

FY 2021 Results Presentation

25 February 2022

Anchoring Foundations. Staying Resilient.



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FY 2021 Key Highlights

+16.6%
Gross Revenue
(SGD)
in FY 2021
(y-o-y)

+14.9%
Net Property
Income (SGD)
in FY 2021
(y-o-y)

+17.2%
Amount to be
Distributed to
Unitholders
FY 2021¹ (y-o-y)

97.0%
Portfolio
Occupancy²

34.1%
Gearing²

Revitalising
Tenancies
Enhancing
Experiences

+8.1%
China GDP
Growth
in 2021³
(y-o-y)

+12.5%
China Retail
Sales Growth
in 2021³
(y-o-y)

+8.2%
Disposable
income
per capita for urban
residents
in 2021³ (y-o-y)



Photo of Chengdu Konggang

- 1 For the FY 2021, approximately \$1.2 million of the amount available for distribution has been retained for operational expenses and working capital requirements of the REIT.
- 2 As at 31 December 2021.
- 3 Source: National Bureau of Statistics of China.





Financial Update



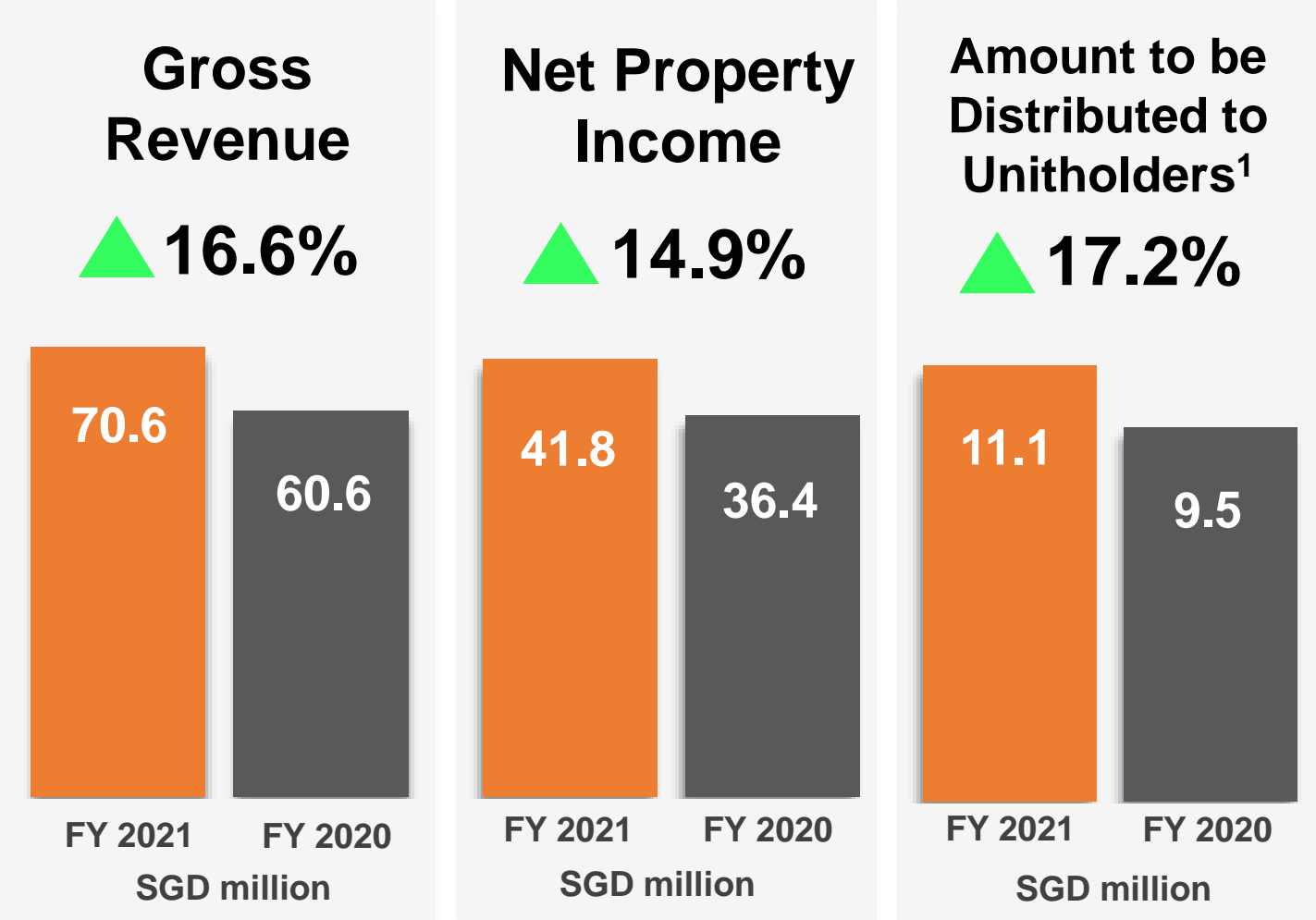
Photo of Beijing Wanliu

Healthy Recovery in FY 2021

FY 2021 vs FY 2020



Photo of Chengdu Konggang



¹ For the FY 2021, approximately \$1.2 million of the amount available for distribution has been retained for operational expenses and working capital requirements of the REIT.

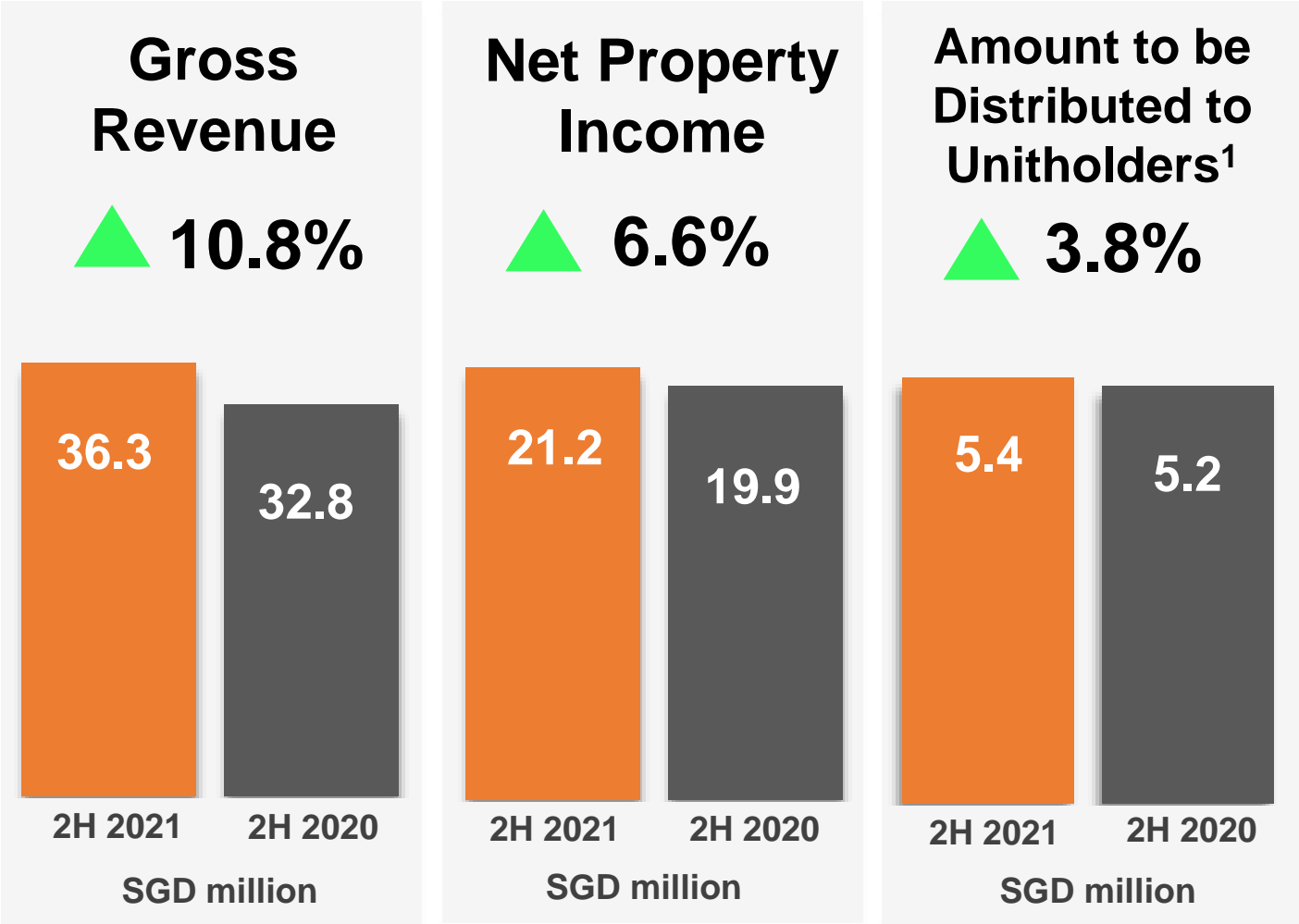


Healthy Recovery in 2H 2021

2H 2021 vs 2H 2020



Photo of Beijing Wanliu



¹ For the 2H 2021, approximately \$0.6 million of the amount available for distribution has been retained for operational expenses and working capital requirements of the REIT.



2H 2021 Distribution Payment

Distribution Details

Distribution Period	1 July 2021 to 31 December 2021
Distribution Per Unit (SGD)	1.05 cents per unit

Distribution Timetable

Ex-Date	10 March 2022
Books Closure Date	11 March 2022
Payment Date	31 March 2022



Robust Financial Position

As at 31 December 2021

SGD million

Investment Properties	992.7
Total Assets	1,044.6
Total Liabilities	387.8
Net Assets	656.8
Net Asset Value Per Unit ¹ (SGD cents)	0.92



Street Dance Event @ Chengdu Konggang

1. Based on Net assets attributable to Unitholders.



Capital Management

Healthy Gearing With Debt Headroom For Growth

As at 31 December 2021

Aggregated borrowings drawn down
S\$296.1m

Gearing Ratio¹

34.1 %

Average Cost of Debt²

3.9%

Interest Coverage Ratio³

2.8 x

- More than 80% of borrowings are denominated in Singapore dollars and US dollars (“Offshore”).
- About 60% of offshore loans hedged via interest rate swaps.



1. Based on total loans and borrowings principal attributable to Unitholdings divided by total assets attributable to Unitholders. MAS gearing ratio was raised 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 4.7% per annum if amortisation of loan establishment fee is included.
3. Interest coverage ratio means a ratio that is calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), by the trailing 12 months interest expense and borrowing-related fees.





Portfolio Update



Photo of Chengdu Konggang

Portfolio Overview

MULTI-TENANTED



Beijing Wanliu



Hefei Mengchenglu



Chengdu Konggang



Hefei Changjiangxilu



MASTER-LEASED



Xining Huayuan



Dalian Jinsanjiao



Portfolio Overview¹

6
Properties

4,678.0
(RMB million)
Valuation²

180,229
Net Lettable Area
(NLA) sqm

97.0%
Committed
Occupancy Rate

6.0 Years
Weighted Ave.
Lease Expiry by NLA

	Beijing Wanliu	Chengdu Konggang	Hefei Mengchenglu	Hefei Changjiangxilu	Xining Huayuan	Dalian Jinsanjiao
Valuation ² (RMB million)	2,511.5 ³	663.0	584.0	480.5	274.0	165.0
NLA (sqm)	52,592	39,171	25,329	26,985	20,807	15,345
Committed Occupancy Rate	96.1%	98.0%	91.3%	98.2%	100.0%	100.0%
WALE (NLA) years	4.0	3.6	3.4	4.3	13.0	13.0

1 As at 31 December 2021.

2 Based on independent valuation from Knight Frank Petty Limited as at 31 December 2021.

3 Based on 100% interest of Beijing Wanliu. Valuation of Beijing Wanliu based on 60% interest amounted to RMB 1,506.9 million.

● **Multi-tenanted**
● **Master-leased**



Lease Expiry Profile

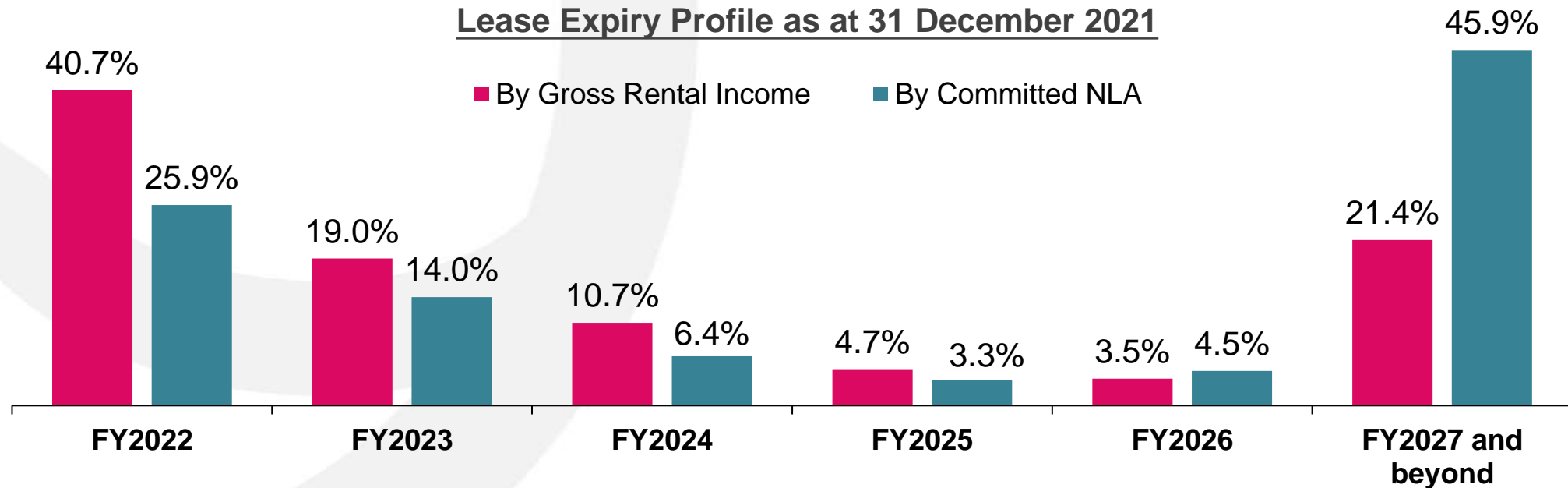
**Weighted average lease expiry (WALE)
as at 31 December 2021**

By Gross Rental Income: 3.6 years

By Committed NLA: 6.0 years



Lease Expiry Profile as at 31 December 2021

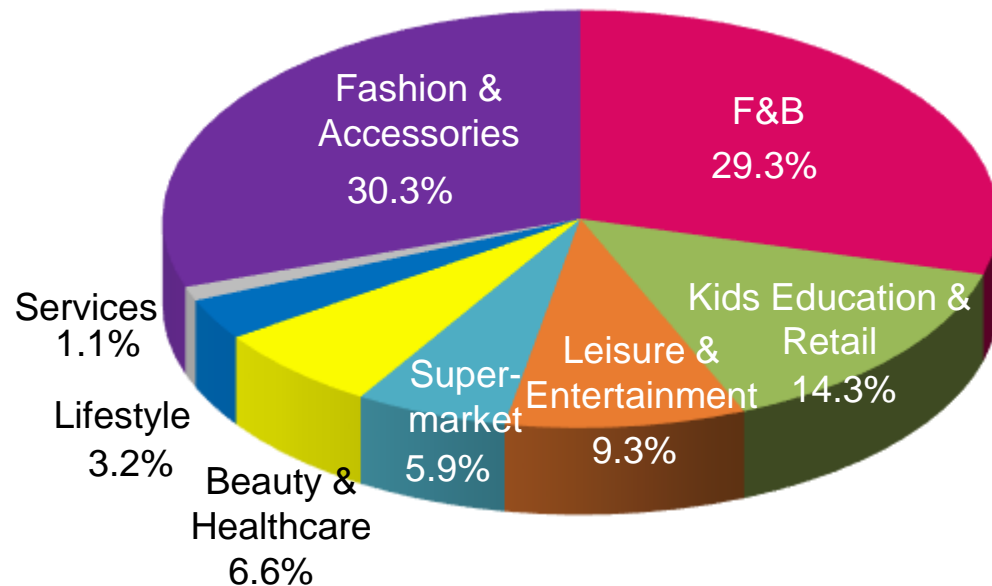


Diversified Tenant Mix

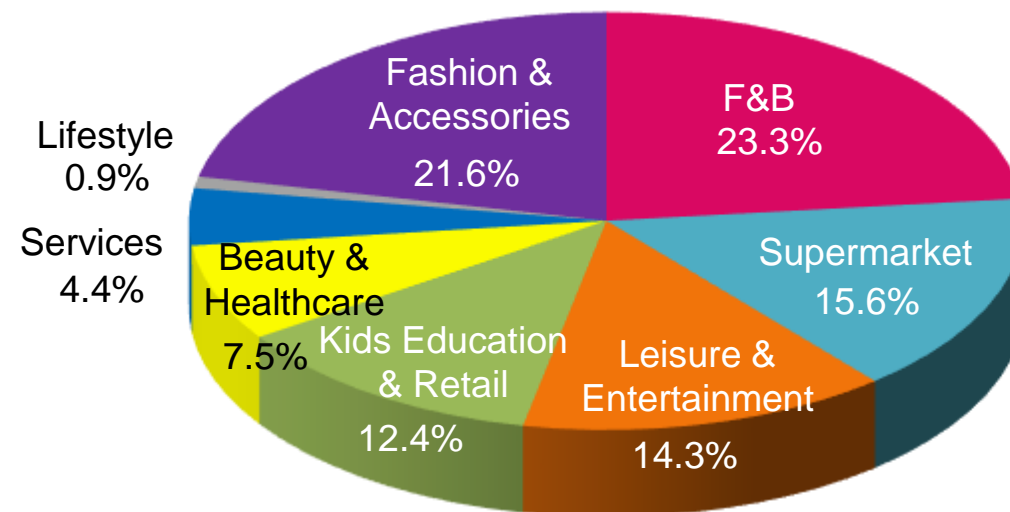
Close to 70% of Gross Rental Income and 80% of Net Lettable Area from experiential segment (exclude fashion & accessories)

Multi-tenanted Malls (As at 31 December 2021)

Breakdown of Gross Rental Income by Trade Sector



Breakdown of Net Lettable Area by Trade Sector





Revitalising Tenancies

Enhancing Experiences



Photo of Beijing Wanfu



Beijing Wanliu: Forefront of New Experiences

CTC 首泰 (Mixed Martial Arts School)



SUPERMONKEY 超级猩猩健身 (Gym)



Guang He Xiong Mao 光合熊猫 (Yoga and Wellness)



Tian Xin Meng Chong 甜心萌宠 (Pet Shop)





Popular F&B Chains Opening

Qin Xi Li 秦西里



@ Hefei Changjiangxilu



Wu Xian Kitchen 伍鲜厨房



@ Chengdu Konggang



Chuan Zhi Dao 川知道



@ Chengdu Konggang



Popular F&B Chains Opening

Dan Xing Tuan 蛋青团



Yu Huo Yao 渝火肴



Wu Kong Hong Bei 悟空烘焙 (Bakery)





Children & Others

RVB Learning Center



Xiaomi 小米



YOUNG (BY LINING)



REYIBO





Engaging Communities Creating Lasting Memories



Photo of Chengdu Konggang



Children & Family Activities



Halloween Activities @ Hefei Changjiangxilu



Christmas Carnival @ Hefei Changjiangxilu



Children Art & Craft @ Beijing Wanliu



Children & Family Activities



Art Workshop @ Hefei Changjiangxilu



National Day Celebration @ Hefei Changjiangxilu



Aviation Exhibition @ Chengdu Konggang



Cultural & Traditional Activities



Children Cultural Performance @ Chengdu Konggang



Community Cultural Performance @ Hefei Changjiangxilu



Mid-Autumn Festival @ Chengdu Konggang

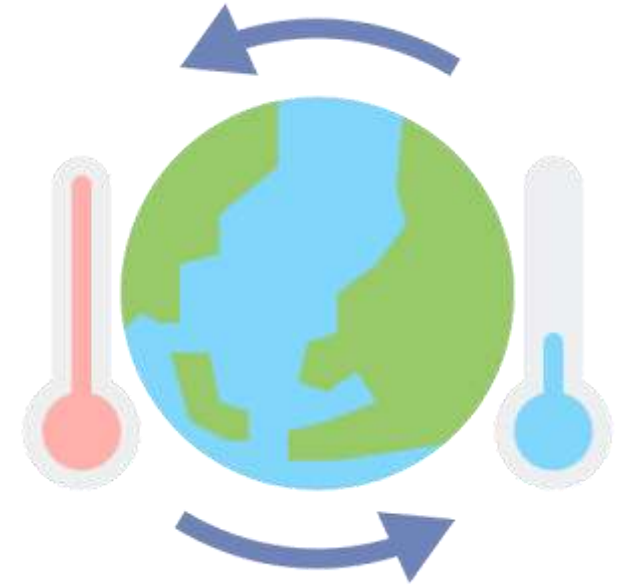
Our Sustainability Journey

Background

- **We are cognisant of Environmental, Social and Governance (ESG) issues that are relevant for BHG Retail REIT and our stakeholders**
- **Proactively strive to address these ESG issues which are taken into account during our business strategy formulation**
- **Started annual sustainability reporting and issued first Sustainability Report in FY 2018**

Climate Change

- **We recognise that climate change poses widespread and severe impact to the environment we live in**
- **Constantly finding ways to reduce carbon emission and started exploring innovative solutions for our retail properties**
- **Started climate risk assessment and scenario analysis in FY 2021 for our retail properties located in China**



Our Sustainability Journey: Environmental

Water Management

Implemented practices to control and manage water wastage. Such as:

- ✓ Utilising water-efficient flushing cisterns
- ✓ Installing motion sensor water faucets;
- ✓ Reducing tap flow rate



Energy Efficiency

Established energy savings plan to ensure energy efficiency through lighting management efforts and optimisation of air-conditioning system output: Such as:

- ✓ Installing motion sensor-based & timing-controlled lights and LED lights;
- ✓ Installing air curtains, strip curtains and sunshades to dissipate excess heat, keeping the mall interior cool without requiring a high system output;
- ✓ Regular readjustment of system output based on actual weather condition and temperature to minimise energy wastage



Our Sustainability Journey: CSR Initiatives in 2021

Complimentary Public Health Check 慈善义诊



Clothes Collection & Redistribution



Donation of Refreshments to Public Service Officers



Gifts Donation to ItsRainingRaincoats



Our Sustainability Journey: Governance

Awards	Results	Year
1 Best Corporate Communications and Investor Relations (The Global Good Governance Awards™ 2021)	Platinum	2021
2 Best Governed and Transparent Company (The Global Good Governance Awards™ 2021)	Silver	2021
3 Asia Pacific Best of the Breed REITs Awards™ 2020 (Retail REIT category with market capitalisation of less than US\$1 billion)	Gold	2020



Photo of Hefei Changjiangxilu



Looking Forward



Photo of Beijing Wanlu

China Macroeconomic Outlook¹

China	2021
GDP Growth (year-on-year)	+8.1%
Retail Sales Growth (year-on-year)	+12.5%
Disposable income per capita for residents (year-on-year)	+8.2%

Look Forward

- China's gross domestic product¹ ("GDP") grew 8.1% year-on-year to RMB 114.4 trillion for the full year 2021. The average² two-year growth for 2021 was 5.1% year-on-year.
- According to CBRE³, China's consumption remains strong despite sporadic COVID-19 outbreaks. Steady recovery in leasing demand drove rental growth.
- Amidst successive waves of new variants, Premier Li Keqiang⁴ (on 5th January 2022) stressed intensified implementation of tax and fee cuts to provide relief to businesses and revitalize the market. The Chinese authorities reiterated⁴ that prudent monetary policies will be implemented, with liquidity maintained at a reasonable and ample level.

1. Source: National Bureau of Statistics of China.
 2. The National Bureau of Statistics of China has disclosed the "average two-year growth rate (year-on-year)", in light of irregular fluctuations arising from the COVID outbreak in 2020. The average two-year growth (year-on-year) is the geometric mean of the growth with the data of the same period in 2019 as the base (ie 2019 vis-à-vis 2020, and 2020 vis-à-vis 2021).
 3. Source: CBRE Market View.
 4. Source: State Council of the People's Republic of China.



Looking Forward

Notwithstanding the near-term uncertainties and headwinds from COVID-19, the Manager remains focused and committed to proactively manage the existing portfolio, as well as to pursue growth.

Creating Organic Value

Proactive Asset Management

- Reinforce community positioning of our malls
- Improve rents while maintaining healthy 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.



Photo of Beijing Wanliu



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Thank you

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