Present: Unitholders (present in person or by proxy)
As per attendance list

In attendance: Directors of Frasers Commercial Asset Management Ltd., as manager of Frasers Commercial Trust ("FCOT" or the "Manager")
Mr Bobby Chin, Chairman ("Chairman")
Mr Chang Tou Chen
Mr Chay Wai Chuen
Mr Chia Khong Shoong
Mr Low Chee Wah
Mr Christopher Tang Kok Kai

Executive Officer of the Manager
Mr Jack Lam, Chief Executive Officer ("CEO")

Representative from British and Malayan Trustees Limited, as trustee of FCOT (the "Trustee")
Mr Paul M. Pavey, Executive Director of the Trustee

Company Secretary of the Manager
Ms Catherine Yeo

Representative from KPMG LLP, as External Auditors of FCOT
As per attendance list
1. **Introduction**

1.1 Prior to the commencement of the Annual General Meeting (“AGM” or the “Meeting”), Ms Catherine Yeo, Company Secretary of the Manager, informed the Meeting that British and Malayan Trustees Limited, as trustee of Frasers Commercial Trust (“FCOT”, and British and Malayan Trustees Limited, as trustee of FCOT, the “Trustee”), had nominated Mr Bobby Chin (“Chairman”), to preside as the Chairman of the Meeting. In accordance with the trust deed constituting FCOT dated 12 September 2005 (as amended, restated, and supplemented) (the “Trust Deed”), Mr Chin presided as Chairman of the Meeting. Noting that the requisite quorum for the Meeting had been met, Ms Yeo invited Chairman to proceed with the Meeting.

1.2 Chairman welcomed all unitholders of FCOT (“Unitholders”) and introduced the panellists for the Meeting. The Chairman then advised that the vote on each Resolution as set out in the notice of AGM dated 20 December 2018 (“Notice of Meeting”) at the Meeting would be conducted by poll. Polling would be conducted in a paperless manner using a wireless handheld device.

1.3 Chairman then invited Ms Yeo, as Company Secretary of the Manager, to explain the procedures for voting by electronic poll. Ms Yeo also informed Unitholders that the Meeting proceedings would be audio recorded to facilitate the preparation of minutes as well as for record keeping purposes. Ms Catherine Yeo also advised that Unitholders may be identified by name in the minutes of the Meeting, and such minutes will be published on the corporate website of FCOT in due course. Chairman also encouraged participation from all Unitholders and went through the procedure for the facilitation of questions with respect to the resolutions being proposed at the Meeting.

1.4 Chairman informed the Meeting that as he was an appointed proxy for this AGM, he would propose all the motions to be tabled.

1.5 Chairman then briefed the Meeting on the key reports contained in the annual report for the financial year ended 30 September 2018 (“FY2018”, and the annual report for FY2018, the “Annual Report”). The Notice of Meeting was, with the approval of the Unitholders, taken as read.

1.6 Chairman further noted that Resolutions 1, 2 and 3 as found in the Notice of Meeting are ordinary resolutions, and such resolutions are passed if more than 50% of the total votes present and voting are cast in their favour.

2. **Ordinary Resolution 1:**

*Adoption of the Report of the Trustee, Statement by the Manager, the Audited Financial Statements of FCOT for FY2018 and the Auditor’s Report*

2.1 Chairman proposed Resolution 1 as set out in the Notice of Meeting, as follows:

2.2 “To receive and adopt the Report of the Trustee of FCOT issued by British and Malayan Trustees Limited, the trustee of FCOT, the Statement by the Manager issued by Frasers
Commercial Asset Management Ltd., the manager of FCOT, the Audited Financial Statements of FCOT for the financial year ended 30 September 2018 and the Auditors’ Report thereon.”

2.3 Resolution 1 was, with the approval of the Unitholders, taken as read.

2.4 Chairman invited the management team of the Manager to give a presentation summarising the performance and the key highlights of FCOT in FY2018. The presenters were Mr Jack Lam, Chief Executive Officer of the Manager (“CEO”), and Ms Wang Mei Ling, Vice President, Investor Relations of the Manager.

2.5 After the presentations, Chairman invited questions and comments from the floor, the salient points of which are recorded below.

2.6 Mr Venkatachalam Alagappan (“Mr Alagappan”) noted that the acquisition of Farnborough Business Park (“FBP”) was funded by proceeds from a private placement of approximately S$100 million in value, and that FCOT’s gearing was reduced to approximately 28% after the divestment of 55 Market Street. He enquired whether the purchase of FBP could have been funded through the proceeds from the divestment instead of a private placement. He commented that the gearing level would have been at an acceptable level even if the purchase of FBP had been funded through the proceeds from the divestment. He commented that using the funds from the divestment of 55 Market Street to bring down the gearing level to 28% seemed overly conservative.

2.7 In response, Chairman clarified that there was a difference in timing between the acquisition of FBP and the divestment of 55 Market Street, and added that a private placement was a good opportunity to broaden the unitholder base.

2.8 Mr Alagappan acknowledged the timing reasoning but enquired whether a shorter-term financing could have been used to fund the acquisition of FBP in anticipation of the divestment proceeds arising from the sale of 55 Market Street.

2.9 In response to Mr Alagappan’s query, CEO explained that at the point when the decision was made to purchase FBP, there was no firm plan to divest 55 Market Street and hence, the acquisition of FBP was funded using a combination of debt and equity which provided DPU accretion to unitholders. He added that following the completion of the sale of 55 Market Street in August 2018, the Manager decided to use the proceeds from the divestment to pare down debt to bring down the gearing to a very healthy 28% which would position FCOT well for future growth and also act as a risk buffer in the event of any unforeseen risks in the market.

2.10 Mr Alagappan next enquired whether the Board had identified any properties to purchase in the future. He also noted that there was increased foreign currency exposure given the geographical spread of FCOT’s portfolio and as both the Australian Dollar and the Sterling Pound were under pressure, he enquired if the Manager should take longer hedges for anticipated foreign income, instead of the current practice of hedging for 6-9 months.

2.11 In response to the question on potential acquisitions, Chairman stated that any acquisition of properties would depend on the availability of properties. He emphasised that FCOT is a developer-sponsored real estate investment trust (“REIT”) and that its Sponsor, Frasers
Property Limited, had established businesses in Singapore, Australia and UK which would provide a potential pipeline of acquisition opportunities for FCOT. He then reiterated that the possibility for future acquisitions would depend on the availability and suitability of properties and whether the acquisition would be accretive and beneficial to unitholders.

2.12 In response to the question on foreign currency, CEO emphasised that the Manager would not engage in currency speculation. With regard to the hedging period, CEO informed that the Manager would be open to consider other options which may be beneficial. However, he stated that there was presently no compelling reason to adopt a more aggressive approach on currency hedging.

2.13 Mr Tan Yong Nee ("Mr Vincent Tan") noted FCOT’s average cost of debt of 3%, weighted average debt maturity of 2.8 years and a low gearing of 28%. He further noted that these would provide the Manager with the flexibility to carry out more acquisitions. He then observed that currently, more than 47% of the properties in FCOT’s portfolio were located outside Singapore and commented that most of the unitholders expected a Singapore-centred balance to the properties in the portfolio. He then expressed his concern regarding the risks involved in acquiring properties in the UK especially if the deal for Brexit fails.

2.14 In response to Mr Vincent Tan’s query, Chairman answered that the Board was monitoring the Brexit development very closely. He assured that the long-term growth of FCOT remained a relevant consideration. He stated that the Manager would consider investments in the UK market where there was value to be extracted and in particular, the acquisition of FBP was undertaken after due consideration of the risks.

2.15 CEO highlighted that FCOT was positioned as a diversified REIT which would entail diversification of geography. However, the CEO assured that Singapore would remain a key focus market in the longer term. He cited supporting examples such as the recent asset enhancement initiatives undertaken for the Singapore properties in FCOT’s existing portfolio. He further explained that with the current level of property prices in Singapore, it was challenging to get accretive acquisitions, while other markets seemed to be more attractive in comparison. He emphasised that the Manager aims to grow all identified markets so as to maintain a balanced portfolio in the longer term.

2.16 Mr Vincent Tan referred to page 71 of the Annual Report and sought clarification on the figures relating to Alexandra Technopark ("ATP"). He stated that based on his calculations, rental revenue worked out to be $2.66 to $2.67 per square feet ("sq ft") per month for FY2018, $4.10 per sq ft per month for FY2017 and $4.30 per sq ft per month for FY2016. He noted that rental revenue had dropped due to the reduced occupancy but enquired about the remaining 93,000 sq ft that Hewlett-Packard Singapore Pte Ltd ("HPS") was still occupying.

2.17 Mr Vincent Tan also referred to page 49 of the Annual Report. He stated that based on the figures provided by CBRE, market rents were about $3.80 per sq ft per month for hi-specs business space and about $6.50 per sq ft per month for business parks space respectively, and highlighted that even in FY2016 and FY2017, the rentals at ATP were far below $6.50 per sq ft per month. He sought clarification on rental rates especially with the current $45 million asset enhancement initiative. He enquired about the tenant mix and the type of tenants
that the Manager was targeting and whether the Manager would raise the rentals higher up to be in line with the rentals for business parks space.

2.18 In response to Mr Vincent Tan’s concerns, CEO clarified that ATP was categorised as a B1 space and not a business park. He added that there were different qualities to a B1 space and highlighted that ATP would be one of the better B1 spaces with the recent enhancements. He then emphasised that rents of ATP could not be compared directly with rents of business parks. He added that the current average passing rent was about S$4 per sq ft per month which was stable and that the Manager was sourcing for higher quality tenants. He elaborated that the Manager was working to achieve higher rents for the property which would result in an increase in revenue contribution to FCOT in the long-term.

2.19 In response to Mr Vincent Tan’s query regarding the apparent lack of congruence in respect of various performance data of ATP as presented in the Annual Report, CEO explained that some of the data (e.g. revenue) were for the full financial year while others (e.g. occupancy) were as at a specific date. The different sets of data may therefore appear incongruent given the volatility in the occupancy of ATP in FY2018, arising mainly from the phased exits of Hewlett-Packard Enterprise Singapore Pte Ltd (“HPE”) and HPS.

2.20 Mr Vincent Tan then sought clarification on whether FCOT, in light of the income disruption at ATP, would be able to maintain distribution income through distribution of capital gains from past divestments and payment of management fees in units in lieu of cash.

2.21 CEO explained that the Manager currently intends to maintain a stable DPU profile for unitholders on the basis that it believes the disruption to ATP’s income, which was mainly caused by the exits of HPE and HPS, was temporary. He further explained that notwithstanding the above intention, the actual quarterly DPU support would be decided on a quarterly basis.

2.22 Mr Vincent Tan referred to page 69 of the Annual Report and stated that based on his calculations, the retail section of China Square Central appeared to be under-rented. He also queried whether FCOT was relying too much on WeWork and JustCo in terms of tenancy mix. He also highlighted that a hotel site at Club Street was recently sold for S$23,000 per sq m (per plot ratio) under the Government Land Sales Programme while FCOT sold the hotel component of China Square Central to its Sponsor for S$8,000 per sq m and sought the Board’s comments on the difference in prices.

2.23 CEO responded that the retail podium of China Square Central, which was currently undergoing an asset enhancement initiative, had been the underperforming portion in China Square Central. He stated that the Manager is confident that rents will be uplifted by the asset enhancement initiative as well as the expected increase in vibrancy and traffic flow arising from the new hotel that is currently being built by the Sponsor. He further added that the office component had been performing quite well of late, with the overall recovery of the market.

2.24 In response to Mr Vincent Tan’s concerns about the pricing for the hotel component, Mr Low Chee Wah explained that the cited transactions took place at different points in time under different market conditions and FCOT’s sale of the hotel component was supported by independent valuations.
2.25 CEO added that a development premium was separately paid by the Sponsor to the government for the development of the hotel at China Square Central (which was not applicable to the Club Street sale) and therefore the total cost to the Sponsor for the hotel component would be higher after taking into account the development premium.

2.26 Mr Vincent Tan then enquired if the Manager ought to have sourced for retail tenants for the spaces taken up by WeWork and JustCo, as they are co-working space operators and not considered as typical retail operators.

2.27 CEO responded that having two of the largest co-working space operators as tenants would make China Square Central unique, attractive and would also increase the property's traffic flow. He stated that WeWork was currently occupying the shop house block at 22 Cross Street while JustCo would be occupying the entire second level of the retail podium. He then explained that for the latter premises, it is not prime retail location and therefore the expected retail rent would be comparable to that of office rent.

2.28 Mr Vincent Tan enquired whether a rent of S$5.70 to S$5.90 per sq ft per month could be expected since the office rents for China Square Central was S$5.70 per sq ft per month in 2018 and S$5.90 per sq ft per month in 2017.

2.29 In response, CEO explained that the indicated office rent of S$5.90 per sq ft per month was the average for a combination of different kinds of office space within China Square Central. He explained that 18 Cross Street office tower fetches a rent of approximately S$7.50 per sq ft per month while the rest of the office spaces which are situated at the upper floors of shophouse units tend to attract lower rents since they are of a different asset class.

2.30 Mr Vincent Tan referred to page 73 of the Annual Report and noted that for Central Park, rental revenue had gone down from about S$27.9 million to S$23.4 million while the WALE had gone up from 1.4 years to 8.3 years. He requested for further clarification on these figures. He also enquired about the step-up rents that were mentioned during the presentation earlier as the rental revenue seemed to be going down despite having step-up rent components. Finally, he enquired about the prospects of the mining business in the Perth region, comparison between the WALB and the WALE, whether Rio Tinto had been granted an option to extend the lease beyond 12 years and whether it had any option to break the lease.

2.31 CEO responded that Central Park was similar to ATP in the sense that one performance indicator might not appear to be congruent with another in light of major changes in tenancy and occupancy. He highlighted that in terms of gross revenue, BHP Billiton Iron Ore Pty Ltd’s lease expired in early FY2018 and this impacted revenue in FY2018. He also commented that the Perth office market was currently at a low point as effective rents were about half of that of the peak in 2012 after taking into account lease incentives. He added that recent leases would carry higher incentives than those before, which resulted in a dip in income as compared to FY2017. CEO informed that the commercial details of the lease with Rio Tinto Limited could not be disclosed due to confidentiality obligations, but he assured that the rental for Rio Tinto Limited had a step-up mechanism, in-line with common practice in the Australian market.
2.32 Mr Tan See Peng @ Tan Kah Hua commended the Board for taking the bold step of expanding into the UK. He then enquired whether the Board should widen its options by acquiring properties from third parties instead of only acquiring properties from the Sponsor and related parties.

2.33 Chairman agreed and responded that the Manager would source for potential acquisitions from third parties as well. He also clarified that any acquisition would ultimately depend on availability and pricing.

2.34 Mr Ho Hai Pang enquired whether the decision to divest 55 Market Street was a good decision, notwithstanding that it was sold at a price which was three times that of the purchase price, as it was a local property which had a leasehold of 999 years and further there would be no currency risk. In contrast, given the current uncertainties in the UK, there were risks associated with investments in the UK.

2.35 CEO explained that the offer for 55 Market Street was very compelling and implied that the property was being sold at a very low yield of 1.6%. He then stated that when the divestment proceeds were used to repay the debt, it was immediately accretive and that the capital could be recycled for higher returns. He also mentioned that 55 Market Street’s low yield was a drag on the portfolio and since it was a small asset which previously only contributed approximately 3% of portfolio income, its divestment did not materially affect FCOT. He reiterated that the divestment was overall beneficial for FCOT as substantial value was unlocked from the divestment.

2.36 Mr Louis Lee expressed his appreciation to the Manager for FCOT’s performance in FY2018. He observed that increasing risks in the coming years could also mean more opportunities to FCOT and asked if the Manager has an opportunity management committee. He suggested that the Board should make a bolder move to seize opportunities.

2.37 Chairman responded that while the risk committee looks at high risk items and strategic risks, the responsibility for evaluating opportunities rests with the whole Board. The Board had undertaken efforts to look into growth strategies and portfolio reshaping opportunities for the future.

2.38 Mr Jonathan Lim stated that there was a decline in the annual DPU for the first time in FY2018. He enquired whether the funds from the divestment of 55 Market Street should have been used to bolster the DPU instead, especially with the knowledge that leases of HPE and HPS were expiring. He commented that a better use of proceeds from the divestment would be to stabilise DPU which would give unitholders better returns.

2.39 CEO explained that while the proceeds were used to pare down debt, this did not mean that the capital gains from the divestment had been utilised. The capital gains remained and had not yet been utilised.

2.40 In response to Mr Jonathan Lim, Chairman explained that it is the Manager’s intention to use the capital gains at its disposal to maintain a stable and sustainable DPU. He also stated that the Manager was working to get FCOT’s income back to a normalised state.
Mr Vincent Tan enquired if a tour around ATP could be organised for the unitholders after the AGM.

CEO responded that a tour of ATP would be organised after the reception at the end of the AGM and that the property manager would guide the unitholders around the property.

As there were no further questions, Chairman proceeded to put Resolution 1 to vote by poll. The result of the poll on Resolution 1 was as follows:

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<thead>
<tr>
<th>For</th>
<th>Against</th>
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<tbody>
<tr>
<td>No. of Units</td>
<td>%</td>
</tr>
<tr>
<td>376,942,729</td>
<td>99.79%</td>
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Based on the results of the poll, Chairman declared Resolution 1 as carried.

**Ordinary Resolution 2:**

Re-appointment of Auditors of FCOT and authority to the Manager to fix their remuneration

Chairman proposed Resolution 2 set out in the Notice of Meeting, as follows:

“To re-appoint KPMG LLP as Auditors of FCOT to hold office until the conclusion of the next AGM of FCOT, and to authorise the Manager to fix their remuneration.”

Resolution 2 was, with the approval of the Unitholders, taken as read.

As there were no questions, Chairman proceeded to put Resolution 2 to vote by poll. The result of the poll on Resolution 2 was as follows:

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<tbody>
<tr>
<td>No. of Units</td>
<td>%</td>
</tr>
<tr>
<td>377,006,683</td>
<td>99.75</td>
</tr>
</tbody>
</table>

Based on the results of the poll, Chairman declared Resolution 2 as carried.

**Ordinary Resolution 3:**

Authority for the Manager to issue Units and to make or grant convertible instruments

Chairman invited Ms Yeo to explain Resolution 3, as follows:

“This resolution seeks Unitholders’ approval to authorise the Manager, to issue Units and/or to make or grant instruments, which are convertible into Units up to a number not exceeding 50% of the total number of issued Units, excluding treasury Units, if any, of which up to 20% may be issued other than on a pro rata basis to Unitholders. The mandate, if approved, shall be effective
Resolution 3 was, with the approval of the Unitholders, taken as read.

Mr Alagappan asked if the Distribution Reinvestment Plan ("DRP") was still necessary when the gearing is now very low. He then enquired whether the Board foresees a private placement in the future.

Chairman responded that the DRP provided an option for unitholders to increase their investment in FCOT and that the rate of acceptance of units through the DRP had been quite healthy.

CEO further informed that the rate of acceptance was about 15% on average and he further observed that the rate of acceptance was healthy while not being overly dilutive to unitholders who chose not to, or were unable to, participate in the DRP.

Mr Vincent Tan further noted that the units were being issued above the market price through the DRP and suggested that the issue price should be adjusted based on the market price.

In response to Mr Vincent Tan’s suggestion, CEO stated that the issue prices for DRPs had been consistently set at 1% below the prevailing market price. However, there might be occasions when the market price of the units decreased after the DRP price had been set and announced.

In response to Mr Alagappan’s query on whether there would be a placement in the future, Chairman explained that the Board could not confirm whether there would be a placement at this juncture, but the authorisation given to the Manager would provide the Manager with the flexibility to do so if such need arises.

As there were no other questions, Chairman proceeded to put Resolution 3 to vote by poll. The result of the poll on Resolution 3 was as follows:

<table>
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<th>For</th>
<th>Against</th>
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<tbody>
<tr>
<td>No. of Units</td>
<td>%</td>
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<tr>
<td>352,425,656</td>
<td>93.27</td>
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</table>

Based on the results of the poll, Chairman declared Resolution 3 as carried.
5. Closure

5.1 There being no other business, Chairman wished all Unitholders a prosperous Lunar New Year and thanked the Unitholders for their attendance and support on behalf of the Trustee and the Manager, and declared the Meeting closed at 11.26 a.m.

CONFIRMED BY,

MR BOBBY CHIN

CHAIRMAN OF MEETING