

ANNUAL GENERAL MEETING

22 June 2020

CREATING VALUE. PURSUING GROWTH.



BHG RETAIL REIT

- Financial Highlights
- Property Updates
- COVID-19 China
- Outlook



客户最多购买2张(每张最多可累计使用2张), 数量有限售完为止
使用本券不可退货, 只支持购物, 在品牌结账时线上核销, 此活动
优惠同时享用!
详见下方参与门店

中华联购物中心: 07
川卡中心: 010-5

dysc

JACK

美罗家
NANCACY

PLATANE

Semira

SIX

APP 50元团

餐饮代金券

月10日-

50元团100元

抢购

团100元

用。

购物中心口碑商圈二

换并换纸质券。

最多可享受1次优惠, 再档活动

同享

动同享

动同享

动同享

动同享

动同享

动同享

动同享

动同享

动同享

动同享

动同享



Financial Highlights

edit10



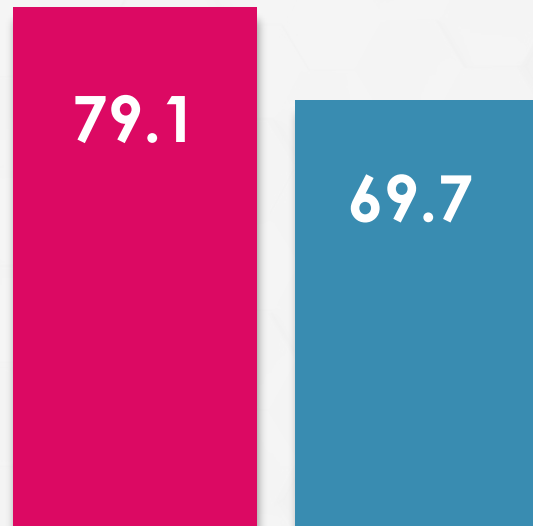
Photo of Beijing Wanliu



Financial Highlights: FY 2019

Gross Revenue¹

 **13.5%**
Year-on-year

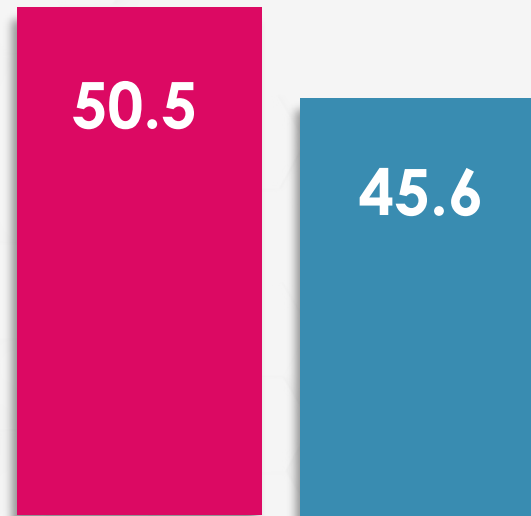


2019 2018

SGD million

Net Property Income¹

 **10.6%**
Year-on-year



2019 2018

SGD million

Amount to be Distributed
to Unitholders FY 2019^{1,2}

16.8
SGD million

Annualised
Distribution Yield
FY 2019^{1,2,3}

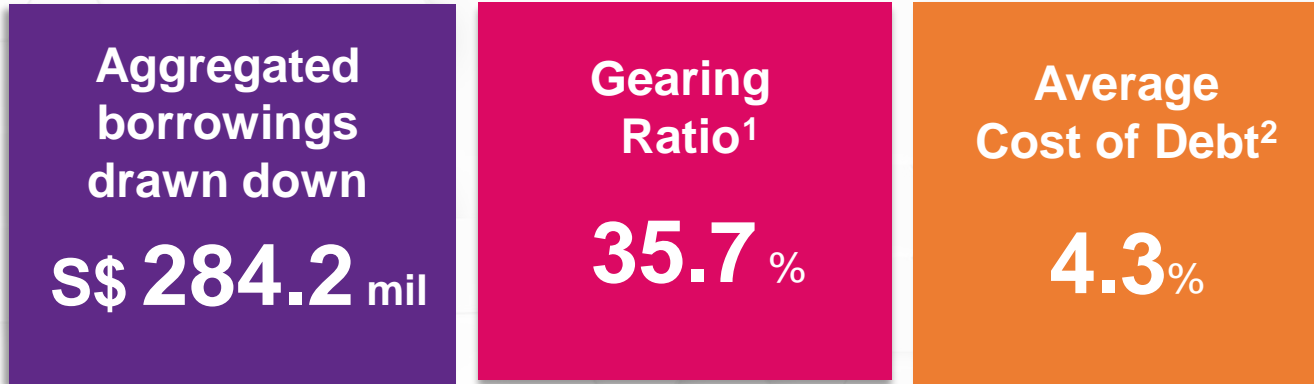
5.6%

1. Includes contribution from Hefei Changjiangxilu Mall which was acquired on 2 April 2019.
2. In FY 2019, approximately S\$1.9 million of the amount available for distribution has been retained in anticipation of higher operational expenses and working capital requirements of the REIT's enlarged portfolio.
3. Based on closing price of S\$0.685 as at 31 December 2019, and FY 2019 Distribution per Unit.



Capital Management

As at 31 December 2019



- Above 80% of borrowings are denominated in Singapore dollars and US dollars, and the remaining is denominated in Renminbi.
- About 60% of offshore loans hedged from a floating to fixed rate via interest rate swaps.
- As at 31 March 2020, aggregated borrowings drawn down amounted to S\$294.6 million. Gearing ratio¹ and average cost of debt² remained stable at 35.3% and 4.2% respectively.



1. Based on total borrowings and deferred payments over the deposited properties in accordance with the Property Funds Appendix. MAS gearing ratio was revised from 45% to 50% on 16 April 2020, to provide S-REITs greater flexibility to manage their capital structure and to raise debt financing.

2. Average cost of debt will be 5.0% per annum if amortisation of loan establishment and other related fees are included.

Property Updates



Photo of Chengdu Konggang



Portfolio Overview

MULTI-TENANTED



Beijing Wanliu
北京万柳



Hefei Mengchenglu
合肥蒙城路



Chengdu Konggang
成都空港



Hefei Changjiangxilu
合肥长江西路



MASTER-LEASED



Xining Huayuan
西宁花园



Dalian Jinsanjiao
大连金三角



Resilient Portfolio & Steady Catchment

Valuation¹
RMB **4.7** billion

Committed
Occupancy Rate²
94.7%

Weight Ave. Lease
Expiry by NLA²
6.4 Years

One-stop
destination
malls that
serve its
communities

Surrounded
by high
density
residential
areas

Strong focus
on
experiential
and lifestyle
segments

Underpinned
by rising
resident
income and
domestic
consumption



Photo of Hefei Mengchenglu

1 Based on independent valuation from Jones Lang LaSalle Corporate Appraisal and Advisory Limited as at 31 December 2019.

2 As at 31 March 2020.



Robust Leasing Demand & Occupancy Rate

● Multi-tenanted ● Master-leased

Occupancy Rate	31 Dec 2016	31 Dec 2017	31 Dec 2018	31 Dec 2019	31 Mar 2020
Beijing Wanliu	99.5%	100%	100%	96.2%	95.0%
Chengdu Konggang	91.3%	96.8%	97.0%	94.7%	91.2%
Hefei Mengchenglu	100%	100.0%	96.2%	95.1%	92.0%
Hefei Changjiangxilu	N.A.	N.A.	N.A.	97.6%	94.3%
Xining Huayuan	100%	100%	100%	100%	100%
Dalian Jinsanjiao	100%	100%	100%	100%	100%
Portfolio (NLA Weighted)	97.6%	99.7%	98.7%	96.7%	94.7%



Beijing Wanliu



Photo of Beijing Wanliu



Beijing Wanliu Refreshed Tenancies

Folli Follie Kids



Chao Zhou Ren 潮粥人



POP MART



Kamal Yoga 卡莫瑜伽



He Lü Sushi 禾绿寿司



M&G Shop 九木杂物社



Beijing Wanliu New Concept

Amazing Art Space 阿美滋艺术中心



- Refreshing art-making experience that caters to both adults and children
- Offers joint participation by parents and kids, as a form of family-bonding activity
- Using all kinds of materials (e.g pins, strings, lego blocks, used clothings, newspaper strips, etc)





Chengdu Konggang



Photo of Chengdu Konggang



Chengdu Konggang

Exterior Enhancement and New Concepts

Container-Style Food Lane 食来巷



- Introduced 10 container-style F&B stores
- Added vibrancy along the mall's exterior
- Enhanced attractiveness and visibility of mall's offerings to nearby community



Traditional Chinese Architecture Teahouse



- Interesting pairing of a traditional Chinese architecture teahouse with the modern offerings of a mall.
- Customers can enjoy both indoor or outdoor garden-like seating.



Hefei Mengchenglu



Photo of Hefei Mengchenglu



Hefei Mengchenglu Supermarket Resizing & Asset Enhancement Completed in 2Q 2019

- Unlocked underlying potential of newly released space
- Rejuvenated basement 1 & 2 clusters
- Installed additional set of escalators
- Introduced several new dining selections such as 文章捞面, 韩宫宴, 老商户, 厝内小眷村
- Created synergy between supermarket and adjacent tenants
- Enhanced and increased overall traffic flow





Awards & Accolades

2019 Singapore Governance & Transparency Index (REIT)

Ranked
7th / 46

Assessment By National University of Singapore (NUS) Business School

Singapore Governance and Transparency Index 2019 – Reit and Business Trust Category

RANK 2019	COMPANY NAME	BASE SCORE	ADJUSTMENTS FOR BONUSES/PENALTIES	OVERALL SGTI 2019 SCORE	OVERALL SGTI 2018 SCORE	RANK 2018	RANK 2019	COMPANY NAME	BASE SCORE	ADJUSTMENTS FOR BONUSES/PENALTIES	OVERALL SGTI 2019 SCORE	OVERALL SGTI 2018 SCORE	RANK 2018	RANK 2019	COMPANY NAME	BASE SCORE	ADJUSTMENTS FOR BONUSES/PENALTIES	OVERALL SGTI 2019 SCORE	OVERALL SGTI 2018 SCORE	RANK 2018
1	CAPITALAND COMMERCIAL TRUST	84.5	16	100.5	95.7	2	19	SPH REIT	66.5	17	83.5	83.2	13	37	QUE COMMERCIAL REIT	61.8	9	70.8	69.7	31
2	CAPITALAND MALL TRUST	85.5	14	99.5	102.1	1	20	QUE HOSPITALITY TRUST	65.1	18	83.1	80.3	21	38	LIPPO MALLS INDO RETAIL TRUST	65.3	5	70.3	68.9	33
3	ASCOTT RESIDENCE TRUST	85	13	98	88.9	3	21	AIMS APAC REIT	75.9	7	82.9	77.3	24	39	EC WORLD REIT	68.8	0	68.8	68.9	33
4	CAPITALAND RETAIL CHINA TRUST	80.2	16	96.2	84.9	9	22	MAPLETREE COMMERCIAL TRUST	71	11	82	81.8	14	40	SOILBUILD BUSINESS SPACE REIT	69.5	-5	64.5	74.4	27
5	FRASERS COMMERCIAL TRUST	74.9	17	91.9	83.5	12	23	IREIT GLOBAL	69.6	12	81.6	84.3	11	41	FIRST REAL ESTATE INV TRUST	51.3	13	64.3	59.1	39
6	FAR EAST HOSPITALITY TRUST	80.4	10	90.4	66.7	35	24	ESR-REIT	74.4	7	81.4	80.8	18	42	ASIAN PAY TELEVISION TRUST	56.2	7	63.2	65.9	37
7	BHG RETAIL REIT	75.5	14	89.5	84.5	10	25	SUNTEC REAL ESTATE INV TRUST	65.3	15	80.3	66.6	36	43	HUTCHISON PORT HOLDINGS TRUST	49.1	11	60.1	48.1	40
8	ASCENDAS REAL ESTATE INV TRUST	79.4	9	88.4	86.7	5	26	CACHE LOGISTICS TRUST	69.8	10	79.8	70.3	30	44	FIRST SHIP LEASE TRUST	57	-9	48	27.4	42
9	KEPPEL DC REIT	77.3	14	87.3	86.7	5	27	ACCORDIA GOLF TRUST	63.7	14	77.7	69	32	45	SASSEUR REIT	50.2	-5	45.2	-	NA
10	CDL HOSPITALITY TRUSTS	67.9	19	86.9	86.7	5	28	ASCENDAS HOSPITALITY TRUST	72.4	5	77.4	70.5	29	46	SABANA SHARI'AH COMPLIANT REIT	56.5	-12	44.5	22.3	43
11	FRASERS LOGISTICS & IND TRUST	74.1	12	86.5	80.9	17	29	ASCENDAS INDIA TRUST	73.2	4	77.2	76.1	25							
12	MAPLETREE LOGISTICS TRUST	73.9	12	85.9	81.6	15	30	DASIN RETAIL TRUST	63	14	77	-	NA							
13	MAPLETREE NORTH ASIA COMM TRUST	73.8	12	85.8	78	22	31	KEPPEL INFRA TRUST WEF 2015	68.6	8	76.6	80.8	18							
14	KEPPEL REIT	76.8	8	84.8	88.5	4	31	PARKWAYLIFE REIT	64.6	12	76.6	74.5	26							
15	FRASERS HOSPITALITY TRUST	77.5	7	84.5	80.6	20	33	MANULIFE US REIT	68.7	6	74.7	64.2	38							
15	MAPLETREE INDUSTRIAL TRUST	75.5	9	84.5	77.5	23	34	NETLINK NBN TRUST	65.3	8	73.3	-	NA							
17	STARHILL GLOBAL REIT	73	11	84	85.7	8	35	KEPPEL-KBS US REIT	70.3	2	72.3	-	NA							
18	FRASERS CENTREPOINT TRUST	70.6	13	83.6	81.6	15	36	CROMWELL EUROPEAN REIT	62.3	9	71.3	-	NA							

*Base is the addition of SGTI Base Score and Trust-Specific Score

Notes:
 [1] Abbreviation: REIT - Real Estate Investment Trust -
 [2] SGTI 2019 assessed trusts based on their annual reports for Financial Year 2018 released by 31st May 2019. However, 1 cash trust was excluded.

BHG Retail REIT

The Only
Overseas-
Sponsored REIT
Ranked In Top
Ten

Ranked Highest
Amongst All
Overseas-
Sponsored S-
REITs

TOP TEN RANKING

1. CapitaLand Commercial Trust
2. CapitaLand Mall Trust
3. Ascott Residence Trust
4. CapitaLand Retail China Trust
5. Frasers Commercial Trust

6. Far East Hospitality Trust
7. **BHG Retail REIT**
8. Ascendas REIT
9. Keppel DC REIT
10. CDL Hospitality Trust



Awards & Accolades

	Awards	Results	Year
1	Asia Pacific Best of the Breed REITs Awards 2019 (Retail REIT category with market capitalisation of less than US\$1 billion)	Gold	2019
2	Singapore Governance & Transparency Index	7 th / 46	2019
3	Best Corporate Communications and Investor Relations	Gold	2019
4	Best Governed and Transparent Company	Silver	2019



COVID-19 China

Key COVID-19 Timeline

January 2020

- The Chinese government took stringent measures to contain the pandemic.
- These included the lockdown of Hubei Province, general travel restrictions, social distancing measures, closure of public facilities, and usage of designated delivery areas.

March 2020

- China adopted a progressive approach in reopening different parts of the country and business sectors.
- Hubei province lockdown lifted at end March.

May 2020

- Most businesses and major industrial enterprises have resumed operations.





COVID-19: BHG Retail REIT

Malls' Operations

- All malls, except Hefei Mengchenglu and Hefei Changjiangxilu, remained open in 1Q 2020.
- Hefei's authorities ordered the temporary closure of Hefei's public venues (including mixed commercial complexes and shopping malls) that are not related to the provision of basic necessities.
- As a result, Hefei Mengchenglu and Hefei Changjiangxilu underwent a temporary closure from 7 February 2020 to 10 March 2020 (certain F&B outlets providing delivery services and the supermarkets were permitted to continue operating).

Malls' Operating Hours

- All malls, except Hefei Mengchenglu Hefei Changjiangxilu, operated with slight (~2hours) reduction in operating hours in 1Q 2020.
- By end March 2020, all malls have resumed normal operating hours.

Stores Opening

- More than 90% of stores have resumed business as at early June 2020.
- Committed occupancy rate remains high at 94.7% as at 31 March 2020.

Rental Relief for Qualifying Tenants

- Due to the COVID-19 pandemic, tenants' businesses have been adversely impacted in 1Q 2020.
- As a socially-responsible owner of retail malls that operate in the community space, BHG Retail REIT is offering relief arrangements to qualifying tenants.
- These include rental rebates to help our valued tenants tide over the COVID-19 situation, and reinforce our relationship with them.

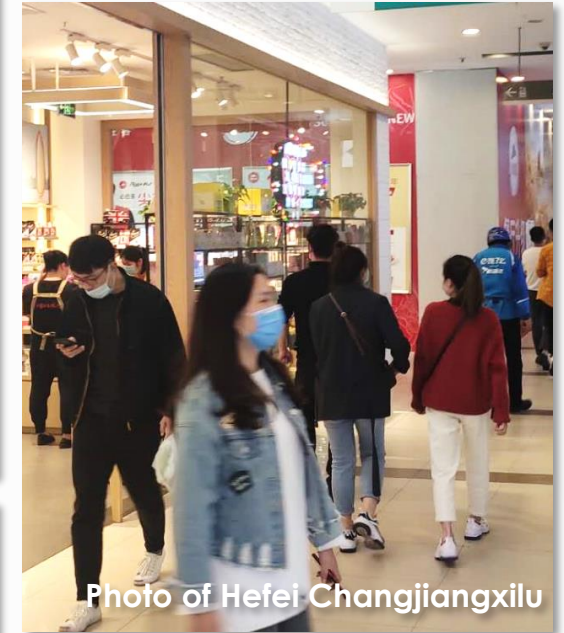


Photo of Hefei Changjiangxilu



Regular Cleaning & Disinfecting

**Outdoor Seats
@ Hefei Mengchenglu**



**Mall Entrance
@ Chengdu Konggang**



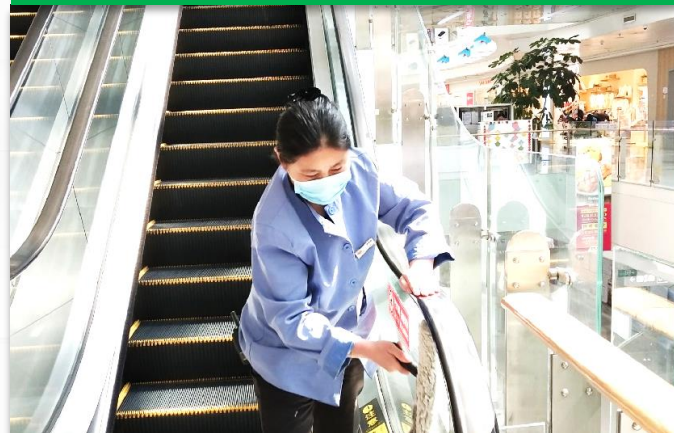
**Information Counter
@ Hefei Mengchenglu**



**Cargo Lift
@ Chengdu Konggang**



**Escalator
@ Beijing Wanliu**



**Nursing Room
@ Hefei Mengchenglu**





Creating A Clean & Safe Community Space

Staffs' Regular Temperature Checks @ Chengdu Konggang



QR Code Health Declaration & Recording of Visitors @ Hefei Mengchenglu



Shoppers' Temperature Scan @ Chengdu Konggang



Manual Health Declaration & Recording of Visitors (without Smartphone) @ Hefei Mengchenglu



Thermal Scan & Provision of Hand Sanitiser @ Beijing Wanliu



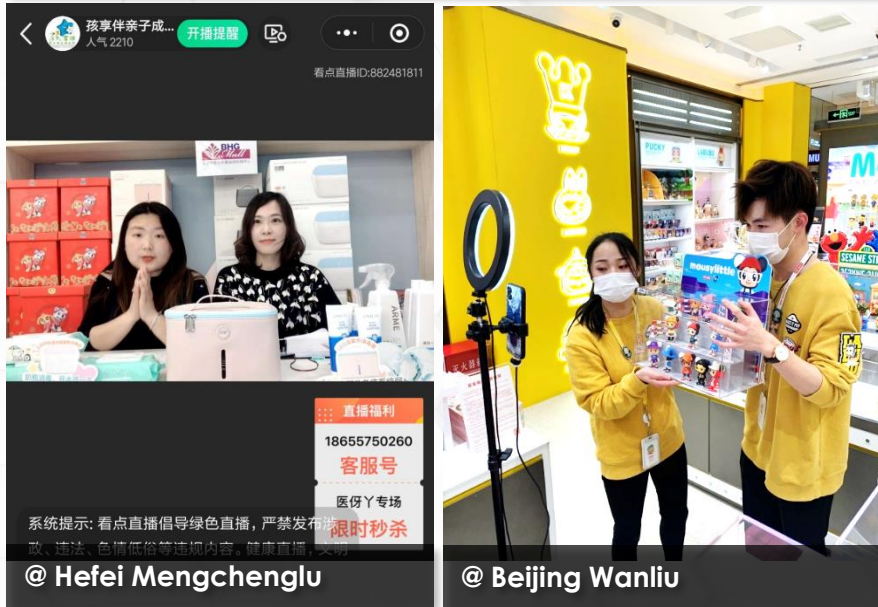
Hand Sanitiser For Shoppers @ Chengdu Konggang





Innovative New Retail @ Work

LIVE BROADCASTING



- Real-time in-shop experience.
- Interactions at the comfort and convenience of shoppers.
- Live broadcast launched via malls' and tenants' platforms for example WeChat and 爱逛直播间.

PRECAUTIONARY MEASURES VIDEO



- Mall management staff, on-site security and cleaning, and business operators jointly endorsed resilience of measures.
- Displayed measures adopted to ease shoppers' hesitation of physical visits.
- Video clips aired on WeChat, Douyin, and other online platforms.

WECHAT GROUPCHAT



- Established an exclusive BHG mall's WeChat group with participating merchants and members.
- Efficient channel to communicate promotions, events, as well as mall information.



Integrating Traditional & New Retail Interactions

RESUMPTION OF IN-MALL EVENTS



By Chengdu Konggang

ONLINE CONTEST + REWARDS

2020-03-10 11:27

已结束

厨艺大赛
—BHG MALL 厨艺大赛—

2020-03-11 14:04

守护天使·儿童绘画比赛

2020-03-20 14:04

已结束

致敬逆行者
众志成城
战疫情
—儿童绘画比赛—

96 选手数

8 总

By Chengdu Konggang

- Online contests gave out Red Packets as rewards which can be exchanged for gift items.
- These initiatives encouraged mall memberships and further spending.

F&B VOUCHERS

4.10-4.19

春暖花开 / 逛吃逛吃才过瘾

50购100 欢乐礼包

4月10日10:00
大众点评50团100元欢乐礼包

礼包内容

- 50元无门槛现金券1张
- 10元无门槛现金券5张

· 限量抢购, 在一楼服务台兑换纸质券后到指定商户使用

■ 每个ID限领一份; 现金券不返现金, 不折现; 可叠加使用

By Hefei Mengchenglu

满百减百

堂食开胃季

北京华联合肥长江西路购物中心

By Hefei Changjiangxilu

- In-mall marketing activities re-introduced progressively.

Doing Our Part For Communities

Donation of Daily Necessities to Neighbouring Police Patrol Post



Complimentary Refreshments for Public Service Officers



Donation of Daily Necessities to Mature Residential Neighbourhood & Epidemic Control Volunteers



Visitorship Recovery: Easing of Sentiments

Beijing Wanliu



Chengdu Konggang



Hefei Mengchenglu



Hefei Changjiangxilu





Outlook





China Macroeconomic Outlook

FY2019¹

+6.1%

China GDP
Growth in 2019
(y-o-y)

+8.0%

China Retail Sales
Growth in 2019
(y-o-y)

+7.9%

Disposable income
per capita for urban
residents in
2019 (y-o-y)

+7.5%

Expenditure
per capita for urban
residents in
2019 (y-o-y)

Urban residents increase from
59.6% in 2018 to 60.6% in 2019

Look Forward

- As a result of containment measures for COVID-19 adopted across the nation, China registered a year-on-year decline in its 1Q 2020 economic performance.
- Chinese authorities have rolled out a combination of monetary and fiscal measures to support its economy.
- People's Bank of China implemented monetary policies such as reserve requirement ratio cuts, and expansion of special re-lending quota.
- In addition, fiscal and other support measures announced include reduction of property tax, land use tax, social security fund contribution, utilities charges, etc
- Notwithstanding this near-term headwind, the Manager remains focused and committed to proactively manage the existing portfolio, as well as to pursue growth.



Looking Forward

Creating Organic Value

Proactive Asset Management

- Reinforce community positioning of our malls
- Improve rents while maintaining high occupancy rates
- Build firm partnerships with tenants, and demonstrate proactive tenant management
- Proactive marketing strategies
- Tap on the Sponsor's (Beijing Hualian Department Store Co., Ltd.) and Beijing Hualian Group's retail network and experience

Proactive Asset Enhancement

- Identify opportunities to improve the malls
- Achieve better efficiency or higher rental potential
- Upgrade existing facilities and reconfigure existing spaces

Pursuing Acquisition Growth

- Completed acquisition of Hefei Changjiangxilu in April 2019.
- We will continue to explore acquisition opportunities in both right of first refusal and third party quality income-producing retail properties.





Disclaimer

Certain statements made in this presentation may not be based on historical information or facts and may constitute “forward-looking” statements (including forward-looking financial information). Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements and/or financial information as a result of a number of factors, risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, the present and future business strategies, the environment in which BHG Retail REIT will operate in the future, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), 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 and/or financial information, as these statements and/or financial information reflect the Manager’s current views concerning future events and necessarily involve risks, uncertainties and assumptions.

The information contained in this presentation has not been independently verified. No representation or warranty, expressed or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this presentation. Neither BHG Retail Trust Management Pte. Ltd. (the “Manager”) or any of its affiliates, advisors, representatives or agents shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this presentation or its contents or otherwise arising in connection with this presentation.

The value of units in BHG Retail REIT (“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 BHG Retail REIT and the Manager is not necessarily indicative of the future performance of BHG Retail REIT and the Manager.

Investors have no right to request the Manager to redeem or purchase their Units while the Units are listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”). It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on SGX-ST does not guarantee a liquid market for the Units.

This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units.



Thank you

For further information and enquiries:

BHG Retail Trust Management Pte. Ltd.

Contact: (65) 6805 8283 Email: ir@bhgreit.com

Website: <http://www.bhgreit.com>