



# CONNECTING COMMUNITIES, ENRICHING LIVES

BHG RETAIL REIT  
Annual Report 2025



A portion of this Annual Report was designed in collaboration with Mr. Bency Yap,  
an artist from the Muscular Dystrophy Association (Singapore).

# BHG RETAIL REIT

has grown steadily on the back of strategic investment focus: good quality income-generating retail assets in China's high-growth neighbourhoods.

Positioned to capitalise on the steady growth of a consumer segment seeking quality retail spaces and engaging experiences, we aim to grow alongside our markets — creating desirable retail destinations, strengthening tenant partnerships and delivering lasting value to our communities.

## Our Vision

A successful and sustainable real estate investment trust with a portfolio of quality, income-producing retail properties that are well-managed.

## Our Mission

To deliver regular and stable distributions to our Unitholders, creating value by enhancing our properties through asset management strategies and expanding our portfolio through yield-accretive acquisitions, while working to contribute to the communities we operate in.

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## CONNECTING COMMUNITIES, ENRICHING LIVES

We continue to strengthen our role as community-centric retail spaces that bring people together and enhance everyday experiences, guided by a clear strategic focus and active asset management. We reinforce the resilience of our portfolio through refreshed retail concepts and seek to create welcoming third spaces that resonate with evolving consumer needs. As we grow alongside our markets, our commitment remains steadfast: to build trust, foster meaningful connections and deliver sustainable value for our unitholders, tenants and the communities at the heart of our portfolio.

## Singapore's First Pure-Play China Retail REIT Sponsored by a China-Based Group

### CORPORATE PROFILE

Listed on SGX-ST, BHG Retail REIT has a diversified portfolio of six retail properties strategically located in major cities in China, namely Beijing, Chengdu, Hefei, Xining and Dalian.

As of 31 December 2025, BHG Retail REIT's portfolio comprises:

1. 60.0% interest in Beijing Wanliu (北京华联万柳购物中心) in Beijing
2. Chengdu Konggang (北京华联成都空港购物中心) in Chengdu, Sichuan Province
3. Hefei Mengchenglu (北京华联合肥蒙城路购物中心) in Hefei, Anhui Province
4. Hefei Changjiangxilu (北京华联合肥长江西路购物中心) in Hefei, Anhui Province
5. Xining Huayuan (北京华联西宁花园店) in Xining, Qinghai Province
6. Dalian Jinsanjiao (北京华联大连金三角店) in Dalian, Liaoning Province

BHG Retail REIT's asset portfolio consists of community focused retail properties situated in high population density areas frequented by growing middle class professionals and families. Designed as lifestyle destinations, each multi-tenanted mall features a compelling mix of shopping, dining, education and entertainment establishments catering to the needs of residents of surrounding neighbourhoods.

BHG Retail REIT is managed by BHG Retail Trust Management Pte. Ltd., an indirect wholly-owned subsidiary of Beijing Hualian Department Store Co., Ltd. (北京华联商厦股份有限公司) (the "Sponsor"). The Sponsor is part of Beijing Hualian Group Investment Holding Co., Ltd. (北京华联集团投资控股有限公司), one of China's largest retail enterprises with more than 30 years of retail operating experience.

# Property Portfolio

# 311,691

GROSS FLOOR AREA (sqm)



# 6

STRATEGICALLY LOCATED PROPERTIES

## Multi-Tenanted

Beijing Wanliu

Chengdu Konggang



Hefei Mengchenglu

Hefei Changjiangxilu

## Master-Leased

Xining Huayuan



Dalian Jinsanjiao

# Key Highlights

YEAR ENDED 31 DECEMBER 2025

GROSS REVENUE

**S\$55.1**  
MILLION

NET PROPERTY  
INCOME

**S\$29.0**  
MILLION

PORTFOLIO  
OCCUPANCY<sup>1</sup>

**93.4%**

AMOUNT TO BE  
DISTRIBUTED TO  
UNITHOLDERS<sup>2,3</sup>

**S\$1.5**  
MILLION

INDEPENDENT  
VALUATION<sup>4</sup>

As at 31 December 2025

**RMB**  
**4,694**  
MILLION

DISTRIBUTION  
PER UNIT (DPU)

**0.29**  
SINGAPORE CENTS

**41.6%**  
GEARING<sup>5</sup>

<sup>1</sup> Based on committed leases as at 31 Dec 2025. Excludes the Hefei Mengchenglu mall and Hefei Changjiangxilu mall basement area undergoing repositioning and tenant rejuvenation.

<sup>2</sup> For the FY 2025 approximately S\$0.2 million of the amount available for distribution has been retained for operational expenses and working capital requirements of the REIT.

<sup>3</sup> Lower year-on-year mainly due to one time expenses incurred during the syndication loan roll-over in March 2025.

<sup>4</sup> Based on independent valuation from Knight Frank Petty Limited as at 31 December 2025.

<sup>5</sup> Based on total loans and borrowings principal attributable to Unitholdings divided by total assets attributable to Unitholders.

# Year At A Glance

## 2025

### FEBRUARY

- **FY 2024 Results Announcement**
  - Gross Revenue of S\$61.0 million
  - Portfolio occupancy<sup>1</sup> at 95.8%

### MARCH

- **The Global CSR & ESG Awards 2025**
  - BHG Retail REIT received three awards at The Global CSR & ESG Awards 2025.
  - The REIT was conferred Gold award for 'Best CEO' and Silver award for 'CSR & ESG Leadership Award' and 'Best Corporate Communications & Investor Relations Team Award' categories.
  - Successfully rolled over Secure Term Loan facilities for 3 years in March 2025

### APRIL

- **FY 2024 Annual General Meeting**

### MAY

- **1Q 2025 Business Updates<sup>1</sup>**
  - Portfolio occupancy<sup>1</sup> at 94.9%
- **eTail Asia Summit 2025 Keynote Speaker**
- **REITs Symposium 2025 Panel Presentation and Exhibition Booth**

### JULY

- **RSM Singapore Webinar**

## AUGUST

- **1H 2025 Results Announcement**

- Ongoing tenancy rejuvenation efforts to enhance shopper's experience
- Portfolio occupancy<sup>1</sup> at 95.1%

- **Phillip Securities Webinar**

## NOVEMBER

- **3Q 2025 Business Updates**

- Portfolio occupancy<sup>1</sup> at 94.2%

## 2026

## FEBRUARY

- **FY 2025 Results Announcement**

- Gross Revenue and Net Property Income were S\$55.1 million and S\$29.0 million respectively.
- Portfolio occupancy<sup>1</sup> of 93.4%.

<sup>1</sup> Based on committed leases. Excludes the Hefei Mengchenglu mall and Hefei Changjiangxilu mall basement area undergoing repositioning and tenant rejuvenation.





# GROUNDING IN THE COMMUNITY

Our resilient foundation grounded in strong community connection and long-term vision has carried us through a changing retail landscape with disciplined resilience and unwavering commitment to value creation through proactive asset enhancement initiatives and positive lease management strategy.

# Letter to Unitholders



As retail continues to evolve, our focus remains on staying relevant to the communities we serve, while managing the portfolio through active asset management with a long term perspective.



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Left  
**Mr Gan Chee Yen**  
Chairman

Right  
**Ms Chan Iz-Lynn**  
Chief Executive Officer

Dear Unitholders,

On behalf of the Board of Directors and the management team of BHG Retail Trust Management Pte. Ltd. (as Manager of BHG Retail REIT (the "REIT") or the "Manager"), we present BHG Retail REIT's annual report for the financial year ended 31 December 2025 ("FY 2025").

In 2025, China's economy expanded by 5.0% year-on-year, supported by targeted policy measures to stimulate domestic consumption. While macroeconomic indicators point to gradual stabilisation, leasing demand and tenant expansion in the physical retail sector remained selective. Within this environment, the REIT focused on maintaining operational stability and tenant retention. As at 31 December 2025, committed occupancy stood at 93.4%, with a weighted average lease expiry of 2.2 years (by Gross Rental Income) and 4.2 years (by Net Lettable Area).

The total amount available to be distributed to Unitholders of the REIT in FY 2025 was S\$1.5 million, translating to a distribution per unit ("DPU") of 0.29 Singapore cents. Gross Revenue and Net Property Income ("NPI") were impacted by softer leasing conditions and rental support extended to selected tenants. In addition, one-off non-recurring refinancing expenses incurred in connection with the syndication loan rollover completed in March 2025 reduced the distribution for the year.

## PRUDENT CAPITAL MANAGEMENT IN A COMPETITIVE ENVIRONMENT

The Manager continued to exercise financial discipline to safeguard balance sheet resilience. Finance costs declined by S\$3.2 million (16.7%) year-on-year, mainly due to lower interest expenses on floating-rate borrowings and partial loan principal repayment. These measures reflect active management of funding costs amid evolving interest rate conditions.

The syndication loan roll-over strengthened the REIT's debt profile and demonstrated the continued support from our banking partners. As at 31 December 2025, the REIT's gearing ratio stood at 41.6%, with total borrowings of S\$305.4 million. The Manager remains focused on maintaining

liquidity, managing refinancing risks prudently, and aligning capital structure with long-term portfolio sustainability.

## PROACTIVE ASSET MANAGEMENT

FY 2025 centred on preserving portfolio stability while enhancing the relevance of the REIT's malls as community-oriented retail destinations. As at 31 December 2025, the REIT's independently appraised portfolio valuation was RMB 4,694.0 million. The REIT's property operating expenses declined by S\$2.0 million (7.2%) year-on-year due to ongoing cost discipline efforts.

The REIT's property manager continued to work closely with tenants to adapt the retail offering to evolving consumer behaviour. The introduction of Xiaoxiang Supermarket, a digitalised retail concept by Meituan making its first entry into Beijing, reflects growing demand for convenience-led and technology-enabled formats. In Chengdu, Miniso launched a new flagship store, reflecting demand in the expanding collectible toys segment and highlighting the REIT's role as a platform for brand growth within community catchments.

Tenancy rejuvenation initiatives broadened experiential and differentiated lifestyle offerings across the portfolio. Additions included the Xin Tan Counter-Strike Experience Centre at Hefei Mengchenglu and Jiuji Durian & Beef Buffet Hotpot at Hefei Changjiangxilu. International F&B brands such as Domino's Pizza and Dairy Queen commenced operations at Chengdu Konggang. At Beijing Wanliu, technology-oriented additions such as Dream Chaser XR Centre, Vivo Mobile and Honor Mobile further strengthened the mall's appeal to younger and digitally engaged consumers. These enhancements support a balanced retail mix combining daily necessities with experiential concepts.

Beyond tenancy enhancements, community-focused engagement remained integral to asset management and operations. Major festive periods such as Chinese New Year and Mid-Autumn Festival anchored the calendar, complemented by collaborations with international franchises and multi-generational programmes. During the year, both Beijing Wanliu and Hefei Changjiangxilu marked

# Letter to Unitholders

their 15th Anniversary celebrations, underscoring their longstanding presence within their respective communities. Other highlights included the League of Legends Challenge at Hefei Mengchenglu, youth dance competitions and a Sunset Music Party at Chengdu Konggang, Beijing Wanliu's Decathlon Sports Playground, as well as a Shimajiro meet-and-greet and Pokémon Cards Championship at Hefei Changjiangxilu. These initiatives strengthened engagement with families and younger audiences, reinforcing the malls' roles as accessible spaces for retail, recreation and social interaction.

## ADVANCING ON OUR SUSTAINABILITY REPORTING

The Manager remains committed to advance its efforts in Environment, Social and Governance ("ESG") practices. Aligned with the enhanced climate disclosure requirements under the Singapore Exchange, we have further strengthened our climate-related disclosures with reference to the International Financial Reporting Standards S2, introduced by the International Sustainability Standards Board ("ISSB"). These efforts support more robust reporting of climate issues and demonstrate our proactive approach to integrating sustainability considerations into strategic and operational decision-making.

We believe that ethical business practices and sound corporate governance are vital for our long-term sustainable growth. The Manager's efforts in driving sustainability, Corporate Social Responsibility ("CSR"), and proactive communication with investors have won BHG Retail three accolades at The Global CSR & ESG Awards 2025™, comprising the Gold award for 'Best CEO' and Silver awards in the 'CSR & ESG Leadership' and 'Best Corporate Communications & Investor Relations Team' categories.

Our broader community and workforce support initiatives were also recognised. The REIT Manager received the NS Mark (Gold), acknowledging organisations that implement HR policies supporting Singapore's National Service and Total Defence. In China, Beijing Wanliu was conferred the Caring Business Award by the China Children and Teenagers' Fund for co-organising the Youth Intangible Cultural Heritage Festival. These recognitions underscore our commitment to contributing meaningfully beyond commercial objectives.

In keeping with our community-focused philosophy, BHG Retail REIT continues to support and contribute positively to the communities we serve. Across our portfolio, community initiatives included Lei Feng Community Giving Day and Feng Niao Community Sports Day for Seniors at Beijing Wanliu,

complimentary Traditional Chinese Medicine health checks at Chengdu Konggang, blood donation drives at Hefei Mengchenglu, and a Summer Appreciation initiative for local firefighters at Hefei Changjiangxilu. In Singapore, the REIT Manager partnered with Dorcas Home Care to provide door-to-door meal deliveries to vulnerable seniors, complementing the national “Meals-on-Wheels” programme. We remain committed on material ESG priorities and stakeholder engagement, integrating sustainable practices into operations to support long-term value creation for our Unitholders and the broader society.

## LOOKING AHEAD

China's GDP expanded by 5.0% in 2025, while urban disposable income and retail sales of consumer goods grew by 4.3% and 3.7% respectively. Domestic consumption in essential and community-based segments has remained relatively resilient, supported by targeted fiscal measures by the Chinese government.

Looking ahead, China's consumer goods trade-in program may provide incremental support to household spending. Nevertheless, retail leasing conditions are expected to remain competitive in the near term.

The REIT's portfolio of neighbourhood malls, located within established residential catchments, remains positioned to serve daily consumption needs. The Manager will continue to prioritise tenant retention, cost discipline and operational optimisation, while evaluating opportunities that enhance long-term value. As retail continues to evolve, our focus remains on staying relevant to the communities we serve, while managing the portfolio through active asset management with a long term perspective.

## ACKNOWLEDGEMENTS

We extend our sincere appreciation to our Board members for their valuable guidance and leadership oversight, and to BHG Retail REIT's management team and staff for their dedication and commitment throughout the year. We would also like to thank our Unitholders, tenants, shoppers and business partners their continued trust and support. Your confidence enables us to remain focused on disciplined stewardship and sustainable value creation.

### MR GAN CHEE YEN

Chairman

### MS CHAN IZ-LYNN

Chief Executive Officer

30 March 2026

# 致信托单位 持有人之信函

尊敬的信托单位持有人，

我们很荣幸代表北京华联商业信托管理有限公司(作为北京华联商业信托管理人,以下简称“管理人”)的董事会及管理层,公布北京华联商业信托(以下简称“本信托”)的2025财政年度(以下简称“2025财年”)业绩报告。

2025年,中国经济同比增长5.0%,主要得益于政府为提振中国国内消费而推出的一系列针对性政策措施。尽管宏观经济指标显示经济逐步趋于稳定,实体零售行业的租赁需求与租户扩张仍保持审慎态势。在此经营环境下,本信托持续专注于维持运营稳定及租户关系。出租率保持在93.4%,以总租金收入计算的加权平均租赁期为2.2年,以净可出租面积计算为4.2年。

2025财年本信托向信托单位持有人派发的金额为150万新元,低于去年同期。这主要是由于向部分租户提供租金支持以及在2025年3月再融资期间产生的一次性相关费用所致。本信托公布的2025财年每单位派息为0.0029新元。

## 充满竞争环境下的审慎资本管理

在充满竞争的市场环境中,管理人秉持审慎的资本管理原则,以维护本信托财务的稳健性。2025财年的融资成本同比减少320万新元(16.7%),这主要是由于浮动利率借款的利息支出下降以及偿

还部分借款本金所致。这些措施反映了管理人在利率环境变化下对融资成本的积极管理。

2025年3月完成的银团贷款再融资进一步优化了本信托的债务结构,同时也体现了银行合作伙伴对本信托的持续支持。截至2025年12月31日,本信托负债率为41.6%,已提取借款总额为3.054亿新元。管理人将继续专注于维持充裕流动性、审慎管理再融资风险,并确保资本结构与资产组合的长期稳定发展相匹配。

## 积极的资产管理

2025财年,本信托重点关注于维持资产组合的整体稳定,同时进一步提升旗下商场作为社区型零售目的地的吸引力。截至2025年12月31日,经独立机构评估,本信托资产组合估值为46.94亿元人民币。与此同时,本信托物业运营费用同比下降200万新元(7.2%),主要得益于持续的成本管控措施。

本信托的物业管理团队持续与租户保持紧密合作,以适应不断变化的消费行为。北京万柳购物中心引入由美团所推出的第一家数字化零售概念小象超市,并进入北京市场,这反映了消费者对便利化及科技驱动型零售模式的需求不断增长。在成都空港购物中心,名创优品(Miniso)开设了全新旗舰店,顺应收藏玩具市场的增长趋势,也进一步凸显了本信托商场作为品牌拓展及消费者互动平台的吸引力。



随着零售业不断演进,我们将持续聚焦于与所服务社区保持紧密联系与相关性,同时通过积极的资产管理和长远视角,审慎推进资产组合的管理与发展。



通过持续的租户优化及业态升级,本信托进一步丰富了旗下商场的体验式与生活方式业态组合。例如,合肥蒙城路购物中心引入了新探反恐精英体验中心、合肥长江西路购物中心新增九吉榴莲牛肉自助火锅、成都空港购物中心则迎来了多家国际餐饮品牌,包括达美乐比萨(Domino's Pizza)和奶品皇后(Dairy Queen)。北京万柳购物中心新添了元域逐梦XR体验馆、Vivo和荣耀手机(Honor)等科技类品牌的入驻,进一步提升了购物中心对年轻及数字化消费群体的吸引力。这些优化措施有助于形成涵盖日常消费与体验式消费的多元化零售组合。

除业态升级外,社区互动活动亦是本信托资产管理与运营的重要组成部分。全年围绕春节、中秋等重要节日举办了一系列活动,并结合国际IP合作及多代同堂参与的社区活动,吸引不同年龄层顾客参与。2025年,北京万柳购物中心及合肥长江西路购物中心分别迎来了开业十五周年庆典,彰显其在当地社区中的长期影响力。此外,商场还举办了包括合肥蒙城路“英雄联盟挑战赛”、成都空港“青年舞蹈比赛”及“落日音乐派对”、北京万柳“迪卡侬运动乐园”、以及合肥长江西路“巧虎见面会”和“宝可梦卡牌锦标赛”等活动。这些活动进一步加强了家庭及年轻消费群体的参与度,也使购物中心成为融合零售、休闲与社交互动的社区空间。

### 推进可持续发展报告

管理人持续致力于推动环境、社会及公司治理(“ESG”)实践。根据新加坡交易所对气候信息披露要求的提升,本信托已参考国际可持续准则理事会(“ISSB”)发布的国际财务报告准则S2,进一步强化气候相关信息披露。这些举措有助于提升气候风险信息披露的透明度,并体现我们将可持续发展理念融入战略与运营决策的积极态度。

我们深信,合乎道德的商业行为与健全的公司治理是实现长期可持续增长的重要基础。凭借在可持续发展、企业社会责任(“CSR”)及投资者沟通方面的持续努力,北京华联商业信托在2025年全球企业社会责任与环境、社会及公司治理大奖(The Global CSR & ESG Awards 2025™)中荣获三项殊荣,包括“最佳首席执行官”金奖、“CSR与ESG领导力奖”和“最佳企业沟通与投资者关系团队奖”银奖。

本信托在社区支持及员工关怀方面的努力亦获得认可。管理人荣获新加坡国家服役认可标志(NS Mark)金奖,以表彰其在企业政策与实践中国家服役及全面防卫的支持。在中国,北京万柳购物中心与中国少年儿童基金会共同举办“青少年非物质文化遗产节”,并荣获“爱心企业奖”。这些荣誉进一步体现了本信托在商业运营之外对社会责任的重視。

# 致信托单位 持有人之信函

秉持社区为本的发展理念，本信托持续积极回馈所在社区。各项目开展了多项社区活动，包括北京万柳“雷锋社区公益日”及“蜂鸟社区长者运动会”、成都空港中医健康义诊、合肥蒙城路无偿献血活动，以及合肥长江西路为消防员举办的夏日慰问活动。在新加坡，管理人与Dorcas Home Care合作，为行动不便的长者提供上门送餐服务，配合国家“Meals-on-Wheels”计划，支持有需要的长者群体。未来，我们将继续围绕重点ESG议题加强与利益相关方的沟通，并将可持续发展理念融入日常运营，以创造长期价值。

## 展望

2025年中国国内生产总值同比增长5.0%，城镇居民人均可支配收入及社会消费品零售总额分别同比增长4.3%及3.7%。在中国政府持续推出促进消费的政策支持下，以社区型及日常消费为主导的零售需求整体保持稳健。

展望未来，中国消费品以旧换新政策预计将进一步促进居民消费支出。然而，短期内零售租赁市场仍将保持竞争态势。

本信托旗下社区型购物中心位于人口密集的成熟住宅区内，能够持续满足居民的日常消费需求。未来，管理人将继续优先关注租户稳定性、成本管控及运营优化，并审慎评估可提升长期价值的发展机会。随着零售业不断演进，我们将持续聚焦于与所服务社区保持紧密联系与相关性，同时通过积极的资产管理和长远视角，审慎推进资产组合的管理与发展。

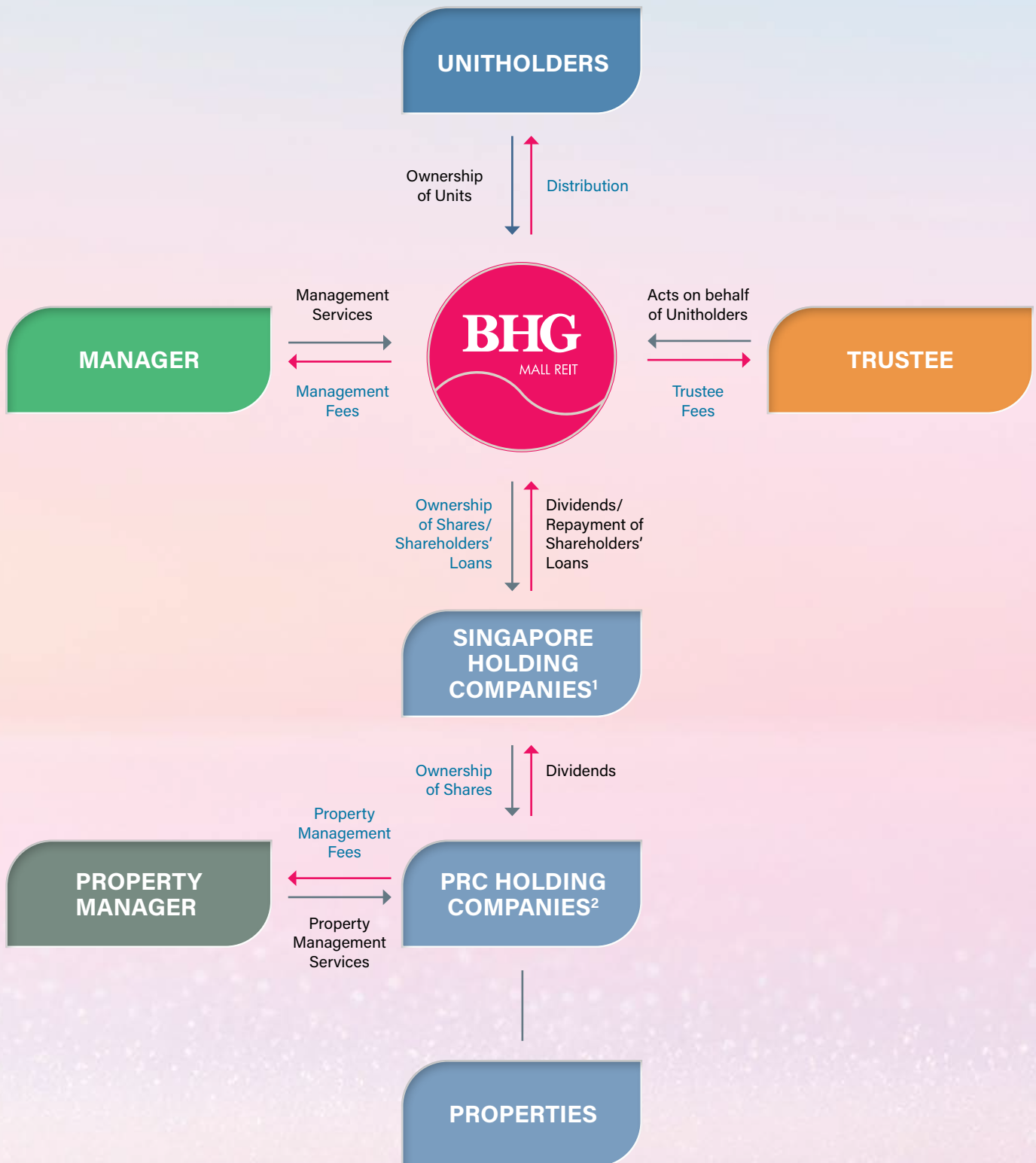
## 鸣谢

我们衷心感谢董事会成员在过去一年所提供的宝贵指导与领导，也感谢北京华联商业信托管理团队及全体员工的辛勤付出与专业精神。同时，我们亦感谢信托单位持有人、租户、购物者及业务合作伙伴一直以来的信任与支持。正是各方的支持，使我们能够持续专注于稳健管理，并为所有利益相关方创造长期可持续价值。

**颜志贤**  
主席

**陈懿璘**  
首席执行官  
2026年3月30日

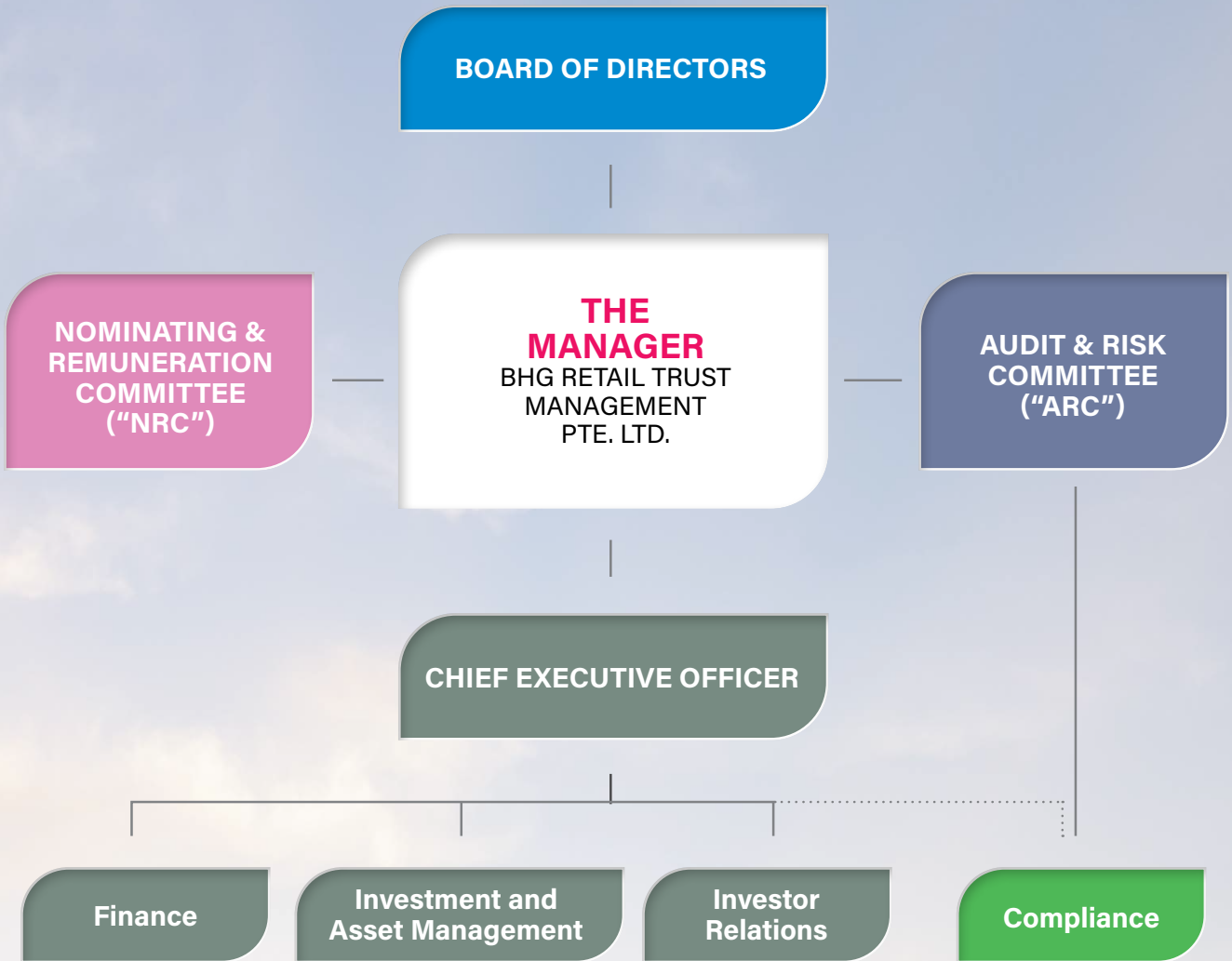
# Trust Structure



<sup>1</sup> There are six Singapore Holding Companies, one holding a 60.0% equity interest in the PRC Holding Company and the remaining five each holding 100.0% equity interest in the relevant PRC Holding Companies.

<sup>2</sup> There are six PRC Holding Companies, each holding one Property.

# Organisation Structure



# Board of Directors

## MR GAN CHEE YEN (66)

*Chairman & Independent Director*

### Date of first appointment as a director:

11 November 2024

### Date of last re-election as a director:

30 June 2025

### Board committees served on:

- Audit and Risk Committee (Chairman)
- Nominating and Remuneration Committee (Member)

### Present directorships in other listed companies:

- Singapore Post Limited

### Past directorships in other listed companies over the preceding 3 years:

Nil

### Other principal commitments:

- Singapore Post Limited
- Mapletree Japan Investment Country Private Trust
- V3 Capital Investments Pte Ltd
- Heliconia Capital Management Pte Ltd
- Surbana Jurong Private Limited
- 65 Equity Partners Pte Ltd

### Background and working experience:

- Chairman of V3 Capital Investments Pte Ltd
- Co-President and Executive Director of Pacific International Lines (Private) Limited
- Senior Advisor to V3 Fintech Pte Ltd
- Chief Executive Officer & Executive Director of Fullerton Financial Holdings (International) Pte Ltd
- Co-Chief Investment Officer, Senior Managing Director, Special Projects and Head of China Market at Temasek International Pte. Ltd.

### Academic and professional qualifications:

- Bachelor of Accountancy, National University of Singapore
- Chartered Accountant (Singapore), Institute of Singapore Chartered Accountants

## MR GEORGE QUEK MENG TONG (69)

*Independent Director*

### Date of first appointment as a director

11 February 2024

### Date of last re-election as a director

30 June 2024

### Board committees served on:

- Audit and Risk Committee (Member)
- Nominating and Remuneration Committee (Chairman)

### Present directorships in other listed companies

Nil

### Past directorships in other listed companies over the preceding 3 years

Nil

### Other principal commitments

- BreadTalk Group Pte. Ltd
- BTG Holding Company Pte. Ltd.
- BTG-WPC Venture Pte Ltd
- Taster Food Pte Ltd
- Taster Food International Pte Ltd
- Pre 7 Pte. Ltd.
- Pre 8 Investments Pte. Ltd.
- JBT (China) Pte Ltd
- Imagine Properties Pte Ltd
- Perennial Tongzhou Development Pte Ltd
- Perennial Tongzhou Holdings Pte Ltd
- Perennial (Chijmes) Pte. Ltd.
- Ground Property Pte Ltd
- Shun Lih Pte. Ltd
- Square Investment Pte. Ltd.
- Piece Investment Pte. Ltd.
- Sky One Art Investment Pte Ltd
- Dinamic Holdings Pte Ltd

### Background and working experience

- Chairman of BreadTalk Group Pte Ltd

### Academic and professional qualifications

- Wisconsin International University (Honorary Doctorate of Philosophy in Business of Administration)

# Board of Directors

## MR ONG TZE GUAN (59)

*Independent Director*

### Date of first appointment as a director:

11 November 2024

### Date of last re-election as a director:

30 June 2025

### Board committees served on:

- Audit and Risk Committee (Member)
- Nominating and Remuneration Committee (Member)

### Present directorships in other listed companies:

Nil

### Past directorships in other listed companies over the preceding 3 years:

Nil

### Other principal commitments:

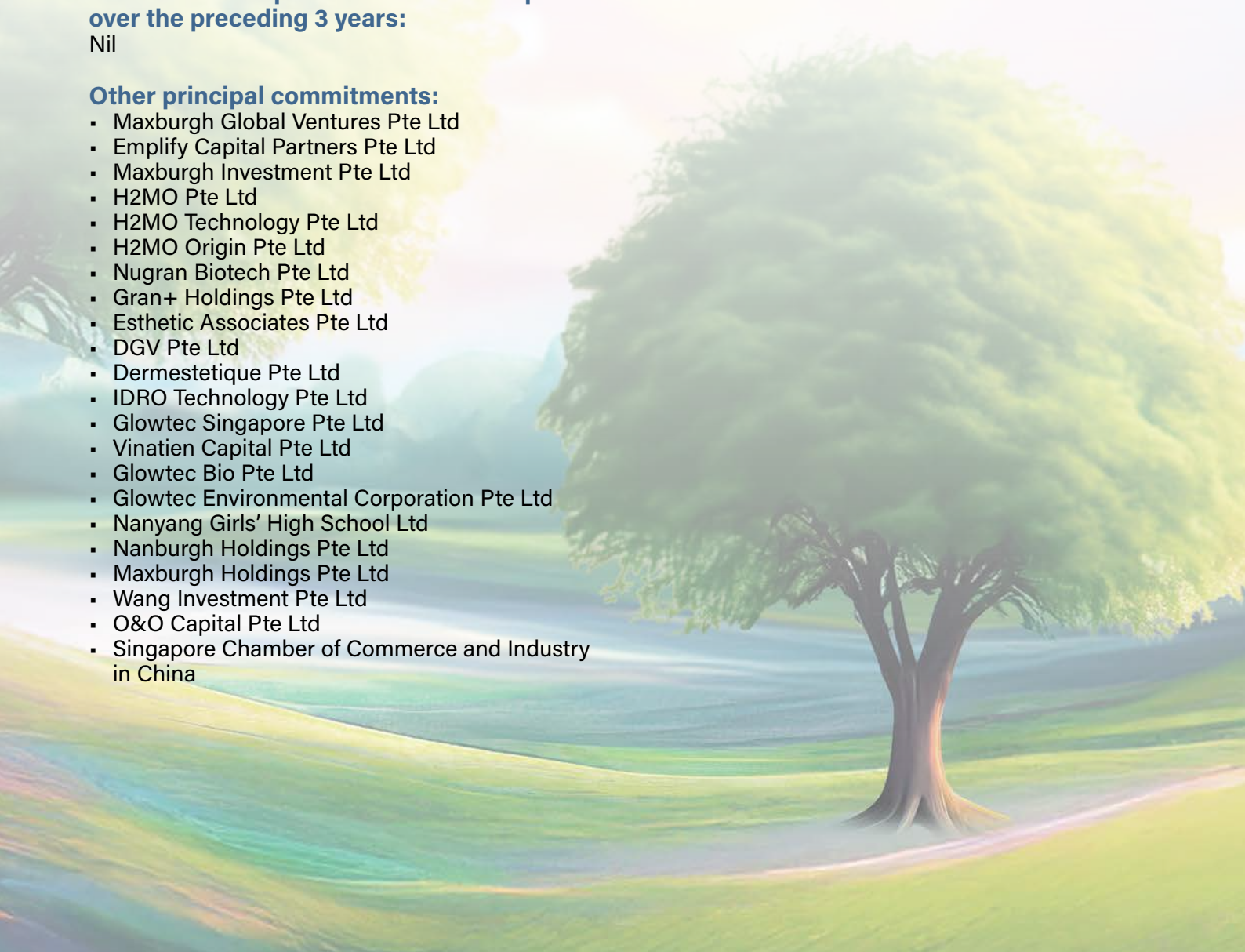
- Maxburgh Global Ventures Pte Ltd
- Emplify Capital Partners Pte Ltd
- Maxburgh Investment Pte Ltd
- H2MO Pte Ltd
- H2MO Technology Pte Ltd
- H2MO Origin Pte Ltd
- Nugran Biotech Pte Ltd
- Gran+ Holdings Pte Ltd
- Esthetic Associates Pte Ltd
- DGV Pte Ltd
- Dermestetique Pte Ltd
- IDRO Technology Pte Ltd
- Glowtec Singapore Pte Ltd
- Vinatien Capital Pte Ltd
- Glowtec Bio Pte Ltd
- Glowtec Environmental Corporation Pte Ltd
- Nanyang Girls' High School Ltd
- Nanburgh Holdings Pte Ltd
- Maxburgh Holdings Pte Ltd
- Wang Investment Pte Ltd
- O&O Capital Pte Ltd
- Singapore Chamber of Commerce and Industry in China

### Background and working experience:

- Director of Emplify Capital Partners Pte Ltd
- CEO of H2MO Pte Ltd
- Director of Ong & Ong Group Pte Ltd
- Director of Nanyang International Education (Holdings) Ltd
- CEO of Glowtec Bio Pte Ltd
- CEO of Glowtec Environmental Corporation Pte Ltd
- Director of Ong & Ong Pte Ltd
- CEO of Maxburgh Holdings Pte Ltd

### Academic and professional qualifications:

- Bachelor of Science, Civil and Structural Engineering, National University of Singapore



**MR XIONG ZHEN (51)**  
*Non-Executive Director*

**Date of first appointment as a director**  
 12 November 2015

**Date of last re-election as a director**  
 30 June 2023

**Board committees served on**  
 Nil

**Present directorships in other listed companies**  
 Nil

**Past directorships in other listed companies over the preceding 3 years**  
 Nil

**Other principal commitments**

- Vice President of Beijing Hualian Group Investment Holding Co., Ltd.

**Background and working experience**

- General Manager of Beijing Hualian Department Store Co., Ltd.
- Vice General Manager of Beijing Hualian Department Store Co., Ltd.
- Personal Assistant to Chairman of Global Data Solutions Limited
- Personal Assistant to Chairman of Sinar Mas
- Personal Assistant to Chairman of Hong Kong Construction (Holdings) Limited

**Academic and professional qualifications**

- Auckland Institute of Technology (Master's Degree)
- Shanxi Institute of Finance and Economics (Bachelor's Degree)

**MR PENG GE (54)**  
*Non-Executive Director*

**Date of first appointment as a director**  
 12 November 2015

**Date of last re-election as a director**  
 30 June 2025

**Board committees served on**  
 Nil

**Present directorships in other listed companies**  
 Nil

**Past directorships in other listed companies over the preceding 3 years**  
 Nil

**Other principal commitments**

- Vice General Manager of Beijing Hualian Life Supermarket Co., Ltd.

**Background and working experience**

- Vice General Manager of Beijing Hualian Department Store Co., Ltd.
- Vice General Manager of Beijing Hualian Hypermarket Co., Ltd.
- General Manager of Beijing Hualian Hypermarket Co., Ltd., South West Regional Office

**Academic and professional qualifications**

- Hunan Institute of Political Science and Law (Bachelor's Degree)

# Management Team

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## MS CHAN IZ-LYNN

*Chief Executive Officer &  
Head of Investor Relations*

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Iz-Lynn is the Chief Executive Officer of the Manager. She is responsible for steering BHG Retail REIT's strategic direction alongside the Board, and delivering the overall business plans with the support of the management team.

Prior to driving the REIT's listing, Iz-Lynn headed Beijing Hualian Department Store Co., Ltd's (the "**Sponsor**") Mall Management Operations and was based in Beijing. In this capacity, Iz-Lynn oversaw active mall management of this Shenzhen-listed group's nation-wide portfolio of properties. She was also part of the senior management team responsible for directing the Sponsor's future strategic development.

From 2005 to 2013, Iz-Lynn held various positions in Far East Organization. She was the Assistant Director of the Retail Business Group where her primary responsibility included maximizing the business performance of the flagship asset Orchard Central, while her concurrent role as Vice-President (Retail Consultancy) involved the exploration of international new-to-market brands to the retail portfolio. In the Hospitality Business Group, comprising hotels and serviced residences, she was responsible for the delivery of the business unit's operational and service excellence. During her tenure, Iz-Lynn also concurrently held the position of the Head of Service Quality at the group's corporate level.

Iz-Lynn began her career with Singapore Airlines where she had varied roles which enhanced her exposure to different aspects of airline operations. She became Singapore Airline's first female Station Manager and was entrusted to manage overseas stations' airport operations in Frankfurt, Copenhagen, New York and Hong Kong.

Iz-Lynn holds a Bachelor of Arts (Honours) in English from the University of Leicester, United Kingdom and she completed the General Management Programme at Harvard Business School. Iz-Lynn was also the case protagonist in Harvard Business School Case Study "Iz-Lynn at Far East Organization".

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## MR VICTOR TEN

*Chief Financial Officer*

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Victor is a seasoned finance professional with more than 32 years of experience in corporate management, finance, investment, accounting, and project management, Victor serves BHG Retail REIT and its Manager as Chief Financial Officer ("**CFO**") since 2018. He leads the finance team and maintains oversight on the REIT's financial accounting & reporting, financing, internal controls, treasury, and tax matters. As CFO, he also actively guides the overall operating strategies and processes of the REIT.

Prior to joining the Manager, he served as the Financial Controller of Hyflux Ltd for Middle East and North Africa region, where he oversaw financial, accounting, taxation, cost management and corporate reporting matters for the region's operations.

Victor's earlier experiences included the setting up of real estate, engineering, logistics and healthcare operations and offices across South East Asia. He implemented numerous operational and financial strategies and processes which added strength to various stages of successful transformation and growth of the businesses.

Victor holds a Bachelor of Arts (Honours) in Accountancy from University of Bolton, United Kingdom and attended the Asia Strategy Management Programme for CFOs at the NUS-Chicago Booth Business School. Victor is Fellow member of both the Institute of Public Accountants, Australia and the Institute of Financial Accountants, United Kingdom. He is also a member of the Singapore Institute of Directors.

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**MR JACKY CHAN FU YEK**  
*Senior Finance Manager*

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Jacky brings along more than 20 years of experience in the accounting and finance industry. Reporting directly to the CFO, he oversees finance matters of both the REIT and Manager, in areas including financial reporting, taxation, capital management and treasury. Jacky supports the Compliance team by providing relevant financial data for its onward reporting.

Prior to joining BHG Retail REIT, Jacky previously served as a Finance Manager in Audio-Technica (S.E.A.) Pte Ltd. He handled full set of accounts, management of cashflow, analyse company's financial performance, opportunity growth, profitability and provide insightful analysis and trend for management review.

Jacky's professional career began as an auditor. He was an auditor with Ernst & Young and KPMG. He possesses a Bachelor of Business (Accountancy) from RMIT University, Melbourne. He is a Fellow member of CPA Australia and a Chartered Accountant of Singapore with ISCA.

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**MR ERIC LIU**  
*Investment and Asset Management Manager*

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With more than 15 years of valuable experience in the investments and financial services space under his belt, Eric is responsible for the value creation of BHG Retail REIT through acquisitions, asset recycling, asset enhancement and active asset management.

Prior to joining BHG Retail REIT, Eric was an Asset Manager in Straits Real Estate Pte. Ltd. where he provided direction and oversight of the company's business plan and strategy with regard to the company's asset portfolio in the Asia Pacific region. Prior to Straits Real Estate Pte. Ltd., he was the Investment and Asset Manager of Bright Ruby Resources Pte. Ltd. where he provided market research, deal sourcing, and strategic direction for real estate investments for their global portfolio. In addition, Eric also actively led and managed transaction procedures from concept through to completion.

Eric began his career as an independent market researcher at Nexus Link Pte. Ltd. in 2009, where he provided advisory-related services, including that of merger & acquisitions and risk management, based on market analysis and research, for various sectors.

Eric holds a Bachelor of Science (Honours), in Finance and Accounting from the University of Bradford, United Kingdom.



# Management Team

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## MR MALCOLM CHEN

*Investor Relations Manager*

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Malcolm reports directly to the CEO and is responsible for investor relations matters at BHG Retail REIT. His responsibilities include strategic targeting, as well as building and reinforcing relationships with investors, the research community, and the media. He is also actively involved in crafting corporate messaging across various platforms and facilitating compliance with capital market requirements for the REIT.

Prior to joining BHG Retail REIT, Malcolm held various corporate communications roles in the real estate and hospitality industries. He was the Corporate Communications Manager (Asia) at Millennium & Copthorne International Limited, where he led communications and strategic partnerships across the regional portfolio of CDL Hospitality REIT. He later moved on to become the Regional Head of Marketing at Furama Hotels and Resorts, where he oversaw brand positioning, marketing campaigns, and stakeholder engagement across multiple ASEAN countries. Earlier in his career, he managed brand development for United Engineers' hospitality arm, UE Park Avenue International.

Malcolm holds a Bachelor of Communication from the Singapore University of Social Sciences. He is also a certified trainer in digital marketing and public relations, and has served as an adjunct lecturer with Nanyang Polytechnic and Singapore Management University (SMU) Academy. He is a member of the Institute of Public Relations of Singapore (IPRS).

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## MR PHILIP TAN

*Compliance Manager*

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Philip is responsible for regulatory and operational compliance, legal matters, corporate governance, sustainability reporting, and enterprise risk management. He oversees all regulatory submissions and communications on behalf of the Manager and the REIT, and assists in ensuring compliance with the applicable rules and regulations of the Securities and Futures Act, the Singapore Exchange (SGX), and other relevant regulatory agencies.

He is also in charge of BHG Retail REIT's annual sustainability report in his capacity as the Manager's Sustainability Officer. In addition, Philip maintains a reporting line to the Audit and Risk Committee and facilitates communications between the Manager and the Board of Directors.

Philip's professional experience includes quality assurance and internal audit roles at institutes of higher learning, as well as teaching financial reporting and financial management courses for tertiary qualifications. He began his professional career as an auditor with the Auditor-General's Office, where he trained as a Certified Public Accountant (CPA). Currently a Chartered Accountant of Singapore, Philip is also a Certified Internal Auditor accredited by the Institute of Internal Auditors (IIA). His other qualifications include a Master's degree in Finance from Lancaster University, United Kingdom, and a Diploma in Governance, Risk and Compliance awarded by the International Compliance Association.

# Enterprise Risk Management

Enterprise Risk Management (“**ERM**”) is integral to the business and culture of BHG Retail REIT (or the “**REIT**”). Through a formalised framework (the “**ERM Framework**”) that informs the decision-making of all staff, ERM not only preserves, but also enhances value.

The Board of Directors (the “**Board**”) is responsible for the overall risk strategy and risk governance of BHG Retail REIT. It achieves this through the approval of the REIT’s risk appetite which determines nature and the extent of key material risks (including new and emerging risks) that BHG Retail REIT is willing to take to achieve its objectives, and the implementation of sound risk management and internal control practices to manage and mitigate principal risks. The Board is supported by the Audit and Risk Committee (“**ARC**”) in these matters. During the last quarter of every financial year (“**FY**”), the Board, through the ARC, reviews the potential risks in the following FY as it reviews the following FY’s budget. This section sets out the information needed by stakeholders to make an informed assessment of the risk management and internal control systems.

In working within the implemented ERM Framework, the Manager is empowered with a sound structure for BHG Retail REIT to capitalise on opportunities and achieve its investment objectives in a measured manner. This allows the Manager to take prudent risks in line with the approved risk appetite. This section sets out the information needed by stakeholders to make an informed assessment of the risk management and internal control systems.

## ERM FRAMEWORK

The ERM Framework was built on the premise that BHG Retail REIT would have a standard and consistent approach to risk management in its culture and strategic planning processes. This would support the setting of priorities and making of decisions at the portfolio and Manager level.

Further, the ERM Framework applies a systematic approach to effectively manage and control risks in the Manager’s governance and operations so as to achieve optimal outcomes for all its operations, business ventures, collaborations and partnerships. The ERM Framework will be reviewed every two years. In the event of changes in regulations, country

of operations, nature of business or any other event which would affect the REIT and the Manager, the ERM Framework would be reviewed accordingly and updated immediately.

The latest review of the ERM Framework was conducted in 2024. The Board and Manager incorporated the inputs from Pricewaterhousecoopers Risk Services Pte. Ltd. provided during the previous review in 2022, to address potential risks from climate change and to ensure that the ERM Framework remains relevant and is in accordance with current regulatory practices and requirements.

Further, the ERM Framework is supplemented by an outsourced internal audit function, which measures and evaluates the effectiveness of the procedures in place under the ERM Framework. An internal audit exercise is conducted annually. For FY 2025, an internal audit was conducted on the REIT Manager.

In addition, the Manager has established a semi annual Control Self-Assessment (“**CSA**”) exercise that is undertaken by the Manager. The CSA serves as a monitoring mechanism for management, as individual risk owners are required to assess the effectiveness of existing risk management and controls processes.

## KEY RISKS IN FY 2025

### *Real Estate / Operational Risks*

BHG Retail REIT’s portfolio faces real estate market risks in China. These may include rental rate volatility and changes in occupancy rates. Generally, an adverse development may lead to a reduction in revenue or an increase in costs, which could result in a downward adjustment of the REIT’s assets.

The Manager manages real estate risk by adopting a proactive asset management strategy. Portfolio properties are monitored closely to ensure that existing assets are optimally leveraged. Additionally, the Manager may consider divesting assets that no longer provide growth opportunities.

The Manager closely monitors the tenant occupancy rate and tenant mix of each portfolio property. The collated data from the portfolio properties allows the Manager to optimise the tenants in each portfolio property to maximise its attractiveness to target customers in the community.

# Enterprise Risk Management

## *Investment Risks*

Potential acquisitions are subject to rigorous due diligence, taking into consideration their potential for yield enhancement, long-term sustainability as well as any potential environmental risks, and their asset valuation. Any potential acquisition is first discussed with the Board. Conditional approval is obtained for commencement of review, analysis and due diligence. Thereafter, the findings are presented to the Board for consideration.

Further, transactions related to acquisitions or divestments of real estate assets are monitored closely to ensure compliance with the requirements in the Property Funds Appendix, and the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"),

## *Environment and Business Interruption Risk*

The Manager is cognisant that unforeseen circumstances may interrupt the business of each portfolio property. These circumstances may include natural disasters due to climate change and global warming, as well as global pandemics.

Accordingly, each portfolio property has in place sufficient insurance coverage against such occurrences. Each portfolio property has implemented recovery plans, which are tested at intervals throughout the year to ensure staff and tenant familiarity. Further, the Manager has also put in place proactive initiatives to ensure the upkeep and maintenance of the premises and equipment contained within each portfolio property.

## *Financial and Interest Rate Risk*

The Manager ensures that financial market risks are closely monitored and reported to the Board. The Manager adopts a proactive strategy to manage the risks associated with the changes in interest rates on any loan facilities. As at 31 December 2025, the REIT has entered approximately 34% of its offshore syndicated loan into interest rate swap transactions.

The Manager closely monitors its debt profile to ensure it maintains compliance with the gearing limit established by the Monetary Authority of Singapore ("**MAS**") in the Code on Collective Investment Schemes. The Manager also actively monitors the portfolio to ensure sufficient liquid reserves to fund operations and meet short-term obligations.

BHG Retail REIT is exposed to fluctuations of the Chinese Renminbi ("**RMB**") against the

Singapore Dollar. Our aim is to maximise returns to our Unitholders, and accordingly the Manager monitors currency exchange trends closely and explores methods to mitigate foreign exchange risk. These methods may include foreign exchange hedging on the expected dividends from our Chinese subsidiaries as well as other measures.

Where feasible, BHG Retail REIT also adopts a natural hedging by borrowing in RMB. This matches the revenue stream generated from its investment, balancing the interest rate and foreign exchange risk. As at 31 December 2025, about 14% of the REIT's borrowings are RMB-denominated.

## *Compliance Risks*

The Manager is subject to multiple laws and regulations. These include the various regulations, notices and guidelines under the purview of MAS, which are applicable to the Manager as a Capital Markets Services License holder. Additionally, the Manager complies with the requirements found in the Listing Manual of SGX ST, the Property Funds Appendix, and the provisions of the REIT's deed of trust dated 18 November 2015 (as amended and supplemented from time to time). The Manager also actively monitors any environmental related regulations that may affect our properties,

In ensuring that it complies with the myriad of regulations, the Manager has implemented corporate policies and procedures to provide clear instructions for all staff to abide by. This would minimise the likelihood of contravention of any regulation or rule, ensuring the least disruption to the business activities conducted by the Manager. Further, the Manager ensures all employees are aware of the latest developments in the law through training and attending seminars and briefings conducted by professionals and internal memorandums. The Board is also kept apprised of new rules and regulations affecting the Manager and BHG Retail REIT during Board meetings.

## *Information Technology Risks*

The Manager is aware of the modern-day risks associated with information technology. In accordance with the MAS Notice on Technology Risk Management and MAS Notice on Cyber Hygiene, the Manager conducts periodic reviews of its technology risks, with a view towards minimising the risk of downtime caused by information technology system failures and risk of cyber threat on critical information technology systems.

# Corporate Governance

## INTRODUCTION

BHG Retail REIT (the “**REIT**”) is a trust constituted by a deed of trust dated 18 November 2015 (as amended and supplemented) (the “**Trust Deed**”) entered into between BHG Retail Trust Management Pte. Ltd. (the “**Manager**”), as manager of the REIT, and DBS Trustee Limited (the “**Trustee**”), as trustee of the REIT. The Trust Deed outlines certain circumstances under which the Manager can be removed, including by notice in writing given by the Trustee upon the occurrence of certain events, or by resolution passed by a simple majority of the Unitholders of the REIT (the “**Unitholders**”) present and voting at a meeting of the Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

As an entity regulated by the Securities and Futures Act 2001 (“**SFA**”), the Code on Collective Investment Schemes (the “**CIS Code**”), the Listing Manual of Singapore Exchange Securities Trading Limited (“**SGX ST**”), and other regulations, the Manager is committed to upholding good standards of corporate governance.

The board of directors (the “**Board**” or “**Director**”) of the Manager has ensured that corporate governance practices in line with the Code of Corporate Governance 2018 (the “**2018 Code**”) were implemented. The Manager has further ensured that it remains in compliance with the other regulations, notices, circulars and guidelines that may be released by the Monetary Authority of Singapore (“**MAS**”) from time to time.

This corporate governance report (“**Report**”) describes the corporate governance practices with specific reference to the 2018 Code. Where there are deviations from the principles and provisions of the 2018 Code, explanations are provided within this Annual Report. This Report also sets out additional policies and practices adopted by the Manager which are not provided in the 2018 Code.

## THE MANAGER

The Manager has general powers of management over the assets of the REIT, and is responsible for setting the strategic direction of the REIT. The Manager’s primary responsibility is to manage the assets and liabilities of the REIT for the benefit of the Unitholders of the REIT. Broadly, the Manager’s strategy is:

- Active Asset Management - Driving organic growth and building long-lasting relationships with tenants;
- Active Asset Enhancement - Implementing enhancement opportunities to enhance cash flow and value of the properties;
- Acquisition Growth - Achieving portfolio growth through acquisition of quality income producing retail properties; and
- Sound Capital and Risk Management - Appropriate mix of debt and equity financing to maintain a strong and robust statement of financial position.

The Manager is an indirect wholly-owned subsidiary of Beijing Hualian Department Store Co., Ltd. (the “**Sponsor**”), an established China-based home-grown retail property operator. The Sponsor has extensive experience and expertise in asset management, which the REIT is able to leverage to achieve its objectives.

## BOARD MATTERS

### *The Board’s Conduct of Affairs*

**Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.**

The Board is entrusted with overall responsibility for the corporate governance of the Manager. The Board is also collectively responsible for the long-term success of the REIT, and its strategic business direction and risk management. To this end, the Board has set in place a framework of internal controls for the effective management of risks within the business. All Directors exercise reasonable diligence and independent judgment when making decisions and are obliged to act honestly and consider the interests of the Manager and the REIT at all times. The Board recognises that Directors owe fiduciary duties to the Manager and

# Corporate Governance

should act objectively in the best interests of the REIT and hold the management team of the Manager ("**Management**") accountable for performance.

As part of providing overall leadership to the REIT and its subsidiaries (the "**Group**"), the Board sets the appropriate tone from the top, desired organisational culture, and ensures proper accountability within the Manager. The Board also advises Management on the desired culture of the Group and monitors Management's implementation of such culture. The Board and Management are guided by a code of conduct and ethics which provides that every Director and member of Management is expected to, among other things, adhere to the highest standards of ethical conduct.

At all times, the Directors are collectively and individually obliged to act honestly and with diligence, and in the best interests of the REIT. The Manager requires that its Directors disclose their interests in transactions and any conflicts of interests. Directors facing conflicts of interest will recuse themselves from discussions and decisions involving the issues of conflict. Each of the Directors has complied with the above.

The Board has authority to approve or endorse certain matters, including:

- Material transactions, such as acquisitions and divestments;
- Annual budgets;
- Periodic financial reports; and
- Appointment of Directors and key management personnel of the Manager ("**KMPs**").

The Manager has established internal guidelines setting forth matters that require the Board's approval including business strategies and proposals, investment acquisitions and disposals, borrowings and financing arrangements, budgets, project development and capital expenditures, and operating expenditures. Such matters which have been approved by the Board are clearly communicated to Management in writing. Apart from matters that specifically require the Board's approval, the Board delegates authority for transactions below those limits to Board committees and Management to optimise operational efficiency.

All Directors exercise reasonable diligence and independent judgment when making decisions and are obliged to act honestly and consider the interests of the REIT and the Unitholders at all times.

To facilitate the proper discharge of its functions, the Board has established the following committees:

- Audit and Risk Committee (the "**ARC**"); and
- Nominating and Remuneration Committee ("**NRC**") (collectively, the "**Board Committees**").

The Board Committee members are appointed from within the ranks of the Board, and operate on delegated authority from the Board. The Board Committees have been constituted with clear written terms of reference approved by the Board and may decide on matters within their terms of reference and applicable limits of authority. The terms of reference of the respective Board Committees set out their compositions, authorities and duties, including reporting back to the Board. All terms of reference are reviewed and updated when necessary to ensure their continued relevance. Notwithstanding the delegation of authority to the Board Committees, the ultimate responsibility for decision-making and oversight rest with the Board as a whole. The composition of the various Board Committees, the terms of reference, any delegation of the Board's authority to make decisions and a summary of each committee's activities are set out in this Corporate Governance section of the Annual Report.

The Board and the ARC meet on a semi-annual basis to review key business activities. The NRC meets at least annually. Where it is not possible for a Director to attend in person, that Director may participate via teleconferencing, video conferencing, or other similar means of telecommunication. In each meeting where matters requiring the Board's approval are to be considered, all members of the Board attend and actively participate in the discussions and deliberations, and resolutions in writing are circulated to all Directors for their consideration and approval. A Director with multiple directorships is expected to ensure that sufficient time and attention can be and is given to the affairs of the Manager in managing the assets and liabilities of the REIT for the benefit of Unitholders. Two Board meetings were held during the financial year ended

31 December 2025 ("**FY 2025**"). The number of such meetings and the attendance of each of the Directors at Board meetings and Board Committee meetings are set out at page 34 of this Annual Report.

Provision 1.5 of the 2018 Code requires Directors to attend and actively participate in Board and Board Committee meetings. The number of such meetings and each individual director's attendance at such meetings are disclosed in page 34 of this Annual Report. Directors with multiple board representations have ensured that sufficient time and attention are given to the affairs of each company.

The Manager provides the Board with complete, adequate and timely information prior to Board meetings, and on an ongoing basis, to enable the Directors to make informed decisions to discharge their duties and responsibilities. This includes periodic business updates, financial reports and financial statements from the Manager. The Manager's executives and external consultants may also provide presentations on specific business areas. Further, the Board has separate and independent access to Management and the company secretary of the Manager ("**Company Secretary**") at the Manager's expense, at all times. The Company Secretary and/or his representative attend to corporate secretarial administration matters and attend all Board and Board Committee meetings. The Board also has separate and independent access to external advisers where necessary and when requested at the Manager's expense.

The appointment and removal of the Company Secretary is a matter for the Board to decide as a whole. This ensures that the Directors are not solely dependent on what is recommended by the Manager.

At each Board meeting, the Chief Executive Officer ("**CEO**") provides updates on the REIT's business and operations, as well as its financial performance. Presentations in relation to specific business areas are also made by key executives and external consultants or experts. This allows the Directors to understand the REIT's business as well as their directorship duties (including their roles as non-executive and independent directors) and also promotes active engagement between the Board and the key executives of the Manager. Updates and changes to regulatory requirements that are relevant to the REIT are monitored and reported to the Board during the meeting. Where necessary and expedient, the Board may be briefed on urgent updates via circulars.

Induction, training and development programmes are provided to new and existing Directors. These programmes aim to familiarise the new Director with his or her duties as a director, and how to discharge those duties, the laws and regulations that govern the operation of a REIT, and to familiarise the new Director with the REIT's business and organisation structure and governance practices. Following their appointment, Directors are provided with opportunities to develop and maintain their skills and knowledge at the Manager's expense and to keep abreast of developments in areas such as Directors' duties and responsibilities, changes to laws, regulations, accounting standards, and industry-related matters so as to be updated on matters that may affect or enhance their performance as Directors of the Board, or members of the Board Committees. All the directors have met the training requirements prescribed by SGX-ST, including the mandatory training requirement under Practice Note 2.3 of the Listing Manual (being the "Essentials for Directors of REIT Managers" programme conducted by the REIT Association of Singapore ("**REIT Mandatory Training**"), and the "Board of Directors Masterclass Programme" conducted by the Institute of Singapore Chartered Accountants and SAC Capital which was applicable only to Mr Ong Tze Guan who is a first-time director of an issuer listed on the SGX-ST. In FY 2025, all directors were briefed and updated on new notices and guidelines issued by MAS, as well as changes to the Listing Manual of the SGX-ST.

The Directors and executive officers have appropriate experience and expertise to manage the REIT's business. New Directors, who have no prior experience as a director of a public listed entity listed on the SGX-ST or in REIT Management (if any), will undergo the necessary training in the roles and responsibilities of a director of a public listed entity or REIT in Singapore as prescribed by the SGX-ST.

Newly appointed Directors will also be provided with a formal letter of appointment setting out their duties and obligations.

# Corporate Governance

## Board Composition and Guidance

**Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.**

The Board which in FY 2025 and as at the date of this Report, comprises five (5) members, all of whom are Non-Executive Directors such that Non-Executive Directors make up a majority of the Board and of which three (3) are Independent Directors and also residents in Singapore:

Mr Gan Chee Yen	Chairman / Non-Executive Independent Director
Mr George Quek Meng Tong	Non-Executive Independent Director
Mr Ong Tze Guan	Non-Executive Independent Director
Mr Xiong Zhen	Non-Executive Non-Independent Director
Mr Peng Ge	Non-Executive Non-Independent Director


Although the majority of the Board comprises Independent Directors, the Manager is not required to have a majority of the Board as Independent Directors as the Chairman is independent.

Each Director is a respected individual with the appropriate experience to act as the Director of the Manager. The profiles of the Directors may be found on pages 17 to 19 of this Annual Report. The Board is headed by Mr Gan Chee Yen, who presides as Chairman. The Board, through the NRC, aims to maintain an optimal Board composition by considering the trends affecting the REIT, reviewing the skills needed and identifying gaps (which includes considering whether there is an appropriate level of diversity of thought), and such considerations may be used by the NRC to set appointment criteria for successors. The Board reviews from time to time the size and composition of the Board, with a view to ensuring the Board has the appropriate mix of expertise and experience and that the size of the Board is appropriate in facilitating effective decision making, avoiding groupthink and fostering constructive debate, taking into account the scope and nature of the operations of the Group, and that the Board has a strong independent element. Any potential conflicts of interest are also taken into consideration.

In view of the principles and provisions set out in the 2018 Code, the Board has also adopted a Board Diversity Policy from 2020 onwards as the REIT recognises that board diversity is an essential element contributing to the sustainable development of the Manager. Under this Board Diversity Policy, the Board, through the NRC, aims to maintain an appropriate balance and diversity of experience, skills, knowledge, gender, age, perspectives, qualifications and other attributes in the relevant areas among the Directors in order to build an effective and cohesive Board to meet the need of the REIT. Given that the REIT is a listed entity and its retail properties are based in China, a diverse set of skills and experience including directorships in listed companies, real estate, accounting and finance, as well as retail management in China are important to ensure effective functioning of the Board. The Board, through the NRC, sets and reviews periodically internal targets and guidelines for the composition of the board, taking into consideration the right blend of competencies and experience, skills and abilities, as well as our corporate gender objective based on inclusiveness and equality. The NRC is of the view that the Board and board committees are of an appropriate size, and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and is able to foster constructive debate, and take into account the needs and plans of the REIT, as well as the future strategy of the REIT. In line with the Board Diversity Policy, the current Board comprises five members who are corporate and business leaders, and are professionals with varied backgrounds, expertise and experience including in accounting, banking, finance, real estate, and the China market. The Board members have a diverse mix of skills, talents, experience and diversity required to serve the needs of the REIT. While there is no female director on the Board, the REIT has a female CEO, Ms Iz-Lynn Chan, who works closely with the Board. Her presence at all the Board Meetings is a testament of our inclusive and fair corporate gender objective.

More importantly, the NRC is of the view that the Board together with the CEO (i.e. persons charged with governance) is able to foster an inclusive and diverse culture that introduces different skills, perspectives and experiences that will ultimately promote better corporate governance. As part of the Board renewal process,

the Manager undertook major efforts over the course of FY2024 to identify and shortlist candidates that possess experience as a director of a listed issuer, and/or possess suitable accounting and related financial management experience or expertise to ensure that it continues to meet the Diversity Criteria below. As a result, the Manager was able to continue to achieve its Diversity Criteria below. The Management and Board supports orderly succession and renewal and will continue to identify suitable candidates as part of the Board succession planning process.

Diversity Criteria	Outcome	Met Targets
Directorships in other listed companies	20% of Board	
Experience in accounting and finance	40% of Board	
Experience in retail management in China	60% of Board	
Fair and inclusive corporate gender objective	Female CEO	

The Board comprises seasoned professionals who have a mix of expertise in real estate investment, asset management, financial oversight, sustainability, and consumer-driven industries. This broad mix of skills and experience supports the Manager's execution of strategic initiatives and aligns with the REIT's current plans and long-term objectives.

The Board is chaired by Mr Gan Chee Yen, whose extensive background in investment management, corporate restructuring, and financial oversight provides the REIT with strategic insights. His leadership roles at Temasek International, Fullerton Financial Holdings, and Pacific International Lines reinforce the REIT's governance and risk management practices. Mr Ong Tze Guan brings expertise in sustainability, private equity, and venture capital investments. His experience in water management and infrastructure projects in China, including leadership roles in the Singapore-Suzhou Industrial Park and Singapore Chamber of Commerce in China also supports the REIT's exploration of green initiatives and ESG-driven considerations. Mr George Quek Meng Tong, with over 40 years in the food services industry, adds valuable insights into retail operations, consumer engagement, and real estate development in China and Singapore. As founder and Chairman of BreadTalk Group, he brings extensive experience in managing large-scale commercial properties and consumer-centric businesses, complementing the REIT's focus on retail-driven growth.

The Board's collective expertise in real estate, finance, sustainability, and consumer-driven industries strengthens the REIT's ability to navigate market conditions and drive long-term value. With a focus on financial prudence and active asset management, the Board remains committed to enhancing portfolio stability and delivering sustainable returns to unitholders.

The assessment of a Director's independence takes into account the enhanced independence requirements and the definition of "independent director" as set out in the Listing Manual, the 2018 Code and the Securities and Futures (Licensing and Conduct of Business) Regulations. An independent director is one who: (i) is independent in conduct, character and judgment, and has no relationship with the Manager, its related corporations, shareholders who hold 5.0% or more of the voting shares (the "**Substantial Shareholders**") of the Manager, or Unitholders who hold 5.0% or more of the Units (the "**Substantial Unitholders**") in issue, or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his or her independent business judgment, in the best interests of the Unitholders; (ii) is independent from any management and business relationship with the Manager and the REIT, and from every Substantial Shareholder of the Manager and every Substantial Unitholder; (iii) is not a Substantial Shareholder of the Manager or a Substantial Unitholder; (iv) has not served on the Board for a continuous period of nine (9) years or longer; and (v) is not employed or has been employed by the Manager or the REIT or any of their related corporations in the current or any of the past three (3) financial years and does not have an immediate family member who is employed or has been employed by the Manager or the REIT or any of their related corporations in the current or any of the past three (3) financial years and whose remuneration is or was determined by the Board.

Mr Xiong Zhen and Mr Peng Ge are salaried employees of other entities within the Beijing Hualian Group Investment Holding Co., Ltd. ("**Beijing Hualian Group**") and accordingly are treated as Non-Independent

# Corporate Governance

Directors. The independence of Mr Gan Chee Yen, Mr George Quek Meng Tong and Mr Ong Tze Guan is assessed against the requirements of the 2018 Code, the Listing Manual of the SGX-ST and Regulation 13E of the Securities and Futures (Licensing and Conduct of Business) Regulations (“SFR”).

Mr Gan Chee Yen was appointed to the Board on 11 November 2024. Pursuant to regulation 13D of the SFR, a director of the Manager (as holder of a capital markets services licence for real estate investment trust management) who has any business relationship with the Manager and BHG Retail REIT is not considered an independent director, but may nevertheless be treated as an independent director of the Manager if the Board is satisfied that the director is able to act in the best interests of all the Unitholders, as a whole. Mr Gan Chee Yen was deemed to have a business relationship with the Manager as Mr Gan Chee Yen is also a non-executive, independent director of Singapore Post Limited, which provides postal services to BHG Retail REIT and the Manager.

Notwithstanding the above, the Board noted that the decision to procure the services of Singapore Post Limited was made by the management team of BHG Retail REIT, and the provision of such postal services were provided in the ordinary course of business, on an arm’s length basis and based on normal commercial terms and/or market rates. The Board also noted that the value of the services was not material relative to the total operating expenses of BHG Retail REIT and the Manager for FY 2025, and that Mr Gan Chee Yen’s role in Singapore Post Limited is also non-executive in nature and he is not involved in the day-to-day conduct of business of Singapore Post Limited. Accordingly, the Board and the NRC were of the view that Mr Gan Chee Yen is able to act with independent judgement in the discharge of his duties and responsibilities as a Director and act in the best interests of all Unitholders, in the discharge of his duties and responsibilities. Accordingly, the Board and the NRC considered Mr Gan Chee Yen to be independent pursuant to Regulation 13D of the SFR.

Mr George Quek Meng Tong was appointed to the Board on 11 February 2024. Mr Quek has over 40 years of experience in the food services industry and has significant experience in the real estate industry in China and Singapore. Mr Quek founded the BreadTalk group of companies in 2000 and has been the Group Chairman of BreadTalk Group Pte. Ltd. (“**BreadTalk Group**”) (which was listed on the Main Board of the SGX-ST as BreadTalk Group Limited from 2003 to 2020) since its incorporation. Pursuant to regulation 13D of the SFR, a director of the Manager (as holder of a capital markets services licence for real estate investment trust management) who has any business relationship with the Manager and BHG Retail REIT is not considered an independent director, but may nevertheless be treated as an independent director of the Manager if the Board is satisfied that the director is able to act in the best interests of all the Unitholders, as a whole. Mr Quek was deemed to have a business relationship with the Manager and BHG Retail REIT as Mr Quek is the Group Chairman of BreadTalk Group, whose wholly owned subsidiary was a tenant in Beijing Wanliu Mall, one of the retail malls which BHG Retail REIT holds a 60% interest. However, the Board and NRC noted that the tenancy has ceased on 31 May 2025 and the revenue of BHG Retail REIT from this tenancy for FY 2025 was not significant. As such, the tenancy would not pose any conflict of interest between Mr George Quek Meng Tong’s directorship at BHG Retail REIT and his business interests in BreadTalk Group. Any conflict of interest which may arise will also be mitigated by BHG Retail REIT’s existing measures in place (as further detailed in page 45), including Mr George Quek Meng Tong’s abstention from voting in respect of transaction(s) wherein there were a conflict of interest between BHG Retail REIT and BreadTalk Group. Therefore, the Board and the NRC were of the view that Mr Quek was able to exercise independent judgement and act in the best interests of all Unitholders, in the discharge of his duties and responsibilities. Accordingly, the Board and the NRC considered Mr George Quek Meng Tong to be independent pursuant to Regulation 13D of the SFR for FY 2025.

Save for Mr George Quek Meng Tong and Mr Gan Chee Yen, there are no other instances where the Board considers a director to be independent where there is the existence of a relationship as stated in the 2018 Code and the Listing Manual of the SGX-ST that would otherwise deem a director not to be independent.

For FY 2025, the NRC has reviewed and determined that the Independent Directors of the Manager were independent according to the 2018 Code, the Listing Manual of the SGX-ST and Regulation 13E of the Securities and Futures (Licensing and Conduct of Business) Regulations. None of the Independent Directors have served the Board beyond nine (9) years from the date of their first appointments as at the last day of FY 2025. The following further sets out the assessment of each Director’s independence against

the requirements under the Securities and Futures (Licensing and Conduct of Business) Regulations for FY 2025.

	Gan Chee Yen	George Quek	Ong Tze Guan	Peng Ge	Xiong Zhen
had been independent from the management of the Manager and BHG Retail REIT during FY 2025	✓	✓	✓		
had been independent from any business relationship with the Manager and BHG Retail REIT during FY 2025			✓	✓	✓
had been independent from every Substantial Shareholder of the Manager and every Substantial Unitholder of BHG Retail REIT during FY 2025	✓	✓	✓		
had not been a Substantial Shareholder of the Manager or a Substantial Unitholder of BHG Retail REIT during FY 2025	✓	✓	✓	✓	✓
has not served as a Director of the Manager for a continuous period of nine (9) years or longer as at the last day of FY 2025	✓	✓	✓		

**Notes:**

- (1) During FY 2025, Mr George Quek Meng Tong was deemed to have a business relationship with the Manager and BHG Retail REIT. Nonetheless, the Board was satisfied that, as at the last day of FY 2025, Mr George Quek Meng Tong was able to act in the best interests of all Unitholders as a whole.
- (2) During FY 2025, Mr Gan Chee Yen was deemed to have a business relationship with the Manager and BHG Retail REIT. Nonetheless, the Board was satisfied that, as at the last day of FY 2025, Mr Gan Chee Yen was able to act in the best interests of all Unitholders as a whole.
- (3) Each of Mr Peng Ge and Mr Xiong Zhen is currently employed by a related corporation of the Manager. As such, during FY 2025, each of them is deemed (a) to have a management relationship with the Manager and the REIT; and (b) connected to a Substantial Shareholder of the Manager and substantial Unitholder. The Board of the Manager was satisfied that, as at the last day of FY 2025, each of Mr Peng Ge and Mr Xiong Zhen was able to act in the best interests of all Unitholders as a whole, despite not being independent.
- (4) The Board is confident that the Directors act in good faith and exercise due diligence and care in the exercise of their duties, and is presently of an appropriate size. For FY 2025, the Board is of the opinion that its current Board size and composition are reasonable, effective and efficient considering the nature, size and scope of the Manager's and the REIT's business operation.
- (5) The Non-Executive Directors contribute to the Board process by monitoring and reviewing Management's performance against goals and objectives. Their views and opinions provide alternative perspectives to the Manager's business and enable the Board to make informed and balanced decisions. The Non-Executive Directors also work with Management to help shape the strategic process.
- (6) When reviewing Management's proposals or decisions, the Non-Executive Directors bring their objective judgment to bear on business activities and transactions involving conflicts of interest and other complexities. The Non-Executive Directors and/or the REIT Independent Directors, led by the independent Chairman of the Board or other Independent Directors of the REIT as appropriate, meet regularly about two times a year without the presence of Management. The chairman of such meetings provides feedback to the Board and/or Chairman of the Board as appropriate. In FY 2025, the Non-Executive Directors, led by the independent Chairman, met two times for discussions without the presence of Management.

### **Chairman and Chief Executive Officer**

**Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.**

To ensure an appropriate balance of power and to increase the accountability and capacity of the Board for independent decision making, the roles and responsibilities of the Chairman and CEO are held by separate individuals. Mr Gan Chee Yen is the Chairman and Ms Chan Iz-Lynn is the CEO. The Chairman brings with him a wealth of experience. He leads the Board and bears responsibility for the functioning of the Board. Mr Gan is responsible for creating the conditions for the overall effectiveness and direction of the Board, Board Committees and individual Directors. He ensures that the Board receives accurate, timely and clear information and that the Board meetings are held as and when necessary, and he sets the agenda of Board meetings in consultation with the other Directors and Management. He assists in ensuring compliance with the provisions of corporate governance and facilitates the effective contribution of

# Corporate Governance

**Non-Executive Directors.** The Board establishes and sets out in writing the division of responsibilities between the Chairman and the CEO.

The CEO, Ms Chan Iz-Lynn, works with the Board to determine the strategy for the REIT. She also works with the other members of the Management to ensure that the REIT operates in accordance with the Manager's stated investment strategy. Further, she is responsible for the future strategic development, overall day-to-day management and operations of the REIT, and she works with the Manager's investment, asset management, financial and compliance personnel in meeting the strategic, investment and operational objectives of the REIT.

Provision 3.3 of the 2018 Code requires the Board to have a Lead Independent Director to provide leadership in situations where the Chairman is conflicted, especially when the Chairman is not independent. The Lead Independent Director would be available to Unitholders where they have concerns and if contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate. Currently, no Lead Independent Director has been appointed as there are sufficient measures in place in the event of a conflict by the Chairman. The Manager is of the view that despite the deviation from Provision 3.3 of the 2018 Code, the risk of conflict by the Chairman is mitigated given that the Chairman is not part of the Management and is an Independent Director, and the roles of the Chairman and CEO are held by separate individuals who are not immediate family members and have no close family ties. Moreover, the Board has a strong independent element as three (3) out of five (5) directors (including the Chairman) are Non-Executive Independent Directors. The Manager is accordingly of the view that its practice is consistent with the intent of Principle 3 of the 2018 Code as a whole.

During FY 2025, the Independent Directors met at least once in the absence of Management, to discuss matters. Such meetings were led by the Independent Chairman, and feedback was provided to the Board and/or the Chairman as appropriate.

## **Board Membership**

***Principle 4: The Board has a formal and transparent process for the appointment and reappointment of directors, taking into account the need for progressive renewal of the Board.***

The Board is cognisant of the requirements of the 2018 Code, and accordingly has established the NRC, which in FY 2025 and as at the date of this Report, comprises three (3) members, all of whom, including the Chairman, are Non-Executive Independent Directors:

Mr George Quek Meng Tong	Chairman
Mr Gan Chee Yen	Member
Mr Ong Tze Guan	Member

The NRC is regulated by a set of written terms of reference and is responsible for making recommendations to the Board on appointment and remuneration matters. The NRC will review and make recommendations to the Board on succession plans for the Board and executive officers, in particular the appointment and/or replacement of the Chairman, the CEO and KMPs. In reviewing succession plans, the NRC has in mind the REIT's strategic priorities and the factors affecting the long-term success of the REIT.

The NRC also considers different time horizons for the purposes of succession planning. The NRC evaluates the Board's competencies on a long-term basis and identifies competencies needed to achieve the REIT's strategy and objectives. In the medium term, the NRC has a system of orderly replacement of the Board members and key management personnel. The NRC also considers contingency planning to prepare for sudden and unforeseen changes.

As provided in the Manager's Succession Planning Policy, internal candidates are identified as interim successor on an "acting" basis or covering person(s), for its key positions that become vacant due to incapacitation, in order to provide continuity in leadership in such event.

The other responsibilities of the NRC as set out in the terms of reference include:

- Making recommendations to the Board on the process and criteria for evaluation of the performance of the Board, its Board Committees, and Directors;
- Reviewing and making recommendations to the Board on the training and professional development programmes for the Board and its Directors;
- Reviewing, making recommendations to the Board and nominating the appointment and re-appointment of Directors (including alternate directors, if applicable), having regard to the composition and progressive renewal of the Board, including taking into account the leadership needs of the Manager and the REIT and each Director's competencies, commitment, contribution and performance including, if applicable, as an Independent Director. Potential new directors are identified and evaluated based on criteria such as the relevant experience and skillsets of the potential director to the REIT's business. Broader search criteria is also considered, such as diversity and technological expertise;
- Determining annually, as and when circumstances require, if a Director is independent having regard to the circumstances set forth in page 29 of this Annual Report;
- Recommending to the Board for the Board's approval the objective performance criteria and process for the purpose of evaluating the effectiveness of the Board as a whole and that of each of its Board Committees separately, as well as the contribution by the Chairman and each individual Director;
- Assess whether each Director continues to contribute effectively and demonstrates commitment to the role, taking into account factors such as commitment of time for meetings of the Board and Board Committees and any other duties;
- Review other directorships held by each Director and deciding if a Director is able to and has been adequately carrying out his or her duties as a Director of the Manager, taking into consideration the Director's number of listed company directorships and principal commitments;
- Propose and recommend to the Chairman of the Board, where appropriate, new members to be appointed to the Board and/or to seek the resignation of existing Directors;
- Determine who should be given the responsibility of conducting the evaluation, i.e. whether it should be done internally by another committee, by the NRC, by self-evaluation, or by an external consultant, as well as whether the process is intended to be conducted through a written questionnaire or via oral interview;
- Determine how the Manager's record retention policies and practices should be applied to the data gathered in the course of the evaluation process and it should ensure that such record retention procedures are strictly adhered to;
- Reviewing the REIT's obligations arising in the event of termination of Executive Directors' and executive officers' contracts of service and ensuring that such contracts of service contain fair and reasonable termination clauses; and
- Keep up to date with developments in corporate governance initiatives, changes to relevant legislations, strategic issues and commercial changes that may affect the Manager and the industry it operates.

The NRC has adopted the following criteria and process for selecting, appointing and reappointing Directors and for reviewing the performance of Directors:

- The NRC reviews the independence of each Director annually having regard to the circumstances set forth in Provision 2.1 of the 2018 Code.
- In appointing a new Director to the Board, the Board considers the needs of the REIT and the relevant expertise of the candidate. Further, the Board refers to the Board Diversity Policy and considers the principles stated on pages 28 to 29 of this Annual Report.
- The NRC ensures that a new Director is aware of his or her duties and obligations. A newly appointed Director receives a formal appointment letter which sets out his or her relevant duties and obligations. The NRC also decides if a Director is able to and has been adequately carrying out his or her duties as a Director of the Manager.
- The NRC further reviews the composition of the Board periodically, taking into account the need for progressive renewal of the Board, and each Director's competencies, commitment, contribution and performance. Candidates with the appropriate profile are shortlisted for nomination and are recommended to the Board for approval. The search for candidates is conducted through referrals, and the NRC may seek advice from external search consultants where necessary.

# Corporate Governance

In respect of the Manager's Independent Directors, the Board is of the view that Mr Gan Chee Yen, Mr George Quek Meng Tong, and Mr Ong Tze Guan are independent for the FY 2025 under review, taking into account the circumstances set forth in the 2018 Code, the Listing Manual of the SGX ST, Regulation 13E of the Securities and Futures (Licensing and Conduct of Business) Regulations and any other salient factors. All the Independent Directors had also confirmed their independence in accordance with the 2018 Code, the Listing Manual of the SGX-ST and Regulation 13E of the Securities and Futures (Licensing and Conduct of Business) Regulations.

Where a Director has multiple Board representations, the NRC also considers whether or not the Director is able to adequately carry out his or her duties as a Director of the Manager, taking into consideration the Director's number of listed entity board representations and other principal commitments which are set out on pages 17 to 19 of this Annual Report. The Board has voluntarily and unanimously agreed that with effect from the financial year ended 31 December 2018, each Director may hold a maximum of six (6) listed entity directorships.

Procedures and control mechanisms are also in place to ensure that the independence of the Directors is actively monitored. Please refer to Principle 2 under Board Composition and Guidance.

The NRC has evaluated and is satisfied that each Director has provided sufficient time and attention on the affairs of the Manager to fulfil their responsibilities, notwithstanding their other commitments. For FY 2025, the Directors have attended Board meetings and have participated constructively in the discussion of the activities of the REIT. The NRC and the Board are of the view that, despite the external appointments, the Directors are not hindered from diligently discharging his or her duties as Directors of the Manager. The number of meetings held by the Board, the ARC and the NRC, and the attendance of Directors at the meetings during FY 2025 are set out as follows:

	Board Meetings	ARC Meetings	NRC Meetings	General Meetings
Gan Chee Yen	2	2	1	1 <sup>(1)</sup>
George Quek Meng Tong	2	2	1	1 <sup>(1)</sup>
Ong Tze Guan	2	2	1	1 <sup>(1)</sup>
Xiong Zhen	2	N.A. <sup>(2)</sup>	N.A. <sup>(2)</sup>	1 <sup>(1)</sup>
Peng Ge	2	N.A. <sup>(2)</sup>	N.A. <sup>(2)</sup>	1 <sup>(1)</sup>

## Notes:

<sup>(1)</sup> The annual general meeting for the financial year ended 31 December 2024 was convened and held in-person on 28 April 2025 at Raffles City Convention Centre, Level 4, Minto Room. Gan Chee Yen, George Quek Meng Tong, and Ong Tze Guan were in attendance in-person, while Xiong Zhen and Peng Ge were in attendance via electronic means.

<sup>(2)</sup> N.A. - Not applicable.

Information in respect of the designations and roles of the Directors, academic and professional qualification, date of first appointment as a Director, date of last re-appointment as a Director, and directorship or chairmanship, both present and those held over the preceding three (3) years in other listed companies, and other principal commitments, is set out on pages 17 to 19 of this Annual Report.

## Board Performance

**Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.**

The Board has implemented a formal system of evaluating the Board's performance, which is carried out by the NRC, for assessing the effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by the Chairman and each individual Director through the use of a performance assessment checklist. The Board has not engaged any external facilitator to conduct the performance evaluation of the Board, its Board Committees and each individual Director. Where relevant and when the need arises, the NRC will consider such an engagement.

The evaluation of the Board's performance as a whole deals with matters on Board composition, information, process, accountability, performance benchmark, CEO / KMPs, risk management and internal controls and standards of conduct. The Board Committees' evaluation deals with the efficiency and effectiveness of each Board Committee in assisting the Board. The criteria for the evaluation of individual Directors include, among others, the Directors' attendance and participation at Board and Board Committees' meetings, understanding of business plans and strategies, and ability to articulate thoughts and opinions in a clear and concise manner.

Each Director is required to objectively assess his or her personal performance and collectively, the performance of the Board as a whole and its Board Committees. For FY 2025, each Director completed the performance assessment checklists and returned them to the Management. The Management has compiled the results of the evaluation and tabled the summary for the NRC's review. The NRC is satisfied that:

- All performance objectives for FY 2025 have been met for the Board, Board Committees and for each individual Director; and
- Each Independent Director has met and continues to meet the requirements of the 2018 Code.

Pursuant to the NRC's review, the Board is satisfied that it has achieved its performance objectives for FY 2025.

The Manager believes that the Board's performance is reflected in the long-term success of the REIT. The Board's performance is reviewed once a year by the NRC.

## REMUNERATION MATTERS

### *Procedure for Developing Remuneration Policies*

***Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.***

The Board has established the NRC to review and make recommendations to the Board on (i) a framework of remuneration for the Board and KMPs; and (ii) the specific remuneration packages for each Director and KMPs to ensure that the remuneration payable is in line with the objectives of its remuneration guidelines.

The NRC comprises at least three (3) Directors. All members of the NRC are Non-Executive Directors, all of whom, including the NRC Chairman, are independent. None of the Directors are involved in deciding his or her own remuneration.

The NRC assists in reviewing and recommending to the Board a general framework of remuneration for the Board and KMPs of the Manager that is market competitive and a compensation strategy that helps to support the Manager's objective of attracting, rewarding and retaining performing employees. The NRC also assists in reviewing and recommending to the Board the specific remuneration packages for each Director as well as for the KMPs, and employees related to the Directors, the CEO or Substantial Shareholders or employees who are Substantial Shareholders themselves. The NRC considers all aspects of remuneration, including termination terms, to ensure that they are fair.

No remuneration consultants were engaged in FY 2025.

### *Level and Mix of Remuneration*

***Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.***

### *Disclosure on Remuneration*

***Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.***

# Corporate Governance

The REIT is externally managed by the Manager and accordingly has no personnel of its own. Remuneration of all Directors and employees of the Manager is paid by the Manager and not by the REIT. The Manager adopts the principle that remuneration for the Board and Management should be assessed holistically. The remuneration structure supports the continuous development of the management bench strength to ensure robust talent management and succession planning. While the Manager is not a listed entity, the Board has established the NRC. As regards remuneration policies, the terms of reference of the NRC include:

- Reviewing and recommending to the Board a general framework of remuneration for the Board and the executive officers;
- Reviewing the REIT's obligations arising in the event of termination of Executive Directors' and executive officers' contracts of service and ensuring that such contracts of service contain fair and reasonable termination clauses;
- Developing an assessment matrix to review the performance, consider and recommend to the Board on the appropriate quantum of remuneration in view of a Director's level of contributions, taking into account his or her responsibilities and time spent;
- Setting the remuneration policy for Directors (both Executive Directors and Non-Executive Directors) and KMPs;
- Monitoring the level and structure of remuneration for KMPs relative to the internal and external peers and competitors;
- Reviewing the remuneration of employees related to the Directors, CEO or Substantial Shareholders or employees who are Substantial Shareholders, if any, to ensure that their remuneration packages are in line with employee remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. Any bonuses, pay increases and/or promotion for these related employees will also be subject to the review and approval of the NRC;
- Obtaining reliable, up-to-date information on the remuneration practices of other companies and the relevant market benchmarks through the appointment of external consultants. Such information can also be obtained by commissioning or purchasing any appropriate reports, surveys or information at the expense of the Manager, subject to the budgetary constraints imposed by the Board;
- Overseeing any major changes in employee benefits or remuneration structures; and
- Reviewing the design of all long-term and short-term incentive plans for approval by the Board and Unitholders.

The NRC recommends a framework of remuneration for the Board and KMPs to the Board for endorsement. There is a formal and transparent procedure for fixing the remuneration packages of the Directors. No individual Director is involved in fixing his or her own remuneration. Independent Directors are paid Directors' fees annually on a standard fee basis.

The NRC operates on delegated authority from the Board. The Manager has put in place a remuneration policy with an aim toward retention of talent, building the strength of management, and developing key executives. This ensures that the business of the Manager remains sustainable, and provides a stable environment with room for continual growth and improvement.

The NRC reviews the terms and conditions of service agreements of the CEO and KMPs before their execution. In the course of such review, the NRC will consider the Manager's obligations arising in the event of termination of the CEO and KMPs, to ensure that the service agreements contain fair and reasonable termination clauses and are not overly generous so as to avoid rewarding poor performance.

In establishing the remuneration structure of the CEO and KMPs, the NRC ensures that the level and mix of remuneration are competitively benchmarked against the relevant industry market rates and tied to the performance of the Manager and the individual employee. The NRC also exercises independent judgment in ensuring that a significant and appropriate proportion of the KMPs' remuneration is structured so as to link rewards to corporate and individual performance. Such performance-related remuneration is aligned with the interests of Unitholders and other stakeholders and promotes long-term success and sustainable growth of the REIT. The remuneration package of the CEO and KMPs comprises a base fixed cash component, including the base salary and compulsory employer contribution to the key executive's Central Provident Fund ("**CPF**") account, and a variable cash component.

The variable cash component is linked to whether the CEO and KMPs meet performance targets. Such performance-centric remuneration is linked to the achievement of corporate and individual performance targets, both in terms of short and long-term quantifiable objectives, as well as to support the ongoing enhancement of Unitholder value.

The CEO and KMPs are paid in cash only and do not receive any remuneration in Units.

The Manager believes the current remuneration framework it has in place allows it to attract sufficiently qualified talent. While the approach reflects a pay-for-performance culture, it is also designed to attract, motivate and retain high performing and high potential directors in their respective fields of expertise to provide good stewardship of the Manager and KMPs to successfully manage the REIT for the long term. Each employee's salary comprises a fixed component and a variable component. The fixed component consists of the base salary and compulsory contributions to the employee's CPF account. The variable component consists of an annual bonus plan, which is linked to the performance of the employee across the preceding year. Further, the Manager may grant each employee an Annual Wage Supplement.

Fees received by each Independent Director consist only of a Director's fees component, which is paid in cash. Such fees are appropriate to their level of contribution, taking into account factors such as effort, time spent, and responsibilities. In addition, the Manager also conducted a benchmarking process to ensure that the Directors' fees are in line with the market. Provision 7.2 of the 2018 Code on the remuneration of the Non-Executive Non-Independent Directors does not apply to the Manager as the Non-Executive Non-Independent Directors of the Manager do not receive any fees. They are salaried employees of other entities of the Beijing Hualian Group. The Manager is accordingly of the view that despite this deviation from Provision 7.2 of the 2018 Code, its practice is consistent with the intent of Principle 7 of the 2018 Code as a whole. Directors and KMPs are not paid in Units.

The remuneration of each individual Director and the CEO for FY 2025 are set out as follows:

#### Each individual Director and the CEO Remuneration Table for FY 2025

	Salary inclusive of employer's CPF	Fees	Benefits-in-kind	Bonus inclusive of employer's CPF	Fair value of share options granted	Total
<b>CEO</b>	S\$415,764	-	-	-	-	S\$415,764
Chan Iz-Lynn	100%					100%
<b>Non-Executive Directors</b>						
Gan Chee Yen	-	S\$98,000	-	-	-	S\$98,000
George Quek Meng Tong	-	S\$87,000	-	-	-	S\$87,000
Ong Tze Guan	-	S\$85,000	-	-	-	S\$85,000
Peng Ge	-	-	-	-	-	-
Xiong Zhen	-	-	-	-	-	-

**Note:**

- Each Non-Executive Director (save for non-executive Directors who are salaried employees of other entities within Beijing Hualian Group and do not receive any fees) shall receive 100% of his Director's fee in cash.

#### Key Management Personnel Remuneration Table for FY 2025

Employees	Salary inclusive of employer's CPF	Benefits-in-kind	Bonus inclusive of employer's CPF	Fair value of options granted	Total
Key Management Personnel (Excluding the CEO)	S\$617,590	-	-	-	S\$617,590
	100%	-	-	-	100%

The Manager does not use contractual provisions to allow it to reclaim incentive components of remuneration from the CEO and KMPs in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Manager. The CEO owes a fiduciary duty to the Manager. The Manager should be able to avail itself of remedies against the CEO in the event of such breach of fiduciary duties.

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In FY 2025, no termination, retirement or post-employment benefits were granted to Directors, the CEO and other KMP. There was also no special retirement plan, 'golden parachute' or special severance package for any KMP. The Board has not included a separate annual remuneration report to the Unitholders in the Annual Report on the remuneration of Directors and the top five (5) KMPs (who are not Directors or the CEO of the Manager) as the Board is of the view that the matters required to be disclosed in such annual remuneration report have already been sufficiently disclosed in this Report and in the financial statements of the Manager.

Provision 8.1 of the 2018 Code and the MAS Notice to All Holders of a Capital Markets Services License for Real Estate Investment Trust Management (Notice No: SFA4-N14) require REIT managers to disclose (a) the remuneration of the CEO and each individual Director on a named basis, with a break down (in percentage or dollar terms) of each Director's and the CEO's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits-in-kind, stock options granted, share-based incentives and awards and other long-term incentives; and (b) the remuneration of at least the top five (5) KMPs (who are also not Directors or the CEO), on a named basis, in bands no wider than S\$250,000 and the total aggregate remuneration paid to these KMPs.

The Manager is of the view that despite the deviation from Provision 8.1(b) of the 2018 Code and the Notice to All Holders of a Capital Markets Service License for Real Estate Investment Trust Management (Notice No: SFA4-N14), the disclosures in this Annual Report provide sufficient information to Unitholders on the Manager's remuneration policies and the level and mix of remuneration accorded to such personnel, while balancing the confidential and commercial sensitivities associated with remuneration matters. Further, the Board has assessed and decided against such disclosure of the remuneration of the top five (5) KMPs (excluding CEO) and believes that the interests of the Unitholders will not be prejudiced as a result of such non-disclosure, for the following reasons:

- Remuneration matters for the top KMPs (excluding CEO) are sensitive and confidential matters;
- There is competition for talent in the REIT industry, and it is the view of the Manager that it would be in the interests of the Unitholders not to reveal the remuneration in order to maintain continuity of business; and
- Remuneration is paid by the Manager, and all fees payable to the Manager have been detailed in full in this Annual Report.

The Manager is accordingly of the view that despite this deviation from Provision 8.1(b) of the 2018 Code, its practice is consistent with the intent of Principle 8 of the 2018 Code as a whole. For the above reasons, Unitholders' interests are not prejudiced by the partial deviation.

There were no employees who were Substantial Shareholders of the Manager, Substantial Unitholders of the REIT, or were immediate family members of a Director, the CEO, a Substantial Shareholder of the Manager or a Substantial Unitholder of the REIT during FY 2025 and whose remuneration exceeded S\$100,000 during the year. Based on the Listing Manual of the SGX-ST, "Immediate family" in relation to a person, means the person's spouse, child, adopted child, step-child, sibling and parent.

No remuneration or compensation was paid or is to be paid in the form of share options, since the Manager does not currently have any plan to implement share option or share incentive schemes. However, this does not rule out the possibility of the Manager doing so in the future.

## ACCOUNTABILITY AND AUDIT

### *Risk Management and Internal Controls*

**Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.**

The Board is responsible for the governance of risk. The Board ensures that Management maintains a sound system of risk management and internal controls to safeguard the Unitholders' interests and the REIT's assets, and determines the nature and extent of the significant risks which the Board is willing to take in achieving

its strategic objectives and value creation. The Manager has established the ARC to address this and is regulated by the set of written terms of reference set out on page 40 of this Annual Report. The Manager recognises the importance of having in place an effective, adequate and sound system of risk management and internal controls, and the Board, with the assistance of the ARC review, at least annually, the adequacy and effectiveness of the Manager's risk management and internal control systems. Accordingly, Deloitte & Touche Enterprise Risk Services Pte Ltd ("**Deloitte**") was engaged as the internal auditors to provide professional input on the assessment of the Manager's existing internal controls.

Further, the Compliance Department also monitors changes and developments in regulatory requirements to mitigate the risk of non-compliance. The ARC is kept updated on findings reported by Deloitte, as well as updates on regulatory requirements during regular meetings. The ARC takes these findings into consideration when assessing the Manager's risk appetite. The Manager has also adopted an Enterprise Risk Management ("**ERM**") Framework, which formalises the Manager's risk management and internal controls practices. For FY 2025, the Manager has conducted two Control Self-Assessment Exercises to evaluate its ERM Framework and measures to address risks related to climate change and global warming were also incorporated into the ERM Framework. More information on the ERM Framework can be found in the Enterprise Risk Management section of this Annual Report.

Based on the internal controls established and maintained by the Manager, work performed by the internal and external auditors, and reviews performed by Management, various Board Committees and the Board, as well as the said assurances set out below, the Board is satisfied and the ARC concurs with the Board that the Manager's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective as at 31 December 2025 to address the risks taking into account the nature, scale and complexity of the Manager's operations. For FY 2025, the Board has received written assurances from:

- the CEO and Chief Financial Officer ("**CFO**") that, as at 31 December 2025, the Group's financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- the CEO and the relevant KMPs who are responsible, that the system of internal controls (including financial, operational, compliance and information technology controls) and risk management systems in place were adequate and effective as at 31 December 2025 to address the risks that the Group considers relevant and material to its business operations.

The system of internal controls provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. However, the Board notes that no system of internal controls and risk management systems can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

Furthermore, Management, with the assistance of Deloitte, regularly reviews the REIT's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. Management will continue to review and strengthen the Group's control environment and devote resources and expertise toward improving its internal policies and procedures to maintain a high level of governance and internal controls

### **Audit and Risk Committee**

**Principle 10: The Board has an Audit and Risk Committee which discharges its duties objectively.**

The Manager keeps the Unitholders updated on the REIT's financial performance, position and prospects through periodic financial reports and business updates. In its presentation of the financial results, the Board strives to provide reports that are easily understandable of the REIT's financial position, its results, and its prospects.

# Corporate Governance

The Manager believes in conducting itself in ways that seek to deliver maximum sustainable value to the Unitholders. Best practices are promoted as a means to build an excellent business for the Unitholders and the Manager is accountable to the Unitholders for the REIT's performance. Prompt fulfilment of statutory and regulatory reporting requirements is but one way to maintain the Unitholders' confidence and trust in the capability and integrity of the Manager.

Management is accountable to the Board and presents financial statements/management accounts and its accompanying explanations of the REIT's performance, position and prospects to the ARC and the Board for review and/or approval on a semi-annual basis or as the Board may require from time to time to enable the Board to make a balanced and informed assessment of the REIT's performance, financial position and prospects.

The ARC, which in FY 2025 and as at the date of this Report, comprises the following three (3) members, all of whom, including the Chairman, are Non-Executive Independent Directors:

Mr Gan Chee Yen	Chairman
Mr George Quek Meng Tong	Member
Mr Ong Tze Guan	Member

The Board is of the opinion that at least two (2) members, including the ARC Chairman, have recent and relevant experience in audit, accounting or related financial management experience or expertise. Further, the ARC meets on a semi-annual basis. During ARC meetings, they may be briefed and updated on any changes to accounting standards and issues which have a direct impact on financial statements. Accordingly, they are qualified to discharge the ARC's responsibilities.

Following the amendments to Rule 705(2) of the Listing Manual of the SGX-ST, which took effect on 7 February 2020, the Manager announced on 14 April 2020 that the REIT will adopt the announcement of half-yearly financial statements with effect from FY 2020, commencing with the financial results announcement for the six-months period ended 30 June 2020. The Manager will still provide business updates to Unitholders in relation to the performance of the REIT over the first and third quarters of each financial year, commencing with the first quarter ended 31 March 2020. For the first and third quarters of FY 2025, when no ARC meetings were scheduled, the ARC was invited to attend the Management meeting to review the quarterly financial performance and to receive business and/or operational updates from Management.

The ARC is authorised by the Board to investigate any matters within its terms of reference. Management is required to provide full cooperation in providing information and resources, and in implementing or carrying out all requests made by the ARC. The ARC has direct access to the internal and external auditors and full discretion to invite any Director or KMPs to attend its meetings. Similarly, both the internal and external auditors are given unrestricted access to the ARC.

The ARC is regulated by a set of written terms of reference and its principal functions include:

- Reviewing significant financial reporting issues and key areas of management judgment so as to ensure the integrity of the financial statements of the Manager and any announcements relating to the Manager's financial performance;
- Monitoring the integrity of the financial information provided by the Manager, in particular, by reviewing the relevance and consistency of the accounting standards used by the REIT (i.e. entity level) and for the Group (i.e. consolidation level);
- Keeping abreast of changes in accounting standards and issues which have a direct impact on financial statements;
- Overseeing and review the adequacy and effectiveness of the risk management function including the plans, activities, staffing, budget, resources and organisational structure;
- Reviewing risk management and capabilities including risk identification, risk systems, risk management training, risk communication channels, crisis readiness and recovery capabilities;
- Reviewing, on an annual basis, the adequacy and effectiveness of the risk management and internal control systems with respect to financial, operational, compliance, and information technology controls;

- Reviewing and monitor Management's responsiveness to the risk mitigating actions;
- Reviewing, on an annual basis, the adequacy and effectiveness of the internal audit function in the overall context of the REIT's internal controls and risk management systems;
- Reviewing the assurance from the CEO and the CFO on the financial records being properly maintained and that the financial statements giving a true and fair view of the REIT's operations and finances; Monitoring the procedures in place to ensure compliance with applicable legislation, the Listing Manual of the SGX-ST and the provisions of the Property Funds Appendix;
- Monitoring the procedures established to ensure compliance with the provisions of the Listing Manual of the SGX-ST relating to interested person transactions, and the provisions of the Property Funds Appendix relating to interested party transactions (collectively, "Related Party Transactions");
- Reviewing the effectiveness, independence, adequacy, scope and results of the external audit and the internal audit function, audit reviews, the annual audit plan and the internal audit reports, including the adequacy of internal audit resources and its appropriate standing within the REIT;
- Overseeing the Manager's relations with the external auditors, including its audit scope, approach, remuneration and terms of engagement;
- Making recommendations to the Board on the nomination for the appointment, re-appointment and removal of external and internal auditors, and approving the remuneration and terms of engagement of the external and internal auditors;
- Monitoring and assess annually whether the external auditors' independence or objectivity is impaired. The factors to consider include the amount of fees for audit and non-audit services provided by the external auditors;
- Discussing key audit matters with the external auditors and ascertain if there are any follow-up actions which should be taken to reduce the extent of uncertainty and corresponding need for judgment for future periods;
- Ensuring that the external auditors have direct and unrestricted access to the Chairman of the ARC and the Chairman of the Board;
- Ensuring that there are programs and policies in place to identify and prevent fraud; and
- Reviewing the Whistleblowing Policy and arrangements put in place by which employees and external parties may, in confidence, safely raise probable improprieties in matters of financial reporting or other matters, with the objective that arrangements are in place for the independent investigation of such matters and for appropriate follow up actions.

The ARC is responsible for the nomination of internal and external auditors. Further, the ARC is empowered to investigate any matters that fall within its terms of reference at any time it deems necessary to do so. Management cooperates fully with the ARC in such circumstances.

The ARC has full access to and the cooperation of Management and reasonable resources to enable it to discharge its functions properly. The ARC meetings are held with the external auditors and by invitation, any Director and representatives from Management. The ARC also meets with the external and internal auditors, in each case, without the presence of Management, at least annually, to discuss any problems and concerns they may have. The ARC had met with the internal and external auditors Deloitte and KPMG LLP respectively, in the absence of Management during FY 2025.

The ARC reviewed the nature and extent of non-audit services provided by the external auditors during FY 2025 and the fees paid for such services, and is of the opinion that they would not affect the independence of the external auditors. The external auditors have also provided confirmation of their independence to the ARC. The aggregate amount of fees paid and payable to the external auditors for FY 2025 in respect of the audit services is approximately S\$454,000. Non-audit services were not rendered for FY 2025.

The Manager confirms that the appointment of the external auditors is in accordance with Rules 712 and 715 of the Listing Manual of the SGX-ST.

The Manager has established a Whistleblowing Policy, which is overseen by the ARC. The Whistleblowing Policy sets out the procedures for any suspected fraudulent or wrongful act, corruption or other improprieties by the Manager's Directors, officers or employees to be reported, and for the independent investigation of any reports and appropriate follow-up action to be taken. The objective of this policy is to provide a channel

# Corporate Governance

by which employees of the Manager or any other persons may, in confidence, safely raise their concerns to the Independent Chairman of the ARC about possible improprieties in matters of financial reporting or other matters in a responsible and effective manner. Under the whistleblowing policy, the whistleblower's identity will be kept confidential, unless disclosure is required by the court or other regulatory authorities. The Manager is committed to ensuring protection of the whistleblower against detrimental or unfair treatment. The Manager does not tolerate the harassment or victimisation of anyone reporting a genuine concern in good faith. Furthermore, no person should suffer reprisal as a result of reporting a genuine concern. The ARC reviews all whistleblowing reports at its scheduled meetings. Investigation of such reports are conducted by an independent review committee and appropriate follow-up actions are taken. The outcome of each investigation is reported to the ARC.

In the review of the Group's financial statements, the ARC discussed with Management the accounting principles that were applied and considered the clarity of key disclosures in the financial statements. In addition, the ARC reviewed, amongst other matters, the key audit matter, as reported by external auditors for the financial year ended 31 December 2025, relating to the valuation of investment properties.

The ARC reviewed the outcome of the established valuation process and discussed the details of the valuation with Management. The ARC considered the findings of the external auditors, including their assessment of the appropriateness of valuation methodologies and the underlying key assumptions applied in the valuation of investment properties. The ARC is satisfied with the valuation process, the methodologies used, and the valuation of the investment properties as adopted and disclosed in the financial statements. The ARC members take measures to keep abreast of changes of accounting standards and issues which have a direct impact on financial statements through attending training and seminars as well as receiving updates from the external auditors.

The ARC does not comprise former partners of the REIT's incumbent external auditors, KPMG LLP (a) within a period of two (2) years commencing from the date of their ceasing to be partners or directors of KPMG LLP; or (b) who have any financial interest in KPMG LLP.

The Board recognises the importance of maintaining a system of internal controls, procedures and processes for safeguarding the Unitholders' investment and the Manager's and the REIT's assets.

The internal audit function has been outsourced to an independent external service provider, Deloitte. To ensure that it performs its function adequately and effectively, Deloitte employs suitably qualified staff with the requisite skill sets and experience. The ARC reviews and approves the internal audit plan to ensure the adequacy of the scope of audit. The ARC also reviews the needs of the internal audit function on a regular basis, including overseeing and monitoring the implementation of the improvements required for various internal control weaknesses identified by Management and the external auditors.

During FY 2025, Deloitte has conducted an audit review based on the approved internal audit plan. The results of the review were reported to the ARC. Key findings were highlighted for follow-up action. The ARC has reviewed the internal audit function and has concluded that the internal audit function was independent, effective and adequately resourced.

The ARC is satisfied that the appointed internal auditors are adequately qualified (given, inter alia, its adherence to standards set by internationally recognised professional bodies) and resourced, and has the appropriate standing in the Manager to discharge its duties effectively and independently. The internal auditors plan their internal audit schedules in consultation with, but independently of, Management and their plan is submitted to the ARC for approval prior to the beginning of each year. The primary reporting line of the internal audit function is to the ARC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to the Manager's documents, records, properties and personnel, including access to the ARC, and has appropriate standing within the Manager.

The ARC reviews and approves the internal audit plan on an annual basis to ensure the adequacy of the scope of audit. The ARC also reviews the needs of the internal audit function on a regular basis, including

overseeing and monitoring the implementation of the improvements required for various internal control weaknesses identified by Management and the external auditors.

## SHAREHOLDER RIGHTS AND ENGAGEMENT

### *Shareholder Rights and Conduct of General Meetings*

***Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.***

The Manager is committed to treating all Unitholders fairly and equitably. All Unitholders enjoy specific rights under the Trust Deed and the relevant laws and regulations. These rights include, among other things, the right to participate in profit distributions. The Manager informs the Unitholders of the rules governing general meetings, and they are entitled to attend general meetings and are accorded with the opportunity to participate effectively in and vote at general meetings. Unitholders will receive the notices of general meetings and may download these notices from the REIT's website at <http://www.bhgreit.com/> (the "**REIT Website**"). Notices of the general meetings will also be published on SGXNet. The Manager tables separate resolutions at general meetings of Unitholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled"; the Manager explains the reasons and material implications in the notice of meeting. Resolution by poll is carried out systematically with proper recording of votes cast and the resolutions passed.

The representatives of the Trustee, all the Directors (including the chairpersons of the Board, the ARC and the NRC), and the Manager's senior management attend the general meetings. The external auditors are also present to address any queries that Unitholders may have about the conduct of the audit and the preparation and content of the auditors' report. A record of the Directors' attendance at the general meeting can be found in the records of their attendance of meetings set out on page 34 of this Annual Report. Before and after the general meetings, the Chairman and other members of the Board will actively engage in dialogue with Unitholders, to gather views or inputs, and address Unitholders' concerns. Such interactions allow the Board to understand and consider the views and feedback from Unitholders and the Investment Community before formulating its key strategic decisions.

The previous annual general meeting (AGM) held for FY 2024 on 28 April 2025 was held in-person at Raffles City Convention Centre, Level 4, Minto Room. For the forthcoming AGM to be held on 28 April 2026 ("**AGM 2026**"), the meeting is set out in the notice of AGM dated 7 April 2026 and will be held in a wholly physical format. Details of the AGM 2026 and voting procedures is set out in the notice of AGM dated 7 April 2026. Unitholders will continue to be able proactively engage the Board and management on the Group's business activities, financial performance and other business-related matters.

For greater transparency, the Manager has implemented electronic poll voting at general meetings. This entails Unitholders being invited to vote on each of the resolutions by poll, using an electronic voting system (instead of voting by hands), thereby allowing all Unitholders present or represented at the meeting to vote on a one Unit, one vote basis. The results would be tallied and displayed live on-screen at the Meeting. The voting results of all votes cast for, against, or abstaining from each resolution is then screened at the meeting and announced to the SGX-ST after the meeting. An independent external party is appointed as scrutineer for the electronic voting process to count and validate the votes at general meetings. The Manager will continue to use the electronic poll voting system at the forthcoming annual general meeting. As the authentication of the identity of a Unitholder and other related security and integrity issues still remain a concern, the Manager has decided for the time being, not to implement absentia voting methods such as voting via mail, e-mail or fax (as recommended by Provision 11.4). The Manager is of the view that despite this deviation from Provision 11.4 of the 2018 Code, its practice is consistent with the intent of Principle 11 of the 2018 Code as Unitholders have opportunities to communicate their views on matters affecting the REIT even when they are not in attendance at general meetings, through the investor relations contact indicated on the REIT Website.

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The Unitholders who are unable to attend meetings are provided with the option to appoint up to two (2) proxies, who may then attend and vote in his or her place at the general meetings via proxy forms submitted in advance (i.e. not less than forty-eight (48) hours before the time appointed for holding the general meeting). Unitholders such as nominee companies which provide custodial services for securities are not constrained by the two (2) proxy limitation, and are able to appoint more than two (2) proxies to attend, speak and vote at general meetings. The proxy form is sent with the notice of general meetings to Unitholders.

The minutes of Unitholders' meetings which capture the attendance of Board members at the meetings, matters approved by Unitholders, voting results and substantial and relevant comments or queries from Unitholders relating to the agenda of the general meeting together with responses from the Board and Management, are prepared by the Manager. These minutes are made available on the REIT Website and SGXNet within one month from the date of the general meeting.

In accordance with the Prospectus for Initial Public Offering of the REIT dated 2 December 2015, the REIT's distribution policy is to distribute 100.0% of the REIT's Distributable Income for the Forecast Period 2015 and the Projection Year 2016. Thereafter, the REIT will distribute at least 90.0% of its Distributable Income for each financial year. For FY 2025, the Manager had made a distribution of 0.22 Singapore Cents per unit for the period from 1 January 2025 to 30 June 2025 on 26 September 2025, and a second distribution of 0.07 Singapore Cents per unit for the period from 1 July 2025 to 31 December 2025 on 31 March 2026. The REIT's distribution policy is intended to assist Unitholders in assessing the REIT's expectations of cash flows, its ability and propensity to use that cash flows to pay distributions to Unitholders and thus, assess the suitability of investing in the REIT and to provide consistency in the declaration of distributions to Unitholders.

## *Engagement with Shareholders*

***Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.***

The Manager encourages the Unitholders' participation during the general meetings. The Unitholders are able to engage with the Board and Management on the REIT's business activities, financial performance and other business-related matters during such meetings. Resolutions are passed through a process of voting and Unitholders are entitled to vote in accordance with established voting rules and procedures.

The Manager prides itself on its high standards of disclosure and corporate transparency. The Manager aims to provide accurate, objective and timely information regarding the REIT's performance and progress and matters concerning the REIT and its business which are likely to materially affect the price or value of the Units, to Unitholders and the investment community, to enable them to make informed investment decisions. Further, the Manager has established procedures to ensure current Unitholders are informed in advance of meetings. They are encouraged to attend and participate in the process of these meetings, especially if they have questions regarding the resolutions that have been put up to be decided upon.

The Manager's dedicated Investor Relations ("IR") Manager is tasked with, and focuses on, facilitating communications between the REIT and its Unitholders, as well as with the investment community, analysts and the media. An IR policy is in place which allows for an ongoing exchange of views so as to actively engage and to promote regular, timely, accurate and fair communications with Unitholders. Contact details of the IR Manager are available on the REIT Website for Unitholders, investors and other stakeholders to channel their comments and queries.

Continuous and informed dialogue between the Manager and Unitholders is a central tenet of good corporate governance. Regular engagement between these parties will promote greater transparency. Material and other pertinent information such as press releases and presentation slides are released to the SGX-ST via SGXNET and the REIT Website. Both announcements through the REIT Website and the SGXNET are the

principal media of communication with Unitholders. In FY 2025, the CEO and IR Manager met with potential investors and analysts through meetings and roadshows. Further details on the various activities organised by IR during the year can be found in the IR section on pages 76 to 78 of this Annual Report.

An electronic copy of the FY 2025 Annual Report has been uploaded on the REIT Website. Unitholders can access the FY 2025 Annual Report at <http://bhgreit.listedcompany.com/ar.html>.

The Trust Deed constituting the REIT is also available for inspection upon request at the Manager's office.<sup>1</sup>

### *Engagement with Stakeholders*

***Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.***

The Board's role includes considering sustainability as part of its strategic formulation. The Manager adopts an inclusive approach for the REIT by considering and balancing the needs and interests of material stakeholders, as part of the overall strategy to ensure that the best interests of BHG Retail REIT are served. The Manager is committed to sustainability and incorporates the key principles of environmental and social responsibility, and corporate governance in the REIT's business strategies and operations. The Board oversees sustainability matters and manages such matters through the Sustainability Officer and the individual committees. The Manager has arrangements in place to identify and engage with material stakeholder groups and to manage the REIT's relationships with such groups. Such arrangements include maintaining the REIT Website, which is kept updated with current information to facilitate communication and engagement with the REIT's stakeholders.

## **ADDITIONAL INFORMATION**

### *Dealings in BHG Retail REIT Units*

The Manager has adopted an internal compliance standard operating policy to provide guidance to its Directors, key officers and employees in respect of dealings in the REIT's Units. The policy permits the Directors and the Manager's key officers and employees to purchase Units, but sets clear limits on the transaction:

- Any officer or employee who wishes to purchase Units must complete a Staff Dealing Application Form and obtain approval from the Compliance Manager, CEO and Chairman of the Manager;
- If the REIT's financial results are reported semi-annually, a blackout period will be imposed one month prior to the half year and full year announcements of the REIT's financial results. If the REIT's financial results are reported quarterly, a blackout period will be imposed two weeks prior to the announcement of the REIT's financial results for each of the first three quarters of the financial year, and one month prior to the full year announcement of the REIT's financial results. During the blackout period, Directors, key officers and employees and related companies of the Beijing Hualian Group are strictly prohibited from dealing in Units; and
- Directors, key officers and employees are further prohibited from dealing in Units if they are in possession of insider information. Directors, officers and employees should not deal in Units on short-term considerations.

### *Conflict of Interests*

The Manager has established the following controls to deal with potential conflicts of interest:

- The Manager will not manage any other real estate investment trust which invests in the same type of properties as the REIT;
- All key executive officers will work exclusively for the Manager and will not hold other executive positions in other entities;

<sup>1</sup> Prior appointment with the Manager is appreciated

# Corporate Governance

- In respect of matters in which a Director or his or her associates (as defined in the Listing Manual of the SGX-ST) has an interest, direct or indirect, such Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors (excluding such Interested Directors);
- All resolutions in writing of the Directors in relation to matters concerning the REIT must be decided by at least a majority vote of the Directors (excluding any Interested Director), including at least one (1) Independent Director;
- At least one-third (1/3) of the Board shall comprise Independent Directors;
- In respect of matters in which the Sponsor and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by the Sponsor and/or its subsidiaries to the Board to represent their interest will abstain from deliberation and voting on such matters. In such matters the quorum must comprise a majority of the Independent Directors and must exclude Nominee Directors of the Sponsor and/or its subsidiaries. The Manager is an indirect wholly owned subsidiary of the Sponsor; and
- The Manager will ensure that the Property Manager puts in place the necessary procedures to prevent the unauthorised disclosure of confidential information relating to the REIT.

It is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of the REIT with a related party of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) who shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee has a prima facie case against the party allegedly in breach under such an agreement, the Manager shall be obliged to take appropriate action in relation to such agreement. The Directors of the Manager (including its Independent Directors) will have a duty to ensure that the Manager so complies. Further, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of the REIT with a related party of the Manager and the Trustee may take such action as it deems necessary to protect the rights of the Unitholders and/or which is in the interests of the Unitholders. Any decision by the Manager not to take action against a related party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such related party.

## *Related Party/Interested Person Transactions*

The Manager has established controls and reporting measures for handling Related Party/Interested Person Transactions. These ensure that such transactions are conducted on normal commercial terms and do not prejudice the interest of the Unitholders.

Further, the Manager maintains a register to record all transactions which may be considered as Related Party/Interested Person Transactions. The register is subject to regular review by the ARC in ensuring that the Manager conducts itself in accordance with the Listing Manual of the SGX-ST and the Property Funds Appendix of the Code on Collective Investment Schemes ("**CIS**") Code.

Transactions (whether a single transaction or a series of transactions involving the same Interested Person calculated together in aggregate over the course of the financial year) which exceed S\$100,000 in value but are below 3% of the REIT's net tangible assets are subject to review by the ARC and the Trustee.

Transactions (whether a single transaction or a series of transactions involving the same Interested Person calculated together in aggregate over the course of a financial year) which are valued between 3% to 5% of the REIT's net tangible assets are subject to an announcement by the Manager to the SGX-ST via SGXNET, and are further subject to review by the ARC and the Trustee prior to the Manager undertaking the transaction.

Transactions (whether a single transaction or a series of transactions involving the same Interested Person calculated together in aggregate over the course of a financial year) which are valued at 5% and above of the REIT's net tangible assets are subject to an announcement by the Manager to the SGX-ST via SGXNET, approval from the Unitholders prior to the transaction being entered into, and are further subject to review by the ARC, the Trustee, and an independent financial adviser. The Interested Person Transactions undertaken by the Manager are set out at the Interested Person Transactions section of this Annual Report.

### *Fees Payable to the Manager*

Under the CIS Code, the Manager must justify the fees that are payable out of the deposited property of the fund, detailing the methodology and justification of each type of fee. The methodology for computing each type of fee is documented under Note 1 of the Notes to Financial Statements. The Manager earns a management fee for the management of the REIT's portfolio. For FY 2025, the Manager has elected to receive 100% of its management fee in the form of cash. The fee comprises two (2) components: the base fee and performance fee, which are detailed as follows:

- **Base Fee**  
The base fee is calculated as a percentage of the distributable income and is payable on a quarterly basis. This fee allows the Manager to cover administrative and operational overheads. The Manager is entitled to receive a base fee not exceeding 10.0% per annum (or such lower percentage as the Manager may determine in its absolute discretion) of the annual distributable income. The Manager may elect to receive the fee in cash, Units, or a combination of cash and Units in any proportion it may determine, and the base fee shall be payable quarterly in arrears.
- **Performance Fee**  
The performance fee is calculated based on an objective which aligns with the interest of Unitholders as a whole - it is payable only if the DPU in any financial year exceeds the DPU in the preceding financial year. The Manager is entitled to receive a performance fee of 25.0% per annum of the difference in DPU in a financial year with the DPU in the preceding financial year (calculated before accounting for the performance fee but after accounting for the base fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year. The Manager may elect to receive the fee in cash, Units, or a combination of cash and Units in any proportion it may determine, and the performance fee shall be payable annually.

For the purpose of computing the performance fee, the DPU is calculated based on all income arising from the operations of the REIT. These include, but are not limited to, rentals, interest, dividends and other similar payments and income arising from the authorised investments of the REIT, but exclude one-off income such as income arising from any sale or disposal of real estate (whether directly or indirectly through one or more SPVs) or any part thereof, and any investments forming part of the deposited property or any part thereof. For the purpose of computing the performance fee for FY 2025, the DPU for FY 2025 (being 1 January 2025 to 31 December 2025, both dates inclusive) is compared against the DPU in FY 2024. This method of computation is provided for in the Trust Deed.

- **Other Fees - Acquisition Fee**  
The Manager is also entitled to an acquisition fee under clause 15.2 of the Trust Deed. This is earned upon the completion of an acquisition. The acquisition fee serves as an incentive and motivation for the Manager, as the Manager will expend a substantial amount of time, effort and resources in locating, reviewing and completing the acquisition process with the aim of growing the REIT's portfolio and providing the Unitholders with regular and stable distributions. The fee is equivalent to 0.75% for acquisitions from Related Parties/ Interested Persons and 1.0% for all other cases. In accordance with the Property Funds Appendix, where the Manager receives a percentage-based fee when the REIT acquires real estate from a Related Party/ Interested Person, the acquisition fee should be in the form of Units issued by the REIT, and these Units may not be sold within one (1) year from the date of their issuance.
- **Other Fees - Divestment Fee**  
The Manager is entitled to a divestment fee under clause 15.2 of the Trust Deed, and is earned upon the completion of a divestment. The payment of the fee seeks to incentivise and motivate the Manager in actively seeking to maximise the value of the REIT by optimising its portfolio. The fee is equivalent to 0.50% for divestments. In accordance with the Property Funds Appendix, where the Manager receives a percentage-based fee when the REIT divests real estate to a Related Party/ Interested Person, the divestment fee should be in the form of Units issued by the REIT, and these Units should not be sold within one (1) year from the date of their issuance.



# EVOLVING WITH CONSUMER TRENDS

With sharp consumer insights, garnered from our consistent engagement with consumers and tenants, we sharpen our focus on customer-centric innovation, shaping new retail concepts, leveraging data, digital platforms and positive experiences to meet evolving expectations.



# Operations Review

## OCCUPANCY RATE

BHG Retail REIT's portfolio of quality retail assets continued to exhibit resiliency amidst recovering domestic consumption and retail sales in China in FY2025. As at 31 December 2025, BHG Retail REIT's committed occupancy rate<sup>1</sup> remained strong at 93.4%.

Committed Occupancy Rate <sup>1</sup> (As at 31 December)	2025	2024
<b>Multi-Tenanted</b>		
Beijing Wanliu	96.5%	97.8%
Chengdu Konggang	95.0%	95.5%
Hefei Mengchenglu	89.9%	94.1%
Hefei Changjiangxilu	78.4%	87.5%
<b>Master-Leased</b>		
Xining Huayuan	100.0%	100.0%
Dalian Jinsanjiao	100.0%	100.0%
<b>Portfolio</b>	<b>93.4%</b>	<b>95.8%</b>

## LEASING & ASSET MANAGEMENT ACTIVITIES

The majority of our leases operate on a structure that ensures rental income is derived from either a fixed base rent or a percentage of tenants' gross turnover ("**GTO**"), whichever is higher. For the financial year ended 31 December 2025, more than 90% of our gross rental income was secured through fixed rental payments, with the remaining portion coming from variable rental income. While our rental revenue remains predominantly stable, the inclusion of a GTO component allows us to benefit from tenants' business growth. Additionally, most leases with a tenure exceeding one year incorporate built-in rental escalations, ensuring steady income growth over time. Leasing demand and tenant retention rates remained strong in FY 2025, supported by the REIT's resilient portfolio.

## Enhancing Tenant Mix and Retail Relevance

The REIT continued to optimise its tenant mix to maintain retail relevance and respond to evolving consumer preferences. Through the introduction of selected F&B, retail and experiential concepts, alongside collaborations with existing tenants, the Manager sought to strengthen the appeal of its malls within established community catchments.

In FY 2025, key additions included Xiaoxiang Supermarket, a digitalised supermarket concept by Meituan making its first entry into Beijing, which serves as an anchor tenant supporting daily consumption needs. The portfolio also welcomed international F&B brands such as Domino's Pizza and Dairy Queen; technology brands including IM Motors, Xiaomi and Honor; as well as experiential and innovation concepts such as the Xin Tan Counter-Strike Experience Centre, Dream Chaser XR Centre and Bambu Lab. These additions broadened the tenant mix and contributed to a balanced offering of essential retail, dining, technology and lifestyle concepts across the portfolio.

<sup>1</sup> Based on committed leases, excludes the Hefei Mengchenglu mall and Hefei Changjiangxilu mall basement area undergoing repositioning and tenant rejuvenation.



## NEW ANCHOR TENANTS



- 01 Xiaoxiang Supermarket 小象超市
- 02 Miniso 名创优品



01



02



## ESTABLISHED AND POPULAR F&B BRANDS

- 01 Domino's Pizza 达美乐比萨
- 02 Long Yi Long Xiaolongbao 笼亦笼小笼包
- 03 Dairy Queen DQ 奶品皇后
- 04 Jiuji Durian & Beef Buffet Hotpot 九记榴莲鲜切牛肉自助老火锅



01



02



03



04



# Operations Review

## RETAIL AND LIFESTYLE CONCEPTS

- 01 Chando自然堂
- 02 The Cute Pets Shop 萌宠妙妙屋
- 03 La Chapelle 拉夏贝尔



01



02



03



## KIDS' LIFESTYLE AND ENRICHMENT

- 01 Super Family Arcade 超爱家娃娃屋
- 02 Si Tan Xiong Escape Room 斯坦熊亲子密室
- 03 Qiyiguo Arts School 麒艺果艺术中心



01



02



03



## TECHNOLOGY AND INNOVATION BRANDS

- 01 IM Motors 智己汽车
- 02 Bambu Lab 拓竹科技
- 03 Xiaomi 小米之家



01



02



03

## EXPERIENTIAL AND ENTERTAINMENT CONCEPTS

- 01 Xin Tan Counter-Strike Experience Center 兴探营地真人CS体验馆
- 02 Xile Billiard's Club 喜乐台球
- 03 Tabi Planet Pinball Centre 塔比星球
- 04 Dream Chaser XR Centre 元域逐梦XR体验馆



01



03



02



04

## Connecting Communities, Enriching Lives

At BHG Retail REIT, we believe our malls play an important role beyond retail by serving as community gathering spaces for residents in the surrounding neighbourhoods. Throughout the year, our properties hosted a variety of activities designed to bring people together and create shared experiences. These included festive celebrations such as Chinese New Year and Mid-Autumn Festival, youth-focused contests and entertainment events featuring international franchises such as League of Legends, Pokémon, and Shimajiro, as well as family- and children-oriented programmes. Through these initiatives and close collaboration with our tenants, we continue to foster community engagement while enhancing the vibrancy and relevance of our malls within their local catchments.



# Operations Review

## MALL ANNIVERSARY COMMEMORATIONS

Both Beijing Wanliu and Hefei Changjiangxilu marked their 15<sup>th</sup> Anniversary milestone celebrations in 2025.



## SHOPPER ENGAGEMENT EVENTS

- 01 League of Legends Challenge at Hefei Mengchenglu
- 02 Sunset Music Party at Chengdu Konggang
- 03 Pokémon Cards Championship at Hefei Changjiangxilu



## FAMILY AND CHILDREN'S ACTIVITIES

- 01 Decathlon Sports Playground at Beijing Wanliu
- 02 Meet-and-Greet Shimajiro at Hefei Changjiangxilu
- 03 Kids' Boxing Competition at Hefei Changjiangxilu



TOP TEN TENANTS<sup>1</sup>

No.	Tenant Name	Brand Name	Mall	Trade Sector	Lease Expiry	% Gross Rental Income
1	北京华联生活超市有限公司	BHG超市	Xining Huayuan Mall, Dalian Jinsanjiao Property	Supermarket	Dec 2034	7.3%
2	北京象鲜科技有限公司	小象超市	Beijing Wanliu Mall	Supermarket	Jan 2036	2.1%
3	北京华联万柳影院管理有限公司	华联影院	Beijing Wanliu Mall	Leisure & Entertainment	Jul 2032	1.4%
4	成都盒马鲜生网络科技有限公司	盒马鲜生	Chengdu Konggang Mall	Supermarket	Oct 2035	1.3%
5	成都华联影院管理有限公司	华联影院	Chengdu Konggang Mall	Leisure & Entertainment	Feb 2029	1.3%
6	合肥华联湖东影院管理有限公司	华联影院	Hefei Changjiangxilu Mall	Leisure & Entertainment	Aug 2031	1.2%
7	海鸿达(北京)餐饮管理有限公司	海底捞	Beijing Wanliu Mall	F&B	Apr 2026	1.1%
8	李有生	风上乐居/水星家纺	Chengdu Konggang Mall	Lifestyle	May 2027	0.9%
9	王玉飞	万客来	Hefei Mengchenglu Mall	Retail	Feb 2032	0.9%
10	合肥庐平电影放映有限公司	华联影院	Hefei Mengchenglu Mall	Leisure & Entertainment	Sep 2028	0.8%
<b>Top 10 Tenants</b>						<b>18.3%</b>

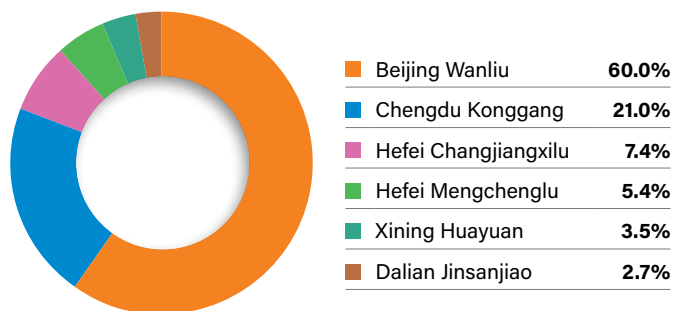
<sup>1</sup> The table above sets out information about top ten tenants based on Gross Rental Income for the month of December 2025.

# Financial Review

## GROSS REVENUE

Gross revenue in RMB and SGD was approximately RMB 25.0 million (-7.6%) lower year-on-year and S\$5.9 million (-9.6%) lower year-on-year respectively. The lower gross revenue was due mainly to the lower occupancy rates and rental support provided to Dalian and Xining during the period.

## BREAKDOWN OF GROSS REVENUE BY PROPERTY<sup>1,2</sup>



Gross Revenue	RMB'000		S\$'000	
	FY 2025	FY 2024	FY 2025	FY 2024
<b>Multi-tenanted</b>				
Beijing Wanliu	181,828	197,094	33,069	36,625
Chengdu Konggang	63,610	63,894	11,569	11,873
Hefei Changjiangxilu	22,372	27,457	4,069	5,102
Hefei Mengchenglu	16,402	18,531	2,983	3,443
	<b>284,212</b>	<b>306,976</b>	<b>51,690</b>	<b>57,043</b>
<b>Master-leased</b>				
Xining Huayuan	10,512	12,978	1,912	2,412
Dalian Jinsanjiao	8,268	8,085	1,504	1,502
	<b>18,780</b>	<b>21,063</b>	<b>3,416</b>	<b>3,914</b>
<b>Portfolio</b>	<b>302,992</b>	<b>328,039</b>	<b>55,106</b>	<b>60,957</b>

<sup>1</sup> Based on FY 2025 results.

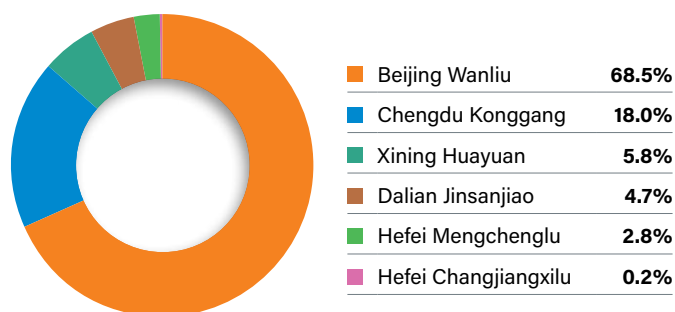
<sup>2</sup> Based on 100% contribution from Beijing Wanliu.

## NET PROPERTY INCOME

Net property income in RMB and SGD was approximately RMB 17.1 million (-9.7%) lower year-on-year and S\$3.8 million (-11.6%) lower year-on-year respectively. The lower net property income in SGD term was mainly due to lower occupancy rates and rental support provided to Dalian and Xining during the period.

Property operating expenses in SGD was S\$2.0 million (7.2%) lower year-on-year. The lower property operating expenses was mainly due to lower utilities and repair and maintenance costs during the period.

## BREAKDOWN OF NET PROPERTY INCOME BY PROPERTY<sup>1,2</sup>



Net Property Income	RMB'000		S\$'000	
	FY 2025	FY 2024	FY 2025	FY 2024
<b>Multi-tenanted</b>				
Beijing Wanliu	109,375	123,365	19,892	22,924
Chengdu Konggang	28,765	26,825	5,231	4,984
Hefei Changjiangxilu	4,410	7,375	802	1,371
Hefei Mengchenglu	340	486	62	90
	<b>142,890</b>	<b>158,051</b>	<b>25,987</b>	<b>29,369</b>
<b>Master-leased</b>				
Xining Huayuan	9,209	11,644	1,675	2,165
Dalian Jinsanjiao	7,518	7,047	1,368	1,309
	<b>16,727</b>	<b>18,691</b>	<b>3,043</b>	<b>3,474</b>
<b>Portfolio</b>	<b>159,617</b>	<b>176,742</b>	<b>29,030</b>	<b>32,843</b>

<sup>1</sup> Based on FY 2025 results.

<sup>2</sup> Based on 100% contribution from Beijing Wanliu.

# Financial Review

## DISTRIBUTION

Based on the closing price of S\$0.435 as at 31 December 2025 and aggregated distribution per unit ("DPU") for FY 2025 of 0.29 Singapore cents, BHG Retail REIT annual distribution yield was 0.67%.

DPU (Singapore Cents)	FY 2025	FY 2024
First Half	0.22	0.25
Second Half	0.07	0.25
<b>Total</b>	<b>0.29</b>	<b>0.50</b>

## INDEPENDENT VALUATION OF INVESTMENT PROPERTIES<sup>1</sup>

As at 31 December 2025, BHG Retail REIT's investment properties were valued at RMB 4,649.0 million and S\$859.2 million. The valuation represents an decrease of RMB 35.0 million (-0.7%) from the independent valuation as at 31 December 2024 of RMB 4,729.0 million.

Investment Properties (millions)	RMB		S\$	
	2025	2024	2025	2024
Beijing Wanliu	2,507.0	2,557.0	458.9	478.7
Chengdu Konggang	720.0	674.0	131.8	126.2
Hefei Mengchenglu	589.0	595.0	107.8	111.4
Hefei Changjiangxilu	481.0	485.0	88.0	90.8
Xining Huayuan	251.0	259.0	46.0	48.5
Dalian Jinsanjiao	146.0	159.0	26.7	29.7
<b>Portfolio</b>	<b>4,694.0</b>	<b>4,729.0</b>	<b>859.2</b>	<b>885.3</b>

<sup>1</sup> Based on independent valuation from Knight Frank Petty Limited as at 31 December 2025.

## CAPITAL MANAGEMENT

BHG Retail REIT borrowings include two onshore secured borrowing facilities of RMB 192.5 million and RMB 104.5 million respectively which in total is equivalent to S\$63.4 million, and an offshore secured borrowing facility of S\$252.0 million. As at 31 December 2025, the S\$252.0 million offshore facility was fully drawn down, while RMB 178.5 million and RMB 99.1 million were drawn down from RMB 192.5 million and RMB 104.5 million onshore facilities respectively.

As at 31 December 2025, borrowings drawn down of S\$305.4 million represented a gearing of 41.6%. The Manager is of the view that the higher aggregate leverage will not have a material impact on the risk profile of the REIT. The REIT continually monitors its gearing ratio and maintains it within the approved limits so it provides debt headroom to facilitate any potential acquisition growth.

More than 80% of borrowings are denominated in Singapore dollars. Weighted average term to maturity was 2.3 years as at 31 December 2025.

### Key Financial Indicators

As at 31 December 2025

Gearing <sup>1</sup>	41.6%
Interest cover ratio (times) <sup>2</sup>	1.7
Weighted average term to maturity (years)	2.3
Average cost of debt <sup>3</sup>	4.2%



<sup>1</sup> Based on total loans and borrowings principal attributable to Unitholders divided by total assets attributable to Unitholders.

<sup>2</sup> Under the CIS Code, it is required to disclose sensitivity analyses on the impact to the Interest Coverage Ratio (ICR) under prescribed scenarios. Under the prescribed scenarios, assuming (i) a 10% decrease in EBITDA; but all other variables held constant, the ICR for the trailing 12-month period ended 31 December 2025 would be 1.6 times; (ii) a 100 basis points increase in weighted average interest rate with all other variables held constant, the ICR for the trailing 12-month period ended 31 December 2025 would be 1.5 times.

<sup>3</sup> Average cost of debt will be 5.0% per annum if amortisation of loan establishment fee is included.

# Portfolio Overview<sup>1</sup>

## GROSS FLOOR AREA

**311,691 sqm**

## 2025 GROSS REVENUE

**S\$55.1m**

## PORTFOLIO OCCUPANCY<sup>1</sup>

**93.4%**

## NET LETTABLE AREA

**179,603 sqm**

## INDEPENDENT VALUATION<sup>2</sup>

**RMB 4,694.0m** (100%)

**RMB 3,691.2m**

(Based on 60% interest of Beijing Wanliu)

## WEIGHTED AVERAGE LEASE EXPIRY BY NLA

**4.2 years**

## NO. OF LEASES

**739**

## 2025 NET PROPERTY INCOME

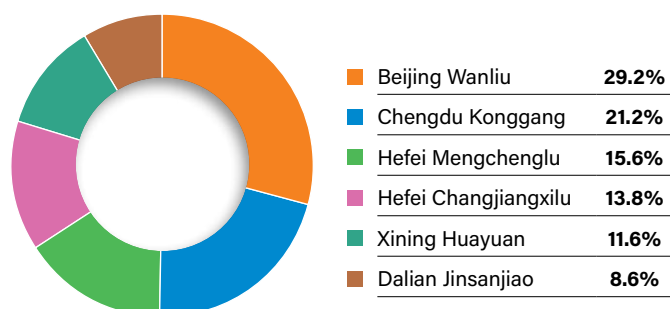
**S\$29.0m**

## WEIGHTED AVERAGE LEASE EXPIRY BY GROSS RENTAL INCOME

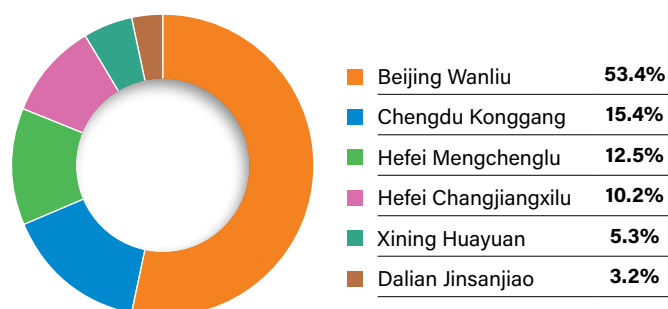
**2.2 years**

BHG Retail REIT's portfolio consists of six retail properties located in areas surrounded by growing middle or upper-middle income households. Our retail malls serve their communities through their wide range of products, excellent experiential services and popular community engagement activities. Of the six properties, four are multi-tenanted, namely Beijing Wanliu, Chengdu Konggang, Hefei Mengchenglu and Hefei Changjiangxilu. The remaining two properties, Xining Huayuan and Dalian Jinsanjiao, are master-leased to Beijing Hualian Life Supermarket Co., Ltd.

## BREAKDOWN OF NLA BY PROPERTY



## BREAKDOWN OF VALUATION BY PROPERTY<sup>2</sup>



<sup>1</sup> Based on committed leases as at 31 Dec 2025. Excludes the Hefei Mengchenglu mall and Hefei Changjiangxilu mall basement area undergoing repositioning and tenant rejuvenation.

<sup>2</sup> Based on independent valuation from Knight Frank Petty Limited as at 31 December 2025.



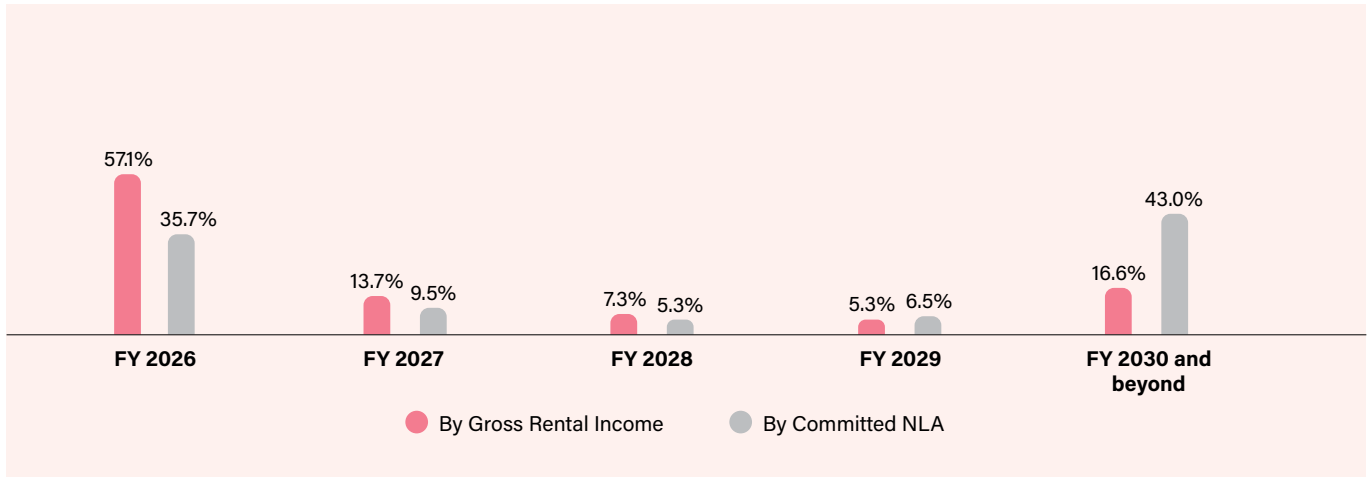
### PORTFOLIO LEASE EXPIRY PROFILE AS AT 31 DECEMBER 2025

As at 31 December 2025, the portfolio has a weighted average lease expiry of 2.2 years by gross rental income, and 4.2 years by net lettable area. Our lease terms typically range from one to three years. Certain key or anchor tenants may be offered longer term leases.

For new and renewed leases which commenced in FY 2025, the weighted average lease expiry based on the date of commencement of the leases is 1.3 years (by gross rental income) and accounts for 14.5% of the gross rental income for the month of December 2025.

### LEASE EXPIRY PROFILE (%)

(As at 31 December 2025)

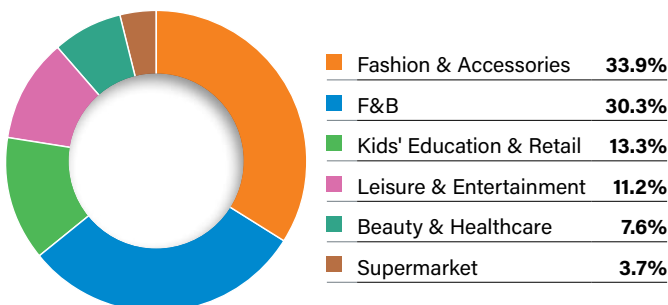


### TENANTS BY TRADE SECTOR

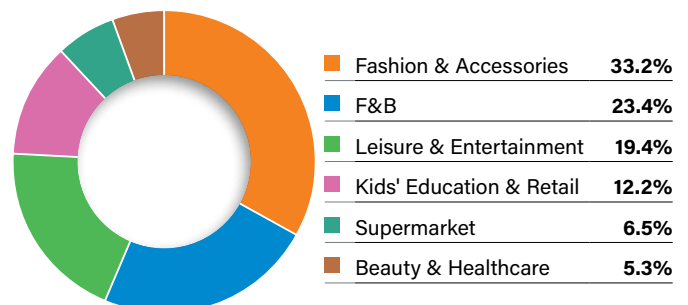
(As at 31 December 2025)

#### MULTI-TENANTED MALLS (AS AT 31 DECEMBER 2025)

#### BREAKDOWN OF GROSS RENTAL INCOME<sup>1</sup> BY TRADE SECTOR (%)



#### BREAKDOWN OF NET LETTABLE AREA<sup>2</sup> BY TRADE SECTOR (%)



<sup>1</sup> As percentage of the portfolio's gross rental income for the month of December 2025.

<sup>2</sup> As percentage of the portfolio's net lettable area as at 31 December 2025.

# Portfolio Overview



**BEIJING  
WANLIU**



**CHENGDU  
KONGGANG**

<b>Address</b>	No. 2 Bagou Road, Haidian District, Beijing	No. 166 Jinhua Road, Second Section, Shuangliu County, Chengdu
<b>Commencement of Operations (Year)</b>	Aug 2010	Dec 2013
<b>Gross Floor Area ("GFA") sqm</b>	105,920	71,917
<b>Net Lettable Area ("NLA") sqm</b>	52,510	38,106
<b>No. of Leases</b>	315	279
<b>Independent Valuation<sup>1</sup> (RMB million)</b>	2,507.0 (100%) 1,504.2 (60%)	720.0
<b>Purchase Price<sup>2,3</sup> (RMB million)</b>	1,838.6 (100%) 1,103.1 (60%)	602.1
<b>FY 2025 Gross Revenue (\$\$ million)</b>	33.1	11.5
<b>FY 2025 Net Property Income (\$\$ million)</b>	19.9	5.2
<b>Committed Occupancy Rate (%)<sup>4</sup></b>	96.5	95.0
<b>Weighted Average Lease Expiry By NLA (years)</b>	2.4	2.4
<b>Weighted Average Lease Expiry By Gross Rental Income (years)</b>	1.7	1.6
<b>Term of Land Use (Expiring on)</b>	29 Aug 2044 (29 Aug 2054 for car park)	23 May 2047 (23 May 2077 for car park)



### HEFEI MENGCHENGLU

No. 99  
Mengcheng Road,  
Luyang District,  
Hefei

Feb 2013

49,699

28,070

55

589.0

563.5

3.0

0.1

89.9

3.3

1.9

31 Aug 2044



### HEFEI CHANGJIANGXILU

No. 639  
Changjiangxilu Road,  
Shushan District,  
Hefei

Nov 2010

48,003

24,765

88

481.0

334.0<sup>3</sup>

4.1

0.8

78.4

1.4

1.2

30 April 2043



### XINING HUAYUAN

No. 16-19  
Shipo Street,  
Chengzhong District,  
Xining

Aug 2000

20,807

20,807

1

251.0

254.4

1.9

1.6

100.0

9.0<sup>5</sup>

9.0<sup>5</sup>

19 Aug 2048



### DALIAN JINSANJIAO

No. 18  
Huadong Road,  
Ganjingzi District,  
Dalian

Jul 2000

15,345

15,345

1

146.0

135.7

1.5

1.4

100.0

9.0<sup>5</sup>

9.0<sup>5</sup>

27 Feb 2042

<sup>1</sup> Based on independent valuation from Knight Frank Petty Limited as at 31 December 2025.

<sup>2</sup> Based on purchase price and SGD/RMB exchange rate as disclosed in the IPO prospectus.

<sup>3</sup> Based on circular to unitholders in relation to the proposed acquisition of Hefei Changjiangxilu.

<sup>4</sup> Based on committed leases as at 31 Dec 2025. Excludes the Hefei Mengchenglu mall and Hefei Changjiangxilu mall basement area undergoing repositioning and tenant rejuvenation.

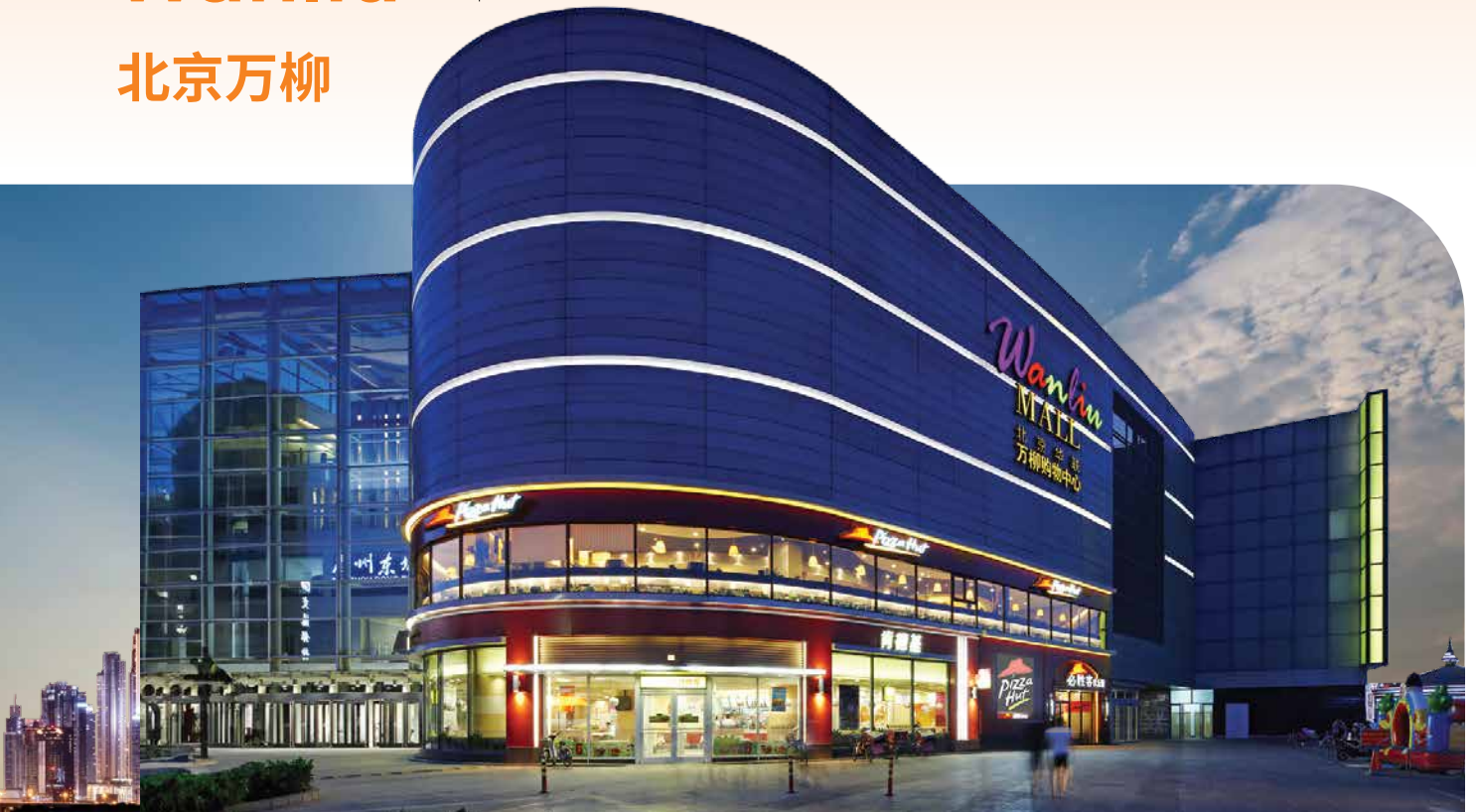
<sup>5</sup> Remaining lease (years).

# Property Highlights

## Beijing Wanliu

北京万柳

Premium Community Mall  
in Beijing's High Income  
Residential District



### TENANTS INCLUDE

- Xiaoxiang Supermarket (小象超市)
- Bambu Lab
- Calvin Klein Jeans
- Chow Tai Fook
- Decathlon
- Hai Di Lao
- HLA
- HONOR
- IM Motors
- KFC
- LEGO
- Luckin Coffee
- McDonald's
- Paris Baguette
- Pizza Hut
- Starbucks
- Teenie Weenie
- The North Face
- Tommy Hilfiger
- Uniqlo
- Vivo
- Wagas
- Watsons
- Xiaomi

**BEIJING WANLIU** is situated in Haidian District, which is one of the largest urban districts of Beijing by population and its residents have one of the highest per capita disposable income in Beijing.

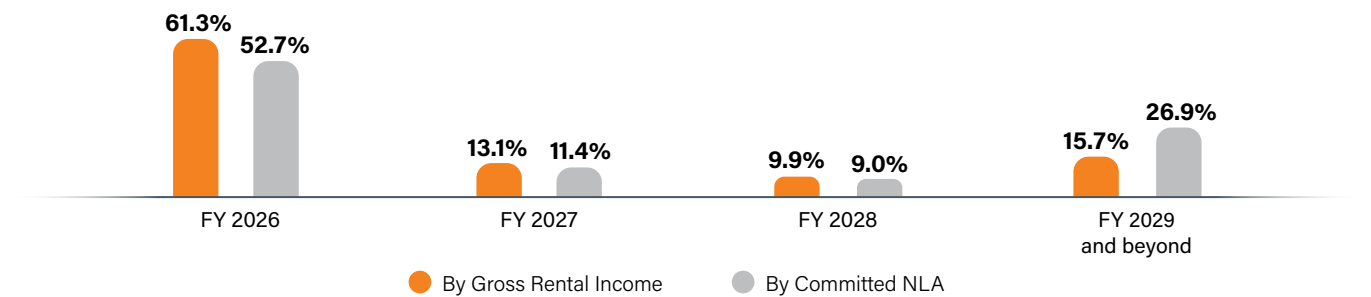
Catering to the growing needs of middle-to-high income families and professionals living and working in Wanliu, Beijing Wanliu stands out with six floors of premium retail and quality experiential services. The multi-tenanted Beijing Wanliu is surrounded by high-end residential communities whose residents enjoy coming to the mall for a wide range of lifestyle options such as fashion, dining, education and entertainment.

Beijing Wanliu is easily accessible via main roads, subway and buses. It is close to China's prestigious Peking University, Tsinghua University and Renmin University, as well as the Summer Palace and Wanliu Golf Club, the only golf club within the Fourth Ring Road of Beijing. The mall is also a short drive to the Zhongguancun technology hub, often referred to as the Silicon Valley of China.

<b>INDEPENDENT VALUATION</b> <b>RMB2,507.0 million</b> (100%) <b>RMB1,504.2 million</b> (60%)	<b>WEIGHTED AVERAGE LEASE EXPIRY</b> (Based on Net Lettable Area) <b>2.4 years</b>
<b>NET LETTABLE AREA</b> <b>52,510 sqm</b>	<b>FY 2025 GROSS REVENUE</b> <b>S\$33.1 million</b>
<b>NO. OF TENANTS</b> <b>315</b>	<b>FY 2025 NET PROPERTY INCOME</b> <b>S\$19.9 million</b>
<b>COMMITTED OCCUPANCY RATE<sup>1</sup></b> <b>96.5%</b>	

**LEASE EXPIRY PROFILE<sup>2</sup>**

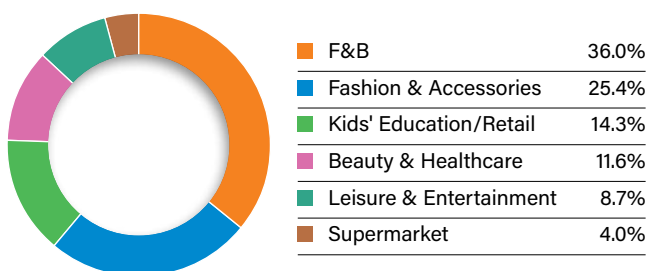
(As at 31 December 2025)



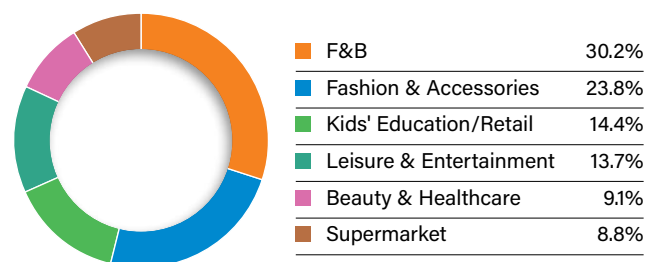
**TENANTS BY TRADE SECTORS**

(As at 31 December 2025)

**BREAKDOWN OF GROSS RENTAL INCOME BY TRADE SECTOR<sup>1</sup>**



**BREAKDOWN OF NLA BY TRADE SECTOR<sup>1</sup>**



<sup>1</sup> Based on committed leases as at 31 December 2025.

<sup>2</sup> Excludes Vacancy.

# Property Highlights

## Chengdu Konggang

成都空港

Destination Mall for Chengdu's Growing Middle and Upper-Middle Income Families In The Area



### TENANTS INCLUDE

- Freshippo (盒马鲜生)
- MINISO
- Adidas
- ANTA Kids
- Apple
- Chando
- Chow Tai Fook
- Dairy Queen
- Domino's Pizza
- Hai Di Lao
- HLA
- HONOR
- KFC
- La Chapelle (拉夏贝尔)
- Nike
- OPPO
- Pizza Hut
- POP MART
- Starbucks
- Xiaomi
- Yishion

**CHENGDU KONGGANG** brings quality shopping and experiential lifestyle services to the city's growing middle and upper-middle families. The mall has a diversified tenant base offering residents in the neighbourhood a variety of services including a supermarket, fitness centre, KTV as well as a number of food and beverage outlets, restaurants and international and local brands for the best shopping experience. Shuangliu County is located at the south-western part of the city centre and occupies an area of about 431 square kilometres.

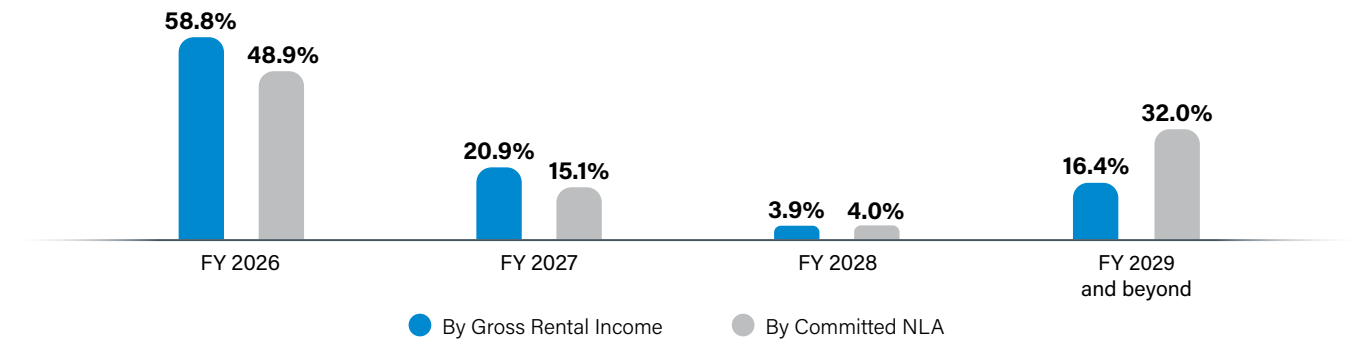
Chengdu Konggang sees steady daily traffic due to its strong multi-tenant mix as well as its strategic location. Located in Shuangliu County in Chengdu, Sichuan Province, the mall is served by the Shuangliu railway station and is just a five minutes drive to Shuangliu International Airport.

Chengdu Konggang serves as the heart of its community, providing popular activities and events in celebration of major festivals and community activities for families and young professionals living in the high density residential projects nearby.

<b>INDEPENDENT VALUATION</b> <b>RMB720.0 million</b>	<b>WEIGHTED AVERAGE LEASE EXPIRY</b> (Based on Net Lettable Area) <b>2.4 years</b>
<b>NET LETTABLE AREA</b> <b>38,106 sqm</b>	<b>FY 2025 GROSS REVENUE</b> <b>S\$11.5 million</b>
<b>NO. OF TENANTS</b> <b>279</b>	<b>FY 2025 NET PROPERTY INCOME</b> <b>S\$5.2 million</b>
<b>COMMITTED OCCUPANCY RATE<sup>1</sup></b> <b>95.0%</b>	

**LEASE EXPIRY PROFILE<sup>2</sup>**

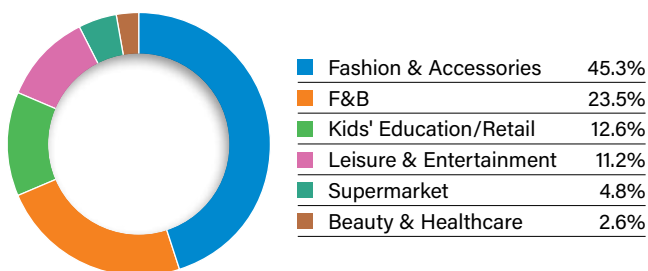
(As at 31 December 2025)



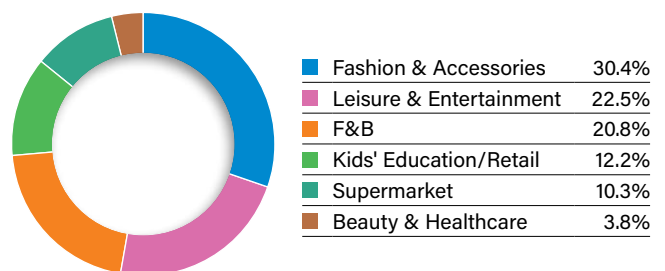
**TENANTS BY TRADE SECTORS**

(As at 31 December 2025)

**BREAKDOWN OF GROSS RENTAL INCOME BY TRADE SECTOR<sup>1</sup>**



**BREAKDOWN OF NLA BY TRADE SECTOR<sup>1</sup>**



<sup>1</sup> Based on committed leases as at 31 December 2025.

<sup>2</sup> Excludes Vacancy.

# Property Highlights

## Hefei Mengchenglu

合肥蒙城路

One of Hefei City's Most Popular Shopping Centres



### TENANTS INCLUDE

- Wan Ke Lai (万客来)
- Chow Tai Fook
- DYF Dance Studio
- Garfield
- Hai Di Lao Hotpot
- HEYTEA
- Huawei
- La Chapelle (拉夏贝尔)
- MINISO
- Old Movies (老电影)
- Pizza Hut
- Starbucks
- Subway
- Xiaomi
- Xin Tan Counter-Strike Experience Centre (兴探营地真人CS体验馆)
- Watsons
- ZANKEE (詹记)

**HEFEI MENGCHENGLU** is located in Hefei City, the provincial capital and largest city of Anhui Province in China. It is also the political, economic and cultural center of Anhui province.

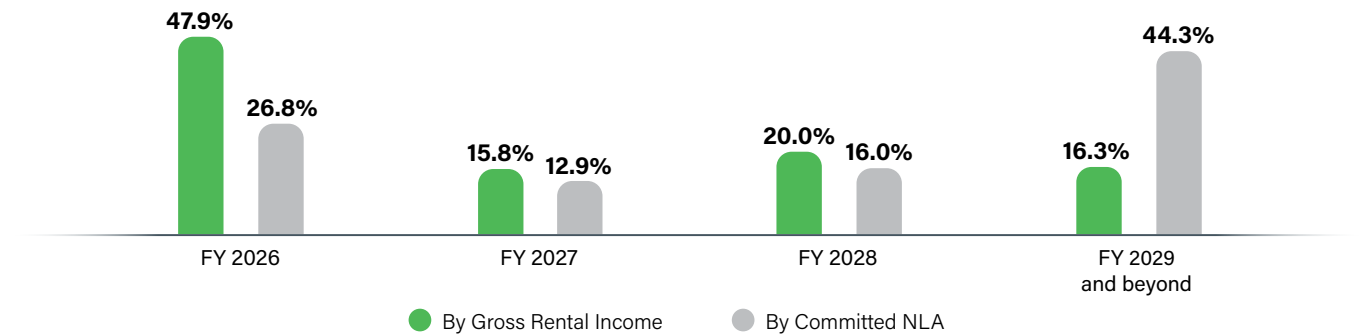
Hefei Mengchenglu is situated near the northwest corner of the intersection of Beier Ring Road and Mengcheng Road, North of Luyang District. It is also located in Hefei's North First Ring retail hub, which comprises several matured communities of residents, high quality office projects and commercial facilities. The mall is frequented by families and professionals for retail goods and services such as fashion, dining and entertainment.

Hefei Mengchenglu is easily accessible via several main roads and is only a five minutes walk from two bus stations – the North Station of Baishuiba and the West Station of Baishuiba. The mall is located near government organisations such as the Luyang District Government, Luyang Administrative Service Center, and Hefei Justice Bureau. Several commercial buildings such as Fortune Plaza, Xintiandi, Hongda Building, and Zhidi HSBC Plaza are also located in the vicinity.

<b>INDEPENDENT VALUATION</b> RMB <b>589.0</b> million	<b>WEIGHTED AVERAGE LEASE EXPIRY</b> (Based on Net Lettable Area) <b>3.3</b> years
<b>NET LETTABLE AREA</b> <b>28,070</b> sqm	<b>FY 2025 GROSS REVENUE</b> <b>S\$3.0</b> million
<b>NO. OF TENANTS</b> <b>55</b>	<b>FY 2025 NET PROPERTY INCOME</b> <b>S\$0.1</b> million
<b>COMMITTED OCCUPANCY RATE<sup>1</sup></b> <b>89.9%</b>	

**LEASE EXPIRY PROFILE<sup>2</sup>**

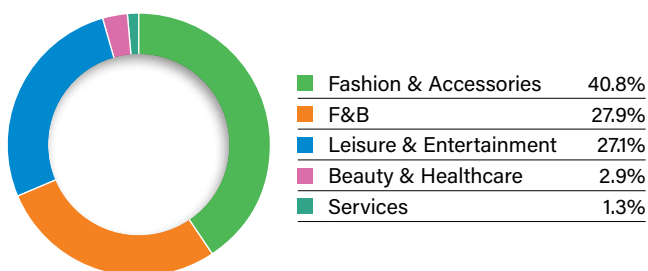
(As at 31 December 2025)



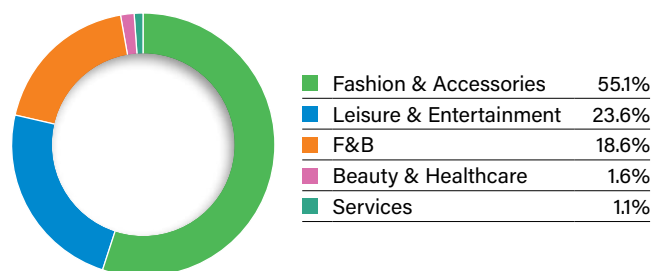
**TENANTS BY TRADE SECTORS**

(As at 31 December 2025)

**BREAKDOWN OF GROSS RENTAL INCOME BY TRADE SECTOR<sup>1</sup>**



**BREAKDOWN OF NLA BY TRADE SECTOR<sup>1</sup>**



<sup>1</sup> Based on committed leases as at 31 December 2025. Exclude basement area undergoing repositioning and tenant rejuvenation.

<sup>2</sup> Excludes Vacancy.

# Property Highlights

## Hefei Changjiangxilu

合肥长江西路

A Heartland Mall That Serves Neighbouring Residential Communities



### TENANTS INCLUDE

- ABC Kids
- Chow Tai Fook
- Coco Fresh Tea & Juice
- Dr. Plant
- HONOR
- Huawei
- Jiuji Durian & Beef Buffet Hotpot 九记鲜切
- KFC
- Luckin Coffee
- MINISO
- OPPO
- Pizza Hut
- Spiderman
- Super Family Arcade 超爱家
- Xiaomi Home
- Yearcon (意尔康)
- ZANKEE (詹记)
- Hai Di Lao
- MIXUE

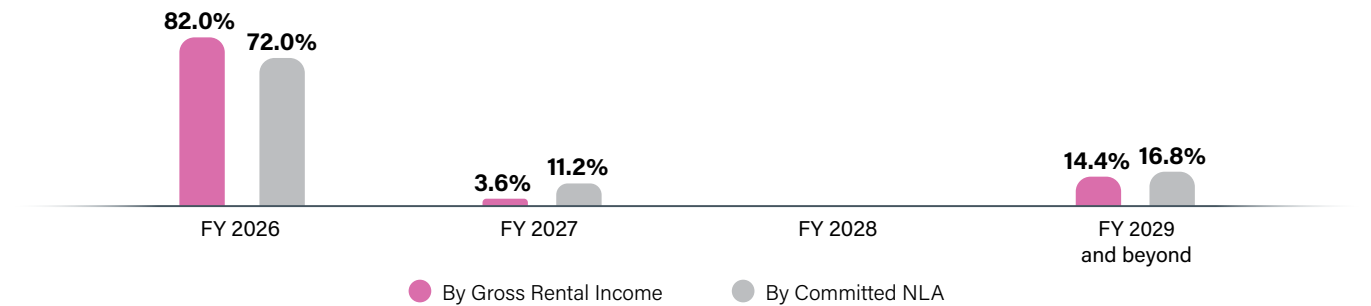
**HEFEI CHANGJIANGXILU** is located in Shilimiao Community, Jinggang Town, Shushan District. Shushan District is located at the west part of the city center and occupies an area of about 663 square kilometres. Shushan District is clustered with many research institutions, hightech firms and industrial park in Hefei.

Hefei Changjiangxilu is located at the junction of Huaining North Road and Changjiang West Road, the two main roads of Hefei city, and close to several public bus stations in the vicinity. It is well connected to the Hefei Metro Line 2, and connects Shushan District with two other major districts in Hefei. Hefei Metro Line 2 has brought about greater shopper traffic to the area and has increased the footfall of Hefei Changjiangxilu. Hefei Changjiangxilu is also situated approximately 10 km away from Hefei's central business district, 13 km away from the Zhengzhou East Railway Station, 14.5 km away from Hefei South Railway Station, and 32.6 km away from Hefei Xinqiao International Airport.

<p><b>INDEPENDENT VALUATION</b> <b>RMB481.0 million</b></p> <p><b>NET LETTABLE AREA</b> <b>24,765 sqm</b></p> <p><b>NO. OF TENANTS</b> <b>88</b></p> <p><b>COMMITTED OCCUPANCY RATE<sup>1</sup></b> <b>78.4%</b></p>	<p><b>WEIGHTED AVERAGE LEASE EXPIRY</b> (Based on Net Lettable Area) <b>1.4 years</b></p> <p><b>FY 2025 GROSS REVENUE</b> <b>S\$4.1 million</b></p> <p><b>FY 2025 NET PROPERTY INCOME</b> <b>S\$0.8million</b></p>
--	--

**LEASE EXPIRY PROFILE<sup>2</sup>**

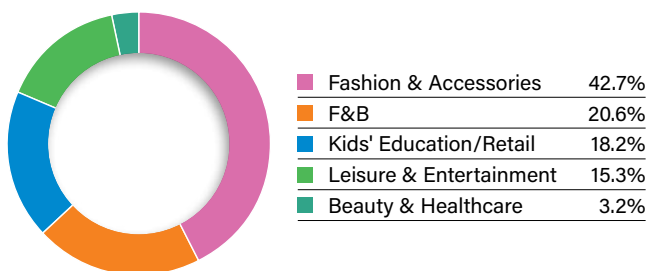
(As at 31 December 2025)



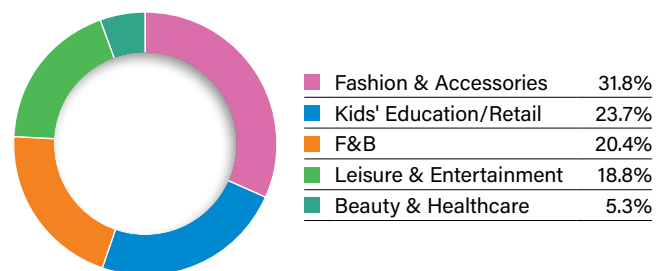
**TENANTS BY TRADE SECTORS**

(As at 31 December 2025)

**BREAKDOWN OF GROSS RENTAL INCOME BY TRADE SECTOR<sup>1</sup>**



**BREAKDOWN OF NLA BY TRADE SECTOR<sup>1</sup>**



<sup>1</sup> Based on committed leases as at 31 December 2025. Exclude basement area undergoing repositioning and tenant rejuvenation.

<sup>2</sup> Excludes Vacancy.

# Property Highlights

## Xining Huayuan 西宁花园

Popular Retail Hub  
in Xining, Tibetan  
Plateau's Largest City



**XINING HUAYUAN** is a four-storey retail hub set in the Ximen-Dashizi area, a traditional and core retail hub in Xining. The mall's master lessee is Beijing Hualian Life Supermarket which offers a wide range of quality fresh produce, daily necessities and household items sourced locally and internationally.

Xining Huayuan is frequented by the residents living and working in the area. Shoppers love the mall for its convenience and fresh produce at reasonable prices.

Easily and conveniently accessible, Xining Huayuan is well connected through several major roads and bus lines in the city.

### INDEPENDENT VALUATION

**RMB251.0 million**

### NET LETTABLE AREA

**20,807 sqm**

### LEASE EXPIRY

(Based on Net Lettable Area)

**9.0 years**

### OCCUPANCY RATE

**100.0%**

### FY 2025 GROSS REVENUE

**S\$1.9 million**

### FY 2025 NET PROPERTY INCOME

**S\$1.6 million**

# Dalian Jinsanjiao

## 大连金三角

A Key Destination  
for Daily Essentials



Situated amidst residential estates in Dalian, **DALIAN JINSANJIAO** is conveniently located near major transportation networks and close to Dalian's only retail area in the north, Huanan Retail Hub, which is popular with middle income families and professionals living in the surrounding residential neighbourhoods.

#### INDEPENDENT VALUATION

RMB146.0 million

#### NET LETTABLE AREA

15,345 sqm

#### LEASE EXPIRY

(Based on Net Lettable Area)

9.0 years

#### OCCUPANCY RATE

100.0%

#### FY 2025 GROSS REVENUE

S\$1.5 million

#### FY 2025 NET PROPERTY INCOME

S\$1.4 million





# NURTURING ENRICHING EXPERIENCES

We believe that retailing is a relationship business built on trust and shared positive experiences nurtured by immersive visual merchandising, brand collaborations and community-focused events, creating rich and personal experiences for residents and tenants.



# Investor Relations



BHG Retail REIT's investor relations policy adheres to a high standard of corporate governance and transparency in our communication with stakeholders. The Manager is committed to delivering clear, timely, regular and unbiased information to the investment, research and media communities. All material information such as announcements, press releases, presentation slides, annual reports and publications will be released via SGXNET and our corporate website. Unitholders can sign up for quick access to our announcements and press releases via an available email alert service on our corporate website.

## PROACTIVE INVESTORS ENGAGEMENT

The Manager is committed to forging long-term relationships with investors, research analysts and the media. We firmly believe in regular two-way communication and have participated in meetings with investors and research communities to keep them apprised of the REIT's developments.

During the year, BHG Retail REIT continued to proactively engage with retail and institutional investors, and others in investment and research communities via teleconferences and one-to-one

meetings. We continued to work closely with sell-side brokers, banks and securities firms to widen our network of institutional investors, family offices and high-net-worth individuals across various geographies.

The Board and the Manager of BHG Retail REIT encourages Unitholders to attend its Annual General Meeting. The Notice of AGM and related information are made available before the AGM in accordance with regulatory requirements, to provide Unitholders with sufficient advance notice of the event.

## RECOGNITION & ACCOLADES

In March 2025, BHG Retail REIT was conferred three awards at The Global CSR & ESG Awards. The REIT garnered Gold award for 'Best CEO', Silver awards for 'CSR & ESG Leadership Award' and 'Best Corporate Communications & Investor Relations Team Award' categories.

These awards serve as an affirmation of our efforts in driving sustainability, commitment to good corporate governance practices and proactive communication with the investment community.

## FY 2025 INVESTOR RELATIONS CALENDAR

### FEBRUARY 2025

- One-to-one meetings

### MARCH 2025

- One-to-one meetings
- The Global CSR & ESG Awards 2025™  
BHG Retail REIT received three awards at The Global CSR & ESG Awards 2025™. The REIT was conferred Gold award for 'Best CEO' and Silver awards for 'CSR & ESG Leadership Award' and 'Best Corporate Communications & Investor Relations Team Award' categories.

### APRIL 2025

- FY 2024 Annual General Meeting

### MAY 2025

- REITs Symposium 2025  
(organised by REITAS & Shareinvestor)
- eTail Asia Summit 2025

### JUNE 2025

- One-to-one meetings

### JULY 2025

- RSM Singapore Webinar

### AUGUST 2025

- Phillip Securities Webinar

### SEPTEMBER 2025

- Hosted SGX REITs Ambassador

### OCTOBER 2025

- One-to-one meetings

## FY 2026 FINANCIAL CALENDAR\*

### 2026

- **MAY**  
1Q 2026 Business Update
- **AUGUST**  
1H 2026 Results Announcement
- **SEPTEMBER**  
1H 2026 Distribution Payment
- **NOVEMBER**  
3Q 2026 Business Update

### 2027

- **FEBRUARY**  
FY 2026 Results Announcement
- **MARCH**  
2H 2026 Distribution Payment
- **APRIL**  
FY 2026 Annual General Meeting

\* These dates are indicative and subject to change. Please refer to BHG Retail REIT's website for the latest updates.

## UNITHOLDER & MEDIA ENQUIRIES

If you have any enquiries or would like to find out more about BHG Retail REIT, please contact:

**THE MANAGER**  
Investor Relations Team  
Tel : +65 6805 8283  
Email : [ir@bhgreit.com](mailto:ir@bhgreit.com)  
Website : [www.bhgreit.com](http://www.bhgreit.com)

**UNIT REGISTRAR**  
Boardroom Corporate  
& Advisory  
Services Pte. Ltd.  
1 Harbourfront Avenue  
#14-07 Keppel Bay Tower  
Singapore 098632  
Tel : +65 6536 5355  
Fax : +65 6536 1360  
Website : [www.boardroomlimited.com](http://www.boardroomlimited.com)

For updates or change of  
mailing address, please contact:

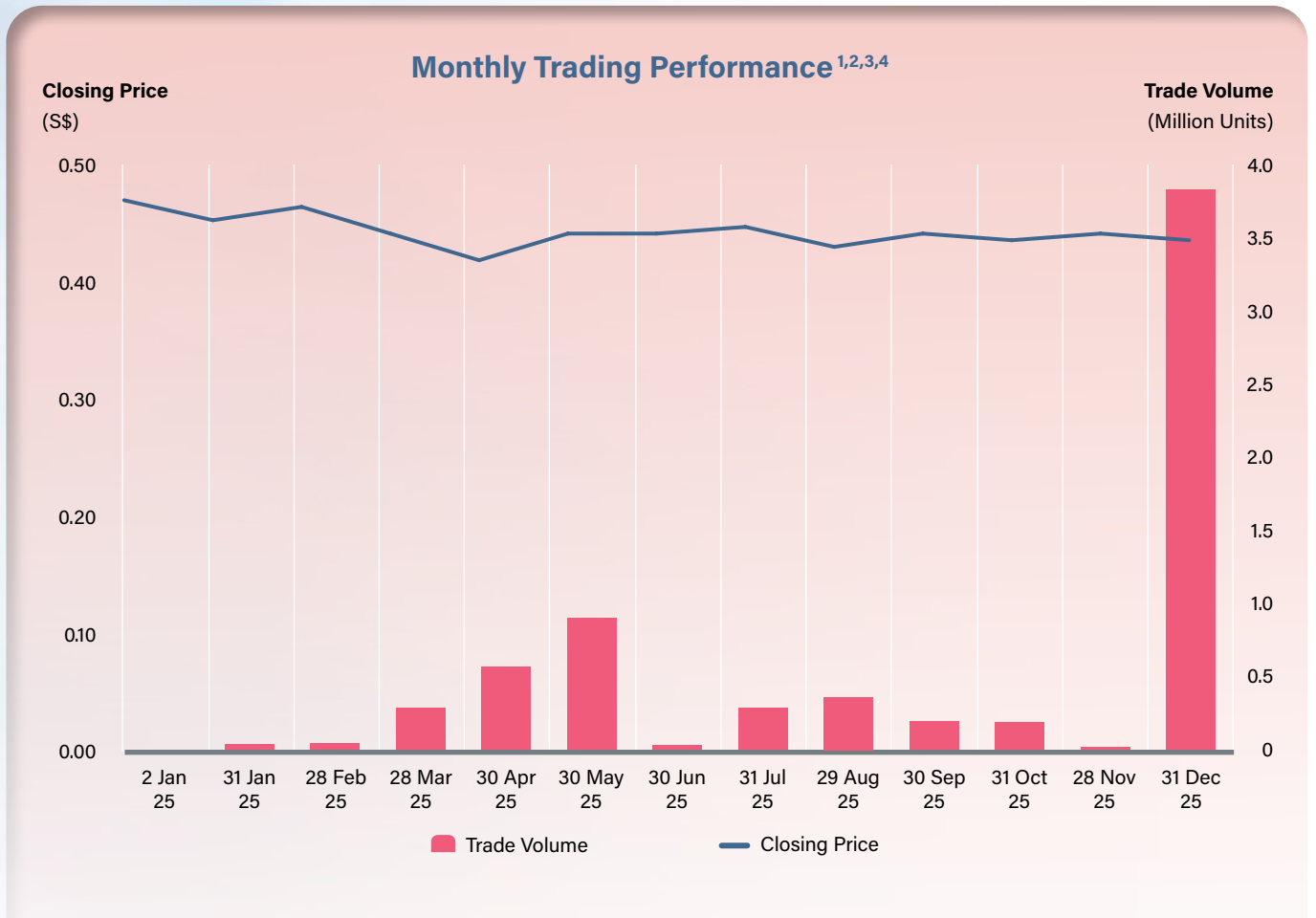
**The Central Depository  
(Pte) Limited**  
Tel : +65 6535 7511  
Email : [asksgx@sgx.com](mailto:asksgx@sgx.com)  
Website : <https://investors.sgx.com/dashboard>

# Investor Relations



## UNIT PRICE PERFORMANCE

BHG Retail REIT’s unit price closed at S\$0.435 on 31 December 2025 compared to S\$0.450 on 31 December 2024. Taking into account the FY 2025 full year distribution per unit (“DPU”) of 0.29 Singapore cents, the total return was negative 2.7%. Total trading volume in 2025 aggregated to 6.68 million units, compared to 1.02 million units in 2024.



1 2 January 2025 being the first trading day and 31 December 2025 being the last trading day in 2025.  
 2 Total return on investment assumes distributions paid during the period are reinvested.  
 3 Highest unit price was S\$0.490 in 2025, compared to S\$0.505 in 2024.  
 4 Lowest unit price was S\$0.260 in 2025, compared to S\$0.325 in 2024.

# Sustainability Report

## DRIVING SUSTAINABILITY, ADVANCING IMPACT

As BHG Retail REIT continues to strive for sustainable growth of our business, we remain committed in embedding sustainability in all our daily operations. Moving forward, we wish to cascade our ambitions in achieving greater sustainability performance and reporting.



This portion of the artwork is contributed by Mr. Bency Yap, an artist from the Muscular Dystrophy Association (Singapore).

# Sustainability Report



## BOARD STATEMENT

[2-22]

In response to the increasing environmental challenges, BHG Retail REIT (“the **REIT**” or “we”) remains committed to embedding Environmental, Social, and Governance (“**ESG**”) principles into our core operations. With global initiatives such as the Singapore Green Plan 2030 and China’s dual carbon goals, we recognise the importance of addressing sustainability issues while seizing opportunities to enhance resilience.

We are pleased to present our ninth sustainability report (the “**Sustainability Report**”), marking another milestone in our journey towards sustainability. Over the past year, the REIT has continued to integrate sustainability into daily operations and long-term planning, from energy efficiency initiatives to stakeholder engagement programmes. The Board of Directors of BHG Retail Trust Management Pte. Ltd. (the “**Board**”, and BHG Retail Trust Management Pte. Ltd., the “**Manager**”) continues to oversee sustainability matters, ensuring alignment with our strategic objectives.

In 2025, we monitored energy consumption, water usage, and greenhouse gas (“**GHG**”) emissions, with reference to the Global Reporting Initiative (“**GRI**”) Standards, covering both Scope 1 (direct) and Scope 2 (indirect) emissions. We also engaged our communities through programmes that foster social inclusivity and cultural enrichment, reflecting our commitment to being a responsible corporate citizen.

Aligned with the enhanced climate disclosure requirements under the Singapore Exchange, we have further strengthened our climate-related disclosures with reference to the International Financial Reporting Standards S2, introduced by the International Sustainability Standards Board (“**ISSB**”). These efforts support more robust reporting of climate issues and demonstrate our proactive approach to integrating sustainability considerations into strategic and operational decision-making.

We are also proud to announce that the REIT has received three awards at The Global CSR & ESG Awards 2025™. The REIT was conferred the Gold award for ‘Best CEO’, the Silver award for ‘CSR & ESG Leadership Award’ and ‘Best Corporate Communications & Investor Relations Team Award’ categories. These accolades recognise our commitment to transparent communication, responsible business practices, and leadership in ESG excellence.

Looking ahead, we remain dedicated to strengthening our sustainability efforts, enhancing resilience against environmental challenges, and fostering long-term value creation for all our stakeholders. On behalf of the Board and the Manager team, we extend our sincere gratitude to our stakeholders for their continued trust and support in our sustainability journey.

## BHG RETAIL REIT AT A GLANCE

### About BHG Retail REIT

[2-1]

BHG Retail REIT is Singapore's first dedicated China Retail REIT listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), sponsored by a leading integrated retail group in China. The REIT is managed by the Manager, an indirect wholly-owned subsidiary of Beijing Hualian Department Store Co., Ltd. (the "**Sponsor**"). The Sponsor is part of Beijing Hualian Group Investment Holding Co., Ltd. ("**Beijing Hualian Group**"), which is one of China's largest retail enterprises with over three decades of experience in retail operations.

Since publishing our first sustainability report for the financial year ended 31 December 2017, the REIT has adhered to the concept of sustainable development and consistently embraced a sustainability-focused business model. We are pleased to present our ninth sustainability report for the financial year ended 31 December 2025 ("**FY 2025**"), highlighting our achievements and progress in advancing our ESG commitments.

Over the years, we have strengthened our understanding of our environmental footprint, enhanced our contributions to employees and local communities, and improved governance practices across the organisation. Looking ahead, we remain committed to implementing more ambitious initiatives and strategies, delivering robust returns for our shareholders while making meaningful contributions to sustainable development.

<b>Company Name</b>	BHG Retail REIT
<b>Deed of Trust</b>	18 November 2015
<b>Head Office Address</b>	250 North Bridge Road, Raffles City Tower #32-01 Singapore 179101
<b>Operational Location</b>	Singapore, China

## VISION

Successful and sustainable real estate investment trust with a portfolio of quality, income-producing retail properties that are well-managed.

## MISSION

To deliver regular and stable distributions to our Unitholders; creating value by enhancing our properties through asset management strategies and expanding our portfolio through yield-accretive acquisitions, while working to contribute to the communities we operate in.

# Sustainability Report

## Employee Composition (Demography)

[2-7] [3-3] [202-2]

Since our establishment, we have embraced a people-centric approach, recognising that our employees are our most valuable asset. We strive not only to empower our workforce through training and development but also to strengthen our engagement with the local community, fostering human capital and attracting top talent.

The mission of fostering employee growth is driven by the Human Resources (“HR”) team of the Manager, which oversees all employee-related functions. Through a comprehensive talent management framework, the team identifies individual strengths, evaluates performance, and supports career advancement. By providing structured pathways for internal mobility and professional growth, the REIT empowers every employee to realise their potential and pursue excellence. Complementing this framework, we have established HR policies and a detailed staff handbook, which clearly define employment practices, ethical standards, and expected behaviours. Regular performance assessments and targeted development programmes have been implemented to reinforce transparency and fairness in talent management.

In recognition of these fair employment practices and our supportive workplace environment, the REIT Manager was awarded the NS Mark (Gold) by Singapore’s Ministry of Defence. This national-level accreditation recognises organisations that

implement policies and human resource practices that support employees in balancing their work and National Service commitments.

We are committed to fostering a fair, respectful, and inclusive culture where all employees can thrive. Advancing gender diversity is a core component of this commitment. In FY 2025, our team consisted of 9 members, including 6 males and 3 females, while management achieved gender balance with equal representation of one male and one female. Our dedication to the local community extends to senior leadership. In FY 2025, all senior management of the REIT were recruited locally in Singapore, reflecting our ongoing efforts to deepen local presence and develop a strong pipeline of local talent.

## Operational Area

[2-6]

Headquartered in Singapore, BHG Retail REIT manages a portfolio of six strategically located retail properties in major Chinese cities. Four of these properties—Beijing Wanliu, Chengdu Konggang, Hefei Mengchenglu, and Hefei Changjiangxilu—operate under a multi-tenanted format. The remaining two, Xining Huayuan and Dalian Jinsanjiao, are managed under master-leased model. This operational structure is outlined in this Sustainability Report, reflecting the REIT’s commitment to sustainable and resilient corporate growth.



## SUSTAINABILITY AT BHG REIT

### Sustainability Strategy

[3-3]

At BHG Retail REIT, embedding sustainability into every facet of our operations remains a core priority. We recognise our responsibility to minimise environmental impacts and deliver positive social and economic outcomes across all operations. In line with this commitment, we identified our actual and potential, as well as positive and negative impacts on the economy, environment, and society. Building on these insights, we have formulated targeted

strategies that not only mitigate key risks but also enable us to seize emerging opportunities.

We continually review and refine these strategies to reflect evolving regulatory requirements, industry best practices, and stakeholder expectations. The sections below outline the most material ESG-related risks and opportunities we have identified, as well as the proactive measures we are taking in response.

Risks	Opportunities and Responses
<b>Economic and Governance Risk</b>	
A downturn in economic performance could pressure profitability, limit our ability to maintain competitive employee compensation and make talent retention more challenging. It may also erode investor confidence and place the REIT at a competitive disadvantage.	We aim to deliver stable dividend distributions to our unitholders while reinforcing our financial resilience. A healthy economic environment not only bolsters stakeholder confidence and supports job creation but also enables increased investment in community initiatives, thereby contributing to broader economic, social, and environmental well-being.
<b>Social Risk</b>	
Insufficient community engagement may hinder our understanding of local needs and concerns, preventing us from identifying potential adverse impacts of our operations. Without timely action, such issues could escalate into long-term reputational damage and operational restrictions.	We actively build long-term relationships with local communities through regular dialogue and support programmes. By aligning our business objectives with community expectations, we enhance our brand reputation and create shared value for both the REIT and the residents we serve.
<b>Environmental Risk</b>	
Climate change poses growing challenges to our assets and daily operations. Physical climate risks (extreme weather and rising temperatures) and transitional risks (evolving regulations, stricter disclosure requirements) threaten asset value, operational continuity and regulatory compliance. Inadequate climate-related disclosures could lead to compliance risks and undermine stakeholder trust.	We monitor GHG emissions, energy consumption, and other resource use to identify key emission sources and inform our sustainability priorities. By implementing targeted efficiency measures and low-carbon solutions, we aim to minimise our environmental footprint while achieving operational cost savings.

# Sustainability Report

## Sustainability Governance

[2-9] [2-10] [2-11] [2-12] [2-13] [2-14] [2-16] [2-17]

The Board, as the highest governing body of BHG Retail REIT, holds overall accountability for overseeing and managing all sustainability matters. Transparency remains a core organisational value and underpins how we review, manage, and disclose our sustainability performance. Drawing on their collective experience, the Board ensures that ESG considerations are embedded in the REIT's overarching strategy. Key sustainability matters are regularly reviewed and discussed at Board and Board Committee meetings, enabling informed oversight and meaningful guidance on emerging sustainability issues.

In support of its oversight responsibilities, the new Directors appointed in FY 2024 completed the mandatory sustainability training delivered either by the Singapore Institute of Directors or the Institute of Singapore Chartered Accountants in 2024 and 2025, while the incumbent Directors had also completed the similar training programme delivered by the Institute of Singapore Chartered Accountants in 2022. This training strengthened the Board's understanding of its role in advancing ESG integration within the REIT's strategic direction.

The REIT's sustainability governance structure is illustrated below:



The Board delegates day-to-day implementation and oversight of sustainability initiatives to the Sustainability Officer and designated committees. As part of the REIT's Internal Audit Plan, the internal audit function conducts regular evaluations of sustainability practices and reporting processes. These assessments facilitate continuous improvement and ensure alignment with established policies, standards, and objectives.

The REIT's internal control framework is further reinforced by its governance structure. The Manager is supported by Board Committees, including the Audit and Risk Committee (the "ARC") and the Nominating and Remuneration Committee (the "NRC"). In addition, an Enterprise Risk Management Framework and a Business Continuity Plan have also been established to enhance the operational resilience of the REIT. More detailed information about the REIT's governance structure and controls can be found on the Corporate Governance section of our Annual Report.

The preparation of this Sustainability Report involved extensive engagement with stakeholders, ranging from external partners to the REIT's management teams. We value every opinion on our practices, which provides key insights to help us identify and prioritise material topics.

To ensure the integrity and compliance of our disclosures, our Internal Auditor conducted an internal review of our reporting process in accordance with the International Standards for the Professional Practice of Internal Auditing set forth by the Institute of Internal Auditors. Further information on stakeholder engagement can be found in the Disclosure on Material Topics section of this report.

## Nomination and Remuneration Governance

[2-15] [2-18] [2-19] [2-20]

In accordance with the 2018 Code of Corporate Governance, the Board introduced a Board Diversity Policy in 2020. Overseen by the NRC, the policy considers factors such as competencies, experience, and gender equality to promote a balanced and inclusive composition. Through the NRC, the Board periodically sets internal targets for its composition, fostering the broad perspectives and expertise required for effective governance.

The NRC underscores the Board's and CEO's commitment to cultivating an inclusive culture. This commitment is demonstrated by our female

CEO, Ms Iz-Lynn Chan, whose active participation in Board meetings exemplifies the REIT's focus on gender equality as a key component of its inclusivity objectives. Director independence is evaluated rigorously in line with the definitions and criteria set out in the 2018 Code of Corporate Governance and the Securities and Futures (Licensing and Conduct of Business) Regulations.

On remuneration matters, the NRC is responsible for reviewing and recommending the Board's remuneration framework to ensure alignment with governance objectives. The NRC comprises at least

three Directors, including Non-Executive Directors who are also independent. The NRC oversees all aspects of remuneration, including termination terms, to safeguard fairness and equity. No remuneration consultants were engaged in FY 2025.

Comprehensive information regarding the nomination process for the Board and Directors, as well as the remuneration process for the Board, Directors, and Key Management Personnel, can be found in the Corporate Governance section of our Annual Report.

### Policy Embedded

[2-23] [2-24] [2-25] [2-26] [2-27]

The REIT demonstrates its commitment to transparency governance and integrity through a set of key internal policies, including the Board Diversity Policy, Code of Conduct and Ethics, Whistle-Blowing Policy, and Anti-Corruption Policy. These policies, developed through due diligence on identified risks and benchmarked against leading practices, apply

to all employees of the Manager without exception. To reinforce awareness and understanding, the REIT delivers regular training to all employees. The Manager places strong emphasis on adherence to internal policies and maintains a zero-tolerance stance on any form of misconduct within the organisation.

#### Board Diversity Policy

This policy guides the composition of the Board to foster diversity and equality. Through its implementation, the REIT draws on a broad range of perspectives and experiences to strengthen decision-making and governance quality.

#### Code of Conduct and Ethics

Setting the standards for ethical behaviour across all operations, this code applies to all levels of management and employees, promoting consistency and integrity in all business activities.

#### Anti-Corruption Policy

By enforcing zero tolerance for corruption and improper conduct, this policy reinforces accountability and ethical practices across the REIT's operations.

#### Whistle-Blowing Policy

This policy provides a secure grievance mechanism for employees and external stakeholders to report unethical or irresponsible practices. It also protects whistleblowers from unfair dismissal or retaliation by ensuring the confidentiality of their reports.

Beyond these core governance policies, the REIT has also formulated and implemented other internal policies in line with local government regulations. The REIT complied with the applicable laws and regulations issued by the local government and did not commit any misconduct during FY 2025.

In FY 2025, the REIT maintained a record of zero corruption cases and provided anti-corruption training to all employees, achieving our targets on ethical business practices and compliance management.

# Sustainability Report

## Supporting Sustainability Development Goals

In response to the global call for collective action toward a just and sustainable future, the REIT has aligned its sustainability strategy with the United Nations Sustainable Development Goals (“UN SDGs”) and prioritises integrating the following goals into its business operations.

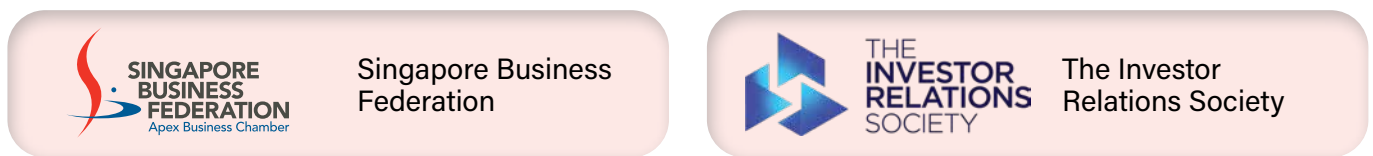
UN SDGs		Our Sustainability Efforts
	<b>Goal 3: Good Health and Well-being</b> Ensure healthy lives and promote well-being for all at all ages	<u>Promoting Employee Well-being</u> <ul style="list-style-type: none"> <li>▪ Prioritise the health and wellness of our employees</li> <li>▪ Collaborate with local community centres and service providers to support well-being initiatives</li> </ul>
	<b>Goal 4: Quality Education</b> Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	<u>Empowering Our Workforce</u> <ul style="list-style-type: none"> <li>▪ Deliver training and educational programmes focused on enhancing employee skills</li> <li>▪ Perform regular performance evaluations to support professional development</li> </ul>
	<b>Goal 5: Gender Equality</b> Achieve gender equality and empower all women and girls	<u>Championing Diversity and Inclusion</u> <ul style="list-style-type: none"> <li>▪ Build a diverse workforce and ensure female representation in management roles</li> <li>▪ Commit to equitable remuneration and uphold employee rights without discrimination</li> </ul>
	<b>Goal 6: Clean Water and Sanitation</b> Ensure availability and sustainable management of water and sanitation for all	<u>Advocating for Water Conservation</u> <ul style="list-style-type: none"> <li>▪ Deploy a variety of water-saving measures across all our properties to promote responsible water usage</li> </ul>
	<b>Goal 7: Affordable and Clean Energy</b> Ensure access to affordable, reliable, sustainable, and modern energy for all	<u>Enhancing Energy Efficiency</u> <ul style="list-style-type: none"> <li>▪ Implement and promote Energy Saving Plans in our malls across China to improve energy efficiency and reduce GHG emissions</li> </ul>
	<b>Goal 8: Decent Work and Economic Growth</b> Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all	<u>Supporting Career Advancement</u> <ul style="list-style-type: none"> <li>▪ Provide employees with continuous professional development and employability opportunities</li> <li>▪ Recruit senior management locally in Singapore to nurture local talent</li> </ul>
	<b>Goal 10: Reduced Inequalities</b> Reduce inequality within and among countries	<u>Ensuring Equitable Development Opportunities</u> <ul style="list-style-type: none"> <li>▪ Guarantee equal access to training and development resources for all employees, regardless of gender or career stage</li> </ul>
	<b>Goal 12: Responsible Consumption and Production</b> Ensure sustainable consumption and production patterns	<u>Encouraging Sustainable Practices</u> <ul style="list-style-type: none"> <li>▪ Promote responsible resource management and implement initiatives to reduce carbon footprint</li> <li>▪ Adopt proactive measures to mitigate and adapt to climate change, minimising its adverse impacts on our business operations and assets</li> </ul>
	<b>Goal 13: Climate Action</b> Take urgent action to combat climate change and its impacts	
	<b>Goal 16: Peace, Justice and Strong Institutions</b> Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	<u>Upholding Ethical Standards</u> <ul style="list-style-type: none"> <li>▪ Conduct all business operations with integrity and accountability</li> <li>▪ Maintain a strict zero-tolerance policy against any violations of our Code of Conduct and Ethics</li> <li>▪ Ensure all employees receive training on anti-corruption and bribery</li> </ul>

## External Charters and Principles

[2-28]

BHG Retail REIT reaffirms its commitment to sustainability by actively engaging with industry associations, organisations, and other ESG communities. Through these platforms, the REIT strengthens its governance practices and reinforces the credibility of its sustainability efforts. Such external engagement also allows the REIT to benchmark its performance, stay informed of emerging trends, and contribute to collective advancements within the broader ESG community.

### External Association



### ESG-Related Regulations Complied



## ABOUT THE REPORT

BHG Retail REIT has prepared this Sustainability Report with reference to the GRI Standards 2021. As the GRI Standards continue to evolve with global best practices, the REIT remains committed to enhancing its disclosures in line with the latest updates and guidance. This Report also complies with the sustainability reporting requirements set out under Rules 711A and 711B of the SGX-ST Listing Manual.

In light of the enhanced climate-related disclosure requirements being progressively implemented by SGX-ST from FY 2025, which mandate all listed issuers to report Scope 1 and Scope 2 GHG emissions and align with the International Financial Reporting Standards ("IFRS") S2 issued by the ISSB, the REIT has taken proactive steps to adopt these standards. In FY 2025, the REIT has further strengthened its climate-related disclosures, with particular focus on climate scenario analysis and financial impacts.

## Reporting Scope and Period

[2-2] [2-3] [2-4]

This Report presents the sustainability strategy, initiatives, and performance of BHG Retail REIT for FY 2025. It covers ESG matters relevant to our business operations in Singapore and our four multi-tenanted malls in China, which are Beijing Wanliu, Chengdu Konggang, Hefei Mengchenglu, and Hefei Changjiangxilu. Consistent with previous years, our two master-leased properties, Dalian Jinsanjiao and Xining Huayuan, are not included in the reporting scope. We continue to apply the operational control approach in reporting GHG emissions for the four multi-tenanted malls under our operational control, with a focus on the most significant and relevant sources of emissions.

This marks the REIT's ninth annual sustainability report, with no restatements of information from the previous report in the financial year ended 31 December 2024 ("FY 2024"), and no significant changes in business operations from that period. The REIT remains committed to advancing its sustainability efforts, and this Report will be publicly available on the REIT's website.

# Sustainability Report



## External Assurance

[2-5]

For the current reporting period, BHG Retail REIT has not obtained external assurance for this Sustainability Report. However, recognising the increasing expectations from regulators and stakeholders regarding independent verification, the REIT has taken steps to standardise its ESG data collection processes. These measures include implementing an additional layer of data review and systematically gathering supporting documentation, laying the foundation for potential external assurance in the future. The REIT remains committed to continuously enhancing the quality, and transparency of its sustainability reporting.

## Report Queries and Feedback

[2-3]

At BHG Retail REIT, we remain committed to continuous improvement and aim to improve our sustainability performance through comprehensive disclosures in next year's Sustainability Report. We welcome feedback on this Report and invite any inquiries or suggestions to be directed to:

### Philip Tan

*Sustainability Officer*

BHG Retail Trust Management Pte. Ltd.  
250 North Bridge Road, Raffles City Tower  
#32-01 Singapore 179101  
Email address: philip.tan@bhgreit.com

## Disclosure on Material Topics

[3-1] [3-2] [3-3]

We apply GRI 3: Material Topics as our guiding framework to determine the material topics for the REIT, ensuring a structured approach to identifying the issues that have the most significant impact on our operations, stakeholders, and the wider community. Each topic is carefully assessed for its relevance to the business strategy, financial planning, business model, and key stakeholders.

We remain attentive to evolving ESG challenges and sector trends. Our material topics encompass a wide range of areas, including human rights, economic factors, environmental concerns, social issues, and governance practices. This approach ensures that our sustainability strategy covers the critical aspects of the REIT's operations while remaining responsive to evolving market trends.

## Process to Determine Material Topics

[2-29]

In FY 2025, the REIT conducted a comprehensive review of material topics, reviewing the risks and priorities initially identified during our ESG prioritisation workshop in 2017. At that workshop, stakeholder insights on economic, environmental, and social impacts were collected to better understand their expectations and concerns regarding sustainability. The process of determining material topics is summarised as follows:

### 1. Identifying relevant ESG topics

Through benchmarking against industry peers and competitors, we identified ESG issues that could have meaningful environmental and social implications for the REIT sector.

### 2. Assessing and prioritising ESG topics







Stakeholder opinion is sought to evaluate the significance of each ESG topic. Topics are then prioritised based on the likelihood of occurrence and the severity of potential impacts, ensuring that the most critical issues receive attention.

### 3. Validation and Endorsement

The material topics were reviewed and formally endorsed by the Board, confirming their alignment with the REIT's strategic objectives.

To ensure that stakeholder perspectives are adequately considered, the Investor Relations team proactively maintains dialogue with stakeholders to gather their views and concerns regarding sustainability reports and operational activities that may have an impact.

By embedding this ongoing engagement into our materiality process, we are able to keep our ESG priorities relevant and responsive, ensuring that the REIT's sustainability focus aligns with both sector developments and stakeholder expectations. The table below summarises the key communication channels through which we interact with our stakeholders and foster constructive exchange.








Stakeholder Group	Engagement Channels	Frequency of Engagement	Top Sustainability Concerns/ Issues
<b>Internal Stakeholders</b>			
<b>Management</b> 	Board meeting	Periodically	<ul style="list-style-type: none"> <li>▪ Economic performance and market presence</li> <li>▪ Employment</li> <li>▪ Training and education</li> <li>▪ Compliance</li> <li>▪ Anti-corruption and business ethics</li> </ul>
	Management meeting	Periodically	
<b>Employees</b> 	Staff meetings	Monthly	
	Performance appraisal	At least once per year	
	Training programmes	Periodically	
	Company intranet and email announcements	Periodically	
	One-to-one engagements	At least once per year	
<b>External Stakeholders</b>			
<b>Investors</b> 	Annual general meeting	At least once per year	<ul style="list-style-type: none"> <li>▪ Economic performance and market presence</li> <li>▪ Compliance</li> <li>▪ Anti-corruption and business ethics</li> </ul>
	Annual Report	Annually	
	Sustainability Report	Annually	
	Analyst meeting	At least once per year	
<b>Suppliers</b> 	Supplier performance feedback	Periodically	<ul style="list-style-type: none"> <li>▪ Economic performance</li> <li>▪ Procurement practices</li> <li>▪ Compliance</li> <li>▪ Customer privacy</li> </ul>
<b>Regulators</b> 	Electronic communications	Periodically	<ul style="list-style-type: none"> <li>▪ Economic performance and market presence</li> <li>▪ Training and education</li> <li>▪ Compliance</li> <li>▪ Anti-corruption and business ethics</li> </ul>
	Training programmes	At least once per year	
<b>Local Communities</b> 	Community outreach programmes	Periodically	<ul style="list-style-type: none"> <li>▪ Impact on environment, people and economy</li> <li>▪ Compliance</li> </ul>
	Feedback channels	Periodically	

# Sustainability Report

## List of Material Topics

[3-2]

In FY 2025, we conducted a review of the material topics identified in the prior year. Considering the current business environment, evolving regulatory requirements and stakeholder expectations, we confirmed that the material topics identified in FY 2024 remain relevant to the REIT. These material topics are not ranked in order of importance.

Topic	Disclosure Sub-topic	Impacts
<b>Economic Performance</b> 	<b>GRI 201-1:</b> Direct economic value generated and distributed  <b>GRI 202-2:</b> Proportion of senior management hired from the local community	Within the organisation
<b>Emissions and Energy</b> 	<b>GRI 302-1:</b> Energy consumption within the organisation <b>GRI 302-3:</b> Energy intensity <b>GRI 305-1:</b> Direct (Scope 1) GHG Emissions <b>GRI 305-2:</b> Energy indirect (Scope 2) GHG emissions <b>GRI 305-4:</b> GHG emissions intensity	Within and outside the organisation
<b>Water Use</b> 	<b>GRI 303-1:</b> Water withdrawal by source  <b>GRI 303-5:</b> Water consumption	Within and outside the organisation
<b>Waste Management</b> 	<b>GRI-306-3:</b> Waste Generated  <b>GRI-306-5:</b> Waste directed to disposal	Within the organisation
<b>Skilled Workforce</b> 	<b>GRI 404-1:</b> Average hours of training per year per employee <b>GRI 404-2:</b> Programs for upgrading employee skills and transition assistance programs <b>GRI 404-3:</b> Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Within the organisation
<b>Local Communities</b> 	<b>GRI 413-1:</b> Operations with local community engagement, impact assessments, and development programmes	Outside the organisation
<b>Responsible Business</b> 	<b>GRI 205-1:</b> Operations assessed for risks related to corruption <b>GRI 205-2:</b> Communication and training about anti-corruption policies and procedures <b>GRI 205-3:</b> Confirmed incidents of corruption and actions taken	Outside the organisation

## VALUE CREATION

### Overview

The REIT aims to build a resilient and sustainable enterprise that generates long-term value for all stakeholders. We pursue steady growth while continuously seeking opportunities to expand our operations. Integrity and fairness form the foundation of our business practices, guided by robust corporate governance that informs every decision we make. We maintain a zero-tolerance stance toward any violations of our Code of Conduct and Ethics. To instil these values throughout the organisation, employees receive regular training on responsible and ethical business conduct.

### Economic Performance

#### Management Approach

[3-3]

The Manager firmly believes that robust economic performance is the cornerstone of delivering stable value for Unitholders while energising the communities in which we operate. Beyond creating jobs and business opportunities, we actively contribute to initiatives that promote social development and public welfare, reinforcing our role as a responsible corporate citizen.

Working closely with the Management, the Board guides the REIT's strategy direction and safeguards the REIT's long-term sustainability. Both the Board and the Management monitor the effectiveness of key business strategies and financial performance, with well-defined protocols governing matters requiring Board approval, including strategic initiatives, investment choices, financial arrangements, budgets, project developments, and expenditures.

To keep stakeholders well-informed, the Board regularly reviews operational and financial performance through dedicated meetings. Transparency is further supported by timely updates via the Annual Report and public disclosures on the BHG Retail REIT website, reinforcing accountability and confidence among our Unitholders.

### FY 2025 Performance

[201-1]

	Economic Performance in FY 2025 (S\$ Million)	Economic Performance in FY 2024 (S\$ Million)
Direct Economic Value Generated: Revenues	55.1	61.0
Economic Value Distributed	26.1	28.1
Economic Value Retained	1.5	5.0

Clear disclosure of our economic performance is essential to building trust and strengthening accountability. In FY 2025, the REIT recorded revenues of S\$55.1 million, a 9.6% decrease from S\$61.0 million in FY 2024. The economic value distributed, which includes operational costs and community investments, fell by 7.2% from S\$28.1 million in FY 2024 to S\$26.1 million in FY 2025. The economic value retained (net profits) amounted to S\$1.5 million in FY 2025, marking approximately 70% decline compared with S\$5.0 million in FY 2024.

Creating sustained value for our stakeholders continues to guide our decision-making. We remain committed to nurturing a motivated workforce, supporting community development, and striving for enduring profitability. These efforts position the REIT to navigate market uncertainties while upholding the principles that underpin our mission.

FY 2025 saw the REIT maintained stable returns to our unitholders, reaffirming our focus on creating enduring economic value while ensuring consistent distributions that support stakeholder confidence and long-term growth.

### Responsible Business

#### Management Approach

[3-3]

The REIT believes that responsible business conduct is not merely a compliance requirement but a driver of reliable value creation for all stakeholders. We recognise that strong ethical foundations strengthen investor confidence,

# Sustainability Report

attract reputable tenants, and support a workplace culture built on trust and accountability. As a REIT under the regulatory oversight of the Monetary Authority of Singapore (“MAS”), with its units approved and recognised as investment products under the Securities and Futures Act 2001 (“SFA”), we uphold the highest standards of integrity to safeguard the interests of our Unitholders and the local communities.

Oversight of risk management and internal controls is entrusted to the ARC, which ensures alignment with the Code of Corporate Governance 2018. Our operations are guided by a robust governance structure comprising the Code of Conduct and Ethics and the Individual Accountability and Conduct Framework, both of which are detailed in our Employee Handbook. We conduct regular training and maintain open communication channels to equip employees with the knowledge and resources they need to uphold our standards.

We maintain close oversight of all reported cases of misconduct and complaints to ensure that concerns are addressed promptly and appropriately. Heads of Departments conduct routine Controls Self Assessments to identify gaps or emerging risks. Our Whistleblowing Policy provides a secure and confidential mechanism for reporting concerns relating to unethical behaviour or potential corruption.

Our commitment to ethical business conduct spans our entire value chain. From employees to vendors, suppliers, and third-party service providers, we work closely with our partners to promote responsible practices throughout our operations. Due diligence and risk assessments are integral to our approach, enabling us to mitigate potential risks and promote fairness in all business activities.

## FY 2025 Performance

[2-27] [205-1] [205-2] [205-3]

In FY 2025, the REIT continued to strengthen its culture of integrity by placing greater emphasis on clear and consistent communication of our anti-corruption expectations. We made our internal anti-corruption policy readily accessible to all employees so that they remain fully aware of their responsibilities.

All Board members have received anti-corruption training, ensuring that leadership remains well-equipped to champion ethical conduct across the REIT. To stay ahead of emerging risks, Heads of Departments continued to conduct Controls Self Assessments, enabling us to identify trends early and address any areas requiring strengthened oversight.

In FY 2025, there were no instances of non-compliance with laws and regulations, and no cases of corruption or violations of our Code of Conduct and Ethics were reported.

## COMMITMENT TO THE ENVIRONMENT

### Overview

The REIT’s environmental strategy continues to evolve in response to the accelerating global and regional focus on climate responsibility. As both Singapore and Mainland China advance more stringent environmental requirements, including Singapore’s progressive carbon tax increases and China’s reaffirmation of its “Dual-Carbon” goals, we have reinforced our commitment to environmental stewardship by embedding sustainability considerations more deeply into our operations and long-term planning.

To advance our environmental initiatives, we have implemented an Environmental Management System Policy that outlines our environmental

management procedures. This framework supports continuous improvement, encourages the responsible use of natural resources, and ensures compliance with environmental regulations across all jurisdictions in which we operate.

In response to rising expectations for transparent climate reporting, the REIT is enhancing its disclosures to meet evolving regulatory requirements and international standards. The climate risk assessments and scenario analyses conducted in 2022 for our China properties remain relevant, as the Group’s major assets have not undergone significant changes. Ongoing monitoring ensures that emerging risks are identified early and that climate considerations are integrated into

our strategy. In FY 2025, we further improved the disclosure of our climate scenario analysis and strengthened our assessment of climate-related financial impacts, giving stakeholders clearer insights into our exposure and resilience. For more detailed information on climate-related disclosure, please refer to pages 103 to 107 of this Report.

The following sections set out our key priorities on environmental management, including reducing GHG emissions, conserving water, and improving waste management.

**Emission and Energy**

**Management Approach**

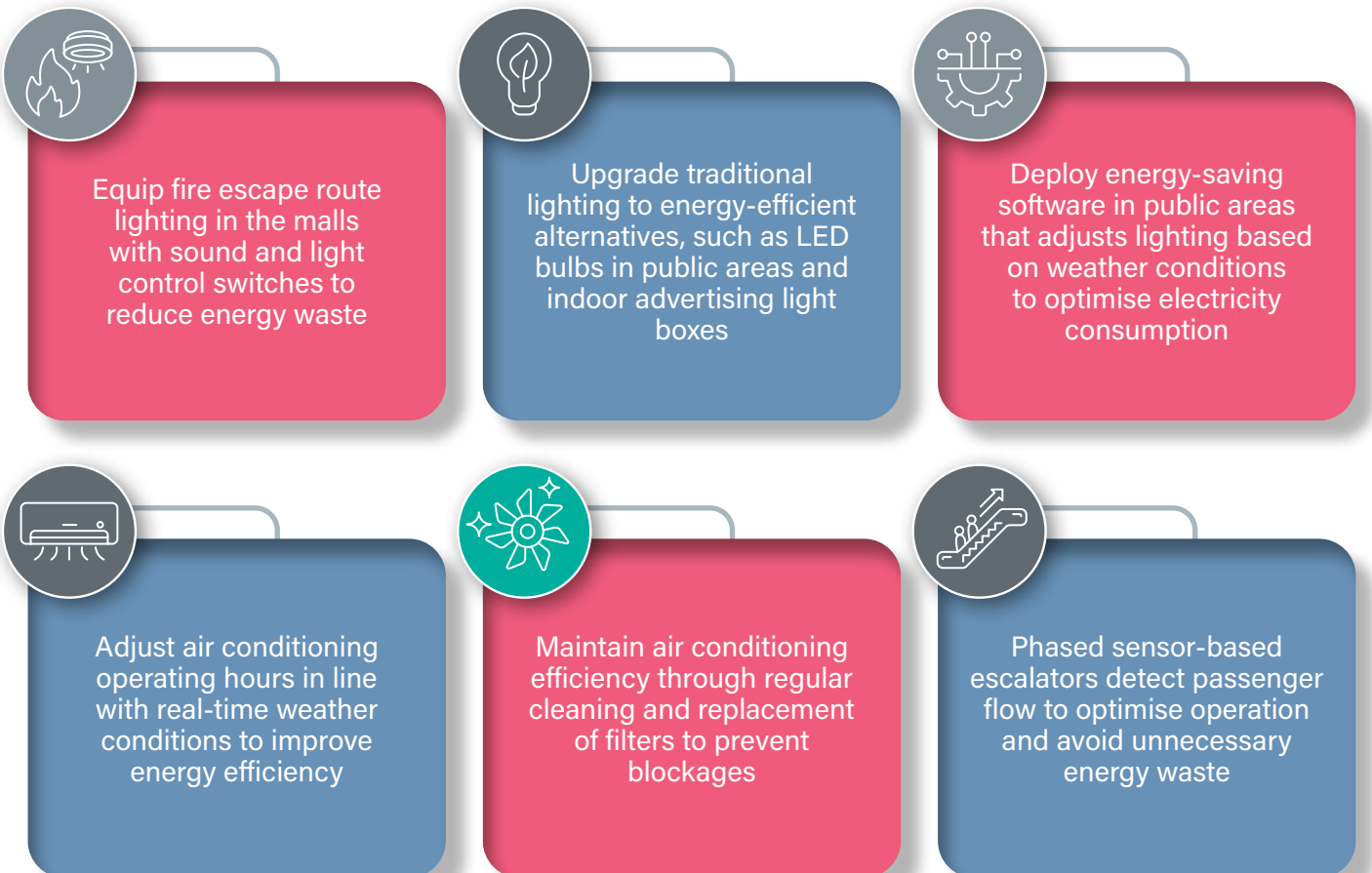
[3-3]

Electricity consumption across our properties, particularly for air conditioning and lighting, remains the main source of our carbon emissions.

Recognising this, efforts are underway to explore economically viable opportunities for transitioning to renewable energy sources. Complementing this transition, the Energy Saving Plan has been implemented to improve energy efficiency and optimise costs through better management practices and equipment upgrades.

To ensure consistent and effective energy conservation, patrol teams at each mall perform daily inspections, while the Engineering Management Team conducts regular spot checks to promptly identify any gaps. Staff are provided with relevant training to raise awareness and encourage responsible energy use. Management teams also conduct periodic reviews of electricity consumption at the malls, enabling continuous evaluation and optimisation of our energy-saving initiatives.

The Energy Saving Plan incorporates the following key measures:



# Sustainability Report

## FY 2025 Performance

[302-1, 302-3] [305-1, 305-2, 305-4]

The REIT's commercial malls are designed with modern infrastructure and primarily rely on electricity supplied by utility providers, which constitutes the main source of our Scope 2 emissions. Scope 1 emissions mainly arise from the combustion of natural gas supplied to our facilities via pipelines.

In FY 2025, Scope 1 emissions, primarily from natural gas used for heating, amounted to around 980 tCO<sub>2</sub>e, reflecting a 13% decrease compared to FY 2024. Scope 2 emissions generated from purchased electricity also recorded a 3% year-on-year reduction. These reductions reflect the effectiveness of the Group's energy management

measures and ongoing efforts to enhance operational efficiency. By systematically monitoring our GHG emissions and energy consumption, we remain committed to minimising our environmental impact and promoting sustainable business practices.

Beyond our ongoing energy-saving and emissions-reduction efforts, we have enhanced environmental data management across our malls. By introducing an additional layer of data review and requiring the submission of supporting documentation, we enhance the accuracy and reliability of our environmental data, while also strengthening our ability to track performance and identify improvement opportunities.

## Emissions and Energy-related Performance

Our Performance <sup>1</sup>	Unit	Performance Data in FY 2025	Performance Data in FY 2024
Floor Space	m <sup>2</sup>	275,539	275,539
Energy Consumption <sup>2, 3</sup>	MWh	23,119	24,254
	GJ	83,227	87,313
Energy Intensity <sup>4</sup>	MWh/m <sup>2</sup>	0.084	0.088
Direct GHG Emission (Scope 1) <sup>5</sup>	tCO <sub>2</sub> e	980	1,132
Indirect GHG Emission (Scope 2) <sup>6, 7</sup>	tCO <sub>2</sub> e	10,107	10,369
Direct GHG Emission Intensity	tCO <sub>2</sub> e/m <sup>2</sup>	0.0036	0.0041
Indirect GHG Emission Intensity	tCO <sub>2</sub> e/m <sup>2</sup>	0.037	0.038

As we move forward, the REIT remains dedicated to responsible environmental management. We actively pursue innovative approaches and adopt leading industry practices to reduce our carbon footprint and enhance energy efficiency across our properties.

<sup>1</sup> The scope of environmental data in FY 2025 included 4 multi-tenanted malls located in China, namely Beijing Wanliu, Chengdu Konggang, Hefei Changjiangxilu and Hefei Mengchenglu. The scope excluded the Manager's office in Singapore.

<sup>2</sup> In line with GRI 302: Energy 2016, energy consumption is reported in both MWh and GJ. The conversion unit was referenced from the International System of Units (SI)- Conversion Factors for General Use (2006).

<sup>3</sup> Energy consumption in FY 2025 included electricity consumption of public area and air conditioning systems as well as natural gas heating in shopping malls.

<sup>4</sup> Energy intensity is calculated by taking the ratio of energy consumption measured in MWh against a specific metric – floor space measured in m<sup>2</sup>.

<sup>5</sup> Scope 1 emissions cover emission from the combustion of natural gas sourced from the local government to provide heating on our four properties and GHG removals from planted trees included all trees planted since the Group's establishment.

<sup>6</sup> The indirect GHG emissions (Scope 2) are calculated based on World Resources Institute's reporting principles outlined in the "GHG Protocol Scope 2 Guidance (the GHG Protocol)". Indirect GHG emissions (Scope 2) are reported using a location-based method in accordance with the GHG Protocol.

<sup>7</sup> The equivalent CO<sub>2</sub> emissions for electricity use is calculated by multiplying the quantity of purchased electricity by China's national grid average emission factor – 0.5777 tCO<sub>2</sub> /MWh.

## Water

### Management Approach

[3-3]

In an era where the global water crisis is intensifying, we deeply recognise the vital importance of responsible water stewardship in operating our malls. All potable water used across our properties is supplied by municipal third-party water supplies. To address the significant environmental and social impacts of water consumption, we actively implement measures to conserve water and prevent wastage.

During FY 2025, we continued with our targeted initiatives to enhance water efficiency across our portfolio:

- Upgrade taps with water-efficient models
- Eliminate unnecessary water wastage in daily operations
- Actively explore the use of treated or recycled water where feasible

In addition, our management team regularly reviews water consumption at each mall to pinpoint high-usage areas and explore more opportunities for water conservation.

### FY 2025 Performance

[303-3, 303-5]

Effective water management remains a priority in supporting the smooth and sustainable operation of the Group's malls. In FY 2025, overall water consumption recorded a 16% decrease compared with FY 2024, demonstrating the effectiveness of the Group's responsible water use initiatives implemented across its mall operations. Looking ahead, we will continue to refine our approach to reduce water consumption and strengthen our water stewardship practices.

## Water Performance

Our Performance	Unit	Performance Data in FY 2025	Performance Data in FY 2024
Water Withdrawal/ Consumption	m <sup>3</sup>	158,713	188,545
	Megalitres	159	189
Water Consumption Intensity	m <sup>3</sup> /m <sup>2</sup>	0.576	0.684

## Waste

### Management Approach

[3-3]

BHG Retail REIT regards responsible waste management as an essential pillar of sustainable operations. As most waste of our malls originates from food and beverage tenants, we work closely with licensed waste contractors to ensure proper daily collection and compliant disposal. Embracing the principles of circular economy, we also promote recycling and the reuse of resources across our operations. Through these efforts, we strive to reduce environmental burden and improve overall operational sustainability.

### FY 2025 Performance

[306-3, 306-5]

Entering FY 2025, we made a significant leap in standardising waste management practices across all four malls. A unified procedure was introduced for waste collection and documentation. Under this new workflow, authorised staff collect the waste and hand it over to appointed waste contractors. The total volume is estimated based on the number of bins transferred, with responsible staff recording the estimated quantity and signing off to ensure clear accountability. This strengthened process significantly improves the consistency, transparency and reliability of our waste data.

# Sustainability Report

During the reporting year, total waste generation amounted to around 4,438 tonnes, comprising non-recyclable waste, kitchen waste and food waste. Looking ahead, we will further explore opportunities to minimise waste generation and strengthen circular waste management practices, reaffirming our ongoing commitment to resource conservation and circularity.

## Waste Performance

Our Performance	Unit	Performance Data in FY 2025 <sup>8</sup>	Performance Data in FY 2024 <sup>9</sup>
Waste	tonnes	4,438	2,884
Waste Intensity	tonnes/m <sup>2</sup>	0.016	0.010

Alongside energy and water monitoring, we also track paper usage, with total consumption recorded at approximately 713 kilograms during the reporting period, supporting our ongoing efforts to enhance resource efficiency.

## CREATING SHARED VALUE

### Overview

We view our employees as the driving force behind our success and are dedicated to nurturing a supportive environment where everyone can grow, develop their skills, and realise their full potential. By actively promoting equality and inclusivity, we ensure that all employees have access to fair opportunities and are free from discrimination. This commitment shapes our approach to talent development, fostering a culture that values diverse perspectives and enables meaningful contributions from all.

Beyond professional growth, we also prioritise initiatives that enrich employees' social and personal experiences. Regular team-building activities, community engagement programs, and wellness initiatives are organised to foster collaboration, enhance interpersonal connections, and promote a healthy work-life balance. These initiatives encourage employees to engage with one another, contribute to social causes, and participate actively in community development, reinforcing a sense of purpose and belonging.

Beyond our workforce, we are committed to making a positive difference in the communities where we operate. Our outreach initiatives focus on addressing local social and environmental needs while respecting the unique cultures and traditions of each community.

### Skilled Workforce

#### Management Approach

[3-3]

Training and development are central to our employee growth strategy. We offer a wide range of continuous learning opportunities to our employees, designed to enhance professional competencies, strengthen motivation, and build resilience in navigating an ever-changing business landscape. Our internal talent management system identifies each employee's strengths and development areas, allowing us to provide tailored training programmes that meet individual needs while supporting career advancement.

We place great importance on measuring the effectiveness of our learning and development initiatives. Through regular performance reviews, we assess how training contributes to skill enhancement and professional growth. We also encourage open dialogue between staff and management, fostering a culture where learning is continuous, and growth opportunities are accessible to everyone.

<sup>8</sup> The data collection methodology has been further enhanced in FY 2025 to include Chengdu Konggang and Hefei Mengchenglu in our waste reporting scope. Please note that year-on-year comparisons may be affected by changes in the scope of data collection.

<sup>9</sup> The waste data for FY 2024 included only waste generated from Beijing Wanliu and Hefei Changjiangxilu.

**FY 2025 Performance**

[404-1, 404-2, 404-3]

During FY 2025, we provided a total of 467 hours of internal and external training for our employees, averaging 52 training hours per employee. These training programmes equipped employees with the knowledge and skills required to respond to emerging challenges and support operational excellence.

Key training sessions conducted during the reporting year included:

1. eTail Asia 2025 organised by Worldwide Business Research
2. REITs Symposium 2025 hosted by AlphaInvest Holdings Pte. Ltd.
3. IFRS S1 & S2 Reporting: From Standards to Assurance provided by CPA Australia

We held quarterly update meetings with the Mall operations teams to review periodic performance and share notable achievements with the Manager. This mechanism enables the timely identification of emerging issues while fostering cross-team collaboration and continuous improvement across our properties. In FY 2025, our employees also participated in fire drill training to enhance emergency preparedness and workplace safety awareness.

In FY 2025, BHG Retail REIT continued to place strong emphasis on training and education to enhance sustainability knowledge across the organisation. All the directors serving on the Board have completed the mandatory sustainability training required by SGX.

Employees also actively participated in external conferences and update sessions focused on sustainability and evolving business trends, enhancing their understanding and capacity to integrate sustainable practices into their roles.

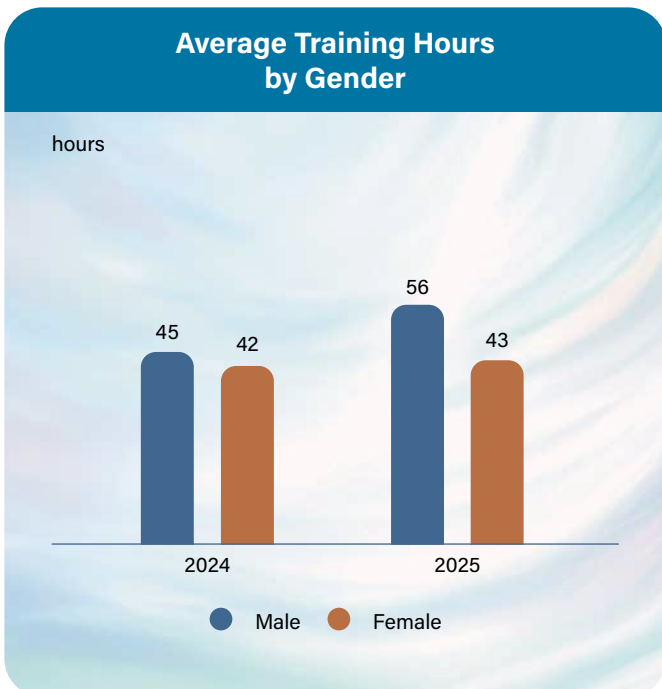
During the reporting period, 100% of our employees received performance and career development reviews, ensuring that each individual's contributions are acknowledged and valued.

**Local Community**

**Management Approach**

[3-3] [413-1]

BHG Retail REIT is resolutely focused on creating lasting, positive impacts in local communities. Recognising the importance of community engagement, we actively reach out to residents, local groups, and other stakeholders to understand their needs and gather feedback on our operations.



# Sustainability Report

## FY 2025 Performance

Across the portfolio, BHG Retail REIT's malls serve as community platforms that bring together residents, families and local organisations through programmes tailored to the needs and interests of their surrounding neighbourhoods. Through partnerships with community groups, educational institutions and public organisations, the REIT seeks to contribute positively to the well-being of the communities where it operates. Each mall curates community programmes reflecting the priorities and needs of its neighbourhood.

In addition to initiatives carried out by the malls across Beijing, Chengdu and Hefei, the REIT Manager also contributes to community development efforts in Singapore through partnerships that support social well-being, education and talent development.

Looking ahead, BHG Retail REIT will continue to strengthen partnerships with community organisations and explore initiatives that support social well-being, education and community resilience. Through these efforts, we aim to create shared value for both the communities we serve and our broader stakeholder ecosystem.



## THE MANAGER

Beyond our mall-based initiatives, the Manager continued to contribute to broader community development efforts. During the year, the Manager partnered with Dorcas Home Care to support the “Love Our Seniors” initiative, providing door-to-door meal deliveries to vulnerable seniors across Singapore. This effort complements the national Meals-on-Wheels programme, which supports frail and homebound seniors who may face challenges in purchasing or preparing meals. Through this initiative, the team contributed practical support while fostering care and connection with elderly residents in the community.

The Manager also contributed to education and talent development through mentoring students from Nanyang Technological University (“NTU”) under the veNTure mentorship programme. Through this initiative, the Manager provided guidance to students on business strategy, communications, and career development, supporting the development of future professionals. This engagement contributes to the broader professional pipeline by helping students bridge academic learning with industry insights and real-world experience.

In addition, the Manager contributes to nurturing future-ready global leaders through the Singapore Global Leaders Network (SGLN), an initiative that connects emerging leaders with industry practitioners and mentors.



# Sustainability Report

## THE MANAGER

During the reporting year, the Manager continued its collaboration with a designer from the Muscular Dystrophy Association (Singapore) ("MDAS"), who contributed to the graphic design design for page 79 of the Annual Report FY 2025.

### About MDAS

Established in 2000, MDAS is a voluntary welfare organisation that supports individuals with neuromuscular conditions and their families through education, community programmes and advocacy initiatives. MDAS is a member of the National Council of Social Service and holds Institution of Public Character ("IPC") status. Website: <https://www.mdas.org.sg/>

### About Muscular Dystrophy

Muscular Dystrophy refers to a group of genetic conditions that progressively weaken skeletal muscles over time, affecting mobility and physical strength. While symptoms and severity vary, the condition often leads to increasing physical challenges, highlighting the importance of community awareness and support.

### About the Designer

Averion Francis Benedict Yap (Bency) is a member of Muscular Dystrophy Association (Singapore) (MDAS). Turning 28 this year, Bency is music lover and car enthusiast, and has a strong interest in visual arts, particularly graphic design. His creative journey began in his younger years, watching his brother experiment with graphic art on Adobe Photoshop – an experience that sparked his own curiosity and passion for design. During the COVID-19 pandemic, Bency actively participated in

online programmes organised by MDAS, which eventually led him to join MDAS BRIDGE+ Media Class. Since then, he has developed his skills and grown in confidence, supported by a dedicated teacher and an encouraging community of fellow members. As a BRIDGE+ member, Bency has contributed his graphic design skills through designing digital greeting cards and other projects through the MDAS social enterprise, The Creative Chair, and he continues his journey to grow as a graphic designer.



## BEIJING WANLIU

In FY2025, Beijing Wanliu placed strong emphasis on youth engagement and community participation through a series of public welfare programmes. The mall hosted pet adoption events that promoted responsible pet ownership while strengthening connections with young families. Community outreach activities were also organised to mark Lei Feng Day and other public welfare campaigns, encouraging volunteerism and acts of kindness among residents, including elderly members of the community.

Youth-focused initiatives included creative workshops, an AI chess challenge, and a charity cycling event supporting left-behind children, where tenants and cycling enthusiasts participated in fundraising activities. Cultural programmes also featured the Youth Intangible Cultural Heritage Festival, celebrating traditional arts and creativity among young people. In recognition of these efforts, Beijing Wanliu received the Caring Business Award



from the China Children and Teenagers' Fund for co-organising the festival. These initiatives reinforce Beijing Wanliu's role as a community-centric retail destination supporting youth engagement and neighbourhood participation.

## CHENGDU KONGGANG

Community health and charitable outreach formed a key focus of Chengdu Konggang's engagement initiatives during the year. The mall organised monthly pet adoption events in partnership with a local animal welfare organisation. It also collaborated with

Shuangliu District Maternal and Child Health Hospital to host free medical consultations on International Women's Day. In addition, Chengdu Konggang supported mall tenant Juzi Dental Clinic in providing dental check-ups and oral health education for community residents.

Later in the year, fundraising activities with student volunteers from Southwest Minzu University supported rural education through the "Kindness 100" charity initiative. The mall also organised a Laba Festival congee distribution event in collaboration with Chengdu Wenshu Monastery, bringing festive goodwill to surrounding communities. Through these initiatives, Chengdu Konggang continues to strengthen its role as a community-centric retail destination serving surrounding neighbourhoods.



# Sustainability Report

## HEFEI MENGCHENGLU

Hefei Mengchenglu organised a series of community initiatives focusing on public health, social support and community engagement. Public health efforts included hosting a mobile blood donation campaign with the local blood bank and collaborating with the Tobacco Bureau to raise awareness of the health risks associated with smoking. The mall also provided complimentary Traditional Chinese Medicine consultations for nearby residents, offering pulse diagnosis and basic health guidance.

Women empowerment initiatives included legal education sessions with the Women's Federation on women's rights protection and a community film screening to mark International Women's Day. To support the broader community, the mall hosted a trade union job fair connecting residents and graduates with local employers, and organised a summer relief



water distribution for nearby police officers. Additional community programmes included festive activities for residents of the nearby Jinyu Lanwan community during the National Day and Mid-Autumn celebrations. These programmes reinforce Hefei Mengchenglu's position as a community-centric retail destination supporting health awareness, civic engagement and neighbourhood well-being.

## HEFEI CHANGJIANGXILU

In FY 2025, Hefei Changjiangxilu organised community-focused initiatives supporting elderly residents and the wider community. The mall partnered with community organisations to conduct hearing test activities, providing complimentary screenings for middle-aged and elderly residents. During the Double Ninth Festival (Chongyang Festival) in September 2025, the mall hosted a community event honouring senior residents through cultural performances celebrating the tradition of respecting the elderly.

The mall also partnered with local schools to host graduation performances, providing a platform for children to showcase their talents while fostering confidence and family bonding. A community job fair connected early-career job seekers and mid-career professionals with employment opportunities. In addition, a summer relief campaign for local fire brigades provided refreshments to frontline firefighters



while strengthening community ties. These initiatives reinforce Hefei Changjiangxilu's role as a community-centric retail destination supporting intergenerational community engagement.

## CLIMATE-RELATED DISCLOSURES

### INTRODUCTION

Although global markets continued to face uncertainty and volatility over the past year, the REIT remained steadfast in mitigating and adapting to the impacts of climate change across its operations.

In line with the SGX's progressive implementation of more stringent climate disclosure requirements, the REIT has further aligned its climate reporting with the ISSB IFRS Standards. Consistent with previous years, our climate-related disclosures are structured under the four core pillars of governance, strategy, risk management, and metrics and targets.

During the reporting year, in addition to upholding our established climate management approach, we enhanced our disclosures relating to financial impact analysis. Building on the climate scenario analysis conducted in 2022, we have refined our disclosures to provide stakeholders with clearer insights into the potential financial implications of climate change on our operations in China. Looking ahead, we remain committed to strengthening the REIT's resilience and ensuring business continuity in the face of evolving climate-related risks.

### GOVERNANCE

The Board holds ultimate responsibility for the REIT's sustainability matters, including climate-related issues. As stewards of the REIT's strategic direction, the Board ensures that climate and broader sustainability considerations are embedded into business strategies and risk management processes. To support this, the Manager adopts a structured and integrated approach to applying key ESG principles across operations.

The Board and its committees remain regularly updated on climate-related risks and opportunities through regular meetings and established reporting mechanisms. To further enhance its oversight capabilities, the Board seeks independent advice from professional consultants and participates in ESG seminars organised by leading industry organisations. These engagements enable Board members to acquire the necessary knowledge and insights to address climate matters effectively.

While the Board retains direct oversight of sustainability matters requiring formal approval, it delegates authority to the relevant committees and Management for the execution and monitoring of ongoing ESG initiatives. The Chief Executive Officer ("CEO") and the Sustainability Officer work closely to drive the REIT's sustainability agenda, ensuring that climate-related priorities remain aligned with the REIT's overarching commitments.

In 2022, the REIT undertook a comprehensive climate risk screening and assessment covering both physical and transition risks. Since then, Senior Management has continued to track developments in the climate landscape and evaluate their relevance to the REIT's operations. Any material changes in the operational environment or regulatory requirements are promptly reported to the Board and its Committees.

### STRATEGY

As part of its long-term business strategy, BHG Retail REIT remains committed to proactively addressing the challenges and opportunities posed by climate change. The REIT seeks to implement both strategic and operational measures designed to mitigate climate-related impacts, while maintaining compliance with evolving regulatory and disclosure requirements.

In FY 2025, we reviewed climate risks identified in the previous year and confirmed that these material issues continue to be highly relevant to our operations, serving as a key guide for our climate strategy and informing our ongoing risk management practices.

#### Key Climate Risks and Their Potential Impacts

We recognise that climate change poses both physical and transitional risks that may affect our operations and bring financial impacts. The following table summarises the key climate risks identified and their potential impacts on the REIT:

# Sustainability Report

Risk type	Risks	Potential Impacts
<b>Physical Risks</b>	Rising Temperatures and Frequent Heatwaves	Increased energy demand to maintain comfortable indoor conditions across our malls, resulting in higher utility consumption and energy costs. More frequent heatwaves may also strain facility systems and impact operational efficiency.
	Extreme Weather Events	Exposure to flooding and tropical cyclones may cause physical damage to properties, disrupt operations, and lead to potential revenue losses. Such events may also lead to higher maintenance and insurance costs.
<b>Transition Risks</b>	Regulatory Pressures and Carbon Pricing	Anticipated increases in energy costs and carbon pricing driven by evolving regulatory frameworks may elevate operational expenses. Strengthening obligations for climate reporting and emissions management could require additional resources and investments. Non-compliance with emerging regulations, such as China's carbon trading scheme, may result in financial penalties and reputational impacts. The REIT does not incur carbon tax obligations but continues to closely monitor policy developments for any future applicability.

## Scenario Analysis

To understand potential future climate impacts, scenario analysis was conducted in 2022 across six retail properties in China. The analysis applied internationally recognised climate scenarios,

drawing on Representative Concentration Pathways ("RCPs") and the Network of Central Banks and Supervisors for Greening the Financial System ("NGFS"), supported by scientific and local data.

	Selection Rationale	Scenario Narrative
<b>1.5°C warming (NGFS Net Zero 2050 and RCP 2.6)</b>	This scenario assumes strong global mitigation efforts to limit warming to 1.5°C, providing a best-case pathway to assess the REIT's resilience under stringent climate policies.	Rapid and stringent climate policies drive substantial emission reductions, with a major shift away from fossil fuels toward renewable energy.
<b>2°C warming (NGFS Delayed Transition)</b>	This scenario assumes a delayed but eventual transition to a low-carbon economy, offering a moderate pathway where climate actions occur gradually.	Global emissions remain stable until 2030, after which strong mitigation policies are introduced, including carbon pricing and stricter emission limits.
<b>&gt; 3°C Warming (NGFS Current Policies and RCP 8.5)</b>	This scenario assumes no major policy enhancements beyond those already in place and reflects the pathway with the most severe physical risks.	Emissions rise until around 2080, leading to warming above 3°C. Heavy reliance on fossil fuels persists, and escalating physical impacts result in higher adaptation costs and operational disruptions.

We identified the following parameters for scenario analysis:

Parameter Related to Physical Risks	Parameter Related to Transition Risks
<ul style="list-style-type: none"> <li>Sea level rise</li> <li>Mean temperature increase</li> <li>Water scarcity</li> <li>Extreme weather</li> </ul>	<ul style="list-style-type: none"> <li>Carbon price</li> <li>Renewable energy price</li> <li>Climate policy changes</li> <li>Energy efficiency requirements</li> </ul>

# Sustainability Report

The 2022 climate risk assessment evaluated anticipated financial implications under different scenarios. Key risks, potential financial impacts are summarised below:

Risk Type	Risks	Potential Financial Impacts	Potential Impact Rating											
			1.5°C warming (NGFS Net Zero 2050 and RCP 2.6)			2°C warming (NGFS Delayed Transition)			> 3°C Warming (NGFS Current Policies and RCP 8.5)					
			Short-term	Medium-term	Long-term	Short-term	Medium-term	Long-term	Short-term	Medium-term	Long-term			
Physical Risks	Rising Temperatures and Frequent Heatwaves	Increased energy-related operating costs due to higher cooling demand.	●	●	●	●	●	●	●	●	●	●	●	●
	Extreme Weather Events	Higher insurance premiums <sup>10</sup> as extreme weather events intensify.	●	●	●	●	●	●	●	●	●	●	●	●
Transition Risks	Regulatory Pressures and Carbon Pricing	Potential future carbon-related expenses for carbon credit purchases arising from changes in regulatory frameworks.	●	●	●	●	●	●	●	●	●	●	●	●

**Legend:**

- Low: Increase in baseline cost <250,000 RMB
- Medium: Increase in baseline cost between 251,000 to 1,000,000 RMB
- High: Increase in baseline cost >1,000,000 RMB

<sup>10</sup> The insurance premium for buildings, including renovation, is disclosed in the REIT's individual malls' insurance policies. This impact aims to calculate the potential future increase in insurance costs based on current payments.

The table above presents the potential annual financial impacts on the REIT's Profit and Loss statement relative to the baseline year, assuming that no mitigation measures are implemented. The results indicate that under the 1.5°C warming scenario (NGFS Net Zero 2050 and RCP 2.6), the REIT may face relatively higher costs from increased cooling demand and potential carbon-related expenses for carbon credit purchases. These insights underscore the critical importance of improving energy efficiency and reducing carbon emissions across our operations, reinforcing our commitment to proactive climate management and sustainable business practices.

These findings provide the REIT with a clearer understanding of the potential financial implications under different climate pathways. By analysing risks across multiple time horizons and scenarios, we are better equipped to assess how our operations and costs may be affected under varying conditions, and to plan appropriate mitigation and adaptation measures. The insights gained from this assessment support more informed decision-making in capital planning, asset enhancement and operational management.

The REIT will continue to closely monitor evolving climate science, policy developments and market trends, and will periodically update scenario analysis to ensure that our climate strategy remains forward-looking and aligned with industry best practices.

## Risk Management

In 2022, the REIT engaged an independent consultant to conduct a detailed environmental risk screening and assessment of its portfolio. This exercise enabled the REIT to identify material physical and transition climate risks relevant to its operations. Locally in Singapore, the REIT complies with SGX-ST requirements by incorporating environmental risk considerations into its Enterprise Risk Management ("**ERM**") Framework and in the due diligence of future property acquisitions.

Climate-related risks are reviewed through established processes. Senior Management continuously monitors regulatory, environmental,

and market developments that may affect the REIT, and assesses whether such changes have implications for the identified risks. Any material developments are reported to the Board and its Committees through regular meetings, ensuring timely oversight and informed decision-making.

Although extreme weather events have not caused any significant disruptions to our properties, physical climate risks remain a key area of ongoing monitoring. The REIT maintains established Business Continuity and Emergency Response Plans to manage potential impacts and regularly reviews its insurance coverage for natural disasters.

With respect to transition risks, the REIT closely tracks policy and regulatory developments in both China and Singapore, particularly those relating to carbon and energy management requirements. This ongoing monitoring allows us to anticipate emerging regulatory trends and assess potential compliance obligations.

## Metrics and Targets

Under our Sustainability Framework, we actively monitor and track water and energy consumption, as well as GHG emissions and their intensity. GHG emissions are reported with guidance from the GHG Protocol. In FY 2025, Scope 1 (direct) emissions amounted to 980 tCO<sub>2</sub>e, while Scope 2 (indirect) emissions totalled 10,107 tCO<sub>2</sub>e. For further details on our environmental performance, please refer to pages 92 to 96 of this Report. As we continue to enhance our data collection and monitoring systems, we remain cautious about setting quantitative climate targets at this stage. We did not purchase carbon credits to offset our emissions during the reporting year and currently have no plans to pursue such measures. Further information on our environmental targets can be found on page 108 of this Report.

With respect to remuneration, the REIT has not incorporated climate-related metrics into executive or employee incentive structures at this stage. The REIT has not applied internal carbon pricing in its operational or investment decision-making.

# Sustainability Report

## FY 2025 SUSTAINABILITY HIGHLIGHTS AND TARGETS<sup>11</sup>



### ECONOMIC PERFORMANCE

**S\$55.1m**

Gross Revenue

We aim to create sustainable economic value and ensure reliable, long-term distributions to our unitholders.



### MARKET PRESENCE

**All**

senior management are hired from the local community in Singapore.



### ANTI-CORRUPTION

**Zero**

cases of non-compliance or corruption cases.

We aim to uphold the highest maintain zero corruption incidents and provide anti-corruption training to all employees.



### ENERGY

**83,227 GJ**

total energy consumption

We strive to minimise our environmental footprint through proactive monitoring, analysis, and management of energy consumption, while continuously exploring efficiency improvements.



### WATER

**159**  
megalitres

total water consumption

We are committed to responsible water management and seek to continuously reduce consumption across our operations.



### EMISSIONS

**980 tCO<sub>2</sub>e**

Scope 1 GHG emissions

**10,107 tCO<sub>2</sub>e**

Scope 2 GHG emissions

We aim to reduce our GHG emissions and actively pursue opportunities to transition to renewable energy sources where feasible.



### TRAINING AND EDUCATION

**467**

total training hours provided

We aim to create an inclusive workplace, provide equal development opportunities, and support continuous learning for all employees.



### LOCAL COMMUNITIES

**Community engagement**

at all four multi-tenanted properties and REIT manager in Singapore.

We aim to build meaningful connections with local communities and expand outreach initiatives in line with evolving community needs.



### WASTE MANAGEMENT

**4,438**  
metric tonnes

total waste generated at our properties.

We aim to actively track and manage waste generation while implementing strategies to increase recycling rates and enhance resource efficiency.

<sup>11</sup> As we continue to improve our data collection and monitoring systems, we remain cautious about setting quantitative targets at this stage. The targets presented in this section are aligned with the REIT's strategic planning and financial reporting timeframe, which differentiates between current (within the 12-month reporting period) and non-current (beyond the 12-month reporting period) time horizons. Accordingly, these targets apply to the Group's short-, medium- and long-term horizons.

## FY 2025 PERFORMANCE - ENVIRONMENTAL DATA

Metrics	Unit of Measurement	FY 2024	FY 2025
Floor space	m <sup>2</sup>	275,539	275,539
<b>Energy (GRI 302-1, 302-3)</b>			
Total energy consumption			
Total energy consumption	MWh	24,254	23,119
	GJ	87,313	83,227
Energy consumption intensity	MWh/m <sup>2</sup>	0.088	0.084
<b>Water and Effluents (GRI 303-3, 303-5)</b>			
Total water withdrawal			
Total water withdrawal from all areas	megaliters	189	159
	m <sup>3</sup>	188,545	158,713
Third-party water			
Freshwater (≤1,000 mg/L Total Dissolved Solids)	megaliters	189	159
Other water (>1,000 mg/L Total Dissolved Solids)	megaliters	0	0
Total water consumption			
Total water consumption from all areas	megaliters	189	159
	m <sup>3</sup>	188,545	158,713
Third-party water			
Freshwater (≤1,000 mg/L Total Dissolved Solids)	megaliters	189	159
Other water (>1,000 mg/L Total Dissolved Solids)	megaliters	0	0
Water consumption intensity	m <sup>3</sup> /m <sup>2</sup>	0.684	0.576
<b>Emission (GRI 305-2,305-4)</b>			
Scope 1 and Scope 2 GHG emissions			
Total direct (Scope 1) GHG emissions	tCO <sub>2</sub> e	1,132	980
Total location-based energy indirect (Scope 2) GHG emissions	tCO <sub>2</sub> e	10,369	10,107
GHG Emissions intensity	tCO <sub>2</sub> e/m <sup>2</sup>	0.042	0.040

# Sustainability Report

## FY 2025 PERFORMANCE - SOCIAL AND GOVERNANCE DATA

Metrics	Unit of Measurement	FY 2024			FY 2025		
		Male	Female	Total	Male	Female	Total
<b>Workforce (GRI 2-7, 2-8)</b>							
Total employees	Number	7	3	10	6	3	9
Total employees by position							
Management	Number	1	1	2	1	1	2
Non-management	Number	6	2	8	5	2	7
<b>Training and Education (GRI404-1)</b>							
Total training hours		Male	Female	Total	Male	Female	Total
Total training hours	hours	312.5	124.5	437	337	130	467
Total training hours: management	hours	50	123	173	45	124	169
Total training hours: non-management	hours	262.5	1.5	264	292	6	298
Average hours of training by employee category							
Per employee	hours	45	42	44	56	43	52
Management	hours	-	-	87	-	-	85
Non-management	hours	-	-	33	-	-	43
Employees who received performance review and career development							
Management	Percentage	100%			100%		
Non-management	Percentage	100%			100%		
<b>Anti-corruption (GRI 205)</b>							
Total percentage of operations assessed for risks related to corruption	Percentage	100%			100%		
Total percentage of governance body members that the organisation's anti-corruption policies and procedures have been communicated to	Percentage	100%			100%		
Total percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to	Percentage	100%			100%		
Total percentage of governance body members that have received training	Percentage	100%			100%		
Total percentage of employees that have received training on anti-corruption	Percentage	100%			100%		
Total number of confirmed incidents of corruption	Number	0			0		

## GRI CONTENT INDEX

**Statement of use** BHG Retail REIT has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Standards.

**GRI 1 used** GRI Universal Standards 2021

Index	GRI Disclosure	Page Number(s)	SGX Practice Note 7F SR Guide	Remark(s)
<b>GRI 2: General Disclosures 2021</b>				
2-1	Organisational details	81	1.1	-
2-2	Entities included in the organisation's sustainability reporting	87	1.1	-
2-3	Reporting period, frequency and contact point	87, 88	6.1-6.3	-
2-4	Restatements of information	87	4.41	-
2-5	External assurance	88	5.1-5.7	BHG Retail REIT has not sought external assurance for this reporting period.
2-6	Activities, value chain and other business relationships	82	4.1 (a)	-
2-7	Employees	82	4.46	-
2-8	Workers who are not employees	Not applicable.		
2-9	Governance structure and composition	84	3.1	Further details in the organisation structure section.
2-10	Nomination and selection of the highest governance body	84	3.1	Further details in the corporate governance section.
2-11	Chair of the highest governance body	84	3.1	Further details in the corporate governance section.
2-12	Role of the highest governance body in overseeing the management of impacts	84	3.1	-

# Sustainability Report

Index	GRI Disclosure	Page Number(s)	SGX Practice Note 7F SR Guide	Remark(s)
<b>GRI 2: General Disclosures 2021</b>				
2-13	Delegation of responsibility for managing impacts	84	3.1	-
2-14	Role of the highest governance body in sustainability reporting	84	3.1	-
2-15	Conflicts of interest	84, 85	4.4	Further details in the corporate governance section.
2-16	Communication of critical concerns	84	4.46	Further details in the corporate governance section.
2-17	Collective knowledge of the highest governance body	84	3.1	-
2-18	Evaluation of the performance of the highest governance body	84, 85	3.1	Further details in the corporate governance section.
2-19	Remuneration policies	84, 85	N/A	Further details in the corporate governance section.
2-20	Process to determine remuneration	84, 85	N/A	Further details in the corporate governance section.
2-21	Annual total compensation ratio	No compensation was paid or is to be paid in the form of share options. However, this does not rule out the possibility of the Manager doing so in the future.		
2-22	Statement on sustainable development strategy	80	4.1 (f)	-
2-23	Policy commitments	85	4.37-4.40	-
2-24	Embedding policy commitments	85	4.37-4.40	-
2-25	Processes to remediate negative impacts	85	4.37-4.40	-
2-26	Mechanisms for seeking advice and raising concerns	85	4.37-4.40	-

Index	GRI Disclosure	Page Number(s)	SGX Practice Note 7F SR Guide	Remark(s)
<b>GRI 2: General Disclosures 2021</b>				
2-27	Compliance with laws and regulations	85	2.1-2.3	-
2-28	Membership associations	87	N/A	-
2-29	Approach to stakeholder engagement	88, 89	3.5, 4.46	-
2-30	Collective bargaining agreements	The REIT currently has no collective bargaining agreements in place; however, employee rights are safeguarded through the Manager's internal policies and procedures.		
<b>GRI 3: Material Topics 2021</b>				
3-1	Process to determine material topics	88	3.5, 4.1(a), 4.2-4.6	-
3-2	List of material topics	90	4.1(a), 4.2-4.6	-
<b>CATEGORY: ECONOMIC</b>				
<b>GRI 201: Economic Performance</b>				
3-3	Management of material topics	91	4.2	-
201-1	Direct economic value generated and distributed	91	N/A	-
<b>GRI 202: Market Presence</b>				
3-3	Management of material topics	82	4.2	-
202-2	Proportion of senior management hired from the local community	82	4.5	-
<b>GRI 205: Anti-corruption</b>				
3-3	Management of material topics	91, 92	4.2	-
205-1	Operations assessed for risks related to corruption	92	4.4	-

# Sustainability Report

Index	GRI Disclosure	Page Number(s)	SGX Practice Note 7F SR Guide	Remark(s)
205-2	Communication and training about anti-corruption policies and procedures	92	4.4	-
205-3	Confirmed incidents of corruption and actions taken	92	4.4	-
<b>CATEGORY: ENVIRONMENT</b>				
<b>GRI 302: Energy 2016</b>				
3-3	Management of material topics	93	4.2	-
302-1	Energy consumption within the organization	94	4.3	-
302-3	Energy intensity	94	4.3	-
<b>GRI 303: Water and Effluents 2018</b>				
3-3	Management of material topics	95	4.2	-
303-3	Water withdrawal	95	4.3	-
303-5	Water consumption	95	4.3	-
<b>GRI 305: Emissions 2016</b>				
3-3	Management of material topics	93	4.2	-
305-1	Energy indirect (Scope 1) GHG emissions	94	4.3, 4.12	-
305-2	Energy indirect (Scope 2) GHG emissions	94	4.3, 4.12	-
305-4	GHG Emissions Intensity	94	4.3, 4.12	-
<b>GRI 306: Waste 2020</b>				
3-3	Management of material topics	95	4.2	-
306-3	Wastes generated	96	4.3	-
306-5	Waste directed to disposal	96	4.3	-

Index	GRI Disclosure	Page Number(s)	SGX Practice Note 7F SR Guide	Remark(s)
<b>CATEGORY: SOCIAL</b>				
<b>GRI 404: Training and Education 2016</b>				
3-3	Management of material topics	96	4.2	-
404-1	Average hours of training per year per employee	97	4.3	-
404-2	Programs for upgrading employee skills and transition assistance programs	97	4.3	-
404-3	Percentage of employees receiving regular performance and career development reviews	97	4.3	-
<b>GRI 413: Local Communities 2016</b>				
3-3	Management of material topics	97	4.2	-
413-1	Operations with local community engagement, impact assessments, and development programmes	98-102	4.3	-

## FINANCIAL STATEMENTS

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<b>126</b>	Distribution Statements
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# Report of the Trustee

DBS Trustee Limited (the "**Trustee**") is under a duty to take into custody and hold the assets of BHG Retail REIT (the "**REIT**") in trust for the Unitholders (the "**Unitholders**"). In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of BHG Retail Trust Management Pte. Ltd. (the "**Manager**") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 18 November 2015 (as amended by a first supplemental deed dated 26 March 2018, a second supplemental deed dated 20 April 2018 and a third supplemental deed dated 14 April 2020) (collectively the "**Trust Deed**") between the Manager and the Trustee in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Trust during the year covered by these financial statements, set out on pages 124 to 193 in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

**For and on behalf of the Trustee,  
DBS Trustee Limited**

**Jane Lim Puay Yuen**  
*Authorised Signatory*

**Singapore**  
30 March 2026

# Statement by the Manager

In the opinion of the directors of BHG Retail Trust Management Pte. Ltd. (the “**Manager**”), the accompanying financial statements set out on pages 124 to 193 comprising the statements of financial position, statements of total return, distribution statements, and statements of movements in unitholders’ (the “**Unitholders**”) funds of BHG Retail REIT (the “**REIT**”) and its subsidiaries (the “**Group**”) and of the REIT, the portfolio statement and statement of cash flows of the Group and material accounting information and other explanatory information, are drawn up so as to present fairly, in all material respects, the financial position of the Group and of the REIT and the portfolio of the Group as at 31 December 2025, the total return, distributable income, movements in Unitholders’ funds and cash flows of the Group and movement in Unitholders’ funds of the REIT for the year ended on that date in accordance with the recommendations of Statement of Recommended Accounting Practice 7 *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed dated 18 November 2015 (as amended by a first supplemental deed dated 26 March 2018, a second supplemental deed dated 20 April 2018 and a third supplemental deed dated 14 April 2020). At the date of this statement, there are reasonable grounds to believe that the Group will be able to meet its financial obligations as and when they materialise.

**For and on behalf of the Manager,  
BHG Retail Trust Management Pte. Ltd.**

**Gan Chee Yen**  
*Director*

**Singapore**  
30 March 2026

# Independent Auditors' Report

UNITHOLDERS  
BHG RETAIL REIT

(Constituted under a Trust Deed dated 18 November 2015 (as amended by a first supplemental deed dated 26 March 2018, a second supplemental deed dated 20 April 2018 and a third supplemental deed dated 14 April 2020) in the Republic of Singapore)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### *Opinion*

We have audited the financial statements of BHG Retail REIT (the "**REIT**") and its subsidiaries (the "**Group**"), which comprise the consolidated statement of financial position and consolidated portfolio statement of the Group and the statement of financial position of the REIT as at 31 December 2025, the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in Unitholders' funds and consolidated statement of cash flows of the Group and the statement of total return, distribution statement, and statement of movements in Unitholders' funds of the REIT for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 124 to 193.

In our opinion, the accompanying consolidated financial statements of the Group, and the statement of financial position, statement of total return, distribution statement, and statement of movements in Unitholders' funds of the REIT present fairly, in all material respects, the consolidated financial position and the portfolio holdings of the Group and the financial position of the REIT as at 31 December 2025 and the consolidated total return, consolidated distributable income, consolidated movements in Unitholders' funds and consolidated cash flows of the Group and the movements in Unitholders' funds of the REIT for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "*Reporting Framework for Investment Funds*" ("**RAP 7**") issued by the Institute of Singapore Chartered Accountants.

### *Basis for opinion*

We conducted our audit in accordance with Singapore Standards on Auditing ("**SSAs**"). Our responsibilities under those standards are further described in the 'Auditors' responsibilities for the audit of the financial statements' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("**ACRA Code**"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

# Independent Auditors' Report

## VALUATION OF INVESTMENT PROPERTIES

(Refer to Portfolio Statement and Note 4 to the financial statements)

### *Risk*

Investment properties represent the single largest category of assets on the consolidated statement of financial position of the Group at S\$859.2 million (2024: S\$885.3million) as at 31 December 2025.

These investment properties are stated at their fair values based on independent external valuations.

The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are highly sensitive to key assumptions applied and a small change in the assumptions can have a significant impact to the valuation.

### *Our response*

We evaluated the qualifications, competence and objectivity of the external valuers and held discussions with the valuers to understand their valuation methodologies and assumptions used.

We considered the valuation methodologies used against those applied by other valuers for similar property types. We tested the reasonableness of the projected cash flows used in the valuation to supporting leases and externally available industry and economic data available as at 31 December 2025. We assessed the key assumptions used in the valuations, which included term yield and reversionary rates, discount rates and terminal capitalisation rates by comparing them against historical rates and available industry data, taking into consideration comparability and market factors.

We also considered the adequacy of the disclosures in the financial statements, in describing the inherent degree of subjectivity and key assumptions in the estimates. This includes the relationships between the key unobservable inputs and fair values, in conveying the uncertainties.

### *Our findings*

The valuers are members of recognised professional bodies for valuers and have considered their own independence in carrying out their work.

The valuation methodologies adopted by the valuers are in line with generally accepted market practices. The significant data inputs used were supported by relevant supporting documents. The key assumptions used in the valuations, including the term yield and reversionary rates, discount rates and terminal capitalisation rates were supported by the evidence available and are within the range of industry data. Where the assumptions were outside the expected range, the additional factors considered by the valuers were consistent with other corroborative evidence. The disclosures in the financial statements are appropriate.

# Independent Auditors' Report

## *Other information*

BHG Retail Trust Management Pte. Ltd., the Manager of the REIT (the "Manager"), is responsible for the other information in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report hereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## *Responsibilities of the Manager for the Financial Statements*

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 issued by the Institute of Singapore Chartered Accountants, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Group's financial reporting process.

## *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# Independent Auditors' Report

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Manager and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

# Independent Auditors' Report

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Yap Wee Kee.

**KPMG LLP**  
*Public Accountants and  
Chartered Accountants*

**Singapore**  
30 March 2026

# Statements of Financial Position

As at 31 December 2025

	Note	Group		REIT	
		2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
<b>Non-current assets</b>					
Investment properties	4	859,162	885,349	-	-
Plant and equipment	5	980	1,122	-	-
Interests in subsidiaries	6	-	-	584,340	584,661
Deferred tax assets	7	198	204	-	-
		<u>860,340</u>	<u>886,675</u>	<u>584,340</u>	<u>584,661</u>
<b>Current assets</b>					
Trade and other receivables	8	16,783	10,753	2,468	2,008
Cash and cash equivalents	9	20,940	29,042	3,747	5,011
Derivative assets	10	-	163	-	163
		<u>37,723</u>	<u>39,958</u>	<u>6,215</u>	<u>7,182</u>
<b>Total assets</b>		<u>898,063</u>	<u>926,633</u>	<u>590,555</u>	<u>591,843</u>
<b>Non-current liabilities</b>					
Loans and borrowings	11	284,477	7,700	246,371	7,700
Trade and other payables	12	1,641	1,678	58,150	41,057
Security deposits		4,239	5,282	-	-
Lease liability	13	473	564	-	-
Deferred tax liabilities	7	31,955	34,913	-	-
Derivative liabilities	10	1,570	-	1,570	-
		<u>324,355</u>	<u>50,137</u>	<u>306,091</u>	<u>48,757</u>
<b>Current liabilities</b>					
Loans and borrowings	11	15,938	292,033	12,900	246,060
Trade and other payables	12	26,775	28,940	45,912	58,477
Security deposits		12,764	12,475	-	-
Current tax liabilities		2,532	2,494	-	-
Lease liability	13	78	67	-	-
Derivative liabilities	10	-	98	-	98
		<u>58,087</u>	<u>336,107</u>	<u>58,812</u>	<u>304,635</u>
<b>Total liabilities</b>		<u>382,442</u>	<u>386,244</u>	<u>364,903</u>	<u>353,392</u>
<b>Net assets</b>		<u>515,621</u>	<u>540,389</u>	<u>225,652</u>	<u>238,451</u>
<b>Represented by:</b>					
Unitholders' funds	14	353,921	374,027	225,652	238,451
Non-controlling interests	15	161,700	166,362	-	-
		<u>515,621</u>	<u>540,389</u>	<u>225,652</u>	<u>238,451</u>
<b>Units in issue ('000)</b>	16	<u>519,603</u>	<u>519,603</u>	<u>519,603</u>	<u>519,603</u>
<b>Net asset value per Unit attributable to Unitholders (S\$)</b>		<u>0.68</u>	<u>0.72</u>	<u>0.43</u>	<u>0.46</u>

The accompanying notes form an integral part of these financial statements.

# Statements of Total Return

Year ended 31 December 2025

	Note	Group		REIT	
		2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Gross rental income		49,779	55,336	-	-
Dividend income		-	-	7,100	7,835
Other income		5,327	5,621	-	-
<b>Gross revenue</b>		<b>55,106</b>	<b>60,957</b>	<b>7,100</b>	<b>7,835</b>
Business tax		(301)	(361)	-	-
Property-related tax		(5,548)	(5,744)	-	-
Property management fees and reimbursables		(1,949)	(2,269)	-	-
Other property operating expenses	18	(18,278)	(19,740)	-	-
<b>Total property operating expenses</b>		<b>(26,076)</b>	<b>(28,114)</b>	<b>-</b>	<b>-</b>
<b>Net property income</b>		<b>29,030</b>	<b>32,843</b>	<b>7,100</b>	<b>7,835</b>
Manager's management fees					
- Base fee		(182)	(330)	(182)	(330)
- Performance fee		-	(135)	-	(135)
Trustee's fees		(141)	(145)	(141)	(145)
Valuation fee		22	44	22	44
Other income (non-operating)		482	924	-	-
Other operating expenses	19	(1,795)	(1,079)	(1,359)	218
Foreign exchange gain - realised		159	1,403	-	-
Finance income		25	91	-	-
Finance costs		(16,087)	(19,304)	(15,739)	(19,539)
Net finance costs	20	(16,062)	(19,213)	(15,739)	(19,539)
<b>Total return/(loss) before changes in fair value of investment properties and unrealised foreign exchange gain/(loss)</b>		<b>11,513</b>	<b>14,312</b>	<b>(10,299)</b>	<b>(12,052)</b>
Changes in fair value of investment properties	4	(7,235)	(4,798)	-	-
Foreign exchange gain/(loss) - unrealised		-	62	1,577	(516)
<b>Total return/(loss) for the year before taxation</b>		<b>4,278</b>	<b>9,576</b>	<b>(8,722)</b>	<b>(12,568)</b>
Taxation	21	(2,769)	(4,597)	-	-
<b>Total return/(loss) for the year after taxation</b>		<b>1,509</b>	<b>4,979</b>	<b>(8,722)</b>	<b>(12,568)</b>
<b>Attributable to:</b>					
Unitholders		(1,818)	(2,283)	(8,722)	(12,568)
Non-controlling interests	15	3,327	7,262	-	-
<b>Total return/(loss) for the year after taxation</b>		<b>1,509</b>	<b>4,979</b>	<b>(8,722)</b>	<b>(12,568)</b>
<b>Earnings per Unit (cents)</b>	22				
- Basic		(0.35)	(0.44)		
- Diluted		(0.35)	(0.44)		

The accompanying notes form an integral part of these financial statements.

# Distribution Statements

Year ended 31 December 2025

	Note	Group		REIT	
		2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
<b>Amount available for distribution to Unitholders at beginning of the year</b>		1,377	517	1,377	517
Total loss for the year attributable to Unitholders		(1,818)	(2,283)	(8,722)	(12,568)
Distribution adjustments	A	3,456	5,144	10,360	15,429
Income for the year available for distribution to Unitholders		1,638	2,861	1,638	2,861
Amount retained <sup>(1)</sup>		(164)	(286)	(164)	(286)
Income for the year to be distributed to Unitholders		1,474	2,575	1,474	2,575
<b>Distribution to Unitholders during the year:</b>					
- Distribution of 0.08 cents per Unit for period from 1 July 2023 to 31 December 2023		-	(416)	-	(416)
- Distribution of 0.25 cents per Unit for period from 1 January 2024 to 30 June 2024		-	(1,299)	-	(1,299)
- Distribution of 0.25 cents per Unit for period from 1 July 2024 to 31 December 2024		(1,299)	-	(1,299)	-
- Distribution of 0.22 cents per Unit for period from 1 January 2025 to 30 June 2025		(1,143)	-	(1,143)	-
		(2,442)	(1,715)	(2,442)	(1,715)
<b>Amount available for distribution to Unitholders at end of the year</b>		409	1,377	409	1,377
<b>Distribution per unit (cents) <sup>(2)</sup></b>		0.29	0.50		

<sup>(1)</sup> For the year ended 31 December 2025, approximately S\$0.2 million (2024: S\$0.3 million) of the amount available for distribution has been retained for operational expenses and working capital requirements of the REIT.

<sup>(2)</sup> The distribution per unit relates to the distributions in respect of the relevant financial year.

The distribution relating to 1 July 2025 to 31 December 2025 will be paid within 90 days from the end of the distribution period, in accordance with the provisions of the Trust Deed.

*The accompanying notes form an integral part of these financial statements.*

# Distribution Statements

Year ended 31 December 2025

## Note A - Distribution adjustments

	Group		REIT	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Distribution adjustment items:				
- Amortisation of debt establishment costs <sup>(1)</sup>	2,144	2,450	1,799	2,319
- Changes in fair value of investment properties <sup>(1)</sup>	3,358	4,823	-	-
- Deferred taxation <sup>(1)</sup>	(1,266)	(1,004)	-	-
- Net income of subsidiaries not distributed to the REIT <sup>(1)</sup>	-	-	10,138	12,595
- Transfer to statutory reserve <sup>(1)</sup>	(852)	(944)	-	-
- Other adjustments <sup>(1)</sup>	72	(181)	(1,577)	515
<b>Net effect of distribution adjustments</b>	<b>3,456</b>	<b>5,144</b>	<b>10,360</b>	<b>15,429</b>

<sup>(1)</sup> Excludes share attributable to non-controlling interests

The accompanying notes form an integral part of these financial statements.

# Statements of Movements in Unitholders' Funds

Year ended 31 December 2025

	Group		REIT	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
<b>Unitholders' funds as at beginning of the year</b>	374,027	376,198	238,451	253,146
<b>Operations</b>				
Total loss for the year after taxation attributable to Unitholders	(1,818)	(2,283)	(8,722)	(12,568)
Transfer to statutory reserve	(852)	(944)	-	-
<b>Net decrease in net assets resulting from operations</b>	<b>(2,670)</b>	<b>(3,227)</b>	<b>(8,722)</b>	<b>(12,568)</b>
<b>Hedging reserve</b>				
Effective portion of changes in fair value of cash flow hedges	(1,635)	(412)	(1,635)	(412)
<b>Foreign currency translation reserve</b>				
Translation differences from financial statements of foreign operations	(14,211)	2,239	-	-
<b>Statutory reserve</b>				
Transfer from operations	852	944	-	-
<b>Unitholders' transaction</b>				
Distributions to Unitholders	(2,442)	(1,715)	(2,442)	(1,715)
<b>Unitholders' funds as at end of the year</b>	<b>353,921</b>	<b>374,027</b>	<b>225,652</b>	<b>238,451</b>

## Non-controlling interest

	Group	
	2025 S\$'000	2024 S\$'000
<b>At beginning of the year</b>	166,362	169,216
Total return attributable to non-controlling interests	3,327	7,262
Distributions to non-controlling interests	(4,336)	(4,108)
Surplus capital returned to non-controlling interests	-	(7,105)
Translation differences from financial statements of foreign operations	(3,653)	1,097
<b>At end of the year</b>	<b>161,700</b>	<b>166,362</b>

The accompanying notes form an integral part of these financial statements.

# Portfolio Statement

As at 31 December 2025

Group	Description of leasehold property	Location	Term of lease (years)	Remaining term of lease (years)	Valuation as at		Valuation as at		Percentage of Unitholders' funds	
					2025	2024	2025	2024	2025	2024
					RMB'000	RMB'000	SS'000	SS'000	%	%
Beijing Wanliu	No.2 Bagou Road, Haidian District, Beijing		30	19 <sup>(1)</sup>	2,507,000	2,557,000	458,866	478,714	130	127
Chengdu Konggang	No. 166 Jinhua Road second section, Shuangliu County, Chengdu		32	21 <sup>(2)</sup>	720,000	674,000	131,785	126,184	37	34
Hefei Mengchenglu	No.99 Mengcheng Road, Luyang District, Hefei		30	19	589,000	595,000	107,807	111,394	30	30
Hefei Changjiangxilu	No. 639 Changjiangxilu Road, Shushan District, Hefei		30	17	481,000	485,000	88,039	90,800	25	24
Xining Huayuan	Nos.16-19 Shipo street, Chengzhong District, Xining		34	23	251,000	259,000	45,942	48,489	13	13
Dalian Jinsanjiao Investment properties, at valuation	No.18 Huadong Road, Ganjingzi District, Dalian		33	16	146,000	159,000	26,723	29,768	8	8
Other assets and liabilities (net)							859,162	885,349	243	236
Net assets							(343,541)	(344,960)	(97)	(92)
Net assets attributable to non-controlling interests							515,621	540,389	146	144
Net assets attributable to Unitholders							(161,700)	(166,362)	(46)	(44)
							353,921	374,027	100	100

<sup>(1)</sup> 29 years of remaining term lease for underground car parking use.

<sup>(2)</sup> 51 years of remaining term lease for underground car parking use

The accompanying notes form an integral part of these financial statements.

# Statement of Cash Flows

Year ended 31 December 2025

	Note	Group	
		2025 S\$'000	2024 S\$'000
<b>Cash flows from operating activities</b>			
Total return for the year before taxation		4,278	9,576
Adjustments for:			
Finance income	20	(25)	(91)
Finance costs	20	16,087	19,304
Loss on disposal/written off of plant and equipment	18	26	35
Depreciation of plant and equipment	5	132	93
Changes in fair value of investment properties	4	7,235	4,798
Foreign exchange gain – unrealised		–	(62)
Impairment loss on trade and other receivables		83	164
<b>Operating income before working capital changes</b>		<b>27,816</b>	<b>33,817</b>
<b>Changes in:</b>			
Trade and other receivables		(5,912)	(7,231)
Trade and other payables		(844)	256
Security deposits		(753)	966
<b>Cash generated from operating activities</b>		<b>20,307</b>	<b>27,808</b>
Tax paid		(4,912)	(5,211)
<b>Net cash generated from operating activities</b>		<b>15,395</b>	<b>22,597</b>
<b>Cash flows from investing activities</b>			
Capital expenditure on investment properties		(705)	(4,815)
Purchase of plant and equipment		(8)	(40)
Interest received		25	91
<b>Net cash used in investing activities</b>		<b>(688)</b>	<b>(4,764)</b>
<b>Cash flows from financing activities</b>			
Distribution to Unitholders		(2,442)	(1,715)
Dividend paid to non-controlling interests	15	(4,336)	(4,108)
Surplus capital returned to non-controlling interests		–	(7,105)
Decrease/(increase) in restricted cash		760	(731)
Net settlement of derivative contracts	11	(210)	816
Proceeds from borrowings	11	10,850	4,681
Repayment of borrowings	11	(4,765)	(6,990)
Payment of transaction costs related to loans and borrowings	11	(6,585)	(19)
Interest paid	11	(14,648)	(17,317)
Payment of lease liability	11	(91)	(92)
<b>Net cash used in financing activities</b>		<b>(21,467)</b>	<b>(32,580)</b>

The accompanying notes form an integral part of these financial statements.

# Statement of Cash Flows

Year ended 31 December 2025

	Note	Group	
		2025 S\$'000	2024 S\$'000
<b>Decrease in cash and cash equivalents</b>		(6,760)	(14,747)
Cash and cash equivalents at 1 January		23,341	37,939
Effect of foreign exchange rate changes on cash balances		(550)	149
<b>Cash and cash equivalents at 31 December</b>	9	16,031	23,341

*The accompanying notes form an integral part of these financial statements.*

# Notes to the Financial Statements

Year ended 31 December 2025

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 30 March 2026.

## 1. GENERAL

BHG Retail REIT (the "REIT") is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 18 November 2015 (as amended by a first supplemental deed dated 26 March 2018, a second supplemental deed dated 20 April 2018 and a third supplemental deed dated 14 April 2020) (collectively the "Trust Deed") between BHG Retail Trust Management Pte. Ltd. (the "Manager") and DBS Trustee Limited (the "Trustee"). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the REIT held by it or through its subsidiaries (the "Group") in trust for the holders of units ("Units") in the REIT.

The REIT was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 11 December 2015 (the "Listing Date").

The principal activities of the REIT are those relating to investment in a diversified portfolio of income-producing properties located primarily in the People's Republic of China ("China") and used primarily for retail purposes.

The principal activities of the subsidiaries are those of investment holding of properties located in China and used for retail purposes.

The Group has entered into several service agreements in relation to the management of the REIT and its property operations. The main fee structures for these services are as follows:

### (i) Trustee's fees

Pursuant to Clause 15.5 of the Trust Deed, the Trustee's fees shall not exceed 0.1% per annum of the value of deposited property, subject to a minimum of S\$10,000 per month, excluding out-of-pocket expenses and Goods and Services Tax.

### (ii) Manager's management fees

The Manager is entitled under Clauses 15.1 of the Trust Deed to the following management fees:

- a base fee of 10% per annum of the annual distributable income; and
- a performance fee of 25% per annum of the difference in distribution per unit ("DPU") in a financial year with the DPU in the preceding financial year (calculated before accounting for the performance fee but after accounting for the base fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year.

The Manager may elect to receive the management fees in cash or Units or a combination of cash and/or Units (as it may in its sole discretion determine).

# Notes to the Financial Statements

Year ended 31 December 2025

## 1. GENERAL (CONT'D)

### (iii) Property management fees

Under the property management agreement in respect of each property, the property manager ("Property Manager") will provide lease management services, property management services and marketing co-ordination services in relation to the property. The Property Manager is entitled to the following fees:

- 2% per annum of the gross revenue of the property;
- 2.5% per annum of the net property income of the property; and
- a one-time lease-up commission of 2 months of fixed rent for securing of new tenants for a tenancy of at least three years, commencing for new tenancies entered into from 1 January 2018.

The property management fees are payable to the Property Manager. The Property Manager may elect to receive the property management fees in the form of cash and/or Units.

## 2. BASIS OF PREPARATION

### 2.1 Going concern

For the year ended 31 December 2025, the REIT recognised loss for the year of S\$8.7 million and the Group and the REIT have net current liabilities at 31 December 2025 of S\$20.4 million and S\$52.6 million respectively. The net current liability positions of the Group and the REIT as at 31 December 2025 are mainly attributed to (i) loans from related companies (current) and interest payables to related companies for both the Group and the REIT of S\$7.7 million (see Note 11) and S\$1.4 million (see Note 12) respectively, (ii) loans from subsidiaries (current), amounts owing to subsidiaries and interest payables to subsidiaries for the REIT of S\$38.4 million (see Note 12), (iii) advance rental from tenants (see Note 12) and security deposits (current) for the Group of S\$4.6 million and S\$12.8 million respectively.

Notwithstanding this, the Manager has prepared the financial statements based on a going concern basis, having assessed that:

- i) the Group and the REIT have received letter of undertaking from a related company not to demand repayment of the loans from related company and interest payables of S\$9.0 million, and the REIT has received letters of undertaking from its subsidiaries not to demand repayment of amounts owing to subsidiaries amounting to S\$37.4 million for at least the next twelve months from the date of issue of these financial statements;
- ii) the current security deposits for the Group are not expected to have significant cash outflow based on historical lease renewal trend; and
- iii) on 16 March 2026, the REIT completed the scheduled repayment of its loans and borrowings, including all applicable interest payables, of S\$8.2 million in accordance with the agreed terms as per the loan facilities agreement.

# Notes to the Financial Statements

Year ended 31 December 2025

## 2. BASIS OF PREPARATION (CONT'D)

### 2.1 Going concern (cont'd)

The Manager is not aware of any other adverse circumstances or reasons which would likely affect the Group and the REIT's ability to continue as a going concern. Accordingly, at the date of issue of these financial statements, the Manager is of the view that there are reasonable ground to believe that the Group and the REIT will be able to pay its respective debts as and when they fall due. In consideration of the foregoing, the Manager opined that it is appropriate to prepare the financial statements on a going concern basis.

### 2.2 Statement of compliance

The financial statements have been prepared in accordance with the recommendations of the Statement of Recommended Accounting Practice 7 Reporting Framework for Investment Funds ("RAP 7") issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted should generally comply with the principles relating to recognition and measurement of the Financial Reporting Standards ("FRS"). The changes to material accounting policies are described in note 2.6.

### 2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

### 2.4 Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the "functional currency"). The consolidated financial statements of the Group are presented in Singapore Dollars, which is the functional currency of the REIT. All financial information presented in Singapore Dollars has been rounded to the nearest thousand, unless otherwise stated.

### 2.5 Use of estimates and judgements

The preparation of financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions about the future, including climate-related risks and opportunities, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised prospectively.

#### Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets, and financial and non-financial liabilities.

# Notes to the Financial Statements

Year ended 31 December 2025

## 2. BASIS OF PREPARATION (CONT'D)

### 2.5 Use of estimates and judgements (cont'd)

#### Measurement of fair values (cont'd)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the Note 4 – investment properties and Note 27 – capital and financial risk management.

### 2.6 Changes in material accounting policies

#### New accounting standards and amendments

The Group has applied the Amendments to FRS 21 *Lack of Exchangeability* for the first time for the annual period beginning on 1 January 2025. The application of these amendments to accounting standards does not have a material effect on the financial statements.

## 3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities, except as explained in note 2.6, which addresses changes in material accounting policies.

### 3.1 Basis of consolidation

#### (i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.1 Basis of consolidation (cont'd)

#### (i) Business combinations (cont'd)

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree, over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Any goodwill that arises is tested annually for impairment.

When the excess is negative, a gain on bargain purchase is recognised immediately in the statement of total return.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the statement of total return.

Costs related to the acquisition, other than those associated with the issue of debt or equity investments, that the Group incurs in connection with a business combination are expensed as incurred.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected for each business combination. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required under the principles of FRSs. If the business combination is achieved in stages, the Group's previously held equity interest in the acquiree is re-measured to fair value at each acquisition date and any changes are taken to the statement of total return.

When acquisition of an asset or a group of assets does not constitute a business combination, it is treated as property acquisition. In such cases, the individual identifiable assets acquired and liabilities assumed are recognised. The acquisition cost shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition. Such a transaction does not give rise to goodwill.

#### (ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group's acquisition of subsidiaries is primarily accounted for as an acquisition of assets as the subsidiaries are special purpose vehicles established for the sole purpose of holding assets.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.1 Basis of consolidation (cont'd)

#### (ii) Subsidiaries (cont'd)

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

#### (iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in statement of total return. Any interest retained in the former subsidiary is measured at fair value when control is lost.

#### (iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### (v) Accounting for subsidiaries by the REIT

Investments in subsidiaries are stated in the REIT's statements of financial position at cost less accumulated impairment losses.

### 3.2 Foreign currency

#### (i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the foreign exchange rates at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in statement of total return. However, foreign currency differences arising from the translation of the following items are recognised in Unitholders' Funds:

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.2 Foreign currency (cont'd)

#### (i) Foreign currency transactions (cont'd)

- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- Qualifying cash flow hedges to the extent that the hedge is effective.

#### (ii) Foreign operations

The assets and liabilities of foreign operations are translated to Singapore Dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore Dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in the foreign currency translation reserve. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to statement of total return as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reattributed to the non-controlling interests.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in Unitholders' funds and are presented in the foreign currency translation reserve in equity.

### 3.3 Financial instruments

#### (i) Recognition and initial measurement

##### ***Non-derivative financial assets and financial liabilities***

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. However, if the Group has an unconditional right to an amount that differs from the transaction price (e.g. due to the Group's refund policy), the trade receivable will be initially measured at the amount of that unconditional right.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.3 Financial instruments (cont'd)

#### (ii) Classification and subsequent measurement

##### *Non-derivative financial assets*

On initial recognition, a financial asset is classified and measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

##### *Financial assets at amortised cost*

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of total return. Any gain or loss on derecognition is recognised in statement of total return.

##### *Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses*

Financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of total return. These financial liabilities comprised interest-bearing borrowings, security deposits, and trade and other payables.

#### (iii) Derecognition

##### *Financial assets*

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.3 Financial instruments (cont'd)

#### (iii) Derecognition (cont'd)

##### *Financial assets (cont'd)*

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

##### *Financial liabilities*

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in statement of total return.

#### (iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

#### (v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances at bank.

#### (vi) Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its interest rate risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group designates certain derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.3 Financial instruments (cont'd)

#### (vi) Derivative financial instruments and hedge accounting (cont'd)

##### *Cash flow hedges*

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in the hedging reserve in Unitholders' funds. The effective portion of changes in the fair value of the derivative that is recognised in the hedging reserve in Unitholders' funds is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the statement of total return.

The amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to statement of total return in the same period or periods during which the hedged expected future cash flows affect total return.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in Unitholders' funds until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to statement of total return in the same period or periods as the hedged expected future cash flows affect total return.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to the statement of total return.

##### *Other non-trading derivatives*

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in the statement of total return.

### 3.4 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at cost on initial recognition and subsequently at fair value with any change therein recognised in the statement of total return.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.4 Investment properties (cont'd)

Fair value is determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers at least once a year in accordance with the CIS Code issued by the MAS.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the statement of total return.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Property that is being constructed for future use as investment property is accounted for at fair value.

### 3.5 Plant and equipment

#### (i) Recognition and measurement

Items of plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Gains or losses arising from the retirement or disposal of plant and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the statement of total return on the date of retirement or disposal.

#### (ii) Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The cost of the day-to-day servicing of plant and equipment are recognised in the statement of total return as incurred.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.5 Plant and equipment (cont'd)

#### (iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in statement of total return on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the plant and equipment are installed and are ready for use. The estimated useful lives for the current and comparative years are as follows:

Plant and machinery	-	5 years
Motor vehicles	-	5 years
Furniture, fittings and equipment	-	5 years

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

### 3.6 Impairment

#### (i) Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised costs.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

#### *Simplified approach*

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.6 Impairment (cont'd)

#### (i) Non-derivative financial assets (cont'd)

##### *General approach*

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

##### *Measurement of ECLs*

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

##### *Credit-impaired financial assets*

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.6 Impairment (cont'd)

#### (i) Non-derivative financial assets (cont'd)

##### *Credit-impaired financial assets (cont'd)*

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

##### *Presentation of allowance for ECLs in the statement of financial position*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

##### *Write-off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

#### (ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in the statement of total return. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.6 Impairment (cont'd)

#### (ii) Non-financial assets (cont'd)

Impairment losses recognised in prior periods in respect of assets other than goodwill are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 3.7 Unitholders' funds

Unitholders' funds represent the residual interests in the Group's net assets upon termination and are classified as equity.

Expenses incurred in connection with the issuance of Units in the REIT are deducted directly against the Unitholders' funds.

### 3.8 Employee benefits

#### (i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in statement of total return in the periods during which related services are rendered by employees.

#### (ii) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### 3.9 Distribution policy

The REIT's distribution policy is to distribute 100.0% of its amount available for distribution to Unitholders for the financial period from 11 December 2015 ("Listing Date") to 31 December 2016. Thereafter, the Manager will distribute at least 90.0% of the REIT's amount available for distribution with the actual level of distribution to be determined at the discretion of the Board of Directors of the Manager. Distribution to Unitholders will be made semi-annually based on the half-yearly results of the REIT.

On 12 August 2022, the Manager has announced the implementation of the Distribution Reinvestment Plan ("DRP"), which provides eligible Unitholders with the option to elect to receive the REIT's Units in respect of all or part only (where applicable) in lieu of the cash amount of any distribution to which the DRP applies. The Manager may, in its absolute discretion, determine when to implement a DRP.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.10 Revenue recognition

(i) Rental income

Rental income receivable under operating leases is recognised in the statement of total return on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental to be received. Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period in which they are earned. No contingent rentals are recognised if there are uncertainties due to the possible return of amounts received.

(ii) Dividend income

Dividend income is recognised when the right to receive payment is established.

### 3.11 Expenses

(i) Property expenses

Property expenses are recognised on an accrual basis.

(ii) Manager's management fees, property management fees and Trustee's fees

These are recognised on an accrual basis based on the applicable formula stipulated in Note 1.

### 3.12 Finance income and finance costs

Finance income comprises interest income recognised in the statement of total return as it accrues, using the effective interest method.

Finance costs which comprise interest expense on borrowings and expense incurred in connection with borrowings are recognised in the statement of total return, using the effective interest method over the period of the borrowings.

### 3.13 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.13 Leases (cont'd)

#### As a lessor (cont'd)

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognises lease payments received from Investment property under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

#### As a lessee

The Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component for leases of property.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.13 Leases (cont'd)

#### As a lessee (cont'd)

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' in the statement of financial position.

#### *Short-term leases and leases of low-value assets*

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### 3.14 Taxation

Tax expenses comprises current and deferred tax. Current tax and deferred tax are recognised in the statement of total return except to the extent that it relates to items recognised directly in Unitholders' fund.

Current tax is the expected tax payable or receivable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, that affects neither accounting nor taxable profit or loss; and
- temporary differences relating to investments in subsidiaries to the extent that the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.14 Taxation (cont'd)

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Where investment properties are carried at their fair value in accordance with the accounting policy set out in note 3.4, the amount of deferred tax recognised is measured using the tax rates that would apply on the sale of those assets at their carrying value at the end of the reporting period unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets or liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

### 3.15 Earnings per Unit

The Group presents basic and diluted earnings per unit ("EPU") data for its Units. Basic EPU is calculated by dividing the total return attributable to Unitholders of the Group by the weighted average number of ordinary Units outstanding during the year. Diluted EPU is determined by adjusting the total return attributable to Unitholders and the weighted average number of Units outstanding for the effects of all dilutive potential Units.

### 3.16 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Makers ("CODMs"). The CODMs has been identified as the Chief Executive Officer and the Chief Financial Officer of the Manager.

Segment results that are reported to the CODMs include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly other receivables, cash and cash equivalents, trade and other payables, and interest-bearing borrowings.

# Notes to the Financial Statements

Year ended 31 December 2025

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.16 Segment reporting (cont'd)

Segment capital expenditure is the total cost incurred during the year to acquire plant and equipment and capital expenditure on investment properties.

### 3.17 New standards and interpretations not adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements.

- FRS 118 *Presentation and Disclosure in Financial Statements*
- *Classification and Measurement of Financial Instruments (Amendments to FRS 109 and FRS 107)*
- *Annual Improvements to FRSs—Volume 11*
- FRS 119: *Subsidiaries without Public Accountability: Disclosures*
- *Contracts Referencing Nature-dependent Electricity (Amendments to FRS 109 and FRS 107)*

The Group is in the process of assessing the impact of the others new or amended standards on its financial statements.

## 4. INVESTMENT PROPERTIES

	Group	
	2025	2024
	S\$'000	S\$'000
At beginning of the year	885,349	878,152
Additions during the year	705	4,815
	886,054	882,967
Changes in fair value	(7,235)	(4,798)
Translation differences	(19,657)	7,180
At end of the year	859,162	885,349

Investment properties comprise retail properties that are held mainly for use by tenants under operating leases (see Portfolio Statement for details).

Contingent rents, representing income based on sales achieved by certain tenants, recognised in the statement of total return during the year amounted to S\$2.5 million (2024: S\$2.7 million).

### *Fair value*

The fair value measurement for investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used (see Note 2.5). Investment properties are stated at fair value based on valuation as at 31 December 2025 performed by independent professional valuers having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. In determining the fair value, the valuers have used valuation methods which involve certain estimates. As explained under Note 3.4, valuation of investment properties is performed in accordance with the Trust Deed. The Manager reviews the key valuation parameters and underlying data including term yield and reversionary rates, discount rates and terminal capitalisation rates adopted by the valuers and is of the view that the valuation methods and estimates are reflective of the current market conditions.

# Notes to the Financial Statements

Year ended 31 December 2025

## 4. INVESTMENT PROPERTIES (CONT'D)

### *Fair value (cont'd)*

The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion.

The valuers have considered valuation techniques including the discounted cash flow method, and capitalisation approach. The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value. The capitalisation approach capitalises an income stream into a present value using single-year capitalisation rates.

### *Level 3 fair values*

The following table shows the significant unobservable inputs used in the valuation models:

<b>Valuation methods</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between key unobservable inputs and fair value measurement</b>
Discounted cash flows approach	Discount rates from 6.0% to 7.0% (2024: 7.0% to 8.0%)	The fair value increases as discount rate decreases.
	Terminal capitalisation rates From 4.0% to 5.0% (2024: 4.0% to 5.0%)	The fair value increases as terminal capitalisation rates decreases.
Income capitalisation approach	Term yield from 2.6% to 6.6% (2024: 5.2% to 6.6%)	The fair value increases as term yield decreases.
	Reversionary rates from 5.7% to 7.1% (2024: 5.7% to 7.1%)	The fair value increases as reversionary rate decreases.

### *Security*

The investment properties are pledged as security to secure credit facilities (Note 11).

# Notes to the Financial Statements

Year ended 31 December 2025

## 5. PLANT AND EQUIPMENT

	Plant and machinery S\$'000	Motor vehicles S\$'000	Furniture, fittings and equipment S\$'000	Leased land S\$'000	Total S\$'000
<b>Group</b>					
<b>Cost</b>					
At 1 January 2024	3,582	234	3,407	-	7,223
Additions during the year	33	-	7	700	740
Disposal/written off	(34)	-	(21)	-	(55)
Translation difference on consolidation	25	2	23	16	66
At 31 December 2024	3,606	236	3,416	716	7,974
Additions during the year	4	-	4	-	8
Disposal/written off	(26)	-	(8)	-	(34)
Translation difference on consolidation	(47)	(5)	(77)	(16)	(145)
At 31 December 2025	3,537	231	3,335	700	7,803
<b>Accumulated depreciation</b>					
At 1 January 2024	3,335	221	3,191	-	6,747
Charge for the year	25	2	38	28	93
Disposal/written off	-	-	(20)	-	(20)
Translation difference on consolidation	24	2	6	-	32
At 31 December 2024	3,384	225	3,215	28	6,852
Charge for the year	14	-	30	88	132
Disposal/written off	-	-	(8)	-	(8)
Translation difference on consolidation	(76)	(5)	(72)	-	(153)
At 31 December 2025	3,322	220	3,165	116	6,823
<b>Carrying amounts</b>					
At 1 January 2024	247	13	216	-	476
At 31 December 2024	222	11	201	688	1,122
At 31 December 2025	215	11	170	584	980

Property, plant and equipment includes the Group's right-of-use assets of S\$0.6 million (2024: S\$0.7 million) in relation to a land use right.

# Notes to the Financial Statements

Year ended 31 December 2025

## 6. INTERESTS IN SUBSIDIARIES

	REIT	
	2025 S\$'000	2024 S\$'000
Equity investment, at cost	5,510	5,510
Non-trade amounts due from subsidiaries	578,830	579,151
	<u>584,340</u>	<u>584,661</u>

The non-trade amounts due from subsidiaries are unsecured, interest-free, have no fixed term on repayment and are not expected to be repaid within the next 12 months.

Details of the subsidiaries are as follows:

Name of subsidiaries	Place of incorporation/ business	Effective equity held by the Group	
		2025 %	2024 %
<b><u>Held by the REIT</u></b>			
Petra 1 (China) Mall Pte. Ltd.*	Singapore	100	100
Petra 2 (China) Mall Pte. Ltd.*	Singapore	100	100
Petra 3 (China) Mall Pte. Ltd.*	Singapore	100	100
Petra 4 (China) Mall Pte. Ltd.*	Singapore	100	100
Petra 6 (China) Mall Pte. Ltd.*	Singapore	100	100
Fuchsia (China) Mall Pte. Ltd.*	Singapore	100	100
<b><u>Held through subsidiaries</u></b>			
Beijing Hualian Wanmao Shopping Mall Management Co., Ltd. **	China	60	60
Hefei Hualian Rui An Shopping Mall Commercial Operation Co., Ltd.**	China	100	100
Qinghai Xinglian Real Property Co., Ltd. **	China	100	100
Chengdu Hairong Xingda Real Property Co., Ltd. **	China	100	100
Dalian Hualian Commercial Facilities Operation Co., Ltd. **	China	100	100
Hefei Hualian Ruicheng Shopping Plaza Commercial Operation Ltd.**	China	100	100

\* Audited by KPMG LLP Singapore

\*\* Audited by KPMG Huazhen LLP China

# Notes to the Financial Statements

Year ended 31 December 2025

## 6. INTERESTS IN SUBSIDIARIES (CONT'D)

### *Impairment of investment in subsidiaries*

The REIT recognised impairment losses at a level considered adequate to provide for potential non-recoverability of investments in subsidiaries. The level of allowance is evaluated by the REIT on the basis of factors that affect the recoverability of the investments. These factors include, but not limited to, the activities and financial position of the entities and market factors. The REIT reviews and identifies balances that are to be impaired on a continuous basis. The amount and timing of recorded expenses for any period would differ if the REIT made different judgement or utilised different estimates.

The REIT assessed the carrying amount of its investments in subsidiaries for indicators of impairment or reversal of impairment. The recoverable amount of the subsidiary was estimated using the fair value less cost to sell approach derived from the net asset value of the subsidiaries which comprises mainly investment property measured at fair value. Based on the management assessment, no impairment (2024: reversal of impairment loss of S\$0.8 million) was recognised in relation to the investments in the subsidiaries for the financial year ended 31 December 2025.

## 7. DEFERRED TAX ASSETS/(LIABILITIES)

The movement in deferred tax assets/(liabilities) during the financial year is as follows:

Group	Recognised in statements of total return			Recognised in statements of total return			At 31 December 2025
	At 1 January 2024	of total return (Note 21)	Translation difference	At 31 December 2024	of total return (Note 21)	Translation difference	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Deferred tax assets</b>							
Allowance for doubtful receivables and unutilised losses	46	154	4	204	(1)	(5)	198
<b>Deferred tax liabilities</b>							
Investment properties	(34,938)	1,005	(317)	(34,250)	2,238	765	(31,247)
Tax on unrepatriated profits	(532)	(161)	30	(663)	(1)	(44)	(708)
	(35,470)	844	(287)	(34,913)	2,237	721	(31,955)
	(35,424)	998	(283)	(34,709)	2,236	716	(31,757)

# Notes to the Financial Statements

Year ended 31 December 2025

## 7. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The amounts determined after appropriate offsetting are included in the Statement of Financial Position as follows:

	Group	
	2025	2024
	S\$'000	S\$'000
Deferred tax assets	198	204
Deferred tax liabilities	(31,955)	(34,913)

### Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group	
	2025	2024
	S\$'000	S\$'000
Unutilised tax losses	14,073	9,761

Deferred tax assets have not been recognised within respect of the above as it is not probable that future taxable profits will be available and/or sufficient to allow the related tax benefits to be realised.

The tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the country in which the subsidiaries operate. These tax losses can be carried forward up to five consecutive years and will expire on the fifth year from which the tax losses arise.

## 8. TRADE AND OTHER RECEIVABLES

	Group		REIT	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables from third parties	683	691	-	-
Trade receivables from related companies	6,297	3,793	-	-
Impairment losses	(160)	(168)	-	-
	6,820	4,316	-	-
Other receivables from third parties	3,125	4,808	2,444	1,982
Other receivables from related companies	6,378	888	-	1
Impairment losses	(200)	(115)	-	-
	9,303	5,581	2,444	1,983
Trade and other receivables	16,123	9,897	2,444	1,983
Prepayments	660	856	24	25
	16,783	10,753	2,468	2,008

# Notes to the Financial Statements

Year ended 31 December 2025

## 8. TRADE AND OTHER RECEIVABLES (CONT'D)

Concentration of credit risk relating to trade and other receivables is limited as the Group has many varied tenants located in several cities in China and a credit policy of obtaining security deposits from tenants for the lease of units in the Group's investment properties. These tenants comprise retailers engaged in a wide variety of consumer trades.

### Trade receivables from related companies

Trade receivables due from related companies amounting to S\$5.41 million (2024: S\$3.63 million) are guaranteed by the parent company of the Sponsor which has sufficient financial capability and ability to repay the trade receivables due from the related companies. Based on this factor, the Manager has determined that no impairment loss is required. The amount of the allowance on these balances is insignificant.

### Other receivables from related companies

Outstanding non-trade balance with related companies is unsecured, interest-free and have no fixed terms of repayment. The amounts are classified as current as the Manager expects to receive payment within the next 12 months. The amount of the allowance on these balances is insignificant.

### Exposure to credit risk

The maximum exposure to credit risk for trade and other receivables (excluding prepayments) at the reporting date (by geographical area) is:

	Group		REIT	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Beijing	2,674	2,584	-	-
Chengdu	5,500	358	-	-
Hefei	472	431	-	-
Qinghai	2,529	1,990	-	-
Dalian	2,420	2,468	-	-
Singapore	2,528	2,066	2,444	1,983
	16,123	9,897	2,444	1,983

# Notes to the Financial Statements

Year ended 31 December 2025

## 8. TRADE AND OTHER RECEIVABLES (CONT'D)

### Other receivables from related companies (cont'd)

#### *Expected credit loss assessment*

The following table provides information about the exposure to credit risk and ECL's for trade and other receivables (excluding prepayments) as at 31 December 2025:

	Gross carrying amount S\$'000	Group impairment loss allowance S\$'000	Credit impaired
<b>2025</b>			
Not past due	7,935	-	No
Past due 1 – 30 days	715	-	No
Past due 31 – 60 days	415	-	No
Past due 61 – 90 days	493	-	No
More than 90 days due	6,925	(360)	Yes
	<u>16,483</u>	<u>(360)</u>	
<b>2024</b>			
Not past due	4,550	-	No
Past due 1 – 30 days	1,036	-	No
Past due 31 – 60 days	622	-	No
Past due 61 – 90 days	748	-	No
More than 90 days due	3,224	(283)	Yes
	<u>10,180</u>	<u>(283)</u>	

#### *Movements in allowance for impairment in respect of trade and other receivables*

The movement in the allowance for impairment in respect of trade and other receivables during the year is as follows:

	Group Individually impaired	
	2025 S\$'000	2024 S\$'000
At 1 January	283	116
Impairment loss	83	164
Translation difference	(6)	3
At 31 December	<u>360</u>	<u>283</u>

# Notes to the Financial Statements

Year ended 31 December 2025

## 8. TRADE AND OTHER RECEIVABLES (CONT'D)

### Other receivables from related companies (cont'd)

*Movements in allowance for impairment in respect of trade and other receivables (cont'd)*

Impairment allowance is recognised for other receivables that are individually determined to be impaired at the reporting date due to debtors that are in significant financial difficulties.

The Group and the REIT's historical experience in the collection of trade and other receivables falls within the recorded allowances. The Manager believes that no additional credit risk beyond the amounts provided for collection losses which is inherent in the Group and the REIT's trade and other receivables, based on historical payment behaviours and the security deposits held (if applicable).

## 9. CASH AND CASH EQUIVALENTS

	Group		REIT	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Cash at banks and in hand	20,940	29,042	3,747	5,011
Restricted cash	(4,909)	(5,701)	(3,088)	(4,166)
Cash and cash equivalents in statement of cash flows	16,031	23,341	659	845

## 10. FINANCIAL DERIVATIVES

	Group and REIT	
	2025 S\$'000	2024 S\$'000
<b>Derivative assets</b>		
Interest rate swaps used for hedging	-	163
Current	-	163
<b>Derivative liabilities</b>		
Interest rate swaps used for hedging	1,570	98
Current	-	98
Non-current	1,570	-

# Notes to the Financial Statements

Year ended 31 December 2025

## 10. FINANCIAL DERIVATIVES (CONT'D)

### *Interest rate swaps*

The Group and the REIT use interest rate swaps to manage its exposure to interest rate movements on its floating rate interest-bearing term loans by swapping the interest expense on a proportion of these term loans from floating rates to fixed rates.

Interest rate swaps of the Group and the REIT with a total notional amount of S\$82.0 million (2024: S\$123.0 million) and S\$82.0 million (2024: S\$123.0 million) are entered respectively, to provide fixed rate funding for average terms of 3 years (2024: 3 years) at an average interest rate of 2.30% (2024: 3.01%) per annum. These interest rate swaps are designated as hedging instruments in cash flow hedges. The fair value of financial derivatives represented 0.3% (2024: 0.01%) of the net assets of the Group as at 31 December 2025.

## 11. LOANS AND BORROWINGS

	Group		REIT	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Unsecured loan	16,550	7,700	16,550	7,700
Secured loans	288,832	292,642	246,647	246,647
Less: Unamortised transaction costs	(4,967)	(609)	(3,926)	(587)
	<u>300,415</u>	<u>299,733</u>	<u>259,271</u>	<u>253,760</u>
Current	15,938	292,033	12,900	246,060
Non-current	284,477	7,700	246,371	7,700
	<u>300,415</u>	<u>299,733</u>	<u>259,271</u>	<u>253,760</u>

# Notes to the Financial Statements

Year ended 31 December 2025

## 11. LOANS AND BORROWINGS (CONT'D)

### *Terms and debt repayment schedule*

Terms and conditions of the outstanding loans and borrowings at the reporting date are as follows:

	Nominal interest rate per annum %	Year of maturity	Face value S\$'000	Carrying amount S\$'000
<b>2025</b>				
<b>Group</b>				
SGD secured floating rate loan	4.29-5.34	2026-2028	244,647	240,721
SGD secured floating rate loan	4.39-6.26	2026	2,000	2,000
SGD unsecured fixed rate loan	6.00	2026	7,700	7,700
SGD unsecured fixed rate loan	4.00	2027	8,850	8,850
RMB secured floating rate loan	4.10-4.20	2026-2030	27,510	26,834
RMB secured floating rate loan	4.10-4.20	2026-2030	14,676	14,310
			305,383	300,415
<b>REIT</b>				
SGD secured floating rate loan	4.29-5.34	2026-2028	244,647	240,721
SGD secured floating rate loan	4.39-6.26	2026	2,000	2,000
SGD unsecured fixed rate loan	6.00	2026	7,700	7,700
SGD unsecured fixed rate loan	4.00	2027	8,850	8,850
			263,197	259,271

# Notes to the Financial Statements

Year ended 31 December 2025

## 11. LOANS AND BORROWINGS (CONT'D)

	Nominal interest rate per annum %	Year of maturity	Face value S\$'000	Carrying amount S\$'000
<b>2024</b>				
<b>Group</b>				
SGD secured floating rate loan	6.03-6.11	2025	244,647	244,060
SGD secured floating rate loan	6.55-6.80	2025	2,000	2,000
SGD unsecured fixed rate loan	6.00	2026	7,700	7,700
RMB secured floating rate loan	4.45-4.55	2025	29,767	29,768
RMB secured floating rate loan	4.45-4.55	2025	16,228	16,205
			<u>300,342</u>	<u>299,733</u>
<b>REIT</b>				
SGD secured floating rate loan	6.03-6.11	2025	244,647	244,060
SGD secured floating rate loan	6.55-6.80	2025	2,000	2,000
SGD unsecured fixed rate loan	6.00	2026	7,700	7,700
			<u>254,347</u>	<u>253,760</u>

### Facilities and securities

The Group has put in place two onshore secured borrowing facilities of RMB 192.5 million and RMB 104.5 million respectively, and an offshore secured borrowing facility of S\$252.0 million. As at 31 December 2025, the S\$252.0 million offshore facility was fully drawn down, while RMB 178.5 million and RMB 99.1 million were drawn down from RMB 192.5 million and RMB 104.5 million onshore facilities respectively.

For the year ended 31 December 2025, the Group had repaid RMB 15.2 million (2024: RMB 13.4 million) of the onshore facilities, in accordance with the facility agreements. The Group and the REIT had repaid S\$2.0 million (2024: S\$4.5 million) offshore facilities during the year.

The onshore facilities are collectively secured by a legal mortgage over the Group's investment properties, and a pledge over the receivables of the six (2024: six) subsidiaries in China.

The offshore facility is secured by way of a charge on 100% REIT's shareholding in the Singapore holding companies, an equity pledge on Petra 1 (China) Mall Pte. Ltd.'s 60% equity interest in Beijing Hualian Wanmao Shopping Mall Management Co., Ltd., and equity pledges on the remaining five (2024: five) Singapore holding companies' 100% equity interest in the respective subsidiaries in China.

In addition to the above facilities, the REIT has obtained and drawn down from other secured bank facility an amount totalling S\$2.0 million (2024: S\$2.0 million) and from unsecured facilities an amount totalling S\$8.9 million (2024: S\$ Nil). The unsecured fixed rate loans amounted to S\$16.6 million (2024: S\$ 7.7 million) are from related companies; of which S\$7.7 million (2024: S\$Nil) are due within the next 12 months.

The Group and the REIT's secured loan is subjected to various covenants. The Group experienced a temporary covenant shortfall in June 2025, which was addressed with the lender's waiver. The matter was resolved by the end of the year. As at 31 December 2025, the Group and the REIT were in compliance with all financial covenants.

# Notes to the Financial Statements

Year ended 31 December 2025

## 11. LOANS AND BORROWINGS (CONT'D)

### Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities			Derivatives (assets)/liabilities held to hedge long-term borrowings		Total S\$'000
	Loans and borrowings S\$'000	Interest payable (Note 12) S\$'000	Lease liability (Note 13) S\$'000	Interest rate swap used for hedging - assets S\$'000	Interest rate swap used for hedging - liabilities S\$'000	
<b>Group</b>						
<b>Balance at 1 January 2025</b>	299,733	5,476	631	(163)	98	305,775
<b>Changes from financing cash flows</b>						
Net settlement of derivative contracts	-	-	-	129	(339)	(210)
Proceeds from borrowings	10,850	-	-	-	-	10,850
Repayment of borrowings	(4,765)	-	-	-	-	(4,765)
Payment of transaction costs relating to loans and borrowings	(6,585)	-	-	-	-	(6,585)
Interest paid	-	(14,648)	-	-	-	(14,648)
Payment of lease liability	-	-	(91)	-	-	(91)
	(500)	(14,648)	(91)	129	(339)	(15,449)
<b>Non-cash changes</b>						
Effect of changes in foreign exchange rates	(1,051)	(19)	(14)	-	-	(1,084)
Amortisation of borrowing costs	2,233	-	-	-	-	2,233
Interest expense	-	13,829	25	-	-	13,854
Changes in fair value	-	-	-	34	1,811	1,845
	1,182	13,810	11	34	1,811	16,848
<b>Balance as at 31 December 2025</b>	300,415	4,638	551	-	1,570	307,174

# Notes to the Financial Statements

Year ended 31 December 2025

## 11. LOANS AND BORROWINGS (CONT'D)

### Reconciliation of movements of liabilities to cash flows arising from financing activities (cont'd)

	Liabilities			Derivatives (assets)/liabilities held to hedge long-term borrowings		Total S\$'000
	Loans and borrowings S\$'000	Interest payable (Note 12) S\$'000	Lease liability (Note 13) S\$'000	Interest rate swap used for hedging - assets S\$'000	Interest rate swap used for hedging - liabilities S\$'000	
<b>Group</b>						
<b>Balance at 1 January 2024</b>	299,315	5,930	-	(754)	277	304,768
<b>Changes from financing cash flows</b>						
Net settlement of derivative contracts	-	-	-	869	(53)	816
Proceeds from borrowings	4,681	-	-	-	-	4,681
Repayment of borrowings	(6,990)	-	-	-	-	(6,990)
Payment of transaction costs relating to loans and borrowings	(19)	-	-	-	-	(19)
Interest paid	-	(17,317)	-	-	-	(17,317)
Payment of lease liability	-	-	(92)	-	-	(92)
	(2,328)	(17,317)	(92)	869	(53)	(18,921)
<b>Non-cash changes</b>						
Effect of changes in foreign exchange rates	296	17	15	-	-	328
Recognition of lease liability (net)	-	-	700	-	-	700
Amortisation of borrowing costs	2,450	-	-	-	-	2,450
Interest expense	-	16,846	8	-	-	16,854
Changes in fair value	-	-	-	(278)	(126)	(404)
	2,746	16,863	723	(278)	(126)	19,928
<b>Balance as at 31 December 2024</b>	299,733	5,476	631	(163)	98	305,775

# Notes to the Financial Statements

Year ended 31 December 2025

## 12. TRADE AND OTHER PAYABLES

	Group		REIT	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Trade payables	4,887	6,939	-	-
Interest payables	4,638	5,476	20,926	19,855
Other payables	7,805	9,773	35	184
Accrued operating expenses	6,449	2,786	3,476	428
Management fees payable to the Manager	-	414	-	414
Loans from subsidiaries	-	-	67,485	69,027
Amounts owing to subsidiaries	-	-	12,140	9,626
Advance rental from tenants	4,637	5,230	-	-
	<u>28,416</u>	<u>30,618</u>	<u>104,062</u>	<u>99,534</u>
Current	26,775	28,940	45,912	58,477
Non-current	1,641	1,678	58,150	41,057
	<u>28,416</u>	<u>30,618</u>	<u>104,062</u>	<u>99,534</u>

Interest payables of the Group and the REIT include an amount of S\$1,404,000 (2024: S\$832,000) due to related companies, and the interest payables of the REIT include an amount of S\$16,895,000 (2024: S\$15,114,000) due to subsidiaries respectively.

Loans from subsidiaries include a non-current amount of S\$58,150,000 (2024: S\$41,057,000) and a current amount of S\$9,335,000 (2024: S\$27,970,000), non-trade in nature, unsecured, interest-bearing at 4.75% (2024: 4.75%) per annum and repayable within 1 to 2 years (2024: 1 to 3 years).

Amounts owing to subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

## 13. LEASE LIABILITY

### Leases as lessee

The Group lease a piece of vacant land for the mall asset enhancement use. The remaining lease period is 7 years.

Information about lease for which the Group is a lessee is presented below.

	Group	
	2025 S\$'000	2024 S\$'000
Current lease liability	78	67
Non-current lease liability	473	564
Total lease liability	<u>551</u>	<u>631</u>

### Amount recognised in profit or loss

	Group	
	2025 S\$'000	2024 S\$'000
Interest expense on lease liability	<u>25</u>	<u>8</u>

# Notes to the Financial Statements

Year ended 31 December 2025

## 13. LEASE LIABILITY (CONT'D)

### Amount recognised in statement of cash flow

	Group	
	2025	2024
	S\$'000	S\$'000
Total cash outflow for leases	91	92

## 14. UNITHOLDERS' FUNDS

	Note	Group		REIT	
		2025	2024	2025	2024
		S\$'000	S\$'000	S\$'000	S\$'000
At 1 January		374,027	376,198	238,451	253,146
Net liabilities resulting from operations		(966)	(1,339)	(8,722)	(12,568)
Statutory reserve	(a)	(852)	(944)	-	-
		372,209	373,915	229,729	240,578
Foreign currency translation reserve	(b)	(14,211)	2,239	-	-
Hedging reserve	(c)	(1,635)	(412)	(1,635)	(412)
Unitholders' distributions		(2,442)	(1,715)	(2,442)	(1,715)
At 31 December		353,921	374,027	225,652	238,451

### (a) Statutory reserve

The subsidiaries incorporated in China are required to transfer 10% of their profits after taxation, as determined under the accounting principles and relevant financial regulations of China to the statutory reserve until the reserve balance reaches 50% of registered capital. The transfer to this reserve must be made before distribution of dividends to its shareholders.

Statutory reserve can be used to make good previous years' losses, if any, and may be converted to registered capital in proportion to the existing interests of the shareholders, provided that the balance after such conversion is not less than 25% of the registered capital.

### (b) The foreign currency translation reserve comprises:

- (i) foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the presentation currency of the REIT; and
- (ii) the foreign exchange differences on monetary items which form part of the Group's net investment in foreign operations, provided certain conditions are met.

### (c) Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments relating to forecast hedged transactions.

# Notes to the Financial Statements

Year ended 31 December 2025

## 15. NON-CONTROLLING INTERESTS

One of the subsidiaries of the REIT, Beijing Hualian Wanmao Shopping Mall Management Co., Ltd has 40% non-controlling interests ("NCI") that is material to the Group.

The following summarised financial information for the subsidiary is prepared in accordance with FRS, modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Non-current assets	458,931	478,784
Current assets	16,759	15,624
Non-current liabilities	(53,301)	(31,793)
Current liabilities	(18,139)	(46,709)
<b>Net assets</b>	<b>404,250</b>	<b>415,906</b>
<b>Net assets attributable to NCI</b>	<b>161,700</b>	<b>166,362</b>
<b>Revenue</b>	<b>33,069</b>	<b>36,625</b>
<b>Total return for the year after taxation</b>	<b>8,317</b>	<b>18,155</b>
<b>Total return after taxation attributable to NCI</b>	<b>3,327</b>	<b>7,262</b>
Cash flows from operating activities	16,483	38,180
Cash flows used in investing activities	(1,425)	(1,708)
Cash flows used in financing activities (dividends to NCI: S\$4,336,000, 2024: S\$4,108,000)	(13,546)	(50,399)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,512</b>	<b>(13,927)</b>

### *Capital reduction*

In 2024, the subsidiary undertook a capital reduction exercise and the surplus capital in excess of the subsidiary's needs amounting to S\$7,105,000 was return to the non-controlling shareholder on a pro-rate basis.

## 16. UNITS IN ISSUE

	<b>2025</b>	<b>2024</b>
	<b>Number</b>	<b>Number</b>
	<b>of Units</b>	<b>of Units</b>
	<b>'000</b>	<b>'000</b>
<b>Total Units in issue at the beginning and end of year</b>	<b>519,603</b>	<b>519,603</b>

# Notes to the Financial Statements

Year ended 31 December 2025

## 16. UNITS IN ISSUE (CONT'D)

The issue prices were determined based on the volume weighted average traded price for all trades done on the SGX-ST in the ordinary course of trading for the last 10 business days of the relevant periods in which the management fees accrue.

Each Unit in the REIT represents an undivided interest in the REIT. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- one vote per Unit;
- receive income and other distributions attributable to the Units held;
- participate in the termination of the REIT by receiving a share of all net cash proceeds derived from the realisation of the assets of the REIT less any liabilities, in accordance with their proportionate interests in the REIT. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the REIT and is not entitled to the transfer of any assets (or part thereof) or any estate or interest in any asset (or part thereof) of the REIT; and
- attend all Unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or Unitholders representing not less than 10.0% of the issued Units) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed.

The restrictions of a Unitholder include the following:

- a Unitholder's right is limited to the right to require due administration of the REIT in accordance with the provisions of the Trust Deed; and
- a Unitholder has no right to request the Manager to redeem his Units while the Units are listed on the SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any Unit in the REIT. The provisions of the Trust Deed provide that no Unitholder will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that the liabilities of the REIT exceed its assets.

## 17. TOTAL UNITHOLDERS' DISTRIBUTION

Unitholders' distribution for the year is accounted for as distribution from Unitholders' contributions:

This refers to the amount of distribution made by the REIT for the financial year where the underlying cash is not, or may not be, received or receivable as income by the REIT during that year. Such distribution comprises mainly the following:

- profits from operations arising from the investment properties which are declared as dividend income after the financial year, as the case may be, and accordingly also received as dividends by the REIT after that year;
- adjustment for changes in fair value and the related deferred taxation of investment properties;
- adjustment for amortisation of debt establishment costs;
- adjustment for statutory reserve transferred from subsidiaries' profits; and
- adjustments for REIT expenses that are paid in Units and certain unrealised expenses.

# Notes to the Financial Statements

Year ended 31 December 2025

## 17. TOTAL UNITHOLDERS' DISTRIBUTION (CONT'D)

### *Income available for distribution to Unitholders at end of the year*

Distributions are made on a semi-annual basis, with the amount calculated as at 30 June and 31 December each period for the six-month period ending on each of the said dates. In accordance with the provisions of the Trust Deed, the Manager is required to pay distributions within 90 days from the end of each distribution period. Distributions, when paid, will be in Singapore Dollars.

Distributions for the period from 1 January 2025 to 30 June 2025 had been paid on 26 September 2025. Distributions for the period from 1 July 2025 to 31 December 2025 will be paid within 90 days from the end of the distribution period, in accordance with the provisions of the Trust Deed.

## 18. OTHER PROPERTY OPERATING EXPENSES

	Group	
	2025	2024
	S\$'000	S\$'000
Advertising and promotion	1,692	2,093
Loss on disposal/written off of plant and equipment	26	35
Depreciation of plant and equipment	132	93
(Impairment loss written back)/impairment loss recognised on trade receivables	(4)	105
Repair and maintenance	4,324	4,374
Staff costs	3,451	3,784
Utilities	8,418	9,129
Others	239	127
	18,278	19,740

Included in staff costs is contribution to defined contribution plans of S\$121,000 (2024: S\$112,000).

## 19. OTHER OPERATING EXPENSES

	Group		REIT	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Audit fees paid to:				
- auditors of the REIT and other firms affiliated with KPMG International Limited	454	380	162	158
Non-audit fees paid to:				
- auditors of the REIT and other firms affiliated with KPMG International Limited	-	-	-	-
Professional fees	982	322	943	199
Reversal of impairment loss on costs of investment on subsidiary	-	-	-	(780)
Impairment loss recognised on other receivables	87	59	-	-
Others	272	318	254	205
	1,795	1,079	1,359	(218)

# Notes to the Financial Statements

Year ended 31 December 2025

## 20. FINANCE INCOME AND FINANCE COSTS

	Group		REIT	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Finance income:				
- financial institutions	25	91	-	-
Finance costs:				
- amortisation of borrowing costs	(2,233)	(2,450)	(1,799)	(2,319)
- interest expenses on loans and borrowings	(13,829)	(16,846)	(13,940)	(17,220)
- interest expenses on lease liability	(25)	(8)	-	-
	(16,087)	(19,304)	(15,739)	(19,539)
Net finance costs recognised in statement of total return	(16,062)	(19,213)	(15,739)	(19,539)

## 21. TAXATION

	Group		REIT	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
<b>Current taxation</b>				
Current year	4,457	5,143	-	-
Under/(over) provision in prior years	157	(5)	-	-
Withholding tax	391	457	-	-
	5,005	5,595	-	-
<b>Deferred taxation</b>				
Origination of temporary differences	(2,236)	(998)	-	-
<b>Income tax expense</b>	2,769	4,597	-	-
<b>Reconciliation of effective tax rate</b>				
Total return/(loss) for the year before taxation	4,278	9,576	(8,722)	(12,568)
Tax calculated using Singapore tax rate of 17% (2024: 17%)	727	1,628	(1,483)	(2,137)
Adjustments:				
Effect of different tax rates in foreign jurisdictions	498	1,006	-	-
Income not subject to tax	(5,166)	(3,717)	(1,475)	(1,332)
Expenses not deductible for tax purposes	641	535	-	-
Effect of taxable distributions from subsidiaries	18	7	-	-
Under/(over) provision of prior year tax	157	(5)	-	-
Deferred tax not recognised during the year	1,078	783	-	-
Tax losses not allowed to be carried forward	4,425	3,903	2,958	3,469
Withholding tax	391	457	-	-
	2,769	4,597	-	-

# Notes to the Financial Statements

Year ended 31 December 2025

## 22. EARNINGS PER UNIT

### Basic earnings per Unit

The calculation of basic earnings per Unit is based on weighted average number of Units during the year and total return for the year after taxation and non-controlling interests.

	Group	
	2025 S\$'000	2024 S\$'000
Total loss for the year after taxation and non-controlling interests	(1,818)	(2,283)
	Number of Units '000	Number of Units '000
Issued Units At beginning and end of the year	519,603	519,603
Basic earnings per Unit (cents)	(0.35)	(0.44)

### Diluted earnings per Unit

The calculation of diluted earnings per Unit is based on weighted average number of Units during the year and total return for the year after taxation and non-controlling interests.

	Group	
	2025 S\$'000	2024 S\$'000
Total loss for the year after taxation and non-controlling interests	(1,818)	(2,283)
	Number of Units '000	Number of Units '000
Issued Units At beginning and end of the year	519,603	519,603
Diluted earnings per Unit (cents)	(0.35)	(0.44)

## 23. RELATED PARTY TRANSACTIONS

The Manager, being BHG Retail Trust Management Pte. Ltd. is an indirect wholly-owned subsidiary of the Sponsor of the REIT. The Property Manager, being BHG Mall (Singapore) Property Management Pte Ltd is an indirect wholly-owned subsidiary of the Sponsor of the REIT.

In the normal course of the operations of the REIT, the Manager's management fees and the Trustee's fees have been paid or are payable to the Manager and Trustee respectively. The property management fees and reimbursables have been paid or are payable to the Property Manager.

# Notes to the Financial Statements

Year ended 31 December 2025

## 23. RELATED PARTY TRANSACTIONS (CONT'D)

During the financial year, other than those disclosed elsewhere in the financial statements, the following were significant related party transactions carried out in the normal course of business:

	Group	
	2025	2024
	S\$'000	S\$'000
Rental income received/receivable from related companies of the Manager	5,492	7,046
Other expenses paid/payable to related companies of the Manager	2,029	2,269

## 24. FINANCIAL RATIOS

	Group	
	2025	2024
Gearing Ratio (%) <sup>(1)</sup>	41.6	39.6
Interest Coverage Ratio (times) <sup>(2)</sup>	1.7	1.7
Ratio of expenses to average net asset value (times) <sup>(3)</sup>		
- excluding performance component of Manager's management fees (times)	0.5	0.4
- including performance component of Manager's management fees (times)	0.5	0.4
Ratio of expenses to net asset value (times) <sup>(4)</sup>	5.4	5.5
Portfolio turnover rate (times) <sup>(5)</sup>	-	-

### Notes:

- <sup>(1)</sup> The ratio is calculated based on the total loans and borrowings principal attributable to Unitholders divided by total assets attributable to Unitholders.
- <sup>(2)</sup> The ratio 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, borrowing-related fees and distributions on hybrid securities. The adjusted Interest Coverage Ratio is the same as Interest Coverage Ratio ("ICR"). The ratio was below 1.8 times but remained above the regulatory minimum of 1.5 times as per CIS Code. The Manager continue to implement measures to manage financing costs, optimise debt maturity and structure, and drive operating performance to improve the interest coverage ratio.
- <sup>(3)</sup> The ratio is computed in accordance with the guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to expenses at the Group level, excluding property related expenses and borrowing costs.
- <sup>(4)</sup> The ratio is computed based on total operating expenses, including all fees and charges paid to the Manager and related parties for the financial year (2025: S\$28,048,000 and 2024: S\$29,582,000) and as a percentage of net asset value as at the financial year end.
- <sup>(5)</sup> The ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of weighted average net asset value. There was no purchase or sale of the investment properties in 2025 and 2024.

# Notes to the Financial Statements

Year ended 31 December 2025

## 25. OPERATING SEGMENTS

The Group has 6 (2024: 6) reportable segments, as described below, which are the Group's investment properties. The investment properties are managed separately because they require different operating and marketing strategies. For each of the investment properties, the CODMs review internal management reports on a monthly basis.

All of the Group's reportable segments are investment properties located in China used primarily for retail purposes. The reporting segments are as follows:

- Beijing Hualian Wanmao Shopping Mall Management Co., Ltd. ("Beijing Wanliu")
- Chengdu Hairong Xingda Real Property Co., Ltd. ("Chengdu Konggang")
- Hefei Hualian Rui An Shopping Mall Commercial Operation Co., Ltd. ("Hefei Mengchenglu")
- Hefei Hualian Ruicheng Shopping Plaza Commercial Operation Ltd. ("Hefei Changjiangxilu")
- Qinghai Xinglian Real Property Co., Ltd. ("Xining Huayuan")
- Dalian Hualian Commercial Facilities Operation Co., Ltd. ("Dalian Jinsanjiao")

Segment revenue comprises mainly income generated from its tenants. Segment net property income represents the income earned by each segment after allocating property operating expenses. This is the measure reported to the CODMs for the purpose of assessment of segment performance. In addition, the CODMs monitor the non-financial assets as well as financial assets attributable to each segment when assessing segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly the REIT's financial assets and liabilities and its expenses. Segment capital expenditure is the total cost incurred during the year to improve segment assets that are expected to be used for more than one year.

Information regarding the Group's reportable segments is presented in the tables in the following pages.

For the purpose of monitoring segment performance, the Group's CODMs monitor the non-financial assets as well as financial assets attributable to each segment.

# Notes to the Financial Statements

Year ended 31 December 2025

## 25. OPERATING SEGMENTS (CONT'D)

### Information about reportable segments

	Beijing Wanliu S\$'000	Chengdu Konggang S\$'000	Hefei Mengchenglu S\$'000	Hefei Changjiangxilu S\$'000	Xining Huayuan S\$'000	Dalian Jinsanjiao S\$'000	Total S\$'000
<b>2025</b>							
<b>External revenues:</b>							
- Gross rental income	30,232	10,040	2,483	3,608	1,912	1,504	49,779
- Others	2,837	1,529	500	461	-	-	5,327
Gross revenue	33,069	11,569	2,983	4,069	1,912	1,504	55,106
<b>Segment net property income</b>	19,892	5,231	62	802	1,675	1,368	29,030
<b>Finance income</b>	16	1,542	358	93	577	228	2,814
<b>Finance costs</b>	(1,224)	(870)	(581)	(281)	(280)	-	(3,236)
<b>Reportable segment total return before taxation</b>	8,862	13,248	(1,050)	(120)	44	(960)	20,024
<b>Segment assets</b>	497,748	187,720	149,411	116,868	74,776	42,248	1,068,771
<b>Segment liabilities</b>	(263,918)	(163,919)	(147,093)	(91,653)	(69,096)	(35,910)	(771,589)
<b>Other segment items:</b>							
Depreciation	(11)	(108)	(5)	(8)	-	-	(132)
Net change in fair value of investment properties	(9,695)	8,148	(1,098)	(747)	(1,464)	(2,379)	(7,235)
Capital expenditure	(420)	(278)	-	(15)	-	-	(713)

# Notes to the Financial Statements

Year ended 31 December 2025

## 25. OPERATING SEGMENTS (CONT'D)

### Information about reportable segments (cont'd)

	Beijing Wanliu S\$'000	Chengdu Konggang S\$'000	Hefei Mengchenglu S\$'000	Hefei Changjiangxilu S\$'000	Xining Huayuan S\$'000	Dalian Jinsanjiao S\$'000	Total S\$'000
<b>2024</b>							
<b>External revenues:</b>							
- Gross rental income	33,644	10,339	2,860	4,579	2,412	1,502	55,336
- Others	2,981	1,534	583	523	-	-	5,621
Gross revenue	36,625	11,873	3,443	5,102	2,412	1,502	60,957
<b>Segment net property income</b>	22,924	4,984	90	1,371	2,165	1,309	32,843
<b>Finance income</b>	71	1,534	983	275	665	279	3,807
<b>Finance costs</b>	(1,424)	(859)	(723)	(358)	(287)	-	(3,651)
<b>Reportable segment total return before taxation</b>	22,396	3,830	1,866	64	1,426	997	30,579
<b>Segment assets</b>	516,800	179,600	155,281	123,578	76,492	41,225	1,092,976
<b>Segment liabilities</b>	(271,302)	(164,071)	(148,810)	(96,402)	(69,723)	(33,487)	(783,795)
<b>Other segment items:</b>							
Depreciation	(22)	(50)	(8)	(13)	-	-	(93)
Net change in fair value of investment properties	(63)	2,023	(1,246)	2,212	1,310	562	4,798
Capital expenditure	(1,812)	(2,012)	(249)	(782)	-	-	(4,855)

# Notes to the Financial Statements

Year ended 31 December 2025

## 25. OPERATING SEGMENTS (CONT'D)

### Reconciliations of reportable segment revenue, total return, assets and liabilities and other material items

	2025 S\$'000	2024 S\$'000
<b>Revenue</b>		
Total revenue for reporting segments	55,106	60,957
<b>Total return</b>		
Total return for reportable segments before taxation	20,024	30,579
Unallocated amounts:		
- Other corporate expenses	(15,822)	(21,183)
Elimination of intercompany revenue	76	180
Total return before taxation	4,278	9,576
<b>Assets</b>		
Total assets for reportable segments	1,068,771	1,092,976
Other unallocated amounts	590,556	591,840
Elimination of intercompany balances	(761,264)	(758,183)
Consolidated assets	898,063	926,633
<b>Liabilities</b>		
Total liabilities for reportable segments	771,589	783,795
Other unallocated amounts	364,905	353,391
Elimination of intercompany balances	(754,052)	(750,942)
Consolidated liabilities	382,442	386,244

	Reportable segment total S\$'000	Other unallocated amounts S\$'000	Elimination of intercompany balances S\$'000	Consolidated total S\$'000
--	---	--	---	----------------------------------

#### Other material items 31 December 2025

Finance income	2,814	-	(2,789)	25
Finance costs	(3,236)	(15,739)	2,888	(16,087)

#### Other material items 31 December 2024

Finance income	3,807	-	(3,716)	91
Finance costs	(3,651)	(19,538)	3,885	(19,304)

# Notes to the Financial Statements

Year ended 31 December 2025

## 25. OPERATING SEGMENTS (CONT'D)

### Geographical segments

All of the Group's investment properties are used for retail purposes and are located in China.

### Major tenant

Revenue from one tenant of the Group, which is a related party of the Sponsor, contributed approximately S\$3.4 million (2024: S\$5.0 million) of the Group's total revenue.

## 26. COMMITMENTS

The Group leases out its investment properties consisting of its owned commercial properties (see Note 4). All leases are classified as operating leases from a lessor perspective. The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date:

	Group	
	2025	2024
	S\$'000	S\$'000
Operating leases under FRS 116		
- within 1 year	32,348	31,096
- 1 to 2 years	10,354	11,700
- 2 to 3 years	10,238	7,640
- 3 to 4 years	9,325	8,916
- 4 to 5 years	7,889	8,692
- after 5 years	27,438	36,897
	97,592	104,941

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT

### Capital management

The Group's objectives when managing capital are to optimise Unitholders' value through the combination of available capital sources which include debt and equity instruments whilst complying with statutory and constitutional capital and distribution requirements, maintaining aggregate leverage and interest coverage ratio within approved limits. As a key part of the Group's overall strategy, the Board of the Manager reviews the Group's and the REIT's debt and capital management cum financing policy regularly so as to optimise the Group's and the REIT's funding structure. The Board also monitors the Group's and the REIT's exposure to various risk elements by closely adhering to clearly established management policies and procedures.

The Group is subject to the aggregate leverage limit as defined in Appendix 6 of the Code on Collective Investment Schemes ("Property Fund Appendix"). The Property Fund Appendix stipulates that the total borrowings and deferred payments (together, the "Aggregate Leverage") of a property fund should not exceed 50.0% (2024: 50.0%) of its Deposited Property. The Group's aggregate leverage limit did not exceed 50.0% (2024: 50.0%) during the year, and was 41.6% (2024: 39.6%) as at 31 December 2025. The interest coverage ratio is 1.7 times (2024: 1.7 times) at of 31 December 2025.

There were no changes in the Group's approach to capital management during the financial year.

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### Financial risk management

#### Overview

The Group's returns are primarily from net operating income and capital appreciation of its assets. However, these returns are exposed to financial risks including credit, liquidity, interest rate and foreign currency risks.

Financial risk management is integral to the whole business of the Group. The Group adopts an integrated approach to manage the financial risks arising in the normal course of the Group's business. The Group has written risk management policies and guidelines, and established processes to monitor and manage significant exposures. Risk management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group adheres to standardised accounting and financial policies and exercises effective controls over the financial affairs of its subsidiaries. This is achieved by ensuring group-wide adherence to a comprehensive set of guidelines covering contracts, policies and procedures and other requirements. Adequate measures are in place to ensure that the reliability and integrity of financial information compiled from subsidiaries are kept intact.

#### Credit risk

While it is necessary to assume a certain level of tenant credit risks to remain competitive in China, the Group has established credit limits for tenants and monitors their balances on an ongoing basis. Risks associated with credit limits are reflected in the level of security deposits. Appropriate risk mitigating actions are in place to manage trade receivables.

In monitoring tenant credit risk, tenants are grouped according to their credit characteristics, including their geographical location, trade history with the Group, aging profile, maturity and existence of previous financial difficulties.

The allowance account in respect of trade and other receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

The derivatives are entered into with bank and financial institution counterparties, which are rated from Baa2 to Aa1, based on Moody's ratings.

Cash and fixed deposits are placed with banks and financial institutions which are regulated. Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

The Group and REIT use an approach that is based on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to audited financial statements, management accounts and cash flow projection, if available, and applying experienced credit judgement).

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations.

The following are the contractual maturities of financial instruments, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount S\$'000	Contractual cash flow S\$'000	Within 1 year S\$'000	After 1 year but within 5 years S\$'000	After 5 years S\$'000
<b>31 December 2025</b>					
<b>Group</b>					
<b>Non-derivative financial liabilities</b>					
Loans and borrowings	300,415	(334,289)	(21,037)	(313,252)	-
Trade and other payables	28,416	(28,416)	(26,775)	(1,641)	-
Lease liability	551	(551)	(78)	(366)	(107)
Security deposits	17,003	(17,004)	(12,764)	(3,718)	(522)
	346,385	(380,260)	(60,654)	(318,977)	(629)
<b>Derivative financial instruments</b>					
Interest rate swaps used for hedging (net-settled)	1,570	(1,582)	(850)	(732)	-
	347,955	(381,842)	(61,504)	(319,709)	(629)
<b>REIT</b>					
<b>Non-derivative financial liabilities</b>					
Loans and borrowings	259,271	(283,704)	(19,268)	(264,436)	-
Trade and other payables	104,062	(98,996)	(43,083)	(55,913)	-
	363,333	(382,700)	(62,351)	(320,349)	-
<b>Derivative financial instruments</b>					
Interest rate swaps used for hedging (net-settled)	1,570	(1,582)	(850)	(732)	-
	364,903	(384,282)	(63,201)	(321,081)	-

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### Liquidity risk (cont'd)

	Carrying amount S\$'000	Contractual cash flow S\$'000	Within 1 year S\$'000	After 1 year but within 5 years S\$'000	After 5 years S\$'000
<b>31 December 2024</b>					
<b>Group</b>					
<b>Non-derivative financial liabilities</b>					
Loans and borrowings	299,733	(301,773)	(293,727)	(8,046)	-
Trade and other payables	30,618	(30,618)	(28,940)	(1,678)	-
Lease liability	631	(631)	(67)	(349)	(215)
Security deposits	17,757	(17,757)	(12,475)	(4,824)	(458)
	<u>348,739</u>	<u>(350,779)</u>	<u>(335,209)</u>	<u>(14,897)</u>	<u>(673)</u>
<b>Derivative financial instruments</b>					
Interest rate swaps used for hedging (net-settled)	98	(159)	(159)	-	-
	<u>348,837</u>	<u>(350,938)</u>	<u>(335,368)</u>	<u>(14,897)</u>	<u>(673)</u>
<b>REIT</b>					
<b>Non-derivative financial liabilities</b>					
Loans and borrowings	253,760	(255,699)	(247,653)	(8,046)	-
Trade and other payables	99,534	(94,498)	(56,535)	(37,963)	-
	<u>353,294</u>	<u>(350,197)</u>	<u>(304,188)</u>	<u>(46,009)</u>	<u>-</u>
<b>Derivative financial instruments</b>					
Interest rate swaps used for hedging (net-settled)	98	(159)	(159)	-	-
	<u>353,392</u>	<u>(350,356)</u>	<u>(304,347)</u>	<u>(46,009)</u>	<u>-</u>

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

The maturity analyses show the contractual undiscounted cash flows of the Group's and the REIT's financial liabilities on the basis of their earliest possible contractual maturity. The cash flows disclosed represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are usually not closed out prior to contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement e.g. forward exchange contracts. Net-settled derivative financial assets are included in the maturity analyses as they are held to hedge the cash flow variability of the Group and the REIT's floating rate loans.

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### Liquidity risk (cont'd)

In addition, the Group maintains and has drawn down the following debt facilities and programme as at 31 December 2025:

Chinese Renminbi ("RMB") denominated facility:

- RMB297.0 million three-year secured term loan facilities

S\$ denominated facilities:

- S\$252.0 million three-year secured term loan facilities
- S\$2.0 million credit facilities
- S\$7.7 million credit facilities
- S\$8.9 million credit facilities

The Group also monitors and observes the Property Fund Appendix issued by the MAS concerning limits on total borrowings.

At the date of issue of these financial statements, the Manager, after taking into account the considerations stated in Note 2, is of the opinion that there are reasonable grounds to believe that the Group and the REIT will be able to pay its respective debts as and when they fall due. The Manager is not aware of any other adverse circumstances or reasons which would likely affect the Group and the REIT's ability to continue as a going concern. In consideration of the foregoing, the Manager opined that it is appropriate to prepare the financial statements on a going concern basis.

### Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group enters financial derivatives in order to manage market risks. Generally, the Group seeks to apply hedge accounting in order to manage volatility in profit or loss.

### Interest rate risk

The Manager adopts a proactive interest rate management policy to manage the risk associated with changes in interest rates on the Group's loan facilities while also seeking to ensure that the ongoing cost of debt remains competitive.

The Manager proactively seeks to minimise the level of interest rate risk by entering into fixed-rate instruments for a portion of the Group's borrowings. As at 31 December 2025, the Group has entered into interest rate swaps with a total notional amount of S\$82.0 million (2024: S\$123.0 million) whereby the Group has agreed with counterparties to exchange, at specified intervals, the difference between floating rate and fixed rate interest amounts calculated by reference to the agreed notional principal amounts of the secured term loans.

The Manager determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts.

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### Interest rate risk (cont'd)

#### Derivatives

The Group holds interest rate swaps for risk management purposes that are designated in cash flow hedging relationships. The interest rate swaps have floating legs that are indexed to SORA. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association (ISDA)'s master agreements.

#### Hedge accounting

As at 31 December 2025, the Group's hedged items and hedging instruments are indexed to SORA. These benchmark rates are quoted each day and the SORA cash flows are exchanged with its counterparties as usual.

At the reporting date, the interest rate profile of the interest-bearing financial instruments was as follows:

	Group		REIT	
	Notional amount 2025	Notional amount 2024	Notional amount 2025	Notional amount 2024
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Variable rate instruments</b>				
Interest rate swaps	82,000	123,000	82,000	123,000
Loans and borrowings*	(288,833)	(292,642)	(246,647)	(246,647)
	<u>(206,833)</u>	<u>(169,642)</u>	<u>(164,647)</u>	<u>(123,647)</u>

\* Exclude fixed rate loans and borrowings

#### Cash flow sensitivity analysis for variable rate instruments

Effects of a 100 basis point ("bp")\*\* movement in interest rate at the reporting date would increase/ (decrease) statement of total return and Unitholders' funds by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

\*\* 100 basis point is equivalent to 1 percentage point

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### Interest rate risk (cont'd)

	Statements of total return		Unitholders' funds	
	100 bp increase S\$'000	100 bp decrease S\$'000	100 bp increase S\$'000	100 bp decrease S\$'000
<b>31 December 2025</b>				
<b>Group</b>				
Variable rate instruments	(2,888)	2,888	-	-
Interest rate swaps	820	(820)	1,771	(1,799)
Cash flow sensitivity (net)	(2,068)	2,068	1,771	(1,799)
<b>REIT</b>				
Variable rate instruments	(2,466)	2,466	-	-
Interest rate swaps	820	(820)	1,771	(1,799)
Cash flow sensitivity (net)	(1,646)	1,646	1,771	(1,799)
<b>31 December 2024</b>				
<b>Group</b>				
Variable rate instruments	(2,926)	2,926	-	-
Interest rate swaps	1,230	(1,230)	171	(309)
Cash flow sensitivity (net)	(1,696)	1,696	171	(309)
<b>REIT</b>				
Variable rate instruments	(2,466)	2,466	-	-
Interest rate swaps	1,230	(1,230)	171	(309)
Cash flow sensitivity (net)	(1,236)	1,236	171	(309)
Hedge accounting				

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### Cash flow hedges

At 31 December 2025, the Group and REIT held the following instruments to hedge exposures to changes in interest rates.

	Maturity		
	1-6 months	6-12 months	More than one year
<b>Group and REIT</b>			
<b>2025</b>			
<b>Interest rate risk</b>			
<b>Interest rate swaps</b>			
Net exposure (in thousands of SGD)	-	-	82,000
Average fixed interest rate	-	-	2.30%
<b>2024</b>			
<b>Interest rate risk</b>			
<b>Interest rate swaps</b>			
Net exposure (in thousands of SGD)	123,000	-	-
Average fixed interest rate	3.01%	-	-

The amounts at the reporting date relating to items designated as hedged items were as follows:

	Change in value used for calculating hedge ineffective hedge ineffectiveness S\$'000	Cash flow hedge reserve S\$'000	Costs of hedging reserve S\$'000	Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied S\$'000
<b>Group and REIT</b>				
<b>2025</b>				
<b>Interest rate risk</b>				
Variable-rate instruments	-	1,570	-	-
<b>2024</b>				
<b>Interest rate risk</b>				
Variable-rate instruments	-	(65)	-	-

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### Cash flow hedges (cont'd)

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows:

	2025			Line item in the statement of financial position where the hedging instrument is included	2024			Line item in the statement of financial position where the hedging instrument is included
	Nominal amount S\$'000	Carrying amount - assets S\$'000	Carrying amount - liabilities S\$'000		Nominal amount S\$'000	Carrying amount - assets S\$'000	Carrying amount - liabilities S\$'000	
<b>Interest rate risk</b>								
Interest rate swaps	82,000	-	1,570	Derivative liabilities	41,000	-	98	Derivative liabilities
Interest rate swaps	-	-	-	Derivative assets	82,000	(163)	-	Derivative assets

The following table provides a reconciliation by risk category of components of Unitholders' Funds, net of tax, resulting from cash flow hedge accounting.

	Group and REIT Hedging reserve S\$'000	Cost of hedging reserve S\$'000
<b>Balance at 1 January 2025</b>	(65)	-
<b>Cash flow hedges</b>		
Change in fair value:		
Interest rate risk	1,635	-
<b>Balance at 31 December 2025</b>	<u>1,570</u>	<u>-</u>
<b>Balance at 1 January 2024</b>	(477)	-
<b>Cash flow hedges</b>		
Change in fair value:		
Interest rate risk	412	-
<b>Balance at 31 December 2024</b>	<u>(65)</u>	<u>-</u>

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### Offsetting financial assets and financial liabilities

Financial instruments such as loans and receivables and financial liabilities are not disclosed in the tables below unless they are offset in the statement of financial position.

The Group and the REIT entered into transactions under ISDA master netting agreements. In general, under such agreements the amount owed by each counterparty that are due on a single day in respect of all transactions outstanding in the same currency under the agreement are aggregated into a single net amount being payable by one party to the other. In certain circumstances, for example when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is due or payable in settlement of all transactions.

The above ISDA agreements do not meet the criteria for offsetting in the statement of financial position. This is because they create a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties. In addition, the Group and its counterparties do not intend to settle on a net basis to realise the assets and settle the liabilities simultaneously.

The following table sets out the carrying amounts of recognised financial instruments that are subject to the above agreements.

	Gross amount of recognised financial instruments S\$'000	Gross amount of recognised financial instruments offset in the statement of financial position S\$'000	Net amount of financial instruments presented in the statement of financial position S\$'000	Related amount not offset in the statement of financial position S\$'000	Net amount S\$'000
<b>Group and REIT</b>					
<b>2025</b>					
<b>Derivative assets</b>					
Interest rate swaps	-	-	-	-	-
<b>Derivative liabilities</b>					
Interest rate swaps	(1,570)	-	(1,570)	-	(1,570)
<b>2024</b>					
<b>Derivative assets</b>					
Interest rate swaps	163	-	163	-	163
<b>Derivative liabilities</b>					
Interest rate swaps	(98)	-	(98)	-	(98)

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### *Foreign currency risk*

The Group is exposed to foreign currency risk on cash holdings and operating expenses that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily RMB.

As the REIT intends to be a long-term investor in China, the Manager has taken a view not to hedge the RMB equity exposure arising from its investments in China unless certain risks are specifically identified. The Manager's strategy is to achieve a natural hedge through local RMB financing and any non-RMB denominated loan will be hedged into RMB where possible, to protect the going concern of the REIT in the event of large currency fluctuation. However, the Manager will hedge the RMB cash flow from operations if it is determined with certainty that they are to be remitted back to Singapore for distribution purposes.

The Group exposures to foreign currencies are as follows:

	<b>RMB S\$'000</b>
<b>31 December 2025</b>	
<b>Group</b>	
Cash and cash equivalents	—
<b>REIT</b>	
Trade and other payables	(67,485)
	<u>(67,485)</u>
	<b>RMB S\$'000</b>
<b>31 December 2024</b>	
<b>Group</b>	
Cash and cash equivalents	—
<b>REIT</b>	
Trade and other payables	(69,027)
	<u>(69,027)</u>

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### *Foreign currency risk (cont'd)*

#### *Sensitivity analysis*

A 10% strengthening of Singapore Dollars against the following currencies at the reporting date would increase/(decrease) total return after tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	<b>Statements of total return</b>	
	<b>Group S\$'000</b>	<b>REIT S\$'000</b>
<b>31 December 2025</b>		
RMB	-	6,749
<b>31 December 2024</b>		
RMB	-	6,903

A 10% weakening of Singapore Dollars against the above currencies would have had equal but opposite effect on RMB to the amounts shown above, on the basis that all other variables remain constant.

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### Accounting classifications and fair values

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Group	Carrying amount				Fair value			
	Fair value hedging instruments S\$'000	Financial assets at amortised cost S\$'000	Other financial liabilities S\$'000	Total carrying amount S\$'000	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>31 December 2025</b>								
<b>Financial assets not measured at fair value</b>								
Trade and other receivables <sup>(1)</sup>	-	16,123	-	16,123				
Cash and cash equivalents	-	20,940	-	20,940				
	-	37,063	-	37,063				
<b>Financial liabilities measured at fair value</b>								
Interest rate swaps used for hedging	1,570	-	-	1,570	-	1,570	-	1,570
<b>Financial liabilities not measured at fair value</b>								
Trade and other payables	-	-	28,416	28,416	-	28,337	-	28,337
Security deposits	-	-	17,003	17,003	-	16,274	-	16,274
Loans and borrowings	-	-	300,415	300,415	-	296,704	-	296,704
	-	-	345,834	345,834				

<sup>(1)</sup> Excluding prepayments

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### Accounting classifications and fair values (cont'd)

REIT	Carrying amount				Fair value			
	Fair value hedging instruments	Financial assets at amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>31 December 2025</b>								
<b>Financial assets not measured at fair value</b>								
Trade and other receivables <sup>(1)</sup>	-	2,444	-	2,444				
Cash and cash equivalents	-	3,747	-	3,747				
	-	6,191	-	6,191				
<b>Financial liabilities measured at fair value</b>								
Interest rate swaps used for hedging	1,570	-	-	1,570	-	1,570	-	1,570
<b>Financial liabilities not measured at fair value</b>								
Trade and other payables	-	-	104,062	104,062	-	99,043	-	99,043
Loans and borrowings	-	-	259,271	259,271	-	257,837	-	257,837
	-	-	363,333	363,333				

<sup>(1)</sup> Excluding prepayments

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### Accounting classifications and fair values (cont'd)

Group	Carrying amount				Fair value			
	Fair value hedging instruments S\$'000	Financial assets at amortised cost S\$'000	Other financial liabilities S\$'000	Total carrying amount S\$'000	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>31 December 2024</b>								
<b>Financial assets measured at fair value</b>								
Interest rate swaps used for hedging	163	-	-	163	-	163	-	163
<b>Financial assets not measured at fair value</b>								
Trade and other receivables <sup>(1)</sup>	-	9,897	-	9,897				
Cash and cash equivalents	-	29,042	-	29,042				
	-	38,939	-	38,939				
<b>Financial liabilities measured at fair value</b>								
Interest rate swaps used for hedging	98	-	-	98	-	98	-	98
<b>Financial liabilities not measured at fair value</b>								
Trade and other payables	-	-	30,618	30,618	-	30,516	-	30,516
Security deposits	-	-	17,757	17,757	-	16,924	-	16,924
Loans and borrowings	-	-	299,733	299,733	-	292,843	-	292,843
	-	-	348,108	348,108				

<sup>(1)</sup> Excluding prepayments

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### Accounting classifications and fair values (cont'd)

REIT	Carrying amount				Fair value			
	Fair value hedging instruments	Financial assets at amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>31 December 2024</b>								
<b>Financial assets measured at fair value</b>								
Interest rate swaps used for hedging	163	-	-	163	-	163	-	163
<b>Financial assets not measured at fair value</b>								
Trade and other receivables <sup>(1)</sup>	-	1,983	-	1,983				
Cash and cash equivalents	-	5,011	-	5,011				
	-	6,994	-	6,994				
<b>Financial liabilities measured at fair value</b>								
Interest rate swaps used for hedging	98	-	-	98	-	98	-	98
<b>Financial liabilities not measured at fair value</b>								
Trade and other payables	-	-	99,534	99,534	-	98,213	-	98,213
Loans and borrowings	-	-	253,760	253,760	-	247,039	-	247,039
	-	-	353,294	353,294				

<sup>(1)</sup> Excluding prepayments

# Notes to the Financial Statements

Year ended 31 December 2025

## 27. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

### *Estimation of fair value*

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group and REIT.

### *Interest-bearing borrowings*

The carrying amounts of the floating rate loans approximate its fair value as these amounts are interest-bearing of market interest rates that reprice every half year.

### *Interest rate swaps*

Market comparison technique: The fair values are based on valuations provided by the financial institutions that are the counterparties to the transactions. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the reporting date.

### *Other financial assets and liabilities*

The carrying amounts of financial assets and liabilities (including non-trade amounts due from subsidiaries, trade and other receivables, cash and cash equivalents, trade and other payables and current security deposits) are assumed to approximate their fair values because they are either short term in nature, or effect of discounting is immaterial. All other financial assets and liabilities (non-current security deposits) are discounted to determine their fair values.

### *Interest rates used in determining fair values*

The interest rates used to discount estimated cash flows, where applicable, are based on the forward yield curve as at 31 December 2025 plus an adequate constant credit spread, and are as follows:

	Group		REIT	
	2025 % p.a.	2024 % p.a.	2025 % p.a.	2024 % p.a.
Security deposits	4.97	6.33	-	-
Interest-bearing borrowings	3.66-4.10	4.20-5.52	3.66	5.52
Trade and other payables	-	-	4.97	6.33

### **Transfer between Level 1 and 2**

During the financial year ended 31 December 2025, there were no transfers between Level 1 and Level 2.

## 28. SUBSEQUENT EVENTS

On 27 February 2026, the Manager declared a distribution of 0.07 cents per Unit to Unitholders in respect of the period from 1 July 2025 to 31 December 2025.

# Interested Person Transactions

## INTERESTED PERSONS TRANSACTIONS

The transactions entered into with interested persons for the financial year ended 31 December 2025, which fall under the Listing Manual of Singapore Exchange Securities Trading Limited ("SGX-ST") and Appendix 6 of the Code on Collective Investment Schemes (excluding transactions of less than S\$100,000 each) are as follows:

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions of less than S\$100,000 and transactions conducted under unitholders' mandate pursuant to Rule 920) S\$'000	Aggregate value of all interested person transactions conducted under unitholders mandate pursuant to Rule 920 (excluding transactions of less than S\$100,000) S\$'000
<b>Beijing Hualian Group Investment Holding Co., Ltd. and its subsidiaries or associates</b>	<b>Controlling shareholder of the Manager and Controlling Unitholder, and its subsidiaries and associates</b>		
▪ Management fees			
- base component		252	-
- performance component		135	-
- reimbursables		26	-
▪ Property maintenance fees		53	-
▪ Property management fees and reimbursables		5,406	-
▪ Rental and service income		-	-
Rental discount		2,051	-
<b>DBS Trustee Limited</b>	<b>Trustee</b>		
▪ Trustee's fees		141	-

Save as disclosed above, there were no additional interested person transactions (excluding transactions of less than S\$100,000 each) entered into during the financial year under review nor any material contracts entered into by BHG Retail REIT and its subsidiaries involving the interests of the Chief Executive Officer or each Director or the controlling Unitholder of BHG Retail REIT, either still subsisting at the end of FY 2025 or if not then subsisting, entered into since the end of FY 2025.

The fees and charges payable by BHG Retail REIT to the Manager under the Trust Deed, and to the Property Manager under the Master Property Management Agreement and the Individual Property Management Agreements, each of which constitutes an interested person transaction, are deemed to have been specifically approved by the Unitholder upon purchase of the Units and are therefore not subject to Rules 905 and 906 of the Listing Manual of the SGX-ST to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder which will affect BHG Retail REIT. However, any renewal of the agreements will be subject to Rules 905 and 906 of the Listing Manual of the SGX-ST.

# Statistics of Unitholdings

As at 11 March 2026

## ISSUED AND FULLY PAID UNITS

519,602,601 (Voting rights: one vote per Unit)

There is only one class of Units.

There are no treasury Units in BHG Retail REIT.

## DISTRIBUTION OF UNITHOLDINGS

SIZE OF UNITHOLDINGS	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
1 - 99	7	1.03	335	0.00
100 - 1,000	98	14.43	64,538	0.01
1,001 - 10,000	374	55.08	1,984,062	0.38
10,001 - 1,000,000	189	27.84	7,419,117	1.43
1,000,001 AND ABOVE	11	1.62	510,134,549	98.18
<b>TOTAL</b>	<b>679</b>	<b>100.00</b>	<b>519,602,601</b>	<b>100.00</b>

## TWENTY LARGEST UNITHOLDERS

NO.	NAME	NO. OF UNITS	%
1	BEIJING HUA LIAN GROUP (SINGAPORE) INTERNATIONAL TRADING PTE LTD	151,659,997	29.19
2	DBS NOMINEES (PRIVATE) LIMITED	86,511,024	16.65
3	ABN AMRO CLEARING BANK N.V.	67,672,900	13.02
4	DBSN SERVICES PTE. LTD.	67,062,900	12.91
5	CITIBANK NOMINEES SINGAPORE PTE LTD	57,154,720	11.00
6	KGI SECURITIES (SINGAPORE) PTE. LTD	28,526,481	5.49
7	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	23,383,300	4.50
8	BEIJING HUALIAN HYPERMARKET (SINGAPORE) PURCHASING PTE LTD	8,308,508	1.60
9	BHG MALL (SINGAPORE) PROPERTY MANAGEMENT PTE LTD	7,606,652	1.46
10	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	6,507,578	1.25
11	BEIJING HUALIAN MALL (S) COMMERCIAL MANAGEMENT PTE LTD	5,740,489	1.10
12	LIM CHIN GUAN	394,500	0.08
13	LAU TECK SIEN LIU DEXIAN	375,000	0.07
14	RAFFLES NOMINEES (PTE.) LIMITED	342,600	0.07
15	BAN HONG KEE HOLDINGS PTE LTD	341,900	0.07
16	HUANG SHU HUA	285,100	0.05
17	IFAST FINANCIAL PTE. LTD.	218,698	0.04
18	PHILLIP SECURITIES PTE LTD	210,160	0.04
19	XU ZHE	187,600	0.04
20	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	132,400	0.03
	<b>TOTAL</b>	<b>512,622,507</b>	<b>98.66</b>

# Statistics of Unitholdings

As at 11 March 2026

## SUBSTANTIAL UNITHOLDERS' INTEREST

(As recorded in the Register of Substantial Unitholders)

Name	Direct Interest	%	Deemed Interest	%	Total	%
Beijing Hua Lian Group (Singapore) International Trading Pte Ltd	151,659,997	29.19	-	-	151,659,997	29.19
Beijing Hualian Group Investment Holding Co. Ltd. <sup>(1)</sup>	-	-	201,842,127	38.85	201,842,127	38.85
Beijing Hualian Department Store Co., Ltd. <sup>(2)</sup>	-	-	41,873,622	8.06	41,873,622	8.06
Beijing Hualian Mall (Singapore) Commercial Management Pte. Ltd. <sup>(2)</sup>	25,740,489	4.95	16,133,133	3.11	41,873,622	8.06
Hainan Hong Ju Industrial Co. Ltd. <sup>(3)</sup>	-	-	201,842,127	38.85	201,842,127	38.85
Hainan Hong Ju Culture Media Group Limited <sup>(4)</sup>	-	-	201,842,127	38.85	201,842,127	38.85
Qianhai International Holdings Co., Limited <sup>(5)</sup>	67,672,900	13.02	-	-	67,672,900	13.02
Chanchai Ruayrungruang <sup>(6)</sup>	-	-	67,062,900	12.91	67,062,900	12.91
Zhang Chongyu <sup>(7)</sup>	62,292,440	11.99	-	-	62,292,440	11.99

### Notes:

- <sup>(1)</sup> Beijing Hualian Group Investment Holding Co., Ltd. ("**Beijing Hualian Group**") wholly owns Beijing Hua Lian Group (Singapore) International Trading Pte. Ltd. ("**BHG SIT**") and is deemed interested in the 151,659,997 Units held by BHG SIT.  
Beijing Hualian Group holds more than 20% of the total issued equity interest of Beijing Hualian Life Supermarket Co., Ltd. ("**BHL**") which in turn wholly owns Beijing Hualian Hypermarket (Singapore) Purchasing Pte. Ltd. ("**BHH SPP**") and is deemed interested in the 8,308,508 Units held by BHH SPP.  
Beijing Hualian Group more than 20% of the total issued equity interest of Beijing Hualian Department Store Co., Ltd. ("**BHDS**"), which in turn wholly owns Beijing Hualian Mall (Singapore) Commercial Management Pte. Ltd. ("**BHM SCM**"). Accordingly, Beijing Hualian Group is deemed interested in the 41,873,622 Units deemed interested by BHDS.  
Accordingly, Beijing Hualian Group is deemed interested in an aggregate of 201,842,127 Units.
- <sup>(2)</sup> Beijing Hualian Department Store Co., Ltd. ("**BHDS**") wholly owns Beijing Hualian Mall (Singapore) Commercial Management Pte. Ltd. ("**BHM SCM**") and is deemed interested in the 25,740,489 Units owned by BHM SCM.  
BHM SCM in turn wholly-owned BHG Mall (Singapore) Property Management Pte Ltd ("**PM**") and BHG Retail Trust Management Pte Ltd ("**RM**"). Accordingly, BHDS is deemed interested in the 7,606,652 Units owned by the PM and the 8,526,481 Units owned by the RM.
- <sup>(3)</sup> Hainan Hong Ju Industrial Co., Ltd. holds 30% of the total issued equity interest of Beijing Hualian Group and is deemed interested in the Units that Beijing Hualian Group is deemed interested in.
- <sup>(4)</sup> Hainan Hong Ju Culture Media Group Limited holds 51.0% of the total issued equity interest of Hainan Hong Ju Industrial Co., Ltd. and is deemed to be interested in the Units that Hainan Hong Ju Industrial Co., Ltd. is deemed interested in.
- <sup>(5)</sup> Qianhai International Holdings Co., Limited is deemed to have an interest in the 67,672,900 Units held through its nominee.
- <sup>(6)</sup> Dr Chanchai Ruayrungruang is deemed to have an interest in the 67,062,900 Units held through his nominee.
- <sup>(7)</sup> Mr Zhang Chongyu has a direct interest in the 62,292,440 Units held through his nominee.

## THE MANAGER'S DIRECTORS' UNITHOLDINGS AS AT 11 MARCH 2026

Name	Direct Interest	Deemed Interest
Gan Chee Yen	-	-
George Quek Meng Tong	-	-
Ong Tze Guan	-	-
Xiong Zhen	125,000	-
Peng Ge	125,000	-
	250,000	-

## PERCENTAGE OF UNITHOLDINGS IN PUBLIC'S HANDS

Based on the information made available to the Manager as at 11 March 2026, approximately 23.16% of the issued Units in BHG Retail REIT are held in the hands of public. Accordingly, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited is complied with.

# Notice of Annual General Meeting

## BHG RETAIL REIT

(A real estate investment trust constituted on 18 November 2015 in the Republic of Singapore)

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting ("**AGM**") of the holders of units of BHG Retail REIT (the "**Unitholders**") will be held at Raffles City Convention Centre, Level 4, Minto Room, 80 Bras Basah Rd, Singapore 189560, on **Tuesday, 28 April 2026 at 10:30 a.m.**, to transact the following businesses:

### AS ORDINARY BUSINESS

1. To receive and adopt the Report of DBS Trustee Limited, as trustee of BHG Retail REIT (the "**Trustee**"), the Statement by BHG Retail Trust Management Pte. Ltd., as manager of BHG Retail REIT (the "**Manager**"), and the Audited Financial Statements of BHG Retail REIT for the financial year ended 31 December 2025 and the Auditors' Report thereon.  
**(Ordinary Resolution 1)**
2. To re-appoint KPMG LLP as the Auditors of BHG Retail REIT to hold office until the conclusion of the next annual general meeting of BHG Retail REIT, and to authorise the Manager to fix their remuneration.  
**(Ordinary Resolution 2)**

### AS SPECIAL BUSINESS

To consider and if thought fit, pass the following Ordinary Resolutions with or without modifications:

#### 3. GENERAL MANDATE FOR THE ISSUE OF NEW UNITS AND/OR CONVERTIBLE SECURITIES

That authority be and is hereby given to the Manager, to:

- (a) (i) issue units in BHG Retail REIT ("**Units**") whether by way of rights, bonus or otherwise; and/or  
(ii) make or grant offers, agreements or options that might or would require Units to be issued, (collectively, "**Instruments**") including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,  
at any time and upon such terms and conditions and for such purposes and to such persons as the Manager, may in its absolute discretion deem fit; and
- (b) issue Units in pursuance of any Instrument made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

# Notice of Annual General Meeting

provided that:

- (1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty percent (50%) of the total number of issued Units (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a *pro rata* basis to Unitholders (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed twenty per cent (20%) of the total number of issued Units (as calculated in accordance with sub-paragraph (2) below);
- (2) subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units shall be based on the total number of issued Units at the time this Resolution is passed, after adjusting for:
  - any new Units arising from the conversion or exercise of the Instruments or any convertible securities or Unit options or vesting of Unit awards which were issued and are outstanding or subsisting at the time this Resolution is passed; and
  - any subsequent bonus issue, consolidation or subdivision of Units;
- (3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the trust deed dated 18 November 2015 constituting BHG Retail REIT (as amended) (the "**Trust Deed**") for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);
- (4) unless revoked or varied by the Unitholders in a general meeting, the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next annual general meeting of BHG Retail REIT; or (ii) the date by which the next annual general meeting of BHG Retail REIT is required by applicable laws and regulations (including the Listing Manual of the SGX-ST) or the Trust Deed to be held, whichever is earlier;
- (5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted, in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and
- (6) the Manager, any director of the Manager ("**Director**") and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interest of BHG Retail REIT to give effect to the authority conferred by this Resolution.

(Please see Explanatory Note)

**(Ordinary Resolution 3)**

# Notice of Annual General Meeting

## 4. PROPOSED ENTRY INTO THE NEW MASTER PROPERTY MANAGEMENT AGREEMENT

That:

- (a) approval be and is hereby given for the entry into the new master property management agreement (the "**New Master PMA**") between the Trustee, the Manager and BHG Mall (Singapore) Property Management Pte. Ltd. as the property manager, as described in the circular to Unitholders dated 7 April 2026 (the "**Circular**");
- (b) approval be and is hereby given for the payment of all fees, expenses and reimbursements relating to or arising from the New Master PMA; and
- (c) the Manager, any Director, the Chief Executive Officer of the Manager (the "**CEO**") and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director, the CEO or, as the case may be, the Trustee may consider expedient or necessary or in the interests of BHG Retail REIT to give effect to the New Master PMA.

**(Ordinary Resolution 4)**

### BY ORDER OF THE BOARD

BHG Retail Trust Management Pte. Ltd.  
(Company Registration No. 201504222D)  
as Manager of BHG Retail REIT

### Cho Form Po

Company Secretary

Singapore  
7 April 2026

### EXPLANATORY NOTE:

Ordinary Resolution 3 above if passed, will empower the Manager from the date of the AGM until (i) conclusion of the next annual general meeting of BHG Retail REIT; or (ii) the date by which the next annual general meeting of BHG Retail REIT is required by the applicable laws and regulations (including the Listing Manual of the SGX-ST) or the Trust Deed to be held, whichever is earlier, unless such authority is earlier revoked or varied by the Unitholders in a general meeting, to issue Units, to make or grant instruments (such as securities, warrants or debentures) convertible into Units, and to issue Units in pursuance of such instruments, up to a number not exceeding fifty percent (50%) of the total number of issued Units with a sub-limit of twenty per cent (20%) for issues other than on *pro rata* basis to Unitholders.

For the purpose of determining the aggregate number of Units that may be issued, the percentage of issued Units will be calculated based on the total number of issued Units at the time Ordinary Resolution 3 above is passed, after adjusting for (i) new Units arising from the conversion or exercise of the Instruments or any convertible securities or Unit options or vesting of Unit awards which were issued and are outstanding or subsisting at the time Ordinary Resolution 3 above is passed and (ii) any subsequent bonus issue, consolidation or subdivision of Units.

Fund raising by issuance of new Units may be required in instances of property acquisitions or debt repayments. In any event, if the approval of Unitholders is required under the Listing Manual of the SGX-ST and the Trust Deed or any applicable laws and regulations in such instances, the Manager will then obtain the approval of Unitholders accordingly.

# Notice of Annual General Meeting

## NOTES:

1. The AGM is being convened, and will be held at Raffles City Convention Centre, Level 4, Minto Room, 80 Bras Basah Rd, Singapore 189560. Printed copies of this notice of AGM dated 7 April 2026 (the "**Notice of AGM**"), the accompanying proxy form (the "**Proxy Form**") and the accompanying notification and request form (the "**Notification and Request Form**") will be sent to Unitholders by post. Unitholders who wish to receive a printed copy of the Annual Report and/or the Circular will have to submit the Notification and Request Form which can also be downloaded from the BHG REIT's website at <http://bhgreit.listedcompany.com/newsroom.html> or from the SGX-ST's website at <https://www.sgx.com/securities/company-announcements>. The Notice of AGM will also be available on BHG Retail REIT's corporate website at <http://bhgreit.listedcompany.com/newsroom.html> and will also be made available on the SGX-ST's website at <https://www.sgx.com/securities/company-announcements>.
2. Arrangements relating to the conduct of the AGM, including,
  - (a) attending the AGM by Unitholders, including CPF and SRS investors, or, where applicable duly appointed proxies;
  - (b) submitting questions related to the resolutions to be tabled for approval at the AGM, to the Chairman of the AGM, in advance of the AGM or at the AGM itself, and addressing of substantial and relevant questions in advance of the AGM or at the AGM itself; and/or
  - (c) voting at the AGM by Unitholders, including CPF and SRS investors, (a) in person or (b) where applicable, by their duly appointed proxy(ies),

are set out in this Notice of AGM. Any reference to a time of the day in this Notice of AGM is made by reference to Singapore Time.

3. Unitholders, including CPF and SRS investors, or, where applicable, their appointed proxy(ies) will be able to attend the AGM in person.

They will need to register in person at the registration counter(s) outside the AGM venue on the day of the event, and Unitholders, including CPF and SRS investors, or, where applicable, their appointed proxy(ies) who will be attending the AGM in person should bring along their NRIC/Passport so as to enable the verification of their identity on the day of the AGM for entry to, and (where applicable) be provided with a handheld device for electronic voting at the AGM.

Registration will commence at 9:30 a.m. on Tuesday, 28 April 2026 outside the AGM venue. Unitholders are advised not to attend the AGM if they are feeling unwell.

4. Unitholders, including CPF and SRS investors, or, where applicable, their appointed proxy(ies) will be able to ask questions related to the resolutions to be tabled for approval at the AGM to the Chairman of the AGM, at the AGM itself. Such persons must be registered and authenticated to ask questions at the AGM.

Unitholders may also submit questions in advance of the AGM. In order to do so, their questions must be submitted in the following manner by **5:00 p.m. on Tuesday, 14 April 2026**.

- (a) if submitted electronically, be submitted via email to BHG Retail REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at [srs.teamE@boardroomlimited.com](mailto:srs.teamE@boardroomlimited.com).
- (b) if submitted by post, be deposited at the office of BHG Retail REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632.

Unitholders who submit questions via email or by post to BHG Retail REIT's Unit Registrar must provide the following information:

- (1) the Unitholder's full name;
- (2) the Unitholder's address; and
- (3) the manner in which the Unitholder holds Units in BHG Retail REIT (e.g., via CDP, scrip, CPF or SRS).

The Manager's Chairman, Mr Gan Chee Yen, and Chief Executive Officer, Ms Chan Iz-Lynn, will conduct the proceedings of the AGM. The Manager will endeavour to address all substantial and relevant questions submitted by the Tuesday, 14 April 2026 submission deadline, prior to the AGM. The Manager will publish the responses to those questions on BHG Retail REIT's corporate website at <http://bhgreit.listedcompany.com/newsroom.html> and on SGX-ST's website at <https://www.sgx.com/securities/company-announcements> prior to the AGM, latest by 6:00 p.m. on Wednesday, 22 April 2026. Where substantially similar questions are received, the Manager will consolidate such questions and consequently not all questions may be individually addressed.

Any substantial and relevant questions received after the Tuesday 14 April 2026 submission deadline which have not already been addressed prior to the AGM, as well as those substantial and relevant questions received at the AGM itself, will be addressed during the AGM.

# Notice of Annual General Meeting

The Manager will publish the minutes of the AGM on BHG Retail REIT's corporate website at <http://bhgreit.listedcompany.com/newsroom.html> and on SGX-ST's website at <https://www.sgx.com/securities/company-announcements>, and the minutes will include the responses to the substantial and relevant questions which were addressed during the AGM.

5. A Unitholder who wishes to exercise his/her/its voting rights at the AGM may:
  - (a) (where the Unitholder is an individual) vote in person at the AGM themselves; or (whether the Unitholder is an individual or a corporate) appoint a proxy(ies) (other than the Chairman of the AGM) to vote on his/her/its behalf at the AGM; or
  - (b) (where the Unitholder is a corporate) appoint corporate representative(s) to vote on its behalf at the AGM; or
  - (c) (where the Unitholder is an individual or a corporate) appoint the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the AGM.
6. Upon registration at the AGM venue, Unitholders, including CPF and SRS investors, or, where applicable, their duly appointed proxy(ies), will be provided with a handheld device for electronic voting at the AGM.
7. A Unitholder who wishes to appoint a proxy(ies) must complete and sign the Proxy Form, before submitting it in the manner set out below. A proxy need not be a Unitholder. The Proxy Form is available on BHG Retail REIT's corporate website at <http://bhgreit.listedcompany.com/newsroom.html> and on the SGX-ST's website at <https://www.sgx.com/securities/company-announcements>. Printed copies of the Proxy Form will be sent to Unitholders.
8. The Proxy Form must be submitted to BHG Retail REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., by **10:30 a.m. on Sunday, 26 April 2026** being forty-eight (48) hours before the time fixed for the AGM in the following manner:
  - (a) if submitted by post, be lodged at the office of BHG Retail REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
  - (b) if submitted electronically, be submitted via email to BHG Retail REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com).
9. A Unitholder, who is not a Relevant Intermediary (as defined below) entitled to attend and vote at the AGM is entitled to appoint not more than two (2) proxies to attend and vote at the AGM in the Unitholder's stead. Where a Unitholder appoints more than one (1) proxy, the appointment shall be invalid unless the Unitholder specifies the proportion of the unitholding (expressed as a percentage of the whole) to be represented by each proxy.
10. A Unitholder, who is a Relevant Intermediary (as defined below) entitled to attend and vote at the AGM is entitled to appoint more than two (2) proxies to attend and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one (1) proxy, the appointment shall be invalid unless the Unitholder specifies in the Proxy Form the number of Units in relation to which each proxy has been appointed.
11. Unitholders who hold Units through Relevant Intermediaries (as defined below), other than CPF and SRS investors, who wish to participate in the AGM by (a) attending the AGM in person; (b) submitting questions to the Chairman of the AGM in advance of or at the AGM; and/or (c) voting at the AGM (i) in person or (ii) where applicable, by appointing the Chairman of the AGM as proxy to vote on their behalf, should contact the Relevant Intermediary through which they hold such Units as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

**"Relevant Intermediary"** means:

- (i) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
- (ii) a person holding a capital market services license to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds Units in that capacity; or
- (iii) the Central Provident Fund Board ("CPF Board") established by the Central Provident Fund Act 1953 of Singapore, in respect of Units purchased under the subsidiary legislation made under the Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

# Notice of Annual General Meeting

12. CPF and SRS investors may attend, speak and vote at the AGM if they are appointed as proxy(ies) by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators as soon as practicable if they have any queries regarding their appointment as proxy(ies).

CPF and SRS investors may also appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5:00 p.m. on Friday, 17 April 2026, being seven working days before the date of the AGM. For the avoidance of doubt, CPF and SRS investors will not be able to appoint third party proxy(ies) (i.e., persons other than the Chairman of the AGM) to vote live at the AGM on their behalf.

13. Where a Unitholder appoints the Chairman of the AGM as proxy, a Unitholder must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy. In the absence of specific directions in respect of a resolution, the Chairman of the AGM as proxy will vote or abstain from voting at his/her discretion.
14. The Annual Report 2025 and the Circular may be accessed at BHG Retail REIT's corporate website at <http://bhgreit.listedcompany.com/newsroom.html> and on the SGX-ST's website at <https://www.sgx.com/securities/company-announcements>. Printed copies of the Annual Report 2025 and the Circular will not be sent to Unitholders. Unitholders who wish to receive a printed copy of the Annual Report and/or the Circular should complete and return the Notification and Request Form to the BHG Retail REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., by post at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 or electronically by email to [srs.requestform@boardroomlimited.com](mailto:srs.requestform@boardroomlimited.com), no later than **5:30pm on Friday, 17 April 2026**.
15. The Manager may be required to change the arrangement for the AGM at short notice. Unitholders should check BHG Retail REIT's corporate website at <http://bhgreit.listedcompany.com/newsroom.html> for the latest updates on the status of the AGM.

## PERSONAL DATA PRIVACY

By (a) submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM of BHG Retail REIT and/or adjournment thereof (b) registering for the AGM in accordance with this Notice of AGM, and/or (c) submitting any question to the Chairman of the AGM in advance of the AGM in accordance with this Notice of AGM, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the purpose of the processing and administration by the Manager and the Trustee (or their agents) of proxies and representatives appointed for the AGM of BHG Retail REIT (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM of BHG Retail REIT (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

**BHG RETAIL REIT**

(A real estate investment trust constituted in the Republic of Singapore pursuant to a Trust Deed dated 18 November 2015 (as "amended"))

# PROXY FORM

## ANNUAL GENERAL MEETING

**IMPORTANT:**

1. The Proxy Form is not valid for use by persons who hold Units through relevant intermediaries (as defined in the notice of annual general meeting ("AGM") dated 7 April 2026 (the "Notice of AGM")) (including CPF and SRS investors) and shall be ineffective for all intents and purposes if used or purported to be used by them. All persons who hold Units through relevant intermediaries should instead approach his/her relevant intermediary through which they hold such Units as soon as possible to make necessary arrangements to ensure their participation and ability to vote at the AGM.
2. The AGM will be held in a wholly physical format. There is no option to participate virtually.
3. The Proxy Form is available on BHG Retail REIT's corporate website at <http://bhgreit.listedcompany.com/newsroom.html> and on the SGX-ST's website at <https://www.sgx.com/securities/company-announcements>

**Personal Data Privacy**

By submitting an instrument appointing proxy or proxies and/or representative(s), a unitholder of BHG Retail REIT accepts and agrees to the personal data privacy terms set out in the Notice of AGM.

\*I/We \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport/Company Registration Number)  
of \_\_\_\_\_ (address)

being a \*Unitholder/Unitholders of BHG Retail REIT, hereby appoint:

Name	NRIC/Passport No.	Proportion of Unitholdings	
		No. of Units	%
Address			

\*and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Unitholdings	
		No. of Units	%
Address			

or failing \*him/her/them, the Chairman of the AGM as \*my/our \*proxy/proxies to attend, speak and vote for \*me/us on \*my/our behalf at the AGM of BHG Retail REIT to be held at Raffles City Convention Centre, Level 4, Minto Room, 80 Bras Basah Road, Singapore 189560 on **Tuesday, 28 April 2026, at 10:30 a.m.** and at any adjournment thereof.

\*I/We direct \*my/our \*proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting is given, the \*proxy/proxies will vote or abstain from voting at \*his/her/their discretion as \*he/she/they may on any other matter arising at the AGM.

No.	Ordinary Resolutions	For <sup>#</sup>	Against <sup>#</sup>	Abstain <sup>#</sup>
1	To receive and adopt the Report of DBS Trustee Limited, as trustee of BHG Retail REIT, the Statement by BHG Retail Trust Management Pte. Ltd., as manager of BHG Retail REIT (the " <b>Manager</b> "), and the Audited Financial Statements of BHG Retail REIT for the financial year ended 31 December 2025 and the Auditors' Report thereon.			
2	To re-appoint KPMG LLP as Auditors of BHG Retail REIT and authorise the Manager to fix the Auditors' remuneration.			
3	To authorise the Manager to issue Units and make or grant convertible instruments.			
4	To approve the entry into the New Master Property Management Agreement.			

\* Delete accordingly.

# If you wish to exercise all your votes "For", "Against" or to "Abstain", please indicate with a "✓" within the relevant box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this \_\_\_\_ day of \_\_\_\_\_ 2026

\_\_\_\_\_  
Signature(s) of Unitholder(s)  
or Common Seal of Corporate Unitholder

Total number of Units in:	No. of Units
(a) CDP Register	
(b) Register of Unitholders	

**Notes:**

1. A Unitholder who wishes to exercise his/her/its voting rights at the AGM may: (a) (where the Unitholder is an individual) vote in person at the AGM themselves; or (whether the Unitholder is an individual or a corporate) appoint a proxy(ies) (other than the Chairman of the AGM) to vote on his/her/its behalf at the AGM; or (b) (where the Unitholder is a corporate) appoint corporate representative(s) to vote on its behalf at the AGM; or (c) (where the Unitholder is an individual or a corporate) appoint the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the AGM.
2. The Proxy Form is available on BHG Retail REIT's corporate website at <http://bhgreit.listedcompany.com/newsroom.html> and on the SGX-ST's website at <https://www.sgx.com/securities/company-announcements>.
3. CPF and SRS investors may vote at the AGM if they are appointed as proxy(ies) by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators as soon as practicable if they have any queries regarding their appointment as proxy(ies).  
  
CPF and SRS investors may also appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5:00 p.m. on Friday, 17 April 2026, being seven working days before the date of the AGM. For the avoidance of doubt, CPF and SRS investors will not be able to appoint third party proxy(ies) (i.e., persons other than the Chairman of the AGM) to vote live at the AGM on their behalf.
4. A Unitholder should insert the total number of Units held in the Proxy Form. If the Unitholder has Units entered against his/her name in the Depository Register maintained by The Central Depository (Pte) Limited ("CDP"), he/she should insert that number of Units. If the Unitholder has Units registered in his/her name in the Register of Unitholders of BHG Retail REIT, he/she should insert that number of Units. If the Unitholders has Units entered against his/her name in the said Depository Register and registered in his/her name in the Register of Unitholders, he/she should insert the aggregate number of Units. If no number is inserted, this Proxy Form will be deemed to relate to all the Units held by the Unitholder.
5. A Unitholder who wishes to appoint a proxy(ies) must complete and sign the Proxy Form, before submitting it in the manner set out below.
6. The Proxy Form must be submitted to BHG Retail REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., by 10:30 a.m. on Sunday, 26 April 2026, being forty-eight (48) hours before the time fixed for the AGM, in the following manner:
  - (a) if submitted by post, be lodged at the office of BHG Retail REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
  - (b) if submitted electronically, be submitted via email to BHG Retail REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com)
7. The Proxy Form is not valid for use by persons who hold Units through relevant intermediaries (including CPF and SRS investors) and shall be ineffective for all intents and purposes if used or purported to be used by them. All persons who hold Units through relevant intermediaries should instead approach his/her relevant intermediary through which they hold such Units as soon as possible to make necessary arrangements to ensure their participation and ability to vote at the AGM.

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8. A Unitholder who is a relevant intermediary entitled to attend and vote at the meeting is entitled to appoint more than two proxies to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, the appointment shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed. "relevant intermediary" means:
  - (a) a banking corporation licensed under the Banking Act 1970, or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
  - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001, and who holds Units in that capacity; or;
  - (c) the Central Provident Fund Board ("CPF Board") established by the Central Provident Fund Act 1953, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
9. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
10. Where the Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney or a duly certified copy thereof must (failing previous registration with the Manager), if the Proxy Form is submitted by post, be lodged with the Proxy Form, or, if the Proxy Form is submitted electronically via email, be emailed with the Proxy Form, failing which the Proxy Form may be treated as invalid.
11. Any reference to a time of day is made by reference to Singapore time.
12. All Unitholders will be bound by the outcome of the AGM regardless of whether they have attended or voted at the AGM.

**General**

The Manager shall be entitled to reject any Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to the Proxy Form (including any related attachment). In addition, in the case of unitholders whose units are entered against their names in the Depository Register, the Manager may reject any Proxy Form if the unitholder, being the appointor, is not shown to have units entered against the unitholder's name in the Depository Register not less than forty-eight (48) hours before the time appointed for holding the AGM, as certified by CDP to the Manager.

3rd fold

**Affix  
Postage  
Stamp**

**BHG RETAIL TRUST MANAGEMENT PTE. LTD.**  
(As Manager of BHG Retail REIT)

c/o Boardroom Corporate & Advisory Services Pte. Ltd.,  
1 Harbourfront Avenue  
#14-07, Keppel Bay Tower Singapore 098632

# Corporate Directory

## BHG RETAIL REIT

### REGISTERED ADDRESS

#### DBS Trustee Limited

12 Marina Boulevard Level 44  
Marina Bay Financial Centre Tower 3  
Singapore 018982  
Telephone: +65 6878 8888  
Stockcode: BMGU  
ISIN Code: SG1CD7000009  
Email: ir@bhgreit.com  
Website: www.bhgreit.com

### TRUSTEE

#### DBS Trustee Limited

12 Marina Boulevard Level 44  
Marina Bay Financial Centre Tower 3  
Singapore 018982  
Telephone: +65 6878 8888

### AUDITOR

#### KPMG LLP

12 Marina View #15-01  
Asia Square Tower 2  
Singapore 018961  
Telephone: +65 6213 3388  
Fax: +65 6225 0984

Partner-in-charge:

#### Mr Yap Wee Kee

Since financial year ended 31 December 2021

### UNIT REGISTRAR

#### Boardroom Corporate & Advisory Services Pte. Ltd.

1 Harbourfront Avenue  
#14-07 Keppel Bay Tower  
Singapore 098632  
Telephone: +65 6536 5355  
Fax: +65 6536 1360

## THE MANAGER

### REGISTERED ADDRESS

#### BHG Retail Trust Management Pte. Ltd.

250 North Bridge Road  
Raffles City Tower #32-01  
Singapore 179101  
Tel: +65 6805 8288  
Fax: +65 6805 8277

### BOARD OF DIRECTORS

#### Mr Gan Chee Yen

Chairman & Independent Director

#### Mr George Quek Meng Tong

Independent Director

#### Mr Ong Tze Guan

Independent Director

#### Mr Xiong Zhen

Non-Executive Director

#### Mr Peng Ge

Non-Executive Director

### AUDIT AND RISK COMMITTEE

#### Mr Gan Chee Yen (Chairman)

#### Mr George Quek Meng Tong

#### Mr Ong Tze Guan

### NOMINATING AND REMUNERATION COMMITTEE

#### Mr George Quek Meng Tong (Chairman)

#### Mr Gan Chee Yen

#### Mr Ong Tze Guan

### COMPANY SECRETARY

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