

FRASERS LOGISTICS & COMMERCIAL TRUST

(a real estate investment trust constituted on 30 November 2015 under the laws of the Republic of Singapore)

**RESPONSES TO THE SUBSTANTIAL AND RELEVANT QUESTIONS FROM UNITHOLDERS
FOR THE ANNUAL GENERAL MEETING ON 20 JANUARY 2022**

Frasers Logistics & Commercial Asset Management Pte. Ltd., as manager of Frasers Logistics & Commercial Trust (“**FLCT**”, and the manager of FLCT, the “**Manager**”), wishes to thank all unitholders of FLCT (the “**Unitholders**”) who have submitted their questions in advance of the annual general meeting to be held by way of electronic means on 20 January 2022 at 10.00 a.m.

The Manager wishes to inform Unitholders that it has made editorial amendments to some of the questions received from the Unitholders to ensure that the meaning of each of the questions is clear. For the avoidance of doubt, the editorial amendments do not change the meaning of the questions.

Please refer to Annex A for the list of substantial and relevant questions, and the Manager’s responses to these questions.

BY ORDER OF THE BOARD

Frasers Logistics & Commercial Asset Management Pte. Ltd.

As manager of Frasers Logistics & Commercial Trust
Company Registration No. 201528178Z

Catherine Yeo

Company Secretary

14 January 2022

IMPORTANT NOTICE

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.

The value of the units in FLCT ("**Units**") and the income derived from them, if any, may fall or rise. The Units are not obligations of, deposits in, or guaranteed by, the Manager or Perpetual (Asia) Limited, as trustee of FLCT. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

This announcement is for information purposes only and does not constitute an offer for sale or an invitation or offer to acquire, purchase or subscribe for Units in the United States. This announcement is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia), Canada or Japan. The Units referred to herein have not been, and will not be, registered under the Securities Act, or the securities laws of any state of the United States or other jurisdiction, and the Units may not be offered or sold in the United States, absent registration or an exemption from, the registration requirements under the Securities Act and applicable state or local securities laws. No public offering of securities is being made in the United States.

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 Unitholders 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 announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of FLCT and the Manager is not necessarily indicative of the future performance of FLCT and the Manager.

RESPONSES TO THE SUBSTANTIAL AND RELEVANT QUESTIONS FROM UNITHOLDERS**1. How are the strict COVID-19 border controls in Australia affecting FLCT's business in Australia?**

The ongoing border control measures implemented in response to the COVID-19 pandemic have not resulted in any material impact on FLCT's business operations in Australia, which remains well supported by demand from the domestic economy and international occupiers operating in Australia.

2. How does FLCT ensure continued distribution growth?

FLCT's objectives for long-term value creation are to deliver stable and regular distributions to unitholders and achieve sustainable long-term growth in DPU. These objectives are supported by a four-pronged strategy, comprising active asset management, acquisition growth, capital & risk management, and selective development.

- **Active asset management** refers to the proactive leasing of FLCT assets to maintain high occupancy rates, long WALE and a diversified tenant base, undertaking selective asset enhancement initiatives to unlock further value, and incorporating green features to improve environmental performance.
- **Acquisition growth** is achieved by pursuing strategic acquisition opportunities of pipeline assets from our Sponsor, Frasers Property Limited, and third-party assets.
- **Capital & Risk management** relates to the optimisation of FLCT's capital mix and by practising prudent capital management, maintaining a healthy balance sheet, and well-spread debt expiry profile with diverse funding sources.
- **Selective Development** of properties complementary to the existing portfolio, redeveloping existing assets and/or by leveraging the Sponsor's development pipeline, including the incorporation of sustainability initiatives in such development activities.

3. What is the distribution payment cycle for FY2022, and which are likely to be the distribution payment month(s)?

FLCT makes distributions to its Unitholders on a semi-annual basis, for each six-month period ending 31 March and 30 September. Distribution payments for these periods are generally expected to be by June and December respectively.

4. Does FLCT UK properties need to comply with the new UK energy efficiency standards to be enforced in April 2023? If so, what's the expected capex to comply with the standards?

All of FLCT's UK properties have Energy Performance Certificate (EPC) ratings that meet the UK Minimum Energy Efficiency Standards (MEES) to be introduced in April 2023.

5. With the ongoing Covid-19 pandemic and increasing popularity of hybrid work arrangement, what is management's assessment of the demand and rental impact to its business park/office properties? What are the plans in place to address or mitigate any potential downside impact?

The REIT Manager is closely monitoring the office occupancy trends brought about by the pandemic, though the situation presently remains dynamic, and we do not perceive that any long-term trends have been determined.

With high vaccination rates across the population in FLCT's key office and business park markets of Australia, United Kingdom and Singapore, and the gradual shift in mindset on COVID-19 from a pandemic to one that is endemic, we note that occupiers and businesses have increasingly expressed intent to return to the office, citing its relevance to corporate culture and business activities. Accordingly, this has translated into a progressive return to the office, with occupiers increasingly seeking high-quality work environments that are able to offer first-rate amenities. Accordingly, we remain optimistic that the demand and rental prospects for commercial properties in FLCT's operating markets will remain resilient.