



Fraser's Logistics & Commercial Trust

Business updates for the quarter ended 30 June 2020

3 August 2020

Important notice

This presentation is for information only and does not constitute or form part of an offer, solicitation, recommendation or invitation for the sale or purchase or subscription of securities, including units in Frasers Logistics & Commercial Trust (formerly known as Frasers Logistics & Industrial Trust) ("**FLCT**", and the units in FLCT, the "**Units**") or any other securities of FLCT. No part of it nor the fact of its presentation shall form the basis of or be relied upon in connection with any investment decision, contract or commitment whatsoever. The past performance of FLCT and Frasers Logistics & Commercial Asset Management Pte. Ltd. (formerly known as Frasers Logistics & Industrial Asset Management Pte. Ltd.), as the manager of FLCT (the "**Manager**"), is not necessarily indicative of the future performance of FLCT and the Manager.

This presentation contains "forward-looking statements", including forward-looking financial information, that involve assumptions, known and unknown risks, uncertainties and other factors which may cause the actual results, performance, outcomes or achievements of FLCT or the Manager, or industry results, to be materially different from those expressed in such forward-looking statements and financial information. Such forward-looking statements and financial information are based on certain assumptions and expectations of future events regarding FLCT's present and future business strategies and the environment in which FLCT will operate. The Manager does not guarantee that these assumptions and expectations are accurate or will be realised. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events. The Manager does not assume any responsibility to amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events, or otherwise, subject to compliance with all applicable laws and regulations and/or the rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and/or any other regulatory or supervisory body or agency.

The information and opinions in this presentation are subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning FLCT. None of Frasers Property Limited, FLCT, the Manager, Perpetual (Asia) Limited, in its capacity as trustee of FLCT, or any of their respective holding companies, subsidiaries, affiliates, associated undertakings or controlling persons, or any of their respective directors, officers, partners, employees, agents, representatives, advisers or legal advisers makes any representation or warranty, express or implied, as to the accuracy, completeness or correctness of the information contained in this presentation or otherwise made available or as to the reasonableness of any assumption contained herein or therein, and any liability whatsoever (in 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 is expressly disclaimed. Further, nothing in this presentation should be construed as constituting legal, business, tax or financial advice.

The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that holders of Units 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 advertisement has not been reviewed by the Monetary Authority of Singapore.

Nothing in this presentation constitutes or forms a part of any offer to sell or solicitation of any offer to purchase or subscribe for securities for sale in Singapore, the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

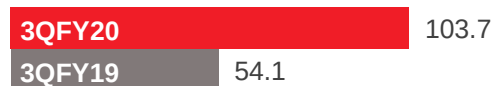
Stable financial performance

For the quarter ended 30 June 2020⁽¹⁾

Revenue

S\$103.7 m

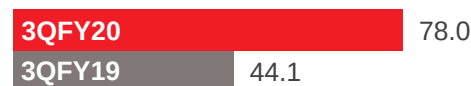
▲ 91.9%



Adjusted NPI

S\$78.0 m

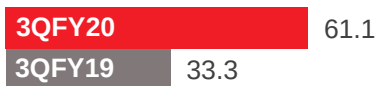
▲ 77.0%



Distributable Income

S\$61.1 m

▲ 83.5%



NAV per unit

S\$1.04

▲ 13.0%



Total Gross Borrowings

S\$2,308 m

as at 30 June 2020



Aggregate Leverage

37.4%

as at 30 June 2020



Cost of Borrowings

2.1%

as at 30 June 2020



Interest Coverage Ratio⁽²⁾

6.7 times

Note: The Board of Directors of the Manager wishes to provide a voluntary one-off update on certain selected interim financial information of FLCT on a consolidated basis for its third quarter from 1 April 2020 to 30 June 2020 ("3QFY20"). The Board believes that such one-off update would be useful to the unitholders of FLCT given that this is the first financial quarter of FLCT as an enlarged REIT immediately after the merger of FLT and Frasers Commercial Trust by way of a trust scheme of arrangement which became effective on 15 April 2020. The following selected key unaudited interim financial information of FLCT for 3QFY20 on a consolidated basis is as follows: Revenue, Adjusted NPI, Distributable Income and NAV per unit.

Following this one-off update on FLCT's selected financial information for 3QFY20, the Manager will continue its half yearly reporting as previously announced on 13 May 2020 and the next financial results announcement will be for the full-year ending 30 September 2020.

1. FLCT has adopted S\$ as its functional currency with effect from 15 April 2020 following its merger with FCOT. Prior period results were based on A\$ translated at the 15 April 2020 exchange rate of A\$1: S\$0.9016 used for conversion of the accounts to S\$. 2. As defined in the Code on Collective Investment Schemes revised by the Monetary Authority of Singapore on 16 April 2020 and clarified on 29 May 2020 and computed as trailing 12 months EBITDA (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), over trailing 12 months borrowing costs. Borrowing costs include effects of FRS 116.

3QFY20 key highlights and subsequent events

Proactive lease management; Stable portfolio performance

Active Asset Management



Portfolio Value

S\$6.0 billion

High-quality properties in developed markets



Occupancy Rate

97.2%

High portfolio occupancy⁽¹⁾



FY20 Upcoming Expiries

1.0% of portfolio GRI

Minimal leases due for renewal



New Leases & Renewals

134,669 sqm

Representing 5.2% of lettable area



WALE

5.2 years

Long WALE⁽¹⁾



Top-10 Tenant % of GRI

24.1%

Well-diversified

Acquisition of Two High-Quality Freehold Properties



- ◆ 3 Aug 20: Announced acquisition of two 100% occupied freehold properties, comprising the IVE Facility in Australia and 100% interest in Maxis in the UK for a total purchase consideration of S\$89.9 million⁽²⁾

Strategic Divestment at Premium to Book Value



- ◆ 3 Aug 20: Announced divestment of remaining 50% stake in the Sale Property at a sale consideration of A\$152.5 million (~S\$150.5 million)⁽²⁾
- ◆ **12.2% premium** to the book value of the property at A\$135.9 million (~S\$134.2 million)⁽²⁾ as at 30 June 20

Note: S\$ values, unless otherwise stated, are based on an exchange rate of A\$1: S\$0.9620, €1: S\$1.5609 and £1: S\$1.7282 as at 30 June 2020.

1. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of June 20. Excludes straight lining rental adjustments and include committed leases. 2. S\$ values are based on assumed exchange rates of A\$1: S\$0.9872 and £1: S\$1.7969



3QFY20 Portfolio Review

A flagship logistics and commercial portfolio

Strategically diversified in five major developed markets



A\$6.0b

Portfolio Value ⁽²⁾



99

Properties



5.2 years

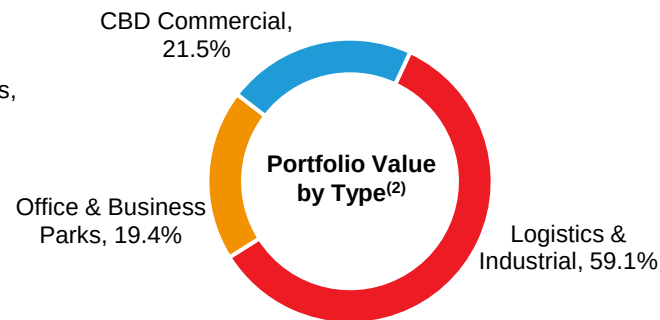
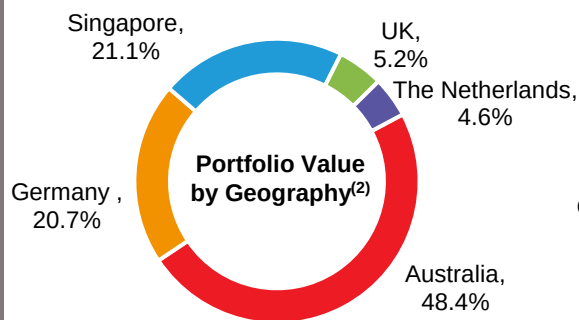
WALE ⁽³⁾



97.2%

Occupancy Rate

As at 30 June 2020	Logistics & Industrial Portfolio	Commercial Portfolio	Overall Portfolio
No. of Properties	93 ⁽¹⁾	6	99
Portfolio Value (S\$ million) ⁽²⁾	3,529.2	2,442.2	5,971.4
Lettable Area (sqm)	2,258,875	322,043	2,580,918
WALE ⁽³⁾	5.9 years	4.2 years	5.2 years
WALB ⁽³⁾	5.9 years	3.9 years	5.1 years
Occupancy Rate ⁽³⁾	99.8%	93.6%	97.2%



1. Includes a 50% interest in the property at 99 Sandstone Place, Parkinson, Queensland, Australia. 2. Book value as at 30 June 2020. 3. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of June 2020. Excludes straight lining rental adjustments and include committed leases.

Prime & modern logistics & industrial portfolio

Long WALE, high occupancy and predominantly freehold assets

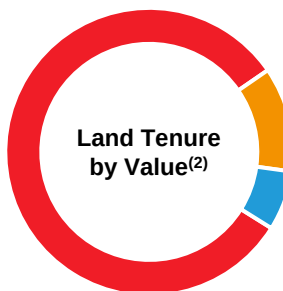
As at 30 June 2020	Australia	Europe	Total
No. of Properties	62 ⁽¹⁾	31	93
Portfolio Value (S\$ million) ⁽²⁾	2,021.3	1,507.9	3,529.2
Lettable Area (sqm)	1,377,594	881,281	2,258,875
Average Age by Value	8.2 years	8.1 years	8.2 years
WALE ⁽³⁾	5.3 years	7.1 years	5.9 years
WALB ⁽³⁾	5.2 years	7.1 years	5.9 years
Occupancy Rate ⁽³⁾	99.7%	100.0%	99.8%
Average Annual Rental Increment	3.1%	Fixed/CPI-linked ⁽⁵⁾	N.M.

Leadership in Sustainability

Global Sector Leader (Listed Industrial) for the second consecutive year in the annual GRESB Assessment⁽⁴⁾



Freehold,
81.5%

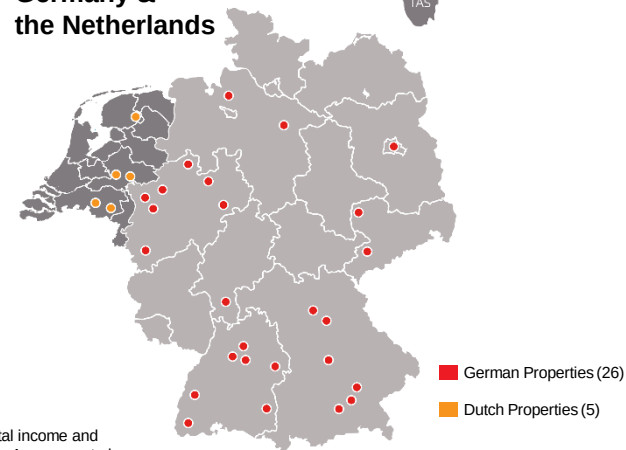


>75 Years
Leasehold,
11.8%

Other
Leasehold,
6.7%



Germany & the Netherlands



1. Includes a 50% interest in the property at 99 Sandstone Place, Parkinson, Queensland, Australia. 2. Book value as at 30 June 2020. 3. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of June 2020. Excludes straight lining rental adjustments and include committed leases. 4. Refers to the 2018 and 2019 Real Estate Assessments by GRESB, the global ESG benchmark for real estate. 5. 95.9% of the leases have either CPI-linked indexation or fixed escalations

Quality & well-located commercial portfolio

Healthy WALE, occupancy and fixed rental increments



Cross Street Exchange



357 Collins Street



Central Park



Caroline Chisholm Centre



Alexandra Technopark



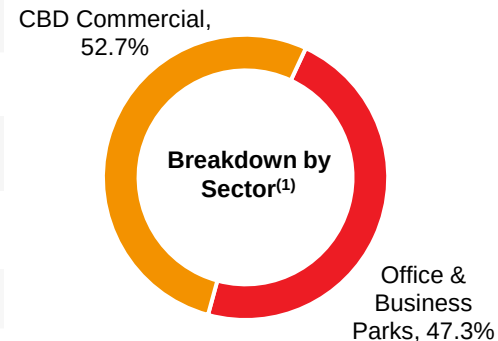
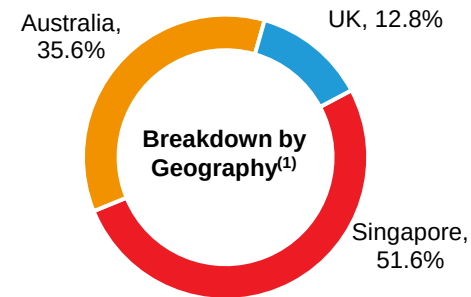
Farnborough Business Park

As at 30 June 2020

CBD Commercial

Office and Business Parks

Country	Singapore	Melbourne, Australia	Perth, Australia	Canberra, Australia	Singapore	United Kingdom
Ownership	100.0%	100.0%	50.0%	100.0%	100.0%	100.0%
Property Value (\$ million) ⁽¹⁾	652.6	320.1	313.8 ⁽²⁾	235.4	607.7	312.5
Lettable Area (sqm)	36,495	31,965	66,225	40,244	96,107	51,006
WALE ⁽³⁾	3.0 years	3.0 years	6.2 years	5.0 years	3.1 years	6.1 years
WALB ⁽³⁾	3.0 years	3.0 years	6.2 years	5.0 years	2.9 years	4.6 years
Occupancy Rate ⁽³⁾	89.5%	95.4%	83.5%	100.0%	95.5%	99.5%



1. Book value as at 30 June 2020. 2. Based on 50% interest in the property. 3. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of June 2020. Excludes straight lining rental adjustments and include committed leases.

3QFY20 leasing update

Active management with 134,669 sqm of deals completed in 3QFY20

Industrial Leasing Summary	Lease Type	Tenant	Lettable Area (sqm)	Lease Term	Lease Expiry	Annual Increment	Reversion ⁽¹⁾
77 Atlantic Drive, Victoria	Renewed	Miele	15,095	5.0 years	August 2027	3.0%	-7.5%
150-168 Atlantic Drive, Victoria	Renewed	ESR Group	16,065	1.5 years	March 2023	3.0%	-12.1%
21 Kangaroo Avenue, Victoria	Renewed	TTI	41,401	1.0 year	July 2023	N.A.	+2.7%
49-75 Pacific Drive, Victoria	Renewed	Horizon	25,163	5.0 years	Dec 2026	3.0%	-3.5%
1-27 Sunline Drive, Victoria	Renewed	Freight	12,021	1.0 year	April 2023	N.A.	-6.6%
10 Stanton Road, New South Wales	Renewed	CSR	7,065	5.0 years	August 2026	3.0%	-19.6%
20-22 Butler Boulevard, South Australia	Renewed	TNT	5,607	1.5 years	March 2022	3.5%	+2.9%
Koperstraße 10, Germany	Renewed	Roman Mayer	5,676	2.2 years	June 2025	CPI	-1.6%
Total:			128,093	Average Reversion:			-3.9%

Commercial Leasing Summary	No. of Leases	Lettable Area (sqm)	Average Lease Term	Reversion ⁽¹⁾
Singapore	10	5,828	2.8 years	+12.1%
Australia	1	383	5.0 years	-8.0%
United Kingdom	2	365	3.0 years	+12.8%
Total:		6,576	Average Reversion:	+10.6%

1. Calculated based on the signing gross rent (excluding any contracted fixed annual rental step-ups) of the new/renewed lease divided by the preceding terminating gross rent of each new/renewed lease (weighted by gross rent) of existing space.

Occupancy

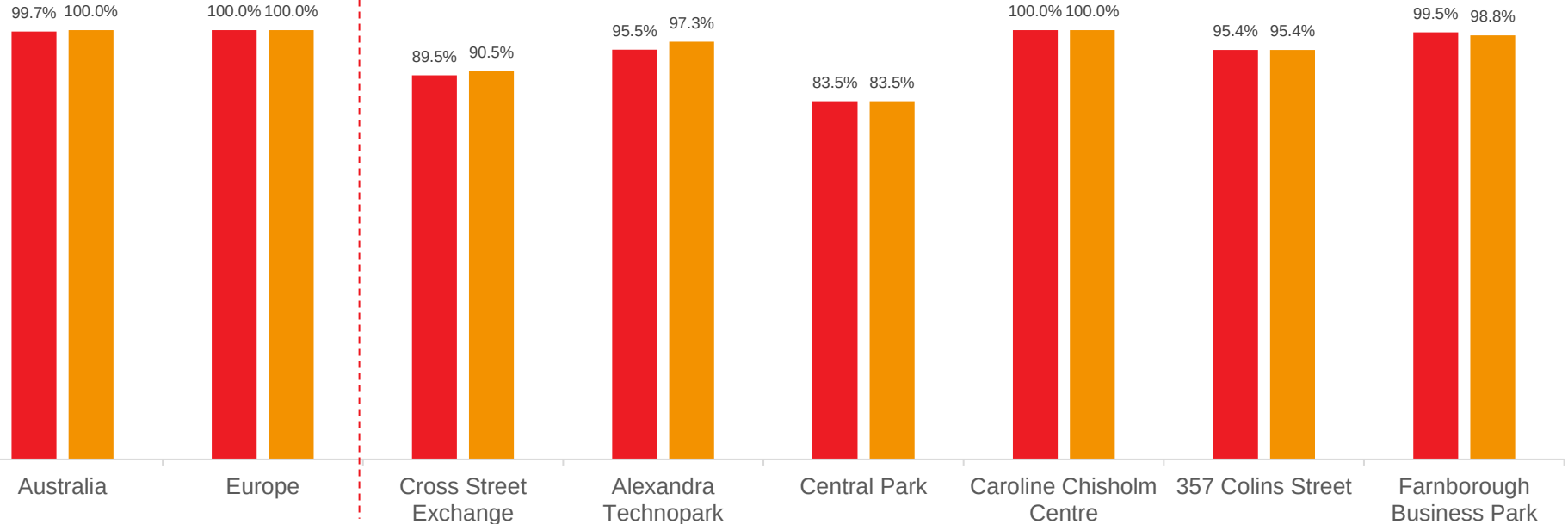
High portfolio occupancy

Portfolio Occupancy of 97.2%⁽¹⁾ as at 30 June 2020

Logistics & Industrial: 99.8% Occupancy

Commercial: 93.6% Occupancy

■ 30-Jun-20 ■ 31-Mar-20



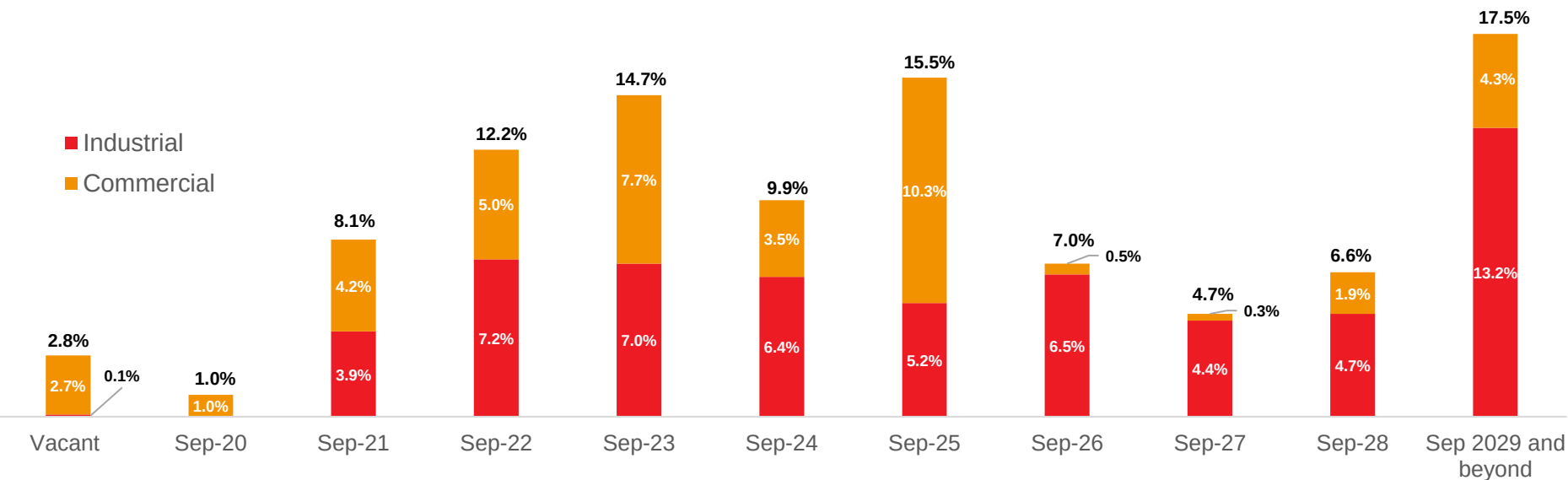
1. Based on GRI and includes committed leases.

Lease Expiry Profile

Minimal near-term lease expiries

Portfolio Lease Expiry Profile as at 30 June 2020⁽¹⁾

- Well-spread out lease expiry profile with **only 1.0% of GRI due for renewal in FY2020**



1. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of June 2020. Excludes straight lining rental adjustments and include committed leases.

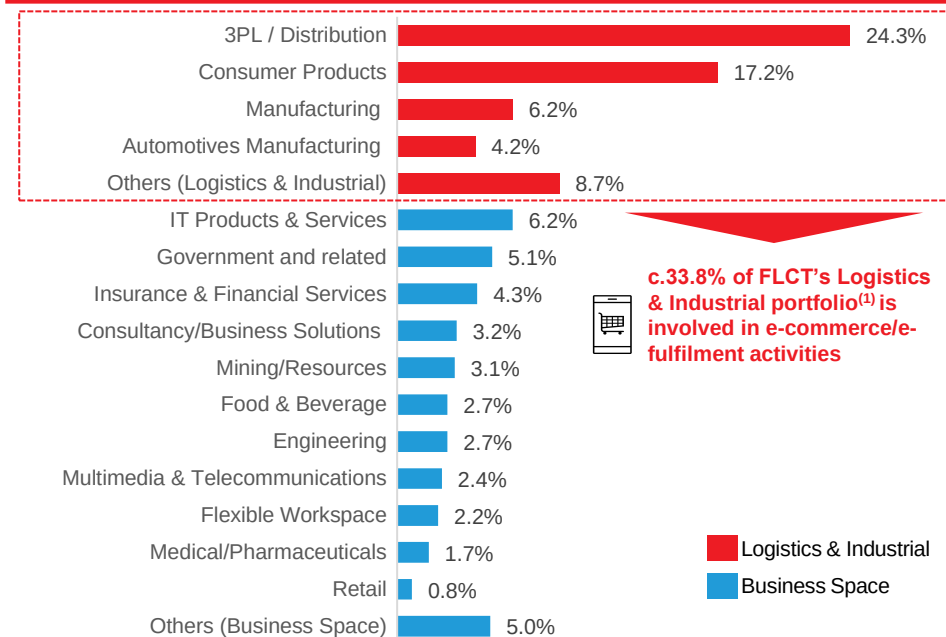
Portfolio mix

High-quality and diverse tenant mix

- ◆ Well-diversified tenant base with no single tenant accounting for more than 4.8% of portfolio GRI⁽¹⁾
- ◆ High-quality tenant base with majority of portfolio tenants comprising Government or related entities, MNCs, conglomerates and listed companies

Top 10 Portfolio Tenants ⁽¹⁾	% of GRI	WALE (Years)
Commonwealth of Australia	4.8%	5.0
Google Asia Pacific, Singapore	3.9%	4.5
Rio Tinto, Australia	2.5%	10.0
Commonwealth Bank of Australia	2.0%	2.5
Ceva Logistics, Australia	2.0%	5.0
BMW, Germany	1.9%	5.5
Coles, Australia	1.9%	12.0
Schenker, Australia	1.7%	4.4
Techtronics Industries, Australia	1.7%	3.3
Fluor Limited, United Kingdom	1.7%	4.4
Total:	24.1%	Average: 5.0 years

Portfolio Tenant Sector Breakdown⁽¹⁾⁽²⁾



1. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of June 2020. Excludes straight lining rental adjustments and include committed leases. 2. Excludes vacancies.

Subsequent Events

Acquisition of two freehold properties in Australia and the UK

Transaction summary and property details

- ◆ Expands FLCT's footprint in Melbourne's south eastern industrial precinct and the UK's Thames Valley
- ◆ Prime grade logistics asset and business park with 100% occupancy

	IVE Facility	Maxis
Property Type	Logistics	Business Park
Lettable Area (sqm)	14,263	17,859
Appraised Value ⁽¹⁾	A\$22.6 million (~S\$22.3 million)	£68.25 million (~S\$122.6 million)
Agreed Property Value	A\$22.5 million (~S\$22.2 million)	£67.34 million (~S\$121.0 million)
Purchase Consideration		£37.7 million ⁽²⁾ (~S\$67.7 million) ⁽²⁾
Land Tenure	Freehold	Freehold
Occupancy ⁽³⁾	100.0%	100.0%
WALB ⁽³⁾	4.9 years	3.2 years
WALE ⁽³⁾	4.9 years	6.7 years
Number of Tenants	1	10
Key Tenant(s)	IVE Group	Panasonic UK, Allegis Group, Blue Yonder, Cadence Design Systems
Target Completion	By September 2020	



Note: S\$ values are based on assumed exchange rates of A\$1: S\$0.9872 and £1: S\$1.7969

1. Being the higher of the two independent valuations of each property conducted by Savills Valuation & Advisory Pty Ltd and CIVAS (VIC) Pty Ltd for the IVE Facility and Jones Lang LaSalle Limited and Knight Frank LLP for Maxis. 2. Based on the adjusted net asset value of the target company as at the completion date, and taking into account the agreed property value of £67.34 million (approximately S\$121.0 million) and the outstanding shareholder's loan which is to be fully discharged on completion date. 3. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of June 2020. Excludes straight lining rental adjustments

Divestment of remaining 50% interest in a Cold Storage Facility

12.2% premium to book value

- ◆ Disposal of single largest facility in FLCT's logistics portfolio, ~1.9% of total portfolio GRI as at 30 June 2020
- ◆ Sale consideration is 13.6% higher than the sale of A\$134.2 million (~S\$132.5 million) for the initial 50% interest⁽¹⁾



Sale Property

Sale Consideration	A\$152.5 million (~S\$150.5 million)
Book Value ⁽²⁾	A\$135.9 million (~S\$134.2 million)
Premium to Book Value	12.2%
Target Completion	By December 2020

Note: S\$ values are based on an assumed exchange rate of A\$1: S\$0.9872

1. Sale of the initial 50% interest in the Cold Storage Facility was completed on 24 July 2019. 2. As at 30 June 2020



A modern, multi-story commercial building with a mix of white panels, dark glass, and corrugated metal. The building has a prominent glass facade on the left side and a more industrial-looking section on the right. A large, empty parking lot with white lines is in the foreground. The sky is clear blue with a few wispy clouds.

Debt and Capital Management

Debt profile

As at 30 June 2020

Key Credit Metrics

Aggregate Leverage **37.4%**

Total Gross Borrowings **S\$2,308 million**

Cost of Borrowings **2.1%⁽¹⁾**

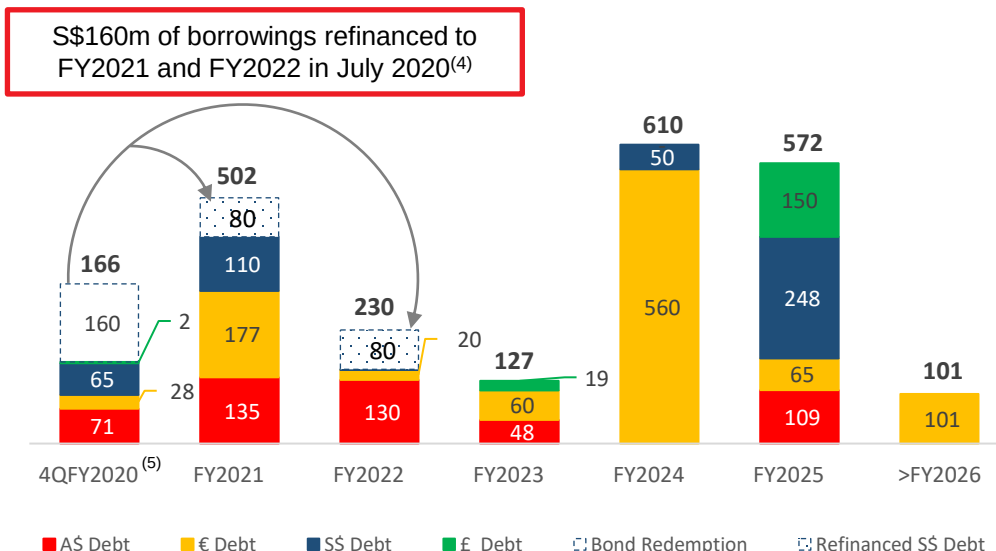
Average Weighted Debt Maturity **3.2 years**

Interest Rate Exposure Fixed **55.3%**

Interest Coverage Ratio **6.7 times⁽²⁾**

Debt Headroom⁽³⁾ **S\$1,552 million**

Debt Maturity Profile (S\$ million)

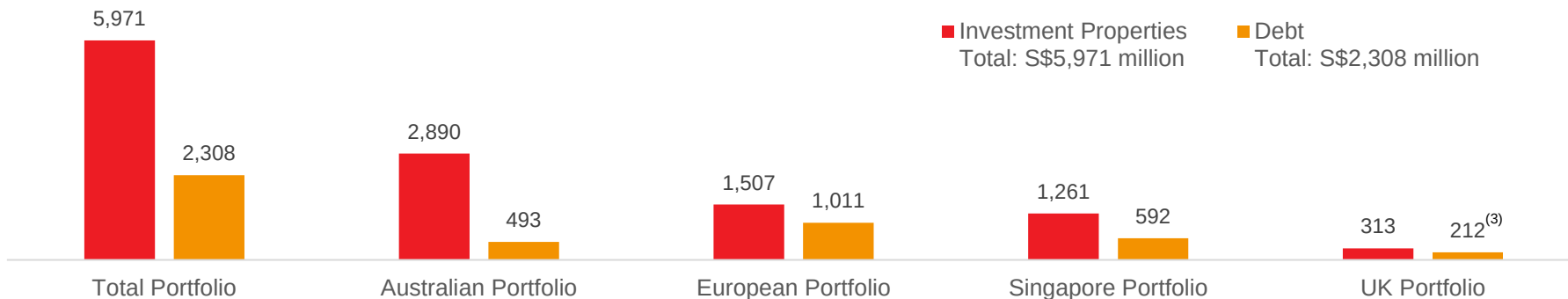


1. Based on trailing 12 months borrowing cost (including FCOT from date of completion of merger). 2. As defined in the Code on Collective Investment Schemes revised by the Monetary Authority of Singapore on 16 April 2020 and clarified on 29 May 2020 and computed as trailing 12 months EBITDA (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), over trailing 12 months borrowing costs. Borrowing costs include effects of FRS 116. 3. Prior to reaching the 50.0% aggregate regulatory leverage limit. 4. The S\$160 million borrowings due in 4QFY2020 refers to FCOT notes to be redeemed with the exercise of delisting put options by noteholders. The affected bonds were redeemed on 9 Jul 2020, financed by new borrowings that are due in FY2021 and FY2022. 5. Management is in advanced negotiations to refinance A\$63 million and S\$65 million of borrowings due in 4QFY2020 with new term loans. The remaining S\$37 million outstanding will be refinanced by the existing revolving credit facilities.

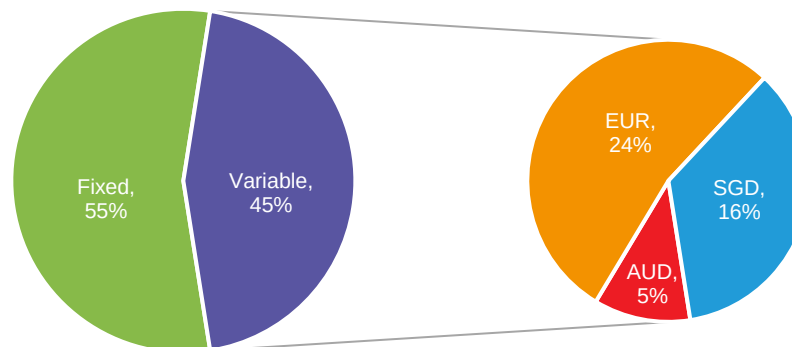
Prudent capital management

As at 30 June 2020

Investment Properties⁽¹⁾ and Debt⁽²⁾



Interest Risk Management



1. Excludes recognition of right-of-use assets upon the adoption of FRS 116 Leases with effect from 1 October 2019. 2. Refers to debt in the currency or hedged currency of the country of the investment properties. 3. Includes SGD41m of debt swapped to GBP that was subsequently unwound with redemption of the bonds on 9 July 2020



Market Information and Strategy

COVID-19 commentary

- ◆ To-date the FLCT portfolio has not been materially impacted by the COVID-19 pandemic. However, the situation remains dynamic with ongoing uncertainty as to the impact it may have on the countries FLCT has a presence in
- ◆ The REIT Manager is focused on managing any financial implications arising from COVID-19 and will continue to work closely with FLCT's customers to overcome this trying period together

Australia

Overview and Government Measures

The implementation of mitigation strategies since March 2020 is seeing ongoing results with transmission rates remaining low across most states. A three-stage re-opening plan was initiated by the government in May 2020. In July 2020, the state of Victoria experienced a resurgence in cases, with the government introducing a six-week partial lockdown to contain transmissions.

SME Commercial Leasing Principles⁽¹⁾

- ◆ For qualifying tenants, landlords provide a proportionate reduction in rent in the form of waivers and deferrals based on the reduction in the tenant's trade during the crisis and subsequent recovery period
- ◆ Rental waivers must constitute no less than 50% of the total reduction in rent with 50% of deferrals amortised over the balance of the lease term for a period of no less than 24 months

Portfolio Impact - Minimal

- ◆ Limited impact on the industrial and commercial properties, with eligible SMEs representing a small proportion of FLCT's Australian portfolio
- ◆ Expects near- to mid-term impact on the retail components of the Australian portfolio

Singapore

Overview and Government Measures

A 'circuit breaker' period was implemented in early April 2020 to control the pandemic's spread and with community transmissions remaining low, authorities have implemented a three-phased re-opening from early June 2020.

COVID-19 (Temporary Measures) Act 2020⁽²⁾:

- ◆ Property tax rebate for non-residential properties

Rental Relief Framework for qualifying SMEs⁽³⁾:

- ◆ SME tenants at office/industrial and retail premises with turnover of up to S\$100 million in 2019 will be entitled to Government-funded cash grants of 0.64 month and 0.8 month of Base Rent respectively. This is in addition to the previously announced cash grants of 0.36 month and 1.2 month of Base Rent. The qualifying tenants will be determined by the government and notified to landlords. The Act also compels the Landlord to provide an addition of up to 1 month and 2 months of Base Rent to qualifying office/industrial and retail SME tenants respectively

Portfolio Impact – Mainly on retail components

- ◆ Fully passing on any property tax rebate and rental reliefs, as applicable, to eligible tenants
- ◆ Expects near- to mid-term impact on the retail components of the Singapore portfolio

Europe & UK

Overview and Government Measures

The pandemic has gradually come under control in Germany, the Netherlands and UK, with European countries progressively relaxing travel restrictions.

- ◆ Germany has implemented a prohibition on landlords from forfeiting leases for the period to 30 June 2020 due to the non-payment of rent by tenants
- ◆ The UK has implemented similar measures on landlords until 30 September 2020

Portfolio Impact - Minimal

- ◆ Limited impact on the German and Dutch industrial portfolio
- ◆ The UK business park is seeing stable performance

Operating environment in Australia

Key Economic Indicators⁽¹⁾



-0.3% GDP for the Mar 20 quarter
GDP in seasonally adjusted chain volume terms



7.4% for the month of Jun 20
Unemployment Rate⁽¹⁾



-0.3% 12 months to the Jun 20 quarter
Consumer Price Index



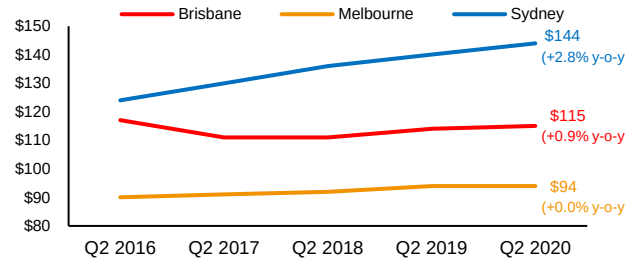
0.25% Cash rate
Reduction from 0.75% to support employment



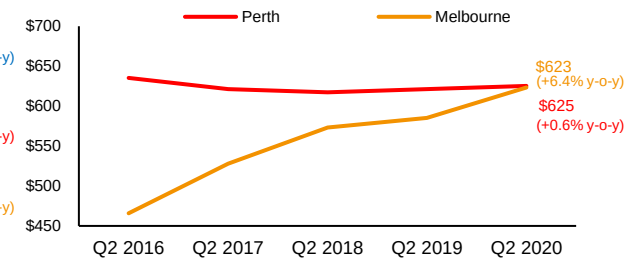
0.86% 10-year bond yield
As at 30 July 20⁽²⁾

Overview of the Industrial and Commercial Market⁽³⁾

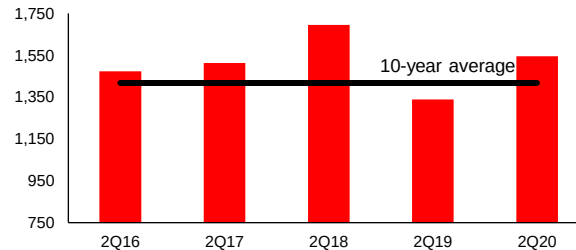
Industrial Prime Grade Net Face Rent
(A\$/sqm/yr)



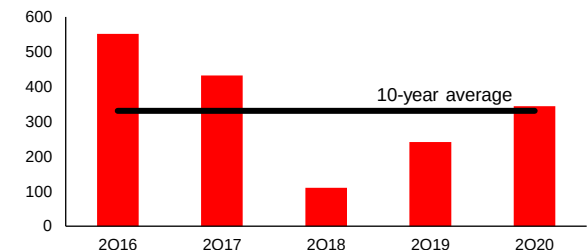
Prime CBD Commercial Net Face Rent
(A\$/sqm/yr)



National Total Supply for Industrial
('000 sqm)



National Total Supply for CBD Commercial
('000 sqm)



Operating environment in Germany

Key Economic Indicators⁽¹⁾



-10.1% GDP for the Jun 20 quarter
GDP in price and calendar-adjusted terms



3.9% for the month of May 20
Low unemployment Rate



0.9% in Jun 20 (year-on-year)
Consumer Price Index

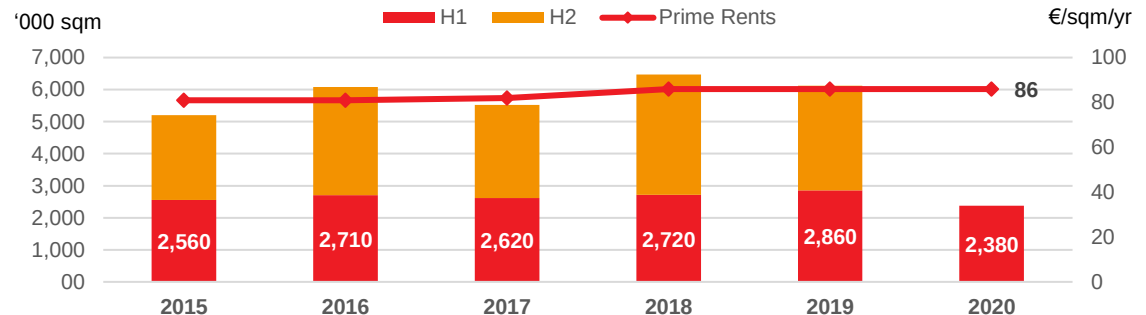


-0.463% 3-month EURIBOR
Remained in the negative range⁽²⁾

Overview of the Industrial Market⁽³⁾

- **Take-up** in Germany remained high albeit some decrease in the key hubs due to a lack of modern space. E-commerce was a strong market driver with large transactions signed in the April to June 2020 quarter (Q2 2020). Overall, the market continued to be dynamic as many companies have been shifting to smaller locations outside the traditional hubs, where supply is still sufficient.
- **Prime rents** remained largely stable, with small increases observed in Frankfurt, Cologne and Düsseldorf as a result of limited supply and transactions signed in speculative developments of logistics parks located in prime areas.
- **Investment volumes** continued to thrive in Q2 2020 (+4.8% y-o-y as compared to Q1 2020) despite the COVID-19 crisis and the scarcity of products in the major hubs.
- **Prime yields** continued to stabilise at 3.7% in the major logistics hubs, with no signs of decompression at the moment.

Take-up and Prime Rents (for warehouses >5,000 sqm)



Operating environment in Singapore

Key Economic Indicators⁽¹⁾



-12.6% GDP for the June 20 quarter
Year-on-year GDP change



2.9% in June 20
Low unemployment Rate



-0.5% year-on-year in June 20
All-items Consumer Price Index



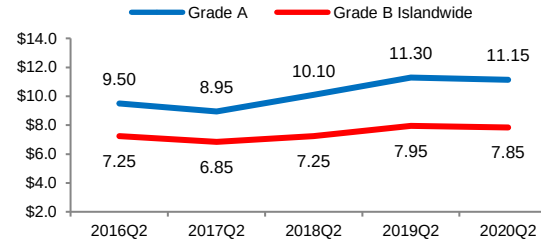
0.1015% on 30 Jul 20
Singapore Overnight Rate Average



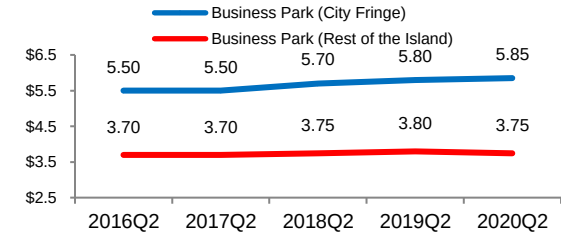
0.86% 10-year bond yield
As at 30 July 20⁽²⁾

Overview of the Singapore Office and Business Park Markets⁽³⁾

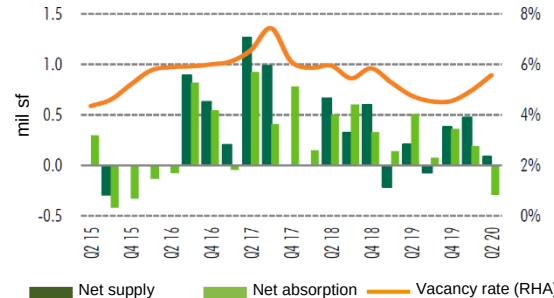
Grade A and Grade B Office Rents
(S\$ psf per month)



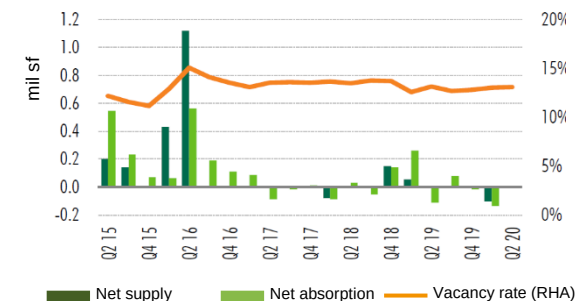
Business Park Rents⁽⁴⁾
(S\$ psf per month)



Office Supply-Demand Dynamics



Business Park Supply-Demand Dynamics



1. Sources: Singstat, Ministry of Trade and Industry Singapore. 2. Source: MAS SGS. 3. Source: CBRE, Singapore Market View, Q2 2020. 4. Alexandra Technopark is a high-specification B1 industrial development located at the city-fringe, with certain physical attributes similar to business parks. Due to limited availability of market research information directly relating to the asset class of Alexandra Technopark, market research information for business parks is provided for indicative reference.

Operating environment in the Netherlands

Key Economic Indicators⁽¹⁾



-0.5% GDP for the Mar 20 quarter

Year-on-year GDP change



3.6% for the month of May 20

Low unemployment Rate



1.2% in Jun 20 (year-on-year)

Consumer Price Index



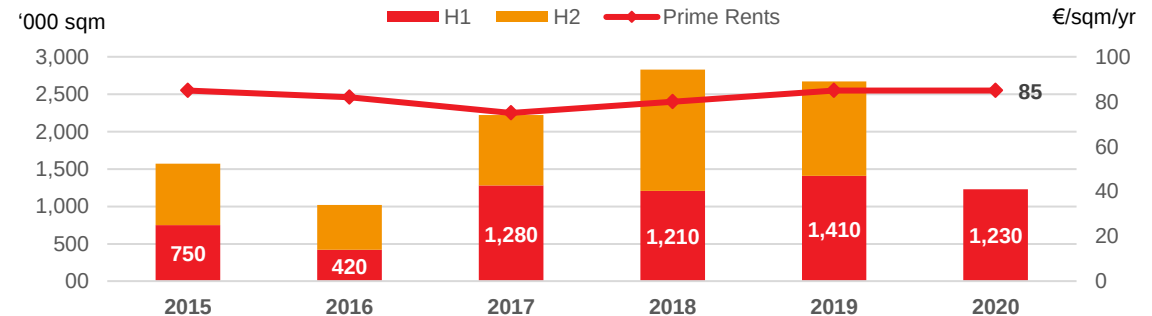
-0.463% 3-month EURIBOR

Remained in the negative range⁽²⁾

Overview of the Industrial Market⁽³⁾

- **Take-up** levels have slowed significantly in Q2 2020 due to the effects of COVID-19, despite the strong Q1 observed through several large transactions. Take-up is expected to drop further in the later half of 2020. Despite this, there have been no signs of significant price cuts.
- **Prime rents** have remained largely stable and there is no evidence of strong changes in the forthcoming months.
- **Investment volumes** have dropped in Q2 2020 as compared to the last quarter as investors grow increasingly cautious since the COVID-19 crisis. Given the current state of negotiations existing in the market, activity can be expected to pick up again in Q3.
- **Prime yields** continued to stabilise at 4.0% in Q2 2020 with no signs of decompression yet.

Take-up and Prime Rents (for warehouses >5,000 sqm)



Operating environment in the UK

Key Economic Indicators⁽¹⁾



-2.0% GDP for the Mar 20 quarter

Year-on-year GDP change



3.9% for the three months to May 20

Low unemployment Rate



0.8% 12 months to Jun 20

Consumer Price Index



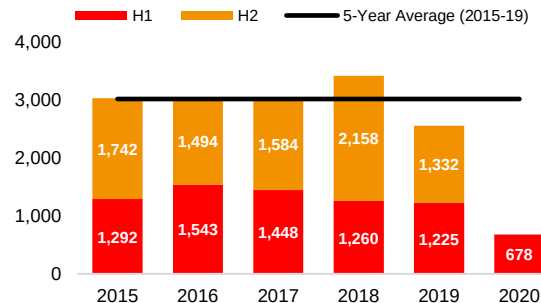
0.1% bank rate in Mar 20

Reduced by 65 basis points from 0.75% prior

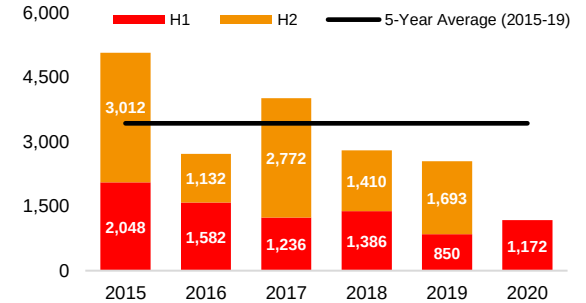
South East Office Trends and Outlook⁽²⁾

- **Take-up** in the South East in Q2 2020 amounted to 260,628 sq ft, bringing H1 2020 take-up volume to 678,422 sq ft, 45% below the same period last year. The three largest leasing deals during the Q2 2020 quarter were all to companies in the technology sector
- **Vacancy rates remain low**, which together with a restricted development pipeline will minimise any falls in prime rents. Upward pressure on the vacancy rate however is likely to come in the form of second-hand tenant space as businesses review headcount and rationalise office footprints.
- Boosted by a strong Q1 2020, H1 2020 **investment volumes were £1.2bn, up 46%** on the same period last year. While investment volumes slowed in Q2 2020 as the pandemic and lockdown froze both the consumer and global economies with direct consequences for operating cash flow and investment volumes, the market is thawing, and green shoots are beginning to appear

('000 sq ft) **South East Office Take-up Levels**



(£million) **South East Office Investment Volumes**

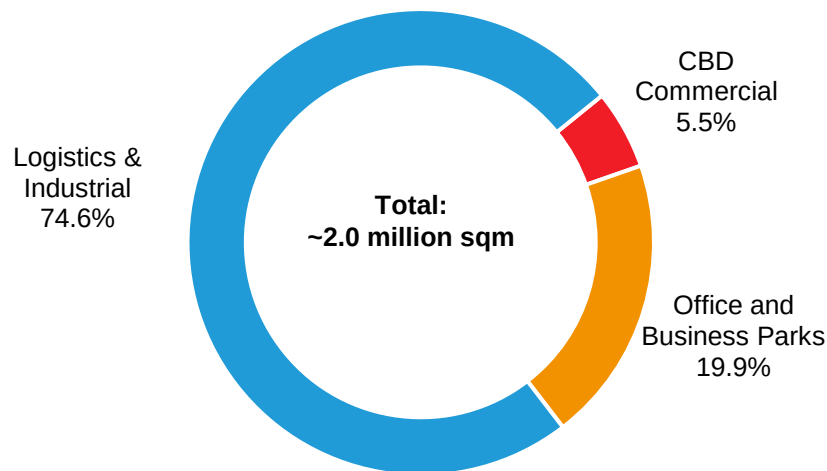


Diversified ROFR pipeline from Sponsor

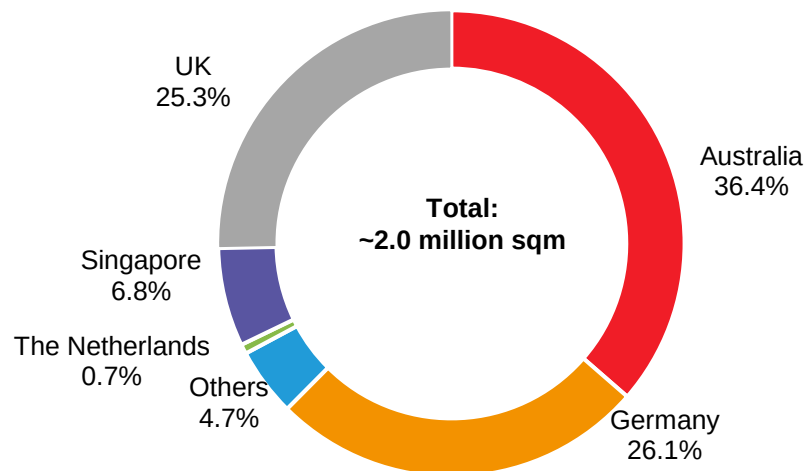
S\$5 billion ROFR across asset classes and key markets in Asia Pacific and Europe

- ◆ Access to a sizeable ROFR pipeline of more than S\$5 billion granted by the Sponsor⁽¹⁾
- ◆ Able to leverage on the Sponsor's integrated development and asset management capabilities

Breakdown by Sector⁽²⁾

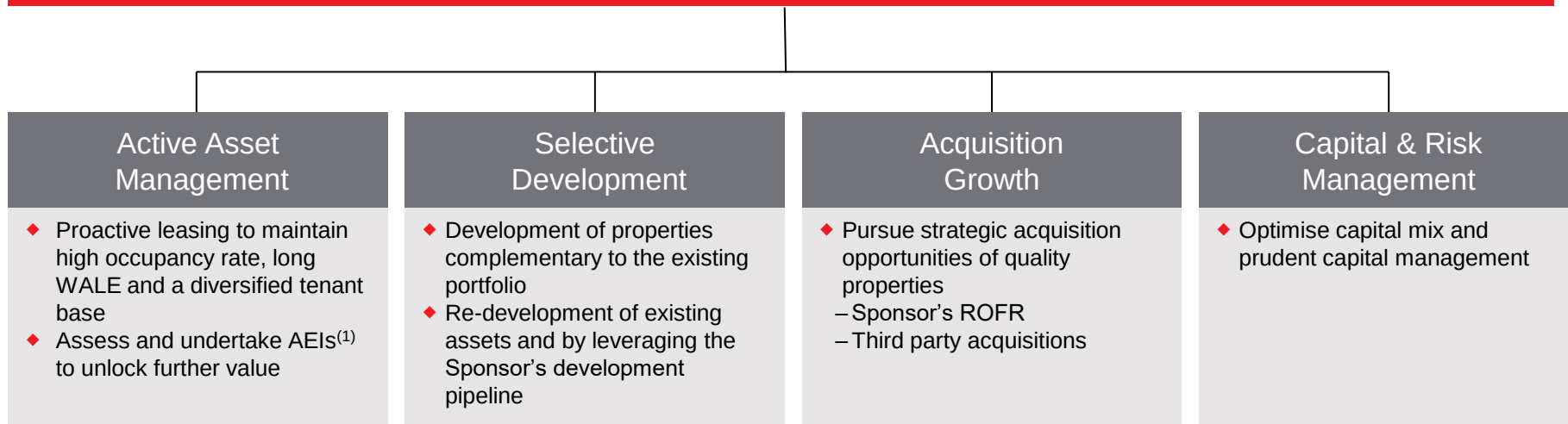


Breakdown by Region⁽²⁾



1. Comprises completed income-producing real estate (i) used for logistics or industrial purposes and located globally, and such real estate assets used for "logistics" or "industrial" purposes may also include office components ancillary to the foregoing purposes, or (ii) used for commercial purposes (comprising primarily office space in a Central Business District ("CBD office space")) or business park purposes (comprising primarily non-CBD office space and/or research and development space) and located in the Asia Pacific region or in Europe (including the United Kingdom). 2. By lettable area as at 30 June 2020. Excludes Maxis and the IVE Facility.

Sustainable long-term growth in DPU and deliver stable and regular distributions to unitholders



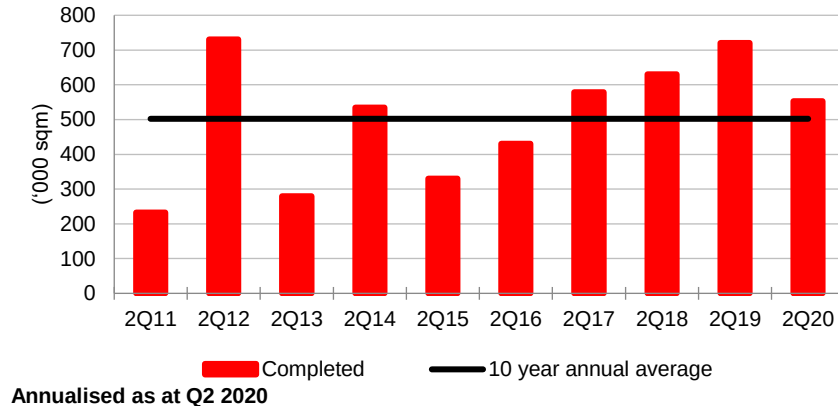
1. Development activities can be up to 10% of the current AUM as per MAS guidelines. FLCT may exceed the regulatory limit of not more than 10% of the company's deposited property (subject to maximum of 25%) only if additional allowance of up to 15% of the deposited property is utilised solely for redevelopment of an existing property that has been held for 3 years and continues to be held for 3 years after completion and specific approval of unitholders for redevelopment is obtained.

Appendix

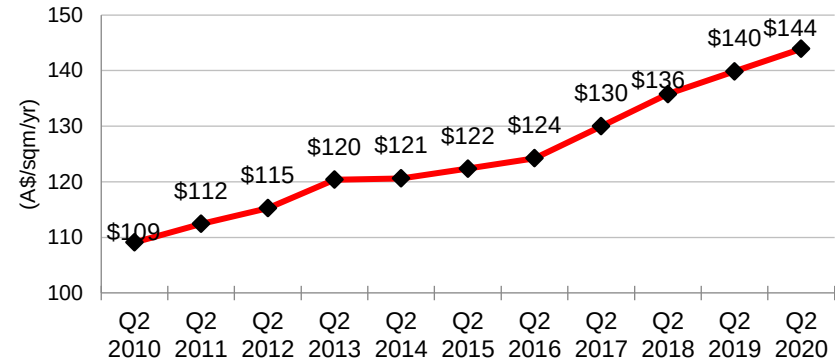
Appendix: Sydney industrial market

- ◆ **Supply:** Over the last 12 months development activity in Sydney was above the 10-year average, with 553,261 sqm of new stock being added to the market. New construction continues to be concentrated in the Outer Central Western and Outer South Western precincts. The largest completion during the quarter was a 66,000 sqm multi-tenanted industrial facility developed by Fife Capital at 7 & 63 Dursley Road & Pine Road, Yennora.
- ◆ **Demand:** Demand for industrial space recovered strongly in Q2 2020 despite the continued negative economic impacts of COVID-19. During the quarter Sydney recorded the highest recorded take up since 1996 with approximately 476,278 sqm of industrial space being leased. The quarter was dominated by pre-commitment deals to eCommerce and food retailers. The largest transaction of the quarter was the 191,170 sqm pre commitment to Amazon at Kemps Creek. The development is due to complete in late 2021 and is being developed by Goodman and Brickworks.
- ◆ **Rents:** Low vacancy rates and a shortage of developable land has translated to an average y-o-y rental growth of 2.9% across all industrial precincts. The Outer Central West continues to be one of the strongest performing precincts with face rents growing by 3.5% to A\$127/sqm net. Prime industrial incentives continue to remain relatively low compared to other markets with prime incentives in the Outer Central West currently sitting at 15%.
- ◆ **Vacancy:** As at April 2020 vacancies in Sydney remains near historic 5-year lows with approximately 530,827 sqm of available space. Sydney industrial vacancy were expected to increase over the next 12 months as new speculative stock is completed and the economic uncertainty due to the COVID-19 crisis continues to affect business confidence.

Sydney Industrial Total Supply



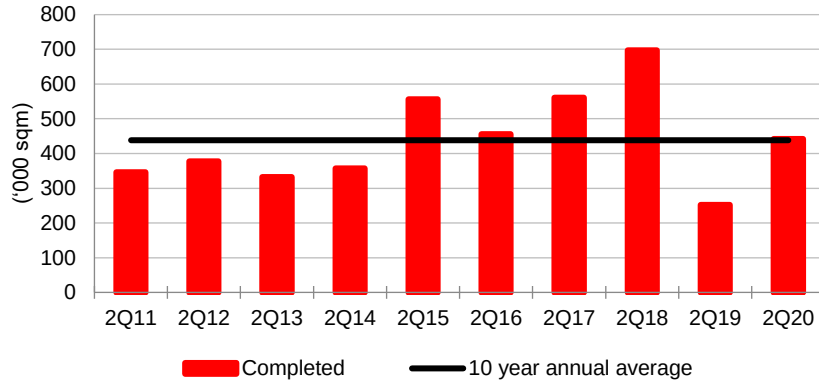
Sydney Industrial Prime Grade Net Face Rents



Appendix: Melbourne industrial market

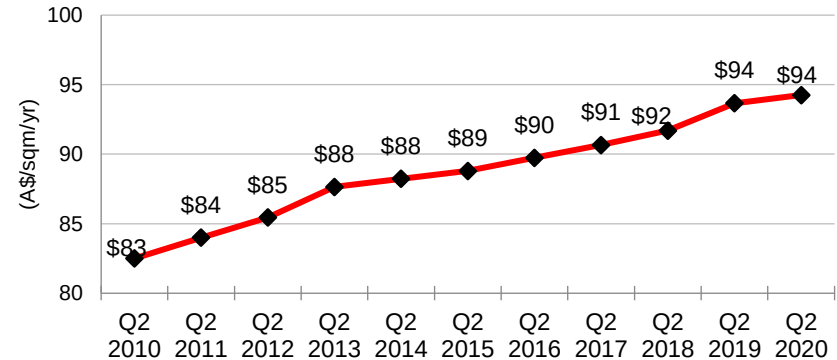
- Supply:** Over the last 12 months development activity in Melbourne was above the 10-year average, with 441,969 sqm of new stock being added to the market. In Q2 2020 approximately 75% of new industrial supply was completed in the Western Precinct with the remaining 25% being completed in the North. The largest completion during the quarter was the Amart furniture distribution centre at 148-248 Leakes Road Truganina.
- Demand:** Tenant demand in Melbourne covered strongly in 2Q 2020 with take-up of 293,431 sqm being recorded. Over the 12 months to 30 June 2020 there was approximately 1,094,662 sqm of gross take up in Melbourne the highest of any Australian industrial market. The largest transaction of the quarter was a 40,000 sqm pre-commit to Coles at MidWest Logistics Hub, 500 Doherty Road, Truganina.
- Rents:** High levels of development activity and the addition of new supply has softened the average y-o-y rental growth in Melbourne. Industrial face rents Melbourne increased by an average of 0.6% across all precincts. The South East continues to be the strongest performing precinct with face rents increasing 1.9% to A\$93/sqm net over the previous 12 months. Incentives in South East have also remained stable at around 23%.
- Vacancy:** Despite the COVID-19 crisis Melbourne vacancy rates declined by 10% as tenant demand for industrial space remains strong. As at April 2020 there was approximately 688,409 sqm of available industrial space in Melbourne.

Melbourne Industrial Total Supply



Annualised as at Q2 2020

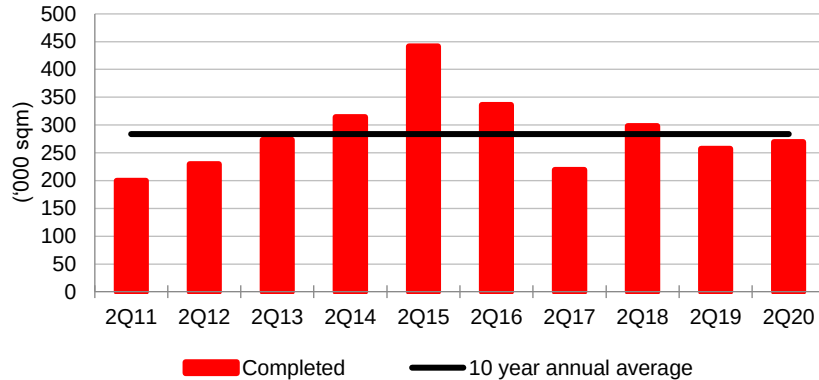
Melbourne Industrial Prime Grade Net Face Rents



Appendix: Brisbane industrial market

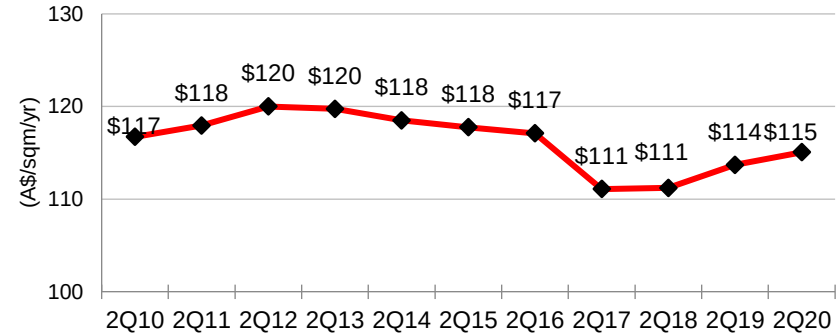
- ◆ **Supply:** Over the last 12 months development activity in Brisbane remains below the 10-year average, with 269,212 sqm of new stock being added to the market. New construction continues to be concentrated in the Southern precinct. The largest completion during the quarter was the 39,463 sqm Rheinmetall Defence Australia Headquarters at Redbank. There are currently 15 projects under construction in Brisbane which will provide approximately 357,589 sqm of new stock in the next 12 months.
- ◆ **Demand:** Tenant demand for industrial space has also remains subdued with Brisbane recording take-up of 101,997 sqm in Q2 2020. Over the 12 months to 30 June 2020 occupier demand in Brisbane has exceeded the historic 10-year average with 506,693 sqm of gross take up being recorded. The largest transaction of the quarter was the pre-lease to Amazon at 42-52 Export Street, Lytton. The property is to consist of a 21,388 sqm fulfilment centre which is being developed by Goodman.
- ◆ **Rents:** The lack of new supply and reduction of vacancies has translated to an average y-o-y rental growth of 1.2% across all precincts. The Southern industrial precinct has experienced minimal rental growth with average rent remaining stable at A\$110/sqm net. Incentives in Brisbane South while higher compared to other industrial markets have remained stable at 20% for prime industrial assets.
- ◆ **Vacancy:** Vacancies levels in Brisbane have continued to decline due to the lack of new supply and continued tenant demand. As at April 2020 the level of available industrial space is approximately 445,019 sqm which is 7% below the historic 10-year average. However vacancy rates in Brisbane are expected to increase over the next 12 months as new speculative stock is completed and the COVID-19 outbreak continues to negatively affect the Australian economy.

Brisbane Industrial Total Supply



Annualised as at Q2 2020

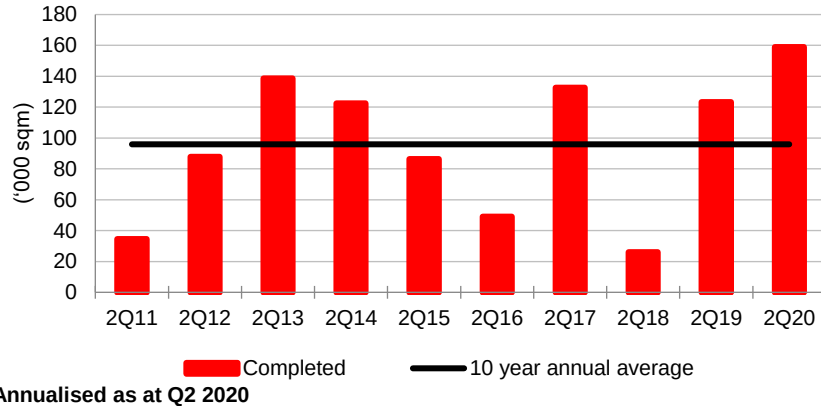
Brisbane Industrial Prime Grade Net Face Rents



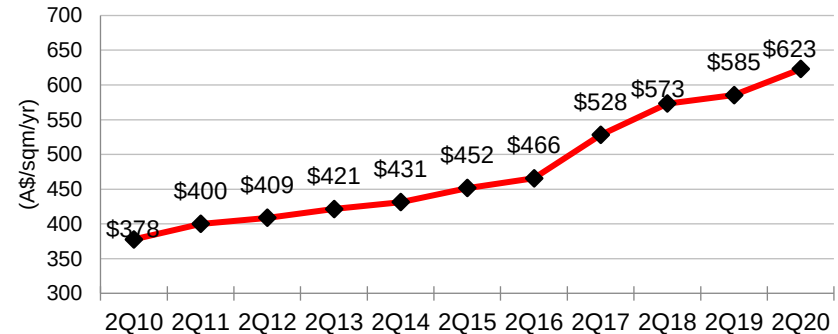
Appendix: Melbourne CBD office market

- Supply:** Three major developments completed in quarter in contributing 158,899 sqm of new space to the Melbourne CBD market. Approximately 96% of the new space was pre-committed and has not significantly contributed to vacancy rates in the Melbourne CBD. There are currently six commercial projects under construction, delivering 274,800 sqm of new NLA to the market by 2021.
- Demand:** Despite COVID-19 tenant demand for commercial space rebounded from the Q1 2020 with take-up of 162,664 sqm in Melbourne. Over the 12 months to 30 June 2020 there was approximately 194,981 sqm of gross take up in Melbourne CBD which is approximately 9% below the historic 10-year average.
- Rents:** Prime growth rates in the Melbourne CBD have experienced strong growth of 6.4% over the last 12 months. However due to the continued economic impacts of the COVID-19 crisis and a sharp increase in vacancies average prime rents have declined by 0.8% in Q2 2020 and are currently A\$623/sqm net. Prime incentives in the Melbourne CBD have also increased slightly over the quarter and are currently 30.73%. The decline in face rents and the increase of incentives has resulted in negative effective rental growth over the quarter.
- Vacancy:** As at Q2 2020 the vacancy rate in Melbourne CBD increased sharply from 3.4% to 7.6%. This increase is due to the addition of new supply, an increase in sublease space, as well as several large tenant contractions. As at 30 June 2020 there is approximately 379,560 sqm of vacant commercial space in the Melbourne CBD market. Melbourne CBD commercial vacancy is expected to increase over the next 12 months as new stock is added to the market and the ongoing COVID-19 crisis continues to negatively affect business confidence and tenant demand.

Melbourne Commercial Total Supply



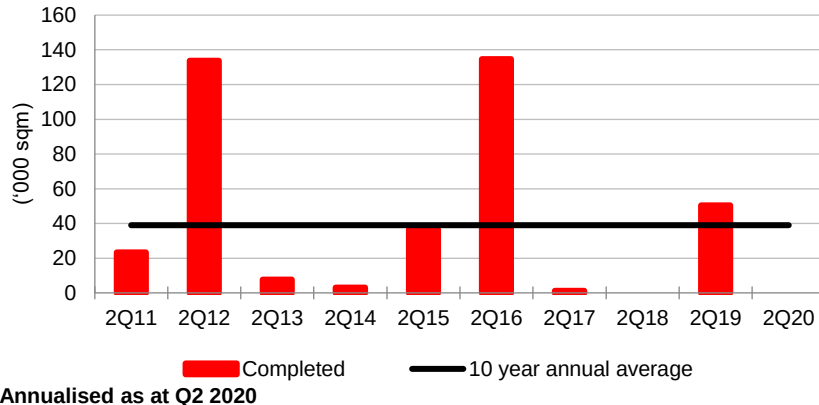
Melbourne Prime Grade Net Face Rent



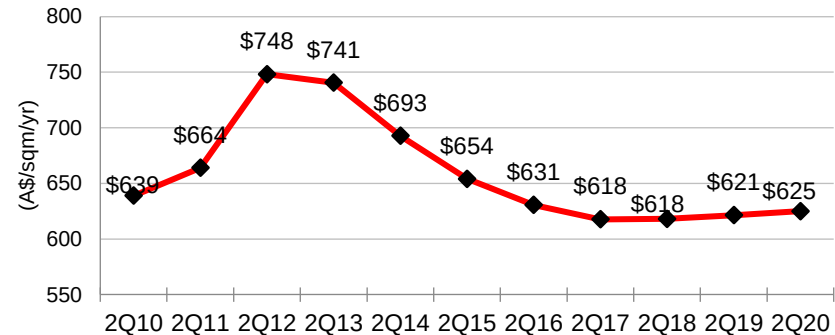
Appendix: Perth CBD Office Market

- ◆ **Supply:** Development activity in the Perth CBD has been subdued with no new space completed in the last 12 months. There are currently two major new developments under construction in the Perth CBD, Chevron HQ and Capital Square Tower 2. The two developments will provide approximately 79,200 sqm of commercial space and are both expected to be completed in Q4 2023.
- ◆ **Demand:** During 2Q 2020 demand for commercial space in the Perth CBD was subdued with take-up of only 1,485 sqm. Over the previous 12 months to 30 June 2020 there was approximately 25,658 sqm of gross take up in Perth which is 68% below the historic 10-year average. The only lease transaction of the quarter was a 1,485 sqm lease to Pilbara Ports Authority at 999 Hay Street, Perth.
- ◆ **Rents:** Despite softening demand prime rents in the Perth CBD has experienced modest rental growth of 0.6% over the previous 12 months. The average prime rents in the Perth CBD are currently A\$625/sqm net. However due to the continued high vacancy rates and modest tenant demand incentives in the Perth CBD remain high compared to other Australian CBD markets. Over the previous 12 months incentives for prime office space have remained stable and are currently at 47%.
- ◆ **Vacancy:** As at Q2 2020 the vacancy rate in Perth CBD increased slightly to 20.13%. Currently there is approximately 363,763 sqm of vacant commercial space in the Perth CBD market. Vacancy rates are expected to increase in the short term as the economic impacts of the COVID-19 outbreak continue to negatively affect business confidence and tenant demand.

Perth CBD Office Total Supply

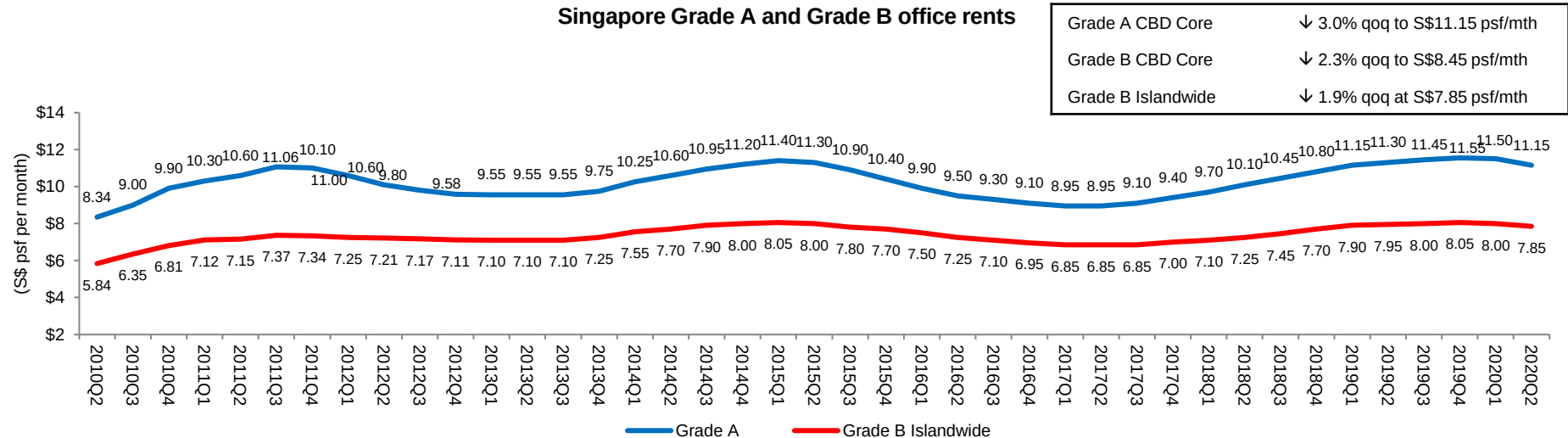


Perth CBD Office Prime Grade Net Face Rent



Appendix: Singapore CBD office market

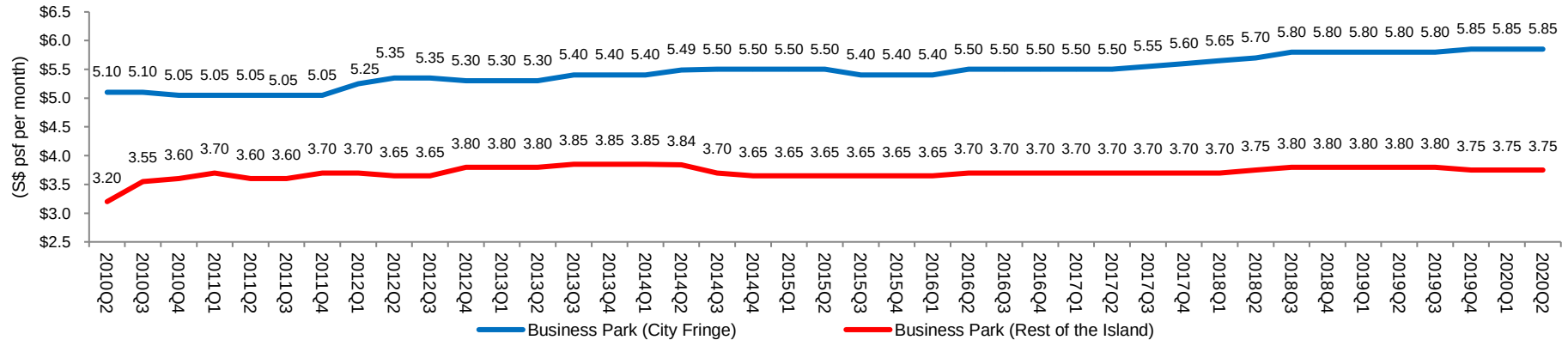
- ◆ **Supply:** 79 Robinson Road and Centrium Square obtained Temporary Occupation Permit in Q2 2020. Limited supply for the rest of 2020, with only Afro-Asia i-Mark and St James Power Station in the pipeline
- ◆ **Demand:** Total net absorption in Q2 2020 was negative 293,040 sf, mainly due to the removal of Keppel Towers and Keppel Towers 2 for redevelopment. Tenants are looking to downsize to contain cost and tenant demand was mainly driven by the insurance and technology sectors
- ◆ **Rents:** Generally, rents in Q2 2020 have corrected quarter-on-quarter due to weaker business sentiment and subdued underlying new demand in view of the Covid-19 outbreak, although the correction in the Grade B CBD Core was lower, suggesting resilience in this submarket. CBRE expects rents to face downward pressure in the second half of 2020
- ◆ **Vacancy:** Islandwide and Core CBD vacancy rates increased by 61 basis points and 98 basis points quarter-on-quarter to 5.6% each in Q2 2020, mainly due to new completion and transitional vacancy as a result of asset enhancement initiatives. CBRE expects vacancy levels to rise due to the growing volume of secondary space and subdued demand



Appendix: Singapore business park market⁽¹⁾

- ◆ **Supply:** Islandwide business park stock stayed at 19.4 million sf in Q2 2020
- ◆ **Demand:** The value proposition of business parks continue to remain attractive, with preference for newer business parks in the city fringe submarket. Leasing activity was limited, mainly stemming from technology firms absorbing space in the city fringe submarket
- ◆ **Rents:** The business park segment continued to remain resilient. As at the end of Q2 2020, averaged rents remained stable quarter-on-quarter at S\$5.85 psf per month for city fringe business parks and S\$3.75 psf per month for the rest of the island. The tight supply is expected to support rents in the city fringe submarket
- ◆ **Vacancy:** Islandwide vacancy rate remained at 13.1% in Q2 2020, with vacancy tightening in the city fringe submarket which offset the increase in the rest of island submarket. The tight vacancy in the city fringe submarket may prompt occupiers to turn to the rest of the island submarket

Singapore Business Park rents



1. Alexandra Technopark is a high-specification B1 industrial development located at the city-fringe, with certain physical attributes similar to business parks. Due to limited availability of market research information directly relating to the asset class of Alexandra Technopark, market research information for business parks is provided for indicative reference.

Fraser's Property entities

FLCT: Fraser's Logistics & Commercial Trust

FCOT: Fraser's Commercial Trust

FLT: Fraser's Logistics & Industrial Trust

FPL or the Sponsor: Fraser's Property Limited

The Group: Fraser's Property Limited, together with its subsidiaries

Additional notes

In the tables, the arrow direction indicates the increase (up) or decrease (down) of the absolute figure. The colour indicates if the change is **positive** (green), **negative** (red) or neutral (black).

Other acronyms

AEI: Asset Enhancement Initiative

CBD: Central Business District

COVID-19: Coronavirus disease 2019

DPU: Distribution per unit

EBITDA: Earnings before interest, taxes, depreciation, and amortisation

EURIBOR: Euro Interbank Offered Rate

FBP: Farnborough Business Park

FY: Financial year

GRESB: Global Real Estate Sustainability Benchmark

GLA: Gross lettable area

GRI: Gross Rental Income

IVE Facility: 75-79 Canterbury Road, Braeside, Victoria, Australia

Maxis: Maxis Business Park, Bracknell, UK

NAV: Net asset value

NLA: Net Lettable Area

NPI: Net property income

REIT: Real estate investment trust

RBA: Reserve Bank of Australia

ROFR: Right of First Refusal

Sale Property: 99 Sandstone Place, Parkinson, Queensland, Australia

SGX-ST: Singapore Exchange Securities Trading Limited

SME: Small and Medium-sized Enterprise

sqft: Square feet

sqm: Square metres

UK: the United Kingdom

WALE: Weighted average lease expiry

WALB: Weighted average lease to break

Y-o-Y: Year-on-year



Experience matters.