

FCT reports DPU of 6.136 Singapore cents for 1H2022

- ◆ Improved operating and financial performance in 1H2022 drove distributable income higher
- ◆ Healthy financial position with aggregate leverage at 33.3%
- ◆ Retail portfolio¹ occupancy improved to 97.8%, year-to-date tenants' sales exceeded previous year's
- ◆ Well-positioned to navigate ahead despite risks presented by rise in energy prices and interest rates

SINGAPORE, 27 APRIL 2022

Fraser's Centrepoint Asset Management Ltd. ("**FCAM**" or the "**Manager**"), the manager of Fraser's Centrepoint Trust ("**FCT**" or the "**Trust**"), is pleased to report a distribution per unit ("**DPU**") of 6.136 Singapore cents for the six-month period from 1 October 2021 to 31 March 2022 ("**1H2022**"), 2.3% higher than the same period a year ago. The books closure date for the 1H2022 DPU is 5.00 p.m. on 9 May 2022 and the payment date is 30 May 2022.

Mr Richard Ng, Chief Executive Officer of FCAM, said, "We are pleased that FCT has delivered a healthy set of results for 1H2022 that supports higher distribution for unitholders. We see improving market dynamics following the progressive easing of safe management measures and gradual normalisation of day-to-day activities. Sentiment among retailers is also improving, and this supports leasing demand for retail space, particularly at our dominant malls. Riding on the tailwind of the easing COVID-19 restrictions and the re-opening of the economy, FCT is well-positioned to navigate ahead."

Summary of 1H2022 results

In S\$ million unless otherwise stated	1H2022 Six months ended 31/3/2022	1H2021 Six months ended 31/3/2021	Increase/ (Decrease)
Gross revenue	176.19	173.62	1.5%
Net property income (" NPI ")	130.48	125.66	3.8%
Distribution to unitholders	104.41	101.10	3.3%
DPU (S cents)	6.136	5.996	2.3%
	As at 31 March 2022	As at 30 September 2021	
Net asset value and net tangible asset value per Unit (S\$)*	2.31	2.30	0.4%

* Includes the DPU to be paid for 1H2022 and 2H2021, respectively, based on issued and issuable units.

Note: Any discrepancies between the listed figures, the aggregate or the variance in percentage is due to rounding.

Improved operating and financial performance in 1H2022; healthy financial position

1H2022 gross revenue rose 1.5% year-on-year to \$176.2 million on full contribution from the ARF acquisition² and was partially offset by the loss of contribution from properties divested³ in FY2021. NPI was up 3.8% year-on-year due to decrease in property expenses which arose from lower net allowance for doubtful debts and other property expenses. NPI margin for 1H2022 improved to 74.1% from 72.4% in

¹ Retail portfolio refers to FCT's investment property portfolio including Waterway Point and excluding Central Plaza which is an office property.

² The acquisition of the remaining 63.11% stake in AsiaRetail Fund Limited, completed on 27 October 2020.

³ FCT divested 3 retail properties - Bedok Point, Anchorpoint and YewTee Point in FY2021.

1H2021. Distribution to unitholders for 1H2022 rose 3.3% year-on-year to \$104.41 million on the back of higher income.

FCT's financial position remains healthy with aggregate leverage at 33.3%⁴ and the interest coverage ratio⁵ is 5.72 times. The Manager continues to exercise prudent capital management. It has increased the proportion of fixed interest rate borrowings to 68% from 54% in the previous quarter to better manage interest rate risks. The year-to-date all-in average cost of debt stood at 2.2%.

Better operating performance with improved occupancy, positive retail rental reversion, higher tenants' sales in 1H2022

All properties in FCT's portfolio registered better or steady occupancy quarter-on-quarter. The retail property portfolio registered improved committed occupancy of 97.8%, up 0.6 percentage-points from the previous quarter. The progressive easing of the safe management measures ("SMMs") and re-opening of the economy support retailers' sentiment and leasing demand. FCT continued to see introduction of new retail concepts and brands to its retail portfolio. The retail portfolio registered a 1.2 percentage-point improvement in NPI margin to 74.9%⁶ for 1H2022 through cost management, proactive leasing and marketing. Positive rental reversion of 1.73%⁷ was achieved on an incoming versus outgoing basis for 14.4% of the retail portfolio's total net lettable area in 1H2022.

Retail portfolio tenants' sales from January 2022 to March 2022 have been maintained at above pre-COVID-19 levels since October 2021. The easing of dining-in restrictions from two to five per group in November 2021 created higher shopper traffic and tenants' sales, particularly for food & beverage trades.

With the combination of tenant-mix curation, targeted omnichannel retail marketing and the progressive easing of SMMs, total tenants' sales for the six-month period from October 2021 to March 2022 were higher year-on-year. This improved the average occupancy cost of the portfolio to 16.2% in 1H2022, from 17.5% in FY2021, and provided a buffer to support sustainable rent for the retail portfolio.

The retail portfolio shopper traffic has improved to around 65% on average in January to March 2022 period. Further easing of SMMs will support recovery of the shopper traffic.

Supporting our goal to be net-zero carbon by 2050

In line with Frasers Property's goal to be net-zero carbon by 2050, a network of 36 electric vehicle (the "EV") public charging points will be installed across 12 Frasers malls⁸. The first phase of the installation for 27 EV charging points across eight malls will be completed by September 2022.

An agreement has been signed with SP Group on 18 April 2022, for Century Square and Tampines 1 to be injection nodes as part of Tampines Distributed District Cooling (the "DDC") network. The Tampines DDC is Singapore's first brownfield DDC network aimed to provide cooling solutions while reducing energy consumption, lowering carbon emissions and saving costs.

⁴ In accordance with the Property Funds Appendix, the aggregate leverage includes FCT's proportionate share of deposited property value and borrowings in Sapphire Star Trust, which owns Waterway Point.

⁵ Ratio is calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), by the trailing 12 months borrowing costs as defined in the Code on Collective Investment Schemes revised by the Monetary Authority of Singapore on 16 April 2020 and clarified on 29 May 2020.

⁶ Excludes properties divested in FY2021.

⁷ Based on final year rent of outgoing lease versus first year rent of incoming lease. The rental reversion would be +4.12% based on the comparison of the average rent of incoming lease versus average rent of the outgoing lease.

⁸ The 12 malls are Causeway Point, Century Square, Changi City Point, Eastpoint Mall, Hougang Mall, Northpoint City (North Wing), Northpoint City (South Wing), The Centrepoint, Tiong Bahru Plaza, Tampines 1, Waterway Point and White Sands.

Outlook

The Ministry of Trade and Industry (the “**MTI**”) has maintained its GDP growth forecast⁹ for 2022 at “3.0 to 5.0 per cent”. The MTI noted that the retail and food & beverage sectors are projected to see gradual recovery over the course of the year as domestic restrictions are progressively eased, and consumer sentiments improve amidst the turnaround in labour market conditions. However, the MTI cautioned that recovery to pre-COVID levels is not to be expected by end-2022, due in part to the slow recovery in visitor arrivals.

The Government announced on 22 April 2022 further relaxation of the SMMs which took effect from 26 April 2022. These include lifting of group size limit and capacity limit; allowing all workers to return to the workplace; and removal of the requirement for safe distancing. This will support the recovery of our tenants’ sales and shopper traffic at our malls.

The Manager is cognisant of the rising cost of FCT’s operations due to an increase in energy prices, global inflationary pressures, as well as higher financing costs from rising interest rates. The Manager has fully hedged the energy rates for its portfolio of properties in various tranches to mitigate concentration risks. The hedges would progressively expire over financial years 2022 and 2023, thus avoiding a sudden spike in portfolio energy costs. The Manager continues to exercise prudent capital management. It has increased its proportion of fixed-rate interest bearing borrowings to 68%, from 54%, to manage FCT’s interest rate risks.

Amidst the prevailing volatility, the Manager will continue to leverage the advantages of an experienced management team, FCT’s healthy financial position and its large portfolio of demonstrably resilient suburban retail properties.

End

About Frasers Centrepoint Trust

Frasers Centrepoint Trust (“**FCT**”) is a leading developer-sponsored retail real estate investment trust (“**REIT**”) and one of the largest suburban retail mall owners in Singapore with assets under management of approximately S\$6.1 billion. FCT’s current property portfolio comprises nine retail malls and an office building located in the suburban regions of Singapore, near homes and within minutes to transportation amenities. The retail portfolio has approximately 2.2 million square feet of net lettable area with over 1,400 leases with a strong focus on providing for necessity spending, food & beverage and essential services.

The portfolio comprises Causeway Point, Northpoint City North Wing (including Yishun 10 Retail Podium), Changi City Point, Waterway Point (40%-interest), Tiong Bahru Plaza, White Sands, Hougang Mall, Century Square and Tampines 1 and an office property (Central Plaza). FCT’s malls enjoy stable and recurring shopper footfall supported by commuter traffic and residential population in the catchment.

FCT also holds a 30.53% 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 index constituent of several benchmark indices including the FTSE EPRA/NAREIT Global Real Estate Index Series (Global Developed Index), FTSE ST Real Estate investment Trust Index, MSCI Singapore Small Cap Index and the SGX iEdge S-REIT Leaders Index.

Listed on the Main Board of the Singapore Exchange Securities Trading Limited since 5 July 2006, FCT is managed by Frasers Centrepoint Asset Management Ltd., a real estate management company and a wholly-owned subsidiary of Frasers Property Limited.

For more information on FCT, please visit www.frasersproperty.com/reits/fct.

⁹ Ministry of Trade and Industry. (2022, February 17). *MTI Maintains 2022 GDP Growth Forecast at “3.0 to 5.0 Per Cent”* [Press Release]. https://www.mti.gov.sg/-/media/MTI/Resources/Economic-Survey-of-Singapore/2021/Economic-Survey-of-Singapore-2021/PR_AES2021.pdf

About Frasers Property Limited

Frasers Property Limited (“Frasers Property” and together with its subsidiaries, the “Frasers Property Group” or the “Group”), is a multi-national developer-owner-operator of real estate products and services across the property value chain. Listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) and headquartered in Singapore, the Group has total assets of approximately S\$40.3 billion as at 30 September 2021.

Frasers Property's multi-national businesses operate across five asset classes, namely, residential, retail, commercial & business parks, industrial & logistics as well as hospitality. The 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 and 20 countries across Asia, Australia, Europe, the Middle East and Africa.

Frasers Property is also the sponsor of two real estate investment trusts (“REITs”) and one stapled trust listed on the SGXST. Frasers Centrepoint Trust and Frasers Logistics & Commercial Trust are focused on retail, and industrial & commercial properties, respectively. Frasers Hospitality Trust (comprising Frasers Hospitality Real Estate Investment Trust and Frasers Hospitality Business Trust) is a stapled trust focused on hospitality properties. In addition, the Group has two REITs listed on the Stock Exchange of Thailand. Frasers Property (Thailand) Public Company Limited is the sponsor of Frasers Property Thailand Industrial Freehold & Leasehold REIT, which is focused on industrial & logistics properties in Thailand, and Golden Ventures Leasehold Real Estate Investment Trust, which is focused on commercial properties.

The Group is committed to inspiring experiences and creating places for good for its stakeholders. By acting progressively, producing and consuming responsibly, and focusing on people, Frasers Property aspires to raise sustainability ideals across its value chain, and build a more resilient business. It has committed to be a net-zero carbon corporation by 2050. Building on its heritage as well as leveraging its knowledge and capabilities, the Group aims to create lasting shared value for its people, the businesses and communities it serves. Frasers Property believes in the diversity of its people and are invested in promoting a progressive, collaborative and respectful culture.

For more information on Frasers Property, please visit frasersproperty.com or follow us on [LinkedIn](#)

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