolution): The Proposed Issue and Placement of New Units to the Sponsor Group under the Private Placement

The Manager has proposed the issuance of up to 628,019,324 new Units (the “New Units”) (representing approximately 56.1% of the Existing Units), pursuant to the proposed equity fund raising (the “Equity Fund Raising”). Based on an illustrative issue price of S$2.22 per New Unit (the “Illustrative Issue Price”), the proposed Equity Fund Raising is expected to raise gross proceeds of up to S$1,394.2 million. The net proceeds of the proposed Equity Fund Raising will be used to part-finance the estimated total cost of the proposed ARF Acquisition (the “Total Acquisition Cost”) and to pare down existing indebtedness.

The structure and timing of the proposed Equity Fund Raising have not been determined by the Manager. In the event that the proposed Equity Fund Raising includes a private placement of New Units to institutional and other investors (the “Private Placement”), to provide a higher degree of certainty for the successful completion of the Private Placement and to enable the Sponsor and its subsidiaries (the “Sponsor Group”) to be in a position to support FCT and align its interest with the Unitholders, the Manager is seeking Unitholders’ approval for the proposed issue and placement of New Units to the Sponsor Group (the “Sponsor Placement”), as part of the Private Placement.

Pursuant to the terms of the irrevocable undertaking provided by the Sponsor to the Manager and the Joint Lead Managers and Underwriters (the “Sponsor Irrevocable Undertaking”), the Sponsor has also undertaken that should the Sponsor Group be offered New Units under the proposed Sponsor Placement, the Sponsor Group will subscribe for such number of New Units under the Private Placement up to its proportionate pre-placement unitholdings in FCT\(^1\). The Sponsor Group’s percentage unitholdings in FCT will not increase after the completion of the Private Placement.

The New Units placed to the Sponsor Group under the proposed Sponsor Placement will be issued at the same price as the New Units issued to other investors under the Private Placement.

Interested Person Transaction

As stated above, as at the Latest Practicable Date, the Sponsor is regarded as a “controlling Unitholder” of FCT and a “controlling shareholder” of the Manager under the Listing Manual. Accordingly, the Sponsor’s subsidiaries are associates of a “controlling Unitholder” of FCT and a “controlling shareholder” of the Manager under the Listing Manual.

Therefore, for the purposes of Chapter 9 of the Listing Manual, the Sponsor and its subsidiaries are each an “interested person” of FCT, and the proposed Sponsor Placement is an “interested person transaction” under Chapter 9 of the Listing Manual.

If such number of New Units are placed to the Sponsor Group pursuant to the Private Placement in order for the Sponsor Group to maintain its proportionate pre-placement unitholdings, there is a possibility (depending on the actual Issue Price and the number of New Units placed under the proposed Sponsor Placement) that the value of New Units placed to the Sponsor Group may exceed 5.0% of FCT’s latest audited net tangible assets (“NTA”) or net asset value (“NAV”). In such circumstances, under Rule 906(1)(a) of the Listing Manual, the Manager is required to seek the approval of Unitholders for the placement of New Units to the Sponsor Group.

\(^1\) The Sponsor Placement will apply to any upsized option to issue additional New Units under the Private Placement which may be exercised by the Manager.
(iii) **Resolution 4 (Ordinary Resolution): The Proposed Whitewash Resolution**

The Securities Industry Council ("SIC") has, on 20 August 2020, granted a waiver (the "SIC Waiver") to the Relevant Entities of the requirement for the Relevant Entities to make a mandatory offer (the "Mandatory Offer") for the remaining Units not owned or controlled by the Relevant Entities, in the event that they incur an obligation to make a Mandatory Offer pursuant to Rule 14 of the Singapore Code on Take-overs and Mergers (the "Code") as a result of the subscription by FPRTH and the Manager (in its own capacity) (together, the "Relevant Entities") of the New Units proposed to be issued under the non-renounceable preferential offering (the "Preferential Offering") to the Relevant Entities (the "Sponsor Preference Offering Units") in accordance with the Sponsor Irrevocable Undertaking, subject to the satisfaction of the conditions specified by the SIC Waiver (as set out in Paragraph 6.2 of the Letter to Unitholders in the Circular) including the Unitholders other than the Relevant Entities and the parties acting in concert with them (the "Concert Party Group") and parties not independent of them (the "Independent Unitholders") approving a resolution (the "Whitewash Resolution") by way of a poll to waive their rights to receive general offer for their Units from the Relevant Entities.

In addition to the taking up by the Relevant Entities of their pro rata entitlements to the Preferential Offering, the Sponsor has, subject to and conditional upon the approval of the proposed Whitewash Resolution by the Independent Unitholders, irrevocably undertaken to procure the Relevant Entities to apply for the New Units to be issued pursuant to the Preferential Offering (the "Preferential Offering Units") of up to 245,123,341 additional Preferential Offering Units (the "Excess Preferential Offering Units") which are not taken up by other Unitholders. The exact percentage increase of the Concert Party Group’s aggregate unitholding in FCT ("Unitholding") will depend on the overall level of acceptances and excess applications by Unitholders for the Preferential Offering as according to Rule 877(10) of the Listing Manual, the Relevant Entities, among others, will rank last in the allocation of Excess Preferential Offering Unit applications. The Concert Party Group’s percentage Unitholding after the Preferential Offering will, therefore, vary depending on the final allocation of the Excess Preferential Offering Units applied for.

Rule 14.1(b) of the Code states that the Concert Party Group would be required to make a Mandatory Offer, if the Concert Party Group holds not less than 30.0% but not more than 50.0% of the voting rights of FCT and the Concert Party Group acquires in any period of six months additional Units which carry more than 1.0% of the voting rights of FCT. If the Concert Party Group’s percentage Unitholding after the Preferential Offering increases by more than 1.0% as a result of any allocation further to the application of the Relevant Entities for the Excess Preferential Offering Units, the Concert Party Group would then be required to make a Mandatory Offer unless waived by the SIC. A waiver is accordingly sought by the Relevant Entities and the SIC Waiver was granted subject to the satisfaction of the conditions specified in the SIC Waiver, including the proposed Whitewash Resolution being approved by Independent Unitholders by way of a poll at the extraordinary general meeting ("EGM").

Accordingly, the Manager is seeking approval from the Independent Unitholders for a waiver of their right to receive a Mandatory Offer from the Relevant Entities, in the event that they incur an obligation to make a Mandatory Offer as a result of the subscription by the Relevant Entities of the Excess Preferential Offering Units in accordance with the terms of the Sponsor Irrevocable Undertaking.

(iv) **Resolution 5 (Ordinary Resolution): The Proposed Bedok Point Divestment**

FCT’s proposed divestment of a leasehold interest in the whole of the land lots 4710W, 4711V, 10529L and 10530N, all of Mukim 27 together with the building erected thereon, situated at 799 New Upper Changi Road, Singapore 467351, currently known as Bedok Point ("Bedok Point") to Chempaka Development Pte Ltd, a wholly-owned subsidiary of the
Description of Bedok Point

Bedok Point is located in the town centre of Bedok, which is one of the largest residential estates in Singapore by population. The mall is well-served by the nearby Bedok Mass Rapid Transit ("MRT") station and the Bedok bus interchange. Bedok Point has five retail levels (including one basement level) and one basement car park and offers an array of restaurants, food outlets, enrichment centres, retail and service offerings.

Interested Person Transaction and Interested Party Transaction

As the Bedok Point Purchaser is a wholly-owned subsidiary of the Sponsor, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the Bedok Point Purchaser (being a subsidiary of a “controlling Unitholder” of FCT and a subsidiary of a “controlling shareholder” of the Manager) is an “interested person” (for the purposes of the Listing Manual) and an “interested party” (for the purposes of the Property Funds Appendix) of FCT. Therefore, the proposed Bedok Point Divestment is an “interested person transaction” under Chapter 9 of the Listing Manual, as well as an “interested party transaction” under the Property Funds Appendix.

In accordance with the abovementioned requirements, more details of which are set out in the Circular, Ernst & Young Corporate Finance Pte Ltd ("EYCF") has been appointed as the independent financial adviser ("IFA") as required under Rule 921(4)(a) of the Listing Manual and Appendix 1 of the Code as well as to advise the independent directors of the Manager (the “Independent Directors”), the audit, risk and compliance committee of the Manager (the “Audit, Risk and Compliance Committee”), and the Trustee on whether:

(a) the proposed ARF Transaction is on normal commercial terms and is not prejudicial to the interests of FCT and its minority Unitholders;
(b) the proposed Sponsor Placement is on normal commercial terms and is not prejudicial to the interests of FCT and its minority Unitholders;
(c) the proposed Whitewash Resolution is fair and reasonable; and
(d) the proposed Bedok Point Divestment is on normal commercial terms and is not prejudicial to the interests of FCT and its minority Unitholders.

This letter sets out, inter alia, our evaluation of the proposed ARF Transaction, the proposed Sponsor Placement, the proposed Whitewash Resolution, the proposed Bedok Point Divestment and the recommendations of the Independent Directors and the Audit, Risk and Compliance Committee in respect thereof.

For the purposes of this letter and the Circular, and unless otherwise stated, "Existing Portfolio" refers to FCT’s property portfolio comprising the following suburban retail properties in Singapore: Causeway Point, Northpoint City North Wing (including Yishun 10 Retail Podium), Anchorpoint, Yew Tee Point, Bedok Point, Changi City Point and Waterway Point (40.0% interest) and "Enlarged Portfolio" comprises the Existing Portfolio (excluding Bedok Point) and the ARF Singapore Assets.

Unless otherwise defined or the context otherwise requires, all terms in the Circular shall have the same meaning in this letter. Foreign currency amounts have been translated into Singapore dollars ("S$"). Unless otherwise indicated, such translations have been made based on the illustrative exchange rate of S$1.00 to Malaysian Ringgit ("RM") 3.0676.
2 TERMS OF REFERENCE

EYCF has been appointed as required under Rule 921(4)(a) of the Listing Manual and Appendix 1 of the Code as well as to provide opinions to the Independent Directors, the Audit, Risk and Compliance Committee, and the Trustee in respect of the ARF Transaction, the Sponsor Placement, the Whitewash Resolution, and the Bedok Point Divestment.

Our views as set forth in this letter are based on the prevailing market conditions, economic conditions, and financial conditions, and our evaluation of the ARF Transaction, the Sponsor Placement, the Whitewash Resolution, and the Bedok Point Divestment, as well as information provided to us by FCT and the management of the Manager (the "Management"), as at the Latest Practicable Date. Accordingly, we assume no responsibility to update, revise or reaffirm our opinions as a result of any subsequent development after the Latest Practicable Date. Unitholders should take note of any announcement and/or event relevant to the proposed transactions which may be released by FCT and/or the Manager after the Latest Practicable Date.

We are not and were not involved in any aspect of the discussions and negotiations pertaining to the ARF Transaction, the Sponsor Placement, the Whitewash Resolution, and the Bedok Point Divestment nor were we involved in the deliberations leading up to the decisions by the directors of the Manager (the ‘Directors’) in connection with the ARF Transaction, the Sponsor Placement, the Whitewash Resolution, and the Bedok Point Divestment. We have not conducted a comprehensive review of the business, operations or financial condition of FCT and its subsidiaries and associates. It is not within our terms of reference to assess the rationale for, legal, strategic, commercial and financial merits and/or risks of the ARF Transaction, the Sponsor Placement, the Whitewash Resolution, and the Bedok Point Divestment, and to comment on such merits and/or risks of the ARF Transaction, the Sponsor Placement, the Whitewash Resolution, and the Bedok Point Divestment. We have only expressed our opinions on whether the ARF Transaction, the Sponsor Placement, and the Bedok Point Divestment are on normal commercial terms and are not prejudicial to the interests of FCT and its minority Unitholders, and whether the Whitewash Resolution is fair and reasonable. The assessment of the legal, strategic, commercial and financial merits and/or risks of the ARF Transaction, the Sponsor Placement, the Whitewash Resolution, and the Bedok Point Divestment remains the sole responsibility of the Directors, although we may draw upon their views in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at the opinion set out in this letter.

It is also not within our terms of reference to compare the relative merits of the ARF Transaction, the Sponsor Placement, the Whitewash Resolution, and the Bedok Point Divestment vis-à-vis any alternative transaction previously considered by FCT and/or the Manager (if any) or that FCT and/or the Manager may consider in the future, and as such, we do not express an opinion thereon.

In the course of our evaluation of the ARF Transaction, the Sponsor Placement, the Whitewash Resolution, and the Bedok Point Divestment, we have held discussions with the Directors and the Management. We have also examined and relied on information in respect of FCT collated by us, as well as information provided and representations and assurances made to us, both written and verbal, by the Directors, the Management and/or professional advisers of FCT and/or the Manager, including information contained in the Circular. We have not independently verified such information or any representation or assurance, whether written or verbal, and accordingly cannot and do not warrant or accept responsibility for the accuracy or completeness of such information, representation or assurance. Nevertheless, the Directors (including those who may have delegated supervision of the Circular) and the Management have confirmed to us, after making all reasonable enquiries that, to the best of their knowledge and belief, all material information relating to FCT, the ARF Transaction, the Sponsor Placement, the Whitewash Resolution, and the Bedok Point Divestment has been disclosed to us, that such information constitutes a full and true disclosure, in all material respects, of all material facts about FCT, the ARF Transaction, the Sponsor Placement, the Whitewash Resolution, and the Bedok Point Divestment, and there is no material information the omission of which would make any of the information contained herein or in the
Circular misleading in any material respect. The Directors have jointly and severally accepted such responsibility accordingly.

We have also made reasonable enquiries and exercised our judgement on the reasonable use of such information and have found no reason to doubt the accuracy or the reliability of such information. We have further assumed that all statements of fact, belief, opinion and intention made by the Directors in relation to the ARF Transaction, the Sponsor Placement, the Whitewash Resolution, and the Bedok Point Divestment have been reasonably made after due and careful enquiry. We have not conducted a comprehensive review of the business, operations and financial condition of FCT, the ARF Assets, and/or Bedok Point. We have also not made an independent evaluation or appraisal of the assets and liabilities of FCT, the ARF Assets, and/or Bedok Point. However, we have been furnished with the independent valuation reports commissioned by the Manager and the Trustee and issued by the following independent valuers in connection with the open market values of the ARF Assets and Bedok Point (the “Valuation Reports”):

<table>
<thead>
<tr>
<th>Property</th>
<th>Independent Valuer appointed by the Trustee</th>
<th>Independent Valuer appointed by the Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>For the ARF Singapore Assets</td>
<td>Colliers International Consultancy &amp; Valuation (Singapore) Pte. Ltd. (Colliers”)</td>
<td>Savills Valuation And Professional Services (S) Pte. Ltd. (“Savills Singapore”)</td>
</tr>
<tr>
<td>For the ARF Malaysia Assets</td>
<td>Colliers and Rahim &amp; Co International Sdn Bhd (Rahim &amp; Co” and together with Colliers, the “Trustee ARF Malaysian Asset Valuers”)</td>
<td>Savills (Malaysia) Sdn Bhd (“Savills Malaysia”)</td>
</tr>
<tr>
<td>For Bedok Point</td>
<td>Jones Lang LaSalle Property Consultants Pte Ltd (“JLL”)</td>
<td>Colliers</td>
</tr>
</tbody>
</table>

Source: Circular

We are not experts and do not regard ourselves to be experts in the valuation of the ARF Assets and/or Bedok Point, and we have taken into consideration the Valuation Reports respectively prepared by Colliers, Savills Singapore, the Trustee ARF Malaysian Asset Valuers, Savills Malaysia, and JLL (Colliers, Savills Singapore, The Trustee ARF Malaysian Asset Valuers and Savills Malaysia together being the “ARF Independent Valuers”, JLL and Colliers together being the “Bedok Point Independent Valuers”, and collectively, the “Independent Valuers”).

In preparing this letter, we have not had regard to the specific investment objectives, financial situation, tax position and/or unique needs and constraints of any individual Unitholder or any specific group of Unitholders. As each Unitholder would have different investment objectives and profiles, any individual Unitholder or group of Unitholders who may require specific advice in relation to his or their Units should consult his or their stockbroker, bank manager, solicitor, accountant or other professional advisers.

We were not involved and have not provided any advice, whether financial or otherwise, in the preparation, review and verification of the Circular (other than in connection with this letter). Accordingly, we do not take any responsibility for, and express no views on, whether expressed or implied, the contents of the Circular (other than in connection with this letter).

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¹ The valuation report in relation to the ARF Malaysia Asset to be issued to the Trustee will be issued by Colliers and Rahim & Co jointly.
This letter and our opinions are pursuant to Rule 921(4)(a) of the Listing Manual and Appendix 1 of the Code as well as addressed for the use and benefit of the Independent Directors, the Audit, Risk and Compliance Committee, and the Trustee in connection with and for the purpose of their consideration of the ARF Transaction, the Sponsor Placement, the Whitewash Resolution, and the Bedok Point Divestment, and the recommendations made by the Independent Directors and the Audit, Risk and Compliance Committee to the Unitholders shall remain the sole responsibility of the Independent Directors and the Audit, Risk and Compliance Committee.

Our opinions in relation to the ARF Transaction, the Sponsor Placement, the Whitewash Resolution, and the Bedok Point Divestment should be considered in the context of the entirety of this letter and the Circular.

3 THE PROPOSED ARF TRANSACTION

The details of the proposed ARF Transaction, including details of ARF Assets and the documents required to give effect to the proposed ARF Transaction, are set out in the Summary section, Paragraph 2 of the Letter to Unitholders of the Circular and Appendix A to the Circular. We set out below the salient information on the proposed ARF Transaction.

3.1 Description of ARF

ARF is a private investment vehicle set up as a company incorporated in Bermuda. It is the largest non-listed retail mall fund in Singapore, owning five retail malls in Singapore (being Tiong Bahru Plaza, White Sands, Hougang Mall, Century Square and Tampines 1), one office property in Singapore (being Central Plaza) and one retail mall in Malaysia (being Setapak Central). ARF does not invest and/or manage other businesses save for the ARF Assets. With effect from 1 September 2020, ARF is managed by Frasers Property Corporate Services (Singapore) Pte Ltd, a wholly-owned subsidiary of the Sponsor.¹ As at the Latest Practicable Date, FCT holds an interest of approximately 36.89% in ARF through the FCT ARF Purchaser. The remaining approximately 63.11% of the interest in ARF is held by the Sponsor through the FPL ARF Vendor, a company incorporated in Bermuda and wholly-owned by the Sponsor.

¹ Prior to 1 September 2020, ARF was managed by PGIM Real Estate, the real estate investment business of PGIM, Inc.
3.2 Description of the ARF Singapore Assets in relation to the proposed ARF Acquisition

The following table sets out the summary of selected information on the ARF Singapore Assets as at 30 June 2020, unless otherwise stated.

<table>
<thead>
<tr>
<th>No</th>
<th>Property and Location</th>
<th>Type</th>
<th>Title and Expiry</th>
<th>GFA (sq ft)</th>
<th>NLA (sq ft)</th>
<th>Number of Storeys and Carpark Lots</th>
<th>Committed Occupancy (%)</th>
<th>Weighted Average Lease Expiry (years)</th>
<th>Independent Valuation by Colliers (as at 1 Aug 2020) (in S$ million)</th>
<th>Independent Valuation by Savills Singapore (as at 1 Aug 2020) (in S$ million)</th>
<th>Agreed Property Value (in S$ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tiong Bahru Plaza</td>
<td>Retail</td>
<td>Leasehold expiring on 31 Aug 2090</td>
<td>317,001</td>
<td>214,708</td>
<td>4-storeys with 3 basement levels 338 carpark lots</td>
<td>97.4</td>
<td>By GRI: 1.93, By NLA: 2.11</td>
<td>660.0</td>
<td>639.0</td>
<td>654.0</td>
</tr>
<tr>
<td>2</td>
<td>White Sands</td>
<td>Retail</td>
<td>Leasehold expiring on 30 Apr 2092</td>
<td>227,244</td>
<td>128,631</td>
<td>5-storeys with 3 basement levels 187 carpark lots</td>
<td>97.7</td>
<td>By GRI: 1.60, By NLA: 1.66</td>
<td>428.0</td>
<td>427.5</td>
<td>428.0</td>
</tr>
<tr>
<td>3</td>
<td>Hougang Mall</td>
<td>Retail</td>
<td>Leasehold expiring on 30 Apr 2093</td>
<td>232,662</td>
<td>150,593</td>
<td>5-storeys with 2 basement levels 152 carpark lots</td>
<td>95.5</td>
<td>By GRI: 1.32, By NLA: 1.34</td>
<td>432.0</td>
<td>434.0</td>
<td>432.0</td>
</tr>
<tr>
<td>No</td>
<td>Property and Location</td>
<td>Type</td>
<td>Title and Expiry</td>
<td>GFA (sq ft)</td>
<td>NLA (sq ft)</td>
<td>Number of Storeys and Carpark Lots</td>
<td>Committed Occupancy (%)</td>
<td>Weighted Average Lease Expiry (years)</td>
<td>Independent Valuation by Colliers (as at 1 Aug 2020) (in S$ million)</td>
<td>Independent Valuation by Savills Singapore (as at 1 Aug 2020) (in S$ million)</td>
<td>Agreed Property Value (in S$ million)</td>
</tr>
<tr>
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</tr>
<tr>
<td>4</td>
<td><strong>Century Square</strong>&lt;br&gt;2 Tampines Central 5, Century Square, Singapore 529509</td>
<td>Retail</td>
<td>Leasehold expiring on 31 Aug 2091</td>
<td>327,223</td>
<td>202,446(10)</td>
<td>5-storeys with 3 basement levels 298 carpark lots</td>
<td>96.7</td>
<td>By GRI: 1.39&lt;br&gt;By NLA: 1.59</td>
<td>580.0</td>
<td>560.5</td>
<td>574.0</td>
</tr>
<tr>
<td>5</td>
<td><strong>Tampines 1</strong>&lt;br&gt;10 Tampines Central 1, Tampines 1, Singapore 529536</td>
<td>Retail</td>
<td>Leasehold expiring on 31 Mar 2089</td>
<td>380,888</td>
<td>268,577</td>
<td>5-storeys with 2 basement levels 203 carpark lots</td>
<td>91.9</td>
<td>By GRI: 1.18&lt;br&gt;By NLA: 1.17</td>
<td>762.0</td>
<td>781.0</td>
<td>762.0</td>
</tr>
<tr>
<td>6</td>
<td><strong>Central Plaza</strong>&lt;br&gt;298 Tiong Bahru Road, Central Plaza, Singapore 168730</td>
<td>Office</td>
<td>Leasehold expiring 31 Aug 2090</td>
<td>202,191</td>
<td>144,250(11)</td>
<td>20-storeys with 3 basement levels 338(6) carpark lots</td>
<td>94.3</td>
<td>By GRI: 1.28&lt;br&gt;By NLA: 1.27</td>
<td>220.0</td>
<td>208.0</td>
<td>215.0</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,082.0</td>
<td>3,050.0</td>
<td>3,065.0</td>
</tr>
</tbody>
</table>

**Source:** Circular

**Notes:**

1. "GFA" refers to gross floor area.
2. "sq ft" refers to square feet.
(3) “NLA” refers to net lettable area and excludes Community Sports Facilities Scheme (“CSFS”) space.
(4) Colliers relied on the capitalisation approach and discounted cash flow analysis.
(5) Savills Singapore relied on the capitalisation approach and discounted cash flow analysis.
(6) Total of 338 carpark lots are shared between Tiong Bahru Plaza and Central Plaza.
(7) “GRI” refers to gross rental income.
(8) Excludes CSFS space of approximately 21,744 sq ft.
(9) Excludes CSFS space of approximately 15,767 sq ft.
(10) Excludes CSFS space of approximately 8,547 sq ft.
(11) Excludes CSFS space of approximately 28,355 sq ft.
3.3 Description of the ARF Malaysia Asset in relation to the proposed Mallco Divestment

The following table sets out the summary of selected information on the ARF Malaysia Asset as at 30 June 2020, unless otherwise stated.

<table>
<thead>
<tr>
<th>No</th>
<th>Property and Location</th>
<th>Type</th>
<th>Title and Expiry</th>
<th>GFA (sq ft)</th>
<th>NLA (sq ft)</th>
<th>Number of Storeys and Carpark Lots</th>
<th>Committed Occupancy (%)</th>
<th>Weighted Average Lease Expiry (years)</th>
<th>Independent Valuation by the Trustee ARF Malaysian Asset Valuers (as at 1 Aug 2020)</th>
<th>Independent Valuation by Savills Malaysia (as at 1 Aug 2020)</th>
<th>Agreed Property Value (in million)</th>
</tr>
</thead>
</table>
| 1  | **Setapak Central**    | Retail | Leasehold expiring on 20 Nov 2106 | 1,087,295 | 512,806 | 3-storeys with 1 basement level 1,069 carpark lots | 98.3 | By GRI: 0.92  
By NLA: 0.80 | RM300.0  
(approximately S$97.8) | RM335.0  
(approximately S$109.2) | RM318.0  
(approximately S$103.7) |

Source: Cicular

Notes:
(1) The Trustee ARF Malaysian Asset Valuers relied on the investment method.
(2) Savills Malaysia relied on the investment method.
3.4 Structure of the proposed ARF Transaction

On 3 September 2020, the FCT ARF Purchaser and the Manager entered into a sale and purchase agreement with the FPL ARF Vendor (the “ARF Sale and Purchase Agreement”) to acquire the Sale Shares from the FPL ARF Vendor. The principal terms of the ARF Sale and Purchase Agreement are set out in Paragraph 2.10 of the Letter to Unitholders of the Circular.

On the same date, the Mallco Vendor, a wholly-owned subsidiary of ARF and an entity in which FCT has an interest of approximately 36.89% through ARF and the FCT ARF Purchaser, and HSBC Institutional Trust Services (Singapore) Limited (as trustee of FCT) (the “Trustee”) entered into a sale and purchase agreement with the FPL Mall Purchaser, wholly-owned subsidiary of the Sponsor, (the “Mallco Share Sale Agreement”), in relation to the proposed Mallco Divestment, which will be completed prior to the completion of the proposed ARF Acquisition (the “ARF Acquisition Completion”). The principal terms of the Mallco Share Sale Agreement are set out in Paragraph 2.11 of the Letter to Unitholders of the Circular.

Mallco is a wholly-owned subsidiary of ARF which holds the ARF Malaysia Asset indirectly. As FCT’s current strategy is to grow its portfolio of Singapore assets, it is proposed that as part of the proposed ARF Transaction, Mallco be divested by the Mallco Vendor, a wholly-owned subsidiary of ARF and an entity in which FCT has an interest of approximately 36.89% through FCT ARF Purchaser, to the FPL Mallco Purchaser, a wholly-owned subsidiary of the Sponsor.

Subsequent to the proposed Mallco Divestment, the Sale Shares are to be acquired by the FCT ARF Purchaser, a wholly-owned subsidiary of FCT, from the FPL ARF Vendor, a company incorporated in Bermuda and wholly-owned by the Sponsor.

Upon completion of the proposed Mallco Divestment, which will take place prior to the ARF Acquisition Completion, ARF will not hold Mallco (and consequently, the ARF Malaysia Asset). After completion of the proposed ARF Transaction, FCT will hold a 100% interest in ARF without Mallco.
3.5 ARF Purchase Consideration and Valuation

ARF Singapore Assets

The Trustee has commissioned an independent valuer, Colliers, and the Manager has commissioned an independent valuer, Savills Singapore, to respectively value each of the ARF Singapore Assets.

The agreed property value for the ARF Singapore Assets, which was negotiated on a willing-buyer and willing-seller basis with reference to the independent valuations by Colliers and Savills Singapore (together, the “Singapore ARF Independent Valuers”), is S$3,065.0 million (the “ARF Singapore Assets Agreed Property Value”), and is approximately the aggregate of the averages of the two independent valuations of each ARF Singapore Asset of S$3,066.0 million as at 1 August 2020.

ARF Purchase Consideration

The ARF Purchase Consideration payable to the FPL ARF Vendor under the ARF Sale and Purchase Agreement of approximately S$1,057.4 million is equivalent to the proportionate amount of the adjusted net asset value of ARF (the “ARF NAV”)¹ (as at 30 June 2020, being the last calendar date of the most recently completed quarter prior to the signing of the ARF Sale and Purchase Agreement) attributable to the Sale Shares, being approximately 63.11% of the total issued share capital of ARF, less the amount of dividends and distributions declared by ARF in respect of the Sale Shares in relation to the period from 1 April 2020 to 30 June 2020 and paid to the FPL ARF Vendor².

3.6 Estimated Total Acquisition Cost

The Total Acquisition Cost is approximately S$1,108.8 million, comprising:

(i) the ARF Purchase Consideration of approximately S$1,057.4 million;

(ii) the acquisition fee³ payable to the Manager for the proposed ARF Acquisition (the “ARF Acquisition Fee”) pursuant to the Trust Deed of approximately S$19.3 million⁴; and

(iii) the estimated stamp duties, professional and other fees and expenses incurred or to be incurred by FCT in connection with the proposed ARF Acquisition and the proposed Equity Fund Raising of approximately S$32.1 million.

3.7 Method of Financing

The Manager intends to finance the Total Acquisition Cost (excluding the ARF Acquisition Fee Units) through the net proceeds from the proposed Equity Fund Raising. Additionally, as the completion of the proposed Mallco Divestment will take place prior to the ARF Acquisition

¹ The ARF NAV as at 30 June 2020 takes into account both the ARF Singapore Assets Agreed Property Value and the ARF Malaysia Asset Agreed Property Value.

² For the avoidance of doubt: (i) the FPL ARF Vendor and the FCT ARF Purchaser will be entitled to their proportionate share of dividends and distributions declared by ARF for the period from 1 July 2020 up to (and including) the date of the ARF Acquisition Completion, and (ii) the FPL ARF Vendor shall be entitled to any increase in the profit reserves in respect of the Sale Shares (which has not been declared by ARF as dividends or distributions pursuant to (i) above, and after relevant adjustments so as not to take into account any fair value changes in investment properties and any non-cash items) in relation to the period from 1 July 2020 up to (and including) the ARF Acquisition Completion.

³ As the proposed ARF Acquisition is an “interested party transaction” under Appendix 6 of the Property Funds Appendix, the Acquisition Fee will be in the form of Units (the “Acquisition Fee Units”) which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

⁴ The ARF Acquisition Fee is 1.0% of the proportionate amount of the ARF Singapore Assets Agreed Property Value attributable to the Sale Shares, being approximately 63.11% of the total issued share capital of ARF.
Completion, the ARF Purchase Consideration payable will be reduced by the amount of the Mallco Divestment Consideration.

The final decision regarding the amount of equity to be employed to fund the Total Acquisition Cost will be made by the Manager at the appropriate time taking into account the then prevailing market conditions to provide overall distribution per Unit ("DPU") accretion to Unitholders, while maintaining an optimum level of leverage.

### 3.8 Payment of the ARF Acquisition Fee in Units

The Manager shall be paid the ARF Acquisition Fee of approximately S$19.3 million for the proposed ARF Acquisition pursuant to the Trust Deed. As the proposed ARF Acquisition is an "interested party transaction" under the Property Funds Appendix, the ARF Acquisition Fee will be in the form of the ARF Acquisition Fee Units which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

Based on an illustrative issue price of S$2.22 per ARF Acquisition Fee Unit, the number of ARF Acquisition Fee Units to be issued shall be approximately 8,713,512 Units.

### 3.9 Mallco Divestment Consideration and Valuation

The Trustee has commissioned the Trustee ARF Malaysian Asset Valuers as independent valuers, and the Manager has commissioned an independent valuer, Savills Malaysia, to respectively value the ARF Malaysia Asset.

The agreed property value for the ARF Malaysia Asset, which was negotiated on a willing-buyer and willing-seller basis with reference to the independent valuations by the Trustee ARF Malaysian Asset Valuers and Savills Malaysia (collectively, the "Malaysia ARF Independent Valuers", and together with the Singapore ARF Independent Valuers, the "ARF Independent Valuers"), is RM318.0 million (approximately S$103.7 million) (the "ARF Malaysia Asset Agreed Property Value") and is approximately the average of the two independent valuations of the ARF Malaysia Asset of RM317.5 million (approximately S$103.5 million) as at 1 August 2020.

The Mallco Divestment Consideration payable by the FPL Mallco Purchaser under the Mallco Share Sale Agreement of approximately S$39.7 million takes into account:

(i) the adjusted net asset value of Mallco and its subsidiaries of approximately S$4.5 million (based on the pro forma completion statement of Mallco and its subsidiaries as at 30 June 2020) which takes into account the ARF Malaysia Asset Agreed Property Value of RM318.0 million (approximately S$103.7 million); and

(ii) the estimated amount for the assignment of an existing shareholder’s loan to the FPL Mallco Purchaser, of which the aggregate principal amount owed by Mallco is approximately S$35.2 million.

The Mallco Divestment Consideration will be subject to further completion adjustments based on the actual aggregate net assets and liabilities of Mallco and its subsidiaries as at the date of completion of the proposed Mallco Divestment.

### 3.10 Estimated Mallco Divestment Cost

The estimated cost of the proposed Mallco Divestment (the "Mallco Divestment Cost") is approximately S$0.1 million, comprising the estimated professional and other fees and expenses incurred or to be incurred by the Mallco Vendor in connection with the proposed Mallco Divestment.
3.11 Asset Management Agreement in relation to the proposed ARF Acquisition

After the completion of the proposed ARF Transaction, it is intended that ARF will appoint the Manager as the asset manager of ARF. The fees payable to the Manager for its role as the asset manager of ARF will be the rates payable under the Trust Deed, being, among others, (i) a base fee of 0.3% per annum of the value of the deposited property of ARF, and (ii) a performance fee of 5.0% per annum of the net property income ("NPI") of ARF.

For the avoidance of doubt, the computation of fees payable to the Manager in its capacity as the manager of FCT will take into account the fees payable to it in its capacity as the portfolio manager of ARF and there will be no double payment of fees for the services provided to ARF.

3.12 Property Management Agreements in relation to the proposed ARF Acquisition

In relation to the ARF Singapore Retail Assets, AsiaMalls Management Pte Ltd ("AMM"), a wholly-owned subsidiary of Frasers Property Retail Management Pte. Ltd.1, was appointed the property manager of the ARF Singapore Retail Assets and will continue to be the property manager of the ARF Singapore Retail Assets after the completion of the proposed ARF Transaction. Under each of the retail mall management agreements in relation to the ARF Singapore Retail Assets (the "Retail Mall Management Agreements"), AMM shall be entitled to receive a monthly management fee comprising:

(i) 2.0% of the gross income of the relevant month for the relevant ARF Singapore Retail Asset; and

(ii) 2.5% of the NPI of the relevant month for the relevant ARF Singapore Retail Asset.

Under each Retail Mall Management Agreement, these agreements will continue until 31 December 2024.

In relation to Central Plaza, AMM was appointed the property manager of Central Plaza and will continue to be the property manager of Central Plaza after the completion of the proposed ARF Transaction. Under the property management agreement in relation to Central Plaza (the "Property Management Agreement"), AMM shall be entitled to receive a monthly management fee comprising 3.0% of the NPI of the relevant month for Central Plaza. Under the Property Management Agreement, this arrangement will continue until 31 December 2024.

3.13 Conversion to LLP

As soon as practicable following the ARF Acquisition Completion, the intention is to convert ARMF (TBP) Private Limited, ARMF (Central Plaza) Pte Ltd, ARMF (Whitesands) Pte Ltd, ARMF (Hougang Mall) Pte Ltd and ARMF II (Tampines) Pte Ltd, being the Singapore property-holding companies of Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1 respectively (the "ARF Singapore PropCos"), to limited liability partnerships (the "ARF Singapore Prop LLPs") pursuant to Section 21 of the Limited Liability Partnerships Act, Chapter 163A of Singapore (the "LLP Conversion"). The LLP Conversion would allow Unitholders to enjoy tax transparency treatment on FCT’s income from Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1. The income generated from Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1 will not be subject to corporate income tax at the ARF Singapore Prop LLPs level as a limited liability partnership is tax transparent for Singapore tax purposes.

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1 Frasers Property Retail Management Pte. Ltd. is a wholly-owned subsidiary of the Sponsor and the current property manager of the Existing Portfolio.
As Century Square’s property holding company, Century Square Holding Pte Ltd, is the Singapore branch of a Mauritius-incorporated company, the Manager is currently exploring how tax transparency can be achieved in respect of Century Square, including the transfer of Century Square to be held directly by FCT.

4 THE PROPOSED SPONSOR PLACEMENT

The details of the proposed Equity Fund Raising and the proposed Sponsor Placement are set out in the Summary section and Paragraphs 3 and 4 of the Letter to Unitholders of the Circular. We set out below the salient information on the proposed Sponsor Placement.

The Manager proposed to issue up to 628,019,324 New Units (representing approximately 56.1% of the Existing Units), pursuant to the proposed Equity Fund Raising.

Based on the Illustrative Issue Price of S$2.22 per New Unit, the proposed Equity Fund Raising is expected to raise gross proceeds of up to S$1,394.2 million. The net proceeds of the proposed Equity Fund Raising will be used to part-finance the Total Acquisition Cost and to pare down existing indebtedness.

The structure and timing of the proposed Equity Fund Raising have not been determined by the Manager. If and when the Manager decides to undertake the proposed Equity Fund Raising, the Manager will consider (i) a Private Placement of New Units to institutional and other investors. The Private Placement is inclusive of the proposed Sponsor Placement; and/or (ii) a non-renounceable Preferential Offering of New Units to the existing Unitholders on a pro rata basis.

Proposed Subscription by the Sponsor Group

As at the Latest Practicable Date, the Sponsor, through the Relevant Entities, holds 409,430,348 Units, which is equivalent to approximately 36.57% of the total number of Existing Units. In the event that the proposed Equity Fund Raising includes a Private Placement, to provide a higher degree of certainty for the successful completion of the Private Placement and to enable the Sponsor Group to be in a position to support FCT and align its interests with the Unitholders, the Manager is seeking approval from Unitholders for the proposed issue of such number of New Units for subscription by the Sponsor Group in order to raise monies to part-finance the Total Acquisition Cost and to pare down existing indebtedness.

Pursuant to the Sponsor Irrevocable Undertaking, the Sponsor has also undertaken that should the Sponsor Group be offered New Units under the proposed Sponsor Placement, the Sponsor Group will subscribe for such number of New Units under the Private Placement up to its proportionate pre-placement unitholdings in FCT1. The Sponsor Group’s percentage unitholdings in FCT will not increase after the completion of the Private Placement.

The New Units placed to the Sponsor Group under the proposed Sponsor Placement will be issued at the same price as the New Units issued to other investors under the Private Placement.

The Manager believes that the size of the Sponsor Group’s unitholdings in FCT provides a degree of stability to FCT as an investment vehicle, and allowing New Units to be placed to the Sponsor Group would help maintain such stability, which is to the benefit of Unitholders.

1 The Sponsor Placement will apply to any upsized option to issue additional New Units under the Private Placement which may be exercised by the Manager.
5 THE PROPOSED WHITEWASH RESOLUTION

The details of the proposed Whitewash Resolution are set out in the Summary section and Paragraph 6 of the Letter to Unitholders of the Circular. We set out below the salient information on the proposed Whitewash Resolution.

5.1 Rule 14 of the Code

The Manager proposes to seek approval from the Independent Unitholders for a waiver of their right to receive a Mandatory Offer from the Relevant Entities, in the event that they incur an obligation to make a Mandatory Offer as a result of the subscription by the Relevant Entities of the Sponsor Preferential Offering Units in accordance with the terms of the Sponsor Irrevocable Undertaking.

In addition to the taking up by the Relevant Entities of their pro rata entitlements to the Preferential Offering, the Sponsor has, subject to and conditional upon the approval of the proposed Whitewash Resolution by the Independent Unitholders, irrevocably undertaken to procure the Relevant Entities to apply for the Excess Preferential Offering Units. The exact percentage increase of the Concert Unitholding will depend on the overall level of acceptances and excess applications by Unitholders for the Preferential Offering as according to Rule 877(10) of the Listing Manual, the Relevant Entities, among others, will rank last in the allocation of Excess Preferential Offering Unit applications. The Concert Party Group’s percentage Unitholding after the Preferential Offering will, therefore, vary depending on the final allocation of the Excess Preferential Offering Units applied for.

Rule 14.1(b) of the Code states that the Concert Party Group would be required to make a Mandatory Offer, if the Concert Party Group holds not less than 30.0% but not more than 50.0% of the voting rights of FCT and the Concert Party Group acquires in any period of six months additional Units which carry more than 1.0% of the voting rights of FCT. If the Concert Party Group’s percentage Unitholding after the Preferential Offering increases by more than 1.0% as a result of any allocation further to the application of the Relevant Entities for the Excess Preferential Offering Units, the Concert Party Group would then be required to make a Mandatory Offer unless waived by the SIC.

Paragraph 6.1 of the Letter to Unitholders of the Circular sets out details on the illustrative maximum Unitholdings of the Concert Party Group due to its participation in the proposed Equity Fund Raising under certain illustrative scenarios.

5.2 Application for Waiver from Rule 14 of the Code

An application was made to the SIC on 29 June 2020 for the waiver of the obligation of the Relevant Entities to make a Mandatory Offer under Rule 14 of the Code should the obligation to do so arise as a result of the subscription by the Relevant Entities of the Excess Preferential Offering Units in accordance with the terms of the Sponsor Irrevocable Undertaking.

The SIC granted the SIC Waiver on 20 August 2020, subject to, inter alia, the satisfaction of certain conditions, as set out in Paragraph 6.2 of the Letter to Unitholders of the Circular.

Independent Unitholders should note that (A) the issue of the total provisional allotment of the Preferential Offering Units to the Relevant Entities (the “Allotted Preferential Offering Units”) and the Excess Preferential Offering Units could result in the Concert Party Group holding over 49.0% of the Units and that the Concert Party Group will be free to acquire further Units without incurring any obligation under Rule 14 of the Code to make a general offer, and (B) by voting for the proposed Whitewash Resolution, they are waiving their rights to receive a general offer from the Relevant Entities at the highest price paid by the
Concert Party Group for Units in the six months preceding the commencement of the proposed Equity Fund Raising.

6 THE PROPOSED BEDOK POINT DIVESTMENT

The details of the proposed Bedok Point Divestment are set out in the Summary section and Paragraph 7 of the Letter to Unitholders of the Circular. We set out below the salient information on the proposed Bedok Point Divestment.

6.1 Description of Bedok Point

Bedok Point is located in the town centre of Bedok, which is one of the largest residential estates in Singapore by population. The mall is well-served by the nearby Bedok MRT station and the Bedok bus interchange. Bedok Point has five retail levels (including one basement level) and one basement car park and offers an array of restaurants, food outlets, enrichment centres, retail and service offerings.

The following table sets out a summary of selected information on Bedok Point as at 30 June 2020, unless otherwise stated.

<table>
<thead>
<tr>
<th>Location</th>
<th>799 New Upper Changi Road, Singapore 467351</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title</td>
<td>Leasehold title expiring on 14 March 2077</td>
</tr>
<tr>
<td>GFA (sq ft)</td>
<td>133,597</td>
</tr>
<tr>
<td>NLA (sq ft)</td>
<td>82,713</td>
</tr>
<tr>
<td>Number of Storeys</td>
<td>Five retail levels (including one basement level) and one basement car park</td>
</tr>
<tr>
<td>Number of Carpark Lots</td>
<td>76</td>
</tr>
<tr>
<td>Committed Occupancy</td>
<td>92.0%</td>
</tr>
<tr>
<td>Weighted Average Lease Expiry (years)</td>
<td>By GRI: 1.17</td>
</tr>
<tr>
<td></td>
<td>By NLA: 1.60</td>
</tr>
<tr>
<td>Independent Valuation by JLL (as at 1 Aug 2020)</td>
<td>S$108.9 million</td>
</tr>
<tr>
<td>Independent Valuation by Colliers (as at 1 Aug 2020)</td>
<td>S$107.2 million</td>
</tr>
<tr>
<td>Bedok Point Divestment Consideration</td>
<td>S$108.0 million(2)</td>
</tr>
</tbody>
</table>

Source: Circular

Notes:

(1) JLL and Colliers relied on the comparison method and residual method. Additionally, the valuation of Bedok Point was conducted on the basis of Bedok Point as a redevelopment site, assuming that the change of use/re-zoning of Bedok Point to "Residential with Commercial on 1st Storey" is approved and the land lease can be topped up to 99 years subject to payment of lease renewal premium.

(2) Valuation of Bedok Point as at 30 September 2019 was S$94.0 million.
6.2 Bedok Point Divestment Consideration and Valuation

The Trustee has commissioned an independent valuer, JLL, and the Manager has commissioned an independent valuer, Colliers (together with JLL, the “Bedok Point Independent Valuers”), to respectively value Bedok Point. JLL, in its report dated 1 August 2020, stated that the open market value of Bedok Point as at 1 August 2020 was S$108.9 million. Colliers, in its report dated 1 August 2020, stated that the open market value of Bedok Point as at 1 August 2020 was S$107.2 million.

In arriving at the open market values of Bedok Point, both JLL and Colliers relied on the comparison method and residual method. Additionally, the valuation of Bedok Point was conducted on the basis of Bedok Point as a redevelopment site, assuming that the change of use/re-zoning of Bedok Point to “Residential with Commercial on 1st Storey” is approved and the land lease can be topped up to 99 years, subject to payment of lease renewal premium.

The Bedok Point Divestment Consideration is S$108.0 million, which was negotiated on a willing-buyer and willing-seller basis after taking into account the independent valuations of Bedok Point and represents approximately the average of the two independent valuations of Bedok Point of S$108.1 million.

On 3 September 2020, which is the date the Trustee and the Bedok Point Purchaser entered into the Bedok Point Put and Call Option Agreement, the Bedok Point Purchaser had paid to the Trustee the Bedok Point Option Fee of S$1.00 (which shall be applied towards payment of the Bedok Point Divestment Consideration upon exercise of the Bedok Point Put Option or the Bedok Point Call Option (as the case may be)) and the balance of the Bedok Point Divestment Consideration shall be paid by the Bedok Point Purchaser to the Trustee and/or such other person as the Trustee may direct on the Bedok Point Divestment Completion.

6.3 Estimated Total Bedok Point Divestment Cost

The estimated total cost of the proposed Bedok Point Divestment (the “Total Bedok Point Divestment Cost”) is approximately S$0.8 million, comprising:

(i) the Bedok Point Divestment Fee¹ payable to the Manager for the proposed Bedok Point Divestment pursuant to the Trust Deed of approximately S$0.5 million (being 0.5% of the Bedok Point Divestment Consideration); and

(ii) the estimated professional and other fees and expenses incurred or to be incurred by FCT in connection with the proposed Bedok Point Divestment of approximately S$0.3 million.

6.4 Use of Bedok Point Divestment Proceeds

The net proceeds from the proposed Bedok Point Divestment of approximately S$107.7 million may be used to repay debt, finance any capital expenditure and asset enhancement works and/or to finance general corporate and working capital requirements.

6.5 Principal Terms of the Bedok Point Put and Call Option Agreement

The principal terms of the Bedok Point Put and Call Option Agreement are set out in Paragraph 7.5 of the Letter to Unitholders of the Circular.

¹ As the proposed Bedok Point Divestment is an “interested party transaction” under the Property Funds Appendix, the Bedok Point Divestment Fee will be in the form of Units which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.
6.6 Entry into Deeds of Assignment and Novation Agreements

In connection with the proposed Bedok Point Divestment, the Trustee will also enter into various deeds of assignment and novation agreements with the Bedok Point Purchaser in relation to material contracts in connection with Bedok Point (including occupation agreements, building maintenance contracts, building guarantees and warranties and utilities).

6.7 Payment of Bedok Point Divestment Fee in Units

The Manager shall be paid the Bedok Point Divestment Fee of approximately S$0.5 million (being 0.5% of the Bedok Point Divestment Consideration) for the proposed Bedok Point Divestment pursuant to the Trust Deed. As the proposed Bedok Point Divestment is an “interested party transaction” under the Property Funds Appendix, the Bedok Point Divestment Fee will be in the form of the Bedok Point Divestment Fee Units which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

Based on an illustrative issue price of S$2.22 per Bedok Point Divestment Fee Unit, the number of Bedok Point Divestment Fee Units to be issued shall be 243,243 Units.

7 EVALUATION OF THE PROPOSED ARF TRANSACTION

In our analysis and evaluation of the proposed ARF Transaction, and our recommendation thereon, we have taken into consideration the following:

(a) rationale for the proposed ARF Transaction;

(b) valuation of the ARF Assets by the ARF Independent Valuers;

(c) comparison of the NPI yield (“NPI Yield”) of the ARF Assets with the Existing Portfolio and Enlarged Portfolio;

(d) comparison of the proposed acquisition of the ARF Singapore Retail Assets with the recent acquisition of Waterway Point by FCT;

(e) comparison of the ARF Assets with selected property valuations and transactions; and

(f) other factors which we deem to be relevant in our evaluation.

The factors above are discussed in more detail in the following sections.

7.1 Rationale for the proposed ARF Transaction

The detailed rationale and key benefits for the proposed ARF Transaction and the proposed Equity Fund Raising (including the proposed Sponsor Placement) are set out in Paragraph 5 of the Letter to Unitholders of the Circular.

We note that the Manager believes that the proposed ARF Transaction and the proposed Equity Fund Raising (including the proposed Sponsor Placement) represents a rare opportunity for FCT to increase its number of retail properties from 7 to 11 and substantially increase its retail NLA to 2.3 million square feet, making FCT one of Singapore’s largest suburban mall owners. The increase in FCT’s market capitalisation post the proposed Equity Fund Raising is expected to elevate FCT to among the top ten Singapore real estate investment trusts (“S-REIT”) by market capitalisation. The suburban retail sector in Singapore has demonstrated its relevance and resilience during the COVID-19 pandemic, and the Manager believes this transaction will bring the following key benefits to Unitholders:
(i) Suburban malls remain an attractive asset class

(a) Suburban malls are well-positioned to benefit from the Singapore Government’s plan to decentralise and grow regional and sub-regional centres

(b) The ARF Singapore Retail Assets are located in densely populated suburbs above or next to major transport nodes with strong catchment, and are complementary to FCT’s existing portfolio

(c) Suburban malls have attractive dynamics and are resilient as they focus on necessity spending, food & beverage and Essential Services1

(d) The suburban regions in Singapore have a lower retail space per capita, compared with the national average of about 6.4 sq ft per capita which is comparatively lower than regional cities like Hong Kong and Kuala Lumpur

(ii) Enlarged scale

(a) FCT’s portfolio is resilient and well-positioned to deliver steady performance

(b) The increase in market capitalisation post the proposed Equity Fund Raising potentially places FCT amongst the top ten largest S-REITs by market capitalisation and free float, with the potential for higher constituent weightage in key indices like the FTSE EPRA/NAREIT Index

(c) With the addition of the ARF Singapore Retail Assets to its portfolio, FCT will be amongst the largest suburban mall owners in Singapore

(d) Increase in FCT’s portfolio of malls from 7 to 11 following the completion of the proposed Transactions will strengthen FCT’s ability to offer more options to retailers and shoppers

(iii) Quality portfolio with improved diversification

(a) Reduced concentration risk from any single asset

(iv) Efficient holding structure

(a) After the proposed ARF Transaction and LLP Conversion, the ARF Singapore Assets will be held via a structure that would allow Unitholders to enjoy tax transparency

(v) DPU accretive

We note that the proposed ARF Transaction is in line with FCT’s investment strategy to acquire income-producing properties used primarily for retail purposes, with the objectives of delivering regular and stable distributions to Unitholders and achieving long-term capital growth.

7.2 Valuation of the ARF Assets by the ARF Independent Valuers

The Manager and the Trustee have commissioned the ARF Independent Valuers to perform independent valuations on the ARF Assets.

1 The groupings of essential and non-essential services are based on Ministry of Trade and Industry’s press release on 21 April 2020. Note that the individual product group may not align perfectly to the announced Essential Services.
7.2.1 ARF Singapore Assets

We have been provided the valuation reports of the ARF Singapore Assets and we note the following in our review:

(i) the basis of valuation, being ‘Market Value’, which is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing-buyer and a willing-seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. The basis of valuation and the definition are broadly consistent between the independent valuers of the ARF Singapore Assets and in line with market definition;

(ii) the independent valuers of the ARF Singapore Assets have used the same valuation date, being 1 August 2020;

(iii) the independent valuers of the ARF Singapore Assets have used the same valuation methodologies, being discounted cash flow and capitalisation methods under the income approach, which are widely accepted methods for the purpose of valuing income-producing properties;

(iv) in terms of valuation standards, the valuation by Colliers had been carried out in accordance with the Singapore Institute of Surveyors and Valuers’ (“SISV”) Valuation Standards and Practices Guidelines (“SISV Guidelines”) and the International Valuation Standards Council (“IVSC”), while the valuation by Savills had been carried out in accordance with the Royal Institution of Chartered Surveyors (“RICS”), IVSC and SISV Guidelines.

We note that the aggregate Agreed Property Value for the ARF Singapore Assets of S$3,065.0 million is 0.6% lower than the aggregate valuation by Colliers and 0.5% higher than the aggregate valuation by Savills. We also note that the negotiations for the Agreed Property Value for the ARF
Singapore Assets took into account the valuation of each of the ARF Singapore Assets and the valuation on a portfolio basis.

### 7.2.2 ARF Malaysia Asset

<table>
<thead>
<tr>
<th>S/No</th>
<th>Property</th>
<th>NLA (sq ft)</th>
<th>Independent Valuation by the Valuer appointed by the Trustee (The Trustee ARF Malaysian Asset Valuers) (in '000)</th>
<th>Independent Valuation by the Valuer appointed by the Manager (Savills Malaysia) (in '000)</th>
<th>Agreed Property Value (in '000)</th>
<th>Premium / (Discount) of the Agreed Property Value over/to the Independent Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Setapak Central</td>
<td>512,806</td>
<td>RM300,000 (approximately S$97,796)</td>
<td>RM335,000 (approximately S$109,206)</td>
<td>RM318,000 (approximately S$103,664)</td>
<td>Trustee: 6.0% Manager: (5.1)%</td>
</tr>
</tbody>
</table>

*Source: Circular, EY*

We have been provided the valuation reports of the ARF Malaysia Asset and we note the following in our review:

(a) the basis of valuation, being ‘Market Value’, which is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing-buyer and a willing-seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. The basis of valuation and the definition are broadly consistent between the independent valuers of the ARF Singapore Assets and in line with market definition;

(b) the independent valuers of the ARF Malaysia Asset have used the same valuation date, being 1 August 2020;

(c) the independent valuers of the ARF Malaysia Asset have used the same valuation methodology, being the capitalisation method, which is a widely accepted method in the market. We also note that while the independent valuers based their valuations on the capitalisation method, both have also used the discounted cash flow method and direct comparison approach as a cross-check;

(d) in terms of valuation standards, the independent valuers of the ARF Malaysia Asset had carried out the valuation in accordance with the Malaysian Valuation Standards.

We note that the Agreed Property Value for the ARF Malaysia Asset of RM318.0 million (approximately S$103.7 million) is 6.0% higher than the valuation by the Trustee ARF Malaysian ARF Asset Valuers and 5.1% lower than the valuation by Savills Malaysia.

### 7.3 Comparison of NPI Yield of the ARF Assets with FCT’s Existing Portfolio and Enlarged Portfolio

We have compared the weighted average lease to expiry (“WALE”) and NPI Yield of the ARF Assets with those of FCT’s Existing Portfolio and Enlarged Portfolio.
## ARF Singapore Assets in relation to the ARF Acquisition

<table>
<thead>
<tr>
<th>Property</th>
<th>Type</th>
<th>WALE by GRI (years)</th>
<th>NPI Yield(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tiong Bahru Plaza</td>
<td>Retail</td>
<td>1.93</td>
<td>4.9%</td>
</tr>
<tr>
<td>White Sands</td>
<td>Retail</td>
<td>1.60</td>
<td>4.9%</td>
</tr>
<tr>
<td>Hougang Mall</td>
<td>Retail</td>
<td>1.32</td>
<td>5.0%</td>
</tr>
<tr>
<td>Century Square</td>
<td>Retail</td>
<td>1.39</td>
<td>5.1%</td>
</tr>
<tr>
<td>Tampines 1</td>
<td>Retail</td>
<td>1.18</td>
<td>5.1%</td>
</tr>
<tr>
<td>Central Plaza</td>
<td>Office</td>
<td>1.28</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

## ARF Malaysia Asset in relation to the Mallco Divestment

<table>
<thead>
<tr>
<th>Property</th>
<th>Type</th>
<th>WALE by GRI (years)</th>
<th>NPI Yield(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Setapak Central</td>
<td>Retail</td>
<td>0.92</td>
<td>9.1% / 8.3% to 8.5%</td>
</tr>
</tbody>
</table>

Source: Circular

### Notes:

1. Based on NPI for the relevant property for the financial year ended 30 September 2019 ("FY2019") and the Agreed Property Purchase Price.

2. Adjusted NPI Yield taking into account potential sinking funds and service charges that were not charged in FY2019.

### Existing Portfolio

<table>
<thead>
<tr>
<th>WALE by GRI (years)</th>
<th>NPI Yield(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.61</td>
<td>4.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ARF Assets(3)</th>
<th>NPI Yield(4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.47</td>
<td>4.9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Enlarged Portfolio(5)</th>
<th>NPI Yield(5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.55</td>
<td>4.9%</td>
</tr>
</tbody>
</table>

Source: Circular, Annual Report, Management

### Notes:

1. Includes Bedok Point.

2. Based on NPI Yield for the Existing Portfolio for FY2019 and valuation as at 30 September 2019.

3. Takes into account the net effect of the ARF Acquisition and the Mallco Divestment.


5. Combined NPI Yield is calculated based on the weighted average of the NPI Yields for the Existing Portfolio and NPI Yield for the ARF Assets.

We note that the average NPI Yield of the ARF Assets of 4.9% is slightly higher than the average NPI Yield of the Existing Portfolio as at 30 September 2019. We also note that the WALE of the ARF Assets of 1.47 years is shorter than the WALE of 1.61 years of the Existing Portfolio.
On a combined basis, the estimated NPI Yield of 4.9% for the Enlarged Portfolio is slightly higher than the NPI Yield of the Existing Portfolio.

In our evaluation of the NPI Yield, we have considered the net effect of the ARF Acquisition and the Mallco Divestment, and the ARF Singapore Assets comprising five retail properties and one office property.

### 7.4 Comparison of the Proposed Acquisition of the ARF Singapore Retail Assets with the Recent Acquisition of Waterway Point by FCT

In May and September 2019, FCT acquired an aggregate interest of 40.0% in the property known as “Waterway Point” located at 83 Punggol Central, Singapore 828761 (the “Waterway Point”) for an agreed property value of S$1,300.0 million. We have compared the Waterway Point acquisition with the proposed acquisition of the ARF Singapore Retail Assets, as set out below:

<table>
<thead>
<tr>
<th>Property</th>
<th>Announcement Date</th>
<th>Agreed Property Value (S$ m)</th>
<th>NLA (sq ft)</th>
<th>Occupancy Rate</th>
<th>NPI Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waterway Point</td>
<td>May/Sep 2019</td>
<td>1,300.0</td>
<td>371,200</td>
<td>98.1%(1)</td>
<td>4.7%(2)</td>
</tr>
<tr>
<td>The ARF Singapore Retail Assets</td>
<td></td>
<td>2,850.0</td>
<td>964,955</td>
<td>95.4%</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

Source: Waterway Point Circular, SGX announcements

**Notes:**

(1) As at May 2019.

(2) Represents the NPI Yield as at the acquisition dates.

Based on the table above, we note that the NPI Yield of the ARF Singapore Retail Assets of 5.0% is higher than the NPI Yield of the Waterway Point acquisition.

### 7.5 Comparison of the ARF Assets with Selected Property Valuations and Transactions

Based on our discussions with the Management and a search for comparable property portfolios on available databases and relevant stock exchanges, we recognise that there is no particular property portfolio that we may consider to be directly comparable to the ARF Assets in the aspects of usage of property, geographic location, construction quality, accessibility, NLA, gross lettable area, profile and composition of tenants, age of building, outstanding lease tenure, market risks, track record and other relevant factors.

However, we have extracted publicly available information on certain similar properties for comparison with the metrics of the ARF Assets. Our evaluation of the proposed ARF Transaction included the following:

(i) Transaction details involving comparable properties (where available); and

(ii) Valuation details of comparable properties owned by certain listed real estate investment trusts (“REITs”).

---

1 Based on 100.0% interest in Waterway Point and on the basis of the completion of the committed asset enhancement works (where applicable).
The Independent Directors, the Audit, Risk and Compliance Committee and the Trustee should note that any comparison made with respect to selected properties and property transactions are for illustrative purposes only and based on available data/information as at the Latest Practicable Date. The conclusions drawn from such comparisons may not necessarily reflect the perceived or implied valuation of the ARF Assets as at the Latest Practicable Date. In addition, we wish to highlight that the selected properties and property transactions are by no means exhaustive.

### 7.5.1 The ARF Singapore Retail Assets in relation to the proposed ARF Acquisition

**Selected Singapore Retail Property Transactions**

We have considered transactions announced from 1 January 2015 up to the Latest Practicable Date involving Singapore retail properties of REITs and property business trusts listed on the SGX-ST in order to compare the average NPI Yield implied by the Agreed Property Value for the ARF Singapore Retail Assets with that of the selected Singapore retail property transactions.

<table>
<thead>
<tr>
<th>Property</th>
<th>Announcement Date</th>
<th>Agreed Property Value ($m)</th>
<th>NLA (sq ft)</th>
<th>Occupancy Rate</th>
<th>NPI Yield(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rivervale Mall(2)</td>
<td>Mar 2019</td>
<td>230.0</td>
<td>81,193</td>
<td>97.0%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Westgate(3)</td>
<td>Nov 2018</td>
<td>1,128.0</td>
<td>411,000</td>
<td>98.0%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Sembawang Shopping Centre(4)</td>
<td>Apr 2018</td>
<td>248.0</td>
<td>143,631</td>
<td>99.0%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Jurong Point 1 &amp; 2(5)</td>
<td>Apr 2017</td>
<td>2,200.0</td>
<td>701,744</td>
<td>99.0%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Bedok Mall(6)</td>
<td>Jul 2015</td>
<td>780.0</td>
<td>222,464</td>
<td>99.3%</td>
<td>5.2%</td>
</tr>
<tr>
<td>Low</td>
<td></td>
<td></td>
<td></td>
<td>97.0%</td>
<td>3.4%</td>
</tr>
<tr>
<td>High</td>
<td></td>
<td></td>
<td></td>
<td>99.3%</td>
<td>5.2%</td>
</tr>
<tr>
<td>Median</td>
<td></td>
<td></td>
<td></td>
<td>99.0%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td></td>
<td></td>
<td>98.5%</td>
<td>4.3%</td>
</tr>
<tr>
<td>The ARF Singapore Retail Assets</td>
<td></td>
<td>2,850.0</td>
<td>964,955</td>
<td>95.4%</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

Source: Annual reports, SGX announcements

**Notes:**

1. Based on the agreed property value or purchase price of the respective property at acquisition.
2. Rivervale Mall, which has a 99-year leasehold tenure commencing from 6 December 1997, was acquired by SC Capital Partners from AEW Asia.
3. Westgate, which has a 99-year leasehold tenure commencing 29 August 2011, was acquired by CapitaLand Mall Trust from CapitaLand Limited.
4. Sembawang Shopping Centre, which has a 999-year leasehold tenure commencing from 26 March 1885, was acquired by the Lian Beng Group and Apricot Capital from CapitaLand Mall Trust.
5. Jurong Point 1 & 2, which have 99-year leasehold tenures commencing from 30 November 1993 for Jurong Point 1 and 20 June 2006 for Jurong Point 2, were acquired by Mercatus Co-operative from Guthrie GTS Limited and Lee Kim Tah Holdings.
6. Bedok Mall, which has a 99-year leasehold tenure commencing from 21 November 2011, was acquired by CapitaLand Mall Trust from CapitaLand Limited.
Based on the table above, we note that the NPI Yield of the ARF Singapore Retail Assets of 5.0% is within the range of the NPI Yields of the selected Singapore retail property transactions, and above the median and average NPI Yields.

Selected Singapore Retail Property Valuations

We have considered the valuations of selected Singapore retail properties of REITs listed on the SGX-ST in order to compare the yield implied by the Agreed Property Value of the ARF Singapore Retail Assets with those of the comparable properties.

<table>
<thead>
<tr>
<th>Property</th>
<th>Valuation Date</th>
<th>Valuation ($)</th>
<th>NLA (sq ft)</th>
<th>Occupancy Rate</th>
<th>NPI Yield(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CapitaLand Mall Trust</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tampines Mall</td>
<td>31 Dec 19</td>
<td>1,085.0(2)</td>
<td>356,228</td>
<td>100.0%</td>
<td>5.7%</td>
</tr>
<tr>
<td>Junction 8</td>
<td>31 Dec 19</td>
<td>799.0(2)</td>
<td>254,209</td>
<td>100.0%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Lot One Shoppers’ Mall</td>
<td>31 Dec 19</td>
<td>537.0(2)</td>
<td>227,671</td>
<td>99.3%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Bedok Mall</td>
<td>31 Dec 19</td>
<td>794.0(2)</td>
<td>222,469</td>
<td>99.5%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Westgate</td>
<td>31 Dec 19</td>
<td>1,131.0(2)</td>
<td>410,535</td>
<td>99.9%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Mapletree Commercial Trust</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vivocity</td>
<td>31 Mar 20</td>
<td>3,262.0</td>
<td>1,076,267</td>
<td>99.7%</td>
<td>4.9%</td>
</tr>
<tr>
<td>SPH REIT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Clementi Mall</td>
<td>31 Aug 19</td>
<td>597.0</td>
<td>195,226</td>
<td>100.0%</td>
<td>5.2%</td>
</tr>
<tr>
<td>Low</td>
<td></td>
<td></td>
<td></td>
<td>99.3%</td>
<td>4.8%</td>
</tr>
<tr>
<td>High</td>
<td></td>
<td></td>
<td></td>
<td>100.0%</td>
<td>5.7%</td>
</tr>
<tr>
<td>Median</td>
<td></td>
<td></td>
<td></td>
<td>99.9%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td></td>
<td></td>
<td>99.8%</td>
<td>5.3%</td>
</tr>
<tr>
<td>The ARF Singapore Retail Assets</td>
<td></td>
<td>2,850.0(2)</td>
<td>964,955</td>
<td>95.4%</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

Source: Annual reports, SGX announcements

Notes:

(1) Based on the NPI for the latest audited financial year of the respective properties.

(2) On 22 July 2020, CapitaLand Mall Trust announced the valuation of its properties as at 30 June 2020, including the valuation as at 30 June 2020 of Tampines Mall for $1,072.0 million, Junction 8 for $794.0 million, Lot One Shoppers’ Mall for $531.0 million, Bedok Mall for $779.0 million, and Westgate for $1,087.0 million.

(3) Represents the aggregate Agreed Property Value for the ARF Singapore Retail Assets.

Based on the table above, we note that the NPI Yield of the ARF Singapore Retail Assets of 5.0% is within the range of the NPI Yields of the selected Singapore retail properties, and below the median and average NPI Yields.

As set out in Paragraph 7.2.1 of this letter, we note that the independent valuers of the ARF Singapore Assets have used the same valuation methodologies, being discounted cash flow and capitalisation methods under the income approach. For the capitalisation method, we note that
independent valuers of the ARF Singapore Assets have analysed both the existing and recent market evidence for similar properties available from various sources in the market.

For illustrative purposes, we have compared the capitalisation rates used by the independent valuers of the ARF Singapore Assets with those used in the latest independent valuation of FCT’s Existing Portfolio and the valuations for the properties held by the comparable SGX-listed REITs. We note that, generally, the adopted capitalisation rate reflects the nature, location, tenure and tenancy profile of the property, together with the prevailing property market condition.

<table>
<thead>
<tr>
<th>Property</th>
<th>Capitalisation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>CapitaLand Mall Trust</td>
<td></td>
</tr>
<tr>
<td>Tampines Mall</td>
<td>4.700%</td>
</tr>
<tr>
<td>Junction 8</td>
<td>4.700%</td>
</tr>
<tr>
<td>Lot One Shoppers’ Mall</td>
<td>4.700%</td>
</tr>
<tr>
<td>Bedok Mall</td>
<td>4.600%</td>
</tr>
<tr>
<td>Westgate</td>
<td>4.500%</td>
</tr>
<tr>
<td>Mapletree Commercial Trust</td>
<td></td>
</tr>
<tr>
<td>Vivocity</td>
<td>4.625%</td>
</tr>
<tr>
<td>SPH REIT</td>
<td></td>
</tr>
<tr>
<td>The Clementi Mall</td>
<td>4.500%</td>
</tr>
<tr>
<td>Low</td>
<td>4.500%</td>
</tr>
<tr>
<td>High</td>
<td>4.700%</td>
</tr>
<tr>
<td>Median</td>
<td>4.625%</td>
</tr>
<tr>
<td>Average</td>
<td>4.618%</td>
</tr>
<tr>
<td>The ARF Singapore Retail Assets</td>
<td></td>
</tr>
<tr>
<td>Colliers</td>
<td>4.700%</td>
</tr>
<tr>
<td>Savills</td>
<td>4.750%</td>
</tr>
<tr>
<td>FCT Existing Portfolio(1)</td>
<td>3.750% - 5.000%</td>
</tr>
</tbody>
</table>

Source: Annual reports, SGX announcements, Valuation Reports

Notes:

(1) Rates used for the valuation of FCT’s Existing Portfolio as at 30 September 2019.

Based on the table above, we note that the capitalisation rates used by the independent valuers of the ARF Singapore Assets compared to the capitalisation rates used for the valuation of comparable properties held by other SGX-listed REITs are at the higher end of the range (for Colliers) and higher than the range (for Savills) of capitalisation rates. We also note that the capitalisation rates used by the independent valuers of the ARF Singapore Assets are within the range used in the latest valuation of FCT’s Existing Portfolio.

7.5.2 The ARF Singapore Office Asset in relation to the proposed ARF Acquisition

Selected Singapore Office Property Valuation

We have considered the valuation of selected Singapore office property of a REIT listed on the SGX-ST in order to compare the yield implied by the Agreed Property Value of the ARF Singapore Office Asset with that of the comparable property. Our criteria for the selection of the comparable
property to the ARF Singapore Office Asset have included properties located outside of the Central Business District, Downtown Core, and business parks.

<table>
<thead>
<tr>
<th>Property</th>
<th>Valuation Date</th>
<th>Valuation ($'s m)</th>
<th>NLA (sq ft)</th>
<th>Occupancy Rate</th>
<th>NPI Yield(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frasers Logistics &amp; Commercial Trust</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cross Street Exchange (China Square Central)</td>
<td>30 Sep 19</td>
<td>648.0</td>
<td>389,903</td>
<td>89.9%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Mapletree Commercial Trust</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PSA Building</td>
<td>30 Mar 20</td>
<td>791.0</td>
<td>523,839</td>
<td>88.1%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Bank of America Merrill Lynch HarbourFront</td>
<td>30 Mar 20</td>
<td>347.0</td>
<td>215,734</td>
<td>100.0%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Low</td>
<td></td>
<td></td>
<td></td>
<td>88.1%</td>
<td>2.5%</td>
</tr>
<tr>
<td>High</td>
<td></td>
<td></td>
<td></td>
<td>100.0%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Median</td>
<td></td>
<td></td>
<td></td>
<td>89.9%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td></td>
<td></td>
<td>92.7%</td>
<td>4.0%</td>
</tr>
<tr>
<td>The ARF Singapore Office Asset</td>
<td>215.0(2)</td>
<td>144,250</td>
<td>94.3%</td>
<td>3.5%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Annual reports, SGX announcements

Notes:
(1) Based on the NPI for the latest audited financial year of the respective properties.
(2) Represents the Agreed Property Value for the ARF Singapore Office Asset.

Based on the table above, we note that the NPI Yield of the ARF Singapore Office Asset of 3.5% is within the range of the NPI Yields of the selected Singapore office properties, and below the median and average NPI Yields.

7.5.3 The ARF Malaysia Asset in relation to the proposed Mallco Divestment

Selected Malaysian Retail Property Valuations

We have considered the valuations of selected Malaysian retail properties of REITs listed Bursa Malaysia Bhd in order to compare the yield implied by the Agreed Property Value of the ARF Malaysia Asset with that of the comparable properties. Our criteria for the selection of the comparable properties to the ARF Malaysia Asset have included properties located in Kuala Lumpur.
### Property Valuation

<table>
<thead>
<tr>
<th>Property</th>
<th>Valuation Date</th>
<th>Valuation (RM' m)</th>
<th>NLA (sq ft)</th>
<th>Occupancy Rate</th>
<th>NPI Yield(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hektar REIT</td>
<td>31 Dec 19</td>
<td>440.0</td>
<td>521,464</td>
<td>93.9%</td>
<td>6.2%</td>
</tr>
<tr>
<td>IGB REIT</td>
<td>31 Dec 19</td>
<td>3,665.0</td>
<td>1,825,478</td>
<td>99.9%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Pavilion REIT</td>
<td>31 Dec 19</td>
<td>180.0</td>
<td>221,831</td>
<td>97.1%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Sunway REIT</td>
<td>30 Jun 19</td>
<td>3,774.0</td>
<td>1,627,534</td>
<td>97.0%</td>
<td>6.8%</td>
</tr>
</tbody>
</table>

| Low                |                |                   |             |                | 93.9% | 6.2%  |
| High               |                |                   |             |                | 99.9% | 8.0%  |
| Median             |                |                   |             |                | 97.1% | 7.3%  |
| Average            |                |                   |             |                | 97.0% | 7.2%  |

The ARF Malaysia Asset

| 318.0 | 512,806 | 98.3% | 9.1% / 8.3% to 8.5%

Source: Annual reports, Announcements

**Notes:**

1. Based on the NPI for the latest audited financial year of the respective properties.
2. Adjusted NPI Yield taking into account potential sinking funds and service charges that were not charged in FY2019.

Based on the table above, we note that the NPI Yields of the ARF Malaysia Asset of 9.1% based on the NPI for FY2019 and 8.3% to 8.5% based on the adjusted NPI taking into account the potential sinking funds and service charges that were not charged in FY2019 are higher than the range of the NPI Yields of the selected Malaysian retail properties.

### 7.6 Other Relevant Factors in relation to the proposed ARF Transaction

We have also considered the following in our evaluation of the proposed ARF Transaction:

#### 7.6.1 The Acquisition by FCT ARF Purchaser of 12.07% stake in ARF from certain shareholders of ARF as announced on 30 June 2020 and completed on 6 July 2020

On 30 June 2020, the Manager announced that the FCT ARF Purchaser exercised its right of pre-emption as a shareholder of ARF to apply for the an aggregate 48,229 shares in the capital of ARF, representing approximately 12.07% stake in ARF, that certain shareholders of ARF had given notice of their desire to sell (the “Transfer Notices”).

Pursuant to the terms and conditions of the Transfer Notices, the aggregate consideration for the 48,229 shares in the capital of ARF was approximately S$197.2 million (the “Consideration”). The calculation of the Consideration was arrived at on a willing-buyer and willing-seller basis, taking into consideration the NAV of the sale shares and the underlying performance of the properties owned by ARF.
On 6 July 2020, the Manager announced that the acquisition of the 48,229 shares in the capital of ARF representing approximately 12.07% stake in ARF had been completed. With such completion, the stake of FCT in ARF increased to approximately 36.89%.

We note that based on the Consideration, the implied valuation of ARF was approximately S$1,633.8 million, which is lower than the implied valuation of ARF of approximately S$1,683.9 million, based on the ARF Purchase Consideration in connection with the ARF Acquisition. We understand from the Manager that the difference is primarily due to the variation in the stake being acquired by FCT, being 12.07% interest in ARF for the transaction announced on 30 June 2020 and approximately 63.11% interest in ARF for the ARF Acquisition. The ARF Acquisition would also result in FCT holding 100.0% interest in ARF upon the ARF Acquisition Completion.

7.6.2 The LLP Conversion to Allow Unitholders to Tax Transparency Treatment

We note that as soon as practicable following the ARF Acquisition Completion, the intention is to convert the ARF Singapore PropCos to ARF Singapore Prop LLPs pursuant to Section 21 of the Limited Liability Partnerships Act, Chapter 163A of Singapore. The LLP Conversion would allow Unitholders to enjoy tax transparency treatment on FCT’s income from Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1. As such, the income generated from Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1 will not be subject to corporate income tax at the ARF Singapore Prop LLPs level as a limited liability partnership is tax transparent for Singapore tax purposes.

We also note that as Century Square’s property holding company is the Singapore branch of a Mauritius incorporated company, the Manager is currently exploring how tax transparency can be achieved in respect of Century Square, including the transfer of Century Square to be held directly by FCT.

7.6.3 Retail Mall Management Agreements and Property Management Agreement in relation to the proposed ARF Acquisition

The details of the Retail Mall Management Agreements and Property Management Agreement are set out in Paragraph 2.13 of the Letter to Unitholders of the Circular.

We note that after the completion of the proposed ARF Transaction, AMM will continue to be the property manager of the ARF Singapore Retail Assets and shall be entitled to the same fees prior to the ARF Transaction as set out in the Retail Mall Management Agreements. Each of the Retail Mall Management Agreement will continue until 31 December 2024.

We also note that after the completion of the proposed ARF Transaction, AMM will likewise continue to be the property manager of Central Plaza and shall be entitled to the same fees prior to the ARF Transaction as set out in the Property Management Agreement. The Property Management Agreement will continue until 31 December 2024.

8 EVALUATION OF THE PROPOSED SPONSOR PLACEMENT AND THE PROPOSED WHITEWASH RESOLUTION

In our analysis and evaluation of the proposed Sponsor Placement and the proposed Whitewash Resolution, and our opinion thereon, we have taken into consideration the following:

(a) rationale for the proposed Sponsor Placement and the proposed Whitewash Resolution; and

(b) number and pricing of the New Units for the proposed Equity Fund Raising, comprising the Private Placement (including the Sponsor Placement) and the proposed Preferential Offering (including the proposed Excess Preferential Offering to the Concert Party Group).
8.1 Rationale for the proposed Sponsor Placement

The detailed rationale and key benefits for the proposed ARF Transaction and the proposed Equity Fund Raising (including the proposed Sponsor Placement) are set out in Paragraph 5 of the Letter to Unitholders of the Circular, with the key sections set out in Paragraph 7.1 of this letter.

We note that in the event that the proposed Equity Fund Raising includes a Private Placement, the proposed Sponsor Placement is to provide a higher degree of certainty for the successful completion of the Private Placement and to enable the Sponsor Group to be in a position to support FCT and align its interests with the Unitholders.

8.2 Rationale for the proposed Whitewash Resolution

The rationale for Whitewash Resolution is set out in Paragraph 6.4 of the Letter to Unitholders of the Circular.

The Whitewash Resolution is to enable the subscription by the Relevant Entities of the Excess Preferential Offering Units in accordance with the terms of the Sponsor Irrevocable Undertaking.

The application for the Excess Preferential Offering Units pursuant to the Sponsor Irrevocable Undertaking demonstrates the Sponsor’s support for and confidence in the Preferential Offering and its long-term commitment to FCT, and will further enhance the chances of a successful Preferential Offering.

8.3 Number and Pricing of the New Units for the proposed Equity Fund Raising, including the proposed Sponsor Placement Units and the proposed Excess Preferential Offering Units

The Manager intends to finance the Total Acquisition Cost (excluding the ARF Acquisition Fee Units) through the net proceeds from the proposed Equity Fund Raising. Additionally, as the completion of the Mallco Divestment will take place prior to the ARF Acquisition Completion, the ARF Purchase Consideration payable will be reduced by the amount of the Mallco Divestment Consideration attributable to FCT.

As set out in the Summary section and Paragraph 3 of the Letter to Unitholders of the Circular, the structure and timing of the proposed Equity Fund Raising have not been determined by the Manager. If and when the Manager decides to undertake the proposed Equity Fund Raising, the proposed Equity Fund Raising may, at the Manager’s absolute discretion and subject to the then prevailing market conditions, comprise:

(i) a Private Placement of New Units to institutional and other investors (which includes the proposed Sponsor Placement Units); and/or

(ii) a non-renounceable Preferential Offering of New Units to the existing Unitholders on a pro rata basis (which includes the Excess Preferential Offering Units).

The Manager will work with DBS Bank Ltd., Citigroup Global Markets Singapore and Oversea-Chinese Banking Corporation Limited (collectively, the “Joint Lead Managers and Underwriters”) to determine the structure of the proposed Equity Fund Raising, the timing for the proposed Equity Fund Raising and the issue price of the New Units issued under the proposed Equity Fund Raising (the “Issue Price”), taking into account market conditions and other factors that the Manager and the Joint Lead Managers and Underwriters may consider relevant.

We note that the Issue Price under the proposed Equity Fund Raising will be determined by the Manager and the Joint Lead Managers and Underwriters closer to the date of commencement of the proposed Equity Fund Raising. The actual number of New Units to be issued pursuant to the
proposed Equity Fund Raising will depend on the aggregate amount of proceeds to be raised from the proposed Equity Fund Raising and the Issue Price.

We also note that the structure and timing of the proposed Equity Fund Raising and the Issue Price will be determined in accordance with, among others, Chapter 8 of the Listing Manual.

Based on the Illustrative Issue Price of S$2.22 per New Unit, the proposed Equity Fund Raising is expected to raise gross proceeds of up to S$1,394.2 million. The net proceeds of the proposed Equity Fund Raising (after deducting estimated costs and expenses associated with the proposed Equity Fund Raising) will be approximately S$1,292.5 million.

The Manager will announce details of the proposed Equity Fund Raising on the SGXNET at the appropriate time when it launches the proposed Equity Fund Raising on such terms and at such time as may be agreed with the Joint Lead Managers and Underwriters.

The Sponsor Placement Units

In terms of the number of New Units to be subscribed by the Sponsor Group under the Sponsor Placement, we note that the Sponsor Group will subscribe for such number of New Units up to its proportionate pre-placement unitholdings in FCT. As such, the percentage unitholdings of the Sponsor Group in FCT will not increase after the completion of the Private Placement.

In terms of the pricing for the New Units for the proposed Sponsor Placement, we note that the New Units to be placed under the Sponsor Group will issued at the same price as the New Units issued to other investors under the Private Placement. We also note that the Issue Price for New Units under the Private Placement (including the proposed Sponsor Placement) will comply with Rules 811(1) and 811(5) of the Listing Manual, and will not be at more than 10.0% discount to the volume weighted average price for trades done on the SGX-ST for the full market day on which the Underwriting Agreement (as defined in the Circular) is signed, or (if trading in the Units is not available for a full market day) for trades done on the SGX-ST for the preceding market day up to the time the Underwriting Agreement is signed, excluding (where applicable) declared distributions, provided that the holders of the New Units are not entitled to the declared distributions.

We further note that the Issue Price of the New Units pursuant to the Private Placement (which includes the Sponsor Placement Units) may differ from the Issue Price of the New Units pursuant to the Preferential Offering (which includes the Excess Preferential Offering Units).

The Whitewash Resolution in relation to the Excess Preferential Offering Units

In addition to the Relevant Entities taking up the Allotted Preferential Offering Units, the Sponsor has, subject to and conditional upon the approval of the Whitewash Resolution by the Independent Unitholders, irrevocably undertaken to procure the Relevant Entities to apply for the Excess Preferential Offering Units.

In terms of the number of Excess Preferential Offering Units to be subscribed by the Relevant Entities under the Preferential Offering and the exact percentage increase of the Concert Party and excess applications by Unitholders for the Preferential Offering as according to Rule 877(10) of the Listing Manual, the Relevant Entities, among others, will rank last in the allocation of Excess Preferential Offering Units applied for.

We note that for illustrative purposes, in a scenario where the proposed Equity Fund Raising is for gross proceeds of S$1,300.0 million and (i) 585,585,586 New Units are issued pursuant to the proposed Equity Fund Raising (comprising 225,225,226 New Units issued under the Private Placement and 360,360,360 New Units issued under the Preferential Offering), and (ii) 8,713,512 ARF Acquisition Fee Units are issued to the Manager in its personal capacity as payment for the
ARF Acquisition Fee and 243,243 Units as the divestment fee payable to the Manager for the proposed Bedok Divestment (the “Bedok Point Divestment Fee” and the Units, the “Bedok Point Divestment Fee Units”). The ARF Acquisition Fee Units and the Bedok Point Divestment Fee Units are issued to the Manager in its personal capacity as payment for the ARF Acquisition Fee and Bedok Point Divestment Fee respectively.

Based on an Illustrative Issue Price of (i) S$2.22 per New Unit and (ii) S$2.22 per ARF Acquisition Fee Unit and Bedok Point Divestment Fee Unit, the aggregated unitholding of the Concert Party Group immediately after the issue of all the above-mentioned new Units will be 50.24%.

Also for illustrative purposes, in a scenario where the proposed Equity Fund Raising is for gross proceeds of S$1,150.0 million and (i) 518,018,018 New Units are issued pursuant to the proposed Equity Fund Raising (comprising 157,657,658 New Units issued under the Private Placement and 360,360,360 New Units issued under the Preferential Offering), and (ii) 8,713,512 ARF Acquisition Fee Units are issued to the Manager in its personal capacity as payment for the ARF Acquisition Fee and 243,243 Bedok Point Divestment Fee Units as payment for the Bedok Point Divestment Fee. The ARF Acquisition Fee Units and the Bedok Point Divestment Fee Units are issued to the Manager in its personal capacity as payment for the ARF Acquisition Fee and Bedok Point Divestment Fee respectively.

Based on an Illustrative Issue Price of (i) S$2.22 per New Unit and (ii) S$2.22 per ARF Acquisition Fee Unit and Bedok Point Divestment Fee Unit, the aggregated unitholding of the Concert Party Group immediately after the issue of all the above-mentioned new Units will be 50.80%.

We note that the Excess Preferential Offering Units will be subscribed by the Concert Party Group at the same price as the Preferential Offering Units. We also note that the Issue Price for New Units under the Preferential Offering (including the Excess Preferential Offering Units) will comply with Rules 811(1) and 811(5) of the Listing Manual, and will not be at more than 10.0% discount to the volume weighted average price for trades done on the SGX-ST for the full market day on which the Underwriting Agreement (as defined in the Circular) is signed, or (if trading in the Units is not available for a full market day) for trades done on the SGX-ST for the preceding market day up to the time the Underwriting Agreement is signed, excluding (where applicable) declared distributions, provided that the holders of the New Units are not entitled to the declared distributions.

We further note that the Issue Price of the New Units pursuant to the Preferential Offering (which includes the Excess Preferential Offering Units) may differ from the Issue Price of the New Units pursuant to the Private Placement (which includes the Sponsor Placement Units).

**9 EVALUATION OF THE PROPOSED BEDOK POINT DIVESTMENT**

In our analysis and evaluation of the proposed Bedok Point Divestment, and our recommendation thereon, we have taken into consideration the following:

(a) rationale for the proposed Bedok Point Divestment;

(b) valuation of Bedok Point by the Bedok Point Independent Valuers;

(c) latest valuation of Bedok Point by FCT;

(d) comparison of the NPI Yield of Bedok Point with the Existing Portfolio and reduced portfolio; and

(e) comparison of the proposed Bedok Point Divestment with selected comparable property transactions.

The factors above are discussed in more detail in the following sections.
9.1 Rationale for the proposed Bedok Point Divestment

The rationale for the proposed Bedok Point Divestment is set out in Paragraph 8 of the Letter to Unitholders of the Circular.

We note that the Manager believes that the proposed Bedok Point Divestment will benefit Unitholders as it is in line with the Manager’s proactive portfolio management strategy, allowing FCT to unlock value, and redeploying it to acquire higher-yielding assets with larger scale.

We also note that the Manager regularly reviews the property portfolio of FCT as part of its proactive portfolio management strategy, and where the Manager considers that any property has reached a stage where its divestment is in the interest of Unitholders, the Manager may recommend the divestment and redeploy the divestment proceeds into the acquisition of properties that meet its investment criteria.

9.2 Valuation of Bedok Point by the Bedok Point Independent Valuers

The Manager and the Trustee have commissioned the Bedok Point Independent Valuers to perform independent valuations on Bedok Point.

<table>
<thead>
<tr>
<th>S/No</th>
<th>Property</th>
<th>NLA (sq ft)</th>
<th>Independent Valuation by the Valuer appointed by the Trustee (JLL) (in S$’000)</th>
<th>Independent Valuation by the Valuer appointed by the Manager (Colliers) (in S$’000)</th>
<th>Agreed Property Value (in S$’000)</th>
<th>Premium / (Discount) of the Agreed Property Purchase Value over/to the Independent Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bedok Point</td>
<td>82,713</td>
<td>108,900</td>
<td>107,200</td>
<td>108,000</td>
<td>Trustee: (0.8)%; Manager: 0.7%</td>
</tr>
</tbody>
</table>

Source: Circular, EY

We have been provided the valuation reports of Bedok Point and we note the following in our review:

(i) the basis of valuation, which is the same for both Bedok Point Independent Valuers, is Market Value on “the basis of a redevelopment site, assuming that change of use/re-zoning to “Residential with Commercial on 1st storey” is approved and the land lease can be topped up to fresh 99 years subject to payment of lease renewal premium.”

‘Market Value’ is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing-buyer and a willing-seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. The definition is broadly consistent between the Bedok Point Independent Valuers and in line with market definition;

(ii) the Bedok Point Independent Valuers have used the same valuation date, being 1 August 2020;

(iii) the Bedok Point Independent Valuers have used the same valuation methodologies, being residual method and direct comparison approach, which are widely accepted methods for the purpose of valuing properties that are subject for redevelopment;

(iv) in terms of valuation standards, the valuations by the Bedok Point Independent Valuers had both been carried out in accordance with SISV Guidelines and IVSC.
We note that the Bedok Point Agreed Property Value of S$108.0 million is 0.8% lower than the valuation by JLL, 0.7% higher than the valuation by Colliers, and is approximately the average of the two independent valuations.

9.3 Latest Valuation of Bedok Point by FCT as at 30 September 2019

The valuation by FCT of Bedok Point as at 30 September 2019, as set out in FCT’s 2019 Annual Report, was S$94.0 million. In comparison, the Agreed Property Value for the Bedok Point Divestment is S$108.0 million, which is 14.9% higher than the valuation as at 30 September 2019. We note the difference in the basis of the valuation, where the valuation for the proposed Bedok Point Divestment was based on the redevelopment of the site, with approval on the change of land use/re-zoning to “Residential with Commercial on 1st storey” and renewal of the land lease for up to a fresh 99 years.

9.4 Comparison of NPI Yield of Bedok Point with FCT’s Existing Portfolio and Reduced Portfolio

We have compared the WALE and NPI Yield of Bedok Point with those of FCT’s Existing Portfolio and the portfolio excluding Bedok Point (the “Reduced Portfolio”).

<table>
<thead>
<tr>
<th></th>
<th>WALE by GRI</th>
<th>NPI Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing Portfolio(1)</td>
<td>1.61</td>
<td>4.8%(2)</td>
</tr>
<tr>
<td>Bedok Point</td>
<td>1.17</td>
<td>2.5%(3)</td>
</tr>
<tr>
<td>Reduced Portfolio</td>
<td>1.62</td>
<td>4.9%(4)</td>
</tr>
</tbody>
</table>

Source: Circular, Annual Report, Management

Notes:

(1) Includes Bedok Point.
(2) Based on NPI Yield for the Existing Portfolio for FY2019 and valuation as at 30 September 2019.
(3) Based on NPI of Bedok Point for FY2019 and the Bedok Point Agreed Property Value.
(4) Calculated based on the weighted average of the NPI Yields for the Reduced Portfolio (which is the Existing Portfolio excluding Bedok Point).

We note that the NPI Yield for Bedok Point of 2.5% is based on the Bedok Point Agreed Property Value which is equivalent to the average of the two valuations that were carried out on the basis of redevelopment of the site, with approval on the change of land use/re-zoning and renewal of the land lease for up to a fresh 99 years. For the Existing Portfolio (which includes Bedok Point), the average NPI Yield of 4.8% is based on the valuation as income-producing retail properties as at 30 September 2019.

We have considered the effect of the proposed Bedok Point Divestment to FCT’s portfolio, and note that the NPI Yield of the Reduced Portfolio will increase slightly to 4.9% while the WALE of 1.62 years will be slightly longer.

9.5 Comparison of the proposed Bedok Point Divestment with Selected Property Transactions

Based on our discussions with the Management and a search for comparable property transactions on publicly available databases for land sales for the period from January 2015 up to the Latest Practicable Date for residential and “residential with commercial at 1st storey” uses at and nearby
the Bedok area with 99-year leases, we recognise that there is no particular property transaction that we may consider to be directly comparable to the proposed Bedok Point Divestment in the aspects of geographic location, usage of property, accessibility, size, development plans, lease tenure, market risks, and other relevant factors. However, we have extracted the following publicly available information on property transactions which we deem to be comparable to the proposed Bedok Point Divestment in order to compare the Bedok Point Agreed Property Value with the property prices of comparable property transactions.

The Independent Directors, the Audit, Risk and Compliance Committee and the Trustee should note that any comparison made with respect to the selected property transactions are for illustrative purposes only. We have used the available data/information as at the Latest Practicable Date for the analysis. The conclusions drawn from such comparisons may not necessarily reflect the perceived or implied valuation of Bedok Point as at the Latest Practicable Date. In addition, we wish to highlight that the selected property transactions are by no means exhaustive.

For the purposes of our evaluation, we have considered the following selected property transactions:

<table>
<thead>
<tr>
<th>Location</th>
<th>Announcement Date</th>
<th>Lease Tenure (years)</th>
<th>Gross Floor Area (sq ft)</th>
<th>Agreed Property Value (S$’000)</th>
<th>Agreed Property Value per sq ft (S$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sims Drive(1)</td>
<td>Apr 2019</td>
<td>99</td>
<td>523,944</td>
<td>383,530</td>
<td>732</td>
</tr>
<tr>
<td>New Upper Changi Road / Bedok South Avenue 3(2)</td>
<td>Feb 2016</td>
<td>99</td>
<td>551,414</td>
<td>419,000</td>
<td>761</td>
</tr>
<tr>
<td>Siglap Road(3)</td>
<td>Jan 2016</td>
<td>99</td>
<td>727,467</td>
<td>624,000</td>
<td>858</td>
</tr>
</tbody>
</table>

|  | Low |  |  | High |  | Median |  | Average |
|  |  |  |  |  |  |  |  |  |
| Bedok Point | 57 | 155,848(4) | 108,000 | 693 |

|  |  |  |  |  |  |  |  |  |
| Bedok Point (including renewal premium) | 99 | 155,848(4) | 134,153 | 860 |

Source: Circular, valuation reports, Management, Urban Redevelopment Authority

Notes:

(1) The Urban Redevelopment Authority ("URA") awarded the tender for the residential site to Intrepid Pte. Ltd. and CDL Constellation Pte. Ltd.
(2) URA awarded the tender for the residential site to CEL Residential Development Pte. Ltd.
(3) URA awarded the tender for the residential site to FCL Topaz Pte. Ltd., Sekisui House, Ltd. and KH Capital Pte. Ltd.
(4) Based on the expected approval by the Urban Redevelopment Authority of gross plot ratio of 3.5 on a land area of 44,526 sq ft.
(5) Based on the average renewal premiums estimated by the Bedok Point Independent Valuers to top up the land lease to a fresh 99 years.
Based on the table above, we note that the Bedok Point Agreed Property Value per sq ft (including renewal premium) of S$860 is within the range of transaction values per sq ft for the comparable property transactions and higher than median and average transaction values per sq ft. We wish to highlight that the renewal premium applied of approximately S$26.0 million (which is based on the average renewal premiums used by the Bedok Point Independent Valuers) is for illustrative purposes only, and the actual premium for the lease renewal will be subject to various factors, including approval by the relevant government authorities.

10 OTHER RELEVANT FACTORS IN RELATION TO THE TRANSACTIONS

We have also considered the following in our evaluation of the proposed ARF Transaction, the proposed Sponsor Placement, the proposed Whitewash Resolution and the proposed Bedok Point Divestment:

10.1 Comparison of NPI Yields of FCT’s Existing Portfolio and Resulting Portfolio due to the Proposed Transactions

We have compared the WALE and NPI Yield of FCT’s Existing Portfolio and the resulting FCT portfolio following the completion of the proposed ARF Transaction and the proposed Bedok Point Divestment (the "Resulting Portfolio").

<table>
<thead>
<tr>
<th></th>
<th>WALE by GRI (years)</th>
<th>NPI Yield</th>
</tr>
</thead>
<tbody>
<tr>
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<td>1.61</td>
<td>4.8%(2)</td>
</tr>
<tr>
<td>Bedok Point</td>
<td>1.17</td>
<td>2.5%(3)</td>
</tr>
<tr>
<td>ARF Assets(4)</td>
<td>1.47</td>
<td>4.9%(5)</td>
</tr>
<tr>
<td>Resulting Portfolio</td>
<td>1.55</td>
<td>4.9%(6)</td>
</tr>
</tbody>
</table>

Source: Circular, Annual Report, Management

Notes:

(1) Includes Bedok Point.
(2) Based on NPI Yield for the Existing Portfolio for FY2019 and valuation as at 30 September 2019.
(3) Based on NPI of Bedok Point for FY2019 and the Bedok Point Agreed Property Value.
(4) Takes into account the net effect of the ARF Acquisition and the Mallco Divestment.
(5) Based on NPI of ARF Assets for FY2019 and the aggregate Agreed Property Value of the ARF Assets.
(6) Combined NPI Yield is calculated based on the weighted average of the NPI Yields for the Resulting Portfolio.

We note that the average NPI Yield of the Resulting Portfolio of 4.9% is slightly higher than the average NPI Yield of the Existing Portfolio as at 30 September 2019. We also note that the WALE of the Resulting Portfolio of 1.55 years is slightly shorter than the WALE of 1.61 years of the Existing Portfolio.

In our evaluation of the NPI Yield of the Resulting Portfolio, we have considered the net effect of the ARF Acquisition and the Mallco Divestment, the ARF Singapore Assets comprising five retail properties and one office property, and the proposed Bedok Point Divestment.
10.2 **Pro forma Financial Effects of the Transactions**

The details of the *pro forma* financial effects of the proposed ARF Transaction, the proposed Equity Fund Raising and the proposed Bedok Point Divestment which are shown for illustrative purposes only, are set out in Paragraph 9 of the Letter to Unitholders of the Circular.

We note the following:

(a) The *pro forma* financial effects of the proposed ARF Transaction, the proposed Equity Fund Raising and the proposed Bedok Point Divestment on the DPU, NAV per Unit and capitalisation are prepared based on the latest audited financial statements of FCT and its subsidiaries (the “FCT Group”) for FY2019 (the “FY2019 Audited Financial Statements”), FCT Group’s unaudited financial statements for the nine months ended 30 June 2020 (“9M2020” and the unaudited financial statements, the “9M2020 Unaudited Financial Statements”) and the unaudited management accounts of the ARF Assets and/or Bedok Point (as the case may be) and assuming, among others, (i) the ARF Purchase Consideration for the Sale Shares is approximately S$1,057.4 million; (ii) gross proceeds of up to approximately S$1,300.0 million are raised from the issue of up to approximately 585.6 million New Units at the Illustrative Issue Price of S$2.22 pursuant to the proposed Equity Fund Raising; (iii) the ARF Acquisition Fee of approximately S$19.3 million is payable to the Manager wholly in Units; (iv) the ARF Acquisition Fee Units are issued at S$2.22 per Unit; and (v) the completion of the LLP Conversion of ARF Singapore PropCos to ARF Singapore Prop LLPs immediately upon the ARF Acquisition Completion and that no tax liability is imposed due to the LLP Conversion.

(b) **Pro forma DPU for FY2019.** The *pro forma* financial effects of the proposed Transactions on FCT’s DPU for FY2019 are set out below, assuming certain adjustments were made on the FY2019 Audited Financial Statements and as if the proposed Transactions were completed on 1 October 2018 and FCT held the ARF Singapore Assets through to 30 September 2019, and gross proceeds of approximately S$1,300.0 million were raised from the issue of approximately 585.6 million New Units at the Issue Price of S$2.22 pursuant to the proposed Equity Fund Raising:

(i) adjusted DPU increases from 11.99 Singapore cents to 12.98 Singapore cents, or by 0.99 Singapore cents (approximately 8.31%) after the proposed ARF Transaction and the proposed Equity Fund Raising; and

(ii) adjusted DPU increases from 11.99 Singapore cents to 13.02 Singapore cents, or by 1.03 Singapore cents (approximately 8.59%) after the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising.

(c) **Pro forma DPU for 9M2020.** The *pro forma* financial effects of the proposed Transactions on FCT’s DPU for 9M2020 are set out below, assuming certain adjustments were made on the 9M2020 Unaudited Financial Statements and as if the proposed Transactions were completed on 1 October 2019 and FCT held the ARF Singapore Assets through to 30 June 2020, and gross proceeds of approximately S$1,300.0 million were raised from the issue of approximately 585.6 million New Units at the Issue Price of S$2.22 pursuant to the proposed Equity Fund Raising:

(i) adjusted DPU decreases from 7.34 Singapore cents to 7.31 Singapore cents, or by 0.03 Singapore cents (approximately 0.36%) after the proposed ARF Transaction and the proposed Equity Fund Raising; and

(ii) adjusted DPU increases from 7.34 Singapore cents to 7.37 Singapore cents, or by 0.03 Singapore cents (approximately 0.40%) after the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising.
(d) **Pro forma DPU for 9M2020, excluding the one-off rental rebates of S$36.5 million (net of asset and property management fees) disbursed by FCT and ARF to tenants during the circuit breaker period which ended on 1 June 2020.** The pro forma financial effects of the proposed Transactions on FCT’s DPU for 9M2020 excluding the one-off rental rebates are set out below, assuming certain adjustments were made on the 9M2020 Unaudited Financial Statements and as if the proposed Transactions were completed on 1 October 2019 and FCT held the ARF Singapore Assets through to 30 June 2020, and gross proceeds of approximately S$1,300.0 million were raised from the issue of approximately 585.6 million New Units at the Issue Price of S$2.22 pursuant to the proposed Equity Fund Raising:

(i) adjusted DPU increases from 9.03 Singapore cents to 9.44 Singapore cents, or by 0.41 Singapore cents (approximately 4.56%) after the proposed ARF Transaction and the proposed Equity Fund Raising; and

(ii) adjusted DPU increases from 9.03 Singapore cents to 9.45 Singapore cents, or by 0.42 Singapore cents (approximately 4.72%) after the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising.

(e) **Pro forma NAV as at 30 September 2019.** The pro forma financial effects of the proposed Transactions on the NAV as at 30 September 2019 are set out below, assuming certain adjustments were made on the FY2019 Audited Financial Statements and as if the proposed Transactions were completed on 30 September 2019, taking into account gross proceeds of approximately S$1,300.0 million were raised from the issue of approximately 585.6 million New Units at the Issue Price of S$2.22 pursuant to the proposed Equity Fund Raising:

(i) adjusted NAV per Unit remains the same at S$2.21 after the proposed ARF Transaction and the proposed Equity Fund Raising; and

(ii) adjusted NAV per Unit increases from S$2.21 to S$2.22, or by S$0.01 (approximately 0.45%) after the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising.

(f) **Pro forma NAV as at 30 June 2020.** The pro forma financial effects of the proposed Transactions on the NAV as at 30 June 2020 are set out below, assuming certain adjustments were made on the 9M2020 Unaudited Financial Statements and as if the proposed Transactions were completed on 30 June 2020, taking into account gross proceeds of approximately S$1,300.0 million were raised from the issue of approximately 585.6 million New Units at the Issue Price of S$2.22 pursuant to the proposed Equity Fund Raising:

(i) adjusted NAV per Unit increases from S$2.19 to S$2.22, or by S$0.03 (approximately 1.37%) after the proposed ARF Transaction and the proposed Equity Fund Raising; and

(ii) adjusted NAV per Unit increases from S$2.19 to S$2.23, or by S$0.04 (approximately 1.83%) after the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising.

(g) **Pro forma Gearing Ratio as at 30 September 2019.** The pro forma financial effects of the proposed Transactions on the capitalisation as at 30 September 2019 are set out below, assuming certain adjustments were made on the FY2019 Audited Financial Statements and as if the proposed Transactions were completed on 30 September 2019, taking into account gross proceeds of approximately S$1,300.0 million were raised from the issue of approximately 585.6 million New Units at the Issue Price of S$2.22 pursuant to the proposed Equity Fund Raising. Gearing ratio is computed as gross borrowings over total assets:

(i) adjusted gearing ratio decreases from 36.2% to 36.0% after the proposed ARF Transaction and the proposed Equity Fund Raising; and
(ii) adjusted gearing ratio decreases from 36.2% to 34.9% after the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising.

(h) **Pro forma Gearing Ratio as at 30 June 2020.** The *pro forma* financial effects of the proposed Transactions on the capitalisation as at 30 June 2020 are set out below, assuming certain adjustments were made on the 9M2020 Unaudited Financial Statements and as if the proposed Transactions were completed on 30 June 2020, taking into account gross proceeds of approximately S$1,300.0 million were raised from the issue of approximately 585.6 million New Units at the Issue Price of S$2.22 pursuant to the proposed Equity Fund Raising:

(i) adjusted gearing ratio increases from 38.1% to 40.4% after the proposed ARF Transaction and the proposed Equity Fund Raising; and

(ii) adjusted gearing ratio increases from 38.1% to 39.3% after the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising.

10.3 The inter-conditionality of the Resolutions for Unitholders’ approval

We note that Resolution 1 (the proposed ARF Transaction), Resolution 2 (the proposed Equity Fund Raising) and Resolution 3 (the proposed Sponsor Placement) are inter-conditional. Resolution 1, Resolution 2 and Resolution 3 are also contingent upon the passing of Resolution 4 (the proposed Whitewash Resolution). Resolution 5 (the proposed Bedok Point Divestment) is contingent upon the passing of Resolution 1, Resolution 2, Resolution 3 and Resolution 4. We also note that this reflects the commercial intention between FCT and the Sponsor that the Sponsor will only acquire Bedok Point if FCT acquires the Sale Shares.

As such, Resolution 1, Resolution 2, Resolution 3 and Resolution 4 cannot be carried out if any of the other resolutions (except for Resolution 5) are not passed. Resolution 5 will only be voted on if Resolution 1, Resolution 2, Resolution 3 and Resolution 4 are all passed.


In arriving at our advice to the Independent Directors, the Audit, Risk and Compliance Committee, and the Trustee on the ARF Transaction, the Sponsor Placement, the Whitewash Resolution and the Bedok Point Divestment, we have reviewed and deliberated on the factors which we consider to be relevant and to have a significant bearing on our assessment of the ARF Transaction, the Sponsor Placement, the Whitewash Resolution and the Bedok Point Divestment. The factors we have considered in our evaluation, which are based on, among others, representations made by FCT, the Directors and the Management and discussed in detail in the earlier sections of this letter and which we have relied upon, are as follows:

In relation to the ARF Transaction:

(a) rationale for the proposed ARF Transaction;

(b) valuation of the ARF Assets by the ARF Independent Valuers;

(c) comparison of the NPI Yield of the ARF Assets with FCT’s Existing Portfolio and Enlarged Portfolio;

(d) comparison of the proposed acquisition of the ARF Singapore Retail Assets with the recent acquisition of Waterway Point by FCT;
(e) comparison of the ARF Assets with selected property valuations and transactions;

(f) the acquisition by FCT of 12.07% stake in ARF from certain shareholders of ARF as announced on 30 June 2020 and completed on 6 July 2020;

(g) the LLP Conversion to allow Unitholders to enjoy tax transparency treatment; and

(h) the property management services as set out in the Retail Mall Management Agreements in relation to the ARF Singapore Retail Assets and the Property Management Agreement in relation to Central Plaza.

In relation to the Sponsor Placement and the Whitewash Resolution:

(i) rationale for the proposed Sponsor Placement;

(j) rationale for the proposed Whitewash Resolution; and

(k) number and pricing of the New Units for the proposed Equity Fund Raising, including the proposed Sponsor Placement Units and the proposed Excess Preferential Offering Units.

In relation to the Bedok Point Divestment:

(l) rationale for the proposed Bedok Point Divestment;

(m) valuation of Bedok Point by the Bedok Point Independent Valuers;

(n) latest valuation of Bedok Point by FCT as at 30 September 2019;

(o) comparison of NPI Yield of Bedok Point with FCT’s Existing Portfolio and Reduced Portfolio; and

(p) comparison of the Bedok Point Divestment with selected property transactions.

Other considerations in relation to the transactions:

(q) comparison of NPI Yield of FCT’s Existing Portfolio and Resulting Portfolio due to the proposed Transactions;

(r) pro forma financial effects of the Transactions; and

(s) the inter-conditionality of the resolutions for Unitholders’ approval.

Having considered the factors and the assumptions set out in this letter, we are of the opinion that the ARF Transaction, the Sponsor Placement and the Bedok Point Divestment, as interested person transactions, are on normal commercial terms and are not prejudicial to the interests of FCT and its minority Unitholders, and that the Whitewash Resolution is fair and reasonable.

Accordingly, we advise the Independent Directors and the Audit, Risk and Compliance Committee to recommend that Unitholders vote in favour of the ARF Transaction, the Sponsor Placement, the Whitewash Resolution and the Bedok Point Divestment.

The Independent Directors, the Audit, Risk and Compliance Committee, and the Trustee should note that we have arrived at our opinion based on information made available to us prior to, and including, the Latest Practicable Date. Our opinion on the ARF Transaction, the Sponsor Placement, the Whitewash Resolution and the Bedok Point Divestment cannot and does not take into account any subsequent developments...
after the Latest Practicable Date as these are governed by factors beyond the scope of our review, and
would not fall within our terms of reference in connection with our evaluation of the ARF Transaction, the
Sponsor Placement, the Whitewash Resolution and the Bedok Point Divestment.

We have prepared this letter pursuant to Rule 921(4)(a) of the Listing Manual and Appendix 1 of the Code
as well as for the use of the Independent Directors, the Audit, Risk and Compliance Committee, and the
Trustee in connection with and for the purposes of their consideration of the ARF Transaction, the Sponsor
Group Placement, the Whitewash Resolution and the Bedok Point Divestment, but any recommendation
made by the Independent Directors and the Audit, Risk and Compliance Committee in respect of the ARF
Transaction, the Sponsor Placement, the Whitewash Resolution and the Bedok Point Divestment shall
remain their responsibility.

While a copy of this letter may be reproduced in the Circular, no other person may reproduce, disseminate
or quote this letter (or any part thereof) for any purpose (other than the intended purpose in relation to the
ARF Transaction, the Sponsor Placement, the Whitewash Resolution and the Bedok Point Divestment) at
any time and in any manner without our prior written consent in each specific case. For the avoidance of
doubt, nothing in this letter prevents FCT, the Manager, the Directors, the Trustee or the Unitholders from
reproducing, disseminating or quoting this letter without our prior consent for the purpose of any matter
relating to the ARF Transaction, the Sponsor Placement, the Whitewash Resolution and the Bedok Point
Divestment. This opinion is governed by, and construed in accordance with, the laws of Singapore, and is
strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
Ernst & Young Corporate Finance Pte Ltd

Mah Kah Loon     Elisa Montano
Chief Executive Officer    Associate Partner
APPENDIX C

VALUATION CERTIFICATES

Colliers International Consultancy & Valuation
(Singapore) Pte Ltd
12 Marina View
#19-02, Asia Square 2
Singapore 018961
RCB No. 198105965E

MAIN +65 6223 2323

Our Ref: 2020/C2/0062 to 0062-5/CORP & 30V2000569

25 August 2020

HSBC Institutional Trust Services (Singapore) Limited
(as trustee of Frasers Centrepoint Trust)
10 Marina Boulevard,
#45-01 Marina Bay Financial Centre Tower 2
Singapore 018983

Dear Sirs,

VALUATION OF
1) 10, TAMPINES CENTRAL 1, TAMPINES 1, SINGAPORE 529536
2) 302 TIONG BAHRU ROAD, TIONG BAHRU PLAZA, SINGAPORE 168732
3) 298 TIONG BAHRU ROAD, CENTRAL PLAZA, SINGAPORE 168730
4) 1 PASIR RIS CENTRAL STREET 3, WHITE SANDS, SINGAPORE 518457
5) 2 TAMPINES CENTRAL 5, CENTURY SQUARE, SINGAPORE 529509
6) 90 HOUGANG AVENUE 10, HOUGANG MALL, SINGAPORE 538766

COLLECTIVELY KNOWN AS “SG PROPERTIES” AND
7) SETAPAK CENTRAL, NO. 67, JALAN TAMAN IBU KOTA, TAMAN DANAU KOTA, SETAPAK,
53300 KUALA LUMPUR, MALAYSIA

In accordance with your instruction, we, have carried out a valuation in respect of the SG Properties for intended acquisition purpose and the property at Setapak Central for intended divestment purpose. For the property at Setapak Central, we have undertaken the valuation jointly with Rahim & Co International Sdn. Bhd. (“Rahim & Co”). Our instructions are to provide our opinion of the market value of the unexpired leasehold interest in the above-mentioned properties (“the Properties”) as at 1 August 2020, subject to the existing tenancies/occupational arrangements and on “as-is” basis.

We confirm that we have inspected the Properties (except for the property at Setapak Central which was inspected by the valuer from Rahim & Co) and have prepared full valuation reports (“Reports”) and valuation certificates in accordance with the requirements of the instructions. We understand that this letter and the valuation certificates will be included in a circular to be issued in relation to the proposed transactions.

This valuation has been carried out in accordance with the Singapore Institute of Surveyors and Valuers’ Valuation Standards and Practice Guidelines and the International Valuation Standards (IVS). In addition, the valuation of Setapak Central has been prepared in compliance with the Malaysian Valuation Standards (6th Edition 2019).

Our valuation is on the basis of market value (“Market Value”) which is defined as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion”.

C-1
Market Value is also the best price reasonably obtainable on the valuation date by the seller and the most advantageous price reasonably obtainable on the valuation date by the buyer. This estimate specially excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of value available only to a specific owner or purchaser.

Our valuation has been made on the assumption that the Properties are sold in the open market without the benefit of a deferred term contract or any similar arrangement which could serve to affect the value of the Properties.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Properties, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the Properties are free from any major or material encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

We have undertaken no structural or condition surveys. We advise that we have not inspected unexposed or inaccessible portions of the buildings and cannot therefore state that these are not free from rot, infestation or hazardous material.

We have also assumed that the buildings comply with all relevant statutory requirements in respect of health, building and fire safety regulations.

We have relied on the information provided by the manager on matters relating to the Properties such as gross floor area, strata area/lettable area, tenancy details, lease terms and income and expense information, etc. All information provided is treated as correct and Colliers International Consultancy and Valuation (Singapore) Pte Ltd accepts no responsibility for subsequent changes in information and reserves the right to change our opinion of value if any information provided were to materially change.

For the purpose of the circular, we have prepared this letter and the enclosed valuation certificates which summarise our Reports and outlines key factors we have considered in arriving at our opinion of value. This letter and the valuation certificates do not contain all the necessary data and information included in our Reports. For further information, reference should be made to the Reports.

The valuation and market information are not guarantees or predictions and must be read in consideration of the following:

- The estimated value is based upon the factual information provided by the manager. Property data/information provided is assumed to be correct. Whilst Colliers International has endeavoured to ensure the accuracy of the information, it has not independently verified all information provided by the manager. Colliers International also accepts no responsibility for subsequent changes in information as to areas, income, expenses or market conditions.

- The methodologies adopted in valuing the Properties are based upon estimates of future results and are not predictions. Each methodology is based on a set of assumptions as to income and expenses of the Properties and future economic conditions in the local market.
We have considered the effects of the current COVID-19 situation with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that the pandemic might have on the real estate market, we recommend that you keep the valuation of the Properties under frequent review.

We specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the circular. This letter and the valuation certificates have been prepared for the use of the instructing parties for the stated purpose only and cannot be relied upon by third parties. Subject to applicable laws, no responsibility is accepted to any other party for the whole or any part of its contents.

The reported analysis, opinion and conclusion are limited only by the reported assumptions and limiting conditions and is our personal, unbiased professional analyses, opinions and conclusions. The valuers’ compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

We confirm that we do not have a pecuniary interest that would conflict with a proper valuation of the Properties and the valuers undertaking the valuation are authorised to practise as valuers and have the necessary expertise and experience in valuation of such type of property.

Yours faithfully,
For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Appraiser’s Licence No: AD041- 2003809B, MSISV
Executive Director
Valuation & Advisory Services
### VALUATION CERTIFICATE

<table>
<thead>
<tr>
<th>Address of Property</th>
<th>302 Tiong Bahru Road, TIONG BAHRU PLAZA Singapore 168732 (the &quot;Property&quot;)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our Reference</td>
<td>2020/C2/0062-1/CORP</td>
</tr>
<tr>
<td>Valuation Prepared for</td>
<td>HSBC Institutional Trust Services (Singapore) Limited (as trustee of Frasers Centrepoint Trust)</td>
</tr>
<tr>
<td>Purpose of Valuation</td>
<td>For intended acquisition purpose</td>
</tr>
<tr>
<td>Interest Valued</td>
<td>Unexpired leasehold interest of approximately 70.1 years</td>
</tr>
<tr>
<td>Legal Description</td>
<td>Strata Lots U52393M, U46762V, U78289W, U78290C and U78291M, Mukim 1</td>
</tr>
<tr>
<td>Tenure</td>
<td>Leasehold 99 years commencing 1 September 1991</td>
</tr>
<tr>
<td>Registered Proprietor/Lessee</td>
<td>ARMF (TBP) Private Limited</td>
</tr>
<tr>
<td>Brief Description</td>
<td>TIONG BAHRU PLAZA is situated on the northern side of Tiong Bahru Road, next to its junction with Bukit Ho Swee Link, and some 4 km from the City Centre. Above the Property and forming part of the integrated development is Central Plaza, an office tower. The development is directly connected to the Tiong Bahru MRT Station at Basement 1 and 1st storey. Accessibility to other parts of Singapore is facilitated by its close proximity to the Central/ Ayer Rajah Expressways. The Property comprises a 4-storey shopping mall with 3 basement levels. The shopping mall provides retail space offering a wide range of consumer goods and services such as food court, F&amp;B outlets, supermarket, banks, shops dealing in household products/ electrical/ electronic goods, pharmacy/ hair and beauty/ healthcare and wellness services, sports/ fashion/ accessories shops and a cinema, amongst others. A car park with about 338 lots is provided at the basement levels of the integrated development, serving both Central Plaza and Tiong Bahru Plaza. Approximately 29,450.4 sm (317,001 sf) – as provided and subject to survey</td>
</tr>
<tr>
<td>Gross Floor Area</td>
<td>28,473 sm (306,481 sf) - as provided</td>
</tr>
<tr>
<td>Strata Floor Area</td>
<td>28,473 sm (306,481 sf) - as provided</td>
</tr>
<tr>
<td>Lettable Floor Area</td>
<td>Approximately 19,947 sm (214,708 sf) - as extracted from the tenancy schedule provided and subject to survey</td>
</tr>
<tr>
<td>Year of Completion</td>
<td>The Temporary Occupation Permit was issued on 20 April 1995 and the Certificate of Statutory Completion was issued on 1 October 1998. We understand that the Property has undergone several asset enhancement/ refurbishment works, with the latest completed in December 2016.</td>
</tr>
</tbody>
</table>
Building Condition : Generally good

Occupancy/Tenancy Brief : Based on the information provided to us, the Property has an occupancy rate of about 97.4% (including committed leases) as at 30 June 2020. Major tenants include FairPrice Finest, Kopitiam, Uniqlo and Golden Village Multiplex.


Basis of Valuation : Our valuation is made on the basis of Market Value, subject to existing tenancies/occupational arrangements and on "as-is" basis.

Methods of Valuation : Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check

Key Assumptions

<table>
<thead>
<tr>
<th>Description</th>
<th>Assumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalisation Rate</td>
<td>4.70%</td>
</tr>
<tr>
<td>Discount Rate</td>
<td>7.50%</td>
</tr>
<tr>
<td>Terminal Capitalisation Rate</td>
<td>4.95%</td>
</tr>
</tbody>
</table>

Date of Valuation : 1 August 2020

Market Value : S$660,000,000/- (reflecting S$3,074 psf on Lettable Floor Area)
Singapore Dollars Six Hundred and Sixty Million Only

Special Caveat : We have considered the effects of COVID-19 with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that the pandemic might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

Assumptions, Disclaimers, Limitations & Qualifications : This valuation is provided subject to the caveats and assumptions, qualifications, limitations and disclaimers attached to the valuation report. The valuation report and certificate have been prepared for the use of the instructing parties for the stated purpose only and cannot be relied upon by third parties.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
B. Sc (Estate Management), MSISV
Appraiser’s Licence: AD041- 20038089B
Executive Director
Valuation and Advisory Services

Doreen Aw
B. Sc (Estate Management), MSISV
Appraiser’s Licence: AD041- 2006554J
Senior Director
Valuation and Advisory Services
## VALUATION CERTIFICATE

<table>
<thead>
<tr>
<th><strong>Address of Property</strong></th>
<th>: 1 Pasir Ris Central Street 3, WHITE SANDS, Singapore 518457 (the “Property”)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Our Reference</strong></td>
<td>: 2020/C2/0062-3/CORP</td>
</tr>
<tr>
<td><strong>Valuation Prepared for</strong></td>
<td>: HSBC Institutional Trust Services (Singapore) Limited (as trustee of Frasers Centrepoint Trust)</td>
</tr>
<tr>
<td><strong>Purpose of Valuation</strong></td>
<td>: For intended acquisition purpose</td>
</tr>
<tr>
<td><strong>Interest Valued</strong></td>
<td>: Unexpired leasehold interest of approximately 71.7 years</td>
</tr>
<tr>
<td><strong>Legal Description</strong></td>
<td>: The site is designated as Lot 1329T, Mukim 29.</td>
</tr>
<tr>
<td><strong>Tenure</strong></td>
<td>: Leasehold 99 years commencing 1 May 1993</td>
</tr>
<tr>
<td><strong>Registered Proprietor/Lessee</strong></td>
<td>: ARMF (Whitesands) Pte. Ltd.</td>
</tr>
<tr>
<td><strong>Brief Description</strong></td>
<td>: WHITE SANDS is located at the end of Pasir Ris Central Street 3 and bounded by Pasir Ris Central, within Pasir Ris HDB Town Centre. It is beside the above-ground Pasir Ris MRT Station and Pasir Ris Bus Interchange and is approximately 20 km from the City Centre. Accessibility to other parts of the island is further enhanced by its close proximity to the Tampines/Pan-Island Expressways. The Property comprises a 5-storey retail mall with 3 basement levels. The shopping mall offers a wide range of shops and services catering to the community and families such as food court, F&amp;B outlets, supermarket, banking facilities, clinics and healthcare services, hair &amp; beauty shops, fashion/ accessories retail shops, shops dealing in telecommunication services and accessories/ houseware and furnishings, enrichment/learning centres and a public library. There is a total of 187 car parking lots within the basement carpark.</td>
</tr>
<tr>
<td><strong>Site Area</strong></td>
<td>: 6,275.0 sm or thereabouts</td>
</tr>
<tr>
<td><strong>Gross Floor Area</strong></td>
<td>: Approximately 21,111.7 sm (227,244 sf) – as provided and subject to survey</td>
</tr>
<tr>
<td><strong>Lettable Floor Area</strong></td>
<td>: Approximately 11,950.2 sm (128,631 sf) excluding about 2,020.1 sm (21,744 sf) currently used as space under the Community Sports Facilities Scheme (&quot;CSFS space&quot;) - as extracted from the tenancy schedule provided and subject to survey</td>
</tr>
<tr>
<td><strong>Year of Completion</strong></td>
<td>: The Certificate of Statutory Completion was issued on 13 November 1998. We understand that the most recent asset enhancement/ refurbishment works to the Property was completed in 4th quarter of 2015/ 1st quarter of 2016.</td>
</tr>
<tr>
<td><strong>Building Condition</strong></td>
<td>: Generally good</td>
</tr>
</tbody>
</table>
Based on the information provided to us, the Property has an occupancy rate of about 97.7% (including committed leases) as at 30 June 2020. Major tenants include FairPrice, Cookhouse by Koufu and Pasir Ris Public Library.

“Commercial”

Our valuation is made on the basis of Market Value, subject to existing tenancies/occupational arrangements and on “as-is” basis.

Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check

<table>
<thead>
<tr>
<th>Key Assumptions</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalisation Rate</td>
<td>4.70%</td>
</tr>
<tr>
<td>Discount Rate</td>
<td>7.50%</td>
</tr>
<tr>
<td>Terminal Capitalisation Rate</td>
<td>4.95%</td>
</tr>
</tbody>
</table>

1 August 2020

$5428,000,000/- (reflecting $53,327 psf on Lettable Area excluding CSFS Space)

Singapore Dollars Four Hundred and Twenty-Eight Million Only

We have considered the effects of COVID-19 with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that the pandemic might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

This valuation is provided subject to the caveats and assumptions, qualifications, limitations and disclaimers attached to the valuation report. The valuation report and certificate have been prepared for the use of the instructing parties for the stated purpose only and cannot be relied upon by third parties.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
B.Sc (Estate Management), MSISV
Appraiser’s Licence: AD041- 2003809B
Executive Director
Valuation and Advisory Services

Doreen Aw
B.Sc (Estate Management), MSISV
Appraiser’s Licence: AD041- 2006554J
Senior Director
Valuation and Advisory Services
### VALUATION CERTIFICATE

<table>
<thead>
<tr>
<th>Address of Property</th>
<th>90 Hougang Avenue 10, HOUGANG MALL, Singapore 538766 (the “Property”)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our Reference</td>
<td>2020/C2/0062-5/CORP</td>
</tr>
<tr>
<td>Valuation Prepared for</td>
<td>HSBC Institutional Trust Services (Singapore) Limited (as trustee of Frasers Centrepoint Trust)</td>
</tr>
<tr>
<td>Purpose of Valuation</td>
<td>For intended acquisition purpose</td>
</tr>
<tr>
<td>Interest Valued</td>
<td>Unexpired leasehold interest of approximately 72.7 years</td>
</tr>
<tr>
<td>Legal Description</td>
<td>The site is designated as Lot 7350X, Mukim 22.</td>
</tr>
<tr>
<td>Tenure</td>
<td>Leasehold 99 years commencing 1 May 1994</td>
</tr>
<tr>
<td>Registered Proprietor/Lessee</td>
<td>ARMF (Hougang Mall) Pte Ltd.</td>
</tr>
</tbody>
</table>

#### Brief Description

HOUGANG MALL is located at the intersection of Hougang Avenue 10, within Hougang HDB Town Centre. It is a short walk away from the Hougang MRT Station and Hougang Central Bus Interchange and is approximately 16 km from the City Centre.

Accessibility to other parts of the island is further enhanced by its close proximity to the S hamburger Central / Tampines Expressways.

The Property comprises a 5-storey retail mall with 2 basement levels. The shopping mall offers a wide range of shops and services catering to the community and families such as food court, F&B outlets, supermarket, clinics and healthcare services, hair & beauty shops, fashion / accessories retail shops, book shop, shops offering electrical/electronic goods and household products, and a public library. There is a total of 152 car parking lots within the basement carpark.

<table>
<thead>
<tr>
<th>Site Area</th>
<th>6,297.6 sm or thereabouts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Floor Area</td>
<td>Approximately 21,615.0 sm (232,662 sf) – as provided and subject to survey</td>
</tr>
<tr>
<td>Lettable Floor Area</td>
<td>Approximately 13,990.6 sm (150,593 sf) excluding about 1,464.8 sm (15,767 sf) currently used as space under the Community Sports Facilities Scheme (“CSFS space”) – as extracted from the tenancy schedule provided and subject to survey</td>
</tr>
<tr>
<td>Year of Completion</td>
<td>The Certificate of Statutory Completion was issued on 19 November 1997. We understand that the most recent asset enhancement/ refurbishment works to the Property was completed in 2007.</td>
</tr>
<tr>
<td>Building Condition</td>
<td>Generally good</td>
</tr>
</tbody>
</table>
Occupancy/Tenancy Brief: Based on the information provided to us, the Property has an occupancy rate of about 95.5% (including committed leases) as at 30 June 2020. Major tenants include FairPrice, Harvey Norman, Kopitiam, Popular Bookstore and Cheng San Public Library.


Basis of Valuation: Our valuation is made on the basis of Market Value, subject to existing tenancies/occupational arrangements and on “as-is” basis.

Methods of Valuation: Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check

Key Assumptions:

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<tr>
<td>Terminal Capitalisation Rate</td>
<td>4.95%</td>
</tr>
</tbody>
</table>

Date of Valuation: 1 August 2020

Market Value: $432,000,000/- (reflecting $2,869 psf on Lettable Floor Area excluding CSFS Space) Singapore Dollars Four Hundred and Thirty-Two Million Only

Special Caveat: We have considered the effects of COVID-19 with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that the pandemic might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

Assumptions, Disclaimers, Limitations & Qualifications: This valuation is provided subject to the caveats and assumptions, qualifications, limitations and disclaimers attached to the valuation report. The valuation report and certificate have been prepared for the use of the instructing parties for the stated purpose only and cannot be relied upon by third parties.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
B.Sc (Estate Management), MSISV
Appraiser’s Licence: AD041-2003809B
Executive Director
Valuation and Advisory Services

Doreen Aw
B.Sc (Estate Management), MSISV
Appraiser’s Licence: AD041-2006554I
Senior Director
Valuation and Advisory Services

SS/GSL/sl
# VALUATION CERTIFICATE

| Address of Property | 2 Tampines Central 5, CENTURY SQUARE  
Singapore 529509 (the "Property") |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Our Reference</td>
<td>2020/C2/0062-4/CORP</td>
</tr>
<tr>
<td>Valuation Prepared for</td>
<td>HSBC Institutional Trust Services (Singapore) Limited (as trustee of Frasers Centrepoint Trust)</td>
</tr>
<tr>
<td>Purpose of Valuation</td>
<td>For intended acquisition purpose</td>
</tr>
<tr>
<td>Interest Valued</td>
<td>Unexpired leasehold interest of approximately 71.1 years</td>
</tr>
<tr>
<td>Legal Description</td>
<td>The site is designated as Lot 1442X, Mukim 29. Strata titles have been issued for the development.</td>
</tr>
<tr>
<td>Tenure</td>
<td>Leasehold 99 years commencing 1 September 1992</td>
</tr>
<tr>
<td>Registered Proprietor/Lessee</td>
<td>Century Square Holding Pte Ltd</td>
</tr>
</tbody>
</table>
| Brief Description   | CENTURY SQUARE is located on the northern side of Tampines Avenue 4,  
bounded by Tampines Central 1 and Tampines Central 5. It lies within the  
Tampines Regional Centre which is part of the densely populated HDB  
Tampines Estate.  

The Tampines MRT Station and Tampines Bus Interchange are within short  
walking distance from the development. Accessibility to other parts of  
Singapore is facilitated by its close proximity to the East Coast Parkway, Pan-  
Island Expressway and Tampines Expressway.  

The Property comprises a 5-storey shopping mall with 3 basement levels.  
The shopping mall offers a wide range of shops and services catering to the  
community and families such as food court, F&B outlets, supermarket,  
clinics and healthcare services, hair & beauty shops, sports/ fashion/  
accessories retail shops, shops dealing in houseware and furnishings, gym,  
childcare/ learning centres, amongst others. There is a total of about 298 car  
parking lots within the basement carpark. |
| Site Area           | 8,719.1 sm or thereabouts                                                        |
| Gross Floor Area    | Approximately 30,400.0 sm (327,223 sf) – as provided and subject to survey        |
| Strata Floor Area   | 29,600.3 sm - as provided                                                        |
| Lettable Floor Area | Approximately 18,807.9 sm (202,446 sf) excluding approximately 794 sm  
(8,547 sf) currently used as space under the Community Sports Facilities  
Scheme ("CSFS space") - as extracted from the tenancy schedule provided and subject to survey |
| Year of Completion  | The Temporary Occupation Permit was issued on 3 November 1995 and the  
Certificate of Statutory Completion was issued on 14 November 1997. We  
understand that the most recent asset enhancement/ refurbishment works  
to the Property was completed in May 2018. |
## Building Condition

: Generally good

## Occupancy/Tenancy Brief

: Based on the information provided to us, the Property has an occupancy rate of about 96.7% (including committed leases) as at 30 June 2020. Major tenants include FairPrice Finest, Food Junction, Foot Locker, Gymbox, Mr DIY, The Learning Lab, The Orange Academy and Filmgard Cineplex, etc.

## Master Plan Zoning (2019 Edition)

: "Commercial" with a gross plot ratio of 3.5

## Basis of Valuation

: Our valuation is made on the basis of Market Value, subject to existing tenancies/occupational arrangements and on “as-is” basis.

## Methods of Valuation

: Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check

### Key Assumptions

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalisation Rate</td>
<td>4.70%</td>
</tr>
<tr>
<td>Discount Rate</td>
<td>7.50%</td>
</tr>
<tr>
<td>Terminal Capitalisation Rate</td>
<td>4.95%</td>
</tr>
</tbody>
</table>

## Date of Valuation

: 1 August 2020

## Market Value

: S$580,000,000/- (reflecting S$2,865 psf on Lettable Floor Area excluding CSFS Space)

Singapore Dollars Five Hundred and Eighty Million Only

## Special Caveat

: We have considered the effects of COVID-19 with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that the pandemic might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

## Assumptions, Disclaimers, Limitations & Qualifications

: This valuation is provided subject to the caveats and assumptions, qualifications, limitations and disclaimers attached to the valuation report. The valuation report and certificate have been prepared for the use of the instructing parties for the stated purpose only and cannot be relied upon by third parties.

---

**For and on behalf of**

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

---

### Goh Seow Leng

B.Sc (Estate Management), MSISV  
Appraiser’s Licence: AD041- 2003809B  
Executive Director  
Valuation and Advisory Services

---

### Doreen Aw

B.Sc (Estate Management), MSISV  
Appraiser’s Licence: AD041- 2006554J  
Senior Director  
Valuation and Advisory Services

---

DA/GSL/ct
VALUATION CERTIFICATE

Address of Property : 10 Tampines Central 1, TAMPINES 1
                 : Singapore 529536 (the “Property”)

Our Reference : 2020/C2/0062/CORP

Valuation Prepared for : HSBC Institutional Trust Services (Singapore) Limited (as trustee of Frasers Centrepoint Trust)

Purpose of Valuation : For intended acquisition purpose

Interest Valued : Unexpired leasehold interest of approximately 68.6 years

Legal Description : The site is designated as Lots 1087L and 1089M, Mukim 29.

Tenure : Leasehold 99 years commencing 1 April 1990

Registered Proprietor/Lessee : ARMF II (Tampines) Pte. Ltd.

Brief Description :

Tampines 1 is located on the south-western side of Tampines Central 1, adjacent to the Tampines MRT Station and Tampines Bus Interchange. It lies within the Tampines Regional Centre which is part of the densely populated HDB Tampines Estate.

Accessibility to other parts of Singapore is facilitated by its close proximity to the East Coast Parkway, Pan-Island Expressway and Tampines Expressway.

The Property comprises a 5-storey shopping mall with 2 basement levels. The shopping mall offers a wide range of shops and services catering to the community and families such as food court, F&B outlets, supermarket, clinics and healthcare services, hair & beauty shops, sports/ fashion/ accessories retail shops, shops dealing in houseware and furnishings, and electrical/electronic goods, amongst others. There is a total of about 203 car parking lots within the basement carpark.

Site Area : 8,425.3 sm or thereabouts

Gross Floor Area : Approximately 35,386.6 sm (380,898 sf) – as provided and subject to survey

Lettable Floor Area : Approximately 24,951.6 sm (268,577 sf) - as extracted from the tenancy schedule provided and subject to survey

Year of Completion : The Temporary Occupation Permit was issued on 31 March 2009 and the Certificate of Statutory Completion was issued on 19 April 2010.

Building Condition : Generally good

Occupancy/Tenancy Brief : Based on the information provided to us, the Property has an occupancy rate of about 91.9% (including committed leases) as at 30 June 2020. Major tenants include Cold Storage, Gain City, The Editor’s Market, Uniqlo, Daiso and Challenger.

Basis of Valuation : Our valuation is made on the basis of Market Value, subject to existing tenancies/occupational arrangements and on “as-is” basis.

Methods of Valuation : Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check

Key Assumptions

<table>
<thead>
<tr>
<th>Capitalisation Rate</th>
<th>4.70%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount Rate</td>
<td>7.50%</td>
</tr>
<tr>
<td>Terminal Capitalisation Rate</td>
<td>4.95%</td>
</tr>
</tbody>
</table>

Date of Valuation : 1 August 2020

Market Value : $562,000,000/- (reflecting $2,837 psf on Lettable Floor Area)

Singapore Dollars Seven Hundred and Sixty-Two Million Only

Special Caveat : We have considered the effects of COVID-19 with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that the pandemic might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

Assumptions, Disclaimers, Limitations & Qualifications

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For and on behalf of
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B.Sc (Estate Management), MSISV
Appraiser’s Licence: AD041- 2003809B
Executive Director
Valuation and Advisory Services

Doreen Aw
B.Sc (Estate Management), MSISV
Appraiser’s Licence: AD041- 2006554J
Senior Director
Valuation and Advisory Services

DA/GSL/ct
### VALUATION CERTIFICATE

| Address of Property | 298 Tiong Bahru Road, CENTRAL PLAZA  
Singapore 168730 (the "Property") |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Our Reference</td>
<td>2020/C2/0062-2/CORP</td>
</tr>
<tr>
<td>Valuation Prepared for</td>
<td>HSBC Institutional Trust Services (Singapore) Limited (as trustee of Frasers Centrepoint Trust)</td>
</tr>
<tr>
<td>Purpose of Valuation</td>
<td>For intended acquisition purpose</td>
</tr>
<tr>
<td>Interest Valued</td>
<td>Unexpired leasehold interest of approximately 70.1 years</td>
</tr>
<tr>
<td>Legal Description</td>
<td>Strata Lots U78292W, U78293V, U78294P, U78295T, U78296A &amp; U78297K, Mukim 1</td>
</tr>
<tr>
<td>Tenure</td>
<td>Leasehold 99 years commencing 1 September 1991</td>
</tr>
<tr>
<td>Registered Proprietor/Lessee</td>
<td>ARMF (Central Plaza) Private Limited</td>
</tr>
<tr>
<td>Brief Description</td>
<td>CENTRAL PLAZA is situated on the northern side of Tiong Bahru Road, next to its junction with Bukit Ho Swee Link, and some 4 km from the City Centre. Below the Property and forming part of the integrated development is Tiong Bahru Plaza, a retail mall. The development is directly connected to the Tiong Bahru MRT Station at Basement 1 and 1st storey of Tiong Bahru Plaza. Accessibility to other parts of Singapore is facilitated by its close proximity to the Central/ Ayer Rajah Expressways. The Property comprises a 20-storey office tower block with 3 basement levels, accommodating office space from the 3rd to 20th storeys. A car park with about 338 lots is provided at the basement levels of the integrated development, serving both Central Plaza and Tiong Bahru Plaza.</td>
</tr>
<tr>
<td>Gross Floor Area</td>
<td>Approximately 18,784.2 sm (202,191 sf) – as provided and subject to survey</td>
</tr>
<tr>
<td>Strata Floor Area</td>
<td>16,598.0 sm (178,659 sf) - as provided</td>
</tr>
<tr>
<td>Lettable Floor Area</td>
<td>Approximately 13,401.3 sm (144,250 sf) excluding approximately 2,634.3 sm (28,355 sf) currently used as space under the Community Sports Facilities Scheme (&quot;CSFS space&quot;) - as extracted from the tenancy schedule provided and subject to survey</td>
</tr>
<tr>
<td>Year of Completion</td>
<td>We understand that the Temporary Occupation Permit was issued on 20 April 1995 and the Certificate of Statutory Completion was issued on 1 October 1998.</td>
</tr>
<tr>
<td>Building Condition</td>
<td>Generally good</td>
</tr>
</tbody>
</table>

C-14
Occupancy/ Tenancy Brief: Based on the information provided to us, the Property has an occupancy rate of about 94.3% (including committed leases) as at 30 June 2020. Major tenants include National Council of Social Service, Network for Electronic Transfers (Singapore) Pte Ltd, Hua Mei Centre and Nippon Steel Engineering Co., Ltd.


Basis of Valuation: Our valuation is made on the basis of Market Value, subject to existing tenancies/occupational arrangements and on “as-is” basis.

Methods of Valuation: Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check

Key Assumptions:

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalisation Rate</td>
<td>3.50%</td>
</tr>
<tr>
<td>Discount Rate</td>
<td>7.00%</td>
</tr>
<tr>
<td>Terminal Capitalisation Rate</td>
<td>3.75%</td>
</tr>
</tbody>
</table>

Date of Valuation: 1 August 2020

Market Value: $220,000,000/- (reflecting $5,525 psf on Lettable Floor Area excluding CSFS space)
Singapore Dollars Two Hundred and Twenty Million Only

Special Caveat: We have considered the effects of COVID-19 with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that the pandemic might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

Assumptions, Disclaimers, Limitations & Qualifications:

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For and on behalf of
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Executive Director
Valuation and Advisory Services

Doreen Aw
B. Sc (Estate Management), MSISV
Appraiser’s Licence: AD041- 2006554J
Senior Director
Valuation and Advisory Services
VALUATION CERTIFICATE

Address of Subject Property : Setapak Central, No.67, Jalan Taman Ibu Kota, Taman Danau Kota, Setapak, 53300 Kuala Lumpur

Our Reference : 30V200569

Valuation Prepared for : HSBC Institutional Trust Services (Singapore) Limited (as trustee of Frasers Centrepoin Trust)

Purpose of Valuation : For intended divestment purpose

Legal Description of Subject Property : Located on Parent Lot No. 30119, Mukim of Setapak, District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur and held under Master Title No. Pajakan Negeri 46795

Tenure : The parent lot is held under 99-year leasehold interest expiring on 20th November 2106 with an unexpired term of about 86.4 years as at date of valuation. We have assumed the subject property will convey similar tenure as per the parent lot upon issuance of strata title.

Registered Proprietor (Parent Lot) : Wintip Sdn Bhd

Beneficial Owner of Subject Property : Festiva Mall Sdn Bhd as extracted from the Jabatan Penilaian dan Perkhidmatan Harta Malaysia (JPPH Malaysia) and Bursa Malaysia Daily Announcement dated 19th August 2014, 31th December 2014 and 23rd January 2015. The Sale and Purchase Agreement of the past transaction record is not available to us.

Brief Description of Subject Property : The subject property is a stratified 3-storey shopping mall located at the podium block together with a basement car park known as Setapak Central and forms part of the stratified integrated commercial development.

It is located approximately 10 kilometres by road north-east of Kuala Lumpur city centre. The subject property is accessible via major roads such as Lebuhraya Bertingkat Ampang – Kuala Lumpur Highway, Middle Ring Road II (MRR 2), Duta-Ulu Kelang Expressway (DUKE) and Jalan Gombak.

It is located within a matured and established area in Setapak and comprises mainly of mixed residential and commercial properties, which include the surrounding residential areas of Danau Kota, Taman Setapak, Taman Ibu Kota and Taman Melati, the University College of Tunku Abdul Rahman campus as well as condominium developments which are mostly developed by Platinum Victory Development Sdn Bhd.

Site Area : The surveyed land area of the parent lot is 34,130 sq. metres (about 367,372 sq. feet or 8.4 acres) as extracted from the computer print-out copy of the title obtained from the private search at the Wilayah Persekutuan Registry of Titles Office in Kuala Lumpur on 22nd July 2020.

Gross Floor Area : About 1,087,295 sq. feet (approximately 101,013 sq. metres) as extracted from the updates provided by client.
<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Lettable Floor Area</td>
<td>About 512,806.4 sq. feet (approximately 47,641.3 sq. metres) as extracted from the latest Tenancy Schedule as at June 2020.</td>
</tr>
<tr>
<td>Year of Completion</td>
<td>The Partial Certificate of Completion and Compliance (Partial CCC) was issued on 22nd August 2011 and subsequently, a full CCC had been issued on 30th September 2014 to the subject stratified integrated commercial development, wherein the subject property is located.</td>
</tr>
<tr>
<td>Building Condition</td>
<td>The subject property is noted to be generally in good decorative state of repair.</td>
</tr>
<tr>
<td>Tenancy Brief</td>
<td>From the latest Tenancy Schedule as at June 2020 provided, the subject property has an occupancy rate of about 98.3%. Major tenants include Parkson, Econsave, MBO Cinema, H&amp;M, Defacto and Kaison.</td>
</tr>
<tr>
<td>Town Planning</td>
<td>As noted in the gazetted Kuala Lumpur City Plan 2020, the parent lot is zoned for commercial use with a permissible plot ratio of 1:4.</td>
</tr>
<tr>
<td>Basis of Valuation</td>
<td>Our valuation is made on the basis of Market Value, as defined in Standard 4 of Malaysian Valuation Standards (6th Edition 2019) as &quot;the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion&quot;. The valuation has been prepared in compliance with the Malaysian Valuation Standards (6th Edition 2019) issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia. The valuation is also in line with the International Valuation Standards (IVS) published by the International Valuation Standards Council (IVSC).</td>
</tr>
<tr>
<td>Methods of Valuation</td>
<td>Investment Method by Income Approach as the main approach. As a check, we have applied the Comparison Approach and Discounted Cash Flow (DCF) Method by Income Approach.</td>
</tr>
<tr>
<td>Key Assumptions</td>
<td>Under the main valuation approach of Investment Method by Income Approach, we are of the opinion that the achievable and fair net yield for the term and reversionary period are 7.0% and 7.5%, respectively for the subject retail mall.</td>
</tr>
<tr>
<td>Date of Valuation</td>
<td>1st August 2020</td>
</tr>
<tr>
<td>Market Value</td>
<td>RM300,000,000/- (reflecting RM585 psf based on Lettable Floor Area) (Ringgit Malaysia: Three Hundred Million Only)</td>
</tr>
</tbody>
</table>
Special Caveat : We have considered the effects of COVID-19 with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that the pandemic might have on the real estate market, we recommend that you keep the valuation of the subject property under frequent review.

Assumptions, Disclaimers, Limitations & Qualifications : This valuation is provided subject to the caveats and assumptions, qualifications, limitations and disclaimers attached to the valuation report. The valuation report and certificate have been prepared for the use of the instructing parties for the stated purpose only and cannot be relied upon by third parties.

For and on behalf of
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Appraiser’s Licence: AD041- 2003809B
Executive Director
Valuation and Advisory Services
Colliers International Consultancy & Valuation (Singapore) Pte Ltd
12 Marina View
#19-02 Asia Square Tower 2
Singapore 018961
RCB No. 198105963E
MAIN +65 6223 2323
EMAIL Singapore.Valuation@colliers.com

For and on behalf of

Sr. THONG SOO FUN
B. Surv. (Property Management), MRISM, MPEPS
Registered Valuer, V-561
Senior General Manager
Valuation Services
Reg. No. 20150101265 (112635-X)
Level 17, Menara Liberty,
1008 Jalan Sultan Ismail,
50250 Kuala Lumpur, Malaysia
Board Reg. No. VEPM(1)0065
MAIN +(60 3) 2691 9922
EMAIL valuation@rahim-co.com
CAVEATS AND ASSUMPTIONS

1. DEFINITIONS
In these Caveats and Assumptions the following words or phrases shall have the meaning or meanings set out below:

'Confidential Information' means information that:
(a) is by its nature confidential;
(b) is designed by Us as confidential;
(c) You know or ought to know is confidential;
(d) includes, without limitation: information comprised in or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services.

'Currency Date' means, in relation to any valuation report, the date as at which our professional opinion is stated to be current.

'Fee' means the amount agreed to be paid for the Services as set out in the Quotation.

'Parties' means You or Us as the context dictates.

'Quotation' means the written quote provided by Us in relation to the Services.

'Services' means the valuation services provided pursuant to these Terms and Conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the Services.

'The Property' means the assets which are subject of our appointment as your advisor.

'Ve', 'Us', 'Our', 'Colliers' means Colliers International Limited.

'You', 'Your', 'Client' means the person, company, firm or other legal entity by or on whose behalf instructions are given, and any person, firm, company or legal entity who actually gave the instructions to Us even though such instructions were given as agent for another.

'Professional Property Practice Standards' refers to RICS Valuation and Appraisal Handbook, or Singapore Institute of Surveyors & Valuers' Valuation Standards and Practice Guidelines.

2. PERFORMANCE OF SERVICES
2.1 We have provided the Services in accordance with:
(a) The Terms and Conditions contained herein;
or
(b) As specifically instructed by You for the purpose of the Services; and
(c) Within the current provisions set by the prevailing Professional Property Practice Standards.

3. CONDITION OF THE PROPERTY
3.1 No allowance has been made in our report for any charges, mortgages or amounts owing on any of the properties valued nor for any expenses or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the property and our valuation assumes that none exists.

3.2 We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, and authorisations have been obtained, except only where otherwise stated.

3.3 We have assumed that any development sites are in a condition suitable for development; this has not been checked by Us.

3.4 We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurements have been taken.

3.5 We have assumed that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.

3.6 An internal inspection has been made, unless otherwise stated.

3.7 While due care is exercised in the course of our inspection to note any serious defects, no structural survey of the Property will or has been undertaken, and We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.

3.8 None of the services have been tested by Us and we are unable therefore to report on their present condition, but will presume them to be in good working order.

3.9 We recommend that You engage appropriately qualified persons to undertake investigations excluded from our Services.

3.10 No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property.
4. ENVIRONMENT AND PLANNING
4.1 We have obtained town planning information from the prevailing Master Plan available on URA website. It is your responsibility to check the accuracy of this information under the appropriate planning legislation.
4.2 For obvious reasons, we do not and cannot provide information relating to government acquisitions unless the land has already been gazetted for acquisition.
4.3 No requisition on road, MRT, LRT, drainage and other government proposals has been made by us. Such information will not be tendered unless specifically requested for and we be properly reimbursed.
4.4 We do not hold ourselves to be experts in environmental contamination. Unless otherwise stated, our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show that the site is contaminated, our valuation may require revision.

5. FLOOR/BUILDING AREAS AND LETTABLE AREAS
5.1 Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the prevailing Professional Property Practice Standards.
5.2 If you do not provide Us with a survey, We will estimate floor/building and/or lettable areas based only upon available secondary information (including but not limited to building plans, deposited plans, and our own measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the prevailing Professional Property Practice Standards.
5.3 Where such a survey is subsequently produced which differs from the areas estimated by us then You will refer the valuation back to Us for comment or, where appropriate, amendment.

6. OTHER ASSUMPTIONS
6.1 Unless otherwise notified by You, We will assume:
(a) There are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the Title.
(b) All licences and permits can be renewed and We have not made any enquiries in this regard.
6.2 Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with Services (including but not limited to surveys, quantity surveyors reports, environmental audits, structural/ dilapidation reports), we will rely upon the apparent expertise of such experts/ specialists. We will not verify the accuracy of this information or reports, and assume no responsibility for their accuracy.
6.3 Our services are provided on the basis that the client has provided us with a full and frank disclosure of all information and other facts which may affect the service, including all scarcity clauses and side agreements. We accept no responsibility or liability whatsoever for the valuation unless such a full disclosure has been made.
6.4 Any plans, sketches or maps included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.
6.5 The study of possible alternative development options and the related economics are not within the scope of this report, unless otherwise stated.
6.6 Our opinion about the Market Value of the property is free from any influence and/or point of views of any other parties.
6.7 All Location Plans are obtained from www.streetdirectory.com. Whilst we do make every endeavor to update the maps as far as it is possible, we do not vouch for the accuracy of the maps and shall not be responsible if it is otherwise.
6.8 Values are reported in Singapore currency unless otherwise stated.

7. ESTIMATED SELLING PRICE
7.1 Where you instruct Us to provide an Estimated Selling Price, You agree that the Services:
(a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.
(b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of Title(s) or other enquiries as to encumbrances, restrictions or impediments on Title(s); or other investigations which would be required for a formal valuation.
(c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.
7.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an Estimated Selling Price.
8. CURRENCY OF VALUATION

8.1 Due to possible changes in market forces and circumstances in relation to the property the Services can only be regarded as relevant as at the Currency Date.

8.2 Where You rely upon Our valuation report after the Currency Date, You accept the risks associated with market movements between the Currency Date and the date of such reliance.

8.3 Without limiting the generality of 9.1, You should not rely upon Our valuation:
   (a) After the expiry of 3 months from the Currency Date;
   (b) Where circumstances have occurred during that period which may have a material effect on the value of the property or the assumptions or methodology used in the valuation report.

9. MARKET PROJECTIONS

9.1 Any market projections incorporated within Our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and based on information currently available to us and not representative of what actual values of the property will be as at future date. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.

9.2 Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.

9.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.

9.4 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to us by You.

10. YOUR OBLIGATIONS

10.1 You warrant that the instructions and subsequent information supplied by You contain a full and frank disclosure of all information that is relevant to Our provision of the Services.

10.2 You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of these reports.

10.3 You authorise and license Us to incorporate Your intellectual property within Our report(s).

10.4 You will not release any part of Our valuation report or its substance to any third party without Our written consent. When we consent for You to release Our report or any part of Our report to any third party, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if they had been a party to the original letter of instruction between us. Where we consent to such reliance, You agree to furnish the addressee with a copy of any reliance letter issued by Us and/or a copy of these terms and conditions.

10.5 We reserve the right to reconsider or amend the valuation advice, or the Fee set out in Our Quotation to You if:
   (a) Certificates, surveys, leases, site agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice;
   (b) Subsequent site inspections made in relation to any of the matters raised in Clause 3 materially affect or may alter the value of the property, the subject of the Services;
   (c) The information provided to Us by You prior to the provision of services is in any way incomplete, misleading or wrong.

10.6 If You release any part of the valuation advice or its substance without written consent, You agree to defend, You agree to defend and indemnify Us against claims by a third party who has reviewed the report if We have not, at or subsequent to the time of engagement, provided our specific written consent to such party reviewing or replying on the report. We have no responsibility to any other person even if that person suffers damage as a result of You providing this valuation without Our prior consent.

10.7 You agree that the only remedy for losses or damages relating to the breach of this Agreement shall be limited to three times Our contracted fee for the assignment and no claim shall be made any consequential or punitive damages.

10.8 You agree not to bring any claim for any losses against any director, consultant or any employee of Ours. You hereby agree that Our director, consultant or any employee does not have a personal duty of care to You and any claim for losses must be brought against Colliers International.

10.9 Where any loss is suffered by You for which We and any other person are jointly and severally liable to You the loss recoverable by You from Us shall be limited so as to be in proportion to our relative contribution to the overall fault.
11. CONFIDENTIALITY
11.1 This report and each part of it is prepared and intended for the exclusive use of the Client for the sole purpose stated in our valuation report, and in accepting this report, the Client expressly agrees not to use or rely upon this report or any part of it for any other purpose. No person other than the Client shall use or rely upon this report or any part of it for any other purpose unless we have given our express written consent. Similarly neither the whole nor any part of this report nor any reference there to may be included in any document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.
11.2 If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.
11.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.
11.4 Unless otherwise directed in writing by Client, Colliers International retains the right to include references to the Services in its promotional material. Such references shall not contain confidential material.

12. PRIVACY
12.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy and advise you that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about you to any person or organization other than Us.

13. SUBCONTRACTING
13.1 We may sub-contract or otherwise arrange for a third person to perform any part of the Services or to discharge any of Our obligations under any part of these Terms and Conditions, with Your consent.

14. LIMITATION OF COLLIERS LIABILITY
14.1 To the extent permissible under applicable laws, in no event shall Colliers International be liable to Client or anyone claiming by, through or under Client, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused.
14.2 We shall be released from Our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond Our reasonable control (example being a strike, act of God or act of terrorism). All the costs and benefits forecasted will, ultimately, be determined by future market conditions. Forecasts of these elements are based on assumptions of certain variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of Colliers International. Notwithstanding this, Colliers International reiterates that it will not accept any responsibilities in the face of damage claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided in this report.
14.3 Neither Colliers nor any employees of Ours shall be required to give testimony or to appear in court or any other tribunal or at any government agency by reason of this valuation report or with reference to the property in question, except by court summons/ judicial notification, and unless prior arrangements have been made and we are properly reimbursed for reasonable time and expenses incurred. The hourly billing rate to court preparation, waiting and travel time, document review and preparation (excludes valuation report) and all meetings related to court testimony.
14.4 We are free from any possible legal and/ or non-legal issue which may attach to the Property’s title documents.
14.5 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to us by You.
14.6 Our liability for loss and damage attributable to Our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall be limited to a maximum of three times Our contracted fee for the assignment per property for any single case. A single case of damages is defined as the total sum of all damage claims of all persons entitled to claim, which arise from one and the same professional error/ offence. In the case of damages suffered from several offenses brought about by the same technical error within the scope of several coherent services of a similar nature, we are only held liable for an amount of three times Our contracted fee for the assignment per property.
14.7 Where the agreement is addressed to more than one Client, the above limit of liability applies to the aggregate of all claims by all such Clients and not separately to each Client.
14.8 No third party will be entitled to rely on any part of Our valuation report or its substance or advice except with our written consent. Should any third party rely on Our report without obtaining Our written consent, We are not bound by any liability which arises from the use of or reliance upon Our valuation report by such unauthorized party.

14.9 We will not be liable for any services outside the scope of the services agreed to be performed by Us, and in respect of any consequential losses or loss of profits.

14.10 Responsibility for Our valuation extends only to the party(ies) to whom it is addressed. However in the event of Us being asked by You to re-address Our report to another party or other parties or permit reliance upon it by another party or other parties, We will give consideration to doing so, to named parties, and We reserve the right to charge additional fee for doing so although We will agree such fee with You before commencing the work.

15. ENTIRE AGREEMENT
15.1 No further agreement, amendment or modification of these Terms and Conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorized officers.

15.2 If there is inconsistency between these Terms and Conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.

15.3 Copyright in any reports, documents or other material provided to You by Us shall remain Our property at all times unless otherwise stated.

16. ANTI BRIBERY AND CORRUPTION MEASURES
16.1 We represent, in connection with any services to be provided to You, that neither We nor Our contractors, employees or agents (collectively, “Consultant”) has made or will make, either directly or indirectly, any payments (i) to or for the use or benefit of any Government Official (ii) to any other person either for an advance or reimbursement, if Consultant knows or has reason to know that any part of such payment has been or will be given to any Government official or (ii) to any person or entity, the payment of which would violate laws and regulations in Australia, the United States, the United Kingdom or any other government entity having jurisdiction over the activities carried out by Consultant. The term “Government Official” in this paragraph means any officer or employee of a government or any governmental department or agency, or any person acting in an official capacity for or on behalf of any such government or governmental department or agency, including employees of state-owned or controlled entities and candidates for political office.

16.2 We represent that, in connection with any services to be provided to You, We will conduct operations at all times in compliance with applicable financial recordkeeping and reporting requirements, including all applicable money laundering-related laws of any jurisdictions where We conduct business or own assets.
Valuation Certificate

| Address of Property | 302 Tiong Bahru Road  
| Tiong Bahru Plaza  
| Singapore 168732 |
| Client | Frasers Centrepoint Asset Management Limited (as Manager of Frasers Centrepoint Trust) |
| Purpose of Valuation | Intended Acquisition |
| Legal Description | The entire development (including Central Plaza) is erected on Lot 2655N Mukim 1. Individual Subsidiary Strata Certificate of Titles have been issued. |
| Tenure | Leasehold 99 years commencing from 1 September 1991 (balance un-expired lease of approximately 70.1 years) |
| Registered Proprietor | We understand that the provisional Strata Lots U46762V, U78289W, U78290C, U78291M and US2393M Mukim 1 will be held under ARMF (TBP) Private Limited. |
| Brief Description | The subject property is located at its north-western junction with Bukit Ho Swee Link, and approximately 4.0 km from the City Centre. Vehicular access is via Bukit Ho Swee Crescent. Tiong Bahru MRT Station is just at its doorstep. Tiong Bahru Plaza is located within Tiong Bahru and Bukit Merah Housing Development Board ("HDB") Estates. It is a 4-storey suburban retail mall with 3 basement levels. Basement 1 to Level 4 accommodate retail space with a cineplex on Level 4 whilst Basement Levels 1, 2 and 3 accommodate a total of 338 carpark lots, which is shared with Central Plaza. The Certificate of Statutory Completion ("CSC") was obtained on 1 October 1996. The property has periodically undergone some enhancement works, with the latest asset enhancement initiative (AEI) work being completed circa end 2016. The property appeared to be in a good condition. |
| Site Area | The above provisional strata lot nos. and strata floor area is as provided. The title search has not been updated to reflect the above status as such, but we understand that it is in the process of being regularised. |
| Gross Floor Area | 15,251.6 sqm (164,166 sf), for the entire development comprising Tiong Bahru Plaza and Central Plaza, subject to government's re-survey |
| Strata Floor Area | 29,450.1 sqm (317,001 sf), as provided and subject to final survey |
| Lettable Floor Area | 28,473.0 sqm (306,483 sf), as provided and subject to final survey |
| Tenancy Brief | The property is multi-tenanted. Based on the tenancy information provided as at 30 June 2020, the property is 97.4% let and has a total monthly gross rent of $3,245,377. The typical monthly service charge is $2.00 psf while the monthly Advertising and Promotion charge is at $0.40 psf. Majority of the leases will expire in Year 2022 and 2023. |
| Annual Value | $39,562,600 |
| Master Plan (2019) | Commercial with a gross plot ratio of 3.0 |
| Basis of Valuation | As-is basis, subject to existing tenancies |
| Valuation Approaches | Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Method |
| Date of Valuation | 1 August 2020 |
| Capitalisation Rate | 4.75% |
| Terminal Capitalisation Rate | 5.00% |
| Discount Rate | 7.50% |
| Rate of Lettable Floor Area | $32,035 psf |
| Recommended Market Value | $639,000,000 |
| Assumptions, Disclaimers, Limitations & Qualifications | This valuation is provided subject to the assumptions, disclaimers, limitations, qualifications detailed throughout the valuation report and also the limiting conditions herein. With the outbreak of the Coronavirus Disease 2019 (COVID-19) and the prevailing uncertainty in the global economy, it is difficult to predict the future impact that COVID-19 might have on the real estate market. In view of market uncertainty, a higher degree of caution should be attached to our valuation than would normally be the case and we recommend that you keep the valuation under frequent review. Our opinion and assessment are based on the information provided and prevailing market data as at the date of this valuation report. |
| Prepared by | Cynthia Ng  
| Licensed Appraiser No. AD041-2003388A  
| Savills Valuation And Professional Services (S) Pte Ltd  
| Selina Chia  
| Licensed Appraiser No. AD041-2005633K |

This valuation is exclusive of Goods and Services Tax.

To any party relying on this report, we advise that this summary must be read in conjunction with the full valuation report. This valuation summary should not be relied upon in isolation for finance or any other purposes.  

CVC/CN/k
LIMITING CONDITIONS

Our valuations are subject to the following limiting conditions unless otherwise stated in our valuation report.

Valuation Standards: The valuation is carried out in accordance with the Valuation Standards and Practice Guidelines published by the Singapore Institute of Surveyors and Valuers, and/or International Valuation Standards and/orRICS Valuation Standards, subject to variations to comply with local laws, customs and practices.

Valuation Basis: The valuation is carried out on a basis appropriate to the specific purpose of valuation, in accordance with the relevant definitions, assumptions and qualifications outlined in the valuation report.

The opinion expressed in the valuation report applies strictly in accordance with the terms and for the purpose expressed therein. The assessed values need not be applicable in relation to some other assessment.

Currency of Valuation: Values are reported in Singapore currency unless otherwise stated.

Confidentiality: Our valuation is confidential and strictly for the use of the addressee of the valuation report only and for the specific purpose(s) stated. Savills disclaim all responsibility and will accept no accountability, obligation or liability to any third parties.

Copyright: Neither the whole nor any part of the valuation report or any reference to it may be included in any published work, statement, circular or be published in any way, nor in any communication with any third parties, without prior written approval from Savills, including the form and context in which it may appear.

Liability: The liability of Savills and its employees is only limited to the party to whom the valuation report is addressed. No responsibility to any third parties for unauthorized use and reliance is accepted.

Validity Period: This valuation represents our opinion of value as at the date of valuation. The assessed value may change significantly and unexpectedly over a short period arising from general market movement, possible changes in market forces and circumstances in relation to the property. Savills disclaim all responsibility and accept no liability should the valuation report be relied upon after the expiration of 3 months from the date of valuation, or such earlier date if the addressee of the report becomes aware of any factors that may have an effect on the valuation and has not made known such information to Savills.

Titles: A brief on-line title search on the property has been carried out only for formal valuation with site inspection only, unless otherwise stated. We are not obliged to inspect and/or read the original title or lease documents, unless they are made available by the client. The valuation shall therefore assume, unless informed to the contrary, that there are no further restrictive covenants, easements or encumbrances not disclosed by this brief title search which may have an effect on the market value. We assume the title of the property is good and marketable and free from all encumbrances, restrictions and other legal impediments.

Planning Information: Information relating to town planning is obtained from the current Singapore Master Plan which is assumed to be accurate. We do not normally carry out legal requirements on road, MRT, LRT, drainage and other government proposals, unless specifically requested and Savills is properly reimbursed. In the event that legal requirements are conducted by our clients which reveal that the information is materially different from the town planning information outlined in the valuation report and/or property is affected by public scheme(s), this report should then be referred back to Savills for review on possible amendment.

Other Statutory Regulations: Our valuation assumes that the property and any improvements thereon comply with all relevant statutory regulations. We have assumed that the property has been or will be issued with a Temporary Occupation Permit, Certificate of Fitness, Certificate of Statutory Completion or Temporary Occupation License by the competent authority.

Site Condition: We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.

Condition of Property: While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the exposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, inflation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.

Source of Information: Where it is stated in the valuation report that the information has been provided to the valuer by the sources listed, this information is presumed to be reliable. Savills takes no responsibility for inaccurate data supplied and subsequent conclusions related to such data. Where information is given without reference to another party in the report, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge. Processed data information therefrom shall be taken as the valuer’s opinion and shall not be freely quoted without acknowledgement.

Floor Areas: We have assumed that information contained in the surveyed or architectural floor plans is accurate and has been prepared in accordance with the prevailing Professional Property Practice Guidelines. In the absence of such plans, the floor area is estimated based on available secondary information and such estimates do not provide the same degree of accuracy or certainty. In the event that there is a material variance in areas, we reserve the right to review our valuation.

Plans: Plans included in the valuation report are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OneMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.

Tenant: No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.

Reimbursement Cost: Our opinion of the reimbursement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reimbursement cost be sought from a qualified quantity surveyor, if considered appropriate.

Attendance in Court: Savills or its employees are not obliged to give testimony or to appear in court or any other tribunal or to any government agency with regards to this valuation report or with reference to the property in question unless prior arrangement has been made and Savills are properly reimbursed.
# Valuation Certificate

**Address of Property**
1 Pasir Ris Central Street 3  
White Sands  
Singapore 518457

**Client**
Frasers Centrepoint Asset Management Limited (as Manager of Frasers Centrepoint Trust)

**Purpose of Valuation**
Intended Acquisition

**Legal Description**
Lot 1329T Mukim 29

**Tenant**
Leasehold 99 years commencing from 1 May 1993 (balance un-expired lease of approximately 71.7 years)

**Registered Proprietor**
ARMF (Whitesands) Pte. Ltd.

**Brief Description**
The subject property is located at the intersection of Pasir Ris Central Street 3 and Pasir Ris Central and approximately 17.5 km from the City Centre. White Sands is located within Pasir Ris Housing and Development Board ("HDB") estate neighbourhood town centre, next to Pasir Ris (East West Line) MRT Station and within short walking distance to Pasir Ris Bus Interchange. It is a suburban retail mall which spans across 6 levels (including Basement 1) with 2 levels of basement carpark (Basement 2 and Basement 3) with a total of 187 carpark lots. The property also accommodates CSFS space occupied by Pasir Ris Public Library on the 4th and 5th storeys.

**Site Area**
6,275.0 sm (67,544 sf), subject to government’s re-survey

**Gross Floor Area**
21,111.5 sm (227,244 sf), as provided and subject to final survey

**Lettable Floor Area**
11,950.1 sm (128,631 sf) [excluding Community Sports Facilities Scheme ("CSFS") area of 2,020.0 sm (21,744 sf)], as provided and subject to final survey

**Tenancy Brief**
The property is multi-tenanted. Based on the tenancy information provided as at 30 June 2020, the property is 98.1% let (including CSFS space) and 97.7% let (excluding CSFS space) with a total monthly gross rent of $2,183,046. The typical monthly service charge is $2.60 psf while the monthly Advertising and Promotion charge is at $0.40 psf. Majority of the leases will expire in Year 2021 and 2022.

**Annual Value**
$25,647,401

**Master Plan (2019)**
Commercial

**Basis of Valuation**
As-Is basis, subject to existing tenancies

**Valuation Approaches**
Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Method

**Date of Valuation**
1 August 2020

**Capitalisation Rate**
4.75%

**Terminal Capitalisation Rate**
5.00%

**Discount Rate**
7.50%

**Rate of Lettable Floor Area**
$35,774 psm (excludes CSFS)

**Recommended Market Value**
$427,500,000  
(Singapore Dollars Four Hundred Twenty-Seven Million And Five Hundred Thousand Only)

**Assumptions, Disclaimers, Limitations & Qualifications**
This valuation is provided subject to the assumptions, disclaimers, limitations, qualifications detailed throughout the valuation report and also the limiting conditions herein.

With the outbreak of the Coronavirus Disease 2019 (COVID-19) and the prevailing uncertainty in the global economy, it is difficult to predict the future impact that COVID-19 might have on the real estate market. In view of market uncertainty, a higher degree of caution should be attached to our valuation than would normally be the case and we recommend that you keep the valuation under frequent review. Our opinion and assessment are based on the information provided and prevailing market data as at the date of this valuation report.

**Prepared by**
Cynthia Ng  
Kamal Hamdi  
Licensed Appraiser No. AD041-2003388A  
Licensed Appraiser No. AD041-2006388F

Savills Valuation And Professional Services (S) Pte Ltd

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This valuation is exclusive of Goods and Services Tax.

To any party relying on this report, we advise that this summary must be read in conjunction with the full valuation report. This valuation summary should not be relied upon in isolation for finance or any other purposes.

KH/CN/01s
LIMITING CONDITIONS

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Valuation Standards: The valuation is carried out in accordance with the Valuation Standards and Practice Guidelines published by the Singapore Institute of Surveyors and Valuers, and/or International Valuation Standards and/or RICS Valuation Standards, subject to variations to comply with local laws, customs and practices.

Valuation Basis: The valuation is carried out on a basis appropriate to the specific purpose of valuation, in accordance with the relevant definitions, assumptions and qualifications outlined in the valuation report.

The opinion expressed in the valuation report applies strictly in accordance with the terms and for the purpose expressed therein. The assessed values need not be applicable in relation to some other assessment.

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Limitation of Liability: The liability of Savills and its employees is only limited to the party to whom the valuation report is addressed. No responsibility to any third parties for unauthorized use and reliance is accepted.

Validity Period: This valuation represents our opinion of value as at the date of valuation. The assessed value may change significantly and unexpectedly over a short period arising from general market movement, possible changes in market forces and circumstances in relation to the property. Savills disclaim all responsibility and accept no liability should the valuation report be relied upon after the expiration of 3 months from the date of valuation, or such earlier date if the address(es) of the report becomes aware of any factors that may have an effect on the valuation and has not made known such information to Savills.

Titles: A brief on-line title search on the property has been carried out only for formal valuation with site inspection only, unless otherwise stated. We are not obliged to inspect and/or read the original title or lease documents, unless they are made available by the client. The valuation shall therefore assume, unless informed to the contrary, that there are no further restrictive covenants, easements or encumbrances not disclosed by this brief title search which may have an effect on the market value. We assume the title of the property is good and marketable and free from all encumbrances, restrictions and other legal impediments.

Planning Information: Information relating to town planning is obtained from the current Singapore Master Plan which is assumed to be accurate. We do not normally carry out legal diligences on road, MRT, LRT, drainage and other government proposals, unless specifically requested and Savills is properly reimbursed. In the event that legal requisitions are conducted by our clients which reveal that the information is materially different from the town planning information outlined in the valuation report and/or property is affected by public scheme(s), this report should then be referred back to Savills for review on possible amendment.

Other Statutory Regulations: Our valuation assumes that the property and any improvements thereon comply with all relevant statutory regulations. We have assumed that the property has been or will be issued with a Temporary Occupation Permit, Certificate of Fitness, Certificate of Statutory Completion or Temporary Occupation License by the competent authority.

Site Condition: We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.

Condition of Property: While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unexposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.

Source of Information: Where it is stated in the valuation report that the information has been provided to the valuer by the sources listed, this information is presumed to be reliable. Savills takes no responsibility for inaccurate data supplied and subsequent conclusions related to such data. Where information is given without reference to another party in the report, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge. Processed data inferences therefore shall be taken as the valuer’s opinion and shall not be freely quoted without acknowledgement.

Floor Areas: We have assumed that information contained in the surveyed or architectural floor plans is accurate and has been prepared in accordance with the prevailing Professional Property Practice Guidelines. In the absence of such plans, the floor area is estimated based on available secondary information and such estimates do not provide the same degree of accuracy or certainty. In the event that there is a material variance in areas, we reserve the right to review our valuation.

Plans: Plans included in the valuation report are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OneMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.

Tenant: No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of letting(s), it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.

Reinstatement Cost: Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.

Attendance in Court: Savills or its employees are not obliged to give testimony or to appear in court or any other tribunal or to any government agency with regards to this valuation report or with reference to the property in question unless prior arrangement has been made and Savills are properly reimbursed.

1 Pasir Ris Central Street 3, White Sands, Singapore 518457
Our Ref : 2020/1831/CORP
Valuation Certificate

90 Hougang Avenue 10, Hougang Mall, Singapore 538766

Our Ref : 2020/1833/CORP

This valuation is exclusive of Goods and Services Tax.

To any party relying on this report, we advise that this summary must be read in conjunction with the full valuation report. This valuation summary should not be relied upon in isolation for finance or any other purposes.

KH/CN/IS
LIMITING CONDITIONS

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Currency of Valuation: Values are reported in Singapore currency unless otherwise stated.

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Copyright: Neither the whole nor any part of the valuation report or any reference to it may be included in any published document, statement, circular or be published in any way, nor in any communication with any third parties, without prior written approval from Savills, including the form and context in which it may appear.

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Planning Information: Information relating to town planning is obtained from the current Singapore Master Plan which is assumed to be accurate. We do not normally carry out legal requirements on road, MRT, LRT, drainage and other government proposals, unless specifically requested and Savills is properly reimbursed. In the event that legal requisitions are conducted by our clients which reveal that the information is materially different from the town planning information outlined in the valuation report and/or property is affected by public scheme(s), this report should then be referred back to Savills for review on possible amendment.

Other Statutory Regulations: Our valuation assumes that the property and any improvements thereon comply with all relevant statutory regulations. We have assumed that the property has been or will be issued with a Temporary Occupation Permit, Certificate of Fitness, Certificate of Statutory Completion or Temporary Occupation License by the competent authority.

Site Condition: We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.

Condition of Property: While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unexposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and comply with all relevant statutory requirements.

Source of Information: Where it is stated in the valuation report that the information has been provided to the valuer by the sources listed, this information is presumed to be reliable. Savills takes no responsibility for inaccurate data supplied and subsequent conclusions related to such data. Where information is given without reference to another party in the report, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge. Processed data inferences therefrom shall be taken as the valuer’s opinion and shall not be freely quoted without acknowledgement.

Floor Areas: We have assumed that information contained in the surveyed or architectural floor plans is accurate and has been prepared in accordance with the prevailing Professional Property Practice Guidelines. In the absence of such plans, the floor area is estimated based on available secondary information and such estimates do not provide the same degree of accuracy or certainty. In the event that there is a material variance in areas, we reserve the right to review our valuation.

Plans: Plans included in the valuation report are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OneMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.

Tenant: No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.

Reinstatement Cost: Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.

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## Address of Property

2 Tampines Central 5  
Century Square  
Singapore 529509

## Client

Frasers Centrepoint Asset Management Limited (as Manager of Frasers Centrepoint Trust)

## Purpose of Valuation

Intended Acquisition

## Legal Description

The entire development is erected on Lot 1442X Mukim 29. Individual Subsidiary Strata Certificates of Titles have been issued.

## Tenure

Leasehold 99 years commencing from 1 September 1992 (balance un-expired lease of approximately 71.1 years)

## Registered Proprietor

All subsidiary proprietors of all the strata lots of Century Square

## Brief Description

The subject property is located along Tampines Central 5, bounded by Tampines Central 1 and Tampines Avenue 4 and approximately 15.5 km from the City Centre.

Century Square is located within Tampines Housing and Development Board (“HDB”) Estate Town Centre. It is a 6-storey suburban retail mall with 3 basement levels. Basement 1 to Level 5 accommodate retail space with a cineplex on Level 5 & 6 whilst basement 2 & 3 accommodate a total of 298 carpark lots.

The Temporary Occupation Permit (“TOP”) was obtained on 3 November 1995 and Certificate of Statutory Completion (“CSC”) was obtained on 14 November 1997. The property has periodically undergone some enhancement works, with the latest AEI being completed on 11 May 2018. The property appeared to be in fairly good condition.

## Site Area

8,719.1 sm (93,852 sf), subject to government's re-survey

## Gross Floor Area

30,399.7 sm (327,223 sf), as provided and subject to final survey

## Strata Floor Area

29,600.3 sm (318,618 sf), as provided

## Lettable Floor Area

18,807.7 sm (202,446 sf) [excluding Community Sports Facilities Scheme (“CSFS”) area of 794.0 sm (8,547 sf)], as provided and subject to final survey

## Tenancy Brief

The property is multi-tenant. Based on the tenancy information provided as at 30 June 2020, the property is 96.8% let (including CSFS space) and 96.7% let (excluding CSFS space) with a total monthly gross rent of $2,938,445. The typical monthly service charge is $2.00 psf while the monthly Advertising and Promotion Charge is at $0.40 psf. Majority of the leases will expire in Year 2021.

## Annual Value

$33,863,501

## Master Plan (2019)

Commercial with a gross plot ratio of 3.5

## Basis of Valuation

As-Is basis, subject to existing tenancies

## Valuation Approaches

Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Method

## Date of Valuation

1 August 2020

## Capitalisation Rate

4.75%

## Terminal Capitalisation Rate

5.00%

## Discount Rate

7.50%

## Rate of Lettable Floor Area

$29,802 psm (excludes CSFS)

## Recommended Market Value

$560,500,000  
(Singapore Dollars Five Hundred Sixty Million and Five Hundred Thousand Only)

## Assumptions, Disclaimers, Limitations & Qualifications

This valuation is provided subject to the assumptions, disclaimers, limitations, qualifications detailed throughout the valuation report and also the limiting conditions herein.

With the outbreak of the Coronavirus Disease 2019 (COVID-19) and the prevailing uncertainty in the global economy, it is difficult to predict the future impact that COVID-19 might have on the real estate market. In view of market uncertainty, a higher degree of caution should be attached to our valuation than would normally be the case and we recommend that you keep the valuation under frequent review. Our opinion and assessment are based on the information provided and prevailing market data as at the date of this valuation report.

## Prepared by

Cynthia Ng  
Cynthia Soo  
Licensed Appraiser No. AD041-2003388A  
Licensed Appraiser No. AD041-2006556K

Savills Valuation And Professional Services (S) Pte Ltd

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This valuation is exclusive of Goods and Services Tax.

To any party relying on this report, we advise that this summary must be read in conjunction with the full valuation report. This valuation summary should not be relied upon in isolation for finance or any other purposes.

CS/CN/pt

2 Tampines Central 5, Century Square, Singapore 529509  
Our Ref: 2020/1832/CORP

C-30
LIMITING CONDITIONS

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Any liability arising from the valuers’ negligence, breach of contract or otherwise in connection with this engagement shall be limited to the fees received by Savills under this engagement. Savills do not accept liability for any indirect or consequential losses (such as opportunity cost and loss of profits).

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Tenant: No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.

Reinstatement Cost: Our opinion of the reinstatement cost for fire insurance purposes is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.

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Valuation Certificate

10 Tampines Central 1
Tampines 1
Singapore 529536

Client
Frasers Centrepoint Asset Management Limited (as Manager of Frasers Centrepoint Trust)

Purpose of Valuation
Intended Acquisition

Legal Description
Lots 1087L and 1089M, both of Mukim 29

Tenure
Leasehold 99 years commencing from 1 April 1990 (balance un-expired lease of approximately 68.6 years)

Registered Proprietor
ARMF II (Tampines) Pte Ltd.

Brief Description
The subject property is located along Tampines Central 1, at its junction with Tampines Central 4 and approximately 15.5 km from the City Centre. Tampines 1 is located within Tampines Estate Town Centre and just beside the Tampines (East West Line) MRT Station. It is a 5-storey suburban retail mall with 2 basement levels. Basement 1 to Level 5 accommodate retail space whilst Basement 2 accommodates a total of 203 carpark lots. The Temporary Occupation Permit ("TOP") was obtained on 31 March 2009 and Certificate of Statutory Completion ("CSC") was obtained on 19 April 2010. The property appeared to be in fairly good condition.

Site Area
8,425.3 sm (90,690 sf), subject to government's re-survey

Gross Floor Area
35,386.3 sm (380,898 sf), as provided and subject to final survey

Lettable Floor Area
24,951.4 sm (268,577 sf), as provided and subject to final survey

Tenancy Brief
The property is multi-tenanted. Based on the tenancy information provided as at 30 June 2020, the property is 91.9% let and has a total monthly gross rent of $3,727,442. The typical monthly service charge is $2.00 psf while the monthly Advertising and Promotion Charge is at $0.40 psf. Majority of the leases will expire in Year 2021.

Annual Value
$46,967,200

Master Plan (2019)
Commercial with a gross plot ratio of 4.2

Basis of Valuation
As-Is basis, subject to existing tenancies

Valuation Approaches
Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Method

Date of Valuation
1 August 2020

Capitalisation Rate
4.75%

Terminal Capitalisation Rate
5.00%

Discount Rate
7.50%

Rate of Lettable Floor Area
$31,301 psm

Recommended Market Value
$781,000,000
(Singapore Dollars Seven Hundred and Eighty-One Million Only)

Assumptions, Disclaimers, Limitations & Qualifications
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Prepared by

Cynthia Ng
Licensed Appraiser No. AD041-2003388A
Cynthia Soo
Licensed Appraiser No. AD041-2006556K
Savills Valuation And Professional Services (S) Pte Ltd

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CS/CN/pt
C-32
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Site Condition: We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.

Condition of Property: While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unexposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.

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Reinstatement Cost: Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.

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10 Tampines Central 1, Tampines 1, Singapore 529536
Our Ref: 2020/1828/CORP
Valuation Certificate

Address of Property: 298 Tiong Bahru Road
Central Plaza
Singapore 168730

Client: Frasers Centrepoint Asset Management Limited (as Manager of Frasers Centrepoint Trust)

Purpose of Valuation: Intended Acquisition

Legal Description: The entire development (including Tiong Bahru Plaza) is erected on Lot 265SN Mukim 1. Individual Subsidiary Strata Certificate of Titles have been issued.

Tenure: Leasehold 99 years commencing from 1 September 1991 (balance un-expired lease of approximately 70.1 years)

Registered Proprietor: We understand that provisional Strata Lots U78262W, U78263V, U78264P, U78265T, U78266A and U78267K Mukim 1 will be held under ARMF (Central Plaza) Pte Ltd.

Brief Description: The subject property is located on the northern side of Tiong Bahru Road, at its north-western junction with Bukit Ho Swee Link, and approximately 4.0 km from the City Centre. Tiong Bahru MRT Station is just around the corner. Central Plaza is located within Tiong Bahru and Bukit Merah Housing Development Board ("HDB") Estates. It comprises a 20-storey suburban office building with main office/lift lobby on 1st storey and offices from 3rd storey upwards. There are 3 levels of basement carpark (Basement Levels 1, 2 and 3) comprising 338 carpark lots, which is shared with Tiong Bahru Plaza. The retail space on 1st storey and 2nd storey of Central Plaza, now forms part of the retail mall of Tiong Bahru Plaza. The Certificate of Statutory Completion ("CSC") was obtained on 1 October 1998. The property has periodically undergone some enhancement works, with the latest enhancement work being completed circa 2017. The property appeared to be in a good condition as at the date of our inspection.

Site Area: 15,251.6 sm (164,168 sf) for the entire development comprising Tiong Bahru Plaza and Central Plaza, subject to government’s re-survey

Gross Floor Area: 18,784.0 sm (202,191 sf), as provided and subject to final survey

Strata Floor Area: 16,586.0 sm (178,661 sf), as provided and subject to final survey

The above provisional strata lot nos. and strata floor area is as provided. The title search has not been updated to reflect the above status as such, but we understand that it is in the process of being regularised.

Lettable Floor Area: 13,401.2 sm (144,250 sf) [excluding Community Sports Facilities Scheme ("CSFS") area of 2,634.2 sm (28,355 sf)], as provided and subject to final survey

Tenancy Brief: The property is multi-tenanted. Based on the tenancy information provided as at 30 June 2020, the property is 95.2% let (including CSFS space) and 94.3% let (excluding CSFS space) and has a total monthly gross rent of $963,441. The typical monthly service charge is $1.03 psf. Majority of the leases will expire in Year 2021.

Annual Value: $9,236,502

Master Plan (2019): Commercial with a gross plot ratio of 3.0

Basis of Valuation: As-is basis, subject to existing tenancies

Valuation Approaches: Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Method

Date of Valuation: 1 August 2020

Capitalisation Rate: 3.75%

Terminal Capitalisation Rate: 4.00%

Discount Rate: 6.50%

Rate of Lettable Floor Area: $15,521 psf (excludes CSFS)

Recommended Market Value: $208,000,000

(Singapore Dollars Two Hundred And Eight Million Only)

Assumptions, Disclaimers, Limitations & Qualifications: This valuation is provided subject to the assumptions, disclaimers, limitations, qualifications detailed throughout the valuation report and also the limiting conditions herein

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Prepared by:

Cynthia Ng
Licensed Appraiser No. AD041-2003388A
Savills Valuation And Professional Services (S) Pte Ltd

Selina Chia
Licensed Appraiser No. AD041-2005633K
Savills Valuation And Professional Services (S) Pte Ltd

This valuation is exclusive of Goods and Services Tax.

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C-34
**LIMITING CONDITIONS**

Our valuations are subject to the following limiting conditions unless otherwise stated in our valuation report.

<table>
<thead>
<tr>
<th>Classification</th>
<th>Details</th>
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<tbody>
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<tr>
<td><strong>Copyright:</strong></td>
<td>Neither the whole nor any part of the valuation report or any reference to it may be included in any published document, statement, circular or be published in any way, nor in any communication with any third parties, without prior written approval from Savills, including the form and context in which it may appear.</td>
</tr>
<tr>
<td><strong>Limitation of Liability:</strong></td>
<td>The liability of Savills and its employees is only limited to the party to whom the valuation report is addressed. No responsibility to any third parties for unauthorized use and reliance is accepted. Any liability arising from the valuers’ negligence, breach of contract or otherwise in connection with this engagement shall be limited to the fees received by Savills under this engagement. Savills do not accept liability for any indirect or consequential losses (such as opportunity cost and loss of profits).</td>
</tr>
<tr>
<td><strong>Validity Period:</strong></td>
<td>This valuation represents our opinion of value as at the date of valuation. The assessed value may change significantly and unexpectedly over a short period arising from general market movement, possible changes in market forces and circumstances in relation to the property. Savills disclaim all responsibility and accept no liability should the valuation report be relied upon after the expiration of 5 months from the date of valuation, or such earlier date if the addressee of the report becomes aware of any factors that may have an effect on the valuation and has not made known such information to Savills.</td>
</tr>
<tr>
<td><strong>Titles:</strong></td>
<td>A brief on-site title search on the property has been carried out only for formal valuation with site inspection only, unless otherwise stated. We are not obliged to inspect and/or read the original title or lease documents, unless they are made available by the client. The valuation shall therefore assume, unless informed to the contrary, that there are no further restrictive covenants, easements or encumbrances not disclosed by this brief title search which may have an effect on the market value. We assume the title of the property is good and marketable and free from all encumbrances, restrictions and other legal impediments.</td>
</tr>
<tr>
<td><strong>Planning Information:</strong></td>
<td>Information relating to town planning is obtained from the current Singapore Master Plan which is assumed to be accurate. We do not normally carry out legal research on road, MRT, LRT, drainage and other government proposals, unless specifically requested and Savills is properly reimbursed, in the event that legal requisitions are conducted by our clients which reveal that the information is materially different from the town planning information outlined in the valuation report and/property is affected by public scheme(s), this report should then be referred back to Savills for review on possible amendment.</td>
</tr>
<tr>
<td><strong>Other Statutory Regulations:</strong></td>
<td>Our valuation assumes that the property and any improvements thereon comply with all relevant statutory regulations. We have assumed that the property has been or will be issued with a Temporary Occupation Permit, Certificate of Fitness, Certificate of Statutory Completion or Temporary Occupation License by the competent authority.</td>
</tr>
<tr>
<td><strong>Site Condition:</strong></td>
<td>We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development; nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no additional expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.</td>
</tr>
<tr>
<td><strong>Condition of Property:</strong></td>
<td>While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unoccupied or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.</td>
</tr>
<tr>
<td><strong>Source of Information:</strong></td>
<td>Where it is stated in the valuation report that the information has been provided to the valuer by the sources listed, this information is presumed to be reliable. Savills takes no responsibility for inaccurate data supplied and subsequent conclusions related to such data. Where information is given without reference to another party in the report, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge. Processed data inferences therefore shall be taken as the valuer's opinion and shall not be freely quoted without acknowledgement.</td>
</tr>
<tr>
<td><strong>Floor Areas:</strong></td>
<td>We have assumed that information contained in the surveyed or architectural floor plans is accurate and has been prepared in accordance with the prevailing Professional Property Practice Guidelines. In the absence of such plans, the floor area is estimated based on available secondary information and such estimates do not provide the same degree of accuracy or certainty. In the event that there is a material variance in areas, we reserve the right to review our valuation.</td>
</tr>
<tr>
<td><strong>Plans:</strong></td>
<td>Plans included in the valuation report are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OnMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.</td>
</tr>
<tr>
<td><strong>Tenant:</strong></td>
<td>No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.</td>
</tr>
<tr>
<td><strong>Reinstatement Cost:</strong></td>
<td>Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.</td>
</tr>
<tr>
<td><strong>Attendance in Court:</strong></td>
<td>Savills or its employees are not obliged to give testimony or to appear in court or any other tribunal or to any government agency with regards to this valuation report or with reference to the property in question unless prior arrangement has been made and Savills are properly reimbursed.</td>
</tr>
</tbody>
</table>

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298 Tiong Bahru Road, Central Plaza, Singapore 168730  
Our Ref: 2020/1830/CORP  
2

C-35
Our Ref.: V7/20/CCH/C115

26 August 2020

The Directors
Fraser Centrepoint Asset Management Limited
438 Alexandra Road
#21-00 Alexandra Point
Singapore 119958

Attention: Mr. Rene Lee

Dear Sirs/Madam,

Re: VALUATION OF SETAPAK CENTRAL @ ZETAPARK LOCATED WITHIN TAMAN DANAU KOTA, SETAPAK (HELD UNDER PART OF PARENT TITLE PN 46795/LOT 30119, MUKIM SETAPAK, DISTRICT OF KUALA LUMPUR, WILAYAH PERSEKUTUAN KUALA LUMPUR, MALAYSIA)

We refer to your instructions to ascertain the Market Value of the abovementioned property for Intended Disinvestment purposes.

Accordingly, we have inspected the Subject Property on 7 July 2020 and investigated all available data relevant to the matter. We are pleased to report to you as follows:-

Subject Property: Setapak Central

Postal Address: No. 67, Jalan Taman Isu Kota
Taman Danau Kota, Setapak
53300 Wilayah Persekutuan Kuala Lumpur

Interest Valued: 99-year leasehold interest expiring on 20 November 2106
(Approximately 86 years unexpired term)

Legal Description: Part of Parent Title PN 46795/Lot 30119, Mukim Setapak, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur

Registered Owner: WINTIP SDN BHD

Beneficial Owner: Festive Mall Sdn Bhd
(Based on information provided by the Client)

Category of Land Use: Bangunan (Building)

Savills (Malaysia) Sdn Bhd
Level 9 Menara Milenium
Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Malaysia

T: +603 2092 5955
F: +603 2092 5966
www.savills.com.my

Offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.
Savills (Malaysia) Sdn Bhd (Company no. 335210-F)

C-36
Express Condition: Tanah ini hendakalah digunakan untuk bangunan perdagangan bagi tujuan kompleks penjuaian, pejabat dan panggungan servis sehajat.
(This land shall be used for a commercial building for the purposes of retail, office and serviced apartment complex only.)

(This land cannot be transferred, leased, charged or encumbered except with the approval from the Land Executive Committee of the Federal Territory of Kuala Lumpur.)

Encumbrances: Nil

Endorsements: Registrar’s Caveats have been lodged vide Presentation Nos.:-
1. PD31785/2013 dated 8 February 2013
2. PD57406/2013 dated 13 May 2013
3. PD392/2014 dated 3 January 2014

Existing Use:
(Subject Property)

The Site:
(Parent Lot)
The site is regular in shape. It is generally flat in terrain and lies about level with its frontage roads i.e. Jalan Taman Ibu Kota and Jalan Genting Klang.

Title Land Area:
(Parent Title)
34,130 square metres (approx. 367,372 square feet or 8.434 acres)

Location:
The Subject Property is located within an integrated commercial development known as ZetaPark which is sited on a prominent corner lot with dual frontages onto the south-western and north-western sides of Jalan Taman Ibu Kota and Jalan Genting Klang respectively, within Taman Danau Kota, Setapak, Kuala Lumpur. It lies approximately 8 kilometres north-east of the City Centre of Kuala Lumpur.

Accessibility:
The present approach to the Subject Property from the City Centre of Kuala Lumpur is via Jalan Tun Razak, Jalan Pahang and finally onto Jalan Genting Klang.

Brief Description:
Setapak Central is a stratified 3-storey shopping centre podium with a basement car park located within an integrated commercial development known as ZetaPark (an integrated commercial development which comprises of a shopping centre podium with a basement car park along with a 2-storey elevated car park and three serviced apartments/SOHO towers on top). It has a Gross Floor Area (GFA) of approximately 1,087,296 square feet comprising:

- A 3-storey retail mall - Net Lettable Area (NLA) of approximately 512,806 square feet; and
- Basement (Lower Ground Floor) and open-air surface (Ground Floor) car parks - totaling to 1,069 bays.
Gross Floor Area (GFA): Approximately 1,087,296 square feet
(Based on Information Request List dated 7 July 2020)

Net Lettable Area (NLA): Approximately 512,808 square foot
(Based on Rent Roll dated 30 June 2020)

Occupancy Details: The Subject Property currently enjoys a committed occupancy of approximately 98.3% based on the latest rent roll dated 30 June 2020 provided by the Client with an average gross rental rate of approximately RM6.70 per square foot per month (exclusive of car park income, turnover rentals, and other incomes) based on the total occupied area.

Some of the distinguished tenants include Parkson, Econsave, MBO Cinemas, Popular, Daiso, Watsons, Cotton On, H&M, Sushi King and Burger King to name a few.

Date of Valuation: 1 August 2020

Date of Inspection: 7 July 2020


The Subject Property is essentially valued by adopting the Income Approach by Investment Method as the primary methodology supported by the Income Approach by DCF Method & Comparison Approach.

Title Assumptions: Market Value of the Subject Property is based on the following title assumptions:-

a) A block strata title to be issued for a 3-storey shopping centre podium with a basement car park level with a total strata floor area of approximately 1,087,296 square feet comprising:-
   - A Net Lettable Area (NLA) of approximately 512,808 square foot
   - A total of 1,069 car park bays

b) Strata title to be issued shall convey a 99-year leasehold tenure expiring on 20 November 2106

c) There will be no new and onerous conditions imposed on the strata title which shall be issued free from all encumbrances, marketable and registrable

The items listed above are assumed for the purpose of this valuation to be correct, but we cannot vouch for their accuracy and do not accept responsibility for any impact on market value which any inaccuracies may entail.
Specific Qualifications:
The Valuation provided above is based on the following important documents/instructions which were provided by the Client:

- **Documents provided:**
  - Rent Roll dated 30 June 2020
  - Historical Net Property Income (NPI) figures (Years 2017 & 2018)
  - Profit & Loss Statements (Year 2019 & First Half of 2020)
  - 2020 COVID-19 Rental Relief Schedule

- **Data Adopted as per Client’s Specific Instructions:**
  - Gross Floor Area (GFA) of approximately 1,087,295 square feet
    - Net Lettable Area (NLA) of approximately 512,806 square feet
      - Source: Rent Roll dated 30 June 2020
    - 1,069 car park bays
  - Additional service charge & sinking fund fees of RM1,500,000 payable annuity by the owner to the Joint Management Body
  - Not reflected in the Profit & Loss Statements and Historical NPI figures. (Source: Client’s confirmation email dated 20 July 2020)

- **No details were provided to Savills on the following:**
  - Original Sales & Purchase Agreement (SPA) for the purchase of the Subject Property
  - Proposed Strata Plan and details of the actual subdivision
  - Details of the actual building specifications

We have been **specifically instructed** by the Client to assume the details above and to take the limited documents and client’s information provided to be correct and accurate **without making any further independent verifications. We cannot vouch for their accuracy and do not accept responsibility or professional liability(s) for any impact on market value** which any inaccuracies may entail.
Market Value:

Market Value of the 88-year unexpired leasehold interest in the Subject Property i.e. Setapak Central @ ZetaPark located within Taman Danau Kota, Setapak (held under part of Parent Title PN 46796/Lot 30119, Mukim Setapak, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur) on the BASES that:

- **THE SUBJECT PROPERTY IS A STRATIFIED 3-STORY SHOPPING CENTRE PODIUM WITHIN ZETAPARK**
  - **WITH A GROSS FLOOR AREA (GFA) OF APPROXIMATELY 1,087,295 SQUARE FEET COMPRISING:**
    - **A NET LETTABLE AREA OF APPROXIMATELY 512,806 SQUARE FEET**
    - **1,069 CAR PARK BAYS**

- **NO DOCUMENTATION AND DETAILS WERE PROVIDED ON:**
  - **PROPOSED STRATA PLANS**
  - **ORIGINAL SALE & PURCHASE AGREEMENT FOR THE PURCHASE OF THE SUBJECT PROPERTY**

- **THE VALUATION ASSESSMENT IS BASED ON THE FOLLOWING DOCUMENTS/DATA PROVIDED BY THE CLIENT:**
  - **RENT ROLL DATED 30 JUNE 2020**
  - **2020 COVID-19 RENTAL RELIEF SCHEDULE**
  - **HISTORICAL NET PROPERTY INCOME (NPI) FIGURES (YEARS 2017 & 2018)**
  - **PROFIT & LOSS STATEMENTS (YEAR 2019 & FIRST HALF OF 2020)**
  - **ADDITIONAL RM1,500,000 OF SERVICE CHARGE & SINKING FUND FEES PAYABLE ANNUALLY TO THE JOINT MANAGEMENT BODY**

in its existing condition, subject to the existing tenancies & occupational arrangements and to the title assumptions stated above/strata title to be issued being free from encumbrances and registrable is **RM335,000,000** (Ringgit Malaysia: Three Hundred And Thirty Five Million Only)

Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.

For all intents and purposes, this Valuation Certificate should be read in conjunction with our detailed Valuation Report of the Subject Property bearing reference V/720/CCH/C115 which will be delivered to you in due course.

We trust the above will suffice for your immediate requirement. Please contact us if you have any queries or need further clarification on our current valuation.

For and on behalf of

Savills (Malaysia) SDN BHD

DATUK SR. PAUL KHONG
MRICS FRISM APEPS
Chartered Surveyor
Registered Valuer (V-528)
Managing Director

Date: 26 August 2020
COVID-19 Pandemic:

The COVID-19 pandemic is happening in Malaysia and the 1st Movement Control Order (MCO) has been enforced from 18 March 2020. We are now in the Recovery MCO stage which is expected to end on 31 August 2020. We foresee more local businesses and the markets being impacted. This pandemic outbreak is becoming a worldwide problem and the impact is expected to be substantial. It is still an ongoing event as there is no proven vaccine available.

With BNM latest 6-month moratorium deferment package, this will help shore up the markets including the property sector steadier and help reduce any sudden surges in property auctions. This is a temporary measure to assist individuals and Small and Medium Enterprises businesses but does not solve all current problems. In Malaysia, it is unprecedented times where our local politics, the crude oil shock and COVID-19 are all rolling in together.

Our valuation is therefore reported on the basis of “Material Valuation Uncertainty”. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case and we recommend that you keep the valuation under frequent review. Our opinion and assessment are based on the information provided and prevailing market data as at the date of this valuation report.
Limitations, Disclaimers & Qualifications

Valuation:
Real estate values vary from time to time in response to changing market circumstances and it should, therefore, be noted that this valuation is based on available information as at the date of valuation. No warranty can be given as to the maintenance of this value into the future. It is, therefore, recommended that the valuation be reviewed periodically. Savills does not assume any responsibility or accept any liability, nor should reliance be placed upon the valuation, or anything contained within the valuation report where this valuation report is relied upon after the expiration of 3 months from the date of valuation, or such earlier date if you or someone acting on your behalf with Savills’ prior written agreement becomes aware or is aware of any factors that have any effect on the valuation.

Assumptions:
Assumptions are a necessary part of undertaking valuations/the valuation. Savills adopts assumptions for the purpose of providing its valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. The person or entity to whom the report is addressed acknowledges and accepts that the valuation contains certain specific assumptions and as such the person or entity to whom this report is addressed acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation.

Investigations:
The valuation is conducted on the basis that we are not engaged to carry out all possible investigations in relation to the subject property. Where in our report we have undertaken investigations to our knowledge or ability, this is to enable you to understand the degree of your responsibility in this appropriate or we recommend as necessary to allow us to complete the valuation. Savills is not liable for any loss occasioned by a decision not to conduct further investigations.

Information Supplied By Others:
The valuation contains information which is derived from other sources. Unless otherwise specifically instructed by you and/or stated in the valuation, we have not independently verified that information, nor adopted it as our own, or accepted its reliability. The person or entity to whom the report is addressed acknowledges and accepts the risk that if any of the unsourced information/advice provided by others and referred to in the valuation is incorrect, then this may have an effect on the valuation.

Site Details:
A current survey has not been provided. The valuation is made on the basis that there are no encroachments by or upon the subject property and the person or entity relying upon the valuation should confirm this by obtaining a current survey report and/or advice from a registered surveyor. Any encroachments are noted by the survey report, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the value stated in the valuation.

Future Matters:
To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to Savills at the date of this document. Savills does not warrant that such statements are accurate or correct.

Property Title:
We have conducted a brief title search only. We have not perused the original title documentation. We have assumed that there are no further easements or encumbrances not disclosed by this brief title search which may affect market value. However, in the event that a comprehensive title search is undertaken by the person or entity relying upon the valuation, which reveals further easements or encumbrances, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the valuation.

Town Planning:
Where practicable we have conducted a brief check with the local authorities to ascertain whether the existing structures have received all relevant planning and building approvals. In the event that we have ascertained that there are structures on site that have not been so approved we will report this and any impact on value will be taken into account in our valuation. However, in all other cases, we have ascertained that all structures on site are legally approved. However, we do not warrant the accuracy of such checks and or assumptions and in the event of doubt the person or entity relying upon this valuation must commission further investigation. Any information which comes to light as a result of this further investigation should be referred to Savills for consideration and possible review of the valuation. No reliance should then be placed upon the valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice. It is assumed that information provided to us by the relevant Local Authority Town Planning Department is accurate.

In the event that a Town Planning Certificate or any other relevant Planning Certificate or document is obtained and the information therein is later found to be materially different to the town planning information detailed within the valuation, we reserve the right to amend the valuation.

Environmental Conditions:
In the absence of an environmental site assessment relating to the subject property, we have assumed that the site is free of elevated levels of contaminants. Our visual inspections of the subject property and immediately surrounding properties revealed no obvious signs of site contamination. Furthermore, we have made no allowance in our valuation for site remediation works. However, it is important to point out that our visual inspection is an inconclusive indicator of the actual condition of the site. We make no representation as to the actual status of the subject property. If you intend undertaking site remediation at some time in the future to correct the degree, if any, of contamination of the site and this is found to be positive, we reserve the right to review our valuation assessed herein, should we deem it to be necessary.

VALUATION OF SETAPAK CENTRAL @ SETAPAK LOCATED WITHIN TAMAN DANAU KOTA, SETAPAK, WILayah PÉSEKUTUAN KUALA LUMPUR, MALAYSIA.

7 of 7
Inclusions & Exclusions:
Where applicable, our valuation includes those items that form or will form part of this building service installations such as heating and cooling equipment, lifts, sprinkler, lighting, etc., that would not normally pass with the sale of the property, but excludes all items of plant, machinery, equipment, partitions, furniture and other fixed items which may have been installed by the occupier or are used in connection with the businesses) carried on within the subject property.

Floor Areas:
Unless stated otherwise in the valuation, we have assumed that the floor areas have been calculated in accordance with The Royal Institution of Surveyors (RISM) Malaysia "Uniform Method of Measurement of Building" of Lettable Areas or as specifically instructed by the party who have agreed to provide this valuation. We recommend that the person or entity relying upon this report should obtain a survey to determine whether the areas provided differ from RISM guidelines. In the event that the survey reveals a variance in areas, then the relevant person or entity should not rely upon the valuation and should provide all relevant survey details to Savills for consideration and possible review of the valuation.

Condition & Repairs:
We have inspected the buildings(s), however we have not conducted a structural survey nor tested any of the services or facilities and are therefore unable to state that the building is free from defect. We advice that we have not inspected unexpected or inexorable portions of the building and are therefore unable to state that those are free from rot, infestation, asbestos or other hazardous and/or contaminated materials. Unless otherwise stated in the valuation report, our valuation is based upon the assumption that the buildings(s) do not have any defects requiring any significant expenditure. Also unless otherwise stated in the valuation report, the valuation assumes that the building complies with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations. If the person or entity relying on the report becomes aware of any information contrary to those assumptions, then they must not rely upon the valuation and that information should be referred to Savills for consideration and possible review of the valuation, and no reliance should be placed on the valuation until such time as the review has been completed and provided to the person or entity to whom responsibility is accepted for this advice.

Valuation Methodology:
The Salvin's valuation is a market approach; the primary valuation methodologies generally used are the "Compares" or "Cost Approach". These methodologies are based upon an estimate of future results. Each methodology begins with a set of assumptions as to the projected income and expenses of the subject property and future economic conditions in its local market. The income and expense figures are mathematically extended with adjustments for estimated changes in economic conditions and lease terms. The result is the best estimate of value Salvin's can produce. However, the assumption and is not a guarantee and it is fully dependent upon the accuracy of the assumptions as to income, expense and market conditions. These primary valuation methodologies are market derived assumptions, including rents, yields and discount rates, obtained from analyzed transactions. Where reliance has been placed upon external sources of information in the valuation methodologies, unless otherwise specifically instructed by the party or the client, Savills has not independently verified that information and Savills does not accept that information and/or source as reliable. The person or entity to whom the report is addressed acknowledges and accepts the risk that any of the unreliable information in the valuation is incorrect, to this may have an adverse effect on the valuation.

Sale/Tenancy Agreement:
Our valuation assumes that there are no sale agreements that would have an adverse effect on the market value of the property. Where the subject property and subject to tenancies, this report does not contain detailed studies of such tenancies to verify that tenancies are in compliance with relevant building codes/ by laws and terms of tenancy agreements, if any. As such, we can offer no warranties in this respect. If there is any doubt, we recommend legal and architectural investigations where relevant.

Not a Structural Survey:
We state that this is a valuation report, and not a Structural Survey.

Liability & Confidentiality:
Our responsibility in connection with this report is limited to the client to whom the report is addressed, and the express purposes of that client, and to that client and that purpose only. We disclaim all responsibility and will accept no liability to any other party. The limit of our liability to our client shall be the fee for the services we have provided in connection with this valuation, for any and all injuries, damages, claims, losses, expenses or claims expenses arising out of this quotation/visit from any cause or cause. This provision is standard with engagements of this nature and is not provided to waive our professional responsibility but as a mechanism to appropriately reflect the risks and benefits of the parties to the engagement. Where the Instructing Party and the Related Party are different, the Instructing Party should obtain evidence of the acceptance by the Related Party of the limit since the Related Party is not a party to this quotation/visit. Where the Instructing Party and the Related Party are the same, there is no need to obtain such consent since the Instructing Party is a party to the quotation/visit.
HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as Trustee of Frasers Centrepoint Trust)
10 Marina Boulevard #45-01
Marina Bay Finance Centre Tower 2
Singapore 018983

August 1, 2020

Dear Sirs,

MARKET VALUATION OF LAND KNOWN AS LOTS 4710W, 4711V, 10529L AND 10530N MUKTIM
27 LOCATED AT 799 NEW UPPER CHANGI ROAD SINGAPORE 467351 (THE “PROPERTY”)

We have been instructed by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as
Trustee of Frasers Centrepoint Trust) to assess the Market Value of the abovementioned Property as at
August 1, 2020, subject to formal planning excluding differential premium for the change of use and a
fresh 99 years. We have conducted the relevant enquiries and investigation as we considered necessary
for the purposes of providing you with our opinion of the Market Value of the Property.

This valuation may be only relied upon by HSBC Institutional Trust Services (Singapore) Limited (in its
capacity as Trustee of Frasers Centrepoint Trust), its shareholders, unitholders of Fraser Centrepoint
Trust and independent financial advisors (“IFA”) appointed by HSBC Institutional Trust Services
(Singapore) Limited (in its capacity as Trustee of Frasers Centrepoint Trust) and in relation to a
proposed divestment.

Our valuations are made on the basis of Market Value, defined by the International Valuation
Standards (IVS) and SISV Valuation Standards and Practice Guidelines as follows:

“Market Value is the estimated amount for which an asset should exchange on the date of valuation
between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing
wherein the parties had each acted knowledgeably, prudently, and without compulsion.”

.../Page 2
HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Frasers Centrepoint Trust)  
- Market Valuation of Land known as Lots 4710W, 4711V, 10529L and 10530N Mukim 27  
  located at 799 New Upper Changi Road  
  Singapore 467351 (the “Property”)  
August 1, 2020

Our valuation has been made on the assumption that the owner sells the Property in the market subject to the existing committed tenancies, encumbrances, covenants, terms and conditions of the leases.

We have relied on the information provided by Frasers Centrepoint Trust on matters such as land area, tenure, proposed gross/net floor area, planning approval and other relevant information as at August 1, 2020. All information provided is treated as correct and Jones Lang LaSalle accepts no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any other information provided were to materially change.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the Property is free from any major or material encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

We have not carried out investigations on site in order to determine the suitability of ground conditions, nor have we undertaken archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory.

In arriving at our opinion of value, we have considered the prevailing market conditions, especially those pertaining to the retail sector of the Property market. The valuation methods adopted to arrive at our opinion of values are the Discounted Cash Flow Approach, Direct Capitalisation Approach and Direct Comparison Method.

This valuation summary is for the use of HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Frasers Centrepoint Trust), its shareholders, unitholders of Fraser Centrepoint Trust and (IFA) appointed by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Frasers Centrepoint Trust) in relation to a proposed divestment.

We have prepared this valuation summary and specially disclaim liability to any person in the event of any omission from or false or misleading statement, other than in respect of the information provided within our full valuation report and this summary. We do not make any warranty or representation as to the accuracy of the information other than as expressly made or given in our full valuation report or this summary.
HSBC Institutional Trust Services (Singapore) Limited  
(in its capacity as Trustee of Frasers Centrepoint Trust)  
- Market Valuation of Land known as Lots 4710W, 4711V, 10529L and 10530N Mukim 27  
located at 799 New Upper Changi Road  
Singapore 467351 (the “Property”)  
August 1, 2020

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our unbiased professional analyses, opinions and conclusions. The opinion of value contained in the valuation reports are not guarantees or predictions but are based on the information obtained from reliable and reputable agencies and sources, and other related parties.

We have no present or prospective interest in the Property and are not a related corporation of nor do we have a relationship with the advisers or other party/parties whom HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Frasers Centrepoint Trust) is contracting with. The valuers’ compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

We hereby certify that our valuers undertaking this valuation are authorised to practise as valuers and have the necessary expertise and experience in valuing similar types of properties.

Faithfully,

Tan Keng Chiam  
B.Sc. (Est. Mgt.) MSISV, MRICS  
Appraiser Licence No: AD041-2004796C  
Senior Director  
JONES LANG LASALLE

Enc
Valuation Certificate

Property : Land known as Lots 4710W, 4711V, 10529L and 10530N Mukim 27 located at 799 New Upper Changi Road Singapore 467351 (also known as Bedok Point) (the “Property”)

Client : HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Frasers Centrepoint Trust)

Purpose of Valuation : To determine the market value of the Property for the purpose of a proposed divestment.

Legal Description : Lots 4710W, 4711V, 10529L and 10530N Mukim 2721

Tenure : a) In respect of Lot Nos. 4710W and 4711V of Mukim 27:
Lease term: 99 years with effect from March 15, 1978

b) In respect of Lot Nos. 10529L and 10530N of Mukim 27:
Lease term: With effect from September 12, 2007 and expiring on March 14, 2077

Registered Proprietor (for the whole development) : HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Frasers Centrepoint Trust)

Brief Description of Property : The Property comprises 4 plots of land and collectively form an almost trapezoidal shaped land located at the junction of New Upper Changi Road and Bedok Central.

It has a frontage of about 45m along the New Upper Changi Road and about 88m along Bedok Central.

Currently, there is a 4-storey retail mall with 2 basements located on the Property.

Proposed Development : The proposed development, upon completion, will comprise 1 block 10-storey and 1 block 14-storey residential with commercial shop on the 1st storey development with 2 basement carpark subject to the formal planning approval from URA.

Site Area (for the whole development) : 4,136.6 sq.m (44,525.95 sq.ft.)

Proposed Gross Floor Area : Approximately 15,495.80 sq.m. (166,795.24 sq.ft.)
- according to Grant of Written vide URA reference number: ES20200122R0199 dated February 21, 2020.

TKC:m:200396
August 1, 2020
Valuation Certificate (Cont'd)

Proposed Planning Parameters

<table>
<thead>
<tr>
<th>Proposed Use</th>
<th>Commercial</th>
<th>Residential</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Floor Area* (sqm)</td>
<td>1,763.39</td>
<td>13,732.41**</td>
<td>15,495.80</td>
</tr>
<tr>
<td>Net Floor Area* (sqm)</td>
<td>1,391.00</td>
<td>11,987.00**</td>
<td>13,378.00</td>
</tr>
</tbody>
</table>

Note: * approximate and subject to survey
** include bonus balcony of 1,017 sq.m.

Master Plan Zoning (2019 Edition)

Methods of Valuation

Material Date of Valuation

Market Value (excluding differential premium for the change of use and the increased in plot ratio and issue of fresh 99 years)

Tan Keng Chiam
B.Sc. (Est. Mgt.) MSISV, MRICS
Appraiser Licence No: AD041-20047968
Senior Director
JONES LANG LASALLE

S$108,900,000/- (Singapore Dollars One Hundred Eight Million and Nine Hundred Thousand)

TKC:n:200396
August 1, 2020
GENERAL PRINCIPLES ADOPTED IN THE PREPARATION OF VALUATIONS AND REPORTS

These are the general principles upon which our Valuations and Reports are normally prepared; they apply unless we have specifically mentioned otherwise in the body of the report.

1) VALUATION STANDARDS
All work are carried out in accordance with the Singapore Institute of Surveyors and Valuers (SISV) Valuation Standards and Guidelines and International Valuation Standards (IVS), subject to variations to meet local laws, customs, practices and market conditions.

2) VALUATION BASIS
Our valuations are made on the basis of Market Value, defined by the SISV and IVS as follows:

"Market Value is the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

3) CONFIDENTIALITY
Our Valuations and Reports are confidential to the party to whom they are addressed or their other professional advisors for the specific purpose(s) to which they refer. No responsibility is accepted to any other party, and neither the whole, nor any part, nor reference thereto may be included in any published document, statement or circular, or published in any way, nor in any communication with third parties, without our prior written approval of the form and context in which they will appear.

4) SOURCE OF INFORMATION
Where it is stated in the report that information has been supplied by the sources listed, this information is believed to be reliable and we shall not be responsible for its accuracy nor make any warranty or representation of the accuracy of the information. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with the relevant authorities.

5) DOCUMENTATION
We do not normally read leases or documents of title and, where appropriate, we recommend that lawyer's advice on these aspects should be obtained. We assume, unless informed to the contrary, that all documentation is satisfactorily drawn and that good title can be shown and there are no encumbrances, restrictions, easements or other outgoings of an onerous nature which would have an effect on the value of the interest under consideration.

6) TOWN PLANNING AND OTHER STATUTORY REGULATIONS
Information on Town Planning is obtained from the set of Master Plan, Development Guide Plans (DGP) and Written Statement published by the competent authority. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road and drainage improvements. If reassurance is required, we recommend that verification be obtained from your lawyers.

Our valuations are prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been, or will be issued with a Certificate of Statutory Completion by the competent authority.

7) TENANTS
Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

8) STRUCTURAL SURVEYS
We have not carried out a building survey nor any testing of services, nor have we inspected those parts of the property which are inaccessible. We cannot express an opinion about or advise upon the condition of uninspected parts and this Report should not be taken as making any implied representation or statement about such parts. Whilst any defects or items of disrepair are noted during the course of inspection, we are not able to give any assurance in respect of rot, termites or past infestation or other hidden defects.

9) SITE CONDITIONS
We do not normally carry out investigations on site in order to determine the suitability of the ground conditions and services for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

10) OUTSTANDING DEBTS
In the case of buildings where works are in hand or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

.../Page 2
11) INSURANCE VALUE
Our opinion of the insurance value is our assessment of the reinstatement cost for insurance purpose and it comprises the total cost of completely rebuilding the property to be insured, together with allowances for inflation, demolition and debris removal, professional fees, the prevailing G.S.T. (goods and services tax) and, if applicable, compliance with current regulations and by-laws.

12) DIMENSIONS, MEASUREMENTS & AREAS
Dimensions, measurements and areas included in the report are based on information contained in copies of documents provided to us and are therefore approximations. No on site measurements have been taken. We have no reason to doubt the truth and accuracy of the information provided. Our valuation is totally dependent on the adequacy and accuracy of the information supplied and/or the assumptions made. Should these prove to be incorrect or inadequate, the accuracy of the valuation may be affected.

13) ACCURACY, ERRORS & OMISSIONS
Whilst care has been taken in the preparation of the report, no representation is made or responsibility is accepted for errors, omissions and the accuracy of the whole or any part.

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Year 2019
## VALUATION CERTIFICATE

<table>
<thead>
<tr>
<th>Address of Property</th>
<th>The Site of BEDOK POINT at 799 New Upper Changi Road, Singapore 467351 (the &quot;Property&quot;)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our Reference</td>
<td>2020/C2/0061/CORP</td>
</tr>
<tr>
<td>Valuation Prepared for</td>
<td>Frasers Centrepoint Asset Management Limited</td>
</tr>
<tr>
<td>Purpose of Valuation</td>
<td>For sale purpose</td>
</tr>
<tr>
<td>Interest Valued</td>
<td>Unexpired leasehold interest of approximately 56.6 years. It is assumed that the lease will be topped up to fresh 99 years with payment of lease renewal premium.</td>
</tr>
<tr>
<td>Legal Description</td>
<td>Lots 4710W, 4711V, 10529L and 10530N, all of Mukim 27</td>
</tr>
<tr>
<td>Tenure</td>
<td>Lots 4710W and 4711V are held on 99-year leasehold titles commencing 15 March 1978 whilst the land leases for Lots 10529L and 10530N commenced on 12 September 2007 and will expire on 14 March 2077.</td>
</tr>
<tr>
<td>Registered Proprietor/Lessee</td>
<td>HSBC Institutional Trust Services (Singapore) Limited (as trustee of Frasers Centrepoint Trust)</td>
</tr>
</tbody>
</table>
| Brief Description   | The Property is located on the northern side of New Upper Changi Road, within the HDB Bedok Town Centre and approximately 12 km from the City Centre. Accessibility to other parts of Singapore is facilitated by its proximity to the Bedok MRT Station which is within walking distance away, and the Pan-island Expressway and East Coast Parkway.  

The Property occupies 4 adjacent land plots together forming a near rectangular site. The site has a road frontage onto New Upper Changi Road and is generally flat and at access road level.  

Currently, standing on site is a 5-level retail development with a basement car park. Our instruction is to assume that the existing development will be demolished to make way for a residential development with commercial use on 1st storey.  

According to URA’s Advice on the Outline Application dated 21 February 2020, land use of “Residential with Commercial on 1st storey” with a gross plot ratio of 3.5 can be allowed (subject to successful re-zoning).  

Based on the Outline Application, the proposed development will comprise 149 apartment units within 2 residential blocks of 10 storeys and 14 storeys, retail/commercial units on the 1st storey and 2 levels of basement car park. |
| Total Site Area     | 4,136.6 sm or thereabouts                                                               |
We understand that the proposed Gross Floor Area ("GFA") of the residential and commercial components are as follows:

<table>
<thead>
<tr>
<th>Type</th>
<th>GFA (sm)</th>
<th>GFA (sf)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential GFA</td>
<td>12,715.41</td>
<td>136,867.40</td>
</tr>
<tr>
<td>Residential bonus GFA</td>
<td>1,017.00</td>
<td>10,946.89</td>
</tr>
<tr>
<td>Commercial GFA</td>
<td>1,763.39</td>
<td>18,980.95</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>15,495.80</strong></td>
<td><strong>166,795.24</strong></td>
</tr>
</tbody>
</table>

For purpose of the valuation, the proposed saleable area for the residential and commercial components are assumed as follows:

<table>
<thead>
<tr>
<th>Type</th>
<th>Proposed Saleable Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>11,987 sm / 129,027 sf</td>
</tr>
<tr>
<td>Commercial</td>
<td>1,391 sm / 14,972 sf</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13,378 sm / 143,999 sf</strong></td>
</tr>
</tbody>
</table>

The development scheme and proposed GFA/saleable area are subject to changes and planning approval.

The site is currently zoned “Commercial” with plot ratio of 3.0. We assume the proposed re-zoning of the site to “Residential with Commercial on 1st Storey” will be granted.

Our valuation is made on the basis of Market Value and on the basis of a redevelopment site, assuming that change of use/re-zoning to “Residential with Commercial on 1st storey” is approved and the land lease can be topped up to fresh 99 years subject to payment of lease renewal premium.

Residual Method and Comparison Method

1 August 2020

$107,200,000/- (excluding Lease Renewal Premium)
Singapore Dollars One Hundred Seven Million and Two Hundred Thousand Only

We have considered the effects of COVID-19 with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that the pandemic might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.
This valuation is provided subject to the caveats and assumptions, qualifications, limitations and disclaimers attached to the valuation report. The valuation report and certificate have been prepared for the use of the instructing parties for the stated purpose only and cannot be relied upon by third parties.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
B.Sc (Estate Management), MSISV
Appraiser’s Licence: AD041- 2003809B
Executive Director
Valuation and Advisory Services

GSL/SS/ct
APPENDIX D

INDEPENDENT MARKET RESEARCH REPORT

SINGAPORE RETAIL MARKET & ASSET STUDY

FINAL REPORT
Prepared for
Frasers Centrepoint Trust
24 August 2020
CISTRI STAFF RESPONSIBLE FOR THIS REPORT WERE:

Director          Jack Backen
Associate Director Liow Yurong
Senior Consultant  Park Sang Jin
Consultant        Wong Ee Iyn
Project Code      P0023168

All information supplied to Urbis in order to conduct this research has been treated in the strictest confidence. It shall only be used in this context and shall not be made available to third parties without client authorisation. Confidential information has been stored securely and data provided by respondents, as well as their identity, has been treated in the strictest confidence and all assurance given to respondents have been and shall be fulfilled.

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201615528K

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You must read the important disclaimer appearing within the body of this report.

cistri.com
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20. Retail Competition
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   20.2. Proposed Competition
   20.3. Forecast Shopping Centre Floorspace
   20.4. Implications

21. Outlook & Conclusions

Disclaimer

Oxford Economics Disclaimer
EXECUTIVE SUMMARY

Economic Outlook

Due to the COVID-19 pandemic, the Singapore economy is expected to go through a deep economic downturn, one that will be felt for the next couple of years. Economic recovery is likely to be gradual, probably over the next two to three years.

The pandemic presents challenges to all parts of the economy, including the retail market. The worsening labour market conditions (overall unemployment rate is projected to increase from 2.3% in 2019 to 3.3% in 2020 while the ratio of job vacancies to unemployed persons fell from 0.84 in Q4 2019 to a decade low of 0.71 in Q1 2020) and the collapse of tourism numbers (historic low of 748 visitors in April 2020) are likely to restrain Singapore’s retail market over the next couple of years.

However, the number of new infections in Singapore has stabilised. Most economic and social activities have resumed with safe distancing measures after the easing of Singapore’s Circuit-Breaker restrictions. The Singapore Government has announced (and acted upon) large budget stimulus packages of nearly 20% of gross domestic product. Global trade markets are opening up too. While a second wave of virus could set the recovery back, the Singapore Government is now far better prepared to deal with it quickly.

Singapore has managed to support long-term economic growth in recent decades notwithstanding several major global economic shocks. The fundamentals of the Singapore economy remain sound as it retains its strong competitive position in the world market. We expect Singapore to recover well from the COVID-19 pandemic just as it has during previous crises.

While there are speed bumps over the short-to-medium-term, we remain optimistic about the Singapore economy over the long-term.

Retail Market Trends

Notwithstanding ongoing changes in the market, traditional retail remains highly relevant to Singapore consumers. E-Commerce, while has made an impact on the market, is not going to replace all brick-and-mortar retail, especially in Singapore’s suburbs.

Retail is a dynamic market and it evolves rapidly. Amidst the market challenges, it is commendable that many retailers and mall owners have responded positively with successful game plans. For instance, cinema operators have adjusted their strategies to survive and thrive even as many adopted digital streaming services. Department stores globally are trying to re-invent themselves, and as IKEA’s recent announcement about their new Jurong East store shows, new tenant opportunities continue to emerge.

The trends that are driving this change create both risks and opportunities. Understanding these trends helps mall owners to mitigate the risk and to seize the opportunities. For Singapore’s shopping centre owners, the trends outlined in this report will generate numerous opportunities to help position them for the future, including:

- Create high quality and alluring public spaces, complemented by an array of technology-driven entertainment tenants to provide an experiential retail environment. In the move to complement and compete with online retail, the focus of malls should be to provide a space for new and extraordinary experiences that drives consumption.
- Identify variables that have a positive impact on shoppers’ satisfaction and revisit intention. As shoppers increasingly favour experiential retailing, shopping centre owners must actively re-imagine the mall as a town centre that provides a huge array of services and a space for leisure and social activities.
- Integrate the mall into the E-Commerce system as a provider of last mile essentials. Long waiting time for delivery of online orders from supermarket and grocers highlighted the lack of sufficient logistical bandwidth. Suburban malls, which are located near homes and transportation nodes, can play the role of fulfilment hub for last mile essentials. Given its proximity to shoppers in the neighbourhood, suburban malls offer an additional option of store pick-ups, alleviating the strain on delivery capacity.
- Build omni-channel strategies. The pandemic has accelerated online adoption. Retailers are investing more in strengthening their online presences to supplement in-store sales. Omnichannel retailing experience provides an integrated customer experience. Retail outlets located near transport nodes and serving large residential catchment areas are better placed to provide these integrated customer
experience. Apart from click and collect stores, initiatives such as digital F&B concierge service and mobile marketing campaigns through customer loyalty program app will further improve the experience for shoppers.

- Focus on sustainability and wellbeing. Continue to improve and market each mall’s sustainability and environmental credentials. Similarly, focus on the wellbeing of customers in terms of both tenant mix and customer care. Post-pandemic, hygiene will be a top consideration for shoppers. Mall owners with the resources to implement measures and systems, such as UV-disinfecting robots and contactless payment system, are likely to emerge as winners.

- Connect with the local market. Rope quality, well-received and local tenants into the mall.

In faced with both short and long term challenges, mall operators must understand and respond rightly in order to thrive amidst change and disruption.

The Impact of COVID-19 on Market Trends

The impacts of the pandemic on shopping malls can be grouped into three main categories:

- **Consumer Behaviour Impact:** Much of the discussion in the media has been about how the pandemic could permanently change consumer behaviour. From a shopping preference perspective, this may only be partially true as we do not foresee a lasting impact on shoppers’ behaviour. Online spending will likely increase, but we expect this will only attract a market share of less than 10% by 2025 (See Chart 0.1). Shoppers will learn to adapt to social distancing rules, which will likely fade over time.

- **The Economic Impact:** Shoppers have, to date, adopted a very frugal mindset as they adopt a wait-and-see approach. The Government has implemented large scale economic stimulus to cushion the economic impact. Malls that are more reliant on foreign dollars are likely to be hit the hardest as travel restrictions are unlikely to be lifted anytime soon. However, we are positive that these ramifications will dissipate over time as the economy rebounds gradually (note the discussion of economic outlook on the previous page).

- **The Impact on Tenants:** The temporary closure of shops will stretch the finances of many retailers, particularly the smaller ones that did not set aside finances for contingency plans. More physical retailer closures are expected as some shift their focus towards omnichannel retailing. However, we are hopeful that the worst is over now, judging by the reopening of most retail shops and how well the Government and landlords have responded to buffer the impact.
We retain an optimistic long-term outlook for Singapore’s suburban malls. These malls have unique features that limit the impact of the pandemic:

- They have low reliance on tourism, which is heavily impacted by COVID-19.
- The supply of suburban retail space is generally well planned out by the Government in line with population growth in the region. This limits the impact of oversupply seen in many other markets, which means that suburban mall owners generally went into the pandemic in a position of relative strength.
- Since suburban malls are generally more focused on offering essential products, F&B options and supermarkets, they remain resilient during economic downturns.
- The Government is taking a staged approach to opening up malls (Circuit-Breaker Phase 2). While most tenants were allowed to open at the start of Circuit-Breaker Phase 2 (19 June 2020), cinema and entertainment tenants were only allowed to re-open from 13 July 2020 (with a reduced 50-person limit). We note the latter forms a small proportion of rental income for suburban malls at approximately 5% of leasable area.
- Measures have been put in place to provide relief to tenants in order to tide them through the pandemic. The Government has passed laws to help small and medium-sized enterprises to cope with rental issues. Eligible tenants can receive four months of rental waivers; two months each from the Government and the landlord. Meanwhile, under the Jobs Support Scheme rolled out by the Government, wage support is provided to encourage firms to retain their local staff.

**Retail Market Metrics**

A long-term view should always be taken when analysing the retail market. Notwithstanding the challenges that retail markets are facing, we remain confident that the retail market will continue to present opportunities for suburban shopping centre owners over the long-term.

The suburban retail market has been through its most difficult period in living memory. But the worst could be over and we expect to see a material improvement over the next twelve months.

Our retail sales forecast for suburban malls over the next few years are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Consumer Retail Spend</th>
<th>Less:</th>
<th>Add:</th>
<th>Total Retail Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>29.8</td>
<td>0.9</td>
<td>1.9</td>
<td>32.4</td>
</tr>
<tr>
<td>2025</td>
<td>39.2</td>
<td>3.2</td>
<td>6.9</td>
<td>43.9</td>
</tr>
</tbody>
</table>

CAGR: +5.6% 88% 2020 2025

% of Total Retail Sales: 86%

- **Consumer Retail Spend** includes Work Pass Holders.
- **Tourism Retail Spend** includes Malaysian Daytrippers.

**Source:** Cistri
These forecasts are clearly subject to the timing of the easing of restrictions both within Singapore as well as global travel restrictions. There could be a stronger and faster pick up on retail sales (e.g. H2 2020 decline of between -2% and -4%) if movement control or social distancing requirements are eased earlier than we have assumed.

Several key indicators that point to the long-term performance of suburban malls:

- A subdued supply in the market, as compared to the past few years.
- Measured supply to ensure a healthy market.
- Relatively lower shopping centre floorspace as compared to global standards.
- Relatively higher allocation for “essential services”, as classified by the Government, in the tenant mix – hedges risk against similar crisis in the future.

When the economic impact of COVID-19 gradually reduce in the next two years, we are expecting the suburban retail market to return close to where it was before the disruption.

**Asset & Catchment Summary**

The following two tables outline some key features of the five portfolio assets in the Asia Retail Fund. FCT’s existing portfolio has a catchment population of 2.1 million within a 3km radius of the respective malls (“3km Catchment Population”), covering 37% of the total Singapore population. The acquisition of the five portfolio assets will add a further 39% of 3km catchment population, bringing the total coverage to 3.0 million, equivalent to 52% of the total Singapore population in 2020¹. This suggests that the addition of the five portfolio assets will bring a level of complementarity to the existing FCT portfolio.

<table>
<thead>
<tr>
<th>Mall</th>
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<tr>
<td>Tiong Bahru Plaza</td>
<td>214,708</td>
<td>396,000</td>
<td>Tiong Bahru</td>
<td>19.9 mil</td>
</tr>
</tbody>
</table>

* Tampines MRT Station used as reference point as these malls belong to the same retail cluster.

Source: LTA, Cistri

¹ Note that where 3km radius of malls overlap, population has only been counted once.
<table>
<thead>
<tr>
<th>Asset</th>
<th>Population(^1) ('000)</th>
<th>Population Growth(^2)</th>
<th>Per Cap Shopping Centre Floorspace(^3)</th>
<th>Catchment Highlights</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tampines Town Centre:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Century Square</td>
<td>662</td>
<td>0.8%</td>
<td>3.6</td>
<td>• Malls located in an integrated, transport focused, regional centre.</td>
</tr>
<tr>
<td>• Tampines 1</td>
<td></td>
<td></td>
<td></td>
<td>• Surrounding population is well established, but with growth opportunities.</td>
</tr>
<tr>
<td>• URA plans to develop some vacant sites surrounding the centre in the future, mostly for residential uses.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>White Sands</strong></td>
<td>171</td>
<td>2.2%</td>
<td>5.5(^4)</td>
<td>• Mall located adjacent to transport hub at the heart of Pasir Ris.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Large scale new residential development occurring to the south.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Site adjacent to Pasir Ris MRT will be developed over the next few years to include residential and competitive retail (assumed full operation in 2025).</td>
</tr>
<tr>
<td><strong>Hougang Mall</strong></td>
<td>409</td>
<td>0.06%</td>
<td>1.6</td>
<td>• Part of a smaller neighbourhood activity centre.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Densely populated residential area, catchment population are residents from surrounding private and public housing.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• The new integrated transport hub at Hougang MRT station along with the opening of the Cross Island Line interchange (in 2029) will boost vibrancy and accessibility for the mall.</td>
</tr>
<tr>
<td><strong>Tiong Bahru Plaza</strong></td>
<td>267</td>
<td>0.1%</td>
<td>2.6</td>
<td>• Central to well-established residential estate with resident households’ income higher than average.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• More residential development opportunities in the surrounding, in the future.</td>
</tr>
</tbody>
</table>

1. 2020 total trade area population.  
2. 2020 – 2025 CAGR, total trade area.  
3. Per capita shopping centre floorspace for Total Trade Area. Singapore Suburban average provision is 3.2, Singapore average is 6.5.  
4. Inflated due to Tampines Retail Park (IKEA, Courts and Giant). If Tampines Retail Park is removed, per capita shopping centre floorspace drops to 2.1 sq.ft per person for White Sands total trade area.
INTRODUCTION

Cistri has been commissioned by Frasers Centrepoint Trust (FCT) to undertake a market study for five retail assets – Tampines 1, Century Square, White Sands, Hougang Mall, and Tiong Bahru Plaza. Throughout this report we refer to these assets collectively as the ‘portfolio assets’.

This study aims to achieve the following:

- Provide forecast of Singapore’s economic and retail market performance.
- Provide insights on major retail trends in the retail market.
- Analyse the catchments of the five malls individually and provide an independent view on their outlook.

The Impact of COVID-19

At the time of the writing of this report, the world has been impacted by the COVID-19 pandemic, resulting in many economies going into a recession. The Singapore Government has reacted strongly both from a healthcare perspective (instigating the Circuit-Breaker lockdown) as well as an economic perspective (major economic stimulus).

There is a significant amount of uncertainty surrounding the short, medium and long-term implications of the pandemic. We have presented our views in this report but note the inherent risks in forecasting in this environment. This report must be read in this context.

Our broad assumptions regarding the COVID-19 pandemic is that:

- The remainder of this year remains difficult and uncertain as businesses are gradually opening up, noting the risk of a second wave resulting in a return to Circuit-Breaker conditions.
- International travel is expected to resume towards the end of the year, but is focused on (a) business travel and (b) only with various countries that Singapore is developing bilateral agreements for safe travel with. The recovery in the tourism market will be gradual and will span over a few years.
- We assume that a vaccine is not available and distributed within the next 18 months, but screening, testing and social distancing will allow for easier containment and the gradual resumption of economic activities.
- Economic recovery is assumed to span across two to three years, with domestic economic activity rebounding relatively stronger and faster (one to two years) as compared to trade and tourism which may turn the corner at a later period.

Further details on the specific outlook for the economic and the retail market are presented in the first four chapters of this report.

Please note Cistri’s disclaimer at the end of this report, which deals specifically with the impact of the COVID-19 pandemic.

Benchmarks Used in this Report

We note that four of the portfolio assets – Century Square, Tampines 1, White Sands and Hougang Mall – are all located in what URA defined as Singapore’s “Outside Central Region”. Only Tiong Bahru Plaza is located within the area defined as the Central Region.

As such, our analysis provides benchmarks of the ‘suburban’ retail market, which is defined as the Outside Central Region. Even though Tiong Bahru Plaza is not geographically within the Outside Central Region, it operates like a suburban mall, and thus the suburban benchmarks are more relevant than the Central Region benchmarks. Where relevant, we have also provided Central Area and Singapore benchmarks and analysis.
The Asia Retail Fund (ARF) Singapore Retail Assets

The five assets under the ARF Singapore Retail Assets portfolio are presented on, along with the existing FCT Retail Malls. Based on the 3km catchments presented in the Map 0.1, existing FCT Retail Malls have good coverage across Singapore’s suburbs, and the acquisition will further strengthen FCT’s suburban mall overall catchment, particularly with some of Singapore’s densely populated central and eastern suburbs (refer to Map 0.2).

FCT Retail Malls have a catchment population of 2.1 million within a 3km radius of the respective malls ("3km Catchment Population"), covering 37% of the total Singapore population. The acquisition of the five portfolio assets will add a further 39% of 3km catchment population, bringing the total coverage to 3.0 million, equivalent to 52% of the total Singapore population in 20202.

A summary of the five portfolio assets is provided in the table below.

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* Tampines MRT Station used as reference point as these malls belong to the same retail cluster. Source: LTA, Cistri

2 Note that where 3km radius of malls overlap, population has only been counted once.
All assets in the portfolio are suburban shopping centres that exhibit key features that support the local community:

- A one-stop shopping spot that offers essential goods and services to residents and commuters.
- Centrally located within densely populated catchments, providing a hub for social and entertainment activities.
- Located close to transport hubs with excellent footfall catchment.
- With the planned suburbanisation coupled with measures (such as, Work from Home) set in place due to COVID-19, these malls are in close proximity to where people work and live.
KEY DATA SOURCES

- Singapore Department of Statistics
- Housing & Development Board
- Urban Redevelopment Authority
- Land Transport Authority
- Oxford Economics
- Annual Reports of Retail Landlords
- Frasers Centrepoint Trust

ABBREVIATIONS

- AEI – Asset Enhancement Initiative
- ARF – Asia Retail Fund
- ATL – Average Trading Level
- AYE – Ayer Rajah Expressway
- CAGR – Compound Average Growth Rate
- CBD – Central Business District
- CPI – Consumer Price Index
- CTE – Central Expressway
- CY – Calendar Year
- F&B – Food & Beverage
- FCT – Frasers Centrepoint Trust
- FY – Financial Year
- GDP – Gross Domestic Product
- GLS – Government Land Sales
- HDB – Housing & Development Board
- LRT – Light Rail Transit
- LTA – Land Transport Authority
- MRT – Mass Rapid Transit
- OCR – Occupancy Cost Ratio
- PIE – Pan Island Expressway
- Singstat – Singapore Department of Statistics
- STB – Singapore Tourism Board
- TPE – Tampines Expressway
- TTC – Tampines Town Centre
- URA – Urban Redevelopment Authority
SUBURBAN RETAIL MARKET CONTEXT
1. **SINGAPORE ECONOMIC OVERVIEW**

Critical to any understanding of the future of the retail market in Singapore is understanding the underlying economic context. This section provides a background analysis of the Singapore economy, providing high level forecasts with some key economic indicators.

Considering that the pandemic is still evolving and change in dynamic, this report will focus largely on the long-term outlook for Singapore’s economy.

### 1.1. A LONG-TERM GROWTH STORY

Singapore has built up an enviable position at the cross-roads of economic development not only within South-East Asia but globally as well. It has become a hub for international trade, finance, and energy and it is en route to becoming a first-choice destination for businesses setting up operations in Asia as other cities struggle to provide the economic development, accessibility, stability and rule of law that Singapore does.

According to the World Bank ‘Doing Business 2020’ report, Singapore was rated the 2nd best country in the world for ease of doing business. Since the turn of the century, the economy had grown by, on average, 5.1% per annum, with only one year of negative growth. More critically, the economy has also continued to grow in terms of real GDP per capita, translating to more opportunities for real income growth across the city.

Throughout this time, there had been some powerful underlying drivers of growth.

- While global trade has come under pressure in recent times, it remains a large component of Singapore’s economy. In the decade to 2019, domestic exports grew by 2.3% per annum largely attributed to a mix of oil related exports as well as high tech and medical instruments.

- Manufacturing in general has also underpinned long-term growth, increasing in output by 4% per annum in the decade to 2019. Growth has been supported by some of Singapore’s largest manufacturing industries – food & beverage, chemicals, computers and electronics, machinery and equipment.

- Services have grown significantly in importance, with receipts for service businesses growing by 11% per annum, and solid growth across almost every service sector³.

### 1.2. THE CURRENT SITUATION

However, no matter how strong the underlying economic fundamentals, the current pandemic will have a major impact on Singapore. Singapore’s success has been built on globalisation and trade. The global economic shut down coupled with the halt to international travel have an outsized effect on Singapore. As a result, Singapore is riding through one of the most difficult periods in its relatively short modern economic history.

Prior to the pandemic, the Singapore economy was already facing challenges. Global trade tensions, mostly involving the USA and/or China, were already straining the global economic growth in 2019. Domestically, pockets of economic weaknesses had appeared in

- Some manufacturing segments that had traditionally been strong drivers of growth (e.g. petroleum products, computer & electronic products, chemical products).

- The retail market remained weak and exports in some key industries fell (electronics, and oil related industries)³.

As a result, prior to the pandemic the Ministry of Trade and Industry had forecast economic growth in 2020 to fall to between -0.5% and 1.5%, seemingly low by historic standards.

Now the global pandemic has reset all assumptions of economic growth. Many have lost their jobs, incomes have plunged and work productivity are expected to decline with the COVID-19 movement restrictions. Many

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³ All data extracted from Singstat Table Builder, 26 May 2020, [https://www.tablebuilder.singstat.gov.sg/publicfacing/mainMenu.action](https://www.tablebuilder.singstat.gov.sg/publicfacing/mainMenu.action)
industries ground to a halt earlier in the year – including much of the retail industry – as the Circuit-Breaker forced many businesses to shut and others to work from home.

The Government responded with massive support – four budgets in four months and close to $100 billion of targeted expenditure (or close to 20% of GDP). Based on advance estimates, Singapore’s GDP contracted by 12.6% YoY in Q2 2020 due to the implementation of Circuit-Breaker measures from 7 April to 1 June. Even with the Government stimulus package, the Government expects that GDP will decrease by between 4% and 7% this calendar year.

However, Singapore has already gradually reopen the economy, with most industries back in operation, albeit with limitations.

1.3. MEDIUM-TERM OUTLOOK

While we remain in the depths of such an economic shock, it is difficult to be too certain on the short-term outlook. However, there are definite medium-term negative ramifications:

- Singapore's tourism-related sectors will struggle to rebound while international travel is curtailed. While travel bubbles may be possible (e.g. with Australia and New Zealand), full lifting of travel restrictions is unlikely to occur until a vaccine or effective treatment is found.
- Business productivity to decline because of safe-distancing and stay-home curbs.
- The challenge to cope with lack of manpower to continue various works as some sectors rely mostly on the foreign population who, unfortunately, has largely been down with the virus.
- The challenge to create jobs in the quickest possible time frame.

On the other hand, there are emerging trends on a global level that reflect a positive outlook:

- With the Lockdown success, China’s industrial output expansion grew by 3.9% in April before it increased by a further 4.4% in May. While retail sales in China fell by 2.8% in May, this was an improvement compared to the -7.5% recorded in the previous month. Likewise, other countries are showing similar patterns of recovery in the retail market, as shown in Chart 1.1 below.
- Similarly for Australia, Malaysia and some parts of Europe as they reopen their economies, there are signs of recovery.

Retail Sales

China, USA & South Korea YoY Retail Sales Growth, June 2019 – May 2020

![Chart 1.1](source: Trading Economics)
1.4. LOOKING TO THE FUTURE

Our view of Singapore’s long-term potential remains positive in both absolute and relative terms.

In absolute terms, as noted in the opening paragraphs of this section, Singapore has a history of economic growth and the ability to ride out the economic shocks because of the Government’s prudent economic management. When faced with challenges, the Government makes difficult decisions even if they are unpopular strategies.

From an economic and political perspective, Singapore is expected to maintain her strong positioning as the ideal business hub.

Therefore, notwithstanding the short and medium-term challenges to Singapore’s outlook, we remain optimistic about the long-term potential for Singapore’s ongoing growth.
2. RETAIL MARKET TRENDS

This section outlines the major trends that are influencing the retail market currently. First, we consider the major trends that existed prior to the current pandemic, then we look at how the pandemic might change them and how we see them evolving in the future.

2.1. CONSUMER BEHAVIOUR & DYNAMICS

As with many other retail markets, the behaviour and shopping preferences of consumers in Singapore continue to evolve and change at an ever-increasing rate.

Key trends identified are:

- More retail space has been allocated to accommodate F&B, health and fitness, communications and services instead of fashion.
- Experiential retail is highly sought after – consumers value experience and in-store engagement.
- The growth of personalisation in retail.

Apart from the above trends we see in today’s market, there is also another key movement to be noted – the suburbanisation of our city. In regional areas such as Tampines, there are ongoing office and other commercial developments that will address the demand for office spaces in the precinct. On the other side of Singapore, the Jurong Lake District is expected to be Singapore’s second CBD in the future. This decentralisation will push people to work closer to their homes and be in close proximity to the suburban malls.

2.2. DIGITAL ECONOMY

Over the past decade, there have been many discussions about retail apocalypse in Singapore. The booming digital economy is no doubt a key reason why the retail scene has evolved rapidly. Here are some impacts of the digital economy:

- Most online retailers end up absorbing last mile transport cost to remain cost and price competitive. As such, many have since moved to omnichannel retailing. Research has shown that owning a physical footprint in the market does benefit the retailers⁶.
- While some retailers have been hit by e-commerce, others maintain their strong foothold in the brick-and-mortar stores. For instance, F&B and supermarket retailers have proven to be quite resilient to date. To this end, since they occupy a large part of suburban malls, these retailers cushion the impact mall owners face from the digital economy.
- Technology is allowing customers to make much more informed purchases (ROPO or research online, purchase offline), receive faster and on-demand deliveries, be kept up to date on the latest products and promotions, and have more cashless payment options.
- We are now seeing a convergence of online and offline retail. Retailers and landlords are now aware of the need to trade via omnichannels. There is now a relentless drive to create seamless connectivity between the online and offline realms.
- Online retailing is gaining a larger market of consumers. (Please refer to Section 3.1 for more details.)

Shopping centres have been changing to reflect these trends:

- Digital marketing and digital wayfinding – this includes the ability to network directly to mobile phones and make far better use of loyalty programs in a digital setting.

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⁶ The Halo Effect, How Brings Impact Clicks, ICSC, 2018
• Shopping centres are understanding their potential to be a central player in the online retail logistics network. While retailers have often provided click & collect, mall owners like the Scentre Group in Australia are starting to do the same on behalf of their retailers.

Singapore’s suburban malls have the opportunity to also play this role, given that they are typically located in the middle of densely populated catchments, on top of extremely well-utilised transport hubs.

On the other hand, we also note that Frasers Property has upgraded its multi-feature mobile app Frasers Experience. The aim of the enhancement has been to improve customer experience with features such as digital gift cards and digital F&B concierge service. The online F&B concierge service connects users to F&B outlets in malls managed by Frasers Property and offers store pick-up and food delivery options.

• The availability of big-data is helping landlords and retailers understand their customers better than ever, allowing owners to be more targeted in the curation of malls. Transaction data is increasingly being used to help landlords curate their tenant mixes and arrange targeted activities designed for specific market segments.

• Upcoming trend to mechanise functions in the management of the mall. For example, Frasers Property has deployed UV-disinfecting robots in helping in its fight against the pandemic. Quick adaptation of such technology can help increase productivity, and can also help provide a competitive edge to the mall by exhibiting how shoppers’ wellbeing is being safeguarded.

Implementing these changes may not be easy for all mall owners. Mall owners who are inexperienced or lack the scale to roll out such innovations may find it difficult from an expenditure point of view. This will in turn provide a competitive advantage to those operators who are more sophisticated and can implement the innovations across multiple assets.
2.3. **SUMMARY OF MEGA-TRENDS**

In addition to what we have discussed above, the following summarizes our view of the mega-trends that have been impacting the global retail market over the past decade. These long-term trends have been influencing the retail market in both dramatic and subtle ways. None of these are a flash-in-the-pan; each has developed solid long-term momentum. When thinking about how the Singapore retail market will evolve over the coming years, it is important to keep in mind these mega-trends.

<table>
<thead>
<tr>
<th>Trend</th>
<th>Description of Trend</th>
<th>Implications for Shopping Malls</th>
</tr>
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</table>
| Localisation | The ongoing evolution of shopping centres into community hubs that are deeply connected to their local community and environment. | • Mall owners are becoming more aware of the need to curate the mall with a more local focus, including promoting local goods and services, or activities that are curated specifically for the local market.  
• COVID-19 is likely to sharpen shoppers’ focus on their local community.  
• Increasingly they will be interested in sourcing local products, knowing how malls are supporting their local community, and seeing activities and events that support local.  
• Furthermore, as online retail evolves, there will be increasing need for last mile delivery infrastructure – this remains a major issue for all online retailers. Suburban malls have the potential to play a role as a last-mile fulfilment hub given their advantage of being close to homes and public transport nodes. |
| Omnichannel & Phygical | The ongoing changes to consumer and retailer behaviour driven by the move from the analog to the digital. | • The digital economy has a profound impact on retailers. From introducing new retail competition, to providing an endless communication channel for shoppers and retailers, shopping centres have been forced to make many changes and continue to do so.  
• We are seeing a merger of online and offline retail. Retailers and landlords are now aware of the need to trade via omnichannels, and this need has been enhanced greatly by the impact of COVID-19. There is a relentless drive to create seamless connectivity between the online and offline realms.  
• For example, phone apps that act as a mall’s e-Concierge can help integrate shoppers’ online research and purchases with offline fulfilment. Smaller retailers, who otherwise would not have the resources to develop such a service, can be brought into the online world by their offline landlord. Loyalty programs can be more seamlessly be integrated with shopping via the same app. |
<table>
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</tr>
</thead>
<tbody>
<tr>
<td>Experience Retail</td>
<td>The Experience Economy is transformational in its impact on shopping centres. It describes the shift in consumer mindset and behaviour from a materialistic to experiential value system.</td>
<td>• Over time we see a re-allocation of consumer expenditure from products to experiences.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Shopping malls may need to gradually increase the amount of space dedicated to experience-focused tenants (leisure, entertainment, F&amp;B).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• There will be a need for strong place making, including high quality physical places as well as place activation.</td>
</tr>
<tr>
<td>Convenience &amp; Connectivity</td>
<td>Convenience and connectivity combining to simplify the shopping experience. An everlasting trend that should not be forgotten. This trend is now being driven by an increase in working from home, in close proximity to local malls.</td>
<td>• Malls need to consider themselves as town centres, not just retail centres, offering the widest range of convenience-focused services beyond just shopping.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Malls will need to be far more integrated into the new omnichannel world of retail to maximise convenience for shoppers.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Most of Singapore’s suburban malls already have a distinct advantage, being located in the middle of large catchments with integrated public transport.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Suburban malls should benefit from increased working population working from home for business continuity and safe distancing measures.</td>
</tr>
<tr>
<td>Health &amp; Wellness</td>
<td>People are looking for ways to improve and prioritise health and wellbeing, focusing on physical, mental, and social improvement. This trend already existed pre-COVID-19, but we expect COVID-19 will drive this forward.</td>
<td>• Somewhat related to the “Social &amp; Environment Consciousness” and Experience Economy trends.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Opens opportunities to increase the share of floorspace to these tenant categories (e.g. health and wellness), which occupy weaker upper level space.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Also affords opportunities to provide strong place making elements around ‘wellness’ precincts.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Singapore’s aging population will further support this trend, increasing demand for healthcare products and services near to where people live.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• COVID-19 should draw attention of mall operators to provide a high level of hygiene and safety in the mall. Mall owners who can invest in strategies and technologies to improve this should have a competitive advantage.</td>
</tr>
<tr>
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</table>
| Social & Environmental Consciousness | The shift from hyper consumption to conscious consumption is based on choices that focus on ethics and sustainability. An evolving trend in Singapore, more established in other markets. | • Malls will need to present strong ethical and environmental credentials to consumers.  
• It will also impact retailer success – those that present ethical and sustainable brands will have a competitive advantage. |
3. THE IMPACT OF COVID-19 ON MARKET TRENDS

In the previous section we outlined the major trends that are influencing Singapore’s retail market. The onset of the COVID-19 pandemic has added another layer of complexity to these trends, and how mall owners should be responding. In this section we discuss how the pandemic is impacting malls, and in particular the impact this will have on Singapore’s suburban malls.

3.1. CONSUMER BEHAVIOUR IMPACT

Probably most spoken about in the media are the behavioural changes that are expected to flow from COVID-19. The logic is quite neat – as shoppers get used to cooking at home, buying goods online, doing their work-out in front of YouTube, it is going to be hard to entice them back to the traditional ways of doing things.

There will certainly be an impact on consumers’ behaviour, but the question is how big will it be? Obviously, the jury is still out on this, but we would make the following points.

Impact on Online Spending

During the COVID-19 Circuit-Breaker (Phase 1) we undertook surveys that suggested that shoppers, on average, are not expecting their behaviour to change dramatically. In a survey of 400 consumers during May 2020 (in Singapore), when asked about how often they would visit the mall after the pandemic is over:

- 70% said that they thought they would visit malls as often as they used to,
- 17% said that they would go to malls less, and
- 12% said that they would go to malls more.

When asked about whether they would spend more or less online:

- the majority (66%) suggested their preference would not change, and
- an equal proportion said it would either rise (17%) or fall (17%).

Interestingly, the people who said that their behaviour would change was more pronounced among those that had either lost their job or were very concerned about their income during the current pandemic, suggesting the change might be more influenced by income factors rather than preferences.

Why then, given that so many people are being forced to do more online shopping at the moment, do shoppers not think that this is changing their shopping preferences significantly?

We suggest that there are three reasons for this:

1. Prior to the pandemic the online shopping industry in Singapore was relatively small, attracting just ~5-7% of total retail sales in recent years. As such, few operators were set up to deal with the influx of orders they received resulting from the pandemic. Thus, the online shopping experience during the pandemic for many shoppers has been far from ideal.

2. The first effect has been exacerbated by the fact the experience of online shopping has been sub-optimal due to delays in delivery and poor product return arrangements.

3. In our global experience, Singaporeans have a unique relationship with their local malls. Their townships are built around them, their train and bus stations sit below them. Malls in Singapore are places to rejuvenate, socialise and entertain. Being cooped up inside homes for weeks on end has probably led to a level of pent-up desire to visit their local mall.

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1 Figure don’t add to 100% due to rounding.
Impact of Social Distancing

Changes caused by other behavioural changes are more nuanced. The impact of social distancing remains difficult to assess. We have seen in markets that have already re-opened their malls that social distancing is loosely observed by some shoppers. One mall owner in Malaysia indicated they were having problems keeping shoppers apart. Nevertheless, as long as COVID-19 remain active, restrictions on movement will exist and this will certainly have an impact on short-term shopping behaviour.

The key variables are (a) how long will these changes last and (b) what will the long-term implication be? The longer it takes to find a vaccine or effective treatment for COVID-19, the more entrenched these new behaviours might be.

However, with shopping centres in Singapore now allowed to be almost completely open, provided that there is no other forced closures, we do not expect the impacts to be too long lasting. Malls in China have re-opened, and footfall for many suburban malls has returned to 80% of pre-COVID levels relatively quickly. Suburban malls in Australia are experiencing the same.

Therefore, we are not expecting a dramatic long term change in shoppers’ behaviour from a preference perspective. The mega-trends we have discussed above will be accelerated in some cases (e.g. focus on wellbeing). Online spending will likely increase, but probably not to the scale that some might expect. Shoppers will learn to work with social distancing rules, which is expected to fade over time.

3.2. THE ECONOMIC IMPACT

While the changes to shoppers’ behaviour have captured most of the headlines, in our view the economic impact of COVID-19 is by far the biggest driver of medium to long term change. Loss of jobs and income in the economy are likely to have a significant impact on both disposable income and confidence, both of which are major drivers of retail expenditure.

Interestingly, the biggest mindset (or behavioural) change we are seeing in the market now is one of frugality, a distinctly economic response. Shoppers have not shifted all their spending power online during the Circuit-Breaker; they have simply lowered their spending. As noted earlier, in our survey of Singaporeans (refer Section 3.1), the people who were most likely to change their behaviour were those concerned about their jobs or income. And we believe this mindset change is largely a result of economic changes.

We have previously outlined an outlook for the Singapore economy. The key things to note are:

- The Government has responded very strongly through its fiscal measures to support the Singapore economy. While GDP could decline quite significantly for the year, unemployment is likely to remain low by global standards supporting the incomes of local residents for whom suburban malls are so reliant.
- Retailers and malls with exposure to tourism are likely to feel the biggest impacts, especially those located within the Central Core area of Singapore.
- While the economic impact will certainly create challenges for all mall owners, the long-term performance of Singapore’s economy gives us optimism that it should emerge from this economic shock relatively well.

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8 Cinemas have recently received approval to reopen from 13 July 2020 onwards, with a limit of 50 persons per cinema hall.
3.3. THE IMPACT ON TENANTS

The third major impact that needs to be considered by shopping centre owners is the impact on tenants.

Retail tenants have borne the brunt of the pandemic, with mandatory closures of stores putting an instant stop to income. None were ready for this – even pure play online retailers were not ready and have struggled to keep up with demand.

Many retailers have responded quickly, driving as many sales into online channels as possible. From F&B to fashion, retailers have tried to adapt by improving and promoting these non-physical channels. Again, the gradual move to omnichannel was a trend already occurring; the pandemic has driven it forward more quickly.

Retailer surveys9 have indicated that this move online could be permanent for many retailers. The pandemic has given online retailers the impetus to develop omnichannel options, and it is suggested that for many retailers this will become a core part of their business in the future. This is not a new trend per se, but a significant escalation of an existing trend.

This trend will continue to have a material impact on shopping centres. However, what may appear to be a negative trend for shopping malls can actually have an offsetting positive aspect. Increasingly, retailers are understanding the impact of what is known as the “Halo” effect10. Evidence is now emerging that online retailers can increase their sales by having a physical presence in a given market. Equally, retailers with an online presence are seeing a decline in online sales when they close physical stores. The benefits of having an omnichannel strategy is better understood, and more retailers will have to take this approach11. A good example is Alibaba’s foray into brick-and-mortar retail through its Hema Fresh supermarket in China.

While over the short-term we expect to see a push by retailers further towards omnichannel retail, there is a positive side to this for shopping centres. Omnichannel retail shouldn’t be seen as the enemy of shopping centres, but as an opportunity to further advance the relevance of shopping centres. This is particularly the case for Singapore’s suburban malls that generally have such defined catchments.

The other issue from a retailer perspective is the potential loss of retailers due to bankruptcies during the Circuit-Breaker periods.

Discussions with mall owners in Singapore have indicated that many retailers are requesting to have their leases changed to only have a turnover rent component, and no (or very little) base rent. This is a real challenge to mall owners who are used to having a great deal of certainty around their income, with the retailer carrying the risk of underperformance (and the reward for outperformance).

Even before the pandemic, the way in which rent was charged was already in question. Online sales had made turnover rent less relevant as retailers could direct sales away from the store’s POS System. We therefore expect the drive towards turnover rent will be a short to medium-term trend, as over the long-term owners will need to look for new ways of measuring the value of their space. For example, in the United States we know of a mall owner agreeing to leases with omnichannel retailers that include a share of local online sales, reflecting the importance of brick & mortar stores for promoting online retail sales.

While elevated vacancy is an issue that all suburban mall owners need to deal with, we note that mall owners are used to seeing turnover of tenants every year. Some tenants fail while others do not fit with the active management plans of the owner. Therefore, the stronger mall managers should be well placed to deal with this issue.

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9 CBRE Research, Asia Pacific Flash Survey, May 2020
10 The Halo Effect I, How Bricks Impact Clicks, ICSC 2018
11 The Halo Effect II, Quantifying the Impact of Omnichannel, ICSC 2018
Furthermore, the Government has put in place relief measures and policies such as the Job Support Scheme to protect both landlords and tenants. Up to four months of rental waivers have been provided to eligible tenants including the rental waiver contribution from landlords.

We expect that Singapore’s stronger suburban malls will be able to maintain relatively high occupancy; any short-term elevation in vacancy should be absorbed relatively quickly.

3.4. OUTLOOK

In the long-term, the market will return to a ‘new normal’. What will this look like?

For Singapore, even without the pandemic, the mega-trends outlined above would have resulted in changes to the retail market over the next 3 – 5 years. How much more different will the market be as a result of COVID-19? In our view, not dramatically different. In the short to medium-term we do expect that the speed of change of some of these trends will increase, however the speed of change will diminish with time.

Why won’t the changes be more dramatic? Because in our view, the biggest change in the market currently is economic – jobs and income. Shopper’s behavior and preferences have been forced to change during the Circuit-Breaker period. But we believe that this will be more to a short to medium-term phenomenon unless, of course, the pandemic continues on through 2021 and 2022 with ongoing lockdowns.

This means that retailers and mall owners need to remain focused on the six retail mega-trends (discussed in Section 2.3) – just as they have been for the past few years. They need to make sure that they are constantly working on their place making efforts, the retail experience, their social and environmental credentials, the digitalization and localization of their offerings. Not only will this ensure that the retail is aligned with customers wants and needs, but it will help leverage the growth of online and omnichannel retailing.
4. SINGAPORE RETAIL MARKET METRICS

This section provides a detailed review of Singapore’s retail market from a market metrics perspective.

4.1. RETAIL SALES

Pre-COVID-19

The Singapore retail market was already experiencing a low growth period prior to the COVID-19 pandemic. A slowing economy (refer to Section 1), lower population growth, and a lack of inflation in the market had resulted in there being very little growth in retail sales over the past five years.

Further, since 2013, retail sales productivity ($ per sq.ft) across the market had been in decline as retail sales growth stalled while the supply of retail floorspace continued to increase.

In 2019 we started to see the green shoots of recovery. Even though retail sales remained flat:

- population growth had increased (+1.2% YoY),
- the market absorbed over a million sq.ft of retail floorspace, and
- suburban malls in particular saw an improvement in both occupancy and rents.

The outlook started to improve.

However, shopping centre owners and retailers still felt the combined impact of falling retail spending by residents and tourists amidst an uncertain economic environment and a lack of inflation in the retail sector. Nominal retail sales (excluding motor vehicles and petrol but including F&B) in 2019 were barely changed from 2018 despite higher population growth.

There was broad-based weakness to sales growth in 2019. Homewares and consumer electronics were among the most impacted while sales also declined across other discretionary categories such as recreational goods, jewellery and department stores. However, bright spots remained, with apparel and F&B category recorded higher nominal sales in 2019.

Online sales continued to grow in Singapore. Online retail sales accounted for approximately 5.1% of total retail sales in 2019 (see Chart 4.4 for retail sales breakdown). Cross-country comparison is challenging due to differences in calculation methods. Available data suggests that online penetration in Singapore is low by global standards when compared with mature markets like the UK and USA where online retail share is above 10%.

Impact of COVID-19

The impact of COVID-19 has been severe. Monthly retail sales fell at their fastest rate on record as the pandemic forced shoppers to remain at home and shops to shut. Total retail sales plummeted by 45.2% year-on-year (YoY, excluding motor vehicles) in May 2020; the sharpest fall in over three decades. This was primarily attributed to the Circuit-Breaker restrictions with the shut down of most workplaces and non-essential retail services, among other measures.

The hardest hit has been discretionary items:

- In May 2020, sales of watches & jewellery registered the highest fall of 97.0% compared with the same period last year.
- This was followed by retailers of department stores (-93.1% YoY) and wearing apparel & footwear (-88.5% YoY).
- The decline in F&B turnover (-50.1% YoY) was less severe than turnover of department stores and wearing apparel & footwear. Many F&B operators were able to operate on a takeaway or delivery basis for most of April and May. Among F&B categories, restaurant operators were most affected as sales dropped by 69.1% YoY.
- Food caterers and cafes, food courts & other eating places also saw a decline to their sales by 46.4% YoY and 42.2% YoY respectively in the same period.
By contrast, sales increased for
- supermarkets & hypermarkets (+54.5% YoY) and
- mini-marts & convenience stores (+5.8% YoY)

as essential stores remained open and shoppers took the opportunity to stock up on goods.

Retail Sales by Product Group YoY Growth

**Singapore, Essential and Non-essential Services**, May 2019 – May 2020

During Circuit-Breaker period, only retail outlets providing items and services necessary to support the daily living needs of population e.g. supermarkets, pharmacies and telecommunication services, will remain open. Restaurants, hawker centres, coffeeshops, food courts and other F&B outlets were open only for takeaway or delivery from 7 April 2020. Dining in at F&B outlets were subsequently allowed from 19 June 2020. The groupings of essential and non-essential product groups above are based on Ministry of Trade and Industry. Note that the individual product group may not align perfectly to the announced essential services. For Chart 4.1, product groups that contained essential services as announced by MTI will be classified under the ‘essential’ grouping. For instance, ‘Optical Goods & Books’ is classified as ‘essential’ as optical shops can remain open even as bookstores are closed.
Online sales have grown due to a lack of brick & mortar options and the advisory on safe distancing measures. The proportion of online sales to total retail sales surged to 24.5% in May compared with 17.8% in the previous month, and just 5.8% in January.

Interestingly, despite F&B outlets’ physical operations being severely restricted during the Circuit-Breaker, over half (55.4%) of the total F&B sales were in-store sales. This underscores the continued importance of location notwithstanding online delivery.

In addition, even though online sales increased by 85% between January and May, the absolute level of sales in May online (when many physical shops were shut) would only be equivalent to 10.8% if it had occurred in January, pre-Circuit-Breaker. This may change with the June and July data which would show the impact of shops re-opening in Phase 2 of the Circuit-Breaker, but it suggests that the Circuit-Breaker may not have as dramatic an impact on online sales as some may have predicted.

In suburban malls, a relatively higher allocation of tenant mix to what the Government classifies as “essential services” has helped the mall owners to mitigate the impact of the Circuit-Breaker. Based on benchmarks, essential services account for 40%\(^{13}\) of NLA in suburban malls, while for central area malls these tenants only account for between 20 – 30% of NLA. Data provided by FCT shows that essential services account for 47%\(^{14}\) of NLA in the portfolio assets, and 53% of gross rental income.

### Essential Services NLA

**Suburban and Central Malls**

<table>
<thead>
<tr>
<th>Suburban Malls Benchmark</th>
<th>ARF Singapore Retail Assets</th>
<th>Central Area Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>40%</td>
<td>47%</td>
<td>20% - 30% range</td>
</tr>
</tbody>
</table>

Source: Cistri

The Circuit-Breaker has certainly had an impact on retailers, particularly those that were already struggling. Several retail store closures have already been announced in 2020. Fashion chain Esprit has permanently closed all stores in Asia, including 12 in Singapore, citing challenges posed by the pandemic. Department store Robinsons will be shutting its outlet at Jem.

The pandemic has also claimed casualties among F&B establishments, perhaps more so for those who relied more on tourists and Central Business District (CBD) workers. Rookery has streamlined its operations and closed its Orchard outlets. Fine-dining restaurants including Hashida Sushi in Mohamed Sultan Road and Michelin-starred Vianney Massot in Hong Kong Street have also decided to shut operations.

Some brands have announced 2020 store openings, often with introduction of new concepts. Grocery operators, which have seen brisk business recently, are expanding their footprint in Singapore. Meidi-Ya is opening its 24,000 sq. ft flagship store – consisting of a supermarket and food hall – in Millenia Walk. HAO Mart is introducing a new concept comprising of halal supermarket, halal food court and event hall serving the Muslim market in The Grandstand. The home-grown grocery chain has plans to operate 100 outlets in Singapore. French sporting goods retailer Decathlon is set to be the new anchor tenant in The Centrepoint while adding a click-and-collect store at Tiong Bahru Plaza.

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\(^{13}\) Cistri estimate

\(^{14}\) ARF Singapore Retail Assets have a 47% NLA allocation to essential services.
Outlook – Retail Sales

The rest of this year will remain challenging for the retail market. However, the outlook has started to improve. The end of Phase 1 of the Circuit-Breaker period has allowed most mall tenants to open, and the Government has also eased space requirements for shoppers. Given that unemployment appears to have been kept in check in Singapore, we expect that domestic sourced retail sales should rebound relatively well over the next eighteen months as restrictions are further eased. Of course, new outbreaks of the virus will keep growth in check, particularly if a new ‘Circuit-Breaker’ is required.

Since travel restrictions will not be lifted anytime soon, total retail sales is expected to fall. In a ‘normal’ year, tourists generate between 14 – 15% of total retail sales in Singapore. However, this should only have a marginal impact on suburban malls – we estimate that tourists generate only 2-3% of retail sales for suburban malls.

Our assumptions are for:

- Total retail sales (excluding auto but including F&B) to decline in CY2020 by 17%. We expect suburban malls to see sales decline of around 9-10% for the year, while malls located within the Central areas of Singapore are likely to see a decline of 21% to 22% due to their reliance on tourism.

- On the back of improving economic conditions, retail sales at suburban malls are expected to grow by 7.6% and 5.8% for 2021 and 2022 respectively. Central area malls will likely outperform this as we assume that tourism picks up during these years.

- Longer term, beyond 2023, growth for all malls is expected to stabilise at around 3.3% per annum.

- We note that these forecasts are market wide and should not be directly applied to any specific asset. There are malls in suburban areas that have a larger reliance on tourists (e.g. Katong), just as there are central area malls that have limited reliance on tourism (e.g. Novena).

Nominal Retail Sales Growth

Singapore, 2010-2025, including Forecasts for Suburban and Central Area Malls

Chart 4.3

Source: SingStat, Cistri
4.2. RETAIL SUPPLY

Cistri’s retail floor space projections include announced retail projects, longer term allowances for unannounced future projects, as well as allowances for obsolescence. Supply forecasts for announced projects are based on the URA’s commercial projects pipelines and developers’ intentions (Chart 4.3).

The total retail floor space for Singapore as at end of 2019 is estimated at 66.7 million sq.ft net lettable area (NLA). 2019 saw the largest increase in retail floor space since 2014. Total retail stock rose by 1.9% year-on-year (YoY), with major completions including:

- Jewel Changi Airport (576,000 sq.ft),
- PLQ Mall (341,000 sq.ft); and
- Funan (320,000 sq.ft).

Shopping centres made up approximately 54% of the island-wide retail floor space in 2019. This proportion is expected to inch up marginally to 55% by 2025. Total retail floor space is expected to reach 70.7 million sq.ft by 2025 at an annualised growth rate of around 1.0%. The majority of upcoming new openings will be in the form of ancillary retail rather than full-fledged malls. We believe the moderation in the pace of supply post-2019 will benefit the market as supply growth has outpaced sales growth in recent years.

Among the new shopping centres planned, most will be in the suburban and central fringe areas in line with the continued decentralisation of retail and residential development across Singapore. Notable upcoming projects include:

- Woodleigh Mall (196,000 sq.ft)
- Sengkang Grand Mall (112,000 sq.ft)
- the anticipated retail component of the Punggol Digital District known as ‘Market Village’ (140,000-150,000 sq.ft).
Some of the upcoming retail supply will also be in the form of New Generation Neighbourhood Centres by the Housing & Development Board (HDB). These centres will be built in towns like Sembawang, Punggol and Sengkang, and will combine retail and community facilities.

Several other locations identified for development under URA’s 2019 Master Plan provide potential for additional new retail development. These include the Woodlands Regional Centre, Changi Gateway, the Greater Southern Waterfront, Tengah and Bidadari, as well as tourist destinations like Sentosa-Brani, Jurong Lake District and Mandai eco-tourism hub.

In addition, the white sites in Marina View, Woodlands and Kampong Bugis on Government Land Sales (GLS) Reserve List also provide opportunities for mixed-use developments with retail components. Development on these sites will depend on the submission of a satisfactory bid to trigger a tender process, meaning development is likely to still be a few years away.

Further, GLS agents (e.g. URA and HDB) have recently extended the tender period for land parcels under the GLS Confirmed List. The tender period for GLS sites, which generally range from six to eight weeks has been extended to five to six months based on the recently launched sites. The authorities explained that this extension provides developers with additional time for assessment in view of the current pandemic situation. It is thus likely that retail pipeline is expected to be more manageable for the foreseeable future.

Retail Floor space Supply

Singapore, 2014-2025 (million sq. ft NLA)

<table>
<thead>
<tr>
<th>Total Other Retail1</th>
<th>Suburban Shopping Centres</th>
<th>Central Area Shopping Centres</th>
<th>Forecast →</th>
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<td>2014</td>
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</table>

1. Other retail includes non-mall floorspace such as HDB shops and auxiliary retail in residential and office buildings.

Source: URA, Developers’ Announcements, Cistri

Shopping Centre Floor space Supply Growth

Singapore, 2014-2025

<table>
<thead>
<tr>
<th>Forecast →</th>
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<tr>
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<td>2024</td>
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<tr>
<td>2025</td>
</tr>
</tbody>
</table>

Source: URA, Developers’ Announcements, Cistri
4.3. PER CAPITA SHOPPING CENTRE SUPPLY

Cistri estimates the provision of shopping centre floor space per capita in Singapore to be approximately 6.4 sq.ft NLA in 2019. This is projected to increase to 6.5 sq.ft NLA in 2025. By global standards, Singapore provision of shopping centre floor space per capita is moderate.

The main difference between Singapore and other markets with a larger supply is that Singapore has fewer large malls (>500,000 sq.ft). We estimate that shopping centres with NLA of 500,000 sq.ft and above account for under 30% of total shopping floor space in Singapore. This share is much higher in other cities in the region, such as Kuala Lumpur and most major Chinese cities.

Having a high or low amount of floorspace is not good or bad per se. Australia has a higher provision than Singapore, but the market operates quite efficiently. But having a lower provision generally means that retail floorspace can operate more efficiently and productively on a sales per sq.ft basis.

**Shopping Centre Floor Space Per Capita**

*Singapore vs. Various Countries, Based on Latest Available Data from ICSC (sq.ft NLA) Chart 4.7*

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<thead>
<tr>
<th>Country</th>
<th>2018</th>
<th>2019</th>
<th>2025</th>
</tr>
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</tr>
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<td>France</td>
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</tbody>
</table>

Global benchmarks updated from previous year based on latest data availability.

*Source: International Council of Shopping Centres, Cistri*

Map 4.1 shows the provision of shopping centre floorspace by Singapore’s seven major regions. As can be seen the floorspace is heavily concentrated in the central core area, while the suburban areas have quite modest provision. In most regions the provision is expected to decline over the next few years as population growth outstrips growth in supply.
The Singapore retail market has endured several difficult years. During this time, retail floor space continued to increase while retail sales declined, causing sales productivity to fall. The decrease in sales productivity impacted retailers’ profitability and lowered their appetite for floor space. This trend had flowed through to rents and occupancy – rents had declined as shopping centre owners have endeavoured to keep malls occupied.

However, it should be noted that occupancy had remained relatively healthy by global standards – Singapore’s historic occupancy of above 90% across the whole city would be considered a great result in many other Southeast Asian cities. For instance, retail complex occupancy in Kuala Lumpur and Selangor was 83% and 82% respectively while retail occupancy was around 80% in Jakarta. However, in Singapore, the URA’s control on supply, coupled with mall owner’s relatively sophisticated asset management, has helped keep occupancy relatively high. Owners know that having an occupied mall is more important than retaining higher than supportable rents.

After a few weak years, suburban rents rebounded strongly in 2019. Suburban rents increased by 3.3% during 2019 compared to 2018. However, this may not indicate a broad-based rental increase to the

4.4. RENTS & OCCUPANCY RATES

Pre-COVID-19

The Singapore retail market has endured several difficult years. During this time, retail floor space continued to increase while retail sales declined, causing sales productivity to fall. The decrease in sales productivity impacted retailers’ profitability and lowered their appetite for floor space. This trend had flowed through to rents and occupancy – rents had declined as shopping centre owners have endeavoured to keep malls occupied.

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After a few weak years, suburban rents rebounded strongly in 2019. Suburban rents increased by 3.3% during 2019 compared to 2018. However, this may not indicate a broad-based rental increase to the

---

15 From 2011 to 2019
16 National Property Information Centre, Property Market Brief 2019
17 Cushman & Wakefield, Jakarta Retail Market Beat Q4 2019
suburban retail market as there were new leases signed for new malls such as Jewel Changi Airport and PLQ Mall.

Retail occupancy for Orchard Road has been affected by several store closures including Crate & Barrel’s Orchard Gateway flagship store and Metro Centrepoint. Nonetheless, Orchard Road continued modest growth in median rents following three consecutive years of rental decline in 2015-2017.

In 2019, the suburban market improved. Occupancy increased to just under 93%, and healthy rental growth of 3.3% was achieved.

**Retail Rent**

**2013-2019 (Year Average on Previous Year Average)**  

<table>
<thead>
<tr>
<th>Suburban</th>
<th>Orchard Road</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.4%</td>
<td>0.1%</td>
</tr>
<tr>
<td>2.0%</td>
<td>2.2%</td>
</tr>
<tr>
<td>-1.0%</td>
<td>-1.0%</td>
</tr>
<tr>
<td>-5.6%</td>
<td>-6.6%</td>
</tr>
<tr>
<td>-7.4%</td>
<td>-2.5%</td>
</tr>
</tbody>
</table>

**Retail Occupancy**

**2013-2018, Year End**  

<table>
<thead>
<tr>
<th>Suburban</th>
<th>Orchard Road</th>
</tr>
</thead>
<tbody>
<tr>
<td>95.9%</td>
<td>95.5%</td>
</tr>
<tr>
<td>94.7%</td>
<td>94.4%</td>
</tr>
<tr>
<td>93.9%</td>
<td>93.2%</td>
</tr>
<tr>
<td>92.8%</td>
<td>94.0%</td>
</tr>
<tr>
<td>92.7%</td>
<td>94.9%</td>
</tr>
<tr>
<td>91.1%</td>
<td>92.4%</td>
</tr>
<tr>
<td>92.9%</td>
<td>94.9%</td>
</tr>
</tbody>
</table>

**COVID-19 & the Market Outlook**

With retailers going into lockdown, owners have had to deal with tenants seeking rent relief, and changes to rental agreements including lowering rent or moving to turnover rent only deals. This remains a work in progress, and we are not privy to the extent to which leases have changed. As such it is difficult to forecast how rents will move over the short term.

However, there is very strong relationship between sales and rents – retailers can only pay a certain share of their sales as rent and remain profitable. This ratio (occupancy cost ratio, or OCR) varies for different retailers (i.e. supermarkets typically pay low OCRs under 7%, while specialty shops can pay OCRs over...
15%). The sustainable OCR for retailers defines what we call ‘supportable rents’ – the maximum rent that retailers can afford to pay without vacancy increasing.

There is a strong medium-to-long-term relationship between sales and rents defined by sustainable OCRs. A good example of this relationship has occurred over the decade. The falling rents of the past few years were driven by a period in the early 2010s when rents continued to grow faster than sales productivity. OCRs where pushed too high, stresses retailers and result in falling rents and increased vacancy in the later decades (as shown in Chart 4.8 and Chart 4.9). A similar relationship between sales productivity and rent can be seen in other retail markets.

Our expectation is that retail sales to suburban malls is likely to fall by 11.7% in 2020. Given the relationship between sales and rent (and given only limited new floor space coming into the market), supportable rents should decline by an (approximate) equivalent amount.

This doesn’t mean that the URA rent data will necessarily reflect this decline in sales as the URA’s data reflects newly registered leases. It does not capture short term rental incentives such as rental rebates that are occurring. But, with sales declining significantly, rents would need to fall by an equivalent amount to ensure OCRs do not get elevated.

In reality, rents may actually decline by less than the sales decline as retailers accept higher OCRs as a short-term impact of the COVID-19 pandemic. Indeed, recently released URA data indicates that rents have only declined by 3.0% for the ‘Outside Central Area’ in 1H 2020 when compared with the same period last year.

Should rents prove to be ‘sticky’ and not decline as much as sales for the full 2020 calendar year, then OCRs will have increased. Future rental growth (2021 and beyond) will therefore need to be lower than sales growth as OCRs are brought back to sustainable levels.

We have provided an estimate of movements in supportable rents in the table below. This reflects our forecast sales decline / growth, the tenant mix of suburban malls (greater focus on non-discretionary items) and the customer mix of suburban malls (very few tourists).

**Supportable Gross Rent Forecast**

**Suburban Malls, 2013 – 2024 & Beyond, (Year Average / Previous Year Average)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Historic Rent Index (URA)</th>
<th>Supportable Rental Growth (Cistri)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>0.4%</td>
<td>8%</td>
</tr>
<tr>
<td>2014</td>
<td>2.0%</td>
<td>6%</td>
</tr>
<tr>
<td>2015</td>
<td>-1.0%</td>
<td>4%</td>
</tr>
<tr>
<td>2016</td>
<td>-5.6%</td>
<td>3%</td>
</tr>
<tr>
<td>2017</td>
<td>-7.4%</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>-1.5%</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>3.3%</td>
<td></td>
</tr>
<tr>
<td>1H20</td>
<td>-6%</td>
<td></td>
</tr>
<tr>
<td>2H20</td>
<td>-14%</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>2024 &amp; Beyond</td>
<td>1%</td>
<td></td>
</tr>
</tbody>
</table>

Note: 1H 2020 and 2H 2020 figures refer to percentage changes for six months on same six months in previous year.

Note: ‘Supportable rent’ is defined as the maximum rent that retailers can afford to pay without vacancy increasing.

Source: Urban Redevelopment Authority; Cistri

The table below summarises our forecasts and provides a comparison to the total market and the central area malls that are typically more reliant on tourists and non-discretionary shopping.
## Retail Occupancy Forecast

### Suburban Malls, 2013 – 2024 & Beyond, Year End

<table>
<thead>
<tr>
<th>Year</th>
<th>Historic (URA)</th>
<th>Forecast (Cistri)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>95.9%</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>94.7%</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>93.9%</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>92.8%</td>
<td>90.0%</td>
</tr>
<tr>
<td>2017</td>
<td>92.7%</td>
<td>88.0%</td>
</tr>
<tr>
<td>2018</td>
<td>91.1%</td>
<td>91.0%</td>
</tr>
<tr>
<td>2019</td>
<td>92.9%</td>
<td>93.0%</td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td>94.0%</td>
</tr>
<tr>
<td>2021</td>
<td></td>
<td>94.0%</td>
</tr>
<tr>
<td>2022</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2024 &amp; Beyond</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Urban Redevelopment Authority

Note that these forecasts are market-wide estimates. They do not reflect the individual attributes of any given mall. Malls that have strong population growth in their catchment, for example, should be able to outperform the overall market. Malls that are better tenanted and managed should also be able to outperform. However, malls that have a higher reliance on tourism are more likely to underperform the market in the short-term. Each asset should be analysed individually to understand its rental growth profile.

### 4.5. OWNERSHIP MARKETSHARE

Several retail centres changed hands in 2019, including Marina Square, Waterway Point, Chinatown Point and Liang Court. Due to uncertainties from the pandemic, retail deal making has since reached a standstill with no notable retail centre transactions recorded in Q1 2020.

FCT and ARF Singapore Retail Assets were ranked seventh and eighth on the list owning 3.2% and 2.8% of the total retail space in Singapore respectively. Post-acquisition, FCT is set to become the second largest retail space owner in Singapore with 6.0% of total retail floor space. FCT (after acquisition) will be among the largest suburban mall owners in Singapore. Given the wider network of shopping centres, FCT could reap economies of scale while building stronger relationships with shoppers under a unified loyalty program.

There should be some benefits from combining the ownership and management of the FCT Retail Malls and ARF Singapore Retail Assets portfolios:

- Tenants with stores across both portfolios will have a more efficient and streamlined number of landlords to deal with.
- A stronger loyalty program offering for shoppers.
- Efficiencies from being able to roll out portfolio wide AEI to a larger number of assets.
Share of Retail Floor Space by Owner
Island-wide, Q1 2020

Chart 4.12

- CapitaLand Mall Trust
- Frasers Centrepoint Trust (Post-acquisition)*
- NTUC Enterprise
- Far East Organisation
- Landlease
- HDB
- Mapletree Commercial Trust
- Frasers Centrepoint Trust*
- ARF Singapore Retail Assets
- United Industrial Corporation Limited
- Changi Airport Group

11.8%
6.0% 5.2%
4.2% 4.1% 3.7% 3.2% 3.2% 2.8% 2.8% 2.8%

*Excluding Bedok Point.
Source: Cistri

Share of Retail Floor Space by Owner
Suburban, Q1 2020

Chart 4.13

- CapitaLand Mall Trust
- Frasers Centrepoint Trust (Post-acquisition)*
- NTUC Enterprise
- Landlease
- HDB
- Mapletree Commercial Trust
- Frasers Centrepoint Trust*
- ARF Singapore Retail Assets
- Changi Airport Group
- Far East Organisation
- UOL Group Limited

10.6%
10.2% 8.8%
7.0% 6.1% 5.5% 5.4% 4.8% 4.7% 3.3% 2.4%

*Excluding Bedok Point.
Source: Cistri
5. ASSET PERFORMANCE SUMMARY

This section provides a high-level summary of the performance of the five assets.

We have only been provided with high-level performance data for each mall as presented below. As a result, we are unable to provide detailed comments on the performance of each mall. The comments below are based on partial data, and thus should be read in that context.

5.1. FOOTFALL

Table 5.1 outlines FY2019 footfall for each mall. Each mall is generating between 1.1 and 1.7 million visits per annum. We note that footfall is a just a proxy, but it does not necessarily reflect financial performance.

Nevertheless, the five assets are generating, on average, around 88 visits per sq.ft of NLA, ranging from 76 visits per sq.ft for Tampines 1 to 103 visits per sq.ft for White Sands. These footfall estimates are broadly in line with the Singapore average for good quality suburban malls which we estimate at between 80 and 85.

Table 5.1 also presents the average monthly footfall (from October 2019 to June 2020), which shows a decline in footfall compared to FY19. Despite the impact of the Circuit-Breaker period, footfalls of the malls are holding up reasonably well.

5.2. OCCUPANCY COST RATIOS

Table 5.1 also shows the FY2019 OCR\(^{18}\) for each mall. Across the portfolio a 2019 OCR of 18.4% is in line with the market in Singapore when compared to better quality malls (18 – 20%). Century Square shows a higher OCR compared to other malls in the portfolio. According to the mall management, this is mainly attributed to a newly introduced anchor tenant whose sales performance has yet to stabilize after the completion of an extensive refurbishment of the mall in 2018. We note that the property manager is working with the anchor tenant to achieve lower OCR on stabilized performance in due course.

The OCR for the year to date has clearly increased, driven by a decrease in sales as many tenants have had to close. We expect that in many cases rental rebates have kept these OCRs for increasing further.

To fully understand the sustainability of a given mall’s rental income, a detailed analysis of OCRs by tenant size and product group is required. As we have only been given OCRs at the centre level, we are unable to comment any further on the sustainability of rents at each mall.

### Portfolio Performance

<table>
<thead>
<tr>
<th>Footfall &amp; Occupancy Cost Ratio</th>
<th>Table 5.1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Table 5.1</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>AVERAGE MONTHLY SHOPPER TRAFFIC (MIL)</strong></td>
</tr>
<tr>
<td></td>
<td>FY19</td>
</tr>
<tr>
<td>White Sands</td>
<td>1.1</td>
</tr>
<tr>
<td>Tampines 1</td>
<td>1.7</td>
</tr>
<tr>
<td>Century Square</td>
<td>1.4</td>
</tr>
<tr>
<td>Tiong Bahru Plaza</td>
<td>1.7</td>
</tr>
<tr>
<td>Hougang Mall</td>
<td>1.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7.1</strong></td>
</tr>
</tbody>
</table>

Note: Figures do not add up exactly due to rounding.

* Higher OCR attributed to establishment effect from newly completed AEI in 2018.

\(^{18}\) Defined as gross rent divided by total sales. Gross rent is defined to include base rent, GTO or turnover rent, and service charges.
5.3. OCCUPANCY

The occupancy level for each of the portfolio malls is presented in Chart 5.1, including both current and pre-committed occupancy. Pre-committed occupancy is healthy across all assets, and the average for the portfolio (95.4%) is above the URA’s measure of occupancy for suburban shops.

**Portfolio Occupancy**

**End June 2020**

<table>
<thead>
<tr>
<th>Net Occupancy</th>
<th>Portfolio Avg Pre-committed Occupancy</th>
<th>URA 2019 Year-end Occupancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Occupancy</td>
<td>Pre-committed Occupancy</td>
<td></td>
</tr>
<tr>
<td>97.7%</td>
<td>91.3%</td>
<td>95.5%</td>
</tr>
<tr>
<td>95.4%</td>
<td>96.7%</td>
<td>97.4%</td>
</tr>
</tbody>
</table>

White Sands Tampines 1 Hougang Mall Century Square Tiong Bahru Plaza

Portfolio Average: 1.6

5.4. WALE

The average weighted average lease expiry (WALE) for each portfolio asset is presented in Chart 5.2. We note that:

- Just 7% of NLA was subject to tenants that expired this year (2020), which is a good position given the challenges in the market.
- 2021 will be an important year for the portfolio with 44% of leased NLA up for renewal. Lease expiry ranges from 22% for Tiong Bahru Plaza to 61% for Century Square.
- Beyond 2021, Tampines 1, Century Square, Hougang Mall and Tiong Bahru Plaza have quite well distributed tenant expiries. Each has between 25 – 35% of floorspace up for renewal in each of 2022, 2023 and 2024.

Further details are provided in Appendix B.

**Portfolio WALE by NLA**

**End June 2020**

<table>
<thead>
<tr>
<th>Portfolio Average: 1.6</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.7</td>
</tr>
<tr>
<td>1.2</td>
</tr>
<tr>
<td>1.3</td>
</tr>
<tr>
<td>1.6</td>
</tr>
<tr>
<td>2.1</td>
</tr>
</tbody>
</table>

White Sands Tampines 1 Hougang Mall Century Square Tiong Bahru Plaza
CENTURY SQUARE & TAMPINES 1
6. **TAMPINES TOWN CENTRE OVERVIEW**

This section provides an analysis of the market in which Century Square and Tampines 1 operate in. Given that both are located within the Tampines Town Centre (TTC), they operate as part of single retail precinct that also includes Tampines Mall. Therefore, the two assets broadly cover the same market, as described below.

The two assets in TTC have a collective NLA of 471,023 sq.ft. With a 3km catchment population size of 576,400. Excluding overlap with existing FCT Retail Malls, these two assets will add an additional 15% of 3km catchment population. The malls also benefit from the high commuter traffic at Tampines MRT Station which recorded 38.6 million passenger trips in 2019.

<table>
<thead>
<tr>
<th>Mall</th>
<th>NLA (sq.ft)</th>
<th>3km Catchment Population (2020)</th>
<th>Nearest MRT Station (By Foot)</th>
<th>2019 MRT Station Traffic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Century Square</td>
<td>202,446</td>
<td>576,400*</td>
<td>Tampines (100m)</td>
<td>38.6 mil</td>
</tr>
<tr>
<td>Tampines 1</td>
<td>268,577</td>
<td>576,400*</td>
<td>Tampines (Adjacent)</td>
<td>38.6 mil</td>
</tr>
</tbody>
</table>

*Tampines MRT Station used as reference point as these malls belong to the same retail cluster.

Source: LTA, Cistri

It should be noted that while a 3km radius catchment makes for easy comparison across malls in Singapore, it may not be representative of where a mall draws its shoppers from (i.e. the trade area) as it fails to take into consideration shoppers’ preferences and behaviours. In the following sub-sections, we analyse each asset’s locational characteristics, trade area and competitive retail supply in greater detail.

6.1. **LOCATION & ACCESSIBILITY**

Century Square and Tampines 1 are sub-regional malls located in TTC. Based on the existing road network, Map 6.1 outlines the 15-minute drive-time coverage to/from TTC. Key takeaways from the analysis are as follows:

- TTC has good road accessibility, a 5-minute drive away from the Tampines Expressway (TPE) to its north and Pan Island Expressway (PIE) to its south.
- TTC is within a 15-minute drive to/from Pasir Ris (White Sands), Punggol (Waterway Point), Sengkang (Compass One), Paya Lebar (Paya Lebar Quarter) and Changi Airport (Jewel). It is also a 10-minute drive away to/from Tampines Retail Park which houses IKEA, Giant Hypermarket and Courts Megastore.
- The subject site is also within a 15-minute drive to several industrial estates in eastern Singapore, namely Tampines Industrial Park and Changi International LogisticsPark to the south, Loyang Industrial Estate to the northeast, and Pasir Ris Wafer Fab Park and Tampines Wafer Fab Park to the north. These industrial regions generate significant employment within the region.
Map 6.2 outlines the 10-minute walking coverage to/from TTC. Due to its proximity to many HDB estates, TTC has access to a large walk-up population.

Map 6.3 shows the extent of a 30-minute travel time via public transport. Being an interchange station for the Downtown and East West MRT lines (Tampines Station), TTC has good accessibility to the eastern neighbourhoods of Singapore. Within a 30-minute travel time, MacPherson station can be reached on the Downtown line, and Kallang station can be reached on the East West line. Parts of Sengkang are also reachable via bus within 30 minutes as shown on the map.
6.2. SURROUNDING LAND USES & FUTURE URA PLANS

TTC is an integrated transport hub anchored by a bus interchange and MRT station. As a town centre, it houses a wide variety of uses including retail, commercial, recreational and some residential. A major development completed in recent years is Our Tampines Hub, which is Singapore’s largest integrated community and lifestyle hub comprising sports facilities, a library, a community club, a hawker centre and retail shops. The Tampines Town Council has also unveiled a five-year masterplan in 2020 to transform Tampines into an eco-town with sustainability initiatives such as more greenery and fitting solar panels at suitable public housing blocks. Residents can also look forward to moving around more easily in Tampines with new cycling paths and widened footpaths.

Under the URA 2019 Master Plan, there are plans to develop some of the empty parcels in the northwest for residential uses, and some in the north and south east for commercial/retail uses (Refer to Appendix D). Beyond these upcoming residential developments in the town centre, larger scale residential developments are also being planned in Tampines North and South. HDB projects an ultimate capacity of 110,000 dwelling units for Tampines. As at March 2019, there were approximately 70,754, reflecting the strong growth potential at Tampines Town. The future residential and commercial projects will add additional catchment population and workers to the benefit of malls in TTC. In terms of future retail competition, we note in Section 8.2 that there are no major retail projects in the immediate surrounding. Any retail uses that are developed on these vacant sites are likely to be auxiliary retail on the ground level of these developments, rather than a shopping centre.

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19 Includes private developments under Government Land Sales Programme. The projected ultimate figure may change.
6.3. DESCRIPTION OF CENTRE – CENTURY SQUARE

Layout & Presentation

Century Square has one basement level and five above-ground levels of retail. The mall has a simple and legible layout, with an atrium that has flanking escalators. Circulation of the mall is good given the racecourse layout, and the multiple ground level entrances provide easy access to the mall from all directions. The mall has a modern interior and exterior outlook, having recently undergone an extensive year-long AEI and reopened its doors in June 2018.

Key features of the mall include the following:

- A Prime supermarket and F&B precinct in the basement.
- The entrance facing Tampines Mall has a sheltered linkway that connects the two malls.
- The ground level has a large Foot Locker as an anchor.
- A Food Market (Food Junction) on Level 3.
- A health and beauty precinct on Level 3 with beauty salons and a Gymmbobox gym.
- An education precinct on Level 4.
- A Leisure & Entertainment (L&E) precinct on Level 5 with karaoke, a video game arcade and a Filmgarde cinema.

The mall feels compact due to the modest size of the atrium which is located towards the north-eastern corner of the mall. The layout results in weaker vertical lines of site which may impede wayfinding for new visitors, but this is unlikely to be a major issue for locals who frequent the mall.

While the mall is quite vertical, a strategy of locating a large specialty 20 or mini-major 21 anchor on every level has been adopted to draw shoppers up, with Prime (B1), Footlocker (L1), ToTT (L2), Food Court (L3), Mr DIY (L4) and Filmgarde (L5).

Tenant Mix

Comparing Century Square’s tenant mix against the average of benchmark suburban malls, we note that the centre is generally in line with the benchmark. The centre is slightly underweight in the Department Store and Fashion categories, and slightly overweight in the Food & Beverage and Services categories. Other categories show marginal variance from the average.

A lack of department store is not necessarily a bad thing for the mall. In recent years department store closures across the world have left retail landlords with a major problem of filling up the large vacant space. The situation is no different in Singapore, where we have witnessed the closure of John Little from Plaza Singapura in 2016 and Isetan from Westgate in 2019. Further to this, Robinsons is set to move out of Jem in August 2020. In this context, having a department store is not considered a strength.

In terms of essential services, 41% of Century Square’s NLA is classified as ‘essential’ and continued operating during the Circuit-Breaker period. This is slightly above the suburban mall benchmark of 40%, and also accounts for 46% of the centre’s gross rent, highlighting the resilience of the mall.

---

20 Large specialty shops are defined as providing between 4,000 and 10,000 sq.ft NLA.
21 Mini-major shops are defined as providing between 10,000 and 25,000 sq.ft NLA.
### Tenant Mix Benchmark

#### Century Square

<table>
<thead>
<tr>
<th>Category</th>
<th>Average Suburban Mall</th>
<th>Century Square</th>
<th>Tampines Retail Cluster(^1)</th>
<th>Suburban Mall Floorspace Breakdown</th>
<th>Century Square</th>
<th>Tampines Retail Cluster(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>Δ</td>
<td>%</td>
<td>Δ</td>
<td>%</td>
<td>Δ</td>
</tr>
<tr>
<td>Beauty &amp; Health</td>
<td>13%</td>
<td>+1%</td>
<td>15%</td>
<td>+2%</td>
<td>12%</td>
<td>14% +2%</td>
</tr>
<tr>
<td>Books, Music, Arts &amp; Craft, Hobbies</td>
<td>4%</td>
<td>-2%</td>
<td>2%</td>
<td>3%</td>
<td>4%</td>
<td>2% +1%</td>
</tr>
<tr>
<td>Department Store</td>
<td>4%</td>
<td>0%</td>
<td>1%</td>
<td>-1%</td>
<td>7%</td>
<td>0% +7%</td>
</tr>
<tr>
<td>Education</td>
<td>5%</td>
<td>-0%</td>
<td>3%</td>
<td>-2%</td>
<td>3%</td>
<td>5% -2%</td>
</tr>
<tr>
<td>Fashion</td>
<td>13%</td>
<td>-4%</td>
<td>14%</td>
<td>+1%</td>
<td>13%</td>
<td>9% +4%</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>24%</td>
<td>+3%</td>
<td>25%</td>
<td>+1%</td>
<td>23%</td>
<td>27% +4%</td>
</tr>
<tr>
<td>Household</td>
<td>8%</td>
<td>+1%</td>
<td>10%</td>
<td>+2%</td>
<td>9%</td>
<td>8% +1%</td>
</tr>
<tr>
<td>Jewellery &amp; Watches</td>
<td>1%</td>
<td>-1%</td>
<td>1%</td>
<td>-1%</td>
<td>1%</td>
<td>1% -1%</td>
</tr>
<tr>
<td>Leisure/Entertainment</td>
<td>6%</td>
<td>+3%</td>
<td>5%</td>
<td>-1%</td>
<td>5%</td>
<td>9% +4%</td>
</tr>
<tr>
<td>Services</td>
<td>5%</td>
<td>+10%</td>
<td>10%</td>
<td>+5%</td>
<td>6%</td>
<td>10% +5%</td>
</tr>
<tr>
<td>Sports Apparel &amp; Equipment</td>
<td>2%</td>
<td>+1%</td>
<td>2%</td>
<td>+2%</td>
<td>2%</td>
<td>3% +1%</td>
</tr>
<tr>
<td>Supermarket &amp; Hypermarket</td>
<td>10%</td>
<td>-1%</td>
<td>7%</td>
<td>-4%</td>
<td>12%</td>
<td>9% -4%</td>
</tr>
<tr>
<td>Vacant</td>
<td>3%</td>
<td>+1%</td>
<td>6%</td>
<td>+3%</td>
<td>2%</td>
<td>4% +1%</td>
</tr>
</tbody>
</table>

1. Includes Tampines 1, Century Square and Tampines Mall.

Note: Total does not add up to 100% due to rounding.

Source: FCT, Cistri
6.4. DESCRIPTION OF CENTRE – TAMPINES 1

Layout & Presentation

Tampines 1 has one basement level and five above-ground levels of retail. The mall has a modern design and presents well, particularly in the atrium area with natural light flowing in from the glazed ceiling. There are two sets of escalators on each level – one in the south where the atrium is, and another in the north, providing good vertical circulation.

Key features of the mall include the following:

- Cold Storage supermarket and a F&B precinct in the basement.
- Sephora on the ground level.
- Uniqlo on Level 2.
- Daiso and Muji on Level 3.
- Challenger on Level 4.
- Amore Living spa and fitness club and a food court on Level 5.
- Rooftop playground.
- Furniture precinct split across Levels 3 and 4 towards the northern side of the mall.
- Health and beauty precinct split across Levels 4 and 5 towards the southern side of the mall.

The northern side of the mall feels less well-presented relative to the rest of the mall, and there is weaker visibility of the larger tenants that are located in this part of the building (Uniqlo, Daiso, Challenger). However, wayfinding may be less of an issue given these are anchor tenants and residents visiting the mall are likely to be familiar with the layout.

Tenant Mix

Tampines 1’s tenant mix shows greater variance from the average suburban mall compared to Century Square. The mall is underweight in Books, Music, Arts & Craft, Hobbies, Department Store, Education, Leisure/Entertainment and Supermarket & Hypermarket. Conversely it has greater-than-average provision of Beauty & Health, Fashion, Household and Services.

Considering the mall’s competitive environment with Tampines Mall, Century Square and Tampines Hub in close proximity, some of these under-provisions are logical; there is no need to provide another larger supermarket, nor is there a need to provide another cineplex. Tampines 1 positions itself to be a higher order ‘lifestyle’ retail mall with its focus on more discretionary products such as fashion and beauty. In this regard, the mall’s tenant mix is appropriate.

In terms of essential services, 40% of Tampines 1’s NLA is classified as ‘essential’ and continued operating during the Circuit-Breaker period. This is in line with the suburban mall benchmark of 40%, and also accounts for 47% of the centre’s gross rent, highlighting the resilience of the mall.
Tampines Town Centre is the most established regional centre in Singapore outside of the Central Business District. Having been developed for close to two decades as a higher order regional centre, Tampines continues to be a popular residential estate and this has provided a strong catchment population for retail centres in TTC. Despite being a mature estate, Tampines still presents opportunities for growth especially in its north and south. As key retail centres in TTC, Century Square and Tampines 1 are well-positioned to capture this growth.
7. TRADE AREA ANALYSIS

7.1. RESIDENT TRADE AREA DEFINITION

Map 7.1 illustrates the trade area of TTC. In the absence of an exit survey, Cistri has drawn on industry experience and has taken into consideration drive time analyses, physical and psychological barriers as well as location of competitive centres in defining the trade areas.

Century Square and Tampines 1 share the same trade area due to their close proximity and because they form the Tampines retail cluster together with Tampines Mall. Collectively, these three malls have a total NLA of 836,000 sq.ft, equivalent to a super-regional mall. Consequently, Cistri has defined the trade area as such:

- The **Primary** sector includes all of the HDB estates in Tampines. The trade area sector is bounded by Tampines Avenue 9 and 10 to the north, the TPE to the east, the PIE to the south and Bedok Reservoir to the west. Most of the Primary sector is within a 5-minute drive.

- The four **Secondary** sectors are all within a 10-minute drive.
  - The **Secondary North** covers the upcoming HDB estate in Tampines North. Only 31 blocks are completed at present, but many more are currently under construction or in the pipeline.
  - The **Secondary Loyang** sector covers the Loyang residential estates adjacent to the industrial parks.
  - The **Secondary Simei** sector covers the Simei estate, bounded by PIE to the north, Upper Changi Road to the south and east, and the Bedok Park Connector to the west.
  - The **Secondary Bedok Reservoir** sector includes the residential blocks south of the reservoir, bounded by the Bedok Park Connector to the east, PIE to the south and Bedok North Road to the west.

- Most of areas within the **Tertiary** sectors are reachable within 10-minute drive.
  - The **Tertiary Pasir Ris** covers all of the residential areas around Pasir Ris. The boundary of this trade area sector is the same as the Main Trade Area (Primary and Secondary sectors) of White Sands.
  - The **Tertiary Bedok** sector covers the Bedok North and Bedok Central areas, bounded by the PIE to the north, Bedok Park Connector to the east, New Upper Changi Road to the south and Bedok North Avenue 1 and Bedok North Road to the west.
7.2. TRADE AREA POPULATION

TTC benefits from being in the heart of a well-established residential area, giving it a strong catchment population. There is also good potential for growth due to the new Tampines North HDB estate that is currently under construction in the Secondary North sector.

These population projections are aligned with future residential projects that are currently under construction or in planning phase, as presented in Map 7.2. Trade area sectors with pipeline supply is showing growth, while areas without new supply are showing slow population decline over time as children move out from their parents’ home to form new households, and also due to an ageing population.

In 2020, we estimate a total Main Trade Area population of 386,000, with 266,000 from the Primary sector and 120,000 from the Secondary sectors. While the population of the primary sector is quite established and should only experience low levels of population growth into the future, the Secondary sectors are forecast to grow at a healthy 3.5% (or 4,500 persons) per annum through 2025. The Secondary North sector will see the strongest growth as the new HDB blocks get completed. Collectively, the Main Trade Area is expected to grow by 1.3% per annum or 5,300 persons per annum from 2020 to 2025.

The Tertiary sectors are forecasted to see a marginal increase in population in the forecast period, at a rate of 0.1% per annum or 300 persons per annum. While these are quite established sectors, proposed HDB developments in the Tertiary Pasir Ris sector will drive the growth towards the end of the forecast period. It is also worth noting that there are more undeveloped sites in the Tertiary sectors that are slated for future residential projects. These are expected to come online beyond the forecast period, hence beyond the forecast period we would expect continued population growth in these sectors.

Collectively, the Total Trade Area population will grow from 662,000 to 690,000, representing a CAGR of 0.8%, or 5,600 persons per annum.

It should also be noted that a retail mall will draw shoppers from beyond its defined trade area, and with TTC having a significant retail offer, Cistri expects substantial visitation from beyond the trade area.
Trade Area Population

TTC, 2020 - 2025

<table>
<thead>
<tr>
<th></th>
<th>Population (000's)</th>
<th>Annual Growth (000's)</th>
<th>CAGR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
<td>2022</td>
<td>2025</td>
</tr>
<tr>
<td>Primary</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secondary</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North</td>
<td>3</td>
<td>19</td>
<td>25</td>
</tr>
<tr>
<td>Loyang</td>
<td>27</td>
<td>28</td>
<td>29</td>
</tr>
<tr>
<td>Simei</td>
<td>54</td>
<td>53</td>
<td>53</td>
</tr>
<tr>
<td>Bedok Reservoir</td>
<td>36</td>
<td>38</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>120</td>
<td>137</td>
<td>143</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td>386</td>
<td>403</td>
<td>413</td>
</tr>
<tr>
<td>Tertiary</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pasir Ris</td>
<td>168</td>
<td>169</td>
<td>171</td>
</tr>
<tr>
<td>Bedok</td>
<td>107</td>
<td>107</td>
<td>106</td>
</tr>
<tr>
<td>Total</td>
<td>275</td>
<td>275</td>
<td>277</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td>662</td>
<td>679</td>
<td>690</td>
</tr>
</tbody>
</table>

Note: Figures do not add up exactly due to rounding.
Source: Singstat, HDB, URA, Cistri

Trade Area Upcoming Residential Projects

Map 7.2
### 7.3. PER CAPITA SPENDING FORECASTS

Retail spend per capita for the trade area is marginally above the Singapore average. The Primary and Secondary North sectors have a slightly lower retail spend per capita, while the rest of the trade area sectors have a slightly higher spend per capita relative to the Singapore average with the exception of the Secondary Loyang sector which has stronger retail spending power.

It is important to note that the official household income statistics that is published by Singstat only takes into consideration resident households which include Singaporeans and Singapore PRs. This means that the information does not provide the full picture of household incomes as it omits the expatriates, international students and other foreign workers in the country. Cistri’s measure of population and retail spend per capita adjusts for the official stat’s omissions. Note that the variation between household income and retail spending variations also reflects different average household sizes in different areas.

#### Trade Area Retail Spend

<table>
<thead>
<tr>
<th>Population</th>
<th>Resident HH Income Variation</th>
<th>Retail Spend per Capita Variation</th>
<th>Retail Spend Per Capita (SGD)</th>
<th>Retail Spend (SGD Mil)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>265,700</td>
<td>+2%</td>
<td>-2%</td>
<td>2,964</td>
<td>2,953 5,917</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>788</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>785</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,572</td>
</tr>
<tr>
<td>Secondary</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North</td>
<td>2,900</td>
<td>+2%</td>
<td>2,971</td>
<td>2,961 5,931</td>
</tr>
<tr>
<td>Loyang</td>
<td>27,400</td>
<td>+25%</td>
<td>3,328</td>
<td>3,316 6,644</td>
</tr>
<tr>
<td>Simei</td>
<td>54,000</td>
<td>+2%</td>
<td>3,123</td>
<td>3,112 6,234</td>
</tr>
<tr>
<td>Bedok Reservoir</td>
<td>36,100</td>
<td>+2%</td>
<td>3,081</td>
<td>3,070 6,150</td>
</tr>
<tr>
<td></td>
<td>120,400</td>
<td>+7%</td>
<td>3,153</td>
<td>3,142 6,295</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+4%</td>
<td>380</td>
<td>378 758</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td>386,200</td>
<td>+4%</td>
<td>3,023</td>
<td>3,012 6,035</td>
</tr>
<tr>
<td>Tertiary</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pasir Ris</td>
<td>168,300</td>
<td>+25%</td>
<td>3,067</td>
<td>3,057 6,124</td>
</tr>
<tr>
<td>Bedok</td>
<td>107,100</td>
<td>+3%</td>
<td>3,104</td>
<td>3,093 6,198</td>
</tr>
<tr>
<td></td>
<td>275,400</td>
<td>+15%</td>
<td>3,082</td>
<td>3,071 6,152</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+2%</td>
<td>849</td>
<td>846 1,695</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td>661,600</td>
<td>+9%</td>
<td>3,047</td>
<td>3,037 6,084</td>
</tr>
<tr>
<td>Singapore</td>
<td></td>
<td></td>
<td>3,032</td>
<td>3,021 6,053</td>
</tr>
</tbody>
</table>

1. Only includes Singaporeans and PRs. HH refers to household.
2. Includes all population living in Singapore, including expats, work permit holders

Note: Figures do not add up exactly due to rounding.

Source: Singstat, HDB, URA, Cistri

After taking into consideration on-site workers who live and work within the trade area (quantified in the next sub-section), the total retail spending market for the TTC trade area is estimated to be SGD 4.0 billion in 2020. Of this, 39% is contributed by the Primary, 19% by the Secondary and 42% by the Tertiary.

As with population growth, the strongest retail spend growth is to be experienced in the Secondary North sector, growing from SGD 17 million in 2020 to SGD 181 million by 2025. Due to this strong growth, the share of Secondary retail spend relative to the Total Trade Area will increase to 22% by 2025. Beyond the forecast period, the population and spend market of the Secondary sector will continue to grow healthily, potentially presenting an attractive upside for Century Square and Tampines 1.
Cistri has estimated the size of other relevant market segments that are within the trade area. These include the retail workers in the Tampines retail cluster including Tampines Hub, as well as the office workers who work in the offices in TTC.

Based on the existing and forecasted retail floorspace, we estimate a total of about 3,000 retail workers working in the Tampines retail cluster. This amounts to an estimated retail worker spend market of SGD 10 million in 2020, which increases to SGD 19 million by 2025.

### Trade Area Retail Spend Forecast

**TTC, 2020 - 2025**

<table>
<thead>
<tr>
<th>Trade Area Residents¹</th>
<th>2020</th>
<th>2022</th>
<th>2025</th>
<th>2020-2022 CAGR (%)</th>
<th>2022-2025 CAGR (%)</th>
<th>2020-2025 CAGR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>1,534</td>
<td>1,717</td>
<td>1,882</td>
<td>+5.8%</td>
<td>+3.1%</td>
<td>+4.2%</td>
</tr>
<tr>
<td>Secondary:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North</td>
<td>17</td>
<td>125</td>
<td>181</td>
<td>+171.6%</td>
<td>+13.3%</td>
<td>+60.7%</td>
</tr>
<tr>
<td>Loyang</td>
<td>181</td>
<td>212</td>
<td>232</td>
<td>+8.1%</td>
<td>+3.1%</td>
<td>+5.1%</td>
</tr>
<tr>
<td>Simei</td>
<td>335</td>
<td>374</td>
<td>402</td>
<td>+5.7%</td>
<td>+2.4%</td>
<td>+3.7%</td>
</tr>
<tr>
<td>Bedok Reservoir</td>
<td>221</td>
<td>252</td>
<td>271</td>
<td>+6.7%</td>
<td>+2.6%</td>
<td>+4.2%</td>
</tr>
<tr>
<td></td>
<td>754</td>
<td>962</td>
<td>1,087</td>
<td>+13.0%</td>
<td>+4.1%</td>
<td>+7.6%</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td>2,288</td>
<td>2,679</td>
<td>2,969</td>
<td>+8.2%</td>
<td>+3.5%</td>
<td>+5.4%</td>
</tr>
<tr>
<td>Tertiary:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pasir Ris</td>
<td>1,025</td>
<td>1,161</td>
<td>1,273</td>
<td>+6.4%</td>
<td>+3.1%</td>
<td>+4.4%</td>
</tr>
<tr>
<td>Bedok</td>
<td>660</td>
<td>743</td>
<td>803</td>
<td>+6.1%</td>
<td>+2.6%</td>
<td>+4.0%</td>
</tr>
<tr>
<td></td>
<td>1,686</td>
<td>1,904</td>
<td>2,077</td>
<td>+6.3%</td>
<td>+2.9%</td>
<td>+4.3%</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td>3,973</td>
<td>4,583</td>
<td>5,045</td>
<td>+7.4%</td>
<td>+3.3%</td>
<td>+4.9%</td>
</tr>
</tbody>
</table>

¹. Excludes spending by on site residents and workers (while at work) assumed to live within the trade area.

Note: Figures do not add up exactly due to rounding.

Source: Singstat, HDB, URA, Cistri

### 7.4. OTHER MARKET SEGMENT SPENDING FORECASTS

Cistri has estimated the size of other relevant market segments that are within the trade area. These include the retail workers in the Tampines retail cluster including Tampines Hub, as well as the office workers who work in the offices in TTC.

Based on the existing and forecasted retail floorspace, we estimate a total of about 3,000 retail workers working in the Tampines retail cluster. This amounts to an estimated retail worker spend market of SGD 10 million in 2020, which increases to SGD 19 million by 2025.

### Retail Worker Market

**TTC, 2020 - 2025**

<table>
<thead>
<tr>
<th>Unit</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available Floorspace</td>
<td>sq ft NLA</td>
<td>934,281</td>
<td>934,281</td>
<td>934,281</td>
<td>934,281</td>
<td>934,281</td>
</tr>
<tr>
<td>Average Occupancy¹</td>
<td>%</td>
<td>60%</td>
<td>95%</td>
<td>95%</td>
<td>95%</td>
<td>95%</td>
</tr>
<tr>
<td>Occupied Units</td>
<td>sq ft NLA</td>
<td>560,569</td>
<td>887,567</td>
<td>887,567</td>
<td>887,567</td>
<td>887,567</td>
</tr>
<tr>
<td>Worker Space Ratio</td>
<td>sq ft NLA / Worker</td>
<td>300</td>
<td>300</td>
<td>300</td>
<td>300</td>
<td>300</td>
</tr>
<tr>
<td>On-Site Workers</td>
<td>no. Workers</td>
<td>1,869</td>
<td>2,959</td>
<td>2,959</td>
<td>2,959</td>
<td>2,959</td>
</tr>
<tr>
<td>Spend Per Working Day</td>
<td>SGD</td>
<td>18</td>
<td>18</td>
<td>18</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Average Working Days</td>
<td>no. Days</td>
<td>360</td>
<td>360</td>
<td>360</td>
<td>360</td>
<td>360</td>
</tr>
<tr>
<td>Retail Worker Spending</td>
<td>SGD Mil.</td>
<td>10</td>
<td>17</td>
<td>18</td>
<td>19</td>
<td>19</td>
</tr>
</tbody>
</table>

¹. Implicit occupancy in 2020 due to effects of COVID-19 and social distancing measures.

Source: Cistri
There are a number of office buildings in the TTC, many of which house back-office operations for banks and insurance companies. While there are still undeveloped commercial sites available in the area, we do not expect additional projects to materialize within the forecast period as there are no known projects in the pipeline. Based on the existing office NLA of 1.6 million sq.ft, we estimate an office worker population of 4,100 in 2020. A total of SGD 20 million of retail spend is estimated to be contributed by office workers in 2020, growing to SGD 47 million by 2025.

### Office Worker Market

#### TTC, 2020 -2025

<table>
<thead>
<tr>
<th>Unit</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available Floorspace sq.ft NLA (’000)</td>
<td>1,623</td>
<td>1,623</td>
<td>1,623</td>
<td>1,623</td>
<td>1,623</td>
<td>1,623</td>
</tr>
<tr>
<td>Average Occupancy¹ %</td>
<td>50%</td>
<td>85%</td>
<td>88%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
</tr>
<tr>
<td>Worker Space Ratio sq.ft NLA / Worker</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>On-Site Office Workers no. Workers</td>
<td>4,058</td>
<td>6,899</td>
<td>7,142</td>
<td>7,305</td>
<td>7,305</td>
<td>7,305</td>
</tr>
<tr>
<td>Spend Per Working Day SGD</td>
<td>21</td>
<td>22</td>
<td>23</td>
<td>24</td>
<td>26</td>
<td>27</td>
</tr>
<tr>
<td>Average Working Days no. Days</td>
<td>240</td>
<td>240</td>
<td>240</td>
<td>240</td>
<td>240</td>
<td>240</td>
</tr>
<tr>
<td>Office Worker Spending SGD Mil.</td>
<td>20</td>
<td>37</td>
<td>40</td>
<td>43</td>
<td>45</td>
<td>47</td>
</tr>
</tbody>
</table>

¹ Implicit occupancy in 2020 due to effects of COVID-19 and social distancing measures.

Source : Cistri

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7.5. **TOTAL AVAILABLE RETAIL SPENDING MARKET**

Collectively, the total available retail spending market for TTC’s defined trade area is SGD 4.0 billion in 2020. This figure takes into account residents of the trade area who work as retail or office workers quantified in the previous sub-section to avoid double-counting. By 2025, the total spend market will grow to SGD 5.1 billion, representing an annual growth rate of 5.0%. The strongest growth is contributed by the Secondary sectors, with the Secondary North sector growing by SGD 164 million due to solid population growth.

**Total Spending Market**

<table>
<thead>
<tr>
<th>Trade Area Residents¹:</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>1,534</td>
<td>1,717</td>
<td>1,882</td>
<td>+5.8%</td>
<td>+3.1%</td>
<td>+4.2%</td>
</tr>
<tr>
<td>Secondary:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North</td>
<td>17</td>
<td>125</td>
<td>181</td>
<td>+171.6%</td>
<td>+13.3%</td>
<td>+60.7%</td>
</tr>
<tr>
<td>Loyang</td>
<td>181</td>
<td>212</td>
<td>232</td>
<td>+8.1%</td>
<td>+3.1%</td>
<td>+5.1%</td>
</tr>
<tr>
<td>Simei</td>
<td>335</td>
<td>374</td>
<td>402</td>
<td>+5.7%</td>
<td>+2.4%</td>
<td>+3.7%</td>
</tr>
<tr>
<td>Bedok Reservoir</td>
<td>221</td>
<td>252</td>
<td>271</td>
<td>+6.7%</td>
<td>+2.6%</td>
<td>+4.2%</td>
</tr>
<tr>
<td></td>
<td>754</td>
<td>962</td>
<td>1,087</td>
<td>+13.0%</td>
<td>+4.1%</td>
<td>+7.6%</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td>2,288</td>
<td>2,679</td>
<td>2,969</td>
<td>+8.2%</td>
<td>+3.5%</td>
<td>+5.4%</td>
</tr>
<tr>
<td>Tertiary:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pasir Ris</td>
<td>1,025</td>
<td>1,161</td>
<td>1,273</td>
<td>+6.4%</td>
<td>+3.1%</td>
<td>+4.4%</td>
</tr>
<tr>
<td>Bedok</td>
<td>660</td>
<td>743</td>
<td>803</td>
<td>+6.1%</td>
<td>+2.6%</td>
<td>+4.0%</td>
</tr>
<tr>
<td></td>
<td>1,686</td>
<td>1,904</td>
<td>2,077</td>
<td>+6.3%</td>
<td>+2.9%</td>
<td>+4.3%</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td>3,973</td>
<td>4,583</td>
<td>5,045</td>
<td>+7.4%</td>
<td>+3.3%</td>
<td>+4.9%</td>
</tr>
<tr>
<td>Other Markets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail Workers</td>
<td>10</td>
<td>18</td>
<td>19</td>
<td>+34.0%</td>
<td>+2.7%</td>
<td>+14.2%</td>
</tr>
<tr>
<td>Office Workers</td>
<td>20</td>
<td>40</td>
<td>47</td>
<td>+39.3%</td>
<td>+5.8%</td>
<td>+18.1%</td>
</tr>
<tr>
<td>Total Other Markets</td>
<td>30</td>
<td>58</td>
<td>66</td>
<td>+37.6%</td>
<td>+4.9%</td>
<td>+16.9%</td>
</tr>
<tr>
<td>Total Retail Spending Market</td>
<td>4,004</td>
<td>4,640</td>
<td>5,112</td>
<td>+7.7%</td>
<td>+3.3%</td>
<td>+5.0%</td>
</tr>
</tbody>
</table>

¹. Excludes spending by on site residents and workers (while at work) assumed to live within the trade area

Note: Figures do not add up exactly due to rounding.

Source: Singstat, HDB, URA, Cistri

**Table 7.6**

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7.6. **IMPLICATIONS**

There is a strong existing catchment population which is growing healthily, and a marginally above-average retail spend per capita in the defined trade area. These factors result in an overall healthy growth in the total spending market. With the availability of undeveloped sites, we expect to see continued growth beyond the forecast period.

At a city planning level, the Government’s push to decentralize also bodes well for TTC, being an established regional centre. In view of future development opportunities in the surrounding, we expect Century Square and Tampines 1 to benefit from a stronger catchment population.
8. RETAIL COMPETITION

This section provides a summary of the competitive environment for the TTC assets.

8.1. EXISTING CENTRES

Map 8.1 presents the malls and retail precincts that compete directly with Century Square and Tampines 1, which are further detailed in Table 8.1.

The most direct competition that both mall’s face comes from Tampines Mall and Tampines Hub, both of which are co-located within the TTC. However, it should be noted that as part of an existing town centre, both of these competing malls have a dual effect – while they are competitors, they also provide the critical mass that supports the overall position of TTC as a vibrant town centre.

Tampines Mall is a CapitaLand-owned mall with a typical suburban mall tenant mix. It has an Isetan department store on the ground level, a supermarket in the basement and a cinema on its upper level. The mall has a mid-market positioning and shares a sheltered walkway with Century Square.

Tampines Hub is a unique mixed-use development with a retail component and some sports facilities. The retail mall is mostly semi-enclosed, while some parts of the mall are fully-enclosed. The mall features substantial community facilities on the upper levels such as a community centre, and the retail mix comprises mostly of F&B tenants with a supermarket.

Outside of the primary trade area there are a mix of different competing malls and retail offers:

- East Point Mall and White Sands are good quality neighbourhood malls that serve their local catchments, with a strong emphasis on F&B and food & groceries.
- Downtown East is co-located with the Wild Wet waterpark, and has a strong F&B presence, attracting visitors from a wide area.
- Tampines Retail Park houses Courts, Giant and IKEA, and as such attracts shoppers from throughout Singapore.
- The nearest major town centre is Bedok, which contains Bedok Point and Bedok Mall. This precinct has a very strong draw from the entire Bedok area.
- One of Singapore’s largest retail precincts – Changi Airport – is located just to the east of TTC. However, this plays quite a different role in the retail hierarchy. Jewel, the main landside retail component, is very destinalional and generally targets a higher price point than TTC. That said, we expect it generates business from the TTC trade area, particularly for F&B.

There is other retail scattered throughout and just beyond the trade area. These are primarily small locally focused malls and retail precincts of moderate relevance to TTC.
Map 8.1 shows the location of existing and proposed retail competitive supply. Singapore’s retail supply is largely stable and there are not many projects in the pipeline. In the context of TTC, this remains true with the only known proposed project happening in the Tertiary Pasir Ris sector.

Table 8.1 presents all existing shopping centres found within the trade area. The Main Trade Area has a total of 1.0 million sq.ft of existing NLA (excluding Century Square and Tampines 1). The Tertiary trade area sectors have an additional 0.9 million sq.ft of existing supply, bringing total existing competition in the Total Trade Area to 1.9 million sq.ft.

We also note the presence of Jewel (0.6 million sq.ft NLA) just off to the east of the trade area, located within a 10-minute drive away.
Cistri has also looked at the supply of supermarkets, cinemas and F&B shops in the trade area. The provisions of these tenant are well-under the Singapore suburban average suggesting a balanced competitive position, with no evidence of oversupply of these tenant types.

### Table 6.1

<table>
<thead>
<tr>
<th>Major Tenants</th>
<th>Drive Time from Subject (min)</th>
<th>Drive Distance from Subject (km)</th>
<th>2020 NLA (sq.ft)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Primary:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tampines Mall, Isetan, Golden Village, Kopitiam</td>
<td>0.7</td>
<td>0.2</td>
<td>356,200</td>
</tr>
<tr>
<td>Tampines One, Cold Storage, Sephora</td>
<td>0.0</td>
<td>0.0</td>
<td>268,600</td>
</tr>
<tr>
<td>Century Square, Prime Supermarket, Filmgarde</td>
<td>0.0</td>
<td>0.0</td>
<td>202,500</td>
</tr>
<tr>
<td>Tampines Hub, NTUC FairPrice</td>
<td>5.3</td>
<td>1.1</td>
<td>98,700</td>
</tr>
<tr>
<td><strong>Secondary:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tampines Retail Park, IKEA, Giant, Courts</td>
<td>10.3</td>
<td>5.0</td>
<td>377,000</td>
</tr>
<tr>
<td>Eastpoint Mall, NTUC FairPrice, Courts</td>
<td>9.0</td>
<td>2.9</td>
<td>214,200</td>
</tr>
<tr>
<td><strong>Main Trade Area</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Tertiary:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bedok Mall, FairPrice Finest, Best Denki, Haidilao</td>
<td>13.2</td>
<td>5.2</td>
<td>222,500</td>
</tr>
<tr>
<td>White Sands, NTUC FairPrice, Koufu, Library</td>
<td>10.8</td>
<td>3.7</td>
<td>150,300</td>
</tr>
<tr>
<td>Downtown East (e!Hub), Cathay Cineplex, FairPrice Xtra</td>
<td>13.4</td>
<td>4.7</td>
<td>130,100</td>
</tr>
<tr>
<td>Bedok Point, Harvey Norman</td>
<td>14.7</td>
<td>6.0</td>
<td>82,700</td>
</tr>
<tr>
<td>Downtown East Expansion, Wild Wild Wet</td>
<td>13.4</td>
<td>4.7</td>
<td>82,000</td>
</tr>
<tr>
<td>Loyang Point, Koufu, Giant, Sheng Shiong</td>
<td>11.1</td>
<td>3.8</td>
<td>75,300</td>
</tr>
<tr>
<td>Elias Mall, Sheng Shiong</td>
<td>11.4</td>
<td>4.5</td>
<td>69,600</td>
</tr>
<tr>
<td>Pasir Ris West Plaza, NTUC FairPrice</td>
<td>11.9</td>
<td>5.3</td>
<td>59,200</td>
</tr>
<tr>
<td><strong>Total Trade Area</strong></td>
<td></td>
<td></td>
<td>1,517,200</td>
</tr>
<tr>
<td><strong>Beyond:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jewel Changi Airport, Shaw Cinema</td>
<td>10.0</td>
<td>7.7</td>
<td>576,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td>2,388,900</td>
</tr>
</tbody>
</table>

Source: Cistri

### Table 6.2

<table>
<thead>
<tr>
<th>Supply per X Persons</th>
<th>Supply</th>
<th>Cinema</th>
<th>F&amp;B</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Supermarket sq.ft</td>
<td>Screens</td>
<td>Shops</td>
</tr>
<tr>
<td><strong>Primary</strong></td>
<td>167,000</td>
<td>14</td>
<td>1,133</td>
</tr>
<tr>
<td><strong>Secondary</strong></td>
<td>83,000</td>
<td>0</td>
<td>340</td>
</tr>
<tr>
<td><strong>Main Trade Area</strong></td>
<td>250,000</td>
<td>14</td>
<td>1,473</td>
</tr>
<tr>
<td><strong>Tertiary</strong></td>
<td>225,000</td>
<td>6</td>
<td>1098</td>
</tr>
<tr>
<td><strong>Total Trade Area</strong></td>
<td>475,000</td>
<td>20</td>
<td>2,571</td>
</tr>
<tr>
<td><strong>Singapore Suburbs</strong></td>
<td>4,652,950</td>
<td>208</td>
<td>27,630</td>
</tr>
</tbody>
</table>

1. Floorspace of supermarkets based on estimates. Only supermarkets that are above 4,000 sq.ft are included.
2. Food establishments licensed by NEA. Excludes hawker centres.

Source: NEA, Cistri
8.2. PROPOSED COMPETITION

In March 2019, a joint venture between Allgreen Properties and Kerry Properties was awarded a white site just adjacent to the Pasir Ris MRT station. Based on the bidding conditions, we expect a retail offer of approximately 210,000 sq.ft NLA to be built. We have assumed the completion to be in end-2024, with the mall being fully operational in 2025. There will be some impact on Century Square and Tampines 1, but we expect this to be limited given TTC’s strong retail presence as well as the fact that the proposed project is further out in the Tertiary sector.

While there are no known future projects in the Main Trade Area, Cistri expects a neighbourhood retail offer to be built in the Secondary North sector where there are upcoming new HDB housing blocks. However, this is not expected to be of significant competitive relevance as it is likely to be an HDB-owned mall. Since the timeline for this is not clear, Cistri has excluded it in our forecast period as we believe that it will only be built when there is a critical mass of population.

### Proposed Competition

<table>
<thead>
<tr>
<th>TTC Trade Area, 2020-2025</th>
<th>Table E.3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expected Year of Opening</strong></td>
<td><strong>Expected NLA (sq.ft)</strong></td>
</tr>
<tr>
<td>Tertiary:</td>
<td></td>
</tr>
<tr>
<td>Pasir Ris Central White Site</td>
<td>2025</td>
</tr>
</tbody>
</table>

Source: Cistri

8.3. FORECAST SHOPPING CENTRE FLOORSPACE

Chart 8.1 presents the total shopping centre floorspace within the Main and Total Trade Areas for TTC, including forecasts up to 2025. Chart 8.2 then presents shopping centre floorspace per capita over the same period.

One critical indicator of mall performance is the per capita provision, as this reflects both demand and supply. The Main Trade Area provides 4.0 sq.ft per capita, which is expected to decline to 3.7 sq.ft over the forecast period as the population growth. For the Total Trade Area the provision is 3.6 sq.ft per capita, which increases to 3.8 sq.ft in 2025 due to the completion of a new mall on the Pasir Ris white site.

This per capita provision is low relative to the Singapore average 6.5 sq.ft per capita, and marginally above the Singapore suburban average. Given its position at the top of the suburban retail hierarchy, these per capita estimates are where we would expect and are considered sustainable.
The TTC trade area represents a typical suburban retail market. The strong competition amongst the malls offers good provisions for the surrounding population and support a higher order town centre.

In the near future within the forecast period, we do not see any major direct new competitive threats to the performance of Century Square or Tampines 1.

8.4. IMPLICATIONS

The TTC trade area represents a typical suburban retail market. The strong competition amongst the malls offers good provisions for the surrounding population and support a higher order town centre.

In the near future within the forecast period, we do not see any major direct new competitive threats to the performance of Century Square or Tampines 1.
9. OUTLOOK & CONCLUSIONS

The two portfolio assets are situated within the TTC – one of Singapore’s strongest regional activity centres. Over the past two decades it has developed into a multipurpose regional centre, providing a wide range of retail and other services. It is well serviced by public transport and Singapore’s expressway network.

There is a well-established catchment population covering much of Singapore’s eastern region. Propensity to spend is generally in line with the Singapore average. There are many opportunities for population growth including a large new township to the north as well as development sites near to the TTC.

Although competition is strong amongst the retail spots in TTC, it is considered a reasonably well-balanced competition given the size of the catchment population.
WHITE SANDS
10. ASSET OVERVIEW

White Sands has an NLA of 128,631 sq.ft. Within a 3km catchment is a population size of 387,200. Based on a 3km radius catchment and excluding the overlap with Century Square and Tampines 1, the asset will add an additional 1% population coverage to existing FCT Retail Malls. The mall also benefits from its close proximity to Pasir Ris MRT Station which recorded 21.9 million passenger trips in 2019.

<table>
<thead>
<tr>
<th>Mall</th>
<th>NLA (sq.ft)</th>
<th>3km Catchment Population (2020)</th>
<th>Nearest MRT Station (By Foot)</th>
<th>2019 MRT Station Traffic</th>
</tr>
</thead>
<tbody>
<tr>
<td>White Sands</td>
<td>128,631</td>
<td>387,200</td>
<td>Pasir Ris (Adjacent)</td>
<td>21.9 mil</td>
</tr>
</tbody>
</table>

Source: LTA, Cistri

While a 3km radius catchment makes for easy comparison across malls in Singapore, it may not be representative of where a mall draws its shoppers from (i.e. the trade area) as it does not take into consideration shoppers’ preferences and behaviours. In the following sub-sections, we analyse the asset’s locational characteristics, trade area and competitive retail supply in greater detail.

10.1. LOCATION & ACCESSIBILITY

Based on the existing road network, Map 10.1 outlines the 15-minute drive-time coverage to/from White Sands. The key takeaways from the analysis are as follows:

- The site is located just off the TPE and is thus easily accessible by car.
- Further out, the site is within a 15-minute drive to/from Tampines, Punggol (Waterway Point), Sengkang (Compass One) and Changi Airport (Jewel) due to its good accessibility via the TPE. It is notable that while Tampines is located on the opposite side of TPE, commuters can get to Pasir Ris via the Pasir Ris Flyover.
- The subject site is also within a 15-minute drive to/from several industrial estates in eastern Singapore, namely Loyang Industrial Estate and Changi International LogisPark to the East, and Pasir Ris Wafer Fab Park and Tampines Wafer Fab Park to the West. These industrial regions generate significant employment within the region.
Map 10.2 outlines the 10-minute walking coverage to/from White Sands. While in close proximity to the northern coastline limits catchment population to the north, the site is centrally located within the mature Pasir Ris HDB town and has access to a large population within a 10-minute walk.

Map 10.3 shows the extent of a 30-minute travel time via public transport. Situated next to Pasir Ris MRT station, the mall has good accessibility to many of Singapore’s eastern neighbourhoods. Kallang station can be reached on the East West line within a 30-minute travel time. Parts of Hougang and Sengkang are also reachable via bus within 30 minutes as shown on the map.

In the future, the mall will benefit from the development of the Cross-Island Line, which is scheduled to open in 2029, will pass through Pasir Ris and provide connections through the centre of the island, all the way through to Jurong.
10.2. SURROUNDING LAND USES & FUTURE URA PLANS

Pasir Ris Town Centre is centred on its bus interchange and MRT station. It currently comprises only retail and recreational uses such as White Sands, Pasir Ris Central Hawker Centre, Pasir Ris Sports Complex, as well as Pasir Ris Town Park.

There are three vacant/partially vacant sites surrounding the bus interchange and MRT station:

- The large 409,000 sq.ft site on the opposite side of the MRT station from White Sands was awarded in 2019 to a joint venture between Allgreen Properties and Kerry Properties. This upcoming mixed-use development is planned for TOP in 2024 and will house 600 apartment units on top of a three-storey retail podium. It will also be integrated with a bus interchange, a polyclinic and a town plaza.

- The two remaining sites are reserve sites which land use has yet to be determined by URA.

Beyond these sites, there are several other vacant sites north and south of the town centre as well. They have been marked by URA for residential development but have yet to be released for application. Additional details on future plans for Pasir Ris is found in Appendix D. It is also worth noting that major ongoing residential developments in Tampines North are located fairly close to White Sands as well. HDB projects an ultimate capacity of 44,000 dwelling units22 for Pasir Ris. As at March 2019, there were 29,654 HDB units built, reflecting the strong growth potential around White Sands.

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22 Includes private developments under Government Land Sales Programme. The projected ultimate figure may change.
10.3. DESCRIPTION OF CENTRE

Layout & Presentation

White Sands has one basement level and five above-ground levels of retail. The mall has a simple and legible layout, partly contributed by its compactness. Circulation of the mall is good given the racecourse layout with a central atrium, and escalators at the two ends of the mall. The mall presents well and feels modern from both the interior and exterior, having recently underwent an extensive 18 month-long AEI and reopened its doors in May 2016.

Key features of the mall include the following:

- FairPrice supermarket and a F&B precinct in the basement.
- Cotton On on the ground level.
- F&B precinct on Level 2.
- Koufu food court on Level 3.
- A public library and Popular Bookstore on Level 4.
- Health and beauty precinct on Level 4.
- Education precinct and a post office on Level 5.

In the face of future competition, we believe the precincts can be further strengthened.

Tenant Mix

A comparison of White Sand’s tenant mix against the average of benchmark suburban malls shows:

- An under-provision of Department Store, Fashion, Household and Leisure/Entertainment.
- An over-provision of Beauty & Health, Food & Beverage and Services.
- The mall’s tenant mix is highly functional with less discretionary retail.
- The tenant mix is typical of a neighbourhood retail centre.

Over time as the surrounding market continues to grow, there may be an opportunity to relook the trade mix in the mall gradually to provide more discretionary retail, particularly by reducing the Food & Beverage and Services offer and increasing the Fashion provision. With additional competition in the pipeline (refer to Section 12.2), it will be necessary for the tenant mixing of White Sands to be highly proactive.

In terms of essential services, 58% of White Sands’ NLA is classified as ‘essential’ and continued operating during the Circuit-Breaker period, attributed by the centre’s high provision of F&B. The share of essential services is above the suburban mall benchmark of 40%, and also accounts for 61% of the centre’s gross rent, highlighting the resilience of the mall.
Being the only mall in Pasir Ris Town Centre, White Sands has benefited from a strong catchment population and limited competition adjacent to the MRT station. With several sites in the town centre being marked for residential or mixed-use developments, as well as major upcoming residential developments in Tampines North (1km away to its southwest), White Sands is expected to benefit from this population growth over the next 5 – 10 years. In the longer term, improved connectivity to Pasir Ris via the Cross Island Line (planned for completion in 2029) will also allow easier access to White Sands for residents in neighbouring areas such as Pasir Ris East, as well as workers in the industrial estates of Loyang and Changi.

### 10.4. CONCLUSIONS

Being the only mall in Pasir Ris Town Centre, White Sands has benefited from a strong catchment population and limited competition adjacent to the MRT station. With several sites in the town centre being marked for residential or mixed-use developments, as well as major upcoming residential developments in Tampines North (1km away to its southwest), White Sands is expected to benefit from this population growth over the next 5 – 10 years. In the longer term, improved connectivity to Pasir Ris via the Cross Island Line (planned for completion in 2029) will also allow easier access to White Sands for residents in neighbouring areas such as Pasir Ris East, as well as workers in the industrial estates of Loyang and Changi.

<table>
<thead>
<tr>
<th>Tenant Mix Benchmark</th>
<th>Average Suburban Mall</th>
<th>White Sands</th>
<th>Suburban Mall Floorspace Breakdown</th>
<th>White Sands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beauty &amp; Health</td>
<td>13% 16% +3%</td>
<td>12% 16% +4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Books, Music, Arts &amp; Craft, Hobbies</td>
<td>4% 3% -2%</td>
<td>4% 3% -1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Department Store</td>
<td>4% 0% 0%</td>
<td>7% 0% 0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>5% 8% +3%</td>
<td>3% 8% +5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fashion</td>
<td>13% 8% -5%</td>
<td>13% 8% -5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>24% 33% +9%</td>
<td>23% 33% +10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Household</td>
<td>8% 3% -5%</td>
<td>9% 3% -5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jewellery &amp; Watches</td>
<td>1% 0% -1%</td>
<td>1% 0% -1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leisure/Entertainment</td>
<td>6% 1% -5%</td>
<td>4% 1% -4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>6% 12% +6%</td>
<td>6% 12% +5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sports Apparel &amp; Equipment</td>
<td>2% 1% -1%</td>
<td>2% 1% -1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supermarket &amp; Hypermarket</td>
<td>11% 14% +3%</td>
<td>12% 14% +2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vacant</td>
<td>3% 2% -1%</td>
<td>2% 2% -1%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Total does not add up to 100% due to rounding.

**Source:** FCT, Cistri
11. TRADE AREA ANALYSIS

11.1. RESIDENT TRADE AREA DEFINITION

Map 11.1 illustrates the trade area we have defined for White Sands. In the absence of an exit survey, Cistri has drawn on industry experience and has taken into consideration drive time analyses, physical and psychological barriers as well as location of competitive centres in defining the trade areas.

- The **Primary** sector includes all of the HDB estates in Pasir Ris Central. The trade area sector is bounded by Pasir Ris Park to the north, Sungei Tampines to the east, TPE to the south and Api Api River to the west. Most of the Primary sector is within a 5-minute drive.

- Most of the areas within the **Secondary sectors** are also within a 5-minute drive.
  - The **Secondary North** covers the length of Pasir Ris Park and is bounded by Pasir Ris Drive 3 to the south. There are several condominium projects in the eastern end of the trade area sector.
  - The **Secondary East** sector covers the HDB estate in Pasir Ris East. It is bounded by Pasir Ris Drive 3 to the north, Loyang Avenue to the east, TPE to the south and Sungei Tampines to the west.
  - The **Secondary West** sector covers the Pasir Ris West HDB estate. It is bounded by Api Api River to the east, TPE to the south and Pasir Ris Drive 12 to the west. There is a small landed residential area in this sector.

- The Primary and Secondary sectors collectively form the **Main Trade Area**. The boundary of the Main Trade Area is the same as the Tertiary Pasir Ris sector of Century Square and Tampines 1 centres.

- The **Tertiary South** covers the upcoming HDB estate in Tampines North. Only a few blocks are completed at present, but many more are currently under construction or in the pipeline.
11.2. **TRADE AREA POPULATION**

White Sands is located in the heart of the mature HDB estate of Pasir Ris. The trade area population is somewhat limited by its physical surroundings, with Pasir Ris Park and the coastline to the North, Paya Lebar Air Base to the East and Changi International Airport to the west. That being said, there remains numerous development opportunities within this area in the longer term beyond the forecast period, while in the short-to-medium-term growth will remain largely stable in the Main Trade Area.

These population projections are aligned with future residential projects that are currently under construction or in planning phase, as presented in Map 11.2. Trade area sectors with pipeline supply is showing growth, while areas without new supply are showing slow population decline over time as children move out from their parents’ home to form new households, and also due to an ageing population.

Population growth for the Main Trade Area is forecast to grow at 0.3% per annum, increasing by an average of 400 persons per annum. By 2025, the Main Trade Area’s population is forecast to reach 171,000, up from 168,000 in 2020.

Within the Main Trade Area, the Primary Trade Area is forecast to have the fastest growth, growing at a pace of 1.7% per annum. It is worth noting that there are several new mid-to-high-rise residential developments planned by HDB in the Primary sector which are expected to come online from 2023 onwards. Within the Secondary sectors, marginal negative growth is forecasted due to limited new residential development anticipated. Nonetheless, the existing Main Trade Area population is considered very strong due to the dense nature of the HDB estate.

Outside the Main Trade Area, strong population growth is forecasted within the Tertiary South sector as part of the Tampines North development. The earliest HDB blocks were completed in 2019, and additional flats will be added through to 2022. This is forecast to bring the Tertiary South population from 3,000 in 2020 to 25,000 in 2025. It is likely that the residents in this sector will gravitate more towards the Tampines retail cluster rather than travelling outwards to Pasir Ris Central. However, the sheer amount of new residents that will be added to the area, coupled with the fact that White Sands is in very close proximity suggest that this sector will also have an impact on the subject mall.

Collectively, the Total Trade Area population will grow from 171,000 to 196,000, representing a CAGR of 2.7%, or 5,400 persons per annum. It should also be noted that a retail mall will draw shoppers from beyond its defined trade area, thus Cistri expects visitation from beyond the trade area as well.

**Trade Area Population**

<table>
<thead>
<tr>
<th>White Sands, 2020 - 2025</th>
<th>Table 11.1</th>
<th>Population (000’s)</th>
<th>Annual Growth (000’s)</th>
<th>CAGR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secondary:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>East</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Main Trade Area</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tertiary South</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Trade Area</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Figures do not add up exactly due to rounding.

Source: Singstat, HDB, URA, Cistri
Retail spend per capita for the trade area is marginally above the Singapore average. The Primary and Secondary North sectors have reasonably strong retail spending power, while the rest of the trade area sectors have a slightly lower spend per capita relative to the Singapore average.

It is important to note that the official household income statistics that is published by Singstat only takes into consideration resident households which include Singaporeans and Singapore PRs. This means that the information does not provide the full picture of household incomes as it omits the expatriates, international students and other foreign workers in the country.

**11.3. PER CAPITA SPENDING FORECASTS**

Retail spend per capita for the trade area is marginally above the Singapore average. The Primary and Secondary North sectors have reasonably strong retail spending power, while the rest of the trade area sectors have a slightly lower spend per capita relative to the Singapore average.

It is important to note that the official household income statistics that is published by Singstat only takes into consideration resident households which include Singaporeans and Singapore PRs. This means that the information does not provide the full picture of household incomes as it omits the expatriates, international students and other foreign workers in the country.

**Trade Area Per Capita Retail Spend**

**White Sands, 2020**

<table>
<thead>
<tr>
<th>Population</th>
<th>Resident HH Income Variation</th>
<th>Retail Spend per Capita Variation</th>
<th>Retail Spend Per Capita (SGD)</th>
<th>Retail Spend (SGD Mil)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>vs SG¹</td>
<td>vs SG²</td>
<td>Food</td>
<td>Non-Food</td>
</tr>
<tr>
<td>Primary</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>+25%</td>
<td>+5%</td>
<td>3,200</td>
<td>3,188</td>
</tr>
<tr>
<td>Secondary:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North</td>
<td>12,800</td>
<td>+25%</td>
<td>3,150</td>
<td>3,139</td>
</tr>
<tr>
<td>East</td>
<td>67,900</td>
<td>+25%</td>
<td>3,001</td>
<td>2,990</td>
</tr>
<tr>
<td>West</td>
<td>46,200</td>
<td>+25%</td>
<td>3,027</td>
<td>3,016</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3,025</td>
<td>3,015</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td>168,300</td>
<td>+25%</td>
<td>3,068</td>
<td>3,057</td>
</tr>
<tr>
<td>Tertiary South</td>
<td>2,900</td>
<td>+2%</td>
<td>2,971</td>
<td>2,961</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td>171,200</td>
<td>+24%</td>
<td>3,067</td>
<td>3,056</td>
</tr>
</tbody>
</table>

1. Only includes Singaporeans and PRs. HH refers to household.
2. Includes all population living in Singapore, including expats, work permit holders

**Source:** Singstat, HDB, URA, Cistri
After taking into consideration on-site workers who live and work within the trade area (quantified in the next sub-section), the total retail spending market for the White Sands trade area is estimated to be SGD 1.0 billion in 2020. Of this, 22% is contributed by the Primary, 77% by the Secondary and 2% by the Tertiary.\(^{23}\)

As with population growth, the strongest retail spend growth is to be experienced in the Tertiary South sector, growing from SGD 17 million in 2020 to SGD 180 million by 2025. Due to this strong growth, the share of Tertiary retail spend relative to the Total Trade Area will increase to 13% by 2025, while the share of Primary and Secondary retail spend will decrease to 20% and 67% respectively.

Overall, while the Main Trade Area spend will grow by 4.0% per annum, the Total Trade Area is forecast to show healthy growth of 6.7% per annum for the forecast period.

**Trade Area Retail Spend Forecast**

<table>
<thead>
<tr>
<th>White Sands, 2020-2025</th>
<th>Table II.3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Retail Spending (SGD Mil.)</td>
</tr>
<tr>
<td>Trade Area Residents(^1):</td>
<td></td>
</tr>
<tr>
<td>Primary</td>
<td></td>
</tr>
<tr>
<td>North</td>
<td>79</td>
</tr>
<tr>
<td>East</td>
<td>402</td>
</tr>
<tr>
<td>West</td>
<td>275</td>
</tr>
<tr>
<td></td>
<td>756</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td></td>
</tr>
<tr>
<td></td>
<td>972</td>
</tr>
<tr>
<td>Tertiary South</td>
<td></td>
</tr>
<tr>
<td></td>
<td>17</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td></td>
</tr>
<tr>
<td></td>
<td>989</td>
</tr>
</tbody>
</table>

\(^1\) Excludes spending by on site residents and workers (while at work) assumed to live within the trade area.

\(^{23}\) Total does not add up to 100% due to rounding.

Note: Figures do not add up exactly due to rounding.
Source: Singstat, HDB, URA, Cistri

**11.4. OTHER MARKET SEGMENT SPENDING FORECASTS**

Cistri has estimated the size of other relevant market segments that are within the trade area. These include the retail workers in White Sands and Downtown East, as well as the industrial workers who work in the industrial estates nearby including Pasir Ris Wafer Fab Park, Tampines Wafer Fab Park and Loyang Industrial Estate.

Based on the existing and forecasted retail floorspace, we estimate a total of about 800 retail workers working in Pasir Ris Central. This amounts to an estimated retail worker spend market of SGD 3 million in 2020, increasing to SGD 5 million by 2025.
By Cistri estimates, there are about 19,500 industrial workers in the industrial estates around Pasir Ris. Many of these workers are likely to use the MRT to commute to work, although some may take direct bus routes. These employees are estimated to spend about SGD 43 million in 2020, increasing to SGD 75 million by 2025.

### Industrial Worker Market

<table>
<thead>
<tr>
<th>White Sands, 2020 - 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unit</strong></td>
</tr>
<tr>
<td>Available Floorspace sq.ft GFA ('000)</td>
</tr>
<tr>
<td>Average Occupancy %</td>
</tr>
<tr>
<td>Worker Space Ratio sq.ft GFA / Worker</td>
</tr>
<tr>
<td>On-Site Workers no. Workers</td>
</tr>
<tr>
<td>Spend Per Working Day SGD</td>
</tr>
<tr>
<td>Average Working Days no. Days</td>
</tr>
<tr>
<td><strong>Industrial Worker Spending SGD Mil.</strong></td>
</tr>
</tbody>
</table>

1. Implicit occupancy in 2020 due to effects of COVID-19 and social distancing measures.
Source: Cistri

### Retail Worker Market

<table>
<thead>
<tr>
<th>White Sands, 2020 - 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unit</strong></td>
</tr>
<tr>
<td>Available Floorspace sq.ft NLA</td>
</tr>
<tr>
<td>Average Occupancy %</td>
</tr>
<tr>
<td>Occupied Units sq.ft NLA</td>
</tr>
<tr>
<td>Worker Space Ratio sq.ft NLA / Worker</td>
</tr>
<tr>
<td>On-Site Workers no. Workers</td>
</tr>
<tr>
<td>Spend Per Working Day SGD</td>
</tr>
<tr>
<td>Average Working Days no. Days</td>
</tr>
<tr>
<td><strong>Retail Worker Spending SGD Mil.</strong></td>
</tr>
</tbody>
</table>

1. Implicit occupancy in 2020 due to effects of COVID-19 and social distancing measures.
Source: Cistri

### 11.5. TOTAL AVAILABLE RETAIL SPENDING MARKET

Collectively, the total available retail spending market for White Sands’ defined trade area is SGD 1.0 billion in 2020. This figure takes into account residents of the trade area who work as retail or industrial workers quantified in the previous sub-section to avoid double-counting. By 2025, the total spend market will grow to SGD 1.4 billion, representing a strong annual growth rate of 6.9%. The strongest growth is contributed by the Tertiary South sector, with the sector growing by SGD 156 million.

In terms of absolute size in 2025, the Secondary sectors has the largest share of 63%, followed by the Primary at 19%, then the Tertiary at 12%. The other markets contribute 6% to the total available retail spending market in 2025.
Despite being a mature HDB estate, Pasir Ris benefits from having multiple future development sites and has been earmarked by HDB to undergo a rejuvenation. This bodes well for White Sands, as it stands to gain from the strong existing population, and further upside when new developments are completed. On the back of very healthy population growth and an above-average retail spend per capita, strong spending market growth is forecasted for the trade area, presenting potential upside for White Sands.

### Trade Area Residents

#### Primary

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2022</th>
<th>2025</th>
<th>CAGR (2020-2025)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>215</td>
<td>227</td>
<td>268</td>
<td>+2.7%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+5.6%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+4.4%</td>
</tr>
</tbody>
</table>

#### Secondary

- **North**
  - | Year | 2020 | 2022 | 2025 | CAGR (2020-2025) |
  - |      | 79   | 91   | 100  | +7.3%            |
  - |      |      |      |      | +3.2%            |
  - |      |      |      |      | +4.8%            |

- **East**
  - | Year | 2020 | 2022 | 2025 | CAGR (2020-2025) |
  - |      | 402  | 449  | 482  | +5.7%            |
  - |      |      |      |      | +2.4%            |
  - |      |      |      |      | +3.7%            |

- **West**
  - | Year | 2020 | 2022 | 2025 | CAGR (2020-2025) |
  - |      | 275  | 310  | 335  | +6.1%            |
  - |      |      |      |      | +2.6%            |
  - |      |      |      |      | +4.0%            |

| Year | 756  | 850  | 918  | +6.0% | +2.6% | +3.9% |

#### Main Trade Area

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2022</th>
<th>2025</th>
<th>CAGR (2020-2025)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>972</td>
<td>1,077</td>
<td>1,185</td>
<td>+5.3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+3.2%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+4.0%</td>
</tr>
</tbody>
</table>

#### Tertiary South

<table>
<thead>
<tr>
<th>Year</th>
<th>17</th>
<th>124</th>
<th>180</th>
<th>+171.5%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+13.3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+60.7%</td>
</tr>
</tbody>
</table>

#### Total Trade Area

<table>
<thead>
<tr>
<th>Year</th>
<th>989</th>
<th>1,201</th>
<th>1,365</th>
<th>+10.2%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+4.4%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+6.7%</td>
</tr>
</tbody>
</table>

### Other Markets

- **Retail Workers**
  - | Year | 2020 | 2022 | 2025 | CAGR (2020-2025) |
  - |      | 3    | 5    | 5    | +33.9%            |
  - |      |      |      |      | +2.7%            |
  - |      |      |      |      | +14.2%            |

- **Industrial Workers**
  - | Year | 2020 | 2022 | 2025 | CAGR (2020-2025) |
  - |      | 43   | 69   | 75   | +27.2%            |
  - |      |      |      |      | +2.7%            |
  - |      |      |      |      | +11.9%            |

#### Total On Site

<table>
<thead>
<tr>
<th>Year</th>
<th>46</th>
<th>74</th>
<th>81</th>
<th>+27.6%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+2.7%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+12.0%</td>
</tr>
</tbody>
</table>

#### Total Retail Spending Market

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2022</th>
<th>2025</th>
<th>CAGR (2020-2025)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,034</td>
<td>1,275</td>
<td>1,445</td>
<td>+11.0%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+4.3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+6.9%</td>
</tr>
</tbody>
</table>

1. Excludes spending by on site residents and workers (while at work) assumed to live within the trade area.

Note: Figures do not add up exactly due to rounding.

Source: Singstat, HDB, URA, Cistri

### 11.6. IMPLICATIONS

Despite being a mature HDB estate, Pasir Ris benefits from having multiple future development sites and has been earmarked by HDB to undergo a rejuvenation. This bodes well for White Sands, as it stands to gain from the strong existing population, and further upside when new developments are completed. On the back of very healthy population growth and an above-average retail spend per capita, strong spending market growth is forecasted for the trade area, presenting potential upside for White Sands.
12. RETAIL COMPETITION

This section provides a summary of the competitive environment for White Sands.

12.1. EXISTING CENTRES

Map 12.1 presents the malls and retail precincts that compete directly with White Sands, which are further detailed in Table 12.1.

Within the catchment there are a number of competing malls and stores of relevance:

- **Downtown East**, located just to the north-east of White Sands is a neighbourhood mall that has undergone numerous refurbishments and expansions over the years. The mall has two components – a fully indoor four-storey mall (EIHub) and a partially air-conditioned two-storey mall (E!Avenue).
  - E!Hub is anchored by FairPrice on the second floor and a cinema on the top level. This portion of the Downtown East complex opened in 2008 and appears tired, with only the second and fourth level showing signs of shopper activity even before the pandemic. The ground level is largely vacant apart from a bowling alley, while the third level has been leased to enrichment centres.
  - E!Avenue underwent significant renovations which were completed in 2017. The mall is an entry point to the adjacent water park Wild Wild Wet, and is also attached to D'Resort, a resort hotel, and D'Marquee, a performance space, and houses a Uniqlo.

- A range of other street fronting retail including around 30 shops linked to the MRT, and a NTUC Food Fare at the Pasir Ris Sports Centre.

- **Beyond the Pasir Ris Town Centre** there is a number of neighbourhoods focused retail precincts:
  - **Loyang Point** is anchored by a Giant and Sheng Shiong supermarkets as well as two food courts. The mall was partially refurbished in 2017, but the quality of finishes remains far below White Sands. Many shops were not trading at the time of visit. The mall also features multiple enrichment centres for students.
  - **Elias Mall** is anchored by a Sheng Shiong supermarket and a food court. The mall has some enrichment centres on the upper level. It is aged and needs refurbishment.
  - **Pasir Ris West Plaza** features a FairPrice supermarket and a Koufu food court. This mall appears slightly better maintained than the other two HDB malls, but still appears tired. There are enrichment centres on the upper levels.
  - **Tampines Retail Park** houses a large Courts, Giant and IKEA, and as such attracts shoppers from throughout Singapore. It takes a strong higher order position when it comes to furniture, homewares and electronics.
  - **To the south of the catchment is the Tampines Town Centre**, which holds a higher role in the retail hierarchy than Pasir Ris. So while it is a large retail offering, and therefore competes with White Sands, the TTC plays a slightly different role than White Sands.
  - Finally, **Changi Airport** houses a large amount of higher order retail. Its price point and positioning mean it is of less direct relevance to White Sands, but inevitably affects market expenditure.
## Existing Competition

### White Sands Trade Area, 2020

<table>
<thead>
<tr>
<th>Secondary:</th>
<th>Drive Time to Subject (min)</th>
<th>Drive Distance to Subject (km)</th>
<th>Major Tenants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downtown East (e!Hub)</td>
<td>5.8</td>
<td>1.3</td>
<td>Cathay Cineplex, FairPrice Xtra</td>
</tr>
<tr>
<td>Downtown East Expansion</td>
<td>5.8</td>
<td>1.3</td>
<td>Wild Wild Wet</td>
</tr>
<tr>
<td>Loyang Point</td>
<td>7.8</td>
<td>2.7</td>
<td>Koufu, Giant, Sheng Shion</td>
</tr>
<tr>
<td>Elias Mall</td>
<td>7.4</td>
<td>2.4</td>
<td>Sheng Shion</td>
</tr>
<tr>
<td>Pasir Ris West Plaza</td>
<td>7.4</td>
<td>2.4</td>
<td>NTUC FairPrice</td>
</tr>
<tr>
<td><strong>Main Trade Area</strong></td>
<td></td>
<td></td>
<td><strong>416,200</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tertiary:</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tampines Retail Park</td>
<td>10.5</td>
<td>4.1</td>
<td>IKEA, Giant, Courts</td>
</tr>
<tr>
<td><strong>Total Trade Area</strong></td>
<td><strong>793,200</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Beyond:</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Jewel Changi Airport</td>
<td>11.0</td>
<td>0.4</td>
<td>Shaw Cinema</td>
</tr>
</tbody>
</table>

**Source:** Cistri

---

Map 12.1: White Sands Existing & Proposed Retail Competition

Table 12.1: White Sands Trade Area, 2020

Map 12.1: White Sands Existing & Proposed Retail Competition

Table 12.1: White Sands Trade Area, 2020
Cistri has also looked at the supply of supermarkets, cinemas and F&B shops in the trade area. The levels of provision of these amenities are well-under the Singapore suburban average suggesting a balanced competitive position, with no evidence of oversupply of these tenant types. The Tertiary sector provision appears unusually high due to the lack of existing population. This figure is expected to normalize as the sector becomes populated.

**Supermarket, Cinema & F&B Supply**

<table>
<thead>
<tr>
<th>White Sands Trade Area, 2019</th>
<th>Table 12.2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Supply</td>
</tr>
<tr>
<td></td>
<td>Supermarket sq.ft</td>
</tr>
<tr>
<td>Primary</td>
<td>24,000</td>
</tr>
<tr>
<td>Secondary</td>
<td>96,000</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td>120,000</td>
</tr>
<tr>
<td>Tertiary</td>
<td>59,000</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td><strong>179,000</strong></td>
</tr>
<tr>
<td>Singapore Suburbs</td>
<td><strong>4,652,950</strong></td>
</tr>
</tbody>
</table>

1. Floorspace of supermarkets based on estimates. Only supermarkets that are above 4,000 sq.ft are included.
2. Food establishments licensed by NEA. Excludes hawker centres.
Source: NEA, Cistri

### 12.2. PROPOSED COMPETITION

The only new competition will come from the large 38,000 sq.m site on the opposite side of the MRT station from White Sands was awarded in 2019 to a joint venture between Allgreen Properties and Kerry Properties. This upcoming mixed-use development is planned for TOP in 2024 and will house 600 apartment units on top of a three-storey retail podium. It will also be integrated with a bus interchange, a polyclinic and a town plaza.

Based on the bidding conditions for the site, we expect a retail offer of approximately 210,000 sq.ft NLA to be built. We have assumed the mall to be fully operational in 2025. This will obviously compete directly with White Sands, being co-located as part of the same precinct. While the new project will certainly impact White Sands, there will be some offsetting impact from providing the precinct with greater critical mass resulting in less leakage from the catchment.

**Proposed Competition**

<table>
<thead>
<tr>
<th>White Sands Trade Area, 2020 -2025</th>
<th>Table 12.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expected Year of Opening</td>
<td>Expected NLA (sq.ft)</td>
</tr>
<tr>
<td>Primary:</td>
<td></td>
</tr>
<tr>
<td>Pasir Ris Central White Site</td>
<td>2025</td>
</tr>
</tbody>
</table>

Source: Cistri
12.3. FORECAST SHOPPING CENTRE FLOORSPACE

Chart 12.1 presents the total supply of shopping centre floorspace within the trade area, while Chart 12.2 presents the per capita provision. The provision of floorspace within the Main Trade Area is lower than the Singapore average, and just marginally above the suburban benchmark of 3.23. The Total Trade Area provision is close to the Singapore average, but this is kept high by the big box retail at Tampines Retail Park (IKEA etc). If Tampines Retail Park is excluded, the provision would be 2.1 sq.ft per capita in 2020, increasing to 2.9 sq.ft per capita in 2025.

Forecast Shopping Centre Floorspace
White Sands Trade Area, 2020 -2025, million sq.ft

<table>
<thead>
<tr>
<th>Year</th>
<th>Main Trade Area</th>
<th>Total Trade Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>0.57</td>
<td>0.78</td>
</tr>
<tr>
<td>2021</td>
<td>0.57</td>
<td>0.78</td>
</tr>
<tr>
<td>2022</td>
<td>0.57</td>
<td>0.78</td>
</tr>
<tr>
<td>2023</td>
<td>0.57</td>
<td>0.78</td>
</tr>
<tr>
<td>2024</td>
<td>0.57</td>
<td>0.78</td>
</tr>
<tr>
<td>2025</td>
<td>0.57</td>
<td>0.78</td>
</tr>
</tbody>
</table>

Source: Cistri

Forecast Shopping Centre Floorspace per Capita
White Sands Trade Area, 2020 -2025, sq.ft per capita

<table>
<thead>
<tr>
<th>Year</th>
<th>Main Trade Area</th>
<th>Total Trade Area</th>
<th>Singapore</th>
<th>Singapore Suburban</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>3.39</td>
<td>6.45</td>
<td>3.23</td>
<td>3.41</td>
</tr>
<tr>
<td>2021</td>
<td>3.42</td>
<td>6.45</td>
<td>3.25</td>
<td>3.41</td>
</tr>
<tr>
<td>2022</td>
<td>3.44</td>
<td>6.47</td>
<td>3.27</td>
<td>3.41</td>
</tr>
<tr>
<td>2023</td>
<td>3.46</td>
<td>6.49</td>
<td>3.31</td>
<td>3.41</td>
</tr>
<tr>
<td>2024</td>
<td>3.41</td>
<td>6.51</td>
<td>3.35</td>
<td>3.41</td>
</tr>
<tr>
<td>2025</td>
<td>4.68</td>
<td>6.04</td>
<td>4.65</td>
<td>6.04</td>
</tr>
</tbody>
</table>

Source: Cistri

12.4. IMPLICATIONS

The competitive environment is reasonably typical for such a sub-regional mall in Singapore. White Sands plays an important day-to-day retail role and within its trade area, it sits towards the top of the local retail hierarchy. Surrounding suburbs offer a range of smaller retail precincts and supermarkets. Its role is generally that of a sub-regional mall as there are strong higher order retail locations to the south (TTC) and also Tampines Retail Park.

The new mall on the Pasir Ris White Site adjacent to White Sands will certainly be a competitive challenge for White Sands, but it will also help increase the critical mass of the precinct, possibly decrease the level of sales leakages that currently goes to retail precincts to the south.
13. OUTLOOK & CONCLUSIONS

White Sands is currently the most significant part of the evolving Pasir Ris town centre. While Pasir Ris is an established township, it continues to grow on multiple development fronts and White Sands will benefit from this growth.

The completion of the Cross-Island line will further support the development of Pasir Ris, significantly improving its public transport connectivity.

The catchment that Pasir Ris serves has some well-established areas, as well as some growth opportunities. To the south, a large new township will bring greater population into the region, while there remain development sites closer to the centre of Pasir Ris.

The catchment in which White Sands operates is not currently overly competitive. Many of the competing retail precincts are lower order and lower quality. The retail at Downtown East is the strongest competing mall, particularly because of its F&B offerings.

The main change to the competitive environment is the development of the site adjacent to the Pasir Ris MRT station and White Sands. This 210,000 sq.ft retail development will certainly compete directly with White Sands. However, we believe it will also provide additional critical mass to the precinct, attracting additional customers to shop at Pasir Ris.
14. ASSET OVERVIEW

Hougang Mall has an NLA of 150,593 sq.ft. The mall’s 3km catchment covers a population size of 602,700. Based on a 3km radius catchment, the asset will add an additional 14% population coverage to existing FCT Retail Malls. The mall also benefits from its close proximity to Hougang MRT Station which recorded 21.8 million passenger trips in 2019.

<table>
<thead>
<tr>
<th>Mall</th>
<th>NLA (sq.ft)</th>
<th>3km Catchment Population (2020)</th>
<th>Nearest MRT Station (By Foot)</th>
<th>2019 MRT Station Traffic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hougang Mall</td>
<td>150,593</td>
<td>602,700</td>
<td>Hougang (100m)</td>
<td>21.8 mil</td>
</tr>
</tbody>
</table>

Source: LTA, Cistri

It should be noted that while a 3km radius catchment makes for easy comparison across malls in Singapore, it may not be representative of where a mall draws its shoppers from (i.e. the trade area) as it does not take into consideration shoppers’ preferences and behaviours. In the following sub-sections, we analyse each asset’s locational characteristics, trade area and competitive retail supply in greater detail.

14.1. LOCATION & ACCESSIBILITY

Map 14.1 outlines the 15-minute drive time to/from Hougang Mall. Key takeaways from the analysis are as follows:

- Hougang Mall is located adjacent to the Hougang MRT station, central to an established residential suburb. As such it is located on secondary roads, but remains highly accessible from the surrounding suburbs due to the network of higher order roads.

- The mall also enjoys relatively good road accessibility with the nearby Kallang-Paya Lebar Expressway (KPE) and Tampines Expressway (TPE).

- Within a 15-minute drive, the retail centre can access residents from Punggol, Toa Payoh and Tampines, and is located within a densely populated suburb on secondary roads.
Hougang Mall is located adjacent to a key transport nodes, and is part of a neighbourhood activity centre. As the mall is in a mature housing estate, it enjoys a ready catchment of nearby residents within a 10-minute walk (Map 14.2). The residential developments include a mix of HDB and landed homeowners.

Map 14.3 shows the extent of a 30-minute travel time via public transport. Due to the mall’s convenient location next to Hougang MRT station, the mall has good accessibility to many neighbourhoods along the North East line. Farrer Park station can be reached on the North East line within a 30-minute travel time. Parts of Serangoon Gardens are also reachable via bus within 30 minutes as shown on the map.
14.2. **SURROUNDING LAND USES & FUTURE URA PLANS**

There is a good mix of housing types near Hougang Mall. Apart from public housing, there are several private apartments such as Midtown Residences, Naung Residence and landed properties including those near Realty Park and Parkwood Collection (expected TOP in 2021). Hougang Mall is also serving students including those from the nearby Montfort Junior & Secondary School and Holy Innocents’ High School.

More vibrancy is expected to be injected in the Hougang Central area. The area will witness a new integrated transport hub at Hougang MRT Station and an improved accessibility with the opening of Cross Island Line in 2029; the Hougang MRT station will therefore become an interchange station.

Under Master Plan 2019, there are plans to turn the large empty land parcel west of Hougang Mall into a mixed-use commercial and residential development. URA has also assigned several land parcels south of the mall for residential development (Refer to Appendix D). This will provide additional catchment population to Hougang Mall when developed. HDB projects an ultimate capacity of 72,000 units\(^2\) for Hougang. As at March 2019, there were 56,561 HDB units built, reflecting the strong growth potential around Hougang Mall.

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\(^2\) Includes private developments under Government Land Sales Programme. The projected ultimate figure may change.
14.3. DESCRIPTION OF CENTRE

Layout & Presentation

Hougang Mall has one basement level and five above-ground levels of retail. The mall has a simple and legible layout, partly contributed to by its compactness. Circulation of the mall is good given the racecourse layout with a central atrium, and escalators at the two ends of the mall. Compared to the other portfolio malls, Hougang Mall is more dated and in need of future refreshment.

Key features of the mall include the following:

- FairPrice supermarket and a F&B precinct in the basement.
- Cotton On on the ground level.
- F&B precinct and Harvey Norman on Level 2.
- A public library and Popular Bookstore on Level 3.
- Mei Shi Mei Ke(Kopitiam) food court, health and beauty precinct and post office on Level 4.
- Education precinct and a post office on Level 5.

The mall is well anchored with some good brands such as Harvey Norman, Cotton On and FairPrice. It appears well tenanted given its neighbourhood role in the retail hierarchy.

Tenant Mix

A comparison of Hougang Mall’s tenant mix against the average of benchmark suburban malls shows:

- An under-provision of Department Store, Fashion and Leisure/Entertainment.
- A higher provision of Food & Beverage and Services.

In the future, the addition of the Cross-Island MRT line will support the ability of the precinct to attract visitors. As such, we believe there will be an opportunity to remix the mall gradually to provide more discretionary retail, by possibly reducing the service offerings and increasing the Fashion provision. With additional competition in the pipeline (refer to Section 16.2), the tenant mix of the mall will need to be proactive to support its competitive position.

In terms of essential services, 50% of Hougang Mall’s NLA is classified as ‘essential’ and continued operating during the Circuit-Breaker period. The share of essential services is above the suburban mall benchmark of 40%, and also accounts for 56% of the centre’s gross rent, highlighting the resilience of the mall.
Similar to White Sands, Hougang Mall has benefited from a strong catchment population and limited competition within the Hougang Town Centre. In the future, strengthened with the completion of the Cross Island Line in 2029, to and from neighbouring districts like Defu and Serangoon North which currently do not host any significant retail centres. Locally, potential mixed-use and residential developments can also help inject vibrancy into the town centre and serve as additional catchment population for Hougang Mall, though these projects will likely happen in the later part of the decade.

### Table 4.1

<table>
<thead>
<tr>
<th>Tenant Mix Benchmark</th>
<th>Average Suburban Mall</th>
<th>Hougang Mall</th>
<th>Suburban Mall Floorspace Breakdown</th>
<th>Hougang Mall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beauty &amp; Health</td>
<td>13%</td>
<td>13%</td>
<td>12%</td>
<td>13%</td>
</tr>
<tr>
<td>Books, Music, Arts &amp; Craft, Hobbies</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Department Store</td>
<td>4%</td>
<td>0%</td>
<td>7%</td>
<td>0%</td>
</tr>
<tr>
<td>Education</td>
<td>5%</td>
<td>7%</td>
<td>3%</td>
<td>7%</td>
</tr>
<tr>
<td>Fashion</td>
<td>13%</td>
<td>7%</td>
<td>13%</td>
<td>7%</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>24%</td>
<td>27%</td>
<td>23%</td>
<td>27%</td>
</tr>
<tr>
<td>Household</td>
<td>8%</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>Jewellery &amp; Watches</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Leisure/Entertainment</td>
<td>6%</td>
<td>2%</td>
<td>4%</td>
<td>2%</td>
</tr>
<tr>
<td>Services</td>
<td>5%</td>
<td>11%</td>
<td>6%</td>
<td>11%</td>
</tr>
<tr>
<td>Sports Apparel &amp; Equipment</td>
<td>2%</td>
<td>0%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>Supermarket &amp; Hypermarket</td>
<td>11%</td>
<td>14%</td>
<td>12%</td>
<td>14%</td>
</tr>
<tr>
<td>Vacant</td>
<td>3%</td>
<td>5%</td>
<td>2%</td>
<td>5%</td>
</tr>
</tbody>
</table>

Note: Total does not add up to 100% due to rounding.

Source: FCT, Cistri

### 14.4. CONCLUSIONS

Similar to White Sands, Hougang Mall has benefited from a strong catchment population and limited competition within the Hougang Town Centre. In the future, the town centre’s role as a transport hub will be strengthened with the completion of the Cross Island Line in 2029. This will improve Hougang’s accessibility to and from neighbouring districts like Defu and Serangoon North which currently do not host any significant retail centres. Locally, potential mixed-use and residential developments can also help inject vibrancy into the town centre and serve as additional catchment population for Hougang Mall, though these projects will likely happen in the later part of the decade.
15. TRADE AREA ANALYSIS

15.1. RESIDENT TRADE AREA DEFINITION

Map 15.1 illustrates the trade area of Hougang Mall. In the absence of an exit survey, Cistri has drawn on industry experience and has taken into consideration drive time analyses, physical and psychological barriers as well as location of competitive centres in defining the trade areas. In this case we have defined a trade area that is larger than we typically would for a mall of this size, reflecting the mall’s co-location with other malls creating a larger retail precinct.

- The **Primary** sector includes the HDB blocks in close proximity to the mall. The trade area sector is bounded by Hougang Avenue 8 to the north and west, Upper Serangoon to the east and Hougang Avenue 2 to the south. All of the Primary sector is within a 5-minute drive.

- The two **Secondary** sectors are all within a 5 to 10-minute drive.
  - The **Secondary East** sector includes the HDB blocks and condominiums opposite Upper Serangoon Road from the Primary sector, bounded by Buangkok Drive to the north, Serangoon River to the east and Hougang Avenue 3 to the south.
  - The **Secondary West** sector covers the rest of the Hougang HDB estate to the west, bounded by Buangkok Drive to the north, Hougang Avenue 8 to the east, Hougang Avenue 2 to the south and Yio Chu Kang Road to the west.

- Four **Tertiary** sectors have been defined, mostly reachable within a 10-minute drive. The tertiary sector extends further to the west due to the lack of retail malls serving the area.
  - The **Tertiary North** covers the southern parts of Sengkang, bounded by Compassvale Drive to the north, Serangoon River to the east, Buangkok Drive to the south and Sengkang East Road to the west.
  - The **Tertiary South** includes all of the Kovan estate, characterized by a large area of landed residential housing. It is bounded by Hougang Avenue 2 to the north, Hougang Avenue 3 to the east, Lorong Ah Soo to the south and Yio Chu Kang Road to the west.
  - The **Tertiary West** is a relatively small area that covers the Serangoon North HDB estates around Ang Mo Kio Avenue 3. This sector is limited due to the industrial estate that is to the north and west.
  - The **Tertiary Northwest** sector covers the landed residential estate bounded by Yio Chu Kang Road to the north and east, Ang Mo Kio Avenue 5 to the south and CTE to the west.
15.2.  TRADE AREA POPULATION

Hougang Mall benefits from being located in the heart of a well-established residential estate, giving it a strong catchment population. The dense nature of the HDB estate translates to benefits to the mall’s footfall.

These population projections are aligned with future residential projects that are currently under construction or in planning phase, as presented in Map 15.2. Trade area sectors with pipeline supply is showing growth, while areas without new supply are showing slow population decline as the population are getting redistributed to new projects. Generally across all sectors, population is expected to increase slightly in the short-term due to new developments, after which a lack of development and an aging population will result in a marginal decline, resulting in a stable population overall.

In 2020, we estimate a total Main Trade Area population of 189,000, with 27,000 from the Primary sector and 162,000 from the Secondary sectors. The Primary sector is forecast to decline marginally by 0.2% per annum while the Secondary sectors decline by 0.1% per annum through to 2025, representing an absolute decline of 200 persons in the Main Trade Area. The Secondary East sector will see the strongest growth of 0.3% per annum for the forecast period with the completion of new units.

The Tertiary sectors are forecasted to see a slight increase in population in the forecast period due to the completion of new developments, at a rate of 0.2% per annum or 800 persons per annum. From 2020 to 2025, population in the Tertiary sectors is forecast to increase from 220,000 to 222,000.

Collectively, the Total Trade Area population will grow from 409,000 to 410,000, representing a CAGR of 0.1%, or 600 persons per annum. It should also be noted that a retail mall will draw shoppers from beyond its defined trade area, thus Cistri expects visitation from beyond the trade area as well.
### Trade Area Population

#### Hougang Mall, 2020 -2025

<table>
<thead>
<tr>
<th></th>
<th>Population (000's)</th>
<th>Annual Growth (000's)</th>
<th>CAGR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
<td>2022</td>
<td>2025</td>
</tr>
<tr>
<td>Primary</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>27</td>
<td>27</td>
<td>27</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secondary:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>East</td>
<td>59</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>West</td>
<td>103</td>
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<td>161</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Main Trade Area</td>
<td>189</td>
<td>189</td>
<td>188</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tertiary:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North</td>
<td>73</td>
<td>76</td>
<td>75</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>South</td>
<td>79</td>
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<tr>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>West</td>
<td>43</td>
<td>44</td>
<td>44</td>
</tr>
<tr>
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<td></td>
<td></td>
</tr>
<tr>
<td>Northwest</td>
<td>24</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>220</td>
<td>224</td>
<td>222</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Trade Area</td>
<td>409</td>
<td>412</td>
<td>410</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Figures do not add up exactly due to rounding.
Source: Singstat, HDB, URA, Cistri

---

### Trade Area Upcoming Residential Projects

**Map 15.2**

- Subject
- Trade Area
- Primary
- Secondary
- Tertiary

**No. of Units**

- < 500
- 500 - 1,000
- 1,000 - 2,000
- >= 2,000

**Type**

- HDB
- Private
15.3. PER CAPITA SPENDING FORECASTS

Retail spend per capita for the trade area is marginally under the Singapore average. The Primary and Secondary sectors have a weaker retail spend per capita, while the Tertiary sector has a slightly higher spend per capita relative to the Singapore average.

It is important to note that the official household income statistics that is published by Singstat only takes into consideration resident households which include Singaporeans and Singapore PRs. This means that the information does not provide the full picture of household incomes as it omits the expatriates, international students and other foreign workers in the country.

Trade Area Retail Spend
Hougang Mall, 2020

<table>
<thead>
<tr>
<th></th>
<th>Population</th>
<th>Resident HH Income Variation vs SG1</th>
<th>Retail Spend per Capita Variation vs SG2</th>
<th>Retail Spend Per Capita (SGD)</th>
<th>Retail Spend (SGD Mil)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Food</td>
<td>Non-Food</td>
<td>Total</td>
<td>Food</td>
</tr>
<tr>
<td>Primary</td>
<td>27,200</td>
<td>-1%</td>
<td>-5%</td>
<td>2,891</td>
<td>2,881</td>
</tr>
<tr>
<td>Secondary:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>East</td>
<td>59,000</td>
<td>-1%</td>
<td>+1%</td>
<td>3,073</td>
<td>3,062</td>
</tr>
<tr>
<td>West</td>
<td>102,900</td>
<td>-1%</td>
<td>-5%</td>
<td>2,888</td>
<td>2,877</td>
</tr>
<tr>
<td></td>
<td>161,800</td>
<td>-1%</td>
<td>-3%</td>
<td>2,955</td>
<td>2,945</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td>189,000</td>
<td>-1%</td>
<td>-3%</td>
<td>2,946</td>
<td>2,936</td>
</tr>
<tr>
<td>Tertiary:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North</td>
<td>73,300</td>
<td>+10%</td>
<td>+4%</td>
<td>3,145</td>
<td>3,134</td>
</tr>
<tr>
<td>South</td>
<td>78,500</td>
<td>-1%</td>
<td>-1%</td>
<td>2,995</td>
<td>2,985</td>
</tr>
<tr>
<td>West</td>
<td>43,400</td>
<td>+21%</td>
<td>-4%</td>
<td>2,911</td>
<td>2,901</td>
</tr>
<tr>
<td>Northwest</td>
<td>24,300</td>
<td>+15%</td>
<td>+7%</td>
<td>3,244</td>
<td>3,233</td>
</tr>
<tr>
<td>North West</td>
<td>219,600</td>
<td>+9%</td>
<td>+1%</td>
<td>3,056</td>
<td>3,045</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td>408,600</td>
<td>+4%</td>
<td>-1%</td>
<td>3,005</td>
<td>2,994</td>
</tr>
</tbody>
</table>

1. Only includes Singaporeans and PRs. HH refers to household.
2. Includes all population living in Singapore, including expats, work permit holders.
Note: Figures do not add up exactly due to rounding.
Source: Singstat, HDB, URA, Cistri

After taking into consideration on-site workers who live and work within the trade area (quantified in the next sub-section), the total retail spending market for the Hougang Mall trade area is estimated to be SGD 2.4 billion in 2020. Of this, 6% is contributed by the Primary, 39% by the Secondary and 55% by the Tertiary.

The strongest retail spend growth is to be experienced in the Tertiary North sector, growing from SGD 457 million in 2020 to SGD 573 million by 2025. Overall, both the Main Trade Area and Total Trade Area retail spending market are set to grow very healthily at 3.9% and 4.2% per annum respectively.
Cistri has estimated the size of other relevant market segments that are within the trade area. These include the retail workers in the Hougang Mall, Kang Kar Mall and Midtown Hougang Plaza (refer to Section 16.1), as well as industrial workers to the south of the Tertiary Northwest sector.

Based on the existing and forecasted retail floorspace, we estimate a total of about 700 retail workers working around Hougang Mall. This amounts to an estimated retail worker market spend of SGD 2.8 million in 2020 which is expected to increase to SGD 5.6 million by 2025.

According to Cistri estimates, there are about 6,700 industrial workers in the industrial estate to the west of Hougang Mall. Many of these workers are likely to use the MRT to commute to work, although some may take direct bus routes. While it is likely that these workers will gravitate more towards Ang Mo Kio retail offers, we believe that Hougang Mall will capture a portion of this market. In total, these employees are estimated to spend about SGD 15 million in 2020, increasing to SGD 26 million by 2025.

### 15.4. OTHER MARKET SEGMENT SPENDING FORECASTS

Cistri has estimated the size of other relevant market segments that are within the trade area. These include the retail workers in the Hougang Mall, Kang Kar Mall and Midtown Hougang Plaza (refer to Section 16.1), as well as industrial workers to the south of the Tertiary Northwest sector.

Based on the existing and forecasted retail floorspace, we estimate a total of about 700 retail workers working around Hougang Mall. This amounts to an estimated retail worker market spend of SGD 2.8 million in 2020 which is expected to increase to SGD 5.6 million by 2025.

#### Retail Worker Market

**Hougang Mall, 2020 -2025**

<table>
<thead>
<tr>
<th>Unit</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available Floorspace sq.ft NLA</td>
<td>261,711</td>
<td>261,711</td>
<td>261,711</td>
<td>261,711</td>
<td>261,711</td>
<td>261,711</td>
</tr>
<tr>
<td>Average Occupancy %</td>
<td>60%</td>
<td>95%</td>
<td>95%</td>
<td>97%</td>
<td>97%</td>
<td>97%</td>
</tr>
<tr>
<td>Occupied Units sq.ft NLA</td>
<td>157,027</td>
<td>248,625</td>
<td>248,625</td>
<td>253,860</td>
<td>253,860</td>
<td>253,860</td>
</tr>
<tr>
<td>Worker Space Ratio sq.ft NLA / Worker</td>
<td>300</td>
<td>300</td>
<td>300</td>
<td>300</td>
<td>300</td>
<td>300</td>
</tr>
<tr>
<td>On-Site Workers no. Workers</td>
<td>523</td>
<td>829</td>
<td>829</td>
<td>846</td>
<td>846</td>
<td>846</td>
</tr>
<tr>
<td>Spend Per Working Day SGD</td>
<td>15</td>
<td>16</td>
<td>17</td>
<td>17</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Average Working Days no. Days</td>
<td>360</td>
<td>360</td>
<td>360</td>
<td>360</td>
<td>360</td>
<td>360</td>
</tr>
<tr>
<td>Retail Worker Spending SGD Mil.</td>
<td>2.8</td>
<td>4.7</td>
<td>5.0</td>
<td>5.3</td>
<td>5.4</td>
<td>5.6</td>
</tr>
</tbody>
</table>

1. Implicit occupancy in 2020 due to effects of COVID-19 and social distancing measures.
Source: Cistri
Collectively, the total available retail spending market for Hougang Mall’s defined trade area is SGD 2.4 billion in 2020. This figure takes into account residents of the trade area who work as retail or industrial workers quantified in the previous sub-section to avoid double-counting. By 2025, the total spending market grows to 3.0 billion, representing a stabilized annual growth rate of 4.2%. The strongest growth is contributed by the Tertiary sector, attributed to its healthy population growth and higher spending power. The sector grows by SGD 321 million from 2020 to 2025. Overall, we consider the trade area market to be of a healthy size with strong growth prospects, to the benefit of Hougang Mall.

**Table 15.5**

<table>
<thead>
<tr>
<th>Area</th>
<th>Retail Spending (SGD Mil.)</th>
<th>CAGR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>138</td>
<td>147</td>
</tr>
<tr>
<td>Secondary:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>East</td>
<td>359</td>
<td>416</td>
</tr>
<tr>
<td>West</td>
<td>589</td>
<td>555</td>
</tr>
<tr>
<td>948</td>
<td>1,070</td>
<td>1,156</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td>1,086</td>
<td>1,218</td>
</tr>
<tr>
<td>Tertiary:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>North</td>
<td>457</td>
<td>533</td>
</tr>
<tr>
<td>South</td>
<td>466</td>
<td>536</td>
</tr>
<tr>
<td>West</td>
<td>250</td>
<td>287</td>
</tr>
<tr>
<td>Northwest</td>
<td>156</td>
<td>177</td>
</tr>
<tr>
<td>1,330</td>
<td>1,532</td>
<td>1,651</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td>2,416</td>
<td>2,750</td>
</tr>
<tr>
<td>Other Markets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail Workers</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Industrial Workers</td>
<td>15</td>
<td>24</td>
</tr>
<tr>
<td>Total On Site</td>
<td>18</td>
<td>29</td>
</tr>
<tr>
<td>Total Retail Spending Market</td>
<td>2,434</td>
<td>2,779</td>
</tr>
</tbody>
</table>

1. Excludes spending by on site residents and workers (while at work) assumed to live within the trade area

**15.5. TOTAL AVAILABLE RETAIL SPENDING MARKET**

Note: Figures do not add up exactly due to rounding.

Source: Singstat, HDB, URA, Cistri

---

**Table 15.5**

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Floorspace sq ft</td>
<td>13,414</td>
<td>13,414</td>
<td>13,414</td>
<td>13,414</td>
<td>13,414</td>
<td>13,414</td>
</tr>
<tr>
<td>Average Occupancy %</td>
<td>70%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Worker Space Ratio sq ft NLA / Worker</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>On-Site Workers no. Workers</td>
<td>4,695</td>
<td>6,707</td>
<td>6,707</td>
<td>6,707</td>
<td>6,707</td>
<td>6,707</td>
</tr>
<tr>
<td>Spend Per Working Day SGD</td>
<td>13</td>
<td>14</td>
<td>15</td>
<td>15</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>Average Working Days no. Days</td>
<td>240</td>
<td>240</td>
<td>240</td>
<td>240</td>
<td>240</td>
<td>240</td>
</tr>
</tbody>
</table>
15.6. IMPLICATIONS

As with the other portfolio malls, Hougang Mall is located in a densely developed HDB town, allowing the mall to benefit from strong catchment population. While population and spending levels are largely stable in the forecast period, we note that there is a strong longer-term growth potential due to the vacant sites slated for future development. The opening of the Cross-Island line will further boost the popularity of the area as a place to live, further supporting the retail market.
16. RETAIL COMPETITION

This section provides a summary of the competitive environment for Hougang Mall.

16.1. EXISTING COMPETITION

Map 16.1 presents the malls and retail precincts that compete directly with Hougang Mall, which are further detailed in Table 16.1.

Within the Hougang Mall catchment there are a number of competing malls of relevance:

- Located just adjacent to Hougang Mall is Kang Kar Mall, an HDB-owned shopping centre. The narrow and long mall has a convenience retail offer with a NTUC FairPrice supermarket, a Kopitiam food court and other lower order retail tenants such as fruit juice stall.

- Also, in the Primary sector is Midtown Hougang, which is located about a 500m walk from Hougang MRT station. The retail podium which sits under residential blocks is strata-titled. Given the strata-title nature of the development, it probably has less competitive impact than its location would otherwise suggest.

- Three malls exist in the Secondary West sector:
  - Hougang One is a Far East-owned mall that is anchored by a FairPrice Xtra. The mall is convenience-focused and comprises mainly of F&B, services and enrichment centres.
  - Buangkok Square is an HDB mall that is co-located with a multi-storey carpark. Like most HDB malls, Buangkok Square is a convenience centre with a supermarket offer, some services and quick service restaurants.
  - Hougang Green is a partially sheltered HDB mall. The mall appears aged and needs a refurbishment. A Giant supermarket anchors the mall.

- Four malls exist in the Tertiary sectors:
  - Heartland Mall is anchored by a Cold Storage. The mall serves mainly the neighbourhood of Kovan.
  - Also an HDB mall, Rivervale Plaza is anchored by a FairPrice supermarket, a Kopitiam food court and a Koufu food court. Its retail offer is limited to the typical HDB mall trade mix.
  - Greenwich V is an open-air mall that has an upscale positioning, serving residents in the landed resident estate nearby. The mall presents quite well and is anchored by a Cold Storage.
  - Stars of Kovan is a newly completed strata-titled, street-facing mall with 46 commercial units and a total NLA of about 20,000 sq.ft. At the time of visit, the mall had only about 10% of shops occupied.

- Further to the south beyond the trade area is Nex, a regional mall of 618,000 sq.ft NLA. The centre has a cinema, two supermarkets and a department store. Given its size and location on an MRT intersection, the mall is expected to draw heavily from Hougang Mall’s defined trade area. As a regional mall, Nex sits close to the top of the retail hierarchy, providing the widest offer of retailers and retail categories.

- To the north, beyond the trade area is Compass One. The mall has undergone a major revamp and reopened in late 2016. Albeit its location to the further north, the size of the retail offer at 269,500 sq.ft NLA attracts shoppers from Hougang as well. The centre is anchored by a Cold Storage and also a public library.
### Existing Competition

#### Hougang Mall Trade Area, 2020

<table>
<thead>
<tr>
<th>Trade Area</th>
<th>2020 NLA (sq. ft)</th>
<th>Drive Time to Subject (min)</th>
<th>Drive Distance to Subject (km)</th>
<th>Major Tenants</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Primary:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Midtown Hougang Plaza</td>
<td>75,400</td>
<td>6.0</td>
<td>1.7</td>
<td>Anytime Fitness</td>
</tr>
<tr>
<td>Kang Kar Mall</td>
<td>20,000</td>
<td>5.1</td>
<td>0.8</td>
<td>NTUC FairPrice</td>
</tr>
<tr>
<td><strong>Total Primary</strong></td>
<td>95,400</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Secondary:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hougang One</td>
<td>85,900</td>
<td>8.9</td>
<td>2.2</td>
<td>FairPrice Xtra</td>
</tr>
<tr>
<td>Buangkok Square</td>
<td>54,000</td>
<td>7.7</td>
<td>2.6</td>
<td>Prime Supermarket</td>
</tr>
<tr>
<td>Hougang Green</td>
<td>50,000</td>
<td>7.3</td>
<td>1.5</td>
<td>Giant</td>
</tr>
<tr>
<td><strong>Total Secondary</strong></td>
<td>189,900</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Main Trade Area</strong></td>
<td>285,300</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Tertiary:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heartland Mall</td>
<td>86,000</td>
<td>10.5</td>
<td>2.9</td>
<td>Cold Storage</td>
</tr>
<tr>
<td>Rivervale Plaza</td>
<td>75,200</td>
<td>9.0</td>
<td>2.7</td>
<td>Koufu, NTUC FairPrice</td>
</tr>
<tr>
<td>Greenwich V</td>
<td>43,700</td>
<td>11.6</td>
<td>4.7</td>
<td>Cold Storage</td>
</tr>
<tr>
<td>Stars of Kovan</td>
<td>20,000</td>
<td>7.4</td>
<td>2.2</td>
<td>N.A.</td>
</tr>
<tr>
<td><strong>Total Tertiary</strong></td>
<td>224,900</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Trade Area</strong></td>
<td>510,200</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Beyond:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NEX</td>
<td>618,000</td>
<td>9.0</td>
<td>4.4</td>
<td>Shaw Cinema, FairPrice Xtra, Cold Storage, Isetan</td>
</tr>
<tr>
<td>Compass One</td>
<td>269,500</td>
<td>7.0</td>
<td>3.0</td>
<td>Cold Storage, Library</td>
</tr>
</tbody>
</table>

*Source: Cistri*
Cistri has also looked at the supply of supermarkets, cinemas and F&B shops in the trade area. The levels of provision of these amenities are well-under the Singapore suburban average, suggesting a balanced competitive position, with no evidence of oversupply of these tenant types.

### Supermarket, Cinema & F&B Supply

#### Hougang Mall Trade Area, 2019

<table>
<thead>
<tr>
<th></th>
<th>Supply</th>
<th></th>
<th>Supply per X Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Supermarket sq.ft</td>
<td>Cinema Screens</td>
<td>F&amp;B Shops</td>
</tr>
<tr>
<td>Primary</td>
<td>30,000</td>
<td>0</td>
<td>196</td>
</tr>
<tr>
<td>Secondary</td>
<td>124,000</td>
<td>0</td>
<td>396</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td>154,000</td>
<td>0</td>
<td>592</td>
</tr>
<tr>
<td>Tertiary</td>
<td>137,595</td>
<td>0</td>
<td>641</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td>291,595</td>
<td>0</td>
<td>1,233</td>
</tr>
<tr>
<td>Singapore Suburbs</td>
<td>4,652,950</td>
<td>208</td>
<td>27,630</td>
</tr>
</tbody>
</table>

1. Floorspace of supermarkets based on estimates. Only supermarkets that are above 4,000 sq.ft are included.
2. Food establishments licensed by NEA. Excludes hawker centres.

Source: NEA, Cistri

#### Proposed Competition

<table>
<thead>
<tr>
<th></th>
<th>Expected Year of Opening</th>
<th>Expected NLA (sq.ft)</th>
<th>Drive Time to Subject (min)</th>
<th>Drive Distance to Subject (km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hougang Rivercourt</td>
<td>2020</td>
<td>54,700</td>
<td>7.6</td>
<td>2.0</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td></td>
<td>54,700</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tertiary:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sengkang Grand Mall</td>
<td>2024</td>
<td>112,000</td>
<td>7.1</td>
<td>2.0</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td></td>
<td>166,700</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Cistri

#### Forecast Shopping Centre Floorspace

Chart 16.1 presents the total supply of shopping centre floorspace within the trade area, while Chart 16.2 presents the per capita provision. The provision of floorspace remains well below the Singapore suburban average (3.2 sq.ft per capita) with few large malls of note within the boundary of the trade area.
In the absence of strong competition within the trade area, Hougang Mall stands out as a higher quality retail offer. Many of the existing competing malls are convenience focused and do not present as well. As such, we expect Hougang Mall to attract customers from a relatively large catchment for a mall of its size, which the Cross Island Line will further support. As new retail projects take off in the near future, it is critical to actively ensure that Hougang Mall remain relevant to the shoppers and retain its position in the retail hierarchy.

16.4. IMPLICATIONS

In the absence of strong competition within the trade area, Hougang Mall stands out as a higher quality retail offer. Many of the existing competing malls are convenience focused and do not present as well. As such, we expect Hougang Mall to attract customers from a relatively large catchment for a mall of its size, which the Cross Island Line will further support. As new retail projects take off in the near future, it is critical to actively ensure that Hougang Mall remain relevant to the shoppers and retain its position in the retail hierarchy.
17. **OUTLOOK & CONCLUSIONS**

Hougang Mall has benefited from a strong catchment population and limited quality competition within the Hougang Town Centre. In the longer term, the town centre’s role as a transport hub will be strengthened with the completion of the Cross Island Line in 2029. This will improve Hougang’s accessibility to and from neighbouring districts which currently do not host any significant retail centres. Longer term, several new mixed-use and residential developments should help inject vibrancy into the town centre and serve as additional catchment population for Hougang Mall, though these projects will likely come online only in the later part of the decade.

While population and spending levels are expected to remain largely stable in the forecast period, we note that there is a strong long-term growth potential due to the vacant sites slated for future development.

In the absence of strong competition within the trade area, Hougang Mall stands out as a higher quality retail offer. Many of the existing competing malls are convenience focused and do not present as well.
TIONG BAHRU PLAZA
18. ASSET OVERVIEW

Tiong Bahru Plaza has an NLA of 214,708 sq.ft. The mall’s 3km catchment covers a population size of 602,700. Based on a 3km radius catchment, the asset will add an additional 8% population coverage to existing FCT Retail Malls. The mall also benefits from its direct linkage to Tiong Bahru MRT Station which recorded 19.9 million passenger trips in 2019.

<table>
<thead>
<tr>
<th>Mall</th>
<th>NLA (sq.ft)</th>
<th>3km Catchment Population (2020)</th>
<th>Nearest MRT Station (By Foot)</th>
<th>2019 MRT Station Traffic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tiong Bahru Plaza</td>
<td>214,708</td>
<td>396,000</td>
<td>Tiong Bahru (Adjacent)</td>
<td>19.9 mil</td>
</tr>
</tbody>
</table>

Source: LTA, Cistri

It should be noted that while a 3km radius catchment makes for easy comparison across malls in Singapore, it may not be representative of where a mall draws its shoppers from (i.e. the trade area) as it does not take into consideration shoppers’ preferences and behaviours. In the following sub-sections, we analyse each asset’s locational characteristics, trade area and competitive retail supply in greater detail.

18.1. LOCATION & ACCESSIBILITY

Based on the existing road network, Map 18.1 outlines the 15-minute drive-time coverage to/from Tiong Bahru Plaza. The key takeaways from the analysis are as follows:

- Tiong Bahru Plaza is close to two major expressways – Ayer Rajah Expressway (AYE) and Central Expressway (CTE). The former offers convenient road access to the West Region while the latter to the North-East Region.
- Due to this good accessibility, the mall is within a 15-minute drive to/from Clementi (Clementi Mall), Harbourfront (VivoCity), Marine Parade (Parkway Parade), Downtown Core (Suntec City) and Bishan (Junction 8). It is also a 10-minute drive to/from the Central Business District.
- While it has easy access to these major expressways, the mall is located on a secondary road within the residential suburb of Tiong Bahru.

Map 18.1 Tiong Bahru Plaza 15-Minute Drive-Time

Expressway
Drive Time
15 min
Tiong Bahru is the oldest public housing estate in Singapore. Today, the neighbourhood is considered one of the trendiest places after experiencing gentrification with the introduction of trendy F&B shops and boutique retailers particularly to the converted pre-war flats area. Tiong Bahru Plaza enjoys good residential catchment within a 15-minute walk as it is surrounded by numerous high-rise residential apartments.

Map 18.3 shows the extent of a 30-minute travel time via public transport. Due to the mall's convenient location just next to Tiong Bahru MRT station, the mall has good accessibility to many of Singapore's neighbourhoods along the East West line, including the CBD. Aljunied station to the east and Lakeside station to the west can be reached on the East West line within a 30-minute travel time.
18.2. SURROUNDING LAND USES & FUTURE URA PLANS

As stated earlier, Tiong Bahru Plaza is surrounded by high-rise residential apartments. This includes a mix of older (completed in 1970s) and newer (completed after 2000s) public housing on either side of Tiong Bahru Road and several condominiums such as Meraprim, Central Green, Twin Regency and Highline Residences. Apart from residents, Tiong Bahru Plaza also serves workers at the nearby Central Plaza and even those at the farther Connection One and Singapore General Hospital.

There are still large undeveloped land sites within 500m radius from Tiong Bahru Plaza. Under Master Plan 2019, there are plans to convert the current Henderson Park (diagonally across from Tiong Bahru Plaza) and the empty land site across Kim Seng Community Centre into high-rise residential use. The state property (which used to house the PSB Academy) northwest of Tiong Bahru Plaza will also be redeveloped into residential use. In the longer term, the Reserve Site along Lower Delta Road has been earmarked for future use. Additional information on these plans can be found in Appendix D. There is likely to be an increase to the catchment population of Tiong Bahru Plaza when these land sites have been developed. HDB projects an ultimate capacity of 68,000 dwelling units\(^2\) for Bukit Merah. As at March 2019, there are 54,734 HDB units built, reflecting the strong growth potential around Tiong Bahru Plaza.

---

\(^2\) Includes private developments under Government Land Sales Programme. The projected ultimate figures may change.
18.3. DESCRIPTION OF CENTRE

Layout & Presentation

Tiong Bahru Plaza has one basement level and five above-ground levels of retail. The mall has a modern design and presents very well. The mall has an elongated layout on the ground level and Level 2 due to its connection with the adjacent office tower. Apart from enhancing connectivity to the nearby office workers, the link bridge also serves as an F&B precinct as it is lined with stores on both sides. From Level 3 onwards, the mall follows a racecourse layout with a central atrium and flanking escalators. Overall, the mall’s layout and wayfinding are simple. The mall also features direct linkage to the MRT station in the basement.

Key features of the mall include the following:
- FairPrice Finest supermarket and a F&B precinct in the basement.
- Uniqlo on the ground level.
- Daiso on Level 2.
- Golden Village cineplex and an outdoor playground on Level 4.

While the mall’s F&B precincting has been well-executed, precincting is less evident for health, beauty and education with the tenants spread across multiple levels. There may be potential to concentrate these tenants creating clearer zones within the mall.

Tenant Mix

A comparison of Tiong Bahru’s tenant mix against the average of benchmark suburban malls shows:
- An under-provision of Department Store, Fashion and Household.
- An over-provision of Food & Beverage and Services.
- Despite the mall’s relatively central location, the centre’s tenant mix is more like a suburban, convenience focussed mall.

Surrounded by higher order malls, Tiong Bahru Plaza could focus on its neighbourly strengths and to bring added convenience to its shoppers. To take advantage of its strong catchment demographics (see Section 19), there may be a greater provision of homewares and sporting goods retailers. For the latter, we note that Decathlon will set up a click-and-collect store in the mall. This will provide better balance to the tenant mix and may in turn generate higher footfall.

In terms of essential services, 52% of Tiong Bahru Plaza’s NLA is classified as ‘essential’ and continued operating during the Circuit-Breaker period. The share of essential services is above the suburban mall benchmark of 40%, and also accounts for 59% of the centre’s gross rent, highlighting the resilience of the mall.
Similar to White Sands and Hougang Mall, Tiong Bahru Plaza has benefited from a strong catchment population and limited direct competition within its vicinity. With the re-zoning of several sites in its vicinity to residential use, Tiong Bahru Plaza stands to gain from a growing population in its immediate catchment. However, the development of these sites will likely only take place in the later part of the decade as the sites have yet to be released for application. In the meantime, given the lack of incoming competition, Tiong Bahru Plaza remains well-positioned to capture strong sales from its existing catchment population.

<table>
<thead>
<tr>
<th>Tenant Mix Benchmark</th>
<th>Average Suburban Mall</th>
<th>Tiong Bahru Plaza</th>
<th>Suburban Mall Floorspace Breakdown</th>
<th>Tiong Bahru Plaza</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beauty &amp; Health</td>
<td>13%</td>
<td>15%</td>
<td>12%</td>
<td>15%</td>
</tr>
<tr>
<td>Books, Music, Arts &amp; Craft, Hobbies</td>
<td>4%</td>
<td>2%</td>
<td>4%</td>
<td>2%</td>
</tr>
<tr>
<td>Department Store</td>
<td>4%</td>
<td>0%</td>
<td>7%</td>
<td>0%</td>
</tr>
<tr>
<td>Education</td>
<td>5%</td>
<td>4%</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>Fashion</td>
<td>13%</td>
<td>8%</td>
<td>13%</td>
<td>8%</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>24%</td>
<td>28%</td>
<td>23%</td>
<td>28%</td>
</tr>
<tr>
<td>Household</td>
<td>8%</td>
<td>3%</td>
<td>9%</td>
<td>3%</td>
</tr>
<tr>
<td>Jewellery &amp; Watches</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Leisure/Entertainment</td>
<td>6%</td>
<td>10%</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td>Services</td>
<td>6%</td>
<td>14%</td>
<td>6%</td>
<td>14%</td>
</tr>
<tr>
<td>Sports Apparel &amp; Equipment</td>
<td>2%</td>
<td>0%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>Supermarket &amp; Hypermarket</td>
<td>10%</td>
<td>7%</td>
<td>12%</td>
<td>7%</td>
</tr>
<tr>
<td>Vacant</td>
<td>3%</td>
<td>8%</td>
<td>2%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Note: Total does not add up to 100% due to rounding.

Source: FCT, Cistri

18.4. CONCLUSIONS

Similar to White Sands and Hougang Mall, Tiong Bahru Plaza has benefited from a strong catchment population and limited direct competition within its vicinity. With the re-zoning of several sites in its vicinity to residential use, Tiong Bahru Plaza stands to gain from a growing population in its immediate catchment. However, the development of these sites will likely only take place in the later part of the decade as the sites have yet to be released for application. In the meantime, given the lack of incoming competition, Tiong Bahru Plaza remains well-positioned to capture strong sales from its existing catchment population.
19. TRADE AREA ANALYSIS

19.1. RESIDENT TRADE AREA DEFINITION

Map 19.1 illustrates the trade area of Tiong Bahru Plaza. In the absence of an exit survey, Cistri has drawn on industry experience and has taken into consideration drive time analyses, physical and psychological barriers as well as location of competitive centres in defining the trade areas.

- The **Primary** sector includes the Tiong Bahru HDB estate. The trade area sector is bounded by Havelock Road to the north, the CTE to the east, Jalan Bukit Merah to the south and Henderson Road to the west. Most of the Primary sector is within a 5-minute drive.

- The four **Secondary** sectors are all within a 5 to 10-minute drive.
  - The **Secondary North** covers some HBD and apartment blocks bounded by the Singapore River to the north and Havelock Road to the south.
  - The **Secondary Southeast** sector covers the Outram and Tanjong Pagar areas. It is bounded by the CTE to the north, Outram Road to the east and the Keppel Viaduct to the south.
  - The **Secondary Southwest** sector covers the HDB estates to the south of Jalan Bukit Merah and to the north of Mount Faber, including Jalan Bukit Merah, Telok Blangah Crescent and Bukit Purmel estates.
  - The **Secondary West** includes the Redhill residential estate, bounded by the Singapore River to the north, Henderson Road to the east, Jalan Bukit Merah to the south and Hoy Fatt Road to the west.

- Cistri has not defined tertiary trade area sectors to the north and east due to the strong competition contributed by Orchard Road, Clarke Quay and CBD Malls. To the west we define the **Tertiary West** sector due to lack of retail offer and ease of getting to Tiong Bahru Plaza via public transit. The sector is bounded by Alexandra Canal to the north, Hoy Fatt Road to the east and Queensway to the south and west. The sector is within a 5 to 10-minute drive.
19.2. TRADE AREA POPULATION

Tiong Bahru benefits from being located in the heart of a well-established residential estate, giving it a strong catchment population. From a land use standpoint, the trade area is limited by the presence of the port activities and Mount Faber to the south. However, the mall is located close to the CBD, hence we expect a stronger spending power by the catchment population.

These population projections are aligned with future residential projects that are currently under construction or in planning phase, as presented in Map 19.2. Trade area sectors with pipeline supply is showing growth, while areas without new supply are showing slow population decline due to the redistribution of residents to other new developments as well as an aging population. We note that beyond this forecast period there will be opportunities for additional population growth as some development sites are released in close proximity to the mall (refer Section 18.2).

In 2020, we estimate a total Main Trade Area population of 183,000, with 52,000 from the Primary sector and 131,000 from the Secondary sectors. The Primary sector is forecast to decline by 0.5% per annum while the Secondary sectors are forecast to grow by 0.2% per annum respectively through to 2025. The Main Trade Area population is expected to remain stable at 183,000.

The Tertiary West sector is forecasted to see the strongest growth in population in the forecast period led by new developments, at a rate of 0.5% per annum or 500 persons per annum. From 2020 to 2025, population in the Tertiary West sector is forecast to increase from 84,000 to 86,000.

Collectively, the Total Trade Area population will grow from 267,000 to 269,000, representing a CAGR of 0.2%, or 400 persons per annum. It should also be noted that a retail mall will draw shoppers from beyond its defined trade area, thus Cistri expects substantial visitation from beyond the trade area.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>52</td>
<td>51</td>
<td>51</td>
<td>-0.4</td>
<td>-0.1</td>
<td>-0.3</td>
<td>-0.9</td>
<td>-0.3</td>
<td>-0.5</td>
</tr>
<tr>
<td>Secondary:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>-0.1</td>
<td>-0.03</td>
<td>0.0</td>
<td>-0.7</td>
<td>-0.3</td>
<td>-0.4</td>
</tr>
<tr>
<td>Southeast</td>
<td>44</td>
<td>44</td>
<td>45</td>
<td>-0.2</td>
<td>0.3</td>
<td>0.1</td>
<td>-0.4</td>
<td>0.7</td>
<td>0.3</td>
</tr>
<tr>
<td>Southwest</td>
<td>39</td>
<td>40</td>
<td>40</td>
<td>0.4</td>
<td>0.1</td>
<td>0.2</td>
<td>1.0</td>
<td>0.2</td>
<td>0.5</td>
</tr>
<tr>
<td>West</td>
<td>37</td>
<td>37</td>
<td>37</td>
<td>-0.01</td>
<td>-0.1</td>
<td>-0.1</td>
<td>-0.03</td>
<td>-0.2</td>
<td>-0.1</td>
</tr>
<tr>
<td></td>
<td>131</td>
<td>131</td>
<td>132</td>
<td>0.17</td>
<td>0.3</td>
<td>0.2</td>
<td>0.1</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td>183</td>
<td>183</td>
<td>183</td>
<td>-0.3</td>
<td>0.2</td>
<td>0.0</td>
<td>-0.2</td>
<td>0.1</td>
<td>0.0</td>
</tr>
<tr>
<td>Tertiary West</td>
<td>84</td>
<td>85</td>
<td>86</td>
<td>0.7</td>
<td>0.3</td>
<td>0.4</td>
<td>0.9</td>
<td>0.3</td>
<td>0.5</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td>267</td>
<td>268</td>
<td>269</td>
<td>0.5</td>
<td>0.4</td>
<td>0.4</td>
<td>0.2</td>
<td>0.1</td>
<td>0.2</td>
</tr>
</tbody>
</table>

Note: Figures do not add up exactly due to rounding.
Source: Singstat, HDB, URA, Cistri
19.3. PER CAPITA SPENDING FORECASTS

Retail spend per capita for the trade area is 3% above the Singapore average. With the exception of the Secondary North and Secondary Southwest sectors, the other trade area sectors have above-average retail spend per capita relative to the Singapore average. This is not surprising given Tiong Bahru’s central location and proximity to the CBD.

It is important to note that the official household income statistics that is published by Singstat only takes into consideration resident households which include Singaporeans and Singapore PRs. This means that the information does not provide the full picture of household incomes as it omits the expatriates, international students and other foreign workers in the country.

Trade Area Retail Spend

<table>
<thead>
<tr>
<th>Sector</th>
<th>Population</th>
<th>Resident HH Income Variation vs SG1</th>
<th>Resident HH Income Variation vs SG2</th>
<th>Retail Spend per Capita Variation</th>
<th>Retail Spend Per Capita (SGD)</th>
<th>Retail Spend (SGD Mil)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>52,100</td>
<td>-21%</td>
<td>+6%</td>
<td>3,124</td>
<td>3,229</td>
<td>6,446</td>
</tr>
<tr>
<td>Secondary:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North</td>
<td>10,200</td>
<td>-19%</td>
<td>-3%</td>
<td>3,124</td>
<td>2,930</td>
<td>5,849</td>
</tr>
<tr>
<td>Southeast</td>
<td>44,100</td>
<td>+13%</td>
<td>+6%</td>
<td>3,214</td>
<td>3,203</td>
<td>6,417</td>
</tr>
<tr>
<td>Southwest</td>
<td>39,300</td>
<td>-21%</td>
<td>-4%</td>
<td>2,908</td>
<td>2,898</td>
<td>5,807</td>
</tr>
<tr>
<td>West</td>
<td>37,300</td>
<td>-21%</td>
<td>+4%</td>
<td>3,153</td>
<td>3,142</td>
<td>6,296</td>
</tr>
<tr>
<td></td>
<td>131,000</td>
<td>-11%</td>
<td>+2%</td>
<td>3,083</td>
<td>3,072</td>
<td>6,155</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td>183,100</td>
<td>-14%</td>
<td>+3%</td>
<td>3,124</td>
<td>3,113</td>
<td>6,238</td>
</tr>
<tr>
<td>Tertiary West</td>
<td>83,500</td>
<td>+3%</td>
<td>+4%</td>
<td>3,153</td>
<td>3,142</td>
<td>6,296</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td>266,600</td>
<td>-9%</td>
<td>+3%</td>
<td>3,133</td>
<td>3,122</td>
<td>6,256</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sector</th>
<th>Population</th>
<th>Resident HH Income Variation vs SG1</th>
<th>Resident HH Income Variation vs SG2</th>
<th>Retail Spend per Capita Variation</th>
<th>Retail Spend Per Capita (SGD)</th>
<th>Retail Spend (SGD Mil)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>3,032</td>
<td>0%</td>
<td>0%</td>
<td>3,133</td>
<td>3,122</td>
<td>6,256</td>
</tr>
</tbody>
</table>

1. Only includes Singaporeans and PRs. HH refers to household.
2. Includes all population living in Singapore, including expats, work permit holders.

Note: Figures do not add up exactly due to rounding.

Source: Singstat, HDB, URA, Cistri
After taking into consideration on-site workers who live and work within the trade area (quantified in the next sub-section), the total retail spending market for the Tiong Bahru Plaza trade area is estimated to be SGD 1.7 billion in 2020. Of this, 20% is contributed by the Primary, 48% by the Secondary and 32% by the Tertiary.

As with population growth, the strongest retail spend growth is expected to be seen in the Secondary Southwest sector, growing from SGD 228 million in 2020 to SGD 288 million by 2025. The Main Trade Area is expected to grow at a pace of 4.1% per annum through to 2025.

### Trade Area Retail Spend Forecast

<table>
<thead>
<tr>
<th>Trade Area Residents¹:</th>
<th>2020</th>
<th>2022</th>
<th>2025</th>
<th>CAGR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Primary</strong></td>
<td>332</td>
<td>365</td>
<td>392</td>
<td>+4.9% +2.4% +3.4%</td>
</tr>
<tr>
<td><strong>Secondary:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North</td>
<td>60</td>
<td>67</td>
<td>72</td>
<td>+5.7% +2.4% +3.8%</td>
</tr>
<tr>
<td>Southeast</td>
<td>283</td>
<td>318</td>
<td>352</td>
<td>+6.0% +3.5% +4.5%</td>
</tr>
<tr>
<td>Southwest</td>
<td>228</td>
<td>264</td>
<td>288</td>
<td>+7.5% +3.0% +4.8%</td>
</tr>
<tr>
<td>West</td>
<td>235</td>
<td>266</td>
<td>286</td>
<td>+6.4% +2.5% +4.1%</td>
</tr>
<tr>
<td></td>
<td>805</td>
<td>914</td>
<td>998</td>
<td>+6.6% +3.0% +4.4%</td>
</tr>
<tr>
<td><strong>Main Trade Area</strong></td>
<td>1,137</td>
<td>1,279</td>
<td>1,391</td>
<td>+6.1% +2.5% +4.1%</td>
</tr>
<tr>
<td><strong>Tertiary West</strong></td>
<td>525</td>
<td>605</td>
<td>662</td>
<td>+7.4% +3.0% +4.8%</td>
</tr>
<tr>
<td><strong>Total Trade Area</strong></td>
<td>1,662</td>
<td>1,885</td>
<td>2,053</td>
<td>+6.5% +2.9% +4.3%</td>
</tr>
</tbody>
</table>

¹. Excludes spending by on-site residents and workers (while at work) assumed to live within the trade area

Note: Figures do not add up exactly due to rounding.

Source: Singstat, HDB, URA, Cistri

### 19.4. OTHER MARKET SEGMENT SPENDING FORECASTS

Cistri has estimated the size of other relevant market segments that are within the trade area. We have taken into consideration the retail workers who work at Tiong Bahru Plaza.

Based on the existing and forecasted retail floorspace, we estimate a total of about 680 retail workers working in the mall. This amounts to an estimated retail worker spend market of SGD 2.3 million in 2020 which increases to SGD 4.5 million by 2025.

### Retail Worker Market

<table>
<thead>
<tr>
<th>Unit</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available units sq.ft NLA</td>
<td>214,710</td>
<td>214,710</td>
<td>214,710</td>
<td>214,710</td>
<td>214,710</td>
<td>214,710</td>
</tr>
<tr>
<td>Average Occupancy¹ %</td>
<td>60%</td>
<td>95%</td>
<td>95%</td>
<td>95%</td>
<td>95%</td>
<td>95%</td>
</tr>
<tr>
<td>Occupied Units sq.ft NLA</td>
<td>126,826</td>
<td>203,975</td>
<td>203,975</td>
<td>203,975</td>
<td>203,975</td>
<td>203,975</td>
</tr>
<tr>
<td>Worker Space Ratio sq.ft NLA / Worker</td>
<td>300</td>
<td>300</td>
<td>300</td>
<td>300</td>
<td>300</td>
<td>300</td>
</tr>
<tr>
<td>On-Site Workers no. Workers</td>
<td>429</td>
<td>680</td>
<td>680</td>
<td>680</td>
<td>680</td>
<td>680</td>
</tr>
<tr>
<td>Spend Per Working Day SGD</td>
<td>15</td>
<td>16</td>
<td>17</td>
<td>17</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Average Working Days no. Days</td>
<td>360</td>
<td>360</td>
<td>360</td>
<td>360</td>
<td>360</td>
<td>360</td>
</tr>
<tr>
<td><strong>Retail Worker Spending SGD Mil.</strong></td>
<td>2.3</td>
<td>3.9</td>
<td>4.1</td>
<td>4.3</td>
<td>4.4</td>
<td>4.5</td>
</tr>
</tbody>
</table>

¹. Implicit occupancy in 2020 due to effects of COVID-19 and social distancing measures.

Source: Cistri

Central Plaza is co-located with the mall, and people working in the office building are likely to patronise Tiong Bahru Plaza. Unlike the offices in Tampines, Central Plaza has fewer essential businesses such as bank operations. Hence we expect the implicit occupancy in 2020 to be lower. Based on the existing office
NLA of 172,000 sq.ft, we estimate the working population of 811 in 2021. A total of SGD 1.3 million of retail spend is estimated to be contributed by the working population in 2020, growing to SGD 5.3 million by 2025.

### Office Worker Market

**TTC, 2020 - 2025**

<table>
<thead>
<tr>
<th>Unit</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available Floorspace</td>
<td>sq. ft NLA</td>
<td>172,000</td>
<td>172,000</td>
<td>172,000</td>
<td>172,000</td>
<td>172,000</td>
</tr>
<tr>
<td>Average Occupancy</td>
<td>%</td>
<td>30%</td>
<td>94%</td>
<td>95%</td>
<td>95%</td>
<td>95%</td>
</tr>
<tr>
<td>Worker Space Ratio</td>
<td>sq. ft NLA / Worker</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>On-Site Office Workers</td>
<td>no. Workers</td>
<td>258</td>
<td>811</td>
<td>817</td>
<td>817</td>
<td>817</td>
</tr>
<tr>
<td>Spend Per Working Day</td>
<td>SGD</td>
<td>21</td>
<td>22</td>
<td>23</td>
<td>24</td>
<td>26</td>
</tr>
<tr>
<td>Average Working Days</td>
<td>no. Days</td>
<td>240</td>
<td>240</td>
<td>240</td>
<td>240</td>
<td>240</td>
</tr>
<tr>
<td>On-Site Office Worker Spend</td>
<td>SGD Mil.</td>
<td>1.3</td>
<td>4.3</td>
<td>4.5</td>
<td>4.8</td>
<td>5.0</td>
</tr>
</tbody>
</table>

1. Implicit occupancy in 2020 due to effects of COVID-19 and social distancing measures.

Source : Cistri

### 19.5. TOTAL AVAILABLE RETAIL SPENDING MARKET

Collectively, the total available retail spending market for Tiong Bahru Plaza’s defined trade area is SGD 1.7 billion in 2020. This figure takes into account residents of the trade area who work as retail workers quantified in the previous sub-section to avoid double-counting. By 2025, the total spending market grows to SGD 2.1 billion, representing an annual growth rate of 4.4%. The strongest growth is contributed by the Tertiary West sector which grows by SGD 137 million.

In terms of absolute size in 2025, the Secondary market has the largest share of 49%, followed by the Tertiary at 32%, then the Primary at 19%. The retail worker market only contributes 0.5%\(^2\) to the total available retail spending market in 2025.

---

\(^2\) Total does not add up to 100% due to rounding.
19.6. IMPLICATIONS

Residents living in the mall’s trade area have greater spending power, and the mall’s location in an established HDB estate means that there is a healthy existing catchment population. There are also several land parcels slated for future development, presenting attractive upside opportunities for the mall. In the future, Tiong Bahru Plaza stands to benefit from both future population growth opportunities and a healthy retail spend per capita.
20. RETAIL COMPETITION

This section provides a summary of the competitive environment for Tiong Bahru Plaza.

20.1. EXISTING CENTRES

Map 20.1 presents the malls and retail precincts that compete directly with Tiong Bahru Plaza, which are further detailed in Table 20.1.

There are only three existing malls located within Tiong Bahru Plaza’s trade area. Collectively, they make up 266,300 sq.ft of NLA.

- Concorde Shopping Centre is an old shopping centre located in the Secondary North sector. The majority of the space has been converted to car showrooms and office suites, thus making the property of little competitive relevance.

- Anchorpoint is located in the Tertiary West sector. While the mall’s design and interior feel quite dated, it presents quite well and is well-maintained. The mall is anchored by a Cold Storage and has factory outlet shops.

- Alexandra Central is a strata-titled mall co-located with a hotel. The mall is poorly tenanted, and houses some F&B tenants.

- IKEA Alexandra, is located just adjacent to Alexandra Central. While it is not a mall, it is a retail destination that draws large crowds.

- Also not a mall, but to the south east of Tiong Bahru is a large shop-house precinct centred around Tiong Bahru market. It contains a mix of popular cafes, bars, and office spaces. It is very popular and attracts shoppers from throughout the island.

Beyond the trade are two malls that perhaps are of greater competitive relevance than the other malls found within the trade area:

- Great World City is a good quality mall that has a higher market positioning relative to Tiong Bahru Plaza. It is currently undergoing renovation works which was due for completion in the third quarter of 2020, but this is likely to be delayed due to the impact of COVID-19. The mall features Cold Storage’s new CS Fresh format and also Meidi-ya. The centre’s draw will strengthen in 2021 with the completion of the Thomson line.

- VivoCity is the largest mall in Singapore with 1 million sq.ft NLA. The mall features a newly opened FairPrice Xtra and a broad range of family-friendly dining and entertainment options. The mall is a major competitor with an array of offerings far beyond Tiong Bahru Plaza’s.
### Existing Competition

#### Tiong Bahru Plaza Trade Area, 2020

<table>
<thead>
<tr>
<th>Trade Area</th>
<th>2020 NLA (sq.ft)</th>
<th>Drive Time to Subject (min)</th>
<th>Drive Distance to Subject (km)</th>
<th>Major Tenants</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Primary:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tiong Bahru Market</td>
<td>70,000</td>
<td>5.0</td>
<td>1.3</td>
<td>N.A.</td>
</tr>
<tr>
<td><strong>Secondary:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Concorde Shopping Centre</td>
<td>145,300</td>
<td>5.6</td>
<td>1.3</td>
<td>N.A.</td>
</tr>
<tr>
<td><strong>Main Trade Area</strong></td>
<td></td>
<td></td>
<td></td>
<td>215,300</td>
</tr>
<tr>
<td><strong>Tertiary:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IKEA Alexandra</td>
<td>150,000</td>
<td>10.0</td>
<td>3.4</td>
<td>N.A.</td>
</tr>
<tr>
<td>Anchorpoint</td>
<td>71,000</td>
<td>10.0</td>
<td>3.4</td>
<td>Cold Storage</td>
</tr>
<tr>
<td>Alexandra Central</td>
<td>50,000</td>
<td>10.0</td>
<td>3.4</td>
<td>N.A.</td>
</tr>
<tr>
<td><strong>Total Trade Area</strong></td>
<td></td>
<td></td>
<td></td>
<td>271,000</td>
</tr>
<tr>
<td><strong>Beyond:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VivoCity</td>
<td>1,078,800</td>
<td>8.0</td>
<td>3.3</td>
<td>Golden Village, FairPrice Xtra</td>
</tr>
<tr>
<td>Great World City</td>
<td>387,500</td>
<td>9.0</td>
<td>5.2</td>
<td>CS Fresh, Meidi-Ya, Golden Village</td>
</tr>
</tbody>
</table>

*Source: Cistri*
Cistri has also looked at the supply of supermarkets, cinemas and F&B shops in the trade area. The levels of provision of these amenities are well-under the Singapore suburban average suggesting a balanced competitive position, with no evidence of oversupply of these tenant types.

**Supermarket, Cinema & F&B Supply**

<table>
<thead>
<tr>
<th>Tiong Bahru Plaza Trade Area, 2019</th>
<th>Supply</th>
<th>Supply per X Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Supermarket sq.ft</td>
<td>Cinema Screens</td>
</tr>
<tr>
<td>Primary</td>
<td>64,000</td>
<td>5</td>
</tr>
<tr>
<td>Secondary</td>
<td>82,000</td>
<td>0</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td>146,000</td>
<td>5</td>
</tr>
<tr>
<td>Tertiary</td>
<td>45,000</td>
<td>0</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td>191,000</td>
<td>5</td>
</tr>
<tr>
<td>Singapore Suburbs</td>
<td>4,652,950</td>
<td>208</td>
</tr>
</tbody>
</table>

1. Floorspace of supermarkets based on estimates. Only supermarkets that are above 4,000 sq.ft are included.
2. Food establishments licensed by NEA. Excludes hawker centres.
Source: NEA, Cistri

### 20.2. PROPOSED COMPETITION

As far as Cistri is aware, there are no proposed new retail developments within Tiong Bahru Plaza’s trade area, although we note the aforementioned redevelopment and opening of Great World City.

### 20.3. FORECAST SHOPPING CENTRE FLOORSPACE

Chart 20.1 presents the total supply of shopping centre floorspace within the trade area, while Chart 20.2 presents the per capita provision. The provision of floorspace remains well below the Singapore suburban average (3.2 sq.ft per capita) with few large malls of note within the boundary of the trade area. We note that much of the competing supply sits just outside the trade area as defined.

**Forecast Shopping Centre Floorspace**

<table>
<thead>
<tr>
<th>Tiong Bahru Plaza Trade Area, 2020-2025, million sq.ft</th>
<th>Chart 20.1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>2021</td>
</tr>
<tr>
<td>Main Trade Area</td>
<td>0.43</td>
</tr>
<tr>
<td>Total Trade Area</td>
<td>0.70</td>
</tr>
</tbody>
</table>

Source: Cistri
Tiong Bahru Plaza has a good-sized catchment with a limited number of directly competing malls, giving it the opportunity to take a higher order role in the retail hierarchy. However, strong competition exists in the surrounding – Great World City, Vivo City and the CBD effectively keep Tiong Bahru Plaza’s catchment in check.

20.4. IMPLICATIONS

Tiong Bahru Plaza has a good-sized catchment with a limited number of directly competing malls, giving it the opportunity to take a higher order role in the retail hierarchy. However, strong competition exists in the surrounding – Great World City, Vivo City and the CBD effectively keep Tiong Bahru Plaza’s catchment in check.
21. OUTLOOK & CONCLUSIONS

Tiong Bahru Plaza has benefits from a strong catchment population and limited direct competition within its vicinity. With the re-zoning of several sites in its vicinity to residential use, Tiong Bahru Plaza stands to gain from a growing population in its immediate catchment over the longer term. However, the development of these sites will likely only take place in the later part of the decade as the sites have yet to be released for application. In the meantime, given the lack of incoming competition, Tiong Bahru Plaza remains well-positioned to capture strong sales from its existing catchment population.

There are several land parcels slated for future development, presenting attractive upside opportunities for the mall. In the longer term, Tiong Bahru Plaza stands to benefit from both future population growth opportunities and a healthy retail spend per capita.

Tiong Bahru Plaza has a good-sized catchment with a limited number of directly competing malls, giving it the opportunity to take a higher order role in the retail hierarchy. However, the property faces competition from malls such as Great World City, Vivo City and the CBD. As such, it is critical to ensure that there is a good market positioning strategy for the mall to remain popular and relevant to its catchment population.
APPENDIX A  DETAILED ECONOMIC FORECAST
A.1 ECONOMIC GROWTH

Chart 21.1 presents long historic and forecast GDP growth for Singapore. Following growth of 2.9% per annum over the past five years, forecasts are for GDP to expand by just 1.9% per annum over the next five. 2020 is clearly going to be a very poor year, but as the economy re-opens the expectation is that 2021 should see a healthy rebound. Medium-term growth is likely to be slightly lower than historically for the economy as it re-absorbs the excess capacity created by the pandemic.

Real GDP Growth
Singapore, 2003-2025

![Chart 21.1: GDP Growth](image)

Source: Oxford Economics

A.2 INFLATION

Chart 21.2 presents consumer price inflation, both historic and forecasts. In recent year, CPI has remained very low, creating a challenging environment for retailers. Given the current weak economic environment, forecasting for stronger CPI would sometimes be counter intuitive. However, given the scale of economic stimulus, particularly in the form of quantitative easing, there is an expectation that this could drive a short-term spike in inflation in the coming years.

Consumer Price Inflation
Singapore, 2003-2025

![Chart 21.2: CPI Inflation](image)

Source: Oxford Economics

---

27 All economic forecasts in this section provided by Oxford Economics. Note that the forecasts were last updated on May 21 2020. We note that the economic situation continues to evolve, and therefore these forecasts should be considered in this context.
A.3  POPULATION GROWTH

Chart 21.3 presents Singapore’s historic and forecast population growth through 2025. Singapore’s population has two key drivers – natural population growth and expatriate population growth. Singapore’s population growth has stabilized at around 1.2-1.3% growth per annum in recent years. Typically, in years of economic crisis, we observe a dip in growth due to a combination of lower inward migration and higher outward migration. This is seen in 2017 when the oil price crisis happened, following a recovery to 1.2% in 2019.

In 2020 another growth slowdown happens due to the impact of COVID-19, but we expect a recovery by 2022, following which growth stabilizes at the 1.2-1.3% levels again. We note that the level of migration remains a key policy tool that the Government can use to support economic growth.

A.4  EMPLOYMENT & HOUSEHOLD DISPOSABLE INCOME

Unemployment is very low in Singapore by global standards. The current pandemic is expected to drive unemployment up marginally, although the Government’s economic response is likely to limit the negative impact. Employment growth is likely to be slower in the future than it has historically thanks to a slowing population growth.

Singaporean households have one of the highest disposable income. In 2019, the average household personal disposable income in Singapore was around US$140,900 when measured in constant 2015 prices. This was behind Hong Kong but ahead of other Asia Pacific countries such as Australia and South Korea. The average household disposable income was also increasing at an admirable pace considering its high base at 1.9% per annum in 2019. While slower than the 5.0% annualised growth achieved by China, this was higher than Malaysia (+1.2%), Japan (+0.4%) and Australia (+0.2%).
The tourism market is extremely important for Singapore. In 2019, tourism contributed about 4% to Singapore’s GDP directly. We note that early in the pandemic the Singapore Tourism Board (STB) indicated an expectation of tourism falling by 30%. However due to comprehensive travel restrictions implemented worldwide, international tourist arrivals to Singapore have been assumed to decline by 70% in 2020. Global travel is forecast to recover gradually over the next three years, returning to pre-crisis levels in 2023. The impact of the sharp decrease in tourist arrivals will be discussed in Section 2.
APPENDIX B  PORTFOLIO MALLS LEASE EXPIRY
### WHITE SANDS

<table>
<thead>
<tr>
<th>Occupancy:</th>
<th>97.7%</th>
<th>NLA</th>
<th>128,631</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Committed Occ%:</td>
<td>97.7%</td>
<td>WALE by NLA</td>
<td>1.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>WALE by GRI</td>
<td>1.6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Leases</th>
<th>% of Total Leases</th>
<th>NLA (sf)</th>
<th>% of Total NLA</th>
<th>% of Total Gross Rent pm</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>4</td>
<td>3%</td>
<td>1,584</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>FY21</td>
<td>56</td>
<td>42%</td>
<td>41,735</td>
<td>33%</td>
<td>38%</td>
</tr>
<tr>
<td>FY22</td>
<td>50</td>
<td>38%</td>
<td>47,311</td>
<td>38%</td>
<td>37%</td>
</tr>
<tr>
<td>FY23</td>
<td>21</td>
<td>16%</td>
<td>32,722</td>
<td>26%</td>
<td>22%</td>
</tr>
<tr>
<td>FY24</td>
<td>1</td>
<td>1%</td>
<td>2,358</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Total</td>
<td>132</td>
<td>100%</td>
<td>125,710</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Vacant</td>
<td>7</td>
<td>5%</td>
<td>2,921</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>139</td>
<td>128,631</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Figures do not add up exactly due to rounding.

### TAMPERES 1

<table>
<thead>
<tr>
<th>Occupancy:</th>
<th>88.7%</th>
<th>NLA</th>
<th>268,577</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Committed Occ%:</td>
<td>91.9%</td>
<td>WALE by NLA</td>
<td>1.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>WALE by GRI</td>
<td>1.2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Leases</th>
<th>% of Total Leases</th>
<th>NLA (sf)</th>
<th>% of Total NLA</th>
<th>% of Total Gross Rent pm</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>21</td>
<td>13%</td>
<td>38,797</td>
<td>16%</td>
<td>14%</td>
</tr>
<tr>
<td>FY21</td>
<td>74</td>
<td>45%</td>
<td>110,746</td>
<td>46%</td>
<td>48%</td>
</tr>
<tr>
<td>FY22</td>
<td>44</td>
<td>27%</td>
<td>60,749</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>FY23</td>
<td>25</td>
<td>15%</td>
<td>26,561</td>
<td>11%</td>
<td>12%</td>
</tr>
<tr>
<td>FY24</td>
<td>1</td>
<td>1%</td>
<td>1,389</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Total</td>
<td>165</td>
<td>100%</td>
<td>238,242</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Vacant</td>
<td>17</td>
<td>9%</td>
<td>30,335</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>182</td>
<td>268,577</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Figures do not add up exactly due to rounding.

### HOUGANG MALL

<table>
<thead>
<tr>
<th>Occupancy:</th>
<th>95.3%</th>
<th>NLA</th>
<th>150,593</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Committed Occ%:</td>
<td>95.5%</td>
<td>WALE by NLA</td>
<td>1.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>WALE by GRI</td>
<td>1.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Leases</th>
<th>% of Total Leases</th>
<th>NLA (sf)</th>
<th>% of Total NLA</th>
<th>% of Total Gross Rent pm</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>14</td>
<td>12%</td>
<td>9,430</td>
<td>7%</td>
<td>9%</td>
</tr>
<tr>
<td>FY21</td>
<td>52</td>
<td>43%</td>
<td>81,510</td>
<td>57%</td>
<td>53%</td>
</tr>
<tr>
<td>FY22</td>
<td>34</td>
<td>28%</td>
<td>32,031</td>
<td>22%</td>
<td>26%</td>
</tr>
<tr>
<td>FY23</td>
<td>21</td>
<td>17%</td>
<td>20,482</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td>FY24</td>
<td>0</td>
<td>0%</td>
<td>0</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Total</td>
<td>121</td>
<td>100%</td>
<td>143,453</td>
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<td>7</td>
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<td>7,140</td>
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<tr>
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<td>128</td>
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Note: Figures do not add up exactly due to rounding.
### CENTURY SQUARE

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Leases</th>
<th>% of Total Leases</th>
<th>NLA (sf)</th>
<th>% of Total NLA</th>
<th>% of Total Gross Rent pm</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>7</td>
<td>5%</td>
<td>2,545</td>
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<tr>
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<td>FY22</td>
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<td>6,754</td>
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<td>Total</td>
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<td></td>
<td>202,446</td>
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</tbody>
</table>

Note: Figures do not add up exactly due to rounding.

### TIONG BAHRU PLAZA

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Leases</th>
<th>% of Total Leases</th>
<th>NLA (sf)</th>
<th>% of Total NLA</th>
<th>% of Total Gross Rent pm</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
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<td>4%</td>
<td>13,038</td>
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<td>4%</td>
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<tr>
<td>FY24</td>
<td>4</td>
<td>3%</td>
<td>29,323</td>
<td>14%</td>
<td>8%</td>
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<td>100%</td>
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<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Vacant</td>
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<td>10%</td>
<td>9,985</td>
<td>5%</td>
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<tr>
<td>Total</td>
<td>155</td>
<td></td>
<td>214,708</td>
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</tbody>
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Note: Figures do not add up exactly due to rounding.
APPENDIX C  
KEY TENANT TYPE PROVISION PER CAPITA
Note: Supermarket provision for each grid represents the total estimated supermarket floorspace within a 1km radius divided by estimated population living in the grid. Population excludes dormitory workers and is based on Cistri’s forecast of subzone population and the supply of dwelling units.
Note: Cinema provision for each grid represents the total cinema screens within a 1km radius divided by estimated population living in the grid. Population excludes dormitory workers and is based on Cistri’s forecast of subzone population and the supply of dwelling units.
Note: F&B provision for each grid represents the total count of food establishments within a 1km radius divided by estimated population living in the grid. Population excludes dormitory workers and is based on Cistri’s forecast of subzone population and the supply of dwelling units.
APPENDIX D

URA DRAFT MASTERPLAN 2019
REGIONAL HIGHLIGHTS
Tampines is home to a large part of the population in the East as an established regional centre, and a nexus of facilities catering to the employment, retail and recreational needs of residents. Residents can look forward to even more enhancements with new housing, parks and supporting amenities. The recently completed Downtown Line, a future Cross Island Line station and bus interchange at Tampines North, offer residents more comfortable and shorter commutes. For more information on the Draft Master Plan 2019, please visit urasg/DMP19.

HOW OUR TOWNS ARE PLANNED

Our towns are planned to be liveable and self-sufficient, with easily accessible shops, health care, schools, community facilities and parks. Commercial nodes, industrial estates and business parks within or nearby the town, also help to provide nearer job opportunities for residents. The detailed planning and implementation of plans for each town is a joint effort of many government agencies.
OUTLOOK & CONCLUSIONS

CISTRI
INDEPENDENT MARKET REVIEW

TAMPINES NORTH
New housing developments at Tampines North will be designed and developed with community facilities, parks and precinct amenities to provide an improved quality of living and convenience. The Tampines North Cross Island Line Station will also enhance residents’ accessibility.

TAMPINES CYCLING NETWORK
The cycling network will be tripled to 25km by 2023, so cyclists can enjoy a safe and convenient riding experience.

CHANGI BUSINESS PARK
The growth of Changi Business Park will create more jobs closer to home, along with other major employment hubs in the East region.

OUR TAMPINES HUB
Singapore’s largest integrated community and lifestyle hub brings together a host of facilities to the area - including sports facilities, a library, community club, hawker centre and retail shops.

TAMPINES SOUTH
Within the next 10 to 15 years, Tampines South will welcome around 8,000 new homes, which will be complemented by additional community facilities and greenery.

SINGAPORE UNIVERSITY OF TECHNOLOGY AND DESIGN (SUTD)
Residents in the East can continue to enjoy more world-class educational opportunities offered by SUTD.

LEGEND
- Park
- Integrated Development
- Bus Interchange
- Integrated Hub
- Road Improvement
- School
- Healthcare Facility
- MRT
- Park
- Park Connection/Cycling Route

This flyer aims to give a broad idea of upcoming future developments and does not form part of the Draft Master Plan 2019. All information is updated as of March 2019 and may be subject to change depending on development needs and detailed study. While reasonable endeavours have been made to ensure accuracy of the information provided, locations shown in the maps as well as illustrations are indicative only, and the Urban Redevelopment Authority disclaims all liability for any injury, loss or damage whatsoever that may arise as a result of any inaccuracy, change, error or omission in the information. Copyright © 2019. All rights reserved.
WHAT TO LOOK OUT FOR IN PASIR RIS!

Boasting tranquil, lush coastal parks and resorts, Pasir Ris has always been a go-to for recreation and leisure options. New housing developments will see a surge of life and activity around the area. Residents will also enjoy easier commutes with the new transport hub integrated with the upcoming mixed-use development in the town centre, as well as more jobs close to homes with the growth of Pasir Ris Wafer Fab Park. There will also be better connectivity to the rest of Singapore with the newly announced Cross Island Line. For more information on the Draft Master Plan 2019, please visit ura.sg/DMP19.

HOW OUR TOWNS ARE PLANNED

Our towns are planned to be liveable and self-sufficient, with easily accessible shops, health care, schools, community facilities and parks. Commercial nodes, industrial estates and business parks within or nearby the town, also help to provide nearer job opportunities for residents. The detailed planning and implementation of plans for each town is a joint effort of many government agencies.
PASIR RIS WAFER FAB PARK

PASIR RIS Wafer Fab Park is home to wafer fabrication and advanced display companies. The semiconductor industry will see a boost with new developments, which will also create more jobs closer to home.

PASIR RIS PARK

Visitors can look forward to revamped recreational facilities and play spaces with an overall enhanced coastal park experience, as well as upgrading of other existing park facilities.

HOUSING BY THE PARK

New housing developments in Pasir Ris Green will rejuvenate the area, located just a stone’s throw away from the town centre and Pasir Ris Park. These developments will also be integrated with community facilities for multi-generational families to enjoy.

PASIR RIS MIXED-USE DEVELOPMENT

The upcoming Pasir Ris mixed-use development is a perfect example of co-location, which includes a polyclinic, childcare facilities and an integrated transport hub with retail amenities and a town plaza.

CROSS ISLAND LINE

Residents of the area can soon expect quicker and more comfortable travel. Pasir Ris will benefit from three new CRL stations, with Pasir Ris MRT station being a future interchange station with the East-West Line.

LEGEND

- Existing Developments
  - Park
  - Integrated Development
  - MRT
  - Waterbody
  - Park Connector/Cycling Route

- New Developments
  - Residential
  - Healthcare Facility
  - Integrated Development
  - MRT
  - Traffic Improvement (Future)
  - Park Connector/Cycling Route

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Serangoon and Hougang are established towns that already boast a diversity of commercial amenities, residential types, and employment opportunities. Both will be revitalised with new housing, community amenities, and parks. The introduction of the Cross Island Line (CRL) will shorten residents’ commute time across the island. For more information on the Draft Master Plan 2019, please visit ura.sg/DMP19.

HOW OUR TOWNS ARE PLANNED

Our towns are planned to be liveable and self-sufficient, with easily accessible shops, health care, schools, community facilities and parks. Commercial nodes, industrial estates and business parks within or nearby the town, also help to provide nearer job opportunities for residents. The detailed planning and implementation of plans for each town is a joint effort of many government agencies.
Outlook & Conclusions

CISTRI

Independent Market Review

ANG MO KIO LINEAR PARK

The Ang Mo Kio Linear Park will be a signature green spine that links the Buangkok, Seletar Hills, and Cheng San neighbourhoods to the larger Coast-to-Coast Trail.

ABC WATERS PROJECTS IN HOUGANG TOWN

Improvement works along Serangoon Reservoir, Sungei Pinang and Hoang Avenue 10 provide for new community spaces and enhanced recreational experiences.

CROSS ISLAND LINE

Serangoon and Hougang will each have 2 Cross Island Line MRT stations — Tavistock, Serangoon North, Hougang (an interchange station with the North-East Line) and Defu. These will enhance public transport connectivity, serving nearby residents and workers.

LORONG HALUS INDUSTRIAL ESTATE

As Lorong Halus is developed into a new jobs cluster for the food, lifestyle and logistics industry, waterfront parks and open spaces will be introduced for the enjoyment of workers and residents.

LORONG CHUAN

This new residential precinct offers homes close to the Lorong Chuan MRT station, and will provide new parks, amenities, and improved pedestrian connectivity.

LEGEND

EXISTING DEVELOPMENTS

- Park
- Interchange
- MRT
- LRT
- Integrated Transport Hub
- Waterbody
- Park Connector
- Cycling Route

NEW DEVELOPMENTS

- Residential
- Commercial
- Industrial
- School
- Healthcare Facility
- MRT
- Road Improvement (Upcoming/Under Study)
- Park Connector/Cycling Route

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Bukit Merah is home to residential neighbourhoods with lush green spaces, historic precincts and heritage buildings. New residential developments, amenities and recreational facilities will cater to residents who want to enjoy the comforts of a mature estate close to the city. Sentosa, the largest of the Southern Islands, is Asia’s leading leisure destination and well-loved by Singaporeans.

With the completion of the Thomson-East Coast MRT Line by 2021 and the Circle Line 6 by 2025, Bukit Merah & Southern Islands will be even more accessible from the city and the rest of the island by public transport. For more information on the Draft Master Plan 2019, please visit ura.sg/DMP19.

WHAT TO LOOK OUT FOR IN BUKIT MERAH AND SOUTHERN ISLANDS!

How our towns are planned

Our towns are planned to be liveable and self-sufficient, with easily accessible shops, health care, schools, community facilities and parks. Commercial nodes, industrial estates and business parks within or nearby the towns also help to provide nearer job opportunities for residents. The detailed planning and implementation of plans for each town is a joint effort of many government agencies.
OUTLOOK & CONCLUSIONS

CISTRI
INDEPENDENT MARKET REVIEW

ALEXANDRA STREAM WALK
A new park between Alexandra Park Connector and Telok Blangah Hill Park will bring visitors closer to the stream.

COMMUNITY USES IN FORMER SCHOOL BUILDING
Residents can look forward to new community facilities within the former school buildings of Henderson Secondary School, such as a childcare centre, nursing home and urban farms.

NEW MRT STATIONS
There will be four new stations with the completion of the Thomson-East Coast MRT Line by 2021 and the Circle Line 6 by 2025.

OUTRAM MEDICAL CAMPUS
The new Outram Community Hospital, SGH Emergency Building and National Cancer Centre within the world-class Outram Medical Campus will open by 2023.

MOUNT FABER Funicular
One Faber Group is studying plans for a new funicular railway at Mount Faber to bring visitors from the foothills to the hilltop by 2023.

KEPEL CLUB
Keppel Club will be redeveloped as a new residential precinct with convenient access to the waterfront, nature and two nearby MRT stations (Labrador Park & Telok Blangah).

SENTOSA NORTH-SOUTH LINK
A seamless and enjoyable walking experience between Resorts World Sentosa and Sentosa’s beaches with new “sensory” zones will be completed by 2022. Look out for the enhanced Beach station too!

LEGEND
- Residential
- Integrated Transport Hub
- Bus Interchange
- MRT
- Park Connector/Cycling Route
- Healthcare Facility
- Road Improvement (Upgrading/Under Study)

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This report is dated 24 August 2020 and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Cistri Pte Ltd (Cistri) opinion in this report. Cistri prepared this report on the instructions, and for the benefit only, of Frasers Centrepoint Trust (Instructing Party) for the purpose of forming part of the Instructing Party’s investor circular (Purpose) and not for any other purpose or use. To the extent permitted by applicable law, Cistri expressly disclaims all liability, whether direct or indirect, to the Instructing Party which relies or purports to rely on this report for any purpose other than the Purpose, and to any other person which relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

In preparing this report, Cistri was required to make judgements which may be affected by unforeseen future events, the likelihood and effects of which are not capable of precise assessment.

All surveys, forecasts, projections and recommendations contained in or associated with this report are made in good faith and on the basis of information supplied to Cistri at the date of this report, and upon which Cistri relied. Achievement of the projections and budgets set out in this report will depend, among other things, on the actions of others over which Cistri has no control.

**COVID-19 and the potential impact on data and information**

- The data and information that informs and supports our opinions, estimates, surveys, forecasts, projections, conclusion, judgments, assumptions and recommendations contained in this report (Report Content) are predominantly generated over long periods, and is reflective of the circumstances applying in the past. Significant economic, health and other local and world events can, however, take a period of time for the market to absorb and to be reflected in such data and information. In many instances a change in market thinking and actual market conditions as at the date of this report may not be reflected in the data and information used to support the Report Content.

- The recent international outbreak of the Novel Coronavirus (COVID-19), which the World Health Organisation declared a global health emergency in January 2020 and pandemic on 11 March 2020, is causing a material impact on world economies and increased uncertainty in both local and global market conditions.

- The effects (both directly and indirectly) of the COVID-19 Outbreak on the global real estate market and business operations is currently unknown and it is difficult to predict the quantum of the impact it will have more broadly on the global economy and how long that impact will last. As at June 2020, the COVID-19 Outbreak is materially impacting global travel, trade and near-term economic growth expectations. Some business sectors, such as the retail, hotel and tourism sectors, are already reporting material impacts on trading performance now and potentially into the future.

- The data and information that informs and supports the Report Content is current as at the date of this report and (unless otherwise specifically stated in the Report) does not necessarily reflect the impact of the COVID-19 Outbreak on the global economy, the asset(s) and business operations to which the report relates. It is not possible to ascertain with certainty at this time how the market and the global economy more broadly will respond to this unprecedented event. Nevertheless, we have sought to address the impact of the COVID-19 Outbreak in the Report, and in doing so we have had to make estimates, assumptions, conclusions and judgements in the Report Content that are not directly supported by available and reliable data and information. It is possible that the market conditions applying to the asset(s) and any associated business operations to which the report relates and the business sector to which they belong have been more significantly impacted by the COVID-19 Outbreak within a short space of time and that it will have a longer lasting impact than we have assumed. Clearly, the COVID-19 Outbreak is an important risk factor you must carefully consider when relying on the report and the Report Content.

- Any Report Content addressing the impact of the COVID-19 Outbreak on the asset(s) and any associated business operations to which the report relates or the global economy more broadly is (unless otherwise specifically stated in the Report) unsupported by specific and reliable data and information and must not be relied on.

- To the maximum extent permitted by law, Cistri (its officers, employees and agents) expressly disclaim all liability and responsibility, whether direct or indirect, to any person (including the Instructing Party) in respect of any loss suffered or incurred as a result of the COVID-19 Outbreak materially impacting the
Report Content, but only to the extent that such impact is not reflected in the data and information used to support the Report Content.

In preparing this report, Cistri may rely on or refer to documents in a language other than English, which Cistri may arrange to be translated. Cistri is not responsible for the accuracy or completeness of such translations and disclaims any liability for any statement or opinion made in this report being inaccurate or incomplete arising from such translations.

Whilst Cistri has made all reasonable inquiries it believes necessary in preparing this report, it is not responsible for determining the completeness or accuracy of information provided to it. Cistri (including its officers and personnel) is not liable for any errors or omissions, including in information provided by the Instructing Party or another person or upon which Cistri relies, provided that such errors or omissions are not made by Cistri recklessly or in bad faith.

This report has been prepared with due care and diligence by Cistri and the statements and opinions given by Cistri in this report are given in good faith and in the reasonable belief that they are correct and not misleading, subject to the limitations above.

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Because of the uncertainty of future events and circumstances and because the contents are based on data and information provided by third parties upon which Oxford Economics has relied in producing its reports and forecasts in good faith, Oxford Economics does not warrant that its forecasts, projections, advice, recommendations or the contents of any report, presentation or other document will be accurate or achievable and Oxford Economics will not be liable for the contents any of the foregoing or for the reliance by the Customer on any of the foregoing.
## EXISTING INTERESTED PERSON TRANSACTIONS

The table below sets out details of all Existing Interested Person Transactions entered into between (1) FCT and (2) the Sponsor Group and its associates, during the course of the current financial year, which are the subject of aggregation pursuant to Chapter 9 of the Listing Manual.

<table>
<thead>
<tr>
<th>No.</th>
<th>Interested Person</th>
<th>Nature of Transaction</th>
<th>Value of Transaction (S$'000)</th>
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</thead>
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<tr>
<td>1.</td>
<td>Frasers Property Retail Management Pte. Ltd.</td>
<td>Car Park Operator Fees</td>
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<tr>
<td>2.</td>
<td>Frasers Property Retail Management Pte. Ltd.</td>
<td>Property Management Fees</td>
<td>6,400</td>
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<tr>
<td>3.</td>
<td>Frasers Property Retail Management Pte. Ltd.</td>
<td>Acquisition of AsiaMalls Management Pte Ltd</td>
<td>1,100</td>
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<tr>
<td>4.</td>
<td>Frasers Property Corporate Services (Singapore) Pte Ltd</td>
<td>Portfolio Management Fees</td>
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<tr>
<td>5.</td>
<td>AsiaMalls Management Pte Ltd</td>
<td>Property Management Fees</td>
<td>21,400</td>
</tr>
<tr>
<td>6.</td>
<td>Frasers Property Retail Management Pte. Ltd.</td>
<td>Termination of Sale and Purchase Agreement relating to AsiaMalls Management Pte. Ltd.</td>
<td>169</td>
</tr>
<tr>
<td></td>
<td>Total</td>
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<td>41,469</td>
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</tbody>
</table>
NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING ("EGM") of Frasers Centrepoint Trust ("FCT", and holders of units in FCT, the "Unitholders") will be convened and held by way of electronic means on 28 September 2020 at 10.00 a.m. for the purpose of considering and, if thought fit, passing (with or without modification) the following resolutions (capitalised terms not otherwise defined herein shall bear the meanings ascribed to them in the circular to Unitholders dated 3 September 2020 (the "Circular")):

1. THE PROPOSED ARF TRANSACTION (ORDINARY RESOLUTION)

That subject to and contingent upon the passing of Resolutions 2, 3 and 4:

(i) the proposed acquisition by FCT Holdings (Sigma) Pte. Ltd., a wholly-owned subsidiary of FCT, of approximately 63.11% of the total issued share capital of AsiaRetail Fund Limited ("ARF")\(^1\) from Frasers Property Investments (Bermuda) Limited, a company incorporated in Bermuda and wholly-owned by the Sponsor, for a purchase consideration of approximately S$1,057.4 million, which is subject to the proposed divestment of 100% of the total issued share capital of Mallco Pte. Ltd., a wholly-owned subsidiary of ARF to Frasers Property Gold Pte. Ltd., a wholly-owned subsidiary of the Sponsor for a sale price of approximately S$39.7 million, on the terms and conditions set out in the ARF Sale and Purchase Agreement and the Mallco Share Sale Agreement respectively (as described in the Circular) and the entry into the ARF Sale and Purchase Agreement and the Mallco Share Sale Agreement be and are hereby approved and/or ratified;

(ii) approval be and is hereby given for the proposed issue of new units in FCT for payment of the acquisition fee to Frasers Centrepoint Asset Management Ltd., as manager of FCT, for the proposed ARF Acquisition;

(iii) approval be and is hereby given for the payment of all fees and expenses relating to the proposed ARF Transaction;

(iv) approval be and is hereby given for the entry by FCT (whether directly or indirectly through its subsidiaries) into all agreements and transactions in connection with the proposed ARF Transaction and all ancillary agreements contemplated thereby or incidental thereto, or which are necessary to give effect to the proposed ARF Transaction; and

(v) the Manager, any director of the Manager and HSBC Institutional Trust Services (Singapore) Limited, as trustee of FCT (the "Trustee"), be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interests of FCT to give effect to the proposed ARF Transaction and the entry into the ARF Sale and Purchase Agreement and the Mallco Share Sale Agreement and all transactions in connection therewith.

2. THE PROPOSED EQUITY FUND RAISING (ORDINARY RESOLUTION)

That subject to and contingent upon the passing of Resolutions 1, 3 and 4:

(i) approval be and is hereby given for the issue of up to 628,019,324 new units in FCT ("New Units") under an equity fund raising (the "Equity Fund Raising") in the manner described in the Circular; and

---

\(^1\) Prior to 1 September 2020, AsiaRetail Fund Limited was known as PGIM Real Estate AsiaRetail Fund Limited.
(ii) the Manager, any Director and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interests of FCT to give effect to the proposed Equity Fund Raising.

3. **THE PROPOSED SPONSOR PLACEMENT (ORDINARY RESOLUTION)**

That subject to and contingent upon the passing of Resolutions 1, 2 and 4:

(i) approval be and is hereby given for the issue and placement of such number of New Units to the Sponsor Group, as part of a private placement of New Units to institutional and other investors under the proposed Equity Fund Raising, in the manner described in the Circular (the “Sponsor Placement”); and

(ii) the Manager, any Director and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interests of FCT to give effect to the proposed Sponsor Placement.

4. **THE PROPOSED WHITEWASH RESOLUTION (ORDINARY RESOLUTION)**

That subject to the conditions in the letter from the Securities Industry Council dated 20 August 2020 being fulfilled, Unitholders, other than the Concert Party Group and parties which are not independent of them, hereby (on a poll taken) waive their rights to receive a mandatory offer from the Relevant Entities for all the remaining issued Units not owned or controlled by the Relevant Entities, in the event that they incur a mandatory bid obligation pursuant to Rule 14 of the Singapore Code on Take-overs and Mergers as a result of the subscription by the Relevant Entities of the Excess Preferential Offering Units in accordance with the terms of the Sponsor Irrevocable Undertaking.

5. **THE PROPOSED BEDOK POINT DIVESTMENT**

That subject to and contingent upon the passing of Resolutions 1, 2, 3 and 4:

(i) FCT’s proposed divestment of a leasehold interest in the whole of the land lots 4710W, 4711V, 10529L and 10530N all of Mukim 27 together with the building erected thereon, situated at 799 New Upper Changi Road, Singapore 467351, currently known as Bedok Point (“Bedok Point”) to Chempaka Development Pte Ltd, a wholly-owned subsidiary of the Sponsor (the “Bedok Point Divestment”), for a sale price of S$108.0 million, on the terms and conditions set out in the Bedok Point Put and Call Option Agreement and the entry into the Bedok Point Put and Call Option Agreement be and are hereby approved and/or ratified;

(ii) approval be and is hereby given for the proposed issue of new units in FCT for payment of the divestment fee to the Manager, for the proposed Bedok Point Divestment;

(iii) approval be and is hereby given for the payment of all fees and expenses relating to the proposed Bedok Point Divestment;
(iv) approval be and is hereby given for the entry by the Trustee (whether directly or indirectly through its subsidiaries) into all agreements and transactions in connection with the proposed Bedok Point Divestment and all ancillary agreements contemplated thereby or incidental thereto, or which are necessary to give effect to the proposed Bedok Point Divestment; and

(v) the Manager, any Director and the Trustee, be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interests of FCT to give effect to the proposed Bedok Point Divestment and the entry into the Bedok Point Put and Call Option Agreement and all transactions in connection therewith.

BY ORDER OF THE BOARD

Frasers Centrepoint Asset Management Ltd.
(as manager of Frasers Centrepoint Trust)
(Company Registration No. 200601347G)

Dr Cheong Choong Kong
Chairman and Non-Executive Independent Director
3 September 2020

IMPORTANT NOTICE:

1. The EGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. In addition to printed copies of this Notice that will be sent to Unitholders, this Notice will also be sent to Unitholders by electronic means via publication on FCT’s website at the URL https://www.frasersproperty.com/reits/fct and will also be made available on the website of the SGX-ST at the URL https://www.sgx.com/securities/company-announcements.

2. Due to the current COVID-19 restriction orders in Singapore, a Unitholder will not be able to attend the EGM in person. Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the EGM in advance of the EGM, addressing of substantial and relevant questions at the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out below. Any reference to a time of day is made by reference to Singapore time.

3. Unitholders will be able to observe and/or listen to the EGM proceedings through a live audio-visual webcast or live audio-only stream via their mobile phones, tablets or computers. In order to do so, Unitholders must pre-register at FCT’s pre-registration website at the URL https://www.frasersproperty.com/reits/fct from now till 10.00 a.m. on 25 September 2020 to enable the Manager to verify their status as Unitholders.

Following the verification, authenticated Unitholders will each receive an email, which will contain a user ID and password details as well as instructions on how to access the live audio-visual webcast and live audio-only stream of the EGM proceedings, by 10.00 a.m. on 27 September 2020. Unitholders who do not receive an email by 10.00 a.m. on 27 September 2020 but have registered by 10.00 a.m. on 25 September 2020 should contact the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at +65 6536 5355 (during office hours) or by email to FCTEGM2020@boardroomlimited.com.

4. Unitholders may also submit questions related to the resolutions to be tabled for approval at the EGM to the Chairman of the EGM, in advance of the EGM. In order to do so, their questions must be submitted in the following manner by 10.00 a.m. on 25 September 2020:

(a) via FCT’s pre-registration website at https://www.frasersproperty.com/reits/fct; or

(b) via email to the Manager, at ir@fraserscentrepointtrust.com; or

(c) if submitted by post, be deposited at the office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.
Unitholders who submit questions by email or by post must provide the following information:

1. The Unitholder’s full name;
2. The Unitholder’s address; and
3. The manner in which the Unitholder holds Units in FCT (e.g., via CDP, CPF or SRS).

The Manager will endeavour to address all substantial and relevant questions received in advance of the EGM prior to or during the EGM. The Manager will publish the responses to the substantial and relevant questions which the Manager is unable to address during the EGM, on FCT’s website and on SGXNET prior to the EGM. The Manager will publish the minutes of the EGM on FCT’s website and on SGXNET, and the minutes will include the responses to the substantial and relevant questions which are addressed during the EGM.

Unitholders will not be able to ask questions at the EGM live during the audio-visual webcast or audio-stream, and therefore it is important for Unitholders who wish to ask questions to submit their questions in advance of the EGM.

5. If a Unitholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM. In addition to the printed copies of the Proxy Form which will be sent to Unitholders, the Proxy Form is available on FCT’s website and on the website of the SGX-ST at the URLs https://www.frasersproperty.com/reits/fct and https://www.sgx.com/securities/company-announcements, respectively. Additional printed copies of the Proxy Form, if required, can be requested from Boardroom Corporate & Advisory Services Pte. Ltd. by calling +65 6536 5355. Requests for printed copies of the Proxy Form should be made by 18 September 2020.

In appointing the Chairman of the EGM as proxy, a Unitholder must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

6. The Proxy Form must be submitted to the Manager c/o the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:

(a) if submitted by post, be lodged at the office of the Unit Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or
(b) if submitted electronically, be submitted via email to the Unit Registrar at FCTEGM2020@boardroomlimited.com, in either case, by 10.00 a.m. on 25 September 2020, being 72 hours before the time fixed for the EGM.

A Unitholder who wishes to submit a Proxy Form must first complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the COVID-19 restriction orders in Singapore and the related safe distancing measures which may make it difficult for Unitholders to submit completed Proxy Forms by post, Unitholders are strongly encouraged to submit completed Proxy Forms electronically via email.

7. Persons who hold Units through relevant intermediaries (as defined below), and who wish to participate in the EGM by (a) observing and/or listening to the EGM proceedings through live audio-visual webcast or live audio-only stream; (b) submitting questions in advance of the EGM; and/or (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM, should contact the relevant intermediary through which they hold such Units as soon as possible in order to make the necessary arrangements for them to participate in the EGM.

For the avoidance of doubt, CPF and SRS Investors who wish to participate in the EGM by (a) observing and/or listening to the EGM proceedings through live audio-visual webcast or live audio-only stream and/or (b) submitting questions in advance of the EGM should refer to paragraphs 3 and 4 above respectively. However, CPF and SRS investors who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 16 September 2020, being seven (7) working days before the date of the EGM.

“relevant intermediary” means:

(i) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore, or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
(ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore, and who holds Units in that capacity; or
(iii) the Central Provident Fund Board (“CPF Board”) established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
8. The Chairman of the EGM, as proxy, need not be a Unitholder of FCT.


10. Due to the constantly evolving COVID-19 situation in Singapore, the Manager may be required to change the arrangements for the EGM at short notice. Unitholders should check FCT’s website at the URL https://www.frasersproperty.com/reits/fct for the latest updates on the status of the EGM.

11. This notice is not an offer for sale or a solicitation of any offer to buy any securities in relation to the proposed Equity Fund Raising. The New Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or under any securities laws of any state or other jurisdiction of the United States (the “U.S.”) and may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, transferred or delivered, directly or indirectly, within the U.S. except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the U.S.. There will be no public offering of the proposed New Units (as defined in the Circular) in the U.S..

**Personal data privacy:**

By submitting an instrument appointing the Chairman of the EGM as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, a Unitholder consents to the collection, use and disclosure of the Unitholder’s personal data by the Manager and the Trustee (or their agents or service providers) for the purpose of the processing and administration by the Manager and the Trustee (or their agents or service providers) of the appointment of the Chairman of the EGM as proxy for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines.
IMPORTANT:

1. The EGM is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. In addition to the printed copies of the Notice of EGM dated 3 September 2020 which will be sent to unitholders, the Notice of EGM will also be available through electronic means via publication on Frasers Centrepoint Trust’s website at https://www.frasersproperty.com/reits/fct, and will also be made available on the website of the SGX-ST at https://www.sgx.com/securities/company-announcements.

2. Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the EGM in advance of the EGM, addressing of substantial and relevant questions either before or at the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out in the Notice of EGM.

3. Due to the current COVID-19 restriction orders in Singapore, a unitholder will not be able to attend the EGM in person. If a unitholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM.

4. If a CPF or SRS investor wishes to appoint the Chairman of the EGM as proxy, he/she should approach his/her respective CPF Agent Banks or SRS Operators to submit his/her votes by 5.00 p.m. on 16 September 2020, being 7 working days before the date of the EGM.

5. Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the EGM as a unitholder’s proxy to attend, speak and vote on his/her/its behalf at the EGM.

I/We (Name(s) and NRIC No./Passport No./Company Registration No.) of (Address) being a unitholder/unitholders of Frasers Centrepoint Trust (“FCT”), hereby appoint the Chairman of the EGM as my/our proxy to attend, speak and vote for me/us on my/our behalf at the Extraordinary General Meeting (the “EGM”) of FCT to be convened and held by way of electronic means on Monday, 28 September 2020 at 10.00 a.m. and at any adjournment thereof.

I/We direct the Chairman of the EGM as my/our proxy to vote for or against, or to abstain from voting on, the resolutions to be proposed at the EGM as indicated hereunder.

<table>
<thead>
<tr>
<th>No.</th>
<th>Resolutions</th>
<th>No. of Votes For*</th>
<th>No. of Votes Against*</th>
<th>No. of Votes to Abstain*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>To approve the proposed ARF Transaction (Ordinary Resolution)</td>
<td></td>
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<tr>
<td>2</td>
<td>To approve the proposed Equity Fund Raising (Ordinary Resolution)</td>
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<tr>
<td>3</td>
<td>To approve the proposed Sponsor Placement (Ordinary Resolution)</td>
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<td>4</td>
<td>To approve the proposed Whitewash Resolution (Ordinary Resolution)</td>
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<tr>
<td>5</td>
<td>To approve the proposed Bedok Point Divestment (Ordinary Resolution)</td>
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</tbody>
</table>

* Voting will be conducted by poll. If you wish the Chairman of the EGM as your proxy to cast all your votes “For” or “Against” a resolution, please indicate with a “/” in the space provided under “For” or “Against”. If you wish the Chairman of the EGM as your proxy to abstain from voting on a resolution, please indicate a “/” in the space provided under “Abstain”. Alternatively, please indicate the number of units that the Chairman of the EGM as your proxy is directed to vote “For” or “Against” or to abstain from voting. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the EGM as your proxy for that resolution will be treated as invalid.

Dated this __________ day of __________ 2020

Signature(s) of Unitholder(s) or
Common Seal of Corporate Unitholder

IMPORTANT: Please read notes on the reverse side
Notes:

1. Due to the current COVID-19 restriction orders in Singapore, a unitholder will not be able to attend the EGM in person. If a unitholder (whether individual or corporate) wishes to exercise his/her/voting rights at the EGM, he/she/it must appoint the Chairman of the EGM as his/her/votes proxy to attend, speak and vote on his/her/votes behalf at the EGM. This Proxy Form will be sent to Unitholders and may be accessed at FCT’s website at https://www.frasersproperty.com/reits/fct, and on the website of the SGX-ST at the URL https://www.sgx.com/securities/company-announcements. In appointing the Chairman of the EGM as proxy, a unitholder must give specific instructions as to voting, or abstention from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

2. CPF or SRS investors who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 16 September 2020, being 7 working days before the date of the EGM.

3. The Chairman of the EGM, as proxy, need not be a unitholder of FCT.

4. A unitholder should insert the total number of units held. If the unitholder has units entered against the unitholder’s name in the Depository Register maintained by The Central Depository (Pte) Limited, the unitholder should insert that number of units. If the unitholder has units registered in the unitholder’s name in the Register of Unitholders of FCT, the unitholder should insert that number of units. If the unitholder has units entered against the unitholder’s name in the said Depository Register and registered in the unitholder’s name in the Register of Unitholders of FCT, the unitholder should insert the aggregate number of units. If no number is inserted, this Proxy Form will be deemed to relate to all the units held by the unitholder.

5. The Proxy Form must be submitted to the Manager c/o FCT’s Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:
   (a) If submitted by post, be lodged at the office of FCT’s Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or
   (b) If submitted electronically, be submitted via email to FCT’s Unit Registrar at FCTEGM2020@boardroomlimited.com, in either case, by 10.00 a.m. on 25 September 2020, being 72 hours before the time fixed for the EGM.

A unitholder who wishes to submit the Proxy Form must first complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the COVID-19 restriction orders in Singapore which may make it difficult for unitholders to submit completed Proxy Forms by post, unitholders are strongly encouraged to submit completed Proxy Forms electronically via email.

6. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

7. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed or a duly certified copy of such power or authority must (failing previous registration with the Manager) if the Proxy Form is submitted by post, be lodged with the Proxy Form, or, if the Proxy Form is submitted electronically via email, be emailed with the Proxy Form, failing which the Proxy Form may be treated as invalid.

8. Any reference to a time of day is made by reference to Singapore time.

General

The Manager shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Manager may reject a Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by CDP to the Manager.