FRASERS LOGISTICS & INDUSTRIAL TRUST
(Constituted in the Republic of Singapore pursuant to a trust deed dated 30 November 2015)

MINUTES OF THE EXTRAORDINARY GENERAL MEETING
HELD ON TUESDAY, 20 AUGUST 2019 AT 10.00 A.M.
AT STEPHEN RIADY AUDITORIUM @ NTUC, LEVEL 7, NTUC CENTRE,
ONE MARINA BOULEVARD, SINGAPORE 018989

Present: Unitholders/Proxies
As per attendance lists

In attendance: Directors of Frasers Logistics & Industrial Asset Management Pte. Ltd., as the manager of Frasers Logistics & Industrial Trust (“FLT”, and the manager of FLT, the “Manager”)

Mr Ho Hon Cheong, Chairman and Independent Non-Executive Director

Mr Goh Yong Chian, Independent Non-Executive Director

Mr Paul Gilbert Say, Independent Non-Executive Director

Mr Rodney Vaughan Fehring, Non-Executive Director

Mr Panote Sirivadhanabhakdi, Non-Executive Director

Mr Chia Khong Shoong, Non-Executive Director

Executive officers of the Manager

Mr Robert Stuart Claude Wallace, Chief Executive Officer

Ms Susanna Cher Mui Sim, Chief Financial Officer

Representative from Perpetual (Asia) Limited, as the trustee of FLT

Ms Sin Li Choo

Company Secretary of the Manager

Ms Catherine Yeo
1. **Introduction**

1.1 On behalf of Perpetual (Asia) Limited, as the trustee of Frasers Logistics & Industrial Trust ("FLT", and the trustee of FLT, the “Trustee”), and the Board of Directors of Frasers Logistics & Industrial Asset Management Pte. Ltd., as the manager of FLT (the “Manager”), Ms Catherine Yeo, the Company Secretary of the Manager, welcomed the unitholders of FLT (the “Unitholders”) to the extraordinary general meeting of FLT (“EGM” or the “Meeting”) in relation to the proposed acquisition of interests in 12 properties in Germany and Australia (the “Acquisition”).

1.2 Prior to the commencement of the EGM, Ms Catherine Yeo requested all in attendance to turn off their mobile phones or set them to “silent mode” to prevent interruptions.

1.3 Ms Catherine Yeo announced that the Trustee had nominated Mr Ho Hon Cheong to preside as the Chairman of the EGM (the “Chairman”). Ms Catherine Yeo informed the Chairman that the requisite quorum for the Meeting was met and invited him to proceed and handed over the Meeting to the Chairman.

1.4 The Chairman noted that the requisite quorum was present and declared the meeting open at 10.10 am. The Chairman then welcomed all present to the EGM and thanked them for their support of FLT. The Chairman emphasised that the Acquisition was in line with FLT’s principal investment strategy and key objectives of delivering stable distribution and long-term DPU growth to Unitholders. The Chairman then introduced the various directors present and the representative of the Trustee, and thanked the various consultants from Allen & Gledhill LLP and PricewaterhouseCoopers Corporate Finance Pte Ltd for being present.

1.5 The Chairman directed that the vote on the resolution of the EGM, to approve the proposed acquisition of the 12 properties in Germany and Australia (the “Resolution”), as set out in the Notice of Meeting (as defined herein), be conducted by way of an electronic poll.

1.6 The Chairman then invited Ms Catherine Yeo, Company Secretary of the Manager, to explain the procedures for voting by electronic poll. She also informed Unitholders that the proceedings of the Meeting would be audio recorded to facilitate the preparation of minutes and for record keeping purposes. She informed Unitholders that they may be identified by name in the minutes of the Meeting and such minutes will be published on the corporate website of FLT in due course.

Ms Catherine Yeo informed that RHT Governance, Risk and Compliance (Singapore) Pte. Ltd. had been appointed as scrutineers for the Meeting.

1.7 The Chairman informed Unitholders that questions would be welcome after the motion in respect of the agenda item had been proposed.

The Chairman informed Unitholders that the Notice of EGM, Proxy Form and Notification & Request Form setting out details of how to electronically access the circular to Unitholders dated 30 July 2019 (the “Circular”) and to request for a physical copy of the Circular had been despatched to all Unitholders on 30 July 2019. The Chairman noted that the Circular contained an overview of and information in relation to the proposed acquisitions of interests in 9 freehold logistics properties in Germany and 3 freehold logistics properties in Australia.
The Chairman highlighted to Unitholders the advice of the independent financial adviser to the independent directors of the Manager, the audit, risk and compliance committee of the Manager and the Trustee, PricewaterhouseCoopers Corporate Finance Pte Ltd (the “IFA”), as set out at paragraph 8 of page 88 of the Circular and the detailed opinion of the IFA as set out in Appendix A of the Circular.

1.8 The Chairman then informed Unitholders on the abstentions from voting. The Chairman referred Unitholders to paragraph 11 on page 89 of the Circular and noted that the TCC Group, the FPL Group, TCCGI (each as defined in the Circular), and the Manager and their associates would abstain from voting on the Resolution.

1.9 The notice of EGM dated 30 July 2019 contained in FLT’s circular to Unitholders dated 30 July 2019 was, with the consent of the Meeting, taken as read.

1.10 The Chairman informed Unitholders that the resolution tabled was an Ordinary Resolution and explained that an Ordinary Resolution meant a resolution proposed and passed by a majority greater than 50% of the total number of votes cast for and against such resolution at the Meeting.

2. **Ordinary Resolution:**

   **The Proposed Acquisition of 12 Freehold Logistics Properties in Germany and Australia**

2.1 The Resolution to approve the proposed acquisition of 12 freehold logistics properties in Germany and Australia was taken to be read by all present. The Chairman then invited a unitholder to propose the Resolution and Mr Andrew Tan did so.

2.2 The Chairman then invited the Chief Executive Officer of the Manager, Mr Robert Wallace (the “CEO”), to give a short presentation summarising the Acquisition.

   The CEO gave an overview of the assets to be acquired. The CEO highlighted the favourable locations of the assets and noted how they would enhance FLT’s portfolio in the context of the portfolio metrics. The CEO also outlined the rationale for the Acquisition, referring to the German and the Australian markets in the process. The CEO noted the modern specifications of the properties to be acquired and explained how they would appeal to various tenants. The CEO stressed that these properties were also 100% freehold and occupied. The CEO added that this Acquisition would move concentration risk away from FLT’s top 10 tenants, driving down concentration from 30% to approximately 26.2%.

   The CEO noted that the Acquisition would meet FLT’s objectives of delivering regular, stable distributions to Unitholders, as well as contributing to long-term growth in DPU. He emphasised that the Acquisition would expand FLT’s exposure to strong markets and the freehold market. The CEO said that the Acquisition would be consistent with FLT’s ability to leverage off its sponsor’s platform. The CEO informed Unitholders of the cost of the Acquisition and thanked all present for their attention.

2.3 The Chairman invited questions and comments from the floor. The Chairman also requested that Unitholders state their names or, if they were a proxy, the name of the Unitholder they represented, before stating their questions and/or comments.
Mr Pratyush Rastogi ("Mr Pratyush") introduced himself as a Unitholder and stated that he had 4 questions. For his first question, Mr Pratyush referred to the CBRE report on the German assets. He noted that they mentioned covenants, and that some of the assets had covenants that were below-average in strength. He wanted to know what these specific covenants were, what constituted an average covenant and what made some covenants stronger/weaker than others.

For his second question, Mr Pratyush referred to how the capitalisation rates for the German properties were lower than before. Mr Pratyush asked what the capitalisation rates for the previous acquisition were compared to this one.

For his third question, Mr Pratyush asked about the rental support for the Australian assets. Mr Pratyush wanted to know why this was required and how Unitholders should interpret it.

For his fourth question, Mr Pratyush asked, in relation to early termination support agreements, how much support the sponsor would provide should tenants leave early, and how much of the portfolio would be affected by that.

In response to the first question, the CEO explained that what makes a strong covenant is quite subjective. The CEO shared his opinion that all of the properties had reasonably strong covenants and that bank guarantees were provided for the majority of the German leases. The CEO emphasised that the German tenants were quite large and reputable companies, which should offer Unitholders some sense of security. The CEO also explained that the Australian properties were located in prime locations and the tenants were multinationals or strong local corporates with the ability to pay rent.

In response to the second question, the CEO noted that there was a difference in capitalisation rates between last year (approximately 5.5%) and this year (4.8%). The CEO shared the reasons for this. This was a very young portfolio compared to the previous one and FLT had seen some capitalisation rate compression in the last few months. Also, the previous portfolio had included some light industrial assets which usually are valued at a higher capitalisation rate.

Mr Pratyush then asked if this was, in fact, a good time to purchase the assets. Mr Pratyush wondered if perhaps FLT should wait until the price of the assets was more favourable.

The CEO replied that FLT would have to wait quite a while for that to happen. The CEO added that capitalisation rate was one of the factors for consideration. Another consideration is market rental growth. FLT was of the view that the Acquisition was worthwhile as they were confident that they could enhance long-term returns on the assets.

In response to the third question, the CEO confirmed that there was only one asset with rental support. The reason FLT had asked for rental support was that the property had only been completed in May 2019 and the vendor was still in the process of trying to lease it at the time of transaction negotiation. However, the vendor had since leased the property to a tenant already in FLT’s portfolio, called TTI, at acceptable rent levels.
2.4.6 Mr Pratyush asked if this rental support agreement was still ongoing, to which the CEO responded that it had been satisfied.

2.4.7 With regard to the fourth question, the CEO explained that if there were any early terminations, there would be penalties imposed on the tenants.

2.4.8 Mr Pratyush then wanted to confirm that there was no guarantee of support from the sponsor in this regard.

2.4.9 The CEO said that there was no such guarantee, and that the lease was to TTI, a large multinational company.

2.5 Mr Ho Hai Pang Henry ("Mr Ho") introduced himself as a Unitholder and stated that he had a few questions. For his first question, Mr Ho asked for a comparison between the Australian and German properties.

2.5.1 The CEO answered that the properties were very similar. They both had approximately 50% site coverage ratios and most of the properties had 1-2 tenants within them. The CEO noted that the biggest difference is that the German properties would have a flat roof, while the Australian ones do not. The CEO explained that this was due to potential snowfall in Germany, for which the roofs would have to have load-bearing capacity. The only other difference was that there was a different docking system used in the loading processes in Germany.

2.6 For his second question, Mr Ho asked if the German properties would bring incremental growth every year.

2.6.1 The CEO answered that there tends to be consumer price index ("CPI") indexation for the German properties. The CEO added that, based on current CPI figures, there would be growth at approximately 1.5% per annum. Some of the properties have a CPI threshold where an increase would apply when cumulative CPI met that threshold number. The CEO said this would ultimately depend on the lease.

2.7 For his third question, Mr Ho asked if FLT had considered currency fluctuations when planning distributions.

2.7.1 The CEO answered in the affirmative. The CEO emphasised that this was something FLT focused on, though it was essentially beyond their control. The CEO shared that currency forwards were used on 6-month rolling basis. Though the CEO acknowledged that in the long-term, FLT would simply have to adapt to currency fluctuations, he noted that at the moment, both the Euro and Australian dollar were at historical lows compared to the Singapore dollar.

2.8 For his fourth question, Mr Ho asked what funding options FLT had considered, since this was a fairly large acquisition.

2.8.1 The CEO answered that the Acquisition would be funded through a combination of debt and equity financing.

2.8.2 Mr Ho then asked what equity funding FLT was planning.
2.8.3 The CEO informed that this was done through a placement conducted about 2 weeks prior to the EGM. This was done at a 1.2% discount and was well supported by institutions, and the placement was approximately 3.2 times subscribed.

2.9 For his fifth question, Mr Ho referred to the CEO’s earlier statement about how the properties were equipped with modern facilities. Mr Ho asked for some elaboration on what these modern features were, and how easy it would be for older warehouses to catch up.

2.9.1 The CEO began his explanation by referring to the Bosch Facility, which he explained was comprised of 2 units and was non-specialised. The CEO added that this was a modern, prime grade facility. The CEO then referred to the two Hermes Facilities in Berlin and Augsburg and explained how they were designed to be cross-docked and were to be used for the distribution of goods purchased through e-commerce. Both had a very high degree of mechanisation within them, including sortation equipment which allowed them to distribute some 13,000 parcels per hour within each facility. The CEO said that there was a high degree of commitment from the tenant and that he saw this property as the epitome of e-commerce in Germany. The CEO then referred to the Amor & Mühle Facility in Frankfurt, which was adaptable and used for warehousing for fast-moving goods. The CEO listed many similar benefits for the remaining German facilities, including how they were very adaptable and close to major motorways. The CEO also stressed the prime location of the EDEKA facility in Munich.

2.10 A third unitholder, Ms Yeo Kim Geok (“Ms Yeo”), then raised several questions. For her first question, Ms Yeo observed that the Australian dollar was depreciating and noticed that the projected DPU in Singapore dollars and Australian dollars was different. Ms Yeo had also, from her own research, found that the volume of FLT units traded on the Australian dollar-denominated counter was much lower. Ms Yeo wanted to understand why people were not buying into the Australian dollar-denominated counter.

2.10.1 The CEO clarified that FLT was only listed on the Singapore stock exchange, not the Australian stock exchange. The CEO explained that though FLT had 2 counters, one in Singapore dollars and one in Australian dollars, the Australian dollar one was not well-traded at all. The CEO noted that the volumes were very low, though it is still the same stock as listed on SGX. The CEO said people preferred to trade on the Singapore dollar-denominated counter as opposed to the Australian dollar one.

2.10.2 Ms Yeo then asked why there weren't more Australian investors investing in the Singapore stock exchange.

2.10.3 The CEO answered that while it was possible for Australians to do so, they would have to go through quite a lengthy process.

2.11 For her second question, Ms Yeo asked if FLT had considered borrowing in Singapore dollars rather than Australian dollars if interest rates were more favourable that way.

2.11.1 The CEO answered that FLT did borrow from Singaporean banks, but they borrowed in Australian dollars because it represented a natural hedge in that currency when going into that market.
2.11.2 Ms Yeo then asked if FLT considered interest rate cuts when choosing which bank to borrow from.

2.11.3 The CEO answered that the Reserve Bank of Australia had already cut rates twice recently. The CEO said that FLT considers many banks and rates to ensure that they get the most competitive rate.

2.11.4 Ms Yeo then asked what the current borrowing cost or interest rate was.

2.11.5 The CFO explained that FLT had a process of engaging various banks and getting quotes from them, either in Singapore or Australian dollars. The CFO added that with the acquisition of properties in Europe, FLT would also consider financing options in the Euro currency. The CFO assured Ms Yeo that FLT did consider the borrowing costs and exchange rates and did go through a robust process of selection. The CFO said that at the end of June, FLT’s weighted average cost between the Australian dollar and Euro borrowings was approximately 2.4% per annum, and if they were to take into consideration the lower cost of borrowing from the recent refinancing, the cost of debt would come down to approximately 2.1% per annum.

2.12 For her third question, Ms Yeo referred to the recent Monetary Authority of Singapore consultation paper which considered increasing the gearing limit for S-REITs to more than the existing 45%. Ms Yeo asked if this was something FLT was considering taking advantage of and if it was factored into any of FLT’s plans or projections.

2.12.1 The CEO pointed out that although in Australia, there are no lending limits set by the regulatory authorities, Australian REITs mostly kept their gearing to 20-30%. The CEO said that though FLT has had the choice to go up to the gearing limit of 45%, it had instead maintained it at around the mid 30%. In the CEO’s opinion, the potential increase in the gearing limit would not affect FLT’s behaviour.

2.13 As there were no further questions on the Resolution, the Chairman proceeded to put the Resolution to vote. The results of the poll on the Resolution were as follows:

The Resolution (Ordinary Resolution)

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<tr>
<th>For</th>
<th>Against</th>
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<tbody>
<tr>
<td>No. of Units</td>
<td>%</td>
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<td>687,956,005</td>
<td>99.93</td>
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Based on the results of the poll, the Chairman declared the Resolution carried as an Ordinary Resolution.
3. Closing Address

There being no other business, the Chairman thanked all present for their attendance and support, and declared the Meeting closed at 11.05 a.m.

Confirmed By

Mr Ho Hon Cheong

Chairman of the Meeting