A member of Frasers Property Group

FRASERS CENTREPOINT TRUST

APTITUDE & FORTITUDE

ANNUAL REPORT 2021

Contents

APTITUDE & FORTITUDE

At Frasers Centrepoint Trust, Aptitude and Fortitude drive our actions as we look to pursue new opportunities, even as global markets are recovering and adapting to an endemic COVID-19 environment.

With resolve, we are staying ahead of macro trends and shifting consumer and corporate behaviours, formulating strategies in anticipation of potential pathways and possible outcomes.

Through courage, a strong foundation of good people and a focus on customer-centricity, we continue to evolve our businesses in an increasingly competitive and complex environment. Our shared purpose – *Inspiring experiences, creating places for good.* – will enable us to achieve our business objectives while bringing positive impact to our business, people, society and the planet.

We are now moving faster together. As we create a culture of innovation and continuous learning, we continue building core capabilities, especially sustainability, technology and digitalisation that are relevant for future readiness. We remain focused on developing quality products, services and places that create value for our stakeholders.

About Frasers Centrepoint Trust

Frasers Centrepoint Trust and its subsidiaries ("FCT") is a leading developer-sponsored retail real estate investment trust ("REIT") and one of the largest suburban retail mall owners in Singapore. FCT's property portfolio comprises nine retail malls and an office building located in the suburban regions of Singapore, near homes and within minutes to transportation amenities. The retail portfolio has approximately 2.3 million square feet of net lettable area with over 1,400 leases with a strong focus on providing necessity spending, food & beverage and essential services. FCT's malls enjoy stable and recurring shopper footfall supported by commuter traffic and residential population in the catchment areas.

FCT also holds a 31.15% stake in Hektar Real Estate Investment Trust, a retail-focused REIT in Malaysia listed on the Main Market of Bursa Malaysia Securities Berhad.

FCT is index constituent of several benchmark indices including the FTSE EPRA/NAREIT Global Real Estate Index Series (Global Developed Index), the FTSE ST Real Estate Investment Trust Index, the MSCI Singapore Small Cap Index and the SGX iEdge S-REIT Leaders Index.

Listed on the Main Board of the Singapore Exchange Securities Trading Limited since 5 July 2006, FCT is managed by Frasers Centrepoint Asset Management Ltd., a real estate management company and a wholly-owned subsidiary of Frasers Property Limited.

Structure of Frasers Centrepoint Trust

Frasers Centrepoint Trust Unitholders

Holdings of Units in Frasers Centrepoint Trust

Distributions

Manager
Frasers Centrepoint Asset Management Ltd.

Management Services

Management Fees

FRASERS CENTREPOINT TRUST

Acts on behalf of Unitholders

Trustee Fees

Trustee
HSBC Institutional Trust Services (Singapore) Limited

Ownership of Assets

Net Property Income

Property Manager
Frasers Property Retail Management Pte Ltd.

Property Management Services

Property Management Fee

FCT Portfolio Properties
- Causeway Point
- Waterway Point (40% stake)
- Tampines 1
- Northpoint City North Wing and Yishun 10 Retail Podium
- Tiong Bahru Plaza
- Century Square
- Changi City Point
- Hougang Mall
- White Sands
- Central Plaza

Organisation Structure of The Manager

The Manager
Frasers Centrepoint Asset Management Ltd.

The Board of Directors

Nominating and Remuneration Committee

Audit, Risk and Compliance Committee

Chief Executive Officer

Investor Relations

Finance

Investment & Asset Management

Business Objectives and Growth Strategies

FCT is a real estate investment trust set up to own and invest in income producing properties or properties that could be developed or redeveloped into income-producing properties, used primarily for retail purposes in Singapore and overseas.

FCT's objectives are to deliver regular and stable distributions to Unitholders of FCT ("Unitholders") and to achieve long-term growth in its net asset value, so as to provide Unitholders with competitive rate of returns for their investments.

Frasers Centrepoint Asset Management Ltd. ("FCAM"), the Manager of FCT, sets the strategic direction for FCT and this includes making recommendations to HSBC Institutional Trust Services (Singapore) Limited, as the Trustee of FCT, on acquisitions, divestments and enhancement of assets. FCAM also oversees the overall management of FCT's portfolio of investment properties, including the capital and risk management.

FCT's growth strategies comprise three growth drivers – acquisition growth, enhancement growth and organic growth.

ACQUISITION GROWTH

Identifying and pursuing growth opportunities via acquiring additional income-producing properties and properties that could be developed or redeveloped into income-producing properties. The acquisitions should meet FCT's investment objectives to enhance yields and returns for Unitholders while improving portfolio diversification. The acquisition opportunities include Sponsor's pipeline assets and third party assets, in Singapore and overseas.

ENHANCEMENT GROWTH

This includes change of configuration and layout of the properties to achieve better asset yield and sustainable income growth, and to achieve value creation through Asset Enhancement Initiative ("AEI") to improve the income-producing capability of the properties.

ORGANIC GROWTH

Active lease management to achieve positive rental reversions, and maintaining healthy portfolio occupancy to provide steady rental growth.

FCAM adopts prudent capital and risk management strategies in its course of business.

CAPITAL MANAGEMENT

FCAM continues to maintain a prudent financial structure and adequate financial flexibility to ensure that it has access to capital resources at competitive cost.

FCAM proactively manages FCT's cash flows, financial position, debt maturity profile, costs of capital, interest rates exposure and overall liquidity position.

RISK MANAGEMENT

Effective risk management is a fundamental part of FCT's business management. Key risks, mitigating measures and management actions are continually identified, reviewed and monitored by management as part of FCAM's enterprise-wide risk management framework.

Recognising and managing risks are central to the business and to protecting Unitholders' interests.

FY2021 Highlights

GROSS REVENUE
S$341.1 million

▲ 107.5% year-on-year

APPRAISED VALUE OF INVESTMENT PROPERTY PORTFOLIO
S$5,506.5 million

▲ 92.7% year-on-year

Total appraised value of FCT's portfolio of investment properties as at 30 September 2021 stood at S$5,506.5 million, registering an increase of S$2,649.0 million as compared to 30 September 2020[1]. Tiong Bahru Plaza, Century Square, Hougang Mall, Tampines 1, White Sands and Central Plaza were included in the Group's portfolio following the acquisition of the balance 63.11% stake in ARF on 27 October 2020. The increase in portfolio value was offset by the divestment of Bedok Point, Anchorpoint and YewTee Point during the financial year. The largest mall, Causeway Point registered an uplift in its appraised value to S$1,312 million and two other properties - Changi City Point and Yishun 10 Retail Podium saw declines in their appraised values. The appraised values of all other properties were unchanged compared with the previous year.

NET PROPERTY INCOME
S$246.6 million

▲ 122.4% year-on-year

FY2021 gross revenue and net property income were up 107.5% and 122.4% year-on-year (y-o-y), respectively. The financial performance was boosted mainly by contributions from the properties in the AsiaRetail Fund Limited ("ARF") after the completion of the 63.11% remaining interest in ARF ("ARF Acquisition") on 27 October 2020. The performance was partially offset by the loss of contributions from the three properties - Bedok Point, Anchorpoint and YewTee Point which were divested in FY2021.

NET ASSET VALUE AND NET TANGIBLE ASSET PER UNIT
S$2.30

▲ 1.3% year-on-year

FCT's NAV and NTA per unit as at 30 September 2021 stood at S$2.30 per unit[2] which is 1.3% higher than the NAV and NTA per unit of S$2.27 per unit[3] a year ago.

DISTRIBUTION PER UNIT
12.085 S cents

▲ 33.7% year-on-year

Distribution per unit ("DPU") for FY2021 was 12.085 S cents, which is 33.7% higher than the 9.042 S cents DPU in FY2020. The increase in DPU was mainly due to the improved financial performance and enlarged portfolio after the completion of the ARF Acquisition on 27 October 2020.

GEARING LEVEL
33.3%

▼ 2.6%-point year-on-year

FCT's gearing stood at a healthy level of 33.3%[4], compared to average of 37.3%[5] in the S-REITs industry.

1 Includes Bedok Point which was classified as asset held for sale as at 30 September 2020.
2 Includes the distribution to be paid for the second half of financial year 2021.
3 Includes the distribution to be paid for the second half of financial year 2020.
4 In accordance with Property Funds Appendix, the gearing ratio included FCT's proportionate share (40%) of deposited property value and borrowings in Sapphire Star Trust (which owns Waterway Point).
5 Weekly S-REITS Tracker, 1 November 2021, OCBC Investment Research.

Key Events

OCTOBER 2020

- FCT announced the issuance of 244,681,000 new FCT units pursuant to the private placement under the Equity Fund Raising ("EFR")
- FCT announced the launch of the non-renounceable preferential offering ("Preferential Offering"). The issue price of each new FCT Unit under the Preferential Offering was S$2.34
- FCT raised gross proceeds of approximately S$759.7 million through the Preferential Offering. Together with the gross proceeds from the private placement, the EFR raised total gross proceeds of approximately S$1,334.7 million
- FCT published the minutes of the EGM held on 28 September 2020
- FCT announced the issuance of 324,639,666 new FCT units pursuant to the Preferential Offering under the EFR
- FCT announced the completion of the acquisition of the remaining 63.11% interest in ARF on 27 October 2020

NOVEMBER 2020

- FCT announced the full year financial results for FY2020: FY2020 DPU decreased 25.1% year-on-year to 9.042 Singapore cents due to COVID-19 pandemic
- FCT announced the completion of the divestment of Bedok Point

DECEMBER 2020

- FCT announced the proposed divestment of Anchorpoint Shopping Centre for S$110.0 million

JANUARY 2021

- FCT provided the business updates for the first quarter ended 31 December 2020
- FCT held its 12th Annual General Meeting on 21 January 2021, all resolutions proposed were duly passed

MARCH 2021

- FCT announced the completion of the divestment of Anchorpoint Shopping Centre
- FCT announced the proposed divestment of YewTee Point for S$220.0 million

APRIL 2021

- FCT announced its financial results for the second quarter and half yearly results ended 31 March 2021

MAY 2021

- FCT announced the completion of the divestment of YewTee Point
- FCT announced that Ms Tay Hwee Pio would step down as Chief Financial Officer ("CFO") on 24 July 2021, to pursue personal interests

JULY 2021

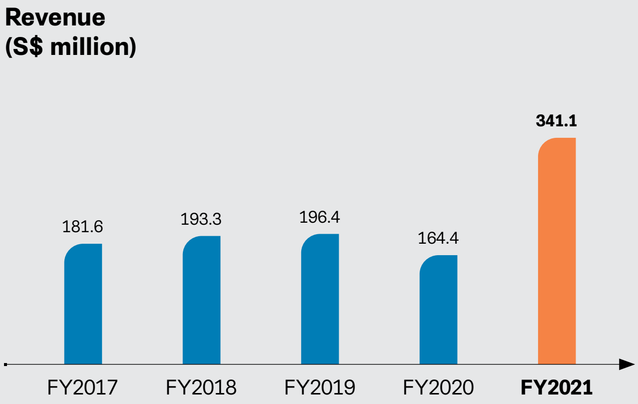
- FCT announced the appointment of Ms Audrey Tan as CFO, replacing outgoing CFO, Ms Tay Hwee Pio
- Announcement of the extension of Property Management Agreement with Frasers Property Retail Management Pte. Ltd. as property manager of Causeway Point, Changi City Point, Northpoint City North Wing and Yishun 10 Retail Podium for another five years up to 4 July 2026
- FCT provided the business updates for the third quarter ended 30 June 2021 on 22 July 2021

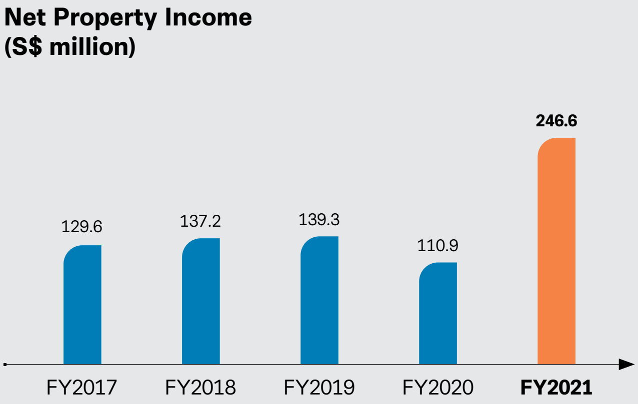
SUBSEQUENT EVENTS

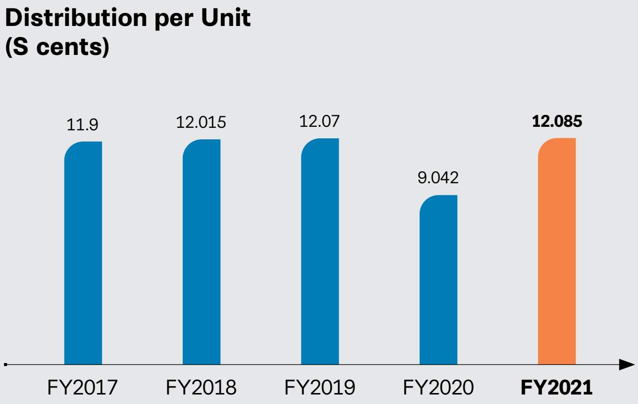
October 2021

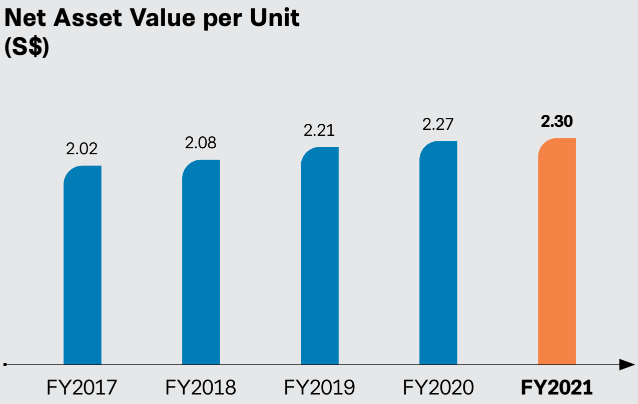
- FCT announced the full year financial results for FY2021 on 27 October 2021: FCT Reports DPU of 12.085 Singapore Cents for FY2021
- FCT received 5 Stars ratings and achieved the highest overall score of 92 in the 2021 Global Real Estate Sustainability Benchmark ("GRESB") assessment

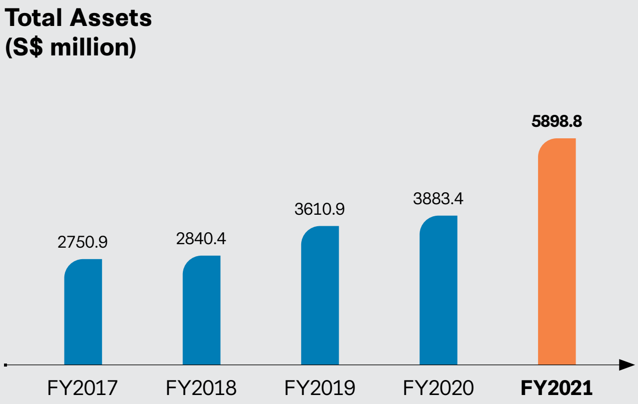
5-Year Performance at a Glance

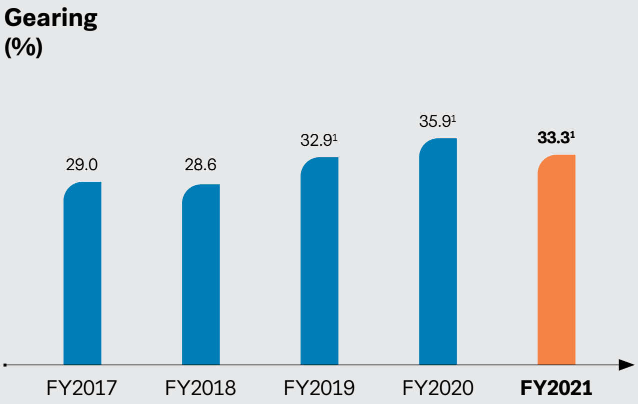






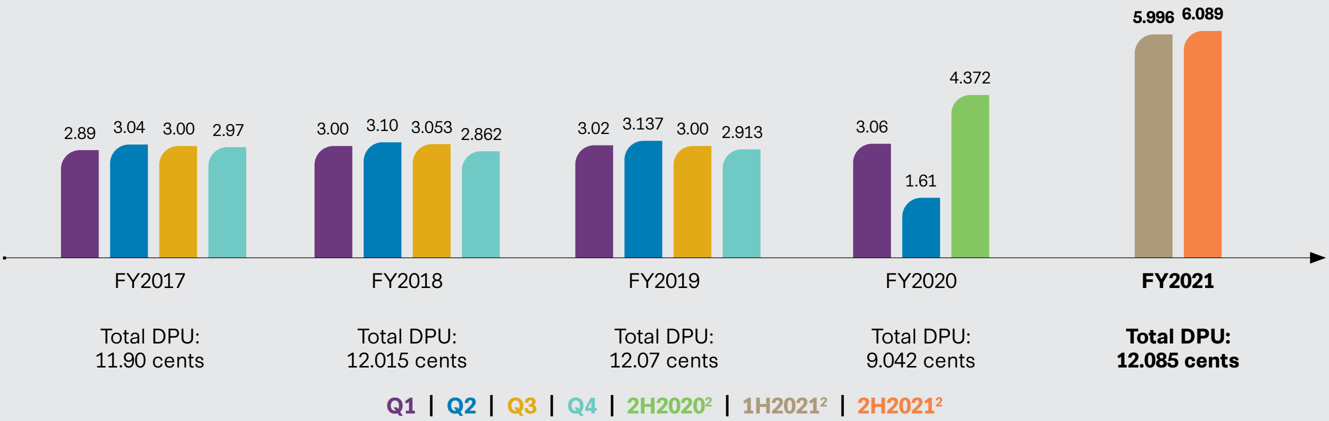






1 In accordance with Property Funds Appendix, the gearing ratio included FCT's proportionate share (40%) of deposited property value and borrowings in Sapphire Star Trust (which owns Waterway Point).

Distribution per Unit by Financial Reporting Periods (S cents)



2 FCT has moved to half-yearly financial announcement and half-yearly distribution payment with effect from the second half of its financial year 2020. The announcement was made on 13 May 2020. This follows the amendment of SGX's listing manual (Rule 705(2)) that allows issuers to move to half yearly reporting which took effect from 7 February 2020.

Group For the Financial Year ended 30 September	FY2017	FY2018	FY2019	FY2020	**FY2021**
Selected Income Statement and Distribution Data (S$'000)					
Gross Revenue	181,595	193,347	196,386	164,377	**341,149**
Net Property Income	129,558	137,186	139,283	110,888	**246,567**
Distributable Income	110,615	111,316	118,718	101,146	**204,674**
Selected Balance Sheet Data (S$ million)					
Total Assets	2,750.9	2,840.4	3,610.9	3,883.4	**5,898.8**
Total Borrowings	798.0	813.0	1,042.0	1,255.0	**1,815.0**
Net Assets	1,872.2	1,933.8	2,471.0	2,538.3	**3,918.8**
Value of Portfolio Properties[1]	2,668.1	2,749.0	2,846.0	2,749.5	**5,506.5**[2]
Other Financial Indicators					
Distribution per Unit (S cents)[3]	11.90	12.015	12.070	9.042	**12.085**
Net Asset Value per Unit (S$)[3]	2.02	2.08	2.21	2.27	**2.30**
Ratio of Total Borrowings to Total Assets (Gearing)[4]	29.0%	28.6%	32.9%	35.9%	**33.3%**
Interest Coverage (Times)	6.85	6.25	5.74	4.95	**5.11**
Market Capitalisation (S$ million)	1,946.4	2,102.9	3,058.6	2,675.5	**3,857.3**[5]

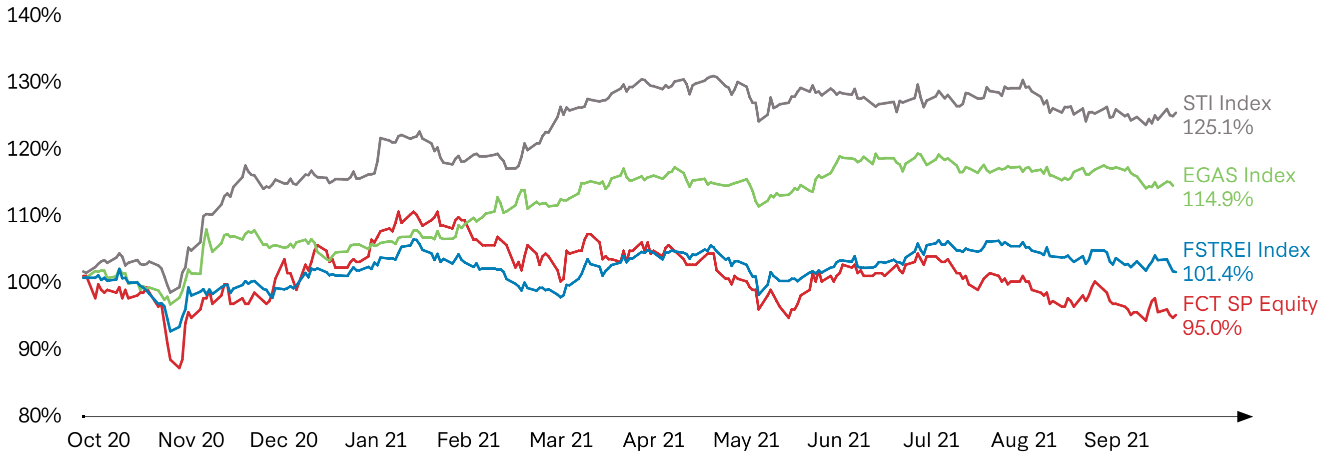
1 The investment properties in FY2021 are: Causeway Point, Northpoint City North Wing (including Yishun 10 Retail Podium), Changi City Point, Tiong Bahru Plaza, White Sands, Hougang Mall, Tampines 1, Century Square and Central Plaza. The 40%-interest in Waterway Point is held as investment in joint venture. The investment properties in FY2020 excludes Bedok Point which was classified as asset held for sale.
2 The properties Tiong Bahru Plaza, White Sands, Hougang Mall, Tampines 1, Century Square and Central Plaza were included in FCT's investment property portfolio following the completion of the acquisition of the remaining 63.11% interest in AsiaRetail Fund Limited on 27 October 2020. The properties Bedok Point, Anchorpoint and YewTee Point were divested during FY2021.
3 Includes the distribution to be paid for the last quarter of the Financial Year for FY2017, FY2018 and FY2019. Includes the distribution to be paid for the second half of the Financial Year for FY2020 and FY2021.
4 In accordance with the Property Funds Appendix, the gearing ratio includes FCT's proportionate share (40%) of deposited property value and assets and underlying borrowings (40%) in Sapphire Star Trust (which owns the retail property Waterway Point).
5 Based on total outstanding 1,699,268,583 issued units and FCT's closing price of S$2.27 as at 30 September 2021.

Unit Price Performance

FCT'S UNIT PRICE AND TOTAL RETURN WERE AFFECTED BY THE COVID-19 PANDEMIC

FCT unit price closed at S$2.27 on 30 September 2021. This represents a unit price decline of 5% (or -4.79% after adjusting for issuance of new units under the preferential offering in October 2020) and a total return of -0.62% during the year under review. FCT's unit price underperformed the key benchmark indices. FCT unit price peaked at S$2.64 on 27 January 2021 on hopes of economy re-opening, but it declined subsequently due to the resurgence of community COVID-19 cases and implementation of tighter safe management measures under the Phase 2 and Phase 3 (Heightened Alert) and Stabilisation Phase. The lowest closing unit price was S$2.08 on 2 November 2020.

Table: 1-Year FCT Unit price performance versus FTSE REIT Index and FTSE Straits Times index



Source: Bloomberg

During the year under review, FCT's total return underperformed all 3 reference indices by between 7.3%-points and 30.0%-points. Over a longer three- and five-year period, FCT's total returns stood at 13.46% and 30.73%, which outperformed the FTSE Straits Times Index and the FTSE EPRA/NAREIT Developed Asia Index (EGAS), as shown in the table below:

	1-year 1 October 2020 to 30 September 2021		3-years 1 October 2018 to 30 September 2021		5-years 1 October 2016 to 30 September 2021	
	Price Change	Total Return[1]	Price Change	Total Return[1]	Price Change	Total Return[1]
FCT	-4.79%	-0.62%	0.33%	13.46%	3.52%	30.73%
FTSE REIT Index	1.42%	6.69%	5.80%	22.86%	10.18%	44.58%
FTSE Straits Times Index	25.14%	29.33%	-5.23%	6.07%	7.57%	29.11%
FTSE EPRA Nareit Developed Asia Index (EGAS)	14.85%	19.35%	0.21%	12.23%	-3.68%	15.84%

Source: Bloomberg
1 Assumes the distributions are reinvested

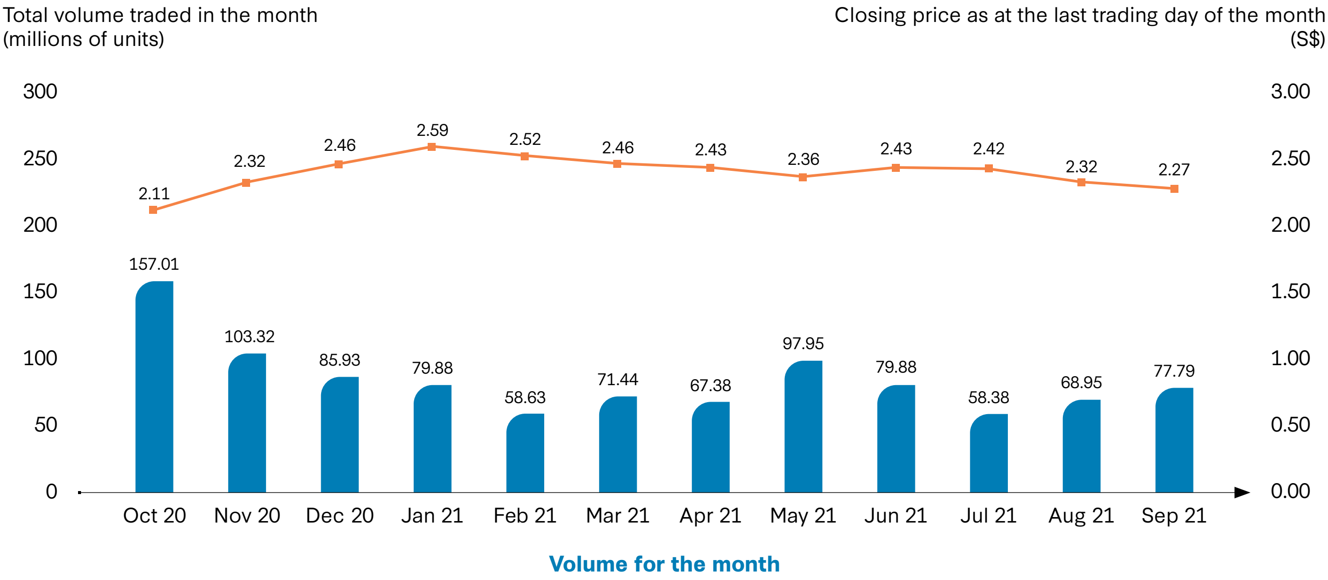
ISSUANCE OF NEW UNITS IN FCT ("NEW UNITS") AFTER THE COMPLETION OF THE EQUITY FUND RAISING ("EFR") IN OCTOBER 2020 INCREASED FCT'S TOTAL AND FREE-FLOAT MARKET CAPITALISATION

In October 2020, FCT launched an EFR comprising a private placement ("Private Placement") and a non-renounceable preferential offering ("Preferential Offering") to raise gross proceeds of approximately S$1,334.7 million. Approximately 244.68 million New Units were issued under the Private Placement, and approximately 324.64 million New Units were issued under the Preferential Offering. The issuance of New Units under the EFR raised FCT's total issued units to approximately 1.69 billion units as at 27 October 2020 from about 1.12 billion units before the EFR. The larger issue unit base led to an increase in total and free-float market capitalisation of FCT, which raised FCT's index weightage in indices such as the FTSE EPRA/NAREIT Global Real Estate Index Series (Global Developed Index), of which FCT is an index constituent.

FCT MONTHLY TRADING PERFORMANCE IN FY2021

FCT's trading volume and the unit closing price for each month in FY2021 is shown in the chart below. The average daily trading volume in FY2021 was 3.98 million units, which is about 21.2% higher compared with the same period in the previous year.

Trading Performance in FY2021



TRADING PERFORMANCE IN THE PAST FIVE FINANCIAL YEARS

The table below shows the historical trading information of FCT units in the past five financial years. Notwithstanding the muted unit price performance in FY2021 due mainly to investors' concerns over the impact from COVID-19, the trading liquidity of FCT units have improved consistently over the last five years. The average daily trading volume has risen nearly 3.9 times from about 1 million units in FY2017 to 3.98 million units in FY2021. The market capitalisation has also risen 98% from S$1.95 billion to S$3.86 billion.

	FY2017	FY2018	FY2019	FY2020	FY2021
Opening price (S$)	2.200	2.110	2.270	2.730	2.390
Closing price (S$)[1]	2.110	2.270	2.740	2.390	2.270
Highest closing price (S$)	2.190	2.360	2.850	3.040	2.640
Lowest closing price (S$)	1.870	2.120	2.140	1.640	2.080
Total volume traded (million Units)	254.5	271.2	478.5	820.8	1,006.5
Average daily trading volume (million units)	1.014	1.085	1.916	3.283	3.978
Market capitalisation (S$ billion)[2]	1.946	2.103	3.059	2.675	3.857

Source: Bloomberg
1 Based on the closing price as at the last trading day for the respective financial year
2 Based on the closing price and issued Units as at the last trading day for the respective financial year

Letter to Unitholders

Dear Unitholders,

We are pleased to present Frasers Centrepoint Trust and its subsidiaries' ("FCT" and the "Group") Annual Report and Sustainability Report for the financial year ended 30 September 2021 ("FY2021").

APTITUDE AND FORTITUDE THROUGH THE CHALLENGES FROM COVID-19

It has been 20 months since COVID-19 was declared a pandemic by the World Health Organisation and it has since reshaped the world, countries, businesses, and how we re-think the future. At the same time, the devastating impact of COVID-19 has also demonstrated the devotion to duty, and courage of our people at different levels and in so many ways. Our frontline colleagues at mall management, customer service, security staff and cleaning service providers worked tirelessly to ensure our properties remain safe for shoppers and tenants. Colleagues in other roles such as asset management, finance and property management, provided unwavering support to our business, our tenants and to our frontline colleagues, even as they struggled with increased workloads and family commitments. We are heartened by the display of aptitude and fortitude of our people and we are proud of them. We have emerged stronger as an organisation as we move towards the re-opening of the economy.

FY2021 PERFORMANCE REVIEW

Performance boosted by acquisition of the remaining 63.11% interest in AsiaRetail Fund Limited (the "ARF Acquisition")
FCT has delivered a good set of results for FY2021, helped by contributions from the ARF Acquisition completed on 27 October 2020. The ARF Acquisition added five retail properties and one office property to our assets under management and contributed 11 months of income in FY2021.

Revenue and net property income for FY2021 more than doubled to new highs of S$341.1 million and S$246.6 million, respectively, and NPI margin for the year recovered to 72.3%, from 67.5% in FY2020. Distributable income for FY2021 doubled to S$204.7 million from

We are heartened by the display of aptitude and fortitude of our people and we are proud of them. We have emerged stronger as an organisation as we move toward the re-opening of the economy.

S$101.1 million in FY2020. The improved full year financial performance was attributed to the ARF Acquisition and lower rental rebates granted to tenants this year, which was partially offset by the loss of contribution from the properties divested during the year. The distribution per unit ("DPU") for FY2021 is 12.085 Singapore cents, which is 33.7% higher year-on-year, and higher than the FY2019 DPU (before COVID-19) of 12.07 Singapore cents.

Portfolio re-constitution in FY2021
Post-ARF Acquisition, five retail properties, namely, Tampines 1, Century Square, Tiong Bahru Plaza, White Sands, Hougang Mall and one office property Central Plaza were added to the FCT property portfolio. During the year, we divested three retail properties, Bedok Point, Anchorpoint and YewTee Point, in line with FCT's strategy of portfolio re-constitution. FCT's retail portfolio now consists of nine suburban retail malls[1] with at least 150,000 square feet of net lettable area each, all of them located next to or above MRT stations and/or at bus interchanges. They serve a combined catchment population of 2.6 million. The completion of the portfolio re-constitution consolidates our core competence and market strength as a leading suburban retail REIT in Singapore.

Healthy financial position with gearing at 33.3%
FCT's financial position remains healthy with gearing level of 33.3% and average all-in cost of borrowing stable at 2.2%. Total assets as at 30 September 2021 stood at approximately S$5.9 billion, an increase of approximately S$2.0 billion due to the ARF Acquisition but partially offset by the divestment of Bedok Point, Anchorpoint and YewTee Point in FY2021. Net asset value per unit as at 30 September 2021 was up 1.3% to S$2.30 as compared to a year ago. The largest mall, Causeway Point, saw a 0.5% uplift in its appraised value to S$1,312 million, while two other properties Changi City Point and Yishun 10 Retail Podium saw declines in their appraised values. The appraised values of all other properties were unchanged compared with the previous year.

Operating performance remained resilient
FCT's portfolio performance remained resilient in FY2021. The committed occupancy of the retail portfolio as at 30 September 2021 improved 0.9 percentage-point quarter-on-quarter to 97.3%. On a comparable basis, the four properties: Causeway Point; Northpoint City North Wing; Changi City Point; and Waterway Point, registered increased occupancy of between 2 percentage points and 5 percentage points from the previous year. The improvement in portfolio occupancy was in line with the pickup in leasing activities as Singapore continued to re-open, though many retailers remained cautious.

Retail portfolio tenants' sale up 10.6% year-on-year
The retail portfolio tenants' sales in FY2021 grew 10.6% year-on-year to S$2.08 billion, largely due to the low base effect as FY2020 sales were significantly affected by the Circuit Breaker[2]. Tenants' sales in FY2021 were affected by a series of tightened safe management measures during Phase 2 and Phase 3 Heightened Alerts and the subsequent Stabilisation Phase in September 2021. During the first six months of FY2021 (October 2020 to March 2021), tenants' sales hovered near pre-COVID levels.

The Retail Portfolio tenants' sales in the first four months in FY2021 (October 2020 – January 2021) were tracking close to the same period in FY2020. However, tenants' sales recovery started to lose momentum as Singapore transited to Phase 2 (Heightened Alert) in May 2021 due to rising community COVID-19 cases and tightened restrictions. Sales were further affected by a series of tightened safe management measures during the Phase 3 and Phase 2 Heightened

1 These nine malls are Causeway Point; Northpoint City North Wing (including Yishun 10 Retail Podium); Changi City Point; Waterway Point (FCT owns 40% interest in Sapphire Star Trust which holds Waterway Point); Tampines 1; Century Square; Tiong Bahru Plaza; White Sands; and Hougang Mall.
2 The Circuit Breaker, announced by the Government on 3 April 2020, was implemented between 7 April 2020 and 1 June 2020. https://www.moh.gov.sg/news-highlights/details/circuit-breaker-to-minimise-further-spread-of-covid-19

Alerts and subsequent Stabilisation Phase commencing from 27 September 2021. The adverse impact on sales from the various measures were felt in general although the impact varied across trades and businesses. Tenants' sales started to recover in August and September 2021, when dining in was allowed and group size for vaccinated persons was increased from two to five.

Shopper traffic at 50-70% of pre-COVID level
Overall shopper traffic in FY2021 was between 50% and 70% of the pre-COVID level. On a comparable basis, the aggregate shopper traffic of Causeway Point, Northpoint City North Wing, Changi City Point and Waterway Point was reduced by about 14% to 83.4 million from 96.6 million in FY2020.

The recovery of tenants' sales and shopper traffic will depend on how COVID-19 develops, for better or worse, and the government's response.

Well-spread lease renewal profile
FCT has a well-spread portfolio lease expiry profile with low concentration risk. FCT has about 36% of its leases (by gross rental income) expiring in FY2022. As at 30 September 2021, one-quarter of the renewals were under advanced negotiation or under documentation.

We expect tenants to remain cautious in their lease negotiations, considering market uncertainties and the uneven pace of recovery among the retail trade sectors. The uncertainties in market conditions would likely exert pressure on asking rents for new and renewal leases. We continue to adopt differentiated approaches and exercise flexibility in our lease negotiations. This will allow tenants to assess their situations before committing to new leases and also allow us as a landlord to price our rents accordingly.

SUSTAINABILITY A CORE IN FCT'S STRATEGY

The Board views sustainability as a core of FCT's business strategy. As part of Frasers Property Group ("Frasers Property"), the management team works closely with the Frasers Property's sustainability leadership and working teams to attain net-zero carbon, achieve Green Mark certification for our properties, and improve the health and well-being of our people and stakeholders. Details are outlined in the Sustainability Report which is an integral part of this Annual Report.

Eight of nine properties are BCA Green Mark certified Gold or Above
During the year, we attained several key achievements. We completed certification or re-certification of several properties in our portfolio during the year. At present, eight of our nine retail properties are BCA Green Mark certified Gold or above, with four of the properties being certified Green Mark Platinum. Work is in progress to get the remaining property, Hougang Mall, to be Green Mark certified in due course. The proportion of Green Mark certified properties by gross floor area in FCT's portfolio is approximately 94%. This exceeds one of our sustainability goals to green certify at least 80% of our owned or managed properties by 2024.

Five stars rating in GRESB Assessment 2021
FCT has participated in the Global Real Estate Sustainability Benchmark ("GRESB") annual assessment since 2019. The GRESB assesses and benchmarks the Environmental, Social and Governance ("ESG") performance of global funds, companies, and assets within the real estate sector. We are happy to report that FCT has scored the highest rating of 5 Stars in the 2021 GRESB assessment, a significant improvement from the rating of 3 Stars in the previous two years. It has also improved its total score to 92 points, from 69 points a year ago.

SUPPORTING OUR TENANTS TO TRANSIT TO OMNICHANNEL RETAILING

The protracted COVID-19 situation and safe management measures have adversely affected tenants' businesses and shopper traffic to our malls. In this challenging time, we see omnichannel retailing as a viable way to help cushion the impact on our tenants and to generate additional sales. As part of the tenants' support scheme, Frasers Property Retail and FCT have provided support and waivers of fees for tenants who wish to onboard to the Frasers omnichannel retail platforms, namely the Frasers eStore and the digital food and beverages ("F&B") app, the Makan Master. They allow our tenants to tap into the near 900,000-strong membership base of the Frasers Experience loyalty programme to extend their digital outreach.

Our malls as last mile fulfilment hubs
The proximity of our malls to homes is a competitive advantage as "last mile fulfilment hub" for online orders. This is especially so for F&B, where time to delivery is critical. Shoppers can order their food from their favourite store in a mall near them, and have the options to dine in, takeaway or have food delivered to their doorstep. All these options are now possible on our digital food concierge, Makan Master. Our shoppers are embracing it; sales on Makan Master went up seven-fold

since it was launched last year, and average order size has doubled. From the landlord's perspective, we are able to increase the sales productivity of our real estate, because of the additional digital outreach via online sales. Our F&B tenants enjoy additional sales from the online channel to augment their sales from dine-in customers. The tenants also benefit from our partnership with logistics service providers, as our economies of scale drive down the cost of delivery.

STAYING VIGILANT ON FUTURE GROWTH

While our immediate focus is to improve the operations and financial performance of the enlarged FCT portfolio, we will continue to explore and evaluate acquisition opportunities that are yield-accretive, strengthen business fundamentals and contribute to growth. Potential opportunities include Northpoint City South Wing, which is owned by Frasers Property and the TCC Group, as well as third-party owners looking to sell their retail assets. At the same time, FCT will also continue to refine its portfolio, to optimise returns for the Trust and its Unitholders.

GOING FORWARD

While the suburban retail sector in Singapore has remained relatively resilient through the various COVID-19 phases, the endemic continues to pose uncertainties for FCT's business and financial performance. The easing of the safe management measures by the authorities will help to support the recovery of tenants' sales and shopper traffic at our malls. In the near-term, the Manager will continue to focus on managing the operating and financial performance of FCT's portfolio, taking into consideration the evolving COVID-19 situation.

ACKNOWLEDGEMENTS

In closing, we thank our board members for their stewardship and advice, the management and staff for their commitment and hard work. We are grateful to our stakeholders, including our Unitholders, tenants and shoppers as well as our business partners for their confidence and support.

We thank Ms Tay Hwee Pio, who relinquished her role as Chief Financial Officer in July 2021 for her invaluable contributions in the past nine years. The Board wishes Hwee Pio all the best in her future endeavours.

Stay safe, stay healthy.

Cheong Choong Kong
Chairman

Richard Ng
Chief Executive Officer

Board of Directors

DR CHEONG CHOONG KONG, 80

Chairman, Non-Executive and Independent Director

Date of appointment as a Director
18 May 2016

Length of service as Director (as at 30 September 2021)
5 years and 4 months

Board committees served on
- Audit, Risk and Compliance Committee (Member)
- Nominating and Remuneration Committee (Member)

Academic & professional qualifications
- Bachelor of Science, Adelaide University
- Master of Science, Australian National University
- Doctor of Philosophy, Australian National University
- Doctor of Science (Honorary), Australian National University
- Degree of Doctor of the University (Honorary), Adelaide University

Present Directorships in other companies (as at 30 September 2021)

Listed companies
- Nil

Listed REITs/Trusts
- Nil

Others
- Director, Board of National Council of Social Services

Major appointments (other than Directorships)
- Chairman, NUS Mind Science Centre Advisory Board

Past Directorships in listed companies held over the preceding 3 years (from 1 October 2018 to 30 September 2021)
- Nil

Past major appointments
- Chairman, Oversea-Chinese Banking Corporation Limited
- Chairman, Singapore Broadcasting Corporation
- Chairman, NUS Council
- Deputy Chairman and CEO, Singapore Airlines Limited

MR HO CHAI SENG, 61
Non-Executive and Independent Director

Date of appointment as a Director
30 June 2017

Length of service as Director (as at 30 September 2021)
4 years and 3 months

Board committees served on
- Nominating and Remuneration Committee (Chairman)
- Audit, Risk and Compliance Committee (Member)

Academic & professional qualifications
- Bachelor of Commerce, University of Windsor, Canada
- Member, Singapore Institute of Directors
- Member, International Bankers Association of Japan

Present Directorships in other companies (as at 30 September 2021)

Listed companies
- Nil

Listed REITs/Trusts
- Nil

Others
- Nil

Major appointments (other than Directorships)
- Executive Director and Country Manager, United Overseas Bank Ltd, Tokyo Branch

Past Directorships in listed companies held over the preceding 3 years (from 1 October 2018 to 30 September 2021)
- Frasers Property (UK) Limited

Past major appointments
- Vice President, BHF-Bank, New York
- Assistant General Manager, BHF-Bank, Singapore
- General Manager, DBS Bank, London
- General Manager, United Overseas Bank Ltd. London
- Executive Director, United Overseas Bank Ltd. Singapore

Board of Directors

MR HO CHEE HWEE SIMON, 60
Non-Executive and
Non-Independent Director

Date of appointment as a Director
9 February 2017

Length of service as Director (as at 30 September 2021)
4 years and 7 months

Board committees served on
- Audit, Risk and Compliance Committee (Member)
- Nominating and Remuneration Committee (Member)

Academic & professional qualifications
- Bachelor of Science (Estate Management) (Honours), National University of Singapore
- Master of Real Estate, National University of Singapore

Present Directorships in other companies (as at 30 September 2021)

Listed companies
- Nil

Listed REITs/Trusts
- Nil

Others
- Allgreen Properties Limited
- ALPS Pte. Ltd. (formerly known as Agency for Healthcare Supply Chain Pte. Ltd.)
- Frasers Hospitality International Pte. Ltd.
- MOH Holdings Pte. Ltd. (as representative of ALPS Pte. Ltd.)
- Frasers Property (Singapore) Pte. Ltd.

Major appointments (other than Directorships)
- Nil

Past Directorships in listed companies held over the preceding 3 years (from 1 October 2018 to 30 September 2021)
- Nil

Past major appointments
- Deputy CEO of CapitaLand Mall Asia Limited (formerly known as CapitaMalls Asia Limited)
- CEO of the Manager of CapitaLand Mall Trust (formerly known as CapitaMall Trust)

Others
- Previously on the Board of directors of the managers of CapitaLand Mall Trust (which is listed on the Singapore Exchange Securities Trading Limited) and CapitaLand Malaysia Mall Trust (which is listed on Bursa Malaysia)

MS KOH CHOON FAH, 63
Non-Executive and
Independent Director

Date of appointment as a Director
1 October 2019

Length of service as Director (as at 30 September 2021)
2 years

Board committees served on
- Audit, Risk and Compliance Committee (Chairperson)
- Nominating and Remuneration Committee (Member)

Academic & professional qualifications
- Bachelor of Science (Estate Management) (Honours), National University of Singapore
- Master of Arts (Business Administration), University of Georgia (Athens) / United States of America
- Fellow, Royal Institute of Chartered Surveyors
- Fellow, Singapore Institute of Surveyors & Valuers
- Registered Salesperson, Council for Estate Agencies
- Licensed Valuer, Inland Revenue Authority of Singapore

Present Directorships in other companies (as at 30 September 2021)

Listed companies
- Nil

Listed REITs/Trusts
- Nil

Others
- Edmund Tie Holdings Pte. Ltd.
- New Horizons Holdings Pte. Ltd.

Major appointments (other than Directorships)
- Executive Committee Member and Chairperson of Nominations Committee, Urban Land Institute Singapore Council, Singapore
- Management Board Member, National University of Singapore Institute of Real Estate and Urban Studies, Singapore
- Council Member and Vice-Chairperson of Professional Development Committee, Council for Estate Agencies, Singapore

Past Directorships in listed companies held over the preceding 3 years (from 1 October 2018 to 30 September 2021)
- Nil

Past major appointments
- Chief Executive Officer, Edmund Tie & Company (SEA) Pte. Limited
- Chief Operating Officer, DTZ Debenham Tie Leung (SEA) Pte. Ltd. (now known as Edmund Tie & Company (SEA) Pte. Limited)
- Chairperson, Urban Land Institute Singapore Council, Singapore

MR LOW CHEE WAH, 56
Non-Executive and Non-Independent Director

Date of appointment as a Director
3 January 2020

Length of service as Director (as at 30 September 2021)
1 year and 9 months

Board committees served on
- Nil

Academic & professional qualifications
- Bachelor of Economics, Monash University
- Bachelor of Laws, Monash University
- Fellow of CPA Australia
- Fellow of Chartered Accountant of Singapore

Present Directorships in other companies (as at 30 September 2021)

Listed companies
- Nil

Listed REITs/Trusts
- Nil

Others
- Chairman, Audit, Risk and Governance Committee, Dover Park Hospice
- Vice President, Real Estate Investment Trust Association of Singapore
- Board Member, Singapore River One Limited

Major appointments (other than Directorships)
- Chief Executive Officer, Frasers Property Retail, Frasers Property (Singapore) Pte. Ltd.

Past Directorships in listed companies held over the preceding 3 years (from 1 October 2018 to 30 September 2021)
- Frasers Commercial Asset Management Ltd., Manager of Frasers Commercial Trust[1]

Past major appointments
- Senior Executive Vice President, Head of Retail and Commercial Division, Frasers Property Limited
- Chief Executive Officer of Frasers Commercial Asset Management Ltd., Manager of Frasers Commercial Trust
- Chief Executive Officer of BNP Paribas Peregrine (Singapore) Ltd., investment banking arm of BNP Paribas Singapore

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MR CHRISTOPHER TANG KOK KAI, 60
Non-Executive and Non-Independent Director

Date of appointment as a Director
27 January 2006

Length of service as Director (as at 30 September 2021)
15 years and 8 months

Board committees served on
- Nominating and Remuneration Committee (Member)

Academic & professional qualifications
- Bachelor of Science, National University of Singapore
- Master of Business Administration, National University of Singapore

Present Directorships in other companies (as at 30 September 2021)

Listed companies
- Nil

Listed REITs/Trusts
- Nil

Others
- Ren Ci Hospital

Major appointments (other than Directorships)
- Senior Adviser, Frasers Property (Singapore) Pte. Ltd.

Past Directorships in listed companies held over the preceding 3 years (from 1 October 2018 to 30 September 2021)
- Frasers Commercial Asset Management Ltd., Manager of Frasers Commercial Trust[1]

Past major appointments
- Chief Executive Officer, Singapore, Frasers Property Limited
- Chief Executive Officer, Frasers Centrepoint Commercial, Frasers Centrepoint Limited
- Chief Executive Officer, China, Frasers Centrepoint Limited
- Chief Executive Officer of Frasers Centrepoint Asset Management Ltd., the Manager of Frasers Centrepoint Trust

1 Frasers Commercial Trust has been merged with Frasers Logistics & Industrial Trust with effect from 15 April 2020, to form Frasers Logistics & Commercial Trust.

Trust Management Team

MR RICHARD NG
Chief Executive Officer

Richard is responsible for the overall business direction, investment strategies and the operations of FCT. He leads the FCAM management team to ensure that FCT's finance, investment, asset management, investor relations and other plans and initiatives are executed successfully.

Richard has 29 years of experience in the Singapore and regional property markets, spanning the areas of marketing, investment, asset and REIT management. Prior to joining Frasers Property, he was Executive Director, Asset Management, at PGIM (Singapore) Pte. Ltd., where he oversaw the asset management of portfolio comprising retail and commercial properties in Singapore and Malaysia. Richard has held senior management appointments during his 14 years at the CapitaLand Group, including 10 years at CapitaLand Mall Trust (CMT) where he was part of the team that oversaw the initial public offering of CMT in 2002. At CMT, Richard was the Head of Asset Management, responsible for overall performance of CMT's assets.

Richard holds a Bachelor of Science (Honours) degree in Estate Management and a Master of Science degree in Real Estate, both from the National University of Singapore.

MS AUDREY TAN[1]
Chief Financial Officer

Audrey is responsible for the financial, taxation, treasury and compliance functions of FCT. She has over 20 years of financial experience in locally-listed and multinational companies. Prior to joining FCAM, she was Head of Finance (Frasers Property Retail) at Frasers Property Limited. Prior to joining Frasers Property Limited, she held various positions at CapitaLand Limited (including its subsidiaries) for more than 10 years. Audrey holds a Bachelor's degree of Business (Accountancy) from RMIT and is a Certified Practising Accountant with CPA Australia.

1 Ms Tan was appointed Chief Financial Officer with effect from 24 July 2021, taking over from Ms Tay Hwee Pio

MS PAULINE LIM
Head, Investment & Asset Management

Pauline is responsible for the management of FCT's portfolio of retail assets in Singapore. She has over 20 years of real estate experience. Prior to joining FCAM, she was the Executive Director at PGIM Real Estate ("PGIM") and was responsible for the portfolio management of PGIM Real Estate AsiaRetail Fund and another private equity co-investment which together own several malls in Singapore and Malaysia. Before PGIM, Pauline was Vice-President, Investment Management of GIC Real Estate (GIC RE), where she was responsible for investment and asset management in the office, retail and residential sectors in various Asia Pacific markets, and supported GIC RE senior management in global portfolio reporting, asset strategy and planning. Prior to GIC RE, she held various roles at DBS and Jones Lang LaSalle in Singapore and Hong Kong.

Pauline holds an MBA degree from the University of Western Australia and a Bachelor's degree in Business Administration from the National University of Singapore.

MR CHEN FUNG LENG
Vice President, Investor Relations

Fung Leng is responsible for FCT's investor relations function. He has more than 10 years of experience in the field of investor relations and he is responsible for forging relations and the communications between FCT and its Unitholders, the investment community and the media. He also provides market intelligence and research to the management team. Fung Leng holds a Master of Science degree in Industrial and Systems Engineering and a Bachelor's degree in Mechanical Engineering (Honours), both from the National University of Singapore.

Investor Relations

OPEN AND TRANSPARENT COMMUNICATIONS WITH UNITHOLDERS

Frasers Centrepoint Asset Management Ltd. ("FCAM"), as Manager of Frasers Centrepoint Trust ("FCT"), is committed to maintaining open and transparent communications with its Unitholders ("Unitholders"), media and the investors. FCAM provides factual and timely disclosure on all material information concerning FCT. General information on FCT including annual reports, portfolio information and investor presentations are updated regularly on FCT's website. All news releases and company announcements are also available on the SGX-ST website.

ANNUAL GENERAL MEETING (AGM)

The AGM and EGM are important communication platforms between the board of directors, the management of FCAM and the Unitholders. FCT convened its 12th AGM on 21 January 2021, by way of electronics means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. All resolutions tabled at the AGM were duly passed.

Unitholders who wished to attend the AGM were requested to pre-register electronically for the AGM to enable the Manager to verify their status as Unitholders. Following the verification, authenticated Unitholders will each receive an email, which will contain a user ID and password details as well as instructions on how to access the live audio-visual webcast and live audio-only stream of the AGM proceedings.

In place of the usual "live" question and answer session during an AGM in normal times, Unitholders were invited to submit questions related to the resolutions to be tabled for approval at the AGM to the Chairman of the AGM prior to the AGM. The responses to the substantial and relevant questions received from Unitholders were published on FCT's website and on SGXNET, prior to the AGM, on 21 January 2021. Some of the questions were also addressed during the AGM. All resolutions were duly passed and the results were announced on SGXNET and FCT's website on the same day of the AGM.

The minutes of the AGM and the responses to the substantial and relevant questions received from Unitholders were also published on FCT's website subsequently.

PROACTIVE OUTREACH TO INVESTORS THROUGH MANY CHANNELS

FCAM proactively engages investors and the research analysts through various channels to extend its outreach and to raise the profile of FCT among investors.

Due to the COVID-19 restriction orders in Singapore, all investor events which FCT participated during FY2021 were organised on electronic platforms such as Zoom or Microsoft Teams. These include the investor roadshow and post results analysts' briefings. The adoption of virtual meetings has no significant compromise on the efficacy of investor engagements.

During FY2021, we participated in the following investor relations activities:

Time Frame	Key Investor Relations Events	Date
1QFY21 1 October – 31 December 2020	Release of 4QFY20 and full year FY2020 results and post-results analysts' briefing	3 November 2020
	Post-results investors' luncheon	3 November 2020
	UBS Global Real Estate CEO/CFO Virtual Conference	2-3 December 2020
2QFY21 1 January – 31 March 2021	12th Annual General Meeting	21 January 2021
	1QFY21 Business Update	21 January 2021
	Post- results analysts' conference call and investors' call	22 January 2021
	S-REIT Corporate Day 2021 hosted by SGX (Virtual)	24 March 2021
3QFY21 1 April – 30 June 2021	Release of 2QFY21 results, post-results analysts' briefing and investor call (Virtual)	23 April 2021
	Post-results call with investors (Virtual)	23 April 2021
	DBS-REITAS panel: "Eat, Work, Play in the New Normal" (Virtual)	19 May 2021
	Bank of America 2021 APAC Financial, Real Estate Equity and Credit Conference (Virtual)	24 May 2021
4QFY21 1 July – 30 September 2021	3QFY21 Business Updates	23 July 2021
	Post-results analysts' conference call and investors' call	23 July 2021
	Citi-SGX-REITAS REIT/Sponsors Forum	25 August 2021

Subsequent event: The 2HFY2021 and full year results were announced on 27 October 2021.

ACCOLADE

5 Stars rating in the 2021 GRESB Assessment
FCT achieved the top 5 Stars rating in the 2021 Global Real Estate Sustainability Benchmark ("GRESB") Assessment with a total score of 92 points. It is ranked third out of eight in the Asia Retail Centres (Listed) category. This is a significant improvement from the previous year which FCT achieved 3 Stars rating with a score of 69 points.

Coverage by equity research houses
As at 12 November 2021, there were 20 equity research firms which provided equity research coverage on FCT. The research firms which cover FCT (in alphabetical order) are:

1. Bank of America-Merrill Lynch
2. CGS-CIMB Research
3. Citi Investment Research
4. CLSA
5. Credit Suisse
6. Daiwa Capital Markets
7. DBS Vickers Securities
8. HSBC
9. J.P. Morgan
10. KGI Securities (Singapore)
11. Macquarie
12. Maybank Kim Eng Research
13. Morgan Stanley Research (initiated coverage on 12 November 2021)
14. MorningStar
15. OCBC Investment Research
16. Phillip Securities Research (Singapore)
17. RHB
18. Soochow CSSD Capital Markets (SCCM)
19. UBS
20. UOB Kay Hian Research

FY2022 Financial Calendar (Dates are indicative and are subject to change)	
18 January 2022	Annual General Meeting
January 2022	1QFY22 Business Updates
April 2022	1HFY22 Results Announcement
End May 2022	1HFY22 Distribution Payment
July 2022	3QFY22 Business Updates
October 2022	2HFY22 and Full Year FY2022 results announcements
End November 2022	2HFY22 Distribution Payment

ENQUIRIES

For general enquiries on FCT, please contact:
Mr Chen Fung Leng
Vice President, Investor Relations
Frasers Centrepoint Asset Management Ltd.
Tel: (65) 6277-2657
Email: ir@fraserscentrepointtrust.com

UNIT REGISTRAR

Boardroom Corporate & Advisory Services Pte Ltd
Phone: (65) 6536-5355
Fax: (65) 6536-1360
Website: www.boardroomlimited.com

Note: Mizuho Securities Asia Limited ceased to provide equity coverage on FCT in 2021.

Operations Review

PORTFOLIO RE-CONSTITUTION IN FY2021

In FY2021, FCT completed the acquisition of the remaining 63.11% interest in AsiaRetail Fund Limited (the "ARF Acquisition") on 27 October 2020. Post the ARF Acquisition, five retail properties, namely, Tampines 1, Century Square, Tiong Bahru Plaza, White Sands, Hougang Mall and one office property Central Plaza were added to the FCT property portfolio. FCT divested three retail properties in FY2021 as part of its portfolio re-constitution strategy. These three properties were Bedok Point, Anchorpoint and YewTee Point.

After the portfolio re-constitution, FCT portfolio comprises nine retail properties: Causeway Point, Northpoint City North Wing (including Yishun 10 Retail Podium), Changi City Point, Tampines 1, Tiong Bahru Plaza, Century Square, Hougang Mall, White Sands and Waterway Point (40%-owned by FCT) (together, the "Retail Portfolio") and one office property Central Plaza.

LEASE RENEWALS AND RENTAL REVERSIONS

A total of 459 leases in the Retail Portfolio and nine leases at Central Plaza were renewed or newly leased in FY2021. The number of renewals and new leases was substantially higher than the previous year (FY2020: 235 renewed leases) due to the enlarged portfolio after the ARF Acquisition. The retail leases accounted for 538,800 square feet or 24.6% of FCT's Retail Portfolio net lettable area[1] ("NLA"). The NLA of the nine renewed leases at Central Plaza in FY2021 represented 28.5% of its total NLA.

Flattish rental reversion for Retail Portfolio in FY2021
The average rental reversion for the Retail Portfolio in FY2021 was relatively flat at -0.6%, based on the variance between the rent in the first year of the incoming lease and the rent in the final year of the outgoing lease ("incoming versus outgoing"). The rental reversion was +2.1%, based on the variance between the average rent of the incoming lease and the average rent of the outgoing lease ("average-to-average"). The average rent includes the step-up rents during the respective lease tenure, which the incoming versus outgoing method does not. Rental reversion in FY2021 was lower than previous years, due to weaker retailer sentiments affected by COVID-19 disruptions.

Notwithstanding the overhang of COVID-19, leasing demand remained resilient at dominant malls like Causeway Point, Northpoint City North Wing and Waterway Point. White Sands, Tiong Bahru Plaza and Hougang Mall also registered positive rental reversions due to their prime locations in populous residential catchment with connectivity to public transport including buses and MRT trains. Changi City Point suffered sharper negative rental reversion due to weak shopper traffic and sales. Its catchment, which includes nearby residents, workers from Changi Business Park and visitors to Singapore Expo, was diluted by default work-from-home and absence of large-scale exposition events.

Summary of lease renewals and rental reversion in FY2021
(Excluding newly created and reconfigured area)

Property	Number of Renewals / New Leases	NLA Area (sq ft)	NLA as % of property	FY2021 rental reversion (Incoming versus outgoing)	FY2021 rental reversion (Average-to-average)
Causeway Point	54	46,743	11.1%	0.6%	3.5%
Northpoint City North Wing[3]	67	64,649	28.1%	0.3%	3.2%
Changi City Point	44	58,712	28.6%	-9.8%	-4.4%
Waterway Point	40	73,942	19.9%	1.3%	5.7%
Tampines 1	55	92,599	34.5%	-0.1%	2.3%
Tiong Bahru Plaza	35	33,547	15.6%	0.8%	2.7%
Century Square	76	77,044	38.0%	-2.8%	-0.7%
Hougang Mall	47	65,583	43.8%	0.2%	1.5%
White Sands	41	25,981	20.2%	2.5%	3.9%
FCT Retail Portfolio	**459**	**538,800**	**24.6%**	**-0.6%**	**2.1%**
Central Plaza	9	41,180	28.5%	1.9%	3.1%

1 Including Waterway Point, which FCT holds 40%-interest

LEASE EXPIRY PROFILE

Well-spread lease expiry profile
The portfolio lease expiry from FY2022 to FY2027 and beyond, and the lease expiry by property in FY2022 are presented in tables below. Our leases have an average lease duration of 3 years although certain key or anchor tenancies may be of longer tenure.

FCT has a well-spread portfolio lease expiry profile with low concentration risk. The leases which will be due over the next two years in FY2022 and FY2023 account for 35.6% and 26.6% of FCT's Gross Rental Income ("GRI"), respectively. As at 30 September 2021, the weighted average lease expiry ("WALE"[2]) of the Retail Portfolio stood at 1.64 years (FY2020: 1.55 years) by NLA and 1.64 years (FY2020: 1.51 years) by GRI.

The WALE (by GRI) of the new leases entered during FY2021, based on duration to lease expiry as at 30 September 2021 was 2.50 years (FY2020: 2.27 years). The weighted average lease tenure (by NLA) of these new leases is 2.45 years (FY2020: 2.16 years). These new leases account for 30.7% (FY2020: 31.5%) of the total GRI of the Retail Portfolio as at 30 September 2021.

The aggregate NLA of the leases in the Retail Portfolio, including that of Waterway Point, due for renewal in FY2022 is 825,083 sq ft. As at the start of FY2022, approximately 25% of the expiring leases in FY2021 were already under advanced negotiation or under documentation. Even as the Singapore COVID-19 situation stabilises and the economy gradually re-opens, we expect tenants to remain cautious in their renewal and expansion plans. The market uncertainties is expected to exert pressure on rents for both new and renewal leases. As such, we have adopted targeted

Retail Portfolio Lease Expiry as at 30 September 2021

Lease expiry as at 30 September 2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027 and beyond	Total
Number of leases expiring	554	384	442	66	10	3	1,459
Leased area expiring (sq ft)	825,083	528,515	565,412	106,634	65,631	38,808	2,130,083
Expiries as % of total leased area	38.7%	24.8%	26.5%	5.0%	3.1%	1.8%	100.0%
Expiries as % of GRI	35.6%	26.6%	29.8%	4.9%	2.6%	0.6%	100.0%

Calculation based on committed leases as at 30 September 2021; vacant floor area and Community and Sports Facilities Scheme (CSFS) leases are excluded.

Lease Expiry for FY2022 as at 30 September 2021

Lease Expiries in FY2022 (As at 30 September 2021)	Number of leases expiring	Lease area expiring (sq ft)	as % of leased area of property	as % of total GRI of property
Causeway Point	81	207,512	50.2%	40.9%
Northpoint City North Wing[3]	49	60,364	26.3%	25.3%
Changi City Point	59	91,232	47.0%	45.5%
Waterway Point	96	156,672	42.9%	39.4%
Tampines 1	61	93,859	36.0%	33.6%
Tiong Bahru Plaza	72	69,882	33.1%	40.5%
Century Square	41	51,930	27.9%	23.4%
Hougang Mall	42	43,028	29.4%	29.7%
White Sands	53	50,604	41.2%	37.3%
FCT Retail Portfolio	**554**	**825,083**	**38.7%**	**35.6%**
Central Plaza	8	78,320	59.2%	58.8%
FCT Portfolio	**562**	**903,403**	**39.9%**	**36.3%**

Calculation based on committed leases as at 30 September 2021; vacant floor area and Community and Sports Facilities Scheme (CSFS) leases are excluded.

2 Computation of WALE is as follows:
$WALE_{NLA}$ = Sum of (Remaining Lease Tenure x NLA of Individual leases) / Total Leased Area
$WALE_{GRI}$ = Sum of (Remaining Lease Tenure x GRI of Individual leases) / Total GRI
Remaining lease Tenure = time period between reporting date and the lease expiry date
3 Includes Yishun 10 Retail Podium.

approaches in our lease negotiations. These could include concessionary rents for an initial short period before rents revert to market or shorter leases to enable suitable tenants to assess their trading viability before committing to a standard lease. Such proactive leasing would in turn, allow FCT as a landlord to gain clarity on Singapore's phased re-opening momentum and to calibrate rents to market more expediently. Despite the challenges, we are also focused on bringing new retail concepts or brands from both F&B and non-F&B trades into our malls. A sampling of new brands which had entered FCT portfolio malls over FY2021 include the popular Osaka pancake café Gram Café at Waterway Point; Singapore's leading omnichannel fashion brand Playdress at Tampines 1; popular Taiwanese bubble tea chain At Tea at Tiong Bahru Plaza (first in Singapore); popular Japanese Grocer Don Don Donki at Tampines 1; and French roast chicken specialist Poulet at White Sands.

PORTFOLIO TENANTS' SALES AND OCCUPANCY COST

FY2021 Retail Portfolio Tenants' Sales improved 10.6% year-on-year

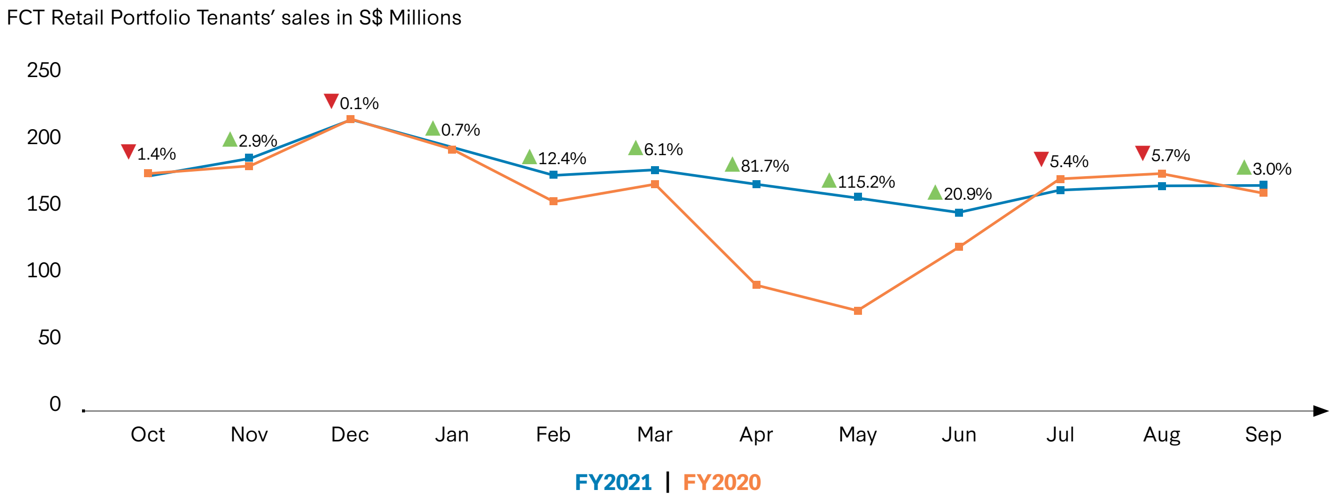
FCT Retail Portfolio's total tenants' sales in FY2021 stood at S$2.08 billion, which is approximately 10.6% higher than the S$1.88 billion achieved in FY2020. The year-on-year growth was largely due to the lower base effect, as the FY2020 sales was significantly affected by the Circuit Breaker from 7 April 2020 to 1 June 2020, during which many retailers, except those categorised as essential services, were ordered to close. The Retail Portfolio tenants' sales in the first four months in FY2021 (October 2020 – January 2021) were tracking close to the same period in FY2020 which was prior to COVID-19. However, tenants' sales recovery started to lose momentum as Singapore transited to Phase 2 (Heightened Alert) in May due to rising community spread and tightened restrictions including the reduction of social group size from 8 to 5 persons. The momentum was further disrupted by a series of tightened safe management measures during the Phase 3 and Phase 2 Heightened Alerts and subsequent Stabilisation Phase commencing from 27 September 2021. The transition between the different heightened phases and safe management measures have disrupted retail businesses in general although the impact varied across trades and businesses. Tenants' sales started to recover in August and September 2021, when dining in was allowed and group size for vaccinated persons was increased from two to five. (Note: On 27 September 2021, the Government announced the transition to Stabilisation Phase with tighter restrictions on social group size from five to two, and work-from-home as the default mode of work).

FCT, together with Frasers Property Retail, continue to provide various assistance schemes for its tenants to help support their sales during FY2021. These schemes included marketing support, waiver of on-boarding fees to Frasers Experience omnichannel platforms Makan Master and Frasers eStore as well as waiver of carpark charges for certain duration to facilitate pick-ups by delivery service providers and shoppers.

Performance among the trade sectors was uneven and polarised

Performance among the trade sectors was uneven and polarised. The top five trades which constituted 77% of FCT's Retail Portfolio GRI traded well. F&B, the largest trade sector of FCT Retail Portfolio registered stronger sales year-on-year in FY2021. F&B sub-trades including Takeaways & Deliveries and Bakeries registered double-digit year-on-year increase as retailers successfully adapt their business models to cater to takeaways and delivery demand.

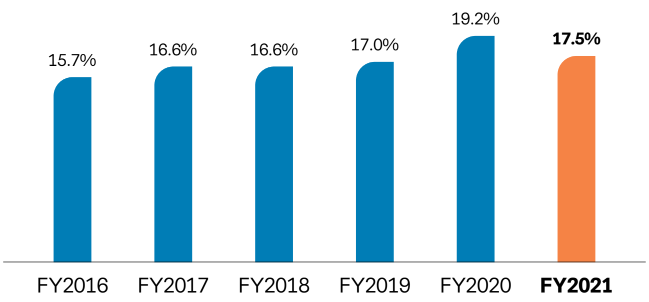
FCT Portfolio Tenants' Sales year-on-year comparison



The average occupancy cost of the Retail Portfolio in FY2020 rose to 19.2% due to the decline in sales and the disruptions to the tenants' businesses during the Circuit Breaker period in FY2020. With the improvement in tenants' sales in FY2021 and an enlarged retail portfolio, the average occupancy cost of the Retail Portfolio moderated to 17.5% which is within sustainable range for suburban retail malls.

Occupancy cost refers to the ratio of gross rental (including turnover rent) paid by the tenants to the tenant's sales turnover (excluding Goods & Services Tax). The average occupancy cost of FCT Retail Portfolio for FY2021 and the preceding 5 financial years are presented in the chart below:

FCT Retail Portfolio Average Occupancy Cost



LEASES WITH GROSS TURNOVER RENT AND STEP-UP CLAUSES

Approximately 93.2% (FY2020: 89.9%) of our leases include step-up rent clauses that provide for annual rental increment of between 1% and 2% over the lease term. Of the occupied leases, 90.4% (FY2020: 92.2%) include Gross Turnover rent (the "GTO") clauses, which the tenants would pay between 0.5% and 1% of their sales as part of the gross rent under the lease agreements. The slight variances in the proportion with GTO and step-up rent clauses are mainly due to the inclusion of additional retail properties following the completion of the ARF Acquisition.

PORTFOLIO OCCUPANCY

The portfolio committed occupancy stood at 97.3% as at 30 September 2021, representing a 0.9%-point increase over the 96.4% as at 30 June 2021. On a comparable basis, the four properties, Causeway Point, Northpoint City North Wing, Changi City Point and Waterway Point, registered improved year-on-year occupancy of between 2%-point and 5%-point. The improvement in portfolio occupancy was in tandem with the pickup in leasing activities as Singapore re-opens and embarks on its journey towards endemicity, although retailers generally remain cautious due to the prevailing high number of COVID-19 cases and safe management measures.

The occupancy by property is tabulated in the table below:

Occupancy by Property[1]	As at 30 September 2021	As at 30 June 2021	As at 30 September 2020
Causeway Point	98.6%	98.1%	96.6%
Northpoint City North Wing*	100.0%	99.7%	95.0%
Changi City Point	94.7%	94.6%	90.4%
Waterway Point	98.4%	93.8%	96.0%
Tampines 1	97.1%	99.2%	These properties were acquired on 27 October 2020; hence they were not part of FCT's portfolio as at 30 September 2020.
Tiong Bahru Plaza	98.3%	96.3%	
Century Square	91.8%	91.6%	
Hougang Mall	97.8%	97.8%	
White Sands	95.4%	96.3%	
FCT Retail Portfolio	**97.3%**	**96.4%**	
Central Plaza (office)	91.8%	90.9%	

* Includes Yishun 10 Retail Podium

1 Refers to physical occupancy. Occupancy as at 30 September 2021 and 30 June 2021 refer to committed occupancy, which include occupied units and vacant units with committed leases.

SHOPPER TRAFFIC

The Retail Portfolio shopper traffic was impacted by the implementation of the safe management measures under the Phase 2 (Heightened Alert), the Phase 3 (Heightened Alert) and the Stabilisation Phase. In particular, the reduction of social group size from five to two persons; the restrictions on dining in; and the tightening of mall capacity from 10 square metres to 16 square metres per shopper had significantly reduced shopper traffic to FCT malls. The aggregate shopper traffic to Causeway Point, Northpoint City North Wing, Changi City Point and Waterway Point was reduced by about 14% from 96.6 million in FY2020 to 83.4 million in FY2021. Among these malls, Changi City Point which is adjacent to a business park and Singapore Expo suffered a steep 30% drop in shopper traffic due to default work-from-home and the suspension of large-scale exposition events. The recovery of shopper traffic is dependent on the easing or lifting of the safe management measures by the Government and the normalisation of business and social activities.

Shopper Traffic by Property (million)	FY2021 (1 Oct 2020 – 30 Sep 2021)	FY2020 (1 Oct 2019 – 30 Sep 2020)	Increase / (Decrease)
Causeway Point	18.8	21.0	(10.5%)
Northpoint City North Wing*	43.0	46.9	(8.3%)
Changi City Point	6.4	9.1	(29.7%)
Waterway Point	15.2	19.6	(22.4%)
Tampines 1	14.4	These properties were acquired on 27 October 2020; hence they were not part of FCT's portfolio in FY2020. Accordingly, there is no year-on-year comparison.	
Tiong Bahru Plaza	11.6		
Century Square	10.2		
Hougang Mall	8.9		
White Sands	7.5		

* Includes Yishun 10 Retail Podium

RETAIL PORTFOLIO TRADE SECTORS

F&B is the largest sector accounting for 29.1% of FCT's total NLA (FY2020: 30.6%) and 37.8% of the GRI (FY2020: 38.2%). The second and the third largest trade categories by GRI are Beauty & Healthcare at 14.6% (FY2020: 12.0%) and Fashion & Accessories at 12.1% (FY2020: 13.0%).

Trade Classifications (by order of decreasing FY2021 GRI)	As % of total NLA	As % of total GRI
Food & Beverage	29.1%	37.8%
Beauty & Healthcare	10.8%	14.6%
Fashion & Accessories	11.3%	12.1%
Sundry & Services	5.7%	8.5%
Supermarket & Grocers	8.2%	5.6%
Homeware & Furnishing	4.5%	3.0%
Information & Technology	2.6%	3.0%
Leisure & Entertainment	6.2%	2.7%
Books, Music, Arts & Craft, Hobbies	4.0%	2.7%
Electrical & Electronics	3.1%	2.4%
Jewellery & Watches	0.8%	2.2%
Education	3.5%	1.9%
Sports Apparel & Equipment	2.4%	1.8%
Department Store	2.7%	1.7%
Vacant	5.0%	0.0%
FCT Retail Portfolio	**100.0%**	**100.0%**

Note: Total may not add up due to rounding differences.

TOP 10 TENANTS BY GRI

The top ten tenants collectively accounted for 19.5% of the total GRI as at 30 September 2021 (FY2020: 23.6%). Our largest tenant NTUC, the operator of NTUC Fairprice supermarkets and Unity Pharmacy in FCT malls, accounted for 3.3% of the portfolio GRI (FY2020: 3.6%).

Top 10 Tenants by GRI as at 30 September 2021

Tenants		Trade Category	As % of total NLA	As % of total GRI
1	NTUC[1]	Supermarket & Grocers	4.3%	3.3%
2	Dairy Farm Group[2]	Supermarket & Grocers, Beauty & Healthcare	3.0%	2.8%
3	Kopitiam Group[3]	Food & Beverage	3.1%	2.7%
4	Breadtalk Group[4]	Food & Beverage	1.8%	2.3%
5	Metro (Private) Limited[5]	Department Store	2.6%	1.7%
6	Hanbaobao Pte Ltd[6]	Food & Beverage	0.9%	1.6%
7	Courts (Singapore) Pte. Ltd.	Electrical & Electronics	1.5%	1.4%
8	Oversea-Chinese Banking Corporation Ltd	Sundry & Services	0.7%	1.3%
9	Yum![7]	Food & Beverage	0.9%	1.3%
10	United Overseas Bank Limited	Sundry & Services	0.6%	1.2%
	Total for Top 10		**19.5%**	**19.5%**

Note: Total may not add up due to rounding differences.
1 Includes NTUC FairPrice, FairPrice Finest and Unity Pharmacy.
2 Includes Cold Storage supermarkets, Guardian Pharmacy and 7-Eleven.
3 Operator of Kopitiam food courts, includes Kopitiam, Bagus, Mei Shi Mei Ke and Food Tempo.
4 Includes Food Republic, Breadtalk, Toast Box, The Foodmarket and Din Tai Fung.
5 Includes leases for Metro Department Store and Clinique Service Centre.
6 Operator of Mcdonald's restaurants.
7 Operator of KFC and Pizza Hut outlets.

Financial Review

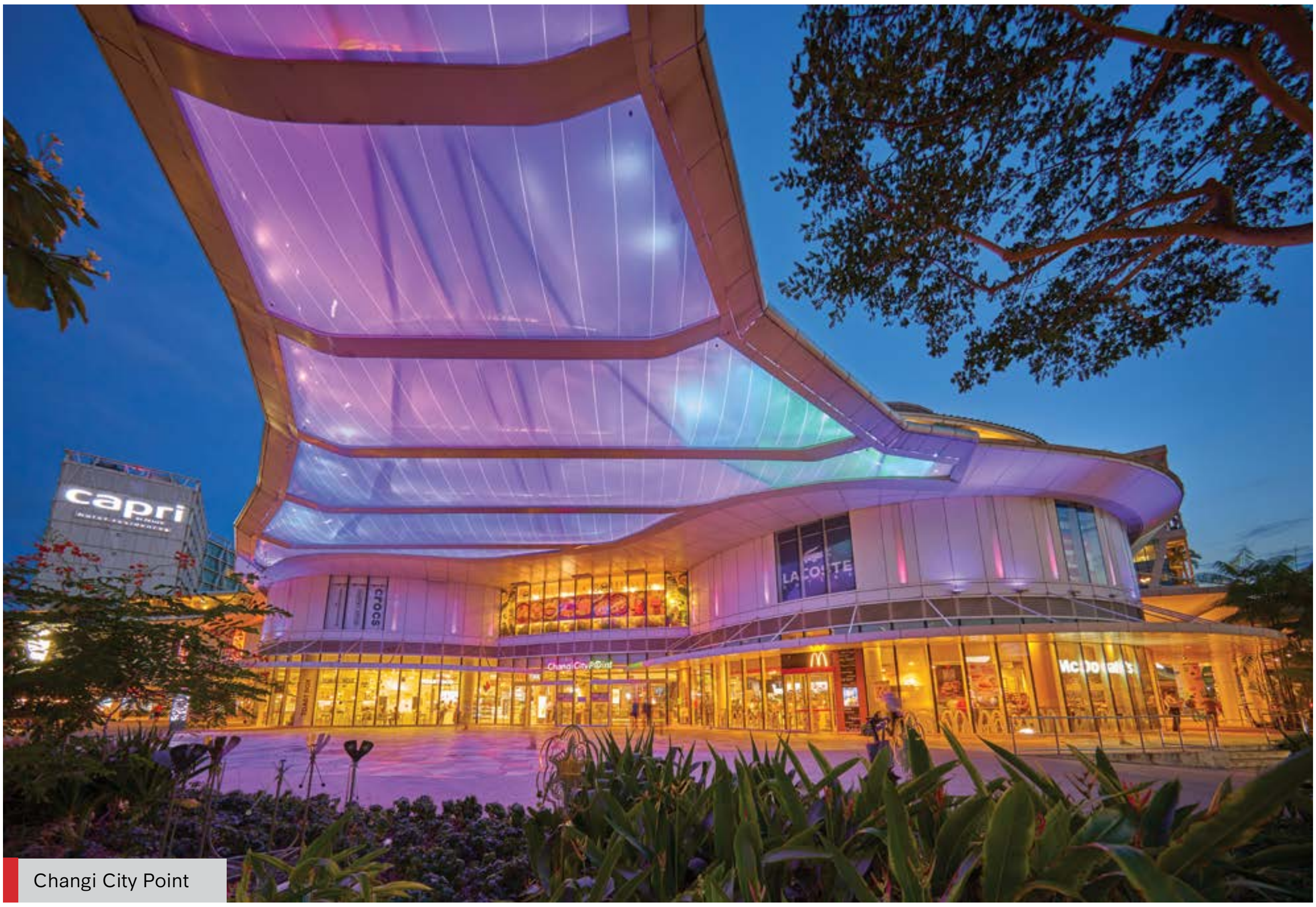
INVESTMENT PROPERTY PORTFOLIO

Following completion of the acquisition of the balance 63.11% stake in AsiaRetail Fund Limited (“ARF” and the acquisition “ARF Acquisition”) on 27 October 2020, the investment property portfolio of FCT and its subsidiaries (“FCT”) comprises Causeway Point, Northpoint City North Wing (including Yishun 10 Retail Podium), Changi City Point, Tampines 1, Tiong Bahru Plaza, Century Square, Hougang Mall, White Sands and Central Plaza. The properties are strategically located in suburban regions of Singapore and have a diversified tenant base covering a wide variety of trade sectors. Three properties - Bedok Point, Anchorpoint and YewTee Point, which were previously part of FCT’s investment property portfolio, were divested on 9 November 2020, 22 March 2021 and 28 May 2021, respectively.

INVESTMENTS HELD IN ASSOCIATES AND JOINT VENTURES

Sapphire Star Trust (“SST”)
FCT owns a 40.00% interest in the ownership and voting rights in a joint venture, SST, a private trust that owns Waterway Point, a suburban shopping mall located in Punggol. FCT jointly controls the venture with other partners under the contractual agreement and requires unanimous consent for all major decisions over the relevant activities.

Hektar Real Estate Investment Trust (“H-REIT”)
FCT holds 31.15% of the units in H-REIT, an associate of FCT. H-REIT is a retail-focused REIT in Malaysia listed on the Main Market of Bursa Malaysia Securities Berhad. Its property portfolio comprises Subang Parade (Selangor), Mahkota Parade (Melaka), Wetex Parade (Johor), Central Square (Kedah), Kulim Central (Kedah) and Segamat Central (Johor).



Changi City Point

FINANCIAL PERFORMANCE OF INVESTMENT PROPERTY PORTFOLIO

The tables presented below show the gross revenue, property expenses and net property income for FCT's investment property portfolio for FY2021 and FY2020.

	FY2021 1 Oct 2020 - 30 Sep 2021	FY2020 1 Oct 2019 - 30 Sep 2020	Increase / (Decrease)
Gross Revenue S$'000			
Causeway Point	82,583	73,237	12.8%
Tampines 1 **	41,464	-	n.m.
Northpoint City North Wing *	50,837	44,396	14.5%
Tiong Bahru Plaza **	36,268	-	n.m.
Century Square **	30,951	-	n.m.
Changi City Point	22,393	21,734	3.0%
Hougang Mall **	26,639	-	n.m.
White Sands **	25,448	-	n.m.
Central Plaza **	10,898	-	n.m.
Other investment properties ***	13,668	25,010	(45.3%)
Total	**341,149**	**164,377**	**107.5%**
Property Expenses S$'000			
Causeway Point	21,678	20,308	6.7%
Tampines 1 **	11,668	-	n.m.
Northpoint City North Wing *	13,094	12,865	1.8%
Tiong Bahru Plaza **	9,187	-	n.m.
Century Square **	6,591	-	n.m.
Changi City Point	8,958	8,631	3.8%
Hougang Mall **	8,384	-	n.m.
White Sands **	7,572	-	n.m.
Central Plaza **	3,348	-	n.m.
Other investment properties ***	4,102	11,685	(64.9%)
Total	**94,582**	**53,489**	**76.8%**
Net Property Income S$'000			
Causeway Point	60,905	52,929	15.1%
Tampines 1 **	29,796	-	n.m.
Northpoint City North Wing *	37,743	31,531	19.7%
Tiong Bahru Plaza **	27,081	-	n.m.
Century Square **	24,360	-	n.m.
Changi City Point	13,435	13,103	2.5%
Hougang Mall **	18,255	-	n.m.
White Sands **	17,876	-	n.m.
Central Plaza **	7,550	-	n.m.
Other investment properties ***	9,566	13,325	(28.2%)
Total	**246,567**	**110,888**	**122.4%**

* Includes Yishun 10 Retail Podium.
** These properties were included in the Group's portfolio following the ARF Acquisition on 27 October 2020.
*** Other investment properties comprise Bedok Point (until its divestment on 9 November 2020), Anchorpoint (until its divestment on 22 March 2021), and YewTee Point (until its divestment on 28 May 2021).

PERFORMANCE COMPARISON BETWEEN FY2021 AND FY2020

Gross revenue for the year ended 30 September 2021 ("FY2021") totalled S$341.1 million, an increase of S$176.8 million or 107.5% over the corresponding period last year. The increase was mainly due to the contributions from the enlarged retail portfolio, following the ARF Acquisition on 27 October 2020 and lower rental rebates assistance granted to tenants in FY2021. It was partially offset by the loss of gross revenue from the investment properties which were divested during the year ended 30 September 2021.

Property expenses for the year ended 30 September 2021 totalled S$94.6 million, an increase of S$41.1 million or 76.8% compared to the corresponding period last year. The increase was mainly due to the enlarged retail portfolio with the ARF Acquisition on 27 October 2020 and was partially offset by the absence of property expenses from the investment properties which were divested during the year ended 30 September 2021.

Net property income for FY2021 was therefore higher at S$246.6 million, being S$135.7 million or 122.4% higher than the corresponding period last year.

Net non-property expenses of S$80.8 million was S$35.3 million or 77.6% higher than the corresponding period last year mainly due to higher borrowing costs from higher borrowings and increase in Manager's management fees arising from the increase in net property income and total assets of the enlarged retail portfolio with the ARF Acquisition on 27 October 2020. Interest income from joint venture of S$0.8 million, was 63.8% lower than last year due to the conversion of the interest-bearing loan to joint venture of S$113.8 million to Redeemable Preference Units.

Total return included:

- Gain from fair valuation of derivatives of S$2.9 million was S$4.0 million or 369.2% higher than the corresponding period last year mainly due to the fair valuation of interest rate swaps for the hedging of interest rate in respect of the loans and the realisation of hedging reserve upon expiry of the interest rate swaps contract.
- Share of associates' results loss of S$1.4 million was S$76.7 million or 101.8% lower than the corresponding period last year mainly due to the reduced contribution from ARF, upon the reclassification of investment in ARF from "investment in associates" to "investment in subsidiaries" following the acquisition of ARF on 27 October 2020, lower share of results from H-REIT, and share of H-REIT revaluation loss of S$3.9 million during the year.
- For the year ended 30 September 2021, the Group provided for an impairment loss of S$12.0 million to write down the carrying amount of the investment in H-REIT to the estimated recoverable amount.
- Share of joint ventures' results of S$16.9 million was S$5.7 million or 50.8% higher than the corresponding period last year due to higher share of SST's results in current period, partially offset by the share of SST's revaluation loss of S$0.5 million.
- For the year ended 30 September 2021, the Group recognised a S$3.3 million revaluation loss on its investment properties, of which S$10.0 million related to the fair value surplus recognised for YewTee Point, offset by the capital expenditure written off of S$25,769 for Anchorpoint.
- The gain on disposal of properties of S$17.2 million mainly arose from the gain on disposal of YewTee Point, net of transaction costs of S$18.8 million, offset by the transaction cost arising from the sale of Bedok Point and Anchorpoint.
- The net gain on step acquisition of S$11.5 million related to the re-measurement of the Group's pre-existing interest in ARF and bargain purchase on the ARF Acquisition on 27 October 2020.
- Expenses in relation to acquisition of subsidiaries and an associate of S$25.3 million arising from the acquisition fee, legal fees and due diligence costs incurred on the ARF Acquisition on 27 October 2020.
- The Tax Ruling grants tax transparency to FCT, Tiong Bahru Plaza Trust 1, White Sands Trust 1, Hougang Mall Trust 1, Tampines 1 Trust 1 and Central Plaza Trust 1 on their taxable income that is distributed to Unitholders such that the aforementioned entities would not be taxed on such taxable income. Correspondingly, no provision has been made for tax at the aforementioned entities as it is assumed that 100% of the taxable income available for distribution to Unitholders in the next financial year will be distributed. The Group's tax expenses of S$3.6 million consist of S$0.1 million of over-provision in relation to prior year, mainly arising from the tax exposure of certain subsidiaries prior to the conversion to LLP structure.

DISTRIBUTION

Distribution to Unitholders for the year ended 30 September 2021 was S$204.7 million, which was S$103.5 million or 102.4% higher compared with the last financial year. The increase was attributed to the enlarged portfolio after the completion of the ARF Acquisition, partially offset by the loss of gross revenue from the properties divested in FY2021.

The breakdown and comparison of the DPU for FY2021 and FY2020 are presented below:

	FY2021 1 Oct 2020 - 30 Sep 2021	FY2020 1 Oct 2019 - 30 Sep 2020	Increase / (Decrease)
Distribution per Unit (S cents)[1]			
First half (1 October – 31 March)[2]	5.996	4.670	28.4%
Second half (1 April – 30 September)	6.089	4.372	39.3%
Full Year (1 October – 30 September)	**12.085**	**9.042**	**33.7%**

1 FCT has moved to half-yearly reporting and half-yearly distribution payment from 2HFY2020 onwards
2 1HFY2020 comprises of 3.060 Singapore cents and 1.610 Singapore cents declared for period 1 October 2019 to 31 December 2019 and 1 January 2020 to 31 March 2020 respectively

TOTAL ASSETS, NET ASSET VALUE ("NAV") PER UNIT AND NET TANGIBLE ASSET ("NTA") PER UNIT

As at 30 September 2021, the total assets stood at S$5,899 million, an increase of approximately S$2,016 million from S$3,883 million a year ago. The increase was mainly attributed to the addition of the ARF properties to FCT's portfolio following the completion of the ARF acquisition on 27 October 2020, and partially offset by the divestment of Bedok Point, Anchorpoint and YewTee Point during the financial year.

FCT's net assets stood at S$3,919 million as at 30 September 2021, an increase of approximately S$1,381 million compared with S$2,538 million a year ago. The increase in net assets was mainly attributed to the completion of the ARF Acquisition, which was funded by part of the proceeds from the equity fund raising in FY2021. Approximately S$1,020.6 million from the gross proceeds of S$1,334.7 million, was utilised to fund the ARF Acquisition.

Correspondingly, the NAV and the NTA of FCT increased to S$2.30 per Unit from S$2.27 per Unit a year ago. The NAV and NTA per Unit are calculated based on the following:

	30 September 2021	30 September 2020
NAV / NTA (S$'000)	3,918,808	2,538,276
Total issued and issuable Units ('000)	1,700,859	1,120,330
NAV/ NTA per Unit (S$)	2.30	2.27

APPRAISED VALUE OF PROPERTIES

Independent valuations of the investment properties were undertaken by Jones Lang LaSalle Property Consultants Pte Ltd ("JLL") and Savills Valuation and Professional Services (S) Pte Ltd ("Savills") (2020: CBRE Pte Ltd, Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("Colliers") and Savills).

The Manager believes that these independent valuers possess appropriate professional qualifications and recent experience in the location and category of the investment properties being valued. Valuation methods used for the investment properties include the capitalisation approach and discounted cash flow analysis (and direct comparison method as a cross-check) in determining the fair values of the properties.

Annual valuations are required by the Code on Collective Investment Schemes.

The total appraised value of FCT's investment property portfolio as at 30 September 2021 stood at S$5,506.5 million, compared with S$2,857.5 million a year ago. This is mainly due to the inclusion of Tampines 1, Tiong Bahru Plaza, Century Square, Hougang Mall, White Sands and Central Plaza in the portfolio following the acquisition of the balance 63.11% stake in ARF on 27 October 2020, however offset by the divestment of Bedok Point, Anchorpoint and YewTee Point during the financial year.

The appraised values of Causeway Point saw an increase of S$7.0 million, while Changi City Point and Yishun 10 Retail Podium saw declines of S$13.0 million and S$2.0 million in their respective appraised values. The remaining properties in the investment portfolio were relatively stable compared to a year ago. The appraised value of Waterway Point remained unchanged at S$1,300 million (FCT's 40.0% interest via a joint venture amounts to S$520 million).

	As at 30 September 2021		As at 15 September 2020	
Properties	Appraised Value (S$ million)	Capitalisation rate	Appraised Value (S$ million)	Capitalisation rate
Causeway Point	1,312.0	4.75%	1,305.0	4.75%
Northpoint City North Wing	771.5	4.75%	771.5	4.75%
Changi City Point	325.0	5.00%	338.0	5.00%
Yishun 10 Retail Podium[1]	33.0	3.75%	35.0	3.75%
Anchorpoint[2]	-	-	110.0	4.50%
YewTee Point[3]	-	-	190.0	5.00%
Bedok Point[4]	-	-	108.0	Not applicable
Tampines 1[5]	762.0	4.75%	-	-
Tiong Bahru Plaza[5]	654.0	4.75%	-	-
Century Square[5]	574.0	4.75%	-	-
Hougang Mall[5]	432.0	4.75%	-	-
White Sands[5]	428.0	4.75%	-	-
Central Plaza[5]	215.0	3.75%	-	-
Total	**5,506.5**		**2,857.5**	
Waterway Point[6]	1,300.0	4.50%	1,300.0	4.50%

1 Yishun 10 Retail Podium comprises 10 strata-titled retail units at Yishun 10 Cinema Complex

2 On 22 March 2021, FCT completed the divestment of Anchorpoint to Copperdome Pte Ltd and Copper Hills Pte Ltd for a total consideration of S$110.0 million, and recorded a loss on disposal of S$1.1 million, after taking into account divestment fee and other related expenses. The independent valuation of Anchorpoint valued it at S$110.0 million, and the methods used were the income capitalisation method and discounted cash flow analysis method

3 On 28 May 2021, FCT completed the divestment of YewTee Point to Wellspring Holdings Pte Ltd for a total consideration of S$220.0 million, and recorded a revaluation gain of S$10.0 million and gain on disposal of S$18.8 million, after taking into account divestment fee and other related expenses. The independent valuation of YewTee Point valued it at S$200.0 million, and the methods used were the income capitalisation method and discounted cash flow analysis method

4 On 9 November 2020, FCT completed the divestment of Bedok Point to Chempaka Development Pte Ltd for a total consideration of S$108.0 million and recorded a loss on disposal of S$0.5 million, after taking into account divestment fee and other related expenses. The sale price was arrived at after taking into account the independent valuations conducted by JLL (commissioned by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of FCT)) and Colliers (commissioned by the Manager). JLL, in its report dated 1 August 2020, had stated that the open market value of Bedok Point as at 1 August 2020 was S$108.9 million and Colliers, in its report dated 1 August 2020, had stated that the open market value of Bedok Point as at 1 August 2020 was S$107.2 million. Bedok Point was classified as asset held for sale as at 30 September 2020

5 On 27 October 2020, FCT Holdings (Sigma) Pte Ltd, a wholly-owned subsidiary of FCT, completed (a) the acquisition of approximately 63.11% of the total issued share capital of AsiaRetail Fund Limited from Frasers Property Investments (Bermuda) Limited for a total consideration of approximately S$1,060.3 million, including FCT's share of the profit reserve adjustment for the acquisition of 63.11% interest in AsiaRetail Fund Limited paid to Frasers Property Investments (Bermuda) Limited, and (b) the divestment of 100% of the total issued share capital of Mallco Pte Ltd which holds a retail mall in Malaysia, being Setapak Central, to Frasers Property Gold Pte Ltd for a sale price of approximately S$39.7 million

The independent valuations of the Singapore assets in the AsiaRetail Fund Limited portfolio valued them at S$3,082 million and S$3,052 million, and the methods used were the income capitalisation method and discounted cash flow analysis method. The independent valuation of Setapak Central valued it at RM 300 million and RM 335 million, and the basis of valuation used by both valuers was the investment method. Tampines 1, Tiong Bahru Plaza, Century Square, Hougang Mall, White Sands and Central Plaza were included in the Group's portfolio following the acquisition of the balance 63.11% stake in ARF

6 FCT owns 40.0% of SST which holds Waterway Point. The value reflected in this table is the total value of Waterway Point and FCT's 40.0% interest amounts to S$520 million

Northpoint City North Wing

Capital Resources

OVERVIEW

The Manager of Frasers Centrepoint Trust ("FCT") continues to maintain a prudent financial structure and adequate financial flexibility to ensure that it has access to capital resources at competitive cost. The Manager proactively manages FCT Group's cash flows, financial position, debt maturity profile, cost of funds, interest rates exposure and overall liquidity position. The Manager monitors and maintains a level of cash and cash equivalents deemed adequate by management to meet its operational needs. It also maintains an amount of available banking facilities with reputable banks deemed sufficient by management to ensure FCT Group has access to diversified sources of bank borrowings.

SOURCES OF FUNDING

FCT Group relies on the debt capital and syndicated loan market, equity market and bilateral bank facilities for its funding needs. The Manager maintains active relationship with banks which are located in Singapore. The principal bankers of FCT Group are BNP Paribas, Citibank, N.A., Singapore Branch, Credit Industriel et Commercial, Singapore Branch, DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited and Standard Chartered Bank.

As at 30 September 2021, FCT Group has a total capacity of S$6,252 million from its sources of funding, of which S$1,815 million or 29.0% has been utilised. The following table summarises the capacity and the amount utilised for each of the sources of funding:

Sources of Funding	Type	Capacity	Amount Utilised	% Utilised
Revolving credit facilities	Unsecured	S$745 million	S$131 million	17.6%
Revolving credit facilities	Secured	S$299 million	S$176 million	58.9%
Medium Term Note Programme	Unsecured	S$1,000 million	S$100 million	10.0%
Bank borrowings	Unsecured	S$430 million	S$430 million	100.0%
Bank borrowings	Secured	S$778 million	S$778 million	100.0%
Multicurrency Debt Issuance Programme	Unsecured	S$3,000 million	S$200 million	6.67%
Total		**S$6,252 million**	**S$1,815 million**	**29.0%**

CREDIT RATINGS

FCT has corporate credit ratings from S&P Global Ratings ("S&P") and Moody's Investors Service ("Moody's"). FCT has been assigned a corporate rating of "BBB" with a stable outlook by S&P and a corporate rating of "Baa2" with a stable outlook by Moody's. In addition, FCT's Medium Term Note Programme ("MTN Programme") has been rated "BBB" by S&P.

DEBT PROFILE

During the year, FCT Group obtained S$1,334.7 million proceeds through private placement and preferential offering of which S$304.2 million was used to pare down existing indebtedness. Following the acquisition of balance 63.11% interest in ARF on 27 October 2020, FCT Group assumed S$1,410.6 million of secured term loans and revolving credit facilities ("RCF"). FCT Group also repaid the S$50 million bond issued under its MTN Programme and bank loans of S$386 million using the net proceeds from the divestment of Bedok Point, Anchorpoint and YewTee Point. In addition, FCT Group entered into new term loan and bank facilities of S$120 million and S$270 million for working capital and to re-finance the existing bank loans.

FCT Group's total debt stood at S$1,815 million on 30 September 2021 for which it comprised S$954 million secured bank borrowings, S$561 million unsecured bank borrowings and S$300 million unsecured Notes. The interest cover for the year ended 30 September 2021 was 5.11 times. FCT Group's gearing stood at 33.3% as at 30 September 2021 (30 September 2020: 35.9%). The lower gearing level was attributed to the repayment of the bank loans with the proceeds from private placement, preferential offering and the proceeds from the three divested properties.

KEY FINANCIAL METRICS

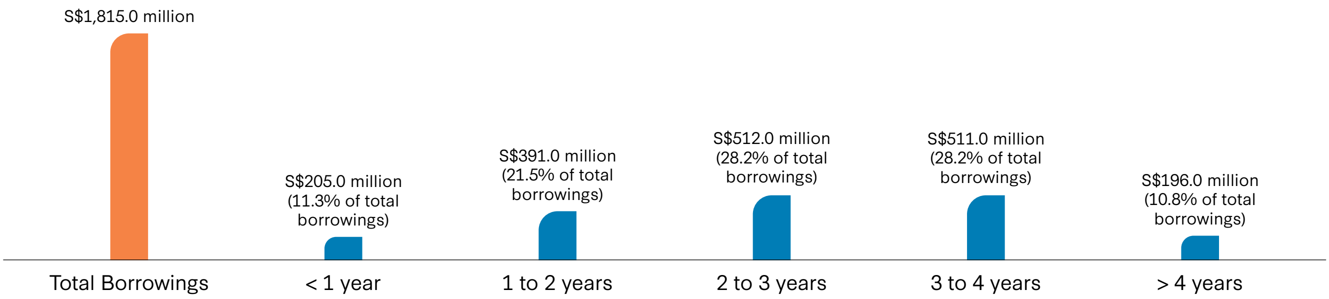
Financial Year ended 30 September	2021	2020
Total Borrowings	S$1,815.0 million	S$1,255.0 million
Gearing[1]	33.3%	35.9%
Interest Cover[2]	5.11 times	4.95 times
Average all-in cost of borrowing	2.21%	2.43%
Average debt maturity	2.5 years	2.1 years

1 In accordance with Property Funds Appendix, the gearing ratio included FCT's proportionate share (40%) of deposited property value and borrowings in SST (which owns Waterway Point).
2 Calculated as earnings before interest and tax ("EBIT") divided by interest expense.

FCT Group holds derivative financial instruments to hedge its interest rate risk exposure. The fair value of derivative liabilities as at 30 September 2021 of S$3.1 million (2020: S$7.4 million) is disclosed in **Note 14 Financial Derivatives** to the Financial Statements on page 196. The fair value of financial derivatives represented 0.08% (2020: 0.29%) of the net assets of FCT Group as at 30 September 2021.

DEBT MATURITY PROFILE AS AT 30 SEPTEMBER 2021

Financial Year ended 30 September 2021	Amount Due	As % of total borrowings
< 1 year	S$205.0 million	11.3%
1 to 2 years	S$391.0 million	21.5%
2 to 3 years	S$512.0 million	28.2%
3 to 4 years	S$511.0 million	28.2%
> 4 years	S$196.0 million	10.8%
Total Borrowings	**S$1,815.0 million**	**100.0%**



Retail Property Market Overview

1. INTRODUCTION

This report was prepared by Cistri Pte. Ltd.

This report provides an independent review of the Singapore retail market, including the suburban shopping centre market.

First, we consider the macro-economic drivers of the retail market, including economic growth, inflation, tourism, and population growth.

Second, we look at the shopping centre market in more detail, providing an analysis of key market dynamics such as shopping centre supply, rental, and occupancy growth.

Finally, we summarise key trends in the retail market over the past year.

Key Assumptions
The highly infectious COVID-19 Delta variant has posed a challenge to the post-pandemic economic recovery and generated significant uncertainty around the world.

This market outlook assumes that by end 2022, most if not all of the COVID-19 safe management measures in Singapore are lifted, such that business and social activities can return to normal. Additionally, we assume inbound tourism to Singapore gradually recovers from 2022 but does not reach pre-pandemic levels until at least 2024.

2. ECONOMIC CONTEXT

This section provides background information on the Singapore economy.

Current Situation & Near-Term Outlook
2021 was a year of uneven economic recovery across the world. Advanced economies have kickstarted their post-pandemic re-opening. For example, major economies like the United States (US) and the European Union (EU) saw strong GDP growth rates in the first half of 2021 (+6% and +13% year-on-year in Q2 2021 respectively). In view of the improving economic outlook, the US Federal Reserve announced that it will begin tapering its quantitative easing measures in November 2021. Conversely, developing economies with limited access to vaccines have struggled to re-open their economies while battling against the highly infectious Delta variant. Examples include Singapore's Southeast Asian neighbours such as Indonesia, Malaysia and Vietnam, who endured large waves of infections throughout the year.

In comparison, Singapore has achieved a high vaccination rate with over 80% of its population being fully vaccinated as at end October 2021. To mitigate the economic impact caused by the pandemic, the Singapore government also introduced several supplementary Budgets and assistance schemes to support the economy, bolster private spending and preserve jobs.

Advance estimates show that Singapore's real GDP rose by 6.5% from Q3 2020 to Q3 2021, compared to a 5.4% contraction from 2019 to 2020. The Ministry of Trade and Industry (MTI) has maintained its full-year GDP growth forecast for 2021 at 6%-7%.

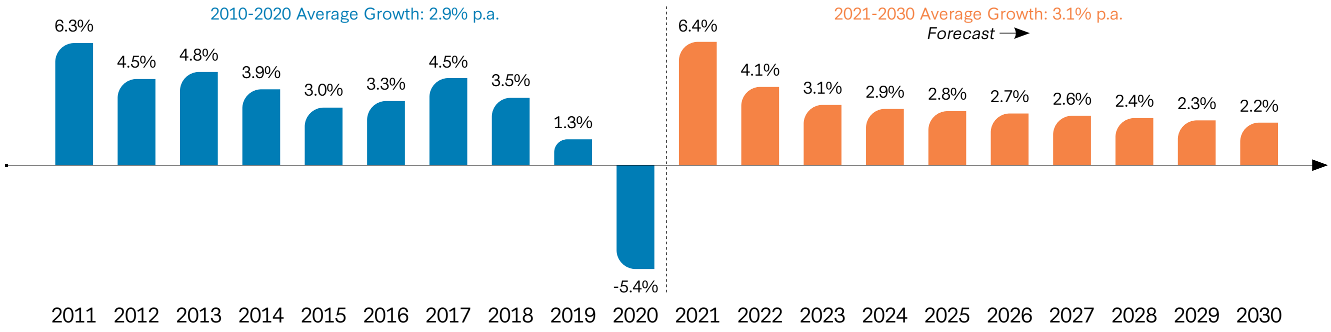
Medium-Term Outlook
Despite the challenging period, there are trends that provide reasons to be optimistic. These include:

- The continued development of new medical treatments for COVID-19.
- The gradual calibration of COVID-19 pandemic responses across the region, which could facilitate the resumption of cross-border economic activities.
- The Singapore government's continued commitment to economic re-opening, as evidenced by its continued adjustment of border measures and plans to allow workers to safely return to workplaces.

But as the last year has shown, it will take time for the economy to recover to pre-pandemic levels as Singapore and other countries gradually adjust to the "new normal". Medium-term ramifications of this adjustment process for Singapore include the following:

- Safe management measures are likely to remain in Singapore over the medium term as part of the journey towards living with COVID-19. This could limit the pace at which business productivity recovers. Publicly-listed retail REITs in Singapore reported that shopper traffic to their shopping centres has been at 50% –70% of pre-COVID-19 levels. Further recovery of shopper footfall to pre-pandemic levels hinges on the easing of safe management measures by the authorities.
- We do not expect travel restrictions to be fully lifted until global vaccination rates improve and countries are sufficiently equipped to handle imported COVID-19 infections alongside domestic ones. Consequently, inbound tourism into Singapore could remain limited in the next few years.

Chart 2.1 Singapore Full-Year Real GDP Growth (2015 Prices)
2011 – 2030



Source: Oxford Economics

Long-Term Outlook
Looking longer term, we remain optimistic about Singapore's long term growth potential. With its track record of prudent economic management, sound governance and political stability, we expect Singapore to remain the preferred regional hub in ASEAN for business, investment and trade. Further, ASEAN remains one of the world's fastest growing economic regions, which will continue to offer businesses in Singapore many growth opportunities.

Nonetheless, Singapore will not be immune to long-term developments and risks in global geopolitics and the environment. Trade and political tensions between the US and China are still unresolved and have been playing out in different ways, from trade sanctions to business boycotts. Fortunately, Singapore has been able to manage its relations with the eastern and western economic powerhouses.

In the longer term, Singapore will also have to balance the post-pandemic recovery with fiscal sustainability considerations. Besides the pandemic, the government will need to address longer-term issues around inequality, an ageing population and climate change. How the government decides to strike this balance and what fiscal tools it chooses to do so could impact disposable incomes across different segments of society.

Going forward, full-year GDP growth is expected to moderate and average around 3.1% p.a. in 2021 – 2030.

3. INFLATION

Consumer price growth has remained low in recent years, creating a challenging environment for retailers and shopping centre owners. The COVID-19 pandemic has accentuated this, with the overall consumer price index (CPI) contracting by 0.2% in 2020.

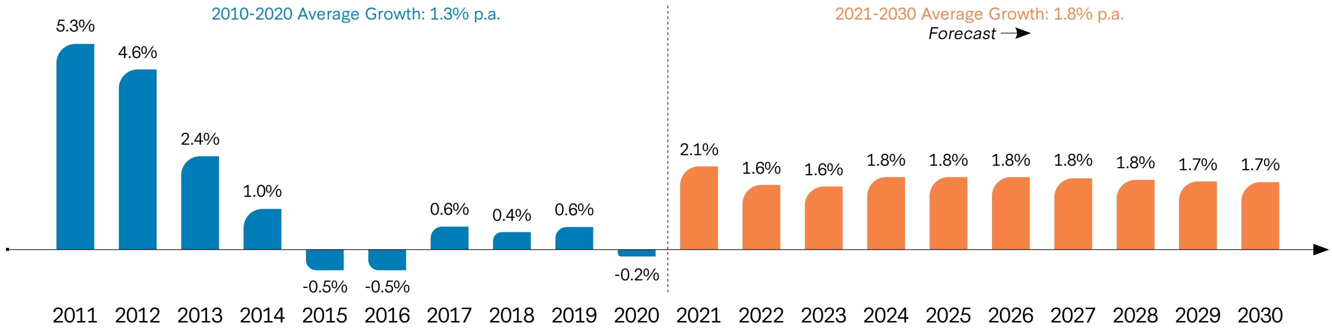
However, the decline in prices appears to be temporary, with consumer prices having recovered throughout 2021. SingStat's data shows that CPI rose by 2.5% in the year to September 2021. This was primarily due to higher prices for food, which accounts for a fifth of Singapore's CPI basket. Other categories, including transport (+8.3%), healthcare (+1.8%) and housing and utilities (+2.3%), also contributed to price growth.

While some categories registered upward price pressures, others registered deflation. Prices for clothing and footwear as well as communication services contracted by 6.2% and 2.2% respectively during the same period. This can be attributed partly to depressed demand for discretionary items amidst continued economic uncertainty, which may have prompted some retailers towards competitive pricing.

Looking forward, several factors may create upward pressure on prices in the near term:

- On the demand side, recovery in global and local demand for goods and services could drive demand-pull inflation.
- On the supply side, the pandemic is still causing some disruptions along the global supply chain, adding to price pressures.
- At the same time, energy prices have been rising steadily over the past year, adding not only to consumer prices but also business operating costs.
- Above all these, the government is still planning to raise GST between 2022 and 2025, as announced by Finance Minister Lawrence Wong on 5 October 2021. This could increase price pressures in the next few years.

Chart 3.1 Consumer Price Inflation
2011 – 2030



Source: Oxford Economics

Anticipating these price pressures, the Monetary Authority of Singapore (MAS) tightened monetary policy in October 2021 to better ensure price stability in Singapore. We expect this to help moderate some of the inflationary pressures in the short term. In 2021 – 2030, we are expecting inflation to average around 1.8% p.a..

4. POPULATION GROWTH

According to SingStat, Singapore's population contracted by around 232,300 or 4.1% from 2020 to 2021 to reach 5.45 million. This is the largest year-on-year population decline Singapore has experienced since its founding.

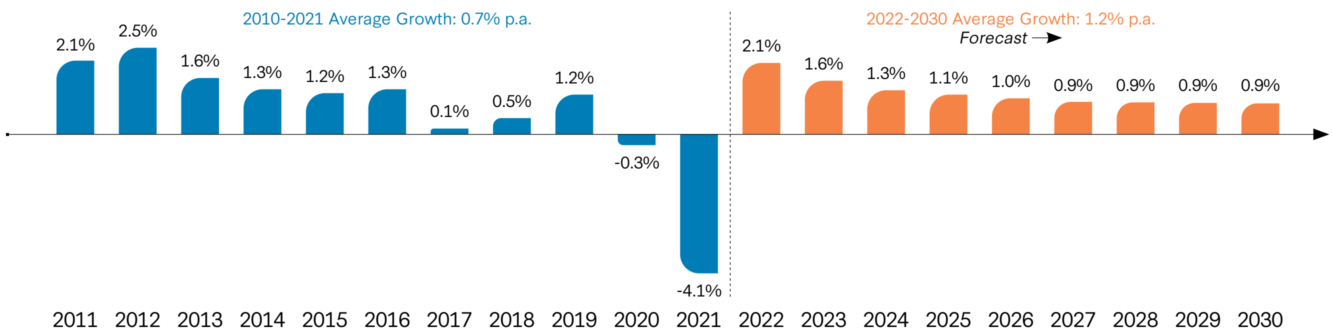
The drop in population was largely driven by the decline in the non-resident population of 174,900. At the same time, the permanent resident and citizen population also fell by 32,400 and 25,000, respectively.

Overall, the fall in population can be attributed to the enactment of travel restrictions due to COVID-19. These travel restrictions have resulted in lower net inward migration and fewer Singaporeans returning from overseas.

Given the low birth rate in Singapore, we expect inward immigration to remain a key policy tool that the government can use to support economic growth. As work permit holders constituted a large segment of the net decline of non-residents this year, we expect stronger demand for this group of workers to return over the next two years as construction projects halted during the pandemic resume and the economy rebounds.

Overall, we forecast population growth to average around 1.2% p.a. in 2022 – 2030 to reach around 6.1 million by 2030.

Chart 4.1 Population Growth
2011 – 2030



Source: SingStat, Cistri

5. TOURISM GROWTH

Tourism is an important contributor to Singapore's economy and retail market. According to the Singapore Tourism Board, the tourism sector accounted for about 4% of Singapore's GDP pre-pandemic. However, the pandemic has disrupted international tourism. As at September 2021, Singapore's year-to-date inbound tourist arrivals remained 99% lower than pre-pandemic levels. It could take several years for tourist arrivals and tourism-related sectors to recover to pre COVID-19 levels.

Having achieved a high vaccination rate domestically, Singapore has begun to take steps to re-open its borders and revive the tourism industry. Key measures implemented to support inbound tourism include:

- **Vaccinated Travel Lanes (VTL):** Fully vaccinated individuals from countries on VTL arrangements can travel into Singapore for any purpose without quarantine. As at 15 November 2021, Singapore has active VTL arrangements with 13 countries and has announced plans to launch VTLs with eight more countries. Altogether, these 21 VTLs will allow up to 10,000 visitors to enter Singapore daily.

- **Air Travel Pass:** Singapore has unilaterally lifted border restrictions for short-term visitors (including leisure travel) from selected countries such as Mainland China and Taiwan. These countries are assessed to have comprehensive public health surveillance systems and have displayed successful control over the spread of COVID-19. Air Travel Pass visitors can go about their activities after receiving a negative COVID-19 test result in Singapore. As at August 2021, more than 33,000 individuals have entered Singapore under this scheme.

- **Business and trade events:** The Singapore Tourism Board is continuing to promote the safe resumption of Meetings, Incentives, Conventions and Exhibitions (MICE) activities. While the current MICE pilots have capped in-person attendance at no more than 1,000 at a time, they still allow a reasonable amount of MICE activities in a challenging period for the industry. MICE pilots that have taken place or are scheduled to take place in 2021 in Singapore include GamesCom Asia (October) and the Bloomberg New Economy Forum (November).

Besides all these, the Singapore government is also continually adjusting its country-specific border controls as well as the requirements for COVID-19 testing and quarantine for visitors, relaxing them where appropriate. However, entry by short-stay visitors remains limited compared to pre-pandemic levels due to capacity restrictions imposed on inbound flights. As a result, we expect the recovery in inbound tourism to take several more years.

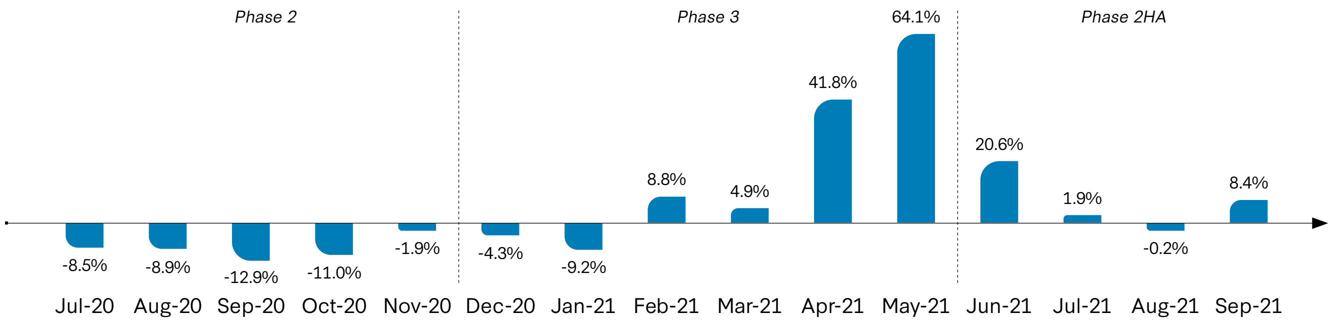
6. RETAIL SALES

Current Situation

The retail market continued to be heavily impacted by COVID-19 and the associated safe management measures in 2021. Earlier in the year, particularly April and May, sales growth was very strong due to a combination of Phase 3 re-opening and a low base effect compared to the same months in 2020 (the 2020 Circuit Breaker period).

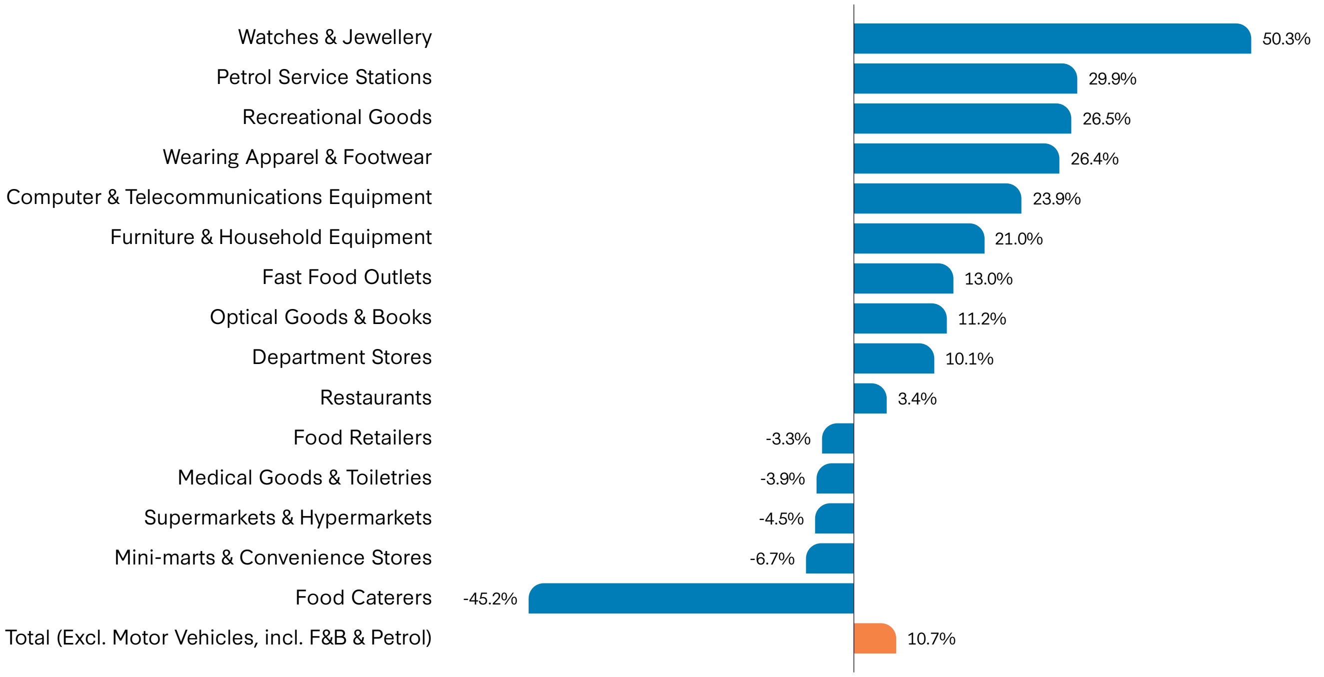
Thereafter, however, the introduction of tighter safe management measures under Phase 2 (Heightened Alert) (Phase 2HA) muted the retail sales recovery. As a result, retail sales (excluding motor vehicles and F&B) registered lower year-on-year growth in July and August before starting to recover again in September.

Chart 6.1 Year-on-Year Total Retail Sales Growth (Excluding Motor Vehicles & F&B)
July 2020 – September 2021



Data shows growth in sales in each month from the same month in previous year.
Source: SingStat

Chart 6.2 Year-on-Year Retail Sales Growth by Category
January – September 2020 vs. January – September 2021



Source: SingStat, Cistri

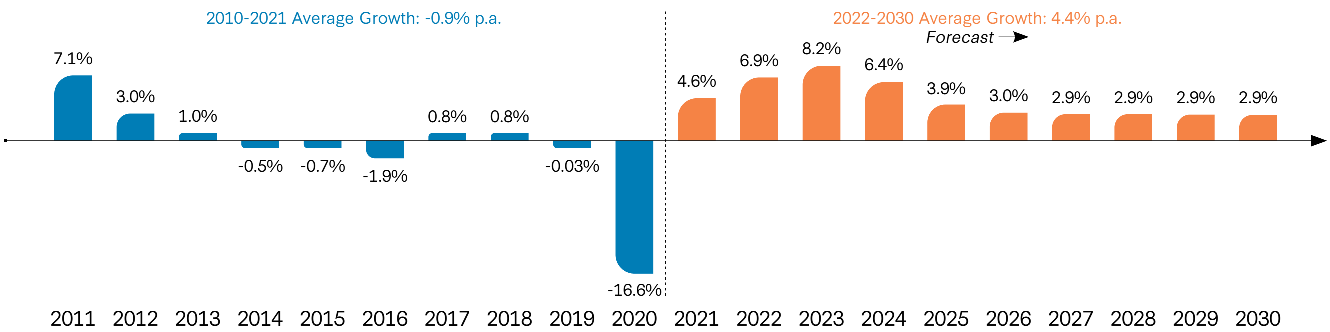
Most product categories saw retail sales rebound in 2021, but to varying extents. So far, discretionary non-food categories like jewellery, recreational goods and apparel have seen the strongest growth. On the other hand, restaurants saw a smaller percentage increase in sales, dragged down by dining-in restrictions during Phase 2HA. Supermarkets and hypermarkets, which outperformed other trade categories strongly in 2020, are now seeing a moderation in sales, but from a high base.

Medium-Term and Long-Term Outlook

As Singapore transits towards endemic COVID-19, we expect the government to gradually ease the safe management measures. This will support the recovery in domestic retail sales, and especially dine-in F&B sales. However, sales to tourists will likely take longer to recover as inbound tourism remains curtailed. Overall, we expect it will take two to three more years for total retail sales to recover fully to pre-pandemic levels. However, we note this sales growth will be uneven. Suburban shopping centres are likely to return to pre-pandemic sales quicker than shopping centres in the city centre, which rely more on tourism.

We forecast total nominal retail sales growth to average at around 4.4% p.a. in 2021 – 2030, with stronger growth in 2022 – 2024.

Chart 6.3 Nominal Retail Sales Growth
2011 – 2030



Note: Retail sales including F&B but excluding motor vehicles and petrol.
Source: SingStat, Cistri

Before the pandemic, SingStat's data suggests that around 6% of total retail sales (excluding F&B) in Singapore were transacted online. By 2020, this share had increased to around 12%, and it has continued averaging around 10%–15% for the year up to September 2021. As consumers become more accustomed to shopping online, we expect the share of retail sales transacted online to remain around the same level for the next few years.

Notwithstanding, this still leaves around 80% of sales being purely transacted in physical stores, even before including online sales that are fulfilled in-store. It is our view that physical stores will continue to play a critical role in facilitating most retail transactions over the next decade.

7. RETAIL SUPPLY

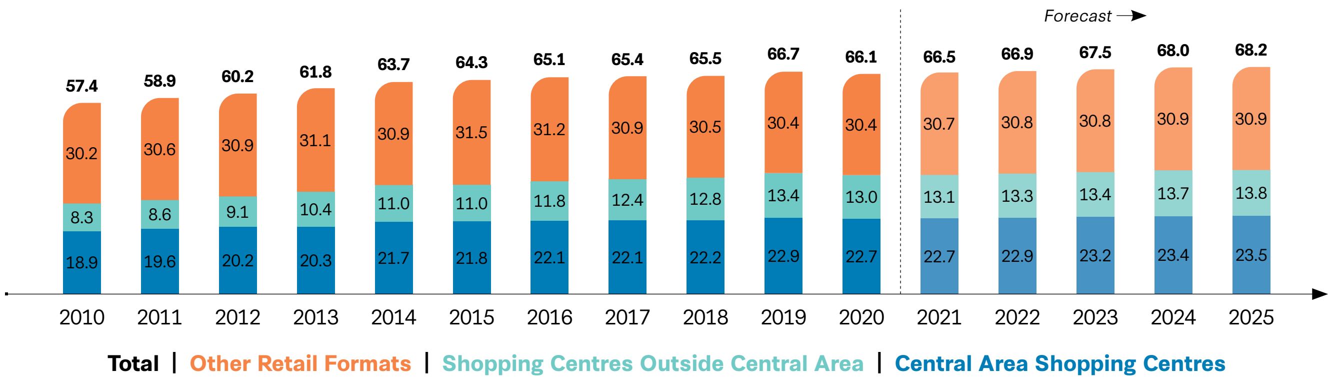
Cistri's estimate of future retail floorspace includes announced retail projects, longer-term allowances for unannounced future projects, as well as an allowance for obsolescence. Supply forecasts for announced projects are based on the URA's commercial projects pipelines and developers' intentions.

Total retail net lettable area (NLA) supply in Singapore reached around 66.1 million sq ft by end 2020, approximately 600,000 sq ft lower than in 2019. Following a sizeable addition of new floorspace (1.2 million sq ft) in 2019, the closure of various retail spaces during the pandemic caused total retail floorspace supply to fall. Some of these closures are expected to be temporary (e.g. retail at Changi Airport and shopping centres undergoing renovation like i12 Katong).

The only major retail completion in 2021 is Northshore Plaza I (62,200 sq ft), a neighbourhood shopping centre in Punggol with tenants such as Decathlon and Giant. An extension to this shopping centre – Northshore Plaza II – is scheduled to open in Q1 2022. Apart from Northshore Plaza I, the other new retail openings in 2021 are smaller retail podiums. In total, we estimate retail floorspace supply in Singapore to be around 66.5 million sq ft for the full year of 2021.

By 2025, total retail floorspace is forecast to increase to around 68.2 million sq ft, which translates to an average growth rate of approximately 420,000 sq ft p.a. or 0.6% p.a. from 2020. Of this, the share of shopping centre floorspace outside the Central Area is expected to remain stable at around 20% from 2020 to 2025. It should be noted that if pandemic-related business restrictions persist beyond 2022, retail supply may grow at a slower pace than what we forecast here.

Chart 7.1 Retail Floorspace Supply
Singapore, 2010 – 2025 (Million sq ft)



Note: Central Area includes Central Core and central fringe areas
Source: URA, Developers' Announcements, Cistri; as of October 2021

Notable upcoming retail centre projects include a mixture of projects in the central fringe and suburban east and northeast Singapore. These are listed in Table 7.1 below.

Table 7.1 Upcoming Shopping Centre Projects & Re-Openings (>60,000 sq ft NLA)
2022 – 2027

Name	Opening Year	NLA (sq ft)	Closest MRT/LRT	Centre Type
i12 Katong	2022	207,000	Dakota	Sub-Regional
Changi Airport Terminal 4	2022	137,900	Changi Airport	Major Transport Hub
Woodleigh Mall	2023	206,000	Woodleigh	Sub-Regional
Punggol Digital District	2024	172,590	Punggol Coast (U/C)	Neighbourhood
Sengkang Grand Mall	2024	112,000	Sengkang	Neighbourhood
Caninghill Square (Former Liang Court)	2024	90,417	Fort Canning	Neighbourhood
One Holland Village	2024	61,871	Holland Village	Neighbourhood
Ryse Residences (Pasir Ris Central)	2027	269,000	Pasir Ris	Sub-Regional

Source: URA, developers, Cistri

Besides the above, several other locations provide the potential for new retail floorspace:

- Areas identified for development under URA's 2019 Master Plan, including: Woodlands Regional Centre, Changi Gateway, the Greater Southern Waterfront, Tengah and Bidadari, as well as tourist destinations like Sentosa-Brani, Jurong Lake District and Mandai Eco-Tourism Hub.
- The Government Land Sales sites shown in Table 7.2 also provide opportunities for mixed-use developments with retail components. Development on these sites is likely to still be a few years away as it will first require the submission of a satisfactory bid to trigger a land tender process.

Table 7.2 Upcoming Government Land Sale Sites (Mixed Use / White Sites)
October 2021

Site	Site Area (ha)	Proposed Gross Plot Ratio	Maximum GFA (sq ft)	Capped Retail GFA (sq ft)	Status
Jalan Anak Bukit	3.2	3.0	96,600	220,000	Awarded
Marina View	0.8	13.0	1,090,000	20,000	Awarded
Woodlands Avenue 2	2.8	4.2	1,240,000	360,000	Reserve List
Kampong Bugis	8.3	N.A	4,200,000	110,000	Reserve List

Source: URA

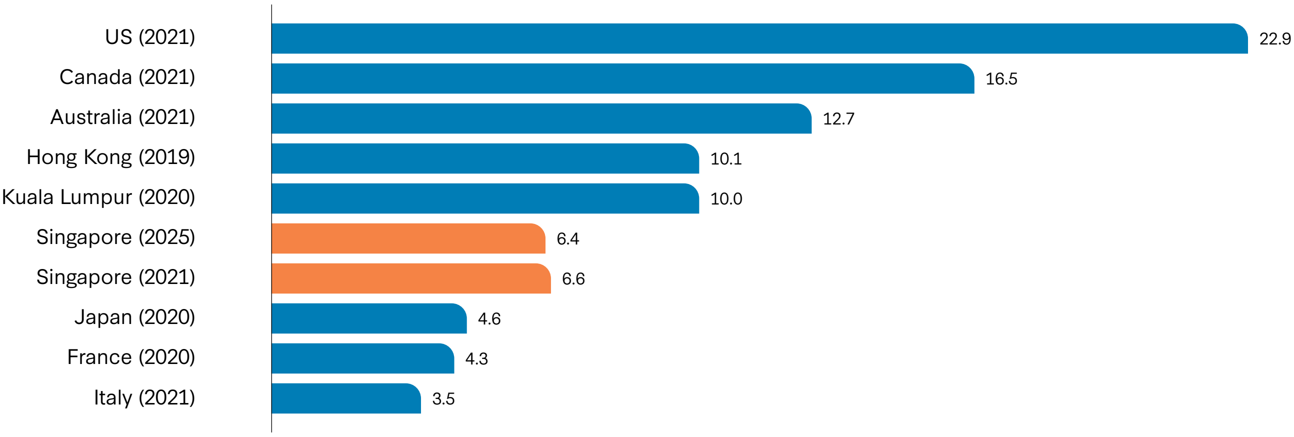
8. SHOPPING CENTRE FLOORSPACE PER CAPITA

Singapore's shopping centre floorspace per capita is estimated to be around 6.6 sq ft NLA in 2021. This is slightly higher than what it was in 2020 due to the aforementioned population decline. By 2025, we expect floorspace per capita to fall marginally to around 6.4 sq ft as population growth returns. Overall, the changes are considered very minor.

Compared to other countries, Singapore's provision of floorspace is moderate. Singapore lags other larger countries like the US, Canada, and other major cities in the region in terms of floorspace per capita, primarily because it has fewer large shopping centres.

It should be noted that the amount of floorspace per capita does not indicate the quality of the retail offering. It is possible to have high-quality retail offerings over a smaller amount of floorspace. Further, having a lower provision generally means that retail floorspace can operate more efficiently and productively on a sales per sq ft basis.

Chart 8.1 Shopping Centre Floorspace Per Capita (sq ft NLA)
Singapore vs. Various Countries & Cities



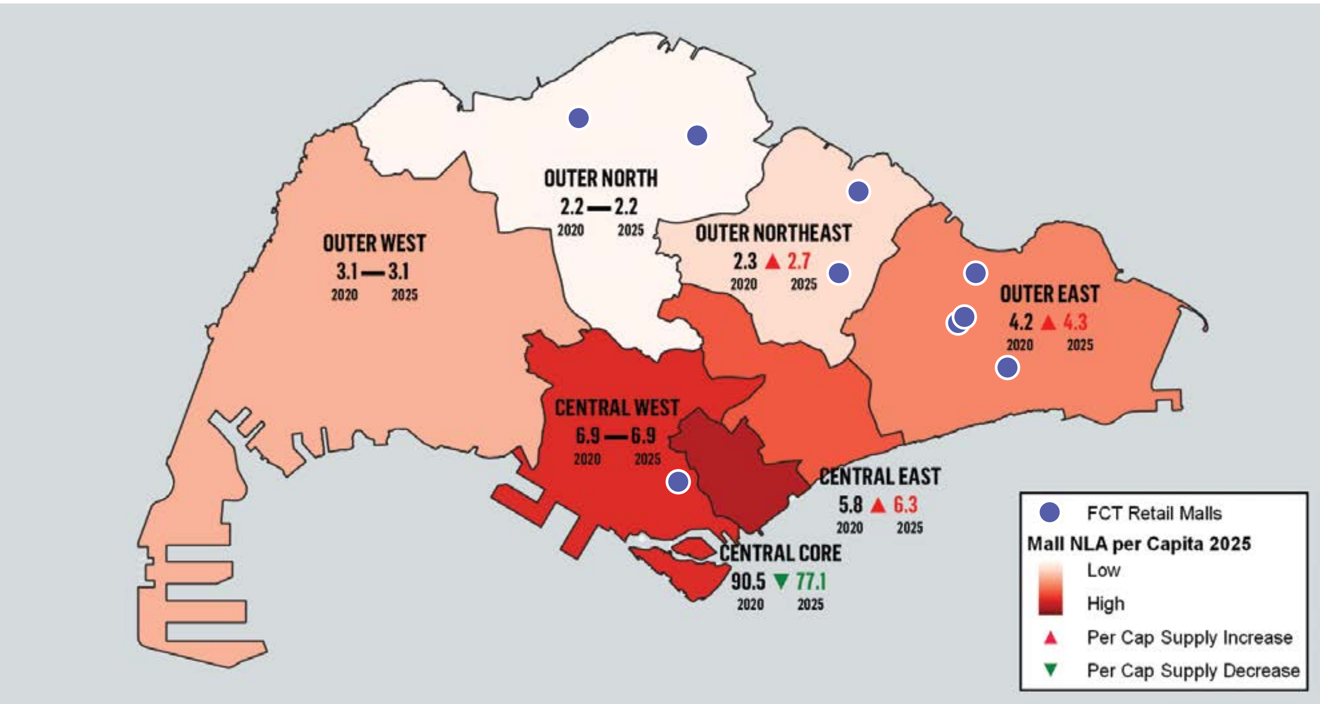
Global benchmarks updated based on latest data availability.
Source: International Council of Shopping Centres, Cistri

Of the regions where FCT's assets are located, we anticipate the Central East and Outer Northeast regions to have the largest increases in per capita floorspace between 2020 and 2025. Besides the re-opening of temporary closed shopping centres, new projects are also expected to contribute to these increases. For example:

- The Outer Northeast region contains new retail projects such as Sengkang Grand Mall, several neighbourhood centres operated by the Housing Development Board (HDB), and retail components in Punggol Digital District.
- Woodleigh Mall will contribute to floorspace growth in the Central East.

In contrast, per capita floorspace in the other regions is expected to remain stable or decrease as population grows in line with or faster than floorspace growth.

Map 8.1 Shopping Centre Floorspace Per Capita by Region
2020 vs. 2025

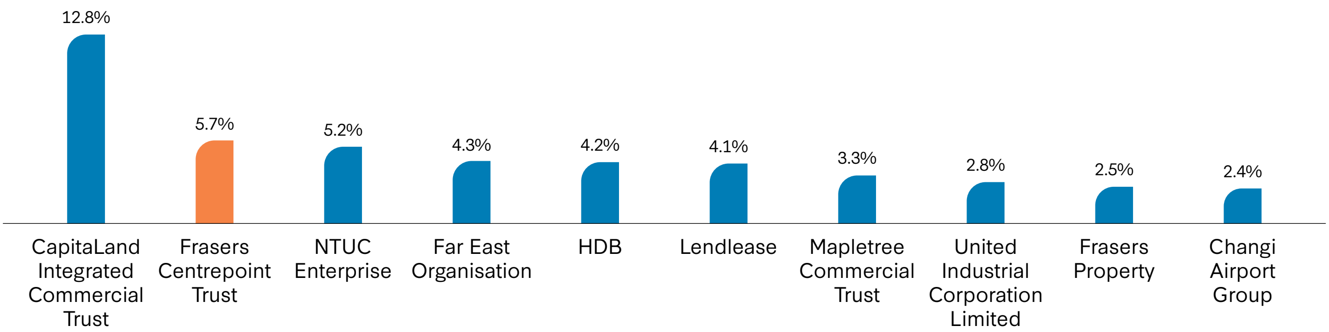


Source: SingStat, Cistri

9. MARKET SHARE OF SHOPPING CENTRE NLA BY OWNER

FCT remains the second-largest owner of total shopping centre floorspace in Singapore, with a market share of 5.7% as at mid-November 2021. This is lower than FCT's ownership share in 2020 due to the divestment of Anchorpoint and YewTee Point in 2021.

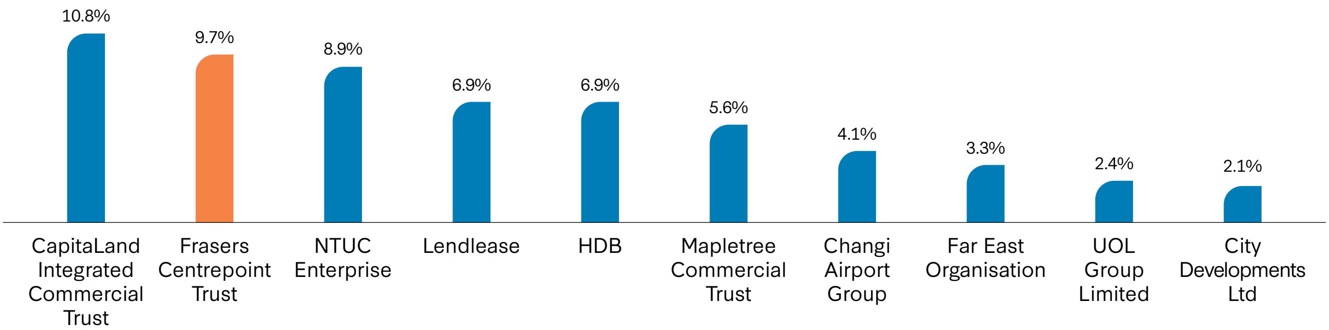
Chart 9.1 Share of Island-wide Shopping Centre Floorspace by Owner
By NLA



Source: Cistri
Note: As at mid-November 2021

FCT's share of the suburban retail floorspace is higher at around 9.7%. Again, this share has fallen from last year due to its divestments in 2020-2021.

Chart 9.2 Share of Suburban Shopping Centre Floorspace by Owner
By NLA



Source: Cistri
Note: As at mid-November 2021

The top 10 shopping centre owners for both island-wide and suburban stock remain the same as last year. Their floorspace shares have remained largely stable except for the following:

- HDB's floorspace shares have increased due to the opening of Canberra Plaza and Northshore Plaza I.
- Changi Airport Group's shares have fallen due to temporary closures of retail shops in the terminals during the pandemic.

10. RETAIL RENTS & OCCUPANCY

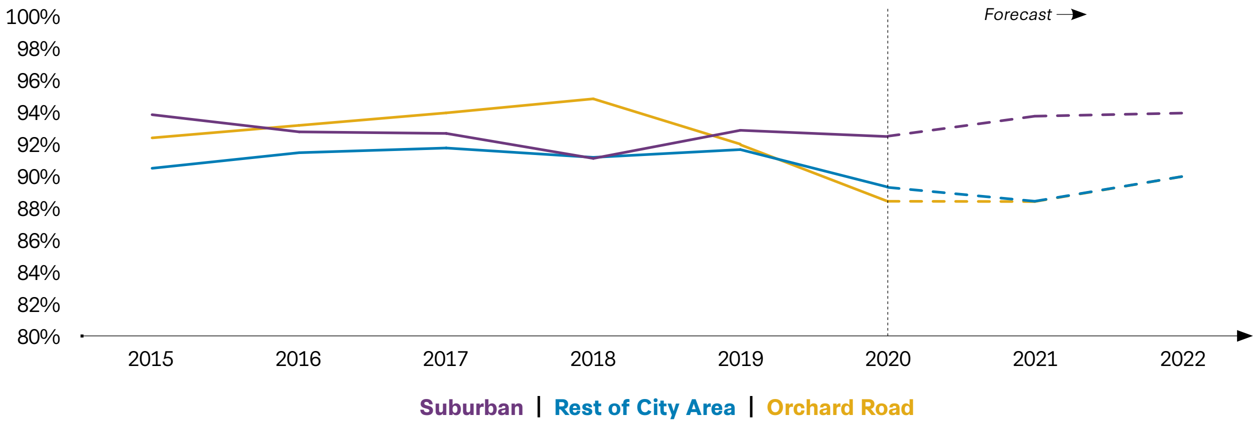
Despite the impact of COVID-19 on retail sales, average retail occupancies have remained around 90% through 2020 and 2021, a very positive outcome for such a challenging period.

Suburban shopping centres have performed particularly well during the period, with occupancy higher than it was in 2018. This reflects the important role of suburban shopping centres in the retail hierarchy, whereby they provide day-to-day and non-discretionary services.

Conversely, Central Area shopping centres have been more negatively affected by lower footfall amid the tourism slump and work-from-home restrictions. Based on the latest available data for Q3, average occupancy for Orchard Road fell by 2.5 percentage points year-on-year. Nevertheless, occupancy of between 88% – 90% for these Central Area shopping centres remains relatively strong given the challenged faces by retailers.

The limited impact of COVID-19 on occupancy reflects the actions taken by both the government and landlords in helping tenants survive. The government has provided property tax rebates and cash grants for small and medium enterprise tenants in retail properties. In June 2021, the government also implemented the Fair Tenancy Framework Code of Conduct for Leasing of Retail Premises, which aims to balance negotiation powers between retail tenants and landlords. Additionally, landlords have introduced further rental relief and temporarily moved some tenants onto turnover-rent-only deals.

Chart 10.1 Retail Occupancy Rate
Singapore, 2015 – 2022



Source: URA, Cistri

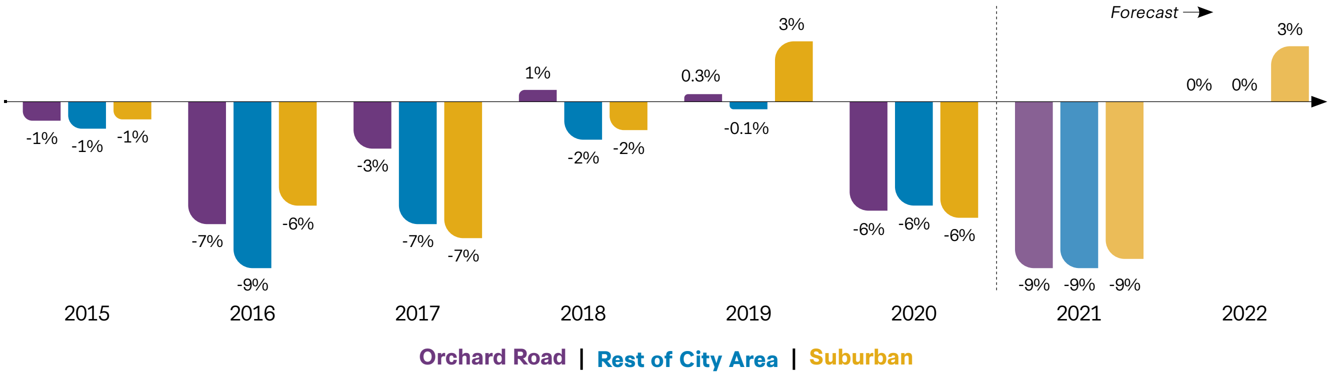
After a challenging 2020, rents have continued their decline as the pandemic dragged out through 2021. In the first three quarters of 2021, average rents fell by around 9% year-on-year across both central and suburban areas. While landlords reducing rents creates a short-term financial challenge, it reflects an appropriate short-term response by landlords ensuring their shopping centres retain high occupancy, which maximises their capacity to benefit from the economic recovery.

Looking forward, we expect downward pressure on rents to continue over the short term as government rental relief schemes expire and landlords continue to work to retain occupancy in a challenging environment. Until retailers see firm evidence of a sustainable rebound in sales, it may be difficult to convince them to take up space at higher rents.

In particular, Central Area shopping centres will need to keep rents competitive to fill up vacant space while tourist sales are still subdued. In contrast, suburban shopping centres are better positioned for stronger rent growth on the back of higher occupancy, improving sales and optimism around this asset class.

In the medium- to long-term, we are optimistic that market conditions will improve. As discussed earlier, we expect retail sales to rebound post-pandemic in the next few years, allowing rental growth to return after a difficult period. At the same time, the sales recovery will give retailers more confidence to take up additional space and expand their store networks.

Chart 10.2 Median Retail Rental (Based on Contract Date) Year-on-Year Growth
Singapore, 2015 – 2022



Source: URA, Cistri

11. RETAIL TRENDS

Broader Market Trends
In general, shopper behaviour has been and will continue to be shaped by systemic and generational shifts in consumer mindsets and preferences. Such broader market trends were already emerging pre-pandemic, and they continue to remain relevant now. In some cases, the COVID-19 pandemic has accelerated some of these trends.

Key mega trends in shopper preferences that we expect to remain relevant include:

- **Desire for convenience through digital and omnichannel retail platforms:** During the pandemic, consumers have become more accustomed to the convenience offered by Internet platforms. Consequently, consumers increasingly seek retail channels that meet their shopping needs in the most convenient way, particularly through digital means. Shopping centre operators in Singapore have launched their own e-commerce platforms or partnered with third party e-commerce platforms to cater to these demands. This strategy aims to create a smooth omnichannel shopping experience that bridges the brick-and-mortar offer with the convenience of a mobile storefront.

- **Growing social and environmental consciousness:** Consumers increasingly want to engage with brands that have strong ethics and contribute to environmental sustainability. This could favour some brands and product categories at the expense of others, and retailers will have to adapt to such changes in consumer demand. For example, grocers will have to monitor and adapt to the increasing popularity of alternative protein products as people seek to reduce their carbon footprint.

- **Emphasis on health and well-being:** COVID-19 has cast a spotlight on physical and mental health and well-being. With the path towards a "new normal" taking longer than most consumers were expecting, concerns around health and well-being are likely to stay. This may directly impact certain product and service groups, benefiting categories like health foods, athleisure and health services.

- **Experiential retail:** Growing awareness about well-being may also raise consumers' expectations around the experiential elements of shopping destinations. Shoppers are seeking refreshing, enjoyable and safe places and experiences that they cannot find at home or online. This creates demand for strong placemaking, high-quality physical places and experiential tenants who can adapt well to the post-pandemic environment.

- **Localisation:** Put together, the trends above reinforce the role that shopping centres – especially suburban ones – can play as local fulfilment and community hubs. With omnichannel retail, suburban shopping centres can serve as the local physical storefront for brands and last-mile fulfilment hubs for online orders. They can fill the gap in the existing last-mile delivery infrastructure by offering "click-and-collect" services and working with tenants to implement robust omnichannel processes with in-store fulfilment in the shopping centre. Additionally, growing demand for experiential retail presents opportunities for suburban shopping centres to deliver places and experiences that align with the lifestyles of surrounding residents. This will require shopping centre owners to have a solid understanding of the demographics and consumer preferences in their local residential catchments.

Tenant Trends
The pandemic has impacted different product categories and retailers differently. Some have responded to the pandemic by expanding their retail footprint, while others have departed or will be departing by end of the year. Notable tenant openings and closures in 2021 include the following:

- **Homewares & Electronics:** IKEA expanded beyond its megastores to introduce a concept store at Jurong East, the first of its kind in Southeast Asia. Courts has also taken over Robinsons' former space on Orchard Road for its largest outlet in Singapore.

- **Apparel:** Uniqlo has reiterated the importance of physical stores to its business and has hinted at the possibility of opening more outlets. Conversely, Abercrombie and Fitch shut its flagship Orchard Road outlet in May.

- **Department stores:** Robinsons has shut all three physical outlets in Singapore and now only operates online. Isetan will soon be closing its store at Parkway Parade.

- **Supermarkets:** Don Don Donki has successfully opened its 11th Singapore outlet in Tampines. This niche Japanese-themed supermarket has continued to prove popular amongst locals and has been able to open multiple stores during the pandemic. Another new store is planned in northeast Singapore for early 2022.

Shopping centre operators will need to adapt to these consumer and tenant trends by working closely with retailers. In some cases, responding to these market trends may require landlords and retailers to adopt new ways of measuring rental performance. For example, omnichannel retail presents opportunities for landlords and tenants to implement hybrid rental structures and innovative ways to measure rental contribution beyond the physical tills.

12. CONCLUSION

Singapore's retail market is on the road to recovery after a very difficult 2020, but it has yet to return to pre-pandemic levels. The past year has shown that the post-pandemic recovery will be gradual, with occasional disruptions as the government seeks to ensure that it can manage the pandemic at each step of the way.

Across Singapore, the retail market recovery has also been uneven. On one hand, Central Area malls have been more significantly affected by the drop in tourist and office worker footfall. Meanwhile, suburban malls have seen footfall return more quickly and maintained stronger occupancy levels due to their high provision of essential, non-discretionary goods and services. Going forward, we expect suburban malls to be a major driver of market recovery, which could take several years before retail sales return to pre-pandemic levels.

We remain optimistic about the long-term prospects of Singapore's retail real estate market. On the supply side, the government's planning policies and controlled release of new sites for retail development will help to prevent oversupply and support sustainable absorption of retail space.

On the demand side, a return to economic growth, population growth and the full reopening of global tourism markets post-pandemic should enable the long-term recovery of retail sales. In turn, this will support rental growth and take-up of retail space.

While a higher proportion of retail sales went online amid the pandemic, physical stores continued to facilitate a significant majority of retail transactions in Singapore. Further, many retail transactions that are recorded as being "online" are actually fulfilled through physical stores (e.g. "click-and-collect").

This bodes well for the continued relevance of physical retail stores after safe management measures are lifted. Encouragingly, shopping centres in Singapore are seeking to leverage the opportunities presented by omnichannel retailing as e-commerce continues to grow. For instance, landlords continued to develop and improve their e-commerce platforms, and some have partnered third-party e-commerce players on campaigns to entice online shoppers to visit shopping centres. Such initiatives, coupled with efforts to enhance place experience, will help shopping centres to remain relevant in a changing retail market.

Retail Property Market Overview

DISCLAIMER

This report is dated 22 November 2021 and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Cistri Pte Ltd (**Cistri**) opinion in this report. Urbis prepared this report on the instructions, and for the benefit only, of Frasers Centrepoint Trust (**Instructing Party**) for the purpose of Independent Retail Market Overview (**Purpose**) and not for any other purpose or use. To the extent permitted by applicable law, Urbis expressly disclaims all liability, whether direct or indirect, to the Instructing Party which relies or purports to rely on this report for any purpose other than the Purpose, and to any other person which relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

In preparing this report, Cistri was required to make judgements which may be affected by unforeseen future events, the likelihood and effects of which are not capable of precise assessment.

All surveys, forecasts, projections and recommendations contained in or associated with this report are made in good faith and on the basis of information supplied to Cistri at the date of this report, and upon which Cistri relied. Achievement of the projections and budgets set out in this report will depend, among other things, on the actions of others over which Cistri has no control.

COVID-19 and the potential impact on data and information

- The data and information that informs and supports our opinions, estimates, surveys, forecasts, projections, conclusion, judgements, assumptions and recommendations contained in this report (Report Content) are predominantly generated over long periods, and is reflective of the circumstances applying in the past. Significant economic, health and other local and world events can, however, take a period of time for the market to absorb and to be reflected in such data and information. In many instances a change in market thinking and actual market conditions as at the date of this report may not be reflected in the data and information used to support the Report Content.
- The recent international outbreak of the Novel Coronavirus (COVID-19), which the World Health Organisation declared a global health emergency in January 2020 and pandemic on 11 March 2020, is causing a material impact on world economies and increased uncertainty in both local and global market conditions.
- The effects (both directly and indirectly) of the COVID-19 Outbreak on the global real estate market and business operations is currently unknown and it is difficult to predict the quantum of the impact it will have more broadly on the global economy and how long that impact will last. As at June 2020, the COVID-19 Outbreak is materially impacting global travel, trade and near-term economic growth expectations. Some business sectors, such as the retail, hotel and tourism sectors, are already reporting material impacts on trading performance now and potentially into the future.
- The data and information that informs and supports the Report Content is current as at the date of this report and (unless otherwise specifically stated in the Report) does not necessarily reflect the impact of the COVID-19 Outbreak on the global economy, the asset(s) and business operations to which the report relates. It is not possible to ascertain with certainty at this time how the market and the global economy more broadly will respond to this unprecedented event. Nevertheless, we have sought to address the impact of the COVID-19 Outbreak in the Report, and in doing so we have had to make estimates, assumptions, conclusions and judgements in the Report Content that are not directly supported by available and reliable data and information. It is possible that the market conditions applying to the asset(s) and any associated business operations to which the report relates and the business sector to which they belong have been more significantly impacted by the COVID-19 Outbreak within a short space of time and that it will have a longer lasting impact than we have assumed. Clearly, the COVID-19 Outbreak is an important risk factor you must carefully consider when relying on the report and the Report Content.
- Any Report Content addressing the impact of the COVID-19 Outbreak on the asset(s) and any associated business operations to which the report relates or the global economy more broadly is (unless otherwise specifically stated in the Report) unsupported by specific and reliable data and information and must not be relied on.

- To the maximum extent permitted by law, Cistri (its officers, employees and agents) expressly disclaim all liability and responsibility, whether direct or indirect, to any person (including the Instructing Party) in respect of any loss suffered or incurred as a result of the COVID-19 Outbreak materially impacting the Report Content, but only to the extent that such impact is not reflected in the data and information used to support the Report Content.

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This report has been prepared with due care and diligence by Cistri and the statements and opinions given by Cistri in this report are given in good faith and in the reasonable belief that they are correct and not misleading, subject to the limitations above.

OXFORD ECONOMICS DISCLAIMER

The Oxford Economics data presented in this report was updated on 22 October 2021.

Because of the uncertainty of future events and circumstances and because the contents are based on data and information provided by third parties upon which Oxford Economics has relied in producing its reports and forecasts in good faith, Oxford Economics does not warrant that its forecasts, projections, advice, recommendations or the contents of any report, presentation or other document will be accurate or achievable and Oxford Economics will not be liable for the contents any of the foregoing or for the reliance by the Customer on any of the foregoing.

FCT Portfolio Overview

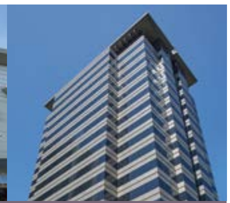
As at 30 September 2021

	Causeway Point	Waterway Point[1]	Tampines 1[12]	Northpoint City North Wing	Yishun 10 Retail Podium
Net lettable area ("NLA")	419,626 sq ft 38,985 sq m	389,335 sq ft[2] 36,170 sq m	268,504 sq ft 24,945 sq m	229,870 sq ft[3] 21,356 sq m	10,344 sq ft 961 sq m
Number of leases	219	213	169	180	
Number of tenants	202	192	158	178	
Title	99 years leasehold commencing 30/10/1995	99 years leasehold commencing 18/5/2011	99 years leasehold commencing 1/4/1990	99 years leasehold commencing 1/4/1990	
Year purchased	2006	40%-interest purchased in 2019	2020	Northpoint 1: 2006 Northpoint 2: 2010	2016
Purchased price	S$606.2 million	S$530.2 million for 40% interest	S$762.0 million	Northpoint 1: S$249.3 million Northpoint 2: S$164.6 million	S$37.8 million
Valuation as at 30 September 2021	S$1,312.0 million	S$1,300.0 million (100.0% interest) S$520.0 million (40.0% interest)	S$762.0 million	S$771.5 million	S$33.0 million
As % of total portfolio appraised value[9]	21.8%	8.6%	12.6%	13.3%	
FY2021 Gross revenue	S$82.58 million	S$28.26 million[10]	S$41.46 million	S$50.84 million	
FY2021 NPI	S$60.91 million	S$21.56 million[10]	S$29.80 million	S$37.74 million	
Committed Occupancy	98.6%	98.4%	97.1%	100.0%	
Key tenants	Metro, Courts, Cold Storage supermarket, Food Republic, Cathay Cineplexes, Uniqlo	NTUC Fairprice Finest, Koufu, Shaw Theatres, Best Denki, Cotton On	Don Don Donki, Cold Storage, Muji, Gain City, Daiso	Kopitiam food court, Cold Storage supermarket, OCBC Bank, United Overseas Bank, MayBank, McDonald's restaurant, Popular bookstore, Sri Murugan Supermarket, Arnold's Fried Chicken, Komala's @ Yishun 10	
Annual shopper traffic in FY2021	18.8 million	15.2 million	14.4 million	43.0 million[11]	
Connection to public transport	Woodlands MRT Station (North-South Line and Thomson-East Coast Line) and the Woodlands Bus Interchange	Punggol MRT Station (North-East Line) and LRT station and the Punggol Temporary Bus Interchange	Tampines MRT Station (East-West Line and the Downtown Line) and the Tampines Bus Interchange	Yishun MRT Station (North-South Line) and the Yishun Bus Interchange	

1 Frasers Centrepoint Trust owns 40% interest in SST which holds the interests in Waterway Point.
2 The NLA includes the area of approximately 17,954 sq ft (1,668 sq m) currently used as Community Sports Facilities Scheme ("CSFS") space.
3 The NLA includes the area of approximately 31,753 sq ft (2,950 sq m) currently used as CSFS space.
4 The NLA includes the area of approximately 8,547 sq ft (794 sq m) currently used as CSFS space.
5 The NLA includes the area of approximately 3,391 sq ft (315 sq m) currently used as CSFS space.
6 The NLA includes the area of approximately 15,767 sq ft (1,465 sq m) currently used as CSFS space.
7 The NLA includes the area of approximately 21,744 sq ft (2,020 sq m) currently used as CSFS space.





Tiong Bahru Plaza[12]	Century Square[12]	Changi City Point	Hougang Mall[12]	White Sands[12]	Central Plaza[12] (Office property)
214,708 sq ft 19,947 sq m	211,283 sq ft[4] 19,629 sq m	208,399 sq ft[5] 19,361 sq m	165,615 sq ft[6] 15,386 sq m	150,375 sq ft[7] 13,390 sq m	172,607 sq ft[8] 16,036 sq m
150	136	134	126	132	21
136	124	123	118	118	21
99 years leasehold commencing 1/9/1991	99 years leasehold commencing 1/9/1992	60 years leasehold commencing 30/4/2009	99 years leasehold commencing 1/5/1994	99 years leasehold commencing 1/5/1993	99 years leasehold commencing 1/9/1991
2020	2020	2014	2020	2020	2020
S$654.0 million	S$574.0 million	S$305.0 million	S$432.0 million	S$428.0 million	S$215.0 million
S$654.0 million	S$574.0 million	S$325.0 million	S$432.0 million	S$428.0 million	S$215.0 million
10.9%	9.5%	5.4%	7.2%	7.1%	3.6%
S$36.27 million	S$30.95 million	S$22.39 million	S$26.64 million	S$25.45 million	S$10.90 million
S$27.08 million	S$24.36 million	S$13.43 million	S$18.26 million	S$17.88 million	S$7.55 million
98.3%	91.8%	94.7%	97.8%	95.4%	91.8%
Uniqlo, Challenger, Golden Village, Kopitiam and NTUC FairPrice Finest	Filmgarde Cineplex, PRIME Food & Grocer, The Food Market, Hai Di Lao Hotpot, Gymmboxx	Kopitiam food court, Uniqlo, Nike, and Challenger	NTUC FairPrice, Cheng San Community Library, Mei Shi Mei Ke by Kopitiam, Harvey Norman and Popular Bookstore	NTUC FairPrice, Cookhouse by Koufu, Popular bookstore, McDonald's	NETS, National Council of Social Services, Nippon Steel Engineering and Kyocera Asia Pacific
11.6 million	10.2 million	6.4 million	8.9 million	7.5 million	Not applicable
Tiong Bahru MRT Station (East-West Line)	Tampines MRT Station (East-West Line and the Downtown Line) and the Tampines Bus Interchange	Expo MRT Station (East-West Line and Downtown Line 3)	Hougang MRT Station (North-East Line) and the Hougang Central Bus Interchange	Pasir Ris MRT Station (East-West Line) and the Pasir Ris Bus Interchange	Tiong Bahru MRT Station (East-West Line)

8 The NLA includes the area of approximately 28,355 sq ft (2,634 sq m) currently used as CSFS space.
9 Waterway Point's share is based on FCT's 40% share in SST.
10 This is FCT's 40% share of revenue and NPI in SST for FY2021.
11 Combined shopper traffic for Northpoint City North Wing and South Wing.
12 These properties were included in FCT's investment property portfolio after the completion of the acquisition of the remaining 63.11% interest in AsiaRetail Fund Limited on 27 October 2020. The revenue and the NPI for these properties in FY2021 are for the period 28 October 2020 to 30 September 2021.

Property Profiles

Causeway Point

Description
7-storeys retail
(including 1 basement)
and 7 car park floors
(B2, B3 and 2nd - 6th levels)

Address
1 Woodlands Square, Singapore 738099

Net Lettable Area
38,985 square meters
(419,626 square feet)

Car Park Lots
725

Title
99 years leasehold w.e.f 30 Oct 1995

Year Acquired by FCT
2006

Valuation[1]
$1,312.0 million as at 30 September 2021

Annual Shopper Traffic
18.8 million
(October 2020 – September 2021)

Key Tenants
Metro, Courts, Cold Storage supermarket, Food Republic, Cathay Cineplexes, Uniqlo

Causeway Point is the largest mall in Woodlands, one of Singapore's most populous residential estates. It is located next to the Woodlands regional bus interchange and the Woodlands MRT station, which serves as an interchange station for the existing North-South line and the new Thomson-East Coast line.

The mall has more than 200 stores and food outlets spread over seven retail levels (including basement level) and offers shoppers a one-stop shopping and dining experience. Causeway Point is an award-winning mall for its user-friendliness, connectivity and safety aspects in its design and features. The mall is also awarded the Platinum Award in the BCA's Green Mark certification scheme for its environmentally friendly features.

MALL PERFORMANCE HIGHLIGHTS

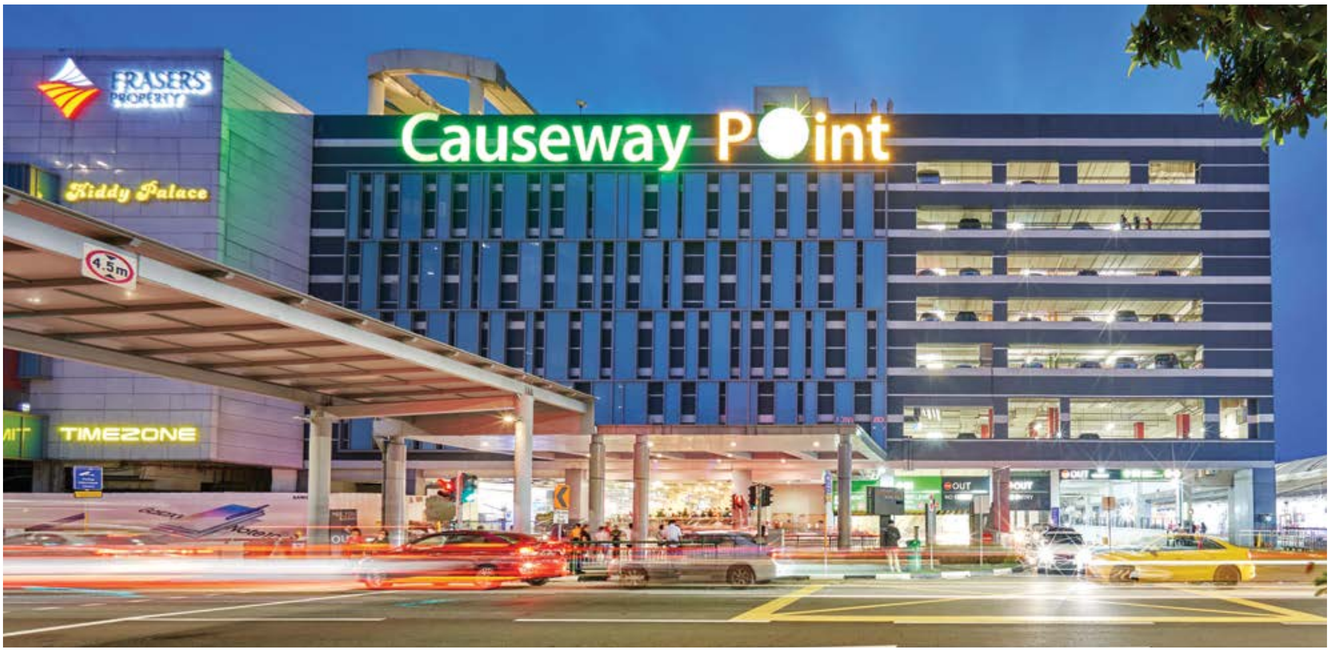
Financial Year ended 30 September (S$'million)	FY2021	FY2020	Increase/ (Decrease)
Gross Revenue	82.58	73.24	12.8%
Property Expenses	21.67	20.31	6.7%
Net Property Income	60.91	52.93	15.1%
Committed Occupancy	98.6%	96.6%*	2.0%-point
Shopper Traffic (million)	18.8	21.0	(10.5%)

TOP 10 TENANTS

As at 30 September 2021, Causeway Point has a total of 219 leases (FY2020: 213), excluding vacancy. The total number of tenants as at 30 September 2021 was 202 (FY2020: 201) and the key tenants include Metro, Courts, Cold Storage supermarket, Food Republic, Cathay Cineplexes and Uniqlo, among others. The top 10 tenants contributed collectively, 37.2% of the mall's total GRI (FY2020: 37.2%).

Top 10 Tenants as at 30 September 2021	% of Mall's GRI
Metro (Private) Limited[2]	8.1%
Courts (Singapore) Pte Ltd	6.7%
Dairy Farm Group[3]	5.2%
BreadTalk Group[4]	4.8%
Cathay Cineplexes Pte Ltd	3.1%
Uniqlo (Singapore) Pte Ltd	2.2%
Soo Kee Group[5]	2.0%
Hanbaobao Pte Ltd[6]	1.9%
Kopitiam Group[7]	1.6%
Aspial Corporation[8]	1.6%
Total	**37.2%**

* For FY2021: Committed occupancy as at 30 September 2021
For FY2020: Physical occupancy as at 30 September 2020



TRADE SECTOR ANALYSIS

Food & Beverage contributed 32.4% (FY2020: 31.0%) of the mall's GRI, followed by the Fashion & Accessories at 12.0% (FY2020: 12.6%) and Beauty & Healthcare at 11.9% (FY2020: 11.6%). These three trades accounted for 56.3% of the mall's GRI. The breakdown of the trade sector analysis by NLA and GRI is presented below.

Trade Classifications (in descending order of % rent)		By NLA	By GRI[9]
1	Food & Beverage	25.2%	32.4%
2	Fashion & Accessories	11.2%	12.0%
3	Beauty & Healthcare	8.1%	11.9%
4	Department Store	14.3%	8.0%
5	Electrical & Electronics	9.0%	7.1%
6	Information & Technology	3.9%	5.8%
7	Sundry & Services	3.5%	5.5%
8	Leisure & Entertainment	9.3%	3.8%
9	Supermarket & Grocers	5.8%	3.8%
10	Jewellery & Watches	1.1%	3.4%
11	Homeware & Furnishing	2.0%	2.1%
12	Books, Music, Arts & Craft, Hobbies	3.0%	1.9%
13	Sports Apparel & Equipment	1.2%	1.4%
14	Education	1.1%	0.9%
15	Vacant	1.3%	0.0%
	Total	**100.0%**	**100.0%**

LEASE EXPIRY PROFILE[10]

As at 30 September 2021	FY2022	FY2023	FY2024	FY2025	Total
Number of Leases Expiring	81	71	61	6	219
NLA of expiring leases (square feet)	207,512	135,001	60,728	10,393	413,634
Expiries as % of Mall's total leased area	50.2%	32.6%	14.7%	2.5%	100.0%
Contribution of expiring leases as % of Mall's total GRI	40.8%	36.4%	20.2%	2.6%	100.0%

1 Valuation done by Jones Lang LaSalle Property Consultants Pte Ltd as at 30 September 2021.
2 Includes leases for Metro Department Store and Clinique Service Centre.
3 Includes leases for Cold Storage supermarket, Guardian Pharmacy and 7-Eleven stores.
4 Includes leases for Food Republic, BreadTalk and Toast Box.
5 Includes leases for Love Luxury by MoneyMax, SK Gold and SK Jewellery.
6 Operator of McDonald's restaurants.
7 Operator of Kopitiam food court.
8 Includes leases for Lee Hwa Jewellery, Gold Heart Jewellery and Maxi-Cash.
9 Excludes gross turnover rent.
10 Based on committed leases as at 30 September 2021; vacant floor area is excluded.

Waterway Point

Description
4-storeys suburban family and lifestyle shopping mall (including 2 basement levels)

Address
83 Punggol Central, Singapore 828761

Net Lettable Area[1]
36,170 square meters
(389,335 square feet)

Car Park Lots
622

Title
99 year leasehold title commencing 18 May 2011

Year Acquired by FCT
FCT owns 40.0% stake in SST that owns Waterway Point, the dates of acquisition are as follow:

- 33⅓% acquired on 11 July 2019
- 6⅔% acquired on 18 September 2019

Valuation[2]
$1,300.0 million

Annual Shopper Traffic
15.2 million
(October 2020 – September 2021)

Key Tenants
NTUC Fairprice Finest, Koufu, Shaw Theatres, Best Denki, Cotton On

Waterway Point is a 4-storey suburban family and lifestyle shopping mall located at 83 Punggol Central, Singapore 828761, the heart of Singapore's first waterfront eco-town, Punggol. The mall enjoys direct connectivity to public transportation system including the Punggol MRT and LRT stations and a temporary bus interchange. It is also served by major expressways including Tampines Expressway (TPE) and Seletar Expressway (SLE) which provide vehicular accessibility to other parts of Singapore.

The mall offers a diverse range of shopping, dining and entertainment experiences, catering to their necessity and convenience shopping as well as their leisure needs. Notable retailers and restaurants at the mall include Uniqlo, Daiso Japan, Din Tai Fung, Best Denki, and a 24-hour NTUC FairPrice Finest supermarket. The mall also has a cineplex operated by Shaw Theatres that features 11 screens, including an IMAX theatre.

FCT holds a 40.0% share in SST, a private trust that holds the interest in Waterway Point.

Waterway Point is awarded the BCA Universal Design (UD) Gold^{Plus} and the BCA Green Mark Gold^{Plus} certifications.

MALL PERFORMANCE HIGHLIGHTS

FCT's share for the period (S$'million)	FY2021	FY2020	Increase/ (Decrease)
Gross Revenue	28.26	26.21	7.8%
Property Expenses	6.70	6.71	(0.2%)
Net Property Income	21.56	19.50	10.6%
Committed Occupancy	98.4%	96.0%*	2.4%-point
Shopper Traffic (million)	15.2	19.6	(22.4%)

TOP 10 TENANTS

As at 30 September 2021, Waterway Point has a total of 213 leases (FY2020: 202), excluding vacancy. The total number of tenants as at 30 September 2021 was 192 and the key tenants include Koufu foodcourt, Shaw Theatres, Best Denki and a 24-hour NTUC FairPrice Finest supermarket, among others. The top 10 tenants contributed collectively, 26.7% (FY2020: 29.4%) of the mall's total GRI.

Top 10 Tenants as at 30 September 2021	% of Mall's GRI
NTUC[3]	7.0%
Koufu Group	4.4%
Shaw Theatres Pte Ltd	3.5%
Breadtalk Group[4]	1.9%
Best Denki (Singapore) Pte Ltd	1.8%
Yum![5]	1.8%
Cotton On Group[6]	1.7%
United Overseas Bank Limited	1.6%
RE & S Group[7]	1.5%
Maybank Singapore Limited	1.5%
Total	**26.7%**

* For FY2021: Committed occupancy as at 30 September 2021
For FY2020: Physical occupancy as at 30 September 2020

TRADE SECTOR ANALYSIS

Food & Beverage contributed 38.6% (FY2020: 35.9%) of the mall's GRI, followed by the Beauty & Healthcare trade at 11.6% (FY2020: 12.0%). These two trades accounted for 50.2% of the mall's GRI. The breakdown of the trade sector analysis by NLA and GRI is presented below.

Trade Classifications (in descending order of % rent)		By NLA	By GRI[8]
1	Food & Beverage	29.2%	38.6%
2	Beauty & Healthcare	6.9%	11.6%
3	Fashion & Accessories	11.1%	10.7%
4	Sundry & Services	7.1%	10.6%
5	Supermarket & Grocers	8.0%	6.6%
6	Books, Music, Arts & Craft, Hobbies	9.3%	5.1%
7	Leisure & Entertainment	9.6%	4.0%
8	Education	3.3%	2.7%
9	Homeware & Furnishing	4.1%	2.5%
10	Information & Technology	1.7%	2.5%
11	Electrical & Electronics	3.7%	2.4%
12	Jewellery & Watches	0.8%	1.7%
13	Sports Apparel & Equipment	1.1%	1.0%
14	Vacant	4.1%	0.0%
	Total	**100.0%**	**100.0%**

LEASE EXPIRY PROFILE[9]

As at 30 September 2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027 and beyond	Total
Number of Leases Expiring	96	50	54	7	5	1	213
NLA of expiring leases (square feet)	156,672	57,204	92,531	6,172	48,094	4,750	365,423
Expiries as % of Mall's total leased area	42.9%	15.6%	25.3%	1.7%	13.2%	1.3%	100.0%
Contribution of expiring leases as % of Mall's total GRI	39.4%	19.9%	27.1%	2.3%	10.5%	0.8%	100.0%

1 The NLA includes the area of approximately 17,954 square feet (1,668 square meters) currently used as CSFS space.
2 Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2021.
3 Includes leases for FairPrice Finest and Unity Pharmacy.
4 Includes leases for BreadTalk, Toast Box and Din Tai Fung.
5 Includes leases for KFC and Pizza Hut.
6 Includes leases for Cotton On, Cotton On Kids and TYPO.
7 Operator of Ichiban Boshi & Kuriya Japanese Market.
8 Excludes gross turnover rent.
9 Based on committed leases as at 30 September 2021; vacant floor area and CSFS leases are excluded.

Tampines 1

Description
5-storeys with 2 basement levels

Address
10 Tampines Central 1, Tampines 1, Singapore 529536

Net Lettable Area
24,945 square meters
(268,504 square feet)

Car Park Lots
203

Title
99 years leasehold w.e.f 1 April 1990

Year Acquired by FCT
2020

Valuation[1]
$762.0 million

Annual Shopper Traffic
14.4 million
(October 2020 – September 2021)

Key Tenants
Cold Storage, Muji, Gain City, Daiso

Tampines 1 is a 5-storey retail mall with 2 basement levels located next to the Tampines MRT interchange and the Tampines Bus Interchange at the heart of Tampines, one of the most populous residential estates and the Eastern regional centre of Singapore. Tampines 1 offers shoppers and diners wide selections of F&B, lifestyle, beauty and fashion brands including household names such as Cold Storage and Daiso. Tampines 1 draws its shoppers and diners from the populous residential catchment, commuter traffic and working population in the Tampines, Simei, Bedok and Pasir Ris regions.

MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September (S$'million)	FY2021
Gross Revenue	41.46
Property Expenses	11.66
Net Property Income	29.80
Committed Occupancy	97.1%
Shopper Traffic (million)	14.4

Note:
Tampines 1 was included in FCT's portfolio following the acquisition of the remaining 63.11% stake in ARF on 27 October 2020. Hence there is no financial information for the property for FY2020.

TOP 10 TENANTS

As at 30 September 2021, Tampines 1 has a total of 169 leases, excluding vacancy. The total number of tenants as at 30 September 2021 was 158 and the key tenants include Cold Storage, Muji, Gain City and Daiso, among others. The top 10 tenants contributed collectively 21.2% of the mall's total GRI.

Top 10 Tenants as at 30 September 2021	% of Mall's GRI
Dairy Farm Group[2]	3.9%
Beauty One International[3]	2.2%
Muji	2.1%
Kopitiam Group	2.0%
RMG Group[4]	2.0%
Bank of China Limited	1.9%
Gain City	1.9%
United Overseas Bank Ltd	1.9%
Amore Fitness	1.7%
6IXTY 8IGHT (Singapore) Pte. Ltd.	1.6%
Total	**21.2%**

TRADE SECTOR ANALYSIS

Food & Beverage contributed 33.4% of the mall's GRI, followed by the Beauty & Healthcare trade at 22.7%. These two trades accounted for 56.1% of the mall's GRI. The breakdown of the trade sector analysis by NLA and GRI is presented below.

Trade Classifications (in descending order of % rent)		By NLA	By GRI[5]
1	Food & Beverage	23.0%	33.4%
2	Beauty & Healthcare	18.0%	22.7%
3	Fashion & Accessories	14.5%	15.3%
4	Sundry & Services	6.2%	8.7%
5	Homeware & Furnishing	8.5%	6.0%
6	Supermarket & Grocers	5.5%	4.2%
7	Books, Music, Arts & Craft, Hobbies	2.3%	2.9%
8	Information & Technology	2.6%	2.1%
9	Electrical & Electronics	2.6%	1.9%
10	Jewellery & Watches	0.4%	1.2%
11	Leisure & Entertainment	3.0%	1.1%
12	Sports Apparel & Equipment	0.8%	0.5%
13	Vacant	12.6%	0.0%
	Total	**100.0%**	**100.0%**

LEASE EXPIRY PROFILE[6]

As at 30 September 2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027 and beyond	Total
Number of Leases Expiring	61	41	55	11	0	1	169
NLA of expiring leases (square feet)	93,859	38,392	79,320	36,384	0	12,810	260,765
Expiries as % of Mall's total leased area	36.0%	14.7%	30.4%	14.0%	0.0%	4.9%	100.0%
Contribution of expiring leases as % of Mall's total GRI	33.6%	17.3%	35.2%	11.3%	0.0%	2.6%	100.0%

1 Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2021.
2 Operator of Cold Storage supermarket.
3 Includes lease for Shakura Pigmentation Beauty, London Weight Management and New York Skin Solutions.
4 Operator of Raffles Medical clinic.
5 Excludes gross turnover rent.
6 Based on committed leases as at 30 September 2021; vacant floor area is excluded.

Northpoint City North Wing and Yishun 10 Retail Podium

NORTHPOINT CITY NORTH WING

Description
6-storeys retail (including 2 basement levels) and 3 levels of car park (B1 - B3)

Address
930 Yishun Avenue 2, Northpoint, Singapore 769098

Net Lettable Area[1]
21,356 square meters (229,870 square feet)

Car Park Lots
224

Title
99 years leasehold w.e.f 1 April 1990

Year Acquired by FCT
2006 (Northpoint 1), 2010 (Northpoint 2)

Valuation[2]
$771.5 million as at 30 September 2021

Annual Shopper Traffic
43.0 million[3]
(October 2020 – September 2021)

Key Tenants
Kopitiam food court, Cold Storage supermarket, OCBC Bank, United Overseas Bank, MayBank, McDonald's restaurant and Popular bookstore

YISHUN 10 RETAIL PODIUM

Description
10 retail units on the first storey in a cinema complex with basement carpark

Address
51 Yishun Central 1, Yishun 10, Singapore 768794

Net Lettable Area
961 square meters (10,344 square feet)

Title
99 years leasehold w.e.f 1 April 1990

Year Acquired by FCT
2016

Valuation[4]
$33.0 million

Key Tenants
Sri Murugan Supermarket, Arnold's Fried Chicken, Komala's @ Yishun 10

Northpoint City North Wing is FCT's fourth largest property by NLA after Causeway Point. It is seamlessly integrated with the Northpoint City South Wing (owned by FCT's sponsor, Frasers Property Limited and TCC Prosperity Limited) to form Northpoint City, with over 400 F&B and retailers spread over more than 500,000 square feet of space.

Northpoint City North Wing offers six retail levels of retail and services (including two basement levels). Key tenants at Northpoint City North Wing include Kopitiam food court, Cold Storage supermarket, OCBC Bank, United Overseas Bank, MayBank, McDonald's restaurant and Popular bookstore. The mall enjoys high shopper traffic flow from the surrounding residential estate, schools and the commuters from Yishun bus interchange which is connected to the mall.

FCT also owns the ground floor retail of Yishun 10, a strata-titled retail development located next to Northpoint City North Wing.

MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September (S$'million)	FY2021	FY2020	Increase/ (Decrease)
Gross Revenue	50.84	44.40	14.5%
Property Expenses	13.10	12.87	1.8%
Net Property Income	37.74	31.53	19.7%
Committed Occupancy	100.0%	95.0%*	5%-point
Shopper Traffic (million)	43.0	46.9	(8.3%)

TOP 10 TENANTS (Northpoint City North Wing and Yishun 10 Retail Podium)

As at 30 September 2021, Northpoint City North Wing and Yishun 10 Retail Podium has a total of 180 leases (FY2020: 167). The total number of tenants as at 30 September 2021 was 178 and the key tenants include Kopitiam food court, Cold Storage supermarket, OCBC Bank, United Overseas Bank, MayBank, Soo Kee Jewellery, Cotton On, McDonald's restaurant and Popular bookstore, among others. The top 10 tenants contributed collectively 28.9% of the total GRI (FY2020: 30.3%).

Top 10 Tenants as at 30 September 2021	% of Mall's GRI
Kopitiam Group[5]	6.4%
Dairy Farm Group[6]	5.7%
Oversea-Chinese Banking Corporation Ltd	3.1%
United Overseas Bank Ltd	2.6%
Malayan Banking Berhad	2.2%
Soo Kee Group	1.9%
Maxim's Group[7]	1.9%
Cotton On Group	1.8%
Hanbaobao Pte Ltd[8]	1.7%
Popular Group	1.6%
Total	**28.9%**

* For FY2021: Committed occupancy as at 30 September 2021
For FY2020: Physical occupancy as at 30 September 2020

TRADE SECTOR ANALYSIS
(Northpoint City North Wing and Yishun 10 Retail Podium)

Food & Beverage contributed 41.4%, (FY2020: 41.0%) of the mall's gross rental income, followed by the Sundry & Services at 13.1% (FY2020: 12.9%) and Beauty & Healthcare at 12.7% (FY2020: 12.9%). These three trades accounted for 67.2% of the mall's GRI. The breakdown of the trade sector analysis by NLA and GRI is presented below.

Trade Classifications (in descending order of % rent)		By NLA	By GRI[9]
1	Food & Beverage	36.1%	41.4%
2	Sundry & Services	7.7%	13.1%
3	Beauty & Healthcare	9.9%	12.7%
4	Fashion & Accessories	7.9%	10.4%
5	Supermarket & Grocers	10.5%	5.8%
6	Jewellery & Watches	1.4%	3.3%
7	Books, Music, Art & Craft, Hobbies	5.6%	3.1%
8	Education	11.1%	2.7%
9	Information & Technology	2.5%	2.2%
10	Homeware & Furnishing	2.4%	2.2%
11	Sports Apparel & Equipment	2.3%	2.0%
12	Leisure & Entertainment	2.3%	1.1%
13	Vacant	0.3%	0.0%
	Total	**100.0%**	**100.0%**

LEASE EXPIRY PROFILE[10]

As at 30 September 2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027 and beyond	Total
Number of Leases Expiring	49	56	64	9	1	1	180
NLA of expiring leases (square feet)	60,364	49,328	74,439	14,459	9,871	21,248	229,709
Expiries as % of Mall's total leased area	26.3%	21.5%	32.4%	6.3%	4.3%	9.2%	100.0%
Contribution of expiring leases as % of Mall's total GRI	25.3%	30.0%	34.3%	7.7%	1.5%	1.2%	100.0%

1 The NLA includes the area of approximately 31,753 square feet (2,950 square meters) currently used as CSFS space.
2 Valuation done by Jones Lang LaSalle Property Consultants Pte Ltd as at 30 September 2021.
3 Refers to the total shopper traffic for both Northpoint City North Wing (owned by FCT) and South Wing (partly owned by Frasers Property Limited).
4 Valuation done by Jones Lang LaSalle Property Consultants Pte Ltd as at 30 September 2021.
5 Operator of Kopitiam food court.
6 Includes leases for Cold Storage supermarket, Guardian Pharmacy and 7-Eleven stores.
7 Includes leases for Genki Sushi and Starbucks stores.
8 Operator of McDonald's Restaurant.
9 Excludes gross turnover rent.
10 Based on committed leases as at 30 September 2021; vacant floor area and CSFS leases are excluded, for both Northpoint City North Wing and Yishun 10 Retail Podium.

Tiong Bahru Plaza

Description
4-storeys retail building
with 3 basement levels

Address
302 Tiong Bahru Road, Tiong Bahru Plaza,
Singapore 168732

Net Lettable Area
19,947 square meters
(214,708 square feet)

Car Park Lots
Total of 338 carpark lots are shared between
Tiong Bahru Plaza and Central Plaza

Title
99-year leasehold title w.e.f from 1 September 1991

Year Acquired by FCT
2020

Valuation[1]
$654.0 million as at 30 September 2021

Annual Shopper Traffic
11.6 million
(October 2020 – September 2021)

Key Tenants
Uniqlo, Challenger, Golden Village, Kopitiam
and NTUC FairPrice Finest

Tiong Bahru Plaza is located in the charming Tiong Bahru estate with rich local heritage. The mall is near the city area and is easily accessible through public transport as it is directly connected to the Tiong Bahru MRT station on the East-West line and a public bus station which is served by many public bus routes.

The mall offers a wide variety of retail, grocery, entertainment and F&B options for shoppers and diners. It draws its shoppers from the immediate residential catchment residing in the Tiong Bahru, Bukit Merah, Redhill estates, as well as the working and student population in the vicinity and the adjacent office, Central Plaza. Key retailers and F&B establishments include Uniqlo, Challenger, Golden Village, Kopitiam and NTUC FairPrice Finest.

Tiong Bahru Plaza has undergone several asset enhancement and refurbishment works and the last major refurbishment was completed in December 2016.

MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September (S$'million)	FY2021
Gross Revenue	36.27
Property Expenses	9.19
Net Property Income	27.08
Committed Occupancy	98.3%
Shopper Traffic (million)	11.6

Note:
Tiong Bahru Plaza was included in FCT's portfolio following the acquisition of the remaining 63.11% stake in ARF on 27 October 2020. Hence there is no financial information for the property for FY2020.

TOP 10 TENANTS

As at 30 September 2021, Tiong Bahru Plaza has a total of 150 leases. The total number of tenants as at 30 September 2021 was 136 and the key tenants include Uniqlo, Challenger, Golden Village, Kopitiam and NTUC FairPrice Finest, among others. The top 10 tenants contributed collectively 28.8% of the total GRI.

Top 10 Tenants as at 30 September 2021	% of Mall's GRI
NTUC	5.0%
Kopitiam Group[2]	4.8%
Beauty One International[3]	3.4%
Golden Village	3.1%
United Overses Bank Limited	2.3%
Hanbaobao Pte Ltd[4]	2.3%
DBS Bank Ltd	2.1%
Jean Yip Group[5]	2.0%
Oversea-Chinese Banking Corporation Ltd	2.0%
Watson's Personal Care Stores Pte Ltd	1.8%
Total	**28.8%**

TRADE SECTOR ANALYSIS

Food & Beverage contributed 39.0% of the mall's GRI, followed by the Beauty & Healthcare trade at 20.6% and Sundry & Services trade at 10.8%. These three trades accounted for 70.4% of the mall's GRI. The breakdown of the trade sector analysis by NLA and GRI is presented below.

Trade Classifications (in descending order of % rent)		By NLA	By GRI
1	Food & Beverage	29.9%	39.0%
2	Beauty & Healthcare	16.4%	20.6%
3	Sundry & Services	7.7%	10.8%
4	Fashion & Accessories	10.8%	9.5%
5	Supermarket & Grocers	7.5%	5.0%
6	Leisure & Entertainment	10.5%	4.3%
7	Information & Technology	3.6%	3.1%
8	Education	3.6%	2.2%
9	Jewellery & Watches	0.8%	2.1%
10	Homeware & Furnishing	3.3%	1.4%
11	Books, Music, Arts & Craft, Hobbies	2.3%	1.4%
12	Sports Apparel & Equipment	1.1%	0.6%
13	Vacant	2.5%	0.0%
	Total	**100.0%**	**100.0%**

LEASE EXPIRY PROFILE[5]

As at 30 September 2021	FY2022	FY2023	FY2024	FY2025	FY2026	Total
Number of Leases Expiring	72	33	39	4	2	150
NLA of expiring leases (square feet)	69,882	70,046	61,479	2,886	6,782	211,075
Expiries as % of Mall's total leased area	33.1%	33.2%	29.1%	1.4%	3.2%	100.0%
Contribution of expiring leases as % of Mall's total GRI	40.5%	28.4%	26.4%	1.4%	3.3%	100.0%

1 Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2021
2 Operator of Kopitiam food court.
3 Includes leases for Yun Nam Hair Care, New York Skin Solutions, London Weight Management and Dorra Slimming.
4 Operator of McDonald's restaurants.
5 Includes leases for Jean Yip salon and Cheryl W Wellness & Weight Management.
6 Based on committed leases as at 30 September 2021; vacant floor area is excluded.

Century Square

Description
5-storeys with 3 basement levels

Address
2 Tampines Central 5, Century Square, Singapore 529509

Net Lettable Area[1]
19,629 square meters
(211,283 square feet)

Car Park Lots
298

Title
99 years leasehold w.e.f 1 September 1992

Year Acquired by FCT
2020

Valuation[2]
$574.0 million

Annual Shopper Traffic
10.2 million
(October 2020 – September 2021)

Key Tenants
Filmgarde Cineplex, PRIME Food & Grocer, The Food Market, Hai Di Lao Hotpot, Gymmboxx

Century Square is a 5-storey retail mall with 3 basement levels located in the heart of Tampines Central and is in close proximity to the Tampines MRT interchange and the Tampines Bus Interchange. The mall draws its shopper traffic from the populous residential catchment, commuter traffic and working population in the Tampines, Simei, Bedok and Pasir Ris regions.

The mall completed an extensive asset enhancement and refurbishment works in May 2018. The rejuvenated Century Square showcases curated offers, new-to-market concepts with exciting brands to complement the larger Tampines retail ecosystem. Shoppers can enjoy a wide array of family-friendly services and activity spaces such as larger nursing rooms, family car park lots, roof deck with communal spaces, 24-hour gym and National Library Board's first-of-its-kind virtual library in a mall at Level 4. The key tenants at the mall include Filmgarde Cineplex, PRIME Food & Grocer, The Food Market, Hai Di Lao Hotpot and Gymmboxx.

MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September (S$'million)	FY2021
Gross Revenue	30.95
Property Expenses	6.59
Net Property Income	24.36
Committed Occupancy	91.8%
Shopper Traffic (million)	10.2

Note:
Century Square was included in FCT's portfolio following the acquisition of the remaining 63.11% stake in ARF on 27 October 2020. Hence there is no financial information for the property for FY2020.

TOP 10 TENANTS

As at 30 September 2021, Century Square has a total of 136 leases, excluding vacancy. The total number of tenants as at 30 September 2021 was 124 and the key tenants include Filmgarde Cineplex, PRIME Food & Grocer, The Food Market, Hai Di Lao Hotpot, Gymmboxx, among others. The top 10 tenants contributed collectively 32.2% of the mall's total GRI.

Top 10 Tenants as at 30 September 2021	% of Mall's GRI
Breadtalk Group[3]	6.8%
Prime Supermarket	6.7%
Singapore Hai Di Lao Dining Pte. Ltd.	3.1%
Hansfort Investment Pte. Ltd.[4]	3.1%
Foot Locker Singapore Pte. Ltd.	2.7%
Gymmboxx	2.3%
Mr D.I.Y.	2.3%
Jean Yip Group[5]	1.8%
Sia Huat[6]	1.7%
Lao Huo Tang Group	1.7%
Total	**32.2%**

TRADE SECTOR ANALYSIS

Food & Beverage contributed 36.6% of the mall's GRI, followed by the Beauty & Healthcare trade at 16.7%. These two trades accounted for 53.3% of the mall's GRI. The breakdown of the trade sector analysis by NLA and GRI is presented below.

Trade Classifications (in descending order of % rent)		By NLA	By GRI[7]
1	Food & Beverage	25.4%	36.6%
2	Beauty & Healthcare	12.9%	16.7%
3	Fashion & Accessories	6.5%	11.3%
4	Homeware & Furnishing	11.6%	9.0%
5	Supermarket & Grocers	8.9%	8.2%
6	Leisure & Entertainment	9.5%	4.5%
7	Education	5.0%	3.3%
8	Sports Apparel & Equipment	2.4%	3.0%
9	Sundry & Services	2.4%	2.4%
10	Information & Technology	0.9%	1.9%
11	Books, Music, Arts & Craft, Hobbies	2.0%	1.5%
12	Jewellery & Watches	0.5%	1.2%
13	Electrical & Electronics	0.3%	0.4%
14	Vacant	11.7%	0.0%
	Total	**100.0%**	**100.0%**

LEASE EXPIRY PROFILE[8]

As at 30 September 2021	FY2022	FY2023	FY2024	FY2025	Total
Number of Leases Expiring	41	29	56	10	136
NLA of expiring leases (square feet)	51,930	62,068	59,962	12,105	186,065
Expiries as % of Mall's total leased area	27.9%	33.4%	32.2%	6.5%	100.0%
Contribution of expiring leases as % of Mall's total GRI	23.4%	26.0%	41.9%	8.7%	100.0%

1 The NLA includes the area of approximately 8,547 square feet (794 square metres) currently used as CSFS space.
2 Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2021.
3 Operator of The Food Market.
4 Operator of Filmgarde Cineplex.
5 Operator of Oriental Hair Solutions.
6 Operator of Tott.
7 Excludes gross turnover rent.
8 Based on committed leases as at 30 September 2021; vacant floor area and CSFS leases are excluded.

Changi City Point

Description
3 storeys of retail
(including 1 basement level)

Address
5 Changi Business Park Central 1,
Changi City Point, Singapore 486038

Net Lettable Area[1]
19,361 square meters
(208,399 square feet)

Car Park Lots
627[2]

Title
60 years leasehold w.e.f 30 Apr 2009

Year Acquired by FCT
2014

Valuation[3]
$325.0 million

Annual Shopper Traffic
6.4 million
(October 2020 – September 2021)

Key Tenants
Kopitiam food court, Uniqlo, Nike, Challenger and NTUC Fairprice Finest

Changi City Point is located in Changi Business Park, directly connected to the Singapore Expo MRT station and near one of Singapore's largest convention and exhibition venues, The Singapore Expo. The mall offers diverse shopping and dining experience especially for the working population in Changi Business Park; residents in nearby precincts such as Tampines, Bedok and Simei; and the visitors to the Singapore Expo. Changi City Point features fashion and sports retailers including Uniqlo, Nike Factory Store, Timberland, Adidas, Asics Factory Outlet, New Balance, Puma Outlet, Liv Activ and many other outlets stores.

Shoppers can also do their grocery shopping at the NTUC Finest supermarket. The restaurants at the mall include Jollibee, Ichiban Sushi, Han's and the Kopitiam food court. Families can also enjoy the landscaped rooftop garden that features a wet and dry children's playground.

MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September (S$'million)	FY2021	FY2020	Increase/ (Decrease)
Gross Revenue	22.39	21.73	3.0%
Property Expenses	8.96	8.63	3.8%
Net Property Income	13.43	13.10	2.5%
Committed Occupancy	94.7%	90.4%*	4.3%-point
Shopper Traffic (million)	6.4	9.1	(29.7%)

TOP 10 TENANTS

As at 30 September 2021, Changi City Point has a total of 134 leases (FY2020: 123), excluding vacancy. The total number of tenants as at 30 September 2021 was 123 and the key tenants include Kopitiam food court, Nike, Challenger and Uniqlo, among others. The top 10 tenants contributed collectively 28.3% of the mall's total GRI (FY2020: 31.9%).

Top 10 Tenants as at 30 September 2021	% of Mall's GRI
Kopitiam Group[4]	9.5%
NIKE Global Trading B.V.	2.5%
Tung Lok Signature (2006) Pte Ltd	2.3%
Challenger Group	2.2%
Golden Beeworks[5]	2.1%
RE & S Group[6]	2.1%
Daiso Singapore Pte. Ltd.	2.0%
Wing Tai Group[7]	2.0%
Uniqlo (Singapore) Pte Ltd	1.9%
NTUC	1.7%
Total	**28.3%**

* For FY2021: Committed occupancy as at 30 September 2021
For FY2020: Physical occupancy as at 30 September 2020

TRADE SECTOR ANALYSIS

Food & Beverage contributed 54.1%, (FY2020: 55.7%) of the mall's GRI, followed by the Fashion & Accessories trade at 20.5% (FY2020: 18.3%). These two trades accounted for 74.6% of the mall's GRI. The breakdown of the trade sector analysis by NLA and GRI is presented below.

Trade Classifications (in descending order of % rent)		By NLA	By GRI
1	Food & Beverage	39.6%	54.1%
2	Fashion & Accessories	19.2%	20.5%
3	Sports Apparel & Equipment	13.6%	10.4%
4	Beauty & Healthcare	3.3%	4.4%
5	Information & Technology	3.3%	3.3%
6	Supermarket & Grocers	6.9%	2.7%
7	Homeware & Furnishing	5.0%	2.1%
8	Sundry & Services	1.8%	2.0%
9	Leisure & Entertainment	0.7%	0.3%
10	Jewellery & Watches	0.1%	0.2%
11	Vacant	6.5%	0.0%
	Total	**100.0%**	**100.0%**

LEASE EXPIRY PROFILE[8]

As at 30 September 2021	FY2022	FY2023	FY2024	FY2025	Total
Number of Leases Expiring	59	33	36	6	134
NLA of expiring leases (square feet)	91,232	45,437	40,970	16,545	194,184
Expiries as % of Mall's total leased area	47.0%	23.4%	21.1%	8.5%	100.0%
Contribution of expiring leases as % of Mall's total GRI	45.5%	25.1%	24.1%	5.3%	100.0%

1 The NLA includes the area of approximately 3,391 square feet (315 square meters) currently used as CSFS space.
2 The car park lots are shared between Changi City Point, Capri By Fraser and ONE@Changi City.
3 Valuation done by Jones Lang LaSalle Property Consultants Pte Ltd as at 30 September 2021.
4 Operator of Kopitiam food court.
5 Operator of Jollibee restaurant.
6 Operator of Ichiban Sushi restaurant.
7 Includes leases for Adidas, Cath Kidston and G2000 outlets.
8 Based on committed leases as at 30 September 2021; vacant floor area and CSFS leases are excluded.

Hougang Mall

Description
5-storeys with 2 basement levels

Address
90 Hougang Avenue 10, Hougang Mall, Singapore 538766

Net Lettable Area[1]
15,386 square meters
(165,615 square feet)

Car Park Lots
152

Title
99 years leasehold w.e.f 1 May 1994

Year Acquired by FCT
2020

Valuation[2]
$432.0 million

Annual Shopper Traffic
8.9 million
(October 2020 – September 2021)

Key Tenants
NTUC FairPrice, Cheng San Community Library, Mei Shi Mei Ke by Kopitiam, Harvey Norman and Popular Bookstore

Hougang Mall is a 5-storey retail mall with 2 basement levels located near the Hougang MRT station and the Hougang Central Bus Interchange. The mall is popular with the residents and the communities of Hougang, Kovan and even Sengkang and Buangkok which are residential estates further afield.

The mall offers a wide selection of daily necessities and essential services such as supermarket, food court, home furnishing retailers and clinics. Some notable brands and services in the mall include Harvey Norman, Popular Bookstore and the Cheng San Community Library.

MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September (S$'million)	FY2021
Gross Revenue	26.64
Property Expenses	8.38
Net Property Income	18.26
Committed Occupancy	97.8%
Shopper Traffic (million)	8.9

Note:
Hougang Mall was included in FCT's portfolio following the acquisition of the remaining 63.11% stake in ARF on 27 October 2020. Hence there is no financial information for the property for FY2020.

TOP 10 TENANTS

As at 30 September 2021, Hougang Mall has a total of 126 leases, excluding vacancy. The total number of tenants as at 30 September 2021 was 118 and the key tenants include NTUC FairPrice, Cheng San Community Library, Mei Shi Mei Ke by Kopitiam, Harvey Norman and Popular Bookstore, among others. The top 10 tenants contributed collectively 35.0% of the mall's total GRI.

Top 10 Tenants as at 30 September 2021	% of Mall's GRI
NTUC[3]	9.4
Kopitiam Group[4]	5.6
Yum![5]	3.8
Pertama Merchandising Pte Ltd[6]	3.2
Hanbaobao Pte Ltd[7]	3.0
Oversea-Chinese Banking Corporation Ltd	2.5
Cotton On Group	2.0
Soo Kee Group[8]	1.9
Popular Group	1.8
United Overseas Bank Limited	1.8
Total	**35.0%**

TRADE SECTOR ANALYSIS

Food & Beverage contributed 36.4% of the mall's GRI, followed by the Beauty and Healthcare trade at 13.6%. These two trades accounted for 50.0% of the mall's GRI. The breakdown of the trade sector analysis by NLA and GRI is presented below.

Trade Classifications (in descending order of % rent)		By NLA	By GRI[9]
1	Food & Beverage	28.2%	36.4%
2	Beauty & Healthcare	11.0%	13.6%
3	Fashion & Accessories	10.3%	13.1%
4	Sundry & Services	8.6%	10.0%
5	Supermarket & Grocers	14.1%	8.7%
6	Electrical & Electronics	5.8%	3.6%
7	Education	6.8%	3.5%
8	Jewellery & Watches	1.3%	3.2%
9	Books, Music, Arts & Craft, Hobbies	4.9%	3.2%
10	Homeware & Furnishing	2.1%	2.1%
11	Information & Technology	2.7%	1.8%
12	Leisure & Entertainment	2.0%	0.8%
13	Vacant	2.2%	0.0%
	Total	**100.0%**	**100.0%**

LEASE EXPIRY PROFILE[10]

As at 30 September 2021	FY2022	FY2023	FY2024	FY2025	Total
Number of Leases Expiring	42	36	47	1	126
NLA of expiring leases (square feet)	43,028	33,069	70,135	290	146,522
Expiries as % of Mall's total leased area	29.3%	22.6%	47.9%	0.2%	100.0%
Contribution of expiring leases as % of Mall's total GRI	29.7%	22.0%	47.9%	0.4%	100.0%

1 The NLA includes the area of approximately 15,767 square feet (1,465 square metres) currently used as CSFS space.
2 Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2021.
3 Includes leases for NTUC Fairprice and Unity Pharmacy.
4 Operator of Mei Shi Mei Ke food court.
5 Includes leases for KFC and Pizza Hut outlets.
6 Operator of Harvey Norman.
7 Operator of Mcdonald's restaurants.
8 Includes leases for SK Jewellery & Money Max.
9 Excludes gross turnover rent.
10 Based on committed leases as at 30 September 2021; vacant floor area and CSFS leases are excluded.

White Sands

Description
5-storeys with 3 basement levels

Address
1 Pasir Ris Central Street 3, White Sands, Singapore 518457

Net Lettable Area[1]
13,970 square meters
(150,375 square feet)

Car Park Lots
187

Title
99 years leasehold w.e.f 1 May 1993

Year Acquired by FCT
2020

Valuation[2]
$428.0 million

Annual Shopper Traffic
7.5 million
(October 2020 – September 2021)

Key Tenants
NTUC FairPrice, Cookhouse by Koufu, Popular bookstore, McDonald's

White Sands is located in Pasir Ris, a residential estate in the Eastern region of Singapore. Located within a growing residential catchment and next to the Pasir Ris MRT Station and the Pasir Ris Bus Interchange, White Sands fulfills the daily needs of its catchment residents. It is a convenient destination for their necessity shopping, essential services, lifestyle and entertainment needs. The mall is also a favourite stopover for National Servicemen en route their journey to and from the Pulau Tekong military training camp. The key tenants at the mall include NTUC FairPrice, Cookhouse by Koufu, Popular bookstore and McDonald's. White Sands underwent a major asset enhancement and refurbishment works which was completed in the first quarter of 2016. The enhancement to physical real estate and refresh of tenant mix strengthened the competitive positioning of the mall.

MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September (S$'million)	FY2021
Gross Revenue	25.45
Property Expenses	7.57
Net Property Income	17.88
Committed Occupancy	95.4%
Shopper Traffic (million)	7.5

Note:
White Sands was included in FCT's portfolio following the acquisition of the remaining 63.11% stake in ARF on 27 October 2020. Hence there is no financial information for the property for FY2020.

TOP 10 TENANTS

As at 30 September 2021, White Sands has a total of 132 leases, excluding vacancy. The total number of tenants as at 30 September 2021 was 118 and the key tenants include NTUC FairPrice, Cookhouse by Koufu, Popular bookstore, McDonald's, among others. The top 10 tenants contributed collectively 32.5% of the mall's total GRI.

Top 10 Tenants as at 30 September 2021	% of Mall's GRI
NTUC[3]	9.1%
Koufu Group[4]	4.4%
Beauty One International[5]	4.0%
Hanbaobao Pte Ltd[6]	3.3%
Oversea-Chinese Banking Corporation Ltd	2.5%
Watson's Personal Care Stores Pte Ltd	2.1%
DBS Bank Ltd	2.1%
Yum![7]	1.9%
Minor Group[8]	1.6%
Dairy Farm Group[9]	1.5%
Total	**32.5%**

TRADE SECTOR ANALYSIS

Food & Beverage contributed 38.7% of the mall's GRI, followed by the Beauty & Healthcare trade at 20.7%. These two trades accounted for 59.4% of the mall's GRI. The breakdown of the trade sector analysis by NLA and GRI is presented below.

Trade Classifications (in descending order of % rent)		By NLA	By GRI[10]
1	Food & Beverage	31.1%	38.7%
2	Beauty & Healthcare	16.6%	20.7%
3	Sundry & Services	9.6%	11.1%
4	Fashion & Accessories	9.3%	10.8%
5	Supermarket & Grocers	13.5%	8.2%
6	Education	4.4%	3.2%
7	Books, Music, Arts & Craft, Hobbies	3.3%	2.1%
8	Homeware & Furnishing	2.4%	2.0%
9	Sports Apparel & Equipment	1.2%	1.2%
10	Information & Technology	1.3%	1.2%
11	Leisure & Entertainment	0.6%	0.4%
12	Jewellery & Watches	0.2%	0.4%
13	Vacant	6.5%	0.0%
	Total	**100.0%**	**100.0%**

LEASE EXPIRY PROFILE[11]

As at 30 September 2021	FY2022	FY2023	FY2024	FY2025	FY2026	Total
Number of Leases Expiring	53	35	30	12	2	132
NLA of expiring leases (square feet)	50,604	37,970	25,848	7,400	884	122,706
Expiries as % of Mall's total leased area	41.3%	30.9%	21.1%	6.0%	0.7%	100.0%
Contribution of expiring leases as % of Mall's total GRI	37.3%	27.7%	26.6%	7.4%	1.0%	100.0%

1 The NLA includes the area of approximately 21,744 square feet (2,020 square metres) currently used as Community Sports Facilities Scheme (CSFS) space.
2 Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2021.
3 Includes leases for NTUC Fairprice and Unity Pharmacy.
4 Includes leases for Cookhouse by Koufu and R&B Tea.
5 Includes leases for New York Skin Solutions, Dorra Slimming and Victoria Facelift.
6 Operator of McDonald's restaurants.
7 Operator of KFC outlet.
8 Includes leases for Xin Wang Hong Kong Cafe and Poulet.
9 Operator of Guardian Pharmacy.
10 Excludes gross turnover rent.
11 Based on committed leases as at 30 September 2021; vacant floor area and CSFS leases are excluded.

Central Plaza

Description
20-storeys office building with 3 basement levels

Address
298 Tiong Bahru Road, Central Plaza, Singapore 168730

Net Lettable Area[1]
16,036 square meters (172,607 square feet)

Car Park Lots
Total of 338 carpark lots are shared between Tiong Bahru Plaza and Central Plaza

Title
99-year leasehold title w.e.f from 1 September 1991

Year Acquired by FCT
2020

Valuation[2]
$215.0 million as at 30 September 2021

Key Tenants
NETS, Nippon Steel Engineering, Kyocera Asia Pacific and National Council of Social Service

Central Plaza is a 20-storey office building with a total net lettable space of approximately 173,000 square feet. Central Plaza is the office component of the mixed development comprising the shopping mall Tiong Bahru Plaza and Central Plaza. Central Plaza is directly connected to Tiong Bahru Plaza and both share a common car park with 338 parking lots. Being near to the Central Business District, it offers excellent location advantage that is complemented with connection to public transport system and the amenities of an adjacent shopping mall.

PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September (S$'million)	FY2021
Gross Revenue	10.90
Property Expenses	3.35
Net Property Income	7.55
Committed Occupancy	91.8%

Note:
Central Plaza was included in FCT's portfolio following the acquisition of the remaining 63.11% stake in ARF on 27 October 2020. Hence there is no financial information for the property for FY2020.

TOP 10 TENANTS

As at 30 September 2021, Central Plaza has a total of 21 leases. The total number of office tenants as at 30 September 2021 was 21 and the key tenants include NETS, Nippon Steel Engineering, Kyocera Asia Pacific and National Council of Social Service among others. The top 10 tenants contributed collectively 83.2% of the total GRI.

Top 10 Tenants as at 30 September 2021	% of Mall's GRI[3]
NETS	24.2%
National Council of Social Service	16.9%
Nippon Steel Engineering Co., Ltd.	8.1%
Kyocera Asia Pacific	7.6%
Interplex Precision Technology (Singapore) Pte. Ltd.	7.0%
Molnlycke Health Care Asia-Pacific Pte Ltd	5.2%
BGC Group Pte. Ltd.	5.0%
Prive Jewel Pte. Ltd.	3.7%
Agency For Integrated Care Pte. Ltd.	2.8%
Blujay Solutions Pte. Ltd.	2.7%
Total	**83.2%**

LEASE EXPIRY PROFILE[4]

As at 30 September 2021	FY2022	FY2023	FY2024	FY2025	Total
Number of Leases Expiring	8	5	7	1	21
NLA of expiring leases (square feet)	78,320	24,863	27,903	1,314	132,400
Expiries as % of Mall's total leased area	59.1%	18.8%	21.1%	1.0%	100.0%
Contribution of expiring leases as % of Mall's total GRI	58.8%	19.3%	20.9%	1.0%	100.0%

1 The NLA includes the area of approximately 28,355 square feet (2,634 square meters) currently used as Community Sports Facilities Scheme (CSFS) space.
2 Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2021.
3 Excludes gross turnover rent.
4 Based on committed leases as at 30 September 2021; vacant floor area and CSFS leases are excluded.

Property Directory

CAUSEWAY POINT
Address:
1 Woodlands Square
Singapore 738099

Telephone:
(65) 6894 2237

Mall website:
https://www.causewaypoint.com.sg

CENTURY SQUARE
Address:
2 Tampines Central 5
Singapore 529509

Telephone:
(65) 6789 6261

Mall website:
https://www.centurysquare.com.sg

CHANGI CITY POINT
Address:
5 Changi Business Park Central 1
Singapore 486038

Telephone:
(65) 6511 1088

Mall website:
https://www.changicitypoint.com.sg

HOUGANG MALL
Address:
90 Hougang Avenue 10
Singapore 538766

Telephone:
(65) 6488 9617

Mall website:
https://www.hougangmall.com.sg

NORTHPOINT CITY NORTH WING
Address:
930 Yishun Avenue 2
Singapore 769098

YISHUN 10 RETAIL PODIUM
Address:
51 Yishun Central 1, Yishun 10
Singapore 768794

Telephone:
(65) 6754 2300

Mall website:
https://www.northpointcity.com.sg

TAMPINES 1
Address:
10 Tampines Central 1
Singapore 529536

Telephone:
(65) 6572 5522

Mall website:
https://www.tampines1.com.sg

TIONG BAHRU PLAZA
Address:
302 Tiong Bahru Road
Singapore 168732

Telephone:
(65) 6276 4686

Mall website:
https://www.tiongbahruplaza.com.sg

CENTRAL PLAZA
Address:
298 Tiong Bahru Road,
Singapore 168730

WATERWAY POINT
Address:
83 Punggol Central
Singapore 828761

Telephone:
(65) 6812 7300

Mall website:
https://www.waterwaypoint.com.sg

WHITE SANDS
Address:
1 Pasir Ris Central Street 3
Singapore 518457

Telephone:
(65) 6585 0606

Mall website:
https://www.whitesands.com.sg

Investment in Hektar REIT

As at 30 September 2021, FCT holds 31.15% of the units in Hektar Real Estate Investment Trust ("H-REIT"). H-REIT, an associate of FCT, is a retail-focused REIT in Malaysia listed on the Main Market of Bursa Malaysia Securities Berhad.

H-REIT's property portfolio consists of six shopping centres in the Northern, Central and Southern Regions of Peninsular Malaysia. These six shopping centres are Subang Parade (Selangor), Mahkota Parade (Melaka), Wetex Parade (Johor), Central Square (Kedah), Kulim Central (Kedah) and Segamat Central (Johor).

The properties in H-REIT portfolio have a total NLA of approximately 2.0 million square feet and a combined value of approximately RM1.2 billion (or approximately S$390 million assuming a currency exchange rate of approximately S$1:MYR 3.095 as at 30 September 2021).

HEKTAR PROPERTY PROFILE#

	Subang Parade	Mahkota Parade	Wetex Parade	Central Square	Kulim Central	Segamat Central
State	Selangor	Melaka	Johor	Kedah	Kedah	Johor
Title	Freehold	Leasehold (expires 2101)	Freehold	Freehold	Freehold	Leasehold (expires 2116)
NLA (Retail), square feet as at 31 Dec 2020	521,247	521,178	175,014	310,564	299,781	211,910
Tenancies as at 31 Dec 2020	103	101	67	49	70	44
Occupancy as at 31 Dec 2020	83.7%	92.5%	94.5%	87.9%	93.9%	77.9%
Visitor Traffic FY2020 (million)	4.9	4.5	2.5	2.8	3.0	1.5
Acquisition Price (million RM)	280.0	232.0	117.5	83.3	98.0	106.1
Valuation (million RM) as at 31 Dec 2020	441.0	329.0	146.0	92.0	130.0	69.0

Source: H-REIT Annual Report 2020 and its website at http://www.hektarreit.com/

HEKTAR REIT'S TOP 10 TENANTS#

The top ten tenants in the portfolio contributed approximately 33.7% of total monthly rental income, providing a diversified revenue base. Aside from the top tenant, Parkson, which contributed approximately 11.0% of monthly rental income, no other tenant contributed more than 10%.

Tenant	Trade Sector	NLA (Sq ft)	% of Total NLA	% of Monthly Rental Income[1]
Parkson	Department Store / Supermarket	252,515	12.4%	11.0%
The Store	Department Store / Supermarket	273,198	13.4%	6.7%
Seleria Food Court	Food & Beverage/Food Court	41,243	2.0%	2.4%
MBO Cinemas	Leisure & Entertainment/Sports & Fitness	88,670	4.3%	2.2%
Mr D.I.Y	Houseware & Furnishing	74,301	3.6%	2.2%
Watson's	Health & Beauty	11,965	0.6%	2.2%
MM Cineplexes	Leisure & Entertainment/Sports & Fitness	75,928	3.7%	1.9%
Guardian	Health & Beauty	12,164	0.6%	1.9%
Giant Superstore	Department Store / Supermarket	72,140	3.5%	1.7%
KFC	Food & Beverage/Food Court	15,792	0.8%	1.5%
Top 10 Tenants (By Monthly Rental Income)		917,915	45.0%	33.7%
Other Tenants		1,121,779	55.0%	66.3%
Total		**2,039,694**	**100.0%**	**100.0%**

1 Based on monthly rental income for December 2020

TENANCY MIX#

As at 31 December 2020

The largest rental contributors to the portfolio are tenants from the food & beverage and the department store segments. Both segments contributed 43% of the portfolio's total rental income. In terms of NLA occupancy, department stores and supermarkets continue to dominate the portfolio by taking up 39% of all available NLA.

	By Rental Income *	By Net Lettable Area
Fashion & Footwear	20%	10%
Food & Beverage / Food Court	21%	11%
Department Store / Supermarket	22%	39%
Gifts / Books / Toys / Specialty	3%	3%
Leisure & Entertainment, Sports & Fitness	8%	19%
Electronics & IT	7%	4%
Homewares & Furnishing	6%	9%
Health & Beauty	12%	5%
Education / Services	1%	0%
Total	**100%**	**100%**

* Based on monthly rental income for December 2020
# Source: H-REIT Annual Report 2020 and its website at http://www.hektarreit.com/

PORTFOLIO LEASE EXPIRY PROFILE#

As at 31 December 2020

A total of 307 tenancies will expire in 2021 representing approximately 63% of NLA and 69% of monthly rental income as at 31 December 2020.

For Year Ending 31 December	No. of Tenancies Expiring	NLA of Tenancies Expiring (sq ft)	NLA of Tenancies Expiring as % of Total NLA	% of Total Monthly Rental Income*
FY2021	307	1,289,946	63%	69%
FY2022	98	295,680	14%	21%
FY2023	29	209,831	10%	10%

* Based on monthly rental income for December 2020
# Source: H-REIT Annual Report 2020 and its website at http://www.hektarreit.com/

Risk Management

Effective risk management is a fundamental part of FCT's business strategy. Key risks, control measures and management actions are continually being identified, reviewed and monitored by management of the Manager ("Management") as part of the Manager's enterprise-wide risk management ("ERM") framework. Recognising and managing risks are central to the business and for protecting Unitholders' interests.

GOVERNANCE AND OVERSIGHT

The Board of Directors of the Manager is responsible for the governance of risks and ensuring that the Manager maintains a sound system of risk management and internal controls. The Manager has established a sound system of risk management and internal controls comprising procedures and processes to safeguard FCT's assets as well as FCT's and its Unitholders' interests. The Audit, Risk and Compliance Committee ("ARCC") reviews and reports to the Board on the adequacy and effectiveness of such controls, including financial, compliance, operational and information technology controls, and risk management procedures and systems, taking into consideration the recommendations of both internal and external auditors.

RISK MANAGEMENT FRAMEWORK

ERM reporting is facilitated through a Corporate Risk Scorecard system which enables the reporting of risks and risk status using a common platform in a consistent and cohesive manner.

The Manager seeks to benchmark its ERM framework against industry best practices and standards. In assessing areas for improvement and how the ERM processes and practices can be strengthened, reference has been made to the best practices in risk management including those set out in the Code of Corporate Governance 2018 and the Risk Governance Guidance for Listed Boards issued by the Corporate Governance Council in May 2012.

Risks are reported at the operational level using a Risk Scorecard which captures risks, risk ratings, mitigating measures and timeline for action items. Where applicable, Key Risk Indicators ("KRIs") are established to monitor risks. For risks that are material, the mitigating measures and KRIs are reported in the Key Risk Dashboard for review by the ARCC on a regular basis.

Risk tolerance statements, which set out the nature and extent of significant risks which the Manager is willing to take in achieving its strategic objectives, are reviewed annually. The tolerance limits are monitored and reported to the ARCC on a half yearly basis.

Formal risk reviews take place half yearly and the Risk Scorecard is updated regularly. On a yearly basis, ERM validation is held with the Management. Key risks have been identified and the corresponding mitigating measures taken are adequate. FCT's validated risks are presented to the ARCC to provide assurance that the risk management system in place for FCT was adequate and effective to address risks which the Manager considers relevant and material to FCT's operations.

Apart from the ERM process, key business risks are thoroughly assessed by Management and each significant transaction is comprehensively analysed so that Management understands the risks involved before it is embarked upon.

FCT's ERM framework promotes a risk management culture. The Manager works closely with Frasers Property Limited's Risk Management Team to conduct workshops where necessary to reinforce and enhance risk management knowledge and management principles.

For this financial year, as part of the Business Continuity Management ("BCM") roadmap, the Manager has worked with Frasers Property Limited's Risk Management Team to roll out a corporate BCM programme to enhance the Manager's business continuity management capability.

Risk Management

KEY RISKS

The Manager identifies key risks, assesses their likelihood and materiality to FCT's business and documents corresponding mitigating controls in a risk register. The risk register is reviewed and updated regularly.

OPERATIONAL RISK

The Manager has established and strictly adheres to a set of standard operating procedures designed to identify, monitor, report and manage the operational risks associated with the day-to-day management and maintenance of FCT malls. These procedures and guidelines are regularly reviewed and benchmarked against industry best practices to ensure relevance and effectiveness. Insurances are also in place to mitigate losses resulting from unforeseen events. Business Continuity Plans are regularly tested for their effectiveness. The Manager proactively monitors developments relating to the impact of the ongoing COVID-19 pandemic, responds through established crisis management and business continuity plans and complies with disease prevention and containment regulations to help minimise business disruptions and ensure the safety of our employees, tenants and customers.

HUMAN CAPITAL RISK

The Manager has in place a career planning and development system for its staff, and conducts regular remuneration and benefits benchmarking to attract and retain appropriate talent for the business. Regular training and development opportunities are also provided to upgrade the skills and knowledge of the staff. An employee satisfaction survey and organisational culture survey were also deployed to measure employee engagement and sentiments.

LIQUIDITY RISK

In ensuring a prudent financial structure for FCT, the Manager adheres closely to the covenants in the loan agreements and Appendix 6 (Investment: Property Funds) of the Code on Collective Investment Schemes ("CIS") issued by the Monetary Authority of Singapore. In addition, the Manager proactively manages FCT's cashflow position and liquidity requirements.

In view of the challenges posed by the COVID-19 pandemic, the management regularly conducted stress testing to assess and track the possible impact of the pandemic on the Group's liquidity and cashflow. Capital and liquidity management remain priorities for the Group.

The Manager actively monitors its debt maturity profile and operating cashflows. The Group has undrawn revolving credit facilities totaling S$737 million as of 30 September 2021 to ensure adequacy of liquidity reserves to finance FCT's operations, capital expenditures, asset enhancement initiatives ("AEIs") and any other unforeseen short-term obligations. FCT's liquidity is supported by its long-term banking relationships and track record of strong access to the debt capital market.

Please refer to page 36 under Capital Resources section on the various sources of funds availability and their utilisation. The Manager continues to comply with its policy of spreading out concentration of debts maturing in a single year.

INVESTMENT RISK

As FCT grows its investment portfolio via the acquisition of new properties and other forms of permitted investments, all investment opportunities are subject to a disciplined and rigorous appraisal process. All investment proposals are evaluated based on a comprehensive set of investment criteria including alignment with FCT's investment mandate, asset quality, expected returns, sustainability of asset performance and future growth potential, having due regard to market conditions and outlook.

INTEREST RATE RISK

Interest rate risk is proactively managed by the Manager with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates. In accordance with the Manager's hedging policy, at least 50% of FCT's outstanding borrowings are at fixed interest rates.

CREDIT RISK

The Manager monitors the debt levels on an ongoing basis and remains vigilant in its debt collection procedures. Credit evaluations are performed before lease agreements are entered into with tenants or before lease terms with existing tenants are extended. Credit risk is also mitigated by collecting rental deposits from the tenants. Cash and fixed deposits are placed with regulated financial institutions.

COMPLIANCE RISK

FCT is subject to relevant laws and regulations including the Listing Manual of the Singapore Exchange Securities Trading Limited, CIS and the tax rulings issued by the Inland Revenue Authority of Singapore with regard to the taxation of FCT and its Unitholders. Any changes to these regulations may affect FCT's operations and results. The Manager has in place policies and procedures to facilitate compliance with applicable laws and regulations. Management keeps abreast of latest developments in relevant laws and regulations through training and attending talks and briefings.

TECHNOLOGY RISK

Digital disruption and the future of work that are enabled by digital technology offer new opportunities and challenges. The Frasers Property Group (the "Group"), of which the Manager is part of, continues to build digital capabilities and invest in new technologies to ensure that the Group's business is future-ready including embracing of cloud technology in order to provide a higher level of business agility, scalability, as well as cost competitiveness. Group-wide policies, standards and procedures and security technology solutions have been put in place to ensure the confidentiality, availability, and integrity of IT systems, as well as to ensure that cybersecurity threats are managed. Disaster recovery plans and incident management procedures have been developed and are tested regularly. Measures and considerations have also been taken to enable effective privileged access monitoring, patch management, data security, data protection and safeguard against prolonged service unavailability of critical IT systems.

Periodic IT security trainings are conducted for new and existing employees to raise IT security awareness on the evolving threats landscape. External professional service providers are engaged to conduct independent vulnerability assessment and penetration tests to further strengthen the IT systems.

EXTERNAL RISK

FCT is exposed to a challenging business climate, including impact from the COVID-19 outbreak, and rapidly changing retail market trends, including manpower shortage faced by tenants, stagnant pool of prospective tenants, e-commerce consumer shopping behaviour and the leasing principles set out in the "Code of Conduct for Leasing of Retail Premises in Singapore". The Manager actively monitors the macroeconomic trends, policies, regulatory changes and retail market trends, as well as continuously seeks to strengthen FCT's competitiveness through active lease management and asset enhancement works.

FRAUD AND CORRUPTION RISK

The Manager does not condone any acts of fraud, corruption or bribery by employees in the course of our business activities. The Manager adheres to the various policies and guidelines established by the Group, including a Code of Business Conduct and an Anti-Bribery Policy, to guide employees on business practices, standards and conduct expected during their employment.

The Manager has put in place a whistle-blowing policy (the "Whistle-Blowing policy"). The Whistle-Blowing policy provides an independent feedback channel through which matters of concern about possible improprieties in matters of financial reporting, suspected fraud and corruption or other matters may be raised by employees and any other persons in confidence and in good faith, without fear of reprisal. The ARCC reviews and ensures that independent investigations and appropriate follow-up actions are carried out. More details can be found in the Corporate Governance section of this Annual Report on pages 109 to 144.

Sustainability Report

Contents

Glossary

For ease of reading, this glossary provides definitions of abbreviations that are frequently used throughout this report.

Abbreviations used in Sustainability Report

ARF Acquisition	: The acquisition of the remaining 63.11% interest in AsiaRetail Fund Limited by FCT. The acquisition was completed on 27 October 2020.
BCA	: Building and Construction Authority, Singapore
ESG	: Environmental, Social and Governance
FCT	: Frasers Centrepoint Trust
GHG	: Greenhouse Gas
GRESB	: Global Real Estate Sustainability Benchmark
GRI	: Global Reporting Initiative
ISO 14001	: International Organisation for Standardisation (Environmental Management System)
ISO 45001	: International Organisation for Standardisation (Occupational Health and Safety Management System)
ISO 50001	: International Organisation for Standardisation (Energy Management System)
NGOs	: Non-governmental Organisations
PV	: Photo-voltaic
SDG	: Sustainable Development Goal
SSC	: Sustainability Steering Committee
TAFEP	: Tripartite Alliance for Fair and Progressive Employment Practices
TCFD	: Task Force on Climate-related Financial Disclosures
UN	: United Nations
UV	: Ultraviolet

BOARD STATEMENT

The COVID-19 continued to impact businesses and how we work and live, even after 20 months since it was declared a pandemic in March 2020. At the same time, the retail industry is also subjected to evolving consumer behaviour and the shift to omnichannel retailing where both physical and digital retailing are the new normal with consumers. Amidst these challenges, we remain steadfast in our commitments to the sustainability goals of our Trust and that of our Sponsor, Frasers Property Limited.

FCT is committed to achieving net-zero carbon emissions by 2050, which was a groupwide strategic goal announced by Frasers Property Group in January 2021. As part of the Frasers Property Group, we are cognisant of the impact that our business operations and assets have on climate change and the environment. Together with the steering and working groups within the Frasers Property organisation, we made progress in many areas in our journey towards the net-zero carbon mission goal. These include the introduction of Responsible Sourcing Policy to our business partners and contractors; the completion of a climate risk and climate "value-at-risk" portfolio level assessment; the achievement of Green Mark

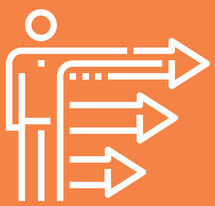
certifications of Gold and above for eight of the nine retail properties in FCT portfolio; and the achievement of 5 Stars rating in the 2021 GRESB Assessment. Some of the noteworthy highlights from the climate risk assessment for FCT portfolio include the material financial risks to FCT, as carbon pricing and demand for cooling increase at its portfolio properties. The impact could be as much as 2% to 6% of the net property income if the climate change impact exceeds the 1.5˚C scenario.

We are also working on various initiatives to reduce consumption and to promote reuse and recycling, in our organisation and with our stakeholders. Among the initiatives we undertook during the year, FCT signed a Letter of Intent with the SP Group in August 2021, pledging our interest in subscribing to a proposed Distributed District Cooling ("DDC") network in Tampines. This is Singapore's first brownfield DDC and we are proud to be part of the initiative. Two of our properties, Century Square and Tampines 1, will play the role of injection nodes of chilled water in the DDC comprising 17 commercial buildings in the Tampines Central precinct. The DDC initiative is projected to achieve significant reduction in energy consumption, carbon and GHG emissions as well as space and economic savings over the long run. We are also working toward achieving compliance with the Environmental Risk Management Guidelines published by the Monetary Authority of Singapore ("MAS"), which covers major areas including governance and strategy; stewardship and disclosures which are aligned to recommendations of Task Force on Climate-Related Financial Disclosures ("TCFD").

The Board, with the support of the management team and the Frasers Property organisation, will continue to carry out its responsibilities in the assessment of material ESG risks and opportunities, to provide the strategic direction and oversight to achieve our sustainability goals. We have sought external assurance of this year's Sustainability Report on a voluntary basis. We believe this is an important initiative to strengthen stakeholder's confidence in our disclosure and data in the report. At the same time, it will also help us to maintain the robustness of our sustainability framework and quality of disclosure. We invite you to read the progress and achievements that we have made in our seventh Sustainability Report, and we look forward to working with you to deliver a sustainable impact.

Board of Directors
Frasers Centrepoint Asset Management Ltd.
as Manager of Frasers Centrepoint Trust

THE YEAR AT A GLANCE



ACTING PROGRESSIVELY

- Completed climate risk assessment on our portfolio based on well below 2˚C and 4˚C warming scenarios
- All our properties are now ISO 14001, ISO 45001 and ISO 50001 certified
- Adopted and implemented Group Responsible Sourcing Policy to address risks in our supply chain
- 94% of portfolio by gross floor area certified BCA Green Mark Gold or higher, including 83% certified Green Mark Gold^{PLUS} or Platinum
- Achieved 5 Stars at GRESB Assessment 2021 with a score of 92
- Secured S$589 million sustainability-linked loan facility for Waterway Point
- Green loans make up approximately 18% of our total borrowings

CONSUMING RESPONSIBLY

- Developed roadmap to achieve net-zero carbon emissions by 2050 and set interim carbon emissions targets for 2035
- Reduced energy and carbon emissions intensities by 8.3% and 11.0% respectively, compared to FY2019 baseline
- Reduced water use intensity by 19.1%, compared to FY2019 baseline
- Collected 1,765 tonnes of waste for recycling
- Signed the Letter of Intent to participate in Singapore's first brownfield Distributed District Cooling (DDC) network in the Tampines District, an initiative that is expected to reduce 17% in energy consumption, 18% in carbon emissions and achieve economic savings annually

FOCUSING ON PEOPLE

- Women account for 17% and 50% of the Board of Directors and Senior Management, respectively
- Achieved 38 average training hours per employee
- 89% of the REIT manager’s employees trained in sustainability
- Safety first approach with all our properties certified with ISO 45001
- One injury incident resulting in three lost days by an employee working in our malls
- Collected 5.8 tonnes of food donation for Food Bank Singapore

CREATING VALUE WITH OUR SUSTAINABILITY FRAMEWORK

Being one of the largest suburban retail mall owners in Singapore, we have a part to play in mitigating climate impacts and delivering a positive impact to people and the environment. We have closely aligned our sustainability goals and focus areas to our Sponsor's Sustainability Framework, which consists of three pillars — Acting Progressively, Consuming Responsibly and Focusing on People. Under the pillars are 13 focus areas where we know we can make significant positive impact. These span a diverse range of interconnected environmental, social and governance topics. We regularly review our practices, policies, performance and targets in relation to these focus areas.

PILLARS

ACTING PROGRESSIVELY

CONSUMING RESPONSIBLY

FOCUSING ON PEOPLE

FOCUS AREAS

ACTING PROGRESSIVELY

Innovation
Fostering an innovation culture that creates value and strengthens our competitive edge

Resilient Properties
Strengthening the resilience and climate adaptive capacity

Risk-based Management
Comprehensive assessment to address environmental, health and safety risks

Responsible Investment
Incorporating social, environment and governance criteria in the evaluation process

CONSUMING RESPONSIBLY

Materials & Supply Chain
Achieving the sustainable management and efficient use of materials along the supply chain

Biodiversity
Enhancing the environment and ecosystem through our developments

Energy & Carbon
Increasing substantially energy efficiency and renewable energy used

Waste
Reducing substantially waste generation through prevention, reduction, recycling and reuse

Water
Increasing substantially water efficiency and the recycling and safe reuse of water discharged

FOCUSING ON PEOPLE

Community Connectedness
Considering social value principles for communities

Health & Well-being
Ensuring healthy and balanced work and community environments

Diversity, Equity & Inclusion
Empowering and promoting the social inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

Skills & Leadership
Developing skills and leadership programmes that support productive activities, creativity and innovation to deliver high-value products and services

MANAGING SUSTAINABILITY

Integrating sustainability into every part of our business and value chain requires an alignment of priorities at the highest levels of corporate strategy. Sustainability remains a key priority in strategic planning at Board and management levels.

SUSTAINABILITY GOVERNANCE

As a sponsored REIT, our sustainability agenda closely aligns with our Sponsor's to demonstrate our unified approach across the Frasers Property Group. The Group Sustainability Steering Committee, comprising senior management personnel, drives sustainability strategy, reviews performance and approves of action plans and policies in Frasers Property Group. This year, given its focus on its Net-zero carbon and Climate Risk & Resilience plans, our Sponsor also established a dedicated Advisory Group made up of senior management representatives from various corporate functions and representatives from business units across the Group, to support the Sustainability Steering Committee.

We work collaboratively with the Group's sustainability leadership and working teams to realise our goals and objectives. The Frasers Property Retail's Sustainability Steering Committee ("FPR SSC") makes key decisions in relation to the sustainability framework and goals. It comprises top management personnel, including FCAM's CEO, Mr Richard Ng and CEO of Frasers Property Retail, Mr Low Chee Wah. The FPR SSC provides stewardship and direction to the Sustainability Working Committee ("SWC"), which comprises management and executive personnel that implement the action plans and monitor performance against key performance indicators.

Our Board of Directors provides the strategic directions and oversees the determination, monitoring and the management of the environmental, social and governance material factors required for achieving the sustainability objectives of FCT.

STAKEHOLDER ENGAGEMENT

Delivering value for our stakeholders starts with putting their diverse needs at the centre of our offerings. We constantly engage our employees, customers, the community and other sets of stakeholders through various channels to understand what matters most to them and to build the trust essential to implementing our sustainability strategy and achieving our objectives. We seek, evaluate and act on all forms of feedback to enhance the solutions and experiences we provide.

Key Stakeholders
Tenants
Shoppers
Employees
Property Manager
Investors and FCT's Unitholders
Local Community
Regulators and Industry Associations

Key Topics of Concern	Mode of Engagement	Frequency of Engagement and FY2021 Highlights
• Maintaining high shopper traffic • Competitive rental rates • Collaboration in marketing and promotional events	• Face to face dialogue • Partnership in promotional events • Regular tenant feedback meetings • Tenant satisfaction survey	• Throughout the year • Throughout the year • Throughout the year • Once every two years
• Meeting our shoppers' needs • Quality of services and facilities • Providing comfortable shopping environment and family-friendly amenities • Considerations for safety, accessibility and easy navigation within the mall • Good connectivity to public transport	• Shopper surveys • Focus group study • Feedback via online and various social media such as Facebook, Instagram and LinkedIn and FCT/Frasers Group Property websites • Regular events to engage shoppers and their families • Frasers Rewards, the Frasers shopper loyalty programme • Feedback forms • Feedback to customer service staff or at customer service counters and concierge	• Shopper surveys (no fixed period) • Throughout the year, as-and-when required for engagements on social media • Throughout the year • Throughout the year • Throughout the year • Throughout the year • Throughout the year
• Compensation and Benefits • Career progression • Continuous education and skills upgrading • Employee well-being	• Annual performance appraisals • Communal sports and activities (suspended during COVID-19) • Orientation and training programmes organised by Frasers Property Human Resource (virtually during COVID-19) • Regular department meetings • Family Day Events (suspended during COVID-19) • Employee satisfaction survey and organisation culture survey	• Once a year • Throughout the year • Upon joining and throughout the year. Employees registered an average of 38 hours of training per employee in FY2021 • Throughout the year • Once a year, organised by the Frasers Property Group • Once in FY2021
• Key Performance Indicators (KPIs) for the property manager	• Regular meetings • Exchanges on Workplace by Facebook • Exchanges on emails and calls	• Every month for regular meetings and ad-hoc meetings as-and-when required • Throughout the year • Throughout the year
• Business and operations performance • Business strategy and outlook • Sustainability concerns	• Investor meetings, quarterly post-results luncheons and non-deal roadshows, mall tours and Annual General Meetings • Website, annual reports, SGXNET announcements, presentation slides, quarterly financial results briefings and conference calls	• Throughout the year • Throughout the year
• Helping the groups in need in the community • Foster strong community ties and promote family values	• Providing support for national vaccination programme and distribution of COVID-19 masks and sanitisation kits at FCT malls • Providing venue space to support community and charitable events that promote community bonding and well-being	• The events are organised throughout the year, but with reduced event size and strict compliance with the prevailing safe management measures due to COVID-19
• Compliance with relevant rules and regulations • Engagement with investors and Unitholders • Government policies on REITs or Real Estate sector • Issues concerning both short and long-term interests of the retail industry in Singapore	• Participation in industry associations including REIT Association of Singapore (REITAS), Investor Relations Professionals Association (IRPAS), Orchard Road Business Association (ORBA), Securities Investors Association (Singapore) (SIAS) and Singapore Retailers Association (SRA) • Participation in briefings and consultation with regulators such as the SGX and MAS	• Participation in the events organised by the various industry associations and by the regulator occur throughout the year • Throughout the year

INDUSTRY ALIGNMENT

We aspire to collaborate with our stakeholders in our journey to achieve our long-term sustainability goals. We are cognisant of our role in acting and influencing to promote awareness and implementation of good sustainability practices in our business and industry. FCT actively participates in the following professional and business associations:

- Investor Relations Professionals Association (IRPAS) – Board membership
- Securities Investors Association (Singapore) (SIAS)
- REIT Association of Singapore (REITAS)
- Orchard Road Business Association (ORBA)
- Singapore Retailers Association (SRA)

Sustainability Pillars	Focus Areas	What does it mean to FCT
ACTING PROGRESSIVELY	**Responsible Investment**	We invest with long-term views that includes financial and sustainability considerations to deliver regular and stable distributions to our Unitholders, and to achieve growth in FCT's net asset value per Unit. We target to achieve sustainable improvement in our economic performance.
	Risk-based Management	We have the duty to ensure our business continuously assess the environment, health and safety and social risks to ensure we are in compliance with the relevant environmental laws and regulations.
		We have a zero-tolerance approach towards corruption and fraud. We strive to maintain high standards of integrity, accountability and corporate governance.
		We ensure compliance with the Code of Advertising Practice and applicable guidelines and principles for responsible communications and marketing.
	Resilient Properties	We seek to understand and respond to the risks and opportunities related to climate change to enhance the resilience of our properties and future-proof our business.
	Innovation	Innovation is the key driver to remain relevant and competitive in the retail industry. An agile and adaptable business will lead to a viable business in the long-term.
CONSUMING RESPONSIBLY	**Energy & Carbon**	Real estate is one of the largest users of energy, particularly in heating and cooling. We strive to proactively reduce energy consumption of our properties and contribute towards achieving carbon neutrality.
	Water	Similar to energy management, we strive to reduce wastage of water and to recycle and reuse wherever we can.
FOCUSING ON PEOPLE	• **Diversity, Equity & Inclusion** • **Skills & Leadership**	We value our employees, and we seek to invest in their learning and help them in developing their career with us. We continuously seek to attract and retain the human capital and talents as we continue to grow in our business. We maintain open-door communication with our employees to foster trust and confidence in our communications.
	Health & Well-being	We want to provide space at our properties that our stakeholders, including shoppers, contractors and tenants, feel safe and comfortable to carry out their intended activities.
	Community Connectedness	We strive to foster healthy interactions with the local communities, to build strong sense of belonging and connections with them, and also to contribute back to the community by helping the less fortunate members of the community.

1 Please refer to our annual report for further details.

MATERIALITY ASSESSMENT

We recognise the importance of ensuring the relevance of our material topics to our business. We regularly review our material topics with consideration of the business landscape and stakeholder concerns. Our material topics remain relevant and aligned to the 13 focus areas of our Sustainability Framework and the United Nations Sustainable Development Goals ("SDGs"). The table also shows the significance of each material topic and where we have caused or contributed to the impacts through our business relationships.

Material Topics & GRI Topic	Boundaries	Corresponding UN SDGs
Economic Performance[1] (GRI 201)	FCT	8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 17 PARTNERSHIPS FOR THE GOALS
Environmental Compliance (GRI 307)	FCT, Suppliers/ Contractors and Shoppers/ Tenants	
Anti-corruption (GRI 205)	FCT, Suppliers/ Contractors and Shoppers/ Tenants	
Marketing and Labelling (GRI 417)	FCT	
Economic Performance (GRI 201)	FCT, Shoppers/ Tenants	
Economic Performance (GRI 201)	FCT, Shoppers/ Tenants	
Energy (GRI 302) Emissions (GRI 305)	FCT, Shoppers/ Tenants	6 CLEAN WATER AND SANITATION; 7 AFFORDABLE AND CLEAN ENERGY; 13 CLIMATE ACTION
Water (GRI 303)	FCT, Shoppers/ Tenants	
Employment (GRI 401) Training and Education (GRI 404) Labour / Management Relations (GRI 402)	FCT	3 GOOD HEALTH AND WELL-BEING; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES; 11 SUSTAINABLE CITIES AND COMMUNITIES; 17 PARTNERSHIPS FOR THE GOALS
Occupational Health & Safety (GRI 403)	FCT, Suppliers/ Contractors, Shoppers/ Tenants and NGOs/ Local Communities	
Local Communities (GRI 413)	FCT, NGOs/ Local Communities	

ACTING PROGRESSIVELY

OUR PRIORITIES

We believe good business ethics and integrity are driven by the leadership, and a robust framework of policies and procedures, which help the organisation foster positive corporate culture for its employees and stakeholders. We embrace innovation and digitalisation in driving better efficiency and efficacy of the objectives we target to achieve.

OUR APPROACH

- To institute policies that strengthen FCT's business operations and its resilience
- To pursue green building certifications for the properties
- To uphold responsible investment practices by incorporating ESG risks and opportunities into investment decisions

OUR PROGRESS

Focus area	Our goals	Our progress in FY2021	Status
Risk-Based Management	• To establish holistic overarching internal policies to govern and guide management of the focus areas	• All our properties are now ISO 14001, ISO 45001 and ISO 50001 certified • Began implementation of Responsible Sourcing Policy • Property manager - Frasers Property Retail voluntarily committed to the new Code of Conduct for Leasing of Retail Premises in Singapore	**On track**[2]
Responsible Investment	• To certify 80% of owned and managed assets with third-party and relevant green building schemes by 2024	• 94% of FCT retail portfolio by gross floor area is certified BCA Green Mark Gold or higher. Eight of the nine properties are certified Green Mark Gold and above, including four of them certified Platinum • Achieved a score of 92 and 5 Stars rating at the GRESB Real Estate Assessment 2021	**On track**
	• To finance majority of our sustainable asset portfolios with green and sustainable financing by 2024	• Secured S$589 million sustainability-linked loan facility for Waterway Point. • Green loans make up approximately 18% of our total borrowings	**On track**
Resilient Properties	• To carry out climate risk assessments and implement asset-level adaptation and mitigation plans aligned to the Task Force on Climate-related Disclosures framework by 2024	• Completed a climate risk and climate 'value-at-risk' portfolio-level assessment of our retail malls in Singapore and designed an action plan to address and mitigate key physical and transition risks	**On track**
Innovation	• To cultivate a customer centric and collaborative mindset	• Commenced performance-based cleaning contracts in 5 properties • The Frasers' food and beverage digital ordering app, Frasers Makan Master was awarded two prizes at Marketing magazine's Loyalty & Engagement Awards	**In progress**

2 **On track**: Target is either achieved or is on track to be achieved on time
In progress: Target is delayed but progress is still being made and could still be achievable on time
Not on track: Target is delayed to the point that it is unlikely that it will be achieved on time

RISK-BASED MANAGEMENT

Strong corporate governance and a robust framework of policy enforcement underpin our business operations. We strive to uphold fair and ethical business conduct and have zero tolerance for corruption and fraud. We also align our business practices to the relevant industry code of practice and/or regulations such as the Code of Advertising Practice and Code of Conduct for Leasing of Retail Premises.

Our approach is aligned with our Sponsor, Frasers Property Group, and we subscribe to the following corporate policies:

- Anti-Bribery Policy
- Board Diversity Policy
- Code of Business Conduct
- Competition Act Compliance Manual
- Complaints/Feedback Handling Policy
- Continuing Education of Capital Markets Services Representatives
- Corporate Social Responsibility Policy
- Diversity and Inclusion Policy
- Documents Management and Retention Policy
- Investment Manual and Guidelines - Acquisitions and Disposals
- Investor Relations Policy
- Personal Data Breach Incident Management Policy
- Personal Data Protection Policy
- Policy on Dealings in Units of Frasers Centrepoint Trust and Reporting Procedure
- Policy on Outsourcing
- Prevention of Money Laundering and Countering the Financing of Terrorism
- Procurement Policy
- Responsible Sourcing Policy
- Whistle-blowing Policy

This year, in line with our Sponsor, we implemented a Responsible Sourcing Policy, which sets out our expectations of our contractors and suppliers regarding four areas of sustainable procurement, namely environmental management; human rights and labour management; health, safety and well-being; and business ethics and integrity. We mapped out our key suppliers and analysed them on the dimensions of spend amount and environmental and social risk. We began engaging with our target suppliers by sharing the Responsible Sourcing Policy for their acknowledgment, and in FY2021, we achieved an 83% acknowledgment rate. As priorities for FY2022, we aim to work more closely with our suppliers to ensure alignment to each of the four areas of our policy. Further, all the malls in our portfolio have implemented ISO 14001 environmental management systems, ISO 45001 occupational health and safety management systems and ISO 50001 energy management systems.

An internal audit process has been established to conduct independent appraisal and assurance of the adequacy and effectiveness of the Manager's existing processes and controls. This internal audit function sits within the Frasers Property Group[3]. We also worked closely with our Sponsor's Group Risk and Group Sustainability teams to incorporate environment, social and governance risk assessment into our risk management process and business operations.

To ensure the reliability of our data disclosure and processes in the publication of this year's sustainability report, we have sought independent external assurance of the report. Our assurance is carried out by Ere-S Pte Ltd with the engagement conducted under a limited level of assurance according to the International Standard on Assurance Engagements 3000 ("ISAE 3000") guidelines. Please refer to pages 102 to 104 for the findings and observations.

This year, contractors at two of our properties each paid nominal fine for breaching regulations relating to environmental public health. Another property paid a nominal fine for breaching regulations related to COVID-19. The payments have been acknowledged by the authorities and the matters are now closed. There were no other known incidents of breaches of any relevant laws and regulations, including environmental laws and regulations, bribery and corruption and marketing communications. Our objective is to take progressive steps to minimise non-compliance incidents and breaches and work together with stakeholders to ensure appropriate precautions are taken throughout our value chain. We strive to improve our performance in FY2022.

3 Please refer to page 134 of this Annual Report for more information on internal audit.

RESPONSIBLE INVESTMENT

We embrace opportunities to invest responsibly and deliver shared value to our Unitholders. We do so by integrating sustainability standards into our portfolio management process and seeking ways to improve the ESG performance of our portfolio. We also measure our performance against credible benchmarks such as the Global Real Estate Sustainability Benchmark ("GRESB"), the global environmental, social and governance ("ESG") benchmark for real estate.

In line with one of the new goals set by our Sponsor, we made progress towards our goal in certifying 80% of our existing buildings by 2024 with a minimum, Building Construction Authority ("BCA")'s Green Mark Gold certification. We have met this goal ahead of the targeted timeline, having achieved certifications for 94% of our portfolio by gross floor area. Causeway Point, Tiong Bahru Plaza, Century Square and White Sands have attained BCA Green Mark Platinum certification. Tampines 1, Changi City Point and Waterway Point have been certified to Green Mark Gold[PLUS] standards, while Northpoint City North Wing (including the Yishun 10 Retail Podium) has been certified Green Mark Gold. Moreover, all our properties are regularly assessed to identify improvement opportunities to better serve our customers and tenants, and asset enhancement initiatives ("AEI") are conducted in a timely manner to continuously upgrade our properties for optimum performance.

In FY2021, we secured a S$589 million green loan for Waterway Point that will enjoy a reduction in margin on its second year if Waterway Point retains its current Green Mark Gold[PLUS] certification status. With the completion of this loan, the proportion of green loans in our portfolio is approximately 18% of our total borrowings.

For the third year running, we participated in GRESB Real Estate Assessment and attained a score of 92 – up from 69 in 2020 and outperforming the global average of 73. This score earned us a 5 Stars rating, which represents the top quintile of all entities assessed by GRESB. We have performed a thorough gap analysis of our results, and we will continue to work towards long-term improvements in performance and elevated sustainability standards.

FCT is also proud to have been included in Solactive CarbonCare Asia Pacific Green REIT Index this financial year. Developed by consultancy service provider Carbon Care Asia and index provider Solactive, this rules-based index includes "Asia Pacific REITs that own the highest percentage of green-certified buildings in their portfolio and which are committed to climate-aligned emissions reduction targets."[4]

RESILIENT PROPERTIES

The past year saw a surge of catastrophic global warming-linked weather events that disrupt lives of many across the world. There has never been a greater demand for businesses to integrate climate-related considerations into financial risk management processes than today. We recognise that climate risks must be viewed as financial risk and managed using robust framework.

Cognisant of this, our Sponsor has started to align its climate-related disclosures to the Financial Stability Board's Task Force on Climate-related Financial Disclosure ("TCFD") recommendations since 2019, and further declared support for the TCFD and its recommendations in 2021. As part of our Sponsor's commitment to manage its climate risks, our Sponsor has set a goal last year to carry out climate risk assessments and implement asset-level adaptation and mitigation plans with alignment to the TCFD framework by 2024. It has also started assessing climate risks material to its business in a phased approach.

In line with this group-wide target, this year FCT completed a climate risk and climate 'value-at-risk' portfolio-level assessment for our retail properties. This provided us with a deep understanding of the carbon emissions from our own operations as well as from our broader value chain – in particular, our tenants' and suppliers' energy use. Based on our assessment, the impact could be as much as 2% to 6% of our net property income if the climate change impact exceeds the 1.5˚C scenario. As part of this work, we created an action plan to address and mitigate key physical and transition risks and prioritised asset-specific strategies to achieve net-zero carbon by 2050, including but not limited to phasing out refrigerants with high Global Warming Potential, increasing renewable energy procurement and partnering with our tenants to develop an enhanced green lease.

4 https://www.carboncareasia.com/eng/Green_Finance/ESG_Index.php

INNOVATION

The advent of technology over past decades have heralded a significant shift in our stakeholders' needs and lifestyles. At FCT, we believe that fostering a strong culture of innovation will help us to create value for our customers with innovative business models and differentiate ourselves as an employer of choice. Our Sponsor held its inaugural group-wide Innovation Awards, which encourages innovation amongst its employee and to fortify their commitments to driving positive change in our business. The initiative garnered 112 staff submissions that had the potential to generate new revenue and/or to result in significant savings for the Group. In addition, we commenced performance-based cleaning contracts at Tiong Bahru Plaza, White Sands, Tampines 1, Century Square and Hougang Mall, leveraging on technology and Internet of Things ("IoT") devices to improve cleaning operations and standards.

Towards Omnichannel Retail

In light of COVID-19, FCT, together with Frasers Property Retail, launched its omnichannel retail platforms Fraser eStore and Makan Master as part of its Frasers Experience shopper loyalty programme. During the year, we continue to onboard more retailers and F&B operators and ran marketing programmes to increase the adoption and traffic to these apps. To support our tenants to pivot to these omnichannel retail platforms, we waived the onboarding fees and helped them with delivery service support and savings through our partnership with third party logistics companies. Most importantly, the Frasers eStore and Makan Master enable our retail and F&B tenants to increase their sales via online orders in addition to their conventional walk-in or dine-in customers, which have been curtailed due to the restrictions on mall capacity and dine-in group size under the prevailing safe management measures. While omnichannel retailing has been on the rise even before COVID-19, the pace of adoption among retailers, F&B operators and landlords have been accelerated due to the pandemic. Since its launch, sales on the Frasers eStore has tripled and that for Makan Master have grown seven times. The Makan Master app was named Best Loyalty Programme – Lifestyle (Bronze) and Best Loyalty Programme – Relaunch (Bronze) at The Loyalty & Engagement Awards 2020 organised by Marketing magazine.

CONSUMING RESPONSIBLY

OUR PRIORITIES

The real estate industry is intensive in energy consumption and carbon emissions. It accounts for about 40% of raw material used globally and contributes about 39% of global energy-related greenhouse gas emissions[5]. As owner and manager of retail properties, we have the responsibility and role to play in addressing and mitigating the impact of our operations on the environment. We strive to streamline our resource consumption by reducing waste generation, conserving energy and water, enhancing energy efficiencies and using renewable energy wherever possible. We continue to foster meaningful partnerships with our tenants, employees and stakeholders to achieve our goal of net-zero carbon emissions.

OUR APPROACH

- To establish policies, targets and commitments that drive positive outcomes for the environment
- To adopt practices that help our employees and customers to manage and use resources efficiently
- To engage stakeholders in driving awareness through collaboration and advocacy

OUR PROGRESS

Focus area	Our goals	Our progress in FY2021	Status
Energy & Carbon	• To achieve net-zero carbon emissions by 2050 • To develop a net-zero carbon roadmap and establish progressive carbon targets by FY2021 • To reduce our Scope 1, 2 and 3 greenhouse gas emissions progressively by 2035, aligned to Science Based Targets.	• Developed roadmap for achieving net-zero carbon emissions by 2050, including carbon reduction strategies with specific targets and timelines • Signed Letter of Intent with SP Group to affirm our interest in subscribing to a proposed Distributed District Cooling (DDC) network in Tampines • Reduced GHG emissions intensity by 11.0% compared to FY2019 baseline • Reduced energy use intensity by 8.3% compared to FY2019 baseline	**On track**
Water	• To reduce water use intensity by 20% from 2015 by 2030 and establish interim targets by FY2021.	• Reduced water use intensity by 19.1% compared to FY2019 baseline	**In progress**
Waste	• To implement food waste recycling in all FCT's retail malls by 2024 • To develop a general waste and recycling programme, a partnership with tenants under the green lease initiative	• Recycled 1,765 tonnes of post-consumer waste • Collected 12,987 kilograms of e-waste of post-consumer electronic waste for recycling • Collected 140,126 used cans and bottles from the public from Reverse Vending Machines across our malls	**In progress**

On track: Target is either achieved or is on track to be achieved on time
In progress: Target is delayed but progress is still being made and could still be achievable on time
Not on track: Target is delayed to the point that it is unlikely that it will be achieved on time

5 Bringing Embodied Carbon Upfront (World Green Building Council, September 2019). https://www.worldgbc.org/sites/default/files/WorldGBC_Bringing_Embodied_Carbon_Upfront.pdf

ENERGY AND CARBON

As much as 39% of the global energy-related carbon emissions are caused by the built environment, and the retail industry has a significant role to play in mitigating these climate impacts. Together with our sponsor, we have taken active steps towards decarbonising our business and achieving net-zero carbon emissions by 2050.

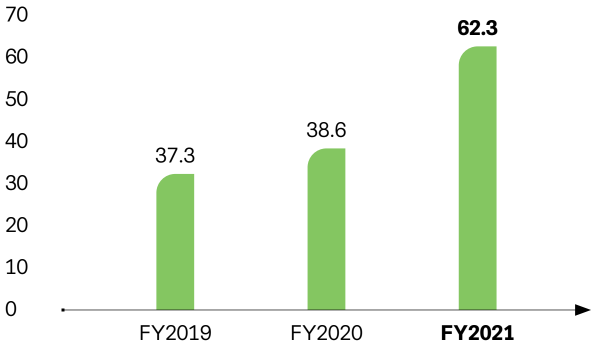
In FY2021, we have established a roadmap that details the carbon reduction strategies we aim to implement in our properties to reduce our Scope 1, 2 and 3 GHG emissions, coupled with specific targets and timelines. These include improving energy efficiencies, increasing our renewable energy mix, addressing tenant energy consumption, and practising sustainable procurement as well as waste and water management. In arriving at our roadmap, we first mapped out and prioritised active and passive strategies specific to the retail sector, then referred to industry-leading carbon reduction pathways to develop our absolute and sectoral decarbonisation trajectories. Based on science based approach, we also modelled alternative scenarios to understand potential emission reductions up till the year 2035.

OUR PARTICIPATION IN PROPOSED DISTRIBUTED DISTRICT COOLING NETWORK

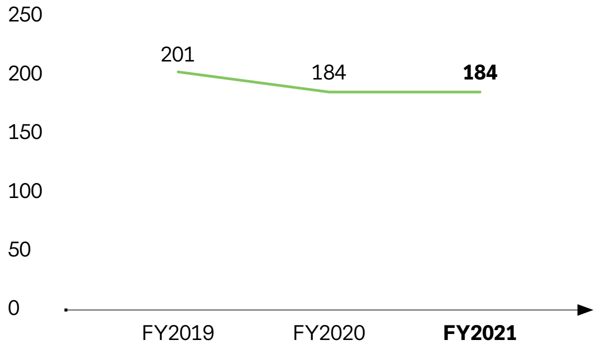
We took a key step towards our climate goals this year by signing a Letter of Intent with SP Group to affirm our interest in subscribing to a proposed Distributed District Cooling network in Tampines. Under this initiative, existing chiller plant systems in Century Square and Tampines 1, among other buildings in Tampines, will be harnessed to cool an entire district of buildings. By leveraging on economies of scale, the DDC network would consume less energy for the same amount of cooling, resulting in reduced carbon emissions.

To ensure that our properties are operating at optimum efficiency, we conduct energy audits to identify energy efficiency improvement opportunities. Our properties that are BCA Green Mark certified are subjected to chiller plant energy audits every three years. All our properties are also certified with ISO 14001 and ISO 50001, environment and energy management systems respectively.

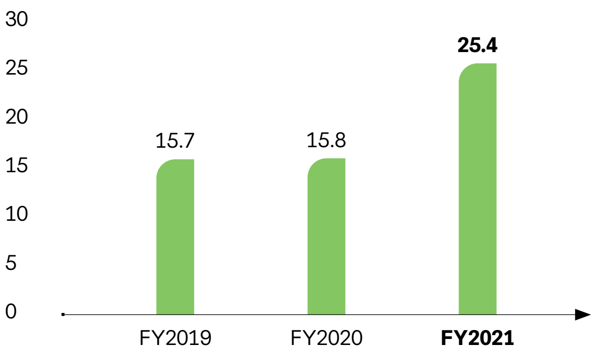
Electricity Consumption (GWh)



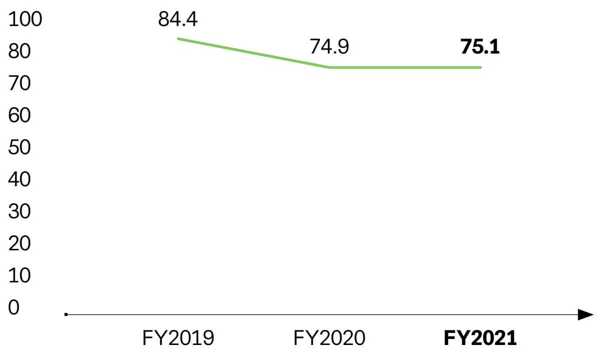
Energy Intensity (kWh/m²)



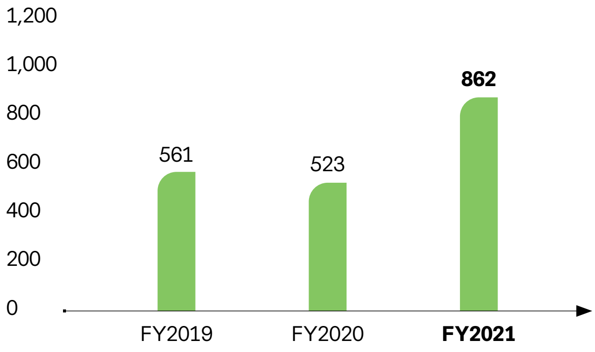
Scope 2 GHG Emissions ('000 tonnes of CO_2e)



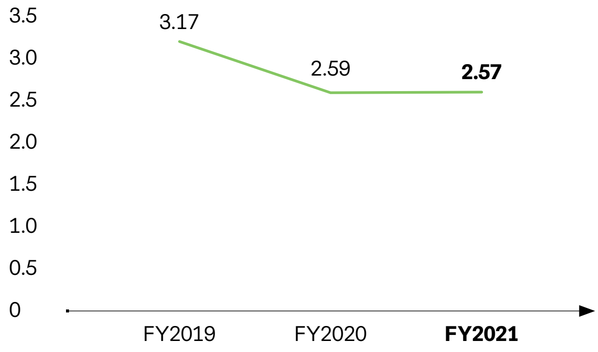
Scope 2 GHG Intensity ($kgCO_2e/m^2$)



Water Consumption (megaliters)



Water Intensity (m^3/m^2)



In FY2021, our total energy consumption[6] was 62.3 GWh, with the increase due to the ARF Acquisition during the year. Our building energy intensity remained stable at 184 kWh/m^2, a 0.3% increase from FY2020 even though we resumed more services as COVID-19 restrictions were gradually eased during the year. Similarly, our GHG emissions increased to 25,354 tCO_2e, while the GHG emissions intensity increased by 0.2% to 75.1 $kgCO_2e/m^2$, reflecting the slight decrease in emissions factors and use of renewable energy over the year. Compared to FY2019, our energy and GHG intensities decreased by 8.3% and 11.0% respectively.

To reduce our reliance on fossil-fuel based energy, we have been generating renewable energy on-site via solar panels installed at two of our properties, with the aim of expanding our renewable energy capacity over time. Tiong Bahru Plaza has a solar PV capacity of 114.66 kilowatts peak (kWp), while Changi City Point has installed a total of 1,800W of solar photovoltaic (PV) panels. We generated 135,696 kWh of renewable energy from these two properties, equivalent to 55 tCO2e of avoided emissions during the year.

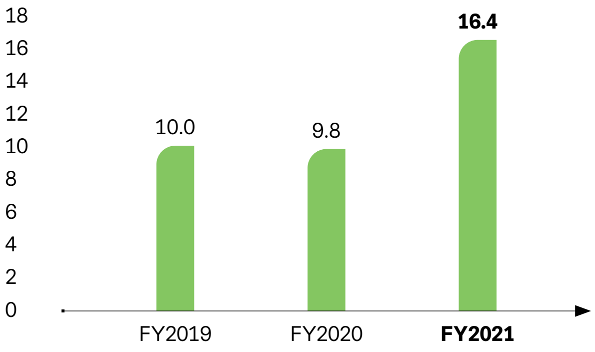
WATER

Water scarcity is one of the world's leading challenges, and we have seen this year that climate-related effects will only serve to exacerbate this problem. Furthermore, our properties are located in Singapore which is identified as a location under high water stress. We have implemented various water management initiatives in our properties, including using recycled water for non-potable purposes, and investing in water saving fittings as part of our commitment to enhance water resilience. Further, to better manage this precious resource, we have targeted to reduce water use intensity by 20% by 2030 from 2015 baseline. All our properties have been awarded PUB's Water Efficient Building (WEB) Certification, a testament of our efforts towards water conservation. We also consume NEWater as part of our water reduction initiative. NEWater is reclaimed water treated for safe consumption through advanced membrane technology. In FY2021, we consumed a total of 309,866 m^3 of NEWater.

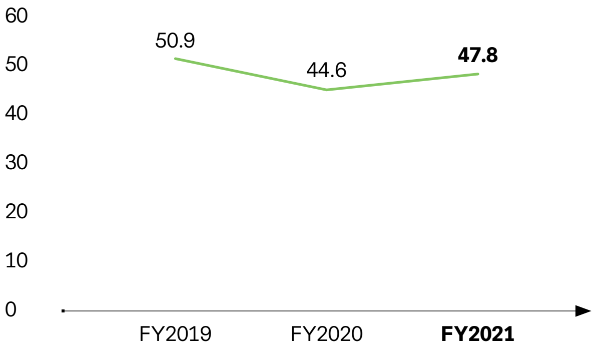
During the year, the total water[7] consumed[8] across our properties was 862 megaliters, with water intensity of 2.57 m^3/m^2, decrease of 1.1% from last year. Compared to FY2019 (pre-COVID), our water intensity decreased by 19.1% in FY2021.

6 Energy consumption and GHG emissions are based on landlord's areas and exclude tenants' areas. GHG emissions are calculated using the location-based method. Energy data for the reported periods are restated to factor in historical consumption from the acquired ARF portfolio. Scope 2 GHG data for the reported periods are restated to factor in historical emissions from the acquired ARF portfolio, avoided emissions from use of renewable energy, and updates in historical emissions factors.
7 Water consumed from PUB, municipal water supply.
8 Water consumption is based on landlord's areas and exclude tenants' areas. Water data for the reported periods are restated to factor in historical consumption from the acquired ARF portfolio.

Waste Generated ('000 tonnes)



Waste Intensity (kg/m²)



WASTE

Everyday, significant amount of waste are generated in retail malls by consumers who patronise. This provides great opportunity for waste management and recycling. At FCT, we are committed to manage waste generated and increase our recycling rates to divert waste from landfill. We also encourage active waste management across our properties by engaging our customers and tenants in the right way of managing their waste. We track waste disposal and recycling activities across our properties. In FY2021, the total waste generated[9] from our properties increased to 16,375 tonnes, reflecting the inclusion of the ARF portfolio. Our waste intensity increased by 7.2 % yoy to 47.8 m^3/m^2, which reflects the increase in activity in our properties from the easing of COVID-19 restrictions during the year. We sent a total of 1,765 tonnes, or 10.8 %, of our waste for recycling while the remaining was directed to Singapore's waste-to-energy plants.

In line with our commitment to enable eco-friendly lifestyles by providing members of the public with accessible avenues for recycling, we continued to collect post-consumer electronic waste ("e-waste") via e-waste recycling bins in our malls as part of a longstanding partnership with StarHub and their Recycling the Nation's Electronic Waste ("RENEW") programme. Following the transition towards the National Environment Agency ("NEA")'s new nationwide e-waste management system from 1 July 2021, we are now working with ALBA E-Waste Smart Recycling to establish new e-waste recycling points in our retail malls. Throughout the year, we collected a total of 12,987 kilograms of e-waste in our retail malls.

In FY2021, we also continued to partner with Frasers and Neave (F&N) in their joint initiative with NEA to roll out smart Reverse Vending Machines ("RVMs") islandwide, to encourage Singaporeans to adopt an eco-conscious lifestyle, by incentivising recycling and offering convenient avenues to recycle. In FY2021, members of the public deposited 140,126 used bottles and cans into RVMs at Northpoint City.

We are working on developing a general waste and recycling programmes and establishing partnerships with tenants through our green lease initiative in the coming year to further progress our waste management practices.

9 Waste generated is based on total building area.

FOCUSING ON PEOPLE

OUR PRIORITIES

Our people are our most valuable asset. Creating a diverse, equal and safe workplace remains a key priority, as is supporting and protecting the interests and well-being of our stakeholders through business and community investments. We also provide avenues for continuous learning and development for our staff.

OUR APPROACH

- To develop policies that drive human capital development and positive impacts in communities
- To adopt fair employment practices and invest in equipping employees with relevant skills
- To invest in activities and programmes to support community development

OUR PROGRESS

Focus area	Our goals	Our progress in FY2021	Status
Diversity, Equity & Inclusion	• To embed diversity, equity and inclusion in our culture through employee engagement • To provide training and education that raises employee awareness of diversity and inclusion and associated benefits • To enhance processes and policies to encourage greater flexibility and diversity	• Continued alignment to Group Diversity & Inclusion Policy • Women made up 17% and 50% of the Board of Directors and Senior Management respectively	**In progress**
Skills & Leadership	• To achieve 40 average training hours per employee each year • To train all employees on sustainability by 2021, and extend such training to the supply chain and other stakeholders after 2021	• 38 average training hours per employee • 89% of employees trained in sustainability	**On track**
Health & Well-being	• To transform our workplace by building a wellness culture that positively engages employees • To create awareness of health management, support mental wellness and foster a connected workforce • To create a safe working environment and achieve zero injuries	• All properties have implemented ISO 45001:2018 occupational health and safety (OH&S) management system and four of our malls are also certified BizSAFE Level Star by the Workplace Safety and Health Council • One injury reported in our properties with three lost days	**On track**
Community Connectedness	• To seek meaningful long-term relationships that respect local cultures and create lasting benefits • To identify measurements to quantify positive contributions • To conduct tenant engagement programmes at least once a year for each property by FY2021 • To conduct tenant satisfaction survey	• Collected 5.8 tonnes of foodstuff from members of the public and donated this to the Food Bank Singapore • Developed a tenant engagement plan to be implemented at FCT's properties • Completed tenant satisfaction survey in FY2021 for all FCT retail properties	**In progress**

On track: Target is either achieved or is on track to be achieved on time
In progress: Target is delayed but progress is still being made and could still be achievable on time
Not on track: Target is delayed to the point that it is unlikely that it will be achieved on time

DIVERSITY, EQUITY AND INCLUSION

FCT believes in the value of a diverse and inclusive culture that taps on the unique experiences and perspectives of the individuals in our workforce. Over the years, we have taken steps to create an environment in which all of our employees can realise their aspirations and potential. We are aligned with our Sponsor's Diversity and Inclusion Policy.

We are committed to fair and equal opportunities to all our employees. Together with our Sponsor, we are a signatory to the Tripartite Alliance for Fair & Progressive Employer Practices (TAFEP) in Singapore, demonstrating our commitment towards adopting fair and progressive HR practices. In addition, as a member of Singapore National Employer Federation, we are kept informed of the latest statutory guidelines to ensure we are aligned with national practices. We continue to practice an open appraisal system for all employees of the Manager and reward based on merit.

We also foster diversity and inclusion in our culture through regular employee engagement. We conducted our employee satisfaction survey to gather employees' feedback on work-life balance and concerns, especially from the impact of COVID-19 and work-from-home arrangements. The survey, which had a 100% response rate, had the following highlights:

- Majority of our employees felt they have the support they need from co-workers and family regarding issues at work.

- Employees' top three concerns about working from home were challenges communicating with co-workers, difficulties with keeping to a regular work schedule and having too many virtual meetings. These findings are consistent with the previous year.

- Regarding mental well-being, more than 70% of the respondents said although they felt languished at times, they are still able to re-charge from other activities. None said they feel worried all the time. Employees gave their own mental well-being an average score of 3.4 out of 5.

The findings from the survey are being shared with Group Human Resource for their consideration when formulating initiatives and plans at the Group level to address these concerns.

Our staff also participated in a Culture Survey led by our Sponsor this year to understand the current cultural traits of our business and lay a foundation for transforming it in a positive and impactful way. Members from the middle and senior management from FCAM participated in an open sharing session on the survey insights and the challenges faced by our teams. We will continue to partner our Sponsor and employees to develop a more resilient and purpose-driven culture at FCT.

Our Employee Profile

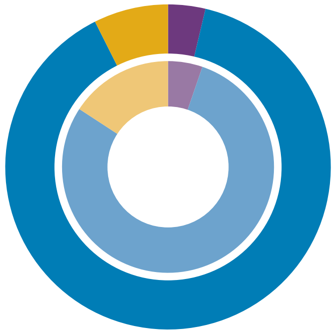
We believe that a diverse team with wide range of skillsets and experiences brings to the table creative and innovative insights as well as improving productivity. As at 30 September 2021, FCT has a total of 27 full-time employees, all of whom are based in Singapore. A large majority (89%) of our employees fall within the 30-50 age band, and women make up 59% of our total staff headcount. In addition, women represent 17% of our board seats and 50% of senior management roles. During the year, we hired three new employees, representing a hiring rate of 11%, and experienced two voluntary employee turnovers, making up a turnover rate of 7%.

Employee Breakdown by Gender and Age Group

By Gender

	FY2020	FY2021
Female	58%	59%
Male	42%	41%

By Age



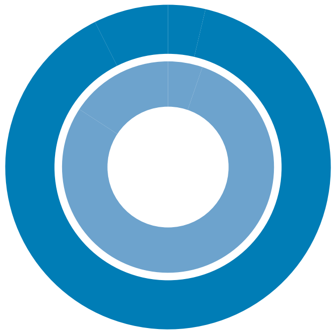
	FY2020	FY2021
< 30 Years old	5%	4%
30-49 Years old	79%	89%
> 50 Years old	16%	7%

New Hires by Gender and Age Group

By Gender

	FY2020	FY2021
Female	100%	67%
Male	0%	33%

By Age



	FY2020	FY2021
< 30 Years old	0%	0%
30-49 Years old	100%	100%
> 50 Years old	0%	0%

Turnover by Gender and Age Group

By Gender

	FY2021
Female	50%
Male	50%

Note: There was no turnover in FY2020

By Age

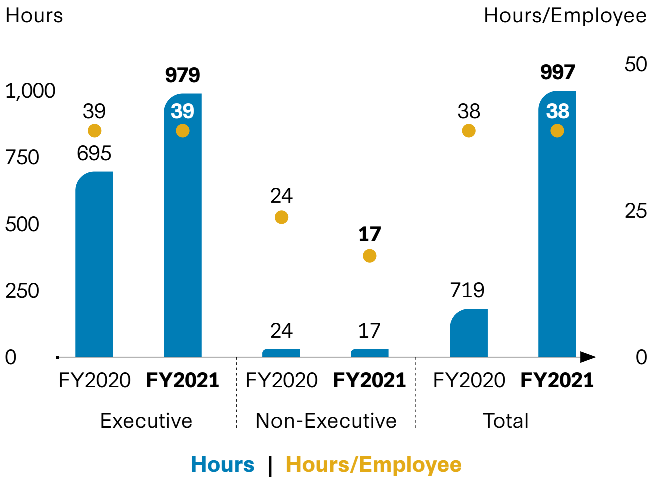
	FY2021
< 30 Years old	50%
30-49 Years old	0%
> 50 Years old	50%

SKILLS AND LEADERSHIP

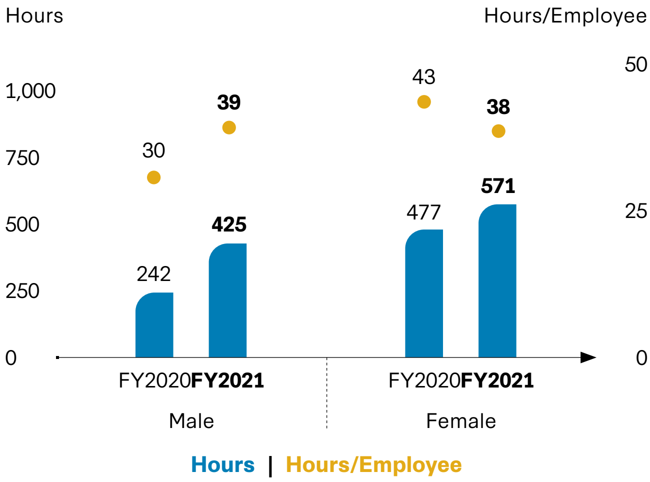
We believe that an empowered workforce is core to the business and helps us attract and retain top talent, which enables us to deliver the best solutions and services to our stakeholders. This is why we put learning and development at the centre of our human capital and talent management strategy.

As part of the Frasers Property Group, our learning and development programmes are supported by the Group's in-house Learning Academy. Established in 2017, the Academy provides a comprehensive range of Learning and Development programmes including tailored training sessions. In FY2021, our Sponsor's Learning Academy hosted a six-day group-wide Learning Festival around the theme "Rising Above Uncertainty". Thirteen virtual live sessions were presented over three tracks – Scaling Core Capabilities, Customer Centricity, and Sustainability – by Frasers Property leaders and experts, including our CEO, Mr Richard Ng.

Total Training Hours and Average Training Hours per Employee by Role (Executive / Non-Executive)



Training Hours by Gender



Our employees completed a total of 997 training hours in FY2021, an increase from 719 hours in FY2020. The average FCT employee underwent 38 hours of training (Male: 39; Female: 38) this year, two hours short of the Group's target of 40 training hours per employee due to business disruptions caused by the COVID-19 pandemic. Additionally, as part of our commitment to scale up employees' core capabilities, the Group introduced a sustainability e-learning module designed to facilitate the understanding of sustainability across the business. Besides explaining how sustainability is integrated into the organisation's business practices, it also encourages employees to adopt sustainability practices in daily work processes. We are pleased to share that 89% of our permanent and temporary staff completed training on sustainability via this e-learning module in FY2021. We endeavour to scale up our learning and development initiatives in coming years.

Starting from FY2022, the Group intends to set a revised goal for each employee to complete an average of 30 hours of training, with an increased focus on creating more meaningful learning experiences that are targeted at, and tailored to, individual learning pathways.

HEALTH AND WELL-BEING

FCT puts the health and well-being of our staff, tenants, customers and other stakeholders at the center of what we do. This means implementing robust protocols, policies, procedures as well as regular training programmes to ensure a safe and conducive environment. In recent years, we have also seen workplace health and safety evolve beyond operational processes to include mental health and well-being, a mindset shift that has been accelerated by the COVID-19 pandemic and the ubiquity of work-from-home arrangements.

We are committed to improving workplace safety to create better and safer working environment for our staff. We continue to adopt and implement the Group's Workplace Health and Safety Policy. This year, we implemented ISO 45001 occupational health and safety ("OH&S") management system across all the malls in our portfolio. Four of our malls are also certified BizSAFE Level Star by the Workplace Safety and Health Council. During our monthly sustainability working committee meetings, the subjects on safety, including safety-related incidents within the Group and FCT's portfolio were discussed. Finally, we also ensure our contractors working at our properties are certified BizSAFE Level 3, which is a prequalification requirement for contractors working on contract above certain value.

During the year, we recorded one lost-time injury with a lost-time injury rate of 0.7 and severity rate of 2.2. We also recorded no work-related fatalities for our staff and contractors. However, we noted a work-related fatality by a third-party vendor working for a tenant in a Singapore retail property. We have taken appropriate follow-up action after the incident.

We strive to support the health and well-being of our staff by ensuring they have adequate access to professional resources. Our sponsor has initiated an Employee Assistance Programme in Singapore to enable employees with personal or work-related issues to seek help from a professional counsellor on a confidential basis. To encourage our staff to prioritise their mental well-being and connectivity with loved ones, we initiated a policy for staff to end the workday early on the last Friday of each month. Additionally, in alignment with the Group's practice, we also designate every last Friday of the school semester as 'Eat With Your Family Day' in Singapore for employees to leave work early and spend quality time over dinner with their families.

As part of the Frasers Property Health & Safety Month activities in August, we invited our staff to participate in two interactive learning sessions tailored to Frasers Property employees based in Singapore on overcoming negative thinking and eating right for job productivity. We also actively encourage staff to prioritise mental well-being by participating in the Group Corporate Wellness programmes organised throughout the year.

Our health and well-being commitment also extends to our shoppers and tenants as they can spend considerable amount of time in our spaces. We refer to the BCA Green Mark scheme as part of our commitment to healthy spaces for our customers and tenants. One of the initiatives include conducting indoor environment quality tests regularly across our properties to monitor our customers' and tenants' comfort levels.

We have also prioritised actions to keep our stakeholders safe during the COVID-19 pandemic. Our properties continue to implement safety measures in line with the government's guidelines as and when necessary, such as temperature screening and checking in and out using the TraceTogether app. This year, our property manager, Frasers Property Retail, negotiated improved cleaning contracts for several properties, leveraging on technology and Internet of Things ("IoT") devices to improve cleaning operations and standards. We continue to partner PBA group to deploy made-in-Singapore UV-disinfecting mobile robots across our malls in Singapore. Each UV Bot is equipped with a camera, built-in sensors, software, and an ultraviolet-C light module that emits powerful UV-C rays to eradicate viruses. Some properties also utilise UV photo plasma technology in new air handling units to eradicate airborne bacteria and germs.

COMMUNITY CONNECTEDNESS

FCT strives to create places for good and provide healthy, vibrant spaces for our occupants and the larger community. We emphasise making meaningful contributions for communities to ensure that they

Changi City Point

grow alongside our business. We are guided by the Community Investment Framework launched by our Sponsor last year. The Framework sets the foundation for us to make informed decisions and influence change in the community, and articulates three areas we would like to make the greatest positive impact – health, education, and the environment.

Across our malls, we supported the government agency Health Promotion Board ("HPB")'s efforts to activate public health campaigns by offering complimentary venue space. These initiatives included exhibitions to educate members of the public on the LumiHealth app, co-designed by HPB and Apple to leverage on gamification to help Singaporeans lead healthier lives, as well as weekly workout sessions at Tiong Bahru Plaza. Additionally, to help address community needs arising from COVID-19, we offered complimentary venue space for Singapore government agencies across eight of our malls to set up interactive booths for members of the public to learn how to use TraceTogether, Singapore's digital contact tracing platform.

This year, we collaborated with a social enterprise *Design For Change* and ran our flagship hackathon Inclusive Spaces, which saw multiple stakeholders come together to co-create design solutions for Frasers Property malls. We challenged more than a hundred students from schools to propose concepts and initiatives to improve the space use and environment to cater to the needs of our seniors in the population. Inclusive Spaces was supported by 20 young mentors from the Singapore University of Technology and Temasek Polytechnic with background in design and training in design thinking, as well as 25 seniors who provided advice on improvement of the built environment. To share the learnings, we published a social impact microsite showcasing the participants' solutions and insights.

We also continued our partnership with Food Bank Singapore to collect and distribute food to the beneficiaries. This year, we collected and distributed 5.8 tonnes of food to the beneficiaries in the community.

To encourage active two-way communication and connect meaningfully with our retailers, we conducted tenant satisfaction survey this year for all FCT retail properties. We hope to use the feedback from the survey to improve the engagement with our tenants and their satisfaction going forward.

ABOUT THIS REPORT

This is FCT's seventh Sustainability Report and this report discloses FCT's Environmental, Social and Governance ("ESG") performance for all FCT properties during the period from 1 October 2020 to 30 September 2021 (FY2021).

This report has been prepared in accordance with the sustainability reporting requirements set out in the SGX-ST Listing Manual (Rules 711A and 711B) and the GRI Standards: Core Option.

REPORT SCOPE

Data disclosed in this Sustainability Report covers all properties owned by FCT during the year under review, in Singapore unless stated otherwise. These properties are Causeway Point, Waterway Point (of which FCT holds a 40% interest), Tampines 1, Northpoint City North Wing (inclusive of the Yishun 10 Retail Podium), Tiong Bahru Plaza, Century Square, Changi City Point, Hougang Mall and White Sands. Our disclosure also includes partial information on three properties – Anchorpoint, Bedok Point and Yew Tee Point – which we divested in FY2021.

The employee related information disclosed refers to the activities and performance of Frasers Centrepoint Asset Management (the "Manager" or "FCAM"). As the Manager of FCT, FCAM strives to support sustainability efforts by encouraging good sustainability practices at our properties. We have also included health & safety data of our contractor's employees working at our properties, where applicable. The contents within this report have been disclosed in good faith and to the best of our knowledge. Together with the other information set out in our Annual Report, this Sustainability Report provides a comprehensive and transparent reporting to our stakeholders.

FEEDBACK

We are always looking to improve our sustainability efforts and we welcome your feedback.
Please contact:

Mr Chen Fung Leng
Vice President, Investor Relations
Frasers Centrepoint Trust
Email: fungleng.chen@frasersproperty.com

INDEPENDENT ASSURANCE STATEMENT

To the management of Frasers Centrepoint Trust

Ere-S Pte Ltd (Ere-S) has undertaken an independent limited assurance on the content of Frasers Centrepoint Trust's ("FCT") Sustainability Report FY2021 ("the Report"). The engagement, which took place between September and November 2021, formed part of a wider assurance of Frasers Property Limited's Sustainability Report.

Scope
The assurance encompassed the entire Report and focused on all figures, statements and claims related to sustainability during the reporting period October 2020 to September 2021. This included the environmental and social management approach and performance related to the company's corporate office and portfolio of owned and managed properties (12 in total), covering the following topics as stated int he GRI Content Index of the Report:

- Energy Management
- Water Management
- Materials, Effluents and Waste
- Staff Retention and Development
- Health and Safety

Ere-S did not verify that all elements required by the GRI Standards (what to report) on each disclosure listed in the Report's GRI Content Index had been fully reported, or whether FCT's material issues, approaches and outcomes presented in the Report were specifically aligned with any other frameworks mentioned in the Report, such as the Sustainability Development Goals (SDGs).

Historical performance data prior to FY2021, and figures or statements unrelated to sustainability, were not covered in the assurance. These included organisation profile and corporate structure, corporate financial and economic performance, and, where applicable, technical descriptions and figures of construction, machineries, technologies, plants and production processes.

Reporting criteria
The information was verified against the principles of Accuracy, Verifiability, Clarity. Completeness, Balance, Comparability, Sustainability Context and Timeliness as defined under the Global Reporting Initiative (GRI) Standards.

Type of assurance
This assurance engagement was carried out to a limited level of assurance in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. A limited level assurance relies on desktop-based assessment and basic sampling that is sufficient to support the plausibility of the information.

Assurance methodology
The assurance procedures and principles applied in this engagement are compliant with ISAE 3000 and are drawn from a methodology developed by Ere-S comprising the following steps:

1. Identifying and classifying data sets according to the relevant topics and the types of evidence required for the verification process.

2. Carrying out virtual interviews and remote desktop-based data verification with the key data owners located at FCT's corporate office in Singapore. Specifically:

    - Enquiring about the quantitative and qualitative aspects of the performance disclosures, related statements and the underlying measurement systems, data collection and quality control mechanisms.

    - Requesting evidence of data sources from the data owner or key functional manager, as well as explanations of data collection and calculation methods (including conversion factors, estimates, key assumptions and apportionment methodologies) to substantiate the figures and claims.

    - Taking a broad sampling of quantitative data to validate data sets and corresponding sources, as well as other supporting information.

    - Challenging the claims made in the Report and comparing the presented evidence (including calculation methods, criteria and assumptions) with data from other properties covered in the wider assurance engagement and, where applicable, with external sources.

3. Assessing the collected data against the reporting criteria and providing recommendations for correction of the Report's content or for future improvement of the data collection and reporting procedures.

4. Validating the performance disclosures submitted in the final version of the Report and, where applicable, verifying that Ere-S recommendations have been applied.

Social performance figures, such as those relating to workforce profile, health and safety, training and survey results, as well as the compilation of environmental figures and some of the group-level initiatives disclosed in the Report, were verified in separate interviews as part of the Frasers Property Limited assurance.

Ere-S assessment of statements concerning the number (or absence) of complaints, incidents, and cases of non-compliance to policies and regulations related to environmental and social issues, was founded on confirmation by key data owners and, where available, internal documents presented during the interviews.

FCT's stakeholder groups or their representatives were not interviewed during the assurance to assess the results of the engagement initiatives and he impact of the actions taken by the organisation.

Limitations
A limited assurance provides a relatively lower level of confidence in an organisation's disclosures than a reasonable level of assurance (as used in financial auditing) would provide. The restricted extent, timeline and precision of audit procedures in a limited assurance can leave small misstatements undetected. In addition, sustainability-related evidence being more persuasive rather than conclusive, the assurance findings are more constrained to the judgement of the assurance practitioner.

To mitigate the associated risk of material misstatement in the information being assessed during this engagement and to provide greater confidence in the accuracy of the information, Ere-S sought further confirmation of the presented evidence, including application of the management approach, data collection methods, criteria and assumptions, with multiple data owners and other documentation from internal and external sources.

Responsibility and independence
This statement represents the independent opinion of Ere-S, whose responsibility was to provide the assurance, to express conclusions according to the agreed scope, and to prepare the assurance report and this assurance statement for the management of FCT alone and for no other purpose. The management of FCT was responsible for the preparation of the Report, including all statements and figures contained within it, and for the selection and application of the methods to collect and compile the performance data of its operations and properties. Ere-S was not involved in the development of the Report or any other aspects or projects related to the sustainability framework of FCT. The activities of Ere-S are independent of FCT and Frasers Property Limited and contain no financial interest in their business operations.

FINDINGS AND OBSERVATIONS

Ere-S observed a strong alignment with the Frasers Property Limited's sustainability framework, with evidence showing effective implementation of environmental and social management approaches through the organisation's operations and properties. This includes corporate governance and management of sustainability-related risks, such as climate change, both globally and in the industry context. Efforts in implementing the Group's Net-zero carbon and Climate Risk & Resilience roadmap were particularly noticeable at all levels of the organisation.

Consistent stakeholder engagement through multiple channels and platforms could also be observed, with stronger evidence demonstrated for employees and customers than for other stakeholder groups, particularly the supply chain. Similarly, the organisation's response to stakeholder concerns during the reporting period was more evidenced for employees and customers.

Overall, the Report's content provides comprehensive, accurate and clear coverage of FCT's environmental and social management approaches and performance for all its key operations and portfolio, including parts of its supply chain.

The source information and evidence provided to support the reported figures was comprehensive and detailed, and interviewed data owners demonstrated a high level of preparedness and excellent knowledge of the topics and processes on which they were questioned.

Statements and figures assessed through sampling could be traced back to their source documents, such as internal reports and suppliers' invoices. In particular, the properties' performance data and collection processes presented an overall high level of quality. Based on our assessment, Ere-S did not observe significant gaps or inconsistencies in the performance measurement mechanisms, calculation methods and conversion factors, and the Report content shows overall good to high levels of accuracy, reliability and traceability, particularly in the environmental performance of its properties.

The content of the Report could, in Ere-S opinion, be better balanced with more statements and figures showing negative information and identified areas for improvement in the sustainability framework. Further improvement could be made by providing more detailed and expanded coverage of indirect sustainability performance in the rest of FCT's value chain, including Scope 3 emissions.

Conclusion
On the basis of a limited assurance engagement consistent with the above-listed criteria, nothing has come to Ere-S attention that causes us not to believe that, in all material respects, Frasers Centrepoint Trust's Sustainability Report FY2021 provides a credible and fair representation of the organisation's sustainability profile and includes statements and figures that achieve an adequate level of reliability and accuracy.

A detailed assurance report containing the above findings and additional recommendations for improvement has been presented to the management of Frasers Centrepoint Trust.

Reg no. 201003736W
www.ere-s.com

Singapore, 30 November 2021

Jean-Pierre Dalla Palma
Director and Lead Certified Sustainability Assurance Practitioner

Minju Kim
Certified Sustainability Assurance Practitioner, Partner

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GRI CONTENT INDEX

GRI Standards	Disclosure Number	Disclosure Title	Section and Page Reference / Notes
Universal Standards			
GRI 102: General Disclosures	**Organisational Profile**		
	102-1	Name of the organisation	Frasers Centrepoint Trust
	102-2	Activities, brands, products, and services	About Frasers Centrepoint Trust (Page 2)
	102-3	Location of headquarters	Corporate Information (Inside back cover)
	102-4	Location of operations	About Frasers Centrepoint Trust (Page 2)
	102-5	Ownership and legal form	About Frasers Centrepoint Trust (Page 2) Corporate Structure (Page 3)
	102-6	Markets served	Portfolio Overview (Page 52) Property Profiles (Pages 54 to 73)
	102-7	Scale of the organisation	About Frasers Centrepoint Trust (Page 2) Financial Highlights (Page 5 and Pages 8 to 9) Focusing on People – Diversity, Equity & Inclusion (Pages 97 to 98)
	102-8	Information on employees and other workers	Focusing on People – Diversity, Equity & Inclusion (Pages 97 to 98)
	102-9	Supply chain	Stakeholder Engagement (Pages 84 to 85) Consuming Responsibly (Pages 92 to 95) Focusing on People – Health and Well-being (Pages 99 to 100)
	102-10	Significant changes to organisation and its supply chain	About This Report – Report Scope (Page 101)
	102-11	Precautionary Principle or approach	FCT does not specifically refer to the precautionary approach when managing risk; however, our management approach is risk-based, and underpinned by our internal audit framework.
	102-12	External initiatives	Managing Sustainability – Stakeholder Engagement (Page 85) Acting Progressively – Responsible Investment (Page 90)
	102-13	Membership of associations	Managing Sustainability – Stakeholder Engagement (Page 85) Acting Progressively – Responsible Investment (Page 90)
	Strategy		
	102-14	Statement from senior decision-maker	Board Statement (Pages 80 to 81)
	Ethics and Integrity		
	102-16	Values, principles, standards, and norms of behaviour	Acting Progressively – Risk-based Management (Page 89)
	Governance		
	102-18	Governance structure	Corporate and Organisation Structure (Page 3) Board of Directors (Pages 16 to 19) Management Team (Pages 20 to 21) Corporate Governance (Pages 109 to 144) Managing Sustainability – Sustainability Governance (Page 84)
	Stakeholder Engagement		
	102-40	List of stakeholder groups	Managing Sustainability – Stakeholder Engagement (Page 84)
	102-41	Collective bargaining agreements	There are no collective bargaining agreements in place.
	102-42	Identifying and selecting stakeholders	Managing Sustainability – Stakeholder Engagement (Page 84)
	102-43	Approach to stakeholder engagement	Managing Sustainability – Stakeholder Engagement (Page 84)
	102-44	Key topics and concerns raised	Managing Sustainability – Stakeholder Engagement (Page 85)

GRI Standards	Disclosure Number	Disclosure Title	Section and Page Reference / Notes
GRI 102: General Disclosures	**Reporting Practice**		
	102-45	Entities included in the consolidated financial statements	Structure of Frasers Centrepoint Trust (Page 3) Notes to Financial Statements (Pages 163 to 223)
	102-46	Defining report content and topic Boundaries	About This Report – Report Scope (Page 101) Creating Value with our Sustainability Framework (Page 83) Managing Sustainability – Stakeholder Engagement (Pages 84 to 85), Materiality Assessment (Pages 86 to 87)
	102-47	List of material topics	Managing Sustainability – Materiality Assessment (Page 86)
	102-48	Restatements of information	Consuming Responsibly – Energy & Carbon (Pages 93 to 94), Water (Page 94), Waste (Page 95)
	102-49	Changes in reporting	We included the ARF portfolio properties in this year's report following the completion of the ARF Acquisition on 27 October 2020
	102-50	Reporting period	About This Report (Page 101)
	102-51	Date of most recent report	December 2020
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	About This Report – Feedback (Page 101)
	102-54	Claims of reporting in accordance with the GRI Standards	About This Report (Page 101)
	102-55	GRI content index	GRI Content Index (Pages 105 to 108)
	102-56	External assurance	Independent Assurance Statement (Pages 102 to 104)
Management Approach			
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary	Managing Sustainability – Materiality Assessment (Page 87)
Topic-specific Standards			
Economic Performance			
GRI 103: Management Approach	103-2	The management approach and its components	Business Objectives and Growth Strategies (Page 4)
	103-3	Evaluation of the management approach	
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	Financial Review (Pages 30 to 34) Financial Statements (Pages 145 to 223)
Anti-corruption			
GRI 103: Management Approach	103-2	The management approach and its components	Acting Progressively – Risk-based Management (Page 89)
	103-3	Evaluation of the management approach	
GRI 205: Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	Acting Progressively – Risk-based Management (Page 89)
Environmental Compliance			
GRI 103: Management Approach	103-2	The management approach and its components	Acting Progressively – Risk-based Management (Page 89)
	103-3	Evaluation of the management approach	
GRI 307: Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	Acting Progressively – Risk-based Management (Page 89)

GRI Standards	Disclosure Number	Disclosure Title	Section and Page Reference / Notes
Ethical Marketing			
GRI 103: Management Approach	103-2	The management approach and its components	Acting Progressively – Risk-based Management (Page 89)
	103-3	Evaluation of the management approach	
GRI 417: Marketing and Labelling	417-3	Incidents of non-compliance concerning marketing communications	Acting Progressively – Risk-based Management (Page 89)
Energy Management			
GRI 103: Management Approach	103-2	The management approach and its components	Consuming Responsibly – Energy & Carbon (Pages 93 to 94)
	103-3	Evaluation of the management approach	
GRI 302: Energy	302-1	Energy consumption within the organization	Consuming Responsibly – Energy & Carbon (Pages 93 to 94)
	302-3	Energy intensity	
GRI 305: Emissions	305-2	Energy indirect (Scope 2) GHG emissions	Consuming Responsibly – Energy & Carbon (Pages 93 to 94)
	305-4	GHG emissions intensity	Consuming Responsibly – Energy & Carbon (Pages 93 to 94)
Water Management			
GRI 103: Management Approach	103-2	The management approach and its components	Consuming Responsibly – Water (Page 94)
	103-3	Evaluation of the management approach	
GRI 303: Water and Effluents	303-1	Interactions with water as a shared resource	Consuming Responsibly – Water (Page 94)
	303-2	Management of water discharge-related impacts	Consuming Responsibly – Water (Page 94)
	303-5	Water consumption	Consuming Responsibly – Water (Page 94)
Staff Retention and Development			
GRI 103: Management Approach	103-2	The management approach and its components	Focusing on People – Diversity, Equity & Inclusion (Page 97) Focusing on People – Skills & Leadership (Page 99)
	103-3	Evaluation of the management approach	
GRI 401: Employment	401-1	New employee hires and employee turnover	Focusing on People – Diversity, Equity & Inclusion (Page 98)
GRI 404: Training and Education	404-1	Average hours of training per year per employee	Focusing on People – Skills & Leadership (Page 99)
	404-2	Programs for upgrading employee skills and transition assistance programmes	Focusing on People – Skills & Leadership (Page 99)
	404-3	Percentage of employees receiving regular performance and career	Focusing on People – Diversity, Equity & Inclusion (Page 97)
Labour/Management Relations			
GRI 103: Management Approach	103-2	The management approach and its components	Focusing on People – Diversity, Equity & Inclusion (Page 97)
	103-3	Evaluation of the management approach	
GRI 402: Labour/ Management Relations	402-1	Minimum notice periods regarding operational changes	This is currently not covered in Group-wide collective agreements. The notice period varies.

GRI Standards	Disclosure Number	Disclosure Title	Section and Page Reference / Notes
Health and Safety			
GRI 103: Management Approach	103-2	The management approach and its components	Focusing on People – Diversity, Equity & Inclusion (Page 97)
	103-3	Evaluation of the management approach	
GRI 403: Occupational Health and Safety	403-1	Occupational health and safety management system	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-2	Hazard identification, risk assessment, and incident investigation	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-3	Occupational health services	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-4	Worker participation, consultation, and communication on occupational health and safety	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-5	Worker training on occupational health and safety	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-6	Promotion of worker health	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-8	Workers covered by an occupational health and safety management system	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-9	Work-related injuries	Focusing on People – Health & Well-being (Pages 99 to 100)
Local Communities			
GRI 103: Management Approach	103-2	The management approach and its components	Focusing on People – Community Connectedness (Pages 100 to 101)
	103-3	Evaluation of the management approach	
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programmes	Focusing on People – Community Connectedness (Pages 100 to 101)

Notes

Energy, GHG emissions and Water Reporting Scope

- Energy, GHG and water intensities exclude both newly completed properties in FY2021 and properties divested at any point during the reporting period.
- The GHG emission factors are from Energy Market Authority – Singapore Energy Statistics 2021

Monetary Disclosure

All monetary related disclosures within the report are in Singapore Dollars (S$) unless stated otherwise.

Corporate Governance Report

INTRODUCTION

Frasers Centrepoint Trust (“**FCT**”) is a real estate investment trust (“**REIT**”) listed on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). FCT is managed by Frasers Centrepoint Asset Management Ltd. (the “**Manager**”), a wholly-owned subsidiary of Frasers Property Limited (“**FPL**” or the “**Sponsor**” and together with its subsidiaries, “**FPL Group**”).

In line with the listing manual of the SGX-ST (the “**SGX-ST Listing Manual**”) and its obligations under the Guidelines to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management (Guideline No: SFA04-G07) issued by the Monetary Authority of Singapore (“**MAS**”), the Manager complies with the principles of the Code of Corporate Governance 2018 (the “**CG Code**”).

The practices and activities of the board of directors of the Manager (the “**Board**”) and the management of the Manager (the “**Management**”) adhere closely to the provisions under the CG Code.

To the extent the practices may vary from any provision of the CG Code, the Manager will state explicitly the provision from which it has varied, explain the reason for the variation and explain how the practices nevertheless are consistent with the intent of the relevant principle of the CG Code. The Manager is also guided by the Practice Guidance which accompanies the CG Code and which sets out best practices for listed issuers; as this will build investor and stakeholder confidence in FCT and the Manager. A summary of compliance with the express disclosure requirements under the provisions of the CG Code is set out on pages 141 to 144 of this Annual Report.

The Manager

The Manager has general powers of management over the assets of FCT. As a manager of a REIT, the Manager holds a Capital Markets Services Licence issued by the MAS to carry out REIT management activities.

The Manager’s main responsibility is to manage FCT’s assets and liabilities for the benefit of unitholders of FCT (the “**Unitholders**”). To this end, the Manager is able to set the strategic direction of FCT and make recommendations to HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of FCT (the “**Trustee**”), on acquisitions, divestments and enhancement of the assets of FCT. It also supervises the property manager, Frasers Property Retail Management Pte Ltd. in its day-to-day management of the properties within FCT’s portfolio, namely, Causeway Point, Northpoint City North Wing and Yishun 10 Retail Podium, Changi City Point, Waterway Point (40% interest), Tiong Bahru Plaza, White Sands, Hougang Mall, Century Square, Tampines 1 and Central Plaza pursuant to property management agreements entered into for each property. The role of the Manager includes the pursuit of a business model that sustains the growth and enhances the value of FCT and is focused on delivering regular and stable distributions to Unitholders. Other functions and responsibilities of the Manager include preparing annual asset plans and undertaking regular individual asset performance analysis and market research analysis, and managing finance functions relating to FCT (which includes financial and tax reporting, capital management, treasury and preparation of consolidated budgets).

The Values of the Manager

1. The Manager is committed to upholding and maintaining high standards of corporate governance, corporate transparency and sustainability, and instituting sound corporate practices and controls to facilitate the Manager’s role in safeguarding and enhancing FCT’s asset value so as to maximise returns from investments, and ultimately the total return to Unitholders. The Manager believes that a robust and sound governance framework is an essential foundation on which to build, evolve and innovate a business which is sustainable over the long term and one which is resilient in the face of the demands of a dynamic, fast-changing environment.

2. The Manager adheres to corporate policies, business practices and systems of risk management and internal controls, which are designed to ensure that it maintains consistently high standards of integrity, accountability and governance in FCT and its own daily operations.

3. The Manager ensures that the business and practices of FCT are carried out in a manner that complies with applicable laws, rules and regulations, including the Securities and Futures Act (Chapter 289 of Singapore) (“**SFA**”), the SGX-ST Listing Manual, the CG Code, the Code on Collective Investment Schemes (the “**CIS Code**”) issued by the MAS (including Appendix 6 of the CIS Code, the “**Property Funds Appendix**”), the trust deed constituting FCT between the Manager and the Trustee dated 5 June 2006 (as amended and restated) (“**Trust Deed**”), as well as the written directions, notices, codes and other guidelines that the MAS and other regulators may issue from time to time.

Corporate Governance Report

The Board works with Management to ensure that these values underpin its leadership of the Manager.

The Manager is staffed by an experienced and well-qualified team who manage the operational matters of FCT. The Manager is a wholly-owned subsidiary of FPL, a multi-national developer-owner-operator of real estate products and services across five asset classes, namely, residential, retail, commercial & business parks, industrial & logistics as well as hospitality. The FPL Group has businesses in Southeast Asia, Australia, Europe and China, and its well-established hospitality business owns and/or operates serviced apartments and hotels in over 70 cities and 20 countries across Asia, Australia, Europe, the Middle East and Africa.

As the Sponsor holds a substantial ownership stake of approximately 41.08%[1] in FCT, there is an alignment of interests between the Sponsor, the Manager and the Unitholders. The Manager is able to benefit from and leverage on its association with the Sponsor in the management of FCT in various ways, including tapping on the Sponsor's extensive experience in development and management of real estate assets, sourcing for talent and experienced personnel within the Sponsor pool of employees, including those who may be considered for appointment to the Board, access to the FPL Group's network of lenders for debt financing, and negotiating for favourable terms with external suppliers and vendors on a group basis.

The Manager is appointed in accordance with the terms of the Trust Deed. The Manager can be removed by notice in writing given by the Trustee in favour of a corporation appointed by the Trustee under certain circumstances outlined in the Trust Deed, including where Unitholders, by a resolution duly passed by a simple majority of Unitholders present and voting (with no Unitholder being disenfranchised) at a Unitholders' meeting, decide that the Manager is to be removed.

BOARD MATTERS

The Board

The Board is responsible for the overall leadership and oversight of both FCT's and the Manager's business, financial, investment and material operational affairs and performance objectives, and its long-term success. The Board sets the strategic direction of FCT and the Manager, which includes appropriate focus on value creation, innovation and sustainability. The Board also determines the Manager's approach to corporate governance, including setting appropriate tone-from-the-top and the desired organisational culture, values and ethical standards of conduct, and works with Management on its implementation across all levels of the organisation's values, standards, policies and practices. The Board, supported by Management, ensures necessary resources are in place for FCT and the Manager to meet its strategic objectives. Through the enterprise-wide risk management framework of FCT and its subsidiaries (the "**Group**"), the Board establishes and maintains a sound risk management framework to effectively monitor and manage risks and to achieve an appropriate balance between risks and the Group's performance. The Board also puts in place policies, structures and mechanisms to ensure compliance with legislative and regulatory requirements. The Board, which comprises directors who, as fiduciaries, are expected to act objectively in the best interests of the Manager and the Group, constructively challenges Management and reviews its performance, and holds Management accountable for performance. It also oversees Management to ensure transparency and accountability to key stakeholder groups.

During the financial year ended 30 September 2021 ("**FY21**"), the Board has continued to spend time monitoring the impact of the ongoing COVID-19 pandemic and has been working closely with Management in reviewing the business opportunities and challenges posed by the COVID-19 pandemic. The Board was also updated by Management regularly on the results of various scenario planning and stress testing conducted to assess and track the possible impact on the Group's liquidity and cashflow. Capital and liquidity management remain priorities for the Group.

1 As at 30 September 2021.

Corporate Governance Report

Amidst the ongoing COVID-19 pandemic, FCT in collaboration with Frasers Property Retail[2], provided assistance schemes to help tenants onboard its omnichannel retail platforms, the Makan Master and the Frasers eStore through waiver of onboarding fees and free delivery service for certain minimum orders. These schemes help accelerate the adoption of omnichannel retail for the tenants to take on additional sales through takeaways and delivery orders to offset the decline in walk-in and dine-in sales due to the restriction of the safe management measures. In light of the ongoing COVID-19 pandemic, the Board has also tasked the management to look into the impact of the safe management measures on the wellbeing of the employees and to look into ways how FCT can play a part to support the national vaccination programme and the distribution of essentials items such as the care packs and masks.

The Chairman

The chairman of the Board (the "**Chairman**") leads the Board. The Chairman provides leadership and direction in the review of the Manager's corporate strategy and objectives, sets the right ethical and behavioural tone and ensures the Board's effectiveness by, among other things, promoting and maintaining high standards of corporate governance and transparency, encouraging active and effective engagement, participation by all directors of the Manager (the "**Directors**") and facilitating constructive and appropriate relations among and between them and Management. The Chairman sets the agenda for each Board meeting to take full account of the issues and concerns of the Directors and the Management team, promotes a culture of openness and debate at Board meetings and encourages Directors to engage in productive and thorough discussions and constructive debate on strategic, business and other key issues pertinent to the business and operations of the Group and the Manager, leading to better decision-making and enhanced business performance. The Chairman, supported by Management, ensures effective communication with Unitholders, financial analysts and the media on critical issues that could significantly affect the reputation and standing of the Manager and FCT.

The Chairman also presides over the Annual General Meeting each year and any other general meetings of the Unitholders. The Chairman addresses, and/or requests the Chief Executive Officer (the "**CEO**") of the Manager to address, the Unitholders' queries and ensures that there is clear and open dialogue between all stakeholders.

Role of the CEO and Management

The Management is led by the CEO. The CEO is responsible for the execution of the strategies and policies as approved by the Board, and leading, promoting and conducting the affairs of FCT and the Manager with the highest standards of integrity, corporate governance and transparency. The CEO is responsible and is accountable to the Board for the conduct and performance of Management. The CEO and Management team of the Manager are responsible for executing the Manager's strategies and policies as approved by the Board and are responsible for the planning, direction, control, conduct and performance of the business operations of the Manager. With the support of the Management, the CEO seeks business opportunities, drives new initiatives and is responsible for the operational performance of the Group and building and maintaining strong relationships with stakeholders of the Group.

Division of Responsibilities between the Chairman and CEO

The Chairman and the CEO are separate persons and the division of responsibilities between the Chairman and the CEO is clearly demarcated. This avoids concentration of power and ensures a degree of checks and balances, an increased accountability, and greater capacity of the Board for independent decision-making. Such separation of roles between the Chairman and CEO promotes robust deliberations by the Board and Management on the business activities of FCT.

Relationships between the CEO and Board

None of the members of the Board and the CEO are related to one another, and none of them has any business relationships among them.

2 Frasers Property Retail is a business unit of FPL.

Corporate Governance Report

Board Committees

The Board has formed committees of the Board (the "**Board Committees**") to oversee specific areas, for greater efficiency and has delegated authority and duties to such Board Committees based on written and clearly defined terms of reference. The terms of reference of the Board Committees set out their compositions, authorities and duties, including reporting back to the Board. There are two Board Committees, namely, the Audit, Risk and Compliance Committee ("**ARCC**"), and the Nominating and Remuneration Committee ("**NRC**").

Minutes of all Board Committee meetings are circulated to the Board so that Directors are aware of and kept updated as to the proceedings, matters discussed and decisions made during such meetings, and to enable the Directors to weigh in on any key points under consideration.

Audit, Risk And Compliance Committee	
Membership	Key Objectives
Ms Koh Choon Fah, *Chairman* Dr Cheong Choong Kong, *Member* Mr Ho Chai Seng, *Member* Mr Ho Chee Hwee Simon, *Member*	• Assist the Board in fulfilling responsibility for overseeing the quality and integrity of the accounting, auditing, internal controls, risk management and financial practices of the Manager

As at 30 September 2021, the ARCC comprises non-executive Directors, the majority of whom, including the chairman of the ARCC, are independent Directors. All members of the ARCC, including the chairman of the ARCC, are appropriately qualified and have recent and/or relevant accounting and related financial management expertise or experience. Their collective wealth of experience and expertise enables them to discharge their responsibilities competently.

Under the Terms of Reference of the ARCC, a former partner or director of FCT's existing auditing firm or auditing corporation shall not act as a member of the ARCC: (a) within a period of two years commencing on the date of his ceasing to be a partner of the auditing firm or a director of the auditing corporation; and in any case, (b) for so long as he has any financial interest in the auditing firm or auditing corporation. None of the members of the ARCC is a former partner of FCT's external auditors, KPMG LLP and none of the members of the ARCC has any financial interest in FCT's external auditors, KPMG LLP.

AUDIT FUNCTIONS

The Terms of Reference of the ARCC provide that some of the key responsibilities of the ARCC include:

- <u>External Audit Process</u>: reviewing and reporting to the Board the scope, quality, results and performance of the external audit(s), its cost effectiveness and the independence and objectivity of the external auditors. It shall also review the nature and extent of non-audit services performed by external auditors;

- <u>Internal Audit</u>: establishing an effective internal audit function which shall be adequately qualified to perform an effective role, adequately resourced, independent of the activities which it audits and able to discharge its duties objectively, and to approve the hiring, removal, evaluation and compensation of the head of the internal audit function, or the accounting/auditing firm or corporation to which the internal audit function is outsourced[3];

- <u>Financial Reporting</u>: reviewing and reporting to the Board, the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of FCT and the Manager and any announcements relating to FCT's and the Manager's financial performance, and to review the assurance provided by the CEO and the Chief Financial Officer ("**CFO**") of the Manager (the "**Key Management Personnel**") that the financial records have been properly maintained and the financial statements give a true and fair view of FCT's and/or the Manager's operations and finances;

3 For FY21, the internal audit function is outsourced to the FPL Group.

Corporate Governance Report

- Internal Controls and Risk Management: reviewing and reporting to the Board at least annually, its assessment of the adequacy and effectiveness of the Manager's internal controls for FCT and the Manager, including financial, operational, compliance and information technology controls (including those relating to compliance with existing legislation and regulations), and risk management policies and systems established by Management;

- Interested Person Transactions: reviewing interested person transactions (as defined in the SGX-ST Listing Manual) and interested party transactions (as defined in the Property Funds Appendix) (both such types of transactions constituting "**Related/Interested Person Transactions**") entered into from time to time and the internal audit reports to ensure compliance with applicable legislation, the SGX-ST Listing Manual and the Property Funds Appendix;

- Conflicts of Interests: deliberating on resolutions relating to conflicts of interest situations involving FCT;

- Whistle-blowing: reviewing the policy and arrangements by which staff of the Manager, FCT and any other persons may, in confidence, safely raise concerns about possible improprieties in matters of financial reporting or other matters and ensure that arrangements are in place for such concerns to be raised and independently investigated and for appropriate follow-up action to be taken; and

- Investigations: reviewing the findings of internal investigations into any suspected fraud or irregularity, or suspected infringement of any Singapore laws or regulations or rules of the SGX-ST or any other regulatory authority in Singapore, which the ARCC becomes aware of, and which has or is likely to have a material impact on FCT's operating results or financial position.

Where the external auditors, in their review or audit of FCT's and the Manager's year-end financial statements, raise any significant issues which have a material impact on the interim financial statements or business updates previously announced by FCT or the Manager, the ARCC will bring this to the Board's attention immediately so that the Board can consider whether an immediate announcement is required under the SGX-ST Listing Manual. In such a situation, the ARCC will also advise the Board if changes are needed to improve the quality of future interim financial statements or business updates – such changes (if any) will be disclosed in FCT's annual report.

In carrying out its role, the ARCC is empowered to investigate any matter within its Terms of Reference, with full access to, and cooperation by, Management, to seek information it may require from any Director and/or employee of the Manager. The ARCC also has full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly. The Chairman, non-executive Directors, the CEO, the CFO, the head of the internal audit function, representatives of the external auditor(s), or other person with relevant experience and expertise may attend the meetings of the ARCC at the invitation of the ARCC. The meetings serve as a forum to review and discuss material risks and exposures of the Manager's businesses and strategies to mitigate risks. The ARCC meets with internal auditors and external auditors without the presence of Management at least once a year to review various audit matters and the assistance given by Management to the internal and external auditors. In carrying out its function, the ARCC may also obtain independent or external legal or other professional advice or appoint external consultants as it considers necessary at the Manager's cost.

Regular updates on changes in accounting standards and treatment are prepared by external auditors and circulated to members of the ARCC so that they are kept abreast of such changes and its corresponding impact on the financial statements, if any.

Risk Management

The ARCC shall review the framework and processes established by Management to achieve compliance with applicable laws, regulations, standards, best practice guidelines and the Manager's policies and procedures. The ARCC shall assist the Board in ensuring that Management maintains a sound system of risk management and internal controls to safeguard the interests of the Manager or the interests of Unitholders (as the case may be) and the assets of the Manager and the assets of FCT. The ARCC also assists the Board in its determination of the nature and extent of significant risks which the Board is willing to take in achieving the Manager's strategic objectives and the overall levels of risk tolerance and risk policies. Further information on the key activities conducted by the ARCC can be found in the sections titled "Financial Performance, Reporting and Audit" on pages 131 to 132 and "Governance of Risk and Internal Controls" on pages 133 to 135.

Nominating and Remuneration Committee	
Membership	**Key Objectives**
Mr Ho Chai Seng, *Chairman* Dr Cheong Choong Kong, *Member* Mr Ho Chee Hwee Simon, *Member* Ms Koh Choon Fah, *Member* Mr Christopher Tang Kok Kai, *Member*	• Establish a formal and transparent process for appointment and reappointment of Directors • Develop a process for evaluation of the performance and annual assessment of the effectiveness of the Board as a whole and each of its board committees, and individual directors • Review succession plans • Assist the Board in establishing a formal and transparent process for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and Key Management Personnel • Review and recommend to the Board a general framework of remuneration for the Board and Key Management Personnel and specific remuneration packages for each Director and Key Management Personnel

As at 30 September 2021, all the members of the NRC are non-executive and the majority of whom, including the chairman of the NRC, are independent.

The NRC is guided by written Terms of Reference approved by the Board which set out the duties and responsibilities of the NRC. The NRC's responsibilities, in relation to its functions as a nominating committee, include reviewing the structure, size and composition and independence of the Board and its Board Committees, reviewing and making recommendations to the Board on the succession plans for Directors, the Chairman and Key Management Personnel, making recommendations to the Board on all appointments and re-appointments of Directors (including alternate Directors, if any), and determining the independence of Directors. The NRC also proposes for the Board's approval, the objective performance criteria and process for the evaluation of the effectiveness of the Board, the Board Committees and each Director, and ensures that proper disclosures of such process are made. The NRC is also responsible for reviewing and making recommendations to the Board on training and professional development programmes for the Board and the Directors.

Further information on the main activities of the NRC, in relation to its functions as a nominating committee, are outlined in the following sections:

- "Training and development of Directors" on page 117
- "Board Composition" on pages 118 to 125
- "Directors' Independence" on pages 121 to 124
- "Board Performance Evaluation" on page 125

The NRC's responsibilities, in reviewing remuneration matters, include: (i) reviewing and recommending to the Board, a framework of remuneration for the Board and Key Management Personnel, and (ii) ensuring that the remuneration of executive Directors shall not be linked in any way to FCT's gross revenue.

On an annual basis, the NRC also reviews and recommends, for the Board's approval, the Manager's remuneration and benefits policies and practices (including long-term incentive schemes), and the performance and specific remuneration packages for each Director and Key Management Personnel, in accordance with the approved remuneration policies and processes.

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The NRC also proposes, for the Board's approval, criteria to assist in the evaluation of the performance of Key Management Personnel, and (where applicable) reviews the obligations of the Manager arising in the event of the termination of the service agreements of Key Management Personnel to ensure that such contracts of service contain fair and reasonable termination clauses. The NRC also administers and approves awards under the Restricted Unit Plan ("**RUP**") and/or other long-term incentive schemes to senior executives of the Manager.

In carrying out its review on remuneration matters, the Terms of Reference of the NRC provide that the NRC shall consider all aspects of remuneration, including Directors' fees, special remuneration to Directors who render special or extra services to the Manager, salaries, allowances, bonuses, options, Unit-based incentives and awards, benefits-in-kind and termination payments, and shall aim to be fair and to avoid rewarding poor performance.

If necessary, the NRC can seek expert advice on remuneration within the Manager's Human Resource Department or from external sources. Where such advice is obtained from external sources, the NRC ensures that existing relationships, if any, between the Manager and the appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants.

Delegation of authority framework

As part of the Manager's internal controls, the Board has adopted a framework of delegated authorisations in its Manual of Authorities (the "**MOA**"). The MOA, which is approved by the Board, sets out the levels of authorisation required for particular types of transactions to be carried out, and specifies whether Board approval needs to be sought. It also sets out approval limits for operating and capital expenditure as well as investments, divestments and asset enhancement initiatives.

While day-to-day operations of the business are delegated to Management, in order to facilitate the Board's exercise of its leadership and oversight of FCT, the MOA sets out certain matters specifically reserved for approval by the Board and these are clearly communicated to Management in writing. These include approval of annual budgets, financial plans, material transactions, namely, major acquisitions and divestments, funding and investment proposals and asset enhancement initiatives.

Meetings of the Board and Board Committees

The Board meets regularly, at least once every quarter, and also as required by business needs or if their members deem it necessary or appropriate to do so.

The following table summarises the number of meetings of the Board and Board Committees and general meetings held and attended by the Directors in FY21:

	Board Meetings	Audit, Risk and Compliance Committee Meetings	Nominating and Remuneration Committee Meetings	Annual General Meeting
Meetings held for FY21	4	4	2	1
Dr Cheong Choong Kong	4 (C) (1)	4	2	1 (C) (1)
Mr Ho Chai Seng	4	4	2 (C) (1)	1
Mr Ho Chee Hwee Simon	4	4	2	1
Ms Koh Choon Fah	4	4 (C) (1)	2	1
Mr Low Chee Wah	4	N.A.	N.A.	1
Mr Christopher Tang Kok Kai	4	N.A.	2	1

Notes:

(1) (C) refers to Chairman.

A calendar of activities is scheduled for the Board a year in advance.

The Manager's Constitution provides for Board members who are unable to attend physical meetings to participate through telephone conference, video conference or similar communications equipment.

Management provides the Directors with Board papers setting out complete, adequate and relevant information on the agenda items to be discussed at Board and Board Committee meetings around a week in advance of the meeting (save in cases of urgency). This is to give Directors sufficient time to prepare for the meeting and review and consider the matters being tabled so that discussions can be more meaningful and productive and Directors have the necessary information to make sound and informed decisions.

Senior members of the Management attend Board meetings, and where necessary, Board Committee meetings, to brief and make presentations to the Directors, provide input and insight into matters being discussed, and respond to queries and take any follow-up instructions from the Directors. At least once a year and if required, time is set aside after scheduled Board meetings for discussions amongst the Board without the presence of Management.

Where required by the Directors, external advisers may also be present or available whether at Board and Board Committee meetings or otherwise, and (if necessary), at the Manager's expense where applicable, to brief the Directors and provide their advice.

Matters discussed by Board and Board Committees in FY21

BOARD

- Strategy
- Business and Operations Update
- Sustainability, Environmental, Social & Governance
- Financial Performance
- Governance
- Feedback from Board Committees
- Divestments Proposals
- Technology Risk Management

Audit, Risk and Compliance Committee

- External and Internal Audit
- Financial Reporting
- Treasury, Debt and Capital Management
- Internal Controls and Risk Management
- Related/Interested Person Transactions
- Conflicts of Interests

Nominating and Remuneration Committee

- Board Composition and Renewal
- Board, Board Committees and Director Evaluations
- Training and Development
- Remuneration Policies and Framework
- Succession Planning

Board Oversight

Outside of Board and Board Committee meetings, Management provides Directors with complete and adequate reports on major operational matters, business development activities, financial performance, potential investment opportunities and budgets periodically, as well as such other relevant information on an on-going and timely basis to enable them to discharge their duties and responsibilities properly. In respect of budgets, any material variance between the projections and actual results will be disclosed and explained in the relevant periodic report.

Directors have separate and independent access to Management, and are entitled to request for such additional information as needed to make informed decisions and to fulfil their duties and responsibilities properly, which additional information will then be provided by Management in a timely manner. Where required or requested by Directors, site visits are also arranged for Directors to have an intimate understanding of the key business operations of each division and to promote active engagement with Management.

Directors are provided with complete, adequate and timely information to enable them to ensure that they prepare adequately for Board and Board Committee meetings and make informed decisions, and Directors (including those who hold multiple board representations and other principal commitments) devote sufficient time and attention to the affairs of FCT and the Manager. At Board and Board Committee meetings, the Directors attend and actively participate, discuss, deliberate and appraise matters requiring their attention and decision. Where necessary for the proper discharge of their duties, the Directors may seek and obtain independent professional advice at the Manager's expense.

During FY21, the Manager closely monitored developments on the COVID-19 situation, and the Board was promptly informed on the impact of such developments on business operations, as well as the implementation of business continuity plans and other mitigating measures to minimise any operational disruptions.

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The Board was also regularly updated on relevant legal and regulatory requirements in light of the evolving COVID-19 situation.

In addition to the scheduled Board meetings, Management also provides regular updates on the financial performance, investment and asset management and investor relations matters of FCT to the Chairman and ARCC Chairman during monthly meetings.

The Company Secretary

The Board is supported by the Company Secretary of the Manager ("**Company Secretary**"), who is legally trained and familiar with company secretarial practices, and responsible for administering and executing Board and Board Committee procedures in compliance with the Companies Act (Chapter 50 of Singapore), the Manager's Constitution, the Trust Deed and applicable law. The Company Secretary also provides advice and guidance on relevant guidelines, notices, rules and regulations, including disclosure requirements under the SFA, applicable MAS guidelines and notices, the CIS Code and the SGX-ST Listing Manual, as well as corporate governance practices and processes.

The Company Secretary attends all Board and Board Committee meetings and drafts and reviews the minutes of proceedings thereof, and facilitates and acts as a channel of communication for the smooth flow of information to and within the Board and its various Board Committees, as well as between and with senior Management. The Directors have separate and independent access to the Company Secretary, whose responsibilities include supporting and advising the Board on corporate and administrative matters.

The Company Secretary solicits and consolidates Directors' feedback and evaluation, facilitates induction and orientation programmes for new Directors, and assists with Directors' professional development matters. The Company Secretary also acts as the Manager's primary channel of communication with the SGX-ST.

The appointment and removal of the Company Secretary is subject to the approval of the Board.

Training and development of Directors

The NRC is tasked with identifying and developing training programmes for the Board and Board Committees for the Board's approval and ensuring that Directors have the opportunity to develop their skills and knowledge.

Upon appointment, each new Director is issued a formal letter of appointment setting out his or her roles, duties, responsibilities and obligations, including his or her responsibilities as fiduciaries and on the policies relating to conflicts of interest, as well as the expectations of the Manager. An induction and orientation programme is also conducted to provide new appointees with information on the business activities, strategic direction, policies and corporate governance practices of the Manager, as well as their statutory and other duties and responsibilities as Directors. A new Director who has no prior experience as a director of an issuer listed on the SGX-ST must also undergo mandatory training in his or her roles and responsibilities as prescribed by the SGX-ST, unless the NRC is of the view that training is not required because he or she has other relevant experience, in which case the basis of its assessment will be disclosed.

The Directors are kept continually and regularly updated on FCT's business and the regulatory and industry specific environments in which the entities of the Group operate. The Manager sees to it that the Board is regularly updated on new developments in laws and regulations or changes in regulatory requirements and financial reporting standards which are relevant to or may affect the Manager or FCT and such updates may be in writing, by way of briefings held by the Manager's lawyers and external auditors or disseminated by way of presentations and/or handouts. During FY21, the Directors attended briefings and training programmes on, among others, (i) updates to the SGX-ST Listing Manual and Code of Corporate Governance; (ii) MAS regulatory updates; (iii) changes in the financial reporting standards; (iv) sustainability and Environmental, Social and Governance ("**ESG**") matters; (v) cyber security landscape and threats; and (vi) technology risk management.

To ensure the Directors have the opportunities to develop their skills and knowledge and to continually improve the performance of the Board, all Directors are encouraged to undergo continual professional development during the term of their appointment, and provided with opportunities to develop and maintain their skills and knowledge at the Manager's expense. The Manager maintains a training record to track Directors' attendance at training and professional development courses.

Directors are encouraged to be members of the Singapore Institute of Directors ("**SID**") and for them to receive updates and training from SID to stay abreast of relevant developments in financial, legal and regulatory requirements, and relevant business trends.

BOARD COMPOSITION

The following table shows the composition of the Board and the various Board Committees [1]:

		Audit, Risk and Compliance Committee	Nominating and Remuneration Committee
Dr Cheong Choong Kong	Chairman, Non-Executive (Independent) Director	•	•
Mr Ho Chai Seng	Non-Executive (Independent) Director	•	• (Chairman)
Mr Ho Chee Hwee Simon	Non-Executive (Non-Independent) Director	•	•
Ms Koh Choon Fah	Non-Executive (Independent) Director	• (Chairman)	•
Mr Low Chee Wah	Non-Executive (Non-Independent) Director		
Mr Christopher Tang Kok Kai	Non-Executive (Non-Independent) Director		•

Notes:
(1) Unless otherwise stated, the information provided herein is as of 30 September 2021.

Profiles of each of the Directors can be found on pages 16 to 19.

As can be seen from the table above, as at 30 September 2021, all of the Directors are non-executive and at least half of the Board comprises independent Directors.

No alternate directors have been appointed on the Board for FY21. Alternate directors will only be appointed in exceptional circumstances.

The NRC reviews, on an annual basis, the structure, size and composition of the Board and Board Committees, taking into account the CG Code and the Securities and Futures (Licensing and Conduct of Business) Regulations ("**SFLCB Regulations**"). The NRC has assessed that the current structure, size and composition of the Board and Board Committees are appropriate for the scope and nature of FCT's and the Manager's operations. No individual or group dominates the Board's decision-making process or has unfettered powers of decision-making. The NRC is of the opinion that the Directors with their diverse backgrounds and experience (including banking, finance, accounting and other relevant industry knowledge, entrepreneurial and management experience, and familiarity with regulatory requirements and risk management) provide the appropriate balance and mix of skills, knowledge, experience and other aspects of diversity such as gender and age that avoids groupthink and fosters constructive debate and ensures the effectiveness of the Board and its Board Committees. The Board concurs with the views of the NRC.

Where Directors step down from the Board, cessation announcements providing detailed reason(s) for the cessation are released on SGXNet in compliance with the requirements of the SGX-ST Listing Manual.

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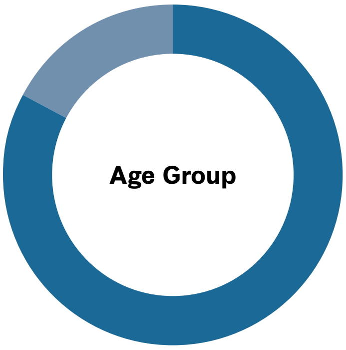
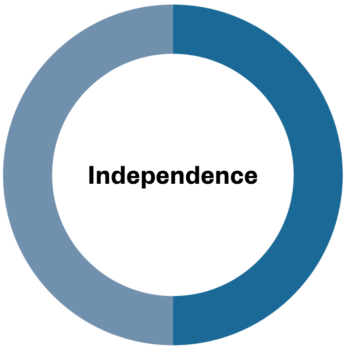
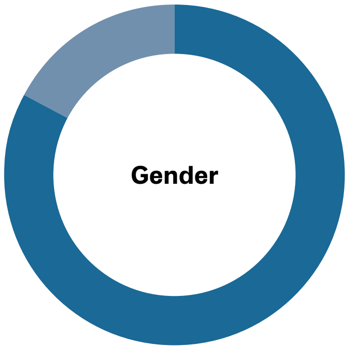
Board Composition in terms of Age Group, Independence, Tenure and Gender
(as at 30 September 2021)



51 to 65	**83%**
66 to 80	**17%**

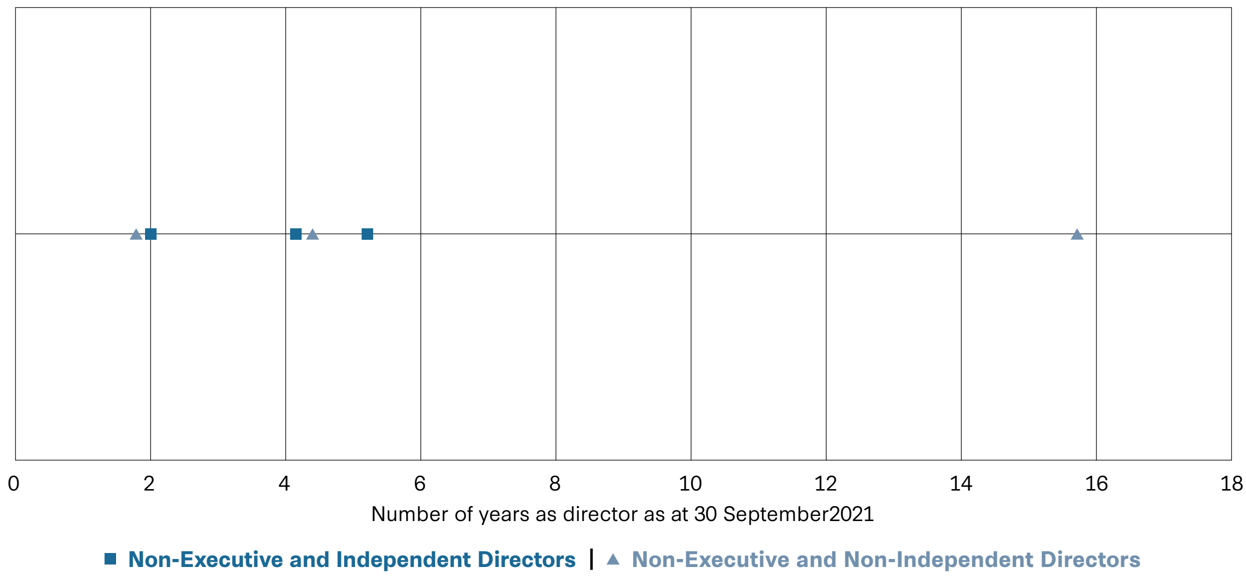


Non-Executive and Independent Directors	**50%**
Non-Executive and Non-Independent Directors	**50%**



Male	**83%**
Female	**17%**

Tenure



Selection, Appointment and Re-appointment of Directors

Under the NRC Terms of Reference, the NRC is tasked with making recommendations to the Board on all Board appointments and re-appointments, taking into account, among other things, the scope and nature of the operations of the Group, the requirements of the business, whether Directors who have multiple board representations are able to carry out and have been carrying out their duties as Directors and whether the Directors have given sufficient time and attention to the affairs of FCT and the Manager.

The process for the selection, appointment and re-appointment of Directors also takes into account the composition and progressive renewal of the Board and Board Committees.

Additionally, as part of the NRC's review of the composition, and performance evaluation, of the Board and Board Committees (which are done at least annually), the NRC will consider the competencies, commitment, contribution and performance (e.g. attendance, preparedness, participation and candour) of the Directors (including Directors who are to be recommended for re-appointment). In the case of a potential new Director, the NRC will consider the candidate's experience, education, expertise, judgement, skillset, personal qualities and general and sector specific knowledge in relation to the needs of the Board as well as whether the candidates will add diversity and technological expertise to the Board and whether they are likely to have adequate time to discharge their duties, including attendance at all Board meetings. The NRC will also take into consideration whether a candidate had previously served on the boards of companies with adverse track records or a history of irregularities, and assess whether such past appointments would affect his/her ability to act as a Director of the Manager.

The NRC considers a range of different channels to source and screen both internal and external candidates for Board appointments, depending on the requirements, including tapping on existing networks and recommendations. External consultants may be retained from time to time, where appropriate, to assist in sourcing, assessing and selecting a broader range of potential internal and external candidates beyond the Board's existing network of contacts. Suitable candidates are carefully evaluated by the NRC so that recommendations made on proposed candidates are objective and well supported.

On an annual basis, the NRC reviews (a) the directorships and principal commitments of each Director, and (b) a framework for Board evaluation to be conducted by an external consultant on the effectiveness of the Board. Through the aforementioned Board evaluation exercise, the Directors assess whether Board members effectively manage his or her directorships and have the time and ability to contribute to the Board.

Instead of prescribing a maximum number of directorships and/or other principal commitments that each Director may have, the NRC adopts a holistic assessment of each Director's individual capacity and circumstances to carry out his or her duties, taking into consideration not only the number of other board and other principal commitments held by each Director, but also the nature and complexity of such commitments. The assessment also takes into consideration Directors' commitment, conduct and contributions (such as meaningful participation, candour and rigorous decision making) at Board meetings, as well as whether the Director's engagement with Management is adequate and effective. In respect of FY2021, the NRC is of the view that each Director, including Directors who hold multiple board representations, has been able to effectively discharge his or her duties as a Director of the Manager.

Further details on the Board evaluation exercise are set out under the section "Board Performance Evaluation" on page 125.

Directors are not subject to periodic retirement by rotation. Under its Terms of Reference, the NRC is tasked with reviewing the succession plans for Directors, the Chairman and Key Management Personnel.

Corporate Governance Report

Board Diversity Policy

The Board has adopted, with the recommendation of the NRC, a board diversity policy, and has charged the NRC with the task of setting qualitative and measurable quantitative objectives (where appropriate) for achieving board diversity, and reviewing the Manager's progress towards achieving the objectives under the policy. The NRC will monitor and implement this policy, and will take the principles of the policy into consideration when determining the optimal composition of the Board, the appointment and re-appointment of Directors and when recommending any proposed changes to the Board. On the recommendation of the NRC, the Board may set certain measurable objectives and specific diversity targets, with a view to achieving an optimal Board composition, and these objectives and specific diversity targets may be reviewed by the NRC from time to time to ensure their appropriateness. Although there were no Board composition changes during FY21, the Manager remains committed to implementing the Board Diversity Policy and any progress made towards the implementation of such policy will be disclosed in future Corporate Governance Reports, as appropriate.

The Board views diversity at the Board level as an essential element for driving value in decision-making and proactively seeks, as part of its board diversity policy, to maintain an appropriate balance of expertise, skills and attributes among the Directors. This is reflected in the diversity of the composition of the Board, in terms of age, gender, and the backgrounds and competencies of the Directors, whose experience range from banking, finance and accounting, and include relevant industry knowledge, entrepreneurial and management experience, and familiarity with regulatory requirements and risk management. This is beneficial to FCT, the Manager and Management as decisions by, and discussions with, the Board would be enriched by the broad range of views and perspectives and the breadth of experience of the Directors.

Directors' Independence

The Directors exercise their judgement independently and objectively in the interests of FCT and the Manager. The NRC determines annually, and as and when circumstances require, if a Director is independent based on the rules, guidelines and/or circumstances on director independence as set out in Rule 210(5)(d) of the SGX-ST Listing Manual, Provision 2.1 of the CG Code and the accompanying Practice Guidance, the MAS Guidelines No. SFA04-G07 "Guidelines to all Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management" dated 1 January 2016 and Regulations 13D to 13H of the SFLCB Regulations (collectively, the "**Relevant Regulations**"). The NRC provides its views to the Board for the Board's consideration. Directors are expected to disclose any relationships with the Manager, its related corporations, its substantial shareholders, its officers or the substantial Unitholders of FCT, if any, which may affect their independence, as and when they arise, to the Board.

Each of the Independent Directors complete a declaration of independence annually which is then reviewed by the NRC. Based on the declarations of independence of these Directors, and having regard to the rules, guidelines and circumstances set forth in the Relevant Regulations, the NRC and the Board have determined that for FY21, there are three independent Directors on the Board, namely Dr Cheong Choong Kong, Mr Ho Chai Seng and Ms Koh Choon Fah.

<u>Dr Cheong Choong Kong</u>

Dr Cheong Choong Kong is a director on the Board of National Council of Social Services as at 30 September 2021. He has confirmed, *inter alia*, that he:

(a) is not connected[1] to any substantial shareholder[2] of the Manager or substantial Unitholder[2] of FCT and does not have any relationship with the Manager, its related corporations, its substantial shareholders, its officers or the substantial Unitholders of FCT which could interfere with the exercise of his independent judgement as a Director;

(b) (i) is not employed by the Manager, any of its related corporations or the Trustee for FY21 or any of the past three financial years, and (ii) does not have any immediate family member[3] who has been employed by the Manager or any of its related corporations, FCT or any of its related corporations or the Trustee, as an executive officer in any of the past three financial years; and

(c) in FY21 or the immediate past financial year, (i) has not, and does not have any immediate family member who, received significant payments[4] or material services from the Manager or any of its subsidiaries, FCT or any of its subsidiaries and/or the Trustee and (ii) was not, and does not have any immediate family member who was (A) a substantial shareholder or substantial Unitholder of, or (B) a partner in (with 5% or more stake), or (C) an executive officer of, or (D) a director of, any organisation to which the Manager or any of its subsidiaries, FCT or any of its subsidiaries or the Trustee received significant payments[5] or material services (other than Directors' fees).

Having considered the declaration of independence and the Relevant Regulations, the NRC has determined that, Dr Cheong Choong Kong is an independent director as at 30 September 2021.

Mr Ho Chai Seng

As at 30 September 2021, Mr Ho Chai Seng does not hold other directorships. He has confirmed, *inter alia*, that he:

(a) is not connected[1] to any substantial shareholder[2] of the Manager or substantial Unitholder[2] of FCT and does not have any relationship with the Manager, its related corporations, its substantial shareholders, its officers or the substantial Unitholders of FCT which could interfere with the exercise of his independent judgement as a Director;

(b) (i) is not employed by the Manager, any of its related corporations or the Trustee for FY21 or any of the past three financial years, and (ii) does not have any immediate family member[3] who has been employed by the Manager or any of its related corporations, FCT or any of its related corporations or the Trustee, as an executive officer in any of the past three financial years; and

(c) in FY21 or the immediate past financial year, (i) has not, and does not have any immediate family member who, received significant payments[4] or material services from the Manager or any of its subsidiaries, FCT or any of its subsidiaries and/or the Trustee and (ii) was not, and does not have any immediate family member who was (A) a substantial shareholder or substantial Unitholder of, or (B) a partner in (with 5% or more stake), or (C) an executive officer of, or (D) a director of, any organisation to which the Manager or any of its subsidiaries, FCT or any of its subsidiaries or the Trustee received significant payments[5] or material services (other than Directors' fees).

Having considered the declaration of independence and the Relevant Regulations, the NRC has determined that Mr Ho Chai Seng is an independent director as at 30 September 2021.

Ms Koh Choon Fah

As at 30 September 2021, Ms Koh Choon Fah is a director of the following companies:

- Edmund Tie Holdings Pte. Ltd.; and
- New Horizon Holdings Pte. Ltd.

She has confirmed, *inter alia*, that she:

(a) is not connected[1] to any substantial shareholder[2] of the Manager or substantial Unitholder[2] of FCT and, save as set out in note (2) on page 124, does not have any relationship with the Manager, its related corporations, its substantial shareholders, its officers or the substantial Unitholders of FCT which could interfere with the exercise of her independent judgement as a Director;

(b) (i) is not employed by the Manager, any of its related corporations or the Trustee for FY21 or any of the past three financial years, and (ii) does not have any immediate family member[3] who has been employed by the Manager or any of its related corporations, FCT or any of its related corporations or the Trustee, as an executive officer in any of the past three financial years; and

(c) in FY21 or the immediate past financial year, (i) has not, and does not have any immediate family member who, received significant payments[4] or material services from the Manager or any of its subsidiaries, FCT or any of its subsidiaries and/or the Trustee and (ii) was not, and does not have any immediate family member who was (A) a substantial shareholder or substantial Unitholder of, or (B) a partner in (with 5% or more stake), or (C) an executive officer of, or (D) a director of, any entity to which the Manager or any of its subsidiaries, FCT or any of its subsidiaries or the Trustee received significant payments[5] or material services (other than Directors' fees).

Having considered the declaration of independence and the Relevant Regulations, the NRC had determined that, notwithstanding the circumstances set out in note (2) on page 124, Ms Koh Choon Fah is an independent director as at 30 September 2021.

Notes:

(1) A Director is "**connected**" to a substantial shareholder of the Manager or a substantial Unitholder if: (a) (where such shareholder or Unitholder is an individual) the Director is a member of the immediate family of such substantial shareholder or substantial Unitholder or employed by such substantial shareholder or substantial Unitholder or accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of such substantial shareholder or substantial Unitholder, and (b) (where such shareholder or Unitholder is a corporation) the Director is employed by or a director of such substantial shareholder, substantial Unitholder, their related corporations or associated corporations or accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the substantial shareholder or substantial Unitholder.

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(2) "**substantial shareholder**" and "**substantial Unitholder**" refers to a shareholder or Unitholder holding not less than 5% of the total votes or units attached to all voting shares or units in the Manager or FCT, respectively.

(3) "**immediate family**" in relation to an individual, means the individual's spouse, son, adopted son, step-son, daughter, adopted daughter, step-daughter, father, step-father, mother, step-mother, brother, step-brother, sister or step-sister.

(4) As a guide, payments aggregated over any financial year in excess of S$50,000 would generally be deemed as significant. The amount and nature of the service, and whether it is provided on a one-off or recurring basis, are relevant in determining whether the service provided is material.

(5) As a guide, payments aggregated over any financial year in excess of S$200,000 would generally be deemed significant irrespective of whether they constitute a significant portion of the revenue of the organisation in question. The amount and nature of the service, and whether it is provided on a one-off or recurring basis, are relevant in determining whether the service provided is material.

The Board has considered the relevant requirements under the SFLCB Regulations and its views in respect of the independence of each Director for FY21 are as follows:

The Director:	Dr Cheong Choong Kong	Mr Ho Chee Hwee Simon (1)	Mr Ho Chai Seng	Ms Koh Choon Fah (2)	Mr Low Chee Wah (3)	Mr Christopher Tang Kok Kai (4)
(i) had been independent from the management of the Manager and FCT during FY21	✓	✓	✓	✓		
(ii) had been independent from any business relationship with the Manager and FCT during FY21	✓		✓		✓	
(iii) had been independent from every substantial shareholder of the Manager and every substantial Unitholder during FY21	✓		✓	✓		
(iv) had not been a substantial shareholder of the Manager or a substantial Unitholder during FY21	✓	✓	✓	✓	✓	✓
(v) has not served as a director of the Manager for a continuous period of 9 years or longer as at the last day of FY21	✓	✓	✓	✓	✓	

Notes:

(1) Mr Ho Chee Hwee Simon was appointed as (a) the vice-chairman of the board of Frasers Hospitality International Pte Ltd, a subsidiary of FPL; and (b) an advisor to FPL (collectively referred to as the "**Prior Appointments**") on 16 July 2018, and receives director's fees amounting to S$75,000 per year and advisor's fees amounting to S$175,000 per year respectively. During FY21 , Mr Ho Chee Hwee Simon received an additional payment of S$100,000 in connection with his appointment as advisor to FPL.

Mr Ho Chee Hwee Simon was appointed as a director of Frasers Property (Singapore) Pte. Ltd. ("**FPS**"), a subsidiary of FPL, on 1 November 2019 (the "**FPS Appointment**") and in conjunction with the FPS Appointment, Mr Ho Chee Hwee Simon was also appointed as the chairman of the Retail Management Committee of FPL. In connection with the FPS Appointment, Mr Ho Chee Hwee Simon receives director's fees of S$75,000 per year.

The total fees that Mr Ho Chee Hwee Simon will be receiving in connection with the Prior Appointments and the FPS Appointment for FY21 will amount to S$425,000.

FPL wholly-owns the Manager and is a substantial Unitholder. Pursuant to the SFLCB Regulations, during FY21, Mr Ho Chee Hwee Simon is deemed to (i) have a business relationship with the Manager and FCT; and (ii) be connected to a substantial shareholder of the Manager and a substantial Unitholder.

The Board of the Manager is satisfied that, as at 30 September 2021, Mr Ho Chee Hwee Simon was able to act in the best interests of all Unitholders as a whole. As at 30 September 2021, Mr Ho Chee Hwee Simon was able to act in the best interests of all Unitholders as a whole.

(2) Ms Koh Choon Fah is a director and a shareholder of New Horizon Holdings Pte Ltd ("**New Horizon**"), holding a 20% shareholding interest in New Horizon. New Horizon holds 28.68% of Edmund Tie Holdings Pte. Ltd., which in turn holds 100% of Edmund Tie & Company (SEA) Pte. Ltd. ("**ETCSEA**"). Ms Koh thereby has an approximately 5.736% effective shareholding interest in ETCSEA. Ms Koh was the chief executive officer and executive director of ETCSEA (the "**ETCSEA Appointments**") until the cessation of the ETCSEA Appointments with effect from 1 July 2021.

ETCSEA has been appointed by related corporations of the Manager, being other entities within the FPL group ("**FPL Group**") in the current and immediately preceding financial year, to provide services, including property valuation, property tax consultancy and marketing services and received fees therefor (the "**ETCSEA Fees**"). These services fall within the categories of business relationships set out in Regulation 13G of the SFLCB Regulations.

Taking into consideration that the fees paid previously to ETCSEA have been made on an arm's length basis following assessment and determination carried out independently by the management teams of the relevant FPL Group entities based on objective criteria, including competence, service level and/or competitiveness of pricing and the declaration of independence by Ms Koh Choon Fah, the Board of the Manager is satisfied that the appointment of ETCSEA by entities of the FPL Group and the payment of ETCSEA Fees in respect therefor do not affect her continued ability to exercise strong objective judgement and be independent in conduct and character (in particular, in the expression of her views and in her participation in the deliberations and decision-making of the Board and Board Committees of which she is a member), acting in the best interests of all Unitholders as a whole.

As a measure by the Manager to mitigate potential conflicts of interest, FCT will not consider ETCSEA for the provision of valuation services for any acquisition or disposal of retail assets by FCT or for any existing assets of FCT. For all other services, if ETCSEA is assessed and determined to be the most suitable based on objective criteria, including competence, service level and/or competitiveness of pricing, and FCT is considering to engage ETCSEA, Ms Koh Choon Fah will abstain from voting on any proposal for such engagement. Further, following the cessation of the ETCSEA Appointments with effect from 1 July 2021, even though Ms Koh continues to have an approximately 5.736% effective shareholding interest in ETCSEA, she is no longer involved in the running of the business of, or the provision of services by, ETCSEA.

The Board of the Manager is satisfied that, as at 30 September 2021, Ms Koh Choon Fah was able to act in the best interests of all Unitholders as a whole. As at 30 September 2021, Ms Koh Choon Fah was able to act in the best interests of all Unitholders as a whole.

(3) Mr Low Chee Wah is currently employed by a related corporation of the Manager and is a director of various subsidiaries/associated companies of FPL, which wholly owns the Manager and is a substantial Unitholder. As such, during FY21, he is deemed (i) to have a management relationship with the Manager and FCT; and (ii) connected to a substantial shareholder of the Manager and substantial Unitholder. The Board of the Manager is satisfied that, as at 30 September 2021, Mr Low Chee Wah was able to act in the best interests of all Unitholders as a whole. As at 30 September 2021, Mr Low Chee Wah was able to act in the best interests of all Unitholders as a whole.

(4) Mr Christopher Tang Kok Kai is appointed as an advisor to FPL with effect from 1 January 2020 (the "**FPL Appointment**") and receives advisor's fees amounting to S$216,000 per year. The advisory services relating to the FPL Appointment are performed by Mr Christopher Tang Kok Kai through CT Advisory, a sole-proprietorship of which Mr Christopher Tang Kok Kai is the sole-proprietor. As such, during FY21, he is deemed (i) to have a management relationship with the Manager and FCT; and (ii) connected to a substantial shareholder of the Manager and substantial Unitholder. The Board of the Manager is satisfied that, as at 30 September 2021, Mr Christopher Tang Kok Kai was able to act in the best interests of all Unitholders as a whole. As at 30 September 2021, Mr Christopher Tang Kok Kai was able to act in the best interests of all Unitholders as a whole.

The independent Directors lead the way in upholding good corporate governance at the Board level and their presence facilitates the exercise of objective independent judgement on corporate affairs. Their participation and input also ensure that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined, taking into account the long-term interests of FCT and its Unitholders. As of 30 September 2021, none of the independent Directors have served on the Board for a continuous period of nine years or longer. Board renewal is a continuing process where the appropriate composition of the Board is continually under review. In this regard, the tenure of each independent Director is monitored so that the process for board renewal is commenced ahead of any independent Director reaching the nine-year mark to facilitate a smooth transition and to ensure that the Board continues to have an appropriate balance of independence. To this end, the NRC is tasked with undertaking the process of reviewing, considering and recommending any changes to the composition of the Board, where appropriate, taking into account the requirements to be met by independent Directors including the SFLCB Regulations.

As at least half of the Board comprises independent Directors, the Manager will not be subjecting any appointment or re-appointment of Directors to voting by Unitholders under Regulation 13D of the SFLCB Regulations. The Chairman is presently an independent Director.

Conflict of Interest

The Board has in place clear procedures for dealing with conflicts of interest. To address and manage possible conflicts of interest (including in relation to Directors, officers and employees) that may arise in managing FCT, the Manager has put in place procedures which, among other things, specify that: (a) the Manager shall be dedicated to the management of FCT and will not directly or indirectly manage other REITs; (b) all executive officers of the Manager will be employed by the Manager; (c) all resolutions in writing of the Directors in relation to matters concerning FCT must be approved by a majority of the Directors, including at least one independent Director; (d) at least one-third of the Board shall comprise independent Directors; (e) on matters where FPL and/or its subsidiaries have an interest (directly or indirectly), Directors nominated by FPL and/or its subsidiaries shall abstain from voting. On such matters, the quorum must comprise a majority of independent Directors and must exclude nominee Directors of FPL and/or its subsidiaries; and (f) an interested Director is required to disclose his interest in any proposed transaction with FCT, to recuse himself or herself from meetings and/or discussions (or relevant segments thereof), and is required to abstain from voting on resolutions approving the transaction.

Corporate Governance Report

The Manager does not have a practice of extending loans to Directors, and as at 30 September 2021, there were no loans granted by the Manager to Directors. If there are such loans, the Manager will comply with its obligations under the Companies Act (Chapter 50 of Singapore) in relation to loans, quasi-loans, credit transactions and related arrangements to Directors.

Board Performance Evaluation

The NRC is tasked with making recommendations to the Board on the process and objective performance criteria for evaluation of the performance of the Board as a whole, the Board Committees and the individual Directors.

The Board, with the recommendation of the NRC, has approved the objective performance criteria and implemented a formal process for assessing the effectiveness of the Board as a whole and its Board Committees separately, and the contribution by the Chairman and each individual Director to the effectiveness of the Board, on an annual basis. The objective performance criteria are not typically changed from year to year.

In relation to FY20, the outcome of the evaluation was generally affirmative across the evaluation categories. Based on the NRC's review, the Board and the various Board Committees operate effectively and each Director is contributing to the overall effectiveness of the Board.

For FY21, an independent external consultant, Aon Solutions Singapore Pte. Ltd. ("**Aon**"), has been appointed to facilitate the process of conducting a Board evaluation survey. The external consultant has no connection with the Manager or FCT or any of the Directors.

Each Director is required to complete a Board evaluation questionnaire, a Board Committee evaluation questionnaire and an individual Director self-evaluation questionnaire (the "**Questionnaires**"). The Questionnaires have been designed to provide an evaluation of the current effectiveness of the Board and to support the Chairman and the Board in proactively considering what can enhance the readiness of the Board to address emerging strategic priorities for FCT as a whole. The external consultant will facilitate the sending of questionnaires to all Directors, and one-to-one interviews are conducted selectively on a rotational basis, to obtain Directors' feedback.

The objective performance criteria covered in the Board evaluation exercise relate to the following key segments: (1) Board composition (balance of skills, experience, independence, knowledge of the company, and diversity); (2) management of information flow; (3) Board processes (including Board practices and conduct); (4) Board's consideration of ESG aspects; (5) Board strategy and priorities; (6) Board's value-add to, and management of the performance of the Manager and FCT; (7) development and succession planning of executives; (8) development and training of Directors; (9) oversight of risk management and internal controls; and (10) the effectiveness of the Board Committees. The individual Director self-evaluation questionnaire aims to assess whether each Director is willing and able to constructively challenge and contribute effectively to the Board, and demonstrate commitment to his or her roles on the Board and Board Committees (if any).

The responses to the Questionnaires and interview(s) are summarised by the external consultant and its report submitted to the NRC. To provide a greater level of objectivity in the evaluation process, the report also includes peer comparisons and third-party benchmarking of the results to the evaluation. Findings and recommendations of the external consultant which include feedback from Directors would be taken into consideration and any necessary follow-up actions would be undertaken with a view to improving the overall effectiveness of the Board in fulfilling its role and meeting its responsibilities to Unitholders. The Chairman will, where necessary, provide feedback to the Directors with a view to improving Board performance and, where appropriate, propose changes to the composition of the Board.

REMUNERATION MATTERS

The remuneration of the staff of the Manager and Directors' fees are paid by the Manager from the management fees it receives from FCT, and not by FCT. With the recommendations of the NRC, the Board has put in place a formal and transparent process for developing policies on remuneration of Directors and Key Management Personnel and for fixing the remuneration packages of individual Directors and Key Management Personnel.

Compensation Philosophy

The Manager seeks to incentivise and reward consistent and sustained performance through market competitive, internally equitable and performance-orientated compensation programmes which are aligned with Unitholders' interests. This compensation philosophy serves as the foundation for the Manager's remuneration framework, and guides the Manager's remuneration framework and strategies. In addition, the Manager's compensation philosophy seeks to align the aspirations and interests of its employees with the interests of FCT and its Unitholders, resulting in the sharing of rewards for both employees and Unitholders on a sustained basis. The Manager's compensation philosophy serves to attract, retain and motivate employees. The Manager aims to connect employees' desire to develop and fulfil their aspirations with the growth opportunities afforded by the Manager's strategic vision and corporate initiatives.

Compensation Principles

All compensation programme design, determination and administration are guided by the following principles:

(a) Pay-for-Performance

The Manager's Pay-for-Performance principle encourages excellence, in a manner consistent with the Manager's core values. The Manager takes a total compensation approach, which recognises the value and responsibility of each role, and differentiates and rewards performance through its incentive plans.

(b) Unitholder Returns

Performance measures for incentives are established to drive initiatives and activities that are aligned with both short-term value creation and long-term Unitholder wealth creation, thus ensuring a focus on delivering Unitholder returns.

(c) Sustainable Performance

The Manager believes sustained success depends on the balanced pursuit and consistent achievement of short-term and long-term goals. Hence, variable incentives incorporate a significant pay-at-risk element to align employees with sustainable performance for the Manager.

(d) Market Competitiveness

The Manager aims to be market competitive by benchmarking its compensation levels with relevant comparators accordingly. However, the Manager embraces a holistic view of employee engagement that extends beyond monetary rewards. Recognising each individual as unique, the Manager seeks to motivate and develop employees through all the levers available to the Manager through its comprehensive human capital platform.

Engagement of External Consultants

The NRC may from time to time, and where necessary or required, engage external consultants in framing the remuneration policy and determining the level and mix of remuneration for Directors and Management. Among other things, this helps the Manager to stay competitive in its remuneration packages. During FY21, Aon was appointed as the Manager's remuneration consultant. The remuneration consultant does not have any relationship with FCT, the Manager, its controlling shareholders, its related entities and/or its Directors which would affect its independence and objectivity.

Remuneration Framework

The NRC reviews and makes recommendations to the Board on the remuneration framework for the independent Directors and other non-executive Directors and the Key Management Personnel. The remuneration framework is endorsed by the Board.

The remuneration framework covers all aspects of remuneration including salaries, allowances, performance bonuses, benefits in kind, termination terms and payments, grant of awards of units of FCT ("**Units**") and incentives for the Key Management Personnel and fees for the independent Directors and other non-executive Directors, and the NRC considers all such aspects of remuneration to ensure they are fair and avoids rewarding poor performance.

The remuneration framework is tailored to the specific role and circumstances of each Director and Key Management Personnel, to ensure an appropriate remuneration level and mix that recognises the performance, potential and responsibilities of these individuals, as applicable.

Corporate Governance Report

Remuneration Policy in respect of Management and other employees

The NRC reviews the level, structure and mix of remuneration and benefits policies and practices (where appropriate) of the Manager, to ensure that they are appropriate and proportionate to the sustained performance and value creation of FCT and the Manager, taking into account the strategic objectives of FCT and the Manager, and designed to attract, retain and motivate the Key Management Personnel to successfully manage FCT and the Manager for the long term. The NRC takes into account all aspects of remuneration, including termination terms, to ensure that they are fair.

The remuneration framework comprises fixed and variable components, which include short-term and long-term incentives. When conducting its review of the remuneration, the NRC takes into account the performance of FCT and individual performance. The performance of FCT is measured based on pre-set financial and non-financial indicators. Individual performance is measured via the employee's annual appraisal based on indicators such as core values, competencies and key performance indicators.

Fixed Component

The fixed component in the Manager's remuneration framework is structured to remunerate employees for the roles they perform, and is benchmarked against relevant industry market data. It comprises base salary, fixed allowances and any statutory contribution. The base salary and fixed allowances for Key Management Personnel are reviewed annually by the NRC and approved by the Board.

Variable Component

A significant and appropriate proportion of the remuneration of key executives of the Manager comprises a variable component which is structured so as to link rewards to corporate and individual performance and incentivise sustained performance in both the short and long term. The variable incentives are measured based on quantitative and qualitative targets, and overall performance will be determined at the end of the year and approved by the NRC. The performance targets are measurable, appropriate and meaningful so that they incentivise the right behaviour in a manner consistent with the Group's core values. For individuals in control functions, performance targets are principally based on the achievement of the objectives of their functions.

1. Short-Term Incentive Plans

   The short-term incentive plans ("**STI Plans**") aim to incentivise excellence in performance in the short term. All Key Management Personnel's performance are assessed through either a balanced scorecard or annual performance review with pre-agreed financial and non-financial key performance indicators ("**KPIs**"). The financial KPIs are based on the performance of FCT. Non-financial KPIs may include measures on Culture & People, Business Growth, Customer/Branding, Sustainability and Operational Efficiency or specified projects. These targets are established at the beginning of each financial year. At the end of the financial year, the achievements are measured against the pre-agreed targets and the short-term incentives of each Key Management Personnel are determined.

   The NRC recommends the final short-term incentives that are awarded to Key Management Personnel for the Board's approval, taking into consideration any other relevant circumstances.

2. Long-Term Incentive Plans

   The NRC administers the Manager's long-term incentive plan, namely, the RUP. The RUP was approved by the Board and subsequently adopted by Unitholders on 8 December 2017. Through the RUP, the Manager seeks to foster a greater ownership culture within the Manager by aligning more directly the interests of senior executives (including the CEO) with the interests of Unitholders and other stakeholders, and for such employees to participate and share in FCT's growth and success, thereby ensuring alignment with sustainable value creation for Unitholders over the long term.

   The RUP is available to selected senior executives of the Manager. Its objectives are to increase the Manager's flexibility and effectiveness in its continuing efforts to attract, retain and motivate talented senior executives and to reward these executives for the future performance of FCT and the Manager.

Under the RUP, the Manager grants Unit-based awards ("**Initial Awards**") with pre-determined performance targets being set at the beginning of the performance period. The NRC recommends the Initial Awards granted to Key Management Personnel to the Board for approval, taking into consideration the Key Management Personnel's individual performance. The performance period for the RUP is one year. The pre-set targets are net property income and distribution per Unit. Such performance conditions are generally performance indicators that are key drivers of business performance, Unitholder value creation and aligned to FCT's business objectives.

The RUP awards represent the right to receive fully paid Units, their equivalent cash value or a combination thereof, free of charge, provided certain prescribed performance conditions are met. The final number of Units to be released ("**Final Awards**") will depend on the achievement of the pre-determined targets at the end of the performance period. If such targets are exceeded, more Units than the Initial Awards may be delivered, subject to a maximum multiplier of the Initial Awards. The Final Awards will vest to the participants in three tranches over two years after a one-year performance period. The obligation to deliver the Units is expected to be satisfied out of the Units held by the Manager.

The NRC has absolute discretion to decide on the Final Awards, taking into consideration any other relevant circumstances.

Approach to Remuneration of Key Management Personnel

The Manager advocates a performance-based remuneration system that is highly flexible and responsive to the market, and that is structured so as to link a significant and appropriate proportion of remuneration to FCT's performance and that of the individual.

In designing the compensation structure, the NRC seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate in finding a balance between current versus long-term compensation and between cash versus equity incentive compensation.

Executives who have a greater ability to influence outcomes within the Manager have a greater proportion of overall reward at risk. The NRC exercises broad discretion and independent judgement in ensuring that the amount and mix of compensation are aligned with interests of Unitholders and other stakeholders and promote the long-term success of FCT, and appropriate to attract, retain and motivate Key Management Personnel to successfully manage FCT for the long term.

Performance Indicators for Key Management Personnel

As set out above, the Manager's variable remuneration comprises short-term and long-term incentives, taking into account both FCT's and individual performance. This is to ensure employee remuneration is linked to performance. In determining the short-term incentives, both FCT's financial and non-financial performance as per the balanced scorecard are taken into consideration. The performance targets align the interests of the Key Management Personnel with the long-term growth and performance of FCT and the Manager. The financial performance indicators on which the Key Management Personnel are evaluated comprise (a) FCT's net property income, (b) distribution per Unit, (c) FCT's total return (against a peer group), (d) FCT's profit before interest and tax, and (e) divestment of non-core assets. These performance indicators are quantitative and are objective measures of FCT's performance. The non-financial performance indicators on which the Key Management Personnel are evaluated include (i) Culture & People, (ii) Business Growth, (iii) Customer/Branding and (iv) Sustainability and Operational Efficiency. These qualitative performance indicators will align the Key Management Personnel's performance with FCT's strategic objectives.

In relation to long-term incentives, the Manager has implemented the RUP with effect from the financial year ended 30 September 2018 as set out above. The release of long-term incentive awards to Key Management Personnel are conditional upon the performance targets being met. The performance targets of the KPIs align the interests of the Key Management Personnel with the long-term growth and performance of FCT. In FY21, the pre-determined target performance levels for the RUP grant were partially met.

Currently, the Manager does not have claw-back provisions which allow it to reclaim incentive components of remuneration from its Key Management Personnel in exceptional circumstances of misstatement of financial results or misconduct resulting in financial loss.

Corporate Governance Report

Remuneration Packages of Key Management Personnel

The NRC reviews and makes recommendations on the specific remuneration packages and service terms for the Key Management Personnel for endorsement by the Board, which is ultimately accountable for all remuneration decisions relating to the Key Management Personnel. The NRC will review the short-term and long-term incentives in the Key Management Personnel's remuneration package to ensure its compliance with the substance and spirit of the directions and guidelines from the MAS.

No Director or Key Management Personnel is involved in deciding his or her remuneration.

The NRC aligns the CEO's leadership, through appropriate remuneration and benefit policies, with FCT's and the Manager's strategic objectives and key challenges. Performance targets are also set for the CEO and his performance is evaluated yearly.

In solidarity with its stakeholders in overcoming the challenges posed by the COVID-19 pandemic, the senior Management had taken a reduction in their base salary by between 5% to 10% from 1 October 2020 to 31 December 2020.

Remuneration Policy in respect of Non-Executive Directors

The remuneration of non-executive Directors has been designed to be appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities, on the Board and Board Committees, and to attract, retain and motivate the Directors to provide good stewardship of FCT to successfully manage FCT for the long term.

Non-executive Directors do not receive bonuses, options or Unit-based incentives and awards. Directors' fees are paid in cash and not in the form of Units.

The Manager engages consultants to review Directors' fees by benchmarking such fees against the amounts paid by listed industry peers. Each non-executive Director's remuneration comprises a basic fee and attendance fees for attending Board and Board Committee meetings. In addition, non-executive Directors who perform additional services in Board Committees are paid an additional fee for such services. The chairman of each Board Committee is also paid a higher fee compared with the members of the respective Board Committees in view of the greater responsibility carried by that office.

The Manager's Board fee structure during FY21 is set out below.

	Basic Fee per annum (S$)	Attendance Fee per meeting [(1)] (for physical attendance in Singapore) (S$)	Attendance Fee (for physical attendance outside Singapore (excluding home country of Director)) (S$)	Attendance Fee per meeting (for attendance via tele/video conference) (S$)
Board				
– Chairman	90,000	3,000	4,500	1,000
– Member	45,000	1,500	4,500	1,000
Audit, Risk and Compliance Committee				
– Chairman	40,000	3,000	4,500	1,000
– Member	20,000	1,500	4,500	1,000
Nominating and Remuneration Committee				
– Chairman	12,000	3,000	4,500	1,000
– Member	6,000	1,500	4,500	1,000

Note:

(1) The attendance fee applies for attendance in person in Singapore.

Disclosure of Remuneration of Directors and Key Executives of the Manager

Information on the remuneration of Directors and key executives of the Manager for FY21 is set out below.

Directors of the Manager	Remuneration S$ (*)
Dr Cheong Choong Kong	116,333.33
Mr Ho Chai Seng	80,583.33
Mr Ho Chee Hwee Simon	75,083.33 (1)
Ms Koh Choon Fah	93,416.67
Mr Christopher Tang Kok Kai (2)	52,750.00
Mr Low Chee Wah (3)	45,250.00

Notes:

(1) Excludes S$75,000 and S$175,000 being payment of director's fees and advisor's fees respectively for the Prior Appointments, the additional payment of S$100,000 in FY21 in connection with his appointment as advisor to FPL and S$75,000 being payment of director's fees for the FPS Appointment, from FPL Group (excluding the Manager).

(2) Excludes S$216,000 being payment of the advisor's fees for the FPL Appointment from 1 October 2020 to 30 September 2021, from FPL Group (excluding the Manager).

(3) Director's fees for Mr Low Chee Wah are paid to Frasers Property Corporate Services Pte. Ltd.

(*) In solidarity with its stakeholders in overcoming the challenges posed by COVID-19 pandemic, the Board had approved the waiver of 10% of non-executive Directors' basic fees for the period from 1 October 2020 to 31 July 2021, which were reinstated with effect from 1 August 2021, and this has been reflected in the amount of remuneration.

Remuneration of CEO for FY21	Salary %	Bonus %	Allowances and Benefits %	Long-Term Incentives %	Total %
Between S$750,001 to S$1,000,000					
Mr Richard Ng	50	18 (1)	5	27	100

Remuneration of key executives of the Manager (2) (excluding CEO) for FY21	Salary %	Bonus %	Allowances and Benefits %	Long-Term Incentives %	Total %
Ms Tay Hwee Pio (4)					
Ms Tan Loo Ming Audrey (5)					
Ms Pauline Lim	63 (3)	17 (3)	8 (3)	12 (3)	100
Mr Chen Fung Leng					
Aggregate Total Remuneration (excluding CEO)			**S$1,150,182**		

Notes:

(1) The amount includes a one-off payment contractually agreed in connection with his appointment within FPL Group which had become payable upon satisfaction of a stipulated period of his appointment.

(2) At present, the Manager has three key executives (excluding the CEO). They are the CFO and the division heads of the Manager and they are listed in this table. Ms Tay Hwee Pio was the CFO from 1 October 2020 until her resignation with effect from 24 July 2021 and Ms Tan Loo Ming Audrey is the current CFO and she was appointed on 24 July 2021.

(3) Derived based on the aggregation of the respective remuneration components of each of the key executives of the Manager (excluding the CEO) and represented as percentages against the total remuneration for these key executives.

(4) Calculated from 1 October 2020 to 23 July 2021. Ms Tay Hwee Pio resigned as CFO with effect from 24 July 2021.

(5) Calculated from 2 July 2021 to 30 September 2021. Ms Tan Loo Ming Audrey was appointed as Head of Finance on 2 July 2021 and was subsequently appointed as CFO on 24 July 2021.

Corporate Governance Report

There are no existing or proposed service agreements entered into or to be entered into by the Manager or any of its subsidiaries with Directors or Key Management Personnel which provide for compensation in the form of stock options, or pension, retirement or other similar benefits, or other benefits, upon termination of employment.

Pursuant to the MAS Notice to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management (Notice No: SFA4-N14), REIT managers are required to disclose the remuneration of the CEO and each individual Director on a named basis, and the remuneration of at least the top five executive officers (which shall not include the CEO and executive officers who are Directors), on a named basis, in bands of S$250,000. The REIT manager may provide an explanation if it does not wish to or is unable to comply with such requirement. The Manager has decided (a) to disclose the CEO's remuneration in bands of S$250,000 (instead of on a quantum basis), (b) not to disclose the remuneration of the other key executives of the Manager in bands of S$250,000 and (c) to disclose the aggregate remuneration of all key executives of the Manager (excluding the CEO), for the following reasons:

(i) given the competitive business environment which FCT operates in, the Manager faces significant competition for talent in the REIT management sector and the Manager has not disclosed the exact remuneration of the key executives (including the CEO) so as to minimise potential staff movement and undue disruption to its management team which would be prejudicial to the interests of Unitholders;

(ii) the composition of the current management team has been stable and to ensure the continuity of business and operations of FCT, it is important that the Manager continues to retain its team of competent and committed staff;

(iii) it is important for the Manager to ensure stability and continuity of their business by retaining a competent and experienced management team and being able to attract talented staff and disclosure of the remuneration of the CEO and the other key executives could make it difficult to retain and attract talented staff on a long-term basis;

(iv) due to the confidentiality and sensitivity of staff remuneration matters, the Manager is of the view that such disclosure could be prejudicial to the interests of Unitholders; and

(v) the remuneration of the CEO and the other key executives of the Manager are paid by the Manager and there is full disclosure of the total amount of fees paid to the Manager set out at pages 154, 203 and 228 to 229 of this Annual Report.

While the disclosure of the exact quantum of the remuneration of the CEO and the requisite remuneration band for each of the other key executives (who are not also Directors or the CEO) would be in full compliance with Provision 8.1 of the CG Code, taking into account the reasons why such disclosure would be prejudicial to the interests of Unitholders and that the Manager has disclosed the remuneration policies, composition of remuneration, appraisal process and performance metrics which go towards determination of the performance bonus of the CEO and other key executives, the Board has determined that despite the partial deviation from Provision 8.1 of the CG Code, there is sufficient transparency on the Manager's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation which are consistent with the intent of Principle 8 of the CG Code.

As at 30 September 2021, there are no employees within the Manager who is a substantial Unitholder or who is an immediate family member of a Director, the CEO or a substantial Unitholder.

FINANCIAL PERFORMANCE, REPORTING AND AUDIT

The Board, with the support of Management, is responsible for providing a balanced and understandable assessment of FCT's performance, position and prospects. Financial reports are provided to the Board on a quarterly basis and monthly accounts are made available to the Directors on request.

The Manager prepares the financial statements of FCT in accordance with the recommendations of the Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the CIS Code issued by the MAS, SGX-ST Listing Manual, Singapore Financial Reporting Standards (International), and the provisions of the Trust Deed.

The Board releases FCT's half-yearly and full year financial results. The Manager also provides business updates to Unitholders for the first and third quarter performance of FCT. The financial results and the business updates contain information on the updates on the COVID-19 situation, and the impact on its tenants' sales and shopper traffic. The Board also provides Unitholders with relevant business updates, other price or trade sensitive information and material corporate developments through announcements to the SGX-ST and FCT's website.

External Audit

The ARCC conducts an assessment of the external auditors, and recommends its appointment, re-appointment or removal to the Board. The assessment is based on factors such as the performance and quality of its audit, the cost effectiveness and the independence and objectivity of the external auditors. The ARCC also makes recommendations to the Board on the remuneration and terms of engagement of the external auditors.

At the annual general meeting ("**AGM**") held on 21 January 2021, KPMG LLP was re-appointed by Unitholders as the external auditors of FCT until the conclusion of the next AGM. Pursuant to the requirements of the SGX-ST, an audit partner may only be in charge of a maximum of five consecutive annual audits and may then return after two years. The KPMG LLP audit partner in charge of the annual audit for the Group for FY21 is in charge of the annual audit for the first time.

During FY21, the ARCC conducted a review of the scope, quality, results and performance of audit by the external auditors and its cost effectiveness, as well as the independence and objectivity of the external auditors. It also reviewed all non-audit services provided by the external auditors during the financial period, and the aggregate amount of fees paid to them for such services. Details of fees paid or payable to the external auditors in respect of audit and non-audit services for FY21 are set out in the table below:

Fees relating to external auditors for FY21	S$'000
For audit and audit-related services	349.7
For non-audit services	331.5
Total	681.2

The ARCC has conducted a review of all non-audit services provided by KPMG LLP during the financial period. The ARCC is satisfied that given the nature and extent of non-audit services provided and the fees for such services, neither the independence nor the objectivity of KPMG LLP is put at risk. KPMG LLP attended the ARCC meetings held every quarter for FY21, and where appropriate, has met with the ARCC without the presence of Management to discuss their findings, if any.

The Manager, on behalf of FCT, confirms that FCT has complied with Rule 712 of the SGX-ST Listing Manual which requires, amongst others, that a suitable auditing firm should be appointed by FCT having regard to certain factors. FCT has also complied with Rule 715 of the SGX-ST Listing Manual which requires that the same auditing firm of FCT based in Singapore audits its Singapore-incorporated subsidiaries and significant associated companies, and that a suitable auditing firm be engaged for its significant foreign-incorporated subsidiaries and associated companies.

In the review of the financial statements for FY21, the ARCC discussed the following key audit matters identified by the external auditors with Management:

Key Audit Matters	How this issue was addressed by the ARCC
Valuation of investment properties	The ARCC considered the methodologies and key assumptions applied by the valuers in arriving at the valuation of the properties. The ARCC reviewed the outputs from the financial year-end valuation process of the Group's investment properties and discussed the details of the valuation with Management, focusing on significant changes in fair value measurements and key drivers of the changes. The ARCC was satisfied with the valuation process, the methodologies used and the valuation for investment properties as adopted as at 30 September 2021.
Accounting of Acquisitions	For FY21, the Group acquired an additional 63.11% stake in AsiaRetail Fund Limited ("**ARF**") for an aggregate consideration of approximately S$1,060.3 million. The ARCC considered the methodologies and key assumptions used in estimating the fair values of significant identified assets and liabilities and the resulting allocation in the purchase price. The ARCC was satisfied that the acquisition of ARF has been appropriately accounted for as a business combination.

Corporate Governance Report

GOVERNANCE OF RISK AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls.

Enterprise Risk Management and Risk Tolerance

The Manager has established a sound system of risk management and internal controls comprising procedures and processes to safeguard FCT's assets and FCT's and its Unitholders' interests. The ARCC reviews and reports to the Board on the adequacy and effectiveness of such controls, including financial, compliance, operational and information technology controls, and risk management procedures and systems, taking into consideration the recommendations of both internal and external auditors.

Internal Controls

The ARCC, through the assistance of internal and external auditors, reviews and reports to the Board on the adequacy and effectiveness of the Manager's system of controls, including financial, compliance, operational and information technology controls. In assessing the effectiveness of internal controls, the ARCC ensures primarily that key objectives are met, material assets are properly safeguarded, fraud or errors (if any) in the accounting records are prevented or detected, accounting records are accurate and complete, and reliable financial information is prepared in compliance with applicable internal policies, laws and regulations.

A comfort matrix of key risks, by which relevant material financial, compliance and operational (including information technology) risks of FCT and the Manager have been documented to assist the Board to assess the adequacy and effectiveness of the existing internal controls. The comfort matrix is prepared with reference to the strategies, policies, processes, systems and reporting processes connected with the management of such key risks and presented to the Board and the ARCC.

The ARCC and the Board have been monitoring the impact of the ongoing COVID-19 pandemic on FCT's financials with increased scrutiny on potential high-risk areas such as capital and liquidity management and working closely with Management to ensure adequate cash flow and liquidity to sustain the Manager and FCT's operations on an ongoing basis. The ARCC and the Board are updated by Management regularly on the results of various scenario planning and stress testing to assess and track the possible impact on FCT's liquidity and cashflow. Capital and liquidity management remain priorities for the Manager and FCT.

Risk Management

The Board, through the ARCC, reviews the adequacy and effectiveness of the Manager's risk management framework to ensure that robust risk management and mitigating controls are in place. The Manager has adopted an enterprise-wide risk management ("**ERM**") framework to enhance its risk management capabilities. Key risks, control measures and management actions are continually identified, reviewed and monitored as part of the ERM process. Financial and operational key risk indicators are in place to track key risk exposures. Apart from the ERM process, key business risks are thoroughly assessed by Management and each significant transaction is comprehensively analysed so that Management understands the risks involved before it is embarked upon. An outline of the Manager's ERM framework and progress report is set out on pages 77 to 79.

Periodic updates are provided to the ARCC on FCT's and the Manager's risk profiles. These updates would involve an assessment of FCT's and the Manager's key risks by risk categories, current status, the effectiveness of any mitigating measures taken, and the action plans undertaken by Management to manage such risks.

In addition to the ERM framework, risk tolerance statements setting out the nature and extent of significant risks which the Manager is willing to take in achieving its strategic objectives have been formalised and adopted.

The Board has received assurance from the CEO and the CFO that as at 30 September 2021:

(a) the financial records of FCT have been properly maintained and the financial statements for FY21 give a true and fair view of FCT's operations and finances;

(b) the system of internal controls in place for FCT is adequate and effective to address financial, operational, compliance and information technology risks which the Manager considers relevant and material to FCT's operations; and

(c) the risk management system in place for FCT is adequate and effective to address risks which the Manager considers relevant and material to FCT's operations.

Board's Comment on Internal Controls and Risk Management Framework

Based on the internal controls established and maintained by the Manager, work performed by internal and external auditors, reviews performed by Management and the ARCC and assurance from the CEO and the CFO, the Board is of the view that the internal controls in place for FCT were adequate and effective as at 30 September 2021 to address financial, operational, compliance and information technology risks, which the Manager considers relevant and material to FCT's operations.

Based on the risk management framework established and adopted by the Manager, review performed by Management and assurance from the CEO and the CFO, the Board is of the view that the risk management system in place for FCT was adequate and effective as at 30 September 2021 to address risks which the Manager considers relevant and material to FCT's operations.

The Board notes that the system of internal controls and risk management provides reasonable, but not absolute, assurance that the Manager will not be adversely affected by any event that could be reasonably foreseen as it works to achieve its business objectives.

In this regard, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

The ARCC concurs with the Board's view that as at 30 September 2021, the internal controls of FCT (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective to address risks which the Manager considers relevant and material to FCT's operations.

Internal Audit

The internal audit function of the Manager is performed by FPL Group's internal audit department ("**FPL Group IA**"). FPL Group IA is responsible for conducting objective and independent assessments on the adequacy and effectiveness of the Manager's system of internal controls, risk management and governance practices. The Head of FPL Group IA reports directly to the ARCC, and administratively to the Group Chief Corporate Officer of FPL. The appointment and removal of FPL Group IA as the service provider of the Manager's internal audit function requires the approval of the ARCC.

The ARCC ensures that FPL Group IA complies with the standards set by nationally or internationally recognised professional bodies. In this regard, in performing internal audit services, FPL Group IA has adopted and complies with the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors, Inc.

The ARCC is also responsible for ensuring that the internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience. As at 30 September 2021, FPL Group IA comprised 22 professional staff. The Head of FPL Group IA and the Singapore-based FPL Group IA staff are members of The Institute of Internal Auditors, Singapore. To ensure that the internal audit activities are effectively performed, FPL Group IA recruits suitably qualified audit professionals with the requisite skills and experience. FPL Group IA staff members are given relevant training and development opportunities to update their technical knowledge and auditing skills. This includes attending relevant technical workshops and seminars organised by The Institute of Internal Auditors, Singapore and other professional bodies.

FPL Group IA operates within the framework of a set of terms of reference as contained in the Internal Audit Charter approved by the ARCC. It adopts a risk-based audit methodology to develop its audit plan, and its activities are aligned to key strategies of FCT. The results of the risk assessments determine the level of focus and the review intervals for the various activities audited. Higher risk areas are subject to more extensive reviews which are also carried out more frequently. FPL Group IA conducts its reviews based on the internal audit plan approved by the ARCC. FPL Group IA has unfettered access to all of FCT's and the Manager's documents, records, properties and personnel, including access to the ARCC members, and has appropriate standing with FCT and the Manager. All audit reports detailing audit findings and recommendations are provided to Management who would respond with the actions to be taken.

Each quarter, FPL Group IA submits reports to the ARCC on the status of completion of the audit plan, audit findings noted from reviews performed, and status of Management's action plans to address such findings, including implementation of the audit recommendations. The ARCC is satisfied that for FY21, FPL Group IA is independent, effective, adequately resourced, and has appropriate standing within FCT and the Manager to perform its functions effectively. Quality assurance reviews on FPL Group's internal audit function are periodically carried out by qualified professionals from an external organisation. The last review was performed in the financial year ended 30 September 2018. Where required, the ARCC will make recommendations to the Board to ensure that FPL Group IA remains an adequate, effective and independent internal audit function.

Corporate Governance Report

Related/Interested Person Transactions

The Manager has established internal processes such that the Board, with the assistance of the ARCC, is required to be satisfied that all Related/Interested Person Transactions are undertaken on normal commercial terms, and are not prejudicial to the interests of FCT and the Unitholders. This may entail obtaining (where practicable) quotations from parties unrelated to the Manager, or obtaining one or more valuations from independent professional valuers (in accordance with the Property Funds Appendix). Directors who are interested in any proposed Related/Interested Person Transaction to be entered into by FCT are required to abstain from any deliberations or decisions in relation to that Related/Interested Person Transaction.

All Related/Interested Person Transactions are entered in a register maintained by the Manager. The Manager incorporates into its internal audit plan a review of the Related/Interested Person Transactions recorded in the register to ascertain that internal procedures and requirements of the SGX-ST Listing Manual and Property Funds Appendix have been complied with. The ARCC reviews the internal audit reports at least twice a year to ascertain that the guidelines and procedures established to monitor Related/Interested Person Transactions have been complied with. The review includes the examination of the nature of the Related/Interested Person Transactions and its supporting documents or such other data deemed necessary by the ARCC. In addition, the Trustee also has the right to review any such relevant internal audit reports to ascertain that the Property Funds Appendix has been complied with.

Any Related/Interested Person Transaction proposed to be entered into between FCT and an interested person, would require the Trustee to satisfy itself that such Related/Interested Person Transaction is conducted on normal commercial terms, is not prejudicial to the interests of FCT and its Unitholders, and is in accordance with all applicable requirements of the CIS Code and the SGX-ST Listing Manual.

Whistle-Blowing Policy

The Manager has put in place a whistle-blowing policy (the "**Whistle-Blowing Policy**"). The Whistle-Blowing Policy provides an independent feedback channel through which matters of concern about possible improprieties, misconduct or wrongdoing relating to FCT, the Manager and its officers in matters of financial reporting, suspected fraud and corruption or other matters may be raised by employees and any other persons in confidence and in good faith, without fear of reprisal. Whistle-Blowers may report any matters of concern by mail, email or calling a hotline, details of which are provided in the Whistle-Blowing Policy, which is available on FCT's website. Any report submitted through this channel would be received by the Head of the internal audit function and the Manager has designated FPL Group IA, an independent function, to investigate all whistle-blowing reports made in good faith. FPL is committed to ensuring that whistle-blowers will be treated fairly, and protected from reprisals, victimisation or any otherwise detrimental or unfair treatment for whistle-blowing in good faith. The Manager will treat all information received confidentially and protect the identity of all whistle-blowers.

The improprieties, misconduct or wrongdoing that are reportable under the Whistle-Blowing Policy include: (a) financial or professional misconduct; (b) improper conduct, dishonest, fraudulent or unethical behaviour; (c) any irregularity or non-compliance with laws/regulations or the Manager's policies and procedures, and/or internal controls; (d) violence at the workplace, or any conduct that may threaten health and safety; (e) corruption or bribery; (f) conflicts of interest; and (g) any other improprieties or matters that may adversely affect Unitholders'/shareholders' interests in, and assets of, FCT/the Manager as well as FCT's/the Manager's reputation. The Whistle-Blowing Policy is covered and explained in detail during staff training, including the procedures for raising concerns. All whistle-blowing complaints raised are independently investigated and if appropriate, an investigation committee will be constituted. The outcome of each investigation and any action taken is reported to the ARCC. The ARCC, which is responsible for oversight and monitoring of whistle-blowing, reviews and ensures that independent investigations and any appropriate follow-up actions are carried out.

UNITHOLDER MATTERS

The Manager treats all Unitholders fairly and equitably in order to enable them to exercise their Unitholders' rights and have the opportunity to communicate their views on matters affecting FCT. Unitholders are also given accurate, objective and timely and assessment of FCT's performance, financial position and prospects. The Manager provides regular updates via SGXNET announcements and on its websites and via participation in outreach retail investors events hosted by the Securities Investors Association (Singapore) or the SGX-ST. Unitholders and investors can also contact the investor relations contact person at FCT to provide their feedback or submit enquiries. The AGMs provide a platform for Unitholders to communicate their views to FCT Board and management on various matters affecting FCT.

Corporate Governance Report

Investor Relations

The Manager prides itself on its high standards of disclosure and corporate transparency. The Manager aims to provide accurate, objective and timely information regarding FCT's performance and progress and matters concerning FCT and its business which are likely to materially affect the price or value of the Units or are likely to influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell the Units, to Unitholders and the investment community, to enable them to make informed investment decisions.

The Manager's dedicated Investor Relations ("**IR**") manager is tasked with, and focuses on, facilitating communications between FCT and its Unitholders, as well as with the investment community, analysts and media. Contact details of the IR manager ("**IR Contact**") are available on FCT's website at https://www.frasersproperty.com/reits/fct for Unitholders, investors and other stakeholders to channel their comments and queries. The IR policy also sets out the mechanism through which Unitholders may contact the Manager with questions and through which the Manager may respond to such questions.

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 FCT's website. Announcements through SGXNET and FCT's website are the principal media of communication with Unitholders. In the interim business updates for the first and third quarters of each financial year, the Manager provides, *inter alia*, a discussion of the significant factors that affected FCT's interim performance as well as relevant market trends, including the risks and opportunities that may have a material impact on FCT's prospects. Such information provides Unitholders a better understanding of FCT's performance in the context of the current business environment.

The Management (including the IR manager), participates in investor conferences, roadshows, and one-on-one meetings (including virtual meetings) to keep the investment community informed of FCT's corporate developments, financial and operational performance and strategies and in order to solicit and understand the views of Unitholders and investors. Analysts' briefings, conference calls and/or investors' post-results calls were conducted after the announcements of FY21 financial results/business updates for each quarter. Audio casts of the Manager's presentations of FCT's half year and full year results are available on FCT's website on the day of release of the respective results.

Details of the IR activities during the year can be found in the Investor Relations section of this Annual Report on pages 22 to 23.

An electronic copy of this Annual Report is available on FCT's website at https://fct.frasersproperty.com/publications.html. Unitholders can also request for printed copies of this Annual Report via IR Contact.

The Trust Deed is also available for inspection upon request at the Manager's office[4].

Conduct of general meetings

In view of the COVID-19 pandemic, the 12th Annual General Meeting ("**AGM 2021**") was convened and held by way of electronic means on 21 January 2021, pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 ("**COVID-19 Temporary Measures Order**"). The alternative arrangements put in place for the conduct of AGM 2021 included attendance at the AGM via electronic means where Unitholders could observe and/or listen to the AGM proceedings via live audio-visual webcast or live audio-only stream, submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions prior to the AGM and voting by appointing the Chairman of the Meeting as proxy. All the Directors attended AGM 2021 either in-person or via electronic means.

4 Prior appointment with the Manager is appreciated.

Corporate Governance Report

In view of the ongoing COVID-19 situation in Singapore, the forthcoming 13th Annual General Meeting ("**AGM 2022**") will again be convened and held by way of electronic means on 18 January 2022, pursuant to the COVID-19 Temporary Measures Order. The same alternative arrangements for the AGM will be put in place as last year except that this year, Unitholders will additionally be able to submit questions to the Chairman of the Meeting "live" at the AGM. The description below sets out FCT's usual practice for Unitholders meetings prior to AGM 2021 when there were no pandemic risks and the COVID-19 Temporary Measures Order was not in operation.

The Board supports and encourages active Unitholder participation at AGMs as it believes that general meetings serve as an opportune forum for Unitholders to meet the Board and senior Management, and to interact with them. As and when an extraordinary general meeting is convened, a circular is sent to Unitholders, containing details of the matters proposed for Unitholders' consideration and approval. To encourage participation, FCT's general meetings are held at convenient locations. Unitholders are given the opportunity to participate effectively and vote at FCT's general meetings, where relevant rules and procedures governing such meetings (for instance, how to vote) are clearly communicated prior to the start of the meeting. Unitholders such as nominee companies which provide custodial services for securities are not constrained by the two proxy limitation, and are able to appoint more than two proxies to attend, speak and vote at general meetings of FCT.

The Manager generally provides Unitholders with longer than the minimum notice period required for general meetings. The Manager tries its best not to schedule AGMs during peak periods when these might coincide with the AGMs of other listed companies. The Manager gives our Unitholders the necessary information on each resolution so as to enable them to exercise their votes on an informed basis.

At general meetings, the Manager sets out separate resolutions on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. In the event where resolutions are bundled, the Manager will explain the reasons and material implications in the relevant notice of meeting. Unitholders are given the opportunity to raise questions and clarify any issues that they may have relating to the resolutions sought to be passed.

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 voting results of all votes cast for, against, or abstaining from each resolution is then screened at the meeting and announced via SGXNET 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. As the authentication of Unitholder identity and other related security and integrity issues remain a concern, for FY21, the REIT Manager did not implement absentia voting methods such as voting via mail, email or fax.

At the AGM, the Manager will make a presentation to update Unitholders on FCT's financial and operational performance for the financial year. The presentation materials are made available on SGXNET and FCT's website before the commencement of the AGM for the benefit of Unitholders.

Board members and senior Management are present at, and for the entire duration of, each Unitholders' meeting to respond to any questions from Unitholders, unless they are unable to attend due to exigencies. Certain external consultants including FCT's external auditors are also present to address queries about the conduct of audit and the preparation and content of the auditors' report.

The Chairman of the meeting is tasked with facilitating constructive dialogue between the Unitholders and the Board, Management and the external auditors. Where appropriate, the Chairman allows specific Directors, such as the respective Board Committee chairmen, to answer queries on matters related to their roles. Unitholders are also given an opportunity to interact with the Directors before and/or after general meetings.

The minutes of Unitholders' meetings which include 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. The minutes will be available on FCT's website after the Board's approval.

Distributions

FCT's distribution policy is to distribute at least 90.0% of its taxable income, comprising substantially its income from the letting of its properties and related property maintenance services income after deduction of allowable expenses and such distributions are typically paid on a half-yearly basis. For FY21, the distribution for the first half-year (for the period from 1 October 2020 to 31 March 2021) was made on 4 December 2020 and on 28 May 2021[5]. The distribution for the second half-year (for the period from 1 April 2021 to 30 September 2021) was made on 29 November 2021.

STAKEHOLDER ENGAGEMENT

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 FCT are served. Stakeholders are parties who may be affected by FCT's or the Manager's activities or whose actions can affect the ability of FCT or the Manager to conduct its activities.

Sustainability

In order to review and assess the material factors relevant to FCT's business activities, the Manager from time to time proactively engages with various stakeholders, including employees, vendors and tenants, and the investment community, to gather feedback on the sustainability matters which have significant impact to the business and operations of FCT and its stakeholders. Please refer to the Sustainability Report on pages 80 to 108 of this Annual Report, which sets out information on the Manager's arrangements to identify and engage with its material stakeholder groups and to manage its relationships with such groups, and the Manager's strategy and key areas of focus in relation to the management of stakeholder relationships during FY21.

Code of Business Conduct

The conduct of employees of the Manager is governed by the FPL Code of Business Conduct. The FPL Group's business practices are governed by integrity, honesty, fair dealing and compliance with applicable laws. To guide FPL Group's employees across its multi-national network to uphold these values, FPL has established the FPL Code of Business Conduct to provide clear guidelines on ethics and relationships to safeguard the interests and reputation of the FPL Group, including the Manager, as well as its stakeholders.

The Code of Business Conduct covers key aspects such as avoiding conflicts of interest, working with external stakeholders (including customers, suppliers, business partners, governments and regulatory officials), protecting company's assets, social media engagement, data privacy and upholding laws in countries where the FPL Group has geographical presence in. The Code of Business Conduct also emphasises the importance of upholding FPL's core values to build a respectful culture. Employees are encouraged to be respectful to the elements that make people similar or different from one another, including background, views, experiences, capabilities, values, beliefs, physical differences, ethnicity and culture, gender, age, thinking styles, preferences and behaviours.

The Code of Business Conduct sets out the policies and procedures dealing with various issues such as conflicts of interests, the maintenance of records and reports, equal employment opportunities and sexual harassment. It includes requirements relating to the keeping of accurate and sufficiently detailed accounting records for financial transactions, internal financial reporting and financial reporting to stakeholders, sets out the standards to which employees must adhere in their business relationships with third parties and personal business undertakings and their obligations to the FPL Group, and provides for the need to obtain approval in certain situations where a conflict of interest may arise. It also covers an employee's obligations in protecting the FPL Group's confidential information and intellectual property and reiterates the FPL Group's zero tolerance approach to bribery and corruption.

Where applicable/appropriate, the Code of Business Conduct is also made available to other stakeholders such as the Manager's agents, suppliers, business associates and customers.

5 There was a distribution made on 4 December 2020 at a distribution per Unit of 0.132 Singapore cents for the period from 1 October 2020 to 6 October 2020 accrued prior to the issuance of new Units on 7 October 2020 pursuant to an equity fund raising announced on 28 September 2020. A further distribution was made on 28 May 2021 at a distribution per Unit of 5.864 Singapore cents for the period from 7 October 2020 to 31 March 2021.

Corporate Governance Report

Anti-Money Laundering and Countering the Financing of Terrorism Measures

The Manager has a policy and procedures in place to comply with applicable anti-money laundering, counter-terrorism financing laws and regulations, including the notice and guidelines issued by the MAS to capital intermediaries on the prevention of money laundering and countering the financing of terrorism. The Manager's policy and procedures include, but are not limited to, risk assessment and mitigation, customer due diligence, reporting of suspicious transactions, and record keeping. Training on anti-money laundering, counter-terrorism financing laws and regulations are also conducted for employees, officers and representatives periodically and as and when needed.

Business Continuity Management

FCT has in place a Group Business Continuity Management ("**BCM**") Policy which references the requirements of ISO22301 management system. The policy sets the directives and guides the Manager in implementing and maintaining a BCM management programme to protect against, reduce the likelihood of the occurrence of, prepare for, respond to and recover from disruptions when they arise.

The Manager has in FY21, enhanced its BCM programme which has boosted its resilience and capability in responding, managing, and recovering from adverse business disruptions and unforeseen catastrophic events. Management has strengthened its Crisis Management Plan, Business Continuity Plans and Emergency Response Plans to prepare itself in case of disruptions that may negatively impact on the business of FCT. Under the programme, critical business functions, key processes, resource requirements and business recovery strategies are identified. Annual tests, exercises (tabletop or simulated) and drills, simulating different scenarios, will be carried out to assess the effectiveness of the abovementioned plans. The Manager's Crisis Management Team and staff are trained periodically, and the plans under the BCM are updated regularly. The BCM programme ensures FCT stays resilient in the face of a crisis. It is a holistic approach to minimise adverse business impact and to safeguard FCT's reputation and business operations.

The Code of Business Conduct, the BCM Policy and the other policies mentioned above, are accessible to all employees on the FPL Group intranet.

POLICY ON DEALINGS IN SECURITIES

The Manager has established a dealing policy on securities trading ("**Dealing Policy**") setting out the procedure for dealings in FCT's securities by its Directors, officers and employees. In compliance with Rule 1207(19) of the SGX-ST Listing Manual on best practices on dealing in securities, the Group issues reminders to its Directors, officers and employees on the restrictions in dealings in listed securities of the Group during the period commencing (a) two weeks prior to the announcement of the interim business updates of the first and third quarters of the financial year, and (b) one month before the announcement of the half-year and full year results, and ending on the date of such announcements (the "**Prohibition Period**"). Directors, officers and employees are also reminded not to trade in listed securities of FCT at any time while in possession of unpublished price sensitive information and to refrain from dealing in FCT's securities on short-term considerations. Pursuant to the SFA, Directors and the CEO are also required to report their dealings in FCT's securities within two business days.

Every quarter, each Director, officer and employee is required to complete and submit a declaration form to the designated compliance officer to report any trades he/she made in Units in the previous quarter and confirm that no trades were made during the Prohibition Period. A quarterly report will be provided to the ARCC. Any non-compliance with the Dealing Policy will be reported to the ARCC for its review and instructions.

In compliance with the Dealing Policy in relation to the Manager, prior approval from the Board is required before the Manager deals or trades in Units. The Manager has undertaken that it will not deal in Units:

(i) during the Prohibition Period; or

(ii) whenever it is in possession of unpublished price sensitive information/material in relation to those securities.

Corporate Governance Report

ADDITIONAL DISCLOSURE ON FEES PAYABLE TO THE MANAGER

Pursuant to the Trust Deed, the Manager is entitled to receive the following fees:

Type of Fee	Computation and Form of Payment	Rationale and Purpose
Base Fee	Pursuant to Clause 15.1.1 of the Trust Deed, the Manager is entitled to receive a Base Fee not exceeding the rate of 0.3% per annum of the Value of FCT's Deposited Property. The Base Fee is payable quarterly in the form of cash and/or Units as the Manager may elect.	The Base Fee compensates the Manager for the costs incurred in managing FCT, which includes overheads, day-to-day operational costs, compliance, monitoring and reporting costs as well as administrative expenses. The Base Fee is calculated at a fixed percentage of asset value as the scope of the Manager's duties is commensurate with the size of FCT's asset portfolio.
Performance Fee	Pursuant to Clause 15.1.2 of the Trust Deed, the Manager is entitled to receive a Performance Fee equal to a rate of 5.0% per annum of the Net Property Income of FCT (calculated before accounting for the Performance Fee in that financial year) or (as the case may be) Special Purpose Vehicles for each Financial Year accrued to the Manager and remaining unpaid. The Performance Fee is payable in the form of cash and/or Units as the Manager may elect. With effect from 1 October 2016, the Performance Fee shall be paid annually, in compliance with the Property Funds Appendix.	The Performance Fee, which is based on Net Property Income, aligns the interests of the Manager with Unitholders as the Manager is incentivised to proactively focus on improving rentals and optimising the operating costs and expenses of FCT's properties. Linking the Performance Fee to Net Property Income will also motivate the Manager to ensure the long-term sustainability of the assets instead of taking on excessive short-term risks to the detriment of Unitholders.
Acquisition Fee	Pursuant to Clause 15.2.1(i) of the Trust Deed, the Manager is entitled to receive an Acquisition Fee not exceeding the rate of 1.0% of the acquisition price upon the completion of an acquisition Subject to the Property Funds Appendix, the Acquisition Fee is payable as soon as practicable after completion of the acquisition in the form of cash and/or Units as the Manager may elect.	The Acquisition Fee and Divestment Fee seek to motivate and compensate the Manager for the time, cost and effort spent (in the case of an acquisition) in sourcing, evaluating and executing potential opportunities to acquire new properties to further grow FCT's asset portfolio or, (in the case of a divestment) in rebalancing and unlocking the underlying value of the existing properties. The Manager provides these services over and above the provision of ongoing management services with the aim of enhancing long-term returns, income sustainability and achieving the investment objectives of FCT. The Acquisition Fee is higher than the Divestment Fee because there is additional work required to be undertaken in terms of sourcing, evaluating and conducting due diligence for an acquisition, as compared to a divestment.

Corporate Governance Report

ADDITIONAL DISCLOSURE ON FEES PAYABLE TO THE MANAGER (CONT'D)

Type of Fee	Computation and Form of Payment	Rationale and Purpose
Divestment Fee	Pursuant to Clause 15.2.1(ii) of the Trust Deed, the Manager is entitled to receive a Divestment Fee not exceeding the rate of 0.5% of the sale price upon the completion of a sale or disposal. Subject to the Property Funds Appendix, the Divestment Fee is payable as soon as practicable after completion of the sale or disposal in the form of cash and/or Units as the Manager may elect.	

Note:

Capitalised terms used in this section shall have the same meanings ascribed to them in the Trust Deed.

SUMMARY OF COMPLIANCE WITH EXPRESS DISCLOSURE REQUIREMENTS IN PRINCIPLES AND PROVISIONS OF CG CODE

Principles and Provisions of the 2018 Code of Corporate Governance		Page Reference of Annual Report 2021
BOARD'S CONDUCT OF AFFAIRS		
Provision 1.2	Induction, training and development provided to new and existing Directors	117
Provision 1.3	Matters requiring Board approval	115 to 117
Provision 1.4	Names of Board Committee members, terms of reference of Board Committees, any delegation of Board's authority to make decisions and a summary of each Board Committee's activities	112 to 117
Provision 1.5	Number of Board and Board Committee meetings and each individual Directors' attendances at such meeting	115
BOARD COMPOSITION AND GUIDANCE		
Provision 2.2	The Board diversity policy and progress made towards implementation of the policy, including objectives	121

SUMMARY OF COMPLIANCE WITH EXPRESS DISCLOSURE REQUIREMENTS IN PRINCIPLES AND PROVISIONS OF CG CODE (CONT'D)

Principles and Provisions of the 2018 Code of Corporate Governance		Page Reference of Annual Report 2021
BOARD MEMBERSHIP		
Provision 4.3	Process for the selection, appointment and re-appointment of Directors to the Board, including the criteria used to identify and evaluate potential new Directors and channels used in searching for appropriate candidates	114 and 118 to 120
Provision 4.4	Relationships that independent Directors have with FCT, its related corporations, its substantial Unitholders or its officers, if any, which may affect their independence, and the reasons why the Board, having taken into account the views of the NRC, has determined that such Directors are still independent	121 to 124
Provision 4.5	Listed company directorships and principal commitments of each Director, and where a Director holds a significant number of such directorships and commitments, the NRC's and Board's reasoned assessment of the ability of the Director to diligently discharge his or her duties	16 to 19 and 121 to 124
BOARD PERFORMANCE		
Provision 5.2	How the assessments of the Board, its Board Committees and each Director have been conducted, including the identity of any external facilitator and its connection, if any, with the Manager or any of its Directors	114 to 125
PROCEDURES FOR DEVELOPING REMUNERATION POLICIES		
Provision 6.4	Engagement of any remuneration consultants and their independence	126 and 129

Corporate Governance Report

SUMMARY OF COMPLIANCE WITH EXPRESS DISCLOSURE REQUIREMENTS IN PRINCIPLES AND PROVISIONS OF CG CODE (CONT'D)

Principles and Provisions of the 2018 Code of Corporate Governance		Page Reference of Annual Report 2021
DISCLOSURE ON REMUNERATION		
Provision 8.1	Policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of: (a) each individual Director and the CEO; and (b) at least the top five key management personnel (who are not Directors or the CEO) in bands no wider than S$250,000 and in aggregate the total remuneration paid to these key management personnel	125 to 131
Provision 8.2	Names and remuneration of employees who are substantial shareholders of the Manager or substantial Unitholders, or are immediate family members of a Director, the CEO or such a substantial shareholder or substantial Unitholder, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000. The employee's relationship with the relevant Director or the CEO or substantial shareholder or substantial Unitholder should also be stated.	131
Provision 8.3	All forms of remuneration and other payments and benefits, paid by the Manager and its subsidiaries to Directors and Key Management Personnel	125 to 131
RISK MANAGEMENT AND INTERNAL CONTROLS		
Provision 9.2	Board's assurance from: (a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the REIT's operations and finances; and (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the REIT's risk management and internal control systems.	133

SUMMARY OF COMPLIANCE WITH EXPRESS DISCLOSURE REQUIREMENTS IN PRINCIPLES AND PROVISIONS OF CG CODE (CONT'D)

Principles and Provisions of the 2018 Code of Corporate Governance		Page Reference of Annual Report 2021
UNITHOLDER RIGHTS AND ENGAGEMENT		
UNITHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS		
Provision 11.3	Directors' attendance at general meetings of Unitholders held during the financial year	116 and 136 to 137
ENGAGEMENT WITH UNITHOLDERS		
Provision 12.1	Steps taken by the Manager to solicit and understand the views of Unitholders	135 to 137
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Financial Statements Contents

Report of The Trustee

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of Frasers Centrepoint Trust (the "Trust") and its subsidiaries (collectively, the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units"). In accordance with the Securities and Futures Act, Chapter 289 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of Frasers Centrepoint Asset Management Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 5 June 2006 (as amended by a first supplemental deed dated 4 October 2006, a first amending and restating deed dated 7 May 2009, a second supplemental deed dated 22 January 2010, a third supplemental deed dated 17 December 2015, a fourth supplemental deed dated 19 January 2017 and a fifth supplemental deed dated 24 January 2018) (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 period covered by these financial statements set out on pages 153 to 223, 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,
HSBC Institutional Trust Services (Singapore) Limited

Authorised Signatory

Singapore
23 November 2021

Statement by The Manager

In the opinion of the directors of Frasers Centrepoint Asset Management Ltd., the accompanying financial statements set out on pages 153 to 223, comprising the consolidated balance sheet and consolidated portfolio statement of the Group and the balance sheet of the Trust as at 30 September 2021, and the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in unitholders' funds and reserves and consolidated cash flow statement of the Group and the statement of total return, distribution statement, statement of movements in unitholders' funds and reserves of the Trust for the year then ended, and notes to the financial statements, including a summary of significant accounting policies are drawn up so as to present fairly, in all material respects, the consolidated financial position and the consolidated portfolio holdings of the Group and the financial position of the Trust as at 30 September 2021, the consolidated total return, consolidated distributable income, consolidated movements in unitholders' funds and reserves and consolidated cash flows of the Group and the total return, distributable income, movements in unitholders' funds and reserves of the Trust for the year then ended, 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. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet their financial obligations as and when they materialise.

For and on behalf of the Manager,
Frasers Centrepoint Asset Management Ltd.

Dr Cheong Choong Kong
Director

Low Chee Wah
Director

Singapore
23 November 2021

Independent Auditors' Report

To the Unitholders
Frasers Centrepoint Trust
(Constituted under a Trust Deed (as amended) in the Republic of Singapore)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Frasers Centrepoint Trust (the "Trust") and its subsidiaries (the "Group"), which comprise the consolidated balance sheet and consolidated portfolio statement of the Group and the balance sheet of the Trust as at 30 September 2021, the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in unitholders' funds and reserves and consolidated cash flow statement of the Group and the statement of total return, distribution statement and statement of movements in unitholders' funds and reserves of the Trust for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 153 to 223.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet, statement of total return, distribution statement and statement of movements in unitholders' funds and reserves of the Trust present fairly, in all material respects, the consolidated financial position and the consolidated portfolio holdings of the Group and the financial position of the Trust as at 30 September 2021 and the consolidated total return, consolidated distributable income, consolidated movements in unitholders' funds and reserves and consolidated cash flows of the Group and the total return, distributable income and movements in unitholders' funds and reserves of the Trust for the year ended on that date in accordance with the recommendations of Statement of Recommended Accounting Practice 7 ("RAP 7") *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants (the "ISCA").

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 ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have 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 period. 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

To the Unitholders
Frasers Centrepoint Trust
(Constituted under a Trust Deed (as amended) in the Republic of Singapore)

<u>Valuation of investment properties</u>
(Refer to Portfolio Statement and Note 4 to the financial statements)

Risk

The Group owns suburban retail malls and an office space located all around Singapore that are leased to third parties under operating leases. As at 30 September 2021, the investment properties, with carrying amount of $5.50 billion, represent the single largest asset category on the consolidated balance sheet of the Group.

The investment properties are stated at their fair values based on independent external valuations. The valuation process is considered a key audit matter because it involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are sensitive to key assumptions applied and a change in the assumptions may have a significant impact on the valuations.

Our response

We evaluated the qualifications and competence of the external valuers. We considered the valuation methodologies used against those applied by other valuers for similar property types. We evaluated the appropriateness of the key assumptions used in the valuations by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. Where the assumptions were outside the expected range, we undertook further procedures to understand the effect of additional factors taken into account in the valuation.

Our findings

The external valuers are members of generally-recognised professional bodies for valuers and have considered their own independence in carrying out their work. The valuation methodologies used were in line with generally accepted market practices and the key assumptions used were within the range of market data. Where the assumptions were outside the expected range, the additional factors considered by the external valuers were consistent with other corroborative evidence.

<u>Accounting of acquisitions</u>
(Refer to Note 8 to the financial statements)

Risk

The Group makes acquisitions as part of its business strategy. For the financial year ended 30 September 2021, the Group acquired an additional 63.11% stake in AsiaRetail Fund Limited ("ARF") for an aggregate consideration of approximately $1,060.3 million.

The acquisition is considered a key audit matter as this is a significant non-routine transaction and requires management's judgement in determining whether the acquisition is a business combination or an acquisition of assets, given the accounting treatment is different in each case. The Group accounted for the acquisition as a business combination.

Independent Auditors' Report

To the Unitholders
Frasers Centrepoint Trust
(Constituted under a Trust Deed (as amended) in the Republic of Singapore)

Our response

We have assessed the accounting of the acquisitions by examining the transaction agreements to understand the key terms of the transaction.

We assessed the allocation of the purchase price to significant identified assets and liabilities acquired. We compared the methodologies and key assumptions used in deriving the significant allocated values to generally accepted market practices and market data.

Our findings

The step acquisition of ARF has been appropriately accounted for as a business combination. The methodologies and key assumptions used in estimating the fair values of significant identified assets and liabilities and the resulting allocation in the purchase price were appropriate.

Other Information

Frasers Centrepoint Asset Management Ltd., the Manager of the Trust (the "Manager"), is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report except for the Sustainability Report and the Statistics of Unitholdings (the "Report") which is expected to be made available to us after that date.

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.

When we read the Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Manager and take appropriate actions in accordance with SSAs.

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 ISCA, 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 of the Group, or has no realistic alternative but to do so.

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

Independent Auditors' Report

To the Unitholders
Frasers Centrepoint Trust
(Constituted under a Trust Deed (as amended) in the Republic of Singapore)

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.

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 Manager's use of the going concern basis of accounting 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Independent Auditors' Report

To the Unitholders
Frasers Centrepoint Trust
(Constituted under a Trust Deed (as amended) in the Republic of Singapore)

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and 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 period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes 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 Sarina Lee.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
23 November 2021

Balance Sheets

As at 30 September 2021

	Note	Group 2021 $'000	Group 2020 $'000	Trust 2021 $'000	Trust 2020 $'000
Non-current assets					
Investment properties	4	5,506,500	2,749,500	2,441,500	2,749,500
Fixed assets	5	175	229	175	229
Investment in subsidiaries	6	–	–	1,447,600	190,200
Investment in associates	7	46,494	696,406	46,494	62,784
Investment in joint ventures	9	294,399	177,197	287,436	173,626
Loan to joint venture	9	–	113,810	–	113,810
		5,847,568	3,737,142	4,223,205	3,290,149
Current assets					
Trade and other receivables	10	8,995	9,686	463,205	191,533
Cash and cash equivalents	11	42,234	28,583	14,661	27,958
Asset held for sale	12	–	108,000	–	108,000
		51,229	146,269	477,866	327,491
Total assets		5,898,797	3,883,411	4,701,071	3,617,640
Current liabilities					
Trade and other payables	13	75,843	43,277	117,840	43,286
Financial derivatives	14	1,281	466	1,281	466
Current portion of security deposits		38,981	16,856	13,288	16,856
Deferred income	15	–	1	–	1
Interest-bearing borrowings	16	204,827	255,000	204,827	255,000
Provision for taxation		1,266	86	–	–
Liabilities held for sale	12	–	1,427	–	1,427
		322,198	317,113	337,236	317,036
Non-current liabilities					
Financial derivatives	14	1,855	6,901	1,855	6,901
Interest-bearing borrowings	16	1,604,089	997,308	547,731	807,164
Non-current portion of security deposits		45,207	23,813	19,995	23,813
Deferred tax liabilities	17	6,640	–	–	–
		1,657,791	1,028,022	569,581	837,878
Total liabilities		1,979,989	1,345,135	906,817	1,154,914
Net assets		3,918,808	2,538,276	3,794,254	2,462,726
Represented by:-					
Unitholders' funds		3,941,493	2,562,605	3,796,362	2,467,368
Translation reserve	18	(20,077)	(18,999)	–	–
Hedging reserve	19	(2,608)	(5,330)	(2,108)	(4,642)
Unitholders' funds and reserves		3,918,808	2,538,276	3,794,254	2,462,726
Units in issue ('000)	20	1,699,268	1,119,447	1,699,268	1,119,447
Net asset value per Unit ($)	21	2.30	2.27	2.23	2.20

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Total Return

For the financial year ended 30 September 2021

	Note	Group		Trust	
		2021 $'000	2020 $'000	2021 $'000	2020 $'000
Gross revenue	22	341,149	164,377	169,480	164,377
Property expenses	23	(94,582)	(53,489)	(47,832)	(53,489)
Net property income		246,567	110,888	121,648	110,888
Interest income		119	14	15	14
Other income	24	341	586	–	–
Interest income from joint venture		801	2,211	801	2,211
Borrowing costs	25	(45,938)	(27,603)	(19,806)	(23,498)
Asset management fees	26	(32,389)	(18,430)	(29,358)	(18,430)
Valuation fees		(109)	(121)	(85)	(121)
Trustee's fees		(1,023)	(577)	(492)	(577)
Audit fees		(240)	(138)	(160)	(136)
Other professional fees		(1,684)	(768)	(531)	(762)
Other charges		(664)	(655)	(548)	(633)
Net income		165,781	65,407	71,484	68,956
Distributions from subsidiaries		–	–	60,599	11,909
Distributions from an associate		–	–	383	1,629
Distributions from joint ventures		–	–	16,092	10,579
Share of results of associates	7	(1,386)	75,280	–	–
Share of results of joint ventures	9	16,886	11,200	–	–
Impairment loss on investment in an associate		(11,976)	–	(16,291)	(1,824)
(Loss)/surplus on revaluation of investment properties	4	(3,298)	4,747	(3,711)	4,747
Gain/(loss) from fair valuation of derivatives		2,948	(1,095)	1,510	(1,095)
Net gain on step acquisition		11,470	–	–	–
Expenses in relation to acquisitions of subsidiaries and an associate		(25,318)	(3,781)	(25,318)	(3,781)
Net foreign exchange loss		(21)	–	–	–
Gain on disposal of investment properties		17,156	–	17,155	–
Total return before tax		172,242	151,758	121,903	91,120
Taxation	27	(3,609)	(82)	–	–
Total return for the year		168,633	151,676	121,903	91,120
Earnings per Unit (cents)	28				
Basic		10.10	13.57	7.30	8.15
Diluted		10.08	13.55	7.29	8.14

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Distribution Statements

For the financial year ended 30 September 2021

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Income available for distribution to Unitholders at beginning of year	48,942	32,551	48,939	32,548
Net income	165,781	65,407	71,484	68,956
Net tax and other adjustments (Note A)	15,784	(8,011)	12,104	8,073
Distributable income of subsidiaries	–	–	80,874	–
Distribution from subsidiaries	–	–	23,737	11,909
Distributions from associates	7,017	33,171	383	1,629
Distributions from joint ventures	16,092	10,579	16,092	10,579
Distributable income for the year	204,674	101,146	204,674	101,146
Income available for distribution to Unitholders	253,616	133,697	253,613	133,694
Distributions to Unitholders:				
Distribution of 2.913 cents per Unit for period from 1/7/2019 to 30/9/2019	–	32,553	–	32,553
Distribution of 3.060 cents per Unit for period from 1/10/2019 to 31/12/2019	–	34,202	–	34,202
Distribution of 1.610 cents per Unit for period from 1/1/2020 to 31/3/2020	–	18,000	–	18,000
Distribution of 4.372 cents per Unit for period from 1/4/2020 to 30/9/2020	48,942	–	48,942	–
Distribution of 0.132 cents per Unit for period from 1/10/2020 to 6/10/2020	1,478	–	1,478	–
Distribution of 5.864 cents per Unit for period from 7/10/2020 to 31/3/2021	99,623	–	99,623	–
	150,043	84,755	150,043	84,755
Income available for distribution to Unitholders at end of year	103,573	48,942	103,570	48,939
Distribution per unit (cents) *	12.085	9.042	12.085	9.042
Note A – Net tax and other adjustments relate to the following items:				
– Asset management fees paid/payable in Units	6,478	4,798	6,478	4,798
– Amortisation of loan arrangement fees	3,217	1,347	1,058	1,060
– Amortisation of lease incentives	1,582	1,436	(51)	1,436
– Deferred income and amortisation of rental deposits	–	1	–	1
– Other items	4,507	(15,593)	4,619	778
Net tax and other adjustments	15,784	(8,011)	12,104	8,073

* The distribution relating to the second half of 2021 will be paid after 30 September 2021.

Statements of Movements in Unitholders' Funds and Reserves

For the financial year ended 30 September 2021

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Net assets at beginning of year	2,538,276	2,471,059	2,462,726	2,454,234
Operations				
Total return for the year	168,633	151,676	121,903	91,120
Unitholders' transactions				
Creation of Units				
– proceeds from equity fund raising	1,334,657	–	1,334,657	–
– issued/issuable as satisfaction of asset management fees	6,478	4,798	6,478	4,798
– issued as satisfaction of acquisition and divestment fees	19,884	1,972	19,884	1,972
Issue expenses	(3,885)	(1)	(3,885)	(1)
Distributions to Unitholders	(150,043)	(84,755)	(150,043)	(84,755)
Net increase/(decrease) in net assets resulting from Unitholders' transactions	1,207,091	(77,986)	1,207,091	(77,986)
Share of movements in other reserves of an associate and a joint venture	3,164	(1,006)	–	–
Movement in translation reserve (Note 18)	(1,078)	(170)	–	–
Movement in hedging reserve (Note 19)	2,722	(5,297)	2,534	(4,642)
Net assets at end of year	3,918,808	2,538,276	3,794,254	2,462,726

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Portfolio Statements

As at 30 September 2021

GROUP

Description of Property	Term of Lease	Location	Existing Use	At Valuation 2021 $'000	At Valuation 2020 $'000	Percentage of Total Assets 2021 %	Percentage of Total Assets 2020 %
Investment properties in Singapore							
Causeway Point	99-year leasehold from 30 October 1995	1 Woodlands Square	Commercial	1,312,000	1,305,000	22.2	33.6
Northpoint City North Wing	99-year leasehold from 1 April 1990	930 Yishun Avenue 2	Commercial	771,500	771,500	13.1	19.9
Anchorpoint[a]	Freehold	368 & 370 Alexandra Road	Commercial	–	110,000	–	2.8
YewTee Point[a]	99-year leasehold from 3 January 2006	21 Choa Chu Kang North 6	Commercial	–	190,000	–	4.9
Changi City Point	60-year leasehold from 30 April 2009	5 Changi Business Park Central 1	Commercial	325,000	338,000	5.5	8.7
Yishun 10 Retail Podium	99-year leasehold from 1 April 1990	51 Yishun Central 1	Commercial	33,000	35,000	0.6	0.9
Tiong Bahru Plaza[b]	99-year leasehold from 1 September 1991	302 Tiong Bahru Road	Commercial	654,000	–	11.1	–
White Sands[b]	99-year leasehold from 1 May 1993	1 Pasir Ris Central Street 3	Commercial	428,000	–	7.3	–
Hougang Mall[b]	99-year leasehold from 1 May 1994	90 Hougang Avenue 10	Commercial	432,000	–	7.3	–
Tampines 1[b]	99-year leasehold from 1 April 1990	10 Tampines Central 1	Commercial	762,000	–	12.9	–
Century Square[b]	99-year leasehold from 1 September 1992	2 Tampines Central 5	Commercial	574,000	–	9.7	–
Central Plaza[b]	99-year leasehold from 1 September 1991	298 Tiong Bahru Road	Commercial	215,000	–	3.6	–
Investment properties, at valuation (carried forward)				5,506,500	2,749,500	93.3	70.8

(a) Divested during the year ended 30 September 2021.

(b) These properties were included in the Group's portfolio following the acquisition of the balance 63.11% stake in AsiaRetail Fund Limited ("ARF") on 27 October 2020.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Portfolio Statements

As at 30 September 2021

GROUP

Description of Property	Term of Lease	Location	Existing Use	At Valuation 2021 $'000	At Valuation 2020 $'000	Percentage of Total Assets 2021 %	Percentage of Total Assets 2020 %
Investment properties in Singapore (cont'd)							
Investment properties, at valuation (brought forward)				5,506,500	2,749,500	93.3	70.8
Asset held for sale in Singapore (Note 12)							
Bedok Point[a]	99-year leasehold from 15 March 1978	799 New Upper Changi Road	Commercial	–	108,000	–	2.8
Investment in associates (Note 7)				46,494	696,406	0.8	17.9
Investment in joint ventures, including loan to joint venture (Note 9)				294,399	291,007	5.0	7.5
				5,847,393	3,844,913	99.1	99.0
Other assets				51,404	38,498	0.9	1.0
Total assets attributable to Unitholders				5,898,797	3,883,411	100.0	100.0

(a) Divested during the year ended 30 September 2021.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Portfolio Statements

As at 30 September 2021

Independent valuations of the investment properties were undertaken by Jones Lang LaSalle Property Consultants Pte Ltd ("JLL") and Savills Valuation and Professional Services (S) Pte Ltd ("Savills") (2020: CBRE Pte Ltd ("CBRE"), Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("Colliers") and Savills). In 2020, the independent valuations of asset held for sale were undertaken by JLL and Colliers. The Manager believes that these independent valuers possess appropriate professional qualifications and recent experience in the location and category of the investment properties being valued. The valuations were performed based on the following methods:

Description of Property	Valuer	Valuation Method	Valuation 2021 $'000	Valuation 2020 $'000
Investment Properties				
Causeway Point	JLL (2020: Savills)	Capitalisation approach and discounted cash flow analysis [(b)] (2020: Capitalisation approach, discounted cash flow analysis and direct comparison method)	1,312,000	1,305,000
Northpoint City North Wing	JLL (2020: Colliers)	Capitalisation approach and discounted cash flow analysis [(b)] (2020: Capitalisation approach and discounted cash flow) [(b)]	771,500	771,500
Anchorpoint[(a)]	Not applicable (2020: Colliers)	Not applicable (2020: Capitalisation approach and discounted cash flow analysis) [(b)]	–	110,000
YewTee Point[(a)]	Not applicable (2020: CBRE)	Not applicable (2020: Capitalisation approach, discounted cash flow analysis and direct comparison method)	–	190,000
Changi City Point	JLL (2020: Savills)	Capitalisation approach and discounted cash flow analysis [(b)] (2020: Capitalisation approach, discounted cash flow analysis and direct comparison method)	325,000	338,000
Yishun 10 Retail Podium	JLL (2020: Savills)	Capitalisation approach and discounted cash flow analysis [(b)] (2020: Capitalisation approach, discounted cash flow analysis and direct comparison method)	33,000	35,000

(a) Divested during the year ended 30 September 2021.

(b) Direct comparison method was used as a cross-check.

Portfolio Statements

As at 30 September 2021

Description of Property	Valuer	Valuation Method	Valuation 2021 $'000	2020 $'000
Investment Properties (cont'd)				
Tiong Bahru Plaza[c]	Savills (2020: Not applicable)	Capitalisation approach and discounted cash flow analysis [b] (2020: Not applicable)	654,000	–
White Sands[c]	Savills (2020: Not applicable)	Capitalisation approach and discounted cash flow analysis [b] (2020: Not applicable)	428,000	–
Hougang Mall[c]	Savills (2020: Not applicable)	Capitalisation approach and discounted cash flow analysis [b] (2020: Not applicable)	432,000	–
Tampines 1[c]	Savills (2020: Not applicable)	Capitalisation approach and discounted cash flow analysis [b] (2020: Not applicable)	762,000	–
Century Square[c]	Savills (2020: Not applicable)	Capitalisation approach and discounted cash flow analysis [b] (2020: Not applicable)	574,000	–
Central Plaza[c]	Savills (2020: Not applicable)	Capitalisation approach and discounted cash flow analysis [b] (2020: Not applicable)	215,000	–
Asset held for sale in Singapore (Note 12)				
Bedok Point[a]	Not applicable (2020: JLL & Colliers)	Not applicable (2020: Residual method and direct comparison method)	–	108,000

(a) Divested during the year ended 30 September 2021.

(b) Direct comparison method was used as a cross-check.

(c) These properties were included in the Group's portfolio following the acquisition of the balance 63.11% stake in ARF on 27 October 2020.

The net changes in fair values of these investment properties have been recognised in the Statements of Total Return in accordance with the Group's accounting policies.

The investment properties are leased to third party tenants. Generally, these leases contain an initial non-cancellable period of three years. Subsequent renewals are negotiated with individual lessees. Contingent rent, which comprises gross turnover rent, recognised in the Statements of Total Return of the Group and the Trust for the year ended 30 September 2021 amounted to $15,218,000 (2020: $7,824,000) and $8,773,000 (2020: $7,824,000) respectively.

Consolidated Cash Flow Statement

For the financial year ended 30 September 2021

	Note	Group 2021 $'000	Group 2020 $'000
Operating activities			
Total return before tax		172,242	151,758
Adjustments for:			
Net allowance for doubtful receivables		601	198
Borrowing costs		45,938	27,603
Asset management, divestment and acquisition fees paid/payable in Units		26,362	6,770
Interest income		(119)	(14)
Depreciation of fixed assets		58	56
Share of associates' results		1,386	(75,280)
Share of joint ventures' results		(16,886)	(11,200)
Impairment loss on investment in an associate		11,976	–
Loss/(surplus) on revaluation of investment properties		3,298	(4,747)
Gain on disposal of investment properties		(17,156)	–
Net gain on step acquisition		(11,470)	–
(Gain)/loss from fair valuation of derivatives		(2,948)	1,095
Amortisation of lease incentives		1,582	1,436
Deferred income recognised		–	(1)
Fixed assets write off		37	6
Operating income before working capital changes		**214,901**	**97,680**
Changes in working capital:			
Trade and other receivables		8,729	(8,097)
Trade and other payables		(14,170)	(11,446)
Tax paid		(11,015)	(7)
Cash flows generated from operating activities		**198,445**	**78,130**
Investing activities			
Gross proceeds from disposal of investment properties		438,000	–
Distributions received from associates		7,017	34,017
Distributions received from joint ventures		16,092	10,579
Interest received		119	14
Capital expenditure on investment properties		(5,785)	(10,901)
Acquisition of fixed assets		(41)	(206)
Acquisition of subsidiaries, net of cash	8	(925,950)	–
Acquisition of investment in associate		–	(197,237)
Acquisition of investment in joint venture		–	(68)
Cash flows used in investing activities		**(470,548)**	**(163,802)**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Cash Flow Statement

For the financial year ended 30 September 2021

	Note	Group 2021 $'000	Group 2020 $'000
Financing activities			
Proceeds from issue of new units		1,334,657	–
Payment of issue expenses		(3,885)	(1)
Proceeds from borrowings		636,620	793,000
Repayment of borrowings		(1,487,240)	(580,083)
Borrowing costs paid		(41,960)	(25,755)
Distributions to Unitholders		(150,043)	(84,755)
Payment of financing expenses		(2,395)	(1,254)
Cash flows generated from financing activities		**285,754**	**101,152**
Net increase in cash and cash equivalents		**13,651**	**15,480**
Cash and cash equivalents at beginning of year		28,583	13,103
Cash and cash equivalents at end of year	11	**42,234**	**28,583**

Significant Non-Cash Transactions

In 2021, 2,745,397 (2020: 1,994,085) Units were issued and issuable in satisfaction of asset management fees payable in Units, amounting to a value of $6,477,813 (2020: $4,798,241).

On 27 November 2020, 8,231,488 Units were issued in satisfaction of the acquisition fee of $19,343,997 in connection with the acquisition of approximately 63.11% of the total issued share capital of ARF and 231,729 Units were issued in satisfaction of the divestment fee of $540,000 in connection with the disposal of Bedok Point. (2020: 827,060 units were issued on 11 August 2020 in satisfaction of acquisition fees of $1,972,373 in connection with the acquisition of an additional stake of 12.07% in ARF completed on 6 July 2020).

Notes to the Financial Statements

30 September 2021

The following notes form an integral part of the financial statements.

1. GENERAL

Frasers Centrepoint Trust (the "Trust") is a Singapore-domiciled unit trust constituted pursuant to a trust deed dated 5 June 2006, and any amendment or modification thereof (the "Trust Deed"), between Frasers Centrepoint Asset Management Ltd. (the "Manager") and HSBC Institutional Trust Services (Singapore) 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 Trust and its subsidiaries (collectively, the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units"). The address of the Trustee's registered office is 10 Marina Boulevard, Marina Bay Financial Centre Tower 2 #48-01 Singapore 018983.

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 5 July 2006 and was included in the Central Provident Fund Investment Scheme ("CPFIS") on 5 July 2006.

The principal activity of the Trust is to invest in income-producing properties used primarily for retail purposes, in Singapore and overseas, with the primary objective of delivering regular and stable distributions to Unitholders and to achieve long-term capital growth. The principal activity of the subsidiaries is set out in Note 6.

The financial statements were authorised for issue by the Manager and the Trustee on 23 November 2021.

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

1.1 Property management fees

Under the property management agreements, the fees charged for all properties within the portfolio, excluding Central Plaza, are as follows:

(i) 2.0% per annum of the gross revenue of the properties;

(ii) 2.0% per annum of the net property income of the properties (calculated before accounting for the property management fees); and

(iii) 0.5% per annum of the net property income of the properties (calculated before accounting for the property management fees), in lieu of leasing commissions.

For Central Plaza, property management fees are charged based on 3.0% per annum of the net property income of the property.

The property management fees are payable monthly in arrears.

1.2 Asset management fees

Pursuant to the Trust Deed, asset management fees comprise the following:

(i) a base fee equal to a rate of 0.3% per annum of the value of Deposited Property (being all assets, as stipulated in the Trust Deed) of the Trust and any Special Purpose Vehicles of the Group; and

(ii) an annual performance fee equal to a rate of 5.0% per annum of the Net Property Income (as defined in the Trust Deed) of the Trust and any Special Purpose Vehicles of the Group (as defined in the Trust Deed) for each financial year.

Any increase in the rate or any change in the structure of the asset management fees must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

1. GENERAL (CONT'D)

1.2 Asset management fees (cont'd)

The Manager may elect to receive the fees in cash or Units or a combination of cash and Units (as it may in its sole discretion determine). For the year ended 30 September 2021, the Manager has opted to receive 20% (2020: 20% to 50%) of the asset management fees in the form of Units with the balance in cash. The portion of the base management fees is payable on a quarterly basis in arrears and the portion of the performance management fees is payable on an annually basis in arrears.

The Manager is also entitled to receive acquisition fee at the rate of 1% of the acquisition price and a divestment fee of 0.5% of the sale price on all acquisitions or disposals of properties or investments.

1.3 Trustee's fees

Pursuant to the Trust Deed, the Trustee's fees payable by the Trust shall not exceed 0.1% per annum of the value of Deposited Property of the Trust, subject to a minimum of $9,000 per month, excluding out-of-pocket expenses and GST. The Trustee's fees payable by the sub-trusts shall not exceed 0.0135% per annum of the respective proportionate share of the value of Deposited Property, subject to a minimum of $6,000 per month, excluding out-of-pocket expenses and GST.

Any increase in the maximum permitted or any change in the structure of the Trustee's fee must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

The Trustee's fees are payable monthly in arrears.

2. BASIS OF PREPARATION

2.1 Basis of preparation

The financial statements have been prepared in accordance with the recommendations of Statement of Recommended Accounting Practice ("RAP") 7 *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants ("ISCA"), 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 the accounting policies to generally comply with the principles relating to recognition and measurement under the Financial Reporting Standards in Singapore ("FRS").

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

These financial statements are presented in Singapore dollars, which is the Trust's functional currency. All financial information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

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

The estimates and associated assumptions are based on historical experience and relevant factors, including expectation of further events that are believed to be reasonable under the circumstances and are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Notes to the Financial Statements

30 September 2021

2. BASIS OF PREPARATION (CONT'D)

2.1 Basis of preparation (cont'd)

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

(i) Note 3.1(i) – Business combinations;

(ii) Note 7 – Investment in associates; and

(iii) Note 9 – Investment in joint ventures.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in Note 4 – Valuation of investment properties.

2.2 Changes in accounting policies

New standards and amendments

The Group has applied the following new FRS, amendments to and interpretations of FRSs for the first time for the annual period beginning on 1 October 2020:

- Amendments to References to Conceptual Framework in FRS Standards
- Amendments to FRS 3 *Definition of a Business*
- Amendments to FRS 1 and FRS 8 *Definition of Material*
- Amendments to FRS 116 *COVID-19-related Rent Concessions*
- Amendments to FRS 109, FRS 39, FRS 107, FRS 104, FRS 116 *Interest Rate Benchmark Reform Phase 2*

The Group early adopted Interest Rate Benchmark Reform – Phase 2 – Amendments to FRS 109 Financial Instruments, FRS 39 *Financial Instruments – Recognition and Measurement*, FRS 107 *Financial Instruments: Disclosures*, FRS 104 *Insurance Contracts*, and FRS 116 *Leases* in relation to phase 2 of the project on interest rate benchmark reform. The Group applied the Phase 2 amendments retrospectively. However, in accordance with the exceptions permitted in the Phase 2 amendments, the Group has elected not to restate the prior period to reflect the applications of these amendments, including not providing additional disclosures for 2020. There is no impact on opening equity balances as a result of retrospective application.

2. BASIS OF PREPARATION (CONT'D)

2.2 Changes in accounting policies (cont'd)

Specific policies applicable from 1 October 2020 for interest rate benchmark reform

The Phase 2 amendments provide practical relief from certain requirements in FRS. These reliefs relate to modifications of financial instruments or hedging relationships triggered by a replacement of a benchmark interest rate in a contract with a new alternative benchmark rate.

If the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, then the Group updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

If changes are made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, then the Group first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. Subsequently, the Group applies the policies on accounting for modifications set out above to the additional changes.

Finally, the Phase 2 amendments provide a series of temporary exceptions from certain hedge accounting requirements when a change required by interest rate benchmark reform occurs to a hedged item and/or hedging instrument that permit the hedge relationship to be continued without interruption. The Group applies the following reliefs as and when uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows of the hedged item or hedging instrument:

- the Group amends the designation of a hedging relationship to reflect changes that are required by the reform without discontinuing the hedging relationship; and
- when a hedged item in a cash flow hedge is amended to reflect the changes that are required by the reform, the amount accumulated in the cash flow hedge reserve is deemed to be based on the alternative benchmark rate on which the hedged future cash flows are determined.

While uncertainty persists in the timing or amount of the interest rate benchmark-based cash flows of the hedged item or hedging instrument, the Group continues to apply the existing accounting policies.

The Group's adoption of the new standards and amendments did not have a material effect on the financial statements.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied by the Group entities consistently to all the periods presented in these financial statements, except as explained in Note 2.2, which addresses changes in accounting policies arising from the adoption of new standards.

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.

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 bargain purchase gain is recognised immediately in the statements 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 statements of total return.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within unitholders' funds. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in the statements of total return.

NCI (if any) 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 on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by FRSs.

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.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

(ii) Subsidiaries

A subsidiary is an entity 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 a subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

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

In the Trust's balance sheet, investment in subsidiary is accounted for at cost less any accumulated impairment losses.

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

(iii) Investments in associates and joint ventures (equity-accounted investees)

An associate is an entity over which the Group has significant influence over the financial and operating policy decisions of the investee but does not have control or joint control of those policies. Significant influence is presumed to exist when the Group has 20% or more of the voting power of another entity.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its investment in equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

The financial statements of the associates and joint ventures are prepared as the same reporting date as the Trust. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

In the Trust's separate financial statements, interests in joint ventures and associates are carried at cost less accumulated impairment losses.

A list of the associates and joint ventures is shown in Notes 7 and 9, respectively.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses 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.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

(v) Property acquisitions and business combinations

Where property is acquired, via corporate acquisitions or otherwise, management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property. More specifically, consideration is made of the extent to which significant processes are acquired and, in particular, the extent of services provided by the subsidiary.

When the acquisition does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised.

3.2 Earnings per unit

The Group presents basic and diluted earnings per unit data for its units. Basic earnings per unit is calculated by dividing the total return attributable to Unitholders of the Group by the weighted-average number of units outstanding during the year. Diluted earnings per unit 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.

3.3 Expenses

(i) Property expenses

Property expenses are recognised on an accrual basis. Included in property expenses are property management fees which are based on the applicable formula stipulated in Note 1.1.

(ii) Asset management fees

Asset management fees are recognised on an accrual basis based on the applicable formula stipulated in Note 1.2.

(iii) Trust expenses

Trust expenses are recognised on an accrual basis. Included in trust expenses are Trustee's fees which are based on the applicable formula stipulated in Note 1.3.

3.4 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, for an item not at fair value through profit or loss ("FVTPL"), 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as 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 FVTPL:

- 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 on the principal amount outstanding.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

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 the statements of total return. Any gain or loss on derecognition is recognised in the statements of total return.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. Directly attributable transaction costs are recognised in the statements of total return as incurred.

Other 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 the statements of total return.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform, the Group updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applied the policies on accounting for modifications to the additional changes.

(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 substantially all of the risks and rewards of ownership of the financial asset are transferred or in which 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.

The Group enters into transactions whereby it transfers assets recognised in its balance sheets, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

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 the statements of total return.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheets 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 and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(vi) Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in the statements of total return as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the statements of total return.

The Group designates certain derivatives and non-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.

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 unitholders' funds and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised 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 statements of 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 it is reclassified to the statements of total return in the same period or periods as the hedged expected future cash flows affect the statements of 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 statements of total return.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(vi) Derivative financial instruments and hedge accounting (cont'd)

Cash flow hedges (cont'd)

Hedges directly affected by interest rate benchmark reform

The Group has early adopted the Phase 2 amendments and retrospectively applied them from 1 October 2020 (Note 2.2).

When the basis for determining the contractual cash flows of the hedged item or hedging instrument changes as a result of IBOR reform and therefore there is no longer uncertainty arising about the cash flows of the hedged item or the hedging instrument, the Group amends the hedge documentation of that hedging relationship to reflect the change(s) required by IBOR reform. For this purpose, the hedge designation is amended only to make one or more of the following changes:

- designating an alternative benchmark rate as the hedged risk;
- updating the description of the hedged item, including the description of the designated portion of the cash flows or fair value being hedged; or
- updating the description of the hedging instrument.

The Group amends the description of the hedging instrument only if the following conditions are met:

- it makes a change required by IBOR reform by changing the basis for determining the contractual cash flows of the hedging instrument or using another approach that is economically equivalent to changing the basis for determining the contractual cash flows of the original hedging instrument; and
- the original hedging instrument is not derecognised.

The Group amends the formal hedge documentation by the end of the reporting period during which a change required by IBOR reform is made to the hedged risk, hedged item or hedging instrument. These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

If changes are made in addition to those changes required by IBOR reform described above, then the Group first considers whether those additional changes result in the discontinuation of the hedge accounting relationship. If the additional changes do not result in the discontinuation of the hedge accounting relationship, then the Group amends the formal hedge documentation for changes required by IBOR reform as mentioned above.

When the interest rate benchmark on which the hedged future cash flows had been based is changed as required by IBOR reform, for the purpose of determining whether the hedged future cash flows are expected to occur, the Group deems that the hedging reserve recognised in OCI for that hedging relationship is based on the alternative benchmark rate on which the hedged future cash flows will be based.

Notes to the Financial Statements

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Fixed assets

(i) Recognition and measurement

Items of fixed assets are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of fixed asset have different useful lives, they are accounted for as separate items (major components) of fixed asset.

The gain or loss on disposal of an item of fixed asset is recognised in the statements of total return.

(ii) Subsequent costs

The cost of replacing a component of an item of fixed asset 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 costs of the day-to-day servicing of fixed asset are recognised in the statements of total return as incurred.

(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 the statements of total return on a straight-line basis over the estimated useful lives of each component of an item of fixed asset, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the fixed assets are installed and are ready for use. The estimated useful lives for the current and comparative years are 2 years to 10 years.

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.6 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are measured and recorded on initial recognition in Singapore dollars, the functional currency of the Trust and subsidiaries, at exchange rates at the dates of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate 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 profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- an equity investment designated as at fair value through other comprehensive income ("FVOCI");
- 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 hedges are effective.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.6 Foreign currency (cont'd)

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, 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 OCI. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. 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 profit or loss 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 control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

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

3.7 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.

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.

If an arrangement contains lease and non-lease components, then the Group applies FRS 115 to allocate the consideration in the contract.

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'.

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Impairment

(i) Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost and lease receivables.

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 (including lease receivables). The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

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 debtor 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), or when the financial asset is more than 90 days past due.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Impairment (cont'd)

(i) Non-derivative financial assets (cont'd)

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.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor 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 balance sheets

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, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amounts are estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its estimated recoverable amount. Impairment losses are recognised in the statements of total return.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of 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 CGU.

Impairment losses recognised in prior periods 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.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Impairment (cont'd)

(ii) Non-financial assets (cont'd)

An impairment loss in respect of an associate or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in the statements of total return. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

3.9 Assets held for sale

The fair value of the Group's investment properties held for sale is either valued by an independent valuer or based on agreed contractual selling price on a willing buyer seller basis. For investment properties held for sale valued by an independent valuer, the valuer has considered the direct comparison and residual method in arriving at the open market value as at the reporting date. In determining the fair value, the valuer used valuation techniques which involve certain estimates.

3.10 Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- the foreign currency gain or loss on financial assets and financial liabilities; and
- hedge ineffectiveness recognised in profit or loss.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.11 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 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 thereafter. Valuation is determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers.

- In such manner and frequency required under the CIS Code issued by the MAS; and
- At least in each period of 12 months following the acquisition of each parcel of real estate property.

Any increase or decrease on revaluation is credited or charged to the statements of total return as a net revaluation surplus or deficit in the value of the investment properties.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. 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 statements of total return.

Investment properties are not depreciated. Investment properties are subject to continual maintenance and regularly revalued on the basis set out above. For taxation purposes, the Group and the Trust may claim capital allowances on assets that qualify as plant and machinery under the Singapore Income Tax Act.

3.12 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.13 Revenue recognition

Gross rental income

Gross rental income is recognised on a straight-line basis over the lease term commencing on the date from which the lessee is entitled to exercise its right to use the leased asset.

Turnover rental income

Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period in which it is earned and the amount can be reliably measured.

Car park income

Car park income consists of season and hourly parking income. Season parking income is recognised on a straight-line basis over the non-cancellable lease term. Hourly parking income is recognised at a point of time upon the utilisation of car parking facilities.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Security deposits and deferred income

Security deposits relate to rental deposits received from tenants at the Group's investment properties. The accounting policy for security deposits as financial liabilities is set out in Note 3.4.

Deferred income relates to the difference between consideration received for security deposits and its fair value at initial recognition and is credited to the statements of total return as gross rental income on a straight-line basis over individual lease term.

3.15 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. All operating segments' operating results are reviewed regularly by the Board of Directors of the Manager to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Board of Directors of the Manager include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly borrowing costs and asset management fees.

Segment capital expenditure is the total cost incurred to acquire investment properties and fixed assets.

3.16 Taxation

Tax expense comprises current and deferred tax. Current tax and deferred tax expense are recognised in the statements of total return except to the extent that it relates to an item recognised directly in unitholders' funds.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income or loss 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 assets and liabilities are offset only if certain criteria are met.

Deferred tax is not recognised for temporary differences that:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.16 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. For investment property that is measured at fair value, the carrying amount of the investment property is presumed to be recovered through sale, and the Group has not rebutted this presumption. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

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 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.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Tax transparency

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the income tax treatment of the Trust. Subject to meeting the terms and conditions of the tax ruling which includes a distribution of at least 90% of the taxable income of the Trust, the Trustee will not be assessed to tax on the taxable income of the Trust. Instead, the distributions made by the Trust out of such taxable income are subject to tax in the hands of Unitholders, unless they are exempt from tax on the Trust's distributions (the "tax transparency ruling"). Accordingly, the Trustee and the Manager will deduct income tax at the prevailing corporate tax rate from the distributions made to Unitholders that are made out of the taxable income of the Trust, except:

- where the beneficial owners are individuals or Qualifying Unitholders, who are not acting in the capacity of a trustee, the Trustee and the Manager will make the distributions to such Unitholders without deducting any income tax; and

- where the beneficial owners are Qualifying foreign non-individual investors or qualifying Non-resident Fund or where the Units are held by nominee Unitholders who can demonstrate that the Units are held for beneficial owners who are Qualifying foreign non-individual investors or qualifying Non-resident Fund, the Trustee and the Manager will deduct/withhold tax at a reduced rate of 10% from the distributions.

A Qualifying non-individual investor refers to a non-resident non-individual unitholder or foreign fund who:

(i) does not have any permanent establishment in Singapore (other than a fund manager in Singapore); or

(ii) carries on any operation through a permanent establishment in Singapore (other than a fund manager in Singapore), where the funds used by that person to acquire the units in the Trust are not obtained from that operation.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.16 Taxation (cont'd)

Tax transparency (cont'd)

A Qualifying Unitholder is a unitholder who is:

(i) an individual (including those who purchased units in the Trust through agent banks or Supplementary Retirement Scheme ("SRS") operators which act as a nominee under the CPF Investment Scheme or the SRS respectively);

(ii) a company incorporated and resident in Singapore;

(iii) a Singapore branch of a foreign company;

(iv) a body of persons (excluding companies or partnerships) incorporated or registered in Singapore, including charities registered under Charities Act (Cap. 37) or established by any written law, town councils, statutory boards, co-operative societies registered under the Co-operatives Societies Act (Cap. 62) or trade unions registered under the Trade Unions Act (Cap. 333);

(v) an international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act (Cap. 145); or

(vi) real estate investment trust exchange-traded funds ("REIT ETFs") which have been accorded the tax transparency treatment.

A qualifying Non-resident Fund is a non-resident fund that qualifies for tax exemption under Section 13CA, 13X or 13Y of the Income Tax Act (Cap.134) and who:

(i) does not have a permanent establishment in Singapore (other than a fund manager in Singapore); or

(ii) carries on an operation through a permanent establishment in Singapore (other than a fund manager in Singapore), where the funds used by that qualifying fund to acquire units of the Trust are not obtained from that operation.

The above tax transparency ruling does not apply to gains from the sale of real properties. Such gains, when determined by the IRAS to be trading gains, are assessable to tax on the Trustee. Where the gains are capital gains, the Trustee will not be assessed to tax and may distribute the capital gains without tax being deducted at source.

Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the IRAS is included as part of receivables or payables on the Balance Sheets.

3.17 Unitholders' funds

Unitholders' funds represent the Unitholders' residual interest in the Group's net assets upon termination and are classified as equity. Incremental costs directly attributable to the issuance of Units are deducted against unitholders' funds.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.18 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and the Group will comply with the conditions associated with the grant. Government grants related to income are recognised in the statements of total return as 'Other Income' on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

3.19 New standards and interpretations not adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 October 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following new FRSs, interpretations and amendments to FRSs are not expected to have a significant impact on the Group's consolidated financial statements and the Trust's balance sheet.

- FRS 117 *Insurance Contracts*
- *Classification of Liabilities as Current or Non-current* (Amendments to FRS 1)
- *Covid-19-Related Rent Concessions beyond 30 June 2021* (Amendments to FRS 116)
- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to FRS 110 and FRS 28)
- *Reference to the Conceptual Framework* (Amendments to FRS 103)
- *Property, Plant and Equipment – Proceeds before Intended Use* (Amendments to FRS 116)
- *Onerous Contracts – Costs of Fulfilling a Contract* (Amendments to FRS 37)
- *Annual Improvements to FRSs 2018 - 2020*

4. INVESTMENT PROPERTIES

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
At beginning	2,749,500	2,846,000	2,749,500	2,846,000
Acquisition of subsidiaries (Note 8)	3,065,000	–	–	–
Capital expenditure	6,880	8,189	5,660	8,189
Disposal	(310,000)	–	(310,000)	–
	5,511,380	2,854,189	2,445,160	2,854,189
(Loss)/surplus on revaluation taken to Statements of Total Return	(4,880)	3,311	(3,660)	3,311
Reclassification to asset held for sale (Note 12)	–	(108,000)	–	(108,000)
At end	5,506,500	2,749,500	2,441,500	2,749,500

The investment properties owned by the Group are set out in the Portfolio Statements on pages 157 to 160.

On 3 September 2020, the Trust entered into a put and call option agreement with Chempaka Development Pte Ltd, a related company of the Group to sell Bedok Point. Accordingly, the investment property was classified to asset held for sale as at 30 September 2020. The disposal was completed on 9 November 2020.

On 23 December 2020, the Trust entered into a sale and purchase agreement with a third party for the disposal of Anchorpoint. The disposal was completed for a consideration of $110 million on 22 March 2021.

Notes to the Financial Statements

30 September 2021

4. INVESTMENT PROPERTIES (CONT'D)

On 31 January 2021, YewTee Point was valued at $200 million by Savills Valuation and Professional Services (S) Pte. Ltd and a revaluation surplus of $10 million was recognised. The valuation methods used to derive its fair value include the Capitalisation Approach and Discounted Cash Flow Analysis, with the Direct Comparison Method used as a cross-check. On 19 March 2021, the Trust entered into a sale and purchase agreement with a third party for the disposal of YewTee Point. The disposal was completed for a consideration of $220 million on 28 May 2021.

Certain investment properties of the Group with an aggregate carrying value of $2,743 million (2020: $448 million) are pledged as securities to banks for banking facilities granted (Note 16).

Valuation processes

Investment properties are stated at fair value based on valuations performed by external independent valuers who possess appropriate recognised professional qualifications and relevant experience in the location and property being valued. In accordance with the CIS code, the Group rotates the independent valuers every two years.

In determining the fair value, the valuers have used valuation methods which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation yields, discount rates and terminal yields. The Manager reviews the appropriateness of the valuation methodologies, assumptions and estimates adopted and is of the view that they are reflective of the market conditions as at 30 September 2021.

Fair value hierarchy

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- 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); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value measurements that use inputs of different hierarchy levels are 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.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
At 30 September 2021				
Group				
Non-financial assets				
Investment properties	–	–	5,506,500	5,506,500
Trust				
Non-financial assets				
Investment properties	–	–	2,441,500	2,441,500
At 30 September 2020				
Group and Trust				
Non-financial assets				
Investment properties	–	–	2,749,500	2,749,500

4. INVESTMENT PROPERTIES (CONT'D)

Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value at 30 September 2021 $'000	Valuation techniques	Key unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Group					
Investment properties	$5,506,500 (2020: $2,749,500)	Capitalisation approach	Capitalisation rate	3.75% – 5.00% (2020: 3.75% – 5.00%)	The higher the rates, the lower the fair value.
		Discounted cash flow analysis	Discount rate	6.25% – 7.50% (2020: 7.00% – 7.50%)	The higher the rates, the lower the fair value.
			Terminal yield	4.00% – 5.25% (2020: 4.00% – 5.25%)	The higher the rates, the lower the fair value.
		Direct comparison method	Transacted prices	NA (2020: $1,805 – $4,205 psf) [(1)]	The higher the comparable values, the higher the fair value.

(1) In 2020, the direct comparison method was used in the valuation of Causeway Point, YewTee Point, Changi City Point and Yishun 10 Retail Podium.

The key unobservable inputs correspond to:

- discount rate, based on the risk-free rate for 10-year bonds issued by the government of Singapore, adjusted for a risk premium to reflect the increased risk of investing in the asset class;
- terminal yield reflects the uncertainty, functional/economic obsolescence and the risk associated with the investment properties; and
- capitalisation rate which corresponds to a rate of return on investment properties based on the expected income that the property will generate.

The net change in fair value of the properties recognised in the Statements of Total Return has been adjusted for amortisation of lease incentives as follows:

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
(Loss)/surplus on revaluation	(4,880)	3,311	(3,660)	3,311
Amortisation of lease incentives	1,582	1,436	(51)	1,436
(Loss)/surplus on revaluation	(3,298)	4,747	(3,711)	4,747

Direct operating expenses (including repairs and maintenance) arising from rental generating properties are disclosed on Note 23 to the financial statements.

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property.

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5. FIXED ASSETS

	Equipment, furniture and fittings, and others Group and Trust 2021 $'000	2020 $'000
Cost		
At beginning	466	401
Additions	41	206
Disposals/write-offs	(191)	(141)
At end	316	466
Accumulated depreciation		
At beginning	237	316
Charge for the year	58	56
Disposals/write-offs	(154)	(135)
At end	141	237
Carrying amount		
At beginning	229	85
At end	175	229

6. INVESTMENT IN SUBSIDIARIES

	Trust 2021 $'000	2020 $'000
Unquoted equity investments, at cost	1,447,600	190,200

Details of the significant subsidiaries are as follows:

Name of subsidiary	Place of incorporation/ business	Principal activity	Effective equity interest held by the Trust 2021 %	2020 %
FCT MTN Pte. Ltd. [(1)]	Singapore	Provision of treasury services	100	100
FCT Holdings (Sigma) Pte. Ltd. [(1)]	Singapore	Investment holding	100	100
Tiong Bahru Plaza LLP [(1), (2), (3)]	Singapore	Property investment	100	36.89
White Sands LLP [(1), (2), (3)]	Singapore	Property investment	100	36.89
Hougang Mall LLP [(1), (2), (3)]	Singapore	Property investment	100	36.89
Tampines 1 LLP [(1), (2), (3)]	Singapore	Property investment	100	36.89
Central Plaza LLP [(1), (2), (3)]	Singapore	Property investment	100	36.89
Century Square Holding Pte Ltd [(1), (2), (3)]	Singapore	Property investment	100	36.89

(1) Audited by KPMG LLP, Singapore.
(2) Indirectly held by FCT.
(3) FCT (through FCT Holdings (Sigma) Pte. Ltd.) acquired the remaining 63.11% of the total issued share capital of AsiaRetail Fund Limited ("ARF") from Frasers Property Investments (Bermuda) Limited on 27 October 2020 ("Acquisition"). The entities set out herein, which were indirectly wholly-owned by ARF, were, prior to the Acquisition, private limited companies. Following the Acquisition and the subsequent reorganisation of the holding in these companies, save for Century Square Holding Pte Ltd, they have been converted to limited liability partnerships.

6. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the significant subsidiaries are as follows: (cont'd)

Name of subsidiary	Place of incorporation/ business	Principal activity	Effective equity interest held by the Trust 2021 %	2020 %
Tiong Bahru Plaza Trust 1 [(1)]	Singapore	Investment holding	100	–
Tiong Bahru Plaza Trust 2 [(1), (2)]	Singapore	Investment holding	100	–
White Sands Trust 1 [(1)]	Singapore	Investment holding	100	–
White Sands Trust 2 [(1), (2)]	Singapore	Investment holding	100	–
Hougang Mall Trust 1 [(1)]	Singapore	Investment holding	100	–
Hougang Mall Trust 2 [(1), (2)]	Singapore	Investment holding	100	–
Tampines 1 Trust 1 [(1)]	Singapore	Investment holding	100	–
Tampines 1 Trust 2 [(1), (2)]	Singapore	Investment holding	100	–
Central Plaza Trust 1 [(1)]	Singapore	Investment holding	100	–
Central Plaza Trust 2 [(1), (2)]	Singapore	Investment holding	100	–
Century Square Trust 1 [(1)]	Singapore	Investment holding	100	–
Century Square Trust 2 [(1)]	Singapore	Investment holding	100	–
The Management Corporation Strata Title Plan No. 2634 [(2)]	Singapore	Management and maintenance of property	100	–
AsiaRetail Fund Limited [(2)]	Bermuda	Investment holding	100	36.89

(1) Audited by KPMG LLP, Singapore.
(2) Indirectly held by FCT.

7. INVESTMENT IN ASSOCIATES

	Group 2021 $'000	Group 2020 $'000	Trust 2021 $'000	Trust 2020 $'000
Investments, at cost	651,774	651,774	74,584	74,584
Reclassification to investment in subsidiaries (Note 8)	(629,037)	–	–	–
Share of post-acquisition reserves	62,552	70,390	–	–
Translation difference	(20,060)	(18,999)	–	–
	65,229	703,165	74,584	74,584
Allowance for impairment	(18,735)	(6,759)	(28,090)	(11,800)
	46,494	696,406	46,494	62,784

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7. INVESTMENT IN ASSOCIATES (CONT'D)

Details of the associates are as follows:

Name of associates	Place of incorporation/ business	Effective equity interest held by the Group 2021	Effective equity interest held by the Group 2020	Effective equity interest held by the Trust 2021	Effective equity interest held by the Trust 2020
		%	%	%	%
Hektar Real Estate Investment Trust [(1)]	Malaysia	31.15	31.15	31.15	31.15
AsiaRetail Fund Limited [(2)]	Bermuda	100.00	36.89	–	–

(1) Audited by BDO, Malaysia.

(2) ARF was formerly known as "PGIM Real Estate AsiaRetail Fund Limited".

(a) Hektar Real Estate Investment Trust ("H-REIT") is a real estate investment trust constituted in Malaysia by a trust deed dated 5 October 2006. H-REIT units are listed on the Main Board of Bursa Malaysia Securities Berhad. The principal investment objective of H-REIT is to invest in income-producing real estate in Malaysia used primarily for retail purposes.

The Group assesses at each reporting date whether there is any objective evidence that its investment in H-REIT is impaired. Where there is objective evidence of impairment, the recoverable amount is estimated based on the higher of its value in use and its fair value less costs to sell. For the year ended 30 September 2021, the Group and the Trust provided for an impairment loss of $11,976,000 (2020: $Nil) and $16,291,000 (2020: $1,824,000) respectively to write down the carrying amount of the investment in H-REIT to the estimated recoverable amount.

As the results of H-REIT are not expected to be announced in sufficient time to be included in the Group's results for the quarter ended 30 September 2021, the Group has estimated the results of H-REIT for the quarter ended 30 September 2021 based on its results for the preceding quarter, adjusted for significant transactions and events occurring up to the reporting date of the Group, if any.

The results for H-REIT are equity accounted for at the Group level, net of 10% (2020: 10%) withholding tax in Malaysia.

The fair value of H-REIT based on published price quotations was $26,501,000 (2020: $27,695,000).

The following summarised financial information relating to the associate has not been adjusted for the percentage of ownership interest held by the Group:

	2021 $'000	2020 $'000
Assets and liabilities [(3)]		
Non-current assets	394,548	405,411
Current assets	15,617	17,008
Total assets	410,165	422,419
Current liabilities	24,589	26,539
Non-current liabilities	196,401	197,422
Total liabilities	220,990	223,961
Results [(4)]		
Revenue	35,536	40,666
Expenses	(30,974)	(32,095)
Revaluation (loss)/surplus	(12,489)	1,219
Total return for the year	(7,927)	9,790

(3) The "Assets and liabilities" is based on the latest available unaudited management accounts as at 30 June 2021 and 30 June 2020, respectively.

(4) The "Results" is based on the latest available unaudited management accounts for the six months ended 30 June 2021 and 30 June 2020 respectively and six-month results from the audited financial statements for the years ended 31 December 2020 and 31 December 2019, respectively.

7. INVESTMENT IN ASSOCIATES (CONT'D)

As at 30 September 2021, the associate's property portfolio comprises Subang Parade in Selangor, Mahkota Parade in Melaka, Wetex Parade and Segamat Central in Johor, Central Square and Kulim Central in Kedah.

(b) ARF is an open-end private investment vehicle set up as a company incorporated in Bermuda.

On 6 July 2020, the Group's equity interest in ARF increased from 24.82% to 36.89%, through an acquisition by its wholly-owned subsidiary, FCT Holdings (Sigma) Pte. Ltd., which purchased 48,229 shares in the capital of ARF for a total consideration of approximately $197.2 million.

On 27 October 2020, the Group completed the acquisition of approximately 63.11% of the total issued share capital of ARF. Accordingly, the Group's investment in ARF is reclassified from "investment in associates" to "investment in subsidiaries" as at 30 September 2021. See Note 8 for acquisition of subsidiaries.

The following summarised financial information relating to the associate has not been adjusted for the percentage of ownership interest held by the Group:

	2020 $'000
Assets and liabilities (5)	
Non-current assets	3,169,878
Current assets	122,598
Total assets	3,292,476
Current liabilities	146,133
Non-current liabilities	1,450,635
Total liabilities	1,596,768
Results (6)	
Revenue	196,534
Expenses	(124,960)
Revaluation surplus	156,204
Other comprehensive income	(1,192)
Total return for the period	226,586

(5) The "Assets and liabilities" is based on the latest available unaudited management accounts as at 30 September 2020.
(6) The "Results" is for the year ended 30 September 2020.

	2021 $'000	2020 $'000
Group's interest in associates at beginning of the year	696,406	457,470
Group's share of:		
– Profit after taxation	(1,386)	75,280
– Other comprehensive income	566	(240)
Total comprehensive income	(820)	75,040
Additions during the year	–	197,237
Reclassification to investment in subsidiaries (Note 8)	(629,037)	–
Dividends received during the year	(7,017)	(33,171)
Provision for impairment	(11,976)	–
Translation difference	(1,062)	(170)
Carrying amount of interest at end of the year	46,494	696,406

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8. ACQUISITION OF SUBSIDIARIES

On 27 October 2020, the Group acquired an additional 252,158 shares in the capital of ARF from Frasers Property Investments (Bermuda) Limited, a related company of the Group for a total consideration of approximately $1,060.3 million. As a result, the Group's equity interest in ARF increased from 36.89% to 100%, making it a wholly-owned subsidiary.

On the same date, ARMF (Mauritius) Limited, a wholly-owned subsidiary of ARF divested 100% of the total issued share capital of Mallco Pte. Ltd. for a consideration of approximately $39.7 million to Frasers Property Gold Pte. Ltd., a related company of the Group.

From the date ARF became a subsidiary, ARF has contributed revenue of $171.8 million and profit for the period (excluding fair value change on investment properties) of $65.7 million to the Group. If the business combination had taken place at the beginning of the financial year, ARF's contribution to the Group's revenue and profit for the year (excluding fair value change on investment properties) would have been $186.9 million and $69.8 million respectively.

Consideration transferred

The following table summarises the acquisition-date fair value of each major class of consideration transferred:

	2021 $'000
Cash	1,060,318
Total consideration transferred	1,060,318

Acquisition-related costs

The Group incurred acquisition-related costs of $25,318,000 on acquisition fee, legal fees and due diligence costs. These costs have been included in 'Expenses in relation to acquisitions of subsidiaries and an associate'.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	Note	$'000
Investment properties	4	3,065,000
Cash and cash equivalents		106,363
Trade and other receivables		48,451
Loans and borrowings		(1,406,470)
Derivative financial instruments		(1,732)
Trade and other payables		(95,856)
Provision for tax		(10,344)
Deferred tax liabilities	17	(4,587)
Total identifiable net assets		1,700,825
Less: Amounts previously accounted for as investment in associates	7	(629,037)
Net gain recognised on step acquisition		(11,470)
Consideration paid in cash		1,060,318
Proceeds from disposal of Mallco		(39,749)
Cash and cash equivalents of subsidiaries acquired		(106,363)
Distributions to former shareholders of ARF		11,744
Net cash outflow on acquisition of subsidiaries, net of cash and cash equivalents acquired		925,950

8. ACQUISITION OF SUBSIDIARIES (CONT'D)

Net gain recognised on step acquisition

Net gain arising from the acquisition has been recognised as follows:

	$'000
Total consideration transferred	1,060,318
Carrying amount of pre-existing interest in the acquiree	629,037
Fair value of identifiable net assets	(1,700,825)
Net gain recognised on step acquisition	11,470

9. INVESTMENT IN JOINT VENTURES

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Unquoted equity investments, at cost	174,758	174,758	174,758	174,758
Share of post-acquisition reserves	6,963	3,571	–	–
Additions	113,810	–	113,810	–
	295,531	178,329	288,568	174,758
Allowance for impairment	(1,132)	(1,132)	(1,132)	(1,132)
	294,399	177,197	287,436	173,626
Loan to joint venture	–	113,810	–	113,810
	294,399	291,007	287,436	287,436

Loan to joint venture is unsecured and not expected to be repaid within the next twelve months. The loan bears effective interest rates between 1.019% and 1.240% (2020: between 1.053% and 2.529% per annum). During the financial year ended 30 September 2021, the loan to joint venture of $113,810,000 was converted to Redeemable Preference Units.

Details of the joint ventures are as follows:

Name of joint ventures	Place of incorporation/ business	Effective equity interest held by the Group and Trust 2021 %	2020 %
Changi City Carpark Operations LLP	Singapore	43.68	43.68
Sapphire Star Trust	Singapore	40.00	40.00
FC Retail Trustee Pte. Ltd.	Singapore	40.00	40.00

The Group has 43.68% interest in the ownership and voting rights in a joint venture, Changi City Carpark Operations LLP. This joint venture is incorporated in Singapore and is a strategic venture in the management and operation of car park in Changi City Point.

The Group has 40.00% interest in the ownership and voting rights in a joint venture, Sapphire Star Trust ("SST"), a private trust that owns Waterway Point, a suburban shopping mall located in Punggol. The Group jointly controls the venture with other partners under the contractual agreement and requires unanimous consent for all major decisions over the relevant activities.

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9. INVESTMENT IN JOINT VENTURES (CONT'D)

No disclosure of fair value is made for the joint ventures as they are not quoted on any market.

The following summarised financial information relating to a material joint venture has not been adjusted for the percentage of ownership interest held by the Group.

	2021 $'000	2020 $'000
Assets and liabilities (1)		
Non-current assets	1,304,604	1,300,031
Current assets (a)	42,276	45,900
Total assets	1,346,880	1,345,931
Current liabilities (b)	38,467	608,625
Non-current liabilities (c)	580,151	302,959
Total liabilities	618,618	911,584
Results (2)		
Revenue	71,126	63,930
Expenses (d)	(34,362)	(39,317)
Revaluation (loss)/surplus	(1,127)	737
Total return for the period	35,637	25,350

(1) The "Assets and liabilities" is based on the latest available unaudited management accounts as at 30 September 2021 and 30 September 2020, respectively.

(2) The "Results" is for the year ended 30 September 2021 and 30 September 2020, respectively.

(a) Includes cash and cash equivalents of $39,712,000 (2020: $41,600,000)

(b) Includes current bank borrowings of $Nil (2020: $572,817,000) as the bank borrowings had been refinanced in the current financial year.

(c) Includes non-current bank borrowings of $571,674,000 (2020: $Nil)

(d) Includes:
- depreciation of $9,000 (2020: $10,000)
- interest income $26,000 (2020: $202,000)
- interest expense $14,075,000 (2020: $20,620,000)

	2021 $'000	2020 $'000
Group's interest in joint ventures at beginning of the year	291,007	291,083
Group's share of:		
– Profit after taxation	16,886	11,200
– Other comprehensive income	2,598	(765)
Total comprehensive income	19,484	10,435
Investment during the year	–	68
Dividends received during the year	(16,092)	(10,579)
Carrying amount of interest at end of the year	294,399	291,007

10. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Trade receivables	7,789	4,874	3,800	4,874
Allowance for doubtful receivables	(942)	(209)	(751)	(209)
Net trade receivables	6,847	4,665	3,049	4,665
Deposits	724	68	45	68
Prepayments	184	3,809	16	3,782
Amount due from subsidiaries (non-trade)	–	–	459,962	181,874
Amount due from related parties (non-trade)	20	6	–	6
Other receivables	1,220	1,074	133	1,074
Loan arrangement fees	–	64	–	64
	8,995	9,686	463,205	191,533

Trade receivables are recognised at their original invoiced amounts which represent their fair values on initial recognition.

Non-trade amounts due from subsidiaries and related parties are unsecured, interest-free and repayable on demand, except for non-trade amounts due from subsidiaries of $55,000,000 which bear interest at 1.196% per annum.

11. CASH AND CASH EQUIVALENTS

For purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the balance sheet date:

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Cash at bank and on hand	42,234	28,583	14,661	27,958

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12. ASSET/LIABILITIES HELD FOR SALE

	Group and Trust	
	2021 $'000	2020 $'000
Investment property	–	108,000
Asset held for sale	–	108,000
Rental deposits	–	1,427
Liabilities held for sale	–	1,427

The carrying amount of the investment property held for sale as at 30 September 2020 was based on independent valuations undertaken by Colliers International Consultancy & Valuation (Singapore) Pte Ltd and Jones Lang LaSalle Property Consultants Pte Ltd using the residual valuation method. The valuation method used in determining the fair value involved certain estimates including the gross development value per square foot and cost of construction per square foot. The specific risks inherent in the property were taken into consideration in arriving at the property valuation. The Manager reviewed the appropriateness of the valuation methodologies, assumptions and estimates adopted and was of the view that they are reflective of the market conditions as at 30 September 2020.

The fair value measurement had been categorised as a Level 3 fair value based on the inputs to the valuation technique used. The significant unobservable input included gross development value per square foot and cost of construction per square foot. An increase in the gross development value per square foot or a decrease in the cost of construction per square foot would result in a higher fair value.

On 9 November 2020, the disposal of Bedok Point was completed for a total consideration of $108 million.

13. TRADE AND OTHER PAYABLES

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Trade payables and accrued operating expenses	41,246	24,084	21,890	24,110
Amounts due to related parties	22,539	11,123	18,232	11,120
Amounts due to subsidiaries (non-trade)	–	–	74,775	–
Deposits and advances	5,002	2,449	2,075	2,449
Interest payable	7,004	5,582	853	5,568
Other payables	52	37	15	37
Withholding tax	–	2	–	2
	75,843	43,277	117,840	43,286

Included in trade payables and accrued operating expenses is an amount due to the Trustee of $240,141 (2020: $99,566).

Included in amounts due to related parties are amounts due to the Manager of $14,568,342 (2020: $7,742,022) and the Property Manager of $7,844,302 (2020: $2,903,502) respectively. The amounts due to related parties are unsecured, interest free and payable within the next 3 months.

14. FINANCIAL DERIVATIVES

	Group and Trust 2021 $'000	Group and Trust 2020 $'000
Derivative liabilities		
Interest rate swaps used for hedging		
– Current	1,281	466
– Non-current	1,855	6,901
	3,136	7,367
Financial derivatives as a percentage of net assets	0.08%	0.29%

The Group and the Trust entered into contracts to exchange, at specified intervals, the difference between floating rate and fixed rate interest amounts calculated by reference to agreed notional amounts.

As at 30 September 2021, the Group and the Trust have nine (2020: seven) interest rate swap contracts with a total notional amount of $430 million (2020: $332 million). Under the contracts, the Group and the Trust pay fixed interest rate in the range of 0.450% to 1.905% (2020: 1.319% to 1.905%) per annum.

The fair value of the interest rate swaps is determined using the valuation technique as disclosed in Note 30(b).

As at 30 September 2021, where the interest rate swaps are designated as the hedging instruments in qualifying cash flow hedges, the effective portion of the changes in fair value of the interest rate swaps amounting to $2.72 million gain (net of tax) (2020: $5.30 million loss) was recognised in the hedging reserve. There was no ineffectiveness recognised from the hedge.

15. DEFERRED INCOME

	Group and Trust 2021 $'000	Group and Trust 2020 $'000
Cost		
At beginning	2	31
Additions	–	–
Fully amortised	–	(29)
At end	2	2
Accumulated amortisation		
At beginning	1	29
Charge for the year	1	1
Fully amortised	–	(29)
At end	2	1
Net deferred income	–	1

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16. INTEREST-BEARING BORROWINGS

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Current liabilities				
Term loan (secured)	120,000	–	120,000	–
Term loan (unsecured)	–	80,000	–	80,000
Medium Term Notes (unsecured)	30,000	50,000	–	–
Loan from subsidiary (unsecured)	–	–	30,000	50,000
Short term loans (unsecured)	55,000	125,000	55,000	125,000
Less: Unamortised transaction costs	(173)	–	(173)	–
	204,827	255,000	204,827	255,000
Non-current liabilities				
Term loans (secured)	834,000	190,000	40,000	190,000
Term loan (unsecured)	506,000	510,000	239,000	319,000
Medium Term Notes (unsecured)	270,000	300,000	–	–
Loan from subsidiary (unsecured)	–	–	270,000	300,000
Less: Unamortised transaction costs	(5,911)	(2,692)	(1,269)	(1,836)
	1,604,089	997,308	547,731	807,164

As at 30 September 2021, secured bank loans and certain bank facilities are secured on the following:

- a mortgage over Changi City Point ("CCP"), Tiong Bahru Plaza ("TBP"), Tampines 1 ("T1"), Century Square ("CS") and White Sands ("WS") (2020: CCP and Anchorpoint ("ACP"));
- an assignment of the rights, benefits, title and interest of the respective entities in, under and arising out of the insurances effected in respect of CCP, TBP, T1, CS and WS (2020: CCP and ACP);
- an assignment and charge of the rights, benefits, title and interest of the respective entities in, under and arising out of the tenancy agreements, the sale agreements, the performance guarantees (including sale proceeds and rental proceeds) and the bank accounts arising from, relating to or in connection with CCP, TBP, T1, CS and WS (2020: CCP and ACP); and
- a first fixed and floating charge over all present and future assets of the respective entities in connection with CCP, TBP, T1, CS and WS (2020: CCP and ACP).

The discharge of the collaterals for Tiong Bahru Plaza is in progress after the full repayment of the loan and cancellation of the facility on 24 September 2021.

Medium Term Notes (unsecured) Programme

On 7 May 2009, the Group through its subsidiary, FCT MTN Pte. Ltd. ("FCT MTN"), established a $500,000,000 Multicurrency Medium Term Note Programme ("FCT MTN Programme"). With effect from 14 August 2013, the maximum aggregate principal amount of notes that may be issued under the FCT MTN Programme was increased from $500,000,000 to $1,000,000,000. Under the FCT MTN Programme, FCT MTN may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes (the "Notes") in Singapore dollars or any other currency. The Notes may be issued in various amounts and tenors, and may bear interest at fixed, floating, hybrid or variable rates of interest. Hybrid notes or zero-coupon notes may also be issued under the FCT MTN Programme.

The Notes shall constitute direct, unconditional, unsubordinated and unsecured obligations of FCT MTN ranking pari passu, without any preference or priority among themselves, and pari passu with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of FCT MTN. All sums payable in respect of the Notes are unconditionally and irrevocably guaranteed by the Trustee.

16. INTEREST-BEARING BORROWINGS (CONT'D)

Medium Term Notes (unsecured) Programme (cont'd)

As at 30 September 2021, the aggregate balance of the Notes issued by the Group under the FCT MTN Programme amounted to $100 million (2020: $150 million), consisting of:

(i) $Nil million (2020: $50 million) Fixed Rate Notes which matured in June 2021 and bore a fixed interest rate of 2.760% per annum payable semi-annually in arrears;

(ii) $30 million (2020: $30 million) Fixed Rate Notes which mature in June 2022 and bear a fixed interest rate of 2.645% per annum payable semi-annually in arrear; and

(iii) $70 million (2020: $70 million) Fixed Rate Notes which mature in November 2024 and bear a fixed interest rate of 2.770% per annum payable semi-annually in arrears.

Multicurrency Debt (unsecured) Issuance Programme

On 8 February 2017, the Group established a $3 billion Multicurrency Debt Issuance Programme ("Debt Issuance Programme"). Under the Debt Issuance Programme, the Issuers may, subject to compliance with all relevant laws, regulations and directives from time to time, issue notes (the "Notes") and perpetual securities (the "Perpetual Securities", and together with the Notes, the "Securities") in Singapore dollars or any other currency as may be agreed between the relevant dealers of the Programme and the Issuers.

Each series or tranche of Notes may be issued in various amounts and tenors, and may bear interest at fixed, floating, hybrid or variable rates as may be agreed between the relevant dealers of the Debt Issuance Programme and the relevant Issuer or may not bear interest. The Notes and the coupons of all series shall constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and shall at all times rank pari passu, without any preference or priority among themselves, and pari passu with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the relevant Issuer.

As at 30 September 2021, $200 million (2020: $200 million) Fixed Rate Notes which mature in May 2023 and bear a fixed rate interest rate of 3.200% per annum payable semi-annually in arrears has been issued under this programme.

Terms and debt repayment schedule

		Group		Trust	
	Year of maturity	Face value $'000	Carrying value $'000	Face value $'000	Carrying value $'000
2021					
Term loan	2022 - 2026	1,460,000	1,454,193	399,000	397,835
Medium Term Notes	2022 - 2024	300,000	299,792	–	–
Loan from subsidiary	2022 - 2024	–	–	300,000	299,792
Short term loans	2022	55,000	54,931	55,000	54,931
		1,815,000	1,808,916	754,000	752,558
2020					
Term loan	2021 - 2024	780,000	777,631	589,000	587,487
Medium Term Notes	2021 - 2024	350,000	349,677	–	–
Loan from subsidiary	2021 - 2024	–	–	350,000	349,677
Short term loans	2020	125,000	125,000	125,000	125,000
		1,255,000	1,252,308	1,064,000	1,062,164

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16. INTEREST-BEARING BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities			
	Interest-bearing borrowings $'000	Interest payable $'000	Derivative liabilities $'000	Total $'000
Group				
Balance at 1 October 2019	1,039,805	5,084	975	1,045,864
Changes from financing cash flows				
Proceeds from borrowings	793,000	–	–	793,000
Repayment of borrowings	(580,083)	–	–	(580,083)
Borrowing costs paid	–	(25,755)	–	(25,755)
Payment of transaction costs	(1,254)	–	–	(1,254)
Total changes from financing cash flows	211,663	(25,755)	–	185,908
Change in fair value	–	–	6,392	6,392
Liability-related other changes				
Borrowing costs	–	26,253	–	26,253
Amortisation of loan arrangement fees	840	–	–	840
Total liability-related other changes	840	26,253	–	27,093
Balance at 30 September 2020	1,252,308	5,582	7,367	1,265,257
Balance at 1 October 2020	1,252,308	5,582	7,367	1,265,257
Changes from financing cash flows				
Proceeds from borrowings	636,620	–	–	636,620
Repayment of borrowings	(1,487,240)	–	–	(1,487,240)
Borrowing costs paid	–	(41,960)	–	(41,960)
Payment of financing expenses	(2,395)	–	–	(2,395)
Total changes from financing cash flows	(853,015)	(41,960)	–	(894,975)
Change in fair value	–	–	(5,963)	(5,963)
Liability-related other changes				
Acquisition of subsidiaries	1,406,470	661	1,732	1,408,863
Borrowing costs	–	42,721	–	42,721
Amortisation of loan arrangement fees	3,153	–	–	3,153
Total liability-related other changes	1,409,623	43,382	1,732	1,454,737
Balance at 30 September 2021	1,808,916	7,004	3,136	1,819,056

17. DEFERRED TAX LIABILITIES

	At 1 October 2020 $'000	Acquisition of subsidiaries (Note 8) $'000	Recognised in the statements of total return (Note 27) $'000	Recognised in hedging reserve (Note 19) $'000	At 30 September 2021 $'000
Group					
Investment properties	–	4,882	1,758	–	6,640
Interest rate swaps	–	(295)	–	295	–
	–	4,587	1,758	295	6,640

18. TRANSLATION RESERVE

The translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from that of the Group's presentation currency.

	Group	
	2021 $'000	2020 $'000
At beginning	18,999	18,829
Net effect of exchange loss arising from translation of financial statements of foreign associate	1,062	170
Net effect of exchange loss arising from translation of financial statements of foreign subsidiaries	16	–
At end	20,077	18,999

19. HEDGING RESERVE

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss.

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
At beginning	5,330	33	4,642	–
Net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss	(3,017)	5,297	(2,534)	4,642
Related tax (Note 17)	295	–	–	–
At end	2,608	5,330	2,108	4,642

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20. UNITS IN ISSUE

	Group and Trust 2021 No. of Units '000	Group and Trust 2020 No. of Units '000
Units in issue		
At beginning	1,119,447	1,116,284
Issue of Units		
– private placement and preferential offering	569,321	–
– issued as satisfaction of asset management fees	2,037	2,336
– issued as satisfaction of acquisition and divestment fee	8,463	827
At end	1,699,268	1,119,447
Units to be issued		
– as asset management fees payable in Units	1,591	883
Total issued and issuable Units at end	1,700,859	1,120,330

Each Unit represents an undivided interest in the Trust. The rights and interests of Unitholders are contained in the Trust Deed and include the rights to:

- receive income and other distributions attributable to the Units held;
- participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any assets (or part thereof) or of any estate or interest in any assets (or part thereof) of the Trust;
- 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 one-tenth number of the Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed; and
- one vote per Unit.

The restrictions of a Unitholder include the following:

- a Unitholder's right is limited to the right to require due administration of the Trust 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 SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any Units in the Trust. The provisions of the Trust Deed provide that no Unitholders will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that liabilities of the Trust exceed its assets.

21. NET ASSET VALUE ("NAV") PER UNIT

	Group		Trust	
	2021	2020	2021	2020
NAV per Unit is based on:				
Net assets ($'000)	3,918,808	2,538,276	3,794,254	2,462,726
Total issued and issuable Units ('000) (Note 20)	1,700,859	1,120,330	1,700,859	1,120,330

22. GROSS REVENUE

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Gross rental income	311,447	147,190	153,949	147,190
Turnover rental income	15,218	7,824	8,773	7,824
Carpark income	5,120	3,007	2,811	3,007
Others	9,364	6,356	3,947	6,356
	341,149	164,377	169,480	164,377

Gross rental income

The Group and the Trust have granted rental relief to a number of its tenants in light of challenges arising from COVID-19. Each rental relief request has been reviewed and considered on a case-by-case basis.

23. PROPERTY EXPENSES

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Property tax	32,028	18,159	16,115	18,159
Maintenance and utilities	27,106	16,534	13,918	16,534
Property management fees	13,241	6,184	6,664	6,184
Staff costs [(1)]	12,890	7,250	6,241	7,250
Marketing expenses	5,588	4,340	2,778	4,340
Net allowance for doubtful receivables	601	198	588	198
Depreciation of fixed assets	58	56	58	56
Fixed assets write off	37	6	37	6
Others	3,033	762	1,433	762
	94,582	53,489	47,832	53,489

(1) Relates to reimbursement of staff costs paid/payable to the Property Manager.

The Group and the Trust do not have any employees.

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24. OTHER INCOME

Other income of the Group and Trust include the following:

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Government grant income	4,819	18,533	3,607	18,533
Government grant expense	(4,819)	(18,533)	(3,607)	(18,533)

25. BORROWING COSTS

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Interest expense	42,721	26,256	18,748	22,438
Amortisation of loan arrangement fees	3,217	1,347	1,058	1,060
	45,938	27,603	19,806	23,498

26. ASSET MANAGEMENT FEES

Asset management fees comprise $18,898,000 (2020: $11,936,000) of base fee and $13,491,000 (2020: $6,494,000) of performance fee computed in accordance with the fee structure as disclosed in Note 1.2 to the financial statements.

An aggregate of 2,745,397 (2020: 1,994,085) units were issued or are issuable to the Manager as satisfaction of the asset management fees payable for the financial year ended 30 September 2021.

27. TAXATION

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Current tax expense				
Current year	1,835	82	–	–
Under provision in prior years	16	–	–	–
	1,851	82	–	–
Deferred tax expense				
Origination and reversal of temporary differences	1,849	–	–	–
Over provision in prior years	(91)	–	–	–
	1,758	–	–	–
Total taxation	3,609	82	–	–
Reconciliation of effective tax				
Total return before tax	172,242	151,758	121,903	91,120
Income tax using Singapore tax rate of 17% (2020: 17%)	29,282	25,799	20,724	15,490
Effects of different tax rates in foreign jurisdictions	(193)	–	–	–
Expenses not deductible	8,405	3,734	8,436	2,325
Income exempt from tax	–	–	(4,100)	(2,301)
Income not subject to tax	(2,950)	(14,558)	(1,828)	(621)
Tax transparency	(30,860)	(14,893)	(23,232)	(14,893)
Over provision in prior years	(75)	–	–	–
	3,609	82	–	–

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28. EARNINGS PER UNIT

(i) Basic earnings per Unit

The calculation of basic earnings per Unit is based on the weighted average number of Units during the year and total return for the year.

	Group		Trust	
	2021	2020	2021	2020
Total return for the year after tax ($'000)	168,633	151,676	121,903	91,120
Weighted average number of Units in issue ('000)	1,670,234	1,118,086	1,670,234	1,118,086

(ii) Diluted earnings per Unit

In calculating diluted earnings per unit, the total return for the year and weighted average number of Units outstanding are adjusted for the effect of all dilutive potential units, as set out below:

	Group		Trust	
	2021	2020	2021	2020
Total return for year after tax ($'000)	168,633	151,676	121,903	91,120
Weighted average number of Units in issue ('000)	1,672,391	1,119,618	1,672,391	1,119,618

29. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the financial year, other than the transactions disclosed in the financial statements, the following related party transactions were carried out in the normal course of business on arm's length commercial terms:

	Group	
	2021 $'000	2020 $'000
Related Corporations		
Property management fees, project management fee, service fees and reimbursement of expenses paid/payable to the Property Manager [(1)]	35,485	16,231
Acquisition fees paid in units to the Manager	19,344	1,972
Divestment fees paid to the Manager	2,190	–
Reimbursement of expenses paid/payable to the Manager	22	28
Acquisition of investment in a joint venture from a related company of the Manager	–	68
Reimbursement of expenses/capital expenditure paid/payable to related companies of the Manager	1,058	418
Recovery of expenses paid on behalf of related companies of the Manager	(250)	(132)
Income from related companies of the Manager	(266)	(190)
Purchase of services from a related company of the Manager	201	41
Reimbursement of carpark income received on behalf of a related company of the Manager	1,714	1,578
Net carpark expenses paid/payable to the Property Manager	2	89

(1) In accordance with service agreements in relation to management of the Trust and its property operations.

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29. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

	Group	
	2021 $'000	2020 $'000
Joint Ventures		
Interest income received/receivable from a Joint Venture	(801)	(2,211)
Car park expenses paid/payable to a Joint Venture	35	27

30. FAIR VALUE OF ASSETS AND LIABILITIES

(a) Liabilities measured at fair value

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group and Trust				
At 30 September 2021				
Financial liabilities				
Interest rate swaps	–	3,136	–	3,136
At 30 September 2020				
Financial liabilities				
Interest rate swaps	–	7,367	–	7,367

During the financial years ended 30 September 2021 and 30 September 2020, there have been no transfers between the respective levels.

(b) Level 2 fair value measurements

Interest rate swap contracts are valued using present value calculations by applying market observable inputs existing at each reporting date into swap models. The models incorporate various inputs including the credit quality of counterparties and interest rate curves.

(c) Fair value of financial liabilities that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair values

The following fair values, which are determined for disclosure purposes, are estimated by discounting expected future cash flows at market incremental lending rates for similar types of lending or borrowing arrangements at the reporting date:

	2021		2020	
	Carrying amount $'000	Fair value $'000	Carrying amount $'000	Fair value $'000
Group				
Financial liabilities				
Interest-bearing borrowings (non-current)	1,604,089	1,674,893	997,308	1,011,974
Security deposits (non-current)	45,207	44,178	23,813	23,422
	1,649,296	1,719,071	1,021,121	1,035,396
Trust				
Financial liabilities				
Interest-bearing borrowings (non-current)	547,731	567,332	807,164	817,707
Security deposits (non-current)	19,995	19,527	23,813	23,422
	567,726	586,859	830,977	841,129

30. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(d) Fair value of financial assets and liabilities that are not carried at fair value and whose carrying amounts are reasonable approximation of fair values

The carrying amounts of financial assets and liabilities with maturity of less than one year (including trade and other receivables, cash and cash equivalents, trade and other payables, current portion of security deposits and current portion of interest-bearing borrowings) are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

31. FINANCIAL RISK MANAGEMENT

(a) Capital risk management

The primary objective of the Group's capital management is to ensure that it maintains a strong and healthy capital structure in order to support its business and maximise Unitholder value.

The Group is subject to the aggregate leverage limit as defined in the Property Fund Guidelines of the CIS Code. The CIS Code stipulates that borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 50.0% of the fund's depository property before 1 January 2022 and on or after 1 January 2022, should not exceed 45.0% of the fund's depository property.

As at 30 September 2021, the Group's Aggregate Leverage stood at 33.3% (2020: 35.9%) of its depository property, which is within the limit set by the Property Fund Guidelines and externally imposed capital requirements. The Trust has affirmed its corporate ratings of "BBB" from S&P Global Ratings and "Baa2" from Moody's Investors Service.

(b) Financial risk management objectives and policies

Exposure to credit, interest rate and liquidity risks arises in the normal course of the Group's business. The Manager continually monitors the Group's exposure to the above risks. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures risks.

(i) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Manager has established credit limits for tenants and monitors their balances on an ongoing basis. Credit evaluations are performed by the Manager before lease agreements are entered into with tenants. Credit risk is also mitigated by the security deposits held for each of the tenants. In addition, receivables are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Trade receivables

The Manager has established an allowance account for impairment that represents its estimate of losses in respect of trade receivables due from specific customers. Subsequently when the Group is satisfied that no recovery of such losses is possible, 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 maximum exposure to credit risk is represented by the carrying value of each financial asset on the Balance Sheets. At the reporting date, approximately 31.1% (2020: 19.5%) of the Group's trade receivables were due from 5 tenants who are reputable companies located in Singapore.

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual tenants, which comprise a very large number of tenants.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off based on actual credit loss experience over the last three years.

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31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(i) Credit risk (cont'd)

Trade receivables (cont'd)

Trade receivables that are past due but not impaired

The Group and the Trust have trade receivables amounting to $6,847,000 (2020: $4,665,000) and $3,049,000 (2020: $4,665,000) respectively that are past due at the balance sheet date but not impaired. The aging of receivables at the balance sheet date is as follows:

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Trade receivables past due but not impaired:				
Less than 30 days	5,061	2,271	2,428	2,271
30 to 60 days	1,276	1,767	421	1,767
61 to 90 days	139	*	12	*
91 to 120 days	302	479	144	479
More than 120 days	69	148	44	148
	6,847	4,665	3,049	4,665

* Denotes amount less than $500

Trade receivables that are impaired

Trade receivables of the Group and the Trust that are impaired at the reporting date and the movements of the allowance account used to record the impairment are as follows:

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Trade receivables	942	209	751	209
Allowance for doubtful receivables	(942)	(209)	(751)	(209)
	–	–	–	–
Movement in allowance account:				
At beginning of the year	209	11	209	11
Acquisition of subsidiaries (Note 8)	217	–	–	–
Net allowance for doubtful receivables	601	198	588	198
Write-off of allowance for doubtful receivables against provision	(85)	–	(46)	–
At end of the year	942	209	751	209

Trade receivables that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant difficulties and have defaulted on payments. The allowance for impairment recorded in relation to these receivables represents the amount in excess of the security deposits held as collateral.

Based on the Group's historical experience of the collection of trade receivables, the Manager believes that there is no additional credit risk beyond those which have been provided for.

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(i) Credit risk (cont'd)

Deposits and other receivables

Impairment on these balances has been measured on the 12-month expected loss basis which reflects the short maturity and low credit risks of the exposure. The amount of the allowance on these balances is insignificant.

Amount due from related parties and subsidiaries

Outstanding balances with related party are unsecured and repayable on demand. ECL is assessed from estimated cash flows recoverable from the related parties and subsidiaries based on the review of their financial strength as at the reporting date. There is no allowance for doubtful debts arising from these outstanding balances as the ECL is not material.

Cash and cash equivalents

Cash is placed with financial institutions which are regulated. The maximum exposure to credit risk is represented by the carrying value on the balance sheets. Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposure. 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 was negligible.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Trust's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Trust's exposure to interest rate risk is in respect of debt obligations with financial institutions.

The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate debts with varying tenors. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. To manage this mix in a cost-efficient manner, the Group uses hedging instruments such as interest rate swaps to minimise its exposure to interest rate volatility.

The Group 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.

The Group assesses whether the derivative designated in each hedge relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the critical terms method, dollar offset method or regression method.

Hedge ineffectiveness may occur due to changes in the critical terms of either the interest rate swaps or borrowings.

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31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(ii) Interest rate risk (cont'd)

Managing interest rate benchmark reform and associated risks

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates ("IBORs") with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has exposures to IBORs on its financial instruments that will be replaced or reformed as part of these market-wide initiatives. The Group's main IBOR exposure at the reporting date is S$ Singapore swap offer rate ("SOR"). The alternative reference rate is Singapore Overnight Rate Average ("SORA").

The Group anticipates that IBOR reform will impact its risk management processes and hedge accounting. The main risks to which the Group is exposed as a result of IBOR reform are operational. For example, renegotiating borrowing contracts through bilateral negotiation with counterparties, implementing new fallback clauses with its derivative counterparties, updating contractual terms and revising operational controls related to the reform. Financial risk is predominantly limited to interest rate risk.

The Group monitors and manages the transition to alternative rates. The Group evaluates the extent to which contracts reference IBOR cash flows, whether such contracts will need to be amended as a result of IBOR reform and how to manage communication about IBOR reform with counterparties.

The Group monitors the progress of transition from IBORs to new benchmark rates by reviewing the total amounts of non-derivative financial liability contracts and derivative contracts that have yet to transition to an alternative benchmark rate and the amounts of such contracts that include an appropriate fallback clause. The Group considers that a contract is not yet transitioned to an alternative benchmark rate when interest under the contract is indexed to a benchmark rate that is still subject to IBOR reform, even if it includes a fallback clause that deals with the cessation of the existing IBOR (referred to as an 'unreformed contract').

Non-Derivative Financial Liabilities

The Group has floating-rate liabilities indexed to SOR. There has been no modifications to the financial liabilities during the years ended 30 September 2020 and 30 September 2021 as a result of IBOR reform. The Group is in discussions with the counterparties of the financial liabilities to amend the contractual terms in response to IBOR reform.

The following table shows the total amounts of the unreformed non-derivative financial liabilities at 1 October 2020 and at 30 September 2021. The amounts shown in the table are the carrying amounts.

	SOR Total amount of unreformed contracts $'000
Group	
30 September 2021	
Interest-bearing borrowings	1,219,716
1 October 2020	
Interest-bearing borrowings	902,631
Trust	
30 September 2021	
Interest-bearing borrowings	452,766
1 October 2020	
Interest-bearing borrowings	712,487

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(ii) Interest rate risk (cont'd)

Derivatives

The Group holds interest rate swaps for risk management purposes which are designated in cash flow hedging relationships. The interest rate swaps have floating legs that are indexed to SOR. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association ("ISDA")'s master agreements. The Group is currently in discussions with counterparties of respective contracts. No derivative instruments have been modified as at 30 September 2021.

ISDA has reviewed its definitions in light of IBOR reform and issued an IBOR fallbacks supplement on 23 October 2020, which became effective on 25 January 2021. This sets out how the amendments to new alternative benchmark rates (e.g. SORA) in the 2006 ISDA definitions will be accomplished. The effect of the supplement is to create fallback provisions in derivatives that describe what floating rates will apply on the permanent discontinuation of certain key IBORs or on ISDA declaring a non-representative determination of an IBOR. The Group has adhered to the protocol to implement the fallbacks to derivative contracts that were entered into before the effective date of the supplement. If derivative counterparties also adhere to the protocol, then new fallbacks will be automatically implemented in existing derivative contracts when the supplement became effective – i.e. on 25 January 2021. From that date, all new derivatives that reference the ISDA definitions will also include the fallbacks. Consequently, the Group is monitoring whether its counterparties will also adhere to the protocol and, if there are counterparties that will not, then the Group plans to negotiate with them bilaterally.

The following table shows the amounts of unreformed derivative instruments and amounts that include appropriate fallback language at 1 October 2020 and at 30 September 2021. For interest rate swaps, the Group used the notional amount of the receive leg of the swap. The Group expects both legs of interest rate swaps to be reformed simultaneously.

	SOR	
	Total amount of unreformed contracts $'000	Amount with appropriate fallback clause $'000
Group		
30 September 2021		
Interest rate swaps	430,000	430,000
1 October 2020		
Interest rate swaps	332,000	332,000
Trust		
30 September 2021		
Interest rate swaps	430,000	430,000
1 October 2020		
Interest rate swaps	332,000	332,000

Notes to the Financial Statements

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31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(ii) Interest rate risk (cont'd)

Hedge accounting

The Group has evaluated the extent to which its hedging relationships are subject to uncertainty driven by IBOR reform as at 30 September 2021. The Group's hedged items and hedging instruments continue to be indexed to IBOR benchmark rate which is SOR.

The Group's SOR hedging relationships extend beyond the anticipated cessation date for IBOR. The Group applies the amendments to FRS 109 to those hedging relationships directly affected by IBOR reform.

Hedging relationships impacted by IBOR reform may experience ineffectiveness attributable to market participants' expectations of when the shift from the existing IBOR benchmark rate to an alternative benchmark interest rate will occur. This transition may occur at different times for the hedged item and hedging instrument, which may lead to hedge ineffectiveness.

Sensitivity analysis for interest rate risk

It is estimated that every 100 basis points increase in interest rate at the reporting date, with all other variables held constant, would increase the Group's total return and Unitholders' funds and reserves by approximately $202,000 (2020: $802,000) and $4,294,000 (2020: $4,719,000) respectively and every 100 basis points decrease in interest rate, with all other variables held constant, would decrease the Group's total return and Unitholders' funds and reserves by approximately $203,000 (2020: $824,000) and $4,363,000 (2020: $4,882,000) respectively, arising mainly as a result of change in the fair value of interest rate swap instruments. On outstanding borrowings not covered by financial derivatives at the reporting date, it is estimated that every 100 basis points increase in interest rate, with all other variables held constant, would decrease the Group's total return for the year by approximately $7,950,000 (2020: $5,730,000) and every 100 basis points decrease in interest rate, with all other variables held constant, would increase the Group's total return for the year by approximately $7,950,000 (2020: $5,730,000), arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on current observable market environment.

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's objective is to maintain sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations. The Manager monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. In addition, the Manager monitors and observes the CIS Code issued by the MAS concerning limits on total borrowings.

The table below summarises the maturity profile of the Group's and the Trust's financial liabilities at the reporting date based on contractual undiscounted payments.

	Within 1 year $'000	1 to 5 years $'000	More than 5 years $'000	Total $'000
As at 30 September 2021				
Group				
Trade and other payables	75,843	–	–	75,843
Derivative financial instruments	3,170	375	–	3,545
Security deposits	38,981	44,859	348	84,188
Interest-bearing borrowings	239,285	1,589,678	83,549	1,912,512
	357,279	1,634,912	83,897	2,076,088
Trust				
Trade and other payables	117,840	–	–	117,840
Derivative financial instruments	3,170	375	–	3,545
Security deposits	13,288	19,995	–	33,283
Interest-bearing borrowings	217,843	571,822	–	789,665
	352,141	592,192	–	944,333
As at 30 September 2020				
Group				
Trade and other payables	43,277	–	–	43,277
Derivative financial instruments	4,187	3,605	–	7,792
Security deposits	16,708	23,788	25	40,521
Interest-bearing borrowings	271,281	1,026,669	–	1,297,950
	335,453	1,054,062	25	1,389,540
Trust				
Trade and other payables	43,286	–	–	43,286
Derivative financial instruments	4,187	3,605	–	7,792
Security deposits	16,708	23,788	25	40,521
Interest-bearing borrowings	269,652	832,401	–	1,102,053
	333,833	859,794	25	1,193,652

Notes to the Financial Statements

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32. SEGMENT REPORTING

Business segments

The Group is in the business of investing in shopping malls and an office building, which are considered to be the main business segments.

Following completion of the acquisition of the balance 63.11% stake in ARF on 27 October 2020 and disposal of Bedok Point, Anchorpoint and YewTee Point during the year ended 30 September 2021, the Group's portfolio as of 30 September 2021 comprises:-

1. Causeway Point;
2. Northpoint City North Wing;
3. Yishun 10 Retail Podium;
4. Changi City Point;
5. Tampines 1;
6. Tiong Bahru Plaza;
7. Century Square;
8. Hougang Mall;
9. White Sands; and
10. Central Plaza.

The Manager monitors the operating results of the business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment information is presented in respect of the Group's business segments, based on its management and internal reporting structure.

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 income-earning assets, interest-bearing borrowings and their related revenue and expenses.

Segment capital expenditure is the total costs incurred during the year to acquire segment assets that are expected to be used for more than one year.

Geographical segments

The Group's operations are primarily in Singapore except for its associate, H-REIT for which operations are in Malaysia.

32. SEGMENT REPORTING (CONT'D)

(a) Business segments

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Changi City Point $'000
2021			
Revenue and expenses			
Gross rental income	75,180	46,707	19,808
Others	7,403	4,130	2,585
Gross revenue	82,583	50,837	22,393
Segment net property income	60,905	37,743	13,435
Interest income	–	–	–
Unallocated interest income			
Other income			
Interest income from joint venture			
Non-property expenses	–	–	–
Interest expenses	–	–	–
Unallocated expenses ***			
– Interest expenses			
– Non-property expenses			
Net income			
Gain from fair valuation of derivatives			
Share of results of associates			
Share of results of joint ventures			
Expenses in relation to acquisitions of subsidiaries and an associate			
Surplus/(loss) on revaluation of investment properties	1,700	(2,226)	(13,159)
Impairment loss on investment in associate			
Net gain on step acquisition			
Net foreign exchange loss			
Gain on disposal of investment properties			
Total return before tax			
Taxation	–	–	–
Unallocated taxation			
Total return for the year			

* Other investment properties comprise Bedok Point (until its divestment on 9 November 2020), Anchorpoint (until its divestment on 22 March 2021), and YewTee Point (until its divestment on 28 May 2021).

** These properties were included in the Group's portfolio following the acquisition of the balance 63.11% stake in ARF on 27 October 2020.

*** Unallocated expenses include borrowing costs and asset management fees as disclosed in the Statements of Total Return.

Notes to the Financial Statements

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Tiong Bahru Plaza ** $'000	White Sands ** $'000	Hougang Mall ** $'000	Tampines 1 ** $'000	Central Plaza ** $'000	Century Square ** $'000	Other investment properties * $'000	Group $'000
34,412	23,225	24,130	37,649	10,836	27,246	12,254	311,447
1,856	2,223	2,509	3,815	62	3,705	1,414	29,702
36,268	25,448	26,639	41,464	10,898	30,951	13,668	341,149
27,081	17,876	18,255	29,796	7,550	24,360	9,566	246,567
17	13	5	8	6	8	–	57
							62
							341
							801
(145)	(102)	(174)	(124)	(135)	(3,221)	–	(3,901)
(2,765)	(1,765)	(3,723)	(9,969)	(2,462)	(2,918)	–	(23,602)
							(22,336)
							(32,208)
							165,781
							2,948
							(1,386)
							16,886
							(25,318)
(50)	68	(294)	(879)	(99)	1,666	9,975	(3,298)
							(11,976)
							11,470
							(21)
							17,156
							172,242
(37)	(21)	(21)	(37)	(4)	(3,352)	–	(3,472)
							(137)
							168,633

32. SEGMENT REPORTING (CONT'D)

(a) Business segments (cont'd)

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Changi City Point $'000
2020			
Revenue and expenses			
Gross rental income	65,930	40,375	18,855
Others	7,307	4,021	2,879
Gross revenue	73,237	44,396	21,734
Segment net property income	52,929	31,531	13,103
Interest income			
Other income			
Interest income from joint venture			
Unallocated expenses ***			
– Interest expenses			
– Non-property expenses			
Net income			
Loss from fair valuation of derivatives			
Share of results of associates			
Share of results of joint ventures			
Expenses in relation to acquisitions of subsidiaries and an associate			
(Loss)/surplus on revaluation of investment properties	(157)	(2,619)	(3,882)
Total return before tax			
Taxation			
Total return for the year			

* Other investment properties comprise Bedok Point (until its divestment on 9 November 2020), Anchorpoint (until its divestment on 22 March 2021), and YewTee Point (until its divestment on 28 May 2021).

** These properties were included in the Group's portfolio following the acquisition of the balance 63.11% stake in ARF on 27 October 2020.

*** Unallocated expenses include borrowing costs and asset management fees as disclosed in the Statements of Total Return.

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Tiong Bahru Plaza ** $'000	White Sands ** $'000	Hougang Mall ** $'000	Tampines 1 ** $'000	Central Plaza ** $'000	Century Square ** $'000	Other investment properties * $'000	Group $'000
–	–	–	–	–	–	22,030	147,190
–	–	–	–	–	–	2,980	17,187
–	–	–	–	–	–	25,010	164,377
–	–	–	–	–	–	13,325	110,888
							14
							586
							2,211
							(27,603)
							(20,689)
							65,407
							(1,095)
							75,280
							11,200
							(3,781)
–	–	–	–	–	–	11,405	4,747
							151,758
							(82)
							151,676

32. SEGMENT REPORTING (CONT'D)

(a) Business segments (cont'd)

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Changi City Point $'000
As at 30 September 2021			
Assets and liabilities			
Segment assets	1,316,081	807,852	328,383
Investment in associates			
Investment in joint ventures			
Unallocated assets			
Total assets			
Segment liabilities	28,011	17,794	9,429
Provision for taxation	–	–	–
Deferred tax liabilities	–	–	–
Interest-bearing borrowings	–	–	–
Unallocated liabilities			
– Trade and other payables			
– Provision for taxation			
– Financial derivatives			
– Interest-bearing borrowings			
Total liabilities			
Other segmental information			
Net allowance/(written back) for doubtful receivables	707	(110)	(1)
Amortisation of lease incentives	51	(210)	108
Depreciation of fixed assets	26	9	18
Fixed assets write off	–	–	–
Capital expenditure			
– Investment properties	5,351	17	266
– Fixed assets	7	–	30

* Other investment properties comprise Bedok Point (until its divestment on 9 November 2020), Anchorpoint (until its divestment on 22 March 2021), and YewTee Point (until its divestment on 28 May 2021).

** These properties were included in the Group's portfolio following the acquisition of the balance 63.11% stake in ARF on 27 October 2020.

Notes to the Financial Statements

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Tiong Bahru Plaza ** $'000	White Sands ** $'000	Hougang Mall ** $'000	Tampines 1 ** $'000	Central Plaza ** $'000	Century Square ** $'000	Other investment properties * $'000	Group $'000
659,198	431,340	436,383	767,702	219,191	579,642	1,430	5,547,202
							46,494
							294,399
							10,702
							5,898,797
14,216	11,274	11,191	23,192	4,109	14,827	427	134,470
82	51	62	64	11	1,122	–	1,392
–	–	–	–	–	6,640	–	6,640
55,000	176,171	74,681	352,145	–	262,931	–	920,928
							25,561
							(126)
							3,136
							887,988
							1,979,989
(18)	(6)	17	116	–	(96)	(8)	601
216	69	(118)	(195)	(67)	1,728	–	1,582
–	–	–	–	–	–	5	58
–	–	–	–	–	–	37	37
267	–	176	684	32	61	26	6,880
–	–	–	–	–	–	4	41

32. SEGMENT REPORTING (CONT'D)

(a) Business segments (cont'd)

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Changi City Point $'000
As at 30 September 2020			
Assets and liabilities			
Segment assets	1,314,593	814,861	343,502
Investment in associates			
Investment in joint ventures			
Loan to joint venture			
Unallocated assets			
Total assets			
Segment liabilities	26,769	18,085	9,864
Unallocated liabilities			
– Trade and other payables			
– Provision for taxation			
– Financial derivatives			
– Interest-bearing borrowings			
Total liabilities			
Other segmental information			
Net allowance for doubtful receivables	48	118	26
Amortisation of lease incentives	(127)	1,136	442
Depreciation of fixed assets	12	8	11
Fixed assets write off	–	1	–
Capital expenditure			
– Investment properties	7,030	755	324
– Fixed assets	92	40	53

* Other investment properties comprise Bedok Point (until its divestment on 9 November 2020), Anchorpoint (until its divestment on 22 March 2021), and YewTee Point (until its divestment on 28 May 2021).

** These properties were included in the Group's portfolio following the acquisition of the balance 63.11% stake in ARF on 27 October 2020.

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Tiong Bahru Plaza ** $'000	White Sands ** $'000	Hougang Mall ** $'000	Tampines 1 ** $'000	Central Plaza ** $'000	Century Square ** $'000	Other investment properties * $'000	Group $'000
–	–	–	–	–	–	415,527	2,888,483
							696,406
							177,197
							113,810
							7,515
							3,883,411
–	–	–	–	–	–	11,758	66,476
							18,898
							86
							7,367
							1,252,308
							1,345,135
–	–	–	–	–	–	6	198
–	–	–	–	–	–	(15)	1,436
–	–	–	–	–	–	25	56
–	–	–	–	–	–	5	6
–	–	–	–	–	–	80	8,189
–	–	–	–	–	–	21	206

33. COMMITMENTS

	Group		Trust	
	2021	2020	2021	2020
Capital expenditure contracted but not provided for	1,383	5,457	931	5,457

34. CONTINGENT LIABILITY

Pursuant to the tax transparency ruling from the IRAS, the Trustee and the Manager have provided a tax indemnity for certain types of tax losses, including unrecovered late payment penalties, that may be suffered by the IRAS should the IRAS fail to recover from Unitholders tax due or payable on distributions made to them without deduction of tax, subject to the indemnity amount agreed with the IRAS. The amount of indemnity, as agreed with the IRAS, is limited to the higher of $500,000 or 1.0% of the taxable income of the Trust each year. Each yearly indemnity has a validity period of the earlier of seven years from the relevant year of assessment and three years from the termination of the Trust.

35. LEASES

Leases as lessor

The Group leases out its investment property consisting of its owned retail properties as well as leased property (Note 4). All leases are classified as operating leases from a lessor perspective with the exception of a sub-lease, which the Group has classified as a finance sub-lease.

Operating lease

The Group leases out its investment properties. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Portfolio Statements set out information about the operating leases of investment property.

Rental income from investment properties recognised by the Group during 2021 was $311,447,000 (2020: $147,190,000).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group	
	2021 $'000	2020 $'000
Operating leases under FRS 116		
Less than one year	274,730	140,913
One to two years	170,520	87,181
Two to three years	79,191	33,943
Three to four years	10,438	3,692
Four to five years	3,833	944
More than five years	2,033	1,841
Total	540,745	268,514

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36. FINANCIAL RATIOS

The following financial ratios are presented as required by RAP 7:

	Group	
	2021 %	2020 %
Expenses to weighted average net assets (1):		
– including performance component of asset management fees	0.58	0.57
– excluding performance component of asset management fees	0.93	0.84
Portfolio turnover rate (2)	11.28	–

(1) The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding property expenses, interest expense and taxation.

(2) The annualised ratios are computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value.

37. SUBSEQUENT EVENTS

On 27 October 2021, the Manager declared a distribution of $103,565,000 (or 6.089 cents per unit) to Unitholders in respect of the period from 1 April 2021 to 30 September 2021.

On 29 October 2021, the Trust issued 1,590,893 new units issued at a price of $2.28 per Unit as payment of the following:-

- 20% of the performance fee component of its management fee for the period from 1 October 2020 to 31 December 2020;
- 20% of the performance fee component of its management fee for the period from 1 January 2021 to 31 March 2021;
- 20% of the performance fee component of its management fee for the period from 1 April 2021 to 30 June 2021; and
- 20% of the base fee component and performance fee component of its management fee for the period from 1 July 2021 to 30 September 2021.

Statistics of Unitholdings

ISSUED AND FULLY PAID-UP UNITS

There were 1,700,859,476 Units (voting rights: one vote per Unit) outstanding as at 29 November 2021.

There is only one class of Units.

The market capitalisation was approximately S$3,929 million based on closing unit price of S$2.31 on 29 November 2021.

TOP TWENTY UNITHOLDERS AS AT 29 NOVEMBER 2021

As shown in the Register of Unitholders

S/No	Unitholders	Number of Units	% of Total units in Issue
1.	FRASERS PROPERTY RETAIL TRUST HOLDINGS PTE LTD	624,684,552	36.73
2.	CITIBANK NOMINEES SINGAPORE PTE LTD	213,074,994	12.53
3.	HSBC (SINGAPORE) NOMINEES PTE LTD	197,466,676	11.61
4.	DBS NOMINEES (PRIVATE) LIMITED	132,919,461	7.81
5.	DBSN SERVICES PTE. LTD.	115,726,809	6.80
6.	RAFFLES NOMINEES (PTE.) LIMITED	102,195,491	6.01
7.	FRASERS CENTREPOINT ASSET MANAGEMENT LTD	74,937,477	4.41
8.	BPSS NOMINEES SINGAPORE (PTE.) LTD.	24,035,978	1.41
9.	DB NOMINEES (SINGAPORE) PTE LTD	11,335,611	0.67
10.	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	8,804,534	0.52
11.	PHILLIP SECURITIES PTE LTD	7,106,407	0.42
12.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	6,422,936	0.38
13.	IFAST FINANCIAL PTE. LTD.	5,870,501	0.35
14.	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	4,530,979	0.27
15.	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	4,488,831	0.26
16.	OCBC SECURITIES PRIVATE LIMITED	4,224,684	0.25
17.	MAYBANK KIM ENG SECURITIES PTE. LTD.	2,967,746	0.17
18.	UOB KAY HIAN PRIVATE LIMITED	2,953,038	0.17
19.	ABN AMRO CLEARING BANK N.V.	2,798,493	0.16
20.	CHAN WAI KHEONG	2,646,200	0.16
	Total	**1,549,191,398**	**91.09**

UNITHOLDINGS OF DIRECTORS OF THE MANAGER AS AT 21 OCTOBER 2021

Name of Director	Number of FCT Units held Direct Interest	Deemed Interest
Mr Christopher Tang Kok Kai	59,000	792,220
Dr Cheong Choong Kong	186,597	–
Mr Ho Chee Hwee Simon	–	129,000

Statistics of Unitholdings

SUBSTANTIAL UNITHOLDERS AS AT 29 NOVEMBER 2021

Substantial Unitholders	Direct Interest Number of Units	Direct Interest %	Deemed Interest Number of Units	Deemed Interest %	Total Number of Units Held	%
Frasers Property Retail Trust Holdings Pte. Ltd.	624,684,552	36.73	–	–	624,684,552	36.73
Frasers Property Limited (1)	–	–	699,622,029	41.13	699,622,029	41.13
Thai Beverage Public Company Limited (2)	–	–	699,622,029	41.13	699,622,029	41.13
International Beverage Holdings Limited (3)	–	–	699,622,029	41.13	699,622,029	41.13
InterBev Investment Limited (4)	–	–	699,622,029	41.13	699,622,029	41.13
Siriwana Co., Ltd. (5)	–	–	699,622,029	41.13	699,622,029	41.13
Maxtop Management Corp (6)	–	–	699,622,029	41.13	699,622,029	41.13
Risen Mark Enterprise Ltd. (7)	–	–	699,622,029	41.13	699,622,029	41.13
Golden Capital (Singapore) Limited (8)	–	–	699,622,029	41.13	699,622,029	41.13
MM Group Limited (9)	–	–	699,622,029	41.13	699,622,029	41.13
TCC Assets Limited (10)	–	–	699,622,029	41.13	699,622,029	41.13
Charoen Sirivadhanabhakdi (11)	–	–	699,622,029	41.13	699,622,029	41.13
Khunying Wanna Sirivadhanabhakdi (12)	–	–	699,622,029	41.13	699,622,029	41.13

Notes:

(1) Frasers Property Limited ("**FPL**") holds a 100% direct interest in each of Frasers Centrepoint Asset Management Ltd ("**FCAM**") and Frasers Property Retail Trust Holdings Pte. Ltd. ("**FPRTH**"); and FCAM and FPRTH hold units in FCT. FPL therefore has a deemed interest in the units in FCT in which each of FCAM and FPRTH has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore) (the "**SFA**").

(2) Thai Beverage Public Company Limited ("**ThaiBev**") holds a 100% direct interest in International Beverage Holdings Limited ("**IBHL**");
- IBHL holds a 100% direct interest in InterBev Investment Limited ("**IBIL**");
- IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of FCAM and FPRTH; and
- FCAM and FPRTH hold units in FCT.

ThaiBev therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of the Section 4 of the SFA.

(3) IBHL holds a 100% direct interest in IBIL;
- IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of FCAM and FPRTH; and
- FCAM and FPRTH hold units in FCT.

IBHL therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(4) IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of FCAM and FPRTH; and
- FCAM and FPRTH hold units in FCT.

IBIL therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(5) Siriwana Co., Ltd. ("**SCL**") holds a greater than 20% interest in ThaiBev;
- ThaiBev holds a 100% direct interest in IBHL;
- IBHL holds a 100% direct interest in IBIL;
- IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of FCAM and FPRTH; and
- FCAM and FPRTH hold units in FCT.

SCL therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

Statistics of Unitholdings

(6) Maxtop Management Corp. ("**MMC**") together with Risen Mark Enterprise Ltd. ("**RM**") and Golden Capital (Singapore) Limited ("**GC**") collectively holds a greater than 20% interest in ThaiBev;

- ThaiBev holds a 100% direct interest in IBHL;
- IBHL holds a 100% direct interest in IBIL;
- IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of FCAM and FPRTH; and
- FCAM and FPRTH hold units in FCT.

MMC therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(7) RM together with MMC and GC collectively holds a greater than 20% interest in ThaiBev;

- ThaiBev holds a 100% direct interest in IBHL;
- IBHL holds a 100% direct interest in IBIL;
- IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of FCAM and FPRTH; and
- FCAM and FPRTH hold units in FCT.

RM therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(8) GC together with MMC and RM collectively holds a greater than 20% interest in ThaiBev;

- ThaiBev holds a 100% direct interest in IBHL;
- IBHL holds a 100% direct interest in IBIL;
- IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of FCAM and FPRTH; and
- FCAM and FPRTH hold units in FCT.

GC therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(9) MM Group Limited ("**MM Group**") holds a 100% direct interest in each of MMC, RM and GC;

- MMC, RM and GC collectively holds a greater than 20% interest in ThaiBev;
- ThaiBev holds a 100% direct interest in IBHL;
- IBHL holds a 100% direct interest in IBIL;
- IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of FCAM and FPRTH; and
- FCAM and FPRTH hold units in FCT.

MM Group therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(10) TCC Assets Limited ("**TCCA**") holds a majority interest in FPL;

- FPL holds a 100% direct interest in each of FCAM and FPRTH; and
- FCAM and FPRTH hold units in FCT.

TCCA therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(11) Charoen Sirivadhanabhakdi and his spouse, Khunying Wanna Sirivadhanabhakdi, each owns 50% of the issued and paid-up share capital of TCCA;

- TCCA holds a majority interest in FPL;
- FPL holds a 100% direct interest in each of FCAM and FPRTH; and
- FCAM and FPRTH hold units in FCT.

Charoen Sirivadhanabhakdi therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(12) Khunying Wanna Sirivadhanabhakdi and her spouse, Charoen Sirivadhanabhakdi, each owns 50% of the issued and paid-up share capital of TCCA;

- TCCA holds a majority interest in FPL;
- FPL holds a 100% direct interest in each of FCAM and FPRTH; and
- FCAM and FPRTH hold units in FCT.

Khunying Wanna Sirivadhanabhakdi therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

Statistics of Unitholdings

DISTRIBUTION OF HOLDINGS

Size of Holdings	Number of Unitholders	Percentage of Unitholders (%)	Number of Units	Percentage of Units in Issue (%)
1 to 99	81	0.61	3,453	0.00
100 to 1,000	2,023	15.15	1,483,062	0.09
1,001 to 10,000	8,479	63.52	38,659,408	2.27
10,001 to 1,000,000	2,743	20.55	106,313,029	6.25
1,000,001 and above	23	0.17	1,554,400,524	91.39
Total	**13,349**	**100.00**	**1,700,859,476**	**100.00**

LOCATION OF UNITHOLDERS

Country	Number of Unitholders	Percentage of Unitholders (%)	Number of Units	Percentage of Units in Issue (%)
Singapore	12,908	96.70	1,694,814,703	99.64
Malaysia	319	2.39	4,724,374	0.28
Others	122	0.91	1,320,399	0.08
Total	**13,349**	**100.00**	**1,700,859,476**	**100.00**

FREE FLOAT

Based on information made available to the Manager as at 29 November 2021, approximately 58.9% of the Units are held in the hands of the public. Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited has accordingly been complied with.

Additional Information

INTERESTED PERSON TRANSACTIONS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

The transactions entered into with interested persons during the financial year under review, which fall within the Listing Manual of the Singapore Exchange Securities trading Limited ("SGX-ST") and the Property Funds Appendix 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 year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S$'000	Aggregate value of all Interested Person Transactions during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) S$'000
Frasers Property Limited and its subsidiaries or associate			
– Asset management fees [(1)]	Associates of controlling shareholder of Manager and controlling unitholder of FCT	32,389	–
– Acquisition fees		19,344	–
– Divestment fees		2,190	–
– Property management, project management and service fees [(1) (2) (3) & (4)]		15,033	–
– Reimbursement of expenses and capital expenditure [(1) (2) (3) & (4)]		21,535	–
– Recovery of expenses		250	–
– Acquisition of the balance 63.11% stake in AsiaRetail Fund Limited [(5)]		1,060,318	–
– Divestment of Bedok Point		108,000	–
– Divestment of Mallco Pte. Ltd. [(6)]		14,829	–
Fraser & Neave Group and its subsidiaries or associate			
– Rental income and license fee from lease of space [(7)]		233	–
– Purchase of services [(1)]		201	–
HSBC Institutional Trust Services (Singapore) Limited			
– Trustee's and Custodian's fees	Trustee	1,041	–

(1) Includes FCT's interest in a joint venture.

(2) During the financial year, the property management agreements ("PMA") with Frasers Property Retail Management Pte. Ltd. (the "Property Manager") for Causeway Point, Northpoint City North Wing, Changi City Point and Yishun 10 Retail Podium have been extended for the period commencing from 5 July 2021 and ending on 4 July 2026. The total fees payable and expenses reimbursable to the Property Manager pursuant to the PMA are estimated at S$91.4 million.

(3) During the financial year, the PMA in respect of Waterway Point ("Waterway Point PMA") between the Property Manager and FC Retail Trustee Pte. Ltd., the trustee-manager of Sapphire Star Trust ("SST Trustee-Manager"), a private trust through which FCT holds a 40.0% interest in Waterway Point, has been renewed for the period commencing on 18 March 2021 and ending on 17 March 2026. FCT's share of the total fees payable and expenses reimbursable to the Property Manager pursuant to the Waterway Point PMA is estimated at S$13.2 million (40% interest). The Property Manager may, subject to the terms of the Waterway Point PMA, give written request to the SST Trustee-Manager to extend the appointment of the Property Manager for a further term of five years from the expiry of the existing term. FCT's share of the fees payable and expenses reimbursable to the Property Manager pursuant to the Waterway Point PMA for a further term of five years is estimated at S$26.3 million (40% interest).

(4) The Management Corporation Strata Title Plan No. 2193 in respect of Century Square and The Management Corporation Strata Title Plan No. 2634 in respect of Central Plaza and Tiong Bahru Plaza have each appointed Frasers Property Retail Management Pte. Ltd. as the managing agent for the period commencing from 1 May 2021 and ending on 30 April 2022. The managing agent fees payable and expenses reimbursable to the Property Manager are estimated at S$2.0 million.

(5) Includes FCT's share of the profit reserve adjustment for the acquisition of 63.11% interest in AsiaRetail Fund Limited paid to Frasers Property Investments (Bermuda).

(6) Includes FCT's share of purchase consideration adjustment for divestment of Mallco Pte. Ltd received from Frasers Property Gold Pte. Ltd.

(7) During the financial year, the lease between the SST Trustee-Manager and Times Experience Pte. Ltd. was renewed for the period commencing from 18 January 2021 and ending on 17 July 2024. FCT's share of the lease renewal is estimated at S$0.8 million.

Additional Information

INTERESTED PERSON TRANSACTIONS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

Saved 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 the Trust that involved the interests of the CEO, any Director or any controlling shareholder of the Trust.

Please refer to **Note 29 Significant Related Party Transactions** to the Financial Statements on pages 204 and 205.

Fees payable to the Manager and the Property Manager on the basis of, and in accordance with, the terms and conditions set out in the Trust deed dated 5 June 2006 (as amended) and/or the prospectus dated 27 June 2006 are not subject to Rules 905 and 906 of the SGX-ST's Listing Manual. Accordingly, such fees are not subject to aggregation and other requirements under Rules 905 and 906 of the SGX-ST's Listing Manual.

Manager's Asset Management, Acquisition and Divestment Fees Paid and Payable in Units

A summary of Units issued for payment of the Manager's management fees, acquisition fees and divestment fees in respect of the financial year are as follows:-

	Issue Date	Units Issued	Issue Price
Manager's Base Fee Component			
1 October to 31 December 2020	28 January 2021	396,050	$2.4875 (1)
1 January to 31 March 2021	27 April 2021	377,755	$2.4922 (1)
1 April to 30 June 2021	27 July 2021	380,699	$2.4270 (1)
1 July to 30 September 2021	29 October 2021	407,486	$2.2800 (1)
Manager's Performance Fee Component			
1 October 2020 to 30 September 2021	29 October 2021	1,183,407	$2.2800 (2)
Acquisition Fee			
In respect of acquisition by FCT Holdings (Sigma) Pte. Ltd, a wholly-owned subsidiary of FCT, approximately 63.11% interest in AsiaRetail Fund Limited on 27 October 2020	27 November 2020	8,231,488	$2.3500 (3)
Divestment Fee			
In respect of divestment by FCT of Bedok Point on 9 November 2020	27 November 2020	231,729	$2.3303 (4)

(1) Based on the volume weighted average traded price of a Unit in the ordinary course of trading on the SGX-ST for the last 10 business days of the relevant period in which the management fees were accrued.

(2) Based on the volume weighted average traded price of a Unit in the ordinary course of trading on the SGX-ST for the last 10 business days immediately preceding the end date of the financial year ended 30 September 2021.

(3) Based on the higher of the issue price of the Units issued under the private placement to institutional and other investors and the non-renounceable preferential offering to the existing unitholders of FCT undertaken to, inter alia, finance the Acquisition in respect of which the Acquisition Fee is payable.

(4) Based on the volume weighted average traded price of a Unit in the ordinary course of trading on the SGX-ST for the last 10 business days immediately preceding the date of issue of the Units.

SUBSCRIPTION OF THE TRUST UNITS

For the financial year ended 30 September 2021, an aggregate of 579,821,456 Units were issued and as at 30 September 2021, 1,699,268,583 Units were in issue. On 29 October 2021, the Trust issued 1,590,893 new Units to the Manager as the base fee component of the Manager's management fees for the quarter ended 30 September 2021 and the performance fee component of the Manager's management fees for the financial year ended 30 September 2021.

NON-DEAL ROADSHOW EXPENSES

No non-deal roadshow expenses (2020: S$7,420) were incurred during the year ended 30 September 2021.

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Corporate Information

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Trustee's Registered Address
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TRUSTEE'S MAILING ADDRESS
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AUDITOR
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Partner-in-charge: Ms Sarina Lee
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Citibank N.A.
DBS Bank Ltd.
Oversea-Chinese Banking Corporation Limited
Standard Chartered Bank

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DIRECTORS OF THE MANAGER
Dr Cheong Choong Kong (Chairman)
Non-Executive and Independent Director

Mr Ho Chai Seng
Non-Executive and Independent Director

Mr Ho Chee Hwee Simon
Non-Executive and Non-Independent Director

Ms Koh Choon Fah
Non-Executive and Independent Director

Mr Low Chee Wah
Non-Executive and Non-Independent Director

Mr Christopher Tang Kok Kai
Non-Executive and Non-Independent Director

AUDIT, RISK AND COMPLIANCE COMMITTEE
Ms Koh Choon Fah (Chairman)
Dr Cheong Choong Kong
Mr Ho Chai Seng
Mr Ho Chee Hwee Simon

NOMINATING AND REMUNERATION COMMITTEE
Mr Ho Chai Seng (Chairman)
Dr Cheong Choong Kong
Ms Koh Choon Fah
Mr Ho Chee Hwee Simon
Mr Christopher Tang Kok Kai

COMPANY SECRETARY
Ms Catherine Yeo

FRASERS CENTREPOINT ASSET MANAGEMENT LTD.
As Manager of Frasers Centrepoint Trust
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