



ISCA Breakfast Talk

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贤合庄 卤味 火锅 B1
B1 品牌招商

UNIQLO 优衣库
LifeWear 服适人生
2楼

铁公鸡

唱吧 麦颂 KTV 4F

华联影院

旺顺

Brief Introduction





Brief Introduction: BHG RETAIL REIT

Listed on SGX Mainboard on the 11 December 2015

Singapore's First Pure-Play China Retail REIT Established By A China-Based Group ("Beijing Hualian Group")

Investment Mandate

Income-producing real estate used primarily for retail purposes, with an initial focus on China.

Number of Properties
6

Valuation of AUM¹
4.7
RMB billion



- Multi-tenanted
- Master-leased

MULTI-TENANTED

Beijing Wanliu



Hefei Mengchenglu



Chengdu Konggang



Hefei Changjiangxilu



MASTER-LEASED

Xining Huayuan



Dalian Jinsanjiao



1. Based on independent valuation from Knight Frank Petty Limited as at 31 December 2020.



Resilient Community-Focused Portfolio

Recurring Neighbourhood Traffic

Gross Floor
Area¹
311,691
sqm

Committed
Occupancy
Rate¹
92.1%

- One-stop destination malls that serve adjacent communities
- Surrounded by densely populated residential properties
- Strong focus on experiential and lifestyle segment
- Underpinned by rising resident income and domestic consumption

Beijing Wanliu



Hefei Changjiangxilu

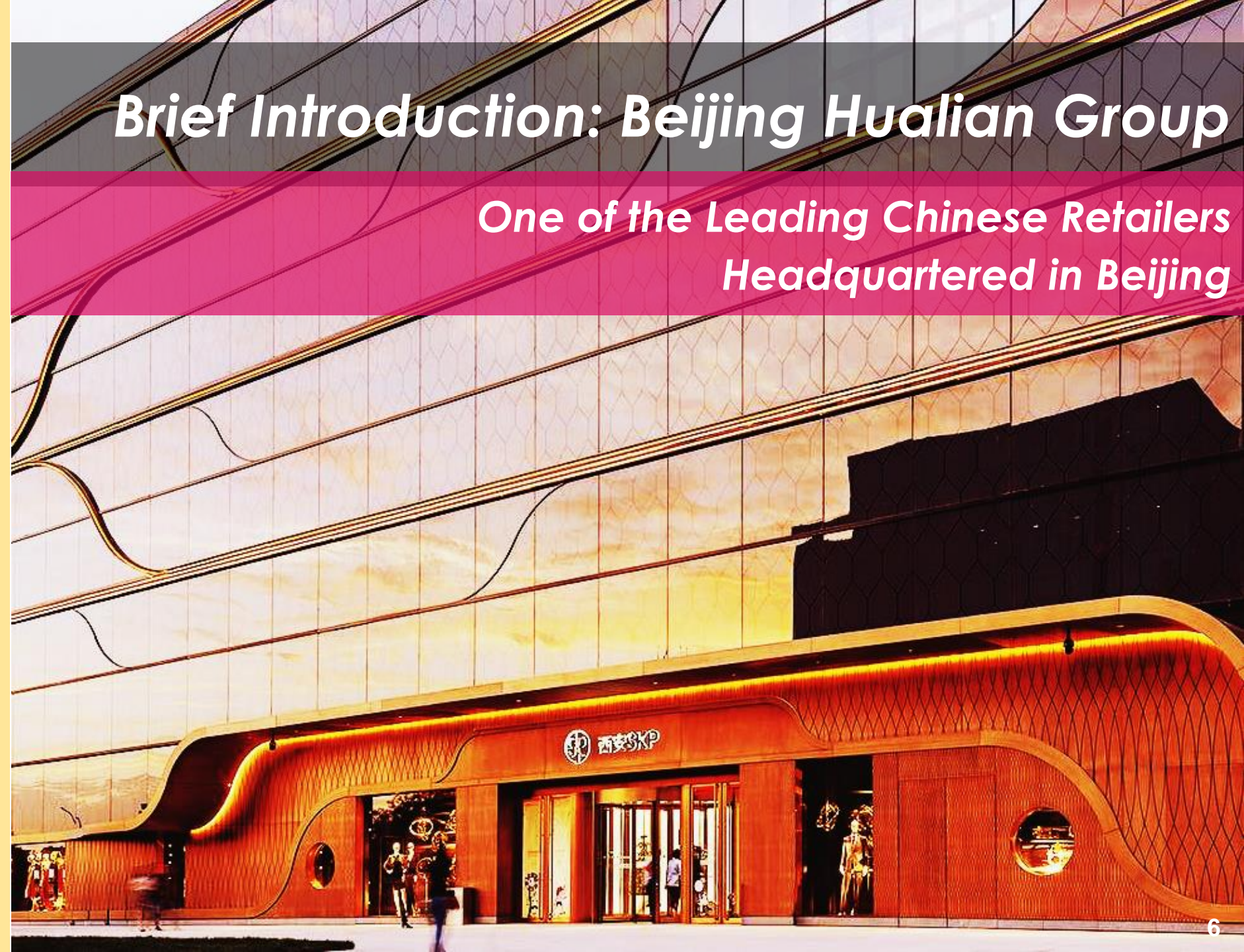


1. As at 31 March 2021.



Brief Introduction: Beijing Hualian Group

One of the Leading Chinese Retailers
Headquartered in Beijing





Brief Introduction: Beijing Hualian Group

Retail Malls

*More than 30 Retail Malls owned and/or under management
Beijing Hualian Department Store Co., Ltd.*

- Listed on Shenzhen Stock Exchange (1998)
- Market cap of RMB 5.0 Billion¹
- Wide network of retail malls across China
- With focus on community retail malls well located in areas of high population density.

<http://www.bhgmall.com.cn>



Sponsor

Supermarkets

*More than 150 Supermarkets across entire China
Beijing Hualian Hypermarket Co., Ltd.*

- Listed on Shanghai Stock Exchange in 2001
- Market cap of RMB 2.5 Billion¹
- Anchor / master-lease tenants at every property in the REIT's portfolio
- Attracts recurring footfall while providing stable income and step-up.
- <http://zc.beijing-hualian.com/>



1. Bloomberg data as of 31 May 2021.



Brief Introduction: Beijing Hualian Group

SKP

SKP Luxury Department Stores

SKP Operates SKP Beijing, SKP Xi'An, and SKP-S

- Amongst the Largest Luxury Department Stores in China
- SKP Beijing: Located at Beijing's prime Central Business District, as one of Beijing's landmark shopping places
<http://www.skp-beijing.com>
- SKP Xi' An: Opened in May 2018
- SKP-S: Opened in Dec 2019



International Retail Partnerships

- Secure distributorships for international renowned brands
- Partnering brands are featured in the REIT's portfolio
- Joint venture with Costa Coffee for the entire Northern China





Navigating COVID-19



China COVID-19: Overview of Economy¹

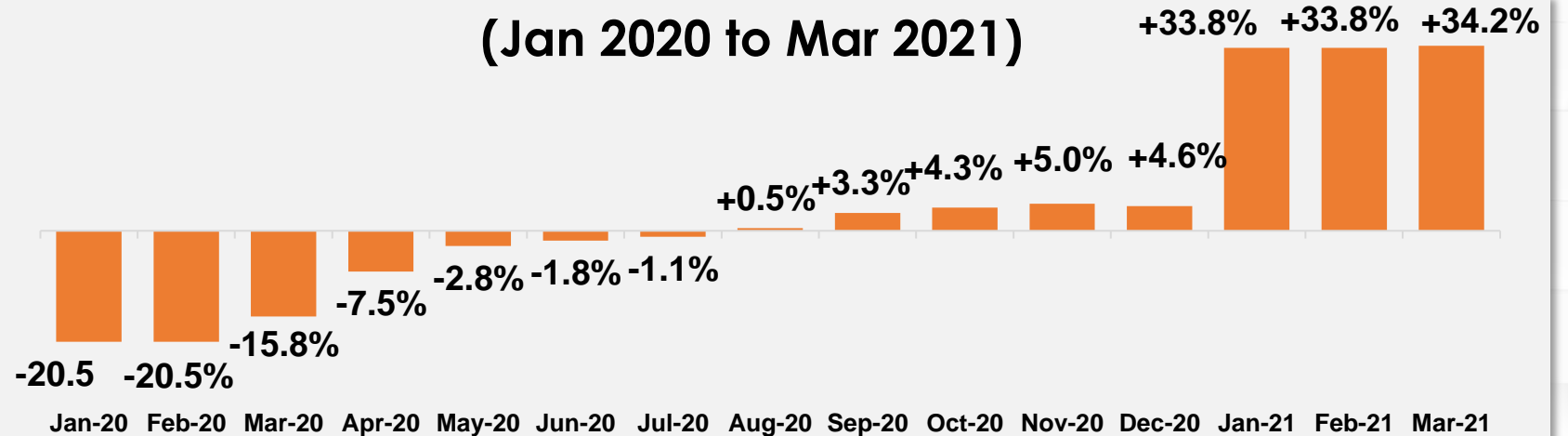
GDP Growth (year-on-year)

| | |
|---------|--------|
| 1Q 2020 | -6.8% |
| 2Q 2020 | +3.2% |
| 3Q 2020 | +4.9% |
| 4Q 2020 | +6.5% |
| FY 2020 | +2.3% |
| 1Q 2021 | +18.3% |

- Chinese economy experienced a V-shaped recovery in 2020, ending the year with a positive economic growth of 2.3% year-on-year for the full year of 2020.
- Chinese authorities have rolled out a combination of monetary and fiscal measures to support its economy.
- Looking ahead, Chinese authorities said they will continue to seek stable expansion, job creation and to work more on boosting domestic demand and consumption.

Retail Sales Growth¹ (year-on-year)

(Jan 2020 to Mar 2021)



1. Source: National Bureau of Statistics of China



COVID-19: BHG Retail REIT



Photo of Hefei Changjiangxilu

Operations

- All BHG Retail REIT's malls opened throughout, except two Hefei malls which were closed momentarily along with other Hefei public venues and malls.
- Trade sector specific measures.



COVID-19: BHG Retail REIT



Community Fluorescent Night Party @ Hefei Mengchenglu

Operations

- Some tenants' businesses have been adversely impacted in 1Q 2020.
- Relief arrangements had been offered to qualifying tenants to help them tide over the situation.
- Portfolio committed occupancy rate remained resilient above 90% throughout 2020.
- Marketing activities resumed after end of March 2020 in most malls.



COVID-19: BHG Retail REIT

Creating A Clean & Safe Community Space

Staffs' Regular Temperature Checks



QR Code Health Declaration & Recording of Visitors



Hand Sanitiser For Shoppers



Thermal Scan & Provision of Hand Sanitiser



Regular Cleaning & Disinfecting of Common Areas





Staying Connected with Omnichannel Visitors

BHG Mall Launched E-Commerce Platform. Sharing Online Capability Across All BHG Malls.

Select Mall

北京 其他地区

当前门店: 暂无当前门店信息请自选门店

- 北京华联公益西桥购物中心 44
- 北京华联亦庄力宝购物中心 44
- 北京华联万柳购物中心 44
- 北京华联天时尚苑购物中心 44
- 北京华联常营购物中心 44
- 北京华联肖家河购物中心 44
- 北京华联武夷花园购物中心 44

自动积分 每日签到 门店活动 积分换礼 积分抽奖

新会员专区 限时抢购

全部 美食 娱乐 生活 购物

B1 遛弯儿市集 B1全新亮相 免费领 立即领取

F1 麦当劳 麦辣鸡翅一对 免费领 立即领取

会员 品牌 停车 商城 我的

- The BHG Mall online platform is launched amid COVID-19 via Wechat Mini-Program.
- Keep customers apprised of promotional items & events.
- Provide a convenient and regular way for customers to stay connected with our malls.
- Reward points to enhance customers' loyalty to both BHG malls as well as retailers.



Innovative New Retail @ Work



Live Broadcasts

- By Internet celebrities, retailers, and malls.
- Combination of various style/format for example:
 - (1) In-store retail exploration
 - (2) Product introduction and awareness
 - (3) Promotional deals
 - (4) Showcasing skills & dining experience.

Wechat Groups

- Exclusive BHG mall's WeChat group with participating merchants and members.
- Efficient channel to communicate promotions, events, as well as mall information.

Attractive Promotional Initiatives

Joint Promotion Events

- Cross tenant spending
- Vouchers of some tenants to be redeemable upon accumulating certain receipts.

Retail Vouchers

- Retail & dining vouchers with attractive discount.
- Shoppers can purchase the discounted vouchers online and in the mall, and use them at participating brands.
- Limited to specific time period.



Rejuvenating Assets & Offerings Amidst Recovery



Supermarket Resizing Exercise @ Beijing Wanliu

Refined Offerings. Added New Varieties. Refreshed Experiences.

- Reduced supermarket's area from 7,231.8 sqm to 4,180.3 sqm, which paved the way for new retail & F&B tenants.
- Increased the mall's variety of retail & F&B offerings, invigorated the recovered area, and gave the enhanced cluster a renewed appearance.
- Growth in average rent & rental income.



Asset Enhancement Exercise @ B1 of Beijing Wanliu

Enhanced Accessibility & Traffic flow. Invigorated Community Space.

Additional Stairway Access From L1 to B1



- ✓ New LED Media Panel Pillar
- ✓ Ancillary visual enhancements



Installation of Additional Set of Escalators





Refreshed Tenancies & Concepts @ Beijing Wanliu

Costa Coffee's New Collaboration with "RDV" (An Experiential Bookstore)



SKIMAN (Ski Simulator & Training)



Jin Zhang Shao 金掌勺 (North-Eastern China Local Cuisine)



Jiu Tian Home 九田家 (Japanese Barbecue)





Revitalising Tenancies. Enhancing Experiences.

Popular F&B Chain Openings. Widening Dining Selections.

Haidilao Hot Pot



@ Chengdu Konggang

Jibulu Steak & Seafood



@ Chengdu Konggang

Chao Dao Chuan Chuan Hot Pot



@ Beijing Wanliu



Newly Launched Night Market @ Chengdu Konggang



- Officially launched on 1st October 2020.
- In response to Chinese government's guidance to boost "Night Economy 夜间经济", as most sales are typically generated between 6pm and 10pm.
- Ushered in 13 unique tenants providing F&B eateries as well as culturally innovative products.
- Added about 120 square meters of lettable space.
- Further enhanced the vibrancy, visibility and appeal of the mall to surrounding community.
- Enriched the exterior's content and F&B selections.

Our Sustainability Journey: Environmental

Water Management

- Implemented practices to control and manage water wastage.
- Through initiatives:
 - ✓ Utilising water-efficient flushing cisterns
 - ✓ Installing motion sensor water faucets
 - ✓ Reducing tap flow rate



Energy Efficiency

- Established energy savings plan to ensure energy efficiency through lighting management efforts.
- Such as:
 - ✓ Installing motion sensor-based lights and LED lights and
 - ✓ Regular maintenance to ensure air-conditioning systems run efficiently.



Our Sustainability Journey: CSR Initiatives

Donation of Daily Necessities to Neighbouring Police Patrol Post



Complimentary Refreshments for Public Service Officers



Donation of Daily Necessities to Mature Residential Neighbourhood & Epidemic Control Volunteers



Our Sustainability Journey: CSR Initiatives

Movie Outing (For the less abled)



Charity Flea Market



Provision of Refreshments for Luyang District's Fire Brigade





Our Sustainability Journey: Governance

| Awards | Results | Year |
|--|-----------------|-------------|
| 1 Asia Pacific Best of the Breed REITs Awards™ 2020 (Retail REIT category with market capitalisation of less than US\$1 billion) | Gold | 2020 |
| 2 Best Corporate Communications and Investor Relations (The Global Good Governance Awards™ 2020) | Platinum | 2020 |
| 3 Best Governed and Transparent Company (The Global Good Governance Awards™ 2020) | Gold | 2020 |



Photo of Hefei Changjiangxilu



Looking *Forward*

Photo of Chengdu Konggang



Looking Forward

Anchoring Foundations. Staying Resilient.

Notwithstanding this near-term headwind, the Manager remains focused and committed to proactively manage the existing portfolio, as well as to pursue growth.

Creating Organic Value

Proactive Asset Management

- Reinforce community positioning of our malls
- Improve rents while maintaining high occupancy rates
- Build firm partnerships with tenants, and demonstrate proactive tenant management
- Proactive marketing strategies
- Tap on the Sponsor's (Beijing Hualian Department Store Co., Ltd.) and Beijing Hualian Group's retail network and experience

Proactive Asset Enhancement

- Identify opportunities to improve the malls
- Achieve better efficiency or higher rental potential
- Upgrade existing facilities and reconfigure existing spaces

Pursuing Acquisition Growth

- Completed acquisition of Hefei Changjiangxilu in April 2019.
- We will continue to explore acquisition opportunities in both internal pipeline and third party quality income-producing properties.



Story-Telling Event @ Hefei Changjiangxilu



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Thank you

Anchoring Foundations. Staying Resilient.

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