

3Q FY2023 Key Business and Operational Updates

Date: 31 October 2023

PARAGON REIT

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Contents

Key Highlights	4 – 5
Gross Revenue	7
Capital Management	9
Portfolio Updates	11 – 18
Growth Strategy	20



**YTD 3Q
FY2023**

Key Highlights

YTD 3Q FY2023 key highlights

Gross revenue growth

- YTD 3Q FY2023 portfolio gross revenue grew S\$2.5m or 1.2% yoy to S\$215.6m from S\$213.1m
- Gross revenue for Singapore and Australia assets increased 2.4%¹ yoy and 5.4%¹ yoy, respectively

Proactive management of a strategic and diversified portfolio

- Strong occupancy rate of 98.1% maintained across a diversified portfolio
- Healthy portfolio WALE of 5.2 years by NLA and 3.1 years by GRI
- Strategically located assets continued to benefit from strong domestic consumption and tourist arrivals

Capital management

- Gearing maintained at 30.1% with fixed debt of 85% and average cost of debt of 4.21%
- Debt is well staggered with a weighted average term to maturity at 2.4 years
- No further refinancing due for the remainder of FY2023

Note:
1. In local currency terms

YTD 3Q FY2023 key highlights

Singapore

- YTD 3Q FY2023 tenant sales increased by 1% yoy
- 10 million international tourist arrivals registered as at YTD 30 September 2023, on track to meet STB's estimate of 13 million in 2023
- Gradual increase in international arrivals supported by Meetings, Incentives, Conventions and Exhibitions (MICE) events and marquee leisure events such as Formula 1

Australia

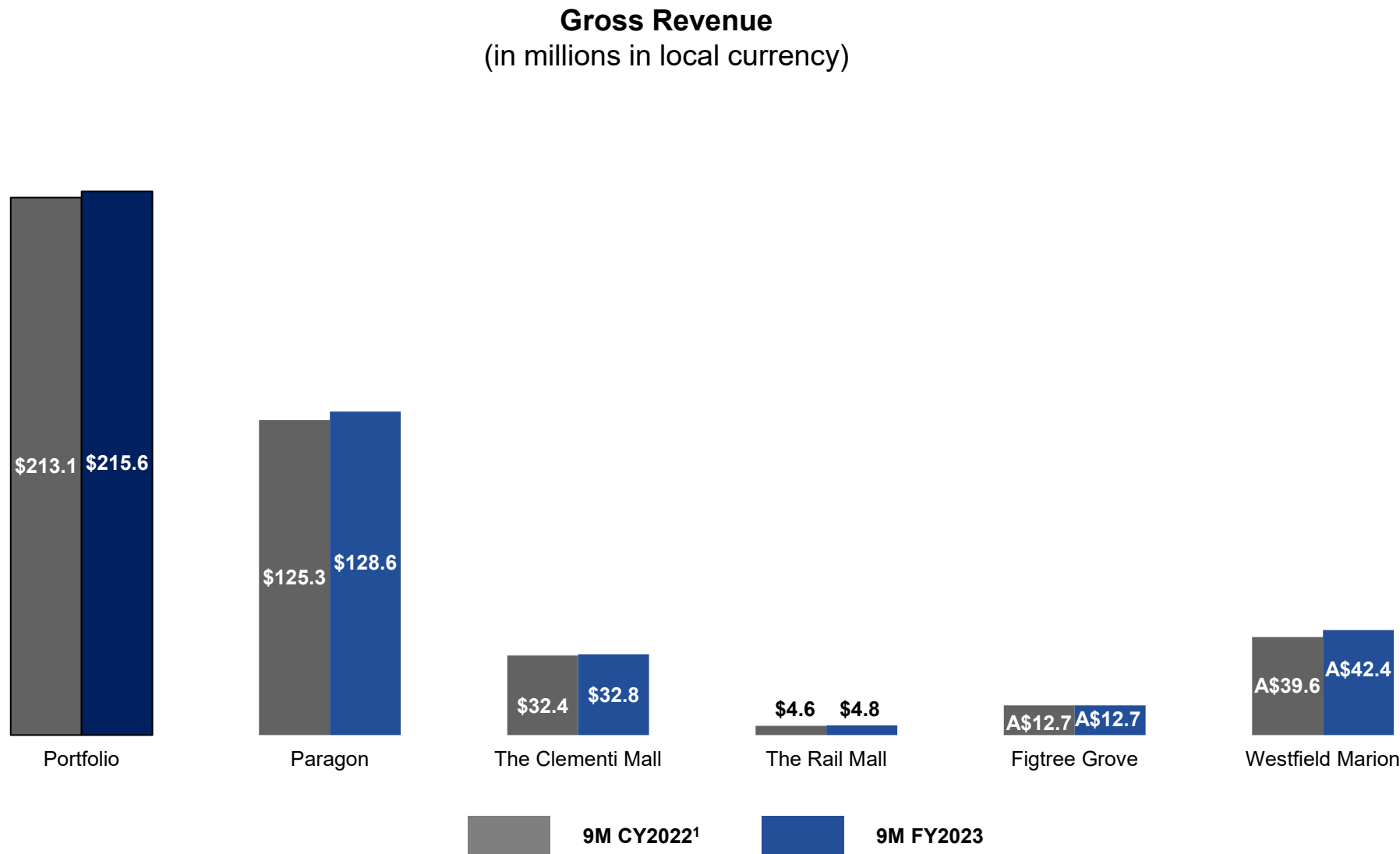
- YTD 3Q FY2023 tenant sales increased by 9% yoy
- Retail sales continued to grow despite inflationary pressures both at Westfield Marion and Figtree Grove
- Figtree Grove, a necessity sub-regional mall is supported by its immediate catchment
- Westfield Marion, a regional mall in South Australia registered 11% growth in tenant sales, reinforcing its dominance



**YTD 3Q
FY2023**

**Gross
Revenue**

Improved portfolio gross revenue



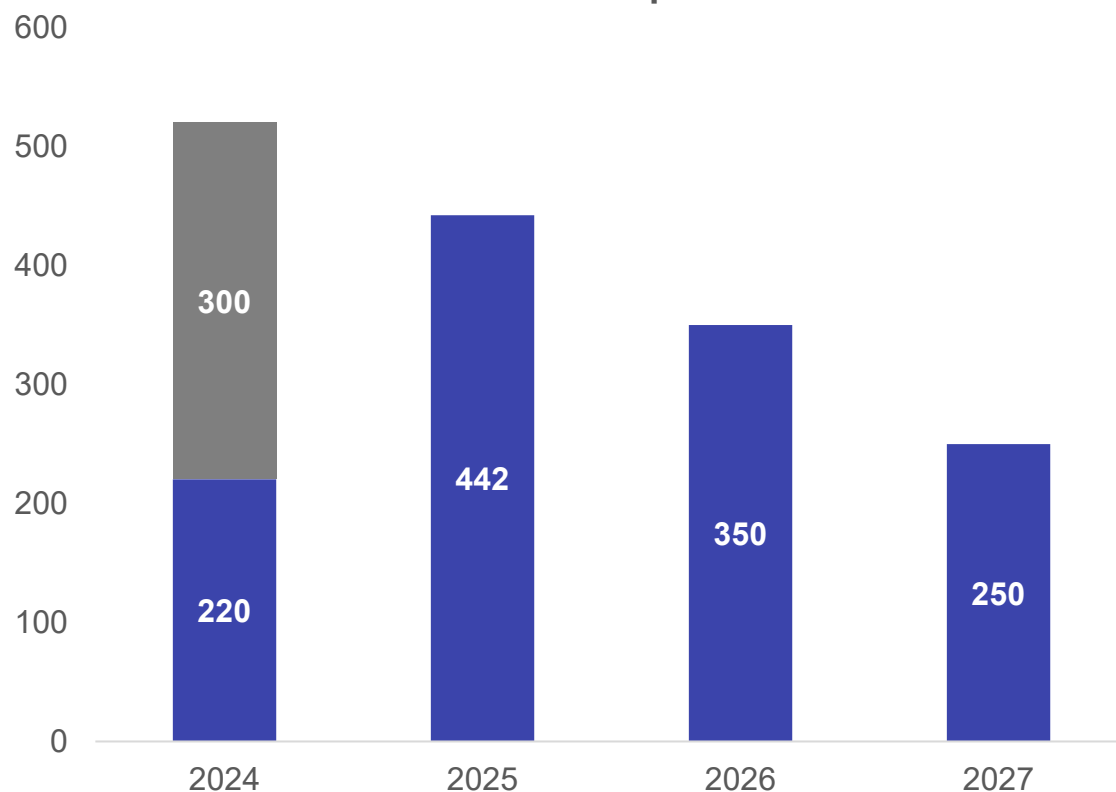
Note:
1. Includes rent relief write-back in 9M CY2022



Capital Management

Capital management

Debt Maturity Profile (S\$ million)
Approx. S\$1.3 billion (excl perpetual securities)
as at 30 September 2023



■ S\$300m of fixed rate perpetual securities issued on 30 August 2019

Gearing ¹	30.1%
Average Cost of Debt	4.21%
Weighted Average Term to Maturity	2.4 years
Floating rate % Fixed rate %	15% 85%
Interest Coverage Ratio ²	3.8 times
Adjusted Interest Coverage Ratio ² (includes perpetual securities)	3.1 times
Available Facilities	S\$225m

Notes:

1. The total assets used for computing the gearing ratio is based on the latest valuation of the investment properties as at 30 June 2023

2. Computed based on rolling 12 months from 1 Oct 2022 to 30 Sep 2023



Portfolio Updates

Resilient portfolio

98.1%

Portfolio Occupancy

2.7m

Net Lettable Area ("NLA") sf

5.2 years

WALE by NLA

3.1 years

WALE by Gross Rental Income

Singapore



Paragon



The Clementi Mall



The Rail Mall

Australia



Westfield Marion
SA



Figtree Grove
NSW

As at 30 September 2023	Singapore			Australia	
	Paragon	The Clementi Mall	The Rail Mall	Westfield Marion	Figtree Grove
NLA ('000 sqft)	718	196	50	1,484	237
Occupancy rate	100%	100%	100%	97.1%	96.4%

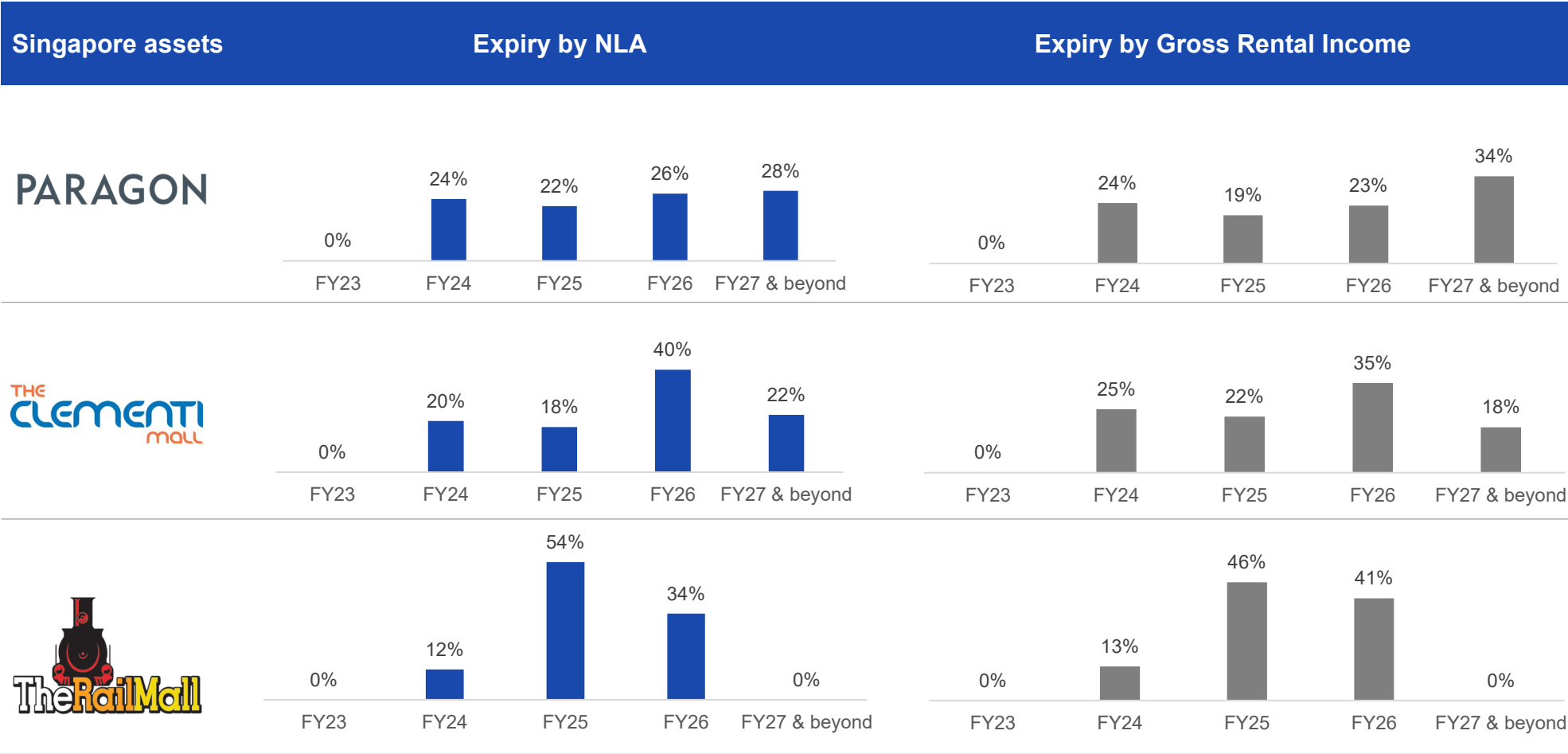
Well staggered lease expiry profile

Lease expiry as at 30 Sep 2023	FY2023	FY2024	FY2025	FY2026	FY2027 & beyond
PARAGON REIT Portfolio					
Expiries as a % of total NLA	4%	14%	12%	14%	56%
Expiries as a % of Gross rental income	5%	22%	18%	20%	35%
Singapore assets					
Expiries as a % of total NLA	0%	23%	22%	30%	25%
Expiries as a % of Gross rental income	0%	24%	20%	26%	30%
Australia assets					
Expiries as a % of total NLA	7%	8%	6%	5%	74% ¹
Expiries as a % of Gross rental income	15%	19%	12%	8%	46% ¹

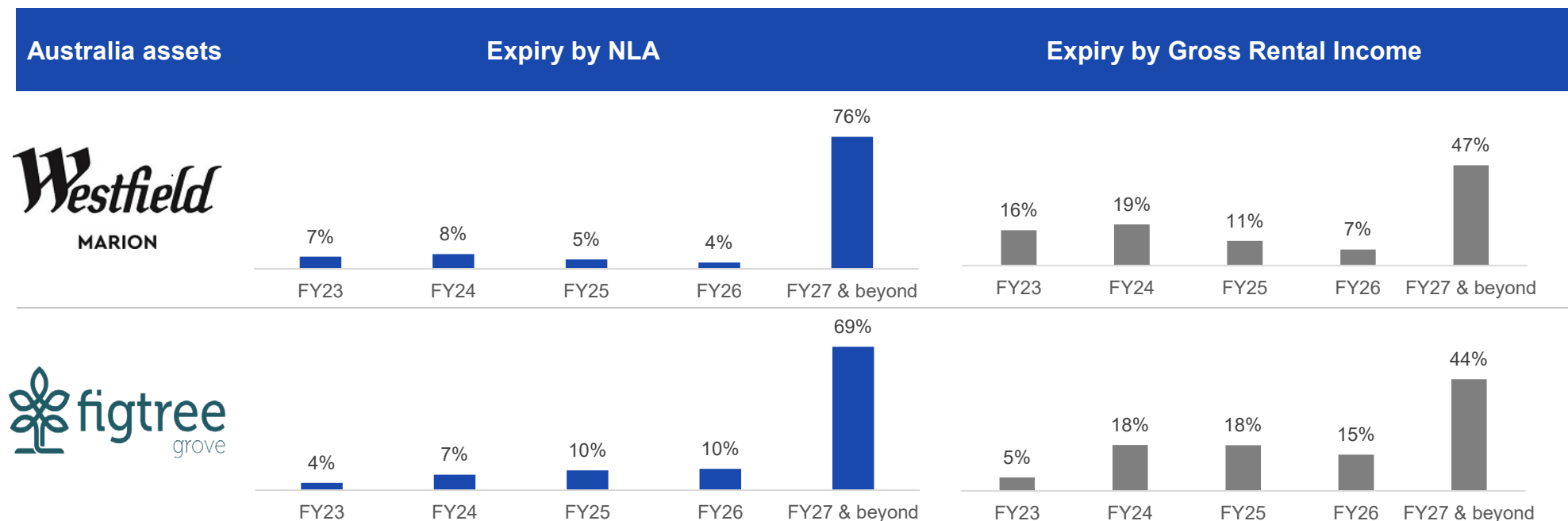
Note:

1. Anchor and mini-anchor leases are between 10 to 25 years

Proactive management of lease expiry



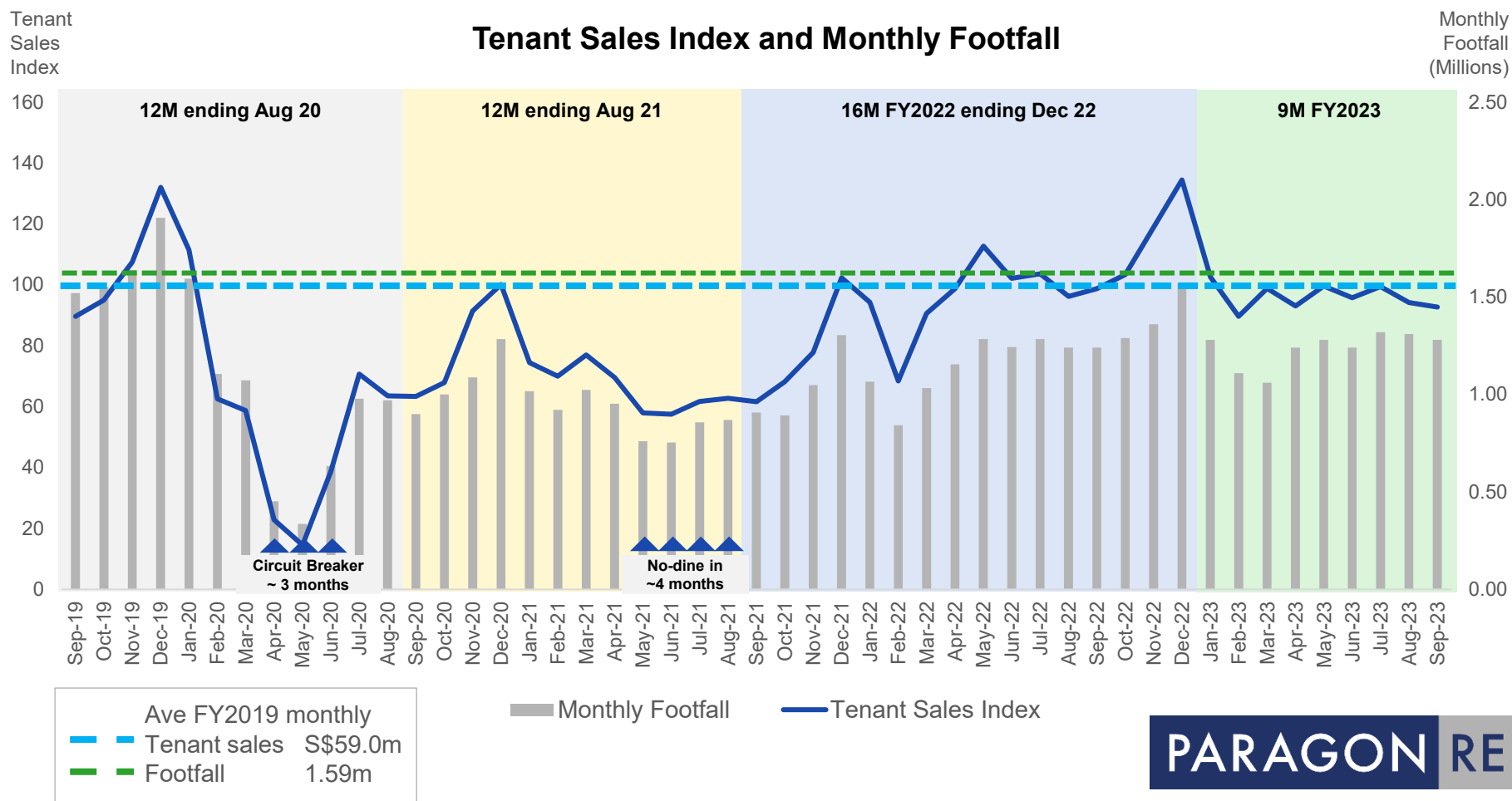
Stable lease expiry profile



SG: Steady growth in tenant sales

PARAGON

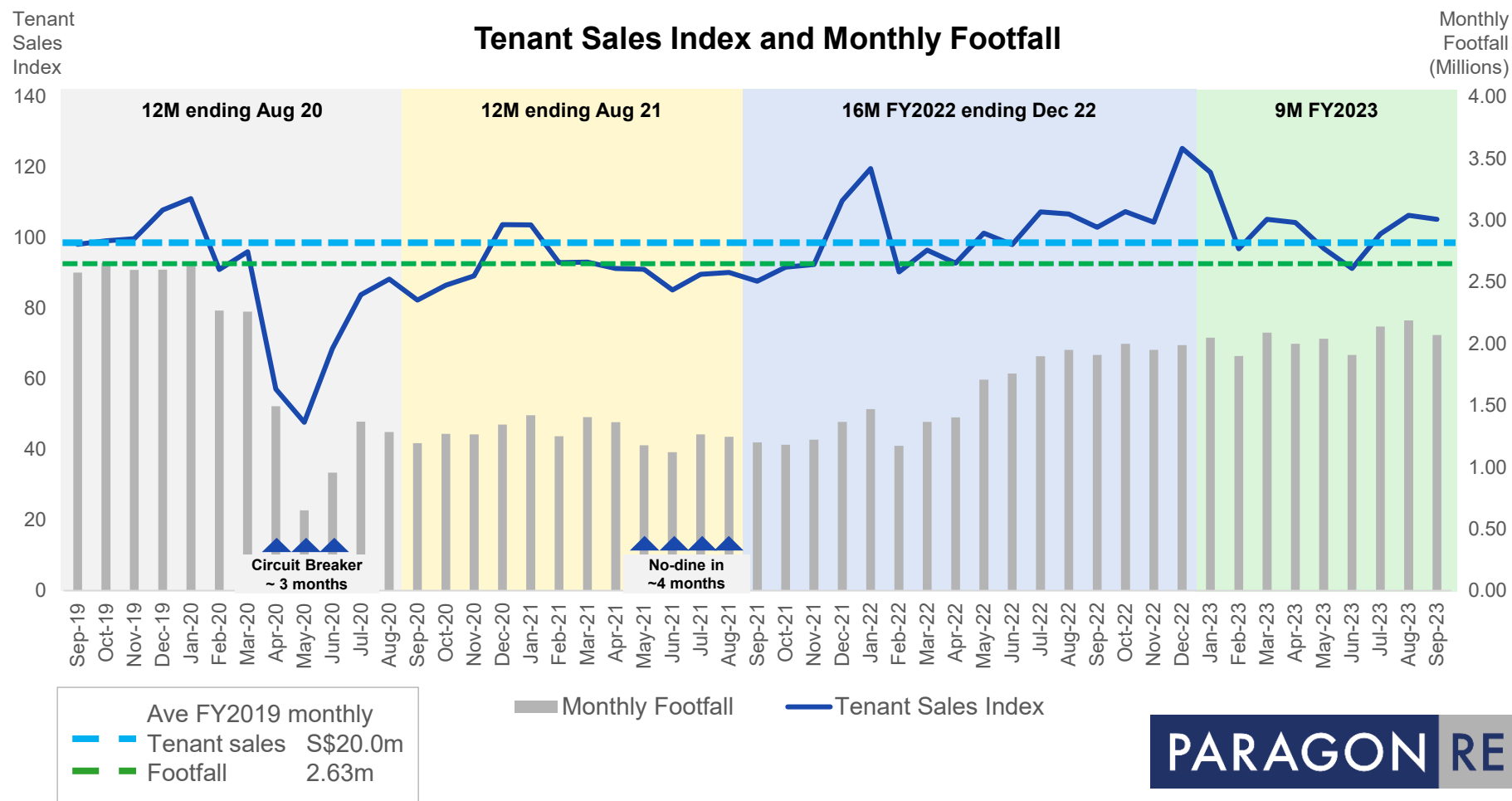
- YTD 3Q FY2023
 - tenant sales increased marginally by 1% yoy
 - footfall increased 7% yoy
- Occupancy at 100%



SG: Tenant sales remain resilient



- YTD 3Q FY2023
 - tenant sales increased marginally by 1% yoy
 - footfall increased 25% yoy
- Occupancy at 100%

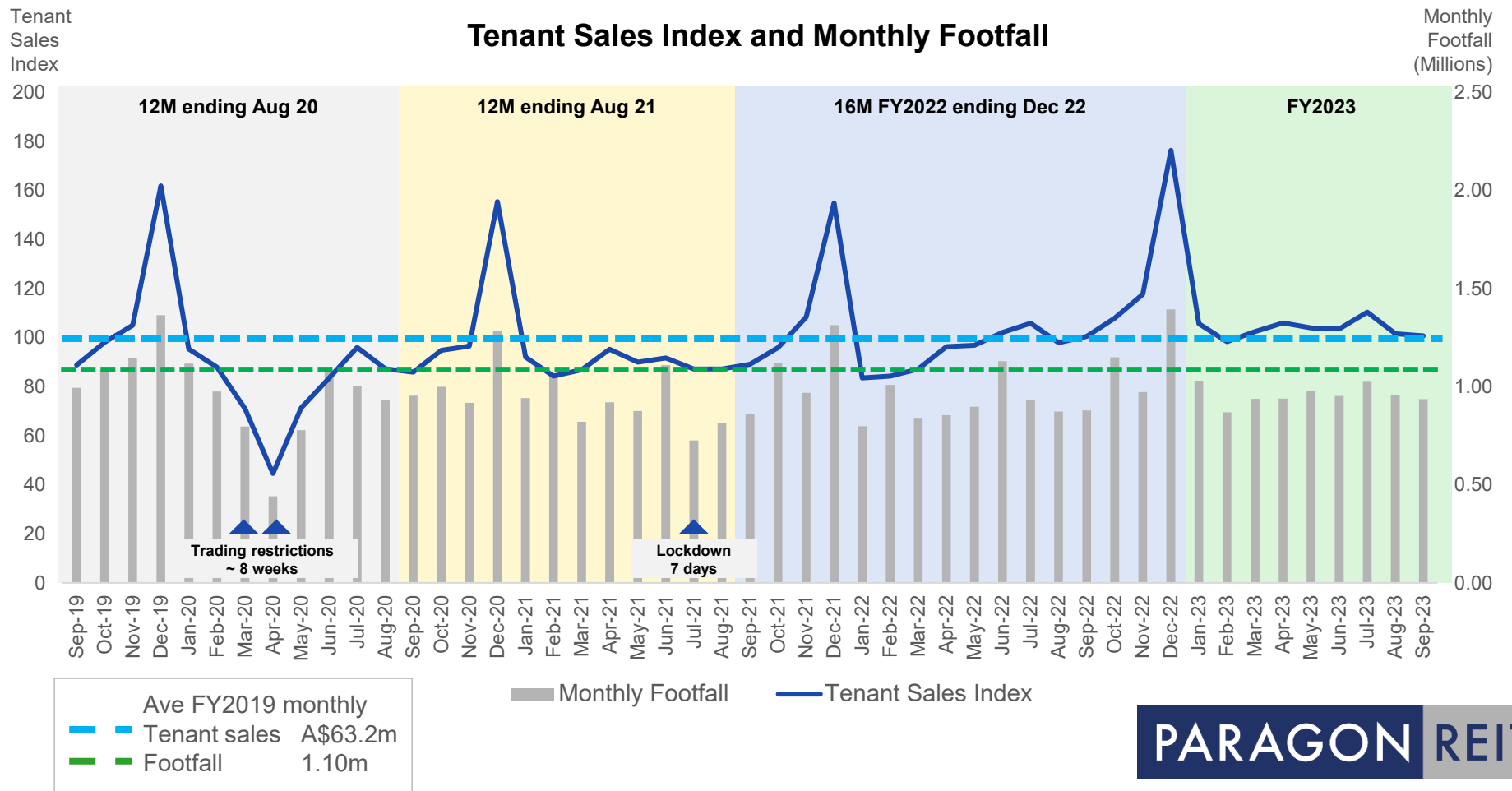


AU: Tenant sales trending above 2019



MARION

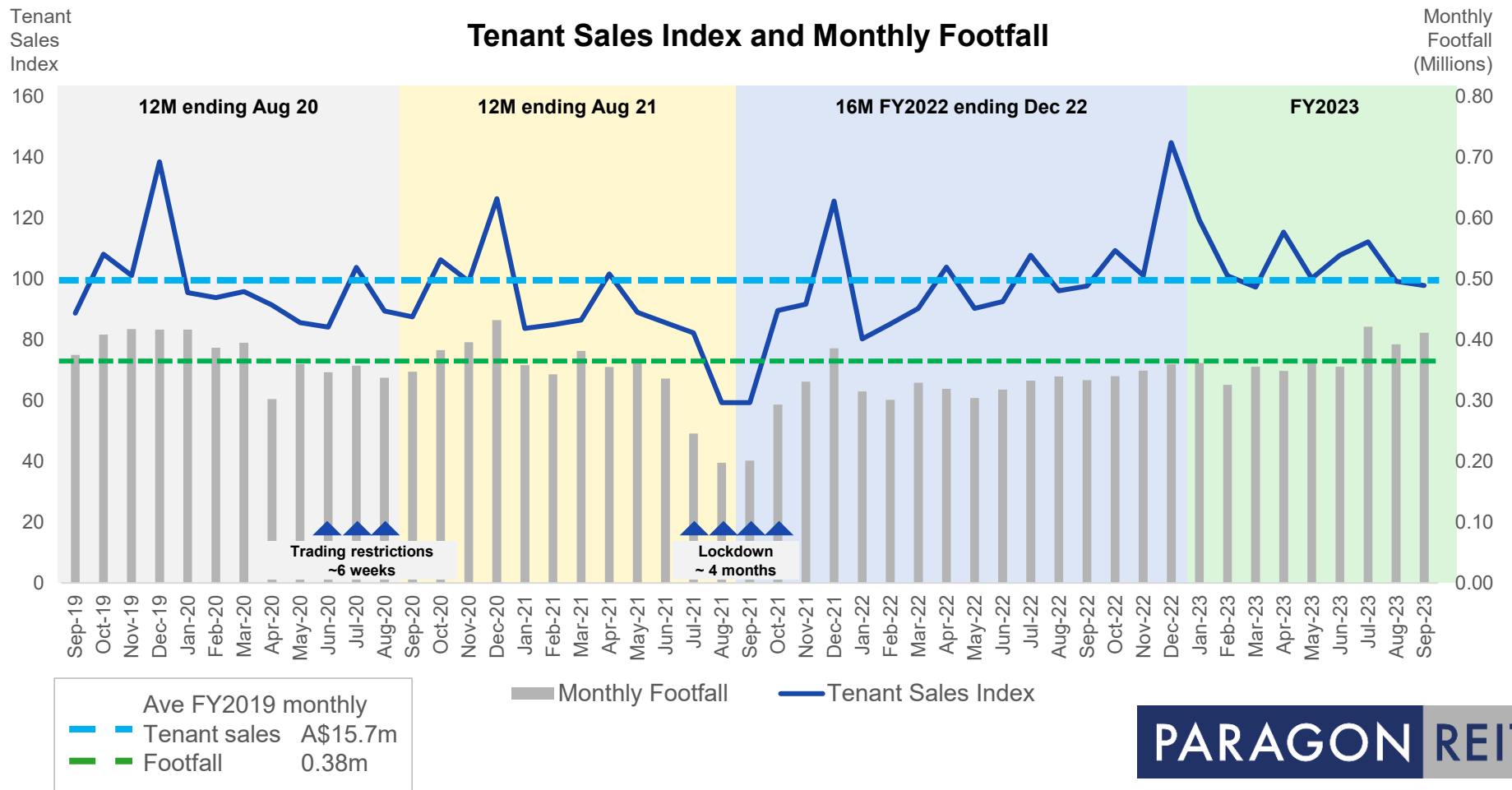
- YTD 3Q FY2023
 - tenant sales increased 9% yoy, reinforcing its dominance in South Australia
 - footfall increased 5% yoy
- Occupancy at 97.1%



AU: Tenant sales supported by its immediate catchment



- YTD 3Q FY2023
 - tenant sales increased by 11% yoy, supported by its immediate catchment
 - footfall increased 16% yoy
- Occupancy at 96.4%





Growth Strategy

Multi-pronged strategy to ensure growth

Proactive asset management and asset enhancement strategy

- Ensure that interests of all stakeholders, including tenants, shoppers and unitholders are protected while keeping its properties at the forefront of evolving retail mall trends and relevant to changing demands of consumers
- Continually optimise tenant mix of its properties
- Deliver high quality service to tenants and become the landlord of choice in the retail real estate space
- Implement asset enhancement initiatives and pro-active marketing plans

Investments and acquisition growth strategy

- ROFR on the Sponsor's future income-producing properties used primarily¹ for retail purposes in Asia Pacific
 - Two applicable ROFR properties; The Seletar Mall which opened in 2014 has maintained high occupancy; the second ROFR, The Woodleigh Mall, opened in May 2023
 - Explore acquisition opportunities that will add value to PARAGON REIT's portfolio and improve returns to unitholders

Note:

1. 'primarily' means more than 50.0% of net lettable area or (in the case of a property where the concept of net lettable area is not applicable) gross floor area.



Thank You

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