



BHG RETAIL REIT
ANNUAL GENERAL MEETING
28 APRIL 2022

Content

- Financial Highlights
- Portfolio Updates
- Looking Forward





Financial Highlights



Photo of Beijing Wanliu

Financial Highlights: FY 2021 (Full Year)

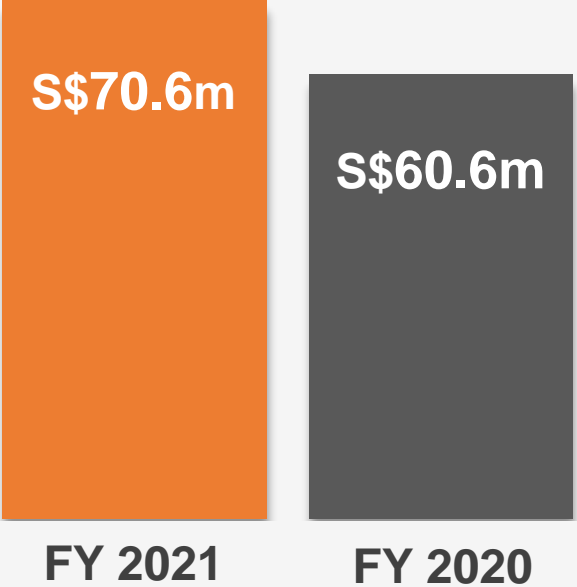


Photo of Chengdu Konggang

FY 2021 vs FY 2020

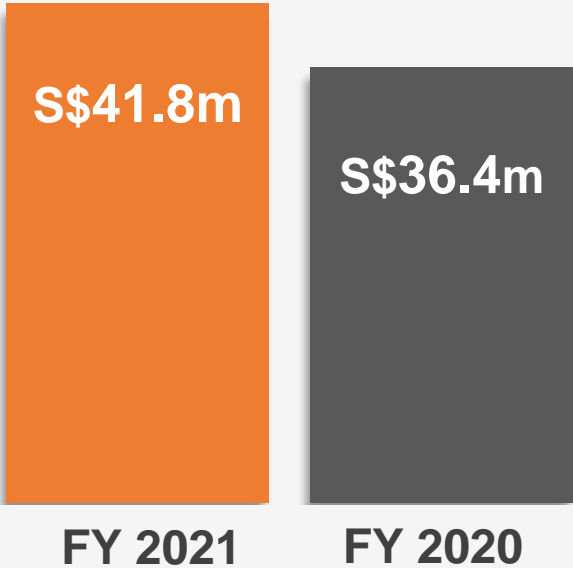
Gross Revenue

▲ 16.6%



Net Property Income

▲ 14.9%



Financial Highlights: FY 2021 (Full Year)

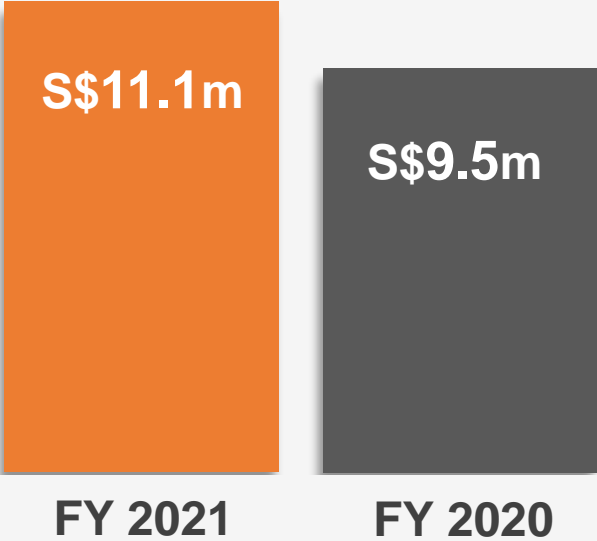


Photo of Beijing Wanliu

FY 2021 vs FY 2020

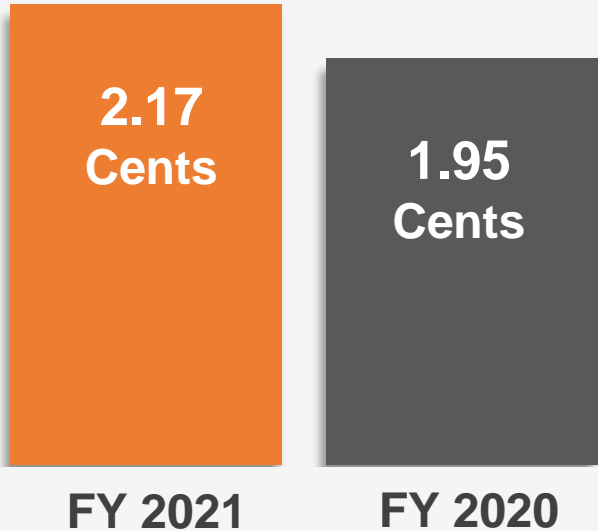
Amount to be Distributed to Unitholders¹

▲ 17.2%



Distribution per Unit¹

▲ 11.3%



¹ In FY 2021, approximately S\$1.2 million of the amount available for distribution had been retained in anticipation of higher operational expenses and working capital requirements of the REIT.

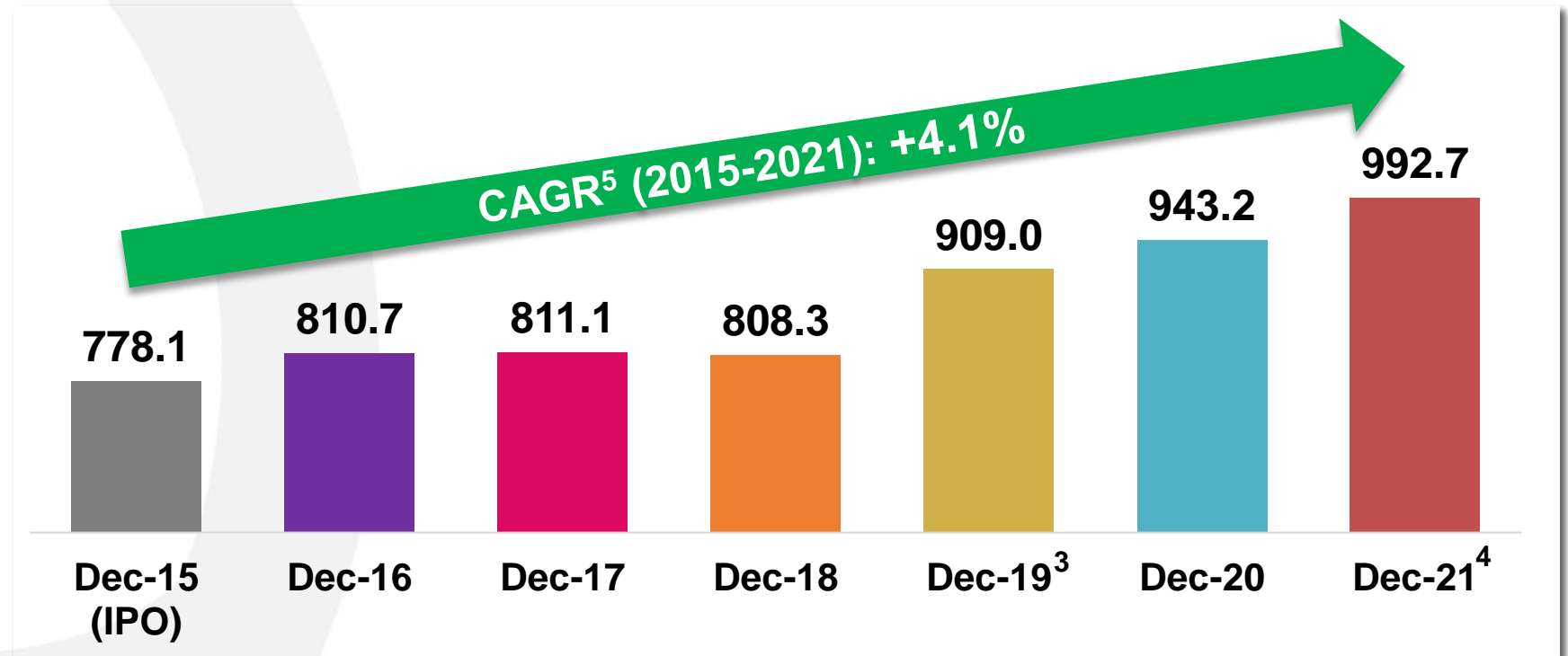
Portfolio Assets Under Management^{1,2}

Valuations Remain Stable Despite Pandemic

Independent
Valuation
31 Dec 2021⁴

S\$992.7m

+5.2%
Year-on-year



1. Based on 100% contribution from Beijing Wanliu.
2. Based on annual valuation from independent valuers.
3. Includes contribution from Hefei Changjiangxilu Mall which was acquired on 2 April 2019.
4. Based on independent valuation from Knight Frank Petty Limited as at 31 December 2021.
Overall valuation in Renminbi of RMB 4,678.0 million was up by RMB 19.0 million (0.4%) year-on-year.
5. Compound Annual Growth Rate (CAGR).

Capital Management

Healthy Gearing With Debt Headroom For Growth

As at 31 December 2021

Aggregated borrowings drawn down
s\$296.1m

Gearing Ratio¹
34.1%

Average Cost of Debt²
3.9%

Interest Coverage Ratio³
2.8x

- More than 80% of borrowings are denominated in Singapore dollars and US dollars (“Offshore”).
- About 60% of offshore loans hedged via interest rate swaps.
- Completion of refinancing exercise in March 2022.



1. Based on total principal loans and borrowings attributable to Unitholders divided by total assets attributable to Unitholders. MAS gearing ratio was raised from 45% to 50% on 16 April 2020, to provide S-REITs greater flexibility to manage their capital structure and to raise debt financing.
2. Average cost of debt will be 4.7% per annum if amortisation of loan establishment fee is included.
3. Interest coverage ratio means a ratio that 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.

Anchoring Foundations. Staying Resilient.



Portfolio Updates



Photo of Chengdu Konggang

Portfolio Overview

MULTI-TENANTED



Beijing Wanliu



Chengdu Konggang



Hefei Mengchenglu



Hefei Changjiangxilu



MASTER-LEASED



Xining Huayuan



Dalian Jinsanjiao



Resilient Community-Focused Portfolio

Recurring Neighbourhood Traffic

Gross Floor
Area¹
311,691
sqm

Valuation²
s\$992.7m

Committed
Occupancy
Rate¹
97.0%

- 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

1. As at 31 December 2021.

2. Based on independent valuation from Knight Frank Petty Limited as at 31 December 2021.



Photo of Beijing Wanliu



Photo of Hefei Mengchenglu Outdoor Marketing Event

Track Record of High Occupancy Rate and Healthy Leasing Demand

OCCUPANCY RATE ¹	2016	2017	2018	2019	2020	2021
● Beijing Wanliu	99.5%	100%	100%	96.2%	92.7%	96.1%
● Chengdu Konggang	91.3%	96.8%	97.0%	94.7%	96.4%	98.0%
● Hefei Mengchenglu	100%	100.0%	96.2%	95.1%	81.7% ³	91.3%
● Hefei Changjiangxilu ²	N.A.	N.A.	N.A.	97.6%	92.4%	98.2%
● Xining Huayuan	100%	100%	100%	100%	100%	100%
● Dalian Jinsanjiao	100%	100%	100%	100%	100%	100%
Portfolio (NLA Weighted)	97.6%	99.7%	98.7%	96.7%	93.5%	97.0%

1. As at 31 December

2. Hefei Changjiangxilu Mall was acquired on 2 April 2019

3. This was due to ongoing tenancy rejuvenation

● Multi-tenanted ● Master-leased





Revitalising Tenancies Enhancing Experiences

In 2021, we took the opportunity to further elevate the appeal of our tenant offerings

Beijing Wanliu AEI

- Completed Beijing Wanliu Supermarket resize & asset enhancement initiative (AEI) in 1Q 2021
- Paved the way for new retail & F&B tenants
- Enhanced accessibility & traffic flow
- Growth in average rent & rental income



Photo of Beijing Hualian Supermarket @ Beijing Wanliu B1



Photo of Xian He Zhuang 贤合庄 @ Beijing Wanliu B1



New Western Cafes and Cuisines

Wagas



@ Beijing Wanliu

Goodwood 良木缘



@ Chengdu Konggang

Popular Chinese Restaurant Chains

Chao Dao Chuan Chuan Hot Pot
超岛串串火锅



@ Beijing Wanliu

Haidilao Hot Pot 海底捞火锅



@ Chengdu Konggang

Jiang Bian Cheng Wai
江边城外



@ Chengdu Konggang

Dining Options to Cater to Local Diners

Hai Xian Gang 海仙港 (Seafood Buffet)

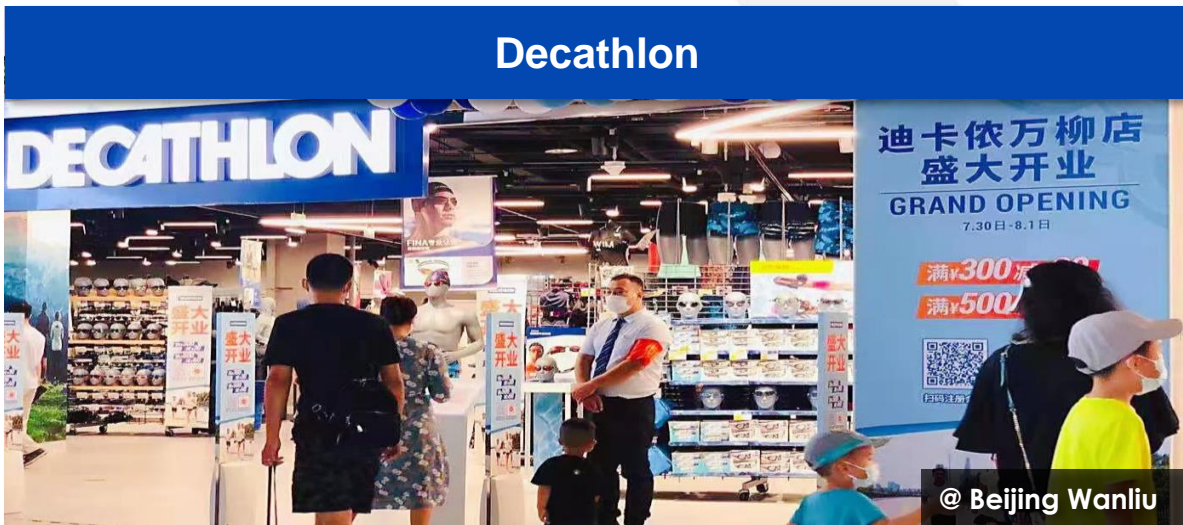


Mu Tong Ji 木桶记



Iconic Retail Offerings

Decathlon



NIO 蔚来



YOUNG (BY LINING)



Curating Unique New Experiences

CTC 首泰 (Mixed Martial Arts School)



SUPERMONKEY 超级猩猩健身 (Gym)



Guang He Xiong Mao 光合熊猫 (Yoga and Wellness)



Tian Xin Meng Chong 甜心萌宠 (Pet Shop)



Curating Unique New Experiences

Tmall Musical Instrument Experience Hall



Rock Star 音乐培训



RYB Learning Center





Engaging Communities

- *Customers continue to desire social interactions and physical events.*
- *We continued to engage with surrounding communities through various physical events during the year.*

Sports & Active Lifestyle Events

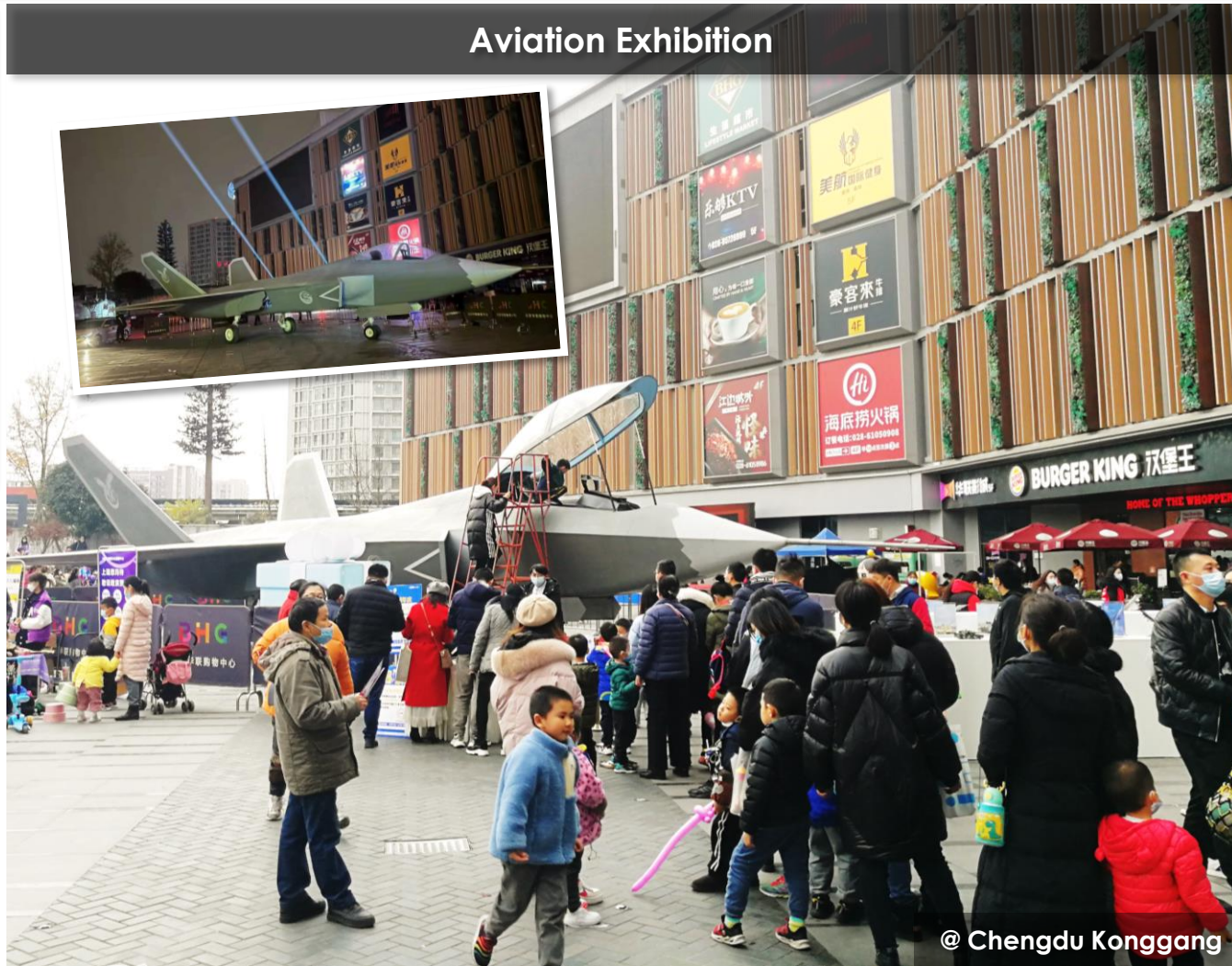


Children & Family Activities

Story-telling Session



Aviation Exhibition



Art Workshop



Children & Family Activities



Cultural & Traditional Activities



Night-Market Carnivals & Other Marketing Activities

Series of Night-Market Carnivals



Singles Dating Event



Flower Arrangement Class



Our Sustainability Journey

Environmental, Social and Governance (ESG)



Our Sustainability Journey

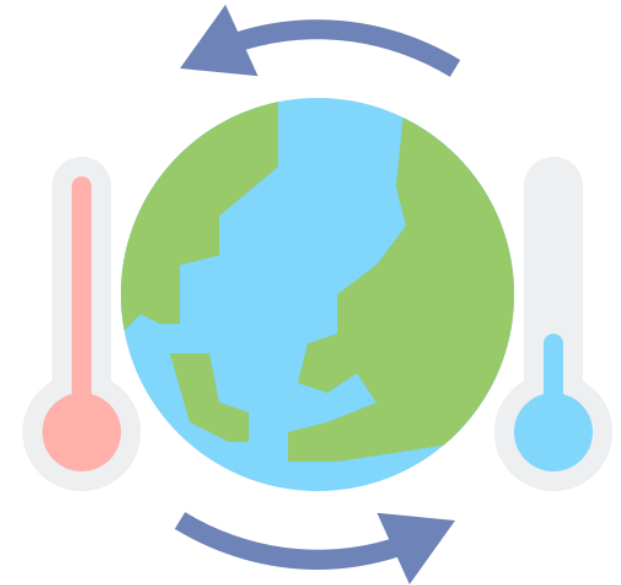
Environmental, Social and Governance (ESG)

Background

- **We are cognisant of ESG issues that are relevant for BHG Retail REIT and our stakeholders**
- **Proactively strive to address these ESG issues which are taken into account during our business strategy formulation**
- **Started annual sustainability reporting and issued first Sustainability Report in FY 2018**

Climate Change

- **We recognise that climate change has a widespread and severe impact on the environment we live in**
- **Constantly finding ways to reduce carbon emissions and started exploring innovative solutions for our retail properties**
- **Started climate risk assessment and scenario analysis in FY 2021 for our retail properties located in China**



Our Sustainability Journey: Environmental

Water Management

Implemented practices to control and manage water wastage. Such as:

- ✓ 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 and optimisation of air-conditioning system output, such as:

- ✓ Installing motion sensor-based & timing-controlled lights and LED lights;
- ✓ Installing air curtains, strip curtains and sunshades to dissipate excess heat, keeping the mall interior cool without requiring a high system output;
- ✓ Regular readjustment of system output based on actual weather conditions and temperature to minimise energy wastage



Our Sustainability Journey: Social (CSR Initiatives)

Complimentary Public Health Check 慈善义诊



Clothes Collection & Redistribution



Donation of Refreshments to Public Service Officers



Gifts Donation to ItsRainingRaincoats



Our Sustainability Journey: Governance

Awards	Results	Year
1 Best Corporate Communications and Investor Relations (The Global Good Governance Awards™ 2021)	Platinum	2021
2 Best Governed and Transparent Company (The Global Good Governance Awards™ 2021)	Silver	2021
3 Asia Pacific Best of the Breed REITs Awards™ 2020 (Retail REIT category with market capitalisation of less than US\$1 billion)	Gold	2020



Photo of Hefei Changjiangxilu



Looking Forward



Photo of Costa Coffee @ Beijing Wanliu

China Macroeconomic Outlook¹

China	2021
GDP Growth (year-on-year)	+8.1%
Retail Sales Growth (year-on-year)	+12.5%
Disposable income per capita for residents (year-on-year)	+8.2%

Look Forward

- China's gross domestic product¹ ("GDP") grew 8.1% year-on-year to RMB 114.4 trillion for the full year 2021. The average² two-year growth for 2021 was 5.1% year-on-year.
- According to CBRE³, China's consumption remains strong despite sporadic COVID-19 outbreaks. Steady recovery in leasing demand drove rental growth.
- Amidst successive waves of new variants, Premier Li Keqiang⁴ (on 5 January 2022) stressed intensified implementation of tax and fee cuts to provide relief to businesses and revitalize the market. The Chinese authorities reiterated⁴ that prudent monetary policies will be implemented, with liquidity maintained at a reasonable and ample level.

1. Source: National Bureau of Statistics of China.
 2. The National Bureau of Statistics of China has disclosed the "average two-year growth rate (year-on-year)", in light of irregular fluctuations arising from the COVID outbreak in 2020. The average two-year growth (year-on-year) is the geometric mean of the growth with the data of the same period in 2019 as the base (ie 2019 vis-à-vis 2020, and 2020 vis-à-vis 2021).
 3. Source: CBRE Market View.
 4. Source: State Council of the People's Republic of China.



Looking Forward

Notwithstanding the near-term uncertainties and headwinds from COVID-19, the Manager remains focused and committed to proactively managing 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 healthy 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 right of first refusal and third party quality income-producing retail properties.



Photo of Beijing Wanliu



Disclaimer

This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements and/or financial information as a result of a number of factors, risks, uncertainties and assumptions. These forward-looking statements speak only as at the date of this presentation. No assurance can be given that future events will occur, that projections will be achieved, or that assumptions are correct. Representative examples of these factors include (without limitation) general industry and economic conditions, the present and future business strategies, the environment in which BHG Retail Real Estate Investment Trust (“BHG Retail REIT”) will operate in the future, interest rate trends, cost of capital and capital availability, competition from similar developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), property expenses, governmental and public policy changes, and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements and/or financial information, as these statements and/or financial information reflect BHG Retail Trust Management Pte. Ltd.’s (the “Manager”) current views concerning future events and necessarily involve risks, uncertainties and assumptions.

The information contained in this presentation has not been independently verified. No representation or warranty, expressed or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. None of the Manager, DBS Trustee Limited (as trustee of BHG Retail REIT) (the “Trustee”), or any of their respective advisors, representatives or agents shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this presentation or its contents or otherwise arising in connection with this presentation.

The value of units in BHG Retail REIT (“Units”) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, the Trustee, or any of their respective affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. The past performance of BHG Retail REIT is not necessarily indicative of the future performance of BHG Retail REIT. Similarly, the past performance of the Manager is not indicative of the future performance of the Manager.

Investors have no right to request the Manager to redeem or purchase their Units while the Units are listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”). It is intended that Unitholders of BHG Retail REIT may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This presentation is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any securities of BHG Retail REIT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contractor commitment whatsoever.



Thank you

For further information and enquiries:

BHG Retail Trust Management Pte. Ltd.
Contact: (65) 6805 8288 Email: ir@bhgreit.com
Website: <http://www.bhgreit.com>



BHG RETAIL REIT
ANNUAL GENERAL MEETING
28 APRIL 2022

Ordinary Resolution 1

To receive and adopt the Report of the Trustee, the Statement by the Manager and the Audited Financial Statements of BHG Retail REIT for the financial year ended 31 December 2021 and the Auditors' Report thereon.

Ordinary Resolution 1

To receive and adopt the Report of the Trustee, the Statement by the Manager and the Audited Financial Statements of BHG Retail REIT for the financial year ended 31 December 2021 and the Auditors' Report thereon.

	No. of Votes	Percentage
For	198,096,801	100.00%
Against	0	0.00%

Ordinary Resolution 2

To re-appoint KPMG LLP as Auditors of BHG Retail REIT to hold office until the conclusion of the next AGM and authorise the Manager to fix the Auditors' remuneration.



Ordinary Resolution 2

To re-appoint KPMG LLP as Auditors of BHG Retail REIT to hold office until the conclusion of the next AGM and authorise the Manager to fix the Auditors' remuneration.

	No. of Votes	Percentage
For	198,096,801	100.00%
Against	0	0.00%

Ordinary Resolution 3

To authorise the Manager to issue Units and make or grant convertible instruments*.

* Please refer to the notice of AGM for the full wording of the resolution.

Ordinary Resolution 3

To authorise the Manager to issue Units and make or grant convertible instruments*.

	No. of Votes	Percentage
For	198,096,501	100.00%
Against	300	0.00%

* Please refer to the notice of AGM for the full wording of the resolution.



Thank you

For further information and enquiries:

BHG Retail Trust Management Pte. Ltd.
Contact: (65) 6805 8288 Email: ir@bhgreit.com
Website: <http://www.bhgreit.com>