

# Frasers Centrepoint Trust

15<sup>th</sup> Annual General Meeting on 22 January 2024

CEO's Presentation



# Contents

1. FCT overview	page 3
2. FY23 performance review	page 5
3. FCT Unit Price Performance	page 15
4. Outlook of the suburban retail sector in Singapore	page 18
5. Sustainability highlights	page 20
6. Summary	page 23
7. Appendix	page 25



# FCT Overview

# Leading pure play Singapore suburban retail REIT

Retail Portfolio comprising of 9 prime suburban retail malls

**\$6.5 billion**  
AUM



**Direct  
connectivity to  
public transport**



**3 million<sup>1</sup>**  
catchment population



1. FCT Annual Report 2023, page 56. Cistri estimates that around 3 million people or approximately half of Singapore's population live within a 3 km radius from FCT's suburban malls.



# FY23 performance review

# FY23 results highlights

## Strong FY23 results on robust operating performance and strategic portfolio re-constitution



### 1 Strong FY23 Results

- Revenue and NPI growth
- Stable DPU despite high interest rate environment



### 3 Healthy financial position

- Reduced aggregate leverage to 36.1%<sup>1</sup> from 39.3%
- No refinancing risks for FY24
- Stable portfolio valuation



### 2 Robust operating performance

- All-round improvement in operational metrics



### 4 Strengthened portfolio

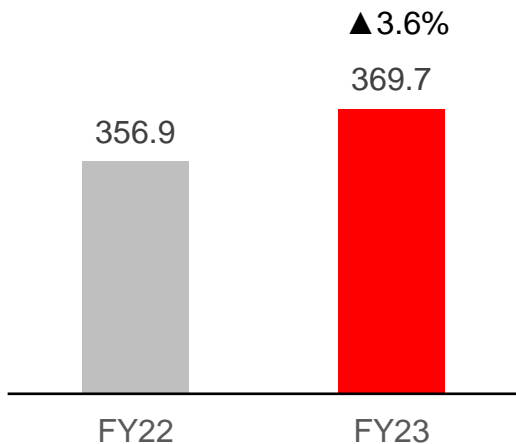
- Acquisitions of 25.50% stake in NEX and the additional 10.00% stake in Waterway Point enhanced FCT's performance
- AEI at Tampines 1

1. After repayment of certain debts using the net proceeds from the divestments of Changi City Point and interest in Hektar REIT, the aggregate leverage pro forma basis as at 30 September 2023 is expected to be reduced to 36.1%.

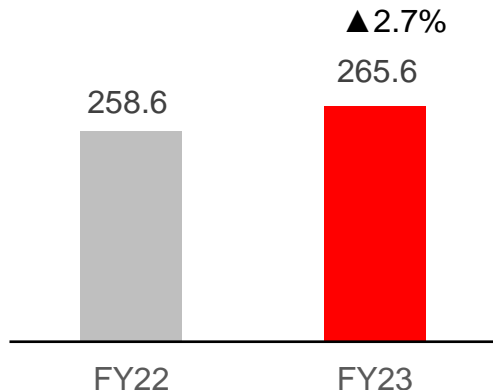
# 1 Strong FY23 Results

**Healthy revenue and NPI growth; FY23 DPU is 0.7% higher vs FY19 (pre-COVID) despite high interest rate environment**

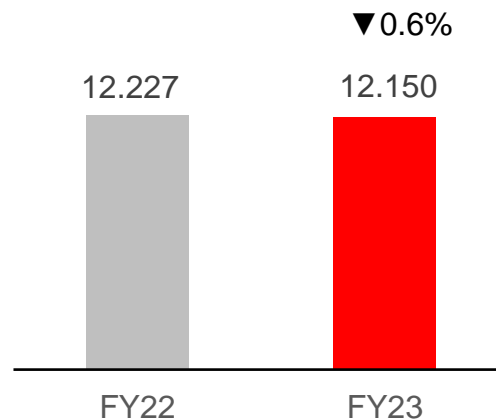
**Gross Revenue**  
(S\$ millions)



**Net Property Income**  
(S\$ millions)



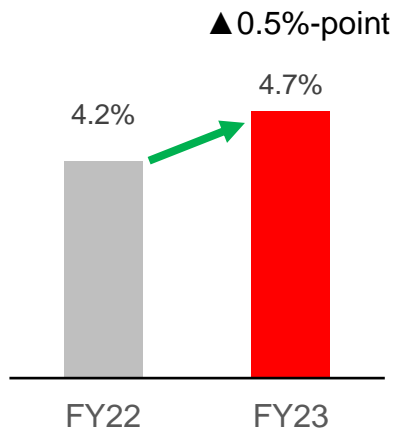
**Distribution per Unit**  
(S cents)



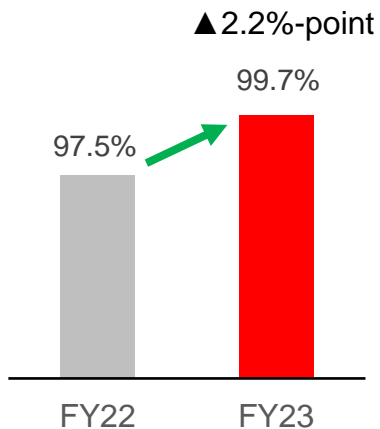
## 2 Robust operating performance

### All-round improvement in operational metrics

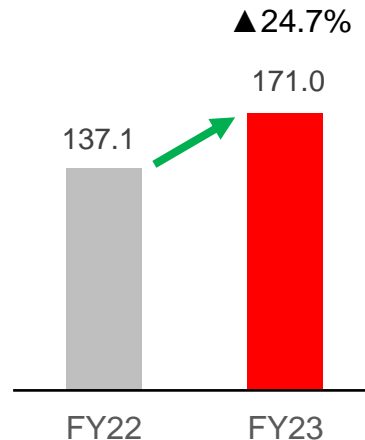
Retail portfolio rental reversion<sup>1</sup>



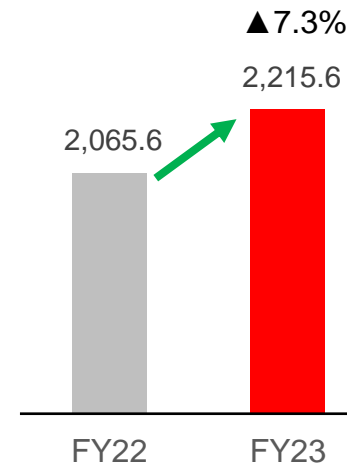
Retail portfolio committed occupancy



Shopper Traffic<sup>2</sup> (million)



Tenants' sales<sup>3</sup> (\$ million)



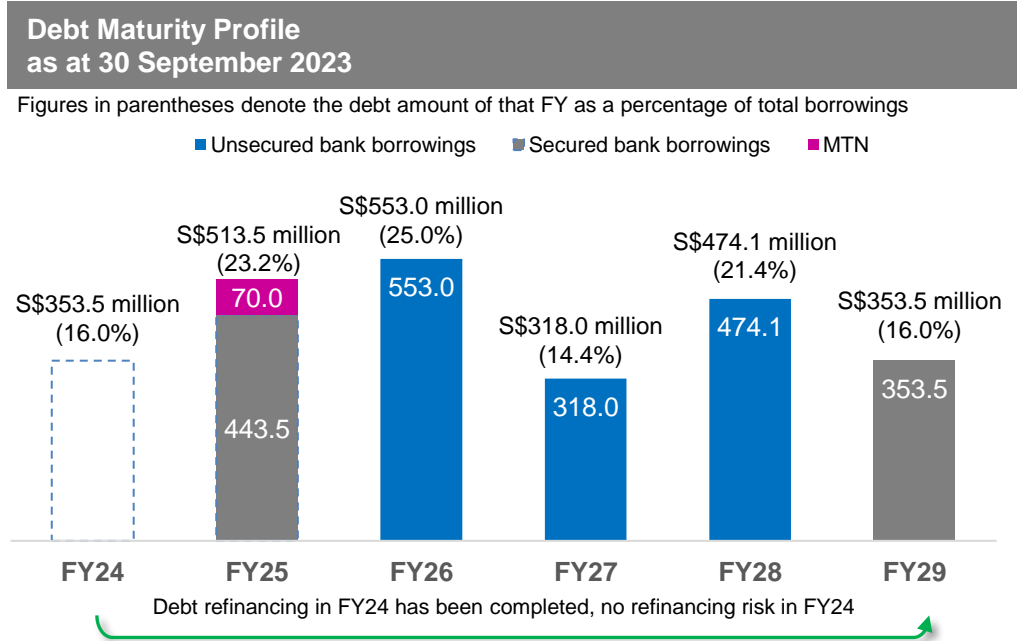
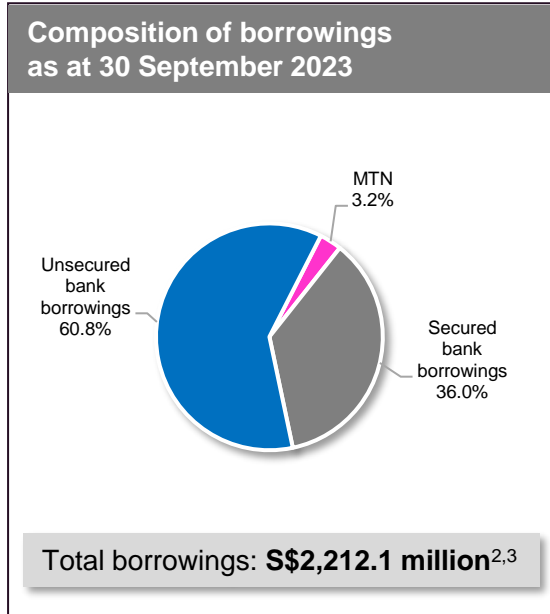
FY23 tenants' sale remained 17% above pre-COVID levels

1. On average versus average basis.
2. Excludes Tampines 1 due to AEI works.
3. Excludes Tampines 1 due to AEI works and NEX (acquired only in FY23).



### 3 Healthy financial position

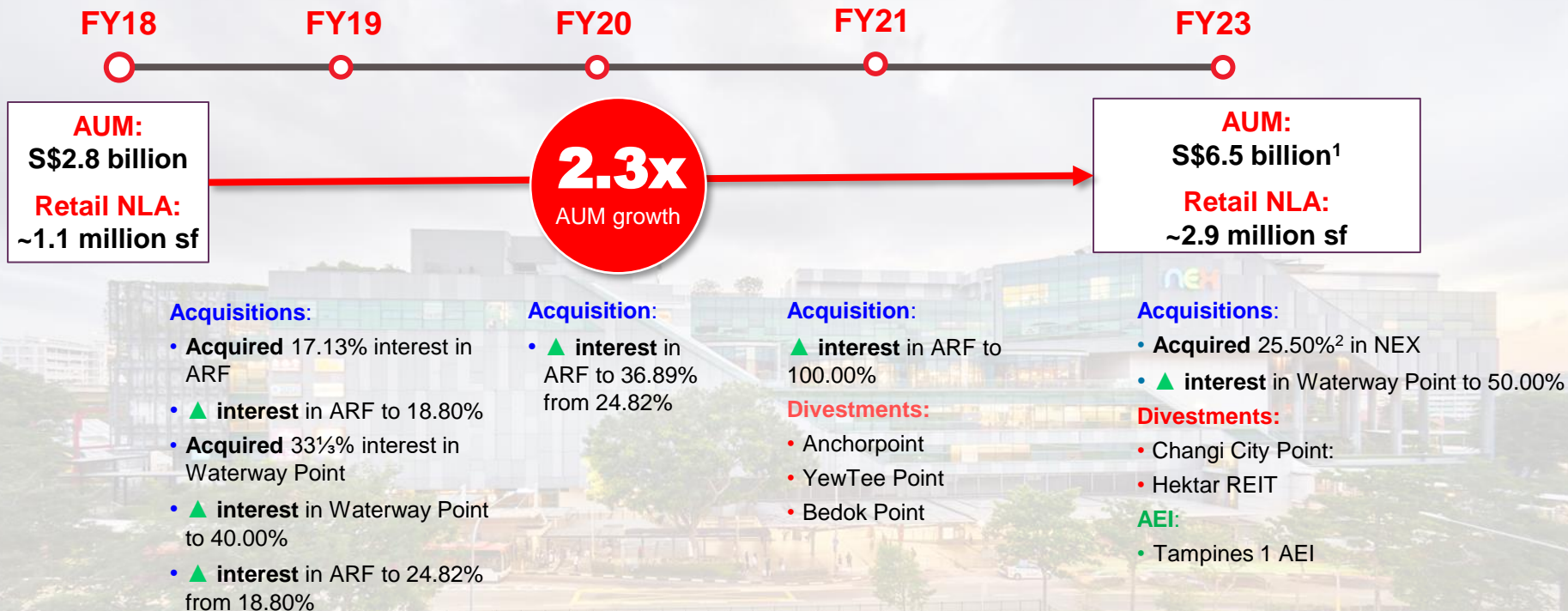
**Reduced aggregate leverage to 36.1%<sup>1</sup> from 39.3%; 63.0% hedged to fixed rate borrowings**



1. After repayment of certain debts using the net proceeds from the divestments of Changi City Point and interest in Hektar REIT, the aggregate leverage pro forma basis as at 30 September 2023 is expected to be reduced to 36.1%.
2. Excludes proportionate share of borrowings of SST and GRPL.
3. Includes approximate AUD 238.1 million floating rate loans swapped to S\$220.0 million fixed rate loans.

# 4 Strengthened portfolio

Stronger portfolio focused on the suburban prime retail sector in Singapore



1. After the completion of announced divestments of Changi City Point and interest in Hektar REIT.

2. FCT and its sponsor Frasers Property Limited jointly acquired 50.00% in GRPL, the entity holding the retail property NEX, in February 2023. FCT's effective interest in GRPL is 25.50% and FPL holds 24.50% effective interest in GRPL.

# 4

## Strengthened portfolio

**FY23 Portfolio re-constitution; total value of ~S\$1.1 billion**



Acquisition of 25.50% interest  
in NEX  
Completed on 6 February 2023  
**S\$529.8 million**



Acquisition of additional 10.00%  
interest in Waterway Point  
Completed on 8 February 2023  
**S\$131.3 million**



AEI of Tampines 1  
Expected completion:  
September 2024  
**S\$38.2 million**



Divestment of  
Changi City Point  
Completed on 31 October 2023  
**S\$338.0 million**



Divestment of FCT's interest  
in Hektar REIT  
Completed on 6 December 2023  
**S\$38.7 million<sup>1</sup>**

1. Based on the final settlement currency exchange rate of RM\$1 to S\$0.2865 used for the remittance of divestment proceeds.

## 4

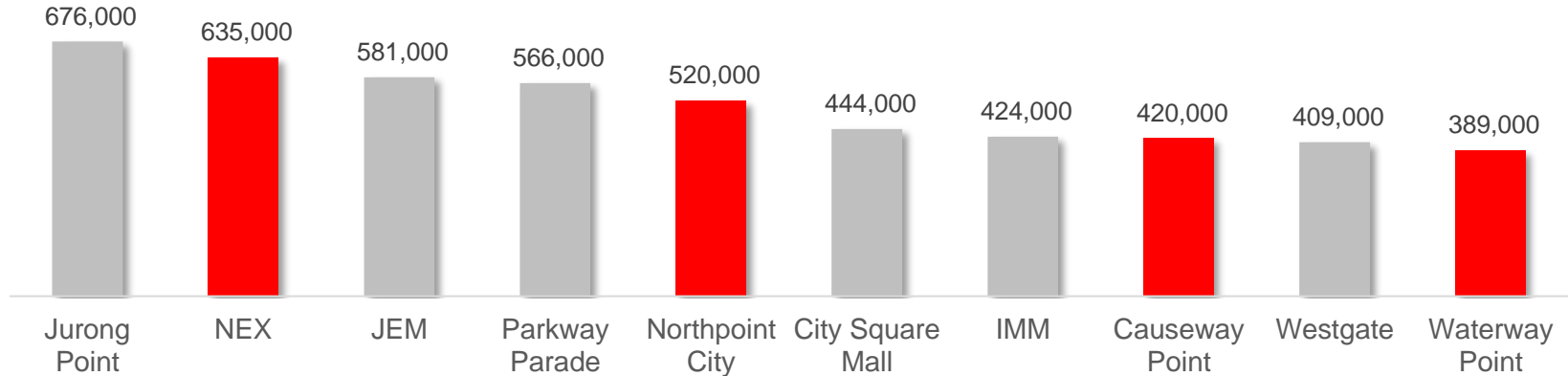
## Strengthened portfolio

**FCT owns / jointly owns four of Singapore's top ten largest prime suburban malls**

### Top 10 prime suburban malls in Singapore by NLA

NLA in sq ft

■ Owned or jointly-owned by FCT



Source: Cistri

Notes:

1. As at September 2023.

2. Suburban malls are defined as malls outside Central Core and malls not allied with major tourist nodes (e.g. Sentosa, Changi Airport).

3. Northpoint City includes both North Wing and South Wing. Northpoint City South Wing is jointly owned by FCT's Sponsor FPL and another investor.

4. NLA rounded to nearest thousand.

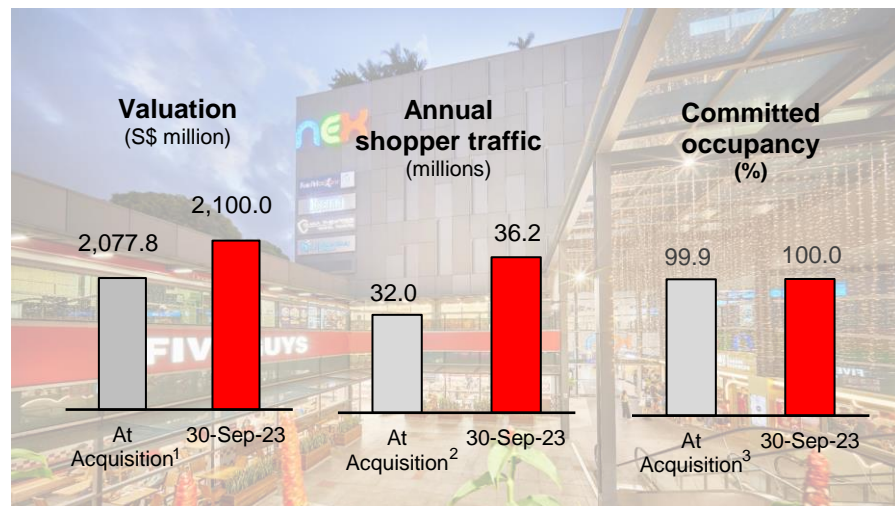
## 4

# Strengthened portfolio - Performance of NEX and Waterway Point

## Improved performance since acquisition

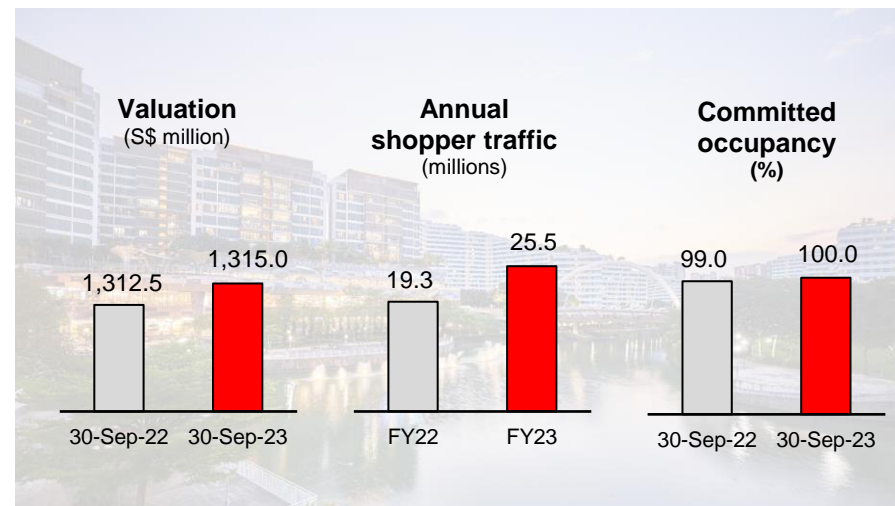
### NEX

Completion of acquisition of 25.50% interest on 6 February 2023



### Waterway Point

Completion of acquisition of additional 10.00% interest on 8 February 2023



1. Based on agreed value of S\$2077.8 million in the announcement "Proposed Joint Acquisition Of 50% Of Gold Ridge Pte. Ltd. Which Holds The Property Located At 23 Serangoon Central" dated 26 January 2023.

2. Based on 12-month period ending 31 January 2023, which was prior to the acquisition completion date on 6 February 2023.

3. As at 31 January 2023.

# 4 Strengthened portfolio – AEI at Tampines 1

## First batch of completed AEI units opened their doors starting from December

- First batch of completed AEI units including F&B and Beauty outlets at Level 4 and 5 commenced operations from December 2023; next batch of AEI units expected to open from March 2024 onwards
- More than 97% of AEI spaces have been pre-committed to date<sup>1</sup>
- Mall continues to operate as works are staged; string of events and promotions to continue drawing shoppers to the mall
- Works expected to complete by September 2024



## Next batch to open from March 2024 onwards



AN AGAJ AFFAIR

B BENJAMIN BARKER

fieldnotes

greendot

jamba



Love, Bonito

Mister Donut

飯丸屋  
ONIGIRI PLAZET

PastaGo

POCHA!  
KOREAN STREET DINING

rrooll  
Singapore's Best Cinnamon Rolls

sân-wich  
concept sandwiches  
by sweet herba

Sasa

酒窩甜品  
SMILE DESSERT

WANPO TEA SHOP  
萬波  
TAIWANESE TEA



YAKINIKU LIKE!!  
焼肉ライク

1. Based on NLA of leases signed and in advanced negotiations as a percentage of total AEI NLA.



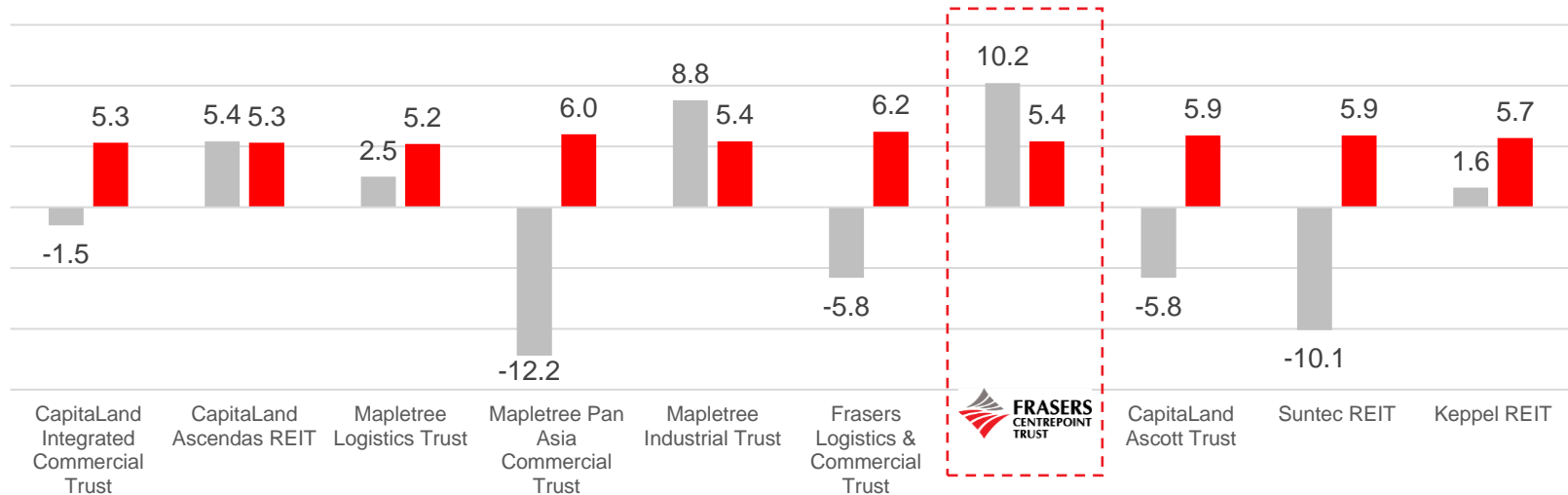
**FCT Unit Price Performance**

# FCT has the highest total return among the top ten largest S-REITs

**FCT's unit price return of 10.2% is the highest among the top ten largest S-REITs**

## 10 Largest Trusts of the S-REIT Sector by Market Value

■ 12-month Price Change % (as at 5 January 2024) ■ Indicative Dividend Yield %



Source: SGX, Refinitiv (Data as of 5 January 2024). Note Refinitiv calculate the ratio of the annualised dividends to the price of a stock. Dividends are adjusted to account for any stock splits during the 12-month period. Gross dividends (dividends before taxes) are used to calculate dividend yield and the price is the closing price on the prior trading day and the dividend yield only measures recent historical dividends, but does not address any expected dividend changes.



# FCT unit price outperformed the benchmark indices

**FCT unit price performance (12-month period as at 5 January 2024) was +10.2% vs STI (-1.8%) and the FTSE REIT Index (-1.8%)**



Source: Bloomberg

We are Frasers Property



# Outlook of the suburban retail sector in Singapore

# Positive on outlook of the suburban retail sector in Singapore



Positive growth in Singapore's population and median household income



Sustained healthy consumer spending on essentials



Healthy demand for prime suburban retail space



Tight supply in the retail market



# Sustainability highlights

# Making Progress On The Sustainability Journey and ESG

## Various initiatives to drive progress towards achieving net-zero carbon by 2050

### Green Mark Certified Properties



- 4 Green Mark Platinum
- 3 Green Mark Gold<sup>PLUS</sup>
- 3 Green Mark Gold (GM 2021)

### Green Financing



55.6% of FCT's borrowings as at 30 September 2023 are green loans, up from 49.8% as at 30 June 2023

### GRESB Benchmark



- Achieved highest 5-Star rating in the 2023 GRESB Real Estate Assessment (Standing Investments)
- 3<sup>rd</sup> consecutive year of achieving the 5-Star rating
- Rated "A" in the GRESB Public Disclosure Report

### Green Mobility



25 Electric Vehicle charging points deployed to date across all Frasers retail properties to support green mobility, bringing convenience to shoppers

### Green Energy



Rolling out the installation of solar power panels across seven FCT properties including: Causeway Point, Northpoint City North Wing, Hougang Mall, Century Square, Tampines 1 and White Sands

# ESG initiatives

## Fostering interactions with the community to build inclusiveness, sense of belonging and connections

### Inclusion Champion Program



Ongoing training program for Inclusion Champion Disability awareness, dementia awareness and first responder training for autism-related incidents.

### Inclusion Transformation Programme



**17**  
Stores Offering  
Calm Hours

Working with retailers to establish dementia go-to-points and how to operate stores during "Calm hour".

**29**  
Dementia  
Go-To  
Points  
(Tenants +  
Customer  
Service  
Counter)

### Community consultation with four disability groups



Consultation with persons with disabilities to share their experience and feedback to enhance accessibility guides and amenities in the community.

### Shoppers, Tenants And Employees Engagement



Championing inclusiveness at our malls - The Children's Festival, Paint it Forward and Food Bundle distribution with tenants.



# Summary



## Achievements

- ✓ Strong FY23 results on robust operating performance
- ✓ Healthy capital management position with aggregate leverage at 36.1%<sup>1</sup>
- ✓ Portfolio re-constitution reinforces FCT's position as a leading Singapore suburban retail REIT



## Going forward

- Positive on outlook of the suburban retail sector in Singapore
- Proactive capital management
- Focus on proactive asset and property management to drive value creation and returns for FCT Unitholders
- Continue to drive progress towards ESG targets

1. After repayment of certain debts using the net proceeds from the divestments of Changi City Point and interest in Hektar REIT, the aggregate leverage pro forma basis as at 30 September 2023 is expected to be reduced to 36.1%.



# Appendix

# Definition of terms used in this presentation

- %-pt: percentage-point
- Add'l: Additional
- Adjusted ICR: Adjusted Interest Coverage Ratio
- AEI: Asset Enhancement Initiative
- ARF: AsiaRetail Fund Limited
- AUM: Asset under management
- COVID-19: Coronavirus disease
- CSFS: Community/Sports Facilities Scheme
- DPU: Distribution per unit
- ESG: Environmental, social, and corporate governance
- F&B: Food and Beverage
- FCT: Frasers Centrepoint Trust
- FPL: Frasers Property Limited, the sponsor of FCT
- FY: Financial Year ending 30 September (FY23: FY ending 30 Sep 2023)
- GFA: Gross Floor Area
- GRPL: Gold Ridge Pte. Ltd., the entity that holds NEX
- GRI: Gross Rental Income
- Group: Refers to Frasers Centrepoint Trust and its subsidiaries
- GST: Goods & Services Tax
- GTO: Gross Turnover rent
- ICR: Interest Coverage Ratio
- Moody's: Moody's Investors Service (credit rating agency)
- MTN: Medium Term Notes under FCT's S\$1 billion multi-currency MTN programme or the S\$3 billion multi-currency EMTN programme, as the case may be
- NAV: Net Asset Value
- NLA: Net Lettable Area
- NPI: Net Property Income
- RCF: Revolving Credit Facility
- REIT: Real Estate Investment Trust
- Retail Portfolio: Includes all retail malls in FCT's investment portfolio and includes Waterway Point (50.00%-owned by FCT) and NEX (effective 25.50% interest-owned by FCT), but excludes Central Plaza which is an office property
- ROI: Return on investment
- psf/mth: per square foot per month
- sf: Square Feet
- S-REIT: Singapore REIT
- SST: Sapphire Star Trust, which holds Waterway Point; it is a joint venture of FCT
- Unit or Units: Refers to issued units of FCT
- Unitholders: Refers to unitholders of FCT
- vs: versus
- WALE: Weighted Average Lease Expiry
- y-o-y: year-on-year, refers to the comparison with the same period in the previous year
- YTD: year to date

Inspiring experiences,  
creating places for good.

