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.
**Glossary**

### Frasers Property entities
- FLCT: Frasers Logistics & Commercial Trust
- FLT: Frasers Logistics & Industrial Trust
- FCOT: Frasers Commercial Trust
- FPL or the Sponsor: Frasers Property Limited
- The Group: Frasers Property Limited, together with its subsidiaries

### Financial Year
- FY19: Period from 1 October 2018 to 30 September 2019
- FY20: Period from 1 October 2019 to 30 September 2020
- FY21: Period from 1 October 2020 to 30 September 2021
- 2HFY19: Period from 1 April 2019 to 30 September 2019
- 1HFY20: Period from 1 October 2019 to 31 March 2020
- 2HFY20: Period from 1 April 2020 to 30 September 2020
- 1HFY21: Period from 1 October 2020 to 31 March 2021
- 2QFY21: Period from 1 January 2021 to 31 March 2021

### Other acronyms
- AEI: Asset Enhancement Initiative
- CBD: Central Business District
- COVID-19: Coronavirus disease 2019
- DPU: Distribution per Unit
- EURIBOR: Euro Interbank Offered Rate
- FY: Financial year
- GRESB: Global Real Estate Sustainability Benchmark
- GRI: Gross Rental Income
- IPO: Initial Public Offering
- L&I: Logistics & Industrial
- NAV: Net Asset Value
- NLA: Net Lettable Area
- p.p.: percentage points
- REIT: Real estate investment trust
- RBA: Reserve Bank of Australia
- ROFR: Right of First Refusal
- S&P: S&P Global Ratings
- SGX-ST: Singapore Exchange Securities Trading Limited
- SME: Small and Medium-sized Enterprise
- sq ft: 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

### 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).
1. **Operational Highlights**

- **Proactive lease management**
  - 126,133 sqm leased/renewed in 1HFY21 representing 5.0% of portfolio lettable area

- **High portfolio occupancy rate**
  - 96.8%
  - High-quality and resilient portfolio

- **Active Portfolio Management**
  - Completed divestment of three non-core South Australian properties on 24 March 2021

2. **Robust Financials**

- **S$130.4 million**
  - 1HFY21 Distributable Income
  - ▲ 71.1% y-o-y

- **3.80 Singapore cents**
  - 1HFY21 DPU
  - ▲ 9.5% y-o-y

- **35.3%**
  - Aggregate Leverage\(^{(1)}\)
  - S$1,929 million headroom\(^{(3)}\)

- **S$1.14**
  - NAV per Unit\(^{(1)}\)
  - ▲ 3.6% from 30 Sep 20

3. **Corporate Milestones**

- **FLCT included as a constituent stock of the benchmark Straits Times Index** on 13 April 2021

- **BBB+**
  - Assigned first time ‘BBB+’ credit rating by S&P Global, with a ‘Stable’ outlook on 15 April 2021

---

1. As at 31 March 2021.  
2. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of March 2021. Excludes straight line rental adjustments and include committed leases.  
3. Prior to reaching the 50.0% aggregate regulatory leverage limit.
DPU history and distribution timetable
Stable and growing DPU

<table>
<thead>
<tr>
<th>Distribution Timetable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution Period</td>
</tr>
<tr>
<td>1 October 2020 to 31 March 2021</td>
</tr>
<tr>
<td>Distribution Rate</td>
</tr>
<tr>
<td>3.80 Singapore cents</td>
</tr>
<tr>
<td>Ex-date</td>
</tr>
<tr>
<td>12 May 2021</td>
</tr>
<tr>
<td>Record Date</td>
</tr>
<tr>
<td>17 May 2021</td>
</tr>
<tr>
<td>Distribution Payment Date</td>
</tr>
<tr>
<td>18 June 2021</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DPU History (Singapore cents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2HFY19</td>
</tr>
<tr>
<td>3.46</td>
</tr>
<tr>
<td>+0.3%</td>
</tr>
<tr>
<td>1HFY20</td>
</tr>
<tr>
<td>3.47</td>
</tr>
<tr>
<td>+5.2%</td>
</tr>
<tr>
<td>2HFY20</td>
</tr>
<tr>
<td>3.65</td>
</tr>
<tr>
<td>+4.1%</td>
</tr>
<tr>
<td>1HFY21</td>
</tr>
<tr>
<td>3.80</td>
</tr>
</tbody>
</table>

Stable and growing DPU
Key financial highlights
First half ended 31 March 2021

Key Highlights

- DPU for 1HFY21 at 3.80 Singapore cents is 9.5% higher than 1HFY20
- Higher revenue and adjusted net property income resulted from the Merger\(^{(1)}\) with Frasers Commercial Trust in April 2020, the acquisitions undertaken in FY20 and strengthening of AUD:SGD and EUR:SGD. This was partially offset by the effect of the Sandstone Place Divestment and SA Portfolio Divestment\(^{(1)}\) and S$1.2 million of rental waivers and allowance for doubtful receivables attributable to the Covid-19 pandemic
- The increase in finance costs was due mainly to higher borrowings due to the Merger with FCOT
- Gain on divestment of investment properties relates to (a) Sandstone Place Divestment which was completed on 23 November 2020; and (b) SA Portfolio Divestment which was completed on 24 March 2021.

Financial Highlights (S$'000)

<table>
<thead>
<tr>
<th></th>
<th>1HFY21</th>
<th>1HFY20</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>231,701</td>
<td>118,745</td>
<td>▲ 95.1</td>
</tr>
<tr>
<td>Adjusted Net Property Income(^{(2)})</td>
<td>173,890</td>
<td>96,980</td>
<td>▲ 79.3</td>
</tr>
<tr>
<td>Finance costs</td>
<td>23,416</td>
<td>13,656</td>
<td>▲ 71.5</td>
</tr>
<tr>
<td>Gain on divestment of investment properties</td>
<td>2,451</td>
<td>1,422</td>
<td>▲ 72.4</td>
</tr>
<tr>
<td>Distributable Income to Unitholders</td>
<td>130,426</td>
<td>76,217</td>
<td>▲ 71.1</td>
</tr>
<tr>
<td>DPU (Singapore cents)</td>
<td>3.80</td>
<td>3.47</td>
<td>▲ 9.5</td>
</tr>
</tbody>
</table>

1. Please refer to Pages 2 and 4 of FLCT’s Financial Statements Announcement dated 6 May 2021 for details of the capitalised terms. 2. Adjusted Net Property Income is calculated based on the actual net property income excluding straight lining adjustments for rental income and adding lease payments of right-of-use assets.
Healthy balance sheet
As at 31 March 2021

- The value of investment properties decreased by 0.6% from S$6,501 million as at 30 September 2020 to S$6,462 million as at 31 March 2021, due mainly to:
  - The completion of the divestment of the 50% interest in 99 Sandstone Place, Parkinson, Queensland
  - The completion of the divestment of three leasehold industrial properties in South Australia
    partially offset by:
  - Higher AUD/SGD and GBP/SGD exchange rates

  FLCT is in a net current liability position as at 31 March 2021 due to the maturity of short-term borrowings of S$320 million. The REIT Manager is in discussion with banks to refinance the various loans

- Net asset value per Unit increased 3.6% from S$1.10 as at 30 September 2020 to S$1.14 as at 31 March 2021.

### Balance Sheet (S'$000)

<table>
<thead>
<tr>
<th></th>
<th>As at 31 Mar 21</th>
<th>As at 30 Sep 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment properties</td>
<td>6,461,951</td>
<td>6,500,881(1)</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>60,985</td>
<td>34,182</td>
</tr>
<tr>
<td>Current assets</td>
<td>204,799</td>
<td>199,584</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>6,727,735</td>
<td>6,734,647</td>
</tr>
<tr>
<td>Loans and borrowings(2)</td>
<td>2,471,071</td>
<td>2,620,806</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>317,739</td>
<td>307,164</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>2,788,810</td>
<td>2,927,970</td>
</tr>
</tbody>
</table>

### Net asset value per Unit (S$)

<table>
<thead>
<tr>
<th></th>
<th>30-Sep-20</th>
<th>31-Mar-21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net asset value</strong></td>
<td>1.10</td>
<td>1.14</td>
</tr>
<tr>
<td><strong>% increase</strong></td>
<td></td>
<td>+3.6%</td>
</tr>
</tbody>
</table>

1. Includes investment property held for sale. 2. Gross borrowings net of upfront debt related expenses, includes lease liabilities recognised due to the adoption of FRS 116 Leases effective from 1 October 2019.
Key credit metrics

Well-spread debt maturity profile with weighted average debt tenor of 3.1 years

<table>
<thead>
<tr>
<th>Key Credit Metrics</th>
<th>As at 31 Mar 2021</th>
<th>Change from 31 Dec 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate Leverage</td>
<td>35.3%</td>
<td>▼ 0.9 p.p.</td>
</tr>
<tr>
<td>Cost of Borrowings</td>
<td>1.9%(1)</td>
<td>-</td>
</tr>
<tr>
<td>Average Weighted Debt Maturity</td>
<td>3.1 years</td>
<td>-</td>
</tr>
<tr>
<td>% of Borrowings at Fixed Rates</td>
<td>70.6%</td>
<td>▲ 13.2 p.p.</td>
</tr>
<tr>
<td>Interest Coverage Ratio</td>
<td>6.8x(2)</td>
<td>▲ 0.3x</td>
</tr>
<tr>
<td>Debt Headroom(3)</td>
<td>S$1,929 m</td>
<td>▲ S$18 m</td>
</tr>
<tr>
<td>Credit Rating (S&amp;P)</td>
<td>BBB+ / Stable</td>
<td>N.A.</td>
</tr>
</tbody>
</table>

Well-spread Debt Maturity Profile

- Successfully refinanced and partially paid down c.S$378 million of borrowings in 1HFY21
- The Manager is in advanced discussion with banks on the refinancing of the borrowings maturing in the next 6 months and is confident of refinancing them

Total Gross Borrowings: S$2,319 million

DEBT MATURITY PROFILE

(S$ MILLIONS, AS AT 31 MARCH 2021)

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.
Prudent capital management
As at 31 March 2021

Investment Properties(1) and Debt(2) as at 31 March 2021

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Investment Properties</th>
<th>Debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Portfolio</td>
<td>6,301</td>
<td>2,319</td>
</tr>
<tr>
<td>Australian Portfolio</td>
<td>2,984</td>
<td>367</td>
</tr>
<tr>
<td>European Portfolio</td>
<td>1,590</td>
<td>1,030</td>
</tr>
<tr>
<td>Singapore Portfolio</td>
<td>1,270</td>
<td>700</td>
</tr>
<tr>
<td>UK Portfolio</td>
<td>457</td>
<td>222</td>
</tr>
</tbody>
</table>

Interest Risk Management as at 31 March 2021

70.6% Borrowings at fixed rates ▲ 13.2 p.p from 31 Dec 20

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.
Portfolio overview

Selectively diversified portfolio with attractive metrics

Breakdown by Asset Type and Geography(1)

Office & Business Parks, 21.1%

CBD Commercial, 20.6%

Germany, 20.7%

United Kingdom, 7.2%

The Netherlands, 4.6%

Singapore, 20.1%

Australia, 47.4%

97 Properties in Five Developed Countries(1)

<table>
<thead>
<tr>
<th>Logistics &amp; Industrial</th>
<th>Commercial</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>90 Properties</td>
<td>7 Properties</td>
<td>97 Properties</td>
</tr>
<tr>
<td>$3,672.0 m Portfolio value(1)</td>
<td>$2,625.5 m Portfolio value(1)</td>
<td>$6,297.5 m Portfolio value(1)</td>
</tr>
<tr>
<td>2,192,481 sqm Lettable area</td>
<td>339,683 sqm Lettable area</td>
<td>2,532,164 sqm Lettable area</td>
</tr>
<tr>
<td>5.3 years WAL(2)</td>
<td>3.9 years WAL(2)</td>
<td>4.7 years WAL(2)</td>
</tr>
<tr>
<td>5.2 years WALB(2)</td>
<td>3.4 years WALB(2)</td>
<td>4.4 years WALB(2)</td>
</tr>
<tr>
<td>100.0% Occupancy rate(2)</td>
<td>92.6% Occupancy rate(2)</td>
<td>96.8% Occupancy rate(2)</td>
</tr>
</tbody>
</table>

1. As at 31 March 2021 and based on portfolio value which excludes the recognition of right-of-use assets upon the adoption of FRS 116 Leases with effect from 1 October 2019. 2. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of March 2021. Excludes straight lining rental adjustments and include committed leases.
Leasing update
62,587 sq m of leasing for the period from January to March 2021 (“2QFY21”)

62,587 sqm
leased/renewed in
2QFY21, totaling
126,133 sqm for 1HFY21

+0.1% portfolio rental reversion
for 2QFY21

2QFY21 Industrial Leasing Summary

<table>
<thead>
<tr>
<th></th>
<th>No. of Leases</th>
<th>Lettable Area (sqm)</th>
<th>Average Lease Term</th>
<th>Annual Increment</th>
<th>Reversion(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>5</td>
<td>53,683</td>
<td>2.5 years</td>
<td>3.0 – 3.3%</td>
<td>-3.6%</td>
</tr>
<tr>
<td>Europe</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

2QFY21 Reversion: -3.6%

TTM(2) Reversion: -4.1%

2QFY21 Commercial Leasing Summary

<table>
<thead>
<tr>
<th></th>
<th>No. of Leases</th>
<th>Lettable Area (sqm)</th>
<th>Average Lease Term</th>
<th>Reversion(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>12</td>
<td>8,559</td>
<td>3.0 years</td>
<td>3.7%</td>
</tr>
<tr>
<td>Australia</td>
<td>1</td>
<td>345</td>
<td>5.0 years</td>
<td>9.9%</td>
</tr>
</tbody>
</table>

2QFY21 Reversion: 4.0%

TTM(2) Reversion: 1.8%

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. 2. Refers to reversion on leases contracted for the trailing 12-month period from 1 April 2020 to 31 March 2021.
Portfolio lease expiry profile
Minimal near-term lease expiries

Portfolio Lease Expiry Profile as at 31 March 2021

3.5% of GRI due for renewal in FY2021

- Well spread-out lease expiry profile with no more than 17.0% of GRI expiring in any single year
- 6 industrial and 30 commercial leases expiring in FY2021, each constituting ≤0.4% of GRI

1. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of March 2021. Excludes straight line rental adjustments and include committed leases.
Top-10 portfolio tenants
High-quality and well-diversified tenant base

High-quality tenant base with majority of portfolio tenants comprising Government or related entities, MNCs, conglomerates and listed companies

Well-diversified tenant base with no single tenant accounting for more than 5.1% of portfolio GRI(1)

<table>
<thead>
<tr>
<th>No.</th>
<th>Top-10 Portfolio Tenants(1)</th>
<th>Country</th>
<th>% of GRI</th>
<th>WALE (Years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Commonwealth of Australia</td>
<td>Australia</td>
<td>5.1%</td>
<td>4.3</td>
</tr>
<tr>
<td>2.</td>
<td>Google Asia Pacific</td>
<td>Singapore</td>
<td>3.9%</td>
<td>3.8</td>
</tr>
<tr>
<td>3.</td>
<td>Rio Tinto Shared Services</td>
<td>Australia</td>
<td>2.5%</td>
<td>9.3</td>
</tr>
<tr>
<td>4.</td>
<td>Commonwealth Bank of Australia</td>
<td>Australia</td>
<td>2.1%</td>
<td>1.8</td>
</tr>
<tr>
<td>5.</td>
<td>CEVA Logistics (Australia)</td>
<td>Australia</td>
<td>2.0%</td>
<td>4.2</td>
</tr>
<tr>
<td>6.</td>
<td>BMW</td>
<td>Germany</td>
<td>1.9%</td>
<td>6.7</td>
</tr>
<tr>
<td>7.</td>
<td>Techtronic Industries Australia</td>
<td>Australia</td>
<td>1.8%</td>
<td>2.6</td>
</tr>
<tr>
<td>8.</td>
<td>Schenker Australia</td>
<td>Australia</td>
<td>1.8%</td>
<td>3.6</td>
</tr>
<tr>
<td>9.</td>
<td>Fluor</td>
<td>United Kingdom</td>
<td>1.5%</td>
<td>4.1</td>
</tr>
<tr>
<td>10.</td>
<td>Mainfreight</td>
<td>The Netherlands</td>
<td>1.5%</td>
<td>4.9</td>
</tr>
</tbody>
</table>

24.1% % GRI contribution from Top-10 tenants
4.5 years Average WALE for Top-10 tenants

(% GRI contribution from Top-10 tenants)

1. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of March 2021. Excludes straight lining rental adjustments and include committed leases.
Well-diversified tenant base with low concentration risk

Portfolio Tenant Sector Breakdown

- Stable and broad-based tenant mix with diversification across industries
- Well-positioned to capitalise on sectoral trends with approximately one-third of the logistics and industrial portfolio engaged in e-commerce and/or e-fulfilment related activities

% of GRI contribution from L&I tenants

- Logistics & Industrial
- Business Space

1. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of March 2021. Excludes straight lining rental adjustments and include committed leases.
2. Excludes vacancies.
Our COVID-19 response
Update and commentary

- The REIT Manager is working closely with FLCT’s customers to overcome this challenging period together while focusing on managing any near- to mid-term downside risk from the pandemic
- The COVID-19 impact on FLCT’s distributable income in 1HFY21 is approximately S$1.2 million, comprising mainly rental waivers and allowance for doubtful receivables attributable to the Covid-19 pandemic, which has not been material for the REIT
- The REIT Manager will continue to monitor the situation closely, support our tenants and exercise prudence

<table>
<thead>
<tr>
<th>Australia</th>
<th>Singapore</th>
<th>Europe &amp; UK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limited impact on the industrial and commercial properties</td>
<td>Minimal impact arising from the Re-Align Framework(^1)</td>
<td>Limited impact on the German and Dutch industrial portfolio amid ongoing lockdowns in Europe</td>
</tr>
<tr>
<td>Expects near- to mid-term impact on the retail components of the Australian portfolio</td>
<td>Expects near- to mid-term impact on the retail components of the Singapore portfolio</td>
<td>For the UK, the nation’s ‘Stay at Home’ national lockdown ended on 29 March; progressive easing of lockdown by phases since 12 April, including re-opening of non-essential retail(^3)</td>
</tr>
<tr>
<td></td>
<td>Closely monitoring any impacts arising from the additional community measures implemented for the period from 8 May to 30 May 2021(^2)</td>
<td></td>
</tr>
</tbody>
</table>

**FLCT**

- No material impact to the FLCT portfolio to-date with only the retail segment of the commercial portfolio, which represents just 1.8%\(^4\) of FLCT’s overall income, being more challenged
- Structural changes driven by the growth of e-commerce activities and ‘hub-and-spoke’ trend are expected to drive demand for logistics and suburban office spaces, respectively

FLCT’s resilient portfolio, strong balance sheet and financial flexibility well-positions the REIT to face the current challenging global environment

---

1. Re-Aligned Framework, Ministry of Law.  2. Updates on local situation, border measures and shift to heightened alert to minimise transmission, Ministry of Health.  3. Guidance, National lockdown: Stay at Home, 4 January 2021.  4. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of March 2021. Excludes straight lining rental adjustments and include committed leases.
Key Economic Indicators

Sequential GDP
- **+3.1% for the Dec 20 quarter**
- +3.4% for the preceding quarter

Unemployment Rate
- **5.6% for the month of Mar 21**
- Improved from 5.8% in Feb 21

Consumer Price Index
- **1.1% for the 12 months to Mar 21**
- 0.9% for the 12 months to Dec 20

Cash Rate
- **0.1%**
- Unchanged since Nov 20

10-year bond yield
- **1.62%**
- As at 29 Apr 21

---

Overview of the Industrial and Commercial Market

**Industrial Prime Grade Net Face Rent**

<table>
<thead>
<tr>
<th>City</th>
<th>1Q17</th>
<th>1Q18</th>
<th>1Q19</th>
<th>1Q20</th>
<th>1Q21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brisbane</td>
<td>$145</td>
<td>$150</td>
<td>$150</td>
<td>$150</td>
<td>$150</td>
</tr>
<tr>
<td>Melbourne</td>
<td>$116</td>
<td>$116</td>
<td>$116</td>
<td>$116</td>
<td>$116</td>
</tr>
<tr>
<td>Sydney</td>
<td>$94</td>
<td>$94</td>
<td>$94</td>
<td>$94</td>
<td>$94</td>
</tr>
</tbody>
</table>

**Prime CBD Commercial Net Face Rent**

<table>
<thead>
<tr>
<th>City</th>
<th>1Q17</th>
<th>1Q18</th>
<th>1Q19</th>
<th>1Q20</th>
<th>1Q21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perth</td>
<td>$625</td>
<td>$625</td>
<td>$625</td>
<td>$625</td>
<td>$625</td>
</tr>
<tr>
<td>Melbourne</td>
<td>$624</td>
<td>$624</td>
<td>$624</td>
<td>$624</td>
<td>$624</td>
</tr>
</tbody>
</table>

**National Total Supply for Industrial**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>1Q17</th>
<th>1Q18</th>
<th>1Q19</th>
<th>1Q20</th>
<th>1Q21</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q17</td>
<td>750</td>
<td>950</td>
<td>1,150</td>
<td>1,350</td>
<td>1,550</td>
</tr>
<tr>
<td>1Q18</td>
<td>900</td>
<td>1,100</td>
<td>1,300</td>
<td>1,500</td>
<td>1,700</td>
</tr>
<tr>
<td>1Q19</td>
<td>1,100</td>
<td>1,300</td>
<td>1,500</td>
<td>1,700</td>
<td>1,900</td>
</tr>
<tr>
<td>1Q20</td>
<td>1,300</td>
<td>1,500</td>
<td>1,700</td>
<td>1,900</td>
<td>2,100</td>
</tr>
<tr>
<td>1Q21</td>
<td>1,500</td>
<td>1,700</td>
<td>1,900</td>
<td>2,100</td>
<td>2,300</td>
</tr>
</tbody>
</table>

**National Total Supply for CBD Commercial**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>1Q17</th>
<th>1Q18</th>
<th>1Q19</th>
<th>1Q20</th>
<th>1Q21</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q17</td>
<td>0</td>
<td>100</td>
<td>200</td>
<td>300</td>
<td>400</td>
</tr>
<tr>
<td>1Q18</td>
<td>100</td>
<td>200</td>
<td>300</td>
<td>400</td>
<td>500</td>
</tr>
<tr>
<td>1Q19</td>
<td>200</td>
<td>300</td>
<td>400</td>
<td>500</td>
<td>600</td>
</tr>
<tr>
<td>1Q20</td>
<td>300</td>
<td>400</td>
<td>500</td>
<td>600</td>
<td>700</td>
</tr>
<tr>
<td>1Q21</td>
<td>400</td>
<td>500</td>
<td>600</td>
<td>700</td>
<td>800</td>
</tr>
</tbody>
</table>

---

Operating environment in Germany and the Netherlands

Key economic indicators and market overview

**Key Economic Indicators in Germany**

- **Sequential GDP**
  - -1.7% for the Mar 21 quarter
  - +0.5% for the preceding quarter
- **Unemployment Rate**
  - 4.6% for the month of Mar 21
  - From 4.6% in Feb 21
- **Consumer Price Index**
  - 1.7% for the 12 months to Mar 21
  - From 1.3% in Feb 21
- **EURIBOR**
  - -0.536% 3-month EURIBOR
  - Remained in the negative range

**Overview of the German Industrial Market**

- **Take-up** in Germany increased 19% year-on-year in Q1 2021 as the market continues to recover from the effects of COVID-19. Demand is largely driven by the e-commerce market which saw several large transactions transacted.
- **Prime rents** have remained high in major logistics hubs as a result of limited supply and transactions signed for speculative developments of logistics parks.
- **Investment volumes** recorded €2 billion in Q1 2021 across the major logistics hubs, a decrease of 12% year-on-year.
- **Prime yields** however have remained at a record low of 3.35% from the last quarter after falling from 3.50% in Q3 2020.

**Key Economic Indicators in the Netherlands**

- **Sequential GDP**
  - -0.1% for the Dec 20 quarter
  - From +7.8% in the preceding quarter
- **Unemployment Rate**
  - 3.5% for the month of Mar 21
  - From 3.6% in Feb 21
- **Consumer Price Index**
  - 1.9% for the 12 months to Mar 21
  - From 1.8% for the 12 months to Feb 21

**Overview of the Dutch Industrial Market**

- **Take-up** levels increased 8.7% year-on-year in Q1 2021. Activity was boosted by demand from retail and distribution sectors, which accounted for more than half of total take-up.
- **Prime rents** have stabilized, but strong demand and low availability are continually putting an upward pressure on rents.
- **Investment volumes** have dropped in Q1 2021, partly reflecting changes in the tax regime (RETT increased from 6% to 8%). However, demand is still strong, reflecting a shift from other sectors to the logistics sector.
- **Prime yields** have compressed throughout the market to 3.4% in Q1 and are further expected to decrease by the end of the year.

---

Operating environment in Singapore
Key economic indicators and market overview

Key Economic Indicators\(^{(1)}\)

Sequential GDP
+\(2.0\%)\ for the Mar 21 quarter
+\(3.8\%)\ in the preceding quarter

Unemployment Rate
2.9\% for the month of Mar 21
From 3.0\% for the month of Feb 21

Consumer Price Index
1.3\% y-o-y in Mar 21
0.7\% y-o-y in Feb 21

Singapore Overnight Rate\(^{(2)}\)
0.1760\%
As at 29 Apr 21

10-year bond yield
1.62\%
As at 29 Apr 21\(^{(2)}\)

Overview of the Singapore Office and Business Park Markets\(^{(3)}\)

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Grade A</th>
<th>Grade B Islandwide</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q17</td>
<td>6.85</td>
<td>11.15</td>
</tr>
<tr>
<td>1Q18</td>
<td>6.85</td>
<td>11.50</td>
</tr>
<tr>
<td>1Q19</td>
<td>7.20</td>
<td>10.40</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Business Park (City Fringe)</th>
<th>Business Park (Rest of the Island)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q17</td>
<td>5.50</td>
<td>3.70</td>
</tr>
<tr>
<td>1Q18</td>
<td>5.65</td>
<td>3.70</td>
</tr>
<tr>
<td>1Q19</td>
<td>5.80</td>
<td>3.80</td>
</tr>
<tr>
<td>1Q20</td>
<td>5.85</td>
<td>3.75</td>
</tr>
<tr>
<td>1Q21</td>
<td>5.75</td>
<td>3.65</td>
</tr>
</tbody>
</table>

1. Sources: Singstat, Ministry of Trade and Industry Singapore, Ministry of Manpower Singapore.  2. Source: MAS SGS.  3. Source: CBRE, Singapore Market View, Q1 2021.  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 United Kingdom
Key economic indicators and market overview

Key Economic Indicators(1)

- Sequential GDP
  +1.3% for the Dec 20 quarter
  +16.9% in the preceding quarter

- Unemployment Rate
  4.9% for the three months to Feb 21
  5.0% for the three months to Jan 21

- Consumer Price Index
  1.0% for the 12 months to Mar 21
  0.7% for the 12 months to Feb 21

- Bank Rate
  0.1%
  Unchanged since March 20

South East Office Trends and Outlook(3)

- **Take-up** levels across the South East totaled 647,890 sqft in Q1 2021, the highest level of take-up since the beginning of the pandemic. This is also the strongest Q1 since 2015 and an increase of 8% on the 10-year Q1 average. The development pipeline remains severely constrained with just 289,000 sf completing in 2020, 68% below average.

- **Prime rents** have remained largely stable across the South East office market.

Harnessing competitive advantages to create long-term value and sustainable returns

**Our Objectives:**
- Deliver stable and regular distributions to unitholders
- Achieve sustainable long-term growth in DPU

### Active Asset Management
- Proactive leasing to maintain high occupancy rate, long WALE and a diversified tenant base
- Assess and undertake AEIs\(^{(1)}\) to unlock further value

### Selective Development
- Development of properties complementary to the existing portfolio
- Re-development of existing assets and by leveraging the Sponsor's development pipeline

### Acquisition Growth
- Pursue strategic acquisition opportunities of quality properties
  - Sponsor’s ROFR, with a value in excess of S$5 billion
  - Third party acquisitions

### Capital & Risk Management
- Optimise capital mix and prudent capital management

---

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: Additional Portfolio Information
1. Excludes the properties at 5 Butler Boulevard, 18-20 Butler Boulevard, and 20-22 Butler Boulevard at Adelaide Airport, South Australia which are classified as “Investment Properties Held for Sale”.  
2. As at 31 March 2021 and excludes the recognition of right-of-use assets upon the adoption of FRS 116 Leases with effect from 1 October 2019.  
3. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of March 2021. Excludes straight line rental adjustments and include committed leases.  
4. 95.5% of the leases have either CPI-linked indexation or fixed escalations.
## Portfolio overview – commercial

**Quality & well-located commercial portfolio**

### Cross Street Exchange
- **Country**: Singapore
- **Ownership**: 100.0%
- **Property Value (S$ m)**: 644.2
- **Lettable Area (sqm)**: 36,497
- **WALE (Years)**: 2.5
- **WALB (Years)**: 2.5
- **Occupancy Rate**: 82.6%

### 357 Collins Street
- **Country**: Melbourne, Australia
- **Ownership**: 100.0%
- **Property Value (S$ m)**: 327.5
- **Lettable Area (sqm)**: 31,962
- **WALE (Years)**: 2.4
- **WALB (Years)**: 2.4
- **Occupancy Rate**: 95.6%

### Central Park
- **Country**: Perth, Australia
- **Ownership**: 50.0%
- **Property Value (S$ m)**: 324.0
- **Lettable Area (sqm)**: 66,029
- **WALE (Years)**: 6.0
- **WALB (Years)**: 6.0
- **Occupancy Rate**: 82.9%

### Caroline Chisholm Centre
- **Country**: Canberra, Australia
- **Ownership**: 100.0%
- **Property Value (S$ m)**: 251.0
- **Lettable Area (sqm)**: 40,244
- **WALE (Years)**: 4.3
- **WALB (Years)**: 4.3
- **Occupancy Rate**: 100.0%

### Alexandra Technopark
- **Country**: Singapore
- **Ownership**: 100.0%
- **Property Value (S$ m)**: 624.2
- **Lettable Area (sqm)**: 96,086
- **WALE (Years)**: 2.8
- **WALB (Years)**: 2.6
- **Occupancy Rate**: 98.7%

### Farnborough Business Park
- **Country**: United Kingdom
- **Ownership**: 100.0%
- **Property Value (S$ m)**: 328.8
- **Lettable Area (sqm)**: 51,006
- **WALE (Years)**: 5.2
- **WALB (Years)**: 3.9
- **Occupancy Rate**: 91.8%

### Maxis Business Park
- **Country**: United Kingdom
- **Ownership**: 100.0%
- **Property Value (S$ m)**: 125.8
- **Lettable Area (sqm)**: 17,859
- **WALE (Years)**: 5.9
- **WALB (Years)**: 2.6
- **Occupancy Rate**: 100.0%

### Total

<table>
<thead>
<tr>
<th>Country</th>
<th>CBD Commercial</th>
<th>Office and Business Parks</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Singapore</td>
<td>Melbourne, Australia</td>
<td></td>
</tr>
<tr>
<td>Ownership</td>
<td>100.0%</td>
<td>100.0%</td>
<td>-</td>
</tr>
<tr>
<td>Property Value (S$ m)(1)</td>
<td>644.2</td>
<td>327.5</td>
<td>2,625.5</td>
</tr>
<tr>
<td>Lettable Area (sqm)</td>
<td>36,497</td>
<td>31,962</td>
<td>339,683</td>
</tr>
<tr>
<td>WALE(3)</td>
<td>2.5 years</td>
<td>2.4 years</td>
<td>3.9 years</td>
</tr>
<tr>
<td>WALB(3)</td>
<td>2.5 years</td>
<td>2.4 years</td>
<td>3.4 years</td>
</tr>
<tr>
<td>Occupancy Rate(3)</td>
<td>82.6%</td>
<td>95.6%</td>
<td>92.6%</td>
</tr>
</tbody>
</table>

1. As at 31 March 2021 and excludes the recognition of right-of-use-assets upon the adoption of FRS116 Leases with effect from 1 October 2019.
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 March 2021. Excludes straight lining rental adjustments and include committed leases.
## Occupancy rate

### Breakdown by asset type

<table>
<thead>
<tr>
<th>Logistics &amp; Industrial</th>
<th>As at 31 Mar 21</th>
<th>As at 31 Dec 20</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>100.0%</td>
<td>100.0%</td>
<td>-</td>
</tr>
<tr>
<td>Europe</td>
<td>100.0%</td>
<td>100.0%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Logistics &amp; Industrial Portfolio:</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>-</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commercial</th>
<th>Country</th>
<th>As at 31 Mar 21</th>
<th>As at 31 Dec 20</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross Street Exchange</td>
<td>Singapore</td>
<td>82.6%</td>
<td>89.0%</td>
<td>▼ 6.4%</td>
</tr>
<tr>
<td>Alexandra Technopark</td>
<td>Singapore</td>
<td>98.7%</td>
<td>97.2%</td>
<td>▲ 1.5%</td>
</tr>
<tr>
<td>Central Park</td>
<td>Australia</td>
<td>82.9%</td>
<td>82.9%</td>
<td>-</td>
</tr>
<tr>
<td>Caroline Chisholm Centre</td>
<td>Australia</td>
<td>100.0%</td>
<td>100.0%</td>
<td>-</td>
</tr>
<tr>
<td>357 Collins Street</td>
<td>Australia</td>
<td>95.6%</td>
<td>95.5%</td>
<td>▲ 0.1%</td>
</tr>
<tr>
<td>Farnborough Business Park</td>
<td>United Kingdom</td>
<td>91.8%</td>
<td>94.0%</td>
<td>▼ 2.3%</td>
</tr>
<tr>
<td>Maxis Business Park</td>
<td>United Kingdom</td>
<td>100.0%</td>
<td>100.0%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Commercial Portfolio:</strong></td>
<td></td>
<td><strong>92.6%</strong></td>
<td><strong>93.6%</strong></td>
<td></td>
</tr>
</tbody>
</table>

1. Based on GRI and includes committed leases.
### Top-10 Logistics & Industrial Tenants

<table>
<thead>
<tr>
<th>Tenant</th>
<th>% of FLCT Portfolio GRI</th>
<th>WALE (Years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ceva Logistics, Australia</td>
<td>2.0%</td>
<td>4.2</td>
</tr>
<tr>
<td>BMW, Germany</td>
<td>1.9%</td>
<td>6.7</td>
</tr>
<tr>
<td>Techtronics Industries, Australia</td>
<td>1.8%</td>
<td>2.6</td>
</tr>
<tr>
<td>Schenker, Australia</td>
<td>1.8%</td>
<td>3.6</td>
</tr>
<tr>
<td>Mainfreight, the Netherlands</td>
<td>1.5%</td>
<td>4.9</td>
</tr>
<tr>
<td>Hermes, Germany</td>
<td>1.3%</td>
<td>11.7</td>
</tr>
<tr>
<td>Constellium, Germany</td>
<td>1.3%</td>
<td>6.2</td>
</tr>
<tr>
<td>Bakker Logistics, the Netherlands</td>
<td>1.3%</td>
<td>9.6</td>
</tr>
<tr>
<td>Bosch, Germany</td>
<td>1.2%</td>
<td>7.3</td>
</tr>
<tr>
<td>Martin Brower Australia Pty Ltd</td>
<td>1.2%</td>
<td>15.5</td>
</tr>
</tbody>
</table>

**Total:** 15.3%  **Average:** 7.0 years

### Top-10 Commercial Tenants

<table>
<thead>
<tr>
<th>Tenant</th>
<th>% of FLCT Portfolio GRI</th>
<th>WALE (Years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commonwealth of Australia</td>
<td>5.1%</td>
<td>4.3</td>
</tr>
<tr>
<td>Google Asia Pacific, Singapore</td>
<td>3.9%</td>
<td>3.8</td>
</tr>
<tr>
<td>Rio Tinto, Australia</td>
<td>2.5%</td>
<td>9.3</td>
</tr>
<tr>
<td>Commonwealth Bank of Australia</td>
<td>2.1%</td>
<td>1.8</td>
</tr>
<tr>
<td>Fluor Limited, United Kingdom</td>
<td>1.5%</td>
<td>4.1</td>
</tr>
<tr>
<td>WeWork, Australia and Singapore</td>
<td>1.1%</td>
<td>9.2</td>
</tr>
<tr>
<td>GroupM Singapore Pte Ltd, Singapore</td>
<td>1.0%</td>
<td>2.3</td>
</tr>
<tr>
<td>Service Stream, Australia</td>
<td>1.0%</td>
<td>3.7</td>
</tr>
<tr>
<td>Syneos Health UK Ltd, UK</td>
<td>0.9%</td>
<td>6.8</td>
</tr>
<tr>
<td>Suntory Beverage &amp; Food Asia Pte Ltd, Singapore</td>
<td>0.7%</td>
<td>2.2</td>
</tr>
</tbody>
</table>

**Total:** 19.8%  **Average:** 4.7 years

---

1. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of March 2021. Excludes straight lining rental adjustments and include committed leases.
1. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of March 2021. Excludes straight lining rental adjustments and include committed leases.
Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of March 2021. Excludes straight lining rental adjustments and include committed leases.
Sustainability highlights
Continuing commitment to high ESG standards

Industrial Leadership
- The industrial portfolio was named Global Sector Leader (Listed Industrial) for the third consecutive year in the 2020 GRESB Assessment (1)

Strong Commercial Performance
- Top-5 in Asia Pacific Diversified – Office/Industrial(1)

Highest Rated Industrial Portfolio in Australia
- Highest Green Star performance-rated industrial portfolio in Australia (2)
- First to achieve 6 Star Green Star ratings for industrial facilities in each of New South Wales, Victoria and Queensland

Minimum 4.5-star NABERS(4) Energy ratings
- 357 Collins Street and Caroline Chisholm Centre: minimum 5.0-star rating
- Central Park: first commercial building in Australia to achieve 4.5-star NABERS Energy base building rating, first premium office building in Perth to attain 5.0-star NABERS Energy base building rating

BREEAM ratings(5)
- Farnborough Business Park and Maxis Business Park: ‘Excellent’/ ‘Very Good’ BREEAM ratings

BCA Green Mark Gold Plus
- Cross Street Exchange: BCA Green Mark Gold Plus certification

Please visit the FLCT website for more details on its sustainability strategy and performance

1. Refers to the 2020 Real Estate Assessments by GRESB, the global ESG benchmark for real estate. 2. Portfolio Green Star ratings as at 30 September 2020. Green Star ratings are awarded by the Green Building Council of Australia (GBCA) which has assessed the Australian properties against nine key performance criteria – energy, water, transport, materials, indoor environment quality management, land use and ecology, emissions and innovation. 3. Based on lettable area. 4. Refers to the National Australian Built Environment Rating System, Australia’s leading independent, evidence based built environment rating system. 5. Refers to the Building Research Establishment Environment Assessment Method, the world’s leading sustainability assessment for master planning projects, infrastructure and buildings. 6. Green Mark certification by the Building and Construction Authority, Singapore. 7. Green Mark re-certification for Alexandra Technopark is currently underway. Alexandra Technopark was certified Green Mark Gold prior to re-certification.
Appendix:
Additional Market Information
Australian industrial market

Sydney

- **Supply:** Over the last 12 months, 439,990 sqm of new stock was completed in Sydney which is below the historic ten-year average. There were limited new completions in the first quarter of 2021 ("1Q21") with only 3 developments reaching completion totalling 31,749 sqm of GLA. The Sydney development pipeline remains strong with approximately 539,000 sqm of new stock either under construction or with approved plans.

- **Demand:** In 1Q21, Sydney recorded 313,113 sqm of gross take-up which is significantly higher than the historic ten-year average. The strong gross take-up is supported by rising demand from eCommerce users. This has resulted in the Retail Trade sector accounting for 41% of gross take up during the quarter. The second and third largest user groups were Postal, Transport and Warehousing users (32%) and Wholesale Trade users (10%).

- **Rents:** Low vacancy rates and a shortage of developable land has translated to an average y-o-y rental growth of approximately 1.2% across all industrial precincts. The Outer Central West continues to perform strongly with net face rents growing by 3.2% to A$130/sqm. Prime industrial incentives have also increased slightly over the previous 12 months although they remain relatively low compared to other markets. Average prime incentives in the Outer Central West currently sitting at 16%.

- **Vacancy:** As at March 2021, industrial vacancies in Sydney remain near historic 5-year lows with approximately 575,149 sqm of available space. Sydney industrial vacancy are expected to increase over the next 12 months as new speculative stock is completed.

### Sydney Industrial Total Supply

![Graph showing Sydney Industrial Total Supply from 1Q12 to 1Q21](#)

**Annualised as at 1Q21**

- **Completed**
- **10-year annual average**

### Sydney Industrial Prime Grade Net Face Rents

![Graph showing Sydney Industrial Prime Grade Net Face Rents from 1Q12 to 1Q21](#)

**Sources:** Jones Lang LaSalle Real Estate Intelligence Service – Sydney Industrial Final Data 1Q21; Jones Lang LaSalle Real Estate Intelligence Service – Sydney Industrial Snapshot 1Q21; Jones Lang LaSalle Real Estate Data Solution – Sydney Construction Projects from Q2 2011 to 1Q 2021; Knight Frank Research – National Industrial March 2021.
Supply: A total of four projects with a total GLA of 125,660 sqm reached practical completion in Melbourne over 1Q21. Over the last 12 months, 767,325 sqm of new stock was completed in Melbourne which is significantly above the historic ten-year average. In 1Q21, the bulk of new industrial supply were concentrated in the Northern (53%) and Western Precincts (47%), reflective of their less restrictive land supply environments.

Demand: With lockdown restrictions easing in Victoria, leasing activity has significantly increased over the previous two quarters. Gross take-up for 1Q21 totalled 546,939 sqm which is the highest recorded gross-take up for the Melbourne market on record. The West industrial precincts recorded over 307,000 sqm of gross take representing 56% of all take up during the quarter.

Rents: Due to high levels of new supply in Melbourne, industrial face rents have generally remained flat, however there has been a slight face rental growth in the South East and North industrial precincts. The South East continues to be one of the strongest performing precinct with face rents increasing slightly to A$95/sqm net. Incentives in South East have also remained stable at around 23%.

Vacancy: During the March quarter, vacancies in Melbourne declined 20% as a result of strong tenant demand. As at March 2021, there was approximately 886,314 sqm of available industrial space in the Melbourne market. However, vacancy rates in Melbourne are expected to increase over the next 12 months as new speculative stock is completed.

Sources: Jones Lang LaSalle Real Estate Intelligence Service – Melbourne Industrial Final Data 1Q21; Jones Lang LaSalle Real Estate Intelligence Service – Melbourne Industrial Snapshot 1Q21; Jones Lang LaSalle Real Estate Data Solution – Melbourne Construction Projects from Q2 2011 to 1Q 2021; Knight Frank Research – National Industrial March 2021.
**Australian industrial market**

**Brisbane**

- **Supply:** During the March quarter, two developments were completed in Brisbane adding 12,800 of GLA to the market. Over the last 12 months, development activity in Brisbane has exceeded the 10-year average, with 378,605 sqm of new stock being added to the market. The largest completion during the quarter was a 7,000 sqm warehouse at 498 Progress Road, Wacol developed by Garda Capital Group. The supply pipeline remains relatively strong with 11 projects under construction, totalling 205,450 sqm which are expected to complete in 2021 and 2022.

- **Demand:** Tenant demand for industrial space in Brisbane has remained in line with the historic 10-year quarterly average. During the March quarter Brisbane recorded a gross take-up of 117,994 sqm. 75% the new leases were concentrated in the South with the remaining 25% in the Trade Coast. The largest transaction of the quarter was a 19,650 sqm lease to Eureka Street Furniture at 33 Iris Place, Acacia Ridge.

- **Rents:** Rental rates remained relatively stable across Brisbane over 1Q21. The only market to record rental growth over the previous 12 months was the Southern industrial precinct. Face rents increase 0.9% to $A111/sqm net. Incentives in Brisbane South have remained stable at 20% for prime industrial assets however incentives are expected to increase as new speculative developments reach completion.

- **Vacancy:** Vacancy levels in Brisbane have increased in 1Q21 as a result of speculative developments reaching completion. As at March 2021, the level of available industrial space is approximately 612,732 sqm. However, vacancy rates in Brisbane are expected to increase over the next 12 months as new speculative stock is completed.

**Brisbane Industrial Total Supply**

**Brisbane Industrial Prime Grade Net Face Rents**

**Annualised as at 1Q21**

Sources: Jones Lang LaSalle Real Estate Intelligence Service – Brisbane Industrial Final Data 1Q21; Jones Lang LaSalle Real Estate Intelligence Service – Brisbane Industrial Snapshot 1Q21; Jones Lang LaSalle Real Estate Data Solution – Brisbane Construction Projects from Q2 2011 to 1Q21; Knight Frank Research – National Industrial March 2021.
**Supply:** There were no new major commercial developments completed in the Melbourne CBD in 1Q21. During 2020, a total of seven new projects were completed in the Melbourne CBD contributing approximate 329,000 sqm of net lettable area ("NLA") making 2020 the highest year for completions since 1991. There are currently five new developments and two building refurbishments under construction in the Melbourne CBD. The developments will provide 260,270 sqm of NLA to the market and are due to be completed by 2023.

**Demand:** Tenant demand in Melbourne CBD has continued to remain weak however enquiry has begun to pick up as COVID restrictions continue to ease in Victoria. During 1Q21, the Melbourne CBD experienced negative net absorption of 56,195 sqm as tenants continued to offer sublease space to the market. Occupier demand is expected to remain subdued over the short term, as tenants continue to assess future office space requirements. JLL expects the Melbourne market to recover throughout 2021 with leasing activity increasing throughout the year.

**Rents:** Tenant demand in the Melbourne CBD has remained subdued over Q1 2021 and has resulted in an increase in vacancies and incentives. Over the last 12 months average net prime rents in Melbourne CBD have increased by 1.2% to A$624/sqm. Although we note that face rents have not recovered to their pre-COVID levels. Prime incentives in the Melbourne CBD have also increased slightly over the quarter and are currently at 34%. Despite the positive rental growth, the increase of incentives has resulted in negative effective rental growth over the quarter.

**Vacancy:** As at 1Q21, the vacancy rate in Melbourne’s CBD rose to 14.3%, being the highest level since 1999. This increase is due to a combination of weak tenant demand, increased sublease space as well as several large tenant contractions. As at 31 March 2021, there is approximately 727,725 sqm of vacant commercial space in the Melbourne CBD. According to JLL, vacancies are expected to peak in 2021 as new supply reaches completion and additional sublease space is offered to the market.
Australian commercial market
Perth CBD office

- **Supply**: Development activity in the Perth CBD has been subdued with no new developments being 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 are expected to be completed in 4Q 2023 and 4Q 2021 respectively and will provide approximately 79,200 sqm of commercial space to the Perth Market. Due to the persistently high vacancy rates in Perth there is unlikely to be any additional developments added to the supply pipeline.

- **Demand**: Tenant demand has remained subdued with Perth CBD experiencing negative net absorption of 2,600 sqm. Tenant enquiry has begun to pick up particularly for fitted out B-grade office accommodation. The new enquiry is primarily driven by the mining and professional service sectors. The WA State Government remains an active player in the market as it continues to review its office space requirements.

- **Rents**: Despite softening demand, prime rents in the Perth CBD remained stable over the previous 12 months. The average net prime rents in the Perth CBD are currently A$625/sqm. Over the quarter incentives for prime office space have also remained stable at 49%. The high-level of incentives is due to continued high vacancy rates and modest tenant demand in the Perth CBD office market.

- **Vacancy**: During 1Q 2021 the vacancy rate in Perth CBD increased slightly to 20.16%. Currently, there is approximately 364,401 sqm of vacant commercial space in the Perth CBD market. Vacancy rates are expected to decrease as demand from the mining and professional service sector are expected to increase over the next 12 months.
Singapore commercial market

CBD office

- **Supply**: There has been some new office completions in Q1 21, bringing total new completions in the 12-month period to 31 March 21 at c.636k mil sq ft. The bulk of the office supply will be injected into the market from 2021 to 2023, with bigger projects that include Capitaspring, Guoco Midtown and Central Boulevard Towers slated for completion by 2023.

- **Demand**: There has been an uptick in leasing momentum, total net absorption in 1Q21 was positive at 134,348 sq ft. In particular, Grade A (Core CBD) market registered a positive net absorption, as occupier capitalised on declining rents and moved to prime office buildings. Demand mainly driven by firms from the technology and financial services industries.

- **Rents**: In Q1 21, Grade A rental rates remained stable q-o-q at $10.40 psf/month. While Grade B market rents continue to grapple, seeing a further rental decline of 1.3% q-o-q to $7.80 psf/month.

- **Vacancy**: Coupled with lower occupancy of the new-builds upon completion, as well as the impact of slower demand with firms re-evaluating their real estate footprint and downsizing, vacancy rose from 5.0% in Q1 20 to 5.9% in Q1 21.

![Singapore Grade A and Grade B office rents](chart)

**Singapore office rents**

<table>
<thead>
<tr>
<th>1Q 21</th>
<th>Q-o-q (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grade A CBD Core</td>
<td>S$10.40</td>
</tr>
<tr>
<td>Grade B CBD Core</td>
<td>S$7.80</td>
</tr>
<tr>
<td>Grade B Islandwide</td>
<td>S$7.20</td>
</tr>
</tbody>
</table>

Source: CBRE, Singapore Market View, Q1 2021.
Singapore commercial market

Business park

- **Supply**: The completion of on-going projects are expected to be delayed by at least three months due to disruptions in the construction industry. From 2021 to 2023, an estimated 4.14 million sq ft of new supply will come on stream.

- **Demand**: Leasing activity was subdued in Q1 2021, with renewals and relocations continuing to feature. Total island wide net absorption registered at negative 35,817 sq ft in Q1 2021.

- **Rents**: With landlords becoming more flexible in rental negotiations as they seek to maintain occupancy levels, both City Fringe and Rest of Island markets registered a drop in rents. The former saw a decrease of 0.9% q-o-q to $5.75 psf/month whereas the latter saw a less steep drop of 1.4% q-o-q to $3.65 psf/month. The upcoming supply e.g. Clean Tech Park slated for completion in 2021 is likely to put pressure on rents.

- **Vacancy**: Island wide vacancy rate eased slightly from 13.0% in 3Q20 to 12.8% in 4Q20 with no new supply over the past three months. Occupancy rate is unlikely to dip significantly as there is limited large contiguous space in city fringe business parks.

### Singapore Business Park rents

<table>
<thead>
<tr>
<th>Quarter</th>
<th>City Fringe</th>
<th>Rest of Island</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q11</td>
<td>$5.05</td>
<td></td>
</tr>
<tr>
<td>1Q12</td>
<td>$5.25</td>
<td></td>
</tr>
<tr>
<td>1Q13</td>
<td>$5.3</td>
<td>$3.7</td>
</tr>
<tr>
<td>1Q14</td>
<td>$5.4</td>
<td>$3.8</td>
</tr>
<tr>
<td>1Q15</td>
<td>$5.5</td>
<td>$3.85</td>
</tr>
<tr>
<td>1Q16</td>
<td>$5.4</td>
<td>$3.65</td>
</tr>
<tr>
<td>1Q17</td>
<td>$5.5</td>
<td>$3.65</td>
</tr>
<tr>
<td>1Q18</td>
<td>$5.65</td>
<td>$3.7</td>
</tr>
<tr>
<td>1Q19</td>
<td>$5.8</td>
<td>$3.7</td>
</tr>
<tr>
<td>1Q20</td>
<td>$5.85</td>
<td>$3.75</td>
</tr>
<tr>
<td>1Q21</td>
<td>$5.75</td>
<td>$3.65</td>
</tr>
</tbody>
</table>

Source: CBRE, Singapore Market View, Q1 2021.

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.