
Frasers Commercial Trust

1QFY20 Financial Results

15 January 2020



Important notice

Certain statements in this Presentation constitute “forward-looking statements”, including forward-looking financial information. Such forward-looking statement and financial information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Frasers Commercial Trust (“**FCOT**”) or the Manager, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding the Manager’s present and future business strategies and the environment in which FCOT or the Manager will operate in the future. Because these statements and financial information reflect the Manager’s current views concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information.

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The value of Units in FCOT 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 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 Unitholders may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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

This Presentation contains certain information with respect to the trade sectors of the Trust’s tenants. The Manager has determined the trade sectors in which the Trust’s tenants are primarily involved based on the Manager’s general understanding of the business activities conducted by such tenants. The Manager’s knowledge of the business activities of the Trust’s tenants is necessarily limited and such tenants may conduct business activities that are in addition to, or different from, those shown herein.

This Presentation includes market and industry data and forecast that have been obtained from internal survey, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information. While the Manager has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, the Manager has not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein.

This advertisement has not been reviewed by the Monetary Authority of Singapore.

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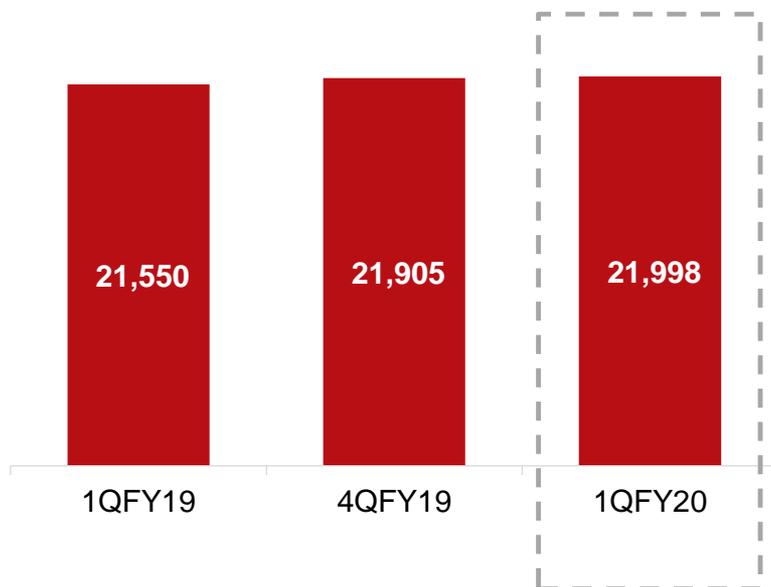
Results

Results *1QFY20 distribution and DPU*

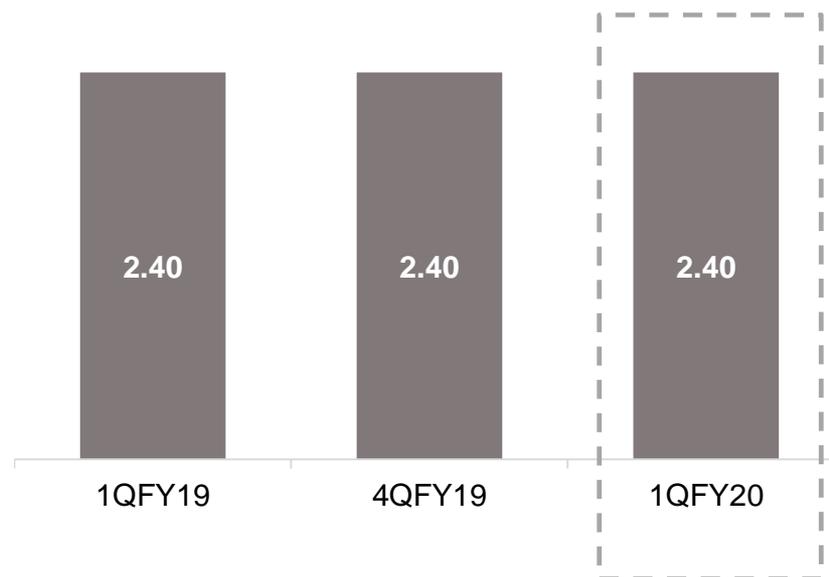
For the quarter ended 31 Dec 2019 (1QFY20):

- ◆ DPU of 2.40 cents unchanged vs 4QFY19 and 1QFY19
- ◆ distribution to Unitholders increased 0.4% Q-o-Q and 2.1% Y-o-Y to S\$22.0 million¹

Distribution to Unitholders(S\$'000)



DPU (Cents)



1. For 1QFY20, distribution from capital returns includes an aggregate of S\$5.8 million relating to: (i) a portion of the net consideration received from the disposal of the Hotel development rights at China Square Central in August 2015; and (ii) a portion of the net gain from the disposal of 55 Market Street in August 2018, both of which are classified as capital available for distribution from tax perspective. For more details, refer to the 1QFY20 Financial Statements announcement, the Circular to Unitholders dated 3 June 2015 (for the disposal of the Hotel development rights at China Square Central) and the announcement dated 10 July 2018 (for the divestment of 55 Market Street).

Results *Key highlights and Q-o-Q variance (1QFY20 vs 4QFY19)*

1QFY20 distribution to Unitholders up 0.4% Q-o-Q¹

	1QFY20 (S\$ '000)	Change vs 4QFY19 (%)	Key contributing factors
Gross Revenue	37,779	 15%	Higher rental income (including accounting income on a straight-line basis) for China Square Central, Alexandra Technopark, Central Park and 357 Collins Street, partially offset by effects of weaker average Australia Dollar.
Net Property Income	26,714	 23%	As above and lower utilities expenses for Alexandra Technopark, partially offset by higher property maintenance expenses and property management fees for the Singapore properties and higher amortisation of lease incentives for Central Park and 357 Collins Street.
Distribution to Unitholders	21,998	 0.4%	Includes contribution from Farnborough Business Park ² , distribution from capital returns ³ and effects of payment of management fee in Units in lieu of cash ⁴ .
DPU ⁵	2.40¢	-	Unchanged vs 4QFY19.

See 1QFY20 Financial Statements announcement for details.

1. Compared with 4QFY19.
2. Share of result of joint venture for FCOT's 50% interest in Farnborough Business Park.
3. See footnote no. 1 on page 5.
4. In 1QFY20 and 4QFY19, 100% of the management fees payable to the Manager were paid in Units.
5. The number of Units used to calculate the amount available for DPU was 916,622,020. See accompanying 1QFY20 Financial Statements announcement for more details.

Results *Key highlights and Y-o-Y variance (1QFY20 vs 1QFY19)*

1QFY20 distribution to Unitholders up 2.1% Y-o-Y¹

	1QFY20 (S\$ '000)	Change vs 1QFY19 (%)	Key contributing factors
Gross Revenue	37,779	 20%	Higher rental income (including accounting income on a straight-line basis) for China Square Central, Alexandra Technopark, Central Park and 357 Collins Street, partially offset by effects of weaker average Australia Dollar.
Net Property Income	26,714	 27%	As above and lower utilities expenses for Alexandra Technopark, partially offset by higher property maintenance expenses and property management fees for the Singapore properties and higher amortisation of lease incentives for Central Park and 357 Collins Street.
Distribution to Unitholders	21,998	 2%	Includes contribution from Farnborough Business Park ² , distribution from capital returns ³ and effects of payment of management fee in Units in lieu of cash ⁴ .
DPU ⁵	2.40¢	-	Unchanged vs 1QFY19.

See 1QFY20 Financial Statements announcement for details.

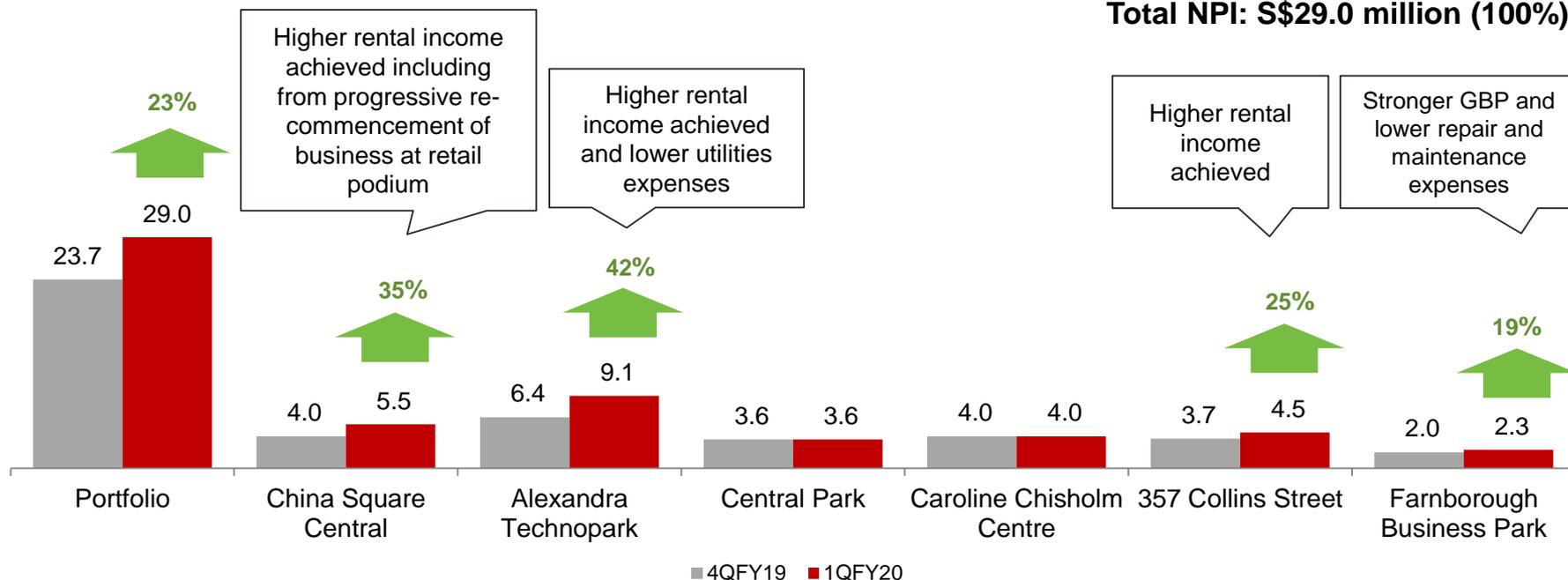
1. Compared with 1QFY19.
2. Share of result of joint venture for FCOT's 50% interest in Farnborough Business Park.
3. See footnote no. 1 on page 5.
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5. The number of Units used to calculate the amount available for DPU was 916,622,020. See accompanying 1QFY20 Financial Statements announcement for more details.

Results *1QFY20 NPI and Q-o-Q variance (1QFY20 vs 4QFY19)*

- Higher rental income (including accounting income on a straight-line basis) for China Square Central, Alexandra Technopark and 357 Collins Street, lower utilities expenses for Alexandra Technopark and stronger GBP and lower repair and maintenance expenses for Farnborough Business Park

Singapore: S\$14.6 million (50%)
 Australia: S\$12.1 million (42%)
 United Kingdom: S\$2.3 million (8%)
Total NPI: S\$29.0 million (100%)¹

Net Property Income (S\$m)¹



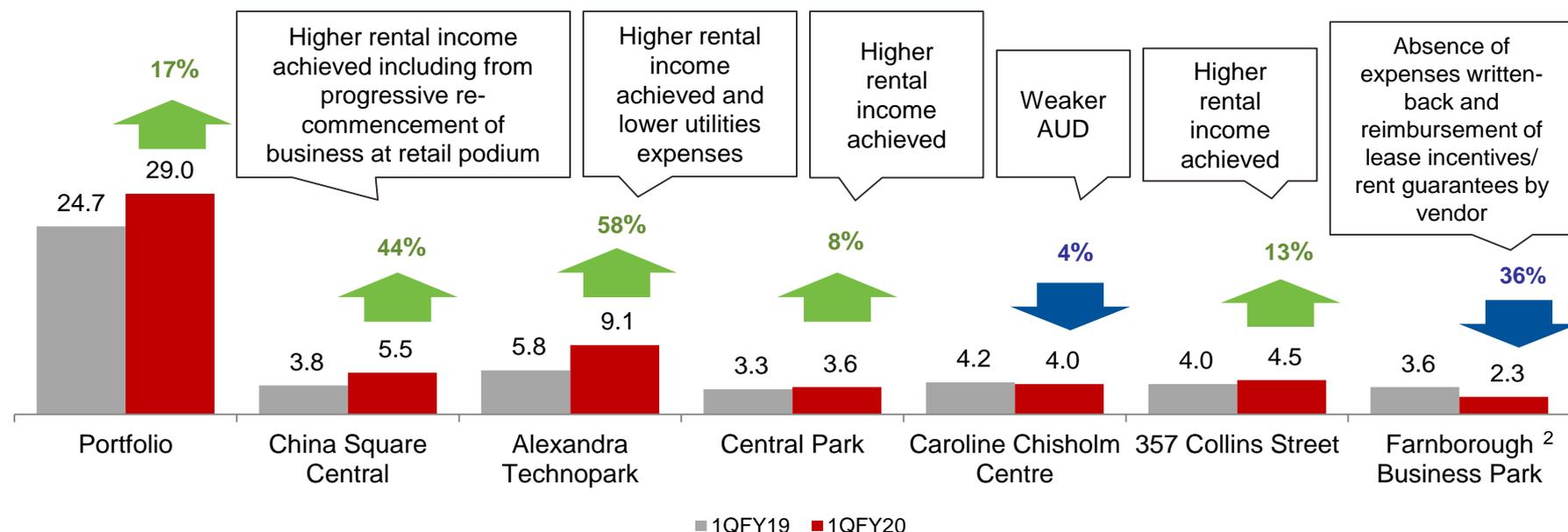
1. Portfolio net property income including 50% share of net property income of Farnborough Business Park (held as a joint venture and equity-accounted in the financial statements).

Results 1QFY20 NPI and Y-o-Y variance (1QFY20 vs 1QFY19)

- Higher rental income achieved (including accounting income on a straight-line basis) for China Square Central, Alexandra Technopark, Central Park and 357 Collins Street and lower utilities expenses for Alexandra Technopark, partially offset by weaker AUD and absence of expenses written-back and reimbursement of lease incentives/rent guarantees for Farnborough Business Park

Singapore: S\$14.6 million (50%)
 Australia: S\$12.1 million (42%)
 United Kingdom: S\$2.3 million (8%)
Total NPI: S\$29.0 million (100%)¹

Net Property Income (S\$m)¹



1. Portfolio net property income including 50% share of net property income of Farnborough Business Park (held as a joint venture and equity-accounted in the financial statements).
 2. Figures for 1QFY19 include reimbursements of lease incentives and rent guarantee for certain unlet units, among others, by the vendor in accordance with the terms of the acquisition (refer to announcement dated 14 December 2017 for details).

Distribution payment

- ◆ **DRP will NOT be applied for the distribution for 1QFY20¹**
- ◆ **Unitholders will receive distribution for 1QFY20 wholly in cash**

Distribution Period	1 October 2019 to 31 December 2019
Ordinary Unit Distribution Rate¹	Distribution of 2.4000 cents per Unit comprising: a) taxable income distribution of 1.0244 cents; b) tax-exempt income distribution of 0.7474 cents; and c) capital distribution of 0.6282 cents.
Last day of trading on “cum” basis	Wednesday, 29 January 2020
Ex-distribution trading commence	Thursday, 30 January 2020
Distribution Books Closure Date	Friday, 31 January 2020 at 5.00 pm
Cash distribution payment date	Friday, 28 February 2020

See accompanying 1QFY20 Financial Statements announcement for more details.

1. In view of the proposed merger with Frasers Logistics & Industrial Trust that was announced on 2 December 2019, the DRP has been suspended from and including the distribution for 1QFY20.

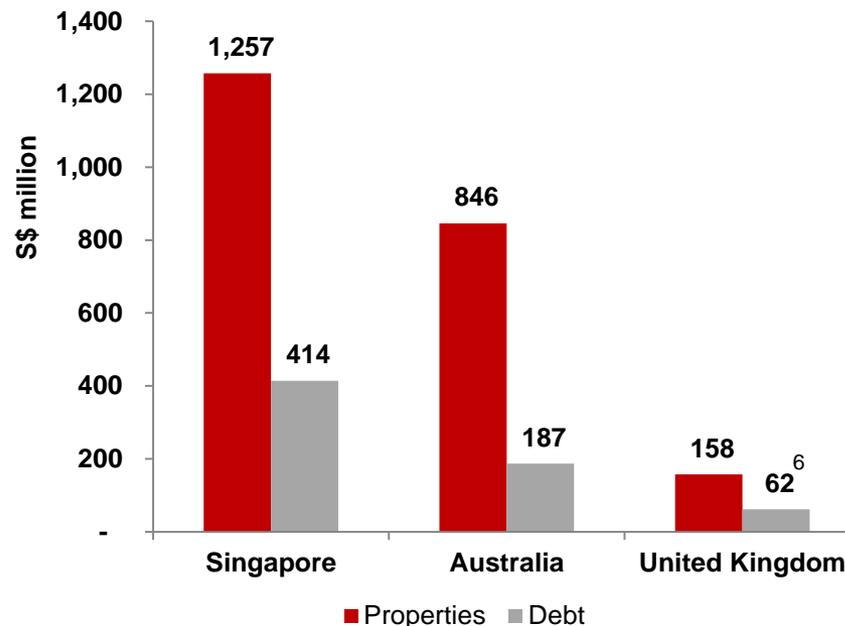
Capital management

Capital structure and debt statistics

- ◆ Prudent gearing of 29.0% affords financial flexibility for growth opportunities
- ◆ Healthy interest coverage ratio of 5.7 times
- ◆ Borrowings in local currencies provide natural hedges

Statistics	As at 31 Dec 2019
Total Assets (S\$'000)	2,288,279
Gross Borrowings (S\$'000)	663,469
Units on Issue and Issuable entitled to distribution	916,622,020
NAV per Unit (ex-DPU) (S\$) ¹	1.61
Gearing ²	29.0%
Interest coverage ratio (times) ³	5.72
Average borrowing rate ⁴	2.90% p.a.
FCOT Issuer rating by Moody's ⁵	Baa2

Borrowings and assets by currency



1. Based on issued Units for the financial quarter ended 31 December 2019.

2. Gross borrowing as a percentage of total assets.

3. Net income before changes in fair values of investment properties, interest, other investments and derivative instruments, income tax and distribution, and adding back certain non-recurring items/cash finance costs for the quarter ended 31 December 2019.

4. For quarter ended 31 December 2019.

5. Moody's had placed FCOT's current rating on review for downgrade in its credit opinion dated 10 December 2019 following the joint announcement on 2 December 2019 on the proposed merger with Frasers Logistics & Industrial Trust.

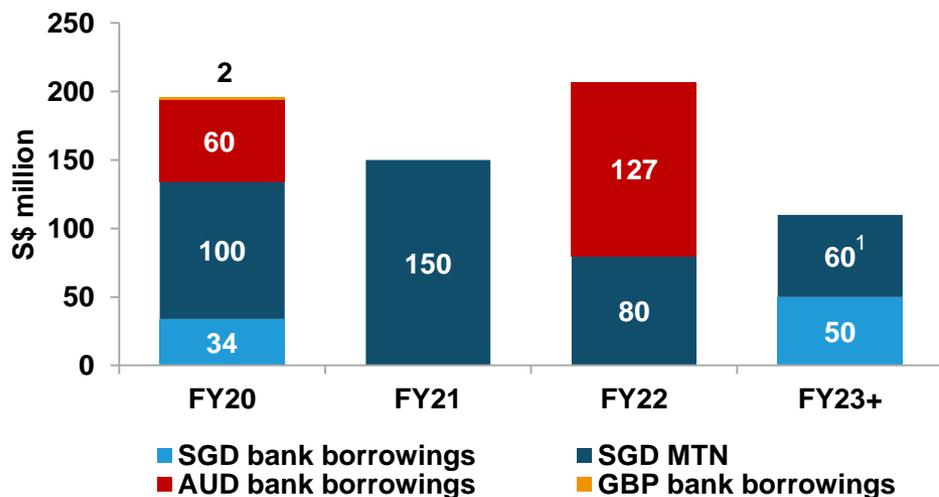
6. S\$60.0 million five-year senior unsecured notes issued in February 2018 was swapped into Sterling Pound.

Prudent capital management

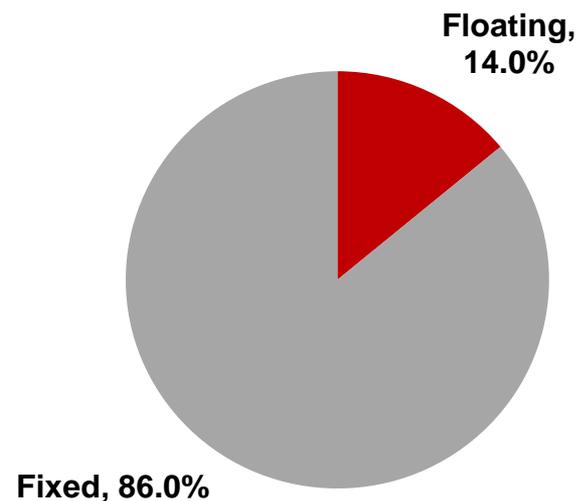
- ◆ Well-spread debt maturity profile
- ◆ All debts are unsecured
- ◆ 86.0% of gross borrowings on fixed rates
- ◆ FCOT is expected to be able to meet debt obligations as and when they fall due

Debt maturity

Total borrowings: S\$663 million
Weighted average term to maturity: 1.8 years



Debt composition – floating vs. fixed interest rates



1. S\$60.0 million senior unsecured notes issued in February 2018 and swapped into Sterling Pound.

Note: All data on this page (including exchange rates) are as at 31 December 2019.

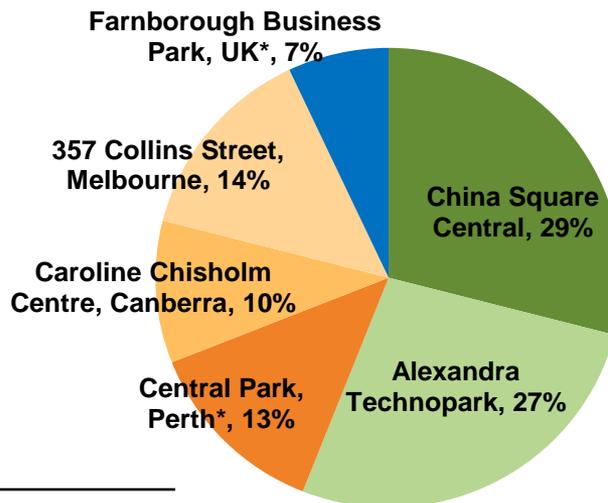
Portfolio review

Portfolio review *Asset values*

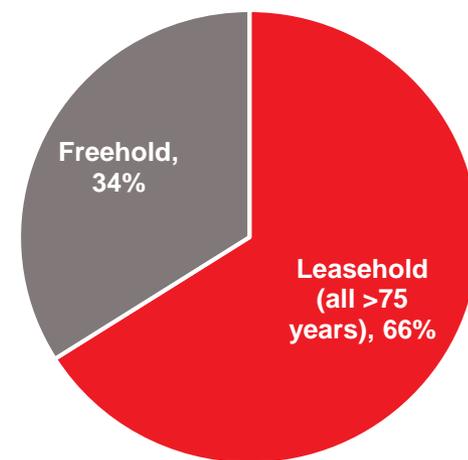
- ◆ Diversified portfolio with no single property accounting for more than 29% of portfolio value
- ◆ 100% of portfolio with land tenures greater than 75 years, including 34% with freehold tenures



Asset values



Land tenure¹



Asset values as at 31 December 2019

Singapore	\$	1,256.7 mil	56%
Australia	\$	846.4 mil	37%
United Kingdom	\$	158.3 mil	7%
Portfolio asset value	\$	2,261.4 mil	100%

* In relation to FCOT's 50% interests. In addition, Farnborough Business Park is held as a joint venture and equity-accounted in the financial statements.

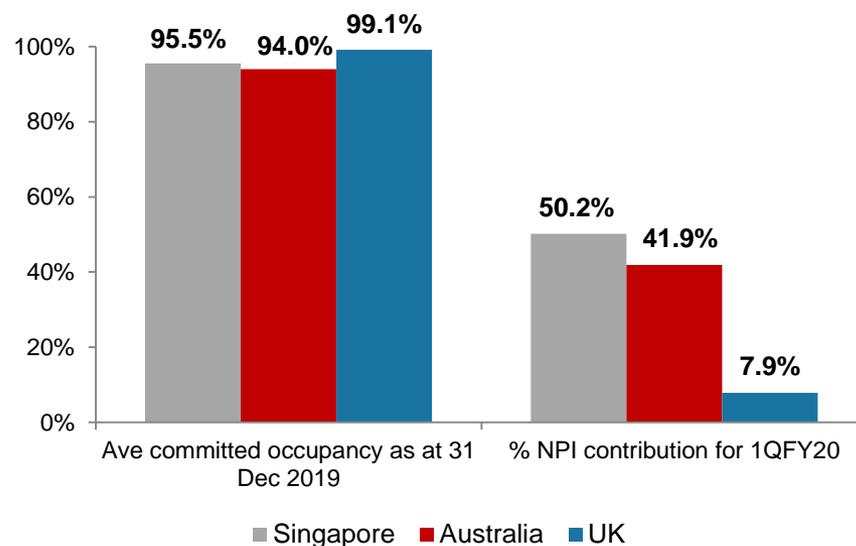
¹ Based on asset values as at 31 December 2019.

Portfolio review *Occupancy & WALE*

- ◆ Average committed occupancy rate increased to 95.2% (↑0.2 pps from 4QFY19)
- ◆ Committed WALE of 4.7 years¹

Key portfolio statistics as at 31 December 2019	Actual occupancy	Committed occupancy
Ave Occupancy	79.7%	95.2%
Portfolio WALE by gross rental income ¹	4.3 years	4.7 years
Portfolio WALB by gross rental income ²	4.1 years	4.5 years

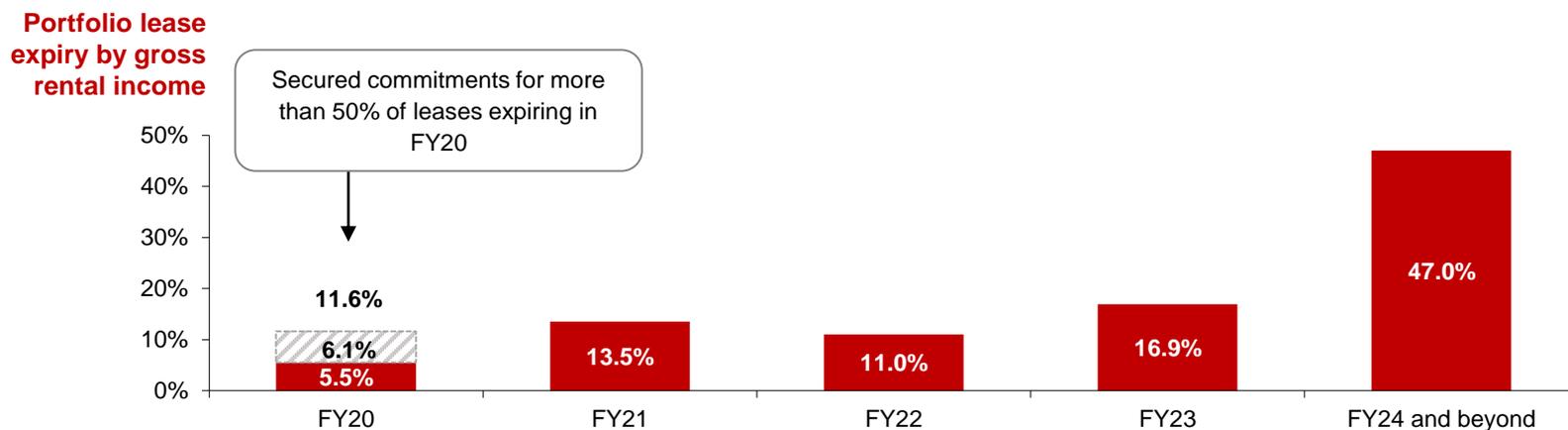
Geographical occupancy and NPI contribution



1. WALE – Weighted average lease tenure to expiry (excluding lease incentives and retail turnover rents, if any).
2. WALB – Weighted average lease tenure to break, reflecting contractual rights for tenants to pre-terminate leases in certain cases.

Portfolio review *Lease expiry profile*

- ◆ Well-spread lease expiries and proactive leasing provide income stability and defensiveness



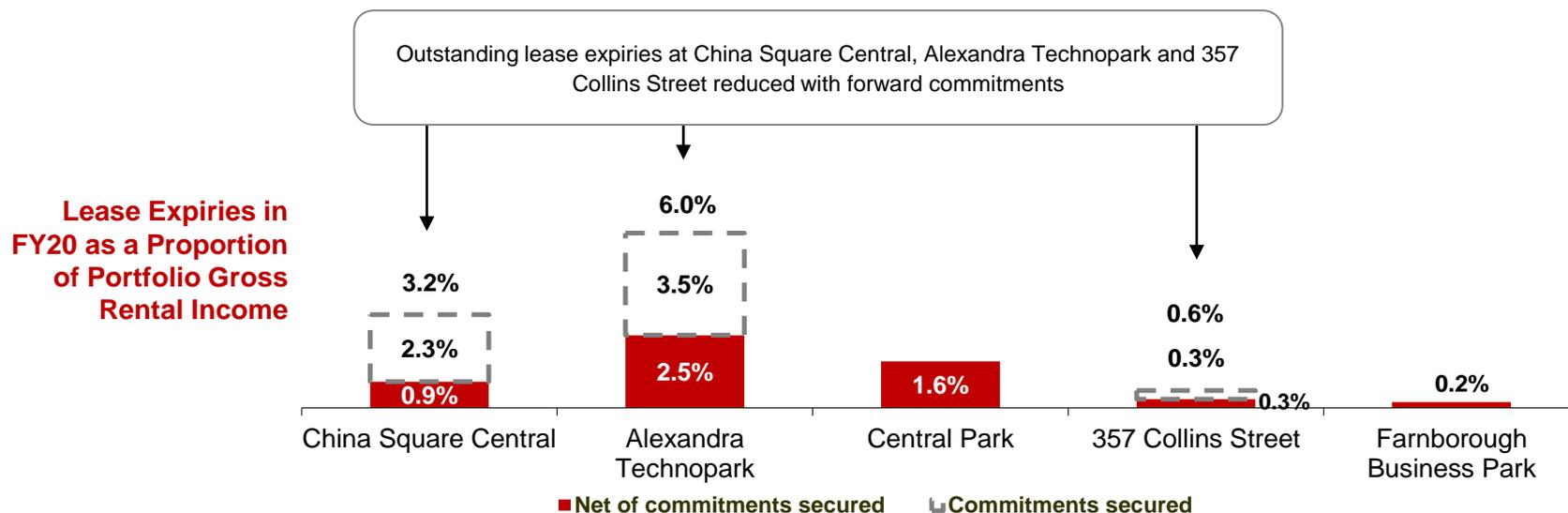
Portfolio lease expiry by gross rental income as at 31 Dec 2019

Number of leases expiring	31	52	52	52	75
NLA (sq ft) expiring	251,197	288,533	233,040	326,864	1,157,115
Expiries as % of total NLA	8.9%	10.2%	8.2%	11.5%	40.9%
Expiries as % of total Gross Rental Income	11.6%	13.5%	11.0%	16.9%	47.0%

Note: All data on this page are as at 31 December 2019. Exclude lease incentives and retail turnover rents, if any.

Portfolio review *Lease expiry profile for FY20*

- ◆ Proactive management of leases with forward commitments



As at 31 December 2019

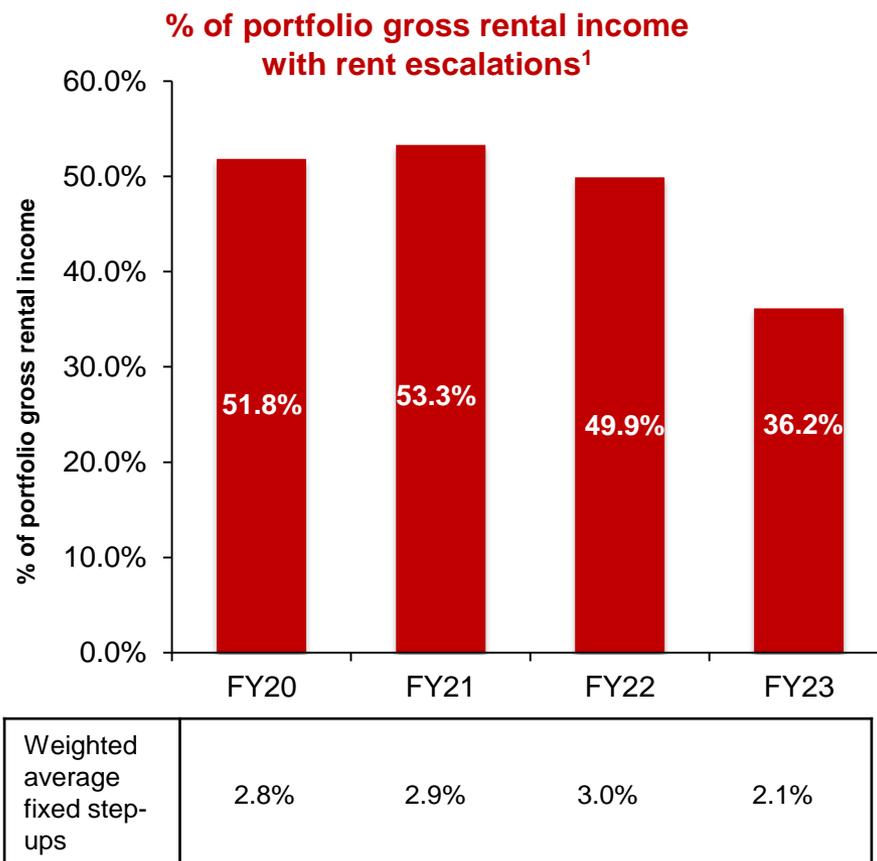
Number of outstanding leases expiring in FY20 ¹	5 (office) ² 1 (retail)	9	1 (office) 3 (retail)	2 (office)	3
Average passing rents for expiring leases (excluding those with forward commitments secured) ³	S\$7.33 (18 Cross Street office tower) S\$6.71 (all office units) S\$5.40 (retail)	S\$3.94	A\$973.3 (office) ⁴ A\$1,342.8 (retail)	A\$615.8	£21.2

1. Adjusted for forward commitments secured.
2. Includes 4 leases at 18 Cross Street office tower.
3. Excludes lease incentives and retail turnover rents, if any. Figures for Singapore properties are on a gross rent per square foot per month basis, figures for Australian properties are based on net face rent per square metre per annum basis while figures for Farnborough Business Park is based on net rent per square foot per annum basis.
4. For a single lease which may not be reflective of other leases in the building.

Portfolio review *Step-up rents*

51.8% of FY20 leases¹ by gross rental income incorporate rent escalations

Property	Leases	Average step-up	GROSS RENTAL INCOME ²	
			% of Property	% of Portfolio
China Square Central	11	3.0%	40.2%	7.4%
Alexandra Technopark	3	4.0%	6.3%	1.4%
Caroline Chisholm Centre	1	3.0%	100.0%	16.0%
Central Park	32	3.1%	90.3%	15.5%
357 Collins Street	25	3.8%	72.7%	11.5%
Farnborough Business Park	1	54.1% ³	0.2%	Negligible



1. Based on leases in place/committed as at 30 September 2019.
2. Excludes lease incentives and turnover rent, if any.
3. Based on specific commercial terms for the subject lease, which may not be reflective of market norms.

Portfolio review *Top-10 tenants*

- ◆ Diversified tenant base
- ◆ Top 10 tenants (average 5.6 years WALE¹) contributed 50% of portfolio gross rental income as at 31 December 2019

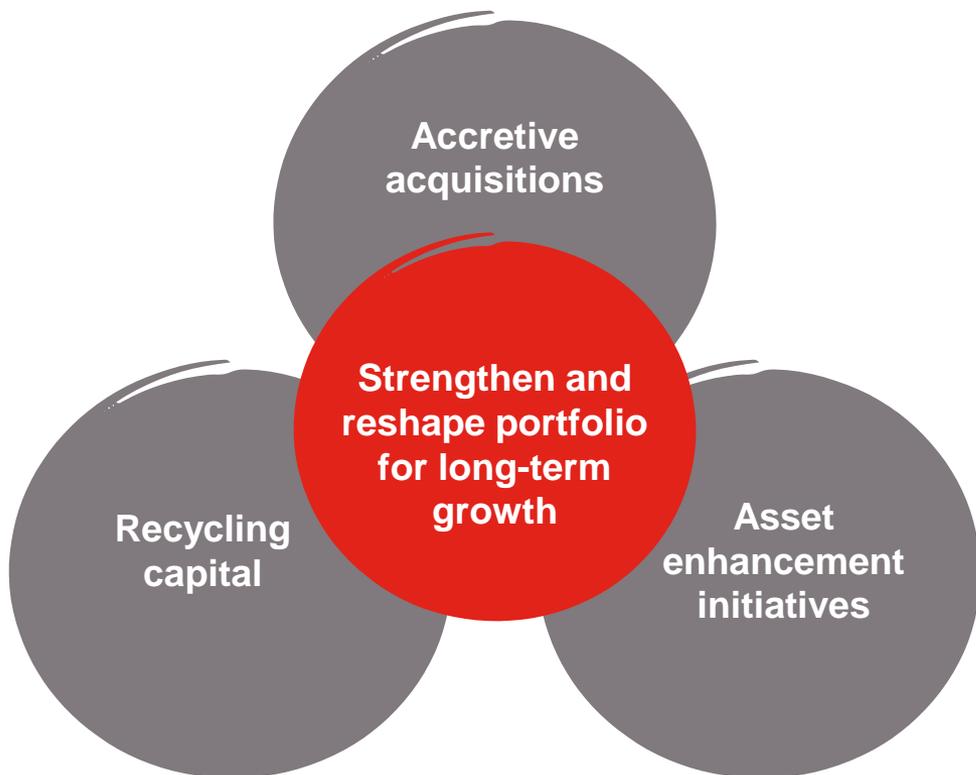
Top 10 tenants by gross rental income (as at 31 December 2019)

Tenant	Property	Sector	Lease Expiry	% Gross Rental Income ²
Commonwealth of Australia	Caroline Chisholm Centre	Government	Jul-25	15.4%
Rio Tinto Shared Services Pty Ltd	Central Park	Mining & resources	Jun-30	8.2%
Commonwealth Bank of Australia	357 Collins Street	Banking, insurance & financial services	Dec-22	6.4%
WeWork ³	China Square Central and Central Park	Service office/ flexible space operators	Jul-28/ Aug-31	3.9%
GroupM Singapore Pte Ltd	China Square Central	Consultancy & business services	Jul-23	3.6%
Service Stream Ltd	357 Collins Street	Multimedia & telecommunications	Dec-24	3.1%
Fluor Limited	Farnborough Business Park	Engineering	Aug-20 ⁴ / Jul-21 and Mar/Jun-25	2.8%
Microsoft Operations Pte Ltd	Alexandra Technopark	IT products & services	Jan-20 ⁵	2.7%
Suntory Beverage & Food Asia Pte Ltd	China Square Central	Food & beverage	May-23	2.3%
Nokia Solutions and Networks (S) Pte Ltd	Alexandra Technopark	Multimedia & telecommunications	Feb-21/ Jun-21	2.0%
Total				50.4%

1. The WALB (after accounting for rights to break) is 5.5 years.
2. Exclude lease incentives and retail turnover rents, if any.
3. Aggregate of WeWork group's leases at China Square Central and Central Park signed under separate legal entities.
4. 0.02% of portfolio gross rental income.
5. Microsoft had exercised its rights to shorten the lease tenure by two years to end in January 2020. As at 31 December 2019, all the space has been backfilled with new lease commitments.

Strengthening and reshaping the portfolio (incl AEl updates)

Strengthening and reshaping for long-term growth



Accretive Acquisitions

- ◆ Expanded investment mandate to Europe (including UK) in January 2018 for portfolio diversification and long-term growth
- ◆ Enhanced alignment with Sponsor's top-3 geographical markets (Singapore, Australia and Europe)
- ◆ Completed income-accretive acquisition of 50.0% interest in Farnborough Business Park on 29 Jan 2018
- ◆ Current gearing of 29.0% provides financial flexibility to pursue investment opportunities

Capital Recycling through Strategic Divestments

- ◆ To improve portfolio quality and long-term performance
- ◆ To recycle capital for growth opportunities
- ◆ Divested 55 Market Street on 31 Aug 2018 and realised a net gain of approximately S\$75.7 million¹

Asset Enhancement Initiatives

- ◆ Enhance long-term performance and competitiveness of properties and elevate tenants' and visitors' experiences
- ◆ Alexandra Technopark repositioned as a contemporary, vibrant and engaging business campus following a c. S\$40 million AEI which was fully completed in January 2019
- ◆ AEI for the retail podium of 18 Cross Street, China Square Central obtained Temporary Occupation Permit in 4QFY19. The retail podium commenced business operations in phases beginning from November 2019
- ◆ AEI for the lobby and forecourt areas of Central Park is currently underway and expected to complete in the third quarter of 2020

1. Net of transaction expenses and fees.

Alexandra Technopark *AEI fully completed*

- ◆ Approximately \$40 million AEI fully completed in January 2019
- ◆ Contemporary business campus with a more vibrant, stimulating and engaging environment
- ◆ Generous offering of wellness, lifestyle, social and other amenities
- ◆ Well received by tenants and other stakeholders



Alexandra Technopark *A contemporary Business Campus*

- ◆ Wide range of wellness, lifestyle, social and other amenities



Alexandra Technopark *Value-enhancing transformation*

ATP AEI continued to bring significant tangible benefits and positive outcomes

Improved tenant demand

- ◆ Around 546,000 sf of leasing transactions (including more than 480,000 sf of new leases) since AEI completion in Jan 2019
- ◆ Around 58,000 sf of leasing transactions (including more than 26,000 sf of new leases) in 1QFY20

Higher signing rents

1QFY20 signing rents at S\$4.40 – S\$4.60 psf/month generally, significantly above average passing rent of S\$3.97 psf/month as at end-Dec 2018

Enhanced diversification

Diversified mix of new tenants that includes well-established local and international names from a wide array of sectors

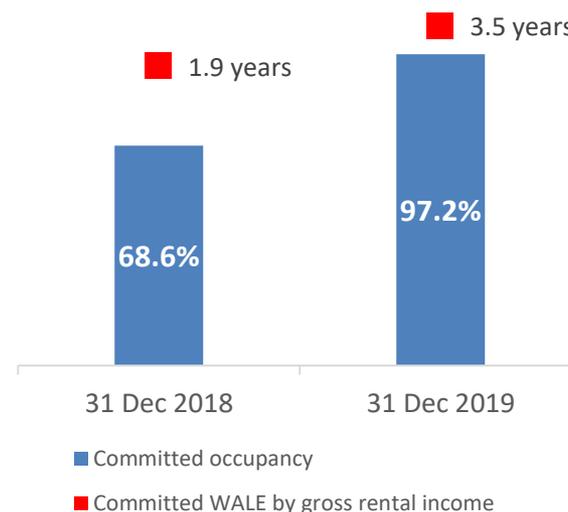
c.S\$100 mil increase in value

Property value increased c. S\$100m from September 2016¹ to December 2019

Microsoft² space fully backfilled

Space has been fully backfilled with new lease commitments at rents averaging c.8% above existing rent

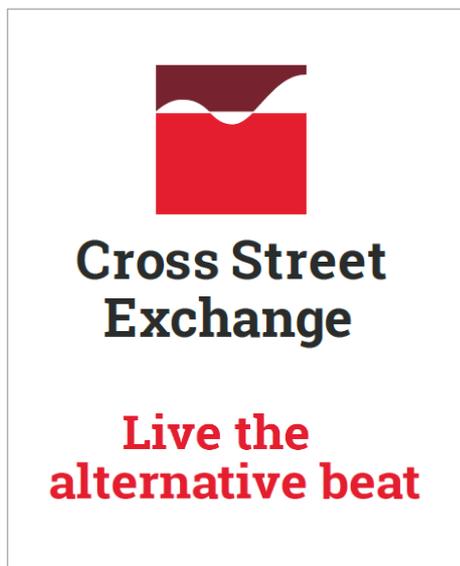
ATP committed occupancy³ continued to increase post-AEI completion in Jan 2019



1. Just prior to the commencement of upgrading works in January 2017.
2. Microsoft Operations Pte. Ltd. had exercised its rights to shorten the lease tenure in respect of 77,761 sf of space by two years to end in January 2020.
3. Inclusive of the commitment by Google Asia Pacific Pte. Ltd. to lease around 344,100 sf of space (approximately 33.3% of the property's NLA), for a term of five years commencing in 1Q 2020 (refer to the announcement dated 25 June 2019 for details), among others.

China Square Central *Rebranding to Cross Street Exchange*¹

- ◆ New name to improve brand visibility and better reflect the positioning of the development as a vibrant, integrated hub for business, trade and other activities
- ◆ “Cross Street Exchange” draws upon the rich heritage of Cross Street as a key commercial location dating back to the Straits Settlement era
- ◆ The development rating was upgraded to BCA Green Mark Award (GOLDPLUS)² on 2 Jan 2020 following the completion of enhancement initiatives



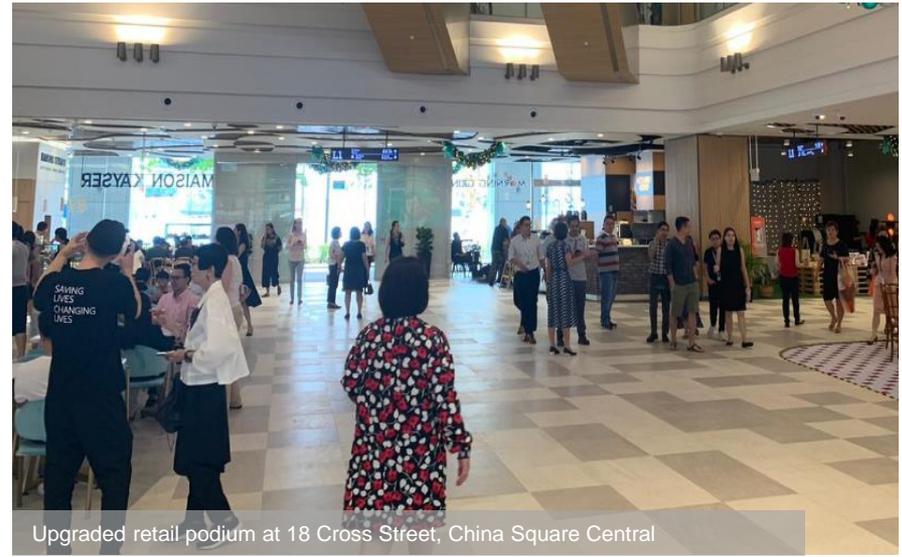
1. 18, 20 and 22 Cross Street have been renamed as “Cross Street Exchange” on 1 January 2020.
2. The development rating was BCA Green Mark (GOLD) previously.

China Square Central 18 Cross Street retail podium recommenced business

- ◆ S\$38 million AEI works obtained Temporary Occupation Permit in 4QFY19
- ◆ Recommenced business operations in phases from November 2019
- ◆ Over 80% of NLA committed as at 31 December 2019
- ◆ Active marketing on-going for balance space



Upgraded retail podium at 18 Cross Street, China Square Central



Upgraded retail podium at 18 Cross Street, China Square Central

China Square Central *Enhancing value and income potential*

Value creation by increasing NLA, enhancing asset quality and improving shopper experience of the retail podium

1. Increased NLA of retail podium by 25% to c.80,000 sf (pre-AEI: 64,000 sf)
 - ◆ Improved layout and efficiency
 - ◆ Enhanced income potential
2. Enhanced building quality
 - ◆ Upgraded architectural and technical specifications
 - ◆ Better integration and connectivity between buildings
3. Improved shopper experience
 - ◆ Refreshed shopping environment
 - ◆ Improved tenant mix
 - ◆ New public amenities

Tenants at 18
Cross Street retail
podium (selected)

absolute
WELLNESS



JUST
CO

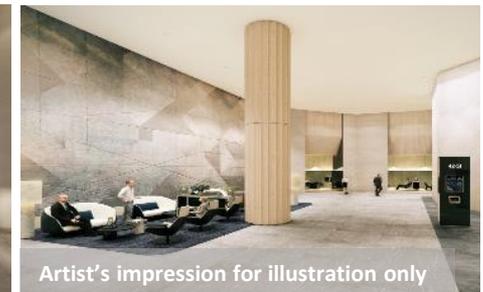
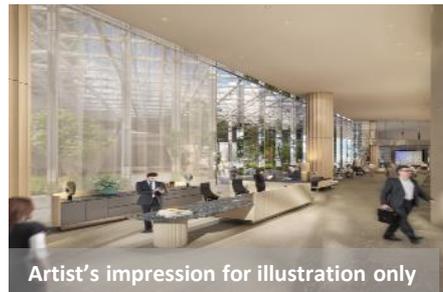


Central Park *Enhancing experience and functionality*

- ◆ Central Park undergoing S\$23 million AEI (FCOT's 50% share: S\$11.5 million) to upgrade lobby and forecourt areas
- ◆ The AEI aims to create a contemporary, dynamic and community-friendly business environment with increased amenities and flexible spaces, to consolidate the property's position as a premium-grade building in Perth CBD
- ◆ Works commenced in 2Q 2019 and are currently expected to complete in 3Q 2020

Community-friendly features:

- *Contemporary lobby with modern finishes and more natural lighting*
- *Flexible workspaces supported by F&B amenities to cater to contemporary working styles*
- *Flexible public spaces to host art, community and wellness events*
- *Business pods with meeting facilities*
- *Lush landscaping and greenery*
- *Handicap-friendly access and toilet facilities*
- *Enhanced openness and connectivity to the 54,000-sf landscaped park adjacent to the property*



Appendices

Portfolio Update *Singapore assets*

China Square Central – enhanced asset quality and positioning



Alexandra Technopark – healthy occupancy a testament to successful AEI



Occupancy	90.8% ¹ (office tower: 93.9% ¹)	97.2% ¹
WALE	2.5 years ¹ (3.7 years ²)	1.8 years (3.5 years ⁴)
WALB³	2.5 years ¹ (3.7 years ²)	1.7 years (3.2 years ⁴)
Tenants (selected)	<ul style="list-style-type: none"> ◆ Equinix Asia Pacific Pte Ltd ◆ GroupM Singapore Pte Ltd ◆ OCBC Properties Services Pte Ltd ◆ Suntory Beverage & Food Asia Pte Ltd ◆ WeWork Singapore Pte Ltd 	<ul style="list-style-type: none"> ◆ JT International Tobacco Services (Singapore) Pte Ltd ◆ Microsoft Operations Pte Ltd ◆ Nokia Solutions and Networks Singapore Pte Ltd ◆ Olympus Singapore Pte Ltd ◆ Omron Asia Pacific Pte Ltd

Note: All data on this page are as at 31 December 2019.

1. Committed occupancy as at 31 December 2019.
2. Inclusive of lease commitments.
3. WALB – Weighted average lease to break, reflecting contractual rights for tenants to pre-terminate leases, if any.
4. Inclusive of the commitment by Google Asia Pacific Pte. Ltd. to lease around 344,100 sq ft of space at Alexandra Technopark, representing approximately 33.3% NLA of the property, for a term of five years commencing in 1Q 2020 (refer to the announcement dated 25 June 2019 for details), among others.

Portfolio Update *Australia assets*

**Central Park –
long WALE of 7.9 years**



**Caroline Chisholm Centre –
fully occupied with long WALE
of 5.5 years**



**357 Collins Street – high
occupancy in a strong market**



Occupancy	83.0%	100.0%	97.9% ³
WALE	7.9 years	5.5 years	3.6 years
WALB¹	7.9 years	5.5 years	3.5 years
Tenants (selected)	<ul style="list-style-type: none"> ◆ 152 St Georges Terrace Pty Ltd (WeWork) ◆ Australian Energy Market Operator Limited ◆ Japan Australia LNG (MIMI) Pty Ltd ◆ PF Lawyers Pty Limited (DLA Piper) ◆ Rio Tinto Shared Services Pty Ltd 	<ul style="list-style-type: none"> ◆ Commonwealth of Australia² 	<ul style="list-style-type: none"> ◆ Commonwealth Bank of Australia ◆ Meridian Lawyers Limited ◆ Metlife Insurance Limited ◆ Orange Business Services Australia Pty Ltd ◆ Service Stream Limited

Note: All data on this page are as at 31 December 2019.

1. WALB – Weighted average lease to break, reflecting contractual rights for tenants to pre-terminate leases, if any.
2. Rated AAA based on Moody's rating in June 2019.
3. Committed occupancy as at 31 December 2019.

Portfolio Update *United Kingdom asset*

Farnborough Business Park – long WALE and healthy occupancy



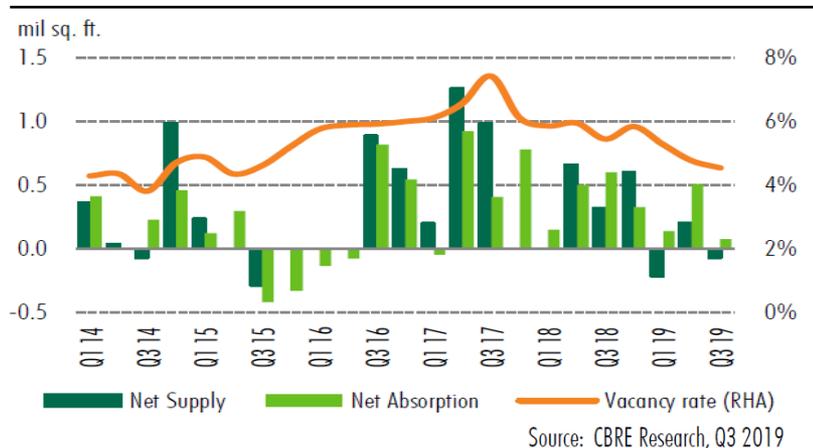
Occupancy	99.1%
WALE	6.6 years
WALB¹	5.1 years
Tenants (selected)	<ul style="list-style-type: none">◆ Aetna Global Benefits (UK) Ltd◆ Bolling Investments Limited◆ Fluor Limited◆ Syneos Health UK Limited◆ TI Media Limited

Note: All data on this page are as at 31 December 2019.

1. WALB – Weighted average lease to break, reflecting contractual rights for tenants to pre-terminate leases, if any.

Singapore CBD office trends and outlook

Office supply-demand dynamics¹



- ◆ CBRE reported that the island-wide office vacancy rate continued to tighten from 4.8% in 2Q 2019 to 4.5% in 3Q 2019
- ◆ Tenant demand was mainly driven by the technology sector and co-working space operators
- ◆ CBRE observed that lingering economic uncertainties have led to a more subdued outlook for the office market
- ◆ CBRE expects rental growth to be capped over the next six to 12 months

Office vacancy rates¹

	Q3 19	Q-o-q	Y-o-y
Islandwide	4.5%	-23 bps	-91 bps
Core CBD	4.0%	-23 bps	-137 bps
Fringe CBD	4.5%	-30 bps	-186 bps
Decentralised	5.7%	-14 bps	118 bps
Grade A (Core CBD)	3.5%	-42 bps	-194 bps

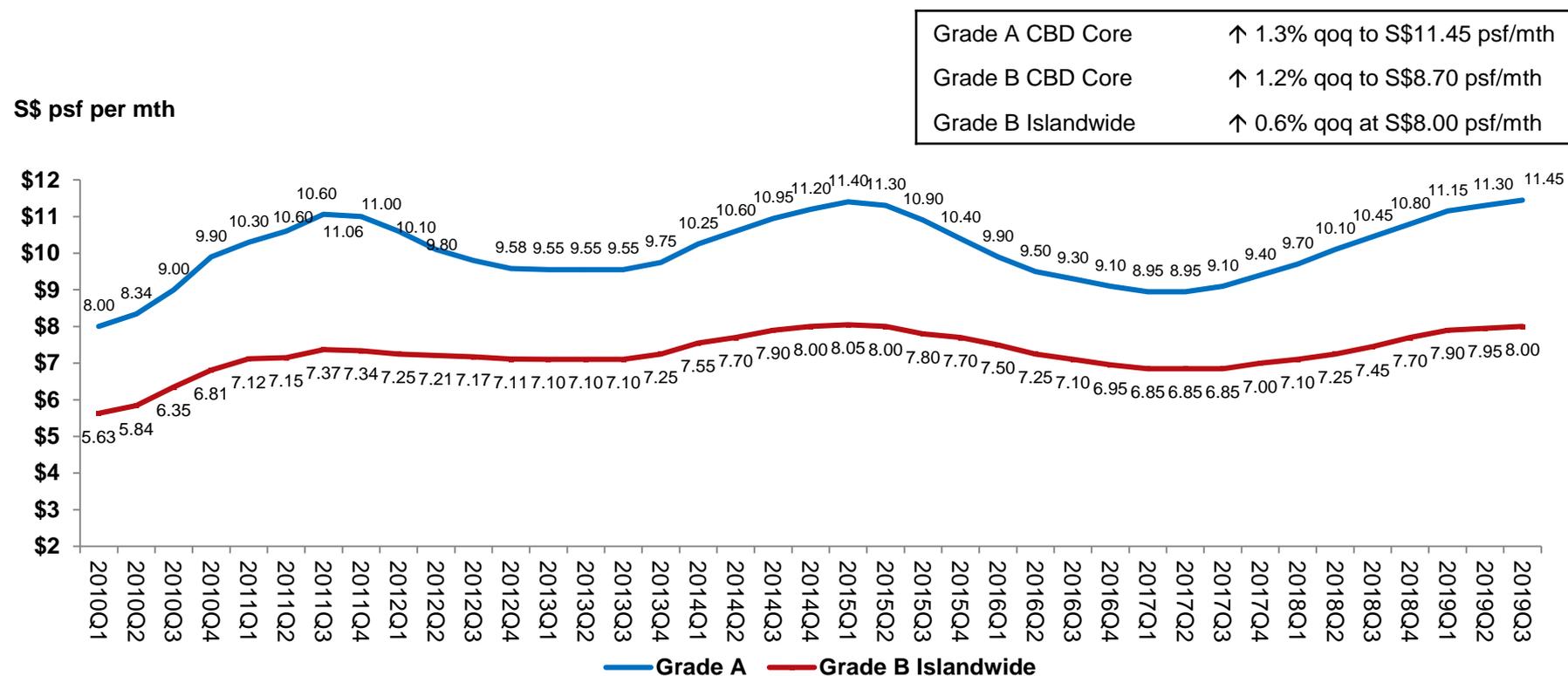
Source: CBRE Research, Q3 2019

1. CBRE, Singapore Market View, Q3 2019

Singapore office rents

- Rental growth for the office market is expected to be capped in the next 6 to 12 months

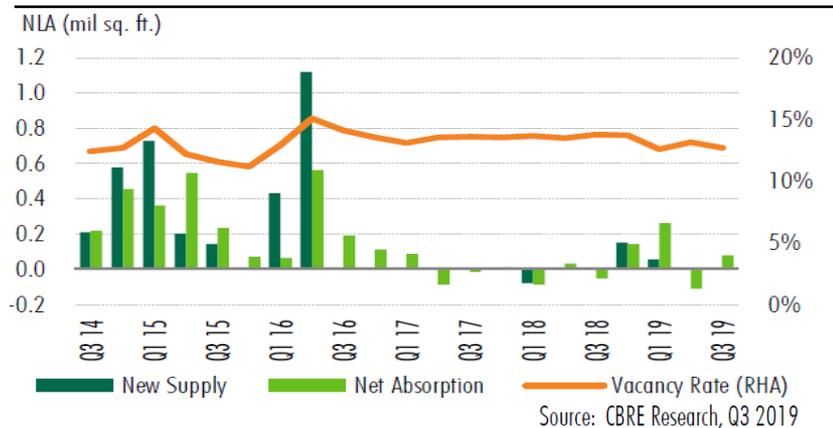
Singapore Grade A and Grade B office rents



Source: CBRE, Singapore Market View, Q3 2019

Singapore business park¹ trends and outlook

Business park supply-demand dynamics²



- ◆ The business park segment continued to remain resilient
- ◆ Island-wide vacancy tightened marginally by 0.4 pps q-o-q to 12.7% in 3Q 2019
- ◆ According to CBRE, the outlook for city fringe business park market is expected to remain healthy

Business park future pipeline²

	City Fringe	Rest of Island	Total
Q4 2019	-	-	-
2020	0.53 mil	1.07 mil	1.60 mil
2021	-	0.36 mil	0.36 mil
2022	0.18 mil	-	0.18 mil

Source: CBRE Research, Q3 2019

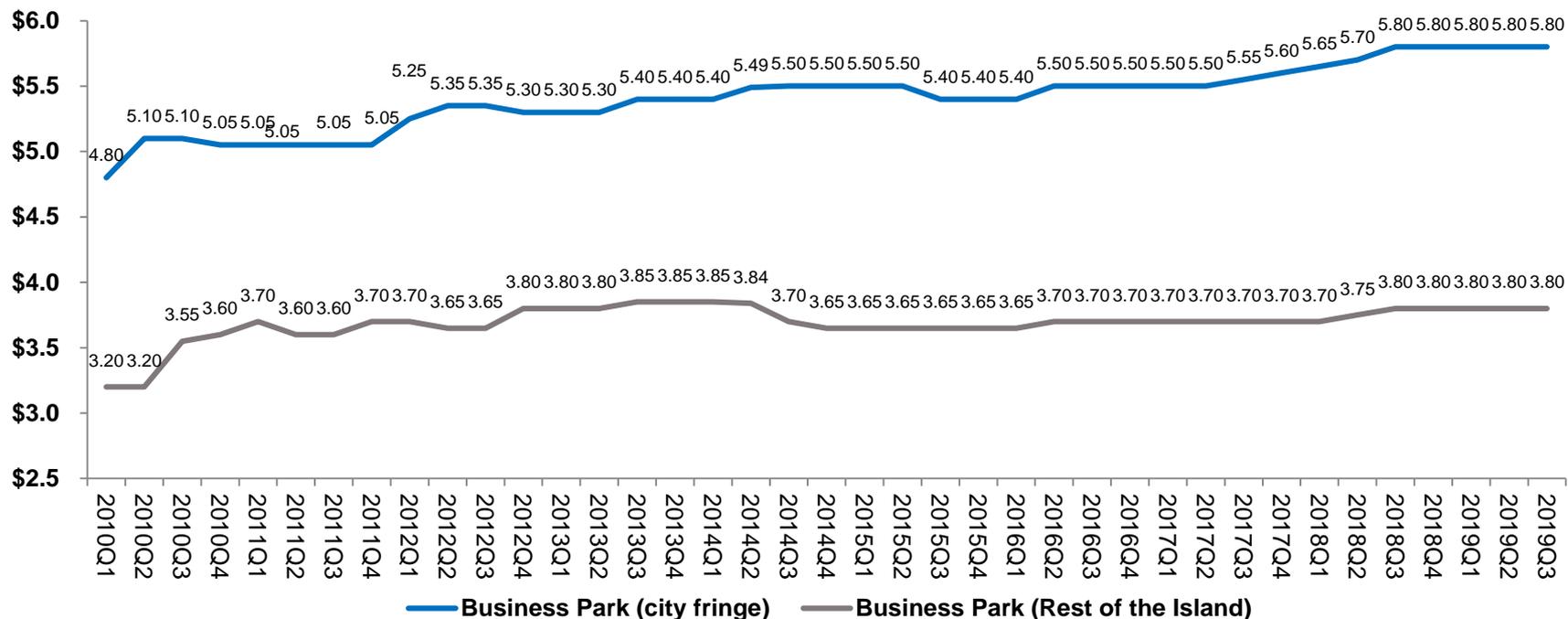
- Alexandra Technopark is a high-specification B1 industrial development located at the city-fringe, with certain physical attributes similar to business parks. Due to limited availability of market research information directly relating to the asset class of Alexandra Technopark, market research information for business parks is provided for indicative reference.
- CBRE, Singapore Market View, Q3 2019.

Singapore business park rents¹

- ◆ City fringe and rest of island business park average rents remain stable²

Singapore Business Park rents

S\$ psf per mth

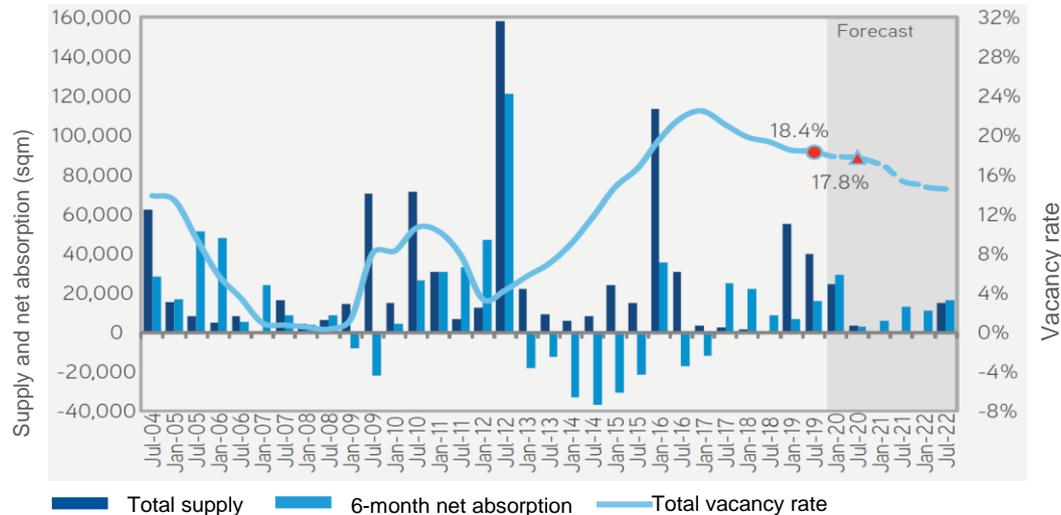


1. Alexandra Technopark is a high-specification B1 industrial development located at the city-fringe, with certain physical attributes similar to business parks. Due to limited availability of market research information directly relating to the asset class of Alexandra Technopark, market research information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

Perth CBD office trends and outlook

- ◆ Overall vacancy rate continued to decline due to strong demand for Premium and A Grade office space
- ◆ Overall vacancy rate was 18.4% as at end-July 2019 versus 18.5% as at end-January 2019
- ◆ Premium Grade average net face rent was A\$710 per sqm per annum as at July 2019, with average lease incentives around 41%
- ◆ Colliers International Research expects Premium Grade average net face rent to increase to A\$715 per sqm per annum and incentives to reduce to 36% in the next 12 months
- ◆ The trend of tenants migrating between buildings is expected to continue

Perth CBD office supply, net absorption and vacancy rate

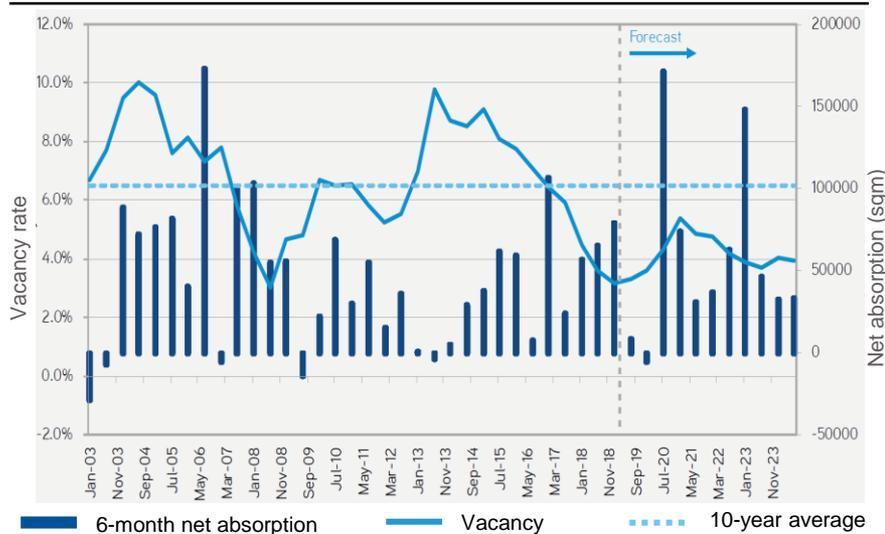


Source: Colliers International Research, CBD Office, Second Half 2019 and PCA OMR July 2019.

Melbourne CBD office trends and outlook

- ◆ Overall vacancy rate of 3.3% as at end-July 2019 was the tightest among all Australian CBDs
- ◆ Grade A office face rents have grown by 5.9% over the 12 months to June 2019 as a result of competition for space
- ◆ Melbourne CBD Grade A office average net face rent was A\$601 per sqm per annum as at July 2019, with lease incentives at 28%
- ◆ Colliers International Research expects Grade A average net face rent to increase to A\$650 per sqm per annum and incentives to be at 29% in the next 12 months
- ◆ Over the next three years, Colliers International Research expects Premium and A Grade face rents to grow by 6.4% annually

Melbourne CBD office vacancy rate and net absorption



Melbourne CBD office net face rents

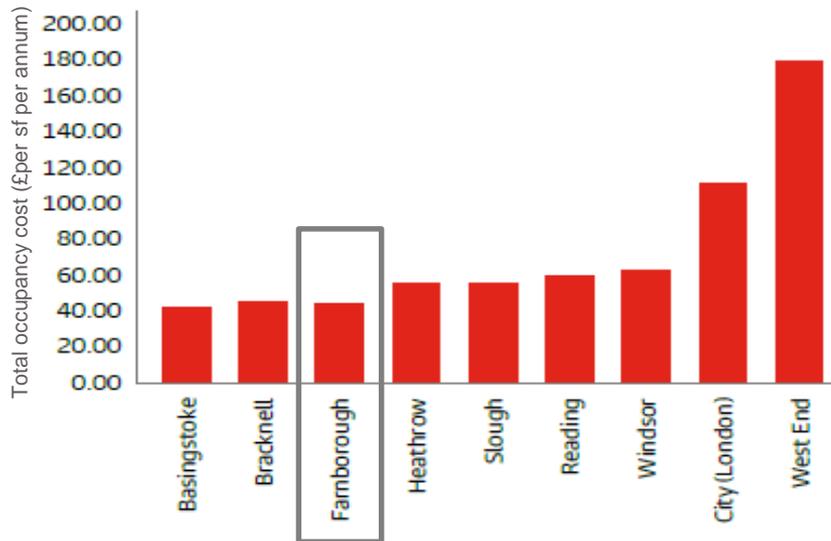


Source: Colliers International Research, CBD Office, Second Half 2019 and PCA OMR July 2019.

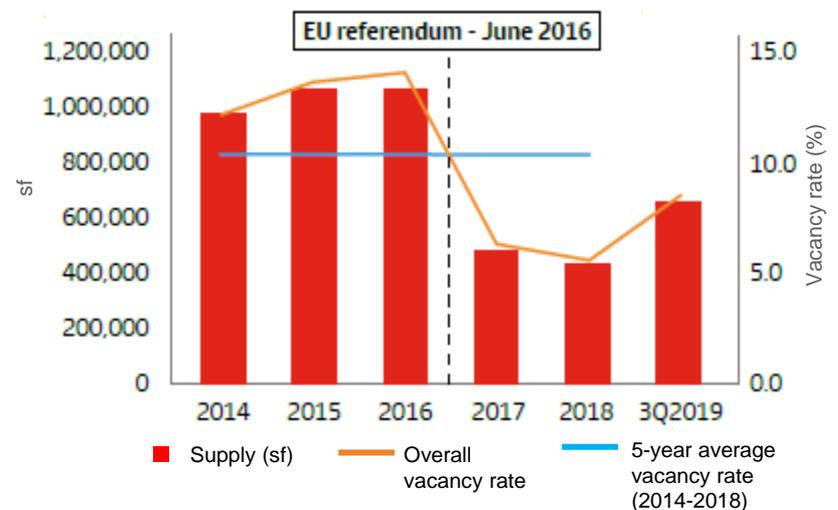
Thames Valley office trends and outlook

- ◆ Absorption in the Farnborough area¹ from 1Q to 3Q 2019 was strong at 107,830 sf, 34.0% higher than the annual absorption achieved in 2018 and 20.0% ahead of the five-year annual average
- ◆ As at end-3Q 2019, total vacancy rate in the area was 8.5%, which was below the five-year average of 10.3%
- ◆ Average prime office rent for the area was £22.50 psf per annum as at end-3Q 2019, with lease incentives around 17.5% (based on a typical 10-year lease term)

Total occupancy cost in key Thames Valley locations (£ per sf per annum)



Farnborough area supply and vacancy rate



Source: Market View Thames Valley and Farnborough Area, UK, JLL Research, FCOT 2019 Annual Report.
 1. JLL Research's definition of the area includes both Farnborough and Camberly.

Sustainability

- ◆ Sustainability is one of the key aspects contributing to our aspirations of becoming a leading owner of quality commercial real estate properties and the preferred choice for businesses and investors and to deliver long-term growth to our Unitholders
- ◆ FCOT's sustainability strategies and action plans are based on the Frasers Group's Sustainability Framework, which sets out sustainability priorities until 2030
- ◆ Key highlights of sustainability performance in FY2019 include:

Acting Progressively

- ◆ Ranked 5th out of 46 entries in the Singapore Governance and Transparency Index 2019 (REIT and Business Trust category) for good corporate governance and disclosure practices
- ◆ 100% of FCOT's properties in Singapore are BCA Green Mark certified and in Australia, have National Australian Built Environment Rating System (NABERS) Energy base building rating of at least 5.0 star
- ◆ Participated in GRESB Real Estate Assessment for the first time and achieved 4 stars out of 5 stars
- ◆ No known incident of breaches of environmental laws and regulations
- ◆ No confirmed incident with regards to bribery and corruption reported
- ◆ No known incidents of non-compliance with regulations and voluntary codes in relation to marketing communications
- ◆ Newly constructed buildings at Farnborough Business Park obtained "Very Good" ratings under the Building Research Establishment Environmental Assessment Method (BREEAM) New Construction: Office (Fully Fitted) category

Consuming Responsibly

- ◆ 1.9% year-on-year improvement in average building energy intensity
- ◆ 11.0% year-on-year improvement in average greenhouse gas (GHG) emissions intensity
- ◆ 1.7% year-on-year increase in average building water intensity

Focusing on People

- ◆ 46.5 hours of training per employee, 16.3% higher than the target of 40.0 hours
- ◆ No major safety incidents across our portfolio
- ◆ More than S\$700,000 community investments raised/donated

**Experience
matters.**



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