

Frasers Centrepoint Trust

Investor Presentation for

SGX-Credit Suisse Singapore Virtual Corporate Days
17-18 June 2020

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Contents

- FCT Overview
- 2Q20 Results Highlights
- Update on COVID-19 situation
- Summary
- Q&A

Frasers Centrepoint Trust (FCT)

Singapore-centric, suburban focused retail REIT

- SGX-listed REIT that owns and invests primarily in suburban retail properties in Singapore, focused on Singapore **domestic necessity spending, F&B and services**
- FCT's property portfolio comprises **7 suburban retail properties** in Singapore totalling **1.4 million sq ft of NLA**. FCT also owns a 24.82% stake[1] in PGIM AsiaRetail Fund Limited ("PGIM ARF") which owns, among others, 5 suburban retail properties in Singapore totalling **1.0 million sq ft of NLA,** and 31.15% stake in Hektar REIT which owns a portfolio of suburban retail properties in Malaysia.
- Opportunities to acquire retail properties from Sponsor and 3rd parties to support growth
- Sponsored by **Frasers Property Limited**, a multi-national company that owns, develops, and manages a diverse and integrated property portfolio



FCT Stock information

Tickers: SGX:J69U | Bloomberg: FCT SP | Reuters: J69U.SI

Financial Year End: September

Market capitalisation: S$2.7 billion (15 Jun 2020)

Substantial Unitholders:

- Frasers Property Limited: 36.5%
- Schroders plc: 5.1%

Key Indices of which FCT is a constituent:

- FTSE EPRA/NAREIT Global Real Estate Index Series (Global Developed Index)
- MSCI Singapore Small cap Index
- FTSE ST Real Estate Investment Trusts Index

1. FCT and FPL each owns approximately 24.8% and approximately 63.1% stake in PGIM ARF, respectively

Singapore-centric, suburban-focused portfolio

Resilient portfolio well-positioned for growth

FRASERS CENTREPOINT TRUST

FCT Retail Portfolio (~1.4 million sq ft NLA)

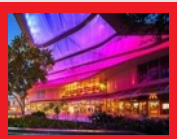

Anchorpoint


YewTee Point

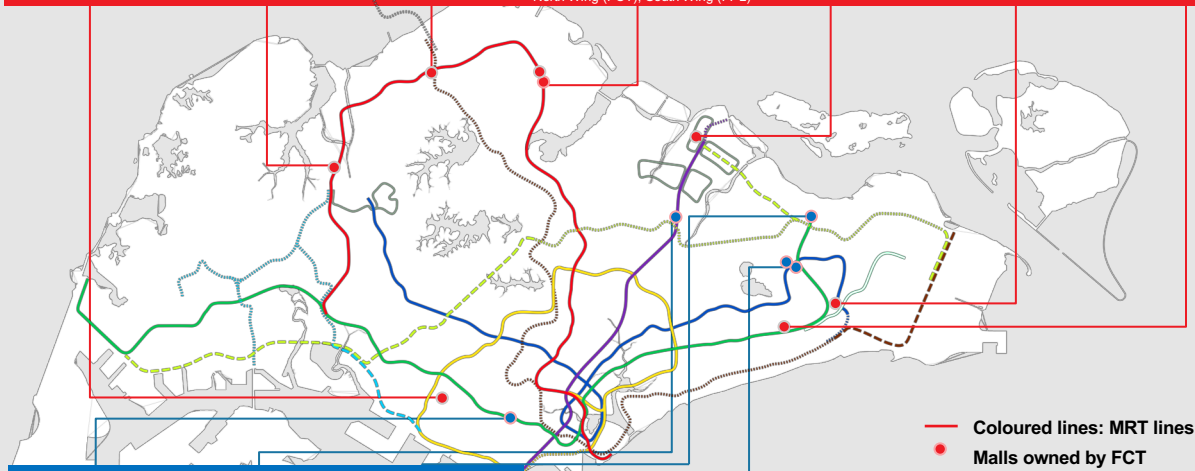

Causeway Point


Northpoint City
North Wing (FCT), South Wing (FPL)


Waterway Point[1]


Changi City Point


Bedok Point



PGIM ARF Retail Portfolio (~1.0 million sq ft NLA)


Tiong Bahru Plaza


Hougang Mall


White Sands Mall


Century Square


Tampines 1

1. FCT owns 40.0% of Sapphire Star Trust which holds Waterway Point
2. FCT and FPL each owns approximately 24.8% and approximately 63.1% stake in PGIM ARF, respectively

- Key malls Causeway Point, Northpoint City, Waterway Point are dominant malls in their respective precinct
- Wide catchment coverage in the populous North, North-eastern and Eastern regions of Singapore
- Malls are located near/next to MRT stations and / or bus interchanges with high shopper traffic flow



2Q20 Results Highlights

Waterway Point

2Q20 Results Highlights



Waterway Point, Singapore

S$3.7 billion
Total Assets

>1.4 million sq ft
Portfolio Net Lettable Area

7
Properties under management

Financial highlights

- Gross revenue of S$50.2 million, up 0.9% y-o-y
- NPI of S$36.0 million, down 1.3% y-o-y
- DPU of 1.61 cents, down 48.7% y-o-y (2Q19: 3.137 cents)
- NAV and NTA per Unit of S$2.21 as at 31 March 2020
- Gearing level at 34.7%[1] as at 31 March 2020

Operational update

- 96.1% portfolio occupancy as at 31 March 2020
- Year-to-date portfolio average rental reversion at 5.2%[2]

Post results key events

- 13 May 2020: Change to half-yearly reporting of financial results and to half-yearly distributions
- 11 May 2020: Issue of S$200 Million 3.2% Notes due 2023

1. In accordance with the Property Funds Appendix, the gearing ratio included FCT's 40% proportionate share of deposited property value and borrowing in SST. This gearing includes S$80 million of short-term borrowing drawn on 27 March 2020 to repay a S$90 million MTN which matured on 3 April 2020. Post the MTN repayment, the gearing is 33.3%
2. Includes Waterway Point

2Q20 Financial highlights

- Revenue growth mainly from increase in gross rent from renewals and step-up rents from existing leases
- Retention of 50% of distributable income to preserve financial flexibility in current time of uncertainty
- DPU of 1.61 cents is 48.7% lower y-o-y, due to enlarged unit base and cash retained
- Proportion of management fee paid in new Units remains at 20%

S$'000	2Q20	2Q19	Increase / (Decrease)
Gross Revenue	50,168	49,733	0.9%
Property Expenses	(14,204)	(13,289)	6.9%
NPI	35,964	36,444	(1.3%)
Income available for distribution before dividends	25,199	27,673	(8.9%)
Dividends from associates and joint ventures	10,803[1]	1,135	851.8%
Income available for distribution	**36,002**	**28,808**	**25.0%**
Distribution to Unitholders	18,000	29,158	(38.3%)
DPU	1.610	3.137	(48.7%)

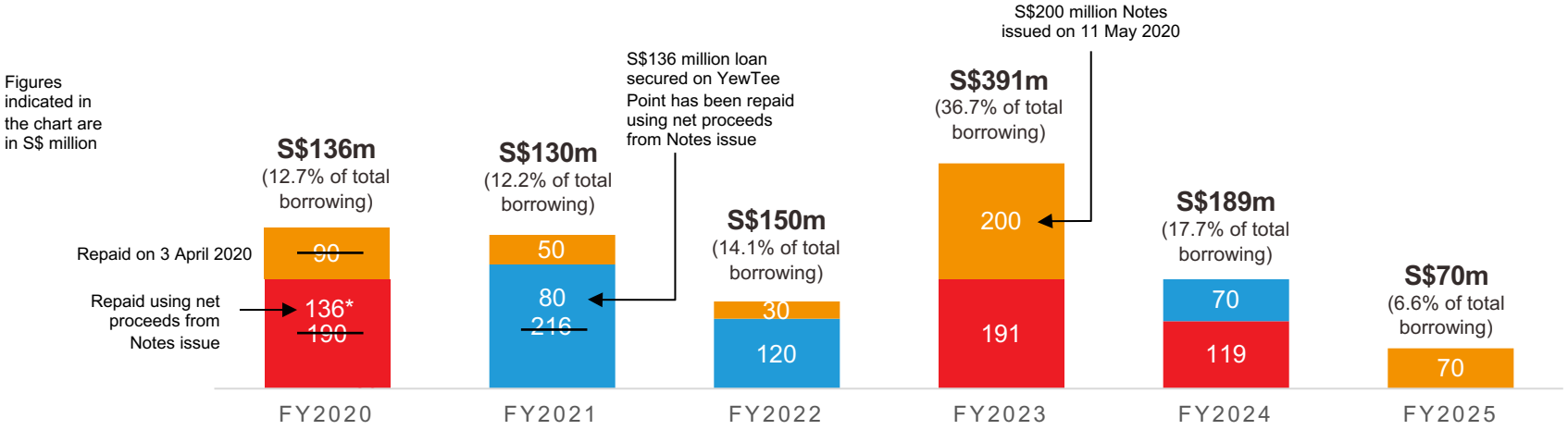
1. Includes dividends from PGIM ARF: S$6.012 million and SST: S$3.779 million (this amount excludes interest income of S$0.683 million from SST) (2Q19: nil)

Debt maturity profile

pro forma based on position as at 31 March 2020

- FCT announced on 11 May 2020 that it issued S$200 million 3.20% fixed rate notes (Notes) due 2023 pursuant to the S$3 billion multicurrency debt issuance programme
- Net proceeds were used for the re-financing of existing borrowings and general working capital and/or capital expenditure requirements of FCT and its subsidiaries

Type of borrowings	Aggregate amount
Unsecured bank borrowings	S$446.0 million (41.8%)
Medium Term Notes	S$350.0 million (32.8%)
Secured bank borrowings[1]	S$270.0 million (25.4%)
Total Borrowings	**S$1,066.0 million (100.0%)**



Any discrepancy between individual amount and the aggregate is due to rounding.

* As at 31 March 2020, the unsecured borrowing for FY2020 was S$190 million. Post this date, FCT drew down additional S$10 million and repaid S$64 million using the net proceeds from the issuance of the S$200 million Notes to arrive at S$136 million

1. Secured on Anchorpoint and Changi City Point.

Key financial covenants

FCT is in compliance with all its financial covenants

Key Covenants (tested quarterly)	Requirements	As at 31 March 2020
Gearing ratio	Less than 45%	☑ 34.7%[1]
Interest cover ratio for the quarter[2]	More than 1.5 times	☑ 6.40 times
Unitholders' Fund	More than S$1.2 billion	☑ S$2.48 billion
Coverage ratio of unencumbered assets to Unsecured debt	More than 250%	☑ 337%
Loan-to-Value ratio for secured borrowings	Changi City Point: Less than 65% ~~YewTee Point : Less than 85%~~ Anchorpoint: Less than 85%	☑ Changi City Point: 56%: ~~YewTee Point: 72%~~ ☑ Anchorpoint: 71%

S$136 million loan secured on YewTee Point has been repaid

1. Includes $80 million of short-term borrowing drawn on 27 March 2020 to repay a $90 million MTN which matured on 3 April 2020. Post the MTN repayment, the gearing is 33.3%
2. Calculated as earnings before interest and tax (EBIT) divided by interest expense

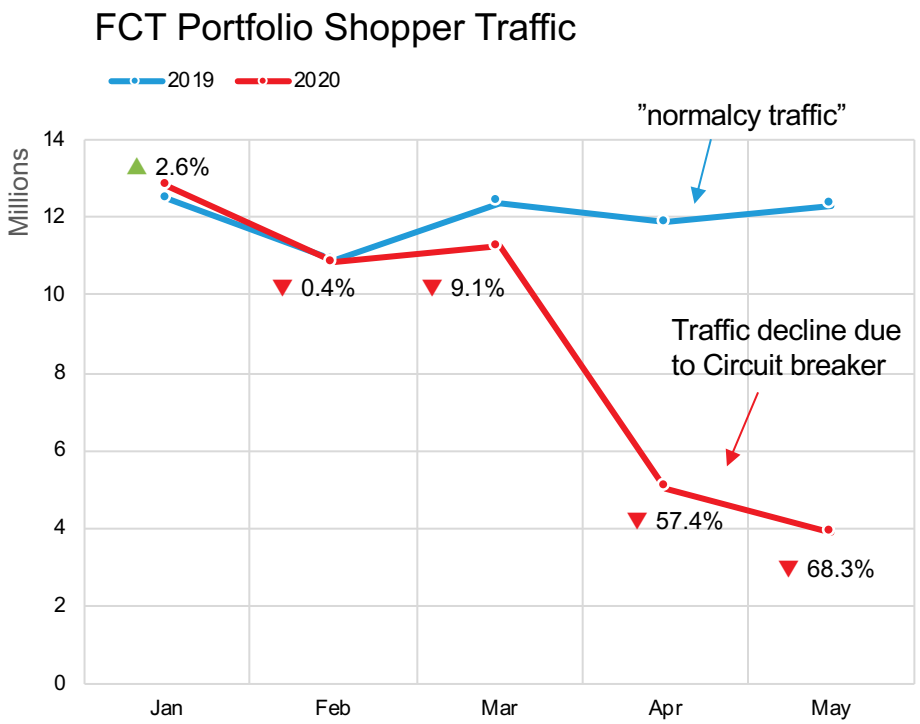
Update on COVID-19 situation



Northpoint City

Shopper traffic took a hit during the Circuit Breaker period

Poised for recovery in traffic as we enter Phase 2



Key events

15 Jun	Government announces Phase 2 to begin on **19 Jun 2020**
5 Jun	COVID-19 (Temporary Measures) (Amendment) Bill 2020 was passed
2 Jun	Start of Phase 1 (Safe re-opening)
12 May	Government allows some trade to re-open (barbers, pet supplies etc)
21 Apr	Government extends “Circuit Breaker” by 4 weeks until 1 Jun 2020
21 Apr	Tightened list of essential services (all standalone food and beverage outlets, as well as hairdressing and barber shops to shut)
7 Apr	COVID-19 (Temporary Measures) (Control Order) Regulation 2020 took effect
7 Apr	Start of “COVID-19 Circuit Breaker”
3 Apr	Government announces “COVID-19 Circuit Breaker”
28 Mar	Government advises people to stay home and defer non-essential trips to mall
24-Mar	Tighter social distancing measures (Close all entertainment venues, education & enrichment centres; 1 person per 16 sqm rule; limit group size at public venues to 10; alternate seats and spacing out of tables in eating places; all events and mass gatherings to be deferred or cancelled)
20-Mar	Stricter safe distancing measures – suspend all events and gathering (>250) till 30 Jun. 1m safety distancing
11 Mar	WHO declared COVID-19 a pandemic
7 Feb	DORSCON raised to Orange
23-Jan	First confirmed case Singapore

FCT has taken proactive and timely measures in its operations, tenant support and financial position during Covid-19



Operations

- ~30-40%% tenants in essential trades remained open during Circuit Breaker period and Phase 1
- **Government announced Phase 2 (Safe Transition) to start from 19 June.** Retail businesses to re-open, F&B dine-in to be allowed, resumption of gym and fitness, tuition and enrichment centres, subject to safe distancing and capacity limit imposed on the mall.
- Portfolio traffic during April and May 2020 dropped **57% and 68% respectively y-o-y due to the Circuit Breaker measures**. We expect traffic to rebound as Singapore re-opens its economy going into Phase 2 from 19 June
- FCT **renewed ~90%** of expiring leases in FY2020 before Circuit Breaker Period. Only less than 10% expiring leases to be renewed in FY2020
- Continue to focus on **enhancing health and hygiene** processes to provide shoppers clean and safe environment in the malls



Tenant Support

- **Feb**: Rolled out Tenant Support Package ("TSP") to help tenant cushion impact from Covid 19, includes flexible operating hours, complimentary car parking promotion and enhanced marketing initiatives
- **Mar**: Passed on full 15% property tax rebates to all eligible tenants; Rolled out 2nd TSP on 27 Mar
- **Apr – May**: Combination of 1.5 months' landlord rental rebate and 0.5 month rebate from property tax rebate provided to eligible tenants
- **Jun**: Combination of remaining rebate from property tax rebate and offsetting of rent from security deposit for eligible tenants
- **New Rental Relief measures (announced by Government on 5 June 2020)**[1]
  - Landlords are required to co-share **rental waivers of 4 months** with the Government for **eligible tenants**. **Landlords' shares amount to 2 months**
  - FCT has already provided **1.5 months of rebates**, hence only need to provide for additional **0.5 months** to eligible tenants to meet requirement



Financial & Liquidity Position

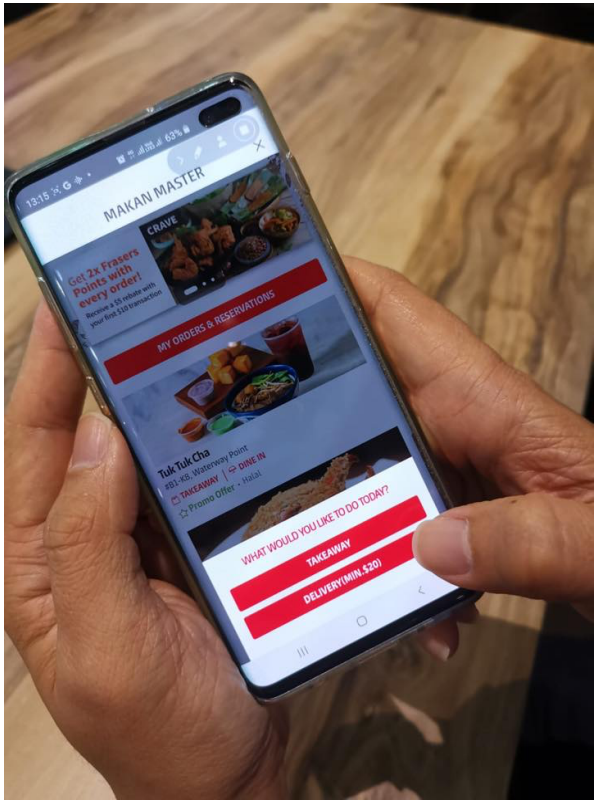
- **Gearing at 34.7%** @ 31 March 2020
- **Issued $200 million 3.2% fixed rate notes due 2023 in May** for re-financing borrowings and working capital purposes
- **Focus on cost control and cash conservation**
- Retained 50% of distributable income (S$18 million) in 2Q 2020 to preserve financial flexibility
- MOF and IRAS announced[2] on 3 June 2020 further extension of the timelines for S-REITs to distribute their taxable income derived in FY2020 and FY2021.
  - For taxable income derived in the FY ending in 2020, S-REITs will have until 31 December 2021 to distribute them; and for taxable income derived in the FY ending in 2021, they will have until 31 December 2021 or 3 months after the end of FY2021, whichever is later, to distribute them.

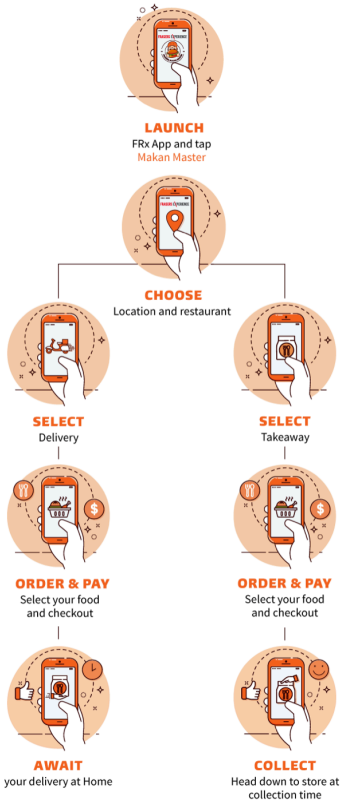
[1] New Rental Relief Framework for SMEs, 3 June 2020. Press Release, Ministry of Law. URL: https://www.mlaw.gov.sg/news/press-releases/new-rental-relief-framework-for-smes

[2] Additional Loan and Cashflow Support for Landlords and Businesses Affected by COVID-19, 3 June 2020. Media Release, Monetary Authority of Singapore. URL: https://www.mas.gov.sg/news/media-releases/2020/additional-loan-and-cashflow-support-for-landlords-and-businesses-affected-by-covid-19

Ready for the “new normal” after Circuit Breaker

Rolling out enhanced tech solutions





Piloting delivery services on Frasers Makan Master

- F&B businesses expected to see sustained demand for delivery services, as consumers become accustomed to ordering food online
- Frasers **piloted in April 2020**, the integration of delivery services on its digital F&B concierge, Frasers Makan Master for over 100 tenants. When fully launched, customers can look forward to seamless experience of contactless pre-order, payment and option to collect or have the order delivered
- Tenants can leverage on the **Frasers Makan Master** on the **Frasers Experience (FRx)** app as an avenue to reach out to their customers who continue to opt for pre-ordering of takeaway or delivery services

Ready for the “new normal” after Circuit Breaker

Enhanced hygiene and safety at our malls



UV Disinfecting Autonomous Mobile Robot in operation at Northpoint City

UV Disinfecting Autonomous Mobile Robots (Sunburst UV)

- UV Bot is a smart robot equipped with a ultraviolet-C light module to eradicate viruses
- The UV Bots supplement existing manpower in upkeeping hygiene and sanitisation standards in the malls
- The first UV Bot has been rolled out at Northpoint City, with 10 more UV Bots to be rolled out to the other malls by the end of June

Increasing frequency and standards of sanitisation of the malls

- Higher frequency of cleaning and routine inspection
- Adopting the latest solutions to guard against bacteria and viruses.
- Disinfectant coating using photo plasma technology to high-touch areas such as lift buttons for enhanced safety

Disinfecting and flush-out exercise for exhaust, pipes and systems

- Sanitisation of all air-conditioning and ventilation systems with disinfecting agents. Includes carpark exhaust ducts, main grease pipes and sewer lines
- Various tests are being conducted to ensure overall health and hygiene standards



Summary

FCT: Resilient suburban retail REIT poised for growth

Underpinning the resilience of suburban retail



Focus on necessity spending and convenience shopping



Everyday dining



Closer to homes makes it an ideal “last-mile” hub for delivery and click and collect



Offers essential goods and services



Convenient venue for social meetings and family dining

- The suburban retail malls continue to remain **relevant and resilient** notwithstanding the Covid-19 outbreak as it focuses on F&B, essential goods and services and value brands
- FCT malls are **well-located** in populous residential estates and **well-connected** to public transport nodes. These strategic advantages underpin stable shopper traffic and leasing demand.
- The proximity advantage to homes also makes FCT malls ideal fulfilment hubs for “**last-mile**” **delivery** and / or “**Click-and-collect**”, as “work from home” becomes a norm and with more retailers and F&B businesses moving towards omni-channel model
- The investment in PGIM ARF further expands FCT’s network of coverage of shopper catchment with the opportunity for significant business and operational synergies
- FCT remains a Singapore-centric and suburban-focused retail REIT
- Poised for growth with the opportunity to become one of the largest suburban retail landlords in Singapore



Q & A

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Experience matters.