

Appendix A (Rationale for the Acquisition)

Certain information from this Appendix A (including the charts, graphs, maps and diagrams) has been extracted from the Independent Market Research Report prepared by the Independent Market Research Consultant, CBRE Pte. Ltd. (“**CBRE**”) which is available for inspection by appointment only 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 announcement up to and including the date falling three months after the date of this announcement. Capitalised terms used herein, unless otherwise defined, shall have the meaning ascribed to them in the body of the announcement.

1. RATIONALE FOR THE ACQUISITION

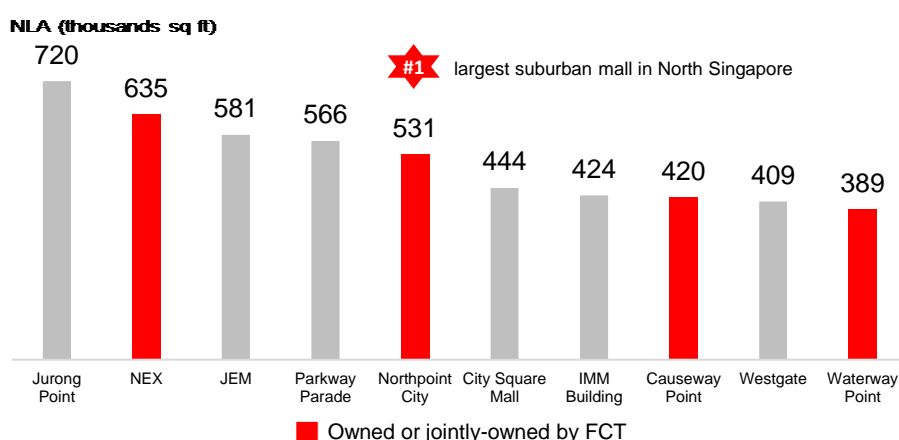
The Manager believes that the Acquisition will bring the following benefits to Unitholders:

1.1. Strategic acquisition of a high-quality Singapore prime suburban retail mall

1.1.1. Northpoint City is the largest prime suburban mall in North Singapore

With a combined NLA of over 531,000 sq ft, Northpoint City is the largest suburban mall in North Singapore and also the fifth-largest suburban mall in Singapore. The ten largest retail malls by NLA outside the Central Area are namely Jurong Point, NEX, JEM, Parkway Parade, Northpoint City, City Square Mall, IMM Building, Causeway Point, Westgate and Waterway Point. FCT owns or jointly-owns four of these ten largest malls.

Top 10 Largest Retail Malls Outside the Central Area by NLA^{1,2}



Source: Independent Market Research Report

Notes:

1. Excluded Jewel Changi Airport and Changi Airport retail space from malls outside central area.
2. Northpoint City includes both North Wing and South Wing; South Wing is jointly owned by the Sponsor and the Third Party Investor.

In particular, Northpoint City South Wing is directly connected and serves as the only point of access to the Yishun Integrated Transport Hub via the underground pedestrian link (“**UPL**”), which is a key transport node, providing strong footfall and shopper traffic to Northpoint City. The air-conditioned UPL features over 33 retail and quick serve concepts for added convenience to commuters, creating a seamless and barrier-free access between the MRT station, bus interchange, and the shopping mall, integrating transportation and retail facilities.

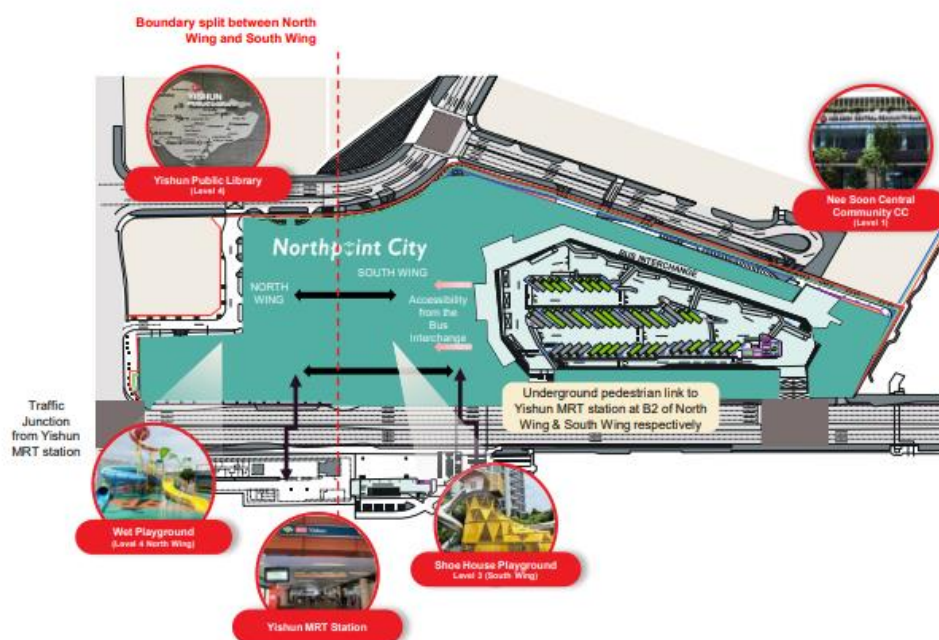
Key Attributes of Northpoint City North Wing and Northpoint City South Wing

Attribute	Northpoint City North Wing	Northpoint City South Wing
Year Completed	1992	2017
Tenure	99 years from April 1990 (64 years remaining)	99 years from March 2015 (89 years remaining)
Number of Floors	Six (four upper levels and two basement levels)	Four (two upper levels and two basement levels)
Size	229,950 sq ft	301,579 sq ft
Number of Tenants	173	231
Connectivity to Transport Nodes	Underpass access to Yishun MRT station	Direct access to Yishun Integrated Transport Hub and underground pedestrian link connected to Yishun MRT station
Key Community Nodes	Yishun Public Library and The Playground	Nee Soon Central Community Club, Education Cluster at level 2 and The Playground

Source: Independent Market Research Report

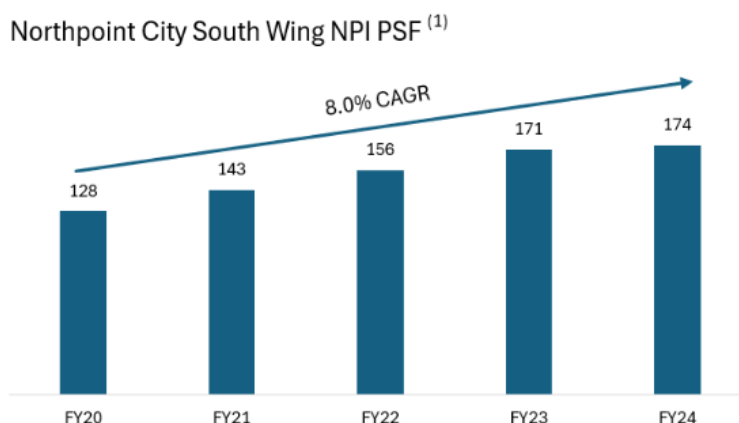
Note: As at December 2024.

Schematic diagram of Northpoint City showing the North Wing, South Wing including the connection to Yishun Integrated Transport Hub and Yishun MRT station



1.1.2. Enjoys healthy operational performance and a quality tenant base

As of 31 December 2024, the Property achieved 100.0% committed occupancy with a well-balanced tenant mix and quality tenants. Some of the key tenants in the Property are leading brands in their respective retail trades including FairPrice, Harvey Norman and Uniqlo, amongst others. The Property experienced strong financial growth with net property income per sq ft growing at an 8.0% CAGR between the financial year ended 30 September 2020 and the financial year ended 30 September 2024.

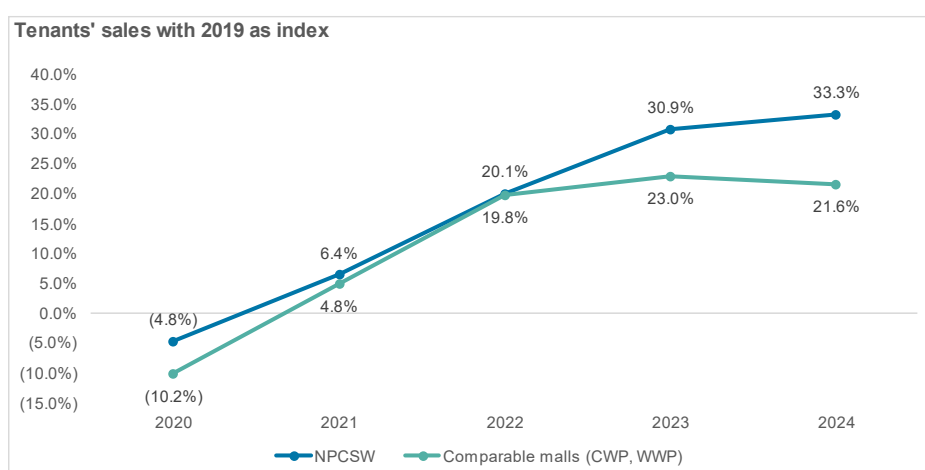


Note:

(1) NPI excludes Financial Reporting Standards Adjustments.

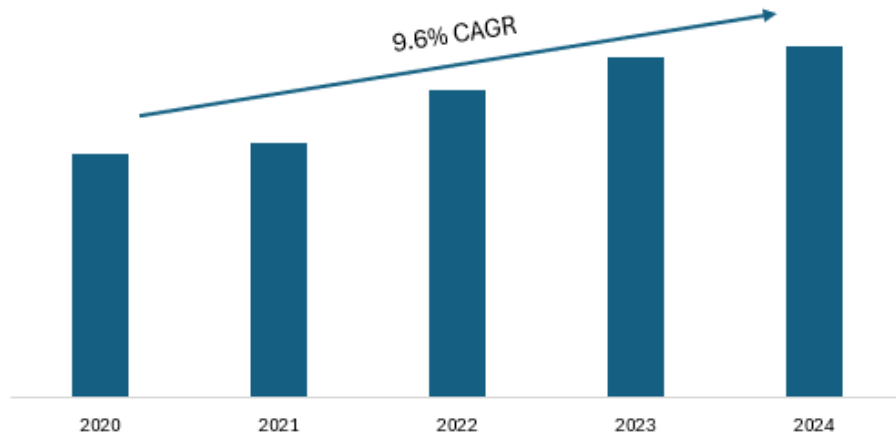
The strong retail offering complements the tenant mix in the North Wing of Northpoint City which includes Don Don Donki, Kopitiam, Popular and Timezone and outperformed comparable malls¹ within the same period with a 8.0% compounded annual growth rate (“**CAGR**”) for NPI per sq ft.

Tenants’ sales were impacted in 2020 due to COVID-19 but recovered quickly and strongly after the initial disruption with 2024 average sales exceeding 2019 level by 33% compared to comparable malls at 22%. Similarly, Northpoint City’s shopper traffic has been growing at a 9.6% CAGR between 2020 and 2024.



¹ Includes Causeway Point, Waterway Point and Northpoint City North Wing.

Northpoint City Shopper Traffic



These are testament to the Property's operating resilience and potential given its strategic location, combined scale with Northpoint City North Wing and the quality of the Property's trade mix. Northpoint City's robust operating metrics underpins its growth potential.

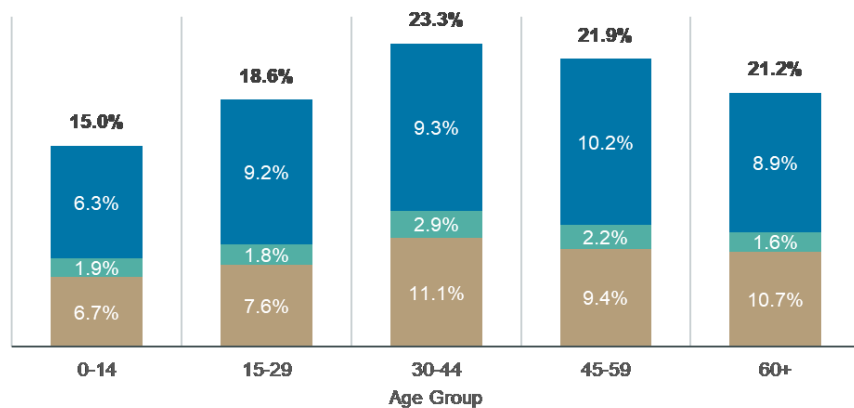
1.1.3. Resilient demand for Northpoint City underpinned by strong population density and shopper catchment area

1.1.3.1 Enjoys population density 1.8 times the national average

According to the Independent Market Research Consultant, Northpoint City's primary and secondary trade areas have an average population density of approximately 10,214 per sq km, about 1.8 times higher than the resident population density of Singapore, which stands at 5,684 people per sq km. This implies a large pool of potential shoppers for Northpoint City. This density is further intensified by strong expected population growth in the primary trade area by 18%.

The high population density also comprises a diverse mix of shopper profile in terms of demography, purchasing power and needs. This enhances its ability to attract a wider spectrum of retailers and food and beverage ("F&B") tenants.

Residential Catchment Population for Northpoint City ■ Primary ■ Secondary ■ Tertiary



Source: Independent Market Research Report

1.1.3.2 Trade sector mix is well positioned to capture household needs

According to the Independent Market Research Consultant, the overall purchasing power across Northpoint City's three trade areas is estimated to be S\$18.5 billion, of which approximately S\$10.2 billion or 55% of the total stems from the Primary and Secondary catchment areas. According to the Independent Market Research Consultant, the resident population in the catchment areas tend to spend more (about 53%) on non-discretionary items and services. Constructive government policies including the Progressive Wage Model as well as the various assistance schemes such as the Community Development Council ("CDC") vouchers and cash distribution under the Government's Assurance Package help support households spending on non-discretionary goods and services. This could also mitigate the need to travel to Johor Bahru via the RTS (as defined herein) to purchase essential goods. According to the Independent Market Research Consultant, some 41% of the 11,300 housing units to be completed in the catchment area are 5-room HDB BTO units and private units with a further 4,000 private units to be added in the longer term. The increase in new public and private units (see paragraph 1.3.2 of this Appendix A for further details) would also add younger families and households with above-average incomes, which could expand the spending market within the catchment area that Northpoint City serves. The resultant increase in organic spending growth is further amplified because of the large catchment population and Northpoint City's positioning as the leading mall in the North Region. The essential trades also make up more than half of Northpoint City's trade mix. This well positions the mall to fulfil the regular requirements of its population catchment through the provision of convenience and non-discretionary trades, while its scale and holistic offering positions the mall to serve as a key destination providing lifestyle offerings and other non-discretionary trades within the catchment.

The overall purchasing power across the Property's three trade areas is estimated to be S\$18.5 billion, of which 55% stems from the Primary and Secondary Catchment area. This translates to an approximate total F&B and non-F&B spending market of S\$2.6 billion, which is approximately 4% to 5% of the total estimated retail and F&B sales of Singapore.

Resident Population and Purchasing Power of Northpoint City's Catchment

Trade Area	Resident Population ⁽¹⁾	Resident Population Density / sq km	Estimated Total Purchasing Power ^{(2) (3)} (SGD million)	Estimated Total F&B Spending Market ⁽⁴⁾ (SGD million)	Estimated Total Non-F&B Spending Market (SGD million)
Primary (0-2km)	235,236	18,719	8,247	575	1,540
Secondary (2-3km)	53,571	3,410	2,004	134	362

Trade Area	Resident Population ⁽¹⁾	Resident Population Density / sq km	Estimated Total Purchasing Power ^{(2) (3)} (SGD million)	Estimated Total F&B Spending Market ⁽⁴⁾ (SGD million)	Estimated Total Non-F&B Spending Market (SGD million)
Tertiary (3-5km)	227,105	4,518	8,213	555	1,492
Primary + Secondary	288,807	10,214	10,257	709	1,902
Primary + Secondary + Tertiary	515,912	6,568	18,512	1,263	3,393

Source: Independent Market Research Report

Notes:

- (1) Population data as at June 2024.
- (2) Purchasing power and spending is as at January 2022.
- (3) Purchasing power refers to the disposable income of private households (i.e. net incomes from employment and assets (after deduction of the taxes and CPF), pensions, unemployment benefits, benefit payments, and other national transfer payments.
- (4) Consumer spending data monitors the expenditures of consumers for the various products and services.

1.1.4. Primed to benefit from the healthy demand-supply dynamics

1.1.4.1 Leading retail mall in the catchment area

Northpoint City currently enjoys its status as the leading retail mall across a 5km catchment area radius. According to the Independent Market Research Consultant, the area has a 2.0 sq ft private retail space per capita², which is significantly lower than the nationwide average of 12.1 sq ft private retail space per capita³. This is expected to remain at a similar level for the next 5 years, taking into account the future private retail supply and population growth in the catchment area.

Northpoint City is also the largest integrated mixed-use development in the North Region and serves as a lifestyle, recreation, and transportation hub for its catchment area. The Nee Soon Central Community Club and Educational Cluster located in the South Wing play a pivotal role as a place where residents and families gather and socialise, helping to sustain shopper traffic and retail spending. Additionally, North Park Residences, a 920-unit integrated residential development sitting on top of Northpoint City, serves as a captive customer base.

² The calculation of the private retail space per capita is based on the Singapore Residents Population, comprising Singapore Citizens and Singapore Permanent Residents.

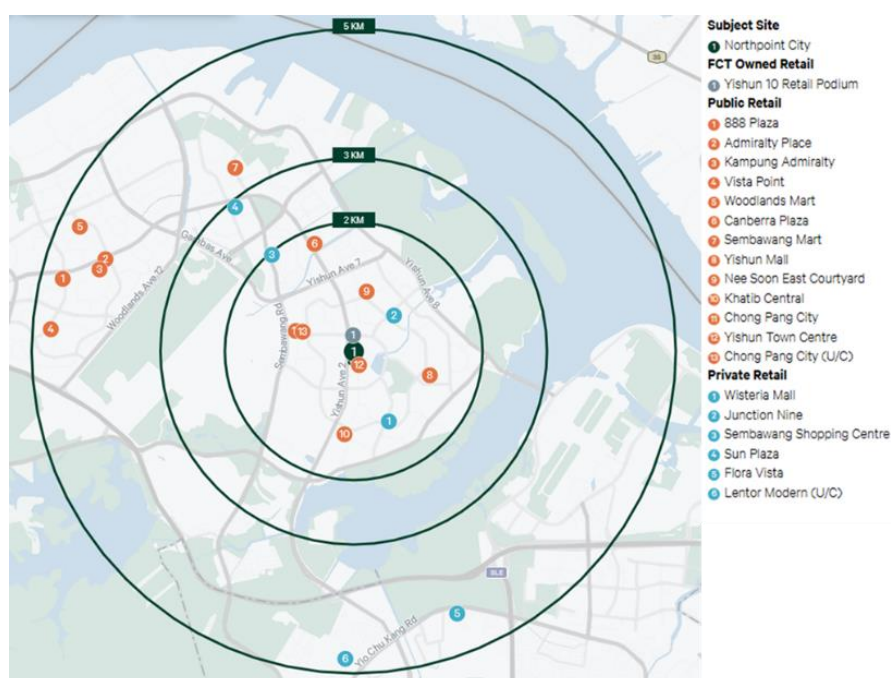
³ The private retail space per capita on total Singapore population is 8.4 sq ft per capita, based on 50.7 million sq ft of private retail floorspace and a total population of 6.04 million. The Singapore Resident Population is 4.18 million as at June 2024 (Source: <https://www.channelnewsasia.com/singapore/singapore-population-604-million-non-resident-increase-4627281#:~:text=Of%20the%206.04%20million%2C%20there,per%20cent%20from%20last%20year>).

All these attributes entrench Northpoint City as the main destination for lifestyle offerings and other non-discretionary trades.

1.1.4.2 Limited competing supply in the catchment area

According to the Independent Market Research Consultant, outside of Northpoint City and the FCT-owned Yishun 10 Retail Podium, the Primary Catchment comprises three neighbourhood malls, namely, Wisteria Mall, Junction Nine and Sembawang Shopping Centre, with NLA of less than 200,000 sq ft and a mix of HDB retail that offers largely affordable goods with a focus on convenience. Thus, there are limited competing product vis-à-vis the competitive strengths of Northpoint City. Approximately 0.94 million sq ft of retail space is expected to enter the market across Singapore up till 2027 - with only two smaller developments under 100,000 sq ft within the Northpoint City catchment area.

Retail Malls within Northpoint City's Catchment



Source: Independent Market Research Report

1.1.5. Well-located with excellent transport connectivity

Northpoint City is located at 1 Northpoint Drive, Singapore 768019 in Yishun, a populous residential estate in North Singapore, and has been a popular shopping destination for the residents and commuters in the region since its opening in 2017. Northpoint City⁴ also attracted approximately 58.7 million shopper traffic in FY2024, the highest within FCT's current portfolio of retail malls (the "**FCT Retail Portfolio**"), attributable to excellent transportation links which is a strong competitive advantage that has underpinned healthy shopper traffic and leasing demand.

- **Well-served by bus routes:** Northpoint City is highly accessible via Yishun Integrated Transport Hub ("ITH"), which supports a wide range of bus services,

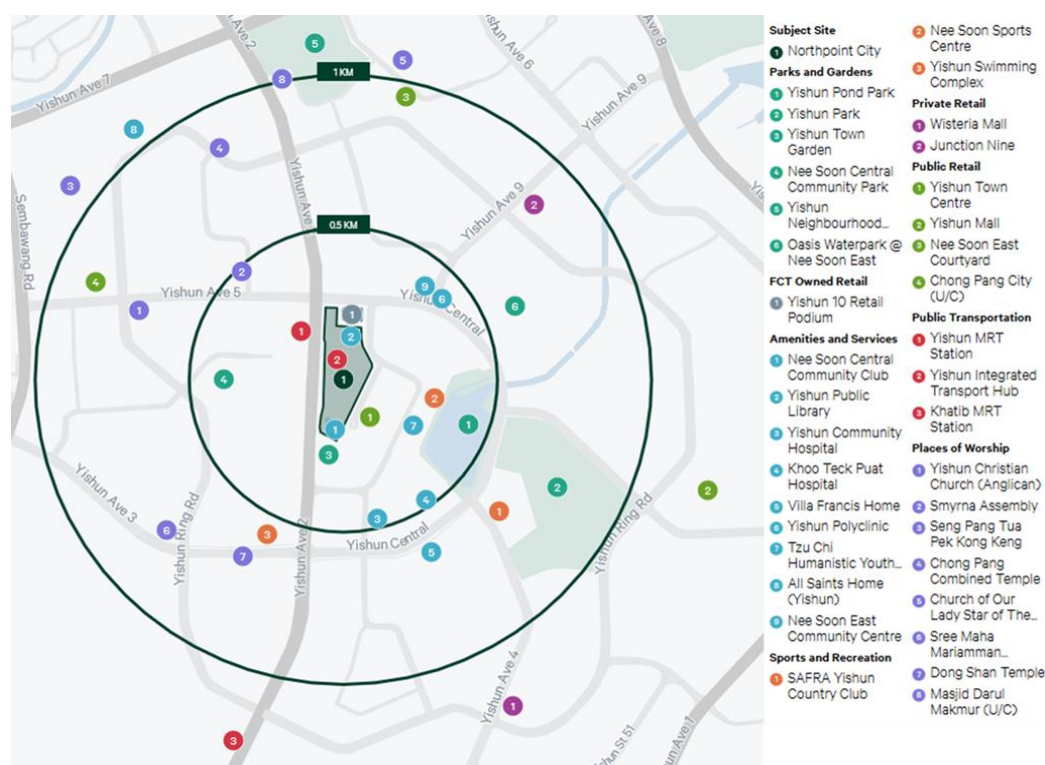
⁴

Combined shopper traffic of Northpoint City North Wing and South Wing.

including feeder routes across the Yishun Planning Area as well as connections to Sembawang, Woodlands, Punggol, Tampines, Bedok, Bukit Batok, Bukit Merah and Harbourfront.

- **Accessible via MRT:** Yishun MRT is directly connected to Northpoint City via the basement station that serves the North-South Line, making it a convenient destination for the surrounding residential population and commuters.
- **Connected to major road networks:** Northpoint City is connected to Yishun Avenue 2 and Yishun Central and is approximately an eight-minute drive from the Seletar Expressway (“SLE”).

The below map further outlines the key transportation nodes, amenities and services in the surrounding vicinity of the Property.



Source: Independent Market Research Report

1.2. Benefits of a single ownership

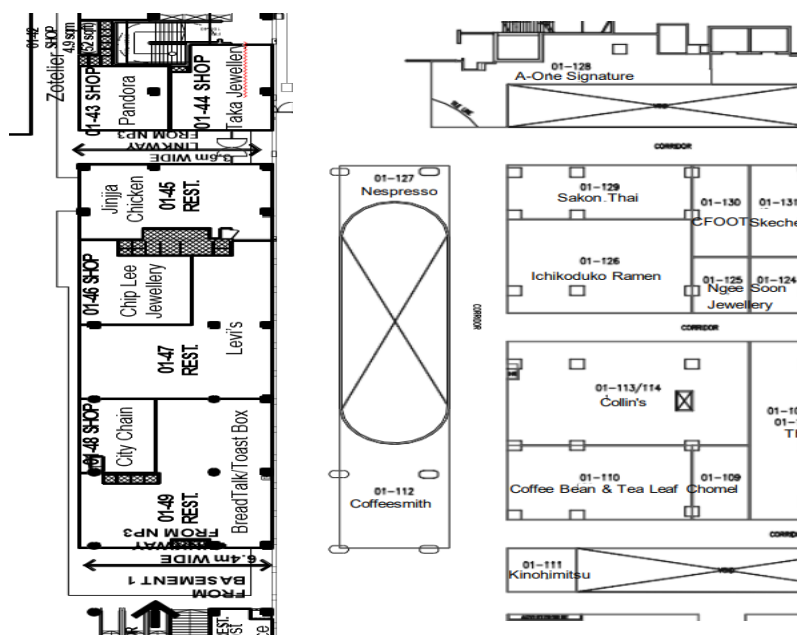
The Acquisition will allow FCT to fully consolidate its interest in Northpoint City under a single ownership, strategically ensuring continued interconnectivity between the North and South Wings, while enhancing accessibility to Northpoint City through a UPL to Yishun MRT station and direct access to the Yishun Integrated Transport Hub. Collectively, with the integration of the Nee Soon Central Community Club, an Education Cluster, and the rest of The Playground located within, it enables FCT to position Northpoint City as a community hub and landmark in Yishun.

Under the single ownership, the Manager is also well-positioned to optimize asset enhancement, performance, and operations to synergistically unlock higher value across both the North and South Wings. Such benefits include:

1.2.1. Unlocking maximum value through holistic AEI

- (i) Both Northpoint City North Wing and Northpoint City South Wing were constructed at different periods, and while seamless connectivity between the two wings was ensured during construction, certain adjoining spaces in prime areas could not be rental-yielding due to differing ownership and physical setback requirements. The conversion of such common spaces to retail NLA could improve circulation and generate higher sales cum rents. The illustration below showcases an example of the potential conversion of current void Courtyard spaces which can be converted to retail NLA.

Courtyard space between North Wing & South Wing could potentially be converted to retail NLA



- (ii) The overall quality of retail space can be enhanced by removing secondary corridors to increase space efficiency and unit porosity, potentially increasing NLA.
- (iii) The Manager is assessing shopper traffic and identifying underutilised areas, like certain travellators, duplicated mechanical and electrical plant rooms and inferior retail spaces. These areas may then be converted and/or decanted to higher yielding retail NLA to boost returns.

Accordingly, an estimated additional retail NLA of up to 8,000 sq ft could be potentially unlocked from the various enhancements described above, by executing the following works. However, these remain subject to, among others, further feasibility assessments and approval from the relevant authorities.

Opportunity	Potential NLA that may be unlocked
Potential decanting of under-utilised travellator to create new NLA	Up to approx. 1,000 sq ft

Potential slabbing over of current Courtyard space to create new NLA	Up to approx. 5,000 sq ft
Potential removal of secondary corridors to improve efficiency	Up to approx. 2,000 sq ft
Total	Up to approx. 8,000 sq ft

1.2.2 Optimising trade clustering and re-mixing tenancies to strengthen performance and rents

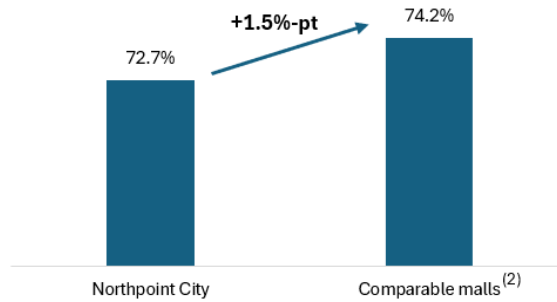
- (i) Post-Acquisition, FCT will have flexibility to group similar retailers, enhancing overall retail performance across both Northpoint City North Wing and Northpoint City South Wing. This clustering approach is effective for higher rental yielding trades like Jewellery & Watches and Beauty & Fragrance. It will allow Northpoint City to attract new retailers and international brands, offering a better shopping experience.
- (ii) Anchors and mini anchors from both wings can also be strategically placed, allowing more prime spaces to be sub-divided for higher rental yields.
- (iii) "Cold zones" can be re-positioned to boost retail sales by introducing key tenants or brands not currently in Northpoint City to attract traffic.

1.2.3 Enhance operating efficiencies by harmonising duplicate operations and equipment

Both Northpoint City North Wing and Northpoint City South Wing were constructed independently, each with its own mechanical systems. Following the Acquisition, the Manager has identified several opportunities for economies of scale, including:

- (i) Consolidation of the independent chiller plant rooms into a single system serving the entire Northpoint City, which would enhance operational efficiencies. This opportunity can only be realized under the single ownership, as it may require coordination between the two wings to the maximum GFA utilisation and reduce operating costs.
- (ii) Bulk procurement of term contracts such as security and cleaning services, along with streamlining manpower requirements under unified ownership, would lead to additional cost savings. Furthermore, re-purposing one of the two outdoor playgrounds into an event space for community activities would enhance Northpoint City's role as a community hub while lowering maintenance cost.
- (iii) Overall, Northpoint City's FY24 NPI margin, on a combined basis, is currently lower than that of comparable malls in the portfolio. However, under the single ownership post-Acquisition, Northpoint City has the potential to achieve a higher NPI margin by leveraging the combined scale of the two wings to further enhance operational efficiencies.

FY24 Net Property Income Margin⁽¹⁾



Notes:

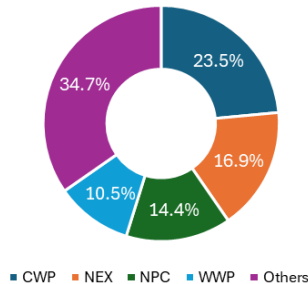
- (1) NPI excludes Financial Reporting Standards Adjustments
- (2) Comparable malls include Causeway Point and Waterway Point.

1.3. Primed to benefit from the revitalisation of Singapore's North Region

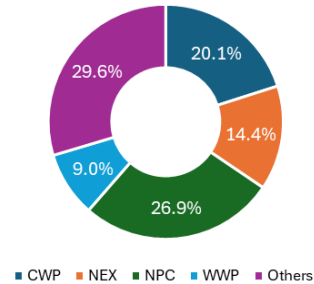
Northpoint City benefits from a well-established resident and transient catchment population in the surrounding area comprising 515,912 people, which is expected to increase by 18% with an additional 93,390 people⁵, stemming from government efforts to revitalise the North Region of Singapore through the launch of new estates, commercial hubs and new infrastructure initiatives.

The Acquisition will increase FCT's exposure to Northpoint City to 26.9% of the FY2024 portfolio net property income⁶, thus allowing Unitholders to benefit from the broader transformation of the North Region – this is further elaborated below.

FY2024 NPI Contribution^{(1),(2)} by Properties (pre-Acquisition)



FY2024 NPI Contribution^{(1),(2)} by Properties (post-Acquisition)



Notes:

- (1) For the purposes of the FY2024 NPI contribution, the FCT Retail Portfolio excludes Tampines 1 due to asset enhancement initiatives conducted in FY2024 and calculations made in connection with NEX and Waterway Point are based on FCT's 50.0% interest in the respective properties.
- (2) CWP: Causeway Point; NPC: Northpoint City; WWP; Waterway Point

1.3.1. Transformation of the North Region into a key work-live-play region

The Urban Redevelopment Authority has identified the North Region as a key strategic growth area with multiple developments such as the Woodlands Regional Centre, Agri-

⁵ Source: Independent Market Research Report

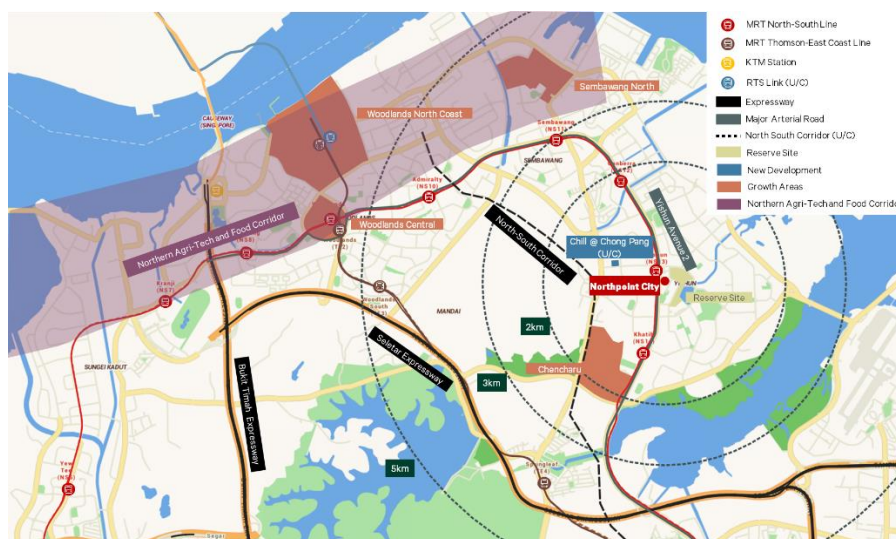
⁶ Based on proportionate share in Waterway Point and NEX.

Food Innovation Park (“**AFIP**”), Northern Agri-Tech and Food Corridor, RTS and NSC (as defined herein) which are expected to bring jobs closer to homes and enhance transport connectivity. With the various residential and commercial developments, this would see an increase in the number of jobs in the North Region and workers transiting through Woodlands from other parts of Singapore, with a resultant increase in the live-in population and transient worker population within the 5km radius of Northpoint City.

- **Woodlands Regional Centre:** Mixed-use precinct with office, retail, residential and public space and will be home to new spaces for industry, research and development, providing 7.5 million sq ft of commercial space and approximately 100,000 new jobs. The Woodlands Centre serves as the cornerstone for the Northern Agri-Tech and Food Corridor’s development, as well as a larger commercial belt, the North Coast Innovation Corridor, which spans from Woodlands to Punggol and will house the first business park cluster and will be the largest economic hub in the North Region. Northpoint City will potentially benefit from the increase in residents’ population and transient workers population. This will contribute to the longer-term sustainability of demand for retail and F&B options in the mall.
- **Woodlands Health Campus:** Integrated acute and community hospital housing a medical centre with specialist clinics and capacity of 1,400 beds across the facility. It is envisaged to be a major health hub for the North Region, boosting footfall and jobs, benefitting Northpoint City with higher shopper traffic and tenants’ sales over the long run.
- **The AFIP:** Major future food hub in Sungei Kadut is part of the wider Northern Agri-Tech and Food Corridor and the Senoko Food Zone.
- **Northern Agri-Tech and Food Corridor:** Belt connecting various initiatives in the North region and integrating the AFIP and the Woodlands Centre with synergistic elements contributing to the development of the local agri-food industry (e.g. Republic Polytechnic, local farms, Sungei Kadut Eco-District). It stretches from Senoko Food Zone to the farms in Lim Chu Kang.
- **Eco-Tourism Cluster:** Further development of the Cluster comprising various attractions such as Bird Paradise, Night Safari, River Wonders, Singapore Zoo among others, located in the North Region will see increased footfall within the catchment area from both locals and tourists.
- **Turf City:** From mid-2027 onwards, the Singapore Turf Club site at Kranji will be redeveloped to be used for private and public housing, further adding to the population within the North Region.
- **Johor Bahru-Singapore Rapid Transit System (“RTS”):** The RTS will have the capacity to serve 10,000 passengers per hour and is slated for completion by the end of 2026. Within 5 minutes, the RTS provides fast and comfortable access to Woodlands North from Bukit Chagar Station in Johor Bahru, Malaysia. The RTS is expected to primarily serve Malaysians commuting to Singapore for work or school. Northpoint City can thus capture weekday spending from Johor residents and locals working in the area. The RTS also increases Northpoint City’s appeal to retailers in Malaysia who are looking to expand their presence in Singapore as well as retailers looking to tap on the enlarged catchment population.

- **Enhanced connectivity via the North-South Corridor (“NSC”):** Accessibility to Northpoint City will further be enhanced with the expected completion of NSC in phases from 2027, which includes an expressway viaduct and underground road tunnels. NSC will cut travel time from Yishun to the city by up to 30 minutes.

The following map is a public transportation map depicting current and upcoming transportation within Northpoint City’s trade area and surrounding area.



Source: Independent Market Research Report

1.3.2. Residential supply in the North Region is expected to increase in the mid to long term

Over the longer term, the total catchment population could grow by about 93,400, or approximately 18%, according to the Independent Market Research Consultant. In particular, the primary catchment population of Northpoint City is expected to grow by 21% during this same period. Approximately 11,300 new residential units are expected to be completed across Chenchau and Canberra in the next five to six years (refer to the table below), which will increase catchment population by approximately 35,200, representing 6.8% population growth in Northpoint City’s total catchment area. The growth of the population across the catchment areas, particularly supported by the significant growth in the Primary Catchment Area, will contribute to the potential increase in shoppers footfall and spending at Northpoint City in the longer term.

Future Residential Supply in Trade Area (Number of Units)

Catchment Area	Existing Resident Population (A) (2024) ⁽¹⁾	Mid-Term Population Growth based on Tracked Supply (B) ⁽¹⁾	Longer-Term Population Growth based on Announced Housing Area (C) ⁽¹⁾	Total Population Growth (B+C) ⁽¹⁾	Estimated Future Population (A+B+C) ⁽¹⁾
Primary	235,236	22,827	27,129	49,956	285,192 (+21.2%)
Secondary	53,571	4,432	0	4,432	58,003 (+8.3%)
Tertiary	227,105	7,903	31,100	39,002	266,107 (+17.2%)
Total	515,912	35,162	58,229	93,390	609,302 (+18.1%)

Source: Independent Market Research Report

Note:

(1) Any discrepancies are due to rounding.

Amenities to be built including HomeTeam NS Khatib, Khatib Central Neighbourhood Centre, a new educational institution and nursing home will also increase both the transient population and working population in the catchment area, which may have a positive spillover effect on the footfall for Northpoint City.



Source: HDB

1.4. Reinforces FCT's leading role in Singapore suburban retail market with enhanced portfolio quality

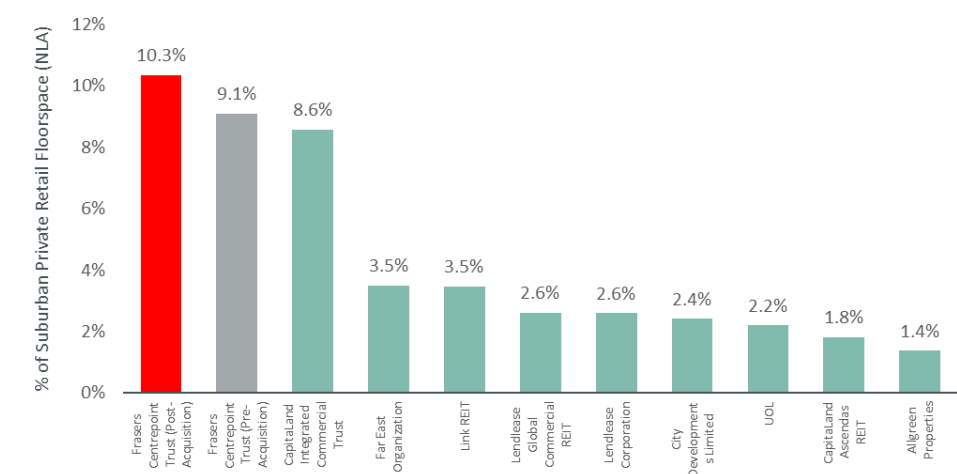
1.4.1. Position FCT as the "Landlord of Choice" to retailers

The Acquisition will strengthen FCT's leading position in the Singapore prime suburban retail market as the largest suburban retail space owner in Singapore, increasing the strategic appeal of FCT as the "go-to" suburban landlord for retailers.

As of 31 December 2024, FCT holds a 9.1% market share in suburban retail malls, covering 2.1 million sq ft. After the acquisition, this will rise to 10.3%, with FCT owning

nine prime Singapore malls, four of which rank among the top ten by NLA. This scale advantage will improve FCT’s capacity to attract and retain retailers.

Market share of Private Shopping Centre by NLA by owner (Suburban Only) Before and After the Acquisition in Northpoint City^{7 8}



Source: Independent Market Research Report

Note: The above chart includes malls that are located in Rest of Central Region and Outside Central Region, but excludes the following malls: Jewel Changi Airport, Changi Airport retail space, VivoCity, Harbourfront Centre, Quayside Isle and Mess Hall @ Sentosa. The ownership of strata retail spaces across shopping malls and HDB estates that Mercatus Co-operative Ltd owns have been excluded in this total.

1.4.2. Increased exposure to the resilient and growing essential trade sector

Consumer spending on essentials has continued to demonstrate resilience and has outperformed other categories. January to November 2024’s Singapore retail sales of trades with non-discretionary items such as Food & Alcohol and Cosmetics, Toiletries & Medical Goods, experienced y-o-y growth of 4.8% and 4.0%, respectively. While Supermarkets & Hypermarkets experienced mild contractions y-o-y, it has grown by 18.0% since November 2019.⁹ This indicates that essentials will continue to be a key area of growth for retailers, which Northpoint City is well-positioned to meet.

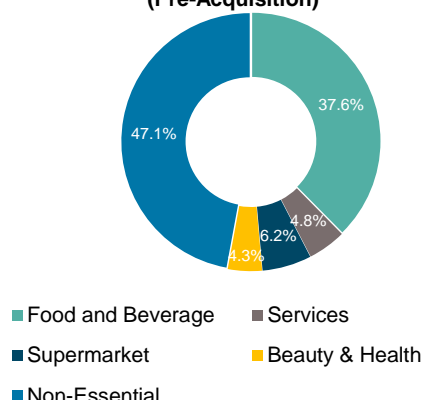
The Acquisition reinforces FCT’s trade mix focus on essential trades and services, increasing essentials trade from 52.9% to 53.4%, which underpins FCT’s resilience in its operating performance. The similarity in trade mix between the Property and the FCT Retail Portfolio retains FCT’s DNA as a suburban mall operator and also strengthens FCT’s partnership with its retailers.

²² The list includes private retail spaces that are located in the Rest of Central Region and Outside Central Region, but excludes the following malls: Jewel Changi, Changi Airport retail space, VivoCity, Harbourfront Centre, Quayside Isle and Mess Hall @ Sentosa.

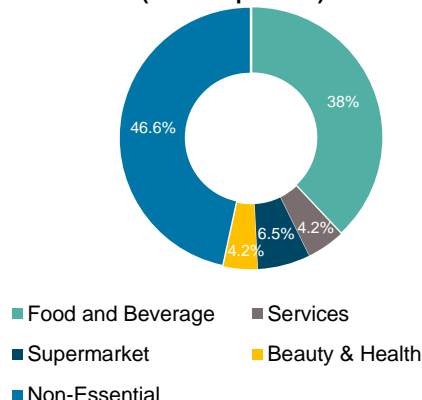
⁸ The ownership of strata retail spaces across shopping malls and HDB estates that Mercatus Co-operative Ltd owns have been excluded in this total.

⁹ Source: Independent Market Research Report.

Trade Mix of the FCT Retail Portfolio as at 31 December 2024 (Pre-Acquisition)



Trade Mix of the FCT Retail Portfolio as at 31 December 2024 (Post-Acquisition)

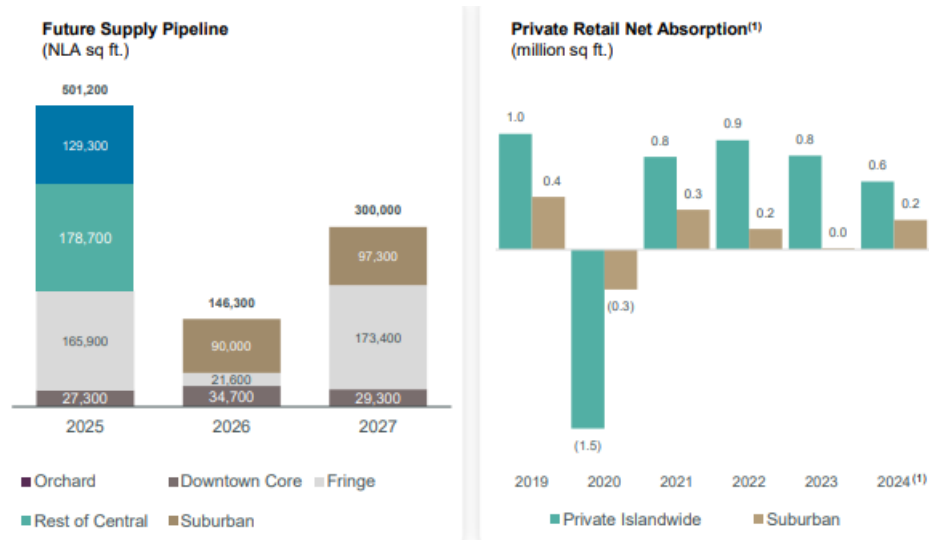


1.5. Visible growth levers that will create additional value for Unitholders

Overall, the strategic location of the Property provides long-term growth potential through its proximity to commercial hubs, amenities and key public transport infrastructure. The Manager believes that there are near-to-medium growth initiatives which can be executed to better position the Property to capitalise on the future development plans of the North Region and deliver further value creation for Unitholders.

1.5.1. Potential rental growth

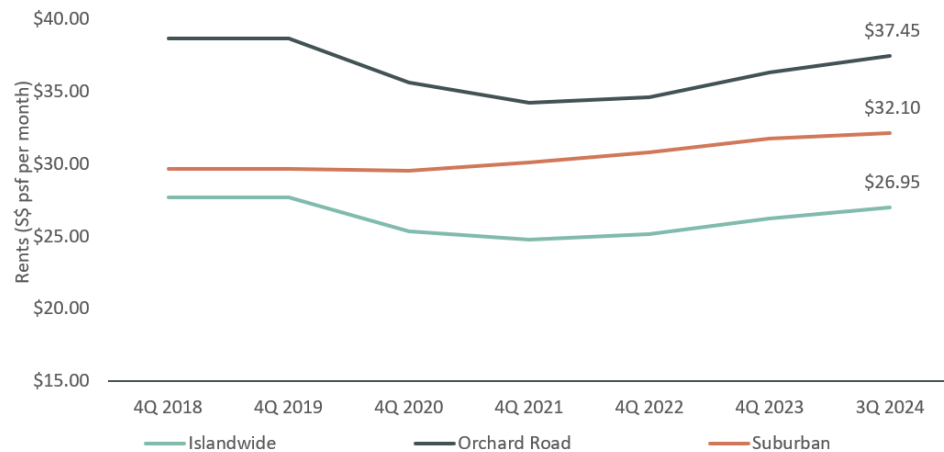
According to the Independent Market Research Consultant, the suburban market is the most resilient submarket, with steady rent growth through the COVID-19 pandemic, and private prime retail rents are expected to continue their upward trajectory amid tight supply from 2025 to 2027. Specifically for Northpoint City, the anticipated growth in catchment population, the enhanced retail spending propensity and the favourable government support schemes will help to support the potential for the Property's continued rental growth.



Source: Independent Market Research Report, data as at December 2024.

Note:

(1) Refers to Net Absorption from 1Q 2024 to 3Q 2024; (2) Figures are shown as at the last quarter of each year except for 2024, where the price is as at 3Q 2024.



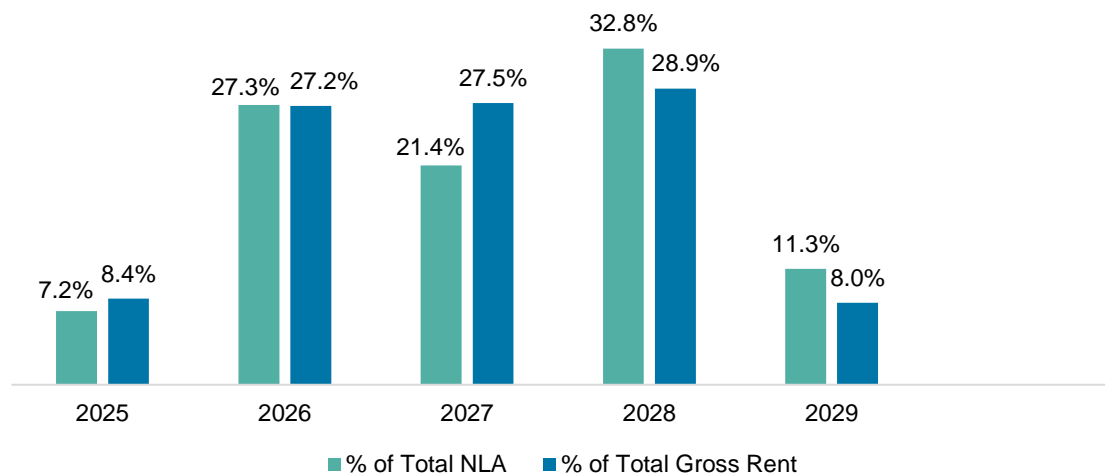
Source: Independent Market Research Report, data as at December 2024.

FY2024 effective occupancy cost of the Property remained at a very healthy level of 16.1% despite good rental reversions over FY2023 and FY2024, where strong sales growth ensured the sustainability of retailers providing headroom for rental increase. This effective occupancy cost is comparable to other dominant malls within FCT's portfolio. Prior to COVID-19, the average effective occupancy cost for the FCT Retail Portfolio was 16.6% in the financial year ended 30 September 2018 and 17.0% in the financial year ended 30 September 2019. As such, such healthy occupancy cost signals rent growth opportunity for the Property as well as the overall FCT Retail Portfolio.

As at end December 2024, with approximately 34.5% of the Property's total leased area expiring until FY26, the trend of positive rental reversion is expected to continue. Northpoint City also enjoys step-up rents ranging between 1.0%-2.0%¹⁰. Supported by healthy occupancy and strong demand by retailers, Northpoint City is well placed to curate optimal retail offering and provide an enhanced shopping experience to differentiate from other retail malls in its local catchment or across the borders.

¹⁰ Based on the terms of the existing leases at Northpoint City.

Lease Expiry Analysis by NLA and Gross Rent - The Property



1.6. Acquisition is expected to be DPU accretive

Based on historical pro forma financial information, the Acquisition is expected to be DPU-accretive. FCT's Unitholders are expected to enjoy a higher DPU as a result of the Acquisition being made at a price which is reflective of the cash flows which the Property is expected to generate, using the net proceeds raised from the Equity Fund Raising and the potential issuance of the Perpetual Securities.

(See paragraph 4.1 of the announcement for further details.)