

Frasers Centrepoint Trust



11th Annual General Meeting

Presentation by Richard Ng

Chief Executive Officer, Frasers Centrepoint Asset Management Ltd

13 January 2020



Important Notice

- ◆ Certain statements in this Presentation constitute “forward-looking statements”, including forward-looking financial information. Such forward-looking statement and financial information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of FCT or the Manager, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding the Manager’s present and future business strategies and the environment in which FCT or the Manager will operate in the future. Because these statements and financial information reflect the Manager’s current views concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information.
- ◆ The Manager expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement or financial information contained in this Presentation to reflect any change in the Manager’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement or information is based, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency. The value of Units in FCT and the income derived from them may fall as well as rise. The Units in FCT are not obligations of, deposits in, or guaranteed by, the Manager or any of their affiliates. An investment in the Units in FCT is subject to investment risks, including the possible loss of the principal amount invested. Unitholders of FCT should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders of FCT may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.
- ◆ This Presentation contains certain information with respect to the trade sectors of FCT’s tenants. The Manager has determined the trade sectors in which FCT’s tenants are primarily involved based on the Manager’s general understanding of the business activities conducted by such tenants. The Manager’s knowledge of the business activities of FCT’s tenants is necessarily limited and such tenants may conduct business activities that are in addition to, or different from, those shown herein.
- ◆ This Presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of FCT. The past performance of FCT and the Manager is not necessarily indicative of the future performance of FCT and the Manager.
- ◆ This Presentation includes market and industry data and forecast that have been obtained from internal survey, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information. While the Manager has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, the Manager has not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein.
- ◆ This advertisement has not been reviewed by the Monetary Authority of Singapore.

A leading suburban retail REIT in Singapore

- **7 suburban retail properties in Singapore**
- **24.8% stake** in PGIM Real Estate AsiaRetail Fund (PGIM ARF)
- **31.2% stake** in Hektar REIT

- **S\$3.61 billion** in total assets¹
- **S\$3.06 billion** in market capitalisation²
- Index constituent of **FTSE SREIT** and **FTSE EPRA/NAREIT Global Real Estate Index Series** (Global Developed Index)

FCT Portfolio of 7 properties



Causeway Point



Northpoint City North Wing



Changi City Point



Waterway Point³



Bedok Point



YewTee Point



Anchorpoint

1. As at 30 September 2019

2. Based on closing price of \$2.74 on 30 September 2019

3. FCT owns 40% stake in Sapphire Star Trust (SST) which holds Waterway Point

FY2019 Highlights



Total Assets¹



S\$3.61 billion

+27.1%

from S\$2.84 billion in FY2018

Net Asset Value per Unit¹



S\$2.21

+6.3%

from S\$2.08 in FY2018

Market Capitalisation



S\$3.06 billion²

+45.7%

from S\$2.10 billion³

1. As at 30 September of each financial year

2. Based on closing price of \$2.27 on 28 September 2018

3. Based on closing price of \$2.74 on 30 September 2019

FY2019 Highlights (cont'd)



- ✓ Achieved strong financial performance and **13th consecutive year of DPU growth**
- ✓ Healthy portfolio performance with **improved occupancy and rental reversion**
- ✓ Achieved **27.2%** total unitholders' return which outperformed benchmark indices
- ✓ Invested **S\$910 million** in acquisitions of stakes in PGIM ARF and Sapphire Star Trust (SST) (which holds Waterway Point) to set stage for future growth



Financial results and portfolio performance

Strong financial results

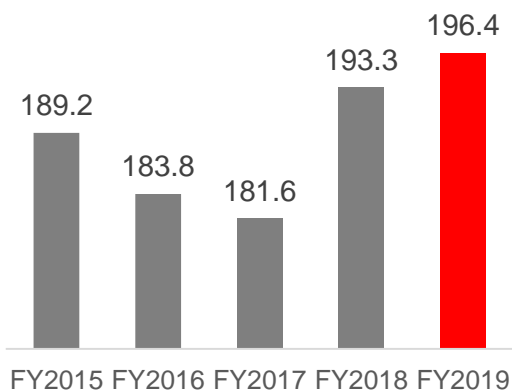
- Strong financial results underpinned by improved performance across portfolio properties, from higher portfolio occupancy, higher rental income from step-up rent increases, and improved performance from Northpoint City North Wing and Changi City Point
- Higher distributable income attributed to contributions from stakes in PGIM ARF and SST (which holds Waterway Point)

Gross Revenue

S\$196.4 million

↑ 1.6% year-on-year

S\$ Million

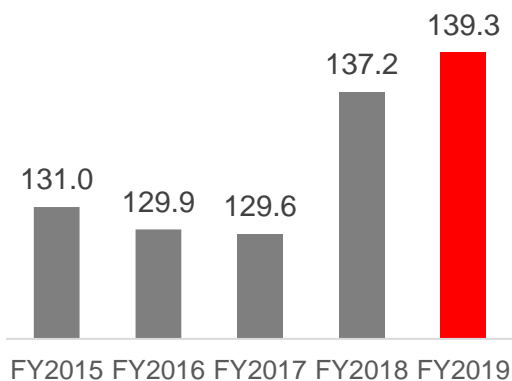


Net Property Income

S\$139.3 million

↑ 1.5% year-on-year

S\$ Million

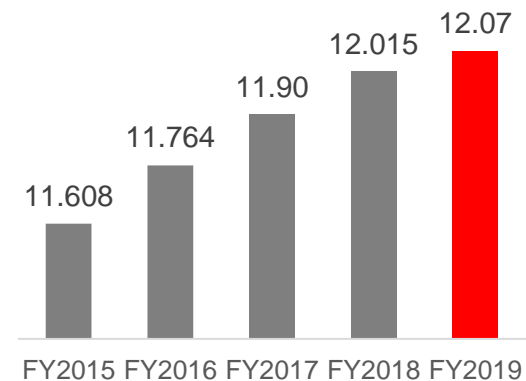


DPU

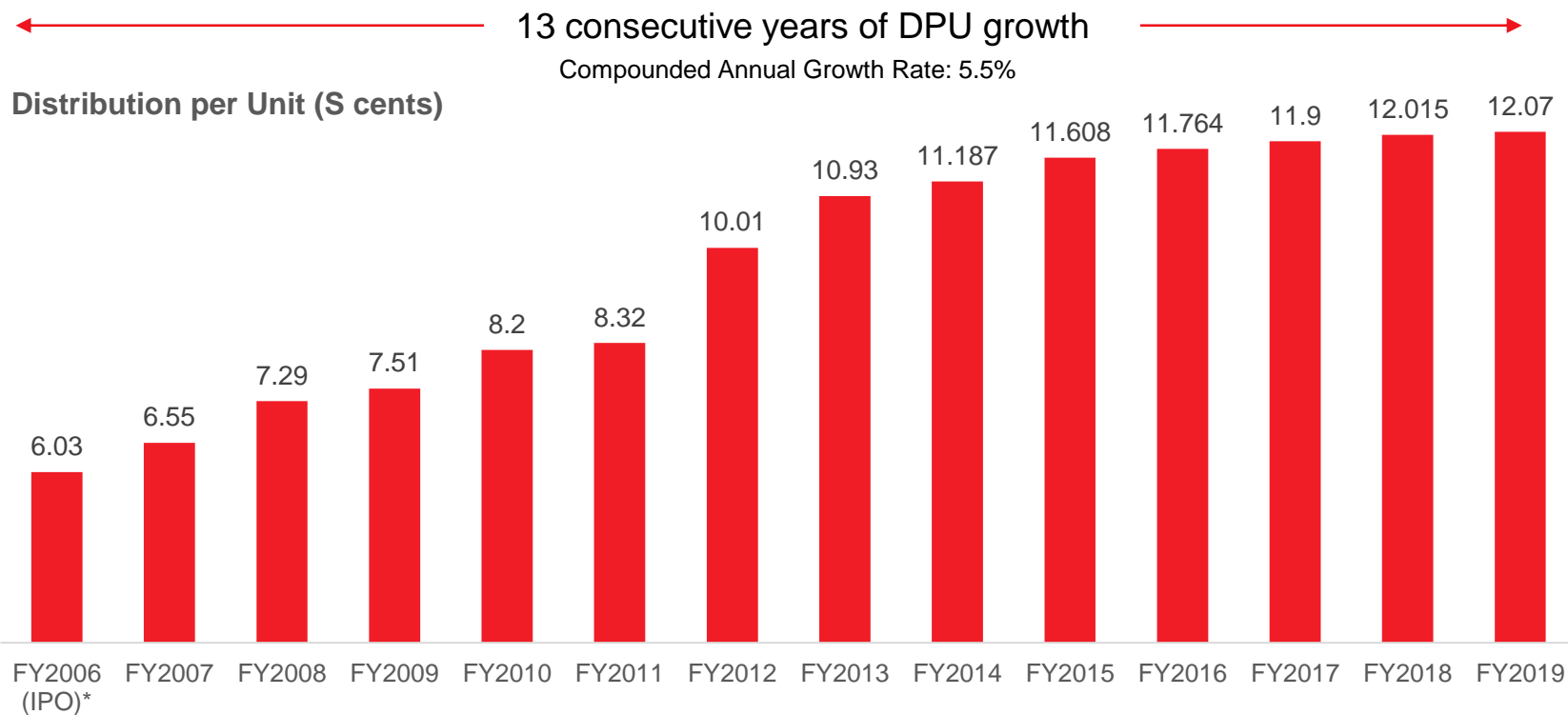
12.07 S cents

↑ 0.5% year-on-year

S cents



Steady and consistent DPU growth



*Annualised DPU for the period 5 Jul 2006 (IPO) to 30 September 2006.

Solid financial position

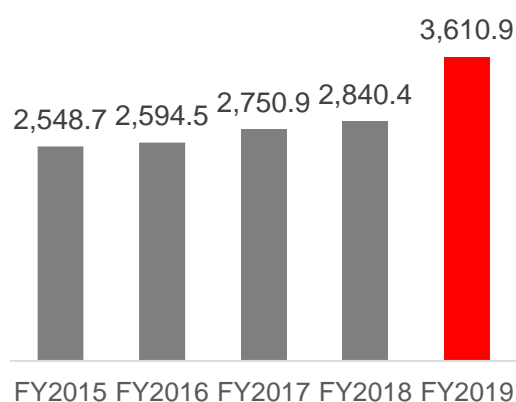
- Gearing level at 32.9%, lower than the average of 35%¹ in the SREIT industry
- Total assets up 27.1% to S\$3.61 billion – increase was from investment in PGIM ARF, acquisition of stake in SST (which holds Waterway Point) and higher appraised value of FCT's portfolio properties
- Net asset value per unit rose 6.3% year-on-year to S\$2.21

Total Assets

S\$3,610 million

↑ 27.1% year-on-year

S\$ Million

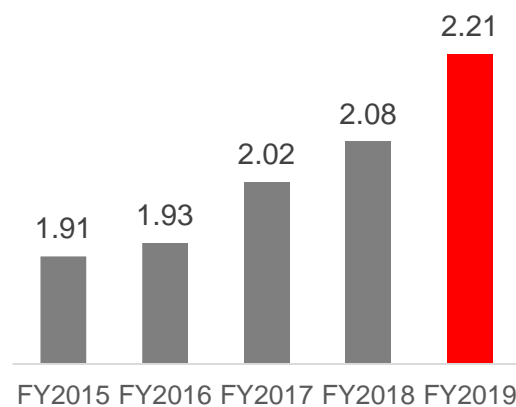


Net Asset Value per Unit

S\$2.21

↑ 6.3% year-on-year

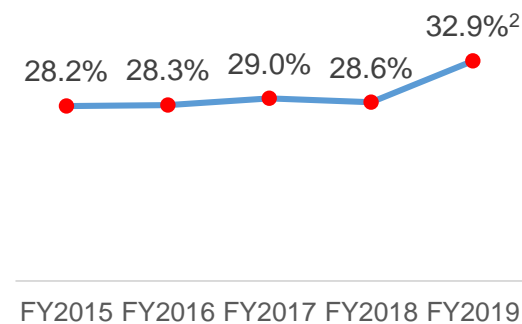
S\$



Gearing Level

32.9%²

%



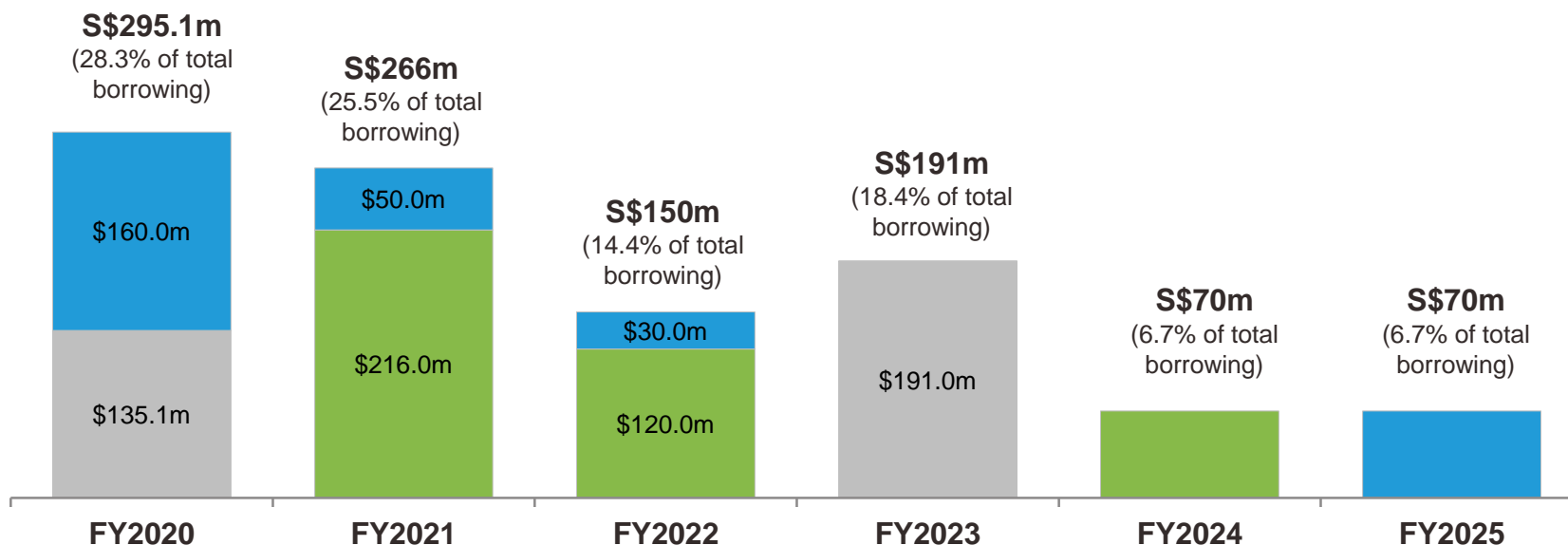
¹ Source: OCBC Investment Research, Weekly S-REIT Track, 11 November 2019

² In accordance with the Property Funds Appendix, the gearing ratio included FCT's 40% proportionate share of deposited property value and borrowing in a joint venture

Well spread out debt maturity profile

- Weighted Average Debt Maturity as at 30 September 2019: 2.3 years

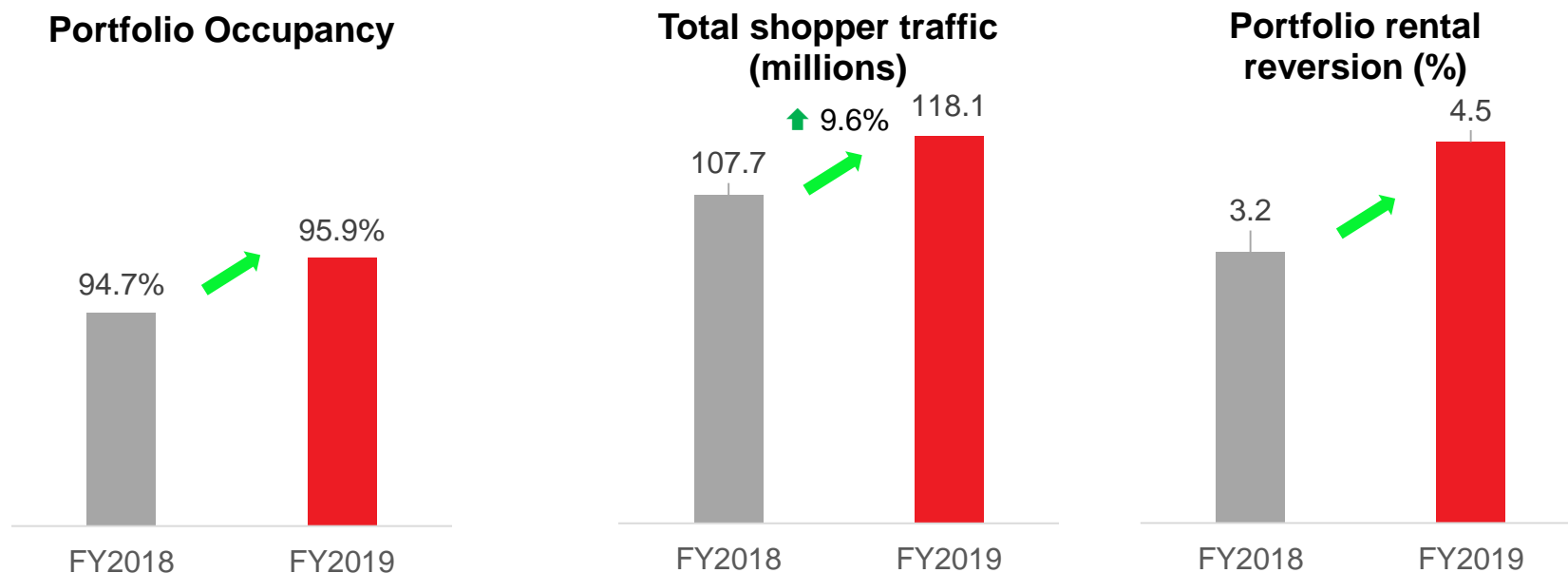
Type of borrowings	Aggregate amount
■ Unsecured bank borrowings	S\$326.1 million (31.3%)
■ Medium Term Note	S\$310.0 million (29.7%)
■ Secured bank borrowings ¹	S\$406.0 million (39.0%)
Total Borrowings	S\$1,042.1 million (100.0%)



¹ Secured on Anchorpoint, YewTee Point and Changi City Point.

Healthy portfolio performance

- Portfolio occupancy¹ improved from 94.7% to 95.9% as new tenants took up more space at Northpoint City North Wing, Changi City Point, Bedok Point and YewTee Point
- Total shopper traffic¹ increased 9.6% to 118.1 million – higher traffic registered at Causeway Point, Northpoint City North Wing, Changi City Point and YewTee Point
- Average rental reversion for portfolio¹ at 4.5% compared with 3.2% achieved in FY2018



¹ FCT acquired the stake in SST (which holds Waterway Point) in FY2019, hence the year-on-year comparison does not include Waterway Point



Total Unitholders' Return

Strong Total Unitholders' Return

- ◆ FCT's Total Return (Price appreciation + distribution) outperformed the benchmark indices, the FTSE REIT index and the FTSE Straits Times index, over the 1-, 3- and 5-year periods

1-Year Total Return

1 Oct 2018 – 30 Sep 2019

FCT	27.20%
FTSE REIT Index	21.76%
FTSE Straits Times Index	-0.49%

3-Year Total Return

1 Oct 2016 – 30 Sep 2019

FCT	46.56%
FTSE REIT Index	43.28%
FTSE Straits Times Index	21.12%

5-Year Total Return

1 Oct 2014 – 30 Sep 2019

FCT	91.96%
FTSE REIT Index	67.56%
FTSE Straits Times Index	13.99%

FTSE EPRA/NAREIT Index inclusion – a milestone

PRESS RELEASE



Frasers Centrepoint Trust to join the FTSE EPRA/NAREIT Global Developed Index

- Inclusion in the FTSE EPRA/NAREIT Global Real Estate Index Series (Global Developed Index) with effect from 23 September 2019

SINGAPORE, 5 SEPTEMBER 2019

Frasers Centrepoint Asset Management Ltd. ("FCAM"), the manager of Frasers Centrepoint Trust ("FCT"), is pleased to announce that FCT will be included in the FTSE EPRA/NAREIT Global Real Estate Index Series (Global Developed Index) from 23 September 2019.

Mr. Richard Ng, Chief Executive Officer, FCAM, said, "We are delighted that FCT will be joining the FTSE EPRA/NAREIT index. This marks a significant milestone in FCT's growth journey. Being part of a leading benchmark index for listed real estate companies and REITs worldwide would enable FCT to reach out to the larger pool of institutional investors, raise FCT's profile in the international investment community and further improve FCT's trading liquidity. We would like to thank our unitholders and investors as well as all our stakeholders, whose support and confidence in FCT have underpinned its success."

The FTSE EPRA / NAREIT Global Real Estate Index Series is an international real estate investment index developed by FTSE Group in cooperation with the European Public Real Estate Association (EPRA) and the National Association of Real Estate Investment Trusts (NAREIT). The index series is designed to track the performance of listed real estate companies and REITs worldwide and is seen as the leading benchmark for listed real estate investments. More information is available from FTSE EPRA/NAREIT website at <https://www.ftserussell.com/products/indices/epra-nareit>.

- FCT included in the FTSE EPRA/NAREIT Global Real Estate Index Series (Global Developed Index) on 23 September 2019
- The Index is a leading global benchmark index for real estate investors worldwide
- Enables FCT to reach out to the larger pool of institutional investors, raise its profile in the international investment community and further improve its trading liquidity

FCT's Unit Price outperformed the key indices

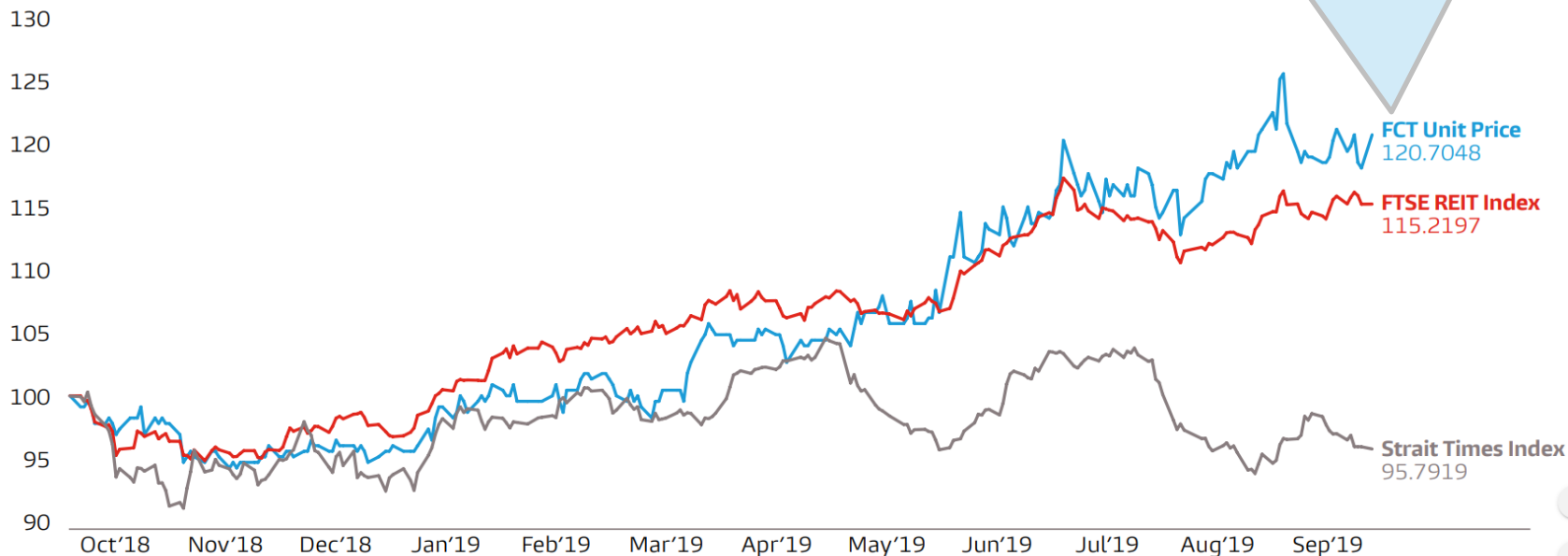
FCT's Unit Price

Opening Price (1 Oct 2018) : S\$2.27

Closing Price (30 Sep 2019) : S\$2.74

Unit Price change : +20.7%

Base = 100



Source: Bloomberg



WATERWAYPOINT

Strategic investments for growth

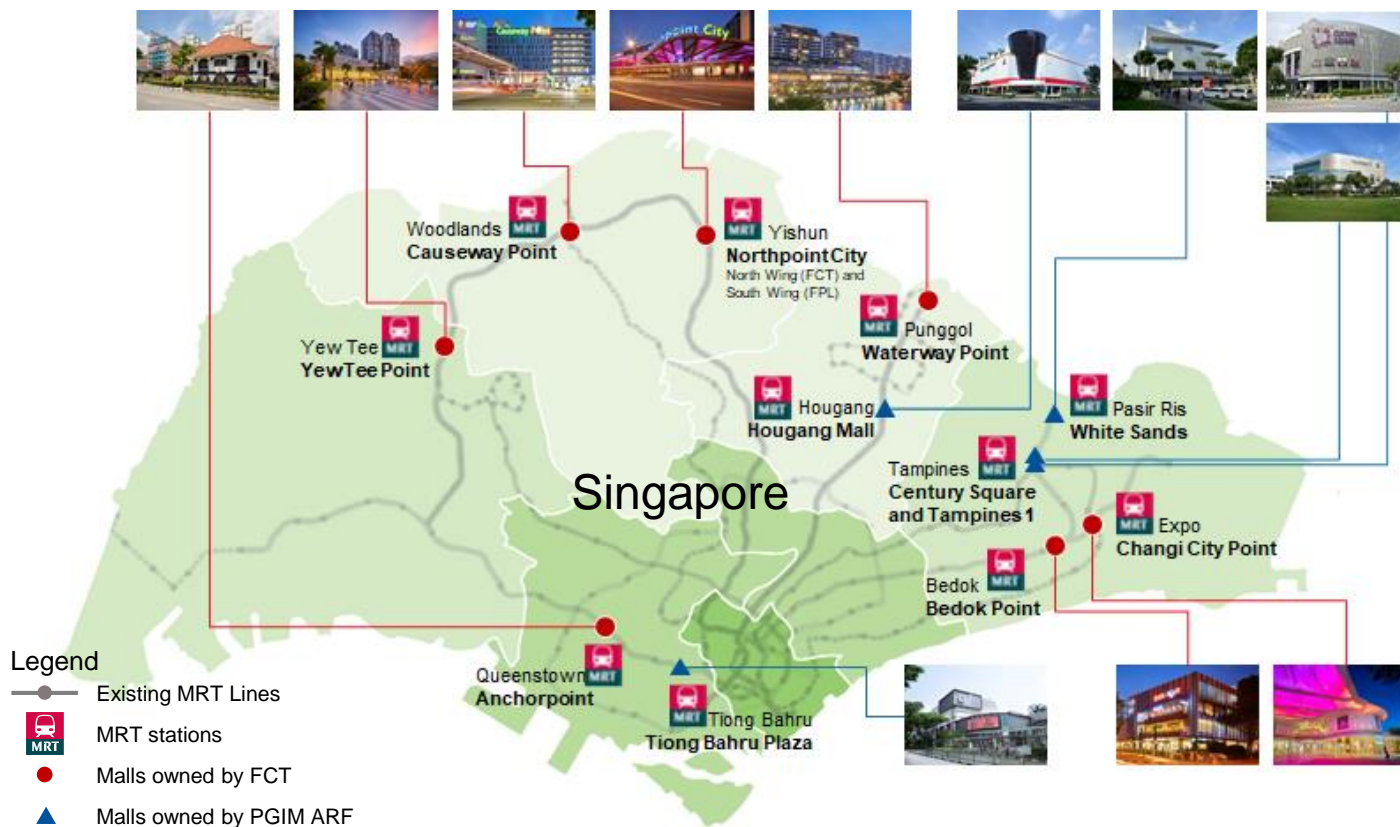
Waterway Point

Strategic investments in FY2019 set stage for growth

- ◆ Invested ~S\$910 million in the acquisition of significant stakes in PGIM ARF and in SST (which holds Waterway Point)
- ◆ These strategic investments set stage for FCT's next phase of growth
- ◆ FCT remains a Singapore-centric and suburban-focused retail REIT

2019						
Feb	Mar	Apr	May - Jun	Jul	Sep	Oct
Announced acquisition of 17.1312% in PGIM ARF for S\$342.5 million	Announced acquisition of 1.67% in PGIM ARF for S\$33.5 million	Completion of the acquisitions in PGIM ARF to bring total stake to 18.8%	Announced proposed acquisition of 33⅓% in Waterway Point for total outlay of S\$440.6million Raised total of ~S\$437.4 million from EFR, Comprising ~S\$369.6million from Private Placement and ~S\$67.7 million from Preferential Offering	Stake in PGIM ARF increased to 21.13% subsequent to shareholder redemption in PGIM ARF on 30 Jun 2019 Completion of acquisition of 33⅓% in Waterway Point	FCT joins FTSE EPRA/NAREIT Global Developed Index wef 23 Sep 2019 Announced acquisition of additional 6⅔% in Waterway Point for total outlay of S\$89.6million Completion of acquisition of 6⅔% in Waterway Point to bring total stake to 40.0%	Stake in PGIM ARF increased to 24.82% subsequent to shareholder redemption in PGIM ARF on 30 Sep 2019

Singapore-centric, suburban focused portfolio



Note: FCT holds 24.82% in PGIM ARF and 40.0%-interest in Waterway Point as at 30 September 2019. The map above does not include The Centrepoint, Valley Point and Robertson Walk, which are retail properties owned by Frasers Property Limited.

Causeway Point



Going forward

3-pronged growth strategy

Acquisition Growth

Northpoint 2
YewTee Point
2010



Bedok
Point
2011



Changi
City
Point
2014



Yishun 10
Retail
Podium
2016



Investment
in PGIM
ARF
2019

24.82% in
PGIM ARF

Waterway
Point
(40%-stake)
2019



Future Opportunities

- Northpoint City South Wing
- Acquisition opportunities of 3rd party assets

Asset Enhancement Growth

Anchorpoint
2008



Northpoint
2010



Causeway Point
2012



Northpoint City
North Wing
2017



Causeway Point
2019
Underground Pedestrian Link



Organic Growth



Rental
growth



Active lease
management



Maintain high
occupancy



Grow
footfall



Environmental, social
and governance (ESG)
initiatives

Summary

Poised for growth

- ◆ The S\$910 million of investments which FCT made in FY2019 is transformational and will strengthen its position as a leading suburban retail REIT in Singapore
- ◆ Opportunity for growth through acquisitions
- ◆ The key malls in FCT's portfolio are well-located in the Northern and Eastern Gateways with positive prospects for economic and population growth. The malls are also located in regions with low retail space per capita and limited future retail supply

Quality assets with resilient performance

- ◆ FCT's portfolio of quality suburban retail assets remain resilient through economic cycles due to its focus on necessity spending and F&B and it offers convenience, accessibility and experiential advantages that underpin its relevance to shoppers

Pure play Singapore-centric, suburban- focused REIT

- ◆ FCT is focused on the Singapore suburban retail sector and will continue to expand its presence in this sector

Thank you

**Experience
matters.**

