

FCT achieves healthy FY24 results backed by robust operating performance

- ◆ 2H24 distribution per Unit (“DPU”) of 6.020 cents brings total DPU for FY24 to 12.042 cents
- ◆ Robust operating performance with retail portfolio committed occupancy at 99.7%; average rental reversion at +7.7%; as well as higher shopper traffic and tenants’ sales
- ◆ Higher appraised valuation of retail portfolio with no change in valuation capitalisation rates
- ◆ Achieved 5-Star rating in 2024 GRESB Assessment for the fourth consecutive year

SINGAPORE, 25 OCTOBER 2024

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 DPU of 6.020 cents for the six-month period from 1 April 2024 to 30 September 2024 (“2H24”). This brings total DPU for the financial year ended 30 September 2024 (“FY24”) to 12.042 cents. The books closure date for the 2H24 DPU is 5.00 p.m. on 5 November 2024 and the payment date is 29 November 2024.

Mr Richard Ng, Chief Executive Officer of FCAM, said “We are pleased that FCT has delivered a healthy set of results for FY24, backed by stable financial position and robust operating performance. FY24 was an eventful year marked by several key achievements which strengthened FCT’s portfolio and future performance. In March 2024, we completed the acquisition of an additional 24.5% interest in NEX, increasing FCT’s stake in the mall to 50.0%. This acquisition further diversified and fortified FCT’s retail portfolio. Another key achievement was the completion of the asset enhancement initiative (“AEI”) at Tampines 1 in August 2024. The AEI was completed on schedule and with return on investment exceeding our target of 8%. Finally, the inclusion of FCT as a constituent of the Straits Times Index in March 2024 marked a significant milestone and stood as a testament to FCT’s progressive growth journey over the years.

Looking ahead, we anticipate another exciting year in FY25, as we embark on the AEI at Hougang Mall and maintain our focus on the asset and property management of FCT’s portfolio. We remain optimistic about the outlook of the suburban retail sector in Singapore and believe that FCT is well-positioned to deliver stable growth and healthy performance in the future.”

Summary of 2H24 and FY24 results

| In \$'000 unless otherwise stated | 2H24 Six-month period ended 30/9/2024 | 2H23 Six-month period ended 30/9/2023 | Increase/ (Decrease) | FY24 Year ended 30/9/2024 | FY23 Year ended 30/9/2023 | Increase/ (Decrease) |
|--------------------------------------|--|--|-------------------------|---------------------------------|---------------------------------|-------------------------|
| Gross revenue | 179,521 | 184,063 | (2.5%) ¹ | 351,733 | 369,723 | (4.9%) ² |
| Net property income | 128,774 | 129,555 | (0.6%) ¹ | 253,386 | 265,586 | (4.6%) ² |
| Distributions to Unitholders | 109,407 | 103,065 | 6.2% | 214,313 | 207,745 | 3.2% |
| DPU (cents) | 6.020 | 6.020 | No change | 12.042 | 12.150 | (0.9%) |

Note: Any discrepancies between the listed figures, the aggregate or the variance in percentage is due to rounding. All financial information is presented in Singapore currency.

¹ Excluding the effects from the divestment of Changi City Point and Tampines 1 AEI, 2H24 gross revenue and NPI grew 4.1% and 4.7% year-on-year (“y-o-y”), respectively.

² Excluding the effects from the divestment of Changi City Point and Tampines 1 AEI, FY24 gross revenue and NPI grew 3.5% and 3.4% y-o-y, respectively.

Healthy FY24 performance and financial position

2H24 gross revenue declined 2.5% y-o-y to \$179.5 million and net property income (“NPI”) was 0.6% lower at \$128.8 million. FY24 gross revenue was 4.9% lower y-o-y at \$351.7 million and NPI declined 4.6% to \$253.4 million. The declines were due to absence of contribution from Changi City Point which was divested in October 2023 and lower contribution from Tampines 1 during its AEI works.

Excluding these two factors, 2H24 gross revenue and NPI was 4.1% and 4.7% higher, respectively and FY24 gross revenue and NPI was 3.5% and 3.4% higher, respectively. The growth contributors were higher rental income from renewed and new leases signed as well as turnover rent, with better income from higher utilisation of atrium leasing and car parks in the malls. Distributions from investments in 2H24 rose 34.5% to approximately \$28.5 million due to the full six-month contribution from the additional 24.5% interest in NEX completed on 26 March 2024.

FCT’s financial position is healthy with aggregate leverage at 38.5% as at 30 September 2024, down 0.6%-point compared with 39.1% as at 30 June 2024. The average cost of borrowing for 4Q24 remained steady at 4.1%, declining from the peak of 4.3% in 1Q24. The average cost of borrowing for FY24 stood at 4.1%. Interest coverage ratio as at 30 September 2024 improved to 3.41 times, from 3.26 times as at 30 June 2024.

Aggregate appraised value of retail portfolio up 1.2%

The aggregate appraised value of FCT’s portfolio³ rose \$80.0 million or 1.2% to \$7,008.0 million, driven by the increase in appraised values of Tampines 1 on completion of its AEI and NEX on improved rents. The appraised values of Tampines 1 and NEX saw an uplift of \$37.0 million and \$15.0 million⁴, respectively. The remaining malls saw valuation improvement of between \$1.0 million and \$6.0 million. Yishun 10 Retail Podium’s appraised valuation remained unchanged from the previous year. The capitalisation rates used by the independent valuers remained unchanged from last year.

Robust operating performance with steady committed occupancy, better rental reversions and sustained growth in tenants’ sales

FCT’s retail portfolio registered committed occupancy of 99.7%, unchanged compared to the previous year and the previous quarter. The revenue and NPI of the retail portfolio saw broad-based improvements among the portfolio properties. The improved performance was underpinned by better average portfolio rental reversion of +7.7% for FY24 (on an average-to-average basis) compared with +4.7% for FY23, higher contributions from atrium leasing as well as tenants’ sales growth that provided higher turnover rents.

Shopper traffic of the retail portfolio⁵ in FY24 grew 4.2% y-o-y and tenants’ sales rose 1.2% y-o-y. The average portfolio⁵ tenants’ sales is approximately 20% above pre-COVID levels. With higher tenants’ sales, average occupancy cost for the retail portfolio⁵ remains healthy at 16.0%, providing headroom for further rental growth.

Progress on the ESG journey

FCT achieved the highest 5-Star rating in the 2024 GRESB Real Estate Assessment for the fourth consecutive year, which is a testament to its ESG commitments and endeavours. The GRESB Assessment is a globally recognised industry benchmark for ESG performance data.

During FY24, FCT completed the roll-out of solarisation panels across six of its malls. This is also Singapore’s largest single solarisation roll-out for retail malls to date. The solar panels are projected to

³ The aggregate appraised value of FCT’s portfolio refers to the total appraised value of all investment properties owned by FCT as well as FCT’s 50.0% share in Waterway Point and NEX.

⁴ Based on FCT’s 50.0% share in Gold Ridge Pte Ltd which holds NEX.

⁵ Excludes Tampines 1 (due to AEI works in FY23 and FY24) and NEX (full-year tenants’ sales data not available as at time of reporting).

generate about 722,000 kilowatt-hour (kWh) of electricity per year, which translates to about \$153,000 worth of annual savings in energy costs. It is also projected to cut 293 tonnes of annual carbon emissions. The electricity generated from the solar panel accounts for an average of 2 per cent of the energy needs for each mall and can supplement the powering of ancillary equipment such as car park and corridor lightings. Other initiatives launched during the year include the roll-out of Singapore's inaugural food waste valorisation program for retail malls at five of FCT's malls in January 2024. This is an innovative approach to transform food waste into higher value products while reducing carbon footprint to the environment.

FCT continues to expand its efforts in community engagements and collaborations with its retail partners to strengthen inclusivity and experiences for members of the community with different needs. For example, under Frasers Property's Inclusion Champions Programme, our malls work closely with retailers from 31 brands across 104 stores to designate select outlets as dementia go-to points and to implement "calm hours" for persons with sensory needs. Another community engagement initiative is the "Paint it Forward" event, an art jamming event that champions inclusivity and diversity and it is part of Frasers Property's wider "Art For Good" campaign. The "Paint it Forward" event in 2024 raised a total of \$100,000 and the funds were donated to Community Chest Singapore in support of the art programmes for persons with disabilities.

Outlook

The Manager expects interest rate movements and operating expenses to remain the key factors affecting FCT's performance. Barring unforeseen circumstances, the Manager expects the average cost of borrowing for FCT to remain around the low-4% level for FY25. For operating expenses, the Manager will continue to drive cost optimisation initiatives for its operations and adopt appropriate hedging strategies for energy contracts to mitigate the impact to its utilities expense.

FCT's portfolio of high-quality suburban retail properties has strong competitive advantages due to its scale, proximity to populous residential precincts, healthy shopper traffic and excellent connections to public transportation network. These attributes and the focus on essential trades and services underpin FCT's healthy performance.

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About Frasers Centrepoint Trust

Frasers Centrepoint Trust ("FCT") is a leading developer-sponsored retail real estate investment trust ("REIT") and the largest suburban retail mall owner by net lettable area in Singapore with assets under management of approximately \$7.1 billion. FCT's 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 2.7 million square feet of net lettable area with over 1,700 leases with a strong focus on providing for necessity spending, food & beverage and essential services.

The portfolio comprises Causeway Point, Century Square, Hougang Mall, NEX (effective 50.0% interest), Northpoint City North Wing (including Yishun 10 Retail Podium), Tampines 1, Tiong Bahru Plaza, Waterway Point (effective 50.0% interest), White Sands 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 areas.

FCT is index constituent of several benchmark indices including the FTSE EPRA/NAREIT Global Real Estate Index Series (Global Developed Index), the Straits Times Index ("STI"), the FTSE ST Real Estate Investment Trust Index, MSCI Singapore Small Cap Index and 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. ("FCAM"), a real estate management company and a wholly-owned subsidiary of Frasers Property Limited.

About Frasers Property Limited

Frasers Property Limited (“Frasers Property” and together with its subsidiaries, the “Frasers Property Group” or the “Group”), is a multinational investor-developer-manager 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 \$40.1 billion as at 31 March 2024.

Frasers Property's multinational businesses operate across five asset classes, namely, commercial & business parks, hospitality, industrial & logistics, residential and retail. The Group has businesses in Southeast Asia, Australia, the EU, the UK and China, and its well-established hospitality business owns and/or operates serviced apartments and hotels in over 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 SGX-ST. 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 its people, Frasers Property aspires to raise sustainability ideals across its value chain, and build a more resilient business. It is 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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