A member of Frasers Property Group

FRASERS CENTREPOINT TRUST

Forging **Trust**
Evolving **Stronger**

Annual Report 2023

Contents

Glossary

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

All information are presented in Singapore dollars unless otherwise stated.

ADTV	: Average daily trading volume
AEI	: Asset Enhancement Initiative
AGM	: Annual General Meeting
ARCC	: Audit, Risk and Compliance Committee
AUM	: Asset under management
CIS	: Collective Investment Scheme
COVID-19	: Coronavirus disease
CSFS	: Community/Sports Facilities Scheme
DPU	: Distribution per Unit
Essential Services	: The groupings of essential and non-essential services based on Ministry of Trade and Industry's press release on 21 April 2020
FCAM	: Frasers Centrepoint Asset Management Ltd., the Manager of FCT
FCT	: Frasers Centrepoint Trust
Fed	: The United States Federal Reserve
Fed Fund Rate	: Federal Funds Target Rates
FSTREI Index	: FTSE ST All-share Real Estate Investment Trust Index
Frasers Property or FPL	: Frasers Property Limited, the sponsor of FCT
FY	: FCT's financial year ending 30 September
GFA	: Gross Floor Area
GRESB	: Global Real Estate Sustainability Benchmark
GRI	: Gross Rental Income
GRPL	: Gold Ridge Pte. Ltd. which holds NEX; FCT owns an effective 25.50% interest in GRPL
GST	: Goods and Services Tax
GTO	: Gross Turnover
Moody's	: Moody's Investors Service (credit rating agency)
MTN	: Medium Term Notes
NAV	: Net Asset Value
NLA	: Net Lettable Area
NPI	: Net Property Income
NRC	: Nominating and Remuneration Committee
NTA	: Net Tangible Asset
q-o-q	: quarter-on-quarter, refers to the comparison with the previous quarter
REIT	: Real Estate Investment Trust
Retail Portfolio	: Includes all retail malls in FCT's investment portfolio, and includes Waterway Point (50.00%-owned by FCT) and NEX (25.50%-owned by FCT), but excludes Central Plaza which is an office property
S&P	: Standard and Poor's (credit rating agency)
sf	: Square Feet
sqm	: Square Meter
SST	: Sapphire Star Trust, which holds Waterway Point; it is a joint venture of FCT
Unitholders	: Unitholders of FCT
WALE	: Weighted Average Lease Expiry
y-o-y	: year-on-year, refers to the comparison with the same period in the previous year

Forging **Trust**
Evolving **Stronger**

At Frasers Centrepoint Trust, everything we create is built on the firm foundations of experience, expertise and trust. Across our suburban retail portfolio, we shape spaces and help connect and strengthen businesses and communities. By anchoring to our shared Purpose – ***Inspiring experiences, creating places for good.*** – and focusing on engaging with and delivering better for our stakeholders, Frasers Centrepoint Trust can deliver long-term value creation. When we consistently provide quality products, solutions and positive experiences, we forge greater trust with our stakeholders. This strengthens relationships, fuels further growth, and helps us to evolve and progress as a future-ready, resilient and stronger organisation.

NEX, Singapore

About **Frasers Centrepoint Trust**

Frasers Centrepoint Trust is a leading developer-sponsored REIT and one of the largest suburban retail mall owners in Singapore with assets under management of approximately $6.9 billion[1]. FCT's property portfolio comprises ten 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 2.9 million sf of net lettable area with over 1,700 leases with a strong focus on providing for necessity spending, food & beverage and essential services.

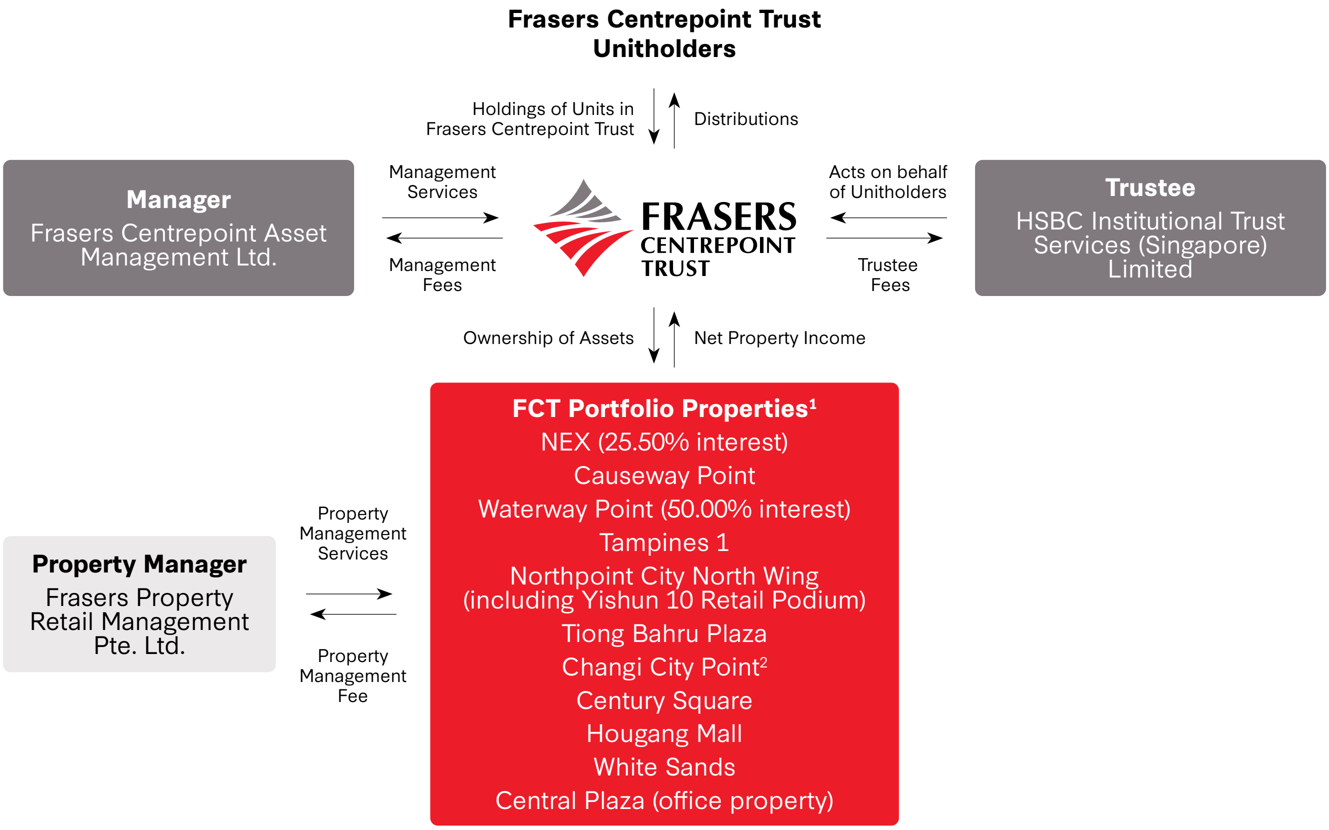
The portfolio comprises NEX (25.50% interest), Causeway Point, Waterway Point (50.00% interest), Tampines 1, Northpoint City North Wing (including Yishun 10 Retail Podium), Tiong Bahru Plaza, Changi City Point[2], Century Square, Hougang Mall, White Sands and an office property, Central Plaza. FCT's malls enjoy stable and recurring shopper footfall supported by commuter traffic and residential population in the catchment areas.

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

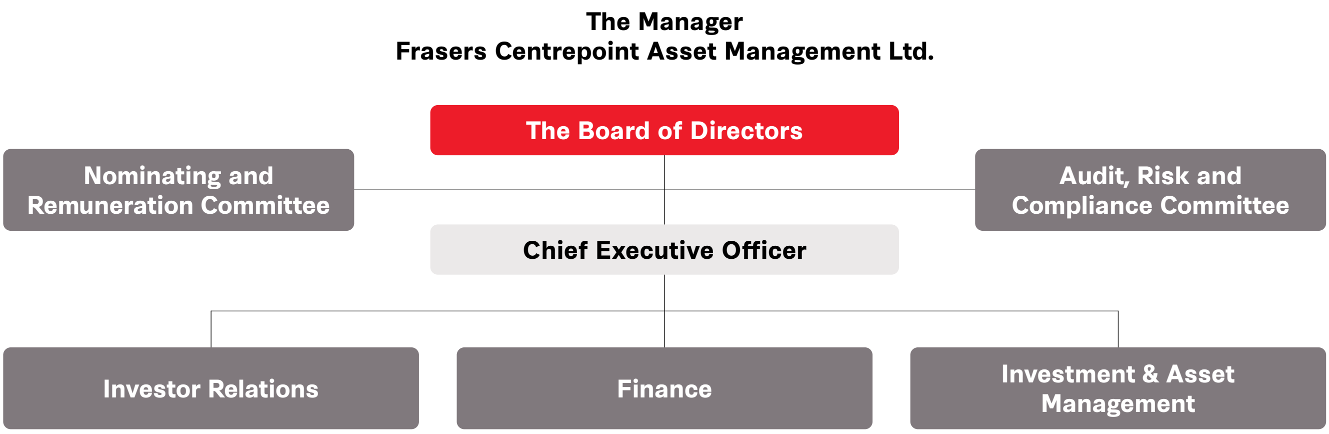
Listed on the Main Board of the Singapore Exchange Securities Trading Limited since 5 July 2006, FCT is managed by Frasers Centrepoint Asset Management Ltd. ("FCAM"), a real estate management company and a wholly owned subsidiary of Frasers Property Limited.

1 *As at 30 September 2023.*
2 *As at 30 September 2023, Changi City Point was reclassified to "Assets held for sale", following FCT's announcement relating to the divestment of the property on 30 August 2023. The divestment was completed on 31 October 2023.*

Structure of **Frasers Centrepoint Trust**



Organisation Structure of **The Manager**



1 *As at 30 September 2023.*
2 *Reclassified to "Assets held for sale" as at 30 September 2023. The divestment of Changi City Point was completed on 31 October 2023.*

Waterway Point, Singapore

NEX, Singapore

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 its Unitholders and to achieve long-term growth in its net asset value, so as to provide Unitholders with a competitive rate of return for their investments.

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.

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 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, cost 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 protect Unitholders' interests.

FY2023 **Highlights**

Gross Revenue

$369.7 million

▲ 3.6% year-on-year

Net Property Income

$265.6 million

▲ 2.7% year-on-year

FCT achieved higher gross revenue and NPI of $369.7 million and $265.6 million respectively in FY2023, as compared to FY2022. The growth was largely led by higher gross rental, increase in atrium income with the resumption of atrium events with effect from 29 March 2022, and property tax refunds received. It was partially offset by the lower gross revenue at Tampines 1 due to asset enhancement initiatives, higher maintenance and utility expenses, and higher staff costs.

Distribution Per Unit

12.150 cents

▼ 0.6% year-on-year

DPU for FY2023 was 12.150 cents, which is 0.6% lower than the 12.227 cents in FY2022. The decrease was mainly attributed to higher interest expense and was cushioned by higher NPI and distributions from joint ventures.

Appraised Value of Investment Property Portfolio

$5,545.5 million

▲ 0.5% year-on-year

The total appraised value of FCT's investment property portfolio[1] as at 30 September 2023 stood at $5,545.5 million, stable as compared to $5,516.0 million a year ago.

Net Asset Value and Net Tangible Asset Per Unit

$2.32

▼ 0.4% year-on-year

FCT's NAV and NTA per unit as at 30 September 2023 stood at $2.32 per unit[2] which was marginally lower than the NAV and NTA per unit of $2.33 per unit[3] a year ago, primarily due to a larger base of total issued and issuable units.

Aggregate Leverage

FCT's aggregate leverage stood at 39.3%[4,5] as at 30 September 2023, which was higher than a year ago of 33.0%. The increase was mainly attributed to the acquisition of an additional 10.00% interest in SST and effective 25.50% interest in Gold Ridge Pte. Ltd. ("GRPL") which were fully debt funded.

1 *Includes Changi City Point which was reclassified to "Assets held for sale" as at 30 September 2023.*
2 *Includes the distribution to be paid for the second half of FY2023.*
3 *Includes the distribution to be paid for the second half of FY2022.*
4 *In accordance with Property Funds Appendix, the aggregate leverage included FCT's proportionate 50.00% effective interest in the deposited property value and borrowings in Sapphire Star Trust ("SST") which owns Waterway Point and the proportionate 25.50% effective interest in Gold Ridge Pte. Ltd. ("GRPL") which owns NEX.*
5 *Assuming the net proceeds from the divestment of Changi City Point and interest in Hektar REIT are used to repay certain debts, the aggregate leverage on pro forma basis as at 30 September 2023 is expected to be reduced to 36.1%.*

Key Events

October 2022

- FCT announced its FY2022 full year financial results on 26 October 2022. DPU for FY2022 rose 1.2% year-on-year to 12.227 cents. Gross revenue and net property income for FY2022 reached new highs of $356.9 million and $258.6 million, respectively.
- FCT maintained its 5-Star rating and an overall score of 92 in the 2022 GRESB Real Estate Assessment.

November 2022

- Hougang Mall achieved BCA Green Mark Platinum certification. All properties (including Central Plaza) in FCT's portfolio are at least BCA Gold certified.

January 2023

- FCT convened and held its 14th AGM on 17 January 2023. This was FCT's first physical meeting in the endemic phase of the COVID-19. All resolutions proposed were duly passed. The minutes of the AGM were published on 15 February 2023.
- FCT released its 1Q23 Business Update on 26 January 2023. FCT reported improved operational performance in 1Q23. Its retail portfolio committed occupancy improved 1.2%-point year-on-year to 98.4% on healthy leasing demand. Tenants' sales and shopper traffic growth for the period were up 13.4% and 38.3% respectively, compared to the same period a year ago.
- FCT and Frasers Property Limited announced the joint acquisition of 50.00% interest in Gold Ridge Pte. Ltd. ("GRPL"), which holds NEX, a suburban shopping mall located in Serangoon Central, for a purchase consideration of $652.5 million, subject to completion adjustments. FCT holds an effective interest of 25.50% in GRPL, and Frasers Property Limited holds the remaining 24.50% effective interest. NEX is the largest suburban shopping mall in Northeast Singapore with total net lettable area of approximately 634,631 sf.

February 2023

- FCT and Fraser Property Limited announced the completion of the joint acquisition of 50.00% interest in GRPL on 6 February 2023.
- FCT announced the completion of the acquisition of an additional 10.00% interest in Waterway Point on 8 February 2023. This raised FCT's effective interest in Waterway Point to 50.00% from 40.00%. The proposed acquisition of the additional 10.00% in Waterway Point was announced on 12 September 2022.

April 2023

- FCT released its 1H23 interim financial statements for the six-month period ended 31 March 2023 on 26 April 2023. FCT delivered a healthy set of results despite the headwinds from rising interest rates and operating costs. DPU for 1H23 was 6.130 cents compared to 6.136 cents a year ago. FCT also reported improved retail portfolio committed occupancy, higher rental reversion on the back of improved shopper traffic and robust retail tenants' sales.

July 2023

- FCT announced a partnership with OCBC on Singapore's first green financing solution which comprises a green loan and carbon credits. Under this green financing solution, proceeds from the green loan are used to refinance a maturing facility, finance asset enhancement initiatives and decarbonisation projects for FCT's Tampines 1 retail mall as well as other general corporate purposes. The green financing solution, together with FCT's decarbonisation efforts, will enable Tampines 1 to make progress towards carbon-neutral status that encompasses Scopes 1, 2 and energy-related Scope 3 emissions.
- FCT announced the appointment of Mr Ho Kin San as a Non-Executive and Independent Director of FCAM, and a member of the ARCC and the NRC of the Manager with effect from 18 July 2023.
- FCT provided 3Q23 Business Update on 25 July 2023. FCT reported retail portfolio committed occupancy of 98.7%, up 1.6%-point year-on-year, and higher shopper traffic and tenants' sales compared to the same period a year ago.

Subsequent **Events**

August 2023

- FCT announced on 30 August 2023 the divestment of Changi City Point for $338.0 million. The divestment is part of FCAM's strategic portfolio review to strengthen FCT's portfolio resilience and is in line with FCT's long-term objective to create value for its unitholders. The divestment will also strengthen FCT's financial position through the lowering of its aggregate leverage, a reduction in the average cost of borrowings and an improvement in the hedge ratio of fixed-rate loans from 63% to 73%, each on a pro forma basis. The divestment is also expected to increase the committed occupancy rate, average gross rent per sf, tenants' sales per sf and the average remaining lease tenure of FCT's retail portfolio. These put FCT in a stronger position to focus on its core suburban retail strategy going forward.

September 2023

- FCT announced on 14 September 2023 that Mr Low Chee Wah will be retiring as Non-Executive and Non-Independent Director of FCAM with effect from 1 January 2024.
- FCT announced on 22 September 2023 the divestment of its holdings of approximately 28.85% interest in Hektar REIT for approximately $37.4 million.
- FCT announced the appointment of Mr Tan Siew Peng (Darren) as Non-Executive and Independent director of FCAM with effect from 26 September 2023. Mr Tan is also a member of the ARCC and a member of the NRC of the Manager.

October 2023

- FCT announced the full year financial results for FY2023 on 25 October 2023. FCT reported strong FY2023 results on robust operating performance and strategic portfolio re-constitution. DPU for FY2023 was 12.150 cents. FCT maintained a healthy financial position with stable portfolio appraised valuation, and it achieved higher retail portfolio committed occupancy, improved rental reversions and sustained growth in tenants' sales.
- FCT achieved the highest 5-Star rating in the 2023 GRESB Real Estate Assessment for the third consecutive year and was awarded with an "A" rating for Public Disclosure Report.
- FCT announced the completion of the divestment of Changi City Point on 31 October 2023.
- FCT announced the retirement of Dr Cheong Choong Kong as a Non-Executive and Independent Director, Chairman of the Board and member of the ARCC and the NRC of FCAM with effect from 1 November 2023.
- FCT announced the appointment of Ms Koh Choon Fah, a Non-Executive and Independent director of FCAM, as the chairperson of the Board with effect from 1 November 2023.
- FCT also announced the appointment of Mr Tan Siew Peng (Darren), a Non-Executive and Independent director of FCAM, as the chairman of the ARCC with effect from 1 November 2023.

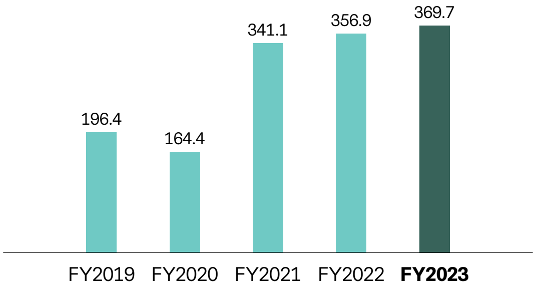
December 2023

- FCT announced the completion of the divestment of its entire interest in Hektar REIT on 6 December 2023.

5-Year **Performance At A Glance**

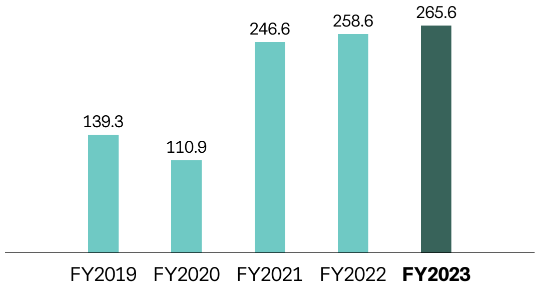
Revenue ($ million)

3.6%



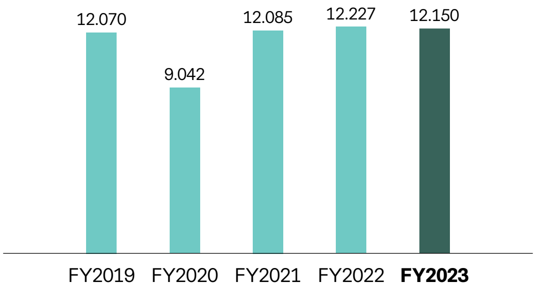
Net Property Income ($ million)

2.7%



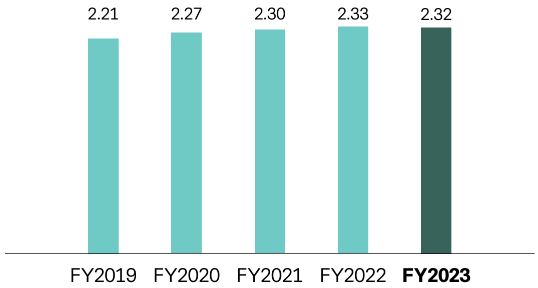
Distribution per Unit (cents)

0.6%



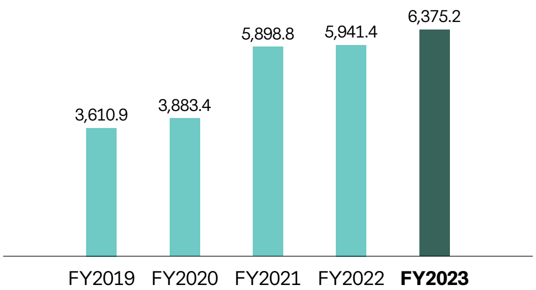
Net Asset Value per Unit ($)

0.4%



Total Assets ($ million)

7.3%

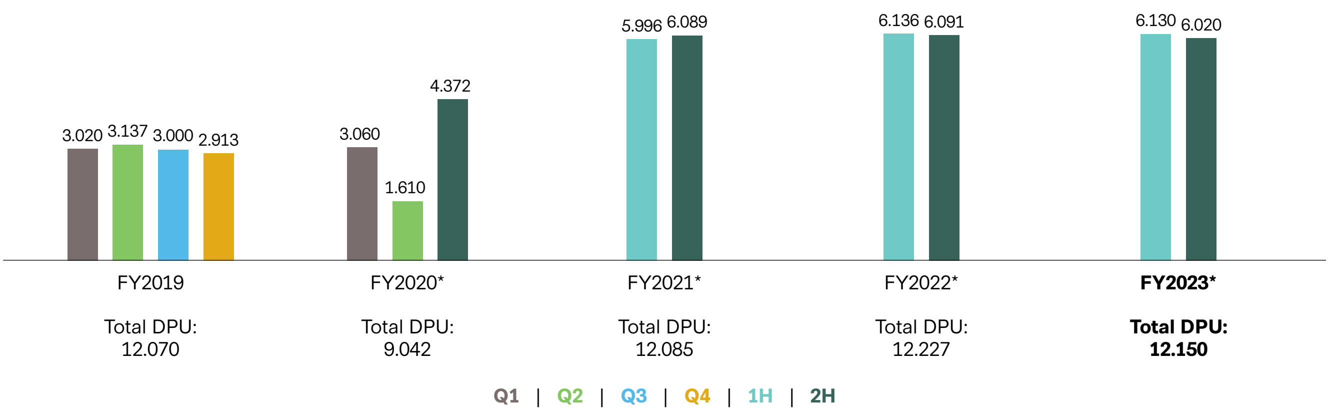


Aggregate Leverage* (%)

6.3%-point

* *In accordance with Property Funds Appendix, the aggregate leverage included FCT's proportionate effective interest in the deposited property value and borrowings in Sapphire Star Trust ("SST") which owns Waterway Point and the proportionate effective interest in Gold Ridge Pte. Ltd. ("GRPL") which owns NEX. As at 30 September 2023, FCT owns 50.00% effective interest in SST and 25.50% effective interest in GRPL.*

Distribution per Unit by Financial Reporting Periods (cents)



* *FCT 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.*

FCT and its subsidiaries ("FCT Group") For the Financial Year ended 30 September	FY2019	FY2020	FY2021	FY2022	**FY2023**
Selected Income Statement and Distribution Information ($'000)					
Gross Revenue	196,386	164,377	341,149	356,931	**369,723**
Net Property Income	139,283	110,888	246,567	258,597	**265,586**
Distribution to Unitholders	118,718	101,146	204,674	208,190	**207,745**
Selected Balance Sheet Information ($ million)					
Total Assets	3,610.9	3,883.4	5,898.8	5,941.4	**6,375.2**
Total Borrowings[1]	1,042.0	1,255.0	1,815.0	1,815.0	**2,212.1**
Net Assets	2,471.0	2,538.3	3,918.8	3,964.1	**3,973.2**
Value of Portfolio Properties	2,846.0	2,749.5	5,506.5	5,516.0	**5,545.5**[2]
Other Financial Indicators					
Distribution per Unit (cents)[3]	12.070	9.042	12.085	12.227	**12.150**
Net Asset Value per Unit ($)[3]	2.21	2.27	2.30	2.33	**2.32**
Aggregate Leverage[4]	32.9%	35.9%	33.3%	33.0%	**39.3%**
Interest Coverage (times)[5]	5.74	6.34	4.77	5.19	**3.47**
Market Capitalisation ($ million)[6]	3,058.6	2,675.5	3,857.3	3,693.5	**3,741.5**

1 *Excludes proportionate share of borrowings of SST and GRPL. The total borrowings in FY2023 includes approximate A$238.1 million floating rate loans swapped to $220.0 million fixed rate loans.*

2 *The investment properties in FY2023 are 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 50.00% effective interest in Waterway Point and the 25.50% effective interest in NEX are held as investments in joint ventures. Changi City Point has been reclassified to "Assets held for sale", following FCT's announcement relating to the divestment of the property on 30 August 2023. The divestment was completed on 31 October 2023.*

3 *Includes the distribution to be paid for the last quarter for FY2019. Includes the distribution to be paid for the second half for FY2020, FY2021, FY2022 and FY2023.*

4 *In accordance with Property Funds Appendix, the aggregate leverage included FCT's proportionate effective interest in the deposited property value and borrowings in SST which owns Waterway Point and the proportionate effective interest in GRPL which owns NEX. As at 30 September 2023, FCT owns 50.00% effective interest in SST and 25.50% effective interest in GRPL.*

5 *From FY2020, ratio is calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), by the trailing 12 months interest expense and borrowing-related fees as defined in the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore. As the Group has not issued any hybrid securities, Adjusted Interest Coverage Ratio ("ICR") is identical to the ICR.*

6 *Based on the closing price and issued Units as at the last trading day for the respective financial year.*

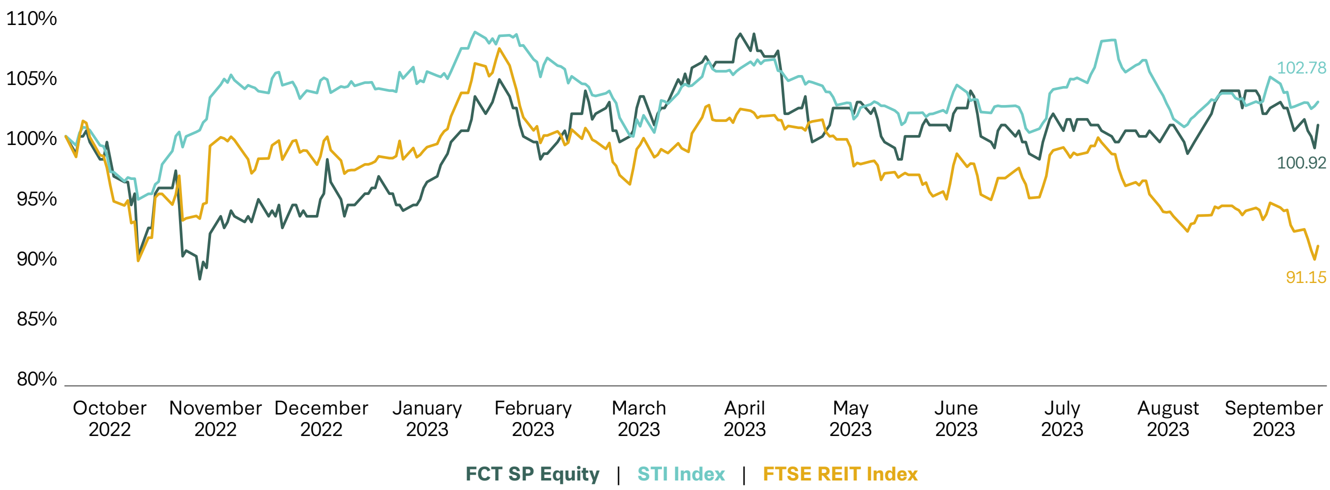
Unit Price **Performance**

Unit Price and Total Return Performance in FY2023

The performance of the Singapore REIT sector, including FCT, continued to be hampered by the multiple increases in the Federal Funds Target Rates ("Fed Fund Rates") by the United States Federal Reserve (the "Fed") during the year under review. Within the period of October 2022 to September 2023, the Fed Fund Rates were raised six times from a range of 3.00% to 3.25% to 5.25% to 5.50%. The rate hikes as well as the commentaries from the Fed officials consequentially led to an increase in cost of borrowings, which in turn exerted downward pressure on and increased volatility in the unit price of interest rate-sensitive assets like REITs and bonds.

Please refer to the chart below on FCT's unit price performance versus the FTSE ST All-share Real Estate Investment Trust Index ("FTSE REIT Index") and the FTSE Straits Times Index ("STI Index") between 1 October 2022 and 29 September 2023 (last trading day of the month).

1-Year FCT Unit Price Performance versus STI Index and FTSE REIT Index



Source: Bloomberg

FCT's unit price closed at $2.19 on 29 September 2023. For the one-year period ended 29 September 2023, FCT registered 0.92% in unit price rise and a total return of 6.70%. FCT's unit price outperformed the FTSE REIT Index, which registered a decline of 8.85% and a total return of -2.80% but lagged the performance of the STI Index which registered a unit price rise of 2.78% and a total return of 7.93% during the same period.

Over the three-year period, FCT registered -8.15% in unit price change and a total return of 7.40%, compared with -19.80% and -2.97%, respectively, for the FTSE REIT Index. Over a five-year period, FCT's unit price change and total return stood respectively at -3.21% and 23.37%, which outperformed the FTSE REIT Index. FCT achieved a total return of approximately 333.34% since its inception, and outperformed both the FTSE REIT Index and the STI Index, as shown in the table below:

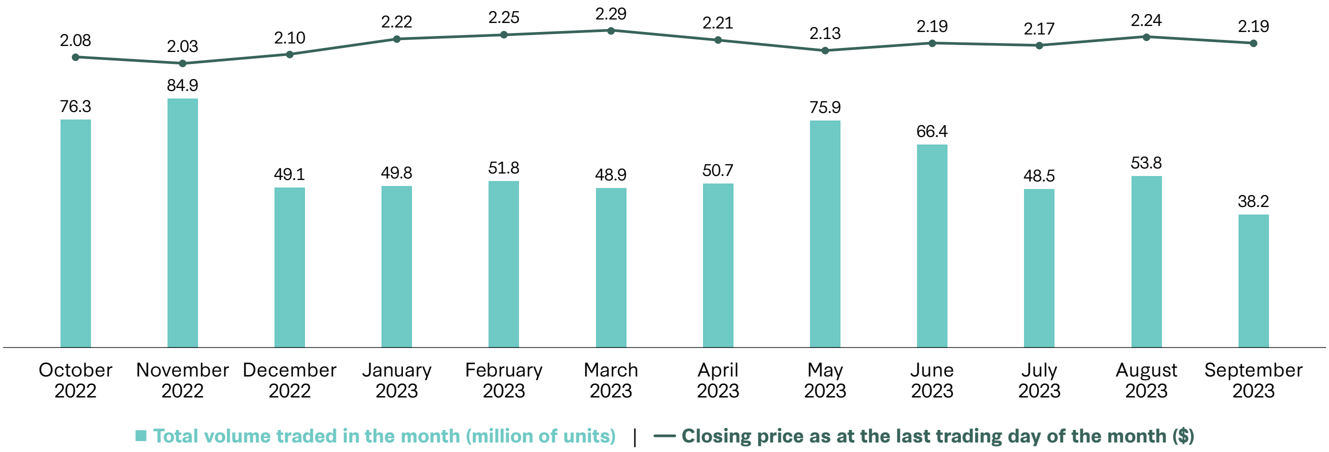
	1 Year 1 October 2022 to 29 September 2023		3 Years 1 October 2020 to 29 September 2023		5 Years 1 October 2018 to 29 September 2023		Since inception 5 July 2006 to 29 September 2023	
	Price Change %	Total Return[1] %	Price Change %	Total Return[1] %	Price Change %	Total Return[1] %	Price Change %	Total Return[1] %
FCT	0.92	6.70	-8.15	7.40	-3.21	23.37	109.26	333.34
FTSE REIT Index	-8.85	-2.80	-19.80	-2.97	-16.34	13.70	-0.72	143.57
FTSE Straits Times Index	2.78	7.93	30.44	47.14	-1.22	19.84	34.80	129.75

Source: Bloomberg
1 Assumes the distributions are reinvested.

Monthly Trading Performance in FY2023

FCT's trading volume and the unit closing price for each month in FY2023 is shown in the chart below. The average daily trading volume (the "ADTV") in FY2023 was 2.78 million units (FY2022: 3.05 million units), which is about 8.8% lower compared with the same period in the previous year.

Trading Performance in FY2023



Source: Bloomberg

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. The market capitalisation of FCT stood at approximately $3.741 billion as at 29 September 2023:

	FY2019	FY2020	FY2021	FY2022	FY2023
Opening price ($)	2.27	2.73	2.39	2.26	2.15
Closing price ($)[1]	2.74	2.39	2.27	2.17	2.19
Highest closing price ($)	2.85	3.04	2.64	2.48	2.35
Lowest closing price ($)	2.14	1.64	2.08	2.13	1.92
Total volume traded (million Units)	478.5	820.8	1,006.5	769.2	694.5
Average daily trading volume (million Units)	1.916	3.283	3.978	3.053	2.789
Market capitalisation ($ billion)[2]	3.059	2.675	3.857	3.693	3.741

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**

Date: 31 October 2023

To: The Unitholders of Frasers Centrepoint Trust

Dear Unitholders,

We are pleased to present Frasers Centrepoint Trust and its subsidiaries' ("FCT" and the "FCT Group") Annual Report and Sustainability Report for the financial year ended 30 September 2023 ("FY2023").

Over the past year, global investors, corporates, and individuals have endured an emotional rollercoaster ride, with markets oscillating between optimism for a cut in interest rates and the disillusionment over successive rate increases by the U.S. Federal Reserve (the "Fed"). Based on the "higher for longer" narrative from the Fed, interest rates are expected to remain elevated in the near to mid-term and this will continue to exert pressure on financing costs and the prices of yield-sensitive assets like the REITs.

Despite the challenging macroeconomic environment where the cost of capital has surged and access to equity market became prohibitive, the Manager remained steadfast in its objective to deliver steady distribution returns to FCT and its Unitholders.

Proactive Portfolio Re-constitution To Reinforce Market Position

During the year, FCT completed two acquisitions and made announcements for one asset enhancement initiative ("AEI") and two divestments. These transactions and AEI are strategic steps that enable FCT to recycle its capital effectively, bolster its financial position and portfolio strength while reinforcing its leading market position in the Singapore suburban retail sector.

Acquisitions

The two acquisitions were the joint acquisition of a 50.00% interest in one of Singapore's largest suburban malls - NEX - together with FCT's sponsor Frasers Property Limited ("Frasers Property"), of which FCT's effective interest is 25.50%; and the acquisition of an additional 10.00% interest in Waterway Point that brought FCT's total interest in the mall to 50.00%. The $529.8 million acquisition of the 25.50% effective interest in NEX and the $131.3 million acquisition of the additional 10.00% interest in Waterway Point are strategic moves to expand FCT's presence in Singapore's suburban retail market and to strengthen the quality of its portfolio. With the addition of NEX, FCT now owns or jointly-own four of the ten largest prime suburban malls[1] in Singapore which are NEX, Northpoint City, Causeway Point and Waterway Point.

AEI

FCT announced the commencement of the $38.2 million AEI at Tampines 1 in the third quarter of FY2023. The AEI aims to create a refreshed retail experience with the introduction of new retail brands and services, improve asset yield and unlock value through space re-configuration.

The projected return on investment ("ROI") of the AEI is approximately 8% from higher rent income and savings from sustainable features that reduce energy consumption and carbon emission. The new AEI space attracted strong leasing interest with over 94% in pre-commitment. The AEI is progressing on schedule to complete in the fourth quarter of FY2024, ahead of the year-end festive season.

Divestments

In the final quarter of FY2023, FCT announced the divestment of Changi City Point for $338.0 million and the divestment of its interests in Hektar REIT for $39.3 million. Both divestments were part of the Manager's strategic portfolio review to strengthen FCT's portfolio resilience and are in line with the Manager's long term objective of creating value for FCT Unitholders. The estimated net gain and capital gain from the divestment of Changi City Point are approximately $10.9 million and $20 million, respectively.

Growing from strength to strength

Since FY2018, FCT has undergone significant portfolio re-constitution that enabled its portfolio to grow 2.3 times in AUM from approximately $2.8 billion in FY2018 to $6.9 billion, through a series of acquisitions of interests in the AsiaRetail Fund portfolio and in Waterway Point; the divestments of three non-core assets (Bedok Point, Anchorpoint and YewTee Point); the acquisition of the interest in NEX and a further interest in Waterway Point. These transactions have further strengthened the resilience of FCT's portfolio while sharpening its focus on the Singapore suburban retail market.

Strong FY2023 Results

FCT delivered a strong set of results and stable distribution returns for its Unitholders in FY2023. Gross revenue in FY2023 was $369.7 million and NPI was $265.6 million, up 3.6% and 2.7% year-on-year, respectively, and new-highs for FCT. The growth drivers were higher rental income underpinned by higher average portfolio occupancy rate, higher rentals achieved for new and renewed leases during the year, step-up rents from current leases and higher contribution from atrium leasing. The growth in NPI was offset by higher operating expenses due mainly to increased maintenance and utility expenses and a rise in staff costs.

Stable DPU

Distribution to Unitholders in FY2023 was $207.7 million, down by 0.2%, due mainly to higher interest expense that increased 73.0% year-on-year to $81.0 million from $46.8 million in FY2022. The increase in interest expense was attributed to higher interest rates as well as additional loans drawn down to finance the acquisitions of the interests in NEX and Waterway Point. This translates to a DPU of 12.150 cents for FY2023 which is marginally lower compared to 12.227 cents in FY2022.

Healthy financial position; poised to strengthen

FCT maintains a healthy financial position. Its aggregate leverage as at 30 September 2023 stood at 39.3%. This is expected to decline to 36.1% on a pro forma basis, after the proceeds from the divestments of Changi City Point and the interest in Hektar REIT are used to pare down debts.

1 *The ten largest suburban prime malls (in descending order of net lettable area) are Jurong Point, NEX, JEM, Parkway Parade, Northpoint City, City Square Mall, IMM, Causeway Point, Westgate and Waterway Point. Source: CISTRI, as at September 2023. Suburban malls are defined as malls outside Central Core and malls not allied with major tourist nodes (e.g. Sentosa, Changi Airport).*

Letter To **Unitholders**

The aggregate appraised value of FCT's retail portfolio remained relatively stable with gains mainly from NEX and Causeway Point and smaller gains from five other malls which are Tampines 1, Northpoint City North Wing, Waterway Point, Tiong Bahru Plaza and Hougang Mall. The capitalisation rates used by the independent valuers remained unchanged from last year.

All-round improvement in operational metrics

On the operating front, the portfolio delivered a robust operating performance with higher committed occupancy, better rental reversions and sustained growth in tenants' sales. The committed occupancy of the retail portfolio was up 2.2%-points year-on-year to 99.7% as at 30 September 2023. The average portfolio rental reversion came in at 4.7% (on an average-to-average basis), higher than the 4.2% in FY2022. Portfolio tenants' sales improved 7.3% year-on-year and shopper traffic was up 24.7% year-on-year. The improved tenants' sales helped improve the average occupancy cost to 15.6% from 16.2% in FY2022, providing headroom for rental growth.

Making Progress On The Sustainability Journey and ESG

Sustainability is a key focus in FCT's strategy. The Manager works closely with Frasers Property towards achieving the Group's goal of net-zero carbon by 2050.

For the third consecutive year, FCT achieved a 5-Star rating in the 2023 GRESB Real Estate Assessment. We believe this is a meaningful benchmark that enables our stakeholders to compare FCT's performance with its global real estate peers in the same sector.

FCT has also received an "A" rating from the MSCI ESG Ratings in September 2023, for the second consecutive year.

FCT is leveraging on innovation and technology to improve efficiency in its operations and reduce costs. The initiatives include food waste management, data analytics for lifts and the water valve efficiency initiative. The projected savings of these initiatives when fully implemented is approximately $1 million per annum.

All of FCT's 10 retail malls and one office property have achieved BCA Green Mark certifications with five of them rated Platinum, three rated GoldPlus and three rated Gold on the new stricter Green Mark 2021 framework (GM: 2021). On green financing, the proportion of green loan in FCT's total borrowing stood at 55.6% as at 30 September 2023, up from 31.9% last year. The proportion of green loans is expected to increase as we refinance non-green loans with green loans going forward.

Other initiatives include rolling out charging points for electric vehicles in FCT malls to support green mobility and the installation of solar power panels at FCT malls to provide green energy.

FCT is also expanding its efforts in community engagement. During the year, various initiatives such as the Inclusion Champion Program and Paint it Forward for the children were implemented in FCT malls. These initiatives aim to build stronger inclusiveness and a sense of belonging with FCT's stakeholders in the community.

We invite you to read the details in the Sustainability Report which is an integral part of this Annual Report.

Positive On Outlook Of The Suburban Retail Sector In Singapore

The Manager expects interest rate movements and rising operating expenses to remain the key factors affecting FCT's performance. Barring unforeseen circumstances, the Manager expects the average cost of borrowing for FCT to be above 4%. For operating expenses, the Manager will continue to work on cost optimisation initiatives, and to remain vigilant on the movement of energy prices and contracted service fees. It will adopt appropriate hedging strategies for energy contracts to mitigate the impact on its operating expenses.

While the macroeconomic environment remains challenging, we remain positive on the outlook of the suburban retail sector in Singapore, based on several factors such as Singapore's population growth, sustained healthy consumer spending on essentials, healthy demand for prime suburban retail space and tight supply in the retail market. We believe FCT is well-positioned to benefit from these factors going forward.

Acknowledgements

We welcome Mr Ho Kin San and Mr Darren Tan who were appointed to the board as Non-Executive and Independent Directors on 18 July 2023 and 26 September 2023, respectively. Kin San brings on board over 30 years of experience in corporate real estate legal practice across all property sectors. Darren has extensive leadership and management experience in finance and investments. Their appointment to the board will bolster and diversify the breadth of expertise on the board.

We thank Chee Wah, who will be retiring from the FCAM board as Director at the end of 2023. Chee Wah has made immense contributions in providing guidance and advice to the board and management during his tenure. This includes helping FCT navigate through the difficult times of the pandemic in 2020 and providing invaluable views on the transactions which helped re-constituted the enlarged FCT's portfolio. We wish Chee Wah all the best in his future endeavours.

I am retiring from the Board and Ms Koh Choon Fah will replace me as Chairperson on 1 November 2023. It has been an eventful 7 years, an exciting and educational experience for me personally and a challenging but productive period for Management, Board, Company and the Trust, a 7-year period of growth despite extensive business stoppages on account of COVID-19. I am confident Choon Fah and her fellow directors will take FCAM and FCT to greater heights, ably supported as always by an experienced, supremely capable and dedicated Management team.

We thank all our stakeholders, Unitholders, tenants, shoppers and business partners included, for their continuing support.

Cheong Choong Kong
Chairman

Richard Ng
Chief Executive Officer

Board of **Directors**

As at 30 September 2023

Dr Cheong Choong Kong, 82

Chairman, Non-Executive and Independent Director

Date of appointment as Director
18 May 2016

Length of service as Director (as at 30 September 2023)
7 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 2023)

Listed companies
- Nil

Listed REITs/Trusts
- Nil

Others
- Nil

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

Past Directorships in listed companies held over the preceding 3 years (from 01 October 2020 to 30 September 2023)
- 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, 63

Non-Executive and Independent Director

Date of appointment as Director
30 June 2017

Length of service as Director (as at 30 September 2023)
6 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 2023)

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 01 October 2020 to 30 September 2023)
- Nil

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

Mr Ho Chee Hwee, Simon, 62
Non-Executive and Non-Independent Director

Date of appointment as Director
9 February 2017

Length of service as Director (as at 30 September 2023)
6 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 2023)

Listed companies
- Nil

Listed REITs/Trusts
- Nil

Others
- ALPS Pte. Ltd. (formerly known as Agency for Healthcare Supply Chain Pte. Ltd.)
- Frasers Hospitality International 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 01 October 2020 to 30 September 2023)
- 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)

Mr Ho Kin San, 60
Non-Executive and Independent Director

Date of appointment as Director
18 July 2023

Length of service as Director (as at 30 September 2023)
2 months

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

Academic & Professional Qualifications
- Master of Laws (Commercial and Corporate Law), King's College London
- Postgraduate Practical Course in Law, Board of Legal Education
- Bachelor of Laws (Hons), National University of Singapore

Present Directorships in other companies (as at 30 September 2023)

Listed companies
- Nil

Listed REITs/Trusts
- Nil

Others
- Nil

Major appointments (other than Directorships)
- Partner, Allen & Gledhill LLP

Past Directorships in listed companies held over the preceding 3 years (from 01 October 2020 to 30 September 2023)
- Nil

Past major appointments
- Nil

Board of **Directors**

As at 30 September 2023

Mr Low Chee Wah, 58

Non-Executive and Non-Independent Director

Date of appointment as Director
3 January 2020

Length of service as Director (as at 30 September 2023)[1]
3 years 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 2023)
Listed companies
- Samudera Shipping Line Ltd

Listed REITs/Trusts
- Nil

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

Major appointments (other than Directorships)
- Chief Executive Officer, Frasers Property Retail, Frasers Property (Singapore) Pte. Ltd.[1]

Past Directorships in listed companies held over the preceding 3 years (from 01 October 2020 to 30 September 2023)
- Nil

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

Ms Koh Choon Fah, 65

Non-Executive and Independent Director

Date of appointment as Director
1 October 2019

Length of service as Director (as at 30 September 2023)
4 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

Present Directorships in other companies (as at 30 September 2023)
Listed companies
- Nil

Listed REITs/Trusts
- Nil

Others
- Edmund Tie Holdings Pte. Ltd.
- New Horizons Holdings Pte. Ltd.
- CPG Corporation Pte Ltd
- Maxwell Chambers Pte. Ltd.

Major appointments (other than Directorships)
- Global Governing Trustee, Urban Land Institute, USA
- 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 Chairperson of Professional Development Committee, Council for Estate Agencies, Singapore
- Adjunct Professor in Dean's Office, College of Design and Engineering, National University of Singapore

Past Directorships in listed companies held over the preceding 3 years (from 01 October 2020 to 30 September 2023)
- Nil

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

1 *Mr Low is retiring from the Board of FCAM with effect from 1 January 2024. This is in line with his planned retirement on the same day as Chief Executive Officer of Frasers Property Retail, a division of Frasers Property.*

Ms Soon Su Lin, 63

Non-Executive and Non-Independent Director

Date of appointment as Director
1 March 2022

Length of service as Director (as at 30 September 2023)
1 year and 7 months

Board committees served on
- Nil

Academic & Professional Qualifications
- Master of Business Administration, National University of Singapore
- Bachelor of Science - Estate Management (Honours), National University of Singapore

Present Directorships in other companies (as at 30 September 2023)

Listed companies
- Nil

Listed REITs/Trusts
- Nil

Others
- Nil

Major appointments (other than Directorships)
- Chief Executive Officer of Frasers Property Singapore
- Member of the Integrated Development Council, Urban Land Institute, Singapore
- Management Committee Member of Real Estate Developers' Association of Singapore (REDAS)
- Chairperson of REDAS' Green & Sustainable Sub-Committee

Past Directorships in listed companies held over the preceding 3 years (from 01 October 2020 to 30 September 2023)
- Nil

Past major appointments
- Chief Executive Officer (Development) of Frasers Property Holdings (Thailand) Co., Ltd.
- Chief Executive Officer (Development) of TCC Assets (Thailand) Co., Ltd.
- Chief Executive Officer of Orchard Turn Developments Pte. Ltd

Mr Tan Siew Peng (Darren), 52

Non-Executive and Independent Director

Date of appointment as Director
26 September 2023

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

Academic & Professional Qualifications
- Bachelor of Accountancy (First Class Honours), Nanyang Technological University – Accountancy
- Stanford Executive Program, Stanford Business School, Stanford University, Palo Alto, California, USA
- Chartered Financial Analyst, Association of Investment Management and Research

Present Directorships in other companies (as at 30 September 2023)

Listed companies
- Nil

Listed REITs/Trusts
- Nil

Others
- Director, Inland Revenue Authority of Singapore, Tax Academy of Singapore
- Director, Singapore Management University, School of Accountancy Advisory Board

Major appointments (other than Directorships)
- Chief Investment Officer, Raffles Medical Group Ltd.

Past Directorships in listed companies held over the preceding 3 years (from 01 October 2020 to 30 September 2023)
- Director, Bank of Ningbo Co., Ltd.

Past major appointments
- Chief Financial Officer, Oversea-Chinese Banking Corporation Limited
- Council Member and Chairman of Investment Committee, Institute of Singapore Chartered Accountants
- Member, Alumni Advisory Board, Nanyang Technological University, Nanyang Business School
- Adjunct Professor, Nanyang Technological University, Nanyang Business School
- Director, OCBC Property Services Private Limited
- Director, OCBC Overseas Investments Pte Ltd
- Director, OCBC Wing Hang Bank (China) Limited
- Director, OCBC Bank (Malaysia) Berhad
- Director, Lion Global Investors Limited
- Director, MaxWealth Asset Management Limited

Trust Management **Team**

Mr Richard Ng
Chief Executive Officer

Richard is responsible for the overall business direction, investment strategies and 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 over 30 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 portfolio asset management 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 the overall performance of CMT's assets.

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

Ms Audrey Tan
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.

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 a Master of Business Administration 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 15 years of experience in the field of investor relations and is responsible for the communications and forging relations between FCT and its Unitholders, the investment community, and the media. He also provides market intelligence and research to the management team and oversees the sustainability reporting for FCT.

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 Communication With Unitholders

Frasers Centrepoint Asset Management Ltd., as Manager of Frasers Centrepoint Trust, is committed to maintaining open and transparent communication with its Unitholders, media and 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

The AGM and EGM are important communication platforms between the board of directors, the management of FCAM and the Unitholders. FCT convened its 14th AGM on 17 January 2023 at the Intercontinental Singapore. This was the first physical meeting since the lifting of the COVID-related restrictions by the authorities. All resolutions tabled at the AGM were duly passed, and the results were announced on SGX-ST and FCT's website on the same day of the AGM. The minutes of the AGM were also published on SGX-ST and FCT's website on 15 February 2023.

Proactive Investor Outreach

FCAM proactively engages investors and research analysts through various channels to extend its outreach and to raise the profile of FCT among investors. FCT participated in multiple major investor conferences, investor outreach events and post-results meetings organised by the banks and securities brokerage firms.

The total number of investors FCT engaged with in FY2023 was 486 (FY2022: 435). This refers to the aggregate number of investors and analysts (by person) FCT engaged in FY2023, including physical and virtual meetings), of which approximately 21.8% (FY2022: 28.5%) were new to FCT[1].

The table below shows the list of investor relations events and activities during FY2023:

Timeframe	Key Investor Relations Events
1 October - 31 December 2022	• FCT 2H FY2022 post financial results analysts' briefing call on 26 October 2022 • FCT 2H FY2022 post financial results investors' call hosted by Goldman Sachs on 26 October 2022 • Frasers Bangkok Day on 22 November 2022
1 January - 31 March 2023	• DBS Pulse of Asia Conference on 10 January 2023 • FCT 1Q FY2023 post business updates analysts' briefing call on 27 January 2023 • FCT Non-deal roadshow investor call hosted by DBS on 10 February 2023
1 April - 30 June 2023	• FCT 1H FY2023 post results analysts' briefing call on 26 April 2023 • FCT 1H FY2023 post results investors' call hosted by JP Morgan on 26 April 2023 • Non-deal roadshow hosted by DBS, BofA, Maybank and OCBC between 9 May 2023 and 15 May 2023
1 July - 30 September 2023	• FCT 3Q FY2023 post business updates analysts' briefing call on 26 July 2023 • FCT 3Q FY2023 post business updates investors' call hosted by BofA on 26 July 2023 • Citi ASEAN Financials and Real Estate Investment Forum on 16 August 2023 • Frasers Property Group Kuala Lumpur Non-deal Roadshow on 23 August 2023

Subsequent event:
The 2H FY2023 and full year results were announced on 25 October 2023.

1 *Includes new-to-FCT and investors whom FCAM has not met or engaged in the preceding 24 months, including through virtual meetings.*

Financial Calendar

	FY2024
15th Annual General Meeting	22 January 2024
1Q FY2024 Business Update (period ending 31 December 2023)	January 2024*
1H FY2024 Financial results announcement (period ending 31 March 2024)	April 2024*
Distribution payment for period 1 October 2023 to 31 March 2024	May 2024*
3Q FY2024 Business Update (period ending 30 June 2024)	July 2024*
2H FY2024 and Full Year Financial results announcement (period ending 30 September 2024)	October 2024*
Distribution payment for period 1 April 2024 to 30 September 2024	November 2024*

* *Subject to changes.*

Accolade

5-Star rating in the 2023 GRESB Real Estate Assessment

FCT maintained its top 5-Star rating in the 2023 GRESB Real Estate Assessment for the third consecutive year, with a total score of 92 points (2022: 92). It ranked first in the Singapore Retail category with a rating of "A" and a score of 100 in public disclosure.

Coverage By Equity Research Houses

As at 12 November 2023, there were 18 equity research firms which provided equity research coverage on FCT. The research firms which cover FCT (in alphabetical order) are:

1. BofA Securities
2. CGS-CIMB Securities (Singapore)
3. Citi Research
4. CLSA
5. Daiwa Capital Markets
6. DBS Bank
7. Goldman Sachs (Singapore)
8. HSBC
9. J.P. Morgan Securities Singapore
10. Macquarie Research
11. Maybank Research
12. Morgan Stanley Asia (Singapore)
13. Morningstar Equity Research
14. OCBC
15. Phillip Securities Research (Singapore)
16. RHB
17. UBS Securities
18. UOB Kay Hian

Investor **Relations**

Credit Ratings By Credit Rating Agencies

Credit rating agencies	Long term issue rating	Outlook	Rating date	Last review date
Moody's Investors Service	Baa2	Stable	30 January 2023	11 August 2023
S&P Global Ratings	BBB	Stable	13 April 2020	23 June 2023

ESG Rating

FCT maintained its "A" rating from MSCI ESG Ratings.

Agency	ESG Credit Impact Score	Date
MSCI ESG Ratings	MSCI ESG RATINGS A (CCC, B, BB, BBB, A, AA, AAA)	Rating action date: 20 June 2023 Last report update: 29 September 2023

Enquiries

For general enquiries on FCT, please contact:

Mr Chen Fung Leng
Vice President, Investor Relations

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Unit Registrar

Boardroom Corporate & Advisory Services Pte Ltd
1 HarbourFront Avenue
Keppel Bay Tower, #14-07 Singapore 098632

Phone: (65) 6536 5355
Fax: (65) 6536 1360
Website: www.boardroomlimited.com

Causeway Point, Singapore

Operations **Review**

Waterway Point, Singapore

Lease Renewals and Rental Reversion

A total of 509 leases in the Retail Portfolio[1] and 10 leases at Central Plaza were renewed or newly leased in FY2023. The retail leases accounted for 780,682 sf or 31.0% of Retail Portfolio[1] NLA. The NLA of the 10 reversionary leases at Central Plaza in FY2023 represented 26.6% of its total NLA.

Positive rental reversion for Retail Portfolio in FY2023

The rental reversion for the Retail Portfolio[1] in FY2023 was positive at 4.7% 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. All malls recorded positive reversion between 1.8% and 10.3% due to active asset and property management of the portfolio properties, and the strong leasing demand due to the properties' strategic location in populous residential catchments with direct connectivity to public transport including buses and MRT trains.

Leasing demand for suburban retail malls remained robust in FY2023, particularly by food and beverage and services tenants. The retail market continues to be supported by below historical-average retail pipeline in the near term, and retailers remain cautiously optimistic, prioritising well-managed and well-located malls.

Summary of Lease Renewals and Rental Reversion in FY2023

(Excluding newly created and reconfigured area)

Property	Number of renewals / new leases	Area in sf	As % of NLA of property	FY2023 rental reversion (average-to-average)
NEX	150	302,987	49.1%	4.0%
Causeway Point	63	118,575	28.3%	5.4%
Waterway Point	55	63,610	17.1%	5.1%
Northpoint City North Wing[2]	66	70,680	33.9%	6.9%
Tiong Bahru Plaza	32	40,907	19.1%	3.4%
Changi City Point	33	40,527	19.4%	10.3%
Century Square	31	39,529	19.5%	4.2%
Hougang Mall	41	57,617	38.4%	4.3%
White Sands	38	46,250	36.0%	1.8%
Retail Portfolio[1]	**509**	**780,682**	**31.0%**	**4.7%**
Central Plaza	10	38,158	26.6%	2.1%

1 *Excludes Tampines 1 due to ongoing AEI works.*
2 *Includes Yishun 10 Retail Podium.*

Operations **Review**

Lease Expiry Profile

Well-spread lease expiry profile

The portfolio lease expiry from FY2024 to FY2028 and beyond, and the lease expiry by property in FY2024 are presented in the tables below. The leases have a typical 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 in any particular financial year. The leases expiring over the next two years in FY2024 and FY2025 account for 29.3% and 27.3% of FCT's gross rental income ("GRI") respectively. As at 30 September 2023, the weighted average lease expiry[3] ("WALE") of the Retail Portfolio[4] stood at 1.96 years (FY2022: 1.87 years) by NLA and 1.82 years (FY2022: 1.78 years) by GRI.

The WALE (by GRI) of the retail leases[4] commenced in FY2023, based on duration to lease expiry as at 30 September 2023 was 2.64 years (FY2022: 2.55 years). The WALE (by NLA) of these leases is 2.76 years (FY2022: 2.66 years). These new leases account for 34.1% (FY2022: 33.7%) of the total GRI of the Retail Portfolio[4] as at 30 September 2023.

The aggregate NLA of the leases in the Retail Portfolio[4] due for renewal in FY2024 is 708,137 sf.

Retail Portfolio[4] Lease Expiry as at 30 September 2023

Lease expiry as at 30 September 2023	FY2024	FY2025	FY2026	FY2027	FY2028 and beyond	Total
Number of expiring leases	516	517	500	106	21	1,660
NLA of expiring leases (sf)	708,137	621,981	698,405	259,882	225,550	2,513,955
Expiries as % of total leased area	28.2%	24.7%	27.8%	10.3%	9.0%	100.0%
Expiries as % of GRI	29.3%	27.3%	29.7%	9.2%	4.5%	100.0%

Calculation based on committed leases as at 30 September 2023; vacant floor area is excluded.

Lease Expiry as at 30 September 2023

	Number of expiring leases	NLA of expiring leases in sf	As % of leased area of property	As % of total GRI of property
NEX	67	98,017	15.9%	16.6%
Causeway Point	77	162,019	38.7%	36.6%
Waterway Point	62	97,690	26.3%	29.5%
Northpoint City North Wing[5]	56	67,128	32.3%	31.4%
Tiong Bahru Plaza	49	71,293	33.3%	30.8%
Changi City Point	55	52,376	25.3%	28.7%
Century Square	61	75,102	37.4%	44.0%
Hougang Mall	52	58,146	38.8%	42.6%
White Sands	37	26,366	20.6%	24.9%
Retail Portfolio[4]	**516**	**708,137**	**28.2%**	**29.3%**
Central Plaza	7	25,233	18.5%	20.9%
FCT Portfolio[4]	**523**	**733,370**	**27.7%**	**29.1%**

Calculation based on committed leases as at 30 September 2023; vacant floor area is excluded.

Portfolio Tenants' Sales, Shopper Traffic and Occupancy Cost

Tenants' sales improved 7.3% year-on-year

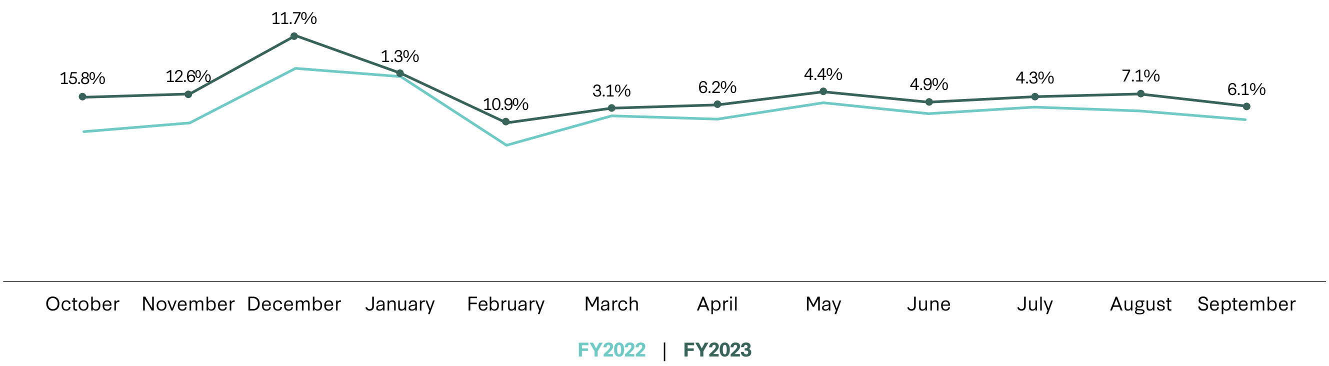
The total tenants' sales of the Retail Portfolio[6] in FY2023 stood at $2,215.6 million, which is 7.3% higher than $2,065.6 million achieved in FY2022 and averaged approximately 17% above pre-COVID-19 levels. Brick-and-mortar retail stores and restaurants once again showed resilience and the significant sales growth over 2023 is a testament to ongoing consumer demand for in-store experiences.

Sales growth varies across the trade categories

The top five trade categories which constituted 78.5% of the Retail Portfolio[4] GRI traded well. Food & Beverage, the largest trade category representing 37.5% (by GRI) of the Retail Portfolio, registered stronger sales year-on-year in FY2023, particularly for Restaurants, Cafes and Food Courts with new tenants showing stronger performance.

Beauty & Healthcare, the second largest trade category representing 14.5% (by GRI), also displayed higher year-on-year sales in FY2023, largely driven by higher demand for beauty salons and cosmetics as people returned to work.

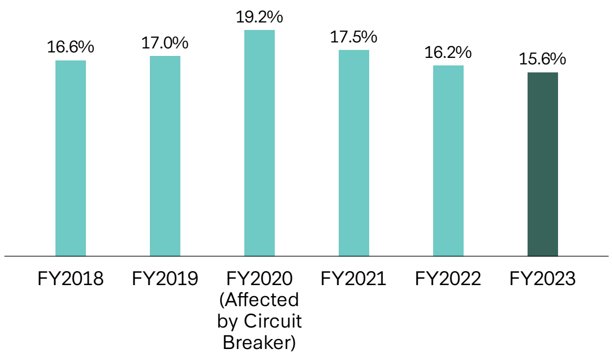
Retail Portfolio[6] Tenants' Sales Year-on-Year Comparison



Occupancy cost refers to the ratio of gross rental (including turnover rent) paid by the tenants to the tenant's sales turnover (excluding GST). The average occupancy cost of the Retail Portfolio[6] for FY2023 and the preceding five financial years are presented in the chart on the right.

As tenants' sales saw a continued improvement in FY2023 with the significant scale back of COVID-19 restrictions, the average occupancy cost of the Retail Portfolio[6] moderated to 15.6% in FY2023 which is within a healthy and sustainable range for suburban retail malls.

Retail Portfolio Average Occupancy Cost



3 *Computation of WALE is as follows: WALE (by NLA) = Sum of (remaining lease tenure x NLA of individual leases)/total leased area. WALE (by 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.*
4 *Excludes Tampines 1 due to ongoing AEI works.*
5 *Includes Yishun 10 Retail Podium.*
6 *Excludes Tampines 1 due to ongoing AEI works and NEX (acquired only in FY2023).*

Operations **Review**

Leases With Gross Turnover Rent and Step-Up Clauses

Approximately 96.4% (FY2022: 91.8%) of the Retail Portfolio[7] leases include step-up rent clauses that provide for annual rental increment of between 1% and 2% over the lease term. 93.3% (FY2022: 92.3%) of the committed leases include GTO rent clauses, which the tenants would typically pay between 0.5% and 1.0% of their sales as part of the gross rent.

Portfolio Occupancy

The Retail Portfolio[7] committed occupancy stood at 99.7% as at 30 September 2023, up 2.2%-points year-on-year. The majority of the malls show a year-on-year improvement in occupancy. The improvement in portfolio occupancy is in tandem with leasing activity picking up as Singapore re-opens and embarks on its journey towards endemic living.

Northpoint City North Wing, Singapore

The committed occupancy by property is tabulated in the table below:

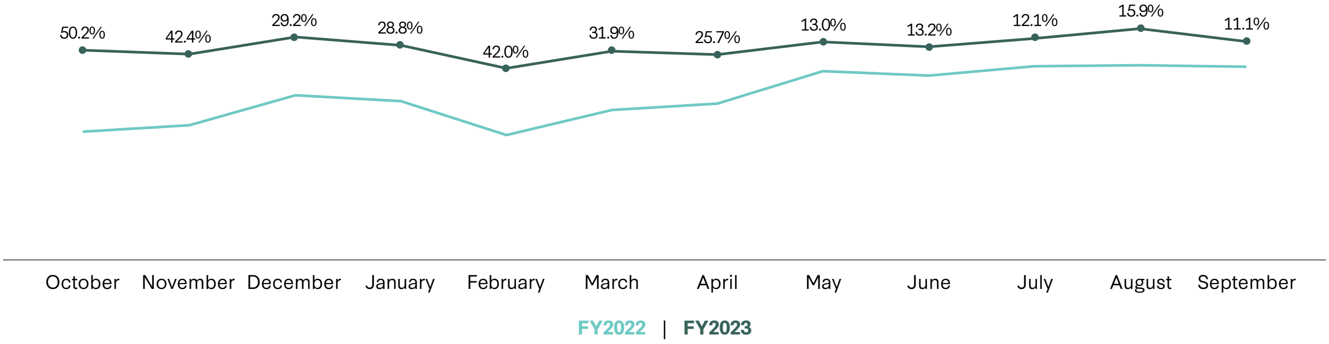
Property	As at 30 September 2023	As at 30 September 2022
NEX	100.0%	Not applicable[8]
Causeway Point	99.6%	100.0%
Waterway Point	100.0%	99.0%
Northpoint City North Wing[9]	99.7%	100.0%
Tiong Bahru Plaza	99.7%	99.0%
Changi City Point	99.2%	93.7%
Century Square	99.0%	86.8%
Hougang Mall	100.0%	98.4%
White Sands	99.5%	96.4%
Retail Portfolio[7]	**99.7%**	**97.5%**
Central Plaza	95.3%	88.9%

Calculation based on committed leases as at 30 September 2023; vacant floor area is excluded.

Shopper Traffic

Shopper traffic of the Retail Portfolio[7] continues its recovery trajectory as Singapore reverts its Disease Outbreak Response System Condition (DORSCON) level from yellow to green in February 2023 after more than three years of living with heightened health alerts due to COVID-19. COVID-19 measures were further scaled back, with masks no longer required on public transport as well as the stepping down of the use of TraceTogether and SafeEntry. This marks a significant progress towards normalization as the aggregate shopper traffic of the Retail Portfolio[7] improved by 24.7% from 137.1 million in FY2022 to 171.0 million in FY2023. All malls recorded recovery in shopper footfall in FY2023.

Retail Portfolio Shopper Traffic Year-On-Year Comparison
Percentage indicates year-on-year increase over FY2022



Shopper Traffic by Property (million)	FY2023	FY2022	Increase/ (Decrease)
Causeway Point	25.9	21.4	21.0%
Waterway Point	25.5	19.3	32.1%
Northpoint City[10]	56.7	47.6	19.1%
Tiong Bahru Plaza	16.5	13.4	23.1%
Changi City Point	10.5	7.5	40.0%
Century Square	12.4	10.2	21.6%
Hougang Mall	12.7	9.4	35.1%
White Sands	10.7	8.4	27.4%

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

7 *Excludes Tampines 1 due to ongoing AEI works.*
8 *FCT acquired the 25.50% interest in NEX in FY2023, hence FY2022 data for NEX is not included.*
9 *Includes Yishun 10 Retail Podium.*
10 *Combined shopper traffic of Northpoint City North Wing and South Wing.*

Operations **Review**

NEX, Singapore

Retail Portfolio Trade Mix

Food & Beverage is the largest trade category accounting for 30.1% (FY2022: 30.2%) of total NLA and 37.5% (FY2022: 38.0%) of total GRI. The second and the third largest trade categories by GRI are Beauty & Healthcare at 14.5% (FY2022: 15.0%) and Fashion & Accessories at 12.0% (FY2022: 11.5%).

Trade Mix as at 30 September 2023

Trade Category (by descending order of GRI)	As % of total NLA	As % of total GRI
Food & Beverage	30.1%	37.5%
Beauty & Healthcare	10.7%	14.5%
Fashion & Accessories	11.3%	12.0%
Sundry & Services	6.0%	8.2%
Supermarket & Grocers	11.0%	6.3%
Information & Technology	2.5%	2.9%
Leisure & Entertainment	7.0%	2.7%
Homeware & Furnishing	3.3%	2.7%
Jewellery & Watches	0.9%	2.4%
Department Store	4.5%	2.4%
Books, Music, Arts & Craft, Hobbies	3.6%	2.3%
Electrical & Electronics	3.0%	2.2%
Sports Apparel & Equipment	3.2%	2.1%
Education	2.6%	1.8%
Vacant	0.3%	0.0%
Retail Portfolio[11]	**100.0%**	**100.0%**

NEX, Singapore

Top 10 Tenants By GRI

The top ten tenants collectively accounted for 19.5% (FY2022: 18.4%) of the total GRI as at 30 September 2023. Our largest tenant NTUC FairPrice, the operator of FairPrice supermarkets, Kopitiam food courts, Unity Pharmacy and various food and beverage establishments in FCT malls, accounted for 5.6% (FY2022: 4.1%) of the portfolio GRI.

Top 10 Tenants by GRI as at 30 September 2023

Tenants	Trade Category	As % of total NLA	As % of total GRI
NTUC FairPrice[1]	Supermarket & Grocers, Food & Beverage, Beauty & Healthcare	8.1%	5.6%
BreadTalk Group[2]	Food & Beverage	2.7%	3.2%
Dairy Farm Group[3]	Supermarket & Grocers, Beauty & Healthcare	1.7%	2.0%
Courts (Singapore) Pte. Ltd.	Electrical & Electronics	1.8%	1.4%
Hanbaobao Pte Ltd[4]	Food & Beverage	0.9%	1.4%
Metro (Private) Limited[5]	Department Store, Beauty & Healthcare	2.2%	1.3%
R E & S Enterprises Pte Ltd[6]	Food & Beverage	1.2%	1.3%
Oversea-Chinese Banking Corporation Limited	Sundry & Services	0.7%	1.3%
Shaw Theatres Pte. Ltd.	Leisure & Entertainment	2.5%	1.0%
Beauty One International[7]	Beauty & Healthcare	0.9%	1.0%
Total for Top 10		**22.7%**	**19.5%**

1 Includes FairPrice supermarkets (FairPrice, FairPrice Finest, FairPrice Xtra), Kopitiam food courts (Kopitiam and Cantine by Kopitiam), Unity Pharmacy, Pezzo and Crave.
2 Includes Food Republic, Food Junction, BreadTalk, Toast Box, The Food Market and Din Tai Fung.
3 Includes Cold Storage, Guardian Health & Beauty and 7-Eleven.
4 Operator of Mcdonald's.
5 Includes Metro and Clinique.
6 Operator of Ichiban Boshi, Ichiban Sushi, Kuriya Japanese Market, Tsukimi Hamburg, Yakiniku-GO and &JOY Japanese Food Street.
7 Includes Victoria Facelift, Yun Nam Hair Care, Dorra Slimming, London Weight Management, New York Skin Solutions and Shakura Pigmentation Beauty.

11 Excludes Tampines 1 due to ongoing AEI works.

Financial **Review**

Investment Property Portfolio

As at 30 September 2023, the investment property portfolio of FCT and its subsidiaries ("FCT Group") 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. On 29 August 2023, FCT entered into a sale and purchase agreement to divest Changi City Point ("CCP") and accordingly, CCP was reclassified to "Assets held for sale" as at 30 September 2023. The divestment was completed on 31 October 2023.

Investments Held In Associate and Joint Ventures

Sapphire Star Trust

On 8 February 2023, following the completion of acquisition of additional 10.00% interest in Sapphire Star Trust ("SST"), a private trust that owns Waterway Point, a suburban shopping mall located in Punggol, FCT's interest in SST increased from 40.00% to 50.00% with a total acquisition outlay of approximately $74.4 million (including transaction costs and completion adjustments). FCT jointly controls the venture with another joint venture partner and unanimous consent is required for all decisions over the relevant activities.

Hektar Real Estate Investment Trust

On 22 September 2023 and 4 October 2023, FCT entered into sale and purchase agreements (as amended, supplemented and/or varied) with unrelated third parties[1] in relation to the proposed divestment of the entire interest of 30.97% Hektar Real Estate Investment Trust ("H-REIT") and accordingly, investment in H-REIT was reclassified to "Assets held for sale" as at 30 September 2023. The divestment was completed on 6 December 2023.

NEX Partners Trust

On 26 January 2023, FCT and FCL Emerald (1) Pte. Ltd. ("FCL Emerald"), a wholly-owned subsidiary of Frasers Property Limited ("FPL"), established NEX Partners Trust ("NP Trust"). FCT and FCL Emerald respectively hold 51.00% and 49.00% interest in each of NP Trust and Frasers Property Coral Pte. Ltd. ("FP Coral"), the trustee-manager of NP Trust. FP Coral, in its capacity as the trustee-manager of NP Trust, entered into a conditional sale and purchase agreement with Mercatus Tres Pte. Ltd. to purchase 168,764,576 ordinary shares, representing 50% of the total share capital of Gold Ridge Pte. Ltd. ("GRPL"), which owns NEX, a suburban shopping mall located in Serangoon Central. The transaction was completed on 6 February 2023 with a total acquisition outlay of approximately $332.2 million (including transaction costs and completion adjustments) as of 30 September 2023. Upon completion, FCT owns an effective interest of 25.50% in GRPL.

1 *The purchasers are Dato' Ong Choo Meng, Hextar Rubber Sdn. Bhd. and Aventura Sdn. Bhd.*

Financial **Review**

Financial Performance Of Investment Property Portfolio

The tables presented below show the gross revenue, property expenses and net property income for FCT Group's investment property portfolio for the Financial Year ended 30 September 2023 ("FY2023") and Financial Year ended 30 September 2022 ("FY2022").

	FY2023 1 October 2022 - 30 September 2023	FY2022 1 October 2021 - 30 September 2022	Increase / (Decrease)
Gross Revenue $'000			
Causeway Point	93,255	89,007	4.8%
Northpoint City North Wing[1]	57,126	54,847	4.2%
Changi City Point[2]	25,563	23,935	6.8%
Tampines 1	46,435	47,622	(2.5%)
Tiong Bahru Plaza	42,228	41,358	2.1%
Century Square	32,424	31,456	3.1%
Hougang Mall	31,564	30,509	3.5%
White Sands	30,878	28,769	7.3%
Central Plaza	10,250	9,414	8.9%
Other investment properties[3]	-	14	N.M.
Total	**369,723**	**356,931**	**3.6%**
Property Expenses $'000			
Causeway Point	23,313	20,560	13.4%
Northpoint City North Wing[1]	15,690	13,956	12.4%
Changi City Point[2]	9,698	9,365	3.6%
Tampines 1	13,083	13,206	(0.9%)
Tiong Bahru Plaza	10,269	10,345	(0.7%)
Century Square	8,748	9,609	(9.0%)
Hougang Mall	9,269	9,368	(1.1%)
White Sands	10,464	8,524	22.8%
Central Plaza	3,603	3,593	0.3%
Other investment properties[3]	-	(192)	N.M.
Total	**104,137**	**98,334**	**5.9%**
Net Property Income $'000			
Causeway Point	69,942	68,447	2.2%
Northpoint City North Wing[1]	41,436	40,891	1.3%
Changi City Point[2]	15,865	14,570	8.9%
Tampines 1	33,352	34,416	(3.1%)
Tiong Bahru Plaza	31,959	31,013	3.1%
Century Square	23,676	21,847	8.4%
Hougang Mall	22,295	21,141	5.5%
White Sands	20,414	20,245	0.8%
Central Plaza	6,647	5,821	14.2%
Other investment properties[3]	-	206	N.M.
Total	**265,586**	**258,597**	**2.7%**

1 *Includes Yishun 10 Retail Podium.*
2 *Reclassified to "Assets held for sale" as at 30 September 2023. The divestment of Changi City Point was completed on 31 October 2023.*
3 *For FY2022, other investment properties mainly related to the adjustments made for the divested malls i.e. Bedok Point, Anchorpoint and YewTee Point.*

Performance Comparison Between FY2023 and FY2022

Gross revenue for FY2023 was $369.7 million, an increase of $12.8 million or 3.6% from FY2022. The increase was mainly due to higher gross rent arising from higher occupancy rates, higher rental achieved for new and renewed leases and staggered rent across most malls and increase in atrium income with the resumption of atrium events with effect from 29 March 2022. It was partially offset by the lower gross revenue at Tampines 1 due to asset enhancement initiatives.

Property expenses for FY2023 was $104.1 million, an increase of $5.8 million or 5.9% from FY2022. The increase was mainly due to higher maintenance and utility expenses, and higher staff costs during the year. It was partially offset by property tax refunds received during the financial year.

Net property income for FY2023 was therefore higher at $265.6 million, an increase of $7.0 million or 2.7% from FY2022.

Net non-property expenses for FY2023 of $116.5 million was $33.5 million or 40.3% higher than FY2022 mainly due to higher interest expense of $34.2 million attributed to the higher interest rate and additional loan drawdown to finance the acquisition of an additional 10.00% interest in SST and effective 25.50% interest in GRPL, as well as increase in asset management fees arising from higher net property income and higher total assets with the acquisition of an additional 10.00% interest in SST and effective 25.50% interest in GRPL. This was partially offset by the one-off grant income recognised in FY2023.

Total return included:

- Share of results of associate of $5.9 million was $7.0 million higher than FY2022 due to the share of H-REIT's fair value gain on investment properties of $3.6 million (FY2022: share of fair value loss on investment properties of $4.1 million).

- Impairment loss on investment in associate of $4.0 million recognised in FY2023.

- Share of results of joint ventures of $51.2 million was $26.6 million higher than FY2022 due to recognition of an additional 10.00% share of SST's results with effect from 8 February 2023 and 51.00% share of NP Trust's results with effect from 6 February 2023. Included in the share of results of joint ventures, was a one-off gain of $13.6 million recognised upon the completion of the acquisition of an additional 10.00% interest in SST and effective 25.50% interest in GRPL as well as share of revaluation gain from SST and NP Trust of $4.9 million.

- In FY2023, the Group recognised a net change in fair value of investment properties of $9.9 million.

- No provision has been made for tax at the Trust level as well as for certain subsidiaries as it is assumed that 100% of the taxable income available for distribution to Unitholders in the next financial year will be distributed. 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, Century Square Trust 1, Century Square Trust 2 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. The Group's tax expense of $0.3 million mainly arose from under-provision of prior year tax expenses of certain subsidiaries within the Group.

Financial **Review**

Distribution

Distribution to Unitholders for FY2023 was $207.7 million, which was $0.4 million or 0.2% lower compared to FY2022.

The breakdown and comparison of the Distribution per Unit ("DPU") for FY2023 and FY2022 are presented below:

	FY2023 1 October 2022 - 30 September 2023	**FY2022** 1 October 2021 - 30 September 2022	Increase / (Decrease)
DPU (cents)			
First half (1 October – 31 March)	6.130[1]	6.136[3]	(0.1%)
Second half (1 April – 30 September)	6.020[2]	6.091[4]	(1.2%)
Full Year (1 October – 30 September)	**12.150**	**12.227**	**(0.6%)**

1 *In determining the distribution relating to first half of FY2023, FCT released $1.7 million of its tax-exempt income available for distribution to Unitholders which had been retained in second half of FY2022 and retained $3.0 million of its current period's tax-exempt income available for distribution to Unitholders.*

2 *In determining the distribution relating to second half of FY2023, FCT released $3.0 million of its tax-exempt income available for distribution to Unitholders which had been retained in first half of FY2023 and retained $1.1 million of its current period's tax-exempt income available for distribution to Unitholders.*

3 *In determining the distribution relating to first half of FY2022, FCT retained $4.8 million of its taxable income available for distribution to Unitholders.*

4 *In determining the distribution relating to second half of FY2022, FCT released $4.8 million of its taxable income available for distribution to Unitholders which had been retained in first half of FY2022 and retained $1.7 million of its tax-exempt income available for distribution to Unitholders.*

Total Assets, Net Asset Value Per Unit and Net Tangible Asset Per Unit

As at 30 September 2023, the total assets stood at $6,375.2 million, an increase of $433.8 million from $5,941.4 million a year ago. The increase was mainly attributed to the acquisition of an additional 10.00% interest in SST and effective 25.50% interest in GRPL.

FCT's net assets stood at $3,973.2 million as at 30 September 2023, an increase of $9.1 million compared with $3,964.1 million a year ago.

The Net Asset Value ("NAV") and the Net Tangible Asset ("NTA") of FCT Group decreased slightly to $2.32 per Unit from $2.33 per Unit a year ago, primarily due to a larger base of total issued and issuable units. The NAV and NTA per Unit are calculated based on the following:

	30 September 2023	30 September 2022
NAV/NTA ($'000)	3,973,235	3,964,077
Total issued and issuable Units ('000)	1,712,039	1,703,765
NAV/NTA per Unit ($)	2.32	2.33

Appraised Value of Properties

Independent valuations of the investment properties, including investment property reclassified to assets held for sale were undertaken by Jones Lang LaSalle Property Consultants Pte Ltd and Savills Valuation and Professional Services (S) Pte Ltd.

The Manager believes that these independent valuers possess appropriate professional qualifications and relevant 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 Group's investment property portfolio[1] as at 30 September 2023 stood at $5,545.5 million, stable as compared with $5,516.0 million a year ago.

The appraised values of Causeway Point, Northpoint City North Wing, Tampines 1, Tiong Bahru Plaza, Hougang Mall and Central Plaza saw an increase of between $1.5 million and $13.0 million. Valuation of Century Square, White Sands, Changi City Point and Yishun 10 Retail Podium remained the same compared to a year ago.

	As at 30 September 2023		**As at 30 September 2022**	
Investment properties in Singapore	Appraised Value ($ million)	Capitalisation rate	Appraised Value ($ million)	Capitalisation rate
Causeway Point	1,336.0	4.75%	1,323.0	4.75%
Northpoint City North Wing	782.0	4.75%	778.0	4.75%
Yishun 10 Retail Podium[2]	34.0	3.75%	34.0	3.75%
Tampines 1	771.0	4.75%	764.0	4.75%
Tiong Bahru Plaza	657.0	4.75%	655.0	4.75%
Century Square	559.0	4.75%	559.0	4.75%
Hougang Mall	435.0	4.75%	433.0	4.75%
White Sands	429.0	4.75%	429.0	4.75%
Central Plaza	217.5	3.75%	216.0	3.75%
Sub-total	**5,220.5**		**5,191.0**	
Asset held for sale in Singapore				
Changi City Point[3]	325.0	5.00%	325.0	5.00%
Total	**5,545.5**		**5,516.0**	
Investment properties held through joint venture				
Waterway Point[4]	1,315.0	4.50%	1,312.5	4.50%
NEX[5]	2,100.0	4.50%	-	-

1 Include Changi City Point which has been reclassified to "Assets held for sale" as at 30 September 2023.
2 Yishun 10 Retail Podium comprises 10 strata-titled retail units at Yishun 10 Cinema Complex. As at 30 September 2023, the valuation was based on the capitalisation approach, discounted cash flow analysis and direct comparison method.
3 Based on independent valuation of Changi City Point as at 31 July 2023 in connection with the divestment of Changi City Point to Changi Times Square Pte. Ltd. The divestment was completed on 31 October 2023.
4 As at 30 September 2023, FCT owns 50.00% of Sapphire Star Trust which holds Waterway Point. The value reflected in this table is the total value of the retail property and FCT's 50.00% interest amounts to $657.5 million.
5 As at 30 September 2023, FCT owns an indirect interest of 25.50% of Gold Ridge Pte. Ltd. which holds NEX. The value reflected in this table is the total value of the retail property and FCT's 25.50% interest amounts to $535.5 million.

Capital **Resources**

Overview

The Manager of FCT continues to maintain a prudent financial structure and adequate financial flexibility to ensure that it has access to funding and capital to drive growth. The Manager proactively manages and monitors FCT Group's cash flow position, debt maturity profile, funding costs, interest rate and overall liquidity position to stay competitive. We maintain a strong capital structure that is supported by diversified sources of funding for financing of operations and investment requirements.

Credit Ratings

FCT has corporate credit ratings from S&P and 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.

Sources of Funding

FCT Group taps on the debt and equity market for its funding needs. The Manager maintains active relationship with local and foreign 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., Malayan Banking Berhad, Singapore Branch, Oversea-Chinese Banking Corporation Limited and Standard Chartered Bank.

As at 30 September 2023, FCT Group has a total capacity of $6,696.0 million from its sources of funding, of which $2,212.1 million or 33.0% 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 ($'million)	Amount Utilised ($'million)	% Utilised
Revolving credit facilities	Unsecured	1,199.1	765.1	63.8%
Revolving credit facilities	Secured	298.8	178.9	59.9%
Medium Term Note Programme	Unsecured	1,000.0	70.0	7.0%
Bank borrowings	Unsecured	580.0	580.0	100.0%
Bank borrowings	Secured	618.1	618.1	100.0%
Multicurrency Debt Issuance Programme	Unsecured	3,000.0	-	0.0%
Total		6,696.0	2,212.1	33.0%

Sustainable Financing

In December 2021, FCT set up a sustainable finance framework to demonstrate its commitment towards responsible investment by improving its portfolio's ESG performance. FCT's goal is to certify 80.0% of its existing buildings by 2024 to at least Building Construction Authority Green Mark Gold certification. In FY2023, we secured three sustainability linked loans totalling approximately $506.0 million. The proportion of green loans in FCT's total borrowing rose to 55.6%[1] as at 30 September 2023 from 31.9% last year.

Debt Profile

In FY2023, FCT Group entered into new bank facilities totalling $916.0 million to re-finance the borrowings and to fund acquisitions. To mitigate interest rate risk, interest rate swaps and cross-currency interest rate swaps of notional $624.0 million were executed. As at 30 September 2023, 63.0% of the total borrowings are on fixed interest rates.

On 30 September 2023, FCT Group's total debt stood at $2,212.1 million for which it comprised of $797.0 million secured bank borrowings, $1,345.1 million unsecured bank borrowings and $70.0 million unsecured Notes. The Interest Coverage Ratio ("ICR") for the year ended was 3.47 times and FCT Group's aggregate leverage stood at 39.3%.

1 *The proportion of green loans in FCT's total borrowing included FCT's proportionate effective interest in SST which owns Waterway Point and the proportionate effective interest in GRPL which owns NEX. As at 30 September 2023, FCT owns 50.00% effective interest in SST and 25.50% effective interest in GRPL.*

Key Financial Metrics

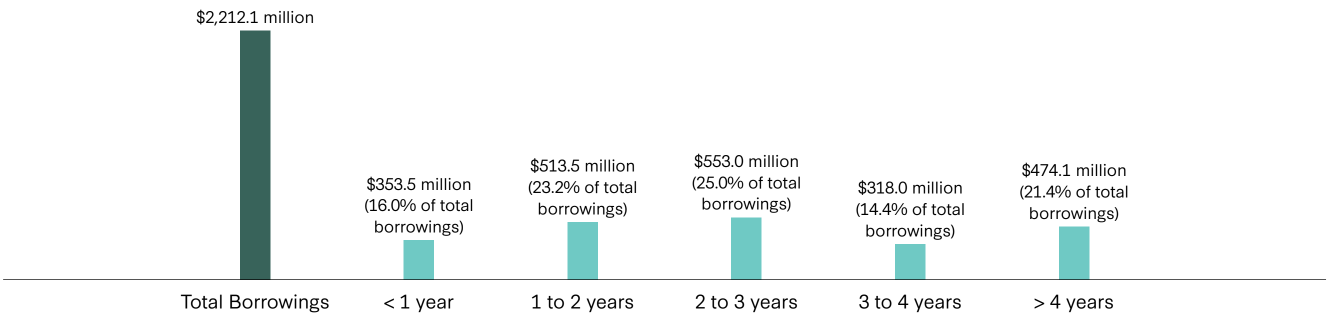
	30 September 2023	30 September 2022
Total Borrowings[1]	$2,212.1 million	$1,815.0 million
Aggregate Leverage[2]	39.3%	33.0%
Interest Coverage Ratio[3]	3.47 times	5.19 times
% of debt hedged to fixed rate interest	63.0%	71.0%
Average All-In Cost of Debt[4]	3.8%	2.5%
Average Debt Maturity	2.3 years	2.0 years

1 *Excludes proportionate share of borrowings of SST and GRPL and includes approximate A$238.1 million floating rate loans swapped to $220.0 million fixed rate loans.*
2 *In accordance with Property Funds Appendix, the aggregate leverage included FCT's proportionate effective interest in the deposited property value and borrowings in SST which owns Waterway Point and the proportionate effective interest in GRPL which owns NEX. As at 30 September 2023, FCT owns 50.00% effective interest in SST and 25.50% effective interest in GRPL.*
3 *Ratio is calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), by the trailing 12 months interest expense and borrowing-related fees as defined in the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore. As the Group has not issued any hybrid securities, adjusted ICR is identical to the ICR of the Group.*
4 *Based on year-to-date cost of debt.*

FCT Group holds derivative financial instruments to hedge its interest rate risk exposure. The fair value of derivative for FY2023 as financial derivative assets and financial derivative liabilities were $18.5 million (2022: $25.1 million) and $9.2 million (2022: $NIL) as disclosed in the Financial Statements.

Debt Maturity Profile
As At 30 September 2023

	Amount ($'million)	As % of total borrowings
< 1 year	353.5	16.0%
1 to 2 years	513.5	23.2%
2 to 3 years	553.0	25.0%
3 to 4 years	318.0	14.4%
> 4 years	474.1	21.4%
Total Borrowings	**2,212.1**	**100.0%**



Retail Property **Market Overview**

1. Introduction

This report has been 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.

2. Economic Context

This section provides background information on the economic context at the global and Singapore levels.

Current Situation & Near-Term Outlook

The global economy has maintained its growth trajectory through 2023 despite various geopolitical events and shocks to the financial system. However, growth has been uneven across various countries and regions.

On one hand, the United States (US) achieved year-on-year real gross domestic product (GDP) growth of around 2.4% in Q2 2023, notwithstanding continued monetary tightening. At the same time, the US unemployment rate has ranged between 3.4% and 3.8% throughout 2023 so far, on par with pre-pandemic lows in 2019. China also posted healthy year-on-year GDP growth of 5.2% for the first three quarters of 2023, aided by low base effects from 2022 when "Zero COVID" restrictions were still in place. Conversely, the European Union posted much lower GDP growth of around 0.4% year-on-year as at Q2 2023, as member countries continued to experience the impacts of economic and supply chain disruptions caused by the Russia-Ukraine War.

For the full year of 2023, the International Monetary Fund (IMF) forecasts global GDP growth to reach 3.0%. The anticipated growth is lower than the 3.5% growth achieved in 2022 as the post-pandemic consumption rebound diminishes. Positively, global inflation is also forecast to decline this year in response to interest rate hikes, falling from 8.7% in 2022 to 6.9% in 2023.

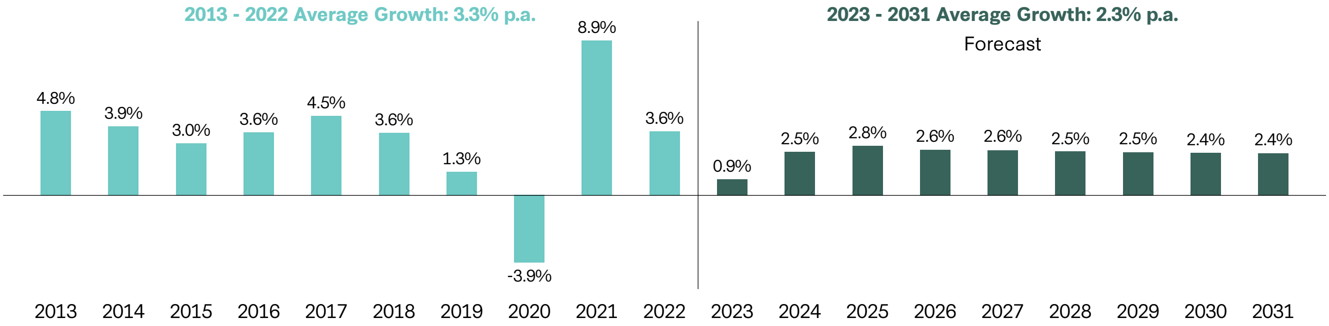
Several risks cloud the global economic outlook. Firstly, protracted geopolitical instability continues to present a risk for commodity price inflation. In addition to the Russia-Ukraine war, which has now lasted for over a year, war has also broken out between Israel and Hamas. There are concerns that an escalation of this war might lead to higher oil prices should major oil producers in the region also become involved.

Second, China's real estate market situation could have broader ramifications on the world's second largest economy. Major Chinese property developers such as Evergrande and Country Garden remain in financial distress, facing challenges repaying various debt obligations. Should any of the major Chinese real estate developers face liquidation and cease operations, there could be negative knock-on effects on broader household wealth, employment and spending power amongst Chinese consumers.

In Singapore, real GDP in Q3 2023 grew by 0.7% year-on-year according to the Ministry of Trade and Industry (MTI)'s advance estimates. The main drivers of this growth were hospitality services, supported by a recovery in tourism, and construction. In contrast, manufacturing showed a year-on-year decline in GDP, and has been the main reason Singapore has experienced such moderate growth. One bright spot within the manufacturing sector is the transport engineering sector, which has benefited from the recovery in air travel.

For the full year of 2023, MTI is forecasting real GDP growth within a range of 0.5% – 1.5%. This is a moderate level of growth compared to the 2022 growth of 3.6%, reflecting Singapore's exposure to the global economy and the challenges it is currently facing.

Singapore Full-Year Real GDP Growth
2013 – 2031



Source: Focus Economics, Cistri

Medium-Term Outlook

The IMF forecasts global GDP growth to slow in 2024 to 2.9%, accompanied by a further decline in inflation to 5.8% as monetary tightening policies continue to take effect. For Singapore, the Monetary Authority of Singapore (MAS) expects growth to be modest in the first half of 2024 before picking up in the latter half. Nevertheless, there are several factors that could affect the medium-term economic outlook.

The first factor concerns future monetary policy decisions. In 2023, the US Federal Reserve ("Fed") led the continued tightening of monetary policy globally, with four rate hikes of 25 basis points each until September 2023. The Fed, along with other central banks, has since paused further rate hikes to assess the macroeconomic situation before making further policy changes. In Singapore, MAS has neither tightened nor loosened its exchange rate policy throughout 2023 so far.

Central banks will need to carefully calibrate future monetary policy, namely the direction and magnitude of future interest rate changes, to achieve a balanced moderation of both inflation and growth. Over tightening could lead to a sharp contraction in global consumption, which would negatively impact Singapore's export output. Conversely, not sufficiently tightening monetary policy risks worsening the high cost of living situation, which would also dampen spending.

The second factor concerns the economic and demographic situation in China. Besides the challenges with its real estate market, China is facing an ageing and shrinking population, having recorded its first population decline in six decades in 2022. Youth unemployment has also risen, leading some young consumers to tighten their belts amid lower incomes and higher costs of living. If unaddressed, these factors could dampen the consumption power of one of Singapore's largest trading partners.

Long-Term Outlook

The risk factors outlined above are all global in nature, and as a small and open economy, Singapore is not immune to them. Notwithstanding, Singapore's good governance, business-friendly policies and political stability relative to many other countries provide strong fundamentals for the city-state to navigate future economic uncertainties adeptly. Furthermore, Singapore stands to benefit from its geographical proximity and connections to emerging Asian economies that are projected to be some of the fastest-growing markets in the coming years.

Going forward, full-year GDP growth is forecast to average around 2.3% p.a. between 2023 and 2030.

Retail Property **Market Overview**

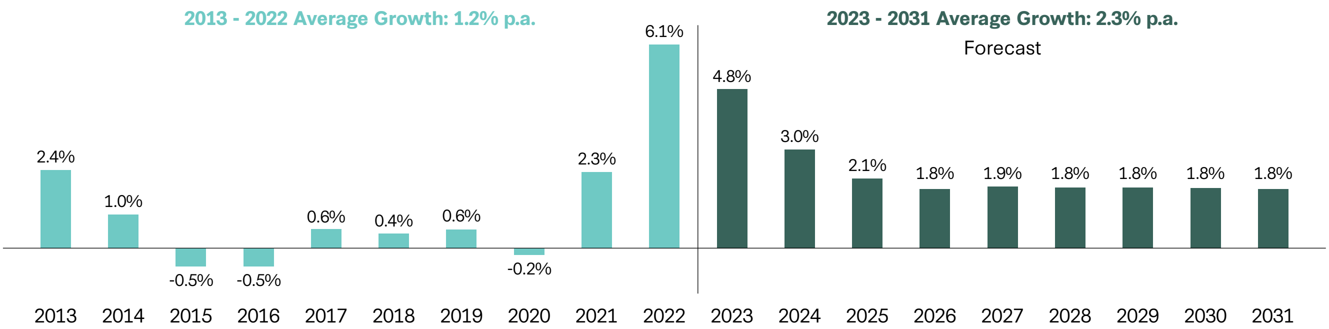
3. Inflation

Inflation in Singapore has slowed compared to 2022 and was estimated at around 5.1% year-on-year as at September 2023. Nevertheless, prices of goods and services continue to be on the rise. Product and service categories that registered the highest inflation rates in September 2023 include food and beverage services and transport driven by higher car prices.

To help Singaporeans cope with the higher cost of living, the Singapore government announced enhancements to the Assurance Package and the Permanent GST Voucher Scheme at Budget 2023. In October 2023, the government also introduced a SGD 1.1 billion Cost of Living Support Package for households. These support measures provide cash payouts, rebates and vouchers to help cushion the impact of price increases and GST hikes. On the monetary policy front, MAS has not conducted any further policy tightening this year following five consecutive rounds of tightening between October 2021 and October 2022.

For the full year of 2023, MAS forecasts overall inflation to average around 5%, down from 6.1% in 2022. Thereafter, inflation is projected to moderate further to 3.0% – 4.0% in 2024, including the impact of a further GST increase to 9%.

Consumer Price Inflation
2013 – 2031



Source: Focus Economics, Cistri

4. Population Growth

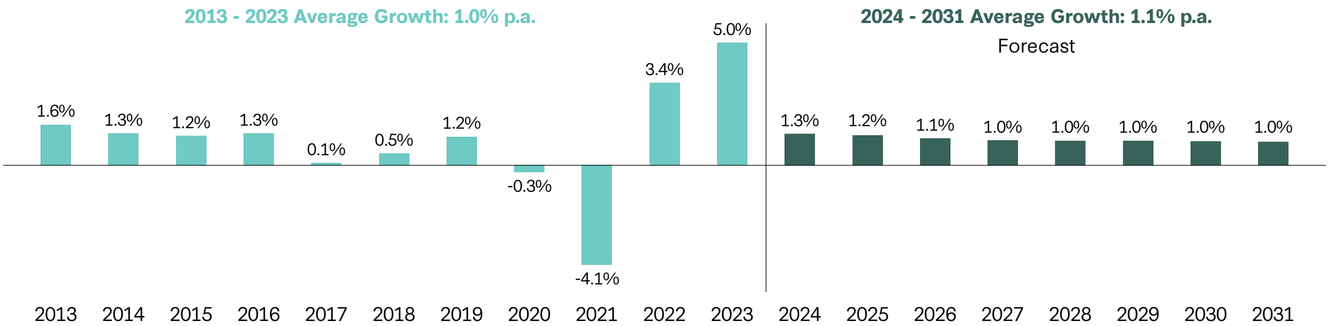
Total Population Growth & Demographic Trends

Singapore's population rebounded by 5.0% from 2022 to 2023 to reach 5.92 million, extending the 3.4% growth in 2022 and exceeding the pre-pandemic population level. This growth was largely driven by foreigners, particularly foreign Work Permit holders who accounted for more than half of population growth in the year. Demand for foreign workers has increased this year due to service construction projects that have resumed after the pandemic.

The population of residents (including Singapore Citizens and Permanent Residents) and white-collar expatriates has grown at a slower rate. Slower natural population growth among residents has contributed to this; Singapore's resident fertility rates have dropped to an all-time low of around 1.04 and resident births have fallen over the years. The government has rolled out various policies over the years to address this, and most recently announced the following policies to be implemented from 1 January 2024:

- Giving greater priority to first-time families in applications for four-room or smaller Standard Build-To-Order flats across Singapore.
- Increasing the Baby Bonus Cash Gift and the Child Development Account First Step Grant for all eligible Singaporean children. There will also be a higher co-matching cap in the Child Development Account for the first and second child.
- Extending government-paid paternity leave from two weeks to four weeks.

Population Growth
2013 – 2031



Source: SingStat, Cistri

In the long term, we expect Singapore's natural population growth among residents to remain low, leaving inward migration as the main driver of future population growth. The government recognises this and has maintained policies to keep Singapore open to global talent. One such policy is the Overseas Network and Expertise (One) Pass, a new work pass that was introduced in 2022 to attract top foreign talent with valuable networks and deep skills from across all industries.

Overall, we forecast population growth to average around 1.1% p.a. in 2024 – 2031 to bring total population to around 6.4 million by 2031.

Retail Property **Market Overview**

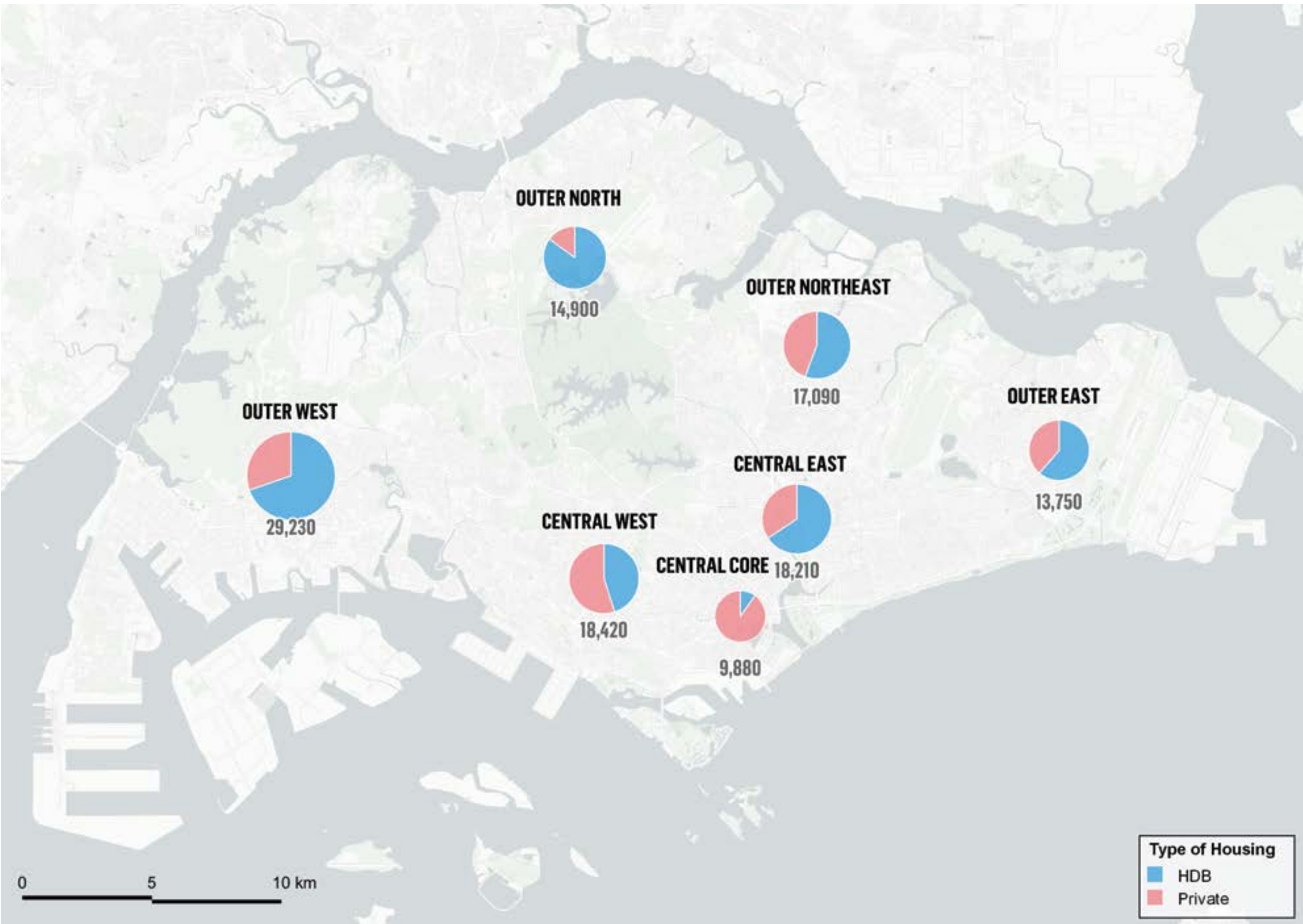
Geographical Distribution of Population Growth

Future housing development influences the future geographical distribution of the population. Future population growth is generally expected to be stronger in the areas outside Central Core, with more housing units planned in these areas.

The Outer West sector stands out with a residential housing pipeline of 29,000 units, or close to a quarter of total upcoming housing supply island-wide, either planned or under construction. The main contributor of future supply in the Outer West sector is Tengah, the Housing & Development Board's (HDB) newest public housing estate with more than 22,000 units launched as at October 2023.

The central fringe areas also have sizeable amounts of new housing planned or under construction. The Central West and Central East sectors both have around 18,000 new housing units in the pipeline, comprising a mix of large Built-to-Order public housing and private housing projects.

Public & Private Housing Units Pipeline (Planned & Under Construction) by Sector
From Q2 2023



Household Income Growth

Between 2012 and 2022, average household income per resident grew by around 3.5% p.a. on average. While incomes were negatively impacted by the COVID-19 pandemic in 2020, they have since rebounded exceeded pre-pandemic levels. Between 2021 and 2022, average household income per resident grew by around 7.5% year-on-year.

Other than income from work, income from other sources (e.g. investments) and savings also influence the amount of disposable income that consumers have available to spend. Taking all of these elements into account, total personal disposable income in Singapore grew by around 5.1% p.a. on average between 2012 and 2022.

Looking forward to the next few years, disposable income growth may slow as households opt to save more in response to economic uncertainties and the impending GST increase. The longer-term outlook for income growth will depend on the fundamental strength of the Singapore economy and its ability to continue attracting investments and companies that generate well-paying employment opportunities.

5. Tourism Growth

While Singapore's tourism sector has yet to fully bounce back from the pandemic, it has made steady progress towards recovery. Visitor arrivals between January and September 2023 have reached around 10.1 million, which is around 70% higher than the same period in 2022 but still around 40% below the same period in 2019.

With China reopening in January 2023, China is now Singapore's second biggest tourist source market, contributing around 1 million visitor arrivals between January and September 2023. However, this is only around one-third of the total arrivals during the same period in 2019. Positively, other major source markets like Indonesia and India have shown stronger recoveries for the same period, with arrivals from these countries having reached over 70% of 2019 total visitor arrivals.

The steady recovery has been facilitated by the decisive steps that Singapore has taken to revive its tourism sector. These include removing all border restrictions, reopening Changi Airport Terminal 2 and resuming various business and leisure events. Besides these measures, the Singapore Tourism Board (STB) has rolled out multiple initiatives to raise Singapore's profile as a global tourist destination under its "Made in Singapore" brand campaign, which aims to spotlight uniquely Singapore experiences. STB has partnered the Infocomm Media Development Authority to launch a $10-million Singapore On-Screen fund to "inspire travel to Singapore through TV series and films". This joint fund will support international media and entertainment partners to produce global TV and film projects that feature Singapore as a destination for international audiences.

STB also continues to partner the private sector to promote Singapore as a tourist destination. For instance, it is partnering Google's ARCore for AI-powered guided tours within its Visit Singapore application. Another example is its partnership with Disney Cruise Line to homeport a brand-new Disney cruise ship exclusively in Singapore for at least five years from 2025.

In the near future, visitor inflows from China will influence how quickly Singapore's tourism sector can make a full recovery. In turn, the appetite for outbound tourism from China will depend on the level of consumer confidence given China's ongoing property market, youth unemployment and other broader economic issues. Notwithstanding, other factors could support tourism growth in the coming year. Of particular note are upcoming major events such as Coldplay and Taylor Swift's sold-out concerts, which are expected to bring in numerous visitors from the region. At the same time, Singapore's tourism and economic agencies' ongoing destination marketing initiatives remain important to continue attracting visitors from all source markets.

Retail Property **Market Overview**

6. Retail Sales

Current Situation

Following a steep decline in 2020, retail sales began to recover in 2021 and have continued to grow over the past two years. Growth has been facilitated by consumers' pent-up demand for shopping from the COVID-19 pandemic.

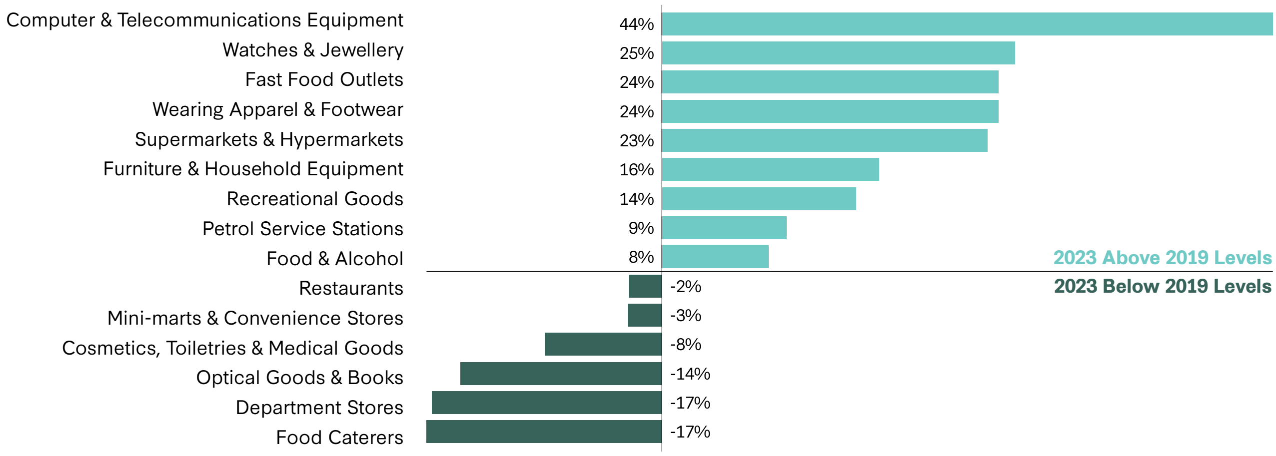
Different product categories have seen sales rebound to differing extents. Some categories have seen sales return to or even exceed pre-pandemic levels, while others have yet to fully recover.

Comparing total sales in the first eight months of the year, computer and telecommunications equipment sales have grown the most between 2019 and 2023. For the same period, sales in food retail and non-food discretionary categories such as jewellery, apparel, and household goods have also exceeded pre-pandemic levels in 2023. While groceries and household equipment sales remain well above pre-pandemic levels in 2023, they have fallen from the exceptional highs in 2022 amid the return to a post-pandemic normal. Nonetheless, sales of grocery essentials at supermarkets and hypermarkets have evidently been resilient since they remain well above pre-pandemic levels according to SingStat's data.

In contrast, department stores continue to perform relatively poorly amid changing shopper preferences. Department store sales for the first eight months of 2023 are around 16% below those in the first eight months of 2019. F&B sales at restaurants are also still slightly below pre-pandemic levels for the same period despite all dine-in restrictions having been lifted.

Given the impact of the COVID-19 pandemic on retail in Singapore and the fact that the virus is now endemic, the chart below compares the growth in nominal retail sales by category between the first eight months of 2023 and the same period in 2019.

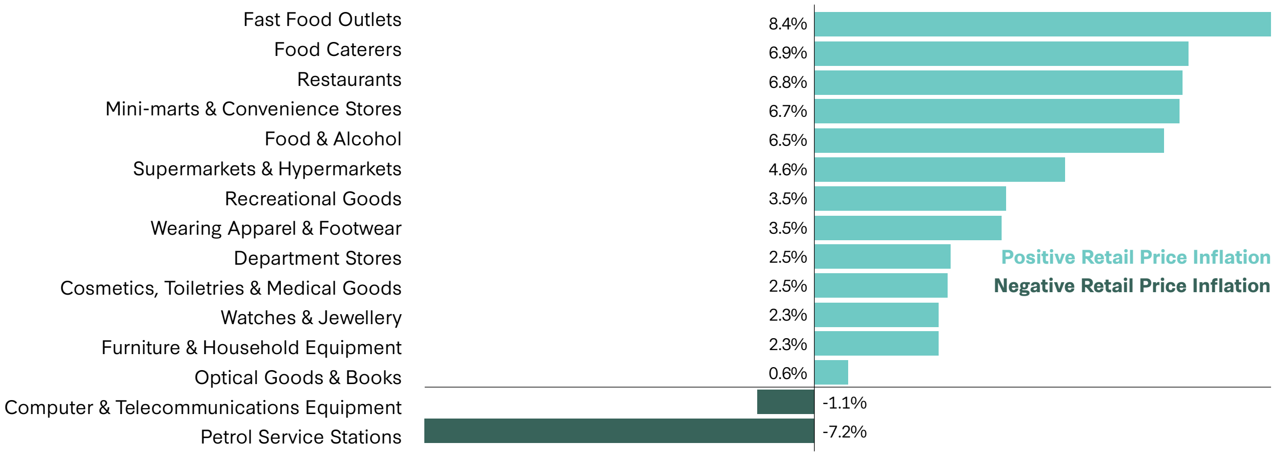
Nominal Retail Sales Growth by Category
First Eight Months of 2019 vs. First Eight Months of 2023



Source: SingStat, Cistri

In addition to growth in the volume of goods and service sold, price growth – or retail price inflation – also forms a component of nominal sales growth. The chart below provides a short-term comparison on the retail price changes of various retail categories between the previous and current year. Comparing the growth in nominal and real retail sales for the first eight months of 2022 and 2023 suggests that most retail product categories saw price increases between the two years. Food and beverage services categories, including restaurants, fast food outlets and other catering businesses, registered the highest rates of retail price inflation.

Estimated Retail Price Inflation by Category
First Eight Months of 2022 vs. First Eight Months of 2023



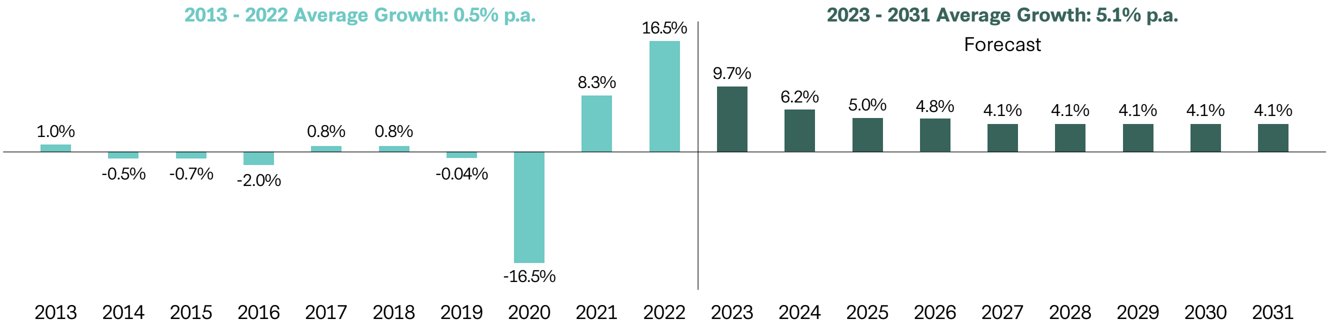
Note: Calculated as the difference between the change in nominal retail sales and the change in real retail sales in each category
Source: SingStat, Cistri

Based on SingStat's data up to August 2023, Cistri forecasts full-year nominal retail sales (excluding petrol and motor vehicles but including F&B) to grow by around 6.8% in 2023. Spending growth towards the end of the year may be supported by consumers frontloading some purchases ahead of the 2024 GST hike, especially for high-value items such as household goods and electronics.

Medium-Term and Long-Term Outlook
With a softer economic outlook in 2024 and the uncertainties around tourism from China, retail sales growth is forecast to slow. A sustained recovery in retail sales thereafter will depend on whether a stable economic environment with moderate inflation can be achieved, and how inbound tourism from China and other major markets can fully recover.

Overall, between 2023 and 2031, total nominal retail sales growth is forecast to average around 4.8% p.a..

Nominal Retail Sales Growth
2013 – 2031



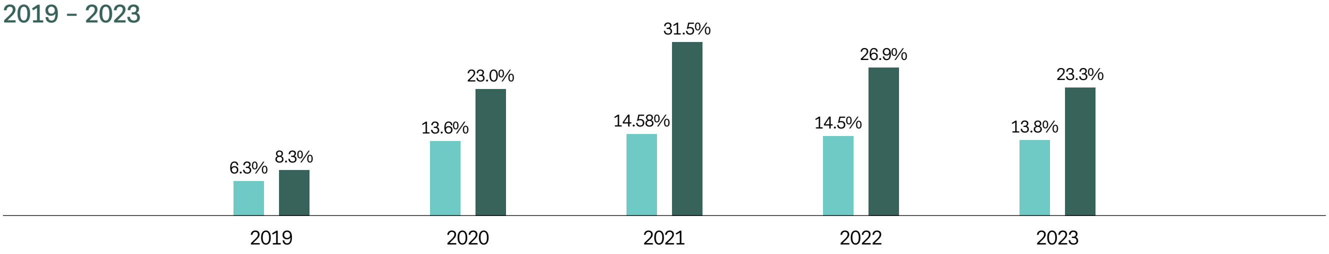
Note: Retail sales including F&B but excluding motor vehicles and petrol.
Source: SingStat, Cistri

Not all of this growth will accrue to bricks-and-mortar retail stores. However, data from SingStat suggests that the absolute levels of online retail and F&B sales have stabilised since 2022, and their share of total sales has begun to decline. This data suggests that the share of sales captured by physical retailers is recovering.

Retail Property **Market Overview**

Our view is that physical stores will continue to play a critical role in facilitating most retail transactions over the next decade, particularly via omnichannel means. Furthermore, there will be variations in the pace of bricks-and-mortar sales recovery across different types of retail centres. High-quality, well-managed and well-located retail centres are likely to experience a faster uptick in sales.

Online Proportion of Retail & F&B Sales (%)
2019 – 2023



Note: Based on sales for full year up to YTD August of each year
Source: SingStat, Cistri

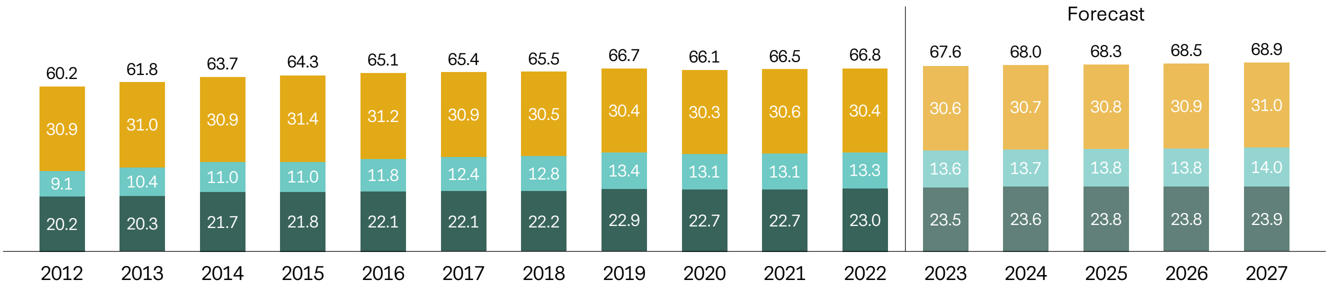
7. Retail Supply

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 66.8 million sq ft by end 2022, approximately 300,000 sq ft higher than in 2021. By end 2023, total retail NLA is expected to reach around 67.6 million sq ft due to a combination of recent (e.g. Woodleigh Mall and Sengkang Grand Mall) and anticipated mall openings (e.g. One Holland Village), centre re-openings post-renovation (e.g. Changi Airport Terminal 2), and the opening of retail podiums (e.g. Guoco Midtown and Komo Shoppes). However, there has also been some mall closures. CapitaLand's JCube was closed in August 2023 to make way for a mixed-use condominium, J'den, comprising of 38 storeys of residential units and two storeys of retail space.

By 2027, total retail floorspace is forecast to increase to around 68.9 million sq ft, which translates to an average growth rate of approximately 0.6% p.a. from 2022. This includes both mall and non-mall floorspace, including retail spaces operated by HDB and hotels. Of the total floorspace supply by 2027, around 55% is expected to be in shopping centre format, and around 37% of the shopping centre floorspace is anticipated to be outside the Central Area. As a proportion of total retail floorspace, the share of shopping centre floorspace outside the Central Area is expected to remain stable at around 20% from 2022 to 2027.

Retail Floorspace Supply
Singapore, 2012 – 2027 (Million sq ft)



Note: Central Area includes Central Core and central fringe areas
Source: URA, Developers' Announcements, Cistri; as of October 2023

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

Upcoming Enclosed Retail Centre Projects (>60,000 sq ft NLA)
October 2023 – 2027

Name	Opening Year	NLA (sq ft)	Closest MRT/LRT	Centre Type
One Holland Village	2023	116,300	Holland Village	Neighbourhood
Marine Parade Underground Mall	2023	99,800	Marine Parade (U/C)	Neighbourhood
Pasir Ris Mall	2024	269,000	Pasir Ris	Sub-Regional
Punggol Digital District	2024	172,600	Punggol	Neighbourhood
46 Kim Yam Road	2024	151,900	Fort Canning	Neighbourhood
CanningHill Square/CanningHill Pier	2025	96,900	Fort Canning	Neighbourhood

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.
- Government Land Sales (GLS) provide opportunities for mixed-use developments with retail components. Currently, there are three GLS sites that could potentially accommodate retail development, two of which are in the Confirmed List and the remaining one on the Reserve List. As of October 2023, there has yet to be a successful developer application for Woodlands Avenue 2 white site as it remains on the Reserve List.
- A key unknown for supply in the western suburbs of Singapore is the future of Jurong Lake District (JLD). Some retail will almost certainly be part of the JLD project. A maximum of approximately 570,000 sq.ft has been allocated for a range of uses of which retail is just one. Other uses include hotels, sports facilities and community uses. As such, it remains unclear what size of retail will be provided. While this remains a risk for malls located in the west of Singapore, we do not expect it to occur prior to 2028.

Upcoming Government Land Sale Sites (Mixed-Use / White Sites)
October 2023

Site	Site Area (ha)	Proposed Gross Plot Ratio	Maximum GFA (sq ft)	Capped Retail GFA (sq ft)	Status
Marina Gardens Crescent	1.7	4.2	780,000	60,000	Confirmed List
Jurong Lake District	6.5	-	3,930,000	-	Confirmed List
Woodlands Avenue 2	2.8	4.2	1,250,000	360,000	Reserve List

Source: URA (figures converted from sq m)

Retail Property **Market Overview**

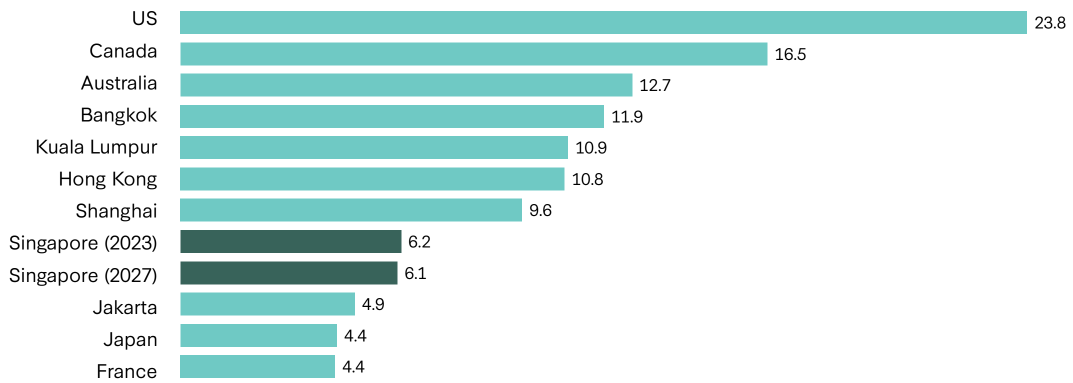
8. Shopping Centre Floorspace Per Capita

By end 2023, Singapore's shopping centre floorspace per capita provision is anticipated to reach around 6.2 sq ft NLA. This is similar to the provision in 2022 primarily due to the shopping centre floorspace increasing in tandem to Singapore's population growth. By 2027, we expect floorspace per capita to moderate slightly to around 6.1 sq ft as population continues to grow faster than supply.

Compared to other countries, Singapore has a lower provision of floorspace per capita compared to other larger countries like the US, Australia, and other major cities in the region. This is primarily because Singapore has fewer large shopping centres.

However, the quantum of floorspace per capita does not reflect the quality of the retail offering. Singapore generally has good quality shopping malls, a comprehensive retail hierarchy, and low levels of vacancy. This means that shoppers are generally well-served notwithstanding the lower per capita provision of floorspace.

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

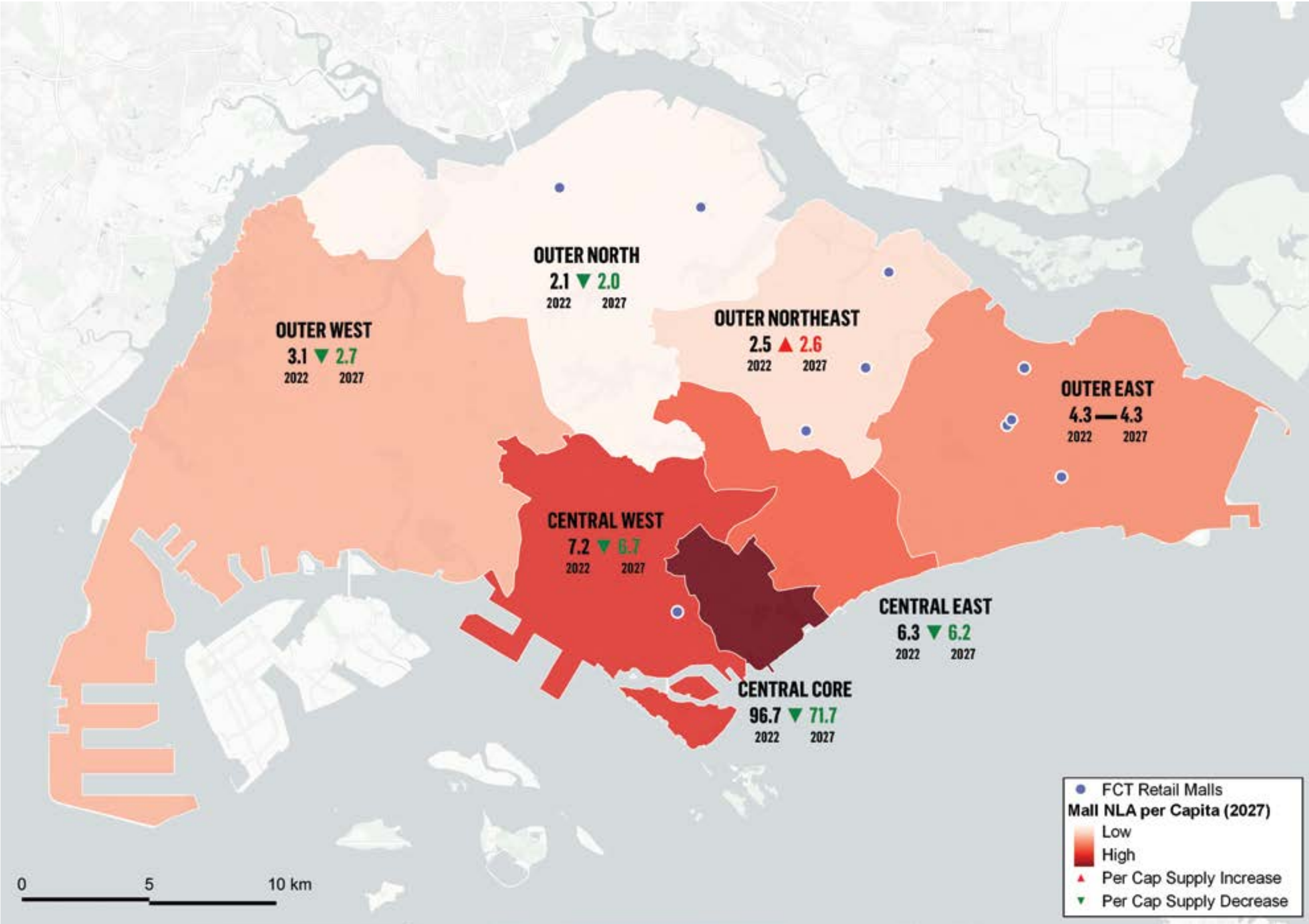


Global benchmarks updated based on latest data availability.
Source: Cistri

Amongst the various regions of Singapore, the highest concentration of shopping centre floorspace is within the central areas, particularly around Orchard Road. The suburban areas have lower provisions, ranging from around 2.1 sq ft per capita in the Outer North to around 4.3 sq ft per capita in the Outer East in 2022.

Cistri expects the Outer Northeast region to be the only region to experience growth in per capita floorspace provision between 2022 and 2027. Contributing to this are new and upcoming openings such as Sengkang Grand Mall and the retail components of Punggol Digital District. In all other regions, floorspace per capita is expected to decline from 2022 as Singapore's total population is expected to rise faster than the shopping centre floorspace stock.

Shopping Centre Floorspace Per Capita by Region
2022 vs. 2027



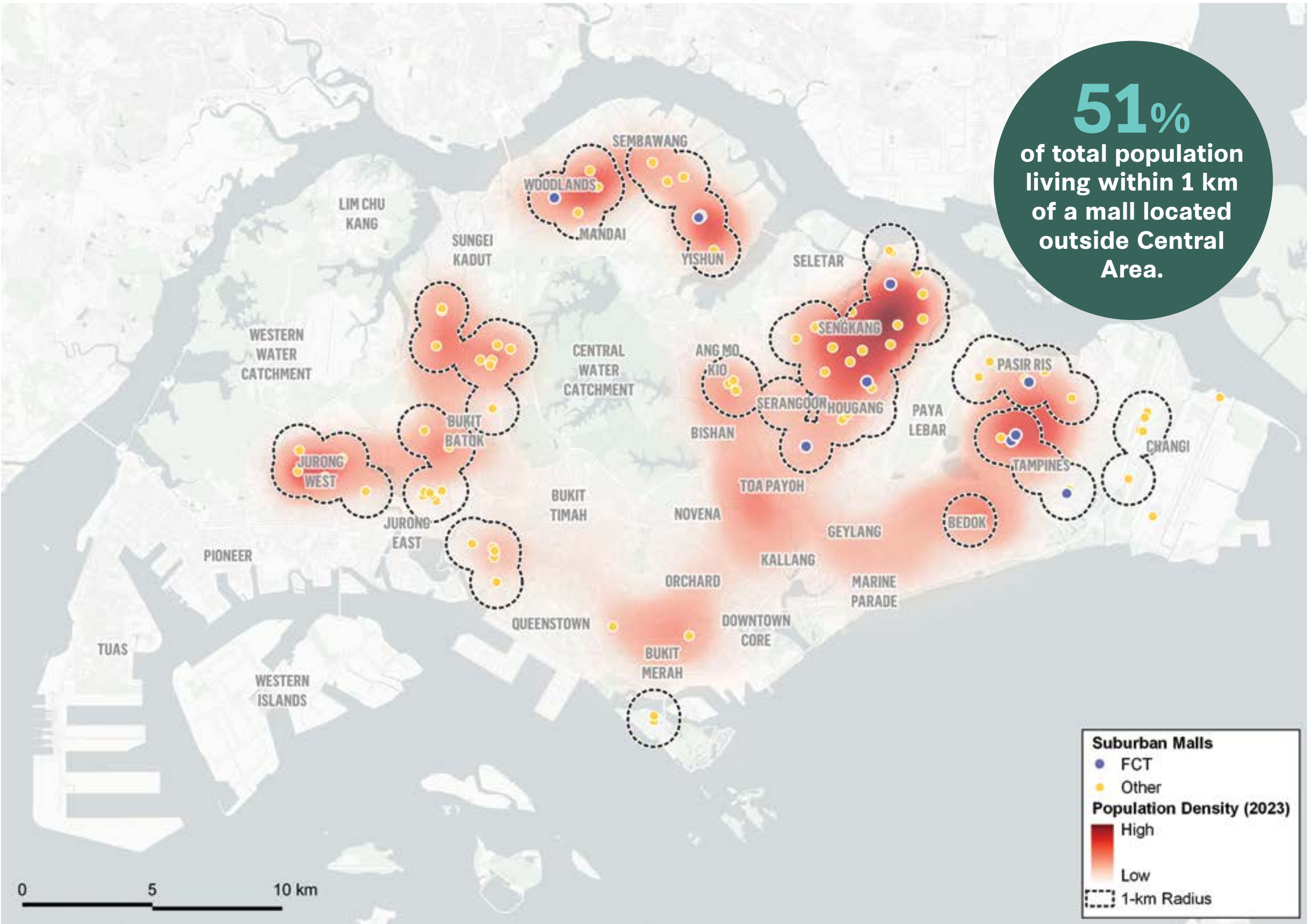
Retail Property **Market Overview**

9. The Available Market For Suburban Malls

Malls outside the Central Area account for around 20% of the total retail floorspace in Singapore. While this is not the majority, malls outside the Central Area serve as important retail amenities for a sizeable portion of Singapore's population.

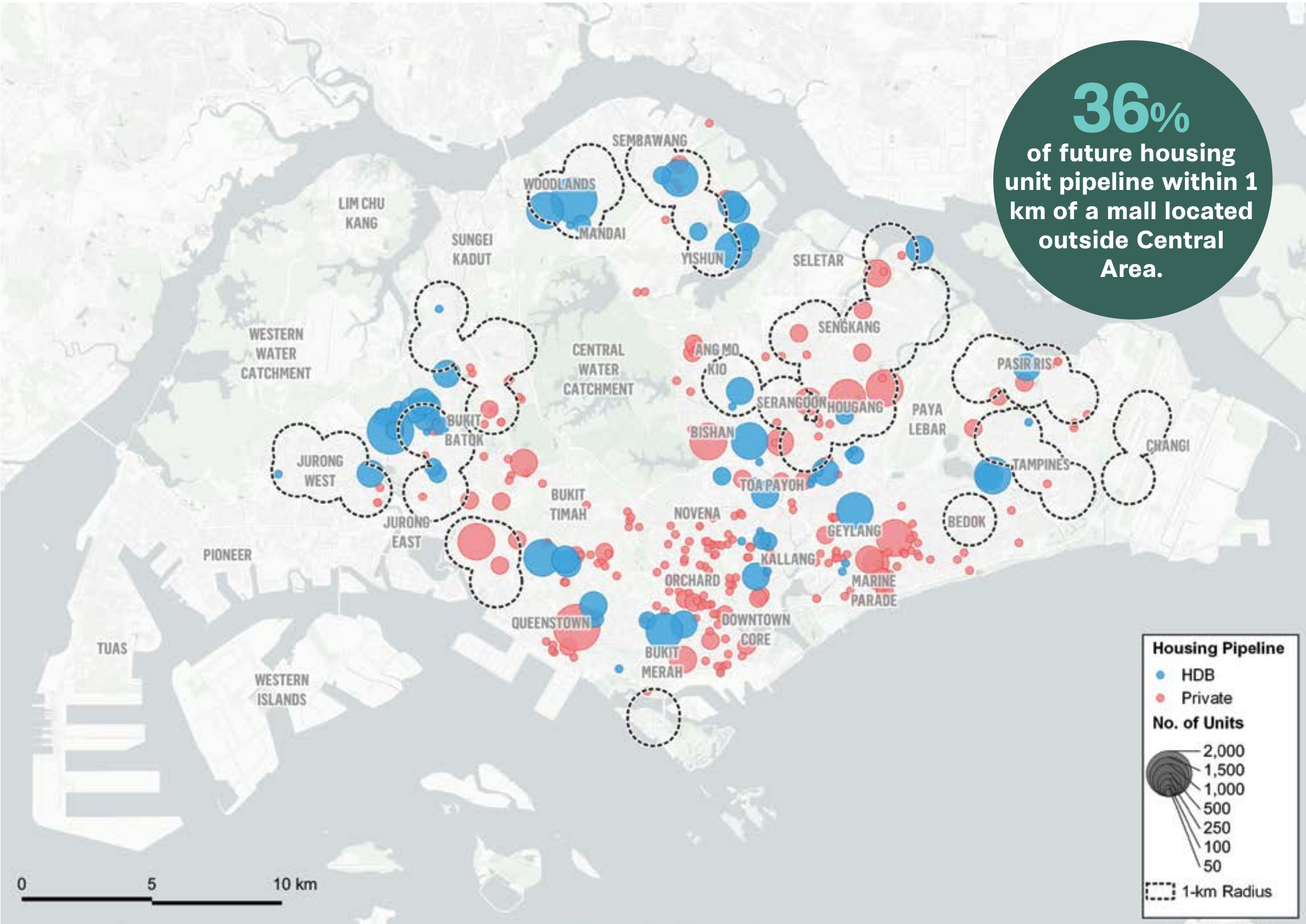
As illustrated in the heatmap below, many malls outside the Central Area are located in high density residential areas. These areas include Sengkang and Punggol in the northeast, Tampines in the east, Yishun in the north and Jurong in the west. Furthermore, Cistri estimates that around 3 million people, or over half of Singapore's population, live within 1 km of a mall located outside the Central Area. This suggests that malls outside the Central Area are well-positioned to serve a large proportion of Singapore's resident population, especially for daily convenience shopping that is typically done close to residents' homes.

Population Density Within 1 km of A Mall Outside Central Area
2023



Malls outside the Central Area are also well-positioned to capture spending from new residents in suburban growth areas. Cistri estimates that over a third of the new housing units being built or planned across Singapore is located within 1 km of a mall located outside the Central Area.

Under Construction & Planned Housing Units Within 1 km of A Mall Outside Central Area
2023

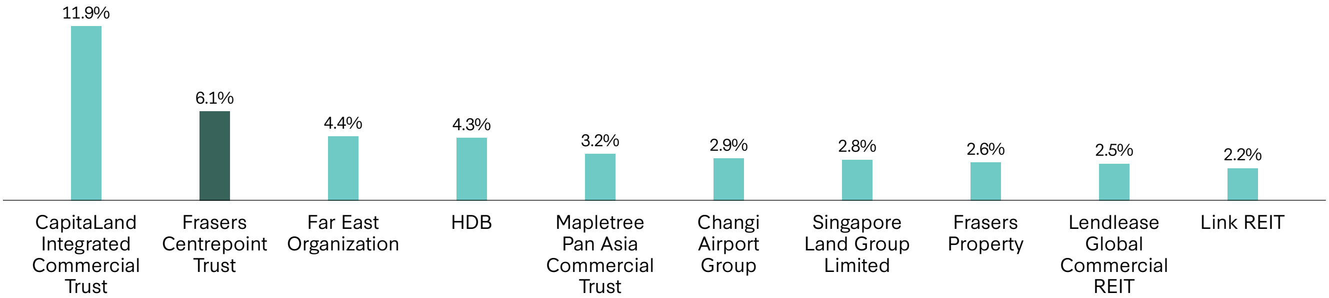


Retail Property **Market Overview**

10. 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 around 6.1% as at 30 October 2023. This is slightly higher than the previous year due to the closure of JCube and acquisition of NEX from NTUC Enterprise.

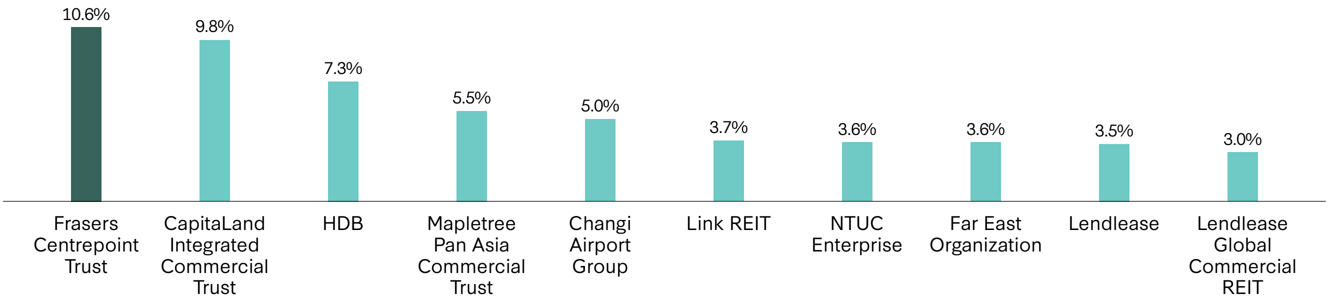
Share of Total Shopping Centre Floorspace by Owner
By NLA



Source: Cistri
Note: As at October 2023

Similarly, FCT's share of suburban shopping centre floorspace as at 30 October 2023 is estimated to be higher than last year too, at around 10.6%.

Share of Suburban Shopping Centre Floorspace by Owner
By NLA



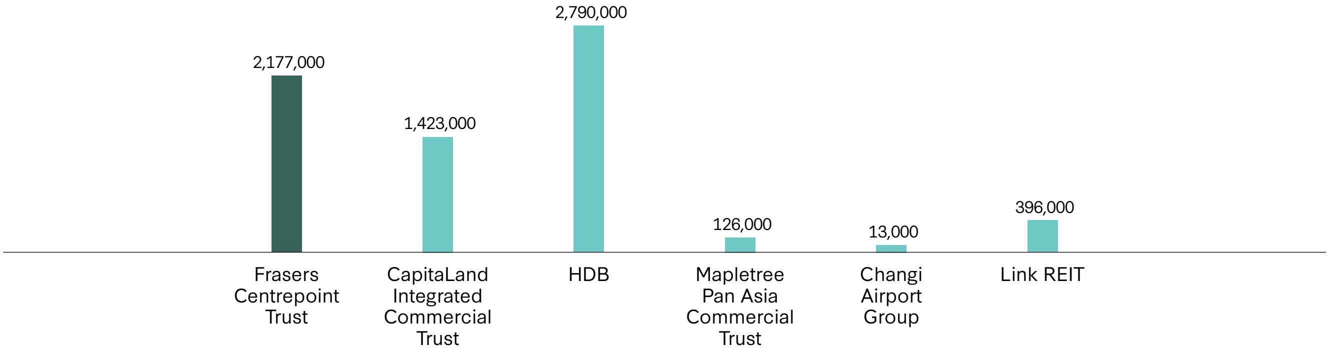
Source: Cistri
Note: As at October 2023

The sale of shopping centres by Mercatus, NTUC Enterprise's real estate subsidiary, was the key transaction leading to notable changes to the top 10 shopping centre owners in 2023:

- Due to the divestment of Jurong Point, Thomson Plaza and NEX, NTUC Enterprise's market share has declined significantly and it has dropped out of the list of top 10 shopping centre owners.
- Link REIT is now part of the top 10 shopping centre floorspace owners since its purchase of Jurong Point and NTUC Enterprise's share of Thomson Plaza.
- Frasers Property has entered the list of top 10 owners due to its acquisition of NTUC Enterprise's share of NEX in early 2023.

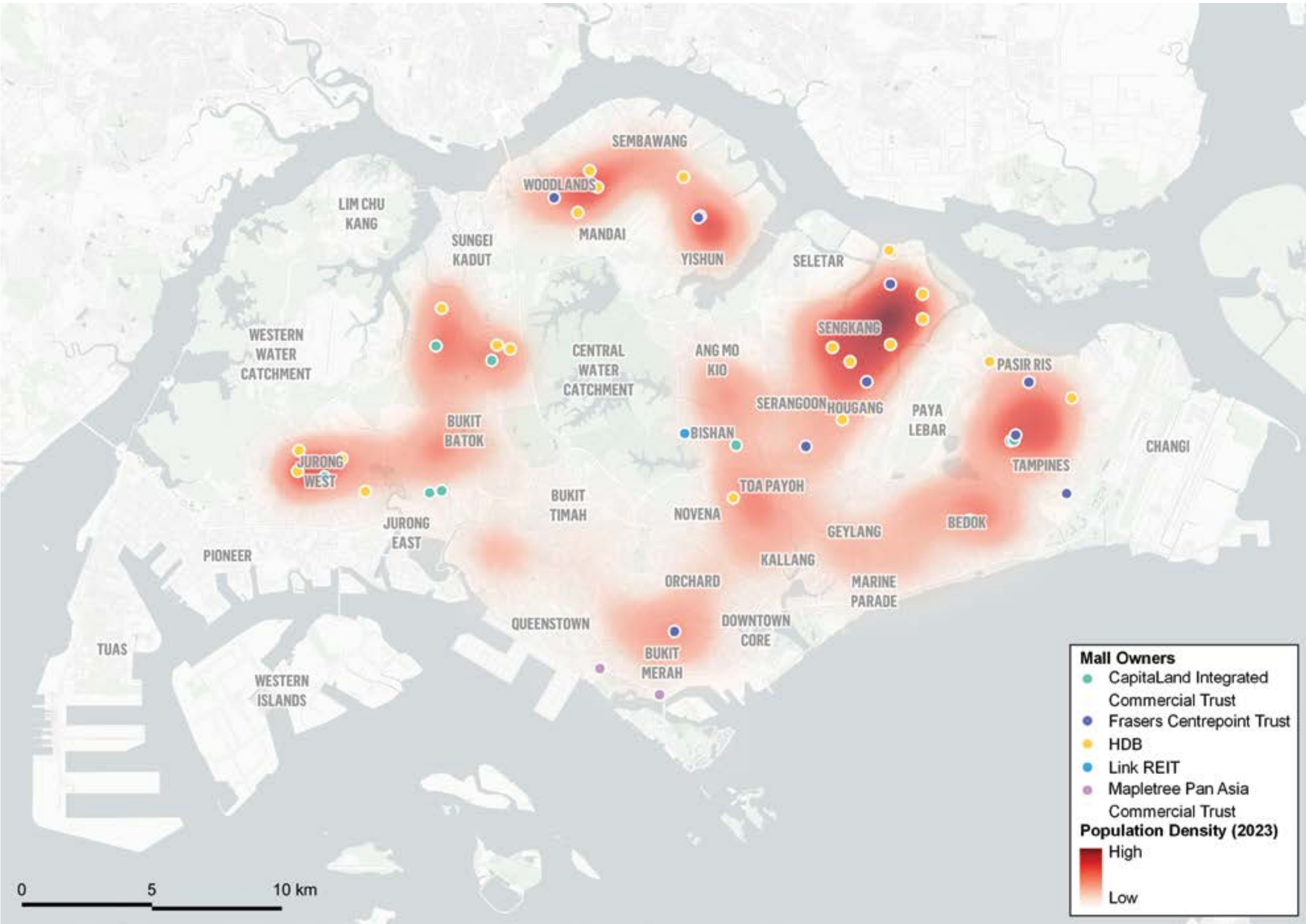
Cistri estimates that around 3 million people or approximately half of Singapore's population live within a 3 km radius from FCT's suburban malls. Many of these people live in the north, east and northeast areas. Among the top suburban mall owners FCT has the second highest number of people living within 3 km of its suburban malls.

Population Within 3 km Radius from Malls of Top Suburban Shopping Centre Owners
2023



Source: Cistri
Note: As at October 2023, exluding Changi Airport Group's shopping centres

Shopping Centre Locations of Top Five Suburban Shopping Centre Owners
2023



Retail Property **Market Overview**

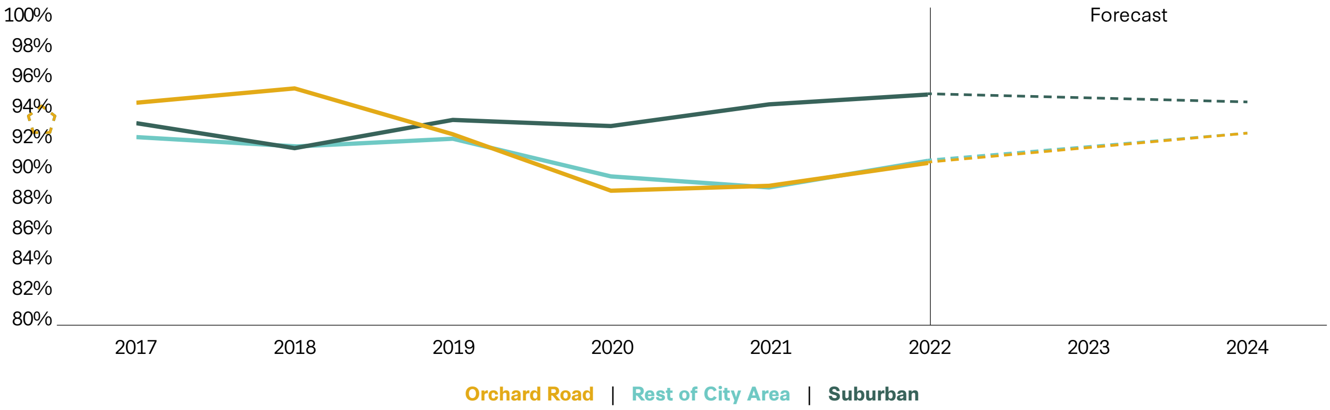
11. Retail Rents & Occupancy

After several very challenging years, the recovery in retail sales and tourism appears to have started to the benefit of retail landlords in the central area. Average retail occupancy in Orchard Road and the Rest of City Area both increased by 1.5 to 2.0 percentage points between Q4 2021 and Q4 2022. This brought average occupancy in both areas to around 90%.

Nevertheless, the Suburban submarket continues to outperform with an average occupancy of around 94.5% as at Q4 2022. Furthermore, the recovery in central area occupancies still appears to be volatile, with average occupancy on Orchard Road decreasing again in the first three quarters of 2023 to around 88%.

We note that several new stores have opened in Orchard Road in Q3 2023. Considering this, as well as the continued recovery of tourism, we anticipate occupancies on Orchard Road and in the central areas more generally to further improve by the end of 2023. Suburban occupancies, which are already outperforming those in central areas, are expected to remain stable at an average of around 94%.

Retail Occupancy Rate
Singapore, 2017 – 2024



Source: URA, Cistri

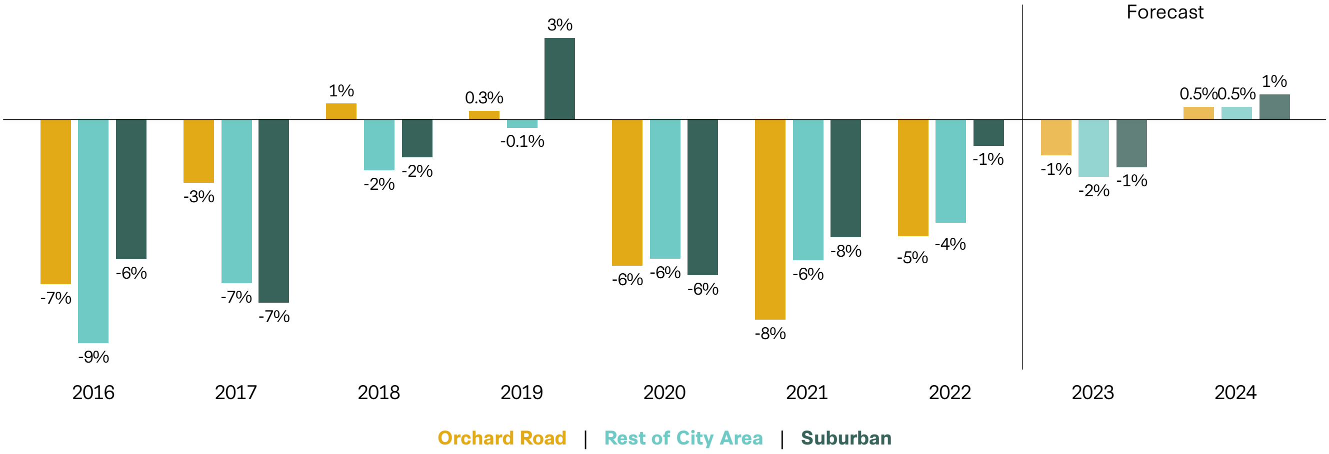
Continuing the trend since the COVID-19 pandemic, retail rents as measured by the URA declined further over 2022. Central submarkets saw a sharper decline in rents between 2021 and 2022, although quarter-on-quarter data for the first half of 2023 suggests central submarket rents may be starting to stabilise. Conversely, the Suburban submarket posted a smaller rental decline between 2021 and 2022, but have declined faster quarter-on-quarter through to the third quarter of 2023.

We note that there are a range of different sources for rents in the market. Some of the real estate agencies have indicated that they are seeing stronger quarter-on-quarter growth in rents than reported by the URA. These agencies are utilising their own baskets of leases which can result in different outcomes. That said, we believe that the agencies data reflects real growth in the market, and we would expect to see further growth in the market come through the URA data in coming quarters.

With growing sales and declining rentals, rental affordability has improved in recent quarters. However, there remain some challenges for retailers including a continued manpower crunch, other rising costs and the GST increase.

We expect the current trend of rental decline to bottom out by the end of 2023 before beginning to rebound in 2024. A stronger recovery is anticipated for the central submarkets as tourism traffic picks up. In the medium- to long-term, as retail sales continue to recover, we anticipate both rents and occupancies to further improve.

Median Retail Rental (Based on Contract Date) Year-on-Year Growth
Singapore, 2017 – 2024



Note: Based on rents for full year up to Q4 in each year
Source: URA, Cistri

12. Retail Trends In The Post-COVID-19 World

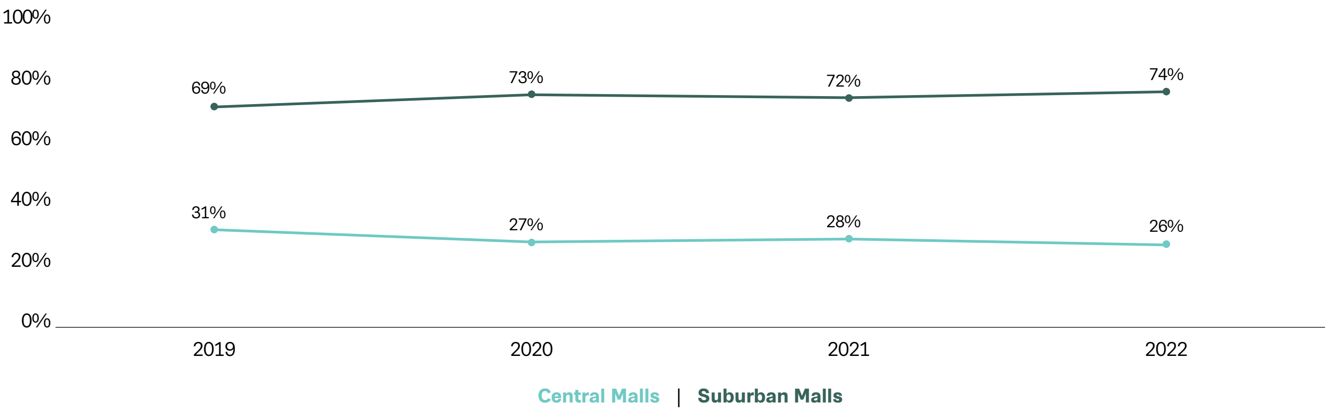
Singapore's retail market continues to be shaped by trends that were accelerated by the COVID-19 pandemic, as well as structural changes to the demographics, attitudes and behaviours of its resident consumer base.

Post-COVID-19 Consumer Movement Patterns Continue to Support Localisation

Over the last few years, Singapore has relaxed COVID-19 restrictions and fully removed all movement and border restrictions as of early 2023. While people have been allowed to move freely across the island for some time, people movement patterns do not appear to have fully returned to pre-pandemic conditions. Notably, the pandemic has increased the adoption of work-from-home practices and led to consumers spending more time in the suburban areas where they live compared to the pre-pandemic period.

These changes appear to have benefited suburban malls, enabling them to attract a higher share of footfall. According to human mobility data from international data provider Near, suburban malls attracted around 74% of total resident visits to malls across Singapore in 2022. This share has remained stable since 2020 and is around five percentage points higher than pre-pandemic levels.

Distribution of Resident Visits to Suburban vs. Central Malls
2019 – 2022



Source: Near, Cistri

Retail Property **Market Overview**

As consumers turn more to their local malls, mall owners have an opportunity to reposition their properties as community hubs serving local needs. This could involve combining convenience retail with community gathering spaces, civic uses and public activities that attract surrounding residents. For example, two newly opened malls in 2023 – The Woodleigh Mall and Sengkang Grand Mall – are integrated with Community Clubs that offer community classes and events, which can act as drivers of regular footfall to the malls.

Catering to the Silver Consumer

Like many other developed countries, Singapore has a growing silver population. Over the last decade, the proportion of Singapore residents aged 65 and above has increased from around 10.5% in 2013 to around 17.3% in 2023. This brings the resident population aged 65 and above to around 717,800 in 2023. As the silver generation becomes an increasingly significant consumer market, shopping malls will need to tailor their offer to be relevant to senior shoppers.

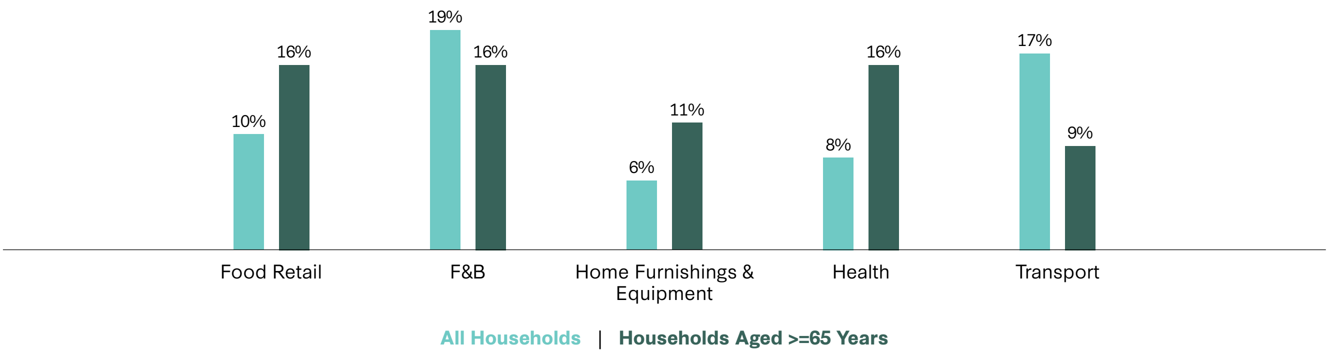
Each generation of shoppers has a different lifestyle and thus different spending habits. In Singapore, the Household Expenditure Survey shows several differences in the spending patterns between elderly households and the average household.

First, elderly households allocate a higher proportion of spending to food retail and groceries and a lower proportion of spending to dining out (i.e. F&B) compared to the average Singapore household. This reflects elderly consumers' preference to cook and eat at home. Similar trends have also been observed in spending statistics for other countries.

Elderly households also naturally allocate a higher proportion of spending to health services, reflecting the physical needs at this life stage.

Third, elderly households allocate a higher proportion of spending to home furnishings and equipment, and a lower proportion to transport compared to the average Singapore household. While the lower spending on transport may reflect travel subsidies for senior citizens, it may also be a result of elderly consumers' preference to spend more time at home.

Product Category Share of Average Resident Household Member Expenditure
Singapore Household Expenditure Survey 2017-2018



Source: SingStat, Cistri

Overall, these findings reflect senior shoppers' relatively homebound lifestyles, which are in turn associated with more purchases relating to their homes and cooking and eating at home.

These findings have implications for the trade mix of malls serving senior shoppers. Notably, shopping centre operators could look to enhance their fresh food and groceries and health services offer to better cater to senior shoppers' preferences. In some cases, in Singapore (e.g. Pasir Ris Mall), the government is requiring that new malls provide more health and well-being services into their tenant mix. While this may be mandated in some projects, we have observed other projects in other markets where this has occurred without a government mandate due to higher visitation that may be induced.

Beyond the trade mix, mall owners are also putting more thought into the design and ambience of spaces to make them more inclusive towards senior shoppers. For instance, Frasers Property has set aside calm zones during designated mall opening hours, when in-store lighting will be dimmed and music volume restricted to create a more comfortable shopping environment for the elderly. Besides ambience, walkability and wayfinding are also important areas of enhancement that mall owners can consider.

Catering to Next-Generation Consumers Through Omnichannel Retail

Meanwhile, the young generation of shoppers continue to appreciate the convenience offered by omnichannel experiences. In response to this, more omnichannel retailers continue to emerge, and many of those looking to tap into the market of young shoppers in Southeast Asia are doing so via Singapore. Examples of recent entrants into Singapore's retail market include Luckin Coffee, as well as digital native brands such as Spanish furniture retailer Kave Home and Chinese apparel brand Neiwai. The entry of digital native brands into physical retailing presents an opportunity for malls to discover new potential tenants that can enhance the omnichannel experience at shopping malls.

Having a successful omnichannel offer also includes offering shoppers an enjoyable in-store shopping experience beyond making purchases. Retailers are therefore increasingly incorporating experiential elements into their physical stores. Some retailers, such as fashion retailers Marimekko, FJ Benjamin and cycling apparel brand Pas Normal Studios, have chosen to do this by offering in-store dining experiences. These higher-end brands are following the trends set by mass market brands such as Muji and Benjamin Barker. Others are offering interactive educational experiences, such as Richard Mille's in-store watchmaking workshops.

Rising Shopper Awareness on Sustainability

Singapore shoppers are gradually becoming more conscious about sustainability. This has encouraged the emergence of stores focused on the sale and swapping of second-hand goods, notably apparel aimed at youths. An example is second-hand fashion retailer Refash, which so far has added five new store locations across central and suburban malls in 2023. Recognising the growth potential of second-hand fashion retail, online marketplace Carousell has acquired Refash.

The growing public interest in environmental topics also presents mall operators an opportunity to organise sustainability-themed placemaking activations. Lendlease has done this through its "You Won't Believe It's Trash" exhibition at PLQ Mall this year. The event includes a textiles collection drive, where selected participants can receive prizes in exchange for their textile recycling donations. Such activations can attract visitors to malls while providing them opportunities to contribute to sustainability initiatives.

Retail Property **Market Overview**

Retail Within Mixed-Use Developments

New malls in Singapore are increasingly being developed as part of mixed-use developments with residences, offices and/or hotels accompanying the retail offer. This is the case for almost all of the known upcoming malls in Singapore. In addition, CapitaLand and Frasers Property have proposed to redevelop JCube and Bedok Point respectively into residential-led mixed-use developments.

Mixed-use development can create benefits for both the retail and non-retail components. On one hand, the retail mall benefits from direct access to an on-site market of potential shoppers, which support footfall and sales at the mall. On the other hand, the mall provides an amenity that enhances the attractiveness of the on-site residences, offices or hotels. In turn, this can support the take-up or occupancy, as well as the sales price or rental premiums, that these non-retail components can achieve.

To achieve these benefits, both the retail and non-retail uses have to be designed optimally and developed to a high quality. Developers with diverse capabilities and experience developing high-quality properties across a range of asset classes are best positioned to do this and take advantage of the mixed-use development trend.

13. Conclusion

The situation in Singapore's retail market has continued to improve since the challenges of COVID-19. The market has exceeded pre-pandemic levels and continued to enjoy another strong year of growth over 2023. SingStat's retail sales data for the first eight months of 2023 continues to paint a positive picture, with sales across numerous product categories exceeding the same period in 2019.

While the COVID-19 pandemic is over, certain shopper behaviours appear to have persisted. Of particular note is how suburban malls appear to still be capturing a higher share of resident mall visits compared to pre-pandemic levels despite the complete removal of movement restrictions. This, combined with the occupancy performance of suburban retail, shows the resilience of the suburban retail performance throughout both pandemic and non-pandemic conditions.

While the resident spending market fundamentals appear robust, we note that the tourist market has yet to fully recover. The economic situation in China, one of Singapore's main tourist source markets pre-pandemic, will be a key determinant of how quickly this recovery can occur. Besides this, the global outlook for inflation will continue to impact cost of living and thus consumers' ability and willingness to spend on retail goods and services.

Notwithstanding the short- to medium-term economic headwinds, we are optimistic about the long-term future of the Singapore retail real estate market. It will continue to be supported by ongoing inward migration, household income growth, coupled with low levels of retail supply growth ensuring occupancy remains high and providing conditions for long term rental growth.

14. Disclaimer

This report is dated 30 October 2023 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.'s opinion in this report. Cistri Pte. Ltd. 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, Cistri Pte. Ltd. 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).

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FCT Portfolio **Overview**

As at 30 September 2023

	NEX[1]	Causeway Point	Waterway Point[2]	Tampines 1	Northpoint City North Wing	Yishun 10 Retail Podium
GFA	942,141 sf 87,527 sqm	629,156 sf 58,450 sqm	560,234 sf 52,047 sqm	380,906 sf 35,387 sqm	376,579 sf 34,985 sqm	10,398 sf 966 sqm
NLA	634,631 sf[4] 58,959 sqm	419,688 sf 38,990 sqm	389,444 sf[5] 36,180 sqm	268,514 sf 24,946 sqm	229,931 sf[6] 21,361 sqm	10,344 sf 961 sqm
Number of leases	326	225	223	124	178	
Number of tenants	322	204	209	118	173	
Title	99-year leasehold commencing 26 June 2008	99-year leasehold commencing 30 October 1995	99-year leasehold commencing 18 May 2011	99-year leasehold commencing 1 April 1990	99-year leasehold commencing 1 April 1990	
Year purchased	25.50% in 2023	2006	40.00% in 2019; Additional 10.00% in 2023	2020	Northpoint 1: 2006 Northpoint 2: 2010	2016
Purchase price	$529.8 million for 25.50% interest	$606.2 million	$520.0 million for 40.00% interest; $131.3 million for additional 10.00% interest	$762.0 million	Northpoint 1: $249.3 million Northpoint 2: $164.6 million	$37.8 million
Valuation	$2,100.0 million (100.00% interest) $535.5 million (FCT's 25.50% interest)	$1,336.0 million	$1,315.0 million (100.00% interest) $657.5 million (FCT's 50.00% interest)	$771.0 million	$782.0 million	$34.0 million
As % of total portfolio appraised value[13]	7.9%	19.8%	9.8%	11.4%	12.1%	
FY2023 Gross revenue ('000)	$83,818[14]	$93,255	$80,991[15]	$46,435	$57,126	
FY2023 NPI ('000)	$67,004[14]	$69,942	$61,741[15]	$33,352	$41,436	
Committed occupancy	100.0%	99.6%	100.0%	72.1%	99.7%	
Annual shopper traffic	36.2 million	25.9 million	25.5 million	16.9 million	56.7 million[16]	Not applicable
Connection to public transport	Serangoon MRT station (North East Line and Circle Line) and Serangoon Bus Interchange	Woodlands MRT station (North-South Line and Thomson-East Coast Line) and Woodlands Bus Interchange	Punggol MRT station (North East Line and the future Cross Island Line), LRT station and Punggol Temporary Bus Interchange	Tampines MRT station (East-West Line and Downtown Line) and Tampines Bus Interchange	Yishun MRT station (North-South Line) and Yishun Bus Interchange	

1 FCT owns 25.50% effective interest in Gold Ridge Pte Ltd ("GRPL") which holds NEX.
2 FCT owns 50.00% interest in Sapphire Star Trust ("SST"), a private trust that owns the interest in Waterway Point.
3 On 30 August 2023, FCT announced the divestment of Changi City Point for $338.0 million. The divestment was completed on 31 October 2023.
4 The NLA includes 17,562 sf (1,632 sqm) currently used as Community/ Sports Facilities Scheme ("CSFS") space.
5 The NLA includes 17,954 sf (1,668 sqm) currently used as CSFS space.
6 The NLA includes 31,753 sf (2,950 sqm) currently used as CSFS space.
7 The NLA includes 28,355 sf (2,634 sqm) currently used as CSFS space.
8 The NLA includes 3,391 sf (315 sqm) currently used as CSFS space.






Tiong Bahru Plaza	Central Plaza (Office Property)	Changi City Point[3]	Century Square	Hougang Mall	White Sands
519,202 sf		306,376 sf	327,226 sf	232,782 sf	227,250 sf
48,235 sqm		28,463 sqm	30,400 sqm	21,626 sqm	21,112 sqm
214,564 sf	171,793 sf[7]	211,845 sf[8]	211,281 sf[9]	165,692 sf[10]	150,374 sf[11]
19,933 sqm	15,960 sqm	19,681 sqm	19,628 sqm	15,393 sqm	13,970 sqm
151	33	140	147	130	140
141	32	131	146	123	130
99-year leasehold commencing 1 September 1991	99-year leasehold commencing 1 September 1991	60-year leasehold commencing 30 April 2009	99-year leasehold commencing 1 September 1992	99-year leasehold commencing 1 May 1994	99-year leasehold commencing 1 May 1993
2020	2020	2014	2020	2020	2020
$654.0 million	$215.0 million	$305.0 million	$574.0 million	$432.0 million	$428.0 million
$657.0 million	$217.5 million	$325.0 million[12]	$559.0 million	$435.0 million	$429.0 million
9.8%	3.2%	4.8%	8.3%	6.5%	6.4%
$42,228	$10,250	$25,563	$32,424	$31,564	$30,878
$31,959	$6,647	$15,865	$23,676	$22,295	$20,414
99.7%	95.3%	99.2%	99.0%	100.0%	99.5%
16.5 million	Not applicable	10.5 million	12.4 million	12.7 million	10.7 million
Tiong Bahru MRT station (East-West Line)	Tiong Bahru MRT station (East-West Line)	Expo MRT station (East-West Line and Downtown Line)	Tampines MRT station (East-West Line and Downtown Line) and Tampines Bus Interchange	Hougang MRT station (North East Line and the future Cross Island Line) and Hougang Central Bus Interchange	Pasir Ris MRT station (East-West Line and the future Cross Island Line) and Pasir Ris Bus Interchange

9 The NLA includes 8,547 sf (794 sqm) currently used as CSFS space.
10 The NLA includes 15,767 sf (1,465 sqm) currently used as CSFS space.
11 The NLA includes 21,744 sf (2,020 sqm) currently used as CSFS space.
12 Valuation is done as at 31 July 2023.
13 Based on FCT's 50.00% interest in SST and 25.50% effective interest in GRPL which holds NEX.
14 GRPL's revenue and NPI for the period of 7 February 2023 to 30 September 2023 on 100% basis.
15 SST's revenue and NPI on 100% basis.
16 Combined shopper traffic of Northpoint City North Wing and South Wing.

Property **Profiles**

NEX

Description:
Shopping mall comprising 5 storeys and 2 basement levels

Address:
23 Serangoon Central, Singapore 556083

Gross Floor Area:
87,527 sqm
(942,141 sf)

Net Lettable Area[1]:
58,959 sqm
(634,631 sf)

Car Park Lots:
400

Title:
99-year leasehold commencing 26 June 2008

Year Acquired by FCT:
FCT owns an effective 25.50% interest (acquired on 6 February 2023) in GRPL, which holds NEX.

Valuation[2]:
$2,100.0 million
(100.00% interest)
$535.5 million
(FCT's 25.50% interest)

Green Building Certification:
BCA Green Mark Gold^{Plus}

Annual Shopper Traffic:
36.2 million
(October 2022 - September 2023)

Key Tenants:
FairPrice Xtra, Isetan, H&M, Food Junction and Shaw Theatres

NEX is the largest suburban retail mall in Northeast Singapore with a total net lettable area of 634,631 sf spread over seven retail levels, including two basement levels. Notable brands among its over 300 stores include FairPrice Xtra, Isetan, H&M, Food Junction and Shaw Theatres. NEX is easily accessible via the integrated Serangoon Bus Interchange and Serangoon MRT station which connects to the North East Line and Circle Line of the MRT network, making it a convenient destination for the surrounding residential population and commuters.

Mall Performance Highlights

Financial Year ended 30 September	FY2023
Gross Revenue ($'000)	83,818[3]
Property Expenses ($'000)	16,814[3]
Net Property Income ($'000)	67,004[3]
Committed Occupancy	100.0%
Shopper Traffic (million)	36.2[4]

Top 10 Tenants

As at 30 September 2023, NEX has a total of 326 leases and 322 tenants. The top 10 tenants contributed collectively 27.4% of the mall's total GRI.

Top 10 Tenants as at 30 September 2023	% of Mall's GRI
BreadTalk Group[5]	6.1%
NTUC FairPrice[6]	4.4%
Isetan	4.1%
Dairy Farm Group[7]	2.6%
H&M Group[8]	2.5%
Shaw Theatres	2.3%
R E & S Enterprises Pte Ltd[9]	1.5%
Courts (Singapore) Pte. Ltd.	1.4%
Paradise Group[10]	1.3%
Uniqlo (Singapore) Pte. Ltd.	1.2%
Total	**27.4%**

Trade Mix

Food & Beverage contributed 34.2% of the mall's GRI, followed by Beauty & Healthcare at 15.3% and Fashion & Accessories at 13.7%. The three trades accounted for 63.2% of the mall's GRI. The breakdown of the trade category by NLA and GRI is presented below.

Trade Category (in descending order of GRI)	By NLA	By GRI[11]
Food & Beverage	27.3%	34.2%
Beauty & Healthcare	10.3%	15.3%
Fashion & Accessories	11.9%	13.7%
Sundry & Services	4.9%	6.9%
Supermarket & Grocers	12.8%	6.2%
Department Store	8.6%	4.0%
Information & Technology	3.0%	3.9%
Homeware & Furnishing	3.9%	3.4%
Leisure & Entertainment	7.2%	3.0%
Books, Music, Arts & Craft, Hobbies	4.0%	2.9%
Jewellery & Watches	1.0%	2.5%
Electrical & Electronics	2.7%	1.7%
Education	1.5%	1.2%
Sports Apparel & Equipment	0.9%	1.1%
Vacant	0.0%	0.0%
Total	**100.0%**	**100.0%**

Lease Expiry Profile[12]

As at 30 September 2023	FY2024	FY2025	FY2026	FY2027	FY2028 and beyond	Total
Number of expiring leases	67	95	134	27	3	326
NLA of expiring leases (sf)	98,017	187,521	194,541	83,077	53,913	617,069
Expiries as % of mall's total leased area	15.9%	30.4%	31.5%	13.5%	8.7%	100.0%
Expiries as % of mall's total GRI	16.6%	28.8%	38.0%	12.2%	4.4%	100.0%

1 *The NLA includes the area of approximately 17,562 sf (1,632 sqm) currently used as CSFS space.*
2 *Valuation done by Jones Lang LaSalle Property Consultants Pte Ltd as at 30 September 2023.*
3 *GRPL's revenue, property expenses and NPI for the period of 7 February 2023 to 30 September 2023 on 100% basis.*
4 *Shopper traffic based on 12 months ended 30 September 2023.*
5 *Includes Food Junction, Food Republic, Din Tai Fung and BreadTalk Family.*
6 *Includes FairPrice Xtra and Unity Pharmacy.*
7 *Includes Cold Storage, Guardian Health & Beauty and 7-Eleven.*
8 *Operator of H&M.*
9 *Operator of &JOY Japanese Food Street.*
10 *Includes Beauty In The Pot and Canton Paradise.*
11 *Excludes gross turnover rent.*
12 *Based on committed leases as at 30 September 2023; vacant floor area is excluded.*

Property **Profiles**

CAUSEWAY POINT

Description:
Shopping mall comprising 7 storeys and 3 basement levels

Address:
1 Woodlands Square, Singapore 738099

Gross Floor Area:
58,450 sqm
(629,156 sf)

Net Lettable Area:
38,990 sqm
(419,688 sf)

Car Park Lots:
735

Title:
99-year leasehold commencing 30 October 1995

Year Acquired by FCT:
2006

Valuation[1]:
$1,336.0 million

Green Building Certification:
BCA Green Mark Gold (GM: 2021 In Operation)

Annual Shopper Traffic:
25.9 million
(October 2022 – September 2023)

Key Tenants:
Metro, Courts, Food Republic, FairPrice Finest, Cathay Cineplexes and Uniqlo

Causeway Point is the largest mall in Woodlands, one of Singapore's most populous residential estates. It is located in the heart of the Woodlands Regional Centre and seamlessly connected to Woodlands Regional Bus Interchange and Woodlands MRT station, which serves as an interchange for the North-South line and Thomson-East Coast line.

The mall offers a one-stop shopping and dining experience with over 200 retail and food and beverage outlets. Notable tenants include Metro, Courts, Food Republic, FairPrice Finest, Cathay Cineplexes and Uniqlo.

Mall Performance Highlights

Financial Year ended 30 September	FY2023	FY2022	Increase/ (Decrease)
Gross Revenue ($'000)	93,255	89,007	4.8%
Property Expenses ($'000)	23,313	20,560	13.4%
Net Property Income ($'000)	69,942	68,447	2.2%
Committed Occupancy	99.6%	100.0%	(0.4%-point)
Shopper Traffic (million)	25.9	21.4	21.0%

Top 10 Tenants

As at 30 September 2023, Causeway Point has a total of 225 leases (FY2022: 226) and 204 tenants (FY2022: 216), excluding vacancy. The top 10 tenants contributed collectively 36.6% (FY2022: 35.7%) of the mall's total GRI.

Top 10 Tenants as at 30 September 2023	% of Mall's GRI
Metro (Private) Limited[2]	7.9%
Courts (Singapore) Pte Ltd	6.6%
NTUC FairPrice[3]	5.8%
BreadTalk Group[4]	4.6%
Cathay Cineplexes Pte Ltd	3.0%
Uniqlo (Singapore) Pte Ltd	2.1%
Hanbaobao Pte Ltd[5]	1.9%
Dairy Farm Group[6]	1.8%
Aspial Corporation[7]	1.5%
R E & S Enterprises Pte Ltd[8]	1.4%
Total	**36.6%**

Trade Mix

Food & Beverage contributed 31.6% (FY2022: 31.9%) of the mall's GRI, followed by Beauty & Healthcare at 13.2% (FY2022: 12.0%) and Fashion & Accessories at 11.6% (FY2022: 11.7%). These three trades accounted for 56.4% of the mall's GRI. The breakdown of the trade category by NLA and GRI is presented below.

Trade Category (in descending order of GRI)	By NLA	By GRI[9]
Food & Beverage	24.8%	31.6%
Beauty & Healthcare	8.5%	13.2%
Fashion & Accessories	11.2%	11.6%
Department Store	14.3%	7.8%
Electrical & Electronics	9.0%	7.0%
Sundry & Services	3.8%	5.6%
Information & Technology	3.7%	5.0%
Leisure & Entertainment	9.4%	4.1%
Supermarket & Grocers	5.8%	3.7%
Jewellery & Watches	1.1%	3.3%
Homeware & Furnishing	2.1%	2.7%
Sports Apparel & Equipment	1.8%	1.8%
Books, Music, Arts & Craft, Hobbies	3.0%	1.8%
Education	1.1%	0.8%
Vacant	0.4%	0.0%
Total	**100.0%**	**100.0%**

Lease Expiry Profile[10]

As at 30 September 2023	FY2024	FY2025	FY2026	FY2027	FY2028 and beyond	Total
Number of expiring leases	77	73	66	7	2	225
NLA of expiring leases (sf)	162,019	96,658	83,423	39,342	36,664	418,106
Expiries as % of mall's total leased area	38.7%	23.1%	20.0%	9.4%	8.8%	100.0%
Expiries as % of mall's total GRI	36.6%	26.3%	24.4%	7.8%	4.9%	100.0%

1 *Valuation done by Savills Valuation And Professional Services (S) Pte Ltd as at 30 September 2023.*
2 *Includes Metro Department Store and Clinique.*
3 *Includes FairPrice Finest, Cantine by Kopitiam, Unity Pharmacy, Crave and Pezzo.*
4 *Includes Food Republic, BreadTalk and Toast Box.*
5 *Operator of McDonald's.*
6 *Includes Guardian Health & Beauty and 7-Eleven.*
7 *Includes Goldheart, Lee Hwa Jewellery and Maxi-Cash.*
8 *Includes Ichiban Boshi and Kuriya Japanese Market.*
9 *Excludes gross turnover rent.*
10 *Based on committed leases as at 30 September 2023; vacant floor area is excluded.*

Property **Profiles**

WATERWAY POINT

Description:
Shopping mall comprising 2 storeys and 2 basement levels

Address:
83 Punggol Central, Singapore 828761

Gross Floor Area:
52,047 sqm (560,234 sf)

Net Lettable Area[1]:
36,180 sqm (389,444 sf)

Car Park Lots:
622

Title:
99-year leasehold commencing 18 May 2011

Year Acquired by FCT:
FCT owns 50.00% stake in Sapphire Star Trust ("SST"), a private trust that owns Waterway Point. The dates of acquisition are as follows:
- 33.33% acquired on 11 July 2019
- 6.67% acquired on 18 September 2019
- 10.00% acquired on 8 February 2023

Valuation[2]:
$1,315.0 million (100.00% interest)
$657.5 million (FCT's 50.00% interest)

Green Building Certification:
BCA Green Mark GoldPlus

Annual Shopper Traffic:
25.5 million (October 2022 – September 2023)

Key Tenants:
Shaw Theatres, FairPrice Finest, Cookhouse by Koufu, Uniqlo, Best Denki, Toys"R"Us and Don Don Donki

Waterway Point is a family and lifestyle shopping mall located at the heart of Singapore's first waterfront eco-town, Punggol. The mall enjoys direct connectivity to public transportation system including Punggol MRT and LRT station and a 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 shoppers 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 a 24-hour FairPrice Finest, Cookhouse by Koufu, Best Denki, Uniqlo and Don Don Donki. The mall also has a cineplex operated by Shaw Theatres that features 11 screens, including an IMAX theatre.

Mall Performance Highlights

Financial Year ended 30 September	FY2023	FY2022	Increase/ (Decrease)
Gross Revenue ($'000)[2]	80,991	77,772	4.1%
Property Expenses ($'000)[2]	19,250	17,826	8.0%
Net Property Income ($'000)[2]	61,741	59,945	3.0%
Committed Occupancy	100.0%	99.0%	1.0%-points
Shopper Traffic (million)	25.5	19.3	32.1%

Top 10 Tenants

As at 30 September 2023, Waterway Point has a total of 223 leases (FY2022: 218) and 209 tenants (FY2022: 209). The top 10 tenants contributed collectively 26.4% (FY2022: 25.4%) of the mall's total GRI.

Top 10 Tenants as at 30 September 2023	% of Mall's GRI
NTUC FairPrice[4]	7.0%
Koufu Group[5]	4.4%
Shaw Theatres Pte Ltd	3.2%
Jollibee Group[6]	2.4%
BreadTalk Group[7]	1.8%
Best Denki (Singapore) Pte Ltd	1.7%
Uniqlo (Singapore) Pte Ltd	1.6%
United Overseas Bank Limited	1.5%
R E & S Enterprises Pte Ltd[8]	1.4%
Maybank	1.4%
Total	**26.4%**

Trade Mix

Food & Beverage contributed 38.6% (FY2022: 38.9%) of the mall's GRI, followed by Beauty & Healthcare at 12.2% (FY2022: 12.1%) and Sundry & Services at 10.6% (FY2022: 10.7%). These three trades accounted for 61.4% of the mall's GRI. The breakdown of the trade category by NLA and GRI is presented below.

Trade Category (in descending order of GRI)	By NLA	By GRI[9]
Food & Beverage	30.5%	38.6%
Beauty & Healthcare	8.0%	12.2%
Sundry & Services	7.5%	10.6%
Fashion & Accessories	10.7%	10.2%
Supermarket & Grocers	12.7%	8.6%
Leisure & Entertainment	9.6%	3.7%
Books, Music, Arts & Craft, Hobbies	5.8%	3.0%
Education	3.4%	2.8%
Homeware & Furnishing	4.0%	2.6%
Information & Technology	1.8%	2.4%
Electrical & Electronics	3.5%	2.1%
Jewellery & Watches	0.9%	1.7%
Sports Apparel & Equipment	1.6%	1.5%
Vacant	0.0%	0.0%
Total	**100.0%**	**100.0%**

Lease Expiry Profile[10]

As at 30 September 2023	FY2024	FY2025	FY2026	FY2027	FY2028 and beyond	Total
Number of expiring leases	62	90	56	14	1	223
NLA of expiring leases (sf)	97,690	86,991	120,711	33,104	32,994	371,490
Expiries as % of mall's total leased area	26.3%	23.4%	32.5%	8.9%	8.9%	100.0%
Expiries as % of mall's total GRI	29.5%	29.5%	30.9%	6.9%	3.2%	100.0%

1 *The NLA includes the area of approximately 17,954 sf (1,668 sqm) currently used as CSFS space.*
2 *Valuation done by Jones Lang LaSalle Property Consultants Pte Ltd as at 30 September 2023.*
3 *SST's gross revenue, property expenses and NPI on 100% basis.*
4 *Includes FairPrice Finest, Unity Pharmacy, Pezzo and Crave.*
5 *Includes Cookhouse by Koufu, Dough Culture and Nine Fresh.*
6 *Includes Tim Ho Wan, Jollibee, Tiong Bahru Bakery and Strip & Browhaus.*
7 *Includes BreadTalk, Toast Box and Din Tai Fung.*
8 *Includes Ichiban Boshi & Kuriya Japanese Market.*
9 *Excludes gross turnover rent.*
10 *Based on committed leases as at 30 September 2023; vacant floor area is excluded.*

Property **Profiles**

TAMPINES 1

Description:
Shopping mall comprising 5 storeys and 2 basement levels

Address:
10 Tampines Central 1, Singapore 529536

Gross Floor Area:
35,387 sqm
(380,906 sf)

Net Lettable Area:
24,946 sqm
(268,514 sf)

Car Park Lots:
203

Title:
99-year leasehold commencing 1 April 1990

Year Acquired by FCT:
2020

Valuation[1]:
$771.0 million

Green Building Certification:
BCA Green Mark Gold^{Plus}

Annual Shopper Traffic:
16.9 million
(October 2022 – September 2023)

Key Tenants:
Cold Storage, Don Don Donki, Muji, Kopitiam and Amore Fitness

Tampines 1 is located in the heart of Tampines, next to the Tampines MRT interchange and the Tampines Bus Interchange. The mall draws its crowd from the populous residential catchment, commuter traffic and working population in the East region.

Tampines 1 offers shoppers a wide selection of food and beverage, beauty, fashion, and lifestyle brands including Cold Storage, Don Don Donki and Muji.

Tampines 1 is undergoing asset enhancement works which is expected to complete in the fourth quarter of FY2024.

Mall Performance Highlights

Financial Year ended 30 September	FY2023	FY2022	Increase/ (Decrease)
Gross Revenue ($'000)	46,435	47,622	(2.5%)
Property Expenses ($'000)	13,083	13,206	(0.9%)
Net Property Income ($'000)	33,352	34,416	(3.1%)
Committed Occupancy	72.1%[2]	99.1%	(27.0%-points)
Shopper Traffic (million)	16.9	15.9	6.3%

Top 10 Tenants

As at 30 September 2023, Tampines 1 has a total of 124 leases (FY2022: 174) leases and 118 tenants (FY2022: 170), excluding vacancy. The top 10 tenants contributed collectively 29.8% (FY2022: 21.7%) of the mall's total GRI.

Top 10 Tenants as at 30 September 2023	% of Mall's GRI
Dairy Farm Group[4]	5.1%
Pan Pacific Retail Management (Singapore) Pte Ltd[5]	3.6%
NTUC FairPrice[6]	2.9%
Beauty One International[7]	2.8%
Eadeco (Singapore) Pte Ltd[8]	2.8%
Muji (Singapore) Pte Ltd	2.7%
Jollibee Group[9]	2.6%
RMG Group[10]	2.5%
Bank of China Limited	2.5%
Amore Fitness Pte Ltd	2.3%
Total	**29.8%**

Trade Mix[3]

Food & Beverage contributed 28.0% (FY2022: 33.7%) of the mall's GRI followed by Beauty & Healthcare at 25.1% (FY2022: 21.5%) and Fashion & Accessories at 10.7% (FY2022: 12.6%). These three trades accounted for 63.8% of the mall's GRI. The breakdown of the trade category by NLA and GRI is presented below.

Trade Category (in descending order of GRI)	By NLA	By GRI[11]
Food & Beverage	17.3%	28.0%
Beauty & Healthcare	16.6%	25.1%
Fashion & Accessories	6.1%	10.7%
Homeware & Furnishing	10.3%	10.3%
Supermarket & Grocers	11.2%	10.2%
Sundry & Services	5.3%	8.6%
Information & Technology	2.6%	2.4%
Sports Apparel & Equipment	1.6%	2.4%
Books, Music, Arts & Craft, Hobbies	1.0%	1.9%
Jewellery & Watches	0.1%	0.4%
Vacant[2]	27.9%	0.0%
Total	**100.0%**	**100.0%**

Lease Expiry Profile[3,12]

As at 30 September 2023	FY2024	FY2025	FY2026	FY2027	FY2028 and beyond	Total
Number of expiring leases	54	32	26	8	4	124
NLA of expiring leases (sf)	66,851	66,182	28,510	26,387	5,629	193,559
Expiries as % of mall's total leased area	34.6%	34.2%	14.7%	13.6%	2.9%	100.0%
Expiries as % of mall's total GRI	38.4%	31.9%	16.0%	10.0%	3.7%	100.0%

1 *Valuation done by Jones Lang LaSalle Property Consultants Pte Ltd as at 30 September 2023.*
2 *Vacancies include units recovered for AEI works.*
3 *Excludes pre-committed AEI leases.*
4 *Operator of Cold Storage.*
5 *Operator of Don Don Donki.*
6 *Includes Kopitiam and Pezzo.*
7 *Includes Shakura Pigmentation Beauty, London Weight Management and New York Skin Solutions.*
8 *Includes Hooga and AKEMIUCHI.*
9 *Includes Tim Ho Wan and Strip & Browhaus.*
10 *Operator of Raffles Medical Clinic and Raffles Dental/ Women's & Children's Centre.*
11 *Excludes gross turnover rent.*
12 *Based on committed leases as at 30 September 2023; vacant floor area is excluded.*

Property Profiles

NORTHPOINT CITY NORTH WING AND YISHUN 10 RETAIL PODIUM

NORTHPOINT CITY NORTH WING

Description:
Shopping mall comprising 4 storeys and 2 basement levels

Address:
930 Yishun Avenue 2, Singapore 769098

Gross Floor Area:
34,985 sqm (376,579 sf)

Net Lettable Area[1]:
21,361 sqm (229,931 sf)

Car Park Lots:
256

Title:
99-year leasehold commencing 1 April 1990

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

Valuation[2]:
$782.0 million

Green Building Certification:
BCA Green Mark Gold (GM: 2021 In Operation)

Annual Shopper Traffic:
56.7 million[3] (October 2022 – September 2023)

Key Tenants:
Kopitiam, Don Don Donki, OCBC Bank, UOB Bank 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, Singapore 768794

Gross Floor Area:
966 sqm (10,398 sf)

Net Lettable Area:
961 sqm (10,344 sf)

Car Park Lots:
175

Title:
99-year leasehold commencing 1 April 1990

Year Acquired by FCT:
2016

Valuation[2]:
$34.0 million

Key Tenants:
Sri Murugan Supermarket, Redman by Phoon Huat

Northpoint City North Wing, which forms part of Northpoint City[4] together with Northpoint City South Wing, is the largest mall in the North Region with over 400 retail stores and food and beverage outlets spread over more than 500,000 sf of space.

Key tenants at Northpoint City North Wing include Kopitiam, Don Don Donki, OCBC Bank, UOB Bank and Popular Bookstore. The mall enjoys high shopper traffic flow from the surrounding residential estates, schools and the commuters from Yishun MRT station and Yishun Bus Interchange which are connected to the mall.

FCT 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	FY2023	FY2022	Increase/ (Decrease)
Gross Revenue ($'000)	57,126	54,847	4.2%
Property Expenses ($'000)	15,690	13,956	12.4%
Net Property Income ($'000)	41,436	40,891	1.3%
Committed Occupancy	99.7%	100.0%	(0.3%-point)
Shopper Traffic (million)[3]	56.7	47.6	19.1%

Top 10 Tenants

As at 30 September 2023, Northpoint City North Wing and Yishun 10 Retail Podium have a total of 178 leases (FY2022: 179) and 173 tenants (FY2022: 174), excluding vacancy. The top 10 tenants contributed collectively 28.5% (FY2022: 26.4%) of the total GRI.

Top 10 Tenants as at 30 September 2023	% of Mall's GRI
NTUC FairPrice[5]	6.5%
Pan Pacific Retail Management (Singapore) Pte. Ltd.[6]	3.7%
Oversea-Chinese Banking Corporation Limited	3.1%
United Overseas Bank Limited	2.6%
Minor Group[7]	2.3%
Maybank	2.1%
Aspial Corporation[8]	2.1%
Fei Siong[9]	2.1%
Dairy Farm Group[10]	2.1%
Maxim Group[11]	1.9%
Total	**28.5%**

Trade Mix

Food & Beverage contributed 41.7% (FY2022: 41.7%) of the mall's GRI, followed by Sundry & Services at 13.1% (FY2022: 13.0%) and Beauty & Healthcare at 12.6% (FY2022: 13.0%). These three trades accounted for 67.4% of the mall's GRI. The breakdown of the trade category by NLA and GRI is presented below.

Trade Category (in descending order of GRI)	By NLA	By GRI[12]
Food & Beverage	39.9%	41.7%
Sundry & Services	8.8%	13.1%
Beauty & Healthcare	10.5%	12.6%
Fashion & Accessories	8.9%	10.6%
Supermarket & Grocers	11.6%	6.3%
Jewellery & Watches	2.0%	4.3%
Books, Music, Arts & Craft, Hobbies	5.8%	2.7%
Homeware & Furnishing	2.7%	2.2%
Sports Apparel & Equipment	2.7%	2.1%
Information & Technology	2.4%	1.9%
Education	2.1%	1.5%
Leisure & Entertainment	2.3%	1.0%
Vacant	0.3%	0.0%
Total	**100.0%**	**100.0%**

Lease Expiry Profile[13]

As at 30 September 2023	FY2024	FY2025	FY2026	FY2027	FY2028 and beyond	Total
Number of expiring leases	56	46	53	21	2	178
NLA of expiring leases (sf)	67,128	45,221	55,650	22,785	17,191	207,975
Expiries as % of mall's total leased area	32.3%	21.7%	26.7%	11.0%	8.3%	100.0%
Expiries as % of mall's total GRI	31.4%	25.4%	27.8%	11.3%	4.1%	100.0%

1 *The NLA includes the area of approximately 31,753 sf (2,950 sqm) currently used as CSFS space.*
2 *Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2023.*
3 *Combined shopper traffic of Northpoint City North Wing and South Wing.*
4 *Northpoint City is owned by FCT, Frasers Property Limited and TCC Prosperity Limited.*
5 *Includes Kopitiam and Crave.*
6 *Operator of Don Don Donki.*
7 *Includes Sanook Kitchen and Xin Wang Hong Kong Café.*
8 *Includes Goldheart and Maxi-Cash.*
9 *Includes Popeyes, Encik Tan, EAT., Nam Kee Pau and Hong Kong Egglet.*
10 *Includes Guardian Health & Beauty and 7-Eleven.*
11 *Includes Starbucks Coffee and Genki Sushi.*
12 *Excludes gross turnover rent.*
13 *Based on committed leases as at 30 September 2023; vacant floor area is excluded.*

Property **Profiles**

TIONG BAHRU PLAZA

Description:
Shopping mall comprising 4 storeys and 3 basement levels

Address:
302 Tiong Bahru Road, Singapore 168732

Gross Floor Area[1]:
48,235 sqm
(519,202 sf)

Net Lettable Area:
19,933 sqm
(214,564 sf)

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

Title:
99-year leasehold commencing
1 September 1991

Year Acquired by FCT:
2020

Valuation[2]:
$657.0 million

Green Building Certification:
BCA Green Mark Platinum

Annual Shopper Traffic:
16.5 million
(October 2022 – September 2023)

Key Tenants:
FairPrice Finest, Golden Village, Don Don Donki, Uniqlo and Kopitiam

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.

The mall offers a wide variety of retail, grocery, entertainment and food and beverage options for shoppers and diners. It draws its shoppers from the immediate residential catchment residing in the Tiong Bahru and Bukit Merah estates, as well as the working and student population in the vicinity and the adjacent office, Central Plaza.

Mall Performance Highlights

Financial Year ended 30 September	FY2023	FY2022	Increase/ (Decrease)
Gross Revenue ($'000)	42,228	41,358	2.1%
Property Expenses ($'000)	10,269	10,345	(0.7%)
Net Property Income ($'000)	31,959	31,013	3.1%
Committed Occupancy	99.7%	99.0%	0.7%-points
Shopper Traffic (million)	16.5	13.4	23.1%

Top 10 Tenants

As at 30 September 2023, Tiong Bahru Plaza has a total of 151 leases (FY2022: 150) and 141 tenants (FY2022: 143), excluding vacancy. The top 10 tenants contributed collectively 28.2% (FY2022: 29.0%) of the total GRI.

Top 10 Tenants as at 30 September 2023	% of Mall's GRI
NTUC FairPrice[3]	8.4%
Beauty One International[4]	3.5%
United Overseas Bank Limited	2.4%
Hanbaobao Pte Ltd[5]	2.3%
DBS Bank Ltd	2.2%
Jean Yip Salon Pte Ltd[6]	2.1%
Oversea-Chinese Banking Corporation Limited	2.0%
Uniqlo (Singapore) Pte Ltd	1.8%
Watson's Personal Care Stores Pte Ltd	1.8%
Yum![7]	1.7%
Total	**28.2%**

Trade Mix

Food & Beverage contributed 38.6% (FY2022: 38.8%) of the mall's GRI, followed by Beauty & Healthcare at 21.2% (FY2022: 20.7%) and Sundry & Services at 12.2% (FY2022: 12.3%). These three trades accounted for 72.0% of the mall's GRI.

Trade Category (in descending order of GRI)	By NLA	By GRI[8]
Food & Beverage	27.6%	38.6%
Beauty & Healthcare	16.9%	21.2%
Sundry & Services	9.2%	12.2%
Fashion & Accessories	11.2%	9.4%
Supermarket & Grocers	12.5%	6.6%
Leisure & Entertainment	10.4%	2.5%
Jewellery & Watches	1.0%	2.3%
Education	3.6%	2.2%
Information & Technology	2.5%	2.1%
Homeware & Furnishing	3.4%	1.7%
Books, Music, Arts & Craft, Hobbies	1.1%	0.8%
Sports Apparel & Equipment	0.3%	0.4%
Vacant	0.3%	0.0%
Total	**100.0%**	**100.0%**

Lease Expiry Profile[9]

As at 30 September 2023	FY2024	FY2025	FY2026	FY2027	FY2028 and beyond	Total
Number of expiring leases	49	60	31	8	3	151
NLA of expiring leases (sf)	71,293	47,270	62,833	13,664	18,815	213,875
Expiries as % of mall's total leased area	33.3%	22.1%	29.4%	6.4%	8.8%	100.0%
Expiries as % of mall's total GRI	30.8%	33.7%	24.0%	6.4%	5.1%	100.0%

1 *Gross Floor Area (GFA) includes area of both Tiong Bahru Plaza and Central Plaza.*
2 *Valuation done by Jones Lang LaSalle Property Consultants Pte Ltd as at 30 September 2023.*
3 *Includes FairPrice Finest, Kopitiam, Pezzo and Crave.*
4 *Includes Yun Nam Hair Care, Victoria Facelift, New York Skin Solutions, London Weight Management and Dorra Slimming.*
5 *Operator of McDonald's.*
6 *Includes Jean Yip salon and Cheryl W.*
7 *Includes KFC and Pizza Hut.*
8 *Excludes gross turnover rent.*
9 *Based on committed leases as at 30 September 2023; vacant floor area is excluded.*

Property **Profiles**

CENTRAL PLAZA

Description:
Office building comprising 20 storeys and 3 basement levels

Address:
298 Tiong Bahru Road, Singapore 168730

Gross Floor Area[1]:
48,235 sqm
(519,202 sf)

Net Lettable Area[2]:
15,960 sqm
(171,793 sf)

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

Title:
99-year leasehold commencing 1 September 1991

Year Acquired by FCT:
2020

Valuation[3]:
$217.5 million

Green Building Certification:
BCA Green Mark Platinum

Annual Shopper Traffic:
Not applicable

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

Central Plaza is a 20-storey office building, 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. It offers excellent location advantage with close proximity to the Central Business District that is complemented with connection to public transport system and the amenities of an adjacent shopping mall.

Office Performance Highlights

Financial Year ended 30 September	FY2023	FY2022	Increase/ (Decrease)
Gross Revenue ($'000)	10,250	9,414	8.9%
Property Expenses ($'000)	3,603	3,593	0.3%
Net Property Income ($'000)	6,647	5,821	14.2%
Committed Occupancy	95.3%	88.9%	6.4%-points

Top 10 Tenants

As at 30 September 2023, Central Plaza has a total of 33 leases (FY2022: 27) and 32 tenants (FY2022: 27), excluding vacancy. The top 10 tenants contributed collectively 65.6% (FY2022: 71.0%) of the total GRI.

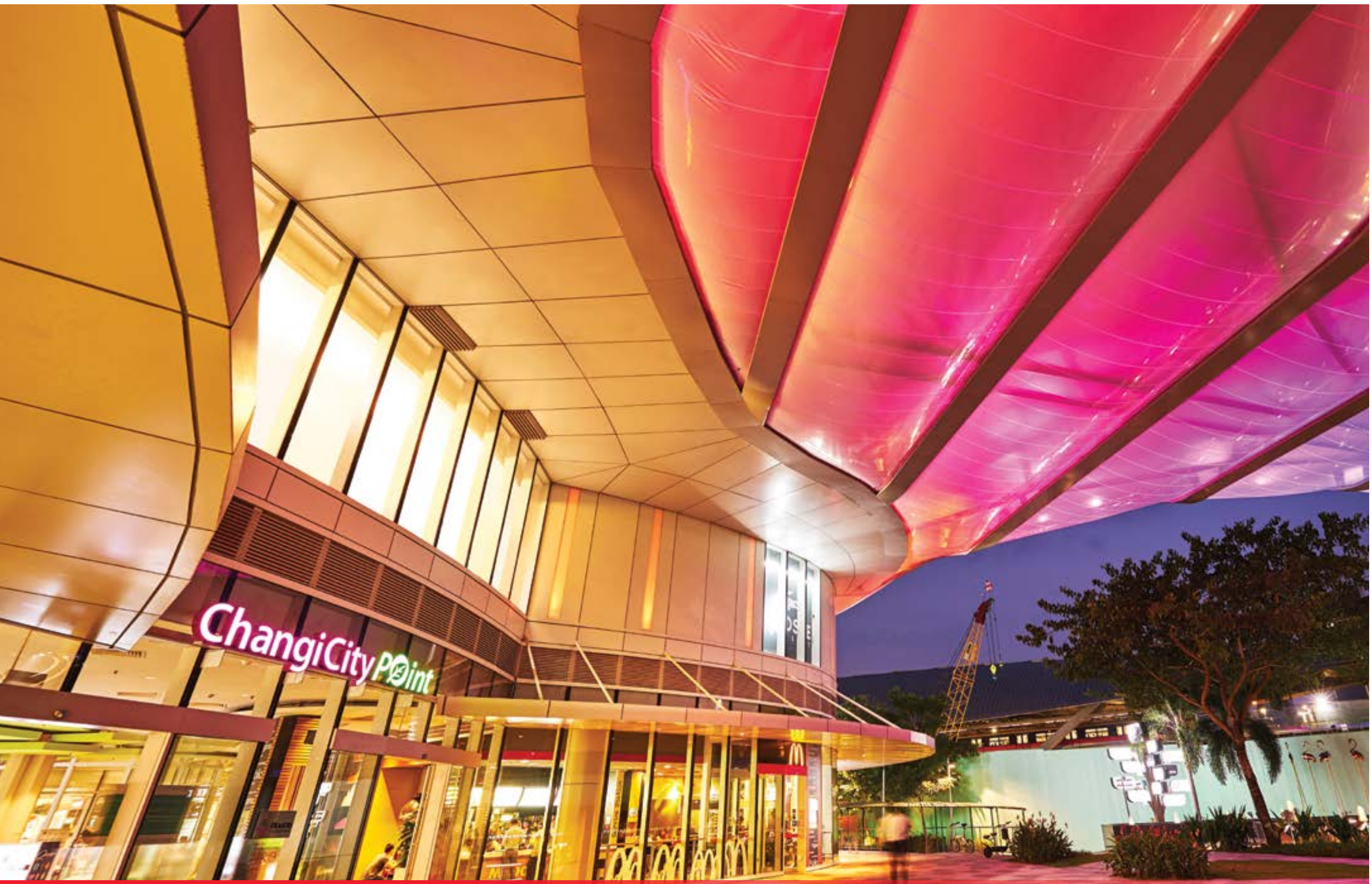
Top 10 Tenants as at 30 September 2023	% of Mall's GRI
National Council of Social Service	13.6%
Nippon Steel Engineering Co., Ltd.	9.3%
Kyocera Asia Pacific Pte. Ltd.	8.7%
Interplex Precision Technology (Singapore) Pte. Ltd.	8.0%
Molnlycke Health Care Asia-Pacific Pte Ltd	5.9%
BGC Group Pte. Ltd.	5.6%
Prive Jewel Pte. Ltd.	4.2%
MC Academy @ Central Plaza Pte. Ltd.	4.0%
Agency For Integrated Care Pte. Ltd.	3.2%
Blujay Solutions Pte. Ltd.	3.1%
Total	**65.6%**

Lease Expiry Profile[4]

As at 30 September 2023	FY2024	FY2025	FY2026	FY2027	FY2028 and beyond	Total
Number of expiring leases	7	7	11	6	2	33
NLA of expiring leases (sf)	25,233	35,414	29,470	16,609	29,967	136,693
Expiries as % of office's total leased area	18.5%	25.9%	21.6%	12.1%	21.9%	100.0%
Expiries as % of office's total GRI	20.9%	30.7%	26.3%	14.4%	7.7%	100.0%

1 *Gross Floor Area (GFA) includes area of both Tiong Bahru Plaza and Central Plaza.*
2 *The NLA includes the area of approximately 28,355 sf (2,634 sqm) currently used as CSFS space.*
3 *Valuation done by Jones Lang LaSalle Property Consultants Pte Ltd as at 30 September 2023.*
4 *Based on committed leases as at 30 September 2023; vacant floor area is excluded.*

Property **Profiles**



CHANGI CITY POINT

Description:
Shopping mall comprising 3 storeys and 1 basement level

Address:
5 Changi Business Park Central, Singapore 486038

Gross Floor Area:
28,463 sqm
(306,376 sf)

Net Lettable Area[1]:
19,681 sqm
(211,845 sf)

Car Park Lots[2]:
627

Title:
60-year leasehold commencing 30 April 2009

Year Acquired by FCT:
2014

Valuation[3]:
$325.0 million

Green Building Certification:
BCA Green Mark Gold
(GM: 2021 In Operation)

Annual Shopper Traffic:
10.5 million
(October 2022 – September 2023)

Key Tenants:
Nike Unite, My Kampung, Anytime Fitness and FairPrice Finest

Changi City Point is located in Changi Business Park and near Singapore Expo, the largest convention and exhibition venue in Singapore.

The mall offers a diverse shopping and dining experience to the nearby working and residential catchment. It features a variety of fashion and sports outlet retailers such as Nike Unite, Adidas Outlet, Puma Outlet and Coach Outlet, drawing shoppers from around Singapore and tourists with Changi Airport just a MRT stop away.

On 30 August 2023, FCT announced the divestment of Changi City Point for $338.0 million. The divestment was completed on 31 October 2023.

Mall Performance Highlights

Financial Year ended 30 September	FY2023	FY2022	Increase/ (Decrease)
Gross Revenue ($'000)	25,563	23,935	6.8%
Property Expenses ($'000)	9,698	9,365	3.6%
Net Property Income ($'000)	15,865	14,570	8.9%
Committed Occupancy	99.2%	93.7%	5.5%-points
Shopper Traffic (million)	10.5	7.5	40.0%

Top 10 Tenants

As at 30 September 2023, Changi City Point has a total of 140 leases (FY2022: 139) and 131 tenants (FY2022: 128), excluding vacancy. The top 10 tenants contributed collectively 23.5% (FY2022: 22.6%) of the mall's total GRI.

Top 10 Tenants as at 30 September 2023	% of Mall's GRI
Nike	3.8%
Japan Foods Holding[4]	3.5%
Yew Kee Group[5]	3.1%
Cotton On Singapore Pte. Ltd.	2.3%
R E & S Enterprises Pte Ltd[6]	2.0%
Jollibee Group[7]	1.9%
Wing Tai Group[8]	1.9%
The Dim Sum Place	1.7%
EN Group[9]	1.7%
Manna Pot Catering Pte. Ltd.[10]	1.6%
Total	**23.5%**

Trade Mix

Food & Beverage contributed 49.8% (FY2022: 50.3%) of the mall's GRI, followed by Fashion & Accessories at 21.1% (FY2022: 22.4%) and Sports Apparel & Equipment at 14.4% (FY2022: 11.7%). These three trades accounted for 85.3% of the mall's GRI. The breakdown of the trade category by NLA and GRI is presented below.

Trade Category (in descending order of GRI)	By NLA	By GRI[11]
Food & Beverage	37.3%	49.8%
Fashion & Accessories	17.3%	21.1%
Sports Apparel & Equipment	22.1%	14.4%
Beauty & Healthcare	7.4%	6.0%
Supermarket & Grocers	6.8%	2.4%
Sundry & Services	2.0%	2.3%
Information & Technology	1.8%	2.1%
Homeware & Furnishing	3.9%	1.4%
Leisure & Entertainment	0.5%	0.3%
Jewellery & Watches	0.1%	0.2%
Vacant	0.8%	0.0%
Total	**100.0%**	**100.0%**

Lease Expiry Profile[12]

As at 30 September 2023	FY2024	FY2025	FY2026	FY2027	FY2028 and beyond	Total
Number of expiring leases	55	39	38	5	3	140
NLA of expiring leases (sf)	52,376	64,007	60,371	18,889	11,203	206,846
Expiries as % of mall's total leased area	25.3%	31.0%	29.2%	9.1%	5.4%	100.0%
Expiries as % of mall's total GRI	28.7%	31.2%	30.6%	6.2%	3.3%	100.0%

1 *The NLA includes the area of approximately 3,391 sf (315 sqm) currently used as CSFS space.*
2 *The car park lots are shared between Changi City Point, Capri by Fraser, Changi City and ONE@Changi City.*
3 *Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 31 July 2023.*
4 *Operator of Menzo Butao, Yakiniku Shokudo, Godaime and Fruit Paradise.*
5 *Operator of My Kampung food court.*
6 *Operator of Ichiban Sushi and Idaten Udon.*
7 *Operator of Jollibee.*
8 *Includes Adidas, Cath Kidston and G2000 outlets.*
9 *Operator of Aburi-EN and Tamago-EN.*
10 *Operator of The White Tiffin and Manna Bistro & Grill.*
11 *Excludes gross turnover rent.*
12 *Based on committed leases as at 30 September 2023; vacant floor area is excluded.*

Property **Profiles**

CENTURY SQUARE

Description:
Shopping mall comprising 5 storeys and 3 basement levels

Address:
2 Tampines Central 5, Singapore 529509

Gross Floor Area:
30,400 sqm
(327,226 sf)

Net Lettable Area[1]:
19,628 sqm
(211,281 sf)

Car Park Lots:
298

Title:
99-year leasehold commencing 1 September 1992

Year Acquired by FCT:
2020

Valuation[2]:
$559.0 million

Green Building Certification:
BCA Green Mark Platinum

Annual Shopper Traffic:
12.4 million
(October 2022 – September 2023)

Key Tenants:
The Food Market, Cathay Cineplexes, Haidilao Hotpot, DBS/POSB and the upcoming FairPrice Finest

Century Square is located in the heart of Tampines Central and is in close proximity to Tampines MRT interchange and Tampines Bus Interchange. The mall draws its shopper traffic from the populous residential catchment, commuter traffic and working population in the East region.

The mall completed an extensive asset enhancement and refurbishment works in 2018.

Mall Performance Highlights

Financial Year ended 30 September	FY2023	FY2022	Increase/ (Decrease)
Gross Revenue ($'000)	32,424	31,456	3.1%
Property Expenses ($'000)	8,748	9,609	(9.0%)
Net Property Income ($'000)	23,676	21,847	8.4%
Committed Occupancy	99.0%	86.8%	12.2%-points
Shopper Traffic (million)	12.4	10.2	21.6%

Top 10 Tenants

As at 30 September 2023, Century Square has a total of 147 leases (FY2022: 138) and 146 tenants (FY2022: 135), excluding vacancy. The top 10 tenants contributed collectively 25.4% (FY2022: 27.6%) of the mall's total GRI.

Top 10 Tenants as at 30 September 2023	% of Mall's GRI
BreadTalk Group[3]	6.7%
Lao Huo Tang Group[4]	3.1%
Singapore Hai Di Lao Dining Pte. Ltd.	3.1%
Foot Locker Singapore Pte. Ltd.	2.6%
Jean Yip Group[5]	1.8%
Kiddy Palace Pte Ltd	1.7%
The Learning Lab	1.6%
R E & S Enterprises Pte Ltd[6]	1.6%
Soup Restaurant Singapore Pte. Ltd.	1.6%
Bata Shoe (Singapore) Private Limited	1.6%
Total	**25.4%**

Trade Mix

Food & Beverage contributed 41.2% (FY2022: 41.1%) of the mall's GRI, followed by Beauty & Healthcare at 17.9% (FY2022: 21.6%) and Fashion & Accessories at 12.0% (FY2022: 13.0%). These three trades accounted for 71.1% of the mall's GRI. The breakdown of the trade category by NLA and GRI is presented below.

Trade Category (in descending order of GRI)	By NLA	By GRI[7]
Food & Beverage	31.3%	41.2%
Beauty & Healthcare	14.1%	17.9%
Fashion & Accessories	9.9%	12.0%
Supermarket & Grocers	10.5%	6.1%
Homeware & Furnishing	3.7%	4.2%
Leisure & Entertainment	11.5%	3.8%
Sports Apparel & Equipment	4.2%	3.8%
Sundry & Services	4.7%	3.4%
Education	4.7%	2.9%
Books, Music, Arts & Craft, Hobbies	3.4%	2.8%
Jewellery & Watches	0.5%	1.1%
Information & Technology	0.3%	0.5%
Electrical & Electronics	0.2%	0.3%
Vacant	1.0%	0.0%
Total	**100.0%**	**100.0%**

Lease Expiry Profile[8]

As at 30 September 2023	FY2024	FY2025	FY2026	FY2027	FY2028 and beyond	Total
Number of expiring leases	61	32	44	5	5	147
NLA of expiring leases (sf)	75,102	31,642	50,430	2,348	41,164	200,686
Expiries as % of mall's total leased area	37.4%	15.8%	25.1%	1.2%	20.5%	100.0%
Expiries as % of mall's total GRI	44.0%	18.6%	26.0%	2.3%	9.1%	100.0%

1 *The NLA includes the area of approximately 8,547 sf (794 sqm) currently used as CSFS space.*
2 *Valuation done by Jones Lang LaSalle Property Consultants Pte Ltd as at 30 September 2023.*
3 *Operator of The Food Market.*
4 *Includes Kenny Rogers Roasters and Lao Huo Tang.*
5 *Includes 6 Elements Hair Spa and Cheryl W.*
6 *Operator of Ichiban Boshi.*
7 *Excludes gross turnover rent.*
8 *Based on committed leases as at 30 September 2023; vacant floor area is excluded.*

Property **Profiles**

HOUGANG MALL

Description:
Shopping mall comprising 5 storeys and 2 basement levels

Address:
90 Hougang Avenue 10, Singapore 538766

Gross Floor Area:
21,626 sqm (232,782 sf)

Net Lettable Area[1]:
15,393 sqm (165,692 sf)

Car Park Lots:
152

Title:
99-year leasehold commencing 1 May 1994

Year Acquired by FCT:
2020

Valuation[2]:
$435.0 million

Green Building Certification:
BCA Green Mark Platinum

Annual Shopper Traffic:
12.7 million (October 2022 – September 2023)

Key Tenants:
FairPrice, Foodies' Garden, Harvey Norman and Popular Bookstore

Hougang Mall is a suburban retail mall located near Hougang MRT station and 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. Notable brands and services in the mall include FairPrice, Foodies' Garden, Harvey Norman and Popular Bookstore. Cheng San Public Library is located within the building.

Mall Performance Highlights

Financial Year ended 30 September	FY2023	FY2022	Increase/ (Decrease)
Gross Revenue ($'000)	31,564	30,509	3.5%
Property Expenses ($'000)	9,269	9,368	(1.1%)
Net Property Income ($'000)	22,295	21,141	5.5%
Committed Occupancy	100.0%	98.4%	1.6%-points
Shopper Traffic (million)	12.7	9.4	35.1%

Top 10 Tenants

As at 30 September 2023, Hougang Mall has a total of 130 leases (FY2022: 128) and 123 tenants (FY2022: 123). The top 10 tenants contributed collectively 34.6% (FY2022: 32.6%) of the mall's total GRI.

Top 10 Tenants as at 30 September 2023	% of Mall's GRI
NTUC FairPrice[3]	10.3%
Collin's Group[4]	5.4%
Pertama Merchandising Pte Ltd[5]	3.2%
Hanbaobao Pte Ltd[6]	2.9%
R E & S Enterprises Pte Ltd[7]	2.9%
Oversea-Chinese Banking Corporation Ltd	2.4%
Yum![8]	2.2%
United Overseas Bank Limited	1.9%
Popular Book Company (Pte.) Ltd	1.8%
Minoshe Group[9]	1.6%
Total	**34.6%**

Trade Mix

Food & Beverage contributed 37.3% (FY2022: 37.7%) of the mall's GRI, followed by Beauty and Healthcare at 13.8% (FY2022: 13.7%) and Fashion & Accessories at 11.8% (FY2022: 11.6%). These three trades accounted for 62.9% of the mall's GRI. The breakdown of the trade category by NLA and GRI is presented below.

Trade Category (in descending order of GRI)	By NLA	By GRI[10]
Food & Beverage	28.9%	37.3%
Beauty & Healthcare	11.5%	13.8%
Fashion & Accessories	9.9%	11.8%
Sundry & Services	8.4%	9.5%
Supermarket & Grocers	15.4%	9.5%
Education	6.8%	3.4%
Jewellery & Watches	1.3%	3.2%
Electrical & Electronics	5.5%	3.2%
Books, Music, Arts & Craft, Hobbies	4.6%	2.8%
Information & Technology	3.3%	2.4%
Homeware & Furnishing	2.4%	2.3%
Leisure & Entertainment	2.0%	0.8%
Vacant	0.0%	0.0%
Total	**100.0%**	**100.0%**

Lease Expiry Profile[11]

As at 30 September 2023	FY2024	FY2025	FY2026	FY2027	FY2028 and beyond	Total
Number of expiring leases	52	38	35	4	1	130
NLA of expiring leases (sf)	58,146	29,519	25,875	24,868	11,517	149,925
Expiries as % of mall's total leased area	38.8%	19.7%	17.2%	16.6%	7.7%	100.0%
Expiries as % of mall's total GRI	42.6%	21.0%	19.8%	11.2%	5.4%	100.0%

1 *The NLA includes the area of approximately 15,767 sf (1,465 sqm) currently used as CSFS space.*
2 *Valuation done by Jones Lang LaSalle Property Consultants Pte Ltd as at 30 September 2023.*
3 *Includes FairPrice, Unity Pharmacy, Pezzo and Crave.*
4 *Operator of Foodies' Garden.*
5 *Operator of Harvey Norman.*
6 *Operator of Mcdonald's.*
7 *Includes Ichiban Sushi, Yakiniku-GO & Tsukimi Hamburg.*
8 *Operator of KFC.*
9 *Includes Young Hearts, Pierre Cardin and Sorella.*
10 *Excludes gross turnover rent.*
11 *Based on committed leases as at 30 September 2023; vacant floor area is excluded.*

Property **Profiles**

WHITE SANDS

Description:
Shopping mall comprising 5 storeys and 3 basement levels

Address:
1 Pasir Ris Central Street 3, Singapore 518457

Gross Floor Area:
21,112 sqm
(227,250 sf)

Net Lettable Area[1]:
13,970 sqm
(150,374 sf)

Car Park Lots:
187

Title:
99-year leasehold commencing 1 May 1993

Year Acquired by FCT:
2020

Valuation[2]:
$429.0 million

Green Building Certification:
BCA Green Mark Platinum

Annual Shopper Traffic:
10.7 million
(October 2022 – September 2023)

Key Tenants:
FairPrice, Cookhouse by Koufu, McDonald's and Popular Bookstore

White Sands is located in Pasir Ris, a residential estate in the East region of Singapore next to Pasir Ris MRT Station and Pasir Ris Bus Interchange. White Sands is a convenient destination for necessity shopping, essential services, lifestyle and entertainment needs. Key tenants at the mall include FairPrice, Cookhouse by Koufu, McDonald's and Popular Bookstore.

Mall Performance Highlights

Financial Year ended 30 September	FY2023	FY2022	Increase/ (Decrease)
Gross Revenue ($'000)	30,878	28,769	7.3%
Property Expenses ($'000)	10,464	8,524	22.8%
Net Property Income ($'000)	20,414	20,245	0.8%
Committed Occupancy	99.5%	96.4%	3.1%-points
Shopper Traffic (million)	10.7	8.4	27.4%

Top 10 Tenants

As at 30 September 2023, White Sands has a total of 140 leases (FY2022: 134) and 130 tenants (FY2022: 126), excluding vacancy. The top 10 tenants contributed collectively 34.5% (FY2022: 32.7%) of the mall's total GRI.

Top 10 Tenants as at 30 September 2023	% of Mall's GRI
NTUC FairPrice[3]	9.8%
Koufu Group[4]	4.2%
Beauty One International[5]	3.9%
Minor Group[6]	3.7%
Hanbaobao Pte Ltd[7]	3.2%
Oversea-Chinese Banking Corporation Ltd	2.4%
Watson's Personal Care Stores Pte Ltd	2.0%
DBS Bank Ltd	2.0%
Yum![8]	1.8%
Dairy Farm Group[9]	1.5%
Total	**34.5%**

Trade Mix

Food & Beverage contributed 41.7% (FY2022: 40.5%) of the mall's GRI, followed by Beauty & Healthcare at 19.9% (FY2022: 19.0%) and Sundry & Services at 10.9% (FY2022: 10.9%). These three trades accounted for 72.5% of the mall's GRI. The breakdown of the trade category by NLA and GRI is presented below.

Trade Category (in descending order of GRI)	By NLA	By GRI[10]
Food & Beverage	35.8%	41.7%
Beauty & Healthcare	17.2%	19.9%
Sundry & Services	9.4%	10.9%
Fashion & Accessories	8.5%	9.5%
Supermarket & Grocers	13.5%	7.7%
Education	5.3%	3.5%
Homeware & Furnishing	2.6%	2.3%
Books, Music, Arts & Craft, Hobbies	3.0%	1.6%
Sports Apparel & Equipment	0.9%	0.9%
Information & Technology	1.1%	0.8%
Leisure & Entertainment	2.0%	0.8%
Jewellery & Watches	0.2%	0.4%
Vacant	0.5%	0.0%
Total	**100.0%**	**100.0%**

Lease Expiry Profile[11]

As at 30 September 2023	FY2024	FY2025	FY2026	FY2027	FY2028 and beyond	Total
Number of expiring leases	37	44	43	15	1	140
NLA of expiring leases (sf)	26,366	33,152	44,571	21,805	2,089	127,983
Expiries as % of mall's total leased area	20.6%	25.9%	34.8%	17.1%	1.6%	100.0%
Expiries as % of mall's total GRI	24.9%	26.3%	31.7%	15.9%	1.2%	100.0%

1 *The NLA includes the area of approximately 21,744 sf (2,020 sqm) currently used as CSFS space.*
2 *Valuation done by Jones Lang LaSalle Property Consultants Pte Ltd as at 30 September 2023.*
3 *Includes FairPrice, Unity Pharmacy, Crave and Pezzo.*
4 *Includes Cookhouse by Koufu and Dough Culture.*
5 *Includes New York Skin Solutions, Dorra Slimming and Victoria Facelift.*
6 *Includes Xin Wang Hong Kong Café, Poulet and UFO Hot Pot by ThaiExpress.*
7 *Operator of McDonald's.*
8 *Operator of KFC.*
9 *Operator of Guardian Health & Beauty.*
10 *Excludes gross turnover rent.*
11 *Based on committed leases as at 30 September 2023; vacant floor area is 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[1]
Address:
5 Changi Business Park Central 1,
Singapore 486038

Hougang Mall
Address:
90 Hougang Avenue 10,
Singapore 538766

Telephone:
(65) 6488 9617

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

NEX
Address:
23 Serangoon Central,
Singapore 556083

Telephone:
(65) 6416 6366

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

Northpoint City North Wing
Address:
930 Yishun Avenue 2,
Singapore 769098

Telephone:
(65) 6754 2300

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

Yishun 10 Retail Podium
Address:
51 Yishun Central 1,
Singapore 768794

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[2]
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

1 FCT completed the divestment of Changi City Point on 31 October 2023.
2 Central Plaza is an office property that is connected to Tiong Bahru Plaza.

Investment in **Hektar REIT**

As at 30 September 2023, FCT holds 30.97% 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.

On 22 September 2023 and 4 October 2023, FCT entered into sale and purchase agreements with unrelated third parties in relation to the divestment of interest in H-REIT and accordingly, investment in H-REIT was reclassified to "Assets held for sale" as at 30 September 2023.

FCT announced the completion of the divestment of its entire interest in H-REIT on 6 December 2023.

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 sf and a combined value of approximately RM1,206.1 million ($351.4 million).

H-REIT Property Profile[1]

	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), sf as at 31 December 2022	527,139	521,142	174,651	310,564	299,781	211,919
Tenancies as at 31 December 2022 (NLA lots only)	74	84	54	45	73	35
Occupancy as at 31 December 2022	70.3%	86.9%	88.1%	82.3%	96.4%	73.7%
Visitor traffic FY2022 (million)	4.7	6.0	2.9	2.7	2.9	1.8
Acquisition price (RM million)	280.0	232.0	117.5	83.0	98.0	104.0
Valuation (RM million) as at 31 December 2022	417.0	338.5	156.6	91.0	138.0	65.0
Gross revenue (RM million)	32.5	38.0	16.8	9.5	15.9	4.8
Net property income (RM million)	13.1	20.8	8.7	4.6	11.1	0.4

Top 10 Tenants[1]

The top ten tenants in the portfolio contributed approximately 39.9% of total monthly rental income, providing a diversified revenue base. Aside from the top tenant, Parkson, which contributed approximately 13% of monthly rental income, no other tenant contributed more than 10%.

Tenant	Trade Category	NLA (sf)	% of total NLA	% of total monthly rental income
Parkson	Department Store/Supermarket	252,515	12.3%	13.0%
The Store	Department Store/Supermarket	273,198	13.4%	9.2%
GSC	Leisure & Entertainment/Sports & Fitness	88,670	4.3%	2.6%
Watson's	Health & Beauty	11,965	0.6%	2.5%
Mr D.I.Y	Homewares & Furnishing	74,301	3.6%	2.3%
Seleria Food Court	Food & Beverage/Food Court	47,760	2.3%	2.2%
Guardian	Health & Beauty	12,164	0.6%	2.1%
Giant Superstore	Department Store/Supermarket	72,140	3.5%	2.1%
MM Cineplexes	Leisure & Entertainment/Sports & Fitness	75,928	3.7%	1.9%
KFC	Food & Beverage/Food Court	15,792	0.8%	1.8%
Top 10 Tenants (by Monthly Rental Income)		924,432	45.2%	39.9%
Other Tenants		1,120,764	54.8%	60.1%
Total		**2,045,196**	**100.0%**	**100.0%**

Based on monthly rental income for December 2022.
Note: Total may not add up due to rounding differences.

1 *Source: Hektar REIT Annual Report 2022 and its website at http://www.hektarreit.com/. Information as at 31 December 2022.*

Investment in **Hektar REIT**

Portfolio Tenancy Mix[1]

The largest rental contributors to the portfolio are tenants from the Department Store/Supermarket and the Food & Beverage/Food Court segments. Both segments contributed 46% of the portfolio's total rental income. In terms of NLA occupancy, Department Store/Supermarket tenants continue to dominate the portfolio by taking up 41% of all available NLA.

Segment	% of overall portfolio NLA	% of portfolio rental income
Department Store/Supermarket	41%	26%
Food & Beverage/Food Court	12%	20%
Fashion & Footwear	11%	20%
Health & Beauty	3%	10%
Leisure & Entertainment/Sports & Fitness	18%	7%
Electronics & IT	4%	8%
Homewares & Furnishing	7%	4%
Gifts/Books/Toys/Specialty	2%	4%
Education/Services	1%	1%

Based on monthly rental income for December 2022.
Note: Total may not add up due to rounding differences.

Portfolio Lease Expiry Profile[1]

A total of 213 tenancies will expire in 2023 representing approximately 47.1% of NLA and 57.5% of monthly rental income as at 31 December 2022.

For Year ending 31 December	No. of tenancies expiring	NLA of tenancies expiring (sf)	NLA of tenancies expiring as % of total NLA	% of total monthly rental income
2023	213	962,565	47.1%	57.5%
2024	94	528,121	25.8%	30.5%
2025	58	187,202	9.2%	12.0%

Based on monthly rental income for December 2022.
Note: Total may not add up due to rounding differences.

1 *Source: Hektar REIT Annual Report 2022 and its website at http://www.hektarreit.com/. Information as at 31 December 2022.*

Risk **Management**

Effective risk management is a fundamental part of Frasers Centrepoint Trust and its subsidiaries' ("FCT Group") business strategy. Key risks, mitigating measures and management actions are continually identified, reviewed and monitored by management of the Manager (the "Management") as part of the Manager's enterprise-wide risk management (the "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 (the "Board") 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 Group's assets and the interests of FCT and its Unitholders. The Audit, Risk and Compliance Committee (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.

Risk Management Process

Risk Identification
- Strategic risks
- Operation risks
- Financial risks
- Compliance risks
- Information Technology risks
- ESG risks
- Emerging risks

Risk Assessment
- Risk assessment parameters - impact, likelihood
- Risk prioritisation

Risk Treatment
- Mitigating measures - Accept, Avoid, Reduce, Transfer

Risk Monitoring
- Risk tolerance
- Key risk indicators

Risk Reporting
- Quarterly risk review
- Quarterly reporting on material risk areas
- Quarterly risk tolerance limits compliance reporting
- Annual ERM validation with annual review of risk tolerance statements
- Annual comfort matrix

Risk **Management**

As part of the risk management process, Management is responsible for identifying, assessing, managing, monitoring and reporting risks to the ARCC. This process is facilitated through a web-based corporate risk scorecard system which enables the reporting of risks and risk status on a common platform in a consistent and cohesive manner. Management is also responsible for the implementation of the risk management process and ensuring that the risk management framework is adequate and effective to provide assurance to the ARCC and the Board that material and relevant risks are identified and managed.

Apart from the ERM process, each acquisition or divestment transaction is also subjected to a comprehensive due diligence review where the relevant and material risks associated with the transaction are identified and assessed.

FCT Group's ERM framework promotes a risk management culture. The Manager works closely with Frasers Property Limited's Group Risk Management Team to conduct workshops where necessary to reinforce and enhance risk management knowledge and management principles. Risk Management E-learning modules are rolled out for new and existing employees to enhance risk awareness and capability.

In our approach towards business continuity management, the Manager identifies and maps end-to-end dependencies that support the critical business services, prioritising the recovery of our business services and functions based on their criticality to minimise the degree of disruption, safeguard Unitholders' interests and maintain the safety and soundness of FCT. FCT Group conducts regular and comprehensive testing to ensure response and recovery arrangements are robust.

Key Risks

Some of the key risks, including those related to material sustainability factors, that the Manager has been actively monitoring in FY2023 include:

Macroeconomic Risk

While FCT Group's portfolio is predominantly in Singapore, volatility in global economies, rising geo-political tensions and global inflationary pressures can have impact on the domestic economy. Coupled with rapidly changing retail market trends and a limited pool of prospective tenants, this results in a challenging business climate with higher business costs.

The Manager actively monitors the macroeconomic trends, policies, regulatory changes and retail market trends, as well as continuously seeks to strengthen FCT Group's competitiveness through active lease management and asset enhancement works.

Operational Risk

Any unanticipated significant disruption to the operations of the properties will impact business continuity and profitability.

The Manager has established 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 the properties. These procedures cover various areas such as workplace safety and security incidents.

These procedures and guidelines are regularly reviewed and benchmarked against industry best practices to ensure relevance and effectiveness. The Manager remains vigilant towards making the properties safe and secure for the tenants, customers, vendors, employees and any other third parties. The Manager has in place crisis management and business continuity plans, with clear protocols of activation in the event of emergencies. In addition, insurance policies are in place to mitigate claims and/or losses resulting from unforeseen events.

Human Capital Risk

A competent management team is a key factor in achieving FCT's business objectives and the Manager faces the risk of loss of key management personnel and the inability to attract / retain talent for its management team.

The Manager has in place a performance management framework and development system for its staff and implemented competitive reward schemes to attract and retain appropriate talent for the business. There is also an annual talent review process to identify key leadership and business critical positions. Regular training sessions and development opportunities are also provided to upgrade the skills and knowledge of the staff. An organisational culture survey was rolled out in 2023 to measure employee engagement and sentiments with the aim to shape a purpose-led culture aligned with our business strategy.

Fraud and Corruption Risk

To safeguard FCT Group's assets and FCT's and its Unitholders' interests, 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 Frasers Property Limited, 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 ("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 139 to 178.

Liquidity Risk

Capital and liquidity management are an integral part of FCT's business to achieve its objectives. Insufficient liquidity will result in FCT Group's inability to meet its debt obligations and hence its survival.

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

In view of the challenges posed by the global inflationary pressures, the Management regularly conducted stress testing to assess and track the possible impact of the macroeconomic environment on the FCT Group's liquidity and cashflow. Capital and liquidity management remain priorities for FCT Group.

The Manager actively monitors its debt maturity profile and operating cashflows. FCT Group has undrawn revolving credit facilities totaling $488.4 million as of 30 September 2023 to ensure adequacy of liquidity reserves to finance FCT Group's operations, capital expenditures, asset enhancement initiatives ("AEIs") and any other unforeseen short-term obligations. FCT Group'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 40 under Capital Resources section on the various sources of funds. The Manager continues to comply with its policy of spreading out the debts maturing in a single year.

Interest Rate Risk

Rising interest rates and cost of capital can impact the profitability of FCT Group and the distributable income available to Unitholders. 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. The Manager closely monitors the interest rate environment with support from Frasers Property Limited's Group Treasury to mitigate the difficulties in raising debt at reasonable cost in view of the ongoing interest rate hike. As at 30 September 2023, 63.0% of the total borrowings are on fixed interest rates.

Credit Risk

Credit risk arising from uncollectible debts of tenants affects FCT Group's cashflow and profitability. 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 via cash or banker's guarantee from the tenants.

Investment Risk

FCT is exposed to the risk of lower returns from its investments than expected. As FCT Group 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, asset sustainability attributes, environmental impact metrics, and future growth potential, having due regard to market conditions and outlook.

Compliance Risk

FCT Group is subject to relevant laws and regulations including the Listing Manual of the Singapore Exchange Securities Trading Limited, the CIS, the tax rulings issued by the Inland Revenue Authority of Singapore and the upcoming Lease Agreements for Retail Premises Act 2023. Any changes to these regulations may affect FCT Group'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, attending talks and briefings.

Information Systems and Cybersecurity Risk

Cybersecurity incidents or system failures can lead to business disruptions, financial loss and / or regulatory penalties.

Digital disruption and the future of work that are enabled by digital technology offer new opportunities and challenges for our business.

Risk **Management**

Frasers Property, of which the Manager is part of, continues to build digital capabilities and invest in new technologies to ensure that the FCT Group's business is future-ready. This includes embracing of cloud technology to provide a higher level of business agility, scalability, 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 Information Technology ("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 training sessions 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.

At the management level, the appointed Chief Information Officer and Chief Information Security Officer manage the technology risks of FCT Group and take all decisions in accordance with the risk appetite approved by the Board. The Manager monitors the compliance with applicable regulations on an ongoing basis, using the toolkits and quarterly compliance checklists created for periodic reporting.

Environment and Climate Change Risk

Climate change and potentially catastrophic weather events expose FCT Group to environmental and sustainability risks, including the impact of rising operating costs from physical and transition risks of climate change. The growing emphasis of government regulations on sustainability, environmental laws and green finance laws creates a challenge to meet regulatory requirements amidst rising cost from capital expenditure.

In order to meet the stringent green building and green loans requirements for sustainability financing, the Manager constantly monitors green finance trends and compliance requirements of green building. Training and workplace bulletins are in place to update employees' sustainability knowledge and align operational objectives to the strategic direction of the FCT Group. Please refer to pages 95 to 138 under the Sustainability Report section on the FCT Group's effort to comply with the Environmental Risk Management Guidelines.

Sustainability **Report**

Contents

Glossary

A glossary of the abbreviations used in this report:

AEI	: Asset Enhancement Initiative
ARCC	: Audit, Risk and Compliance Committee
BCA	: Building and Construction Authority, Singapore
CCTV	: Closed-Circuit Television
DDC	: Distributed District Cooling
DEI	: Diversity, Equity and Inclusion
EHS	: Environmental, Health and Safety
ERM	: Enterprise Risk Management
ESG	: Environmental, Social and Governance
F&B	: Food and Beverage
FCAM	: Frasers Centrepoint Asset management Ltd., the Manager of FCT
FCT	: Frasers Centrepoint Trust
FRx	: Frasers Experience
GBP	: Green Bond Principles
GFA	: Gross Floor Area
GHG	: Greenhouse Gas
GLP	: Green Loan Principles
GRESB	: Global Real Estate Sustainability Benchmark
GRI	: Global Reporting Initiative
IA	: Internal Audit
ICMA	: International Capital Market Association
IoT	: Internet of Things
ISAE 3000	: International Standard on Assurance Engagements 3000
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)
KPI	: Key Performance Indicator
L&D	: Learning and Development
MAS	: Monetary Authority of Singapore
NGOs	: Non-governmental Organisations
OH&S	: Occupational Health and Safety
ORBA	: Orchard Road Business Association
PV	: Photovoltaic
PUB	: Public Utilities Board, Singapore
Q-CON	: Quality Construction Products Public Company Limited
REIT	: Real Estate Investment Trust
REITAS	: REIT Association of Singapore
SBTi	: Science Based Targets initiative
SBG	: Sustainability Bond Guidelines
SDG	: Sustainable Development Goal
SGBC	: Singapore Green Building Council
SGX	: Singapore Exchange Limited
SIAS	: Securities Investors Association (Singapore)
SRA	: Singapore Retailers Association
SRMC	: Sustainability and Risk Management Committee
SSWG	: National Safety and Security Watch Group
SWC	: Sustainability Working Committee
SX 2022	: Sustainability Expo 2022
TAFEP	: Tripartite Alliance for Fair and Progressive Employment Practices
TCFD	: Task Force on Climate-related Financial Disclosures
UN	: United Nations
UNGC	: United Nations Global Compact
UNWEP	: United Nations Women Empowerment Principles
UV	: Ultraviolet
WEB	: Water Efficient Building
WSH	: Workplace Safety and Health

Board **Statement**

GRI 2-22

Dear Stakeholders,

FY2023 has been a challenging yet fulfilling year for FCT. While the macro-economic environment remains volatile, marked by inflation and surges in energy costs, and extreme climate change events pose threats to our assets and supply chains, we remain steadfast in our commitment to press on with our sustainability endeavours, and ensure that we continue to deliver on our shared Purpose - Inspiring experiences, creating places for good. In FY2023, we have continuously driven portfolio and built a resilient, diversified portfolio of quality assets while also engaging in green and sustainable financing.

FCT's FY2023 Sustainability Report provides an overview of our sustainability performance and efforts throughout the year. Beyond that, it also highlights how we continue to further our sustainability goals through the three pillars of our Sponsor Frasers Property's ESG Framework – Acting Progressively, Consuming Responsibly and Focusing on People.

As one of the largest suburban retail mall owners in Singapore, we are cognisant of our pivotal role in minimising our environmental impact, whether it involves greening our properties, or imparting eco-conscious practices to employees, tenants, shoppers and the broader community.

We continue to embrace innovation and leverage technology to optimise energy efficiency at our properties. This encompasses key initiatives such as upgrading the cooling systems as well as retrofitting more energy efficient LED lighting at selected properties. These dedicated efforts align us with Frasers Property's strategic ESG goal of achieving net-zero carbon emissions by 2050.

As testament to our efforts, we are proud to share that we have achieved a 5-Star Rating at the 2023 GRESB Real Estate Assessment, marking the third consecutive year that we have attained this rating. This assessment is significant as it enables our stakeholders to benchmark FCT's performance with its global real estate peers in the same sector. FCT has also maintained its "A" rating from the MSCI ESG Ratings in 2023, underscoring our progress in effectively managing ESG risks and opportunities.

We have also made progress in our green financing efforts. The proportion of green loans in FCT's total borrowing rose to 55.6% as at 30 September 2023 from 31.9% last year. We expect to further increase this proportion of green loans going forward. We have also partnered with OCBC on a new green financing solution that packages carbon credits with a green loan that helps support our net-zero carbon goal.

In line with our sustainability roadmap, we continue to align this year's sustainability disclosures with the TCFD recommendations.

As we advance on our sustainability journey, we continue to keep our people at the heart of all we do. We uphold stringent workplace health and safety standards across our business, including having all properties certified with ISO 45001 occupational health and safety management systems. We recognise FCT's influence in partnering our tenants in driving greater environmental and social impact. Tenants from FCT malls participated in the inaugural "Building a Greener Retail Ecosystem Together" event organised by Frasers Property Singapore. We also seek to engage and contribute to the local communities where we operate. FCT malls are contributing to an industry-first Inclusion Champions Programme by Frasers Property Singapore, geared towards creating more inclusive spaces and experiences for members of the community who have different needs.

Reflecting on the past year, we are heartened by the progress we have made towards our sustainability goals. We are grateful for the invaluable support of our employees and stakeholders, which have enabled us to remain steadfast in our commitment to sustainable practices. Moving forward, we embrace the opportunity to accelerate change and create a positive impact through our business by further integrating ESG factors into our strategy and operations. While we acknowledge that there will be ongoing and new challenges on the horizon, we are confident that we can chart a sustainable path forward and create long-term value for all our stakeholders.

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

FY2023 **Performance**

The Year At A Glance

ACTING PROGRESSIVELY

Maintain **"A" rating in ESG** rating by MSCI ESG Rating

Partner with OCBC on a new green financing solution that packages carbon credits with a green loan to help accelerate our progress towards carbon-neutral status encompassing all energy-related emissions

Raised the proportion of green loans to **55.6%**[1] as of 30 September 2023 from **31.9%** as of 30 September 2022

CONSUMING RESPONSIBLY

147 MWh of renewable energy generated onsite

Reduced Scope 1 & 2 emission intensity by 12.8% from FY2019 baseline

Reduced water intensity by 16.3% from FY2019 baseline

Reduced waste intensity by 8.4% from FY2019 baseline

Collected more than **2,189 tonnes of waste** for recycling, a **10.1%** increase compared to FY2022

Expanded Scopes 1 and 3 disclosure with the planned publication of an ESG Databook

FOCUSING ON PEOPLE

Women made up **25%** and **40%** of the Board of Directors and senior management respectively

Each employee completed an average of **26 learning hours**

Majority[2] of Board members underwent sustainability training

All new hires are trained on sustainability via an e-learning module

Safety-first approach with all properties certified with ISO 45001 occupational health and safety management systems and all properties with **BizSAFE STAR**

During the year, various initiatives such as the Inclusion Champions Programme and Paint it Forward were implemented in FCT malls. These initiatives aim to build stronger inclusiveness and a sense of belonging with FCT's stakeholders in the community

Collected **6.6 tonnes of food** for donation to Food Bank Singapore

1 *The proportion of green loans in FCT's total borrowing included FCT's proportionate effective interest in SST which owns Waterway Point and the proportionate effective interest in GRPL which owns NEX. As at 30 September 2023, FCT owns 50.00% effective interest in SST and 25.50% effective interest in GRPL.*

2 *All directors, except Mr Tan Siew Peng (Darren), have undergone the training. Mr Tan, who was recently appointed to the board on 26 September 2023, will be enrolling for the mandatory director's training under SGX's Listing Rules Practice Note 2.3, which includes the sustainability module. He has 1 year from appointment to undergo the mandatory training.*

Building A Resilient Future: **Our Approach To ESG**

Embedding Sustainability Within Our Core

As one of Singapore's largest suburban retail mall owners, we are cognisant of our duty as responsible stewards of the environment and of the communities that we serve. This underpins our commitment to sustainability and responsible business practices. Our sustainability strategy is grounded in Frasers Property's Sustainability Framework (the "Framework") which comprises three core pillars: Acting Progressively, Consuming Responsibly and Focusing on People. These pillars encompass ESG focus areas which we have identified as most pertinent for our business and operations.

Pillars		
ACTING PROGRESSIVELY	**CONSUMING RESPONSIBLY**	**FOCUSING ON PEOPLE**
Focus areas		
Risk-based Management Comprehensive assessment to address environmental, health and safety risks **Responsible Investment** Incorporating social, environment and governance criteria in the evaluation process **Resilient Properties** Strengthening the resilience and climate adaptive capacity **Innovation** Fostering an innovation culture that creates value and strengthens our competitive edge	**Energy and Carbon** Increasing substantially energy efficiency and renewable energy used **Water** Increasing substantially water efficiency and the recycling and safe reuse of water discharged **Waste** Reducing substantially waste generation through prevention, reduction, recycling and reuse **Materials and Supply Chain** Achieving the sustainable management and efficient use of materials along the supply chain **Biodiversity** Enhancing the environment and ecosystem through our developments	**Diversity, Equity and Inclusion** Empowering and promoting the social inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, economic or other status **Skills and Leadership** Developing skills and leadership programmes that support productive activities, creativity and innovation to deliver high-value products and services **Health and Well-being** Ensuring healthy and balanced work and community environments **Community Connectedness** Considering social value principles for communities

Our ESG Roadmap

The Framework guides us to direct our efforts and resources to address the ESG focus areas where we can make the most positive impact. We develop and execute our ESG action plans aligning to Frasers Property's long-term goals. In FY2023, Frasers Property refreshed the Group ESG goals following a benchmark and review of the progress against targets announced in FY2021. The refresh took in a range of considerations including a market review of global sustainability trends, a stakeholder survey exercise in FY2022, and evolving regulatory requirements.

The refreshed Group ESG goals are presented below:

1. Achieve net-zero carbon across Scopes 1, 2 and 3 by 2050.
2. Install 215 MW of renewable energy on properties by 2030.
3. Deploy group-wide climate risk analytics platform to identify, assess and manage climate-related risks by FY2024.
4. Have 100% by GFA of new development projects, and 85% of owned and asset-managed properties, be either green-certified or pursuing green certification by 2030.
5. Engage 75% of our suppliers by spend on our Responsible Sourcing Policy by FY2025.
6. Develop a framework to assess and prioritise biodiversity risks and opportunities by FY2025.

We are committed to aligning and rejuvenating our sustainability objectives in accordance with Frasers Property's ESG goals.

Managing **Sustainability**

GRI 2-9

Sustainability Governance

Ensuring transparency, accountability and integrity alongside our sustainability approach is a tenet of good governance and demonstrates our efforts to build trust with stakeholders. FCT has put in place a sustainability governance structure to ensure we align our sustainability goals with the overall business strategy and integrate sustainability considerations into our long-term plan and operations.

To ensure a cohesive governance approach, we collaborate closely with our Sponsor, Frasers Property. This alignment extends to our shared sustainability agenda, guided by the Group Sustainability Steering Committee ("SSC"). This committee, consisting of Chief Executive Officers across the business units in Frasers Property as well as other senior management, convenes six times annually to drive Group-wide sustainability strategies, and monitor sustainability performance against key metrics and endorse action plans throughout the Group. The SSC is supported by the Frasers Property's ESG Team, which also provides support to FCT on the execution of their ESG strategies and ensure alignment between Group and business unit ESG activities.

The management team of FCT collaborates closely with the Sustainability Steering Committee of Frasers Property Singapore. This strategic partnership entails close cooperation to determine and drive the sustainability framework and objectives within FCT's portfolio. The Frasers Property Singapore SSC, led by senior management including FCAM's Chief Executive Officer, plays a pivotal role in providing guidance and leadership to the Sustainability Working Committee ("SWC"). The SWC comprises management and executive personnel who are responsible for implementing action plans and closely monitoring performance against key performance indicators applicable to retail malls under FCT. Our Board of Directors ("Board") provides the strategic direction and oversees the identification, monitoring and the management of environmental, social and governance material factors central to achieving FCT's sustainability objectives.

Participation in Membership Associations and Alignment with Recognised Standards

GRI 2-28

FCT, whether independently or through Frasers Property, supports and engages with various global movements to advance sustainability initiatives. Such participation in local and international initiatives, as well as partnerships with industry bodies, enable us to leverage the insights and knowledge to drive meaningful changes. These collaborations play a role in fulfilling our sustainability commitments.

REIT Association of Singapore (REITAS)

REITAS serves as the representative advocate for Singapore's REIT (S-REIT) sector, facilitating member engagement in policy consultations. REITAS supports the growth of the S-REIT industry by improving transparency and governance for investor decision-making, collaborating with regulators for industry-friendly policies. FCT plays an active role as a member of REITAS, participating in industry events organised by the association as well as relevant surveys e.g. by the regulators which seek to gather feedback from SREITs. FCT, through Frasers Property, is also represented on REITAS' Sustainability Taskforce.

FCT, whether on its own or through Frasers Property, is also aligned with sectoral, national and international platforms to elevate standards and scale up best practices. These include:

- GRESB Real Estate Assessment
- Property Council of Australia
- Science Based Targets initiative (SBTi)
- TCFD
- United Nations Global Compact (UNGC)
- United Nations Women's Empowerment Principles (UNWEP)
- Urban Land Institute (ULI) Singapore
- Tripartite Guidelines on Fair Employment Practices (TAFEP)
- Net Zero Carbon Buildings Commitment of the World Green Building Council (WGBC)
- Singapore Green Nation Pledge by Ministry of Sustainability and the Environment

Stakeholder Engagement

GRI 2-29

FCT actively engages our stakeholders and addresses their concerns throughout our sustainability strategy. We value our stakeholders' views and consistently work to integrate their feedback into our practices to improve our sustainability performance.

Our approach to stakeholder engagement involves identifying and prioritising stakeholders' views based on the impact our operations have on them, their knowledge of the sector and FCT as well as their importance to the success of our business.

FCT is committed to delivering long-term outcomes for our diverse stakeholder groups by establishing feedback mechanisms that enable collaboration and foster trust. Throughout the year, we engage stakeholders through various communication channels with the goal of understanding their needs while seeking collaborative ways to achieve shared goals.

Key Stakeholders	Key Topics of Concern	Mode and Frequency of Engagement
Tenants	• Maintaining high shopper traffic • Competitive rental rates • Collaboration in marketing and promotional events • Green leases • Environmental awareness	Throughout the year: • Face to face dialogue • Partnership in promotional events • Regular tenant engagement and feedback meetings Once every three years: • Tenant satisfaction survey
Shoppers	• 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 (No fixed period) • Focus group study (No fixed period) • Ongoing feedback via online and various social media such as Facebook, Instagram and LinkedIn and FCT/ Frasers Property websites • Regular events to engage shoppers • Ongoing Frasers Rewards shopper loyalty programme • Feedback forms made available throughout the year on our website or via customer service staff, customer service counters and concierge counters
Employees	• Compensation and benefits • Career progression • Continuous education and skills upgrading • Employee well-being	• Annual performance appraisals • Communal sports and activities throughout the year • Orientation and training programmes upon joining • Regular department meetings • Family day events • Culture survey
Property Manager	• Key Performance Indicators ("KPIs") for the property manager	• Monthly meetings and ad-hoc meetings as required • Regular exchanges on internal communication channels
Investors and FCT's Unitholders	• Business and operations performance • Business strategy and outlook • Sustainability concerns	Throughout the year: • Investor meetings, quarterly post-results luncheons and non-deal roadshows, mall tours and Annual General Meetings • Website, annual reports, SGXNet announcements, presentation slides, quarterly business update or financial results briefings and conference calls
Local Community	• Helping the groups in need in the community • Foster strong community ties and promote family values	• Ad-hoc engagement with agencies such as National Council of Social Service, Care Corner Singapore and Health Promotion Board on community activities/events to be held at the malls • Ongoing provision of venue space where relevant, to support community and charitable events that promote community bonding and well-being
Regulators and Industry Associations	• 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	• Regular participation in events organised by industry associations throughout the year • Regular participation in briefings and consultation with regulators such as the SGX and MAS throughout the year

Materiality **Assessment**

GRI 3-1, 3-2

FCT monitors its operating landscape for any changes or developments that may impact on our business, stakeholders, and our material ESG topics. In FY2022, Frasers Property led a group-wide review of material topics to determine if any new topics have emerged, or whether there has been a shift in the importance and impact of existing topics. The review process comprised a global market review of relevant key sustainability trends as well as surveys and interviews with internal and external stakeholders. The findings affirmed that FCT's material topics remain relevant and aligned to stakeholder expectations.

Group Sustainability Framework Pillars	Material Topics	Rationale
ACTING PROGRESSIVELY	**Risk-based Management**	Ensuring our business continuously assesses the environment, health and safety and social risks to ensure we are in compliance with relevant laws and regulations.
		Adopting a zero-tolerance approach towards corruption and fraud and maintaining high standards of integrity, accountability, and corporate governance.
		Ensuring compliance with the Code of Advertising Practice and applicable guidelines and principles for responsible communications and marketing.
	Responsible Investment	Achieving sustainable improvement in economic performance through investing with long-term views and 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.
	Resilient Properties	Understanding and responding to climate-related risks and opportunities to enhance the resilience of our properties and future-proof our business.
	Innovation	Being an agile and adaptable business that will allow us to remain relevant and competitive in the retail industry and lead to a viable business in the long-term.
CONSUMING RESPONSIBLY	**Energy and Carbon**	Proactively reducing energy consumption of our properties and contributing towards achieving net-zero carbon goal.
	Water	Conserving water whenever possible to reduce unnecessary usage and wastage.
	Waste	Waste is a natural byproduct of our operations. Our objective is to substantially minimise waste generation by adhering to the 3Rs hierarchy: Reduce, reuse and recycle.
	Materials and Supply Chain	As a responsible business, it is important that we have oversight of the materials and supply chain activities, minimising risks along our value chain.
FOCUSING ON PEOPLE	**Diversity, Equity and Inclusion**	Creating a diverse and inclusive environment where employees can be their best selves.
	Skills and Leadership	Investing in employee learning and helping them to develop their career with us. Continuously seeking to attract and retain our human capital and talents as we continue to grow in our business. Maintaining open-door communication with our employees to foster trust and confidence in our communications.
	Health and Well-being	Creating an environment within our properties where our stakeholders, including shoppers, contractors and tenants, feel safe and comfortable to carry out their intended activities.
	Community Connectedness	Fostering healthy interactions with local communities to build strong sense of belonging and connections, and contributing back to the community by helping the less fortunate.

The outcomes of the materiality process inform our strategic decisions and sustainability management, ensuring our strategy remains relevant to our stakeholders, as well as addresses the risks and opportunities most important to the business.

The following table reflects where we have caused or contributed to significant impacts for each of our material topics.

Material Factor Boundaries			
FCT/FCAM	Suppliers/ Contractors	Tenants/ Shoppers	Local Communities/ NGOs
☑	☑	☑	
☑	☑	☑	
☑			
☑			
☑		☑	
☑		☑	
☑	☑	☑	
☑		☑	
☑		☑	
☑	☑		
☑			
☑			
☑	☑	☑	☑
☑			☑

Acting **Progressively**

FCT is committed to upholding high standard of integrity and accountability, anchoring this commitment in a robust framework of policies and procedures. We strive to consistently integrate ESG considerations into our business decisions and operational fabric. This enables us to anticipate forthcoming risks and opportunities, enhancing our resilience as a company. In our pursuit of responsible investment, we diligently factor in ESG considerations when making investment decisions and actively pursue green building certifications. We also seek to foster an innovative culture to enhance efficiency and adaptability, as well as invest in innovative solutions, to help us navigate the ever-changing business landscape.

Our Progress in FY2023

Focus Area	Our Goals	Our Progress in FY2023
Risk-Based Management	• To establish holistic overarching internal policies to govern and guide management of the focus areas	• All our properties are third-party audited with ISO 14001, ISO 45001 and ISO 50001 certifications • 88.7% of suppliers and vendors have acknowledged our Responsible Sourcing Policy as of 30 September 2023 • Introduced Technology Risk Management and Environmental Risk Management in our governance framework, aligning to the regulatory requirements by the Monetary Authority of Singapore
Responsible Investment	• To certify 80% of owned and asset-managed properties with third-party and relevant green building schemes by 2024	• 100% of owned and asset-managed properties are green-certified as at 30 September 2023 • Achieved 5-Star rating for third consecutive year at GRESB Real Estate Assessment 2023 • Attained "A" rating in ESG rating by MSCI ESG Ratings
	• To finance majority of our new sustainable asset portfolios with green and sustainable financing by 2024	• Raised the proportion of green loans to 55.6% as of 30 September 2023 from 31.9% as of 30 September 2022
Resilient Properties	• To carry out climate risk assessments and implement asset-level adaptation and mitigation plans aligned to the Task Force on Climate-Related Financial Disclosures framework by 2024	• Majority of Board members underwent sustainability training • Increased the Board's oversight over the FCT sustainability strategy by expanding the remit of the ARCC • Signed commitment letter to be part of the SBTi
Innovation	• To cultivate a customer-centric and collaborative mindset	• Around 8,000 product listings on Frasers eStore platform

Risk-Based Management

Our Approach
GRI 3-3

FCT has in place policies and procedures to enable us to proactively address environmental, social, and governance-related risks while minimising potential negative impacts. FCT's dedication to the highest levels of integrity and transparency is consistently upheld throughout our portfolio. We strive to adhere to principles of fairness and ethical conduct and have a zero-tolerance stance towards fraud and corruption.

FCT's risk management framework is overseen by the Board through the Audit, Risk and Compliance Committee ("ARCC"). The ARCC ensures the quality and effectiveness of risk management practices and mitigating controls. Additionally, an enterprise risk management ("ERM") framework has been implemented to enhance our risk management capabilities. This involves continuous identification, assessment, and monitoring of key risks, along with corresponding control measures and management actions. As part of our ERM process, financial and operational key risk indicators have also been established to track our principal risk exposures. Discussions within the Board and Board Committees encompass various aspects, including business, financial performance, strategy, sustainability, environmental, social & governance, and technology risk management. Internal audit support is provided by the Frasers Property's internal audit department ("Group IA"), which conducts independent, objective assessments of internal controls, risk management, and governance practices.

Collaboration with the Frasers Property's Group Risk and Group Sustainability teams further strengthens our risk management approach and ensures alignment with ESG-related concerns. Since 2022, FCT's governance framework has included Technology Risk Management and Environmental Risk Management, mandated by the MAS. FCT's commitment to corporate governance is demonstrated through our continued participation as a signatory in the annual Corporate Governance Statement of Support, initiated by the Securities Investors Association (Singapore) ("SIAS"). Further details can be found in our Corporate Governance Report on pages 139 to 178 of the Annual Report.

To ensure the reliability of our data disclosure and sustainability reporting processes, we have sought independent external assurance of this Report for the third consecutive year. Our assurance is carried out by Ere-S Pte Ltd ("Ere-S"), 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 131 to 133 for assurance findings and observations.

All our properties also undergo third-party audits to be certified under the ISO 14001, ISO 45001 and ISO 50001 standards.

Our Actions and Progress
GRI 2-23, 2-24, 2-25, 2-26, 2-27, 205-2, 205-3, 206-1

FCT has implemented a comprehensive set of corporate policies to drive sustainable outcomes while safeguarding integrity and accountability across our business. These policies are aligned with those of Frasers Property, and regularly reviewed to ensure that they remain relevant to our changing operating landscape.

- Anti-Bribery Policy
- Board Diversity Policy
- Code of Business Conduct
- Competition Act Compliance Manual
- Complaints/Feedback Handling Policy
- 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 for Continuing Education of Capital Markets
- Services Representatives
- Policy on Dealings in Units of Frasers Centrepoint
- Trust and Reporting Procedure
- Policy on Outsourcing
- Policy for Prevention of Money Laundering and Countering the Financing of Terrorism
- Procurement Policy
- Responsible Sourcing Policy
- Whistle-Blowing Policy
- Workplace Health and Safety Policy

Anti-Bribery, Anti-Corruption and Competition
FCT does not tolerate any form of bribery and corruption, striving to maintain the highest standards of ethical business conduct. Our commitment towards good faith business activities and regulatory compliance are outlined in our policies, namely the Anti-Bribery Policy, the Competition Act Compliance Manual and the Policy for Prevention of Money Laundering and Countering the Financing of Terrorism.

Training and communication build the awareness needed to tackle corruption and bribery. This year, FCT did not record any confirmed incidents of bribery and corruption, nor any significant breaches of laws and regulations in relation to the environment, health and safety regulations or industry codes around marketing communications. Further, all our employees have attended training sessions on anti-corruption.

Acting **Progressively**

Whistle-blowing and Raising Concerns

Independent feedback channels have been implemented to ensure that FCAM's employees and other third parties have safe avenues to report any improprieties, grievances or misconduct without fear of reprisal. Reports can be made by mail, electronic mail or by calling a hotline. Employees and third parties are encouraged to raise their concerns on any of the following issues relating to FCAM and its staff:

- Financial fraud or professional misconduct, including concerns about accounting, internal controls or auditing matters;
- Improper conduct, dishonest, fraudulent or unethical behaviour;
- Any criminal or regulatory offence, breach, irregularity or non-compliance with laws/regulations or the FCAM's policies and procedures, and/or internal controls;
- Violence at the workplace, or any workplace hazards/violations which may threaten health and safety;
- Corruption or bribery;
- Conflicts of interest without proper disclosure;
- Any deliberate attempt to cover up and/or conceal misconduct; and
- Any other improprieties or matters that may adversely affect unitholders' interest in, and assets of, FCT, and its reputation

Individuals who wish to file a whistle-blowing report may refer to the details contained in FCT's Whistle-blowing Policy available on FCT's website at https://fct.frasersproperty.com/corporate_overview.html#governance.

All reports submitted through these channels are received by the head of Group Internal Audit. Group Internal Audit has been designated as an independent function to investigate all whistle-blowing reports. All reports made in good faith will be treated fairly, confidentially and protected from reprisal. FCT will respond appropriately to individuals who engage in reprisal actions against whistle-blowers.

In FY2023, we did not receive any cases via our whistle-blowing channels. We will continue to foster close collaboration with stakeholders and ensure that we pre-empt and mitigate any risks throughout our value chain.

Supply Chain Management

FCT seek to forge close partnerships with suppliers that share in our sustainability goals and values, and who are aligned with our commitment to high quality environmental, health and safety standards. As conveyed in our Responsible Sourcing Policy, these commitments include expectations to:

- Improve environmental practices and enhance environmental management where appropriate;
- Respect human rights, with regards to employee safety, health, well-being and labour rights; and
- Comply with local and international codes of practice, upholding ethics and integrity.

We continued to share our Responsible Sourcing Policy with all key suppliers and vendors, with 88.7% of them acknowledging the policy as at 30 September 2023.

Data Privacy

FCT is entrusted with the data of tenants, underscoring the need for robust cybersecurity policies and protocols. Our Personal Data Protection Policy has been implemented to protect our information assets and establish responsibilities that employees must undertake to ensure maximum data confidentiality and security. In the case of information security incidents, FCT's Personal Data Breach Incident Management Policy sets out procedures for employees to manage and mitigate any negative impacts.

There were no recorded information security breaches in FY2023.

Aligning with MAS Guidelines on Environmental Risk Management for Asset Managers

Pursuant to MAS guidelines aimed at enhancing the resilience of funds, asset managers have been tasked to implement the guidelines across six key areas of environmental risk management. We have aligned our processes and practices to meet the requirements and will continue to strive for further alignment.

Key Areas of MAS Guidelines on Environmental Risk Management	Status
Governance and strategy The Board and senior management to oversee integration of environmental risk considerations into asset managers' strategies, business plans and product offerings.	We have enhanced the Board's oversight over the FCT sustainability strategy by expanding the remit of the ARCC. Furthermore, FCAM's Chief Executive Officer serves on the Frasers Property Singapore Sustainability Steering Committee. The committee makes key decisions in relation to our sustainability framework and goals.
Research and portfolio construction Asset managers should evaluate the potential impact of environmental risk on the return potential of our investments.	We consider operational indicators (such as greenhouse gas emissions, energy, waste and water) and sustainability benchmarks that may affect tenant demand as well as operational efficiencies and costs. Please refer to the Energy and Carbon section on pages 116 to 118 of this Report for further details.
Portfolio risk management Asset managers should put in place appropriate processes and systems to systematically assess, manage and monitor the impact of any risk.	We have put in place processes to manage environmental risk. Please refer to the Risk-Based Management section of this Report for further information.
Scenario analysis Asset managers should develop capabilities to assess the environmental risk impact on their portfolios and their alignment with climate goals set under a range of scenario pathways.	We have completed climate risk assessments, including scenario analysis from temperature rises (below 2°C scenario: RCP 2.6 and below 4°C scenario: RCP 8.5) and established a roadmap for achieving net-zero carbon by 2050.
Stewardship Asset managers should engage investee companies to improve risk profile and support their efforts to transition towards more sustainable policies and practices.	We have implemented asset enhancement initiatives with measures to improve energy and water efficiency and waste management.
Disclosures Clear and meaningful disclosures referencing well-regarded international reporting frameworks.	This Report discloses our approach to environmental risk management and the potential impacts from environmental risk, and is aligned to the 2021 GRI Universal Standards. We strive to enhance disclosures to further align to the TCFD recommendations.

Acting **Progressively**

Responsible Investment

Our Approach
GRI 3-3

FCT acknowledges the significance of responsible investment in enhancing our competitive advantage and generating long-term value for both our business and stakeholders. We aim to integrate ESG considerations into our investment strategies, while exploring opportunities to green our portfolio and employ sustainable financing methods.

FCT endeavours to incorporates ESG considerations into our business decisions by aligning to green building certifications and benchmarking our performance through both local and internationally recognised certifications such as the BCA Green Mark and GRESB Real Estate Assessment. Additionally, we conduct regular assessments of all properties to ensure that we continuously adapt to the needs of our customers and tenants.

Our Actions and Progress

Adopting Green and Sustainable Financing
Our approach is guided by our Sustainable Finance Framework, which is designed to provide overarching criteria and guidelines for FCT. The framework has four core elements, namely: Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds and Reporting. These elements come together to provide a comprehensive approach for financing new assets based on sustainable finance principles while tracking our environmental impacts.

Crucially, the Framework been externally assured to be in accordance with the relevant international principles and guidelines as follows:

- Green Bond Principles ("GBP") 2021 and Sustainability Bond Guidelines ("SBG") 2021 by the International Capital Market Association ("ICMA"); and
- Green Loan Principles ("GLP") 2021 by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications and Trading Association.

FCT has increased its proportion of green loans from 31.9% as at 30 September 2022 to 55.6%[3] as at 30 September 2023 through refinancing of maturing loans with green loans.

Additionally, FCT has announced a partnership with OCBC on Singapore's first green financing solution which comprises a green loan and carbon credits. Under this green financing solution, proceeds from the green loan are used to refinance a maturing facility, finance asset enhancement initiatives and decarbonisation projects for FCT's Tampines 1 retail mall as well as other general corporate purposes.

Benchmarking FCT's Performance with the GRESB Real Estate Assessment
Since 2019, FCT has been a participant of the annual GRESB Real Estate Assessment. The GRESB Real Estate Assessment is a globally recognised industry benchmark that is aligned with international reporting frameworks. The Assessment benchmarks real estate funds and companies worldwide based on information relating to their ESG performance and sustainability best practices. Seeking third party assessment from bodies such as GRESB is key to FCT's approach in affirming ESG standards and performance and encouraging greater accountability with our stakeholders.

FCT continued to report a strong performance in the 2023 GRESB Real Estate Assessment, achieving a score of 92 and attaining a 5-star rating for the third year in a row, while also scoring an 'A' for public disclosure. FCT aims to continue building on this momentum and continue to learn from our experiences and the wider industry as ESG standards evolve.

Resilient Properties

Our Approach
GRI 3-3

FCT is focused on addressing climate-related risks by forging close partnerships with its tenants/shoppers, suppliers as well as communities that may be potentially impacted by its operations. Through this approach, we believe that we can forge a more sustainable future.

As an investor and manager of real estate, enhancing the resilience of FCT's assets and operations against these impending threats is a key priority. In response, FCAM proactively integrate these risks into FCT's financial risk management processes. This entails harnessing climate risk data to identify, understand and manage FCT's portfolio's exposure to climate-related hazards. Through this, FCAM believes it can effectively measure and manage FCT's climate risks and opportunities, thereby delivering and preserving long-term value for its stakeholders.

3 *The proportion of green loans in FCT's total borrowing included FCT's proportionate effective interest in SST which owns Waterway Point and the proportionate effective interest in GRPL which owns NEX. As at 30 September 2023, FCT owns 50.00% effective interest in SST and 25.50% effective interest in GRPL.*

FCT has set forth a series of climate objectives that closely align with Frasers Property's overarching sustainability goals. These goals include a commitment to achieving net-zero carbon emissions by 2050.

In parallel with these endeavours, FCT is aligning its disclosures with the recommendations outlined by TCFD. This is geared towards promoting greater transparency in its reporting.

Advancing Green Practices in our Portfolio

FCT constantly seeks to improve the ESG performance of its portfolio by actively certifying its assets with recognised green building standards in Singapore. We have focused the efforts on attaining BCA Green Mark certification, which provides a comprehensive framework for assessing the overall environmental performance of new and existing buildings.

As of 30 September 2023, FCT's property portfolio is 100% BCA Green Mark-certified by GFA. The Green Mark certifications achieved by the respective FCT property are as follows:

Green Mark Certification	Properties
Green Mark Platinum	• Tiong Bahru Plaza • Central Plaza • Century Square • White Sands • Hougang Mall
Green Mark GoldPlus	• Tampines 1 • Waterway Point • NEX
Green Mark Gold	• Northpoint City North Wing* • Changi City Point* • Causeway Point*

* *This certification is under BCA's revised scheme Green Mark 2021, also known as BCA GM: 2021. To be certified under this revised scheme, buildings will have to meet higher minimum Energy Efficiency levels as well as score sufficient points in the scheme's sustainability sections. The certification will apply to new and existing buildings and developments as well as to those in operation or those developments and buildings that have been previously certified under BCA Green Mark.*

In addition, all of FCT's Centre Management Offices participated in the Singapore Environment Council's Eco Office Certification, which guides offices in implementing environmentally friendly practices. This certification takes place once every two years, and we last obtained it in 2022. We are committed to maintaining our environmental commitment, and as such, we will be actively pursuing re-certification in 2024.

In the most recent certification, five centres attained the highest Elite ranking, and three attained the Champion ranking. This demonstrates our dedication to sustainable and eco-friendly practices, and we aim to further enhance our environmental efforts in the upcoming certification in 2024.

We also continuously identify opportunities for improvement of efficiencies across all our properties through regular reviews. This ensures that we stay attuned to the changing needs of customers and tenants. These include AEI to upgrade properties and optimise performance through the installation of environmentally efficient infrastructure.

Acting **Progressively**

Our Actions and Progress

The table below outlines our approach and progress towards managing climate-related risks and opportunities, in alignment to the TCFD.

TCFD core element	Our activities to support TCFD Alignment
Describe the organisation's governance around climate-related risks and opportunities.	The Board provides oversight on broader sustainability trends, risks and opportunities to connect sustainability with corporate purpose and strategy. The Board is supported by Frasers Property's Sustainability Steering Committee and Group Sustainability team. The ARCC continue to assist the Board in carrying out its responsibility, which includes responsibility in determining ESG factors that are material to our business, monitoring and managing ESG factors, and overseeing standards, management processes and strategies to achieve sustainability practices.
Describe management's role in assessing and managing climate-related risks and opportunities.	Senior management manages climate risk, identifies potential opportunities through accountability linked to remuneration and provides quarterly updates to the Board on climate-related risk to support decision making. We established sustainability metrics, including climate-related objectives, within their responsibility areas and linked them to executive remuneration via the balanced- scorecard methodology. Board members[4] and senior leaders underwent training on assessing and managing climate risks and opportunities, which included a deep dive into TCFD recommendations and steps to be taken to better align with them and incorporate robust risk management processes into our strategy.
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	We carry out climate risk assessments that involve identifying potential risks to our assets and estimating financial impacts to the business using scenario analysis. As part of our climate risk assessments, we have prioritised key physical and transitional climate-related risks to FCT, and their financial impact to our business. We have also identified several climate-related opportunities we can leverage on. For further details on our assessed material risks and opportunities, please refer to Table A on page 112.
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Our climate risk assessments include an analysis of both the financial impacts to our major operating revenue and costs items in the absence of any mitigation actions and the potential value of damages to our assets in the face of extreme weather events. FCT has developed an action plan to address and mitigate key physical and transition risks and prioritised strategies to achieve net-zero carbon by 2050. Our action plan includes (but is not limited to): • Phasing down refrigerants with high Global Warming Potential • Partnering low carbon vendors and service providers to increase procurement of low carbon products and services • Enhancing waste management and increasing waste diversion • Reducing downstream emissions from leased assets

4 *All directors, except Mr Tan Siew Peng (Darren), have undergone the training. Mr Tan, who was recently appointed to the board on 26 September 2023, will be enrolling for the mandatory director's training under SGX's Listing Rules Practice Note 2.3, which includes the sustainability module. He has 1 year from appointment to undergo the mandatory training.*

TCFD core element	Our activities to support TCFD Alignment
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	As part of Frasers Property's group-wide exercise, FCT has conducted a readiness assessment which informed a roadmap to align more closely with TCFD recommendations. Examples of actions within the roadmap include: • Better integrating climate change risks and opportunities into strategic decision making • Providing annual training for business leaders • Undertaking climate risk assessments on an asset level, including an assessment against different and longer-term time horizons, both low-emissions and high-emissions scenarios, and an assessment of financial impacts and materiality of climate-related risks and opportunities • Strengthening processes to identify, assess, and manage climate-related risks and improving the quality of climate-related financial disclosures This roadmap was reviewed by the Board and enables us to address and mitigate physical and transition risks that are key to our business.
Describe the organisation's processes for identifying and assessing climate-related risks.	FCT completed a climate risk and climate 'value-at-risk' portfolio-level assessment of our portfolio properties in Singapore. 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. 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.
Describe the organisation's processes for managing climate-related risks.	We identify key risks, assesses their likelihood and materiality to our business and document corresponding mitigating controls in a risk register. The risk register is reviewed and updated regularly. Cognisant of the serious impact that climate-related risks have on our properties and operations, environmental and climate change risks have been included in the FCT Risk Register for monitoring.
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	We have implemented an Environmental, Health & Safety Policy and an Environmental, Health & Safety Management System aligned to the ISO 14001 and ISO 45001 standards. We are on track towards integrating our climate related risk identification activities within our Enterprise Risk Management processes and associated risk register practices.
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	To ensure that we are on track to meet our target of net-zero carbon emissions by 2050, we measure and report our energy consumption and greenhouse gas emissions across Scopes 1, 2 and 3. Please refer to the Energy and Carbon section on pages 116 to 118 of this Report for detailed information on our metrics and targets. We measure and disclose our performance using metrics including: • Absolute energy consumption (GJ) • Scopes 1 & 2 energy intensity (GJ/m^2) • Absolute Scopes 1, 2 and 3 greenhouse gas emissions (tCO_2e) • Scopes 1 & 2 greenhouse gas intensity (tCO_2e/m^2) We have also restructured this year's Sustainability Report to better align with recommended TCFD disclosures.
	Across asset classes and regions, we certify our properties using third-party green building standards. Our property portfolio is presently 100% Green Mark-certified by GFA.

Acting **Progressively**

TCFD core element	Our activities to support TCFD Alignment
Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Please refer to the Energy and Carbon section on pages 116 to 118 for further information on metrics related to greenhouse gas emissions. We are continuously increasing our carbon and climate-related data coverage under Scopes 1, 2, and 3. Examples of new data disclosed in this Sustainability Report include: • Scope 1 emissions from refrigerant top-ups and diesel purchased. • Categories 3, 5, 7 and 13 of Scope 3 Emissions.
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	We introduced goals to encourage impactful climate action, such as attaining net-zero carbon by 2050. Our properties saw a 12.8% reduction in scope 1 & 2 emission intensity from the FY2019 baseline. For further details on energy efficiency measures implemented in FY2023, please refer to the Energy and Carbon section on pages 116 to 118.

Table A: FCT's climate-related physical risks

Physical Climate Risk		
Risk Description	Description of Potential Business Impact	Business Response
Extreme water levels More frequent and intense levels of rainfall can lead to flooding	Exposure of assets to river floods damaging both the built and surrounding infrastructure and natural environment. Impairing accessibility and damaging functionality of buildings for tenants. Consequentially, resulting in increased repair and maintenance expenditure and lower revenue from closure of operations.	We are looking to expand climate risk assessments and adaptation plans to more developments for better flood risk management.
Rising temperatures Higher mean temperatures, heatwaves	Higher temperatures reduce durability of building materials and affect the indoor climate. This leads to higher expenses and more frequent maintenance checks and higher energy consumption required for cooling. Extreme temperatures also pose health and safety risks to workers. Restricting/shifting working hours can affect business productivity.	The impacts of increased heat on the thermal comfort of occupants is considered as part of development/asset-level climate adaptation plans, while the use of on-site and off-site renewable energy will help mitigate the emissions associated with the need for additional cooling.
Windstorms (including Cyclones & Typhoons) More frequent and intense storms and droughts	More frequent and intense storms can cause damage to building infrastructure. Thus, higher expenses from more frequent repairs and maintenance of building infrastructure and replacement of fixtures	Windstorms are considered within climate risk assessments and associated adaptation plans. For some assets, back-up power is provided in the event of infrastructure damage, with generators shifting from diesel to biodiesel to help reduce associated emissions.
Wildfires Increased potential and frequency of fire-related events linked to the warm and dry conditions due to climate change	Destruction of assets and the surrounding environment. Increased expenditure due to having to re-build and replace assets lost.	Considered as part of climate risk assessments and associated adaptation plans, wildfire protection is also managed through coordination and alignment with local authorities.

Table B: FCT's climate-related transition risks and opportunities

Transition Risks		
Risk Description	Description of Potential Business Impact	Business Response
Carbon pricing	Increasing carbon prices across countries would lead to increased operating costs due to direct and indirect carbon taxes on energy consumption and from within the value chain. These increased operating costs would affect total return and customers/tenants may move towards landlords who are able to mitigate/avoid these costs	Our alignment to Frasers Property's goal to achieve net zero carbon emissions by 2050 drives us to reduce climate impacts and mitigate potential carbon pricing impacts.
Policy requirements for low carbon buildings	With evolving building sector standards and regulations and national policies, businesses may need to upgrade existing assets or ensure new builds or assets comply. This could lead to increased expenditure to retrofit existing assets and ensure new builds comply. Failure to meet these policy requirements can lead to reputational risks.	We aim to enhance the green building certification of our properties in the portfolio. This will strengthen the resilience of our properties to physical and transitional climate-related shocks and impacts.

Transition Opportunities		
Opportunity	Opportunity Description	Description of Potential Business Impact
Improving the resilience and energy efficiency of our portfolio	Partnering with leading electricity retailers and renewable energy solution providers to increase renewable energy procurement	FCT intends to increase the proportion of renewable energy in its total energy consumption. FCT hopes to harness benefits including reducing energy costs, accelerating decarbonisation, and reducing overall asset level energy demand.
Deepening partnerships with tenants	Partnering with our tenants to develop green leases with an additional focus on energy efficient and smart equipment, which help reduce tenants' power consumption and provide greater visibility of energy use during the lease term.	We see the potential to enhance resilience through cost savings, increased property value, and mitigation of climate-related risks, while supporting sustainable practices and positive tenant relationships.
Developing training and engagement programmes	Providing training and engagement programmes to centre managers and tenants to facilitate energy and water efficiency, responsible procurement, etc.	We believe this will promote the understanding and adoption of sustainable practices, enhancing resource efficiency and mitigating climate risks, thus bolstering financial resilience.

Acting **Progressively**

Innovation

Our Approach
GRI 3-3

FCT, in partnership with Frasers Property, strives to improve operational efficiency and to reduce reliance on manpower through innovation and leveraging technology.

Fostering Innovation and Design Thinking in Our Employees
We collaborate closely with Frasers Property's innovation team to employ design thinking approach in our problem solving processes and to equip our team with more tools and skills to solve problems.

Adapting to consumer's evolving needs through Omnichannel Retail
FCT embraces omnichannel retail. This approach enhances convenience and accessibility for shoppers, offering diverse order fulfilment options. For retailers and F&B operators in our malls, omnichannel retailing expands customer reach, elevating sales productivity of physical spaces, and introducing click-and-collect and delivery for added convenience. It also furnishes valuable data and analytics, enabling informed business decisions regarding product assortment and expansion. This integrated approach improves sales, enhances business efficiency, brand loyalty and shopper satisfaction.

We continue to enhance our Frasers loyalty program, the Frasers Experience, which complements our brick-and-mortar malls to promote the omnichannel retail experience.

Harnessing technology for operational efficiency
With increasing challenges from rising operating and manpower costs, driving cost reduction through innovation and use of technology become crucial. We have been working with Frasers Property and multiple industry partners to explore various initiatives to optimise complex processes, reduce inefficiencies in our building management systems, use of technology to replace repetitive and routine work and use of smart technology to reduce reliance on manpower in surveillance and security. One example is the initiative call "SMART Lifts", which uses data analytics to determine the optimal quarterly maintenance regime for the elevators based on data such as usage and wear rate. This results in tremendous amount of cost savings and reduction of wastage over the long run. Other initiatives include food waste valorisation which creates circular economy in food waste management and water valve efficiency initiative that regulate air and water pressure in pipes to improve flow efficiency and reduce water bills. The projected savings of these initiatives when fully implemented is approximately $1 million per annum.

Leveraging Technology to Achieve ESG Goals
In collaboration with DBS/POSB, our retail team has launched the Eco-Perks programme on the Frasers Experience (FRx) mobile application. This initiative aims to nurture eco-consciousness as a part of a wider initiative to contribute towards zero waste and carbon reduction in the long term.

FRx Eco-Perks offers shoppers a transformative gateway to embark on their sustainability journey, while incentivising them to participate in a wide selection of eco-friendly activities. These activities span from meaningful endeavours such as food donation drives to embracing conscious dining and interactive upcycling events.

Our utilisation of technology through the FRx application has enabled us to engage a wider audience of shoppers and amplify our sustainability impact. In this manner, we have successfully engaged more than 14,300 community members, resulting in a substantial reduction of nearly 19,000 kg of food waste.

Consuming **Responsibly**

As a leading suburban retail REIT in Singapore, FCT aims to be a positive example in its sustainability and ESG efforts and disclosures. We want to proactively collaborate with our stakeholders in reducing our consumption in energy and water, cut our carbon and greenhouse gas emissions and to promote recycling. These are in line with our broader Group goal to be net-zero by 2050.

Our Progress

Focus Area	Our Goals	Our Progress in FY2023
Energy and Carbon	• To achieve net-zero carbon emissions by 2050 • To develop a net-zero carbon roadmap and establish progressive carbon targets • To monitor and reduce our energy usage intensity progressively by 2035 • To reduce our Scopes 1, 2 and 3 greenhouse gas emissions progressively by 2035, aligned to the SBTi path	• 147 MWh of renewable energy generated from solar panels installed in Tiong Bahru Plaza • Approximately 25,200 tCO_2e Scopes 1 and 2 location-based emissions produced for the year • Expanded disclosure on Scope 3 emissions with a total of 44 $ktCO_2e$ recorded for Categories 3, 5, 7 and 13[5] • Increased data coverage of Scope 1 contributors including refrigerant top-ups and diesel purchased
Water	• To reduce water intensity progressively by 2030	• Total water consumption of 903 megalitres reported at landlord-controlled areas, an increase of 8.6% compared to FY2022 • Water intensity reduced by 16.3% compared to FY2019 baseline, to 2.7 kL/m^2
Waste	• To implement food waste recycling in all FCT's properties	• Recycled 2,189 tonnes of general waste, 10.1% increase compared FY2022 • Recycling rate increased to 12.4%

5 *Scope 3 disclosures in this report encompass fuel- and energy-related activities, waste generated in operations, employee commuting, and downstream leased assets.*

Consuming **Responsibly**

Energy and Carbon

Our Approach
GRI 3-3

We note that the retail industry has a significant role to play in mitigating climate impacts. FCT has embarked on a journey to achieve net-zero by 2050. Our approach encompasses a diverse range of strategies aimed at reducing energy consumption and enhancing our operational efficiency. Our commitment extends beyond our business activities as well, as we actively endeavour to inspire and empower employees, shoppers, tenants and suppliers to embrace eco-conscious practices and choices, thereby fostering a culture of environmental responsibility.

In collaboration with Frasers Property, FCT has embarked on a journey towards decarbonising our operations and achieving net-zero by 2050. Our carbon inventory development is based on the requirements within the widely-utilised GHG Protocol Corporate Accounting and Reporting Standard as well as Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The operational control approach is adopted for carbon inventory establishment. This ensures that we take ownership of emissions generated by activities from which economic profit is derived.

Since FY2021, FCT has established a comprehensive roadmap that details our carbon reduction strategies as well as specific targets and timelines. The development of this roadmap entailed a process which involved initial identification and prioritisation of strategies specific to the retail sector. Subsequently, we drew upon industry-leading carbon reduction pathways to develop our absolute and sectoral decarbonisation pathways. Employing a science-based methodology, we also modelled alternative scenarios to project potential emission reductions up until the year 2035.

Targeted at reducing our Scopes 1, 2 and 3 GHG emissions, our decarbonisation strategies include improving energy efficiencies, increasing our renewable energy mix, addressing tenant energy consumption patterns, and promoting sustainable procurement as well as proper waste and water management.

In order to better understand our carbon inventory structure and generate meaningful insights for decarbonisation, we strive to enhance the accuracy and quality of our database. More than 95% of environmental disclosure in this report is derived from actual data, which demonstrates our effort in setting up a high quality ESG data management system.

Our Actions and Progress

Energy
GRI 302-1, 302-2, 302-3

At common areas, a large proportion of FCT's energy consumption[6] is attributed to electricity consumption. Due to higher occupancies in FY2023, our properties purchased 3.6 kL of diesel and consumed 62 GWh of grid electricity. This leads to an overall energy consumption of 224,000 GJ and the corresponding energy intensity remained relatively unchanged at 0.7 GJ/m^2.

At tenant-controlled areas, we have recorded a total of 103 GWh of electricity consumption. With higher transparency on data tracking and more vigilant monitoring process in place, we are on track to our goal of reducing the energy intensity of our portfolio by 1.5% per annum by 2024 against a FY2019 baseline.

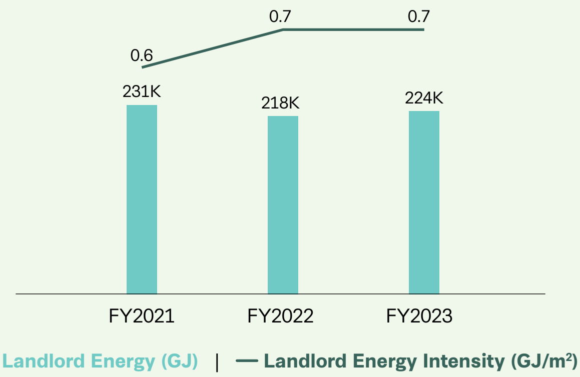
6 Energy data for the reported periods are restated to factor in replacement of previous estimates with actual data.

To reduce our reliance on fossil-fuel based energy, we have been generating renewable energy on-site via solar panels. In FY2023, 147 MWh of solar energy was generated and consumed at Tiong Bahru Plaza. We are heartened to observe a continuous increase in renewable energy generated in our portfolio and strive to further expand capacity over time by implementing sustainable energy infrastructure on more properties.

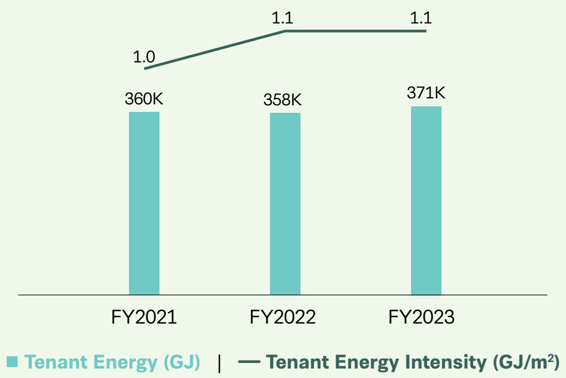
Hougang Mall achieved its inaugural BCA's Green Mark certification this year with the Platinum rating. This accomplishment reflects our continuous commitment to enhancing our properties' energy efficiency. FCT has upgraded the mall's cooling system, eliminating individual water-cooled package units in favour of a more efficient chiller plant, which is projected to operate 34.4% more efficiently and save 3,600 GJ of energy annually. Additionally, common area lights will be retrofitted with LEDs, increasing lighting power efficiency from 14% to 48.5%, saving 360 GJ of energy. These efforts have led to a remarkable annual reduction of 395 tonnes of CO_2e in carbon emissions and a 3,485 GJ decrease in energy consumption at Hougang Mall.

On a longer term project, two of FCT malls, Century Square and Tampines 1, participated in the SP Group-led project to develop Singapore's first brownfield Distributed District Cooling (DDC) network in Tampines Central. The DDC is a centralised cooling system for a network of interconnected buildings. In the case of the Tampines DDC, two of FCT's malls – Century Square and Tampines 1 and together with another building, act as the injection nodes for chilled water to the DDC which comprises 14 buildings. According to a white paper[7] feasibility study conducted by Temasek and the SP Group, the Tampines DDC could potentially achieve 17% lower energy consumption, an 18% reduction in carbon emissions annually and $4.3 million annually from energy savings, reduction in equipment replacement and maintenance costs and potential earnings from freeing up chiller plant space, which can be converted into retail or office space.

FCT Landlord Energy (GJ) and Intensity (GJ/m²)



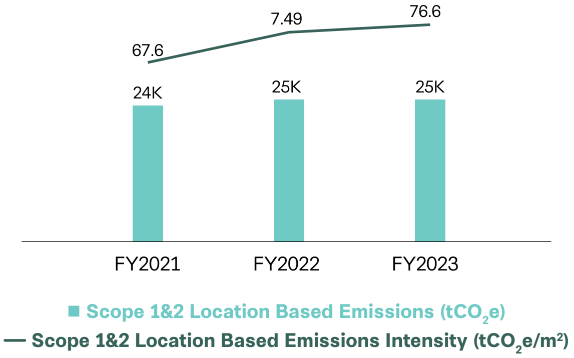
FCT Tenant Energy (GJ) and Intensity (GJ/m²)



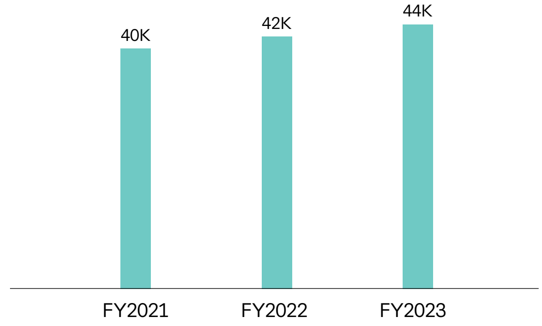
7 *SP Group and Temasek. (2020). Taking the heat off cooling: A greener way to cool. Studying the impact of a brownfield distributed https://www.spgroup.com.sg/dam/spgroupvn/TET-DDC-Whitepaper_Final_Single-pages_18-Aug--1-.pdf*

Consuming **Responsibly**

Scope 1&2 Location Based Emissions (tCO_2e) and Intensity (tCO_2e/m^2)



Scope 3 Cat 3, 5, 7, 13 GHG Emissions (tCO_2e)



Carbon Emissions

GRI 305-1, 305-2, 305-3, 305-4, 305-5

Scope 1 includes direct emissions from sources that are owned or controlled by FCT such as diesel purchased and refrigerant top-ups at its assets, while Scope 2 comprises indirect emissions from purchased electricity consumed by the operational activities of FCT at its managed buildings.

In FY2023, our total Scope 1[8] and 2 location-based carbon emissions amounted to 27 and 25,168 tonnes of CO_2 equivalent (tCO_2e) respectively, representing a 2.2% increase as compared to FY2022. FCT's Scopes 1 and 2 emissions intensity was 76.6 $kgCO_2e/m^2$.

A total of 46 $ktCO_2e$ of Scope 3 emissions were produced, across four categories, a slight increase from FY2022. Of the four categories, majority of FCT's Scope 3 emissions stemmed from category 13 which includes tenants' emissions at downstream leased assets, followed by category 3, which refers to fuel- and energy-related activities that FCT engages in. We have encouraged all our employees to take part in the Group's annual employee commute survey, which aims to compute our category 7[9] of Scope 3 emissions based on our full-time permanent employees commuting behaviour. With a response rate of 79%, the emission of this category is estimated to be 23 tCO_2e.

Scope 3 category	FY2023 emissions ('000 tCO_2e)
Category 3 Fuel- and energy-related activities	1.1
Category 5 Waste generated in operations	0.7
Category 7 Employee commuting	<0.1
Category 13 Downstream leased assets	41.6

Water

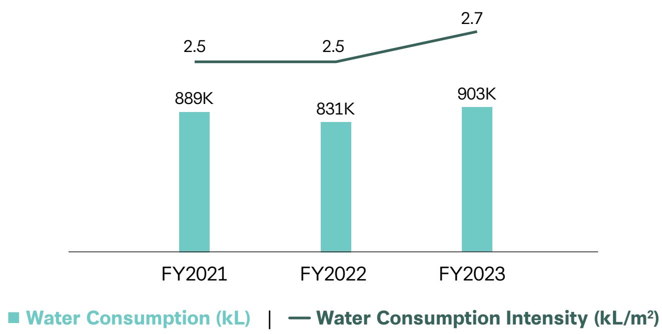
Our Approach

GRI 3-3, 303-1, 303-3

As global demand for water continues to grow, the need for responsible and smarter water management practices becomes more pertinent than ever. At FCT, we acknowledge the importance of effective water management given that many aspects of our operations such as sanitation and cooling of our properties rely on a stable supply of water. According to Singapore's Public Utilities Board (PUB), it is estimated that by 2065, Singapore's total water demand could double. Against this backdrop, FCT targets to carefully manage our water use and has adopted a strategic approach to water management, enhancing the efficiency, resilience and long-term value of our portfolio.

We aim to achieve a 25% reduction in water intensity by 2035, from FY2019 baseline. As of FY2023, we have achieved a reduction of 16.3% from FY2019 baseline. All our properties have been granted PUB's Water Efficient Building (WEB) Certification. The WEB includes industry benchmarks and best practice sharing,

FCT Water Consumption (kL) and Intensity (kL/m^2)



8 *Refrigerant and diesel purchased for FY2021 and FY2022 have been restated to reflect on overall progress over the years. Scopes 1, 2 and 3 carbon emissions for the reported periods are restated to factor in replacement of previous estimates with actual data and updated emission factors.*

9 *23 tCO_2e is calculated for Category 7 based on 79% of response rate from our annual employee commuting survey.*

encouraging organisations to take a more active role in reducing water consumption.

Our Actions and Progress
GRI 303-1, 303-3

In FY2023, the total volume of water consumed across our properties was 903 megalitres[10], with water intensity of 2.7 kL/m^2, an increase of 8.7% from last year. This change is due to the increase in tenancy and activities across FCT-managed properties.

FCT continues to undertake a range of initiatives to reduce water consumption across our properties, attesting to our continued efforts to responsible water management. This includes adoption of the ISO 14001 process and best practices for water conservation such as incorporating automated irrigation systems at selected malls, and actively monitoring and benchmarking water usage. Additionally, we prioritise the installation of water-efficient fittings with an "Excellent" rating under the Water Efficiency Labelling Scheme (WELS) to minimise water consumption wherever applicable. We also continuously promote the use of non-potable water sources such as NEWater[11] and rainwater, reducing the strain on freshwater resources. In FY2023, we consumed close to 355 kilolitres of NEWater. Moving beyond infrastructural and operational enhancements, we have proactively taken steps to raise awareness about water conservation by encouraging sustainable behaviour among our employees, tenants and shoppers.

Waste

Our Approach
GRI 3-3, 306-1, 306-3

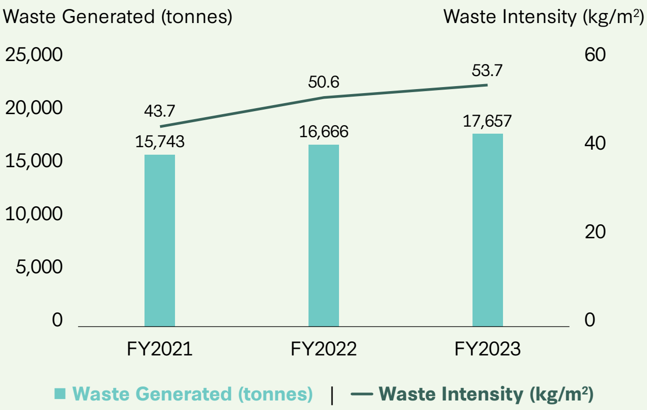
While the retail industry may be a major contributor to waste production, it also has the greatest potential to be a gamechanger in advancing circular economy principles. FCT recognises the pivotal role it plays in this landscape and strives to be at the forefront of the retail sector's transformation by committing to waste reduction and increased recycling rates. We actively encourage tenants and shoppers to engage in responsible consumption and engage with them to foster circular economy practices that align with our broader environmental goals.

During the year, we also introduced the 'ChopValue' initiative at participating establishments within our malls, which repurposes discarded chopsticks into eco-friendly products.

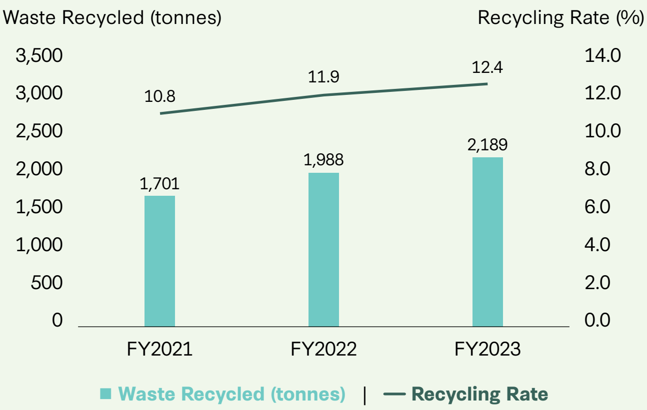
Our Actions and Progress
GRI 306-2, 306-3, 306-4, 306-5

We track waste generated and waste sent for recycling across our properties. In FY2023, the total waste generated from our properties was 17,657 tonnes[12], an increase of 5.9% from FY2022. Our waste streams comprise mixed recyclables and general waste generated from day-to-day operational business activities. In Singapore, general waste is usually sent to waste-to-energy plants for incineration. The increase of waste intensity to 53.7kg/m^2 can be attributable to higher volume of activities observed in the malls. We sent 2,189 tonnes of waste for recycling, including 98% of paper and cardboard and 2% of metal, plastic and wood. Our commitment to promote recycling behaviours is evident from the increase in recycling rate of 12.4%, up from FY2022's 11.9%, FCT strives to continue our efforts in minimising environmental impact and advancing responsible waste management practices.

Waste Generated (tonnes) and Waste Intensity (kg/m^2)



Waste Recycled (tonnes) and Recycling Rate (%)



10 *Water consumption for the reported periods are restated to factor in replacement of previous estimates with actual data.*
11 *In Singapore, NEWater is reclaimed water produced through advanced water treatment processes, including microfiltration, reverse osmosis, and ultraviolet disinfection. It is primarily used for non-potable purposes such as industrial processes, cooling water for power plants, and irrigating public spaces.*
12 *Waste data for the reported periods are restated to factor in replacement of previous estimates with actual data.*

Consuming **Responsibly**

Partnerships to Reduce Waste

On July 14, 2023, over 100 partners and tenants from 13 Frasers Property Singapore malls came together for a sustainability-focused retail tenant engagement event. During a panel discussion, representatives from key partners such as McDonald's Singapore, FairPrice Group, and Green Lab shared insights on how they collaborate to embed sustainability into their business practices. The event highlighted initiatives like FairPrice's "no plastic bag" scheme, McDonald's use of green materials, and showcased a united commitment to building a more sustainable retail ecosystem.

At FCT, we take pride and place great emphasis on collaboration and partnership in the pursuit of our sustainability goals. Through such engagements, we not only acknowledge our business partners' efforts, but also actively foster a dynamic environment where ideas and actions converge towards a greener future.

Materials and Supply Chain

Our Approach

As a retail mall owner, we recognise our role in shaping our supply chain and the use of materials throughout our value chain. The oversight of these materials and supply chain activities is crucial for effective collaboration with our suppliers. This collaborative effort ultimately empowers us to implement responsible sourcing practices, thereby reducing risks along the value chain.

Our Responsible Sourcing Policy is aligned with Frasers Property's Responsible Sourcing Policy, guiding our approach to sustainable procurement. By mapping our value chain, we can identify our key suppliers based on the level of environmental and social risks. This ensures that our suppliers are compliant with the relevant regulations and are aligned with our core values. Our Responsible Sourcing Policy outlines our expectations of our suppliers across four key areas:

Environmental Management	Human rights and labour management	Health, safety and well-being	Business ethics and integrity
Managing the environmental impacts of products and services and continuously seeking to improve environmental efforts	Eliminating human rights violations and opposing human trafficking in operations and supply chains, on top of providing fair and transparent employment conditions to employees	Managing health and safety risks and ensuring that workers are safe and protected	Upholding business ethics and ensuring that business is lawfully conducted and with integrity

Our Actions and Progress

In FY2023, Frasers Property set a new goal of engaging 75% of suppliers across the Group (by spend) on the Responsible Sourcing Policy by the end of FY2025. This will be achieved through our supplier e-learning programme, designed to strengthen sustainability awareness and capabilities across our supply chain, along with other direct engagement strategies. We will be onboarding our suppliers onto the programme, which aims to encourage and equip our stakeholders to implement sustainable business practices. This will serve as a springboard towards reducing environmental and social impacts in our value chain.

Biodiversity

Our Approach
The protection and promotion of biodiversity are critical in today's world, in terms of creating resilient urban spaces: biodiversity provides a multitude of ecosystem services in cities, such as the enhancement of air quality, flood mitigation and reduction of the urban heat island effect. Yet, according to the World Economic Forum, the built environment sector is responsible for an alarming 30% of biodiversity loss globally. As a leading suburban retail mall operator in Singapore, FCT is cognisant of the growing importance of biodiversity conservation and its duty to mitigate its impact on the global ecosystem.

The introduction of the Kunming Montreal Global Biodiversity Index and the emergence of supporting frameworks such as the Taskforce on Nature-related Financial Disclosures (TNFD) and the Science-Based Targets for Nature presents opportunities for FCT to better understand our biodiversity-related impacts. As part of our evolving goals, we are committed to exploring ways to measure and address our impacts on nature. We are dedicated to staying informed about emerging best practices and the latest research in this area. By deepening our understanding of the significance of biodiversity, we aim to lay the foundation for a more sustainable and responsible future.

Our Actions and Progress
We support Frasers Property's ESG Goal of developing a framework by FY2025 to guide the assessment and prioritisation of biodiversity risks and opportunities. This framework will be a first step within a broader roadmap to promote sustainable use of biodiversity in FCT.

Focusing on **People**

FCAM, the Manager of FCT, which is a wholly-owned subsidiary of Frasers Property, adopts a people-focused approach aimed at enhancing the satisfaction and well-being of our employees, tenants, customers and local communities. We strive to champion the holistic well-being of all stakeholders, aligning with Frasers Property's overarching purpose of "Inspiring experiences, creating places for good."

We are dedicated to nurturing a diverse and inclusive work environment that promotes growth and development for our staff. FCT upholds this commitment by engaging in fair employment practices while also nurturing a culture of continuous learning and development.

Additionally, we continually invest in our local communities through various initiatives and partnerships. FCT's goal is to have lasting positive impacts on the key focus areas within Frasers Property's Community Investment Framework - Health, Education and the Environment.

Our Progress

Focus Area	Our Goals	Our Progress in FY2023
Diversity, Equity and 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	Women made up 25% and 40% of the Board of Directors and senior management respectively
Skills and Leadership	• To ensure continuous learning to build a resilient organisation	• 26 average training hours per employee
Health and 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 occupational health and safety ("OH&S") management system • All of our malls are certified BizSAFE STAR by the Workplace Safety and Health Council
Community Connectedness	• To seek meaningful long-term relationships that respect local cultures and create lasting benefits	• Collected 6.6 tonnes of foodstuff from members of the public for donation to Food Bank Singapore • Developed a tenant engagement plan to be implemented at FCT's properties

Diversity, Equity and Inclusion

Our Approach
GRI 3-3, 2-29, 404-3

A diverse and inclusive workplace is of pertinence to FCAM. We recognise that diversity fuels growth and innovation. Job opportunities at FCAM are offered based on merit, regardless of age, race, gender, religion, marital status or disability. We view diversity as an asset that enriches our work environment and strengthens our connections with the communities we serve. We also aspire to extend this culture of inclusivity and care beyond our workplace to our valued shoppers by creating an inclusive and accessible shopping experience for everyone who visits our malls.

We are in adherence to Frasers Property's Diversity and Inclusion Policy and the Group Diversity, Equity and Inclusion Framework, which comprises four key equity strands:

Gender Equity	Cultural Equity	Generation Equity	Ability Equity
Continue to advance women at the workplace, enable flexible working arrangements and support all families	Promote a positive environment where employees can deliver their best regardless of race, ethnicity or sexual orientation	Develop strategies and support for an age-diverse workforce, rethink learning and development for lifelong learning	Develop awareness and understanding of recruiting and employing talent with disabilities, provide solutions at properties for inclusive spaces

These four equity strands serve as a strong foundation for fostering a diverse and inclusive workforce. Employees may report such incidents through our whistleblowing channels, without fear of reprisal. FCT will engage in the necessary remediation measures to resolve all cases.

Frasers Property, of which FCAM is a part of, is a signatory to Singapore's Tripartite Alliance for Fair & Progressive Employer Practices (TAFEP), underscoring our commitment to implementing fair and progressive HR practices. Additionally, as a member of the Singapore National Employer Federation, we ensure alignment with the latest statutory guidelines and national standards. We maintain an open appraisal system for all FCAM employees, with rewards based on meritocracy. All staff eligible for incentives receive a performance and career development review.

To gain a better and more updated understanding of FCT's business culture, we regularly engage our employees in surveys such as the biennial Culture Survey led by Frasers Property, as well as interim Pulse surveys. The findings from such engagements not only enhance our understanding of our teams' work dynamics but also help foster improved communication and cooperation among employees.

Our Actions and Progress
GRI 2-7, 2-9, 401-1, 404-3, 405-1

We measure progress against applicable international standards by tracking and disclosing our employee composition in alignment with relevant GRI recommendations.

As at 30 September 2023, all 27 employees of FCAM were permanent, full-time employees based in Singapore, with no temporary or part-time employees. FCAM had 70% of its employees, 40% of its senior management, and 25% of its Board members being female.

Focusing on **People**

In FY2023, we hired one employee, while one employee contributed to the total turnover over the year. A breakdown of hiring and turnover rates during the reporting period by gender and age group is presented in the table below:

	Gender		Age			Region[13]
	Female	Male	under 30	30 - 50	over 50	Singapore
Hiring rate	4%	0%	0%	4%	0%	4%
Turnover rate	4%	0%	0%	4%	0%	4%

FCT recognises the importance of building a sustainable talent pipeline. We carry out yearly performance evaluations that encompass an open and transparent appraisal approach, enabling our employees to evaluate their performance and gain insights into their career growth. Our reward system is rooted in meritocracy, ensuring that employees are recognised and incentivised based on their achievements. Moreover, we are committed to fostering equal access to opportunities for all, promoting a pathway for professional development. This underscores our dedication to fostering a work environment that nurtures individual growth and potential.

Creating more inclusive spaces for our community

FCT extends our unwavering commitment to inclusivity and accessibility beyond our organisational framework as well. We ensure that our employees are not only trained but also empowered to assist those with special needs, fostering an environment where every individual, regardless of their abilities, feels valued and accommodated.

Inclusion Champions Programme

FCT is committed to fostering a culture of inclusion through our participation in Frasers Property Singapore's Inclusion Champions Programme. This initiative aims to train staff to become "Inclusion Champions" who can help create more inclusive spaces and cater to community members with diverse needs. The programme is extended to frontline employees at Frasers Property Singapore's malls as well as its retail tenants.

Inclusion Champions undergo yearly inclusivity training, covering consumer inclusiveness, support for persons with dementia, and shoppers on the Autism Spectrum. These trainings are conducted in collaboration with organisations such as SG Enable, Dementia Singapore, and St Andrew's Autism Centre. Besides providing trainings, the programme drives efforts to transform malls into more accessible spaces through community consultation and partnerships with stakeholders.

Inclusion Transformation Programme

Inclusion Champions will also support the effort by setting aside space within their outlets that function as dementia go-to points or transition points. Stores may also provide calm shopping hours on Mondays and Tuesdays, where in-store lighting is dimmed, and music volume is restricted to cater to the needs of the neurodivergent and elderly. As of 30 September 2023, FCT has 176 stores offering calm shopping hours, and 29 dementia go-to points comprising of tenants and customer service counters.

13 All FCAM employees are employed and based in Singapore.

Skills and Leadership

Our Approach
GRI 3-3

Our employees form the backbone of our business, serving as the driving force behind FCT's continued success over the years. Recognising the importance of a skilled and empowered workforce, FCT places learning and development at the core of our human capital development and talent management strategy. We have training and upskilling initiatives in place to empower our employees with opportunities for growth enriches their professional journey.

Fraser Property's Talent & Learning team identifies and curates comprehensive training programmes to meet the diverse needs of our employees. We believe that this further enhances FCT's capacity to adapt to evolving industry landscapes, foster organisational agility and cultivate leaders with growth-oriented mindsets.

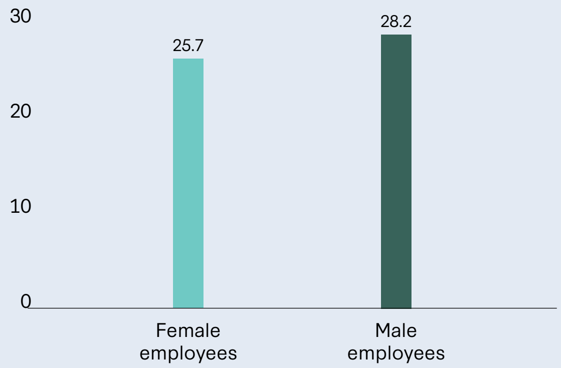
Our Actions and Progress
GRI 404-1, 404-2

FCT collaborates closely with Fraser Property's Talent & Learning team during dedicated learning needs dialogue discussions. During these sessions, we engage in constructive discussions about our employees' learning needs and devise solutions that align with our business priorities and can help achieve our desired learning goals.

In FY2023, our employees continued to participate actively in learning and development programmes. During the year, they underwent an average of 26 learning hours per employee. Among our employees, our female employees underwent an average of 26 hours of learning, while our male employees underwent 28 hours.

By upskilling our employees with knowledge on sustainability concepts and practices, FCT ensures that our employees are empowered to integrate eco-conscious decisions into their roles and responsibilities. This enables them to develop a deeper appreciation for sustainability and its implications across various aspects of our operations. All new hires undergo sustainability training via an e-learning module. Further, to ensure that sustainability is incorporated into our strategy at the highest levels, each member of our Board, except Mr Tan Siew Peng (Darren) who was appointed on 26 September 2023, underwent SGX-prescribed sustainability training in FY2023.

Average Learning Hours by Gender



Focusing on **People**

Health and Well-being

Our Approach
GRI 3-3

Ensuring the holistic well-being of our stakeholders, including employees, tenants, shoppers and local communities, is a top priority at FCT. We are fully committed to providing a safe and healthy environment for people to work and enjoy. This dedication is exemplified through our stringent workplace safety practices and our ongoing efforts to uphold the highest safety standards across all our business operations.

Upholding occupational health and safety standards across our properties
GRI 403-1, 403-2, 403-4, 403-5, 403-7

Frasers Property Singapore's Sustainability & Safety Working Committee is responsible for implementing environmental health and safety systems and policies as well as monitoring occupational health and safety performance. The Working Committee, which comprises representatives from FCAM and Frasers Property's retail management and commercial portfolios, meets monthly to discuss safety-related issues and identify areas for improvement. Overseeing the Working Committee is Frasers Property Singapore's Sustainability Steering Committee, which is responsible for making key decisions to drive sustainability goals.

Hazard identification and Risk Assessment (HIRA)
To foster improved engagement between our senior leaders and site staff members, FCAM organises quarterly site safety walks. This initiative serves as a proactive measure to reinforce our commitment to safety at all levels of our organisation. During these safety walks, senior leaders actively interact with on-site staff to gain first-hand insights into safety measures, identify potential risks and ensure the effective implementation of safety protocols.

At our retail and office properties, an annual audit is conducted to assess compliance with the ISO 45001 occupational health and safety management system. These audits meticulously evaluate hazard identification and risk assessments at audit sites, providing a comprehensive overview of safety measures across our portfolio. Conducting these regular safety assessments enable us to maintain rigorous standards and continually foster a culture of safety, promoting a secure and healthy environment for all stakeholders.

In addition, all of our malls have been awarded the BizSAFE STAR by the Workplace Safety and Health (WSH) Council. To uphold our rigorous safety standards, we mandate that all contractors engaged in projects exceeding a certain value hold BizSAFE Level 3 certification. This stringent approach underscores our dedication to maintaining a secure and compliant working environment across our portfolio.

Cultivating holistic employee health and well-being
GRI 401-2, 403-6

FCAM aligns our human resource practices with those of Frasers Property. This includes an extensive range of welfare benefits, encompassing family care and parental leave, as well as life, medical, and accident insurance coverage. Adhering to Singapore-legislated social security policies, FCAM makes monthly contributions to our employees' Central Provident Fund accounts. This ensures that our employees receive the necessary financial support as mandated by the law.

Every full-time and contract employee of FCAM has access to a flexible benefit scheme, enabling them to personalise their benefits according to their needs. This includes options for increased personal insurance coverage, outpatient treatments, dental care, and health screenings. Those working for FCAM can also utilise the employer assistance programme (EAP) launched by Frasers Property. This initiative provides confidential professional counselling services, allowing employees an avenue to sound out should they face any personal challenges. Notably, since FY2022, access to this programme was extended to the immediate family members of our employees, cementing our commitment to supporting our employees' and their loved ones' holistic well-being.

Going a step further, FCAM has also implemented employee well-being programmes aimed at safeguarding the health of FCAM's employees. Collaborating with Frasers Property's Corporate Wellness team, we engage in activities that address physical, mental, financial, and environmental wellness aspects through the Corporate Wellness Framework. Furthermore, property-level well-being initiatives are organised for our stakeholders, highlighting our dedication to a holistic approach to well-being.

FCAM has implemented a policy allowing its staff to leave work earlier every last Friday of the month, enabling them to spend valuable time with their families. These initiatives underscore our commitment to prioritising our employee's mental and emotional health.

To gain comprehensive insights into the sentiments of our employees, Frasers Property conducts Group-wide employee surveys every two years. These surveys serve as a valuable tool for understanding employee perspectives in FCAM, gauging their satisfaction levels, and identifying areas for improvement. By engaging in these surveys, we demonstrate our commitment to fostering a supportive and fulfilling work environment that is responsive to the diverse requirements of our workforce.

Our Actions and Progress
GRI 401-3, 403-9, 403-10

In FY2023, there were no work-related fatalities, high-consequence injuries, work-related ill health or significant safety-related non-compliance cases for our staff and contractors at FCT's properties. There was, however, two cases of recordable injury reported with 11 lost days incurred, taking place at our portfolio. In relation to this, appropriate follow-up action have been taken after the incidents to remediate, strengthen safety protocols and prevent further occurrence.

FCT has adopted parental leave policy, applicable to employees regardless of gender and nationality, to support employees with their childcare commitments . In both FY2022 and FY2023, no FCAM employees took parental leave.

Creating Safer Spaces Through Innovation

Going beyond compliance, FCAM engages its employees in creating safer environments within our malls, empowering them to be safety advocates. This year, through the Frasers Property Singapore Workplace Safety and Health Award programme, teams from each of FCT's malls channelled their creativity into ideating solutions to address safety issues.

For instance, the team at Tampines 1 introduced Singapore's first magnetic bollards for escalators, mitigating safety risks associated with prams and trolleys. In collaboration with Singapore's Building and Construction Authority (BCA), these bollards were piloted at Tampines 1 for six months. During the pilot, it was observed that the bollards reduced incidences of shoppers using their prams and trolleys on escalators in the mall by approximately 50%, reducing the risk of escalator-related injuries.

At Tiong Bahru Plaza, a CCTV camera in the chiller plant room provided a safer way to monitor water seepage, reducing the need to work at heights. To further improve electrical safety in the chiller plant room, the team added an acrylic screen between the pumps and electrical boards, protecting the boards from potential water exposure in the event of a leak.

The team at Hougang Mall installed a secure platform with additional lighting, facilitating access to kitchen waste pipes on the property. This initiative improved visibility in the area, enabling safer collaboration between staff and contractors. The team also replaced a long roof ladder with two shorter ladders, and installed a separate platform to make equipment transportation safer and more efficient.

Focusing on **People**

Community Connectedness

Our Approach
GRI 3-3

FCT is dedicated to forming meaningful and lasting connections with our employees, tenants and local communities. This commitment is demonstrated through our involvement in community investment activities, including beach clean-ups and food donations, as well as customer engagement initiatives such as educational exhibitions. These initiatives aim to enhance the sense of community connectedness and foster a stronger, more interconnected community.

FCT's initiatives are steered by the Community Investment Framework established by Frasers Property. This framework revolves around three fundamental pillars: Health, Education and the Environment. These areas are carefully chosen to maximise the positive impact of our efforts.

To ensure the effectiveness and significance of our contributions, we tailor our initiatives to address the specific needs of each community we are committed to serving. By aligning our efforts with the unique requirements of these communities, we aim not only to make a difference but also to make a meaningful and lasting one that resonates with local needs and aspirations.

Our Actions and Progress
We dedicate our resources towards making a positive difference to society through the pillars in our Frasers Property's Community Investment Framework.

Health

Food Bank Volunteer Sessions with Tenants and Staff

Since 2019, we have been collaborating with the Food Bank Singapore to combat food waste. As part of this partnership, dedicated food bank donation boxes are placed at our commercial and retail properties to collect donated non-perishable food items. Leveraging their locations as key community hubs, our properties serve as convenient drop-off points for members of the public to donate food. All donations are redistributed to households in need, through organisations such as family service centres, soup kitchens, and other voluntary welfare organisations. As part of this initiative in December 2022, 200 staff volunteers spent meaningful time at the Food Bank Singapore to pack and deliver 1,000 bundles of food to households in need of food.

Additionally, in April 2023, our property manager collaborated with FCT tenants, such as McDonald's, Metro (Singapore), Koufu and Toys"R"Us Singapore. This collective effort resulted in the successful packing and distribution of 100 food bundles for the beneficiaries of NTUC Health Senior Day Care (Henderson). These initiatives highlight our unwavering dedication to addressing the often-overlooked issue of food insecurity in Singapore.

Education

'Happy Home Happy Earth' Exhibition at Northpoint City

In March 2023, Northpoint City hosted the 'Happy Home Happy Earth' exhibition. In this exhibition, shoppers and members of the public had the opportunity to explore various 'rooms' showcasing informative displays. The content educated individuals on ways in which one can adopt more sustainable lifestyles at home and in their day-to-day practices. Activities in this exhibition ranged from engaging upcycling workshops to practical lessons on conducting basic electric repairs. This interactive and educational experience empowered visitors with the knowledge and skills needed to integrate sustainability into their daily lives.

Environment

Coastal and Beach Clean-Ups

In April 2023, 40 employees from across Frasers Property engaged in our environmental conservation efforts. The event, which included representation from leaders which included Soon Su Lin, Chief Executive Officer of Frasers Property Singapore, Low Chee Wah, Chief Executive Officer Of Frasers Property Retail and Jack Lam, Chief Operating Officer (COO) Commercial, Frasers Property Singapore – participated in a beach clean-up along a section of East Coast Beach. Our commercial team simultaneously organised a separate coastal clean-up session specially for their tenants. In total, approximately 84 kilogrammes of litter were collected during these efforts.

About **This Report**

GRI 2-2, 2-3

Report Scope

This is FCT's ninth annual Sustainability Report. It provides a summary of our sustainability commitments and our progress in managing our material sustainability issues.

The information contained in this report pertains to the period 1 October 2022 to 30 September 2023 (FY2023) and covers our operations and properties in Singapore. These properties are Causeway Point, Waterway Point (of which FCT holds a 50.00% interest), Tampines 1, Northpoint City North Wing (inclusive of the Yishun 10 Retail Podium), Tiong Bahru Plaza (inclusive of Central Plaza), Century Square, Changi City Point, Hougang Mall and White Sands.

Restatements of data and further notes to the performance data included in this report can be found on pages 116 to 119.

International Standards and Guidelines

This Report has been prepared in accordance with:

- the Global Reporting Initiative (GRI) Universal Standards 2021
- the SGX-ST Listing Manual (Rules 711A and 711B) and the SGX Core ESG Metrics

FCT has applied the Reporting Principles from the GRI Standards to ensure high quality and proper representation of the reported information. For a full list of disclosures reported, please refer to the GRI Content Index on pages 134 to 138.

This report has also incorporated the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

External Assurance

To verify the reliability of the data and management approach disclosed in our Sustainability Report, we sought an independent limited assurance by Ere-S Pte Ltd, an independent third-party assurance provider. Details of the assurance scope and findings can be found in the Independent Assurance Statement on pages 131 to 133.

Feedback

We welcome your feedback in our efforts to continuously improve our sustainability practices and performance.

Please contact:
Chen Fung Leng
Vice President, Investor Relations
Frasers Centrepoint Trust
Email: ir@fraserscentrepointtrust.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 FY2023 ("the Report"). The engagement, which took place between September and November 2023, 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 2022 to September 2023. This included the environmental and social management approach and performance data related to the company's corporate office and portfolio of owned and managed properties (nine in total), covering the following topics: Energy, carbon emissions, water, waste, diversity, employment, training, and safety.

The assurance does not cover historical figures, such as in environmental charts showing FY2021 and FY2022 performance, which were restated to factor in updated and actual data from the relevant periods. Disclosures on projected performance and savings of individual projects or properties were also not covered.

Ere-S did not verify that the Report contained all information required by the GRI Standards for each disclosure listed in the Report's GRI Content Index, nor did Ere-S assess the validity of the information given in the Index, including the reasons for omissions. Similarly, the verification did not cover 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 Task Force on Climate-related Financial Disclosures (TCFD) framework, the MAS guidelines, the GHG Protocol, and the Sustainable Development Goals (SDGs).

Figures or statements unrelated to sustainability were not covered in the assurance. These include 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.

Assurance 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 external sources and information from other business units and portfolios covered in the wider assurance engagement or from previous assurance engagements conducted for FCT.

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.

Independent **Assurance Statement**

Ere-S was given access to the data management systems covering the entire FCT portfolio to allow our assurance team to evaluate the environmental and safety data more comprehensively. Social performance figures, such as those relating to workforce profile and training, as well as group-level initiatives disclosed in the Report, were verified in separate interviews as part of the assurance process for Frasers Property Limited.

Ere-S assessment of statements concerning the number (or absence) of complaints, incidents, breaches, 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 the 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 disclosures being assessed during this engagement and to provide greater confidence in the accuracy of the information, including the application of the management approach, data collection methods, criteria and assumptions, further confirmation of the presented evidence was sought by Ere-S from multiple data owners and using other internal and external documentation.

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

The operations and portfolio of FCT are supported by policies, procedures, and objectives aligned with the global ESG strategy of the Group. We found evidence indicating the adoption of a risk-based approach for assessing social and environmental impacts and establishing mitigation measures, with a particular emphasis on responding to climate change. Other environmental and social aspects were also addressed, including through multiple platforms for engaging with stakeholders, such as employees, customers, investors, and government bodies. There was, however, less evidence of consistent two-way engagement with other stakeholder groups.

Based on our assessment, the content of the Report is sufficiently comprehensive, covering the company's operational boundaries and key material aspects. We found an overall high level of accuracy and verifiability in the performance disclosures and statements on the management approach, and important information could be traced back to supporting evidence, including source documents, data sets, and calculation methods. Confidence in the data quality was enforced by additional checks executed during the year by the main data owners on the environmental records provided by the properties' key functional managers.

No significant gaps or inconsistencies were found in the Report's disclosures, and the reporting team promptly applied Ere-S recommendations for minor corrections.

Ere-S commends this year's increase in reporting boundaries with the inclusion of fugitive emissions from cooling systems and the addition of GHG emissions categories in the Scope 3 disclosures. However, FCT could further improve the completeness of the Report content by disclosing more information on the indirect social and environmental impact in the rest of its value chain. Also, the Report could be more balanced, i.e., showing positive and negative information, with highlights on current gaps and negative performance, for example, related to internal targets or alignment with standards.

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 FY2023 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.

Ere-S

Reg no. 201003736W
www.ere-s.com
Singapore, 21 November 2023

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

Ere-S Pte Ltd is a consulting company specialising in business sustainability and provides sustainability reporting, sustainability report assurance, stakeholder engagement and training services. Our assurance team comprises assurance practitioners with expertise in corporate sustainability, and each member must follow Ere-S' assurance code of conduct, which can be found at www.ere s.com/assurance-code-of-conduct. Ere-S is not responsible for any actions taken by other parties as a result of the findings presented in this assurance statement.

GRI Content Index

Statement of use	Frasers Centrepoint Trust has reported in accordance with the GRI Standards for the period 1 October 2022 to 30 September 2023 (FY2023).
GRI 1 used	GRI 1: Foundation 2021

			Omission		
GRI Standard/ Other Source	Disclosure	Location	Requirement(s) Omitted	Reason	Explanation
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	Corporate Profile, pages 2 to 3, Corporate information, inside back cover of Annual Report.			
	2-2 Entities included in the organization's sustainability reporting	About this Report, page 130.			
	2-3 Reporting period, frequency and contact point	About this Report, page 130.			
	2-4 Restatements of information	Consuming Responsibly – Energy and Carbon, pages 116 to 118, Water, pages 118 to 119, Waste, pages 119 to 120.			
	2-5 External assurance	Independent Assurance Statement, pages 131 to 133.			
	2-6 Activities, value chain and other business relationships	About Frasers Centrepoint Trust, page 2.			
	2-7 Employees	Focusing on People – Diversity, Equity and Inclusion, pages 123 to 124.			
	2-8 Workers who are not employees		a, b, c	Not applicable.	The REIT Manager does not engage a significant number of workers who are not employees.
	2-9 Governance structure and composition	Structure of FCT and Organisation Structure of The Manager, page 3, Board of Directors, pages 16 to 19, Management Team, pages 20 to 21, Corporate Governance Report, pages 139 to 178, Managing Sustainability, page 100.			
	2-10 Nomination and selection of the highest governance body	Corporate Governance Report, page 139 to 178 .			
	2-11 Chair of the highest governance body	Board of Directors, pages 16 to 19.			
	2-12 Role of the highest governance body in overseeing the management of impacts	Board of Directors, page 16 to 19, Board Statement, page 96, Managing Sustainability, Page 100.			
	2-13 Delegation of responsibility for managing impacts	Corporate Governance Report – Delegation of Authority Framework, page 145, Management Team, pages 20 to 21, Managing Sustainability – Sustainability Governance, page 100.			
	2-14 Role of the highest governance body in sustainability reporting	Board Statement, page 96, Managing Sustainability – Sustainability Governance, page 100.			
	2-15 Conflicts of interest	Corporate Governance Report – Conflict of Interest Policy, page 159.			

GRI Standard/ Other Source	Disclosure	Location	Requirement(s) Omitted	Omission: Reason	Omission: Explanation
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	Corporate Governance Report – Governance of Risk and Internal Controls, page 167.			
	2-17 Collective knowledge of the highest governance body	Resilient Properties – Our Actions and Progress, pages 108 to 109, Corporate Governance Report – Training and Development of Directors, page 148.			
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Report – Board Performance Evaluation, pages 159 to 160.			
	2-19 Remuneration policies	Corporate Governance Report – Remuneration Matters, pages 160 to 161.			
	2-20 Process to determine remuneration	Corporate Governance Report – Remuneration Matters, pages 160 to 161.			
	2-21 Annual total compensation ratio		a, b, c	Confidentiality constraints.	We are unable to disclose the ratio due to our highly competitive labour market.
	2-22 Statement on sustainable development strategy	Board Statement, page 96.			
	2-23 Policy commitments	Acting Progressively - Risk-based Management, pages 105 to 107.			
	2-24 Embedding policy commitments	Acting Progressively - Risk-based Management, page 105.			
	2-25 Processes to remediate negative impacts	Acting Progressively - Risk-based Management, pages 105 to 107.	e	Information unavailable.	We do not track the effectiveness of the mechanisms but we readily welcome feedback through our various communication channels.
	2-26 Mechanisms for seeking advice and raising concerns	Acting Progressively - Risk-based Management, pages 105 to 107.			
	2-27 Compliance with laws and regulations	Acting Progressively - Risk-based Management, pages 105 to 107.			
	2-28 Membership associations	Managing Sustainability - Participation in Membership Associations and Alignment with Recognised Standards, page 100.			
	2-29 Approach to stakeholder engagement	Managing Sustainability – Stakeholder Engagement, pages 100 to 101.			
	2-30 Collective bargaining agreements		a, b	Confidentiality constraints.	We do not publicly disclose this data.
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Managing Sustainability – Materiality Assessment, pages 102 to 103.			
	3-2 List of material topics	Managing Sustainability – Materiality Assessment, pages 102 to 103.			
Acting Progressively					
Risk-based Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	Acting Progressively – Risk-based Management, pages 105 to 107.	a,b	Information incomplete.	Lack of data for meaningful disclosure.

GRI Content Index

GRI Standard/ Other Source	Disclosure	Location	Omission: Requirement(s) Omitted	Omission: Reason	Omission: Explanation
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Acting Progressively – Risk-based Management, pages 105 to 107.	c, d	Information incomplete.	Lack of data for meaningful disclosure.
	205-2 Communication and training about anti-corruption policies and procedures	Acting Progressively – Risk-based Management, pages 105 to 107.			
	205-3 Confirmed incidents of corruption and actions taken	Acting Progressively – Risk-based Management, pages 105 to 107.			
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Acting Progressively – Risk-based Management, pages 105 to 107.			
Responsible Investment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Acting Progressively – Responsible Investment, page 108.			
Resilient Properties					
GRI 3: Material Topics 2021	3-3 Management of material topics	Acting Progressively – Resilient Properties, pages 108 to 113.			
Innovation					
GRI 3: Material Topics 2021	3-3 Management of material topics	Acting Progressively – Innovation, page 114.			
Consuming Responsibly					
Energy and Carbon					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consuming Responsibly – Energy and Carbon, pages 116 to 118.			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Consuming Responsibly – Energy and Carbon, pages 116 to 118.			
	302-2 Energy consumption outside of the organization	Consuming Responsibly – Energy and Carbon, pages 116 to 118.			
	302-3 Energy intensity	Consuming Responsibly – Energy and Carbon, pages 116 to 118.			
	302-5 Reductions in energy requirements of products and services		a.b.c	Information incomplete.	Due to the management of diverse properties and year-on-year fluctuations, we are unable to provide specific numerical reductions in energy consumption that are directly tied to initiatives. This complexity makes it challenging to precisely isolate the impact of its reduction measures.
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Consuming Responsibly – Energy and Carbon, pages 116 to 118.			
	305-2 Energy indirect (Scope 2) GHG emissions	Consuming Responsibly – Energy and Carbon, pages 116 to 118.			
	305-3 Other indirect (Scope 3) GHG emissions	Consuming Responsibly – Energy and Carbon, pages 116 to 118.			
	305-4 GHG emissions intensity	Consuming Responsibly – Energy and Carbon, pages 116 to 118.			
	305-5 Reduction of GHG emissions	Consuming Responsibly – Energy and Carbon, pages 116 to 118.			
Water					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consuming Responsibly – Water, pages 118 to 119.			

GRI Standard/ Other Source	Disclosure	Location	Omission: Requirement(s) Omitted	Omission: Reason	Omission: Explanation
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Consuming Responsibly – Water, pages 118 to 119.			
	303-3 Water withdrawal	Consuming Responsibly – Water, pages 118 to 119.	b, c	Information incomplete.	FCT tracks total water withdrawal but currently does not break this down to source and water stress areas.
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consuming Responsibly – Waste, pages 119 to 120.			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Consuming Responsibly – Waste, pages 119 to 120.			
	306-2 Management of significant waste-related impacts	Consuming Responsibly – Waste, pages 119 to 120.			
	306-3 Waste generated	Consuming Responsibly – Waste, pages 119 to 120.	a	Information incomplete	FCT does not currently track the waste composition.
	306-4 Waste diverted from disposal	Consuming Responsibly – Waste, pages 119 to 120.			
	306-5 Waste directed to disposal	Consuming Responsibly – Waste, pages 119 to 120.			
Materials and Supply Chain					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consuming Responsibly – Materials and Supply Chain, page 120			
Biodiversity					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consuming Responsibly – Materials and Supply Chain, page 120.			
Focusing on People					
Diversity, Equity and Inclusion					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focusing on People – Diversity, Equity and Inclusion, pages 123 to 124.			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Focusing on People – Diversity, Equity and Inclusion, pages 123 to 124.			
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes		a, b	Not applicable.	The notice period varies on a situational basis.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Focusing on People – Diversity, Equity and Inclusion, pages 123 to 124.			
	405-2 Ratio of basic salary and remuneration of women to men		a, b	Information incomplete.	Lack of data for meaningful disclosure.
Skills and Leadership					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focusing on People – Skills and Leadership, page 125.			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Focusing on People – Skills and Leadership, page 125.			
	404-2 Programs for upgrading employee skills and transition assistance programs	Focusing on People – Skills and Leadership, page 125.	b	Information incomplete.	Lack of data for meaningful disclosure.
	404-3 Percentage of employees receiving regular performance and career development reviews	Focusing on People – Skills and Leadership, page 125.			
Health and Well-being					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focusing on People – Health and Wellbeing, pages 126 to 127.			

GRI Content Index

GRI Standard/ Other Source	Disclosure	Location	Omission: Requirement(s) Omitted	Omission: Reason	Omission: Explanation
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Focusing on People – Health and Well-being, pages 126 to 127.			
	401-3 Parental leave	Focusing on People – Health and Well-being, pages 126 to 127.			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Focusing on People – Health and Wellbeing, pages 126 to 127.			
	403-2 Hazard identification, risk assessment, and incident investigation	Focusing on People – Health and Wellbeing, pages 126 to 127.			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Focusing on People – Health and Wellbeing, pages 126 to 127.	b	Information incomplete.	Lack of data for meaningful disclosure.
	403-5 Worker training on occupational health and safety	Focusing on People – Health and Wellbeing, pages 126 to 127.	a	Information incomplete.	Lack of data for meaningful disclosure.
	403-6 Promotion of worker health	Focusing on People – Health and Wellbeing, pages 126 to 127.			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Focusing on People – Health and Wellbeing, pages 126 to 127.			
	403-9 Work-related injuries	Focusing on People – Health and Wellbeing, pages 126 to 127.	c, f	Information incomplete.	Lack of data for meaningful disclosure.
	403-10 Work-related ill health	Focusing on People – Health and Wellbeing, pages 126 to 127.	c, d	Information incomplete.	Lack of data for meaningful disclosure.
Community and Connectedness					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focusing on People – Community Connectedness, pages 128 to 129.			

Notes

General
- *Discrepancies between individual figures and aggregates, or derived values, in the charts and tables of this report are due to rounding.*

Energy, Gas GHG, Water and Waste Reporting Scope
- *The FY2019 baseline was chosen because of the relatively complete dataset established and it was more representative of our usual business activities.*
- *No mobile combustion considered for Scope 1 emissions as there are no owned vehicles. Stationary combustion is considered due to diesel usage for generators. Industrial Processes and Product Use (IPPU) emissions are calculated based on refrigerants purchased for air conditioners and cooling systems.*
- *Scope 3 disclosures in this report include fuel- and energy-related activities, waste generated in operations, employee commuting, and downstream leased assets. Fuel- and energy related well-to-tank transmission and distribution emissions are calculated based on the data provided in Scope 1 and 2. Waste generated in operations includes emissions from third-party disposal and treatment of waste generated (solid waste and wastewater) at controlled operations, assuming zero emissions for recycled waste. Employee commuting includes emissions from the transportation of employees between their homes and their worksites as well as teleworking. The category of downstream leased assets includes emissions from the operation of assets that are owned by the business and are leased to tenants, accounting for tenants' Scope 1 and 2 emissions.*
- *Energy, GHG, water and waste intensities exclude both newly completed properties in FY2023 and properties divested at any point during the reporting period.*
- *The GHG emission factors are from Greenhouse Gas Reporting Conversion Factors 2021, 2022 and 2023 by the United Kingdom's Department for Energy Security and Net Zero and Department for Business, Energy & Industrial Strategy; Singapore Energy Statistics (published in Oct 2022) from Energy Market Authority ("**EMA**")*
- *The number of recordable injuries and lost days led to a recordable injury rate of 3.9 and a severity rate of 40.8. Rates are calculated per million hours worked, and man-hours have been estimated by property managers based on regular business operations.*

Monetary Disclosure
- *All monetary related disclosures within the report are in Singapore Dollars ($) 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 177 to 178 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 certain properties within FCT's portfolio, namely, Causeway Point, Northpoint City North Wing and Yishun 10 Retail Podium, Changi City Point[1], Waterway Point (50.00% 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 2001 of Singapore (the "**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, restated and supplemented) ("**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.

1 As at 30 September 2023, Changi City Point was reclassified to "Assets held for sale", following FCT's announcement relating to the divestment of the property on 30 August 2023. The divestment was completed on 31 October 2023.

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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 41.35%[2] 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.

2 As at 30 September 2023.

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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 the 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.

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.

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Audit, Risk and Compliance Committee[1]	
Membership	**Key Objectives**
Ms Koh Choon Fah, *Chairperson*[2] Dr Cheong Choong Kong, *Member*[3] Mr Ho Chai Seng, *Member* Mr Ho Chee Hwee Simon, *Member* Mr Ho Kin San, *Member*[4] Mr Tan Siew Peng (Darren), *Member*[5]	• Assist the Board in fulfilling responsibility for overseeing the quality and integrity of the accounting, auditing and financial practices, internal controls, risk management and sustainability practices of the Manager

Notes:

(1) Unless otherwise stated, the information provided herein is as at 30 September 2023.

(2) Ms Koh Choon Fah was appointed as the Chairperson of the Board with effect from 1 November 2023. With effect from 1 November 2023, Ms Koh relinquished her role as the Chairperson of the ARCC. She remains a member of the ARCC and the NRC.

(3) Dr Cheong Choong Kong retired as a Director, the Chairman of the Board, and a member of the ARCC and NRC on 1 November 2023.

(4) Mr Ho Kin San was appointed as a non-executive and independent Director and a member of the ARCC with effect from 18 July 2023.

(5) Mr Tan Siew Peng (Darren) was appointed as a non-executive and independent Director and a member of the ARCC with effect from 26 September 2023. With effect from 1 November 2023, he was appointed as the Chairman of the ARCC.

As at 30 September 2023, the ARCC comprises non-executive Directors, the majority of whom, including the chairperson of the ARCC, are independent Directors. All members of the ARCC, including the chairperson 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:

- External Audit Process: 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;

- Internal Audit: 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].

- Financial Reporting: 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 of the Manager (the "**CFO**", and together with the CEO, 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;

- 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;

3 For the financial year ended 30 September 2023, the internal audit function is outsourced to the FPL Group.

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- 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 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 obtain 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.

Periodic 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.

Sustainability

The ARCC also assists the Board in carrying out its responsibility in determining environmental, social and governance ("**ESG**") factors identified as material to the business, monitoring and managing ESG factors and overseeing standards, management processes and strategies to achieve sustainability practices. The ARCC has oversight of sustainability practices, and assists the Board in ensuring that Management establishes and maintains a sound system of sustainability governance and an appropriate sustainability reporting framework which links sustainability risks and opportunities with strategy, other organisational risks and goals and which also enhances operational responses to sustainability risks and opportunities.

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, including reviewing technology risks faced by the Manager. Further information on the key activities conducted by the ARCC can be found in the sections titled "Financial Performance, Reporting and Audit" on pages 166 to 167 and "Governance of Risk and Internal Controls" on pages 167 to 170.

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Nominating and Remuneration Committee[1]	
Membership	Key Objectives
Mr Ho Chai Seng, *Chairman* Dr Cheong Choong Kong, *Member*[2] Mr Ho Chee Hwee Simon, *Member* Mr Ho Kin San, *Member*[3] Ms Koh Choon Fah, *Member* Mr Tan Siew Peng (Darren), *Member*[4]	• 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

Notes:

(1) Unless otherwise stated, the information provided herein is as at 30 September 2023.

(2) Dr Cheong Choong Kong retired as a Director, the Chairman of the Board, and a member of the ARCC and NRC on 1 November 2023.

(3) Mr Ho Kin San was appointed as a non-executive and independent Director and a member of the ARCC and the NRC with effect from 18 July 2023.

(4) Mr Tan Siew Peng (Darren) was appointed as a non-executive and independent Director and a member of the ARCC and the NRC with effect from 26 September 2023.

As at 30 September 2023, 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.

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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 148
- "Board Composition" on pages 149 to 150
- "Directors' Independence" on pages 153 to 158
- "Board Performance Evaluation" on pages 159 to 160

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 (if any) 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.

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 employees 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 FPL Group'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, treasury transactions 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.

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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 the financial year ended 30 September 2023 ("**FY2023**"):

Meetings held in FY2023

	Board Meetings	Audit, Risk and Compliance Committee Meetings	Nominating and Remuneration Committee Meetings	Annual General Meeting
Number of meetings held in FY2023	6	4	3	1
Dr Cheong Choong Kong[2]	6/6(C)[1]	4/4	3/3	1/1(C)[1]
Mr Ho Chai Seng	6/6	4/4	3/3(C)[1]	1/1
Mr Ho Chee Hwee Simon	6/6	4/4	3/3	1/1
Mr Ho Kin San[3]	1/1	1/1	1/1	—*
Ms Koh Choon Fah[4]	6/6	4/4(C)[1]	3/3	1/1
Mr Low Chee Wah[5]	6/6	N.A.	N.A.	1/1
Ms Soon Su Lin	6/6	N.A.	N.A.	1/1
Mr Tan Siew Peng (Darren)[6]	—*	—*	—*	—*

Notes:

(1) (C) refers to Chairman or Chairperson.

(2) Dr Cheong Choong Kong retired as a Director, the Chairman of the Board, and a member of the ARCC and the NRC with effect from 1 November 2023.

(3) Mr Ho Kin San was appointed as a non-executive and independent Director and a member of the ARCC and the NRC with effect from 18 July 2023.

(4) Ms Koh Choon Fah was appointed as the Chairperson of the Board with effect from 1 November 2023. With effect from 1 November 2023, Ms Koh relinquished her role as the Chairperson of the ARCC. She remains a member of the ARCC and NRC.

(5) Mr Low Chee Wah will retire as a Director with effect from 1 January 2024.

(6) Mr Tan Siew Peng (Darren) was appointed as a non-executive and independent Director and a member of the ARCC and the NRC with effect from 26 September 2023. With effect from 1 November 2023, he was appointed as the Chairman of the ARCC.

* No meeting(s) held during the period of appointment in FY2023.

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. 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.

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Matters discussed by Board and Board Committees in FY2023 BOARD		
• Strategy • Business and Operations Update • Sustainability, Environmental, Social & Governance	• Financial Performance • Governance • Cyber Security and Threats	• Feedback from Board Committees • Acquisitions and Divestments Proposals • Technology Risk Management • Asset Enhancement Initiatives

Audit, Risk and Compliance Committee	Nominating and Remuneration Committee
• External and Internal Audit • Financial Reporting • Treasury, Debt and Capital Management • Internal Controls and Risk Management • Related/Interested Person Transactions • Conflicts of Interests • Technology Risk Management • Sustainability, Environmental, Social & Governance • Compliance with Legislation and Regulations • Tax Updates and Planning	• Board Composition and Renewal • Board Diversity Policy • 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 ongoing 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.

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 Chairperson during monthly meetings.

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The Company Secretary

The Board is supported by the Company Secretary of the Manager (the "**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 1967 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 (including training on sustainability matters), 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, external advisors and external auditors or disseminated by way of presentations and/or handouts. During FY2023, the Directors attended briefings and training programmes on, among others, (i) climate-related financial disclosure; (ii) Workplace Safety and Health legislation and industry update; (iii) updates on MAS Guidelines on Business Continuity Management; and (iv) changes to SGX-ST Listing Manual and recommendations on adoption of the International Sustainability Standards Board reporting standards.

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.

Corporate Governance Report

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[2]	Chairman, Non-Executive (Independent) Director	•	•
Mr Ho Chai Seng	Non-Executive (Independent) Director	•	• (Chairman)
Mr Ho Chee Hwee Simon	Non-Executive (Non-Independent) Director	•	•
Mr Ho Kin San[3]	Non-Executive (Independent) Director	•	•
Ms Koh Choon Fah[4]	Non-Executive (Independent) Director	• (Chairperson)	•
Mr Low Chee Wah[5]	Non-Executive (Non-Independent) Director		
Ms Soon Su Lin	Non-Executive (Non-Independent) Director		
Mr Tan Siew Peng (Darren)[6]	Non-Executive (Independent) Director	•	•

Notes:
(1) Unless otherwise stated, the information provided herein is as of 30 September 2023.
(2) Dr Cheong Choong Kong retired as a Director, the Chairman of the Board, and a member of the ARCC and the NRC with effect from 1 November 2023.
(3) Mr Ho Kin San was appointed as a non-executive and independent Director and a member of the ARCC and the NRC with effect from 18 July 2023.
(4) Ms Koh Choon Fah was appointed as the Chairperson of the Board with effect from 1 November 2023. With effect from 1 November 2023, Ms Koh relinquished her role as Chairperson of the ARCC. She remains a member of the ARCC and the NRC.
(5) Mr Low Chee Wah will retire as a Director with effect from 1 January 2024.
(6) Mr Tan Siew Peng (Darren) was appointed as a non-executive and independent Director and a member of the ARCC and the NRC with effect from 26 September 2023. With effect from 1 November 2023, he was appointed as the Chairman of the ARCC.

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

As at 30 September 2023, all of the Directors are non-executive and the Board comprises a majority of independent Directors.

No alternate directors have been appointed on the Board for FY2023. Alternate directors will only be appointed in exceptional circumstances. As the Chairman, Dr Cheong Choong Kong, is a non-executive independent Director, no lead independent director has been appointed for FY2023. Dr Cheong Choong Kong retired as a Director, the Chairman of the Board, and a member of the ARCC and the NRC with effect from 1 November 2023 and Ms Koh Choon Fah was appointed as the Chairperson of the Board with effect from 1 November 2023. As Ms Koh Choon Fah is a non-executive independent Director, no lead independent director will be appointed for the financial year ending 30 September 2024.

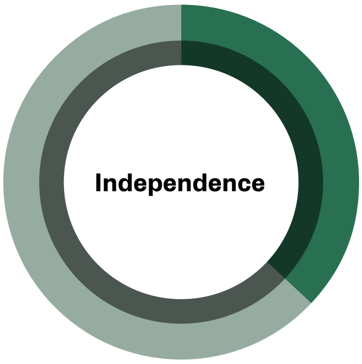
The NRC reviews, on an annual basis, the structure, size and composition of the Board and Board Committees, taking into account the CG Code and the Securities and Futures (Licensing and Conduct of Business) Regulations ("**SFLCB Regulations**"). The NRC has assessed that the current structure, size and 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 competencies (including real estate experience / knowledge, business management, strategy development, investments / mergers and acquisitions (including fund management and/or investment banking), audit / accounting and finance, risk management, legal / corporate governance, sustainability and human resource management) provide the appropriate balance and mix of skills, knowledge, experience and other aspects of diversity 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.

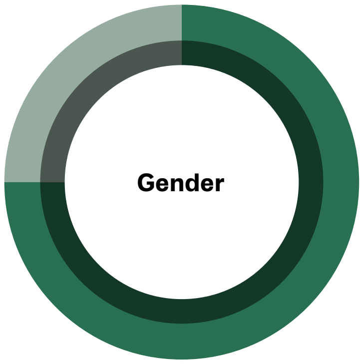
Corporate Governance Report

Board Composition in terms of Age Group, Independence, Tenure and Gender
(as at 30 September 2023)

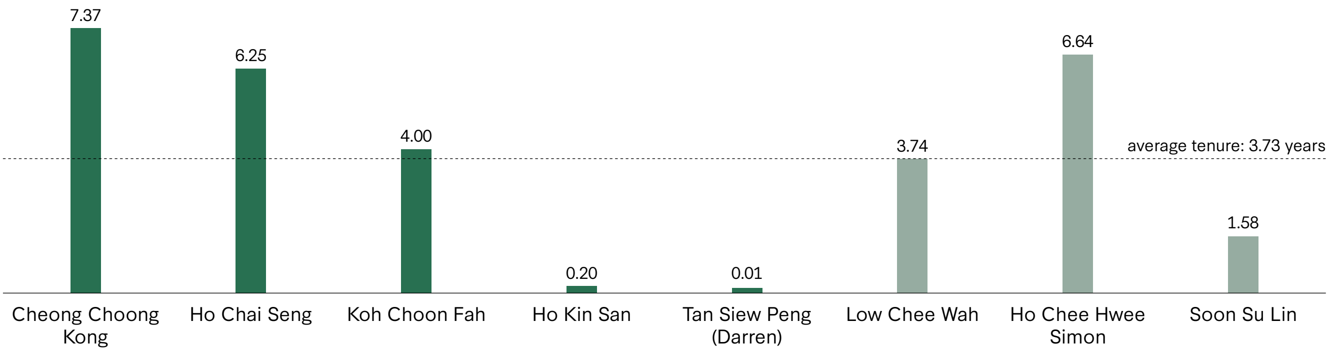
51-65 years old	**87.5%**
66-80 years old	**12.5%**



Non-Executive and Non-Independent Directors	**37.5%**
Non-Executive and Independent Directors	**62.5%**



Male	**75.0%**
Female	**25.0%**



Non-Executive and Independent Directors | Non-Executive and Non-Independent Directors

Selection, Appointment and Re-appointment of Directors

Under the Terms of Reference of the NRC, 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 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.

Corporate Governance Report

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 of contacts 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 FY2023, the NRC is of the view that each Director, including Directors who hold multiple board representations, has been able to diligently 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 pages 159 to 160.

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.

Board Diversity Policy, Targets, Timelines and Progress

The NRC is responsible for:

(a) the Board Diversity Policy which has been adopted by the Board;

(b) setting qualitative and measurable quantitative objectives (where appropriate) for achieving board diversity;

(c) monitoring and implementing the Board Diversity Policy, and taking the principles of the Board Diversity Policy into consideration when determining the optimal composition of the Board and recommending any proposed changes to the Board; and

(d) reviewing the Manager's progress towards achieving the objectives under the Board Diversity Policy.

Upon the NRC's recommendation, the Board will set certain measurable objectives and specific diversity targets (each a "**Target**") in order to achieve an optimal Board composition. These Targets will be reviewed by the NRC annually to ensure their appropriateness. The NRC will endeavour to ensure that the Targets are taken into consideration when assessing the suitability of candidates for new Board appointments, and together with the Board, will work towards meeting the Targets as set by the Board. The Board will strive to ensure, with a view to meeting the Targets, that:

(a) any brief to external search consultants for potential appointments to the Board will include a requirement to fulfil one or more Targets; and

(b) candidates fulfilling one or more of the Target(s) are included for consideration by the NRC whenever it seeks to identify a new Director for appointment to the Board.

The Manager embraces diversity and the Board Diversity Policy addresses various aspects of diversity such as gender, skills and expertise and age.

Corporate Governance Report

The Board composition reflects the Manager's commitment to Board diversity, especially in terms of gender, skills and expertise and age. The Manager's diversity Targets for the Board, its plans and timelines for achieving the Targets, and its progress towards achieving the Targets, are described below.

Target	Progress and plans towards achieving Target
1. **Gender representation**	
Maintain at least 25% female representation on the Board.	As at 30 September 2023, female representation on the Board is 25% and therefore this target is met.
2. **Skills and Expertise**	
The Board to comprise Directors who, as a group, possess a variety of qualifications and competencies, including skillsets, expertise and/or experience in at least a majority of the identified core competencies of: (i) real estate industry experience/knowledge; (ii) business management; (iii) strategy development; (iv) investments/mergers and acquisitions (including fund management and/or investment banking); (v) audit/accounting and finance; (vi) risk management; (vii) legal/corporate governance; (viii) digital and technology (including AI); (ix) sustainability; and (x) human resource management.	As at 30 September 2023, this target is met. In FY2023, the following directors were appointed to the Board: (i) Mr Ho Kin San was appointed as a non-executive and independent director on 18 July 2023. He is currently a partner and Co-Head of the Corporate Real Estate Department of Allen & Gledhill LLP, and has over 30 years of experience in corporate real estate work. Mr Ho's experience as a corporate real estate lawyer will provide further diversity to the core competencies and skill set of the Board. (ii) Mr Tan Siew Peng (Darren) was appointed as a non-executive and independent director on 26 September 2023. He is currently the Chief Investment Officer of Raffles Medical Group Ltd wherein he develops and executes business and investment strategies, and has over 28 years of experience in financial matters (including in the areas of accounting, treasury and capital and asset liability management). Mr Tan's experience in the development and execution of investment strategies as well as in the aforesaid financial matters will provide further diversity to the core competencies and skill set of the Board. When considering new Directors for appointment to the Board, candidates who have relevant skills, expertise and/or experience which would complement those already on the Board would be prioritised.
3. **Age diversity**	
The Board to comprise directors falling within at least two out of three age groups, being (i) 50 and below; (ii) 51 to 60; and (iii) 61 and above.	As at 30 September 2023, this target is met.

Corporate Governance Report

The Manager's target is to maintain the above levels of diversity in gender representation, skills and expertise, and age annually.

The Board views Board diversity 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 gender, skills and expertise and age of the Directors. The Board, taking into account the views of the NRC, considers that diversity of the Board will contribute to the quality of its decision-making process and serve the needs and plans of the Group. In this regard:

(a) in relation to gender representation, the Manager believes in achieving an optimum mix of gender representation on the Board to provide different approaches and perspectives. The push for greater gender diversity would also provide the Manager with access to a broader talent pool and improve its capacity for strategic thinking and problem solving;

(b) in relation to skills and expertise, the Manager believes that diversity in skills and expertise would support the work of the Board and Board Committees and the needs of the Manager. This benefits 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. In addition, this would facilitate the effective oversight of management and the Group's businesses and would also help shape the Manager's strategic objectives; and

(c) in relation to age diversity, the Manager believes that age diversity would contribute beneficially to the Board's deliberations and avoid the risk of groupthink, while ensuring the Board's decisions and/or strategies stay relevant as markets evolve.

The current Board composition reflects an appropriate diversity of age, independence, backgrounds and competencies of the Directors. The competencies of the Directors range from real estate industry experience/knowledge, business management, strategy development, investments/mergers and acquisitions (including fund management and/or investment banking), audit/accounting and finance, risk management, legal/corporate governance and human resource management. As at 30 September 2023, the ages of the Board members range from 52 to 82 years.

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 FY2023, there are five independent Directors on the Board, namely Dr Cheong Choong Kong, Mr Ho Chai Seng, Mr Ho Kin San, Ms Koh Choon Fah and Mr Tan Siew Peng (Darren).

<u>Dr Cheong Choong Kong</u>

As at 30 September 2023, Dr Cheong Choong Kong 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;

Corporate Governance Report

(b) (i) is not employed by the Manager, any of its related corporations or the Trustee for FY2023 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 FY2023 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 or from which the Manager or any of its subsidiaries, FCT or any of its subsidiaries or the Trustee made, or 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 2023.

<u>Mr Ho Chai Seng</u>

As at 30 September 2023, 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 FY2023 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 FY2023 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 or from which the Manager or any of its subsidiaries, FCT or any of its subsidiaries or the Trustee made, or 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 2023.

<u>Mr Ho Kin San</u>

As at 30 September 2023, Mr Ho Kin San is a partner of Allen & Gledhill LLP.

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, save as set out in note (2) on page 157, 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 FY2023 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

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(c) in FY2023 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 or from which the Manager or any of its subsidiaries, FCT or any of its subsidiaries or the Trustee made, or 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 notwithstanding the circumstances set out in note (2) on page 157, Mr Ho Kin San is an independent director as at 30 September 2023.

<u>Ms Koh Choon Fah</u>

As at 30 September 2023, Ms Koh Choon Fah is a director of the following companies:

- Edmund Tie Holdings Pte. Ltd.;
- New Horizon Holdings Pte. Ltd.;
- CPG Corporation Pte Ltd; and
- Maxwell Chambers 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 (3) on page 158, 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 FY2023 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 FY2023 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 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 or from which the Manager or any of its subsidiaries, FCT or any of its subsidiaries or the Trustee made, or 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 (3) on page 158, Ms Koh Choon Fah is an independent director as at 30 September 2023.

<u>Mr Tan Siew Peng (Darren)</u>

As at 30 September 2023, Mr Tan Siew Peng (Darren) is a director of Inland Revenue Authority of Singapore, Tax Academy of Singapore and the Singapore Management University, School of Accountancy Advisory Board. 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;

Corporate Governance Report

(b) (i) is not employed by the Manager, any of its related corporations or the Trustee for FY2023 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 FY2023 or the immediate past financial year, save as set out in note (6) on page 158, (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 or from which the Manager or any of its subsidiaries, FCT or any of its subsidiaries or the Trustee made, or 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 notwithstanding the circumstances set out in note (6) on page 158, Mr Tan Siew Peng (Darren) is an independent director as at 30 September 2023.

Notes:

(1) A Director is "**connected**" to a substantial shareholder of the Manager or substantial Unitholder if:
- (a) in the case where the substantial shareholder or substantial Unitholder is an individual, he/she is:
  - (i) a member of the immediate family of the substantial shareholder or substantial Unitholder;
  - (ii) employed by the substantial shareholder or substantial Unitholder;
  - (iii) a partner of a firm or a limited liability partnership of which the substantial shareholder or substantial Unitholder is also a partner; or
  - (iv) 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; or
- (b) in the case where the substantial shareholder or substantial Unitholder is a corporation, he/she is:
  - (i) employed by the substantial shareholder or substantial Unitholder;
  - (ii) employed by a related corporation or associated corporation of the substantial shareholder or substantial Unitholder;
  - (iii) a director of the substantial shareholder or substantial Unitholder;
  - (iv) a director of a related corporation or associated corporation of the substantial shareholder or substantial Unitholder;
  - (v) a partner of a firm or a limited liability partnership of which the substantial shareholder or substantial Unitholder is also a partner; or
  - (vi) 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.

(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, child, adopted child, step-child, sibling, or parent.

(4) As a guide, payments aggregated over any financial year in excess of $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 $200,000 would generally be deemed as 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.

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The Board has considered the relevant requirements under the SFLCB Regulations and its views in respect of the independence of each Director for FY2023 are as follows:

The Director:	Dr Cheong Choong Kong	Mr Ho Chai Seng	Mr Ho Chee Hwee Simon[(1)]	Mr Ho Kin San[(2)]	Ms Koh Choon Fah[(3)]	Mr Low Chee Wah[(4)]	Ms Soon Su Lin[(5)]	Mr Tan Siew Peng (Darren)[(6)]
(i) had been independent from the management of the Manager and FCT during FY2023	✓	✓	✓	✓	✓			✓
(ii) had been independent from any business relationship with the Manager and FCT during FY2023	✓	✓						
(iii) had been independent from every substantial shareholder of the Manager and every substantial Unitholder during FY2023	✓	✓		✓	✓			✓
(iv) had not been a substantial shareholder of the Manager or a substantial Unitholder during FY2023	✓	✓	✓	✓	✓	✓	✓	✓
(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 FY2023	✓	✓	✓	✓	✓	✓	✓	✓

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 $75,000 per year and advisor's fees amounting to $175,000 per year respectively.

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 $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 FY2023 amounts to $325,000.

FPL wholly-owns the Manager and is a substantial Unitholder. Pursuant to the SFLCB Regulations, during FY2023, 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 2023, Mr Ho Chee Hwee Simon was able to act in the best interests of all Unitholders as a whole. As at 30 September 2023, Mr Ho Chee Hwee Simon was able to act in the best interests of all Unitholders as a whole.

(2) Mr Ho Kin San is a partner of Allen & Gledhill LLP ("**A&G**").

A&G has been appointed by the Manager and/or its related corporations, being other entities within the FPL group ("**FPL Group**") in FY2023 and the immediately preceding financial year, to provide legal services (the "**A&G Appointments**") and fees have been paid or are payable pursuant to such appointments ("**A&G Fees**"). These services fall within the categories of business relationships set out in Regulation 13G of the SFLCB Regulations. Pursuant to the SFLCB Regulations, during FY2023, Mr Ho Kin San is deemed to have a business relationship with the Manager and FCT.

Nonetheless, taking into consideration that (i) Mr Ho Kin San acts in his professional capacity as a partner of A&G and is subject to professional rules and ethics including those relating to conflicts of interests, (ii) the A&G Appointments 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 (iii) the declaration of independence by Mr Ho Kin San, the Board of the Manager is satisfied that the A&G Appointments and the payment of A&G Fees in respect therefor do not affect his continued ability to exercise strong objective judgement and be independent in conduct and character (in particular, in the expression of his views and in his participation in the deliberations and decision-making of the Board and Board Committees of which he 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, Mr Ho Kin San will abstain from any decision relating to the engagement of A&G for the provision of services to the Manager or FCT. He will not be involved in (a) any of the services provided by A&G to the Manager or FCT, and (b) any services provided by A&G to other entities in the FPL Group if FCT is the counterparty to the transaction.

The Board of the Manager is satisfied that, as at 30 September 2023, Mr Ho Kin San was able to act in the best interests of all Unitholders as a whole. As at 30 September 2023, Mr Ho Kin San was able to act in the best interests of all Unitholders as a whole.

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(3) 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 executive director and chief executive officer of ETCSEA (the "**ETCSEA Appointments**") until 31 March 2021 and 30 June 2021 respectively.

ETCSEA has been appointed by related corporations of the Manager, being other entities within the FPL Group in FY2023 and the immediately preceding financial year, to provide real estate related 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. Pursuant to the SFLCB Regulations, during FY2023, Ms Koh Choon Fah is deemed to have a business relationship with the Manager and FCT.

Nonetheless, taking into consideration that (i) 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 (ii) 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 engaging ETCSEA, Ms Koh Choon Fah will abstain from voting on any proposal for such engagement. Further, following the cessation of the ETCSEA Appointments, 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 2023, Ms Koh Choon Fah was able to act in the best interests of all Unitholders as a whole. As at 30 September 2023, Ms Koh Choon Fah was able to act in the best interests of all Unitholders as a whole.

(4) 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 have entered into intra-group transactions with the Manager and FCT and received fees therefor. FPL wholly owns the Manager and is a substantial Unitholder. As such, during FY2023, he is deemed (i) to have a management relationship with the Manager and FCT; (ii) to have a business relationship with the Manager and FCT; and (iii) connected to a substantial shareholder of the Manager and substantial Unitholder. The Board of the Manager is satisfied that, as at 30 September 2023, Mr Low Chee Wah was able to act in the best interests of all Unitholders as a whole. As at 30 September 2023, Mr Low Chee Wah was able to act in the best interests of all Unitholders as a whole.

(5) Ms Soon Su Lin is currently employed by a related corporation of the Manager and is a director of various subsidiaries/associated companies of FPL, which have entered into intra-group transactions with the Manager and FCT and received fees therefor. FPL wholly owns the Manager and is a substantial Unitholder. As such, during FY2023, she is deemed (i) to have a management relationship with the Manager and FCT; (ii) to have a business relationship with the Manager and FCT; and (iii) connected to a substantial shareholder of the Manager and substantial Unitholder. The Board of the Manager is satisfied that, as at 30 September 2023, Ms Soon Su Lin was able to act in the best interests of all Unitholders as a whole. As at 30 September 2023, Ms Soon Su Lin was able to act in the best interests of all Unitholders as a whole.

(6) Mr Tan Siew Peng (Darren) is currently employed as the Chief Investment Officer of Raffles Medical Group Ltd. ("**RMG**"). RMG currently leases and may potentially lease premises in properties owned by the Group and in properties owned or managed by related corporations of the Manager, being other entities of the FPL Group, in FY2023 and the immediately preceding financial year, and rental (and/or other similar fees) ("**RMG Payments**") have been paid or are payable pursuant to such leases ("**RMG Leases**"). These leasing arrangements fall within the categories of business relationships set out in Regulation 13G of the SFLCB Regulations. Pursuant to the SFLCB Regulations, during FY2023, Mr Tan Siew Peng (Darren) is deemed to have a business relationship with the Manager and FCT.

Nonetheless, taking into consideration that (i) the RMG Leases are made on an arm's-length basis following assessment and determination carried out independently by the relevant property manager and the asset management teams of the Manager and/or the relevant FPL Group entities based on objective criteria, including tenant trade mix, rental rates and/or lease tenure, (ii) Mr Tan Siew Peng (Darren) has confirmed that his role as the Chief Investment Officer of RMG does not require him to be involved in matters relating to RMG's leasing of premises, in any RMG Leases and (iii) the declaration of independence by Mr Tan Siew Peng (Darren), the Board of the Manager is satisfied that the RMG Leases and the RMG Payments do not affect his continued ability to exercise strong objective judgement and be independent in conduct and character (in particular, in the expression of his views and in his participation in the deliberations and decision-making of the Board and Board Committees of which he 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, in the event RMG leases or proposes to lease premises in properties owned by FCT and/or in properties owned or managed by related corporations of the Manager, being other entities of the FPL Group, Mr Tan Siew Peng (Darren) will abstain on any decision relating any such leases.

The Board of the Manager is satisfied that, as at 30 September 2023, Mr Tan Siew Peng (Darren) was able to act in the best interests of all Unitholders as a whole. As at 30 September 2023, Mr Tan Siew Peng (Darren) 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 2023, 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 the majority 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.

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Changes to the Board and Board Committees after 30 September 2023

In line with the Company's plans for Board refreshment and renewal, the following changes to the Board and Board Committees took place, or will take place, after 30 September 2023:

(a) Dr Cheong Choong Kong retired as a Director, the Chairman of the Board, and a member of the ARCC and the NRC with effect from 1 November 2023;

(b) Ms Koh Choon Fah was appointed as the Chairperson of the Board with effect from 1 November 2023. With effect from 1 November 2023, Ms Koh relinquished her role as the Chairperson of the ARCC. She remains a member of the ARCC and NRC;

(c) Mr Low Chee Wah will retire as a Director with effect from 1 January 2024; and

(d) Mr Tan Siew Peng (Darren) was appointed as the Chairman of the ARCC with effect from 1 November 2023.

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/her 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.

The Manager does not have a practice of extending loans to Directors, and as at 30 September 2023, 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 1967 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 the financial year ended 30 September 2022 ("**FY2022**"), 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 FY2023, an independent external consultant, Aon Solutions Singapore Pte. Ltd., 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.

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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), if any for that particular financial year, 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 procedure for developing policies on remuneration of Directors and Key Management Personnel and for reviewing and approving 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 is the foundation of the Manager's remuneration framework and seeks to (a) 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 and (b) 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.

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(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, including:

(a) culture and engagement building;

(b) a holistic benefits and wellbeing framework;

(c) leadership development;

(d) learning and development; and

(e) career advancement through vertical, lateral and diagonal moves within the Group.

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 FY2023, Willis Towers Watson Consulting (Singapore) Pte Ltd and Mercer (Singapore) Ptd Ltd were appointed as the Manager's remuneration consultants. The remuneration consultants do not have any relationship with FCT, the Manager, its controlling shareholders, its related entities and/or its Directors which would affect their 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:

(a) 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. The NRC considers all such aspects of remuneration to ensure they are fair and avoid rewarding poor performance; and

(b) 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.

Remuneration Policy in respect of Management and other employees

The NRC takes into account all aspects of remuneration, including termination terms, to ensure that they are fair. The NRC reviews the level, structure and mix of remuneration and benefits policies and practices (where appropriate) of the Manager and takes into account the strategic objectives of FCT and the Manager to ensure that they are:

(a) appropriate and proportionate to the sustained performance and value creation of FCT and the Manager; and

(b) designed to attract, retain and motivate the Key Management Personnel to successfully manage FCT and the Manager for the long term.

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 performance review based on indicators such as core values, competencies and key performance indicators.

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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 applicable 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 to link rewards to corporate and individual performance and incentivise sustained performance in both the short and long term. The variable incentives are 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 short term performance excellence. All Key Management Personnel's performance are assessed through either a balanced scorecard or annual performance review with pre-agreed key performance indicators ("**KPIs**"). The KPIs consist of:

    (a) financial KPIs based on the performance of FCT;

    (b) non-financial KPIs which may include measures on People & Culture, Business Growth, Digitalisation, Data & Innovation and Sustainability or specified projects. The sustainability performance indicator includes areas such as asset and entity level ESG benchmarking, green finance and skills and leadership.

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 employees (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 employees of the Manager. Its objectives are to increase the Manager's flexibility and effectiveness in attracting, motivating and retaining talented senior employees and in rewarding these employees 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, after the one-year performance period, at or around the 1st, 2nd and 3rd anniversary of the grant date of the Initial Awards. The obligation to deliver the Units is expected to be satisfied out of the Units held by the Manager.

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The NRC has 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 price-to-book value (against a peer group), (d) Manager'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) Digitalisation, Data & Innovation and (iv) Sustainability. The sustainability performance indicator includes areas such as asset and entity level ESG benchmarking, green finance and skills and leadership. 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 FY2023, the pre-determined target performance levels for the RUP grant were 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. The Manager is reviewing the terms of the incentive plans, which includes a review of any claw-back provisions.

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.

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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 or chairperson 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 FY2023 is set out below.

	Basic Fee per annum ($)	Attendance Fee per meeting (for attendance in person in Singapore) ($)	Attendance Fee per trip (for attendance in person outside Singapore ($)	Attendance Fee per meeting (for attendance via tele/video conference) ($)
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

Disclosure of Remuneration of Directors and Key Executives of the Manager

Information on the remuneration of Directors and Key Executives of the Manager for FY2023 is set out below.

Directors of the Manager	Remuneration $
Dr Cheong Choong Kong	139,000.00
Mr Ho Chai Seng	98,500.00
Mr Ho Chee Hwee Simon	89,500.00(1)
Mr Ho Kin San	19,005.38
Ms Koh Choon Fah	115,500.00
Mr Low Chee Wah(2)	53,500.00
Ms Soon Su Lin(3)	53,500.00
Mr Tan Siew Peng (Darren)	986.11

Notes:

(1) Excludes $75,000 and $175,000 being payment of director's fees and advisor's fees respectively for the Prior Appointments and $75,000 being payment of director's fees for the FPS Appointment, from FPL Group (excluding the Manager).

(2) Director's fees for Mr Low Chee Wah are paid to Frasers Property Corporate Services Pte. Ltd.

(3) Director's fees for Ms Soon Su Lin are paid to Frasers Property Corporate Services Pte. Ltd.

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Remuneration of CEO for FY2023	Salary %	Bonus %	Allowances and Benefits %	Long-Term Incentives %	Total %
Between $1,000,001 to $1,250,000					
Mr Richard Ng	49	24	5	22	100

Remuneration of key executives of the Manager[1] (excluding CEO) for FY2023	Salary %	Bonus %	Allowances and Benefits %	Long-Term Incentives %	Total %
Ms Tan Loo Ming Audrey Ms Pauline Lim Mr Chen Fung Leng	57[2]	19[2]	5[2]	19[2]	100
Aggregate Total Remuneration (excluding CEO)			**$1,486,762**		

Notes:

(1) 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.

(2) 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.

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 $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 is (a) disclosing the CEO's remuneration in bands of $250,000 (instead of on a quantum basis), (b) not disclosing exact details of the remuneration of the other Key Executives of the Manager in bands of $250,000 and (c) disclosing 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 its 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 as set out at pages 187, 231 and 259 to 260 of this Annual Report.

Corporate Governance 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 2023, 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 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 17 January 2023, 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 FY2023 is in charge of the annual audit for the third time.

During FY2023, 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 year, 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 FY2023 are set out in the table below:

Fees relating to external auditors for FY2023	$'000
For audit and audit-related services	311.7
For non-audit services	147.8
Total	459.5

Corporate Governance Report

The ARCC has conducted a review of all non-audit services provided by KPMG LLP during the financial year. 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 FY2023, 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 FY2023, 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 2023.

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 the interests of FCT and its Unitholders. The ARCC reviews and reports to the Board on the adequacy and effectiveness of such controls, including financial, operational, compliance 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, operational, compliance 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.

The ARCC and the Board have been monitoring the rising interest rates, cost inflation pressures and global geopolitical tensions, which have an impact on FCT's financials and are working closely with Management 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 financials. Capital and liquidity management remain priorities for the Manager and FCT.

Corporate Governance Report

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 91 to 94.

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 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. Risk tolerance statements setting out the nature and extent of significant risks which the Manager is willing to take in achieving its strategic objectives and value creation have been formalised and adopted.

The Board has received assurance from the CEO and the CFO that as at 30 September 2023:

(a) the financial records of FCT have been properly maintained and the financial statements for FY2023 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 2023 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 2023 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 FCT will not be adversely affected by any event that could be reasonably foreseen as the Manager works to achieve its business objectives for FCT.

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 2023, the internal controls of FCT (including financial, operational, compliance and information technology controls) and risk management systems in place for FCT were adequate and effective to address risks which the Manager considers relevant and material to FCT's operations.

Corporate Governance Report

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 FPL's Group Chief Corporate Officer. 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 2023, FPL Group IA comprised 25 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 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 with the key strategies of FCT. Risk assessments are carried out on all key business processes, which are used to determine the extent and the frequencies of the reviews to be performed. Higher risk areas are subject to more extensive and frequent reviews. FPL Group IA conducts its reviews based on the internal audit plan approved by the ARCC. FPL Group IA has unfettered access to FCT's and the Manager's documents, records, properties and personnel, including 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 FY2023, the internal audit function 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 FY2022. 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.

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.

Corporate Governance Report

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. The Manager 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, including concerns about accounting, internal controls or auditing matters; (b) improper conduct, dishonest, fraudulent or unethical behaviour; (c) any criminal or regulatory offence, breach, 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 workplace hazards/violations which may threaten health and safety; (e) corruption or bribery; (f) conflicts of interest without proper disclosure; (g) any deliberate attempt to cover up and/or conceal misconduct and (h) any other improprieties or matters that may adversely affect Unitholders'/shareholders' interests in, and the 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 (including reporting to the Board of any significant matters raised through the whistle-blowing channel).

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, timely, balanced and understandable 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), securities brokers 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.

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.

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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 FY2023 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 24.

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

The forthcoming 15th Annual General Meeting ("**AGM 2024**") will be held in a wholly physical format on 22 January 2024 and Unitholders (themselves or through duly appointed proxies) will be able to vote and ask questions in person at AGM 2024.

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. At FCT's general meetings, Unitholders are also given opportunities to ask questions or give feedback to the Manager.

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 Unitholders the necessary information on each resolution so as to enable them to exercise their votes on an informed basis.

To safeguard the Unitholders' interests and rights, the Manager tables separate resolutions at general meetings of Unitholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. 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. Provision 11.4 of the CG Code provides for an issuer's constitution to allow for absentia voting at general meetings of unitholders. The Trust Deed currently does not, however, permit Unitholders to vote at general meetings in absentia (such as via mail, email or fax). In line with Principle 11 of the CG Code, Unitholders nevertheless have the opportunity to appoint proxies to vote on his behalf at the meeting through proxy forms sent in advance. As the authentication of Unitholder identity and other related security and integrity issues remain a concern, for FY2023, the REIT Manager did not implement absentia voting methods such as voting via mail, email or fax.

4 Prior appointment with the Manager is appreciated.

Corporate Governance Report

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 chairpersons, 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 published on FCT's website within one month from the date of the meeting.

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 FY2023, the distribution for the first half-year (for the period from 1 October 2022 to 31 March 2023) was made on 30 May 2023. The distribution for the second half-year (for the period from 1 April 2023 to 30 September 2023) was made on 29 November 2023.

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 93 to 136 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 FY2023.

Responsible sourcing

The Manager has put in place a Responsible Sourcing Policy which sets out expectations of contractors and suppliers across four areas of sustainable procurement, namely environmental management; human rights and labour management; health, safety, and well-being; and business ethics and integrity. The policy is informed by the UN Global Compact Principles and the UN Universal Declaration of Human Rights.

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.

Corporate Governance Report

The FPL 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 FPL 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 FPL 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 FPL Code of Business Conduct is also made available to other stakeholders such as the Manager's agents, suppliers, business associates and customers.

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 ISO 22301 management system. The policy sets the directives and guides the Manager in implementing and maintaining a BCM 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 FY2023, enhanced its BCM programme which has boosted its resilience and capability in responding, managing, and recovering from adverse business disruptions and unforeseen catastrophic events. Under the programme, critical business functions, key processes, resource requirements, service recovery time objectives and business recovery strategies are identified. Management has identified and mapped end-to-end dependencies covering people, processes, technology and other resources (including third parties and intragroup) that support each critical business service. Management has put in place a robust and effective incident management programme to manage incidents to recover the critical business services and functions to prepare itself within the stipulated recovery time objectives. A Crisis Management Team has been established to oversee the Manager's crisis management activities. Group Internal Audit (as an independent and qualified party) has been engaged to establish a comprehensive BCM audit plan and conduct an audit of the BCM framework and the BCM of each critical business service at least once every three years.

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 FPL Code of Business Conduct, the BCM Policy and the other policies mentioned above, are accessible to all employees on the FPL Group intranet.

Corporate Governance Report

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.

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.

Corporate Governance Report

Type of Fee	Computation and Form of Payment	Rationale and Purpose
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.
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.

Corporate Governance Report

SUMMARY OF COMPLIANCE WITH EXPRESS DISCLOSURE REQUIREMENTS IN PRINCIPLES AND PROVISIONS OF CG CODE

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Corporate Governance Report

PRINCIPLES AND PROVISIONS OF THE 2018 CODE OF CORPORATE GOVERNANCE		PAGE REFERENCE OF ANNUAL REPORT 2023
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Corporate Governance Report

PRINCIPLES AND PROVISIONS OF THE 2018 CODE OF CORPORATE GOVERNANCE		PAGE REFERENCE OF ANNUAL REPORT 2023
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Contents

FINANCIAL STATEMENTS

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 2001, 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 186 to 255, 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
16 November 2023

Statement by the Manager

In the opinion of the directors of Frasers Centrepoint Asset Management Ltd., the accompanying financial statements set out on pages 186 to 255, comprising the consolidated statement of financial position and consolidated portfolio statement of the Group and the statement of financial position of the Trust as at 30 September 2023, and the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in unitholders' funds and consolidated statement of cash flows of the Group and the statement of movements in unitholders' funds 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 2023, the consolidated total return, consolidated distributable income, consolidated movements in unitholders' funds and consolidated cash flows of the Group and the movements in unitholders' funds of the 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.

Koh Choon Fah
Director

Soon Su Lin
Director

Singapore
16 November 2023

Independent Auditors' Report

To the Unitholders
Frasers Centrepoint Trust
(Constituted under a Trust Deed (as amended, restated and supplemented) 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 statement of financial position and consolidated portfolio statement of the Group and the statement of financial position of the Trust as at 30 September 2023, the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in unitholders' funds and consolidated statement of cash flows of the Group and the statement of movements in unitholders' funds 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 186 to 255.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of movements in unitholders' funds 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 2023 and the consolidated total return, consolidated distributable income, consolidated movements in unitholders' funds and consolidated cash flows of the Group and the movements in unitholders' funds of the 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, restated and supplemented) in the Republic of Singapore)

Valuation of investment properties
(Refer to Portfolio Statement and Note 4 to the financial statements)

Risk

The Group owns retail malls and an office building located in Singapore that are leased to third parties under operating leases. As at 30 September 2023, the investment properties with carrying amount of $5.22 billion represent the single largest asset category on the consolidated statement of financial position 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 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 valuations.

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 generally comparable to available market data. Where the assumptions were outside the expected range, the additional factors considered by the external valuers were consistent with other corroborative evidence.

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 which are 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 Sustainability Report and the Statistics of Unitholdings, 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.

Independent Auditors' Report

To the Unitholders
Frasers Centrepoint Trust
(Constituted under a Trust Deed (as amended, restated and supplemented) in the Republic of Singapore)

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.

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.

Independent Auditors' Report

To the Unitholders
Frasers Centrepoint Trust
(Constituted under a Trust Deed (as amended, restated and supplemented) in the Republic of Singapore)

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

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and 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
16 November 2023

Statements of Financial Position

As at 30 September 2023

	Note	Group 2023 $'000	Group 2022 $'000	Trust 2023 $'000	Trust 2022 $'000
Non-current assets					
Investment properties	4	5,220,500	5,516,000	2,152,000	2,460,000
Fixed assets	5	48	126	48	126
Investment in subsidiaries	6	–	–	2,004,045	1,447,600
Investment in associate	7	–	40,808	–	44,565
Investment in joint ventures	8	730,766	312,341	693,951	287,366
Derivative financial instruments	9	14,937	21,740	15,063	21,740
		5,966,251	5,891,015	4,865,107	4,261,397
Current assets					
Derivative financial instruments	9	3,533	3,331	3,533	3,331
Trade and other receivables	10	8,756	8,857	5,986	358,944
Cash and cash equivalents	11	32,206	38,165	12,766	16,613
Assets held for sale	12	364,436	–	364,320	–
		408,931	50,353	386,605	378,888
Total assets		6,375,182	5,941,368	5,251,712	4,640,285
Current liabilities					
Trade and other payables	13	95,250	70,583	225,011	114,204
Derivative financial instruments	9	–	–	3,533	2,897
Current portion of security deposits		48,680	45,647	16,548	19,228
Interest-bearing borrowings	14	353,483	390,668	–	199,951
Provision for taxation		402	463	–	–
Liabilities held for sale	12	6,189	–	6,189	–
		504,004	507,361	251,281	336,280
Non-current liabilities					
Derivative financial instruments	9	9,217	–	12,483	11,189
Interest-bearing borrowings	14	1,841,925	1,419,458	1,137,227	457,677
Non-current portion of security deposits		46,801	50,472	17,977	20,165
		1,897,943	1,469,930	1,167,687	489,031
Total liabilities		2,401,947	1,977,291	1,418,968	825,311
Net assets		3,973,235	3,964,077	3,832,744	3,814,974
Represented by:					
Unitholders' funds		3,973,235	3,964,077	3,832,744	3,814,974
Units in issue ('000)	15	1,708,459	1,702,057	1,708,459	1,702,057
Net asset value/Net tangible asset value per Unit ($)	16	2.32	2.33	2.24	2.24

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statement of Total Return

For the Financial Year Ended 30 September 2023

	Note	Group 2023 $'000	Group 2022 $'000
Gross revenue	17	369,723	356,931
Property expenses	18	(104,137)	(98,334)
Net property income		265,586	258,597
Finance income		439	43
Other income	19	3,815	–
Finance costs	20	(81,042)	(46,832)
Asset management fees	21	(35,468)	(32,608)
Valuation fees		(188)	(164)
Trustee's fees		(1,016)	(953)
Audit fees		(290)	(246)
Professional fees		(2,369)	(1,531)
Other charges		(398)	(743)
Net income		149,069	175,563
Share of results of associate	7	5,862	(1,096)
Share of results of joint ventures	8	51,185	24,599
Impairment loss on investment in associate	7	(3,982)	–
Loss from the dilution of interest in associate		–	(1,143)
Net change in fair value of investment properties	4	9,897	2,744
Net change in fair value of derivative financial instruments		174	528
Net foreign exchange loss		(1)	(8)
Total return before tax		212,204	201,187
Taxation	22	(250)	6,092
Total return for the year		211,954	207,279
Earnings per Unit (cents)	23		
Basic		12.42	12.18
Diluted		12.39	12.17

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Distribution Statement

For the financial year ended 30 September 2023

	Group	
	2023 $'000	2022 $'000
Income available for distribution to Unitholders at beginning of year	105,478	103,573
Net income	149,069	175,563
Net tax and other adjustments (Note A)	19,965	12,234
Distributions from associate	3,187	2,130
Distributions from joint ventures	34,914	19,957
Distributable income for the year	207,135	209,884
Income available for distribution to Unitholders	312,613	313,457
Distributions to Unitholders:		
Distribution of 6.089 cents per Unit for period from 1/4/2021 to 30/9/2021	–	103,565
Distribution of 6.136 cents per Unit for period from 1/10/2021 to 31/3/2022	–	104,414
Distribution of 6.091 cents per Unit for period from 1/4/2022 to 30/9/2022	103,776	–
Distribution of 6.130 cents per Unit for period from 1/10/2022 to 31/3/2023	104,680	–
	208,456	207,979
Income available for distribution to Unitholders at end of year	104,157	105,478
Distributions to Unitholders [(1) (2)]	207,745	208,190
Distribution per Unit for the year (cents) [(1) (2)]	12.150	12.227
Note A – Net tax and other adjustments relate to the following items:		
– Asset management fees paid/payable in Units	11,556	6,522
– Amortisation of transaction costs	2,787	2,439
– Amortisation of lease incentives	(1,394)	(1,906)
– Other items [(3)]	7,016	5,179
Net tax and other adjustments	19,965	12,234

(1) In determining the distributions relating to FY2023, FCT released $1.7 million of its tax-exempt income available for distribution to Unitholders which had been previously retained in FY2022 and retained $1.1 million of its tax-exempt income available for distribution to Unitholders.

In determining the distributions relating to FY2022, FCT retained $1.7 million of its tax-exempt income available for distribution to Unitholders.

(2) The distribution relating to period from 1 April 2023 to 30 September 2023 will be paid on 29 November 2023.

(3) Include tax-exempt dividend of $4.0 million (2022: $2.0 million) declared by FCT Holdings (Sigma) Pte. Ltd.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Movements in Unitholders' Funds

For the financial year ended 30 September 2023

	Group		Trust	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Net assets at beginning of year	3,964,077	3,918,808	3,814,974	3,794,254
Operations				
Total return for the year	211,954	207,279	205,655	209,084
Unitholders' transactions				
Creation of Units				
– issued/issuable as satisfaction of asset management fees	11,556	6,522	11,556	6,522
– issued as satisfaction of acquisition fees	6,611	–	6,611	–
Distributions to Unitholders	(208,456)	(207,979)	(208,456)	(207,979)
Net decrease in net assets resulting from Unitholders' transactions	(190,289)	(201,457)	(190,289)	(201,457)
Hedging reserve				
Effective portion of change in fair value of cash flow hedges	(15,818)	27,679	(8,405)	13,093
Net change in fair value of cash flow hedges reclassified to statement of total return	10,809	–	10,809	–
Share of movement in hedging reserve of joint ventures	(5,201)	13,099	–	–
Net (decrease)/increase in net assets resulting from hedging reserve	(10,210)	40,778	2,404	13,093
Translation reserve				
Net effect of exchange loss arising from translation of financial statement of associate	(2,266)	(1,716)	–	–
Realisation of translation reserve arising from the dilution of interest in associate	–	399	–	–
Net effect of exchange loss arising from translation of financial statements of subsidiaries	(31)	(14)	–	–
Net decrease in net assets resulting from translation reserve	(2,297)	(1,331)	–	–
Net assets at end of year	3,973,235	3,964,077	3,832,744	3,814,974

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Portfolio Statement

As at 30 September 2023

GROUP

Description of Property	Term of Lease	Location	Existing Use	Carrying Value 2023 $'000	Carrying Value 2022 $'000	Percentage of Net Assets 2023 %	Percentage of Net Assets 2022 %
Investment properties in Singapore							
Causeway Point	99-year leasehold from 30 October 1995	1 Woodlands Square	Commercial	1,336,000	1,323,000	33.6	33.4
Northpoint City North Wing	99-year leasehold from 1 April 1990	930 Yishun Avenue 2	Commercial	782,000	778,000	19.7	19.6
Changi City Point	60-year leasehold from 30 April 2009	5 Changi Business Park Central 1	Commercial	– (1)	325,000	–	8.2
Yishun 10 Retail Podium	99-year leasehold from 1 April 1990	51 Yishun Central 1	Commercial	34,000	34,000	0.9	0.9
Tampines 1	99-year leasehold from 1 April 1990	10 Tampines Central 1	Commercial	771,000	764,000	19.4	19.3
Tiong Bahru Plaza	99-year leasehold from 1 September 1991	302 Tiong Bahru Road	Commercial	657,000	655,000	16.5	16.5
Century Square	99-year leasehold from 1 September 1992	2 Tampines Central 5	Commercial	559,000	559,000	14.1	14.1
Hougang Mall	99-year leasehold from 1 May 1994	90 Hougang Avenue 10	Commercial	435,000	433,000	10.9	10.9
White Sands	99-year leasehold from 1 May 1993	1 Pasir Ris Central Street 3	Commercial	429,000	429,000	10.8	10.8
Central Plaza	99-year leasehold from 1 September 1991	298 Tiong Bahru Road	Commercial	217,500	216,000	5.5	5.5
Investment properties, at valuation				5,220,500	5,516,000	131.4	139.2
Asset held for sale in Singapore (Note 12)							
Changi City Point	60-year leasehold from 30 April 2009	5 Changi Business Park Central 1	Commercial	325,000 (1)	–	8.2	–
Investment in associate (Note 7)				– (1)	40,808	–	1.0
Investment in joint ventures (Note 8)				730,766 (2)	312,341	18.4	7.9
				6,276,266	5,869,149	158.0	148.1
Other assets and liabilities (net)				(2,303,031)	(1,905,072)	(58.0)	(48.1)
Net assets attributable to Unitholders				3,973,235	3,964,077	100.0	100.0

(1) Reclassified to "Assets held for sale" as at 30 September 2023 (Note 12).

(2) Excluded the investment in Changi City Carpark Operations LLP ("CCCO LLP"), which has been reclassified to "Assets held for sale" as at 30 September 2023.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Portfolio Statement

As at 30 September 2023

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") (2022: JLL and Savills). The Manager believes that these independent valuers possess appropriate professional qualifications and relevant 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	Carrying Value 2023 $'000	Carrying Value 2022 $'000
Investment properties in Singapore				
Causeway Point	Savills (2022: Savills)	Capitalisation approach and discounted cash flow analysis [1] (2022: Capitalisation approach and discounted cash flow analysis [1])	1,336,000	1,323,000
Northpoint City North Wing	Savills (2022: Savills)	Capitalisation approach and discounted cash flow analysis [1] (2022: Capitalisation approach and discounted cash flow analysis [1])	782,000	778,000
Yishun 10 Retail Podium	Savills (2022: Savills)	Capitalisation approach, discounted cash flow analysis and direct comparison method (2022: Capitalisation approach, discounted cash flow analysis and direct comparison method)	34,000	34,000
Tampines 1	JLL (2022: JLL)	Capitalisation approach and discounted cash flow analysis [1] (2022: Capitalisation approach and discounted cash flow analysis [1])	771,000	764,000
Tiong Bahru Plaza	JLL (2022: JLL)	Capitalisation approach and discounted cash flow analysis [1] (2022: Capitalisation approach and discounted cash flow analysis [1])	657,000	655,000
Century Square	JLL (2022: JLL)	Capitalisation approach and discounted cash flow analysis [1] (2022: Capitalisation approach and discounted cash flow analysis [1])	559,000	559,000
Hougang Mall	JLL (2022: JLL)	Capitalisation approach and discounted cash flow analysis [1] (2022: Capitalisation approach and discounted cash flow analysis [1])	435,000	433,000
White Sands	JLL (2022: JLL)	Capitalisation approach and discounted cash flow analysis [1] (2022: Capitalisation approach and discounted cash flow analysis [1])	429,000	429,000
Central Plaza	JLL (2022: JLL)	Capitalisation approach and discounted cash flow analysis [1] (2022: Capitalisation approach and discounted cash flow analysis [1])	217,500	216,000
Asset held for sale in Singapore (Note 12)				
Changi City Point	Savills (2022: Savills)	Capitalisation approach and discounted cash flow analysis [1] (2022: Capitalisation approach and discounted cash flow analysis [1])	325,000 [2]	325,000

(1) Direct comparison method was used as a cross-check.

(2) Reclassified to "Assets held for sale" as at 30 September 2023 (Note 12).

The net change in fair value of these investment properties have been recognised in the statement 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 rental income, recognised in the statement of total return of the Group for the year ended 30 September 2023 amounted to $18,349,000 (2022: $17,560,000) (Note 17).

Statement of Cash Flows

For the financial year ended 30 September 2023

	Note	Group 2023 $'000	Group 2022 $'000
Operating activities			
Total return before tax		212,204	201,187
Adjustments for:			
Net allowance/(written back) for doubtful receivables	18	51	(656)
Finance costs	20	81,042	46,832
Asset management fees paid/payable in Units		11,556	6,522
Finance income		(439)	(43)
Depreciation of fixed assets	18	43	49
Share of results of associate	7	(5,862)	1,096
Share of results of joint ventures	8	(51,185)	(24,599)
Impairment loss on investment in associate	7	3,982	–
Loss from the dilution of interest in associate		–	1,143
Net change in fair value of investment properties	4	(9,897)	(2,744)
Net change in fair value of derivative financial instruments		(174)	(528)
Amortisation of lease incentives		(1,394)	(1,906)
Fixed assets written off	18	35	–
Operating income before working capital changes		**239,962**	**226,353**
Changes in working capital:			
Trade and other receivables		51	794
Trade and other payables		(2,121)	36
Security deposits		5,551	7,752
Cash flows generated from operating activities		**243,443**	**234,935**
Income tax paid		(313)	(1,351)
Net cash flows generated from operating activities		**243,130**	**233,584**
Investing activities			
Distributions received from associate	7	9	2,130
Distributions received from joint ventures	8	34,028	19,686
Adjustment of consideration paid for investment in joint venture	8	–	70
Finance income received		439	43
Capital and other expenditure on investment properties		(8,332)	(5,901)
Deposit received for assets held for sale		16,900	–
Investment in joint ventures		(399,975)	–
Cash flows (used in)/generated from investing activities		**(356,931)**	**16,028**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statement of Cash Flows

For the financial year ended 30 September 2023

	Note	Group 2023 $'000	Group 2022 $'000
Financing activities			
Proceeds from borrowings	14	1,146,998	387,000
Repayment of borrowings	14	(749,933)	(387,000)
Interest expense paid	14	(76,474)	(43,712)
Distributions to Unitholders		(208,456)	(207,979)
Settlement of derivative financial instrument	14	174	–
Payment of transaction costs	14	(4,467)	(1,990)
Cash flows generated from/(used in) financing activities		**107,842**	**(253,681)**
Net decrease in cash and cash equivalents		**(5,959)**	**(4,069)**
Cash and cash equivalents at beginning of year		38,165	42,234
Cash and cash equivalents at end of year	11	**32,206**	**38,165**

Significant Non-Cash Transactions

During the financial year, 5,286,207 (2022: 2,906,185) Units were issued and issuable in satisfaction of asset management fees payable in Units, amounting to a value of $11,556,000 (2022: $6,522,000).

On 14 February 2023, 2,987,432 Units were issued in satisfaction of:

(i) the acquisition fee of $1,313,000 in connection with the acquisition of an additional 10.00% interest in Sapphire Star Trust ("SST"); and

(ii) the acquisition fee of $5,298,000 in connection with the acquisition of an effective 25.50% interest in Gold Ridge Pte. Ltd ("GRPL").

On 3 January 2023, Hektar Real Estate Investment Trust ("H-REIT") declared a distribution of RM6,864,000 (net of 10% withholding tax) to the Group. The Group had elected to reinvest and receive the entire distribution in new H-REIT units under the income distribution reinvestment plan ("IDRP").

Following the IDRP, the Group received 10,559,928 new H-REIT units and the Group's interest in H-REIT increased from 30.53% to 30.97%.

Notes to the Financial Statements

For the year ended 30 September 2023

The following notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 16 November 2023.

1. GENERAL

Frasers Centrepoint Trust (the "Trust" or "FCT") 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" and individually as "Group entities") and the Group's interest in equity-accounted investees in trust for the holders ("Unitholders") of units in the Trust (the "Units").

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 significant subsidiaries is set out in Note 6.

For financial reporting purposes, the Trust is regarded as a subsidiary of Frasers Property Limited ("FPL"), a Singapore-domiciled company. The ultimate holding company is TCC Assets Limited, which is incorporated in the British Virgin Islands.

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, otherwise payable to the Property Manager and/or third party agents.

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.

Notes to the Financial Statements

For the year ended 30 September 2023

1. GENERAL (CONT'D)

1.2 Asset management fees

Pursuant to the Trust Deed, asset management fees comprise the following:

(i) a base fee not exceeding 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.

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 2023, the Manager has opted to receive an average of 32.5% (2022: 20.0%) 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 not exceeding the rate of 1% of the acquisition price on all acquisitions and divestment fee not exceeding the rate of 0.5% of the sale price on all 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 ("FRSs").

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.

Notes to the Financial Statements

For the year ended 30 September 2023

2. BASIS OF PREPARATION (CONT'D)

2.1 Basis of preparation (cont'd)

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.

Estimates and underlying assumptions are revised on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

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.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities 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).

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

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

2.2 Changes in accounting policies

New and amended standards adopted by the Group

The Group has applied the following FRSs and amendments to FRSs for the first time for the annual period beginning on 1 October 2022:

- Amendments to FRS 103: *Reference to the Conceptual Framework*
- Amendments to FRS 16: *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to FRS 37: *Onerous Contracts – Cost of fulfilling a Contract*
- Annual Improvements to FRSs 2018-2020
- Amendments to FRS 12: *International Tax Reform – Pillar Two Model Rules*

Based on Amendments to FRS 12: *International Tax Reform – Pillar Two Model Rules*, the Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group's adoption of the new standards and amendments to FRSs does not have a material impact on the financial statements.

Notes to the Financial Statements

For the year ended 30 September 2023

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 statement of total return.

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

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 statement 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.

Notes to the Financial Statements

For the year ended 30 September 2023

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 statement of financial position, 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 statement of total return. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iii) Investments in associate 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 associate 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 other comprehensive income ("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 associate 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 associate are carried at cost less accumulated impairment losses.

A list of the associate and joint ventures is shown in Notes 7 and 8, 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

For the year ended 30 September 2023

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) Trustee's fees

Trustee's fees are recognised on an accrual basis 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.

Notes to the Financial Statements

For the year ended 30 September 2023

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.

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

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

For the year ended 30 September 2023

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 statement of total return. Any gain or loss on derecognition is recognised in the statement 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 statement 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 statement of total return.

Notes to the Financial Statements

For the year ended 30 September 2023

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. No immediate gain or loss is recognised. 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 statements of financial position 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 statement of total return.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the Financial Statements

For the year ended 30 September 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(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 foreign currency and 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 statement of total return as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the statement 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 foreign exchange rates and 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 statement 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 statement of total return in the same period or periods as the hedged expected future cash flows affect the statement 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 statement of total return.

Notes to the Financial Statements

For the year ended 30 September 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(vi) Derivative financial instruments and hedge accounting (cont'd)

Hedges directly affected by interest rate benchmark reform

When the basis for determining the contractual cash flows of the hedged item or hedging instrument changes as a result of interest rate benchmark 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 interest rate benchmark 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.

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 interest rate benchmark 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 interest rate benchmark 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 interest rate benchmark 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 interest rate benchmark reform as mentioned above.

When the interest rate benchmark on which the hedged future cash flows had been based is changed as required by interest rate benchmark 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 unitholders' funds 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

For the year ended 30 September 2023

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 statement 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 statement 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 statement 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 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 Group entities, 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 statement of total return. However, foreign currency differences arising from the translation of the following items are recognised in unitholders' fund:

- 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.

Notes to the Financial Statements

For the year ended 30 September 2023

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 unitholders' funds. 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 control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to statement of total return as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining 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 statement of total return.

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 the translation reserve in unitholders' funds.

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'.

Notes to the Financial Statements

For the year ended 30 September 2023

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.

Notes to the Financial Statements

For the year ended 30 September 2023

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 statements of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, 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 statement 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

For the year ended 30 September 2023

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 statement 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 associate or joint venture is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in associate or joint venture is tested for impairment as a single asset when there is objective evidence that the investment in associate or joint venture may be impaired.

3.9 Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- hedge ineffectiveness in statement of total return; and
- amortisation of transaction costs.

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.

Finance costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in statement of total return using the effective interest method.

Notes to the Financial Statements

For the year ended 30 September 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 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 statement of total return as a net change in fair 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 statement 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 entities may claim capital allowances on assets that qualify as plant and machinery under the Singapore Income Tax Act.

3.11 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 costs.

3.12 Revenue recognition

Gross rental income

Gross rental income, which include lease incentives, 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.

Gross turnover rental income

Contingent rentals, which include gross turnover rental income, 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.

3.13 Security deposits

Security deposits mainly comprise of rental deposits and utility 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.

Notes to the Financial Statements

For the year ended 30 September 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 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 finance costs and asset management fees.

Segment capital expenditure is the total cost incurred to acquire investment properties and fixed assets.

3.15 Taxation

Tax expense comprises current and deferred tax. Current tax and deferred tax expense are recognised in the statement 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 recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for temporary differences 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.

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 presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. 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.

Notes to the Financial Statements

For the year ended 30 September 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 Taxation (cont'd)

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 and the Units are not held through a partnership in Singapore 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 foreign 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.

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 1994 or established by any written law, town councils, statutory boards, co-operative societies registered under the Co-operatives Societies Act 1979 or trade unions registered under the Trade Unions Act 1940;

Notes to the Financial Statements

For the year ended 30 September 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 Taxation (cont'd)

Tax transparency (cont'd)

(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 1948; 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 13D, 13U or 13V of the Income Tax Act 1947 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.

3.16 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.

3.17 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 statement 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.

3.18 Non-Current Assets and Liabilities Held for Sale

Non-current assets and liabilities, that are highly probable to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets are remeasured in accordance with the applicable FRS. Thereafter, the assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in the statement of total return. Gains are not recognised in excess of any cumulative impairment loss.

Property, plant and equipment once classified as held for sale are not depreciated. In addition, equity accounting of associate and joint ventures ceases once the investments are classified as held for sale.

Notes to the Financial Statements

For the year ended 30 September 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.19 New standards and interpretations not adopted

A number of new standards and amendments to FRSs are effective for annual periods beginning after 1 October 2022 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements.

The following new standards and amendments to FRSs are not expected to have a material impact on the financial statements.

- Amendments to FRS 12: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to FRS 1: *Classification of Liabilities as Current or Non-current*
- FRS 117 *Insurance Contracts* and Amendments to FRS 117 *Insurance Contracts*
- Amendments to FRS 1 and FRS Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to FRS 8: *Definition of Accounting Estimates*

4. INVESTMENT PROPERTIES

	Group		Trust	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
At beginning	5,516,000	5,506,500	2,460,000	2,441,500
Capital expenditure	17,916	4,850	2,626	3,361
Capitalisation of lease incentives, net of amortisation	1,687	1,906	(516)	1,049
Net change in fair value of investment properties	9,897	2,744	14,890	14,090
Reclassification to assets held for sale (Note 12)	(325,000)	–	(325,000)	–
At end	5,220,500	5,516,000	2,152,000	2,460,000

The investment properties owned by the Group are set out in the Portfolio Statement on pages 190 to 191.

Certain investment properties of the Group with an aggregate carrying value of $1,759 million (2022: $1,752 million) are pledged as securities to banks for banking facilities granted (Note 14).

Direct operating expenses (including repairs and maintenance) arising from rental generating properties are disclosed on Note 18 to the financial statements.

On 29 August 2023, the Trust entered into a sale and purchase agreement with an unrelated third party to divest Changi City Point for divestment consideration of $338.0 million and the purchaser has agreed to be a partner in CCCO LLP with effect from (and including) completion of the divestment. Accordingly, Changi City Point was reclassified to assets held for sale (Note 12) as at 30 September 2023. The purchaser had paid a deposit of $16.9 million, representing 5% of the divestment consideration.

Notes to the Financial Statements

For the year ended 30 September 2023

4. INVESTMENT PROPERTIES (CONT'D)

Valuation processes

Investment properties, including investment property reclassified as assets held for sale, 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 category of the investment properties 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, including investment property reclassified as assets held for sale, 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 2023.

The fair value measurement for investment properties, including investment property reclassified as assets held for sale, for the Group and Trust have been categorised as Level 3 fair values based on the inputs to the valuation techniques used.

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques and significant unobservable inputs used in measuring level 3 fair values of investment properties, including investment property reclassified as assets held for sale:

Valuation techniques	Significant unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Capitalisation approach	Capitalisation rate	3.75% – 5.00% (2022: 3.75% – 5.00%)	The higher the rates, the lower the fair value.
Discounted cash flow analysis	Discount rate	6.75% – 7.50% (2022: 6.75% – 7.50%)	The higher the rates, the lower the fair value.
	Terminal yield	4.00% – 5.25% (2022: 4.00% – 5.25%)	The higher the rates, the lower the fair value.
Direct comparison method [(1)]	Transacted prices	\$2,762 – \$5,751 psf (2022: \$2,329 – \$4,362 psf)	The higher the comparable values, the higher the fair value.

(1) The direct comparison method was used in the valuation of Yishun 10 Retail Podium.

The significant 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 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.

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For the year ended 30 September 2023

5. FIXED ASSETS

	Equipment, furniture and fittings, and others Group and Trust 2023 $'000	2022 $'000
Cost		
At beginning	312	316
Disposals/write-offs	(97)	(4)
At end	215	312
Accumulated depreciation		
At beginning	186	141
Charge for the year	43	49
Disposals/write-offs	(62)	(4)
At end	167	186
Carrying amount		
At beginning	126	175
At end	48	126

6. INVESTMENT IN SUBSIDIARIES

	Trust 2023 $'000	2022 $'000
Unquoted equity investments, at cost	2,004,045	1,447,600

Details of the significant subsidiaries are as follows:

Name of subsidiary	Place of incorporation/ business	Principal activity	Effective equity interes held by the Trust 2023 %	2022 %
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)]	Singapore	Property investment	100	100

Notes to the Financial Statements

For the year ended 30 September 2023

6. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name of subsidiary	Place of incorporation/ business	Principal activity	Effective equity interes held by the Trust 2023 %	2022 %
White Sands LLP (1), (2)	Singapore	Property investment	100	100
Hougang Mall LLP (1), (2)	Singapore	Property investment	100	100
Tampines 1 LLP (1), (2)	Singapore	Property investment	100	100
Central Plaza LLP (1), (2)	Singapore	Property investment	100	100
Century Square LLP (1), (2)	Singapore	Property investment	100	100
Tiong Bahru Plaza Trust 1 (1)	Singapore	Investment holding	100	100
Tiong Bahru Plaza Trust 2 (1), (2)	Singapore	Investment holding	100	100
White Sands Trust 1 (1)	Singapore	Investment holding	100	100
White Sands Trust 2 (1), (2)	Singapore	Investment holding	100	100
Hougang Mall Trust 1 (1)	Singapore	Investment holding	100	100
Hougang Mall Trust 2 (1), (2)	Singapore	Investment holding	100	100
Tampines 1 Trust 1 (1)	Singapore	Investment holding	100	100
Tampines 1 Trust 2 (1), (2)	Singapore	Investment holding	100	100
Central Plaza Trust 1 (1)	Singapore	Investment holding	100	100
Central Plaza Trust 2 (1), (2)	Singapore	Investment holding	100	100
Century Square Trust 1 (1)	Singapore	Investment holding	100	100
Century Square Trust 2 (1)	Singapore	Investment holding	100	100
The Management Corporation Strata Title Plan No. 2634 (1), (2)	Singapore	Management and maintenance of property	100	100

(1) Audited by KPMG LLP, Singapore.

(2) Indirectly held by FCT.

Notes to the Financial Statements

For the year ended 30 September 2023

7. INVESTMENT IN ASSOCIATE

	Group		Trust	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Investment in associate	–	59,543	–	74,584
Allowance for impairment	–	(18,735)	–	(30,019)
	–	40,808	–	44,565

Details of the associate are as follows:

Name of associate	Place of incorporation/ business	Effective equity interest held by the Group and Trust 2023 %	2022 %
Hektar Real Estate Investment Trust [(1)]	Malaysia	– [(2)]	30.53

(1) Audited by BDO, Malaysia.

(2) Reclassified to "Assets held for sale" as at 30 September 2023 (Note 12).

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.

On 24 December 2021 and 29 December 2021, H-REIT conducted a private placement exercise. Following the private placement, the Group's interest in H-REIT decreased from 31.15% to 30.53%. Arising from the dilution of interest in H-REIT, the Group recognised a loss of $1,143,000 in 2022, of which a loss of $399,000 arose from the realisation of translation reserve.

On 3 January 2023, H-REIT declared a distribution of RM6,864,000 (net of 10% withholding tax) to the Group for the fourth quarter ended 31 December 2022, based on 5.3 sen per unit. The Group had elected to reinvest the entire distribution under the IDRP based on the issue price of RM0.65 per unit. Following the IDRP, the Group received 10,559,928 new H-REIT units and the Group's interest in H-REIT increased from 30.53% to 30.97%.

On 22 September 2023, the Trust entered into a sale and purchase agreement with an unrelated third party in relation to the divestment of 28.85% interest in H-REIT, comprising of 143,898,398 units in H-REIT for a purchase consideration of approximately RM128,070,000 (equivalent to approximately $37,319,000). The purchase consideration was negotiated on a willing-buyer and willing-seller basis at RM0.89 per unit.

On 4 October 2023, the Trust entered into a sale and purchase agreement with an unrelated third party in relation to the divestment of the remaining 2.12% interest in H-REIT, comprising 10,559,928 units in H-REIT for a purchase consideration of approximately RM6,864,000 (equivalent to approximately $2,000,000). The purchase consideration was negotiated on a willing-buyer and willing-seller basis at RM0.65 per unit.

The Group and the Trust provided for an impairment loss of $3,982,000 (2022: $NIL) and $7,330,000 (2022: $1,929,000) respectively to write down the carrying amount of the investment in H-REIT to the estimated recoverable amount. The entire interest in H-REIT was reclassified to assets held for sale (Note 12) as at 30 September 2023 and the divestments are expected to be completed in the quarter ending 31 December 2023.

Notes to the Financial Statements

For the year ended 30 September 2023

7. INVESTMENT IN ASSOCIATE (CONT'D)

As the results of H-REIT were not expected to be announced in sufficient time to be included in the Group's results for the quarter ended 30 September 2022, the Group had estimated the results of H-REIT for the quarter ended 30 September 2022 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% (2022: 10%) withholding tax in Malaysia.

The fair value of H-REIT based on published price quotations was $23,620,000 as at 30 September 2022.

The following table summarises the financial information of the Group's associate based on their respective unaudited management accounts prepared in accordance with FRS, modified for fair value adjustments on acquisition and differences in the Group's accounting policies, if any.

	2022 $'000
Assets and liabilities (3)	
Non-current assets	367,073
Current assets	13,017
Total assets	380,090
Current liabilities	21,679
Non-current liabilities	183,102
Total liabilities	204,781
Results (4)	
Revenue	33,193
Expenses	(25,337)
Net change in fair value of investment properties	(13,931)
Tax credit	956
Loss after taxation	(5,119)

(3) The "Assets and liabilities" was based on the latest available unaudited management accounts as at 30 June 2022.

(4) The "Results" was based on the latest available unaudited management accounts for the six months ended 30 June 2022 and six-month results from the audited financial statements for the year ended 31 December 2021.

As at 30 September 2022, the associate's property portfolio comprised Subang Parade in Selangor, Mahkota Parade in Melaka, Wetex Parade and Segamat Central in Johor, Central Square and Kulim Central in Kedah.

	2023 $'000	2022 $'000
Group's interest in associate		
At beginning	40,808	46,494
Group's share of:		
– Profit/(loss) after taxation	5,862	(1,096)
Dividends received during the year	(3,187)	(2,130)
Addition in relation to IDRP	2,084	–
Loss from the dilution of interest in associate	–	(744)
Impairment loss	(3,982)	–
Translation difference	(2,266)	(1,716)
Reclassification to assets held for sale (Note 12)	(39,319)	–
At end	–	40,808

Notes to the Financial Statements

For the year ended 30 September 2023

8. INVESTMENT IN JOINT VENTURES

	Group		Trust	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Investment in joint ventures	731,898	313,473	695,083	288,498
Allowance for impairment	(1,132)	(1,132)	(1,132)	(1,132)
	730,766	312,341	693,951	287,366

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 2023 %	2022 %
Changi City Carpark Operations LLP (1)	Singapore	– (4)	43.68
Sapphire Star Trust (2)	Singapore	50.00	40.00
FC Retail Trustee Pte. Ltd. (2)	Singapore	50.00	40.00
NEX Partners Trust (2)	Singapore	51.00	–
Frasers Property Coral Pte. Ltd. (2)	Singapore	51.00	–
Joint venture held by NEX Partners Trust			
Gold Ridge Pte. Ltd. (3)	Singapore	25.50	–

(1) Audited by P G Wee Partnership LLP.

(2) Audited by KPMG LLP, Singapore.

(3) Audited by Deloitte & Touche LLP, Singapore.

(4) Reclassified to "Assets held for sale" as at 30 September 2023 (Note 12).

CCCO LLP is incorporated in Singapore and is a strategic venture in the management and operation of car park in Changi City Point. On 29 August 2023, the Trust entered into a sale and purchase agreement with an unrelated third party to divest Changi City Point for divestment consideration of $338.0 million and the purchaser has agreed to be a partner in CCCO LLP with effect from (and including) completion of the divestment. Accordingly, the investment in CCCO LLP was reclassified to assets held for sale (Note 12) as at 30 September 2023.

The Group holds an interest and voting rights in the following joint ventures: (i) SST, a private trust that owns Waterway Point, a suburban shopping mall located in Punggol and (ii) FC Retail Trustee Pte. Ltd. ("FCRT"), which is the trustee-manager of SST. The Group jointly controls the joint ventures with another joint venture partner and unanimous consent is required for all decisions over the relevant activities.

On 12 September 2022, the Trust entered into a conditional unit sale and purchase agreement with Sekisui House, Ltd. (the "Vendor") to acquire from the Vendor 10.00% of the total issued units of SST, comprising 500,001 ordinary units and 56,904,785 redeemable preference units in SST; and a conditional share sale and purchase agreement with the Vendor to acquire from the Vendor 10.00% of the issued share capital of FCRT.

On 8 February 2023, the Group completed its acquisition of an additional 10.00% interest in SST and FCRT with a total acquisition outlay (including transaction costs and completion adjustments) of approximately $74.4 million. Subsequent to the acquisition, the Group's interest in SST and FCRT increased from 40.00% to 50.00%.

On 26 January 2023, the Trust and FCL Emerald (1) Pte. Ltd. ("FCL Emerald"), a wholly-owned subsidiary of FPL, established NEX Partners Trust ("NP Trust"). The Trust and FCL Emerald respectively hold 51.00% and 49.00% interest in each of NP Trust and Frasers Property Coral Pte. Ltd. ("FP Coral"), the trustee-manager of NP Trust. The Group jointly controls NP Trust and FP Coral with FCL Emerald and unanimous consent is required for all decisions over the relevant activities.

Notes to the Financial Statements

For the year ended 30 September 2023

8. INVESTMENT IN JOINT VENTURES (CONT'D)

On 26 January 2023, FP Coral, in its capacity as the trustee-manager of NP Trust, entered into a conditional sale and purchase agreement with Mercatus Tres Pte. Ltd. to purchase 168,764,576 ordinary shares, representing 50.00% of the total share capital of GRPL, which holds the retail mall known as "NEX" at 23 Serangoon Central, Singapore 556083. The transaction was completed on 6 February 2023 and as at 30 September 2023, there is a total acquisition outlay (including transaction costs and completion adjustments) of approximately $332.2 million. Subsequent to the transaction, the Group has an effective interest of 25.50% in GRPL.

No disclosure of fair value is made for the joint ventures as they are not quoted on any market.

The following table summarises the financial information of the Group's material joint ventures based on their respective unaudited management accounts prepared in accordance with FRS, modified for fair value adjustments on acquisition and differences in the Group's accounting policies, if any. The table also analyses, in aggregate, the carrying amount and share of profit and OCI of the remaining individually immaterial joint ventures.

2023	SST $'000	NP Trust $'000	Immaterial joint ventures $'000	Total $'000
Results (1)				
Revenue	80,991	–		
Expenses (a)	(34,609)	(543)		
Share of results of joint venture	–	47,107		
Net change in fair value of investment properties	2,647	–		
Tax expense	(3,577)	–		
Profit after taxation	45,452	46,564		
(a) Includes:				
– Depreciation	(6)	–		
– Finance income	1,157	–		
– Finance costs	(17,001)	–		
Assets and liabilities (2)				
Non-current assets	1,343,914	661,304		
Current assets (b)	43,180	778		
Total assets	1,387,094	662,082		
Current liabilities	29,352	436		
Non-current liabilities (c)	590,106	–		
Total liabilities	619,458	436		
(b) Includes cash and cash equivalents	40,579	662		
(c) Includes non-current bank borrowings	572,247	–		
Group's interest in joint ventures				
At beginning	312,092	–	249	312,341
Group's share of:				
– Profit after taxation (3)	26,967	23,747	471	51,185
– Other comprehensive income	(4,019)	(1,182)	–	(5,201)
Total comprehensive income	22,948	22,565	471	45,984
Additions during the year	74,369	332,208	9	406,586
Reclassification to assets held for sale (Note 12)	–	–	(117)	(117)
Dividends received during the year	(21,403)	(12,036)	(589)	(34,028)
At end	388,006	342,737	23	730,766

(1) The "Results" are based on the unaudited management accounts for the year ended 30 September 2023 for SST and period from 26 January 2023 to 30 September 2023 for NP Trust.

(2) The "Assets and liabilities" are based on the unaudited management accounts as at 30 September 2023.

(3) Includes a one-off gain of $13,581,000 recognised upon the completion of the acquisition of an additional 10.00% interest in SST and effective 25.50% interest in GRPL.

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For the year ended 30 September 2023

8. INVESTMENT IN JOINT VENTURES (CONT'D)

2022	SST $'000	Immaterial joint ventures $'000	Total $'000
Results [4]			
Revenue	78,158		
Expenses [a]	(28,231)		
Net change in fair value of investment properties	10,669		
Tax expense	(4,363)		
Profit after taxation	56,233		
(a) Includes:			
– Depreciation	(7)		
– Finance income	244		
– Finance costs	(10,571)		
Assets and liabilities [5]			
Non-current assets	1,349,844		
Current assets [b]	46,897		
Total assets	1,396,741		
Current liabilities	43,664		
Non-current liabilities [c]	579,428		
Total liabilities	623,092		
(b) Includes cash and cash equivalents	44,791		
(c) Includes non-current bank borrowings	571,961		
Group's interest in joint ventures			
At beginning	294,236	163	294,399
Group's share of:			
– Profit after taxation	24,239	360	24,599
– Other comprehensive income	13,099	–	13,099
Total comprehensive income	37,338	360	37,698
Adjustment of consideration paid for investment in joint venture	(70)	–	(70)
Dividends received during the year	(19,412)	(274)	(19,686)
At end	312,092	249	312,341

(4) The "Results" were based on the unaudited management accounts for the year ended 30 September 2022.

(5) The "Assets and liabilities" were based on the unaudited management accounts as at 30 September 2022.

Notes to the Financial Statements

For the year ended 30 September 2023

9. DERIVATIVE FINANCIAL INSTRUMENTS

	Group		Trust	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Derivative financial assets				
Interest rate swaps	18,470	25,071	18,596	25,071
Classified as:				
– Current	3,533	3,331	3,533	3,331
– Non-current	14,937	21,740	15,063	21,740
	18,470	25,071	18,596	25,071
Derivative financial liabilities				
Interest rate swaps	126	–	6,925	14,086
Cross-currency interest rate swaps	9,091	–	9,091	–
	9,217	–	16,016	14,086
Classified as:				
– Current	–	–	3,533	2,897
– Non-current	9,217	–	12,483	11,189
	9,217	–	16,016	14,086
Derivative financial instruments as a percentage of net assets	0.23%	0.63%	0.07%	0.29%

(a) Interest rate swaps used for hedging

Interest rate swaps are used by the Group to hedge its exposure to interest rate risk associated with movements in interest rates on the borrowings of the Group. The Trust has entered into interest rate swap arrangements on behalf of entities within the Group.

The Group and the Trust have interest rate swap arrangements in place for the following amounts:

	Group Notional amount		Trust Notional amount	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Maturing:				
Within one year	220,000	276,000	440,000	467,000
Between one to five years	594,000	444,000	804,000	704,000
	814,000	720,000	1,244,000	1,171,000

As at 30 September 2023, the fixed interest rates of the outstanding interest rate swaps range between 1.456% to 3.740% (2022: 0.463% to 2.420%) per annum.

Notes to the Financial Statements

For the year ended 30 September 2023

9. DERIVATIVE FINANCIAL INSTRUMENTS (CONT'D)

(b) Cross-currency interest rate swaps used for hedging

Cross-currency interest rate swaps are used by the Group to hedge its exposure to foreign currency and interest rate risks on borrowings denominated in Australian dollars.

The Group and the Trust have cross-currency interest rate swap arrangements in place for the following amounts:

	Group and Trust Notional amount	
	2023 $'000	2022 $'000
Maturing:		
Between one to five years	209,191	–
	209,191	–

The fair value of the interest rate swaps and cross-currency interest rate swaps is determined using the valuation technique as disclosed in Note 25(b).

10. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Trade receivables	5,474	6,232	2,327	3,215
Allowance for doubtful receivables	(143)	(154)	(79)	(111)
Net trade receivables	5,331	6,078	2,248	3,104
Deposits	72	695	41	33
Prepayments	612	175	22	14
Amounts due from subsidiaries (non-trade)	–	–	1,752	354,155
Amounts due from related parties (non-trade)	53	35	52	33
Other receivables	2,688	1,874	1,871	1,605
	8,756	8,857	5,986	358,944

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.

Notes to the Financial Statements

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11. CASH AND CASH EQUIVALENTS

	Group		Trust	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Cash at bank and on hand	29,206	38,165	9,766	16,613
Fixed deposits	3,000	–	3,000	–
	32,206	38,165	12,766	16,613

The interest rates of the fixed deposits for the Group and Trust range between 3.00% to 3.90% (2022: NIL%) per annum.

12. ASSETS/LIABILITIES HELD FOR SALE

	Group		Trust	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Investment property (Note 4)	325,000	–	325,000	–
Investment in associate (Note 7)	39,319	–	39,319	–
Investment in joint venture (Note 8)	117	–	1	–
Assets held for sale	364,436	–	364,320	–
Security deposits	6,189	–	6,189	–
Liabilities held for sale	6,189	–	6,189	–

13. TRADE AND OTHER PAYABLES

	Group		Trust	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Trade payables and accrued operating expenses	43,170	35,852	21,636	20,212
Amounts due to related parties	19,022	20,520	15,895	18,169
Amounts due to subsidiaries (non-trade)	–	–	164,208	72,100
Interest payable	9,466	7,685	4,079	1,098
Deposit received for assets held for sale	16,900	–	16,900	–
Other payables	293	122	129	27
	88,851	64,179	222,847	111,606
GST payables	3,927	4,997	1,799	2,271
Advance rent received	2,472	1,407	365	327
	95,250	70,583	225,011	114,204

Included in trade payables and accrued operating expenses is an amount due to the Trustee of $221,000 (2022: $240,000).

Included in amounts due to related parties are amounts due to the Manager of $13,135,000 (2022: $15,047,000) and the Property Manager of $5,646,000 (2022: $5,266,000) respectively. The amounts due to related parties are unsecured, interest free and repayable on demand.

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For the year ended 30 September 2023

14. INTEREST-BEARING BORROWINGS

	Group		Trust	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Current liabilities				
Bank loan (secured)	353,500	–	–	–
Bank loan (unsecured)	–	191,000	–	–
Medium Term Note (unsecured)	–	200,000	–	–
Loan from subsidiary (unsecured)	–	–	–	200,000
Less: Unamortised transaction costs	(17)	(332)	–	(49)
	353,483	390,668	–	199,951
Non-current liabilities				
Bank loans (secured)	443,500	794,000	–	–
Bank loans (unsecured)	1,334,256	560,000	1,071,256	389,000
Medium Term Note (unsecured)	70,000	70,000	–	–
Loan from subsidiary (unsecured)	–	–	70,000	70,000
Less: Unamortised transaction costs	(5,831)	(4,542)	(4,029)	(1,323)
	1,841,925	1,419,458	1,137,227	457,677

As at 30 September 2023, secured bank loans and certain bank facilities are secured on the following:

- a mortgage over Tampines 1 ("T1"), Century Square ("CS") and White Sands ("WS") (2022: T1, CS and WS);
- 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 T1, CS and WS (2022: T1, CS and WS);
- 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 T1, CS and WS (2022: T1, CS and WS); and
- a first fixed and floating charge over all present and future assets of the respective entities in connection with T1, CS and WS (2022: T1, CS and WS).

Undrawn Revolving Credit Facilities as at 30 September 2023 amounted to $488.4 million (2022: $616.9 million).

Medium Term Notes (unsecured) Programme

On 7 May 2009, the Group through its subsidiary, FCT MTN Pte. Ltd. ("FCT MTN"), established a $500 million 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 million to $1 billion. 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.

As at 30 September 2023, $70 million (2022: $70 million) of Fixed Rate Notes issued by the Group under the FCT MTN Programme mature in November 2024 and bear a fixed interest rate of 2.770% per annum payable semi-annually in arrears.

Notes to the Financial Statements

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14. INTEREST-BEARING BORROWINGS (CONT'D)

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 2023, there are no outstanding (2022: $200 million) Fixed Rate Note issued under this programme.

Terms and debt repayment schedule

	Currency	Year of maturity	Group Face value $'000	Group Carrying value $'000	Trust Face value $'000	Trust Carrying value $'000
2023						
Bank loans	SGD	2023 – 2028	1,922,065	1,916,755	862,065	858,574
Bank loans	A$	2026	209,191	208,678	209,191	208,678
Medium Term Note	SGD	2024	70,000	69,975	–	–
Loan from subsidiary	SGD	2024	–	–	70,000	69,975
			2,201,256	2,195,408	1,141,256	1,137,227
2022						
Bank loans	SGD	2023 – 2027	1,545,000	1,540,222	389,000	387,724
Medium Term Notes	SGD	2023 – 2024	270,000	269,904	–	–
Loans from subsidiary	SGD	2023 – 2024	–	–	270,000	269,904
			1,815,000	1,810,126	659,000	657,628

Notes to the Financial Statements

For the year ended 30 September 2023

14. INTEREST-BEARING BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities

Group	Liabilities			Derivative financial instruments held to hedge borrowings	
	Interest-bearing borrowings $'000	Interest payable (Note 13) $'000	Accrued transaction costs $'000	Derivative liabilities/ (assets) (Note 9) $'000	Total $'000
At 1 October 2021	1,808,916	7,004	1,759	3,136	1,820,815
Changes from financing cash flows					
Proceeds from borrowings	387,000	–	–	–	387,000
Repayment of borrowings	(387,000)	–	–	–	(387,000)
Interest expense paid	–	(43,712)	–	–	(43,712)
Payment of transaction costs	(1,229)	–	(761)	–	(1,990)
Total changes from financing cash flows	(1,229)	(43,712)	(761)	–	(45,702)
Change in fair value	–	–	–	(28,207)	(28,207)
Other changes					
Interest expense (Note 20)	–	44,393	–	–	44,393
Amortisation of transaction costs (Note 20)	2,439	–	–	–	2,439
Total other changes	2,439	44,393	–	–	46,832
At 30 September 2022	1,810,126	7,685	998	(25,071)	1,793,738
At 1 October 2022	1,810,126	7,685	998	(25,071)	1,793,738
Changes from financing cash flows					
Proceeds from borrowings	1,146,998	–	–	–	1,146,998
Repayment of borrowings	(749,933)	–	–	–	(749,933)
Interest expense paid	–	(76,474)	–	–	(76,474)
Settlement of derivative financial instrument	–	–	–	174	174
Payment of transaction costs	(3,761)	–	(706)	–	(4,467)
Total changes from financing cash flows	393,304	(76,474)	(706)	174	316,298
Change in fair value	–	–	–	15,644	15,644
Other changes					
Interest expense (Note 20)	–	78,255	–	–	78,255
Amortisation of transaction costs (Note 20)	2,787	–	–	–	2,787
Effect of changes in foreign exchange rates	(10,809)	–	–	–	(10,809)
Total other changes	(8,022)	78,255	–	–	70,233
At 30 September 2023	2,195,408	9,466	292	(9,253)	2,195,913

Notes to the Financial Statements

For the year ended 30 September 2023

15. UNITS IN ISSUE

	Group and Trust 2023 No. of Units '000	Group and Trust 2022 No. of Units '000
Units in issue		
At beginning	1,702,057	1,699,268
Issue of Units		
– issued as satisfaction of asset management fees	3,414	2,789
– issued as satisfaction of acquisition fee	2,988	–
At end	1,708,459	1,702,057
Units to be issued		
– asset management fees payable in Units	3,580	1,708
Total issued and issuable Units at end	1,712,039	1,703,765

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.

Notes to the Financial Statements

For the year ended 30 September 2023

16. NET ASSET VALUE/NET TANGIBLE ASSET PER UNIT

	Group		Trust	
	2023	2022	2023	2022
Net asset value/Net tangible asset per Unit is based on:				
Net assets/Net tangible assets ($'000)	3,973,235	3,964,077	3,832,744	3,814,974
Total issued and issuable Units ('000) (Note 15)	1,712,039	1,703,765	1,712,039	1,703,765

17. GROSS REVENUE

	Group	
	2023 $'000	2022 $'000
Gross rental income	331,255	325,626
Gross turnover rental income	18,349	17,560
Carpark income	7,281	6,167
Others	12,838	7,578
	369,723	356,931

18. PROPERTY EXPENSES

	Group	
	2023 $'000	2022 $'000
Property tax	29,535	33,430
Maintenance and utilities	31,544	27,537
Property management fees	14,193	13,763
Property management reimbursements [(1)]	16,842	12,167
Marketing	7,381	7,707
Net allowance/(written back) for doubtful receivables	51	(656)
Bad debts recovered	(7)	(3)
Depreciation of fixed assets	43	49
Fixed assets written off	35	–
Others	4,520	4,340
	104,137	98,334

(1) Relates to reimbursement of staff costs paid/payable under the respective property management agreements to Frasers Property Retail Management Pte. Ltd.

19. OTHER INCOME

Other income includes an one-off grant income of $3,815,000 (2022: $NIL) in relation to property tax rebates and cash grant received from IRAS.

Notes to the Financial Statements

For the year ended 30 September 2023

20. FINANCE COSTS

	Group	
	2023 $'000	2022 $'000
Interest expense	78,255	44,393
Amortisation of transaction costs	2,787	2,439
	81,042	46,832

21. ASSET MANAGEMENT FEES

Asset management fees comprise $19,906,000 (2022: $18,479,000) of base fee and $15,562,000 (2022: $14,129,000) of performance fee computed in accordance with the fee structure as disclosed in Note 1.2 to the financial statements.

An aggregate of 5,286,207 (2022: 2,906,185) Units were issued or are issuable to the Manager as satisfaction of the asset management fees payable for the year ended 30 September 2023.

22. TAXATION

	Group	
	2023 $'000	2022 $'000
Current tax expense		
Current year	*	906
Under/(over) provision in prior years	250	(358)
	250	548
Deferred tax expense		
Reversal of temporary differences [(1)]	–	(6,640)
	–	(6,640)
Total taxation	250	(6,092)
Reconciliation of effective tax		
Total return before tax	212,204	201,187
Income tax using Singapore tax rate of 17% (2022: 17%)	36,075	34,202
Effects of different tax rates in foreign jurisdictions	2	9
Expenses not deductible	4,093	2,499
Income not subject to tax	(8,380)	(4,879)
Reversal of temporary differences	–	(6,640)
Tax transparency	(31,790)	(30,925)
Under/(over) provision in prior years	250	(358)
	250	(6,092)

* Amount less than $1,000.

(1) Reversal of temporary differences in relation to investment properties.

Notes to the Financial Statements

For the year ended 30 September 2023

23. 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 financial year and total return for the year.

	Group 2023	Group 2022
Total return for the year ($'000)	211,954	207,279
Weighted average number of Units ('000)	1,706,420	1,701,468

(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 2023	Group 2022
Total return for the year ($'000)	211,954	207,279
Weighted average number of Units arriving at basic earnings per Unit ('000)	1,706,420	1,701,468
Effect of Units to be issued as payment of asset management fees in Units ('000)	4,506	2,298
Weighted average number of Units (diluted) ('000)	1,710,926	1,703,766

24. 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 2023 $'000	Group 2022 $'000
Related Corporations		
Property management fees, project management fee, service fees and reimbursement of expenses paid/payable to the Property Manager [(1)]	43,323	36,041
Acquisition fees paid in Units to the Manager	6,611	–
Reimbursement of expenses paid/payable to the Manager	54	122
Adjustment of consideration paid for investment in joint venture from a related company	–	(70)
Reimbursement of expenses/capital expenditure paid/payable to related companies	1,433	210
Recovery of expenses paid on behalf of a related company	(191)	(140)
Income from related companies	(523)	(356)
Purchase of services from a related company	537	418
Reimbursement of carpark income received on behalf of a related company	2,270	1,830
Car park expenses paid/payable to a joint venture	44	40

(1) In accordance with service agreements in relation to management of the Trust and its property operations.

Notes to the Financial Statements

For the year ended 30 September 2023

25. FAIR VALUE OF ASSETS AND LIABILITIES

(a) Assets and liabilities measured at fair value

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group				
At 30 September 2023				
Financial assets				
Interest rate swaps	–	18,470	–	18,470
Financial liabilities				
Interest rate swaps	–	126	–	126
Cross-currency interest rate swaps	–	9,091	–	9,091
At 30 September 2022				
Financial assets				
Interest rate swaps	–	25,071	–	25,071
Trust				
At 30 September 2023				
Financial assets				
Interest rate swaps	–	18,596	–	18,596
Financial liabilities				
Interest rate swaps	–	6,925	–	6,925
Cross-currency interest rate swaps	–	9,091	–	9,091
At 30 September 2022				
Financial assets				
Interest rate swaps	–	25,071	–	25,071
Financial liabilities				
Interest rate swaps	–	14,086	–	14,086

During the years ended 30 September 2023 and 30 September 2022, there have been no transfers between the respective levels.

(b) Level 2 fair value measurements

Interest rate swap contracts and cross-currency interest rate swaps 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 interest rate curves and foreign exchange spot rates.

Notes to the Financial Statements

For the year ended 30 September 2023

25. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(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:

	2023		2022	
	Carrying amount $'000	Fair value $'000	Carrying amount $'000	Fair value $'000
Group				
Financial liabilities				
Interest-bearing borrowings (non-current)	1,841,925	1,838,393	1,419,458	1,414,883
Security deposits (non-current)	46,801	42,709	50,472	46,809
	1,888,726	1,881,102	1,469,930	1,461,692
Trust				
Financial liabilities				
Interest-bearing borrowings (non-current)	1,137,227	1,133,695	457,677	453,598
Security deposits (non-current)	17,977	16,538	20,165	18,775
	1,155,204	1,150,233	477,842	472,373

(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.

Notes to the Financial Statements

For the year ended 30 September 2023

26. 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 45.0% of the fund's deposited property. The aggregate leverage of a property fund may exceed 45.0% of the fund's deposited property (up to a maximum of 50.0%) only if the property fund has a minimum adjusted interest coverage ratio of 2.5 times after taking into account the interest payment obligations arising from the new borrowings.

As at 30 September 2023, the Group's Aggregate Leverage stood at 39.3% (2022: 33.0%) of its deposited 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, foreign currency, 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 doubtful receivables 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 statements of financial position. At the reporting date, approximately 14.9% (2022: 26.2%) of the Group's trade receivables were due from 5 tenants which are reputable companies located in Singapore.

Notes to the Financial Statements

For the year ended 30 September 2023

26. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(i) Credit risk (cont'd)

Expected credit loss assessment for individual tenants

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.

The following table provides information about the exposure to credit risk and ECLs for trade receivables at the reporting date:

	2023		2022	
	Gross carrying amount $'000	Allowance for doubtful receivables $'000	Gross carrying amount $'000	Allowance for doubtful receivables $'000
Group				
Less than 30 days	4,764	(52)	5,075	(15)
31 to 60 days	172	(6)	362	–
61 to 90 days	24	(5)	132	–
More than 90 days	514	(80)	663	(139)
	5,474	(143)	6,232	(154)
Trust				
Less than 30 days	2,178	(26)	2,485	(11)
31 to 60 days	55	(6)	246	–
61 to 90 days	11	(3)	127	–
More than 90 days	83	(44)	357	(100)
	2,327	(79)	3,215	(111)

The movement in the allowance for doubtful receivables during the financial year was as follows:

	Group		Trust	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
At beginning	154	942	111	751
Net allowance/(written back) for doubtful receivables	51	(656)	(17)	(640)
Write-off of trade receivables against allowance	(62)	(132)	(15)	–
At end	143	154	79	111

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant difficulties and have defaulted on payments. The allowance for doubtful receivables 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.

Notes to the Financial Statements

For the year ended 30 September 2023

26. 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.

Amounts due from related parties and subsidiaries

Outstanding balances with related parties 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 at the reporting date. There is no allowance for doubtful receivables 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 statements of financial position. 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) Currency risk

The Group's foreign currency risk relates mainly to the borrowings, that are denominated in Australian dollars ("A$").

The Manager monitors the Group's foreign currency exposure on an ongoing basis and limits its exposure to fluctuations in foreign currency exchange rates by using derivative financial instruments or other suitable financial products, where appropriate.

The Group uses cross-currency interest rate swaps to hedge its currency risk. The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency and amount of their respective cash flows.

The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the critical terms match method and hypothetical derivative method.

During the financial year, the Group has drawn down borrowings of A$238.1 million (equivalent to $209.2 million) (2022: Nil) and entered into cross-currency interest rate swaps to fully hedge against the foreign currency risk, and accordingly, there is no net currency exposure arising from these borrowings.

Notes to the Financial Statements

For the year ended 30 September 2023

26. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group'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 and and cross-currency 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.

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 "interest rate benchmark reform"). The Group had exposures to IBORs (i.e. SOR) on its financial instruments that will be replaced or reformed as part of these market-wide initiatives.

The Group monitors and manages the transition to alternative rates. The Group evaluates the extent to which contracts reference SOR cash flows, whether such contracts will need to be amended as a result of interest rate benchmark reform and how to manage communication about interest rate benchmark reform with counterparties.

The Group monitors the progress of transition from SOR to SORA by reviewing the total amounts of contracts that have yet to transition to SORA and the amounts of such contracts that include an appropriate fallback clause. The Group considers that a contract is not yet transitioned to SORA when interest under the contract is indexed to SOR, even if it includes a fallback clause that deals with the cessation of the existing SOR (referred to as an "unreformed contract").

Non-derivative financial liabilities

Historically, the Group's IBOR exposures to non-derivative financial liabilities included secured and unsecured bank loans indexed to SOR. As at 30 September 2023, the Group is no longer exposed to any interest rate risk arising from the IBOR reform.

As at 30 September 2022, the carrying amounts of unreformed non-derivative financial liabilities of the Group and Trust were $372,364,000 and $118,782,000, respectively.

Notes to the Financial Statements

For the year ended 30 September 2023

26. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(iii) Interest rate risk (cont'd)

Derivatives

The Group holds interest rate swaps and cross-currency interest rate swaps for risk management purposes that are designated in cash flow hedging relationships. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association ("ISDA")'s master agreements.

As at 30 September 2023, the Group has completed the transition with respective counterparties of the contracts for all derivative financial instruments and is no longer exposed to any interest rate risk arising from the IBOR reform. As at 30 September 2022, the notional amounts of unreformed derivative financial instruments that included appropriate fallback language of the Group and Trust were $310,000,000 and $119,000,000 respectively.

Hedge accounting

The Group's hedged items and hedging instruments at the reporting date are indexed to SORA.

Hedging relationships impacted by interest rate benchmark 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 for the relevant hedged items and hedging instruments.

During the financial year, the Group has fully completed the IBOR reform transition for the remaining IBOR linked instruments. The Group has applied the Phase 2 amendments relief when the relief criterions are met:

(i) The Group updates the effective interest rate of the financial liability carried at amortised cost with no immediate gain or loss to be recognised.

(ii) The Group amends the formal hedge documentation by the end of reporting period for changes which are required by IBOR reform to the hedged risk, hedged items and hedging instrument. Amendments to the formal hedge documentation do not constitute discontinuation of the hedging relationship.

For the year ended 30 September 2023, the IBOR reform transition of the affected financial liabilities at amortised cost and interest rate swaps had no material ineffectiveness on the consolidated financial statements of the Group. Given that most of the critical terms were matched, the changes in fair value of the hedged risk approximates the change in fair value of the hedging instruments. Therefore, no material ineffectiveness was recognised.

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 Unitholders' funds by approximately $22,237,000 (2022: $12,924,000) and every 100 basis points decrease in interest rate, with all other variables held constant, would decrease the Group's Unitholders' funds by approximately $22,796,000 (2022: $13,341,000), arising mainly as a result of change in the fair value of interest rate swap instruments.

On outstanding borrowings not covered by derivative financial instruments 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 $8,181,000 (2022: $5,300,000) 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 $8,181,000 (2022: $5,300,000), arising mainly as a result of higher/lower 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.

Notes to the Financial Statements

For the year ended 30 September 2023

26. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(iii) Interest rate risk (cont'd)

Hedge accounting *(cont'd)*

The amounts relating to items designated as hedging instruments were as follows. There are no hedge ineffectiveness recognised during the year.

	2023				During the year – 2023		
	Notional amount $'000	Carrying amount – assets $'000	Carrying amount – liabilities $'000	Line item in the statement of financial position where the hedging instrument is included $'000	Changes in fair value of the hedging instrument recognised in OCI $'000	Net change in fair value reclassified from hedging reserve to statement of total return $'000	Line item in statement of total return affected by the reclassification $'000
Group							
Cash flow hedges							
Interest rate risk and foreign currency risk							
– Cross-currency interest rate swaps to hedge foreign currency floating rate borrowings	209,191[(1)]	–	(9,091)	Derivative financial instruments	(9,091)	10,809	Foreign exchange loss
Interest rate risk							
– Interest rate swaps to hedge floating rate borrowings	814,000	18,470	(126)	Derivative financial instruments	(6,727)	–	–

(1) The Group entered into cross-currency interest rate swaps to swap A$238.1 million floating rate borrowings to $220.0 million fixed rate borrowings.

Notes to the Financial Statements
For the year ended 30 September 2023

26. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(iii) Interest rate risk (cont'd)

***Hedge accounting** (cont'd)*

	2022				During the year – 2022		
	Notional amount $'000	Carrying amount – assets $'000	Carrying amount – liabilities $'000	Line item in the statement of financial position where the hedging instrument is included $'000	Changes in fair value of the hedging instrument recognised in OCI $'000	Net change in fair value reclassified from hedging reserve to statement of total return $'000	Line item in statement of total return affected by the reclassification $'000
Group							
Cash flow hedges							
Interest rate risk							
– Interest rate swaps to hedge floating rate borrowings	720,000	25,071	–	Derivative financial instruments	27,679	–	–

Notes to the Financial Statements

For the year ended 30 September 2023

26. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(iii) Interest rate risk (cont'd)

***Hedge accounting** (cont'd)*

	2023				During the year – 2023		
	Notional amount $'000	Carrying amount – assets $'000	Carrying amount – liabilities $'000	Line item in the statement of financial position where the hedging instrument is included $'000	Changes in fair value of the hedging instrument recognised in OCI $'000	Net change in fair value reclassified from hedging reserve to statement of total return $'000	Line item in statement of total return affected by the reclassification $'000
Trust							
Cash flow hedges							
Interest rate risk and foreign currency risk							
– Cross-currency interest rate swaps to hedge foreign currency floating rate borrowings	209,191[1]	–	(9,091)	Derivative financial instruments	(9,091)	10,809	Foreign exchange loss
Interest rate risk							
– Interest rate swaps to hedge floating rate borrowings	1,244,000	18,596	(6,925)	Derivative financial instruments	686	–	–

(1) The Group entered into cross-currency interest rate swaps to swap A$238.1 million floating rate borrowings to $220.0 million fixed rate borrowings.

Notes to the Financial Statements

For the year ended 30 September 2023

26. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(iii) Interest rate risk (cont'd)

Hedge accounting *(cont'd)*

	2022				During the year – 2022		
	Notional amount $'000	Carrying amount – assets $'000	Carrying amount – liabilities $'000	Line item in the statement of financial position where the hedging instrument is included $'000	Changes in fair value of the hedging instrument recognised in OCI $'000	Net change in fair value reclassified from hedging reserve to statement of total return $'000	Line item in statement of total return affected by the reclassification $'000
Trust							
Cash flow hedges							
Interest rate risk							
– Interest rate swaps to hedge floating rate borrowings	1,171,000	25,071	(14,086)	Derivative financial instruments	13,093	–	–

(iv) 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.

Notes to the Financial Statements

For the year ended 30 September 2023

26. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(iv) Liquidity risk (cont'd)

The following are the expected contractual undiscounted cash flows of the Group's and Trust's non-derivative financial liabilities and derivative financial instruments including interest payments:

	Carrying amount $'000	Contractual cash flows $'000	Cash flows: Within 1 year $'000	Cash flows: 1 to 5 years $'000	Cash flows: More than 5 years $'000
Group					
As at 30 September 2023					
Derivative financial assets/(liabilities)					
Interest rate swaps (net-settled)	18,344	19,307	8,773	10,534	–
Cross-currency interest rate swaps (gross-settled)	(9,091)	–	–	–	–
– outflow	–	(241,401)	(7,636)	(233,765)	–
– inflow	–	236,638	9,975	226,663	–
	9,253	14,544	11,112	3,432	–
Non-derivative financial liabilities					
Trade and other payables (1)	(88,851)	(88,851)	(88,851)	–	–
Security deposits	(95,481)	(95,481)	(48,680)	(45,276)	(1,525)
Interest-bearing borrowings	(2,195,408)	(2,433,947)	(434,330)	(1,999,617)	–
	(2,379,740)	(2,618,279)	(571,861)	(2,044,893)	(1,525)
As at 30 September 2022					
Derivative financial assets					
Interest rate swaps (net-settled)	25,071	26,875	10,723	16,152	–
Non-derivative financial liabilities					
Trade and other payables (1)	(64,179)	(64,179)	(64,179)	–	–
Security deposits	(96,119)	(96,119)	(45,647)	(49,335)	(1,137)
Interest-bearing borrowings	(1,810,126)	(1,977,774)	(461,060)	(1,516,714)	–
	(1,970,424)	(2,138,072)	(570,886)	(1,566,049)	(1,137)
Trust					
As at 30 September 2023					
Derivative financial assets/(liabilities)					
Interest rate swaps (net-settled)	11,671	12,418	3,677	8,741	–
Cross-currency interest rate swaps (gross-settled)	(9,091)	–	–	–	–
– outflow	–	(241,401)	(7,636)	(233,765)	–
– inflow	–	236,638	9,975	226,663	–
	2,580	7,655	6,016	1,639	–
Non-derivative financial liabilities					
Trade and other payables (1)	(222,847)	(222,847)	(222,847)	–	–
Security deposits	(34,525)	(34,525)	(16,548)	(17,977)	–
Interest-bearing borrowings	(1,137,227)	(1,310,439)	(49,351)	(1,261,088)	–
	(1,394,599)	(1,567,811)	(288,746)	(1,279,065)	–
As at 30 September 2022					
Derivative financial assets/(liabilities)					
Interest rate swaps (net-settled)	10,985	11,976	3,151	8,825	–
Non-derivative financial liabilities					
Trade and other payables (1)	(111,606)	(111,606)	(111,606)	–	–
Security deposits	(39,393)	(39,393)	(19,228)	(19,632)	(533)
Interest-bearing borrowings	(657,628)	(725,751)	(223,155)	(502,596)	–
	(808,627)	(876,750)	(353,989)	(522,228)	(533)

(1) Excludes advance rent received and GST payables.

Notes to the Financial Statements

For the year ended 30 September 2023

27. SEGMENT REPORTING

Business segments

The Group is in the business of investing in retail malls and an office building, which are considered to be the main business segments.

The Group's portfolio as at 30 September 2023 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.

Segment capital expenditure is the total costs incurred during the financial 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 investment in H-REIT for which operations are in Malaysia.

Notes to the Financial Statements

For the year ended 30 September 2023

27. SEGMENT REPORTING (CONT'D)

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Changi City Point [1] $'000
Year ended 30 September 2023			
Revenue and expenses			
Gross rental income	83,253	50,829	22,328
Others	10,002	6,297	3,235
Gross revenue	93,255	57,126	25,563
Segment net property income	69,942	41,436	15,865
Finance income			
Other income			
Finance costs			
Non-property expenses			
Net income			
Share of results of associate [2]			
Share of results of joint ventures [3]			
Impairment loss on investment of associate			
Net change in fair value of investment properties	13,177	3,522	(1,809)
Net change in fair value of derivative financial instruments			
Net foreign exchange loss			
Total return before tax			
Taxation	–	–	–
Unallocated taxation			
Total return for the year			

(1) Changi City Point has been reclassified to "Assets held for sale" as at 30 September 2023 (Note 12).

(2) Investment in H-REIT has been reclassified to "Assets held for sale" as at 30 September 2023 (Note 12).

(3) Investment in CCCO LLP has been reclassified to "Assets held for sale" as at 30 September 2023 (Note 12).

Notes to the Financial Statements

For the year ended 30 September 2023

Tampines 1 $'000	Tiong Bahru Plaza $'000	Century Square $'000	Hougang Mall $'000	White Sands $'000	Central Plaza $'000	Group $'000
40,878	38,664	30,895	27,285	26,875	10,248	331,255
5,557	3,564	1,529	4,279	4,003	2	38,468
46,435	42,228	32,424	31,564	30,878	10,250	369,723
33,352	31,959	23,676	22,295	20,414	6,647	265,586
						439
						3,815
						(81,042)
						(39,729)
						149,069
						5,862
						51,185
						(3,982)
1,053	113	(5,327)	823	(1,366)	(289)	9,897
						174
						(1)
						212,204
(252)	–	–	–	–	–	(252)
						2
						211,954

Notes to the Financial Statements

For the year ended 30 September 2023

27. SEGMENT REPORTING (CONT'D)

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail $'000	Changi City Point $'000
Year ended 30 September 2022			
Revenue and expenses			
Gross rental income	80,252	50,075	21,040
Others	8,755	4,772	2,895
Gross revenue	89,007	54,847	23,935
Segment net property income	68,447	40,891	14,570
Finance income			
Finance costs			
Non-property expenses			
Net income			
Share of results of associate			
Share of results of joint ventures			
Loss from the dilution of interest in associate			
Net change in fair value of investment properties	8,375	6,904	(1,189)
Net change in fair value of derivative financial instruments			
Net foreign exchange loss			
Total return before tax			
Taxation	–	–	–
Unallocated taxation			
Total return for the year			

(1) These net property income contribution arose mainly due to the adjustments made for the divested malls i.e. Bedok Point, Anchorpoint and YewTee Point.

Notes to the Financial Statements

For the year ended 30 September 2023

Tampines 1 $'000	Tiong Bahru Plaza $'000	Century Square $'000	Hougang Mall $'000	White Sands $'000	Central Plaza $'000	Others [1] $'000	Group $'000
42,926	38,735	29,968	27,318	25,901	9,411	–	325,626
4,696	2,623	1,488	3,191	2,868	3	14	31,305
47,622	41,358	31,456	30,509	28,769	9,414	14	356,931
34,416	31,013	21,847	21,141	20,245	5,821	206	258,597
							43
							(46,832)
							(36,245)
							175,563
							(1,096)
							24,599
							(1,143)
1,057	1,169	(15,423)	214	902	735	–	2,744
							528
							(8)
							201,187
–	–	6,102	–	–	–	–	6,102
							(10)
							207,279

Notes to the Financial Statements

For the year ended 30 September 2023

27. SEGMENT REPORTING (CONT'D)

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Changi City Point [1] $'000
As at 30 September 2023			
Assets and liabilities			
Segment assets	1,340,508	818,607	3,956
Investment in joint ventures [2]			
Assets held for sale			
Unallocated assets			
– Derivative financial instruments			
– Others			
Total assets			
Segment liabilities	31,126	22,049	24,040
Liabilities held for sale			
Unallocated liabilities			
– Interest-bearing borrowings			
– Derivative financial instruments			
– Others			
Total liabilities			
Year ended 30 September 2023			
Other segmental information			
Net (written back)/allowance for doubtful receivables	(87)	1	68
Bad debts recovered	(1)	–	–
Amortisation of lease incentives	424	371	(278)
Depreciation of fixed assets	20	8	15
Fixed assets written off	–	–	35
Capital expenditure			
– Investment properties	246	849	1,531

(1) Changi City Point has been reclassified to "Assets held for sale" as at 30 September 2023 (Note 12).

(2) Excluded the investment in CCCO LLP, which has been reclassified to "Assets held for sale" as at 30 September 2023 (Note 12).

Notes to the Financial Statements

For the year ended 30 September 2023

Tampines 1 $'000	Tiong Bahru Plaza $'000	Century Square $'000	Hougang Mall $'000	White Sands $'000	Central Plaza $'000	Group $'000
778,041	662,097	560,596	437,281	432,702	219,656	5,253,444
						730,766
						364,436
						18,470
						8,066
						6,375,182
31,891	15,056	16,731	13,264	13,997	3,815	171,969
						6,189
						2,195,408
						9,217
						19,164
						2,401,947
(1)	64	6	–	–	–	51
(3)	–	(3)	–	–	–	(7)
319	(260)	(1,213)	(224)	(66)	(467)	(1,394)
–	–	–	–	–	–	43
–	–	–	–	–	–	35
6,266	1,627	3,822	953	1,300	1,322	17,916

Notes to the Financial Statements

For the year ended 30 September 2023

27. SEGMENT REPORTING (CONT'D)

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Changi City Point $'000
As at 30 September 2022			
Assets and liabilities			
Segment assets	1,328,583	813,922	327,723
Investment in associate			
Investment in joint ventures			
Unallocated assets			
– Derivative financial instruments			
– Others			
Total assets			
Segment liabilities	29,923	20,133	11,771
Unallocated liabilities			
– Interest-bearing borrowings			
– Others			
Total liabilities			
Year ended 30 September 2022			
Other segmental information			
Net (written back)/allowance for doubtful receivables	(644)	–	5
Bad debts recovered	(1)	–	–
Amortisation of lease incentives	(565)	(275)	(209)
Depreciation of fixed assets	22	8	19
Capital expenditure			
– Investment properties	2,060	320	981

Notes to the Financial Statements

For the year ended 30 September 2023

Tampines 1 $'000	Tiong Bahru Plaza $'000	Century Square $'000	Hougang Mall $'000	White Sands $'000	Central Plaza $'000	Group $'000
771,053	661,875	561,142	435,643	432,058	217,655	5,549,654
						40,808
						312,341
						25,071
						13,494
						5,941,368
24,153	14,582	15,325	12,032	11,705	3,694	143,318
						1,810,126
						23,847
						1,977,291
(15)	–	9	(11)	–	–	(656)
(1)	(1)	–	–	–	–	(3)
(611)	310	(310)	(221)	29	(54)	(1,906)
–	–	–	–	–	–	49
331	141	113	565	127	212	4,850

Notes to the Financial Statements

For the year ended 30 September 2023

28. COMMITMENTS

	Group		Trust	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Commitments in respect of contracts entered but not provided for:				
– Capital expenditure for investment properties	31,743	458	–	458
– Share of joint venture's capital expenditure for investment property	316	–	–	–

29. 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.

30. LEASES

Leases as lessor

The Group leases out its investment property consisting of its owned retail malls and an office building (Note 4). All leases are classified as operating leases from a lessor perspective.

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 Statement sets out information about the operating leases of investment property.

Gross rental income from investment properties recognised by the Group for the year ended 30 September 2023 was $331,255,000 (2022: $325,626,000) (Note 17).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group	
	2023 $'000	2022 $'000
Operating leases under FRS 116		
Less than one year	274,060	283,173
One to two years	184,568	182,730
Two to three years	109,030	78,382
Three to four years	40,828	24,197
Four to five years	15,942	8,832
More than five years	5,950	1,717
Total	630,378	579,031

Notes to the Financial Statements

For the year ended 30 September 2023

31. FINANCIAL RATIOS

	Group	
	2023 %	2022 %
Expenses to weighted average net assets [(1)]		
– including performance component of asset management fees	1.01	0.93
– excluding performance component of asset management fees	0.61	0.57
Total operating expenses to net asset value [(2)]	4.1	3.7
Portfolio turnover rate [(3)]	–	–

(1) The expense 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, foreign exchange gains and losses and tax expense of the Group.

(2) The expense ratios are computed based on total operating expense, including property expenses and all fees and charges paid/payable to the Managers and the interested parties as well as FCT's proportionate share of the operating expenses incurred by its joint ventures and associate of $161,221,000 (2022: $148,359,000) as a percentage of net asset value as at the end of the financial year.

(3) The portfolio turnover ratios are computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of weighted average net asset value.

32. SUBSEQUENT EVENTS

On 4 October 2023, the Trust entered into a sale and purchase agreement with an unrelated third party in relation to the divestment of the remaining 2.12% interest in H-REIT, comprising 10,559,928 units in H-REIT for a purchase consideration of approximately RM6,864,000 (equivalent to approximately $2,000,000). The purchase consideration was negotiated on a willing-buyer and willing-seller basis at RM0.65 per unit.

On 16 October 2023, the discharge of the collaterals for Tampines 1 has been completed after the refinancing and repayment of the secured bank loan.

On 25 October 2023, the Manager has declared an aggregate distribution of $103,065,000 (or 6.020 cents per Unit) to Unitholders which includes a distribution which was earlier retained by the Manager for the period from 1 October 2022 to 31 March 2023 of $2,986,000 (or 0.174 cents per Unit).

On 27 October 2023, the Trust has issued 3,580,068 new Units issued at a price of $2.1903 per Unit as payment of the following: -

- 20% of the performance fee component of its management fee for the period from 1 October 2022 to 31 March 2023;
- 35% of the performance fee component of its management fee for the period from 1 April 2023 to 30 June 2023; and
- 55% of the base fee component and performance fee component of its management fee for the period from 1 July 2023 to 30 September 2023.

On 31 October 2023, the Trust has completed the divestment of Changi City Point for divestment consideration of $338.0 million.

Statistics of Unitholdings

ISSUED AND FULLY PAID-UP UNITS

There were 1,712,039,299 Units (voting rights: one vote per Unit) outstanding as at 27 November 2023. There is only one class of Units.

The market capitalisation was approximately $3,766 million based on closing unit price of $2.20 on 27 November 2023.

TOP TWENTY UNITHOLDERS

AS AT 27 NOVEMBER 2023
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	36.49
2.	CITIBANK NOMINEES SINGAPORE PTE LTD	260,949,026	15.24
3.	HSBC (SINGAPORE) NOMINEES PTE LTD	151,405,257	8.84
4.	DBS NOMINEES (PRIVATE) LIMITED	132,055,232	7.71
5.	DBSN SERVICES PTE. LTD.	100,256,696	5.86
6.	RAFFLES NOMINEES (PTE.) LIMITED	98,247,776	5.74
7.	FRASERS CENTREPOINT ASSET MANAGEMENT LTD	85,290,961	4.98
8.	BPSS NOMINEES SINGAPORE (PTE.) LTD.	18,239,631	1.07
9.	DB NOMINEES (SINGAPORE) PTE LTD	9,203,146	0.54
10.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	7,858,062	0.46
11.	PHILLIP SECURITIES PTE LTD	7,632,777	0.45
12.	IFAST FINANCIAL PTE. LTD.	7,204,989	0.42
13.	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	6,947,885	0.41
14.	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	5,787,689	0.34
15.	PAP COMMUNITY FOUNDATION	5,000,000	0.29
16.	OCBC SECURITIES PRIVATE LIMITED	4,788,420	0.28
17.	ABN AMRO CLEARING BANK N.V.	4,026,344	0.24
18.	MAYBANK SECURITIES PTE. LTD.	2,801,750	0.16
19.	UOB KAY HIAN PRIVATE LIMITED	2,789,794	0.16
20.	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	2,661,793	0.16
	Total	**1,537,831,780**	**89.84**

UNITHOLDINGS OF DIRECTORS OF THE MANAGER

AS AT 21 OCTOBER 2023

Name of Director	Number of Direct Interest	FCT Units held Deemed Interest
Dr Cheong Choong Kong	186,597	–
Mr Ho Chee Hwee Simon	–	200,000

Statistics of Unitholdings

SUBSTANTIAL UNITHOLDERS
AS AT 27 NOVEMBER 2023

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	36.49	–	–	624,684,552	36.49
Frasers Property Limited (1)	–	–	709,975,513	41.47	709,975,513	41.47
Thai Beverage Public Company Limited (2)	–	–	709,975,513	41.47	709,975,513	41.47
International Beverage Holdings Limited (3)	–	–	709,975,513	41.47	709,975,513	41.47
InterBev Investment Limited (4)	–	–	709,975,513	41.47	709,975,513	41.47
Siriwana Company Limited (5)	–	–	709,975,513	41.47	709,975,513	41.47
Shiny Treasure Holdings Limited (6)	–	–	709,975,513	41.47	709,975,513	41.47
TCC Assets Limited (7)	–	–	709,975,513	41.47	709,975,513	41.47
Charoen Sirivadhanabhakdi (8)	–	–	709,975,513	41.47	709,975,513	41.47
The estate of the late Khunying Wanna Sirivadhanabhakdi (9)	–	–	709,975,513	41.47	709,975,513	41.47

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 each of FCAM and FPRTH directly holds 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 2001 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
- Each of FCAM and FPRTH directly holds 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
- Each of FCAM and FPRTH directly holds 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
- Each of FCAM and FPRTH directly holds 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, directly and indirectly, through its wholly-owned subsidiary, Siriwanan Co., Ltd, a majority 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
- Each of FCAM and FPRTH directly holds 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.

(6) Shiny Treasure Holdings Limited ("STHL") holds a greater than 20% interest in SCL;
- SCL holds, directly and indirectly, a majority 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
- Each of FCAM and FPRTH directly holds units in FCT.

STHL 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

SUBSTANTIAL UNITHOLDERS (CONT'D)
AS AT 27 NOVEMBER 2023

(7) TCC Assets Limited ("TCCA") holds a majority interest in FPL;
- FPL holds a 100% direct interest in each of FCAM and FPRTH; and
- Each of FCAM and FPRTH directly holds 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.

(8) Charoen Sirivadhanabhakdi and the estate of the late 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
- Each of FCAM and FPRTH directly holds 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.

(9) The estate of the late Khunying Wanna Sirivadhanabhakdi and 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
- Each of FCAM and FPRTH directly holds units in FCT.

The estate of the late 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.

DISTRIBUTION OF HOLDINGS

Size of Holdings	Number of Unitholders	Percentage of Unitholders (%)	Number of Units	Percentage of Units in Issue (%)
1 to 99	105	0.70	4,645	0.00
100 to 1,000	2,215	14.89	1,613,579	0.09
1,001 to 10,000	9,361	62.93	43,060,303	2.52
10,001 to 1,000,000	3,170	21.31	118,799,098	6.94
1,000,001 and above	25	0.17	1,548,561,674	90.45
Total	**14,876**	**100.00**	**1,712,039,299**	**100.00**

LOCATION OF UNITHOLDERS

Country	Number of Unitholders	Percentage of Unitholders (%)	Number of Units	Percentage of Units in Issue (%)
Singapore	14,384	96.69	1,705,242,216	99.60
Malaysia	358	2.41	5,010,094	0.29
Others	134	0.90	1,786,989	0.11
Total	**14,876**	**100.00**	**1,712,039,299**	**100.00**

FREE FLOAT

Based on information made available to the Manager as at 27 November 2023, approximately 58.5% 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 2023

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 $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 $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) $'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 $100,000) $'000
Frasers Property Limited and its subsidiaries or associate	Associates of controlling shareholder of Manager and controlling unitholder of FCT		
– Asset management fees [1]		35,468	–
– Acquisition fees [2]		6,611	–
– Property management, project management and service fees [1], [3], [4]		16,074	–
– Reimbursement of expenses and capital expenditure [1], [3]		27,447	–
– Recovery of expenses		191	–
– Entry into Joint Venture [5]		326,910	–
– Purchase of services		44	–
Fraser & Neave Group and its subsidiaries or associate			
– Rental income and license fee		282	–
– Purchase of services [1]		537	–
HSBC Institutional Trust Services (Singapore) Limited	Trustee		
– Trustee's and Custodian's fees		1,038	–

(1) Includes FCT's interest in joint ventures.

(2) Relates to the acquisition fees for acquisition of an effective 25.50% interest in Gold Ridge Pte. Ltd. ("GRPL") which holds NEX and acquisition of 10.00% interest in Sapphire Star Trust ("SST") which holds Waterway Point.

(3) During the financial year, the managing agent agreement with Frasers Property Retail Management Pte. Ltd. (the "Managing Agent") for The Management Corporation Strata Title Plan No. 2193 in respect of Century Square has been renewed for a tenure of two years. The managing agent fees payable and expenses reimbursable to the Managing Agent are estimated at $2.10 million.

(4) During the financial year, the property management agreement in respect of Waterway Point between Frasers Property Retail Management Pte. Ltd. ("FPRM"), the property manager and FC Retail Trustee Pte. Ltd., the trustee-manager of SST ("FCRT"), a private trust through which FCT holds a 50.00% interest in Waterway Point, has been amended to provide for a scheme where, a lump sum payment of $0.90 million is payable by FCRT to FPRM. FCT's share of the lump sum payment is estimated at $0.45 million.

(5) Relates to the entry by FCT into a joint venture with FCL Emerald (1) Pte. Ltd. (a wholly owned subsidiary of Frasers Property Limited) in connection with the parties' joint acquisition of 50.00% interest in GRPL, including the related transaction costs and completion adjustments. The entry into the joint venture falls within the exception under Rule 916(2) of the SGX-ST's Listing Manual and accordingly, the approval of the unitholders of FCT for the entry into the joint venture is not required.

Additional Information

INTERESTED PERSON TRANSACTIONS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023

Saved as disclosed above, there were no additional interested person transactions (excluding transactions of less than $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 24 Significant Related Party Transactions** to the Financial Statements.

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, restated and supplemented) 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 and Acquisition Fees Paid and Payable in Units

A summary of Units issued for payment of the Manager's management fees and acquisition 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 2022	30 January 2023	451,951	$2.0656 (1)
1 January to 31 March 2023	28 April 2023	448,558	$2.2444 (1)
1 April to 30 June 2023	28 July 2023	805,630	$2.2020 (1)
1 July to 30 September 2023	27 October 2023	1,289,774	$2.1903 (1)
Manager's Performance Fee Component			
1 October 2022 to 30 September 2023	27 October 2023	2,290,294	$2.1903 (2)
Acquisition Fee			
In respect of the acquisition of an effective 25.50% interest in GRPL and acquisition of 10.00% interest in SST on 6 February 2023 and 8 February 2023 respectively	14 February 2023	2,987,432	$2.2129 (3)

(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 2023.

(3) 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 FCT UNITS

For the financial year ended 30 September 2023, an aggregate of 6,401,667 Units were issued and as at 30 September 2023, 1,708,459,231 Units were in issue. On 27 October 2023, the Trust issued 3,580,068 new Units to the Manager as the base fee component of the Manager's management fees for the quarter ended 30 September 2023 and the performance fee component of the Manager's management fees for the financial year ended 30 September 2023.

NON-DEAL ROADSHOW EXPENSES

Non-deal roadshow expenses of $850 (2022: $NIL) were incurred during the year ended 30 September 2023.

Corporate **Information**
As at 30 September 2023

Frasers Centrepoint Trust
Trustee's Registered Address
HSBC Institutional Trust Services (Singapore) Limited
10 Marina Boulevard
Marina Bay Financial Centre Tower 2 #48-01
Singapore 018983

Website and email address:
www.frasersproperty.com/reits/fct
ir@fraserscentrepointtrust.com

SGX Stock code: J69U
Bloomberg Stock code: FCT SP

Trustee's Mailing Address
HSBC Institutional Trust Services (Singapore) Limited
10 Marina Boulevard
Marina Bay Financial Centre Tower 2 #45-01
Singapore 018983

Auditor
KPMG LLP
12 Marina View, #15-01 Asia Square Tower 2
Singapore 018961
Partner-in-charge: Ms Sarina Lee
(With effect from financial year ended 30 September 2021)
Phone : (65) 6213 3388
Fax : (65) 6225 0984

Bankers
BNP Paribas
Citibank, N.A., Singapore Branch
Credit Industriel et Commercial, Singapore Branch
DBS Bank Ltd.
Malayan Banking Berhad, Singapore Branch
Oversea-Chinese Banking Corporation Limited
Standard Chartered Bank

Unit Registrar
Boardroom Corporate & Advisory Services Pte. Ltd.
1 HarbourFront Avenue
Keppel Bay Tower, #14-07
Singapore 098632
Phone : (65) 6536 5355
Fax : (65) 6536 1360

The Manager
Registered Address
Frasers Centrepoint Asset Management Ltd.
438 Alexandra Road, #21-00 Alexandra Point
Singapore 119958
Phone: (65) 6276 4882
Fax: (65) 6272 8776

Directors of The Manager
Dr Cheong Choong Kong (Chairman)[1]
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

Mr Ho Kin San
Non-Executive and Independent Director

Ms Koh Choon Fah[2]
Non-Executive and Independent Director

Mr Low Chee Wah[3]
Non-Executive and Non-Independent Director

Ms Soon Su Lin
Non-Executive and Non-Independent Director

Mr Tan Siew Peng (Darren)
Non-Executive and Independent Director

Audit, Risk and Compliance Committee
Ms Koh Choon Fah (Chairperson)[2]
Dr Cheong Choong Kong
Mr Ho Chai Seng
Mr Ho Chee Hwee Simon
Mr Ho Kin San
Mr Tan Siew Peng (Darren)[4]

Nominating and Remuneration Committee
Mr Ho Chai Seng (Chairman)
Dr Cheong Choong Kong
Mr Ho Chee Hwee Simon
Mr Ho Kin San
Ms Koh Choon Fah
Mr Tan Siew Peng (Darren)

Company Secretary
Ms Catherine Yeo

1 *Dr Cheong Choong Kong retired as a Director, the Chairman of the Board, and a member of the ARCC and NRC on 1 November 2023.*
2 *Ms Koh Choon Fah was appointed as the Chairperson of the Board with effect from 1 November 2023. With effect from 1 November 2023, Ms Koh relinquished her role as the Chairperson of the ARCC. She remains a member of the ARCC and the NRC.*
3 *Mr Low Chee Wah will retire as a Director with effect from 1 January 2024.*
4 *Mr Tan Siew Peng (Darren) was appointed as the Chairman of the ARCC with effect from 1 November 2023.*

FRASERS CENTREPOINT ASSET MANAGEMENT LTD.
As Manager of Frasers Centrepoint Trust
Company Registration Number 200601347G

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