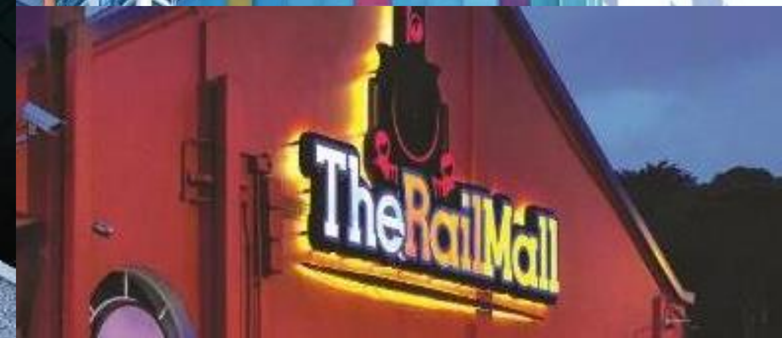


1H FY2023 Financial Results

Date: 7 August 2023

PARAGON REIT

Disclaimer

This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in PARAGON REIT ("Units"). The value 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. The past performance of PARAGON REIT is not necessarily indicative of its future performance. This presentation may also 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, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

This press release shall be read in conjunction with PARAGON REIT's financial results for the period ended 30 June 2023 in the SGXNET announcement.

Contents

1H FY2023

Key Highlights

1H FY2023 Key highlights

Improvement in overall financial performance

- Gross Revenue for 1H FY2023 rose 0.6% to S$143.1 million compared to 1H CY2022[1]
- Net Property Income for 1H FY2023 grew 0.1% year-on-year[1] to S$106.1 million
- Portfolio rental reversion rate turned positive to 6.9% for 1H FY2023 from -4.1% in FY2022
- DPU of 2.42 cents declared for 6 months ended 30 June 2023

Proactive management of a strategic portfolio

- Maintained strong occupancy rate of 97.8% across the portfolio
- Healthy portfolio WALE of 5.3 years by NLA and 3.0 years by GRI
- Strategic and diversified assets with dominant catchments in prime and suburban locations continued to benefit from strong domestic demand and increased tourist arrivals

Capital management

- Fixed debt at 85% as at 30 June 2023 and average cost of debt of 4.05% for the six-month period ended 30 June 2023
- Refinancing of approximately S$95 million has been completed in July 2023 with no further refinancing due for the remainder of FY2023
- Gearing of 29.8% provides debt headroom flexibility

Note:
1. Comparative figures against the corresponding unaudited six-month period ended 30 June 2022 ("1H CY2022")

1H FY2023 Key highlights

Singapore

- Tourist arrivals in first half of 2023 saw a rise in average monthly visitors to 1.04 million, from 0.25 million visitors in first half of 2022
- Tenant sales for 1H FY2023 increased 3% yoy over 1H CY2022[1]
- Similarly, footfall for 1H FY2023 increased 24% yoy over 1H CY2022[1]

Australia

- New South Wales saw an increase in total retail sales by 5.3% for the six-month period ended 30 June 2023 compared to the same corresponding period in 2022
- Similarly, South Australia also saw an increase of 7.4% for the six-month period ended 30 June 2023 compared to the same corresponding period in 2022
- Tenant sales for 1H FY2023 increased by 13% yoy over 1H CY2022[1]
- Footfall for 1H FY2023 increased by 5% yoy over 1H CY2022[1]

Note:
1. Comparative figures against the corresponding unaudited six-month period ended 30 June 2022 ("1H CY2022")

1H FY2023

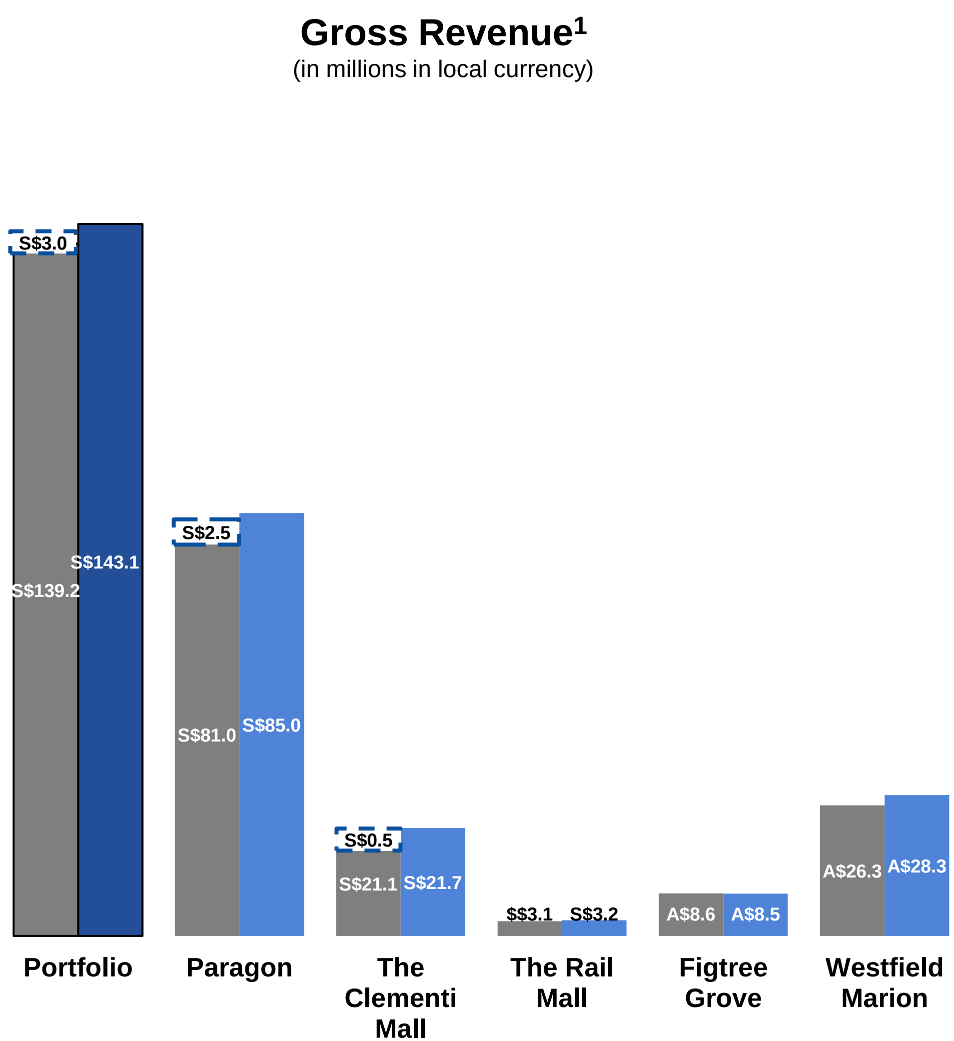
Financial Results

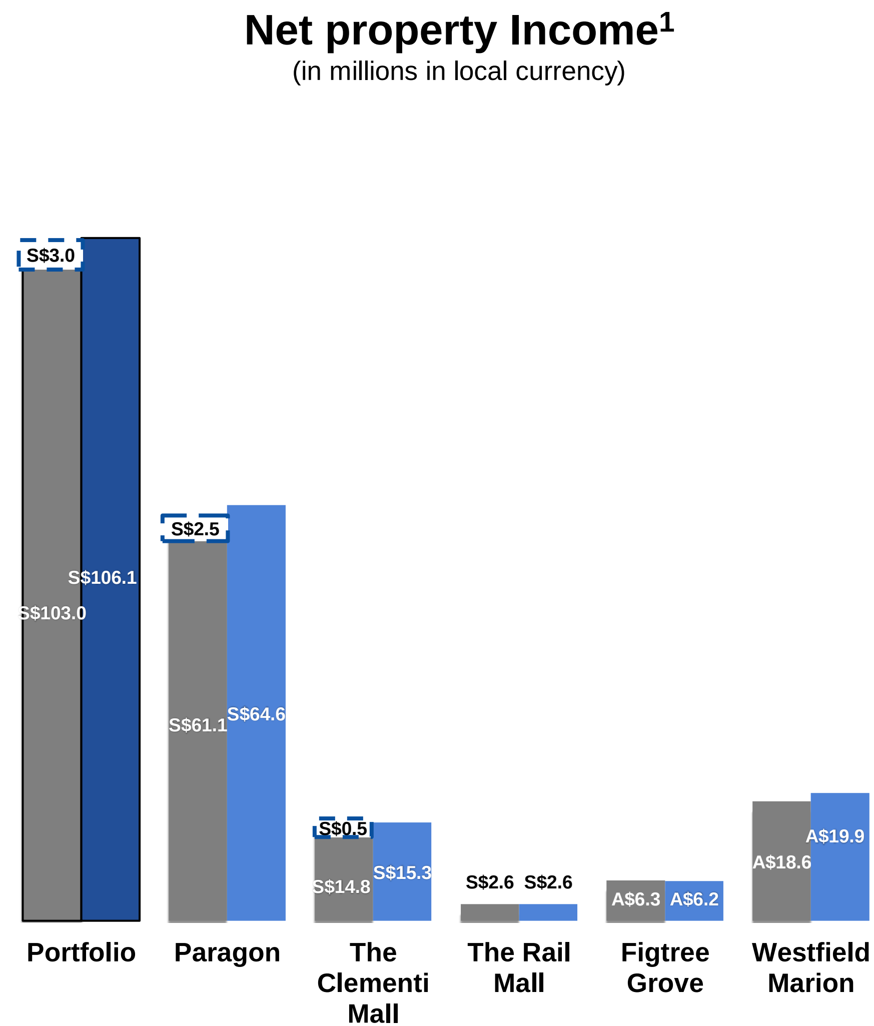
1H FY2023 Financial performance

	1H FY2023 S$'000	1H CY2022[1] S$'000	% + / (-)
Gross revenue	143,084	142,268	0.6
Property expenses	(37,027)	(36,316)	2.0
Net property income	106,057	105,952	0.1
Income available for distribution	70,631	81,978	(13.8)
Distribution to Unitholders	68,498	80,588 [2]	(15.0)
Distribution per unit (cents)	2.42	2.87 [3]	(15.7)

Notes:
1. Comparative figures against the corresponding unaudited six-month period ended 30 June 2022 ("1H CY2022")
2. Distribution to unitholders for 1H CY2022 (1 January 2022 to 30 June 2022) of S$80.6 million is the pro-rated 2-months distribution from the 1 December 2021 to 28 February 2022 distribution of S$40.4 million, the 3-months distribution for 1 March 2022 to 31 May 2022 of S$40.7 million and the pro-rated 1-month distribution from the 1 June 2022 to 31 August 2022 distribution of $39.0m
3. Distribution per unit (DPU) for 1H CY2022 of 2.87 cents is the pro-rated 2-months DPU from the 1 December 2021 to 28 February 2022 DPU of 1.44 cts, the 3-months DPU for 1 March 2022 to 31 May 2022 of 1.45 cts and the pro-rated 1-month DPU from the 1 June 2022 to 31 August 2022 DPU of 1.39 cts

Improved portfolio Revenue and NPI





1H CY2022 [2] 1H FY2023

Notes:
1. Adjusted for rent relief write-back in 1H CY2022
2. Comparative figures against the corresponding unaudited six-month period ended 30 June 2022 (“1H CY2022”)

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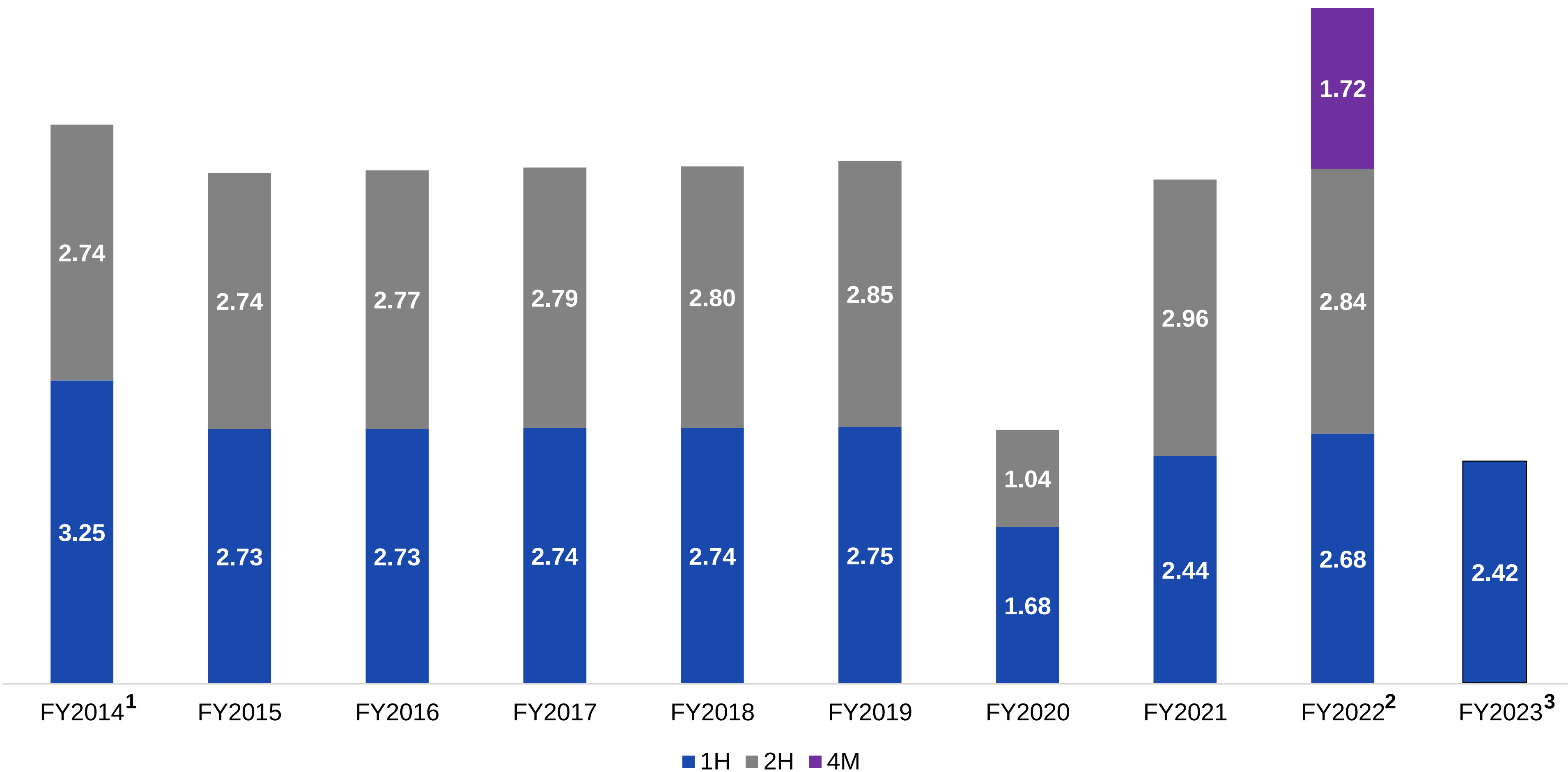
Distribution to unitholders



Notes:
1. Does not include the distribution of 0.56 cents from 24 July 2013 (listing date) to 31 August 2013
2. 16M FY2022 comprised a 16-month period ended 31 December 2022
3. FY2023 refers to the period 1 January 2023 to 31 December 2023

- FY2014 to FY2021 refers to the period 1 September to 31 August
- FY2022 refers to the period 1 September 2021 to 31 December 2022

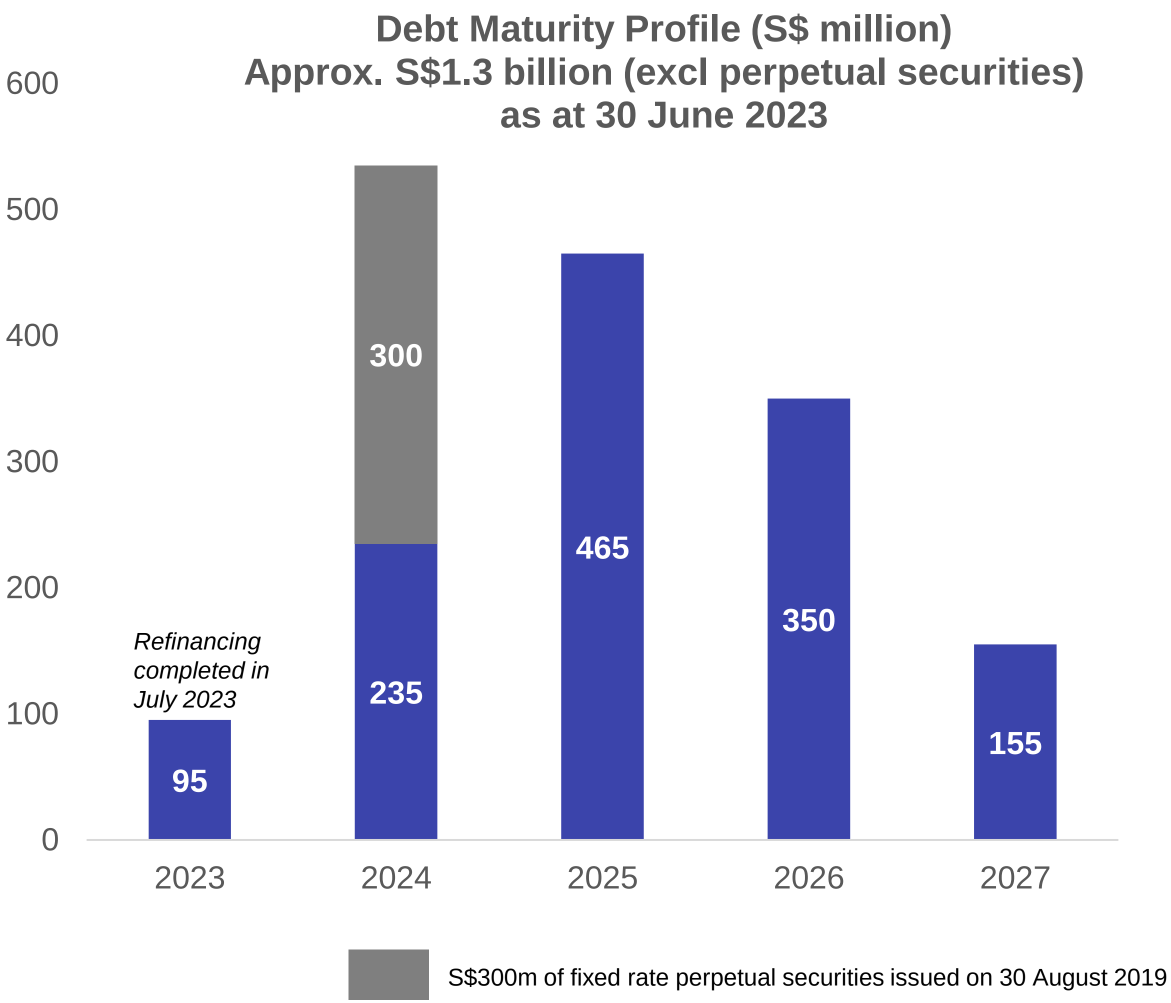
Balance Sheet

Resilient balance sheet

S$'000	30 June 2023	31 December 2022	% + / (-)
Total assets	4,237,356	4,256,892	(0.5)
Total liabilities	1,367,605	1,377,792	(0.7)
Net assets	2,869,751	2,879,100	(0.3)
Net asset value per unit	S$0.90	S$0.91	(1.1)
Debt gearing (1)	29.8%	29.8%	-

Note:
(1) Gearing is computed based on total debt/ total assets

Capital management



Gearing [1]	29.8%
Average Cost of Debt for 1H FY2023	4.05%
Weighted Average Term to Maturity	2.3 years
Floating rate % Fixed rate %	15% 85%
Interest Coverage Ratio [2]	4.4 times
Adjusted Interest Coverage Ratio [2] (includes perpetual securities)	3.4 times
Available Facilities	S$225m

Notes:
1. The total assets used for computing the gearing ratio is based on the latest valuation of the investment properties as at 30 June 2023
2. Computed based on rolling 12 months from 1 Jul 2022 to 30 Jun 2023

Valuations

Singapore assets

	Valuation (S$ million) [1]			Capitalisation rate (%)	
	As at 30 Jun 2023	As at 31 Dec 2022	Variance	As at 30 Jun 2023	As at 31 Dec 2022
PARAGON	2,679.0	2,679.0	-	4.50% - Retail 3.75% - Medical Suite / Office	4.50% - Retail 3.75% - Medical Suite / Office
The Clementi Mall	597.5	597.5	-	4.50%	4.50%
The Rail Mall	62.0	62.2	(0.2)	6.00%	6.00%

Australia assets

	Valuation (A$ million)			Capitalisation rate (%)	
	As at 30 Jun 2023	As at 31 Dec 2022	Variance	As at 30 Jun 2023	As at 31 Dec 2022
Westfield Marion [2]	620.0	645.0	(25.0)	5.75%	5.50%
figtree grove [3]	196.0	202.0	(6.0)	6.25%	6.00%

Notes:
1. Singapore assets valuations as at 30 June 2023 & 31 December 2022 conducted by Savills Valuation & Professional Services (S) Pte Ltd
2. Westfield Marion valuations as at 30 June 2023 & 31 December 2022 conducted by CBRE Valuation Pty Ltd, represents PARAGON REIT's 50% interest in Westfield Marion
3. Figtree Grove Shopping Centre valuations as at 30 June 2023 & 31 December 2022 conducted by CBRE Valuation Pty Ltd, represents 100% value of Figtree Grove Shopping Centre; PARAGON REIT has a 85% interest in Figtree Grove Shopping Centre

Operations Review

Resilient portfolio

97.8%	2.7m	5.3 years	3.0 years
Portfolio occupancy	Net Lettable Area (“NLA”) sf	WALE by NLA	WALE by Gross Rental Income

Singapore

Paragon

The Clementi Mall

The Rail Mall

Australia

Westfield Marion
SA

Figtree Grove
NSW

As of 30 June 2023	Singapore			Australia	
	Paragon	The Clementi Mall	The Rail Mall	Westfield Marion	Figtree Grove
NLA (’000 sqft)	722	196	50	1,481	237
Occupancy rate	100%	100%	100%	96.1%	99.2%

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Sustainable returns supported by high occupancy

As at 30 June 2023	Occupancy rate	Number of renewals / new leases[1]	NLA renewed/ new leases ('000 sqft)	As a % of properties' NLA	Change compared to preceding rental rates [2]
PARAGON	100%	65	92	13%	12.5%
THE CLEMENTI MALL	100%	41	84	43%	6.3%
The RailMall	100%	6	19	39%	10.6%
Singapore assets	**100%**	**112**	**195**	**20%**	**10.1%**

As at 30 June 2023	Occupancy rate	Number of renewals / new leases[1]	NLA renewed/ new leases ('000 sqft)	As a % of properties' NLA	Change compared to preceding rental rates [3]
Westfield MARION	96.1%	52	216	15%	-8.8%
figtree grove	99.2%	3	2	1%	-11.8%
Australia assets	**96.6%**	**55**	**218**	**13%**	**-8.9%**

Notes:
(1) For expiries in 1H FY2023, excluding newly created, reconfigured units and licenses less than 12 months
(2) Reversion rate is computed based on weighted average of all expiring leases. The change is measured between average rents of the renewed & new lease terms and the average rents of the preceding lease terms. Preceding leases were typically committed three years ago.
(3) Based on the first-year fixed rent of the new leases divided by the preceding final year fixed rents of the expiring leases.

Well staggered lease expiry profile

Lease expiry as at 30 Jun 2023	FY2023	FY2024	FY2025	FY2026	FY2027 & beyond
PARAGON REIT Portfolio					
Expiries as a % of total NLA	7%	16%	12%	13%	52%
Expiries as a % of Gross rental income	9%	27%	18%	20%	26%
Singapore assets					
Expiries as a % of total NLA	3%	29%	22%	28%	18%
Expiries as a % of Gross rental income	3%	32%	21%	26%	18%
Australia assets					
Expiries as a % of total NLA	9%	8%	6%	4%	73%
Expiries as a % of Gross rental income	21%	18%	11%	8%	42%

Proactive management of lease expiry

Singapore assets	Expiry by NLA	Expiry by Gross Rental Income

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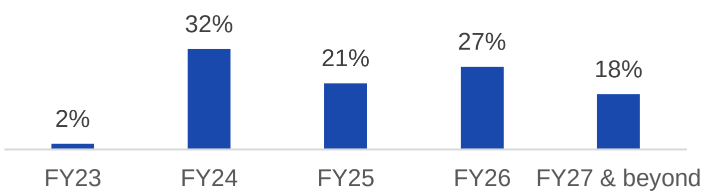
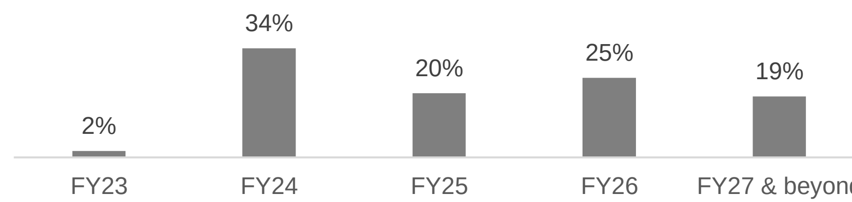
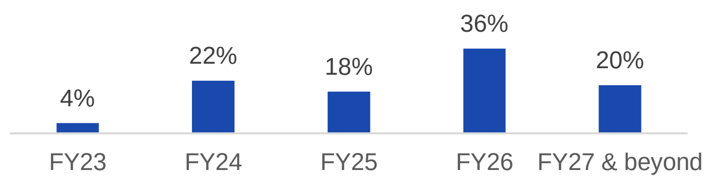
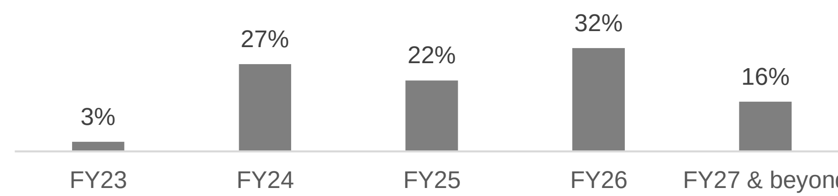


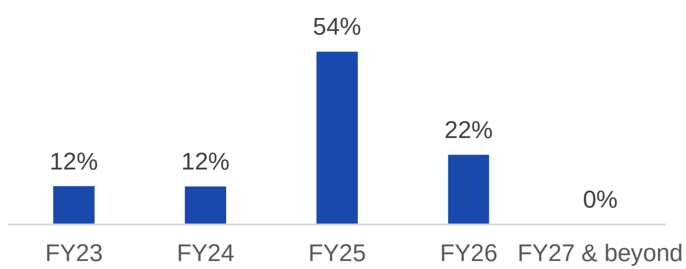


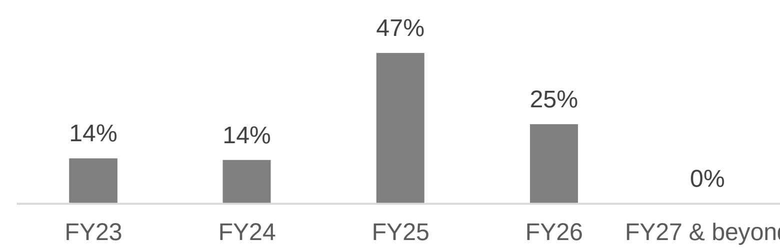
THE CLEMENTI MALL





TheRailMall

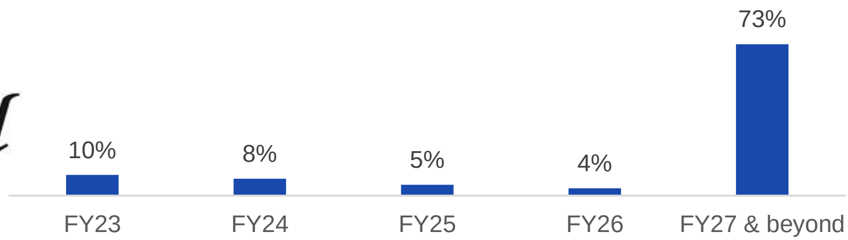


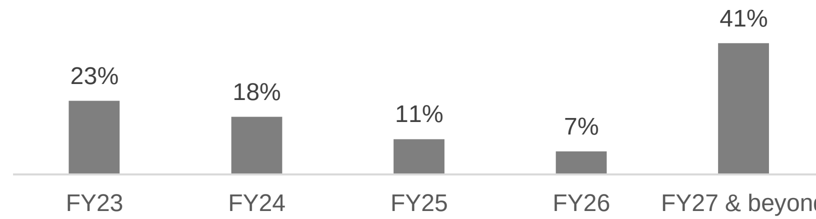


Stable lease expiry profile

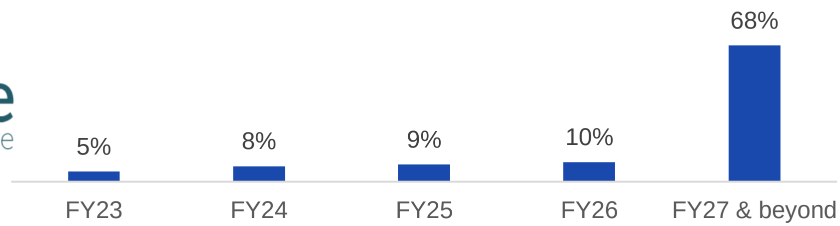
Australia assets	Expiry by NLA [1]	Expiry by Gross Rental Income [1]

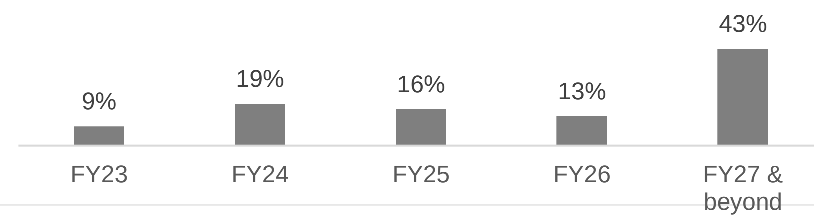
Westfield MARION





figtree grove





Note:
(1) Typical anchor lease in Australia is longer than 10 years

SG: Steady tenant sales recovery

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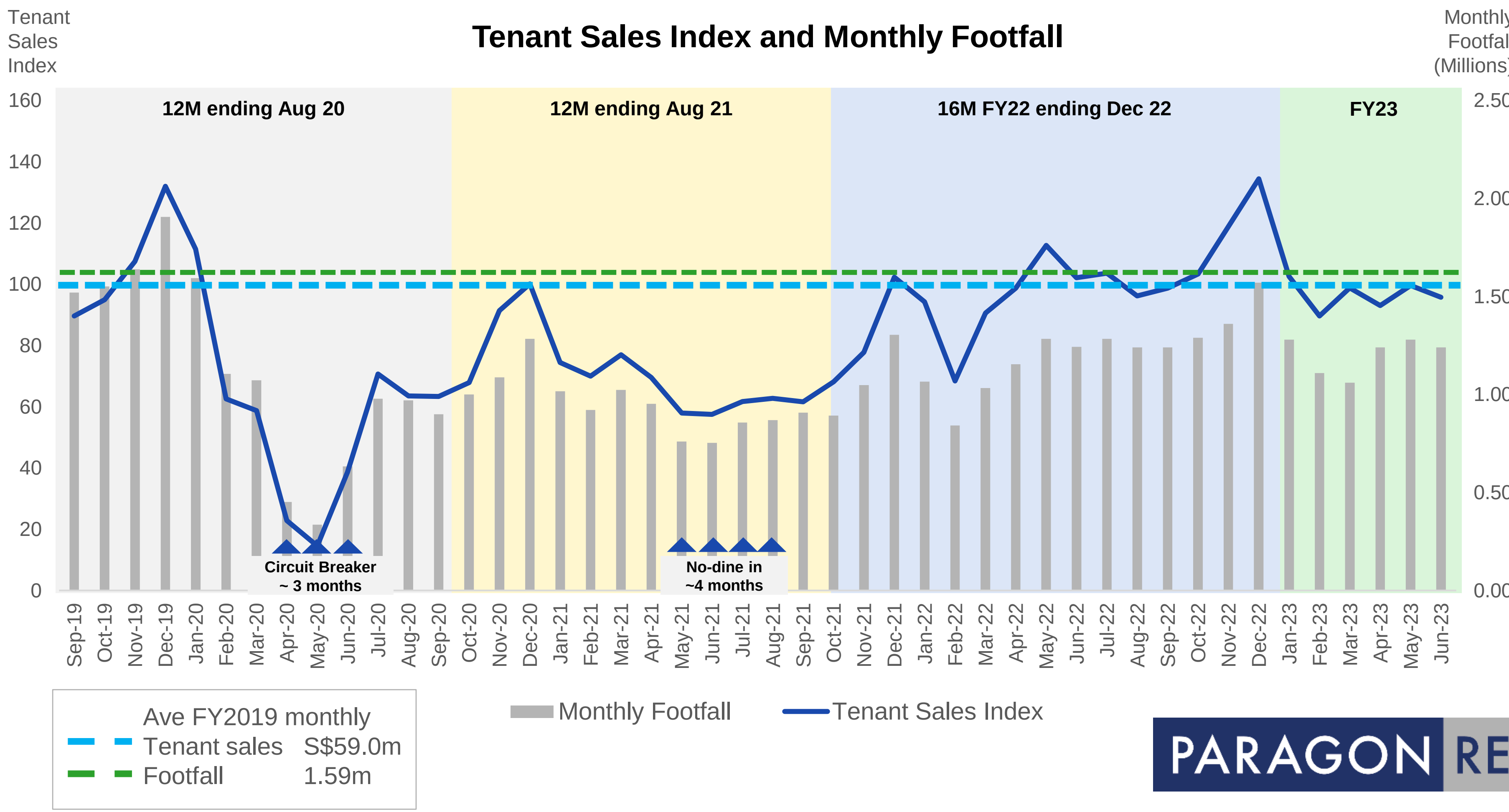
- Tenant sales increased by 3% over 1H CY2022 due to strong domestic demand and an increase in tourist arrivals
- Footfall increased by 9% over 1H CY2022
- Occupancy at 100%



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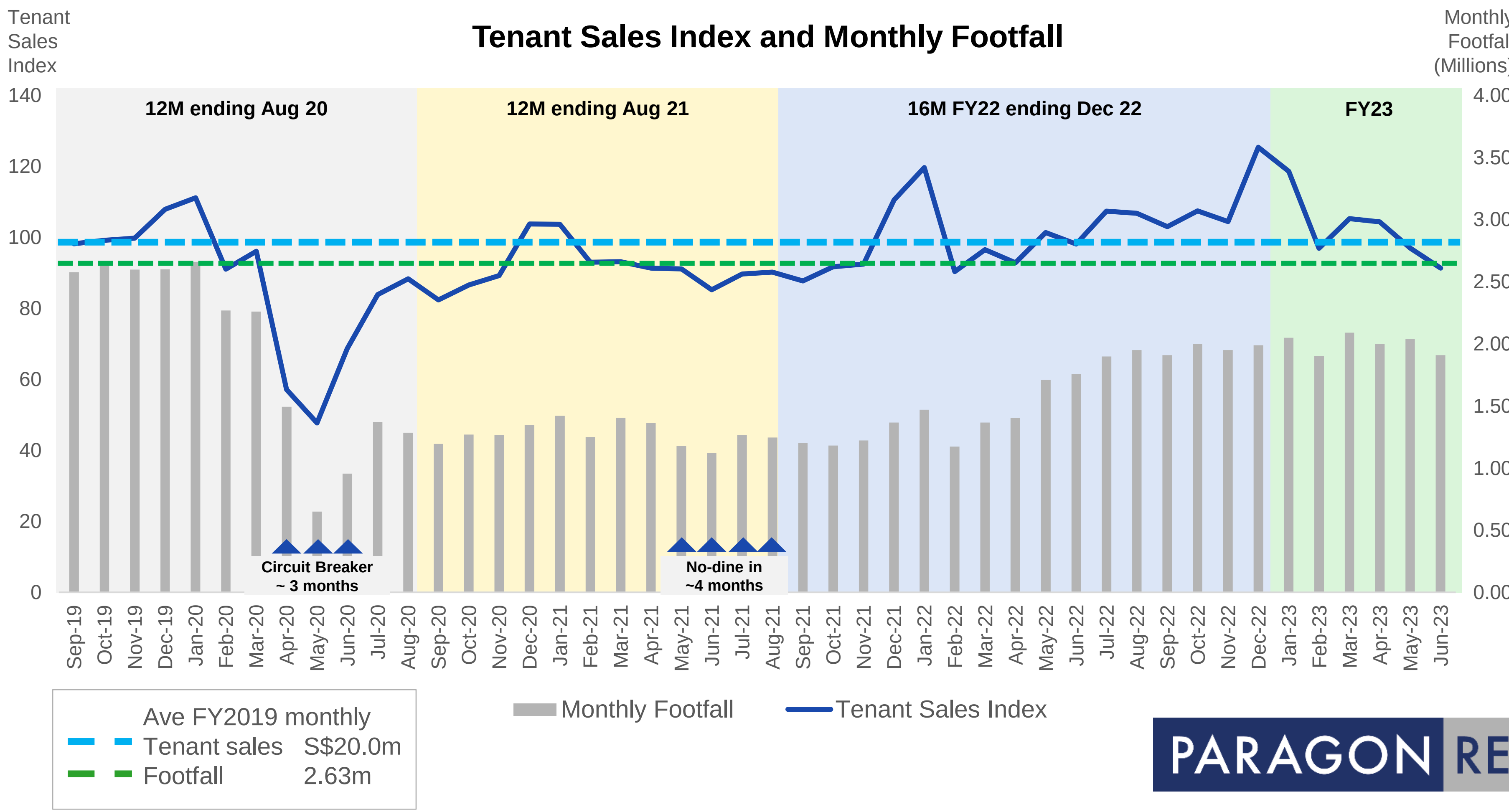
SG: Strategic suburban locations remain resilient

THE CLEMENTI MALL

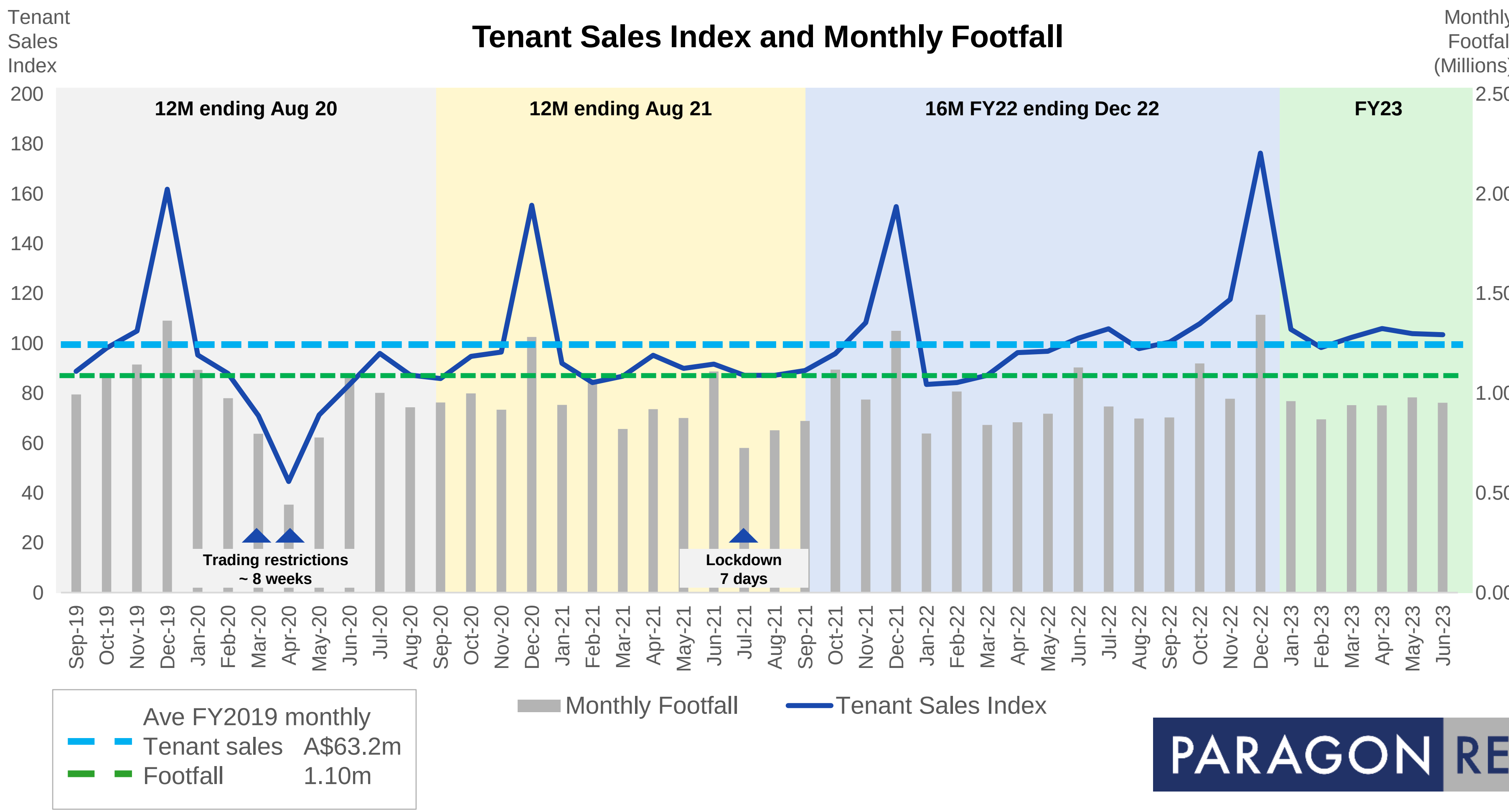
- Tenant sales increased by 2% over 1H CY2022 reflecting the asset's resilience
- Footfall increased by 35% over 1H CY2022
- Occupancy at 100%



AU: Tenant sales trend above 2019 levels

Westfield MARION

- Tenant sales increased by 13% over 1H CY2022 and 12% higher than pre-covid
- Footfall flat increased by 2% over 1H CY2022
- Occupancy at 96.1%



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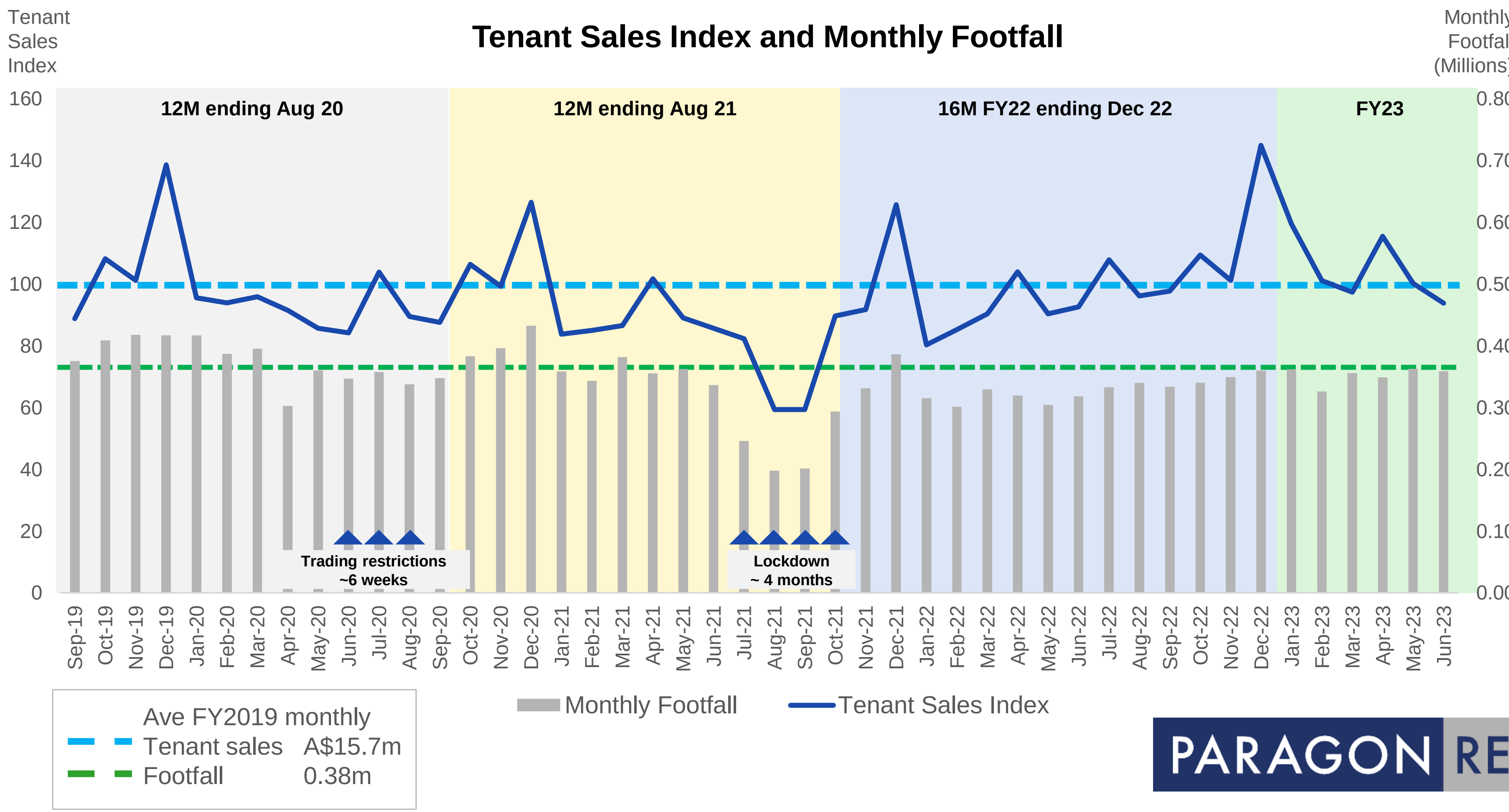
AU: Tenant sales recovering to pre-covid levels

figtree grove

- Tenant sales increased by 16% over 1H CY2022 with strong recovery in F&B dining and travel related tenants
- Footfall increased 12% over 1H CY2022
- Occupancy at 99.2%



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Growth Strategy and Market Outlook

Multi-pronged strategy to ensure growth

Proactive asset management and asset enhancement strategy

- Ensure that interests of all stakeholders, including tenants, shoppers and unitholders are protected while keeping its properties at the forefront of evolving retail mall trends and relevant to changing demands of consumers
- Continually optimise tenant mix of its properties
- Deliver high quality service to tenants and become the landlord of choice in the retail real estate space
- Implement asset enhancement initiatives and pro-active marketing plans

Investments and acquisition growth strategy

- ROFR on the Sponsor's future income-producing properties used primarily[(1)] for retail purposes in Asia Pacific
  - Two applicable ROFR properties; The Seletar Mall which opened in 2014 has maintained high occupancy; the second ROFR, The Woodleigh Mall, has opened in May 2023
  - Explore investment opportunities that will add value to PARAGON REIT's portfolio and improve returns to unitholders

Note:

(1) 'primarily' means more than 50.0% of net lettable area or (in the case of a property where the concept of net lettable area is not applicable) gross floor area.

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Market outlook

Singapore	Singapore's GDP expanded 0.7% yoy in 2Q 2023 (March to June) based on advanced estimates, faster than the 0.4% yoy growth in 1Q 2023. GDP growth is forecasted to come in at 0.5% - 2.5% in 2023. Retail sales volume (excluding motor vehicles) rose 2.5% yoy for June 2023, up from the 1.7% yoy increase in May 2023; growth was supported by sectors such as Food & Alcohol (+30.7%), Computer & Telecommunications (+9.4%), Optical Goods & Books (+8.7%), and Cosmetics, Toiletries & Medical Goods (+8.3%), according to the Department of Statistics Singapore (SingStat) Singapore's retail scene remains supported by domestic consumption, aided by recovery of international visitor arrivals. International tourist arrivals to Singapore improved to 6.28 million arrivals for the first half of 2023, representing a 320% yoy growth; the Singapore Tourism Board (STB) estimates a full recovery in tourist arrivals in 2024
Australia	Australia's GDP grew 0.2% yoy in 1Q 2023, moderating from 0.6% yoy growth in 1Q 2022; Reserve Bank of Australia (RBA) forecasts GDP growth to remain subdued at c.1.00% for 2023 before picking up to 2.25% by end-2025 Australia's overall retail turnover fell 0.8% mom and rose 2.3% yoy in June 2023. Turnover declined across all segments except Food Retailing which rose marginally by 0.1% mom Australian retail sales are generally expected to remain resilient in 2023, as domestic consumption patterns shift from digital retail and service channels towards an increase in out-of-home spending, including a rise in dine-out expenditure and non-discretionary sales
Portfolio	In July 2023, the US Fed approved a 25-basis point rate hike, taking interest rates to highest level in more than 22 years to a target range of 5.25%-5.50%. The Fed also noted the possibility of raising rates at the September meeting if warranted, based on careful data-driven assessments on a meeting-by-meeting basis The central bank in Australia left rates unchanged in July and August 2023 as inflation slowed in the second quarter from 7% to 6% and in light of the uncertainty around the economic outlook. Inflation remains well above its 2-3% target range and the central bank continues to assess the impact of previous hikes and economic developments while warning of potential future tightening. The Monetary Authority of Singapore noted that while inflation is forecasted to ease significantly, the central bank will not be switching from inflation-fighting to growth-supporting mode, and is closely monitoring the growth-inflation dynamics to manage risks on either side.

Distribution details & timeline

Distribution details and timeline

Distribution period	6 months ended 30 June 2023 (1 January 2023 – 30 June 2023)
Distribution per unit	2.42 cents per unit
Annualised distribution yield [(a)]	5.08%
Ex-date	15 August 2023
Record date	16 August 2023
Payment date	22 September 2023

Note:
(a) Computed based on 1H FY2023 distribution annualised and S$0.96 per unit closing price on 30 June 2023

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Thank You

Please visit www.paragonreit.com.sg for more information