

FRASERS LOGISTICS & COMMERCIAL TRUST

(Constituted in the Republic of Singapore pursuant
to the Trust Deed dated 30 November 2015 (as amended))

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 31 MARCH 2022

Frasers Logistics & Commercial Trust and its subsidiaries

Condensed Interim Financial Statements

For the six months period ended 31 March 2022

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A. Condensed Interim Consolidated Statement of Total Return

	Note	Group		Change
		1H2022	1H2021	
		S\$'000	S\$'000	%
Revenue	3	235,670	231,701	1.7
Property operating expenses	4	(52,073)	(51,858)	0.4
Net property income		183,597	179,843	2.1
Managers' management fee				
- Base fee		(15,738)	(12,996)	21.1
- Performance fee		(6,412)	(6,192)	3.6
Trustees' fees		(463)	(424)	9.2
Trust expenses		(3,069)	(2,998)	2.4
Exchange gains (net)		1,081	5	N.M.
Finance income		6	27	(77.8)
Finance costs		(22,292)	(23,416)	(4.8)
Net finance costs	5	(22,286)	(23,389)	(4.7)
Net income		136,710	133,849	2.1
Net change in fair value of derivatives		(935)	967	(196.7)
Gain on divestment of investment properties		169,694	2,451	N.M.
Total return for the period before tax		305,469	137,267	122.5
Tax expenses	6	(18,029)	(20,876)	(13.6)
Total return for the period		287,440	116,391	147.0
Total return attributable to:				
Unitholders of the Trust		286,296	115,544	147.8
Non-controlling interests		1,144	847	35.1
		287,440	116,391	147.0
Earnings per Unit (Singapore cents)				
Basic	7	7.76	3.37	130.2
Diluted	7	7.75	3.37	129.9
For information:				
Adjusted NPI [#]		180,085	173,890	3.6

Adjusted net property income ("Adjusted NPI") are calculated based on the actual net property income excluding straight lining adjustments for rental income and adding lease payments of right-of-use assets.

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B. Distribution Statement

	Group	
	1H2022	1H2021
	S\$'000	S\$'000
Distributable Income during the period		
Total return for the period attributable to Unitholders	286,296	115,544
Tax related and other adjustments (Note A)	(150,601)	14,882
Income available for distribution to Unitholders	<u>135,695</u>	<u>130,426</u>
Capital distribution (Note B)	6,413	-
Distributable Income	<u>142,108</u>	<u>130,426</u>
Amount available for distribution to Unitholders at beginning of the period	95,547	116,754
Distributable Income for the period	142,108	130,426
Amount available for distribution to Unitholders	<u>237,655</u>	<u>247,180</u>
Distributions to Unitholders:		
Distribution of 3.39 Singapore cents per Unit for the period from 15 April 2020 to 30 September 2020	-	(116,076)
Distribution of 2.57 Singapore cents per Unit for the period from 3 June 2021 to 30 September 2021	(94,733)	-
	<u>(94,733)</u>	<u>(116,076)</u>
Amount available for distribution to Unitholders at end of the period	<u>142,922</u>	<u>131,104</u>
Distribution per Unit (DPU) (Singapore cents)	<u>3.85</u>	<u>3.80</u>

Note A

Tax related and other adjustments relate to the following items:

Straight-lining of rental adjustments	(501)	(2,521)
Managers' management fee paid/payable in Units	13,876	12,775
Exchange (gains)/losses (net)	(1,033)	17
Finance costs	1,966	2,823
Lease payments of right-of-use assets	(3,011)	(3,432)
Net change in fair value of derivatives	935	(967)
(Gain)/Loss on divestment of investment properties, net of capital gains tax	(169,694)	5,181
Deferred tax expense	6,665	355
Non-controlling interests' share of adjustments	(101)	(179)
Other adjustments	297	830
Net distribution adjustments	<u>(150,601)</u>	<u>14,882</u>

Note B

Capital distribution relates to (a) reimbursements received from the vendors in relation to outstanding lease incentives at the point of completion of the acquisition of certain properties in Australia and Europe in prior years. The reimbursements received prior to 1 April 2021 were recognised as Revenue, (b) rental support received from vendors in relation to the acquisition of certain properties in the United Kingdom ("UK") and (c) divestment gains.

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C. Condensed Interim Statements of Financial Position

	Note	Group		Trust	
		31/3/2022 S\$'000	30/9/2021 S\$'000	31/3/2022 S\$'000	30/9/2021 S\$'000
Non-current assets					
Investment properties	8	6,834,871	7,482,282	-	-
Plant and equipment		158	209	-	-
Investment in subsidiaries		-	-	2,989,481	2,887,282
Loans to subsidiaries		-	-	1,823,124	1,843,727
Derivative assets		92,149	16,455	83,849	14,492
Total non-current assets		6,927,178	7,498,946	4,896,454	4,745,501
Current assets					
Cash and cash equivalents		997,164	140,367	59,544	13,597
Trade and other receivables		35,124	39,850	17,002	107,211
Derivative assets		819	1,015	9	1,015
Investment property held for sale		41,902	-	-	-
Total current assets		1,075,009	181,232	76,555	121,823
Total assets		8,002,187	7,680,178	4,973,009	4,867,324
Current liabilities					
Trade and other payables		89,829	96,589	27,043	83,554
Loans and borrowings	9	438,229	234,505	92,083	1,799
Derivative liabilities		1,991	2,535	1,062	493
Current tax liabilities		27,389	27,052	-	5
Liabilities directly associated with the investment properties held for sale		20,378	-	-	-
Total current liabilities		577,816	360,681	120,188	85,851
Non-current liabilities					
Trade and other payables		8,893	14,313	-	-
Loans and borrowings	9	2,271,282	2,447,207	1,405,945	1,433,141
Derivative liabilities		327	15,025	260	13,128
Deferred tax liabilities		234,627	223,497	-	-
Total non-current liabilities		2,515,129	2,700,042	1,406,205	1,446,269
Total liabilities		3,092,945	3,060,723	1,526,393	1,532,120
Net assets attributable to Unitholders		4,909,242	4,619,455	3,446,616	3,335,204
Represented by:					
Unitholders' funds		4,865,346	4,574,641	3,446,616	3,335,204
Non-controlling interests		43,896	44,814	-	-
Total equity		4,909,242	4,619,455	3,446,616	3,335,204
Net asset value per Unit (S\$)	10	1.32	1.24	0.93	0.90

D. Condensed Interim Statements of Movements in Unitholders' Funds

	1H2022			1H2021		
	Attributable to Unitholders S\$'000	Non-controlling interests S\$'000	Total S\$'000	Attributable to Unitholders S\$'000	Non-controlling interests S\$'000	Total S\$'000
Group						
At 1 October	4,574,641	44,814	4,619,455	3,770,460	36,217	3,806,677
Operations						
Increase in net assets resulting from operations	286,296	1,144	287,440	115,544	847	116,391
Transactions with owners						
Units issued and to be issued:						
- Managers' management fees/acquisition fees paid/payable in Units	13,876	-	13,876	12,775	-	12,775
Distributions paid to Unitholders	(94,733)	-	(94,733)	(116,076)	-	(116,076)
Net decrease in net assets resulting from transactions with owners	(80,857)	-	(80,857)	(103,301)	-	(103,301)
Hedging reserve						
Effective portion of change in fair value of cash flow hedges	41,971	84	42,055	13,967	18	13,985
Net increase in net assets resulting from hedging reserve	41,971	84	42,055	13,967	18	13,985
Foreign currency translation reserve						
Translation differences relating to financial statements of foreign subsidiaries	26,469	(2,105)	24,364	93,376	(1,471)	91,905
Exchange differences on hedge of net investments in foreign operations	37,429	-	37,429	(13,980)	-	(13,980)
Exchange differences on monetary items forming part of net investment in foreign operations	(20,603)	-	(20,603)	27,248	-	27,248
Net increase/(decrease) in net assets resulting from foreign currency translation reserve	43,295	(2,105)	41,190	106,644	(1,471)	105,173
Changes in ownership interests in subsidiaries						
Acquisition of non-controlling interests without a change in control	-	(41)	(41)	-	-	-
Total changes in ownership interests in subsidiaries	-	(41)	(41)	-	-	-
At 31 March	4,865,346	43,896	4,909,242	3,903,314	35,611	3,938,925

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D. Condensed Interim Statements of Movements in Unitholders' Funds (cont'd)

	1H2022	1H2021
	S\$'000	S\$'000
<u>Trust</u>		
At 1 October	3,335,204	3,074,592
Operations		
Increase in net assets resulting from operations	161,642	160,505
Transactions with owners		
Units issued and to be issued:		
- Managers' management fees/acquisition fees paid/payable in Units	13,876	12,775
Distributions paid to Unitholders	(94,733)	(116,076)
Net decrease in net assets resulting from transactions with owners	(80,857)	(103,301)
Hedging reserve		
Effective portion of change in fair value of cash flow hedges	30,627	9,668
Net increase in net assets resulting from hedging reserve	30,627	9,668
At 31 March	3,446,616	3,141,464

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E. Condensed Interim Consolidated Statement of Cash Flows

	Group	
	1H2022	1H2021
	S\$'000	S\$'000
Cash flow from operating activities		
Total return for the period before tax	305,469	137,267
Adjustments for:		
Straight-lining of rental adjustments	(501)	(2,521)
Effects of recognising leasing incentives on a straight-line basis over the lease term	2,552	2,687
Managers' management fee paid/payable in Units	13,876	12,775
Depreciation of plant and equipment	32	39
Loss on disposal of property, plant and equipment	18	-
Allowance for doubtful receivables	21	746
Unrealised exchange losses/(gains) (net)	1,267	(3,501)
Finance income	(6)	(27)
Finance costs	22,292	23,416
Net change in fair value of derivatives	935	(967)
Gain on divestment of investment properties	(169,694)	(2,451)
Cash generated from operations before working capital changes	176,261	167,463
Changes in working capital:		
Trade and other receivables	5,516	(1,864)
Trade and other payables	(10,915)	(5,053)
Cash generated from operations	170,862	160,546
Taxes paid	(10,906)	(13,224)
Net cash generated from operating activities	159,956	147,322
Cash flows from investing activities		
Acquisition of investment properties (including acquisition costs)	(9,241)	-
Stamp duty incurred on acquisition of investment properties	(547)	-
Net proceeds from divestment of investment properties	803,246	175,679
Capital and other expenditure on investment properties	(23,432)	(11,337)
Interest received	6	27
Net cash from investing activities	770,032	164,369
Cash flows from financing activities		
Interest paid	(20,449)	(20,967)
Proceeds from loans and borrowings	51,393	270,587
Repayment of loans and borrowings	(6,755)	(440,911)
Payment of upfront debt-related transaction costs	-	(1,159)
Payments for lease liabilities	(631)	(617)
Distributions paid to Unitholders	(94,733)	(116,076)
Net cash used in financing activities	(71,175)	(309,143)
Net increase in cash and cash equivalents	858,813	2,548
Cash and cash equivalents at beginning of period	140,367	168,652
Effect of exchange rate changes on cash and cash equivalents	(2,016)	2,765
Cash and cash equivalents at end of period	997,164	173,965

E. Condensed Interim Consolidated Statement of Cash Flows (cont'd)

Significant non cash transactions

Other than the non cash items as set out above, there were the following additional significant non cash financing and investing transactions during the following periods:

1H2022

- 14,702,400 Units, amounting to S\$22,130,000, were issued to the Managers as satisfaction of the management fees payable to the Managers.

1H2021

- 14,958,421 Units, amounting to S\$21,303,000, were issued to the Managers as satisfaction of the management fees payable to the Managers.
- 505,408 Units, amounting to S\$718,000, were issued to the Managers as satisfaction of the acquisition fees payable to the Managers for the acquisition of certain subsidiaries and investment properties acquired.

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F. Portfolio Statement
Group

Location of property	Acquisition date	Tenure ^(a)	Carrying amount	Carrying amount	Percentage of net assets attributable to Unitholders	Percentage of net assets attributable to Unitholders
			31/3/2022 S\$'000	30/9/2021 S\$'000	31/3/2022 %	30/9/2021 %
Completed investment properties						
<u>Logistics and industrial portfolio</u>						
A) Australia						
Melbourne, Victoria						
South East						
<u>South Park Industrial Estate</u>						
98-126 South Park Drive, Dandenong South	14 June 2016	Freehold	49,115	47,598	1.0	1.0
21-33 South Park Drive, Dandenong South	14 June 2016	Freehold	36,761	35,821	0.8	0.8
22-26 Bam Wine Court, Dandenong South	14 June 2016	Freehold	32,879	31,896	0.7	0.7
16-32 South Park Drive, Dandenong South	14 June 2016	Freehold	19,521	18,892	0.4	0.4
89-103 South Park Drive, Dandenong South	1 August 2017	Freehold	18,946	18,401	0.4	0.4
<u>The Key Industrial Park</u>						
17 Pacific Drive and 170-172 Atlantic Drive, Keysborough	14 June 2016	Freehold	52,139	50,542	1.1	1.1
150-168 Atlantic Drive, Keysborough	14 June 2016	Freehold	51,723	50,052	1.1	1.1
49-75 Pacific Drive, Keysborough	14 June 2016	Freehold	47,944	46,470	1.0	1.0
77 Atlantic Drive, Keysborough	14 June 2016	Freehold	32,442	31,405	0.7	0.7
78 & 88 Atlantic Drive, Keysborough	14 June 2016	Freehold	27,841	26,989	0.6	0.6
111 Indian Drive, Keysborough	31 August 2016	Freehold	50,274	48,580	1.0	1.1
29 Indian Drive, Keysborough	15 August 2017	Freehold	45,095	43,869	0.9	1.0
17 Hudson Court, Keysborough	12 September 2017	Freehold	45,372	44,163	0.9	1.0
8-28 Hudson Court, Keysborough	20 August 2019	Freehold	51,195	49,561	1.1	1.1
<u>Clayton South & Mulgrave</u>						
211A Wellington Road, Mulgrave	14 June 2016	Freehold	50,165	48,580	1.0	1.1
<u>Braeside Industrial Estate</u>						
75-79 Canterbury Road, Braeside	12 August 2020	Freehold	27,218	26,498	0.6	0.6
West						
<u>West Park Industrial Estate</u>						
468 Boundary Road, Derrimut	14 June 2016	Freehold	47,215	45,635	1.0	1.0
1 Doriemus Drive, Truganina	14 June 2016	Freehold	128,680	124,638	2.6	2.7
2-22 Efficient Drive, Truganina	14 June 2016	Freehold	64,163	62,123	1.2	1.3
1-13 and 15-27 Sunline Drive, Truganina	14 June 2016	Freehold	46,763	45,145	0.9	0.9
Balance carried forward			925,451	896,858	19.0	19.6

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F. Portfolio Statement (cont'd)
Group

Location of property	Acquisition date	Tenure ^(a)	Carrying amount	Carrying amount	Percentage of net assets attributable to Unitholders	Percentage of net assets attributable to Unitholders
			31/3/2022 S\$'000	30/9/2021 S\$'000	31/3/2022 %	30/9/2021 %
Balance brought forward			925,451	896,858	19.0	19.6
Melbourne, Victoria (cont'd)						
West (cont'd)						
<u>West Park Industrial Estate (cont'd)</u>						
42 Sunline Drive, Truganina	14 June 2016	Freehold	25,790	25,026	0.5	0.5
43 Efficient Drive, Truganina	1 August 2017	Freehold	36,002	34,840	0.7	0.8
<u>Altona Industrial Park</u>						
18-34 Aylesbury Drive, Altona	14 June 2016	Freehold	38,084	36,901	0.8	0.8
North						
<u>Melbourne Airport Business Park</u>						
38-52 Sky Road East, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	50,732 ^(d)	49,227 ^(d)	1.0	1.1
96-106 Link Road, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	39,990 ^(d)	38,767 ^(d)	0.8	0.8
17-23 Jets Court, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	14,993 ^(d)	14,635 ^(d)	0.3	0.3
25-29 Jets Court, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	19,864 ^(d)	19,208 ^(d)	0.4	0.4
28-32 Sky Road East, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	15,961 ^(d)	15,598 ^(d)	0.4	0.4
115-121 South Centre Road, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	9,162 ^(d)	8,878 ^(d)	0.3	0.2
City Fringe						
<u>Port Melbourne</u>						
2-46 Douglas Street, Port Melbourne	14 June 2016	37-year leasehold expiring on 30 March 2053	-	40,527 ^(d)	-	0.9
Balance carried forward			1,176,029	1,180,465	24.2	25.8

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F. Portfolio Statement (cont'd)

Group

Location of property	Acquisition date	Tenure ^(a)	Carrying amount	Carrying amount	Percentage of net assets attributable to Unitholders	Percentage of net assets attributable to Unitholders
			31/3/2022 S\$'000	30/9/2021 S\$'000	31/3/2022 %	30/9/2021 %
Balance brought forward			1,176,029	1,180,465	24.2	25.8
Sydney, New South Wales						
Outer Central West						
<u>Eastern Creek</u>						
4-8 Kangaroo Avenue, Eastern Creek	14 June 2016	Freehold	110,230	106,973	2.3	2.3
21 Kangaroo Avenue, Eastern Creek	14 June 2016	Freehold	91,148	88,326	1.9	1.9
17 Kangaroo Avenue, Eastern Creek	14 June 2016	Freehold	62,672	60,749	1.3	1.3
7 Eucalyptus Place, Eastern Creek	14 June 2016	Freehold	45,586	44,163	0.9	1.0
2 Hanson Place, Eastern Creek	20 August 2019	Freehold	86,234	83,615	1.8	1.8
<u>Pemulwuy</u>						
8-8A Reconciliation Rise, Pemulwuy	14 June 2016	Freehold	63,327	61,338	1.3	1.3
6 Reconciliation Rise, Pemulwuy	14 June 2016	Freehold	56,532	54,713	1.2	1.2
<u>Wetherill Park</u>						
1 Burilda Close, Wetherill Park	30 November 2016	90-year leasehold expiring on 29 September 2106	122,115 ^(d)	117,877 ^(d)	2.5	2.6
Lot 1, 2 Burilda Close, Wetherill Park	1 August 2017	89-year leasehold expiring on 14 July 2106	45,424 ^(d)	43,964 ^(d)	0.9	1.0
3 Burilda Close, Wetherill Park	5 September 2018	89-year leasehold expiring on 15 May 2107	64,279 ^(d)	62,230 ^(d)	1.3	1.4
Outer North West						
<u>Seven Hills</u>						
8 Distribution Place, Seven Hills	14 June 2016	Freehold	33,780	32,730	0.7	0.7
99 Station Road, Seven Hills	14 June 2016	Freehold	29,679	28,755	0.6	0.6
10 Stanton Road, Seven Hills	14 June 2016	Freehold	19,710	19,039	0.4	0.4
8 Stanton Road, Seven Hills	1 August 2017	Freehold	27,497	26,645	0.6	0.6
<u>Winston Hills</u>						
11 Gibbon Road, Winston Hills	14 June 2016	Freehold	53,199	51,524	1.1	1.1
Port Kembla (Wollongong)						
<u>Port Kembla (Wollongong)</u>						
Lot 104 & 105 Springhill Road, Port Kembla	14 June 2016	33-year leasehold, expiring on 13 August 2049 ^(b) for Lot 104 and 20 August 2049 ^(b) for Lot 105	27,178 ^(d)	26,100 ^(d)	0.5	0.7
Balance carried forward			2,114,619	2,089,206	43.5	45.7

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F. Portfolio Statement (cont'd)

Group

Location of property	Acquisition date	Tenure ^(a)	Carrying amount	Carrying amount	Percentage of net assets attributable to Unitholders	Percentage of net assets attributable to Unitholders
			31/3/2022 S\$'000	30/9/2021 S\$'000	31/3/2022 %	30/9/2021 %
Balance brought forward			2,114,619	2,089,206	43.5	45.7
Brisbane, Queensland						
350 Earnshaw Road, Northgate	20 June 2016	99-year leasehold expiring on 19 June 2115	71,765	69,679	1.5	1.5
286 Queensport Road, North Murarrie	20 June 2016	99-year leasehold expiring on 19 June 2115	50,625	49,070	1.0	1.1
57-71 Platinum Street, Crestmead	20 June 2016	99-year leasehold expiring on 19 June 2115	57,852	55,940	1.2	1.2
51 Stradbroke Street, Heathwood	20 June 2016	99-year leasehold expiring on 19 June 2115	36,786	35,576	0.8	0.8
30 Flint Street, Inala	20 June 2016	99-year leasehold expiring on 19 June 2115	28,631	27,774	0.6	0.6
99 Shettleston Street, Rocklea	20 June 2016	99-year leasehold expiring on 19 June 2115	21,743	21,100	0.4	0.5
55-59 Boundary Road, Carole Park	20 June 2016	99-year leasehold expiring on 19 June 2115	23,860	23,112	0.5	0.5
10 Siltstone Place, Berrinba	20 June 2016	99-year leasehold expiring on 19 June 2115	19,468	18,892	0.4	0.4
143 Pearson Road, Yatala	31 August 2016	99-year leasehold expiring on 30 August 2115	51,469	49,953	1.1	1.1
166 Pearson Road, Yatala	1 August 2017	Freehold	53,549	51,818	1.1	1.1
103-131 Wayne Goss Drive, Berrinba	5 September 2018	Freehold	38,243	37,293	0.8	0.8
29-51 Wayne Goss Drive, Berrinba	20 August 2019	Freehold	32,596	31,699	0.7	0.7
Perth, Western Australia						
60 Paltridge Road, Perth Airport	14 June 2016	17-year leasehold expiring on 3 June 2033	11,507	11,188	0.1	0.2
Balance carried forward			2,612,713	2,572,300	53.7	56.2

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F. Portfolio Statement (cont'd)

Group

Location of property	Acquisition date	Tenure ^(a)	Carrying amount	Carrying amount	Percentage of net assets attributable to Unitholders	Percentage of net assets attributable to Unitholders
			31/3/2022 S\$'000	30/9/2021 S\$'000	31/3/2022 %	30/9/2021 %
Balance brought forward			2,612,713	2,572,300	53.7	56.2
B) Germany						
Stuttgart – Mannheim						
Industriepark 309, Gottmadingen	25 May 2018	Freehold	77,072	80,816	1.6	1.8
Otto-Hahn-Straße 10, Vaihingen	25 May 2018	Freehold	87,208	91,508	1.8	2.0
Eiselauer Weg 2, Ulm	25 May 2018	Freehold	68,449	71,776	1.4	1.6
Murrer Strasse 1, Freiberg	25 May 2018	Freehold	57,386	60,219	1.2	1.3
Ambros-Nehren-Strasse 1, Achern	25 May 2018	Freehold	23,088	24,214	0.5	0.5
Bietigheimer Straße 50-52, Tamm	23 August 2019	Freehold	120,130	126,256	2.5	2.8
Am Bühlfeld 2-8, Herbrechtingen	3 September 2019	Freehold	64,043	67,452	1.3	1.5
Munich – Nuremberg						
Oberes Feld 2, 4, 6, 8, Moosthenning	25 May 2018	Freehold	111,047	116,508	2.3	2.5
Koperstraße 10, Nuremberg	25 May 2018	63-year leasehold expiring on 31 December 2080	106,450 ^(d)	111,330 ^(d)	2.2	2.4
Industriepark 1, Mamming	25 May 2018	Freehold	23,687	24,843	0.5	0.5
Jubatus-Allee 3, Ebermannsdorf	25 May 2018	Freehold	12,952	13,522	0.3	0.3
Dieselstraße 30, Garching	27 August 2019	Freehold	51,611	54,087	1.1	1.2
Hermesstraße 5, Graben, Augsburg	3 September 2019	Freehold	63,566	66,666	1.3	1.5
Hamburg – Bremen						
Am Krainhop 10, Isenbützel	25 May 2018	Freehold	28,185	29,559	0.5	0.6
Am Autobahnkreuz 14, Rastede	25 May 2018	Freehold	27,473	29,088	0.5	0.7
Balance carried forward			3,535,060	3,540,144	72.7	77.4

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F. Portfolio Statement (cont'd)

Group

Location of property	Acquisition date	Tenure ^(a)	Carrying amount	Carrying amount	Percentage of net assets attributable to Unitholders	Percentage of net assets attributable to Unitholders
			31/3/2022 S\$'000	30/9/2021 S\$'000	31/3/2022 %	30/9/2021 %
Balance brought forward			3,535,060	3,540,144	72.7	77.4
Dusseldorf – Cologne						
Saalhoffer Straße 211, Rheinberg	25 May 2018	Freehold	50,999	53,458	1.0	1.2
Elbestraße 1-3, Marl	25 May 2018	Freehold	23,485	24,591	0.5	0.5
Keffelker Straße 66, Brilon	25 May 2018	Freehold	17,840	18,553	0.4	0.4
Gustav-Stresemann-Weg 1, Münster	25 May 2018	Freehold	22,938	24,056	0.5	0.5
Walter-Gropius-Straße 19, Bergheim	23 August 2019	Freehold	34,332	36,006	0.7	0.8
An den Dieken 94, Ratingen	23 August 2019	Freehold	89,663	93,552	1.8	2.0
Leipzig – Chemnitz						
Johann-Esche-Straße 2, Chemnitz	25 May 2018	Freehold	26,236	26,729	0.5	0.6
Am Exer 9, Leipzig	25 May 2018	Freehold	22,230	23,270	0.5	0.5
Frankfurt						
Im Birkengrund 5-7, Obertshausen	23 August 2019	Freehold	55,463	58,175	1.1	1.3
Bielefeld						
Fuggerstraße 17, Bielefeld	28 November 2019	Freehold	47,075	49,370	1.0	1.1
Berlin						
Gewerbegebiet Etzin 1, Ketzin	20 December 2019	Freehold	65,215	68,395	1.3	1.5
Baden – Württemberg						
Buchäckerring 18, Bad Rappenau	4 June 2021	Freehold	61,917	64,936	1.3	1.4
Rheinland – Pfalz						
Genfer Allee 6, Mainz	4 June 2021	Freehold	82,756	86,791	1.7	1.9
Am Römig 8, Frankenthal	4 June 2021	Freehold	45,426	47,641	0.9	1.1
Balance carried forward			4,180,635	4,215,667	85.9	92.2

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F. Portfolio Statement (cont'd)

Group

Location of property	Acquisition date	Tenure ^(a)	Carrying amount	Carrying amount	Percentage of net assets attributable to Unitholders	Percentage of net assets attributable to Unitholders
			31/3/2022 S\$'000	30/9/2021 S\$'000	31/3/2022 %	30/9/2021 %
Balance brought forward			4,180,635	4,215,667	85.9	92.2
C) Netherlands						
Tilburg – Venlo						
Belle van Zuylenstraat 5, Tilburg;	25 May 2018	Freehold	27,364	28,663	0.6	0.6
Mraga Klompeweg 7, Tilburg	25 May 2018	Freehold	44,827	47,012	0.9	1.0
Heierhoevenweg 17, Venlo						
Utrecht – Zeewolde						
Brede Steeg 1, s-Heerenberg	25 May 2018	Freehold	103,539	107,860	2.1	2.4
Handelsweg 26, Zeewolde	25 May 2018	Freehold	72,875	76,414	1.5	1.7
Meppel						
Mandeveld 12, Meppel	31 October 2018	Freehold	43,230	45,330	0.9	1.0
De Klomp						
Trafostraat 190, Ede, Destillatiestraat 2, De Klomp, and Innovatielaan 6, De Klomp	30 June 2021	Freehold	32,339	33,805	0.7	0.7
D) The United Kingdom						
Connexion, Blythe Valley Park, Shirley, Solihull, United Kingdom	4 June 2021	Freehold	75,898	78,028	1.6	1.7
Commercial portfolio						
A) Singapore						
18, 20 & 22 Cross Street and 4 retail units at 181 South Bridge Road, Singapore 048423/2/1 and 058743	15 April 2020	76-year leasehold expiring 2 February 2096	-	632,000	-	13.8
Alexandra Technopark 438A, 438B & 438C Alexandra Road, Singapore 119967/8/76	15 April 2020	88-year leasehold expiring 25 August 2108	657,102	657,000	13.5	14.3
Balance carried forward			5,237,809	5,921,779	107.7	129.4

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F. Portfolio Statement (cont'd)

Group

Location of property	Acquisition date	Tenure ^(a)	Carrying amount	Carrying amount	Percentage of net assets attributable to Unitholders	Percentage of net assets attributable to Unitholders
			31/3/2022	30/9/2021	31/3/2022	30/9/2021
			S\$'000	S\$'000	%	%
Balance brought forward			5,237,809	5,921,779	107.7	129.4
B) Australia						
Central Park 152-158 St Georges Terrace, Perth, Western Australia, 6000 ("Central Park") ^(c)	15 April 2020	Freehold	345,111	328,769	7.1	7.2
Caroline Chisholm Centre Block 4 Section 13, Tuggeranong, ACT 2900 Australia ("Caroline Chisholm Centre")	15 April 2020	81-year leasehold expiring 25 June 2101	250,997	242,406	5.2	5.3
357 Collins Street, Melbourne, Victoria 3000 Australia ("357 Collins Street")	15 April 2020	Freehold	327,410	316,992	6.7	6.9
C) The United Kingdom						
Farnborough Business Park, Farnborough, Thames Valley, United Kingdom	30 April 2020	Freehold	309,355	314,659	6.4	6.9
Maxis Business Park, Western Road, Bracknell, United Kingdom	12 August 2020	Freehold	118,543	121,625	2.4	2.7
Blythe Valley Park, Shirley, Solihull, United Kingdom ("BVP")	4 June 2021	Freehold	221,693	236,052	4.5	5.2
Total completed investment properties and balance carried forward			6,810,918	7,482,282	140.0	163.6

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F. Portfolio Statement (cont'd)

Group

Location of property	Acquisition date	Tenure ^(a)	Carrying amount	Carrying amount	Percentage of net assets attributable to Unitholders	Percentage of net assets attributable to Unitholders
			31/3/2022 S\$'000	30/9/2021 S\$'000	31/3/2022 %	30/9/2021 %
Balance brought forward			6,810,918	7,482,282	140.0	163.6
Investment property held for sale						
<u>Logistics and industrial portfolio</u>						
<u>City Fringe</u>						
<u>Port Melbourne</u>						
2-46 Douglas Street, Port Melbourne	14 June 2016	37-year leasehold expiring on 30 March 2053	41,902 ^(d)	-	0.9	-
Investment properties under development						
<u>Logistics and industrial portfolio</u>						
<u>The United Kingdom</u>						
Worcester Six business park, Worcestershire, West Midlands, United Kingdom	26 January 2022	Freehold	13,828	-	0.3	-
Connexion II, Blythe Valley Park, Solihull, Birmingham, United Kingdom	4 June 2021	Freehold	10,125	-	0.1	-
Total completed investment properties, investment property held for sale and investment property under development			6,876,773	7,482,282	141.3	163.6
Other assets and liabilities (net)			(1,967,531)	(2,862,827)	(40.4)	(62.6)
Net assets of the Group			4,909,242	4,619,455	100.9	101.0
Net assets attributable to non-controlling interests			(43,896)	(44,814)	(0.9)	(1.0)
Unitholders' funds			4,865,346	4,574,641	100.0	100.0

(a) From the date of acquisition.

(b) Includes an option for the Group to renew the land lease for 5 further terms of 5 years upon expiry.

(c) The Group has an effective interest of 50% in the property.

(d) Includes right-of-use asset.

G. Notes to Condensed Interim Consolidated Financial Statements

1. General

Frasers Logistics & Commercial Trust (the “Trust” or “FLCT”) is a Singapore-domiciled unit trust constituted in Singapore pursuant to the Trust Deed dated 30 November 2015 (as amended) (the “Trust Deed”) between Frasers Logistics & Commercial Asset Management Pte. Ltd. (the “Manager”) and Perpetual (Asia) Limited (the “Trustee”). The Trustee is under a duty to take into custody and hold the assets of the Trust and its subsidiaries (the “Group”) in trust for the holders (“Unitholders”) of units in the Trust (the “Units”).

The Trust was formally admitted to the Official List of the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 20 June 2016 (the “Listing Date”).

The registered office of the Manager is at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958.

The principal activity of the Group is to invest directly or indirectly in a diversified portfolio of income producing real estate assets (i) used for logistics or industrial purposes and located globally which may also include office components ancillary to the foregoing purposes, or (ii) used for commercial purposes (comprising primarily office space in a Central Business District (“CBD office space”) or business park purposes (comprising primarily non-CBD office space and/or research and development space) located in the Asia Pacific region or in Europe (including the United Kingdom).

For financial reporting purposes, the Group is regarded as a subsidiary of Frasers Property Limited, a Singapore-domiciled company. The ultimate holding company is TCC Assets Limited, which is incorporated in the British Virgin Islands.

The condensed interim consolidated financial statements relate to the Trust and its subsidiaries.

2. Basis of preparation

The financial statements for the six months ended 31 March 2022 have been prepared in accordance with the provisions relevant to interim financial information in the Statement of Recommended Accounting Practice (“RAP”) 7 *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore and the provisions of the Trust Deed, and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 30 September 2021. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles under the Financial Reporting Standards in Singapore (“FRSs”).

The financial statements do not contain all of the information required for full annual financial statements.

The financial statements are presented in Singapore dollars (“SGD”), which is the functional currency of the Trust and rounded to the nearest thousand (S\$’000).

The preparation of financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Frasers Logistics & Commercial Trust and its subsidiaries

Condensed Interim Financial Statements

For the six months period ended 31 March 2022

2. Basis of preparation (cont'd)

In preparing the financial statements, significant judgements made by the Manager in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 30 September 2021.

The accounting policies applied by the Group in these financial statements are the same as those applied by the Group in its financial statements as at and for the year ended 30 September 2021, except for adoption of *COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendments to FRS 116)* for the first time for the annual period beginning on 1 October 2021.

The application of this amendment to standards did not have a material impact on the financial statements.

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 October 2021 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements. The Group is in the process of assessing the impact of the new standards, interpretations and amendments to standards on its financial statements.

3. Revenue

Revenue comprises the following:

	Group	
	1H2022	1H2021
	S\$'000	S\$'000
Rental income	193,203	193,423
Incentives reimbursement	-	2,312
Recoverable outgoings	38,402	33,072
Other revenue	4,065	2,894
	<u>235,670</u>	<u>231,701</u>

Other revenue in 1H2022 relates mainly to the early surrender fee received from a tenant of Farnborough Business Park, Farnborough, Thames Valley, and government grant income received by the Group in relation to property tax rebates on its Singapore properties and subsidies on certain properties in the European portfolio. Other revenue in 1H2021 relates mainly to the government grant income received by the Group in relation to property tax rebates on its Singapore properties.

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4. Property operating expenses

Property operating expenses comprise the following:

	Group	
	1H2022	1H2021
	S\$'000	S\$'000
Land and property tax	11,416	11,973
Property management fee	8,787	7,367
Property maintenance and related expenses	16,457	14,272
Property related professional fees	258	392
Allowance for doubtful receivables	21	746
Statutory expenses	5,387	5,195
Other property expenses	9,747	11,913
	<u>52,073</u>	<u>51,858</u>

Statutory expenses relate to council rates, utility charges and other government levies. Other property expenses relate to insurance premiums, amortisation of leasing fee and government grant expenses incurred by the Group.

5. Net finance costs

	Group	
	1H2022	1H2021
	S\$'000	S\$'000
Finance income		
Interest income	6	27
	<u>6</u>	<u>27</u>
Finance costs		
Financial liabilities measured at amortised cost:		
- Amortisation of debt upfront costs	(1,427)	(1,926)
- Interest expense on bank loans and notes	(17,464)	(18,695)
- Interest expense on lease liabilities	(2,385)	(2,823)
- Others	(583)	(459)
	<u>(21,859)</u>	<u>(23,903)</u>
Derivatives measured at fair value		
- Interest (expense)/income	(433)	487
	<u>(22,292)</u>	<u>(23,416)</u>
Net finance costs	<u>(22,286)</u>	<u>(23,389)</u>

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6. Tax expense

The major components of tax expense are:

	Group	
	1H2022	1H2021
	S\$'000	S\$'000
Current tax expense		
- Current year	5,652	7,573
- Over provision in respect of prior years	(610)	(97)
	<u>5,042</u>	<u>7,476</u>
Withholding tax expense	6,322	13,045
Deferred tax expense		
- Origination and reversal of temporary differences	6,665	355
	<u>18,029</u>	<u>20,876</u>

Current tax expense comprises mainly the income tax on the Group's entities. Withholding tax expense relates to withholding tax on the taxable distributable income and interest income from the Group's Australian entities. Deferred tax is provided on the temporary differences between the tax bases of investment properties and their carrying amounts at the reporting date.

7. Earnings per Unit

Basic earnings per Unit

The calculation of basic earnings per Unit for the Group is based on the total return for the period attributable to Unitholders and weighted average number of Units during the period:

	Group	
	1H2022	1H2021
	S\$'000	S\$'000
Total return for the period attributable to Unitholders	<u>286,296</u>	<u>115,544</u>
Issued Units at the beginning of the period	<u>'000</u> 3,676,420	<u>'000</u> 3,413,220
Effect of issue of new Units:		
- In satisfaction of the Managers' management fees paid in Units	12,204	12,652
- In satisfaction of the Managers' acquisition fees paid in Units	-	505
Weighted average number of Units	<u>3,688,624</u>	<u>3,426,377</u>

Frasers Logistics & Commercial Trust and its subsidiaries

Condensed Interim Financial Statements

For the six months period ended 31 March 2022

7. Earnings per Unit (cont'd)

Diluted earnings per Unit

The calculation of diluted earnings per Unit for the Group was based on the total return for the period attributable to Unitholders and the weighted average number of Units during the period after adjustment for the effects of all dilutive potential Units.

	Group	
	1H2022	1H2021
	S\$'000	S\$'000
Total return for the period attributable to Unitholders	<u>286,296</u>	<u>115,544</u>
	'000	'000
Weighted average number of Units used in calculation of basic	3,688,624	3,426,377
- Effect of the Managers' management fees payable in Units	<u>6,918</u>	<u>6,566</u>
Weighted average number of Units (diluted)	<u>3,695,542</u>	<u>3,432,943</u>

8. Investment properties

	Completed Investment properties S\$'000	Investment properties under development S\$'000	Total S\$'000
At 1 October 2020	6,352,240	-	6,352,240
Acquisition of investment properties through acquisition of subsidiaries (including acquisition costs)	234,293	-	234,293
Acquisition of investment properties (including acquisition costs)	328,151	-	328,151
Capital expenditure incurred	32,747	-	32,747
Disposal of investment properties	(45,962)	-	(45,962)
Capitalisation of leasing incentives, net of amortisation	1,810	-	1,810
Straight-lining of rental adjustments	4,242	-	4,242
Net change in fair value recognised in statement of total return	602,850	-	602,850
Translation differences	<u>(28,089)</u>	-	<u>(28,089)</u>
At 30 September 2021	<u>7,482,282</u>	-	<u>7,482,282</u>

Frasers Logistics & Commercial Trust and its subsidiaries*Condensed Interim Financial Statements**For the six months period ended 31 March 2022***8. Investment properties (cont'd)**

	Completed Investment properties S\$'000	Investment properties under development S\$'000	Total S\$'000
At 1 October 2021	7,482,282	-	7,482,282
Acquisition of investment properties (including acquisition costs)	-	9,788	9,788
Capital expenditure incurred	12,667	5,076	17,743
Transfer to investment property held for sale	(40,735)	-	(40,735)
Transfer	(9,628)	9,628	-
Disposal of investment properties	(633,552)	-	(633,552)
Capitalisation of leasing incentives, net of amortisation	1,653	-	1,653
Straight-lining of rental adjustments	(1,585)	-	(1,585)
Translation differences	(184)	(539)	(723)
At 31 March 2022	<u>6,810,918</u>	<u>23,953</u>	<u>6,834,871</u>

Completed investment properties comprise industrial properties in Australia, Germany and the Netherlands, and the United Kingdom and commercial properties and business parks in Singapore, Australia and the United Kingdom that are leased to third parties under operating leases.

In December 2021, the Group announced its proposed divestment of a leasehold property at 2-24 Douglas Street, Port Melbourne, Victoria, Australia ("Port Melbourne Divestment"). Accordingly, the investment property, including the corresponding right-of-use assets, was reclassified to investment property held for sale as at 31 March 2022. The Group completed the divestment of Cross Street Exchange, Singapore ("CSE Divestment") on 31 March 2022.

The carrying amounts of the investment properties as at 31 March 2022 were based on independent valuations undertaken by CIVAS (VIC) Pty Limited, CIVAS (NSW) Pty Limited, Jones Lang LaSalle Advisory Services Pty Ltd, Knight Frank NSW Valuations & Advisory Pty Ltd, Savills Valuations Pty Ltd, Jones Lang LaSalle SE, BNP Paribas, Savills PLC, Knight Frank LLP, CBRE Pte. Ltd., Knight Frank Australia Pty Ltd and Knight Frank Valuation & Advisory Canberra Pty Limited as at 30 September 2021, adjusted for capital expenditure incurred subsequent to the valuation date, straight-lining adjustments, capitalisation of leasing incentives, net of amortisation, and translation differences. The Group has assessed that the carrying amounts of the investment properties as at 31 March 2022 approximate their fair values.

The carrying amount of the investment properties under development as at 31 March 2022 is stated at its "As Is" fair value which is determined using the residual approach. Under this approach, a property under development is valued by estimating the gross development value of the completed property and then deducting from that amount the estimated costs to complete construction, financing costs and a reasonable profit margin. The gross development value is the estimated value of the property assuming satisfactory completion of the development as at the date of the valuation, which is determined using the capitalisation and discounted cash flow methods.

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8. Investment properties (cont'd)

Measurement of fair value

The fair values of the investment properties, including the investment property held for sale were determined using the capitalisation method and/or discounted cash flow method. The valuation methods involve making certain estimates including those relating to capitalisation rate, gross initial yield, net initial yield, discount rate and terminal yield.

The fair value of the investment properties under development was determined using the residual approach. The valuation methods involve making certain estimates including those relating to gross development value, estimated costs to complete, capitalisation rate, discount rate and terminal yield.

The fair value measurement for all of the investment properties, including the investment property held for sale, has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used.

	31/3/2022	30/9/2021
	S\$'000	S\$'000
Fair value of investment properties	6,694,464	7,323,891
Add: Carrying amount of lease liabilities	140,407	158,391
Carrying amount of investment properties	6,834,871	7,482,282

9. Loans and borrowings

	Group		Trust	
	31/3/2022	30/9/2021	31/3/2022	30/9/2021
	S\$'000	S\$'000	S\$'000	S\$'000
Current				
Bank loans				
- unsecured	305,137	210,310	92,280	1,800
- secured	111,868	21,852	-	-
Floating rate notes - unsecured	20,500	1,250	-	-
Less: Unamortised transaction costs	(251)	(167)	(197)	(1)
	437,254	233,245	92,083	1,799
Lease liabilities	975	1,260	-	-
	438,229	234,505	92,083	1,799
Non-current				
Bank loans				
- unsecured	1,791,941	1,820,432	1,410,941	1,439,432
- secured	196,495	308,494	-	-
Fixed rate notes - unsecured	150,000	169,250	-	-
Less: Unamortised transaction costs	(6,586)	(8,100)	(4,996)	(6,291)
	2,131,850	2,290,076	1,405,945	1,433,141
Lease liabilities	139,432	157,131	-	-
	2,271,282	2,447,207	1,405,945	1,433,141
Total loans and borrowings	2,709,511	2,681,712	1,498,028	1,434,940

The borrowings are secured against certain investment properties in the European portfolio.

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10. Net asset value/Net tangible asset per Unit

	Group		Trust	
	31/3/2022	30/9/2021	31/3/2022	30/9/2021
Net asset value ("NAV") per Unit is based on: Net assets attributable to Unitholders (S\$'000)	4,865,346	4,574,641	3,446,616	3,335,204
Total issued and issuable Units at the end of the period ('000) (Note 11)	3,695,542	3,686,126	3,695,542	3,686,126
NAV/Net tangible asset per Unit (S\$)	1.32	1.24	0.93	0.90

11. Units in issue and to be issued

	Group and Trust			
	31/3/2022		30/9/2021	
	Number of Units '000	S\$'000	Number of Units '000	S\$'000
Units issued				
At the beginning of the financial period/year	3,676,420	3,443,233	3,413,220	3,074,594
Creation of new Units:				
- Private placement	-	-	240,000	335,760
- Managers' management fees paid in Units	14,702	22,130	19,620	27,859
- Managers' acquisition fees paid in Units	-	-	3,580	5,020
At the end of the financial period/year	3,691,122	3,465,363	3,676,420	3,443,233
Units to be issued				
Managers' management fees payable in Units	4,420	6,411	9,706	14,666
Total issued and issuable Units	3,695,542	3,471,774	3,686,126	3,457,899

31 March 2022

During the period, 14,702,400 Units were issued at S\$1.49 to S\$1.51 per Unit, amounting to S\$22,130,000, as satisfaction of the Managers' management fees payable in Units.

30 September 2021

During the year, the following new Units were issued:

- 240,000,000 Units were issued at S\$1.40 per Unit, amounting to S\$335,760,000, in a private placement undertaken by the Trust, for cash;
- 19,619,486 Units were issued at S\$1.41 to S\$1.43 per Unit, amounting to S\$27,859,000, as satisfaction of the Managers' management fees payable in Units; and
- 3,580,450 Units were issued at S\$1.40 to S\$1.42 per Unit, amounting to S\$5,020,000, as satisfaction of the Managers' acquisition fees payable in Units arising from certain subsidiaries acquired.

12. Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	31/3/2022	30/9/2021
	S\$'000	S\$'000
Capital commitments in respect of:		
- Investment properties (including investment properties under development)	92,781	43,096

13. Financial ratios

	1H2022	1H2021
	%	%
Expenses to weighted average net assets ⁽¹⁾		
- with performance fee of Managers	0.55	0.59
- without performance fee of Managers	0.41	0.43
Expense to net asset value ⁽²⁾	1.58	1.89
Portfolio turnover rate ⁽³⁾	0.21	-

(1) The expense ratios are computed in accordance with the guidelines of the Investment Manager Association of Singapore. The expenses used in the computation relate to the expenses of the Group, excluding property expenses, interest expense, foreign exchange gains and losses and tax expense of the Group.

(2) The expense ratio is computed based on total operating expense, including property expenses and all fees and charges paid/payable to the Managers and the interested parties as a percentage of net asset value as at the end of the financial period.

(3) The portfolio turnover ratios are computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value.

14. Subsequent events

There were the following significant events subsequent to the reporting date:

- On 6 May 2022, the Manager declared a distribution of 3.85 Singapore cents per Unit to Unitholders in respect of the period from 1 October 2021 to 31 March 2022.
- In April 2022, the Group and the Trust has repaid S\$395.3 million and S\$130.8 million of borrowings respectively, comprising both current and non-current borrowings.

H. Other information required by Listing Rule Appendix 7.2

1. Review

The condensed interim consolidated statement of financial position of the Group and consolidated portfolio statement of the Group and the condensed interim statement of financial position of the Trust as at 31 March 2022, the condensed interim consolidated statement of total return, consolidated interim distribution statement, condensed interim consolidated statement of movements in unitholders' funds and condensed interim consolidated statement of cash flows of the Group and the condensed interim statement of movements in unitholders' funds of the Trust for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance

(i) Statement of Total Return

Review of Performance for the six months period from 1 October 2021 to 31 March 2022 ("1H2022") vs 1 October 2020 to 31 March 2021 ("1H2021")

Adjusted NPI for 1H2022 of S\$180.1 million was S\$6.2 million (or 3.6%) higher than 1H2021. The higher Adjusted NPI for 1H2022 was mainly contributed by the full six months impact of the acquisition of interests in six properties in Germany, the Netherlands and the United Kingdom in 2021 ("2021 Acquisitions") and early surrender fee received from a tenant of Farnborough Business Park, Farnborough, Thames Valley. These were in part offset by the effect of the divestment of its remaining 50% interest in 99 Sandstone Place, Parkinson located in Queensland in November 2020 ("Sandstone Place Divestment") and three leasehold industrial properties in South Australia in March 2021 ("SA Portfolio Divestment").

Excluding the impact of the interest expense on lease liabilities, 1H2022 finance costs decreased by S\$0.7 million as compared to 1H2021. This was due mainly to lower interest costs on refinanced borrowings in 2021. At 31 March 2022, 71% (31 March 2021: 71%) of borrowings were at fixed rates.

The total return attributable to Unitholders of the Trust for 1H2022 of S\$286.3 million was S\$170.8 million (or 147.8%) higher than 1H2021. This was due mainly to (a) gain on divestment of investment properties of S\$169.7 million and (b) net exchange gain of S\$1.1 million which relate to the exchange differences arising from settlement of foreign currency forward contracts, which were offset partially by (c) fair value loss on foreign currency forward contracts of S\$0.9 million to hedge the currency risk on distributions to Unitholders.

Tax expenses for 1H2022 of S\$18.0 million were S\$2.8 million (or 13.6%) lower than 1H2021. The lower current tax expense as compared to 1H2021 was due mainly to lower allowable expense deductions from overseas subsidiaries in 1H2021. The lower deferred tax expense and the corresponding higher withholding tax expense in 1H2021 was due mainly to crystallisation of capital gains tax from divestment of investment properties.

The REIT Manager has elected to receive 62.6% of the 1H2022 management fee in the form of units (1H2021: 66.6%).

Income available for distribution to Unitholders was S\$135.7 million, an increase of S\$5.3 million over 1H2021. The REIT Manager has declared a capital distribution of S\$6.4 million during the period (1H2021: nil). Together with the capital distribution, the Distributable Income for 1H2022 was S\$142.1 million, an increase of S\$11.7 million over 1H2021.

2. Review of performance (cont'd)

(ii) Statement of financial position

The carrying value of completed investment properties was based on independent valuations as at 30 September 2021, adjusted for capital expenditure incurred subsequent to the valuation date, straight-lining adjustments, capitalisation of leasing incentives, net of amortisation and translation differences. The decrease in completed investment properties was due mainly to the completion of CSE Divestment.

Investment properties under development ("IPUD") relate mainly to (a) the land acquisition for the development of a prime warehouse at Worcester Six business park in the West Midlands, United Kingdom ("Worcester Acquisition"), (b) reclassification of the land acquisition for the development of Connexion II at Blythe Valley Park in Birmingham, United Kingdom and (c) the additional development costs incurred.

Investment property held for sale as at 31 March 2022 relates to the Port Melbourne Divestment and was based on fair value of the property as assessed by independent valuers as at 30 September 2021 and the corresponding right-of-use assets.

Derivatives related to fair values of interest rates swaps, cross currency interest rates swaps, cross currency swaps to hedge the Group's interest rate risk and foreign exchange risk in respect of its borrowings; and fair value of foreign currency forward contracts to hedge the Group's foreign denominated income. The movement is due to changes in fair value of derivatives.

Total loans and borrowings increased due mainly to the additional debt drawn down to finance the Worcester Acquisition. The aggregate leverage as at 31 March 2022 is 33.1% (31 March 2021: 35.3%) and interest coverage ratio¹ and adjusted interest coverage ratio¹ for the trailing 12 months ended 31 March 2022 was 12.5 times (31 March 2021: 6.8 times). In aggregate, 71% (31 March 2021: 71%) of the interest rate risk on the total borrowings were at fixed rates as at 31 March 2022. The Group is in compliance with all its financial covenants. In April 2022, the Group and the Trust has repaid S\$395.3 million and S\$130.8 million of borrowings respectively, comprising both current and non-current borrowings.

The increase in Unitholders' funds was due mainly to the total return for 1H2022 and payment of management fees, fair value gain on derivatives, and a higher foreign currency translation reserve due to the effects of the stronger AUD as at 31 March 2022 compared to 30 September 2021 on the net assets attributable to the Australian operations. The increase was partially offset by distributions paid to Unitholders in 1H2022.

Non-controlling interests are attributable to minority interests held by various parties in certain European companies.

3. Variance from Forecast Statement

Not applicable.

¹ Ratio that is calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation, interest income), by the trailing 12 months borrowing costs (including interest expense on lease liabilities) and for the purpose of adjusted interest coverage ratio, distribution on hybrid securities, 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. Borrowing costs include effects of FRS 116.

4. Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The overall operating environment is expected to improve as countries increasingly transition to live with COVID-19 and continue on a path towards normalcy. However, there remains some uncertainty as to whether a full recovery will be realised due to concerns regarding the potential emergence of new virus variants which may result in a resurgence of more serious COVID-19 infections.

On the macroeconomic front, market sentiment is expected to remain mixed due to rising energy costs, inflation and interest rate hike pressures. Further, the ongoing Russia-Ukraine conflict could have broad financial implications across the world. The conflict has resulted in a rise in global oil, energy and commodity prices and raised the risk of a global recession.

According to the Australian Bureau of Statistics, Australia's GDP grew at a faster pace of 3.4% in the December 2021 quarter, improving from a decline of -1.9% in the preceding September quarter. The consumer price index over the 12-months to March 2022 was 5.1%, and the Reserve Bank of Australia has opted to increase the cash rate target by 25 basis points to 35 basis points, opining that it was the right time to begin withdrawing some of the extraordinary monetary support that was put in place to help the Australian economy during the pandemic. The country has significantly eased its COVID-19 restrictions and fully opened its international borders in late February 2022. However, a recent surge in cases due to the Omicron BA.2 wave, the detection of a new variant in the country, as well as the ongoing bilateral trade tensions between Australia and China remain areas to be closely watched. According to the latest statement from the Reserve Bank of Australia in February 2022, the country's GDP is forecast to grow by around 4.25% over 2022.

Based on the latest available data from UK's Office for National Statistics, the country's GDP grew 1.3% in the October to December 2021 quarter, improving from 0.9% in the preceding quarter. According to the German Federal Office of Statistics, Germany's economy grew 0.2% in the first quarter of 2022, recovering from a 0.3% contraction in the December quarter, while the official Dutch statistics office, CBS, reported that the country's economy grew 1.0% over the same period. According to the World Economic Outlook report released by the International Monetary Fund in April 2022, the real GDP for the German, British and Dutch economies are forecast to grow by 2.1%, 3.7% and 3.0% respectively.

In Germany, the Netherlands and the UK, the authorities have lifted containment restrictions substantially as these countries adopt an approach of 'living with the virus'. However, the World Health Organisation has cautioned that a global rise in COVID-19 cases could signify a bigger problem and there are concerns that Europe could face yet another wave with a surge in infections noted in several countries including Germany, the Netherlands and the UK.

The Russia-Ukraine conflict also has implications on Europe and the UK. The disruption to supply chains exacerbated by the Russia-Ukraine conflict has been felt by the auto industry across western Europe with Ukraine being a major supplier of auto parts. Energy prices in Europe also face upward pressure as the conflict continues to disrupt the energy market.

For Singapore, advanced estimates published by Singapore's Ministry of Trade and Industry on 14 April 2022 noted a 3.4% year-on-year growth in the first quarter of 2022, moderating from 6.1% in the preceding quarter. In March and April 2022, the government significantly eased COVID-19 measures and opened its borders as the country's COVID-19 situation gradually improved. This includes the removal of work-from-home as the default mode of working arrangement, allowing all workers to return to the workplace, and the substantial easing of travel restrictions. Based on the latest estimate published by the Monetary Authority of Singapore in April 2022, Singapore's GDP growth is projected to come in between 3 – 5% in 2022.

4. Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months (cont'd)

With recovery on the cards in our key markets, FLCT remains focused on managing any financial implications arising from COVID-19, foreign exchange risks, and ongoing macroeconomic developments. There continues to be no material impact to the FLCT portfolio to-date, although the situation remains dynamic. Capital and liquidity management also remains a key strategic priority. FLCT's resilient portfolio, strong balance sheet and financial flexibility well positions the REIT to face the current challenging global environment.

Looking ahead, the REIT Manager will continue to focus on proactive asset and lease management strategies, and to evaluate and pursue growth opportunities by way of asset enhancements and/or acquisitions, to generate sustainable long-term value for FLCT unitholders.

5. Distributions

(a) Current financial period

Any distributions declared for the current period? Yes

Name of Distribution	Distribution for the financial period from 1 October 2021 to 31 March 2022	
		Singapore cents
Distribution type / rate	Tax-exempt distribution component (per Unit)	2.60
	Taxable income distribution component (per Unit)	0.56
	Capital distribution component (per Unit)	0.69
	Total (per Unit)	<u><u>3.85</u></u>

Tax rate Tax-exempt income distribution component
The tax-exempt income distribution component is exempt from Singapore income tax in the hands of all unitholders, regardless of their nationality, corporate identity or tax residence status. No tax will be deducted from such component.

Taxable income distribution component
Qualifying investors and individuals (other than those who hold their Units through partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from carrying on of a trade, business or profession.

Capital distribution component
The capital distribution component represents a return of capital to unitholders for Singapore income tax purposes. The amount of the capital distribution component will be applied to reduce the cost base of unitholders' Units for Singapore income tax purposes. For unitholders who are liable to Singapore income tax on profits from the sale of their Units, the reduced cost base of their Units will be used to calculate any taxable trading gains arising from the disposal of the Units.

5. Distributions (cont'd)

(b) Corresponding period of the immediately preceding financial period

Any distribution declared for the corresponding period of the immediate preceding financial period? Yes

Name of Distribution Distribution for the financial period from 1 October 2020 to 31 March 2021

		Singapore cents
Distribution type / rate	Taxable income distribution component (per Unit)	1.15
	Tax-exempt distribution component (per Unit)	<u>2.65</u>
	Total (per Unit)	<u><u>3.80</u></u>

Tax rate Taxable income distribution component
Qualifying investors and individuals (other than those who hold their Units through partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from carrying on of a trade, business or profession.

Tax-exempt income distribution component
The tax-exempt income distribution component is exempt from Singapore income tax in the hands of all unitholders, regardless of their nationality, corporate identity or tax residence status. No tax will be deducted from such component.

(c) Date payable

17 June 2022

(d) Record date

17 May 2022

6. Interested Person Transactions

FLCT Group has not obtained a general mandate from Unitholders for any Interested Person Transactions.

7. Additional information – Foreign Investment Regime of Australia

Refer to Appendix 1.

8. Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual

Frasers Logistics & Commercial Asset Management Pte. Ltd. ("FLCAM"), the Manager of FLCT confirms that it has procured undertakings from all Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the Listing Manual.

9. Confirmation pursuant to Rule 705(5) of the SGX-ST Listing Manual

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of FLCAM (as Manager of FLCT) which may render these interim financial results to be false or misleading, in any material aspect.

For and on behalf of the Board of Directors of

Frasers Logistics & Commercial Asset Management Pte. Ltd.

Ho Hon Cheong
Chairman

Bobby Chin Yoke Choong
Director

By Order of the Board of Directors of
Frasers Logistics & Commercial Asset Management Pte. Ltd.
(Company registration no. 201528178Z)
As manager of Frasers Logistics & Commercial Trust

Catherine Yeo
Company Secretary
6 May 2022

Additional information – Foreign Investment Regime of Australia

Australia's foreign investment regime is set out in the Australian *Foreign Acquisitions and Takeovers Act 1975* ("FATA") and associated regulations and the Australian Government's Foreign Investment Policy.

Notifiable actions (i.e. mandatory notification) for Australian Land Trusts

A "foreign person"¹ that acquires Units is required under the FATA to notify and receive a prior no objections notification ("FIRB Approval") in respect of its investment in FLCT from the Australian Treasurer through the Foreign Investment Review Board ("FIRB") if any of the circumstances set out below apply at the time the Units are acquired:

- (a) if FLCT is considered to be an "Australian Land Trust"² ("ALT") at the time of acquisition, all foreign persons acquiring Units (including existing holders of Units acquiring additional Units) will require FIRB Approval unless an exemption applies (see below);
- (b) if FLCT is not an ALT, but has gross Australian assets that meet a specified threshold prescribed under FATA or the consideration value meets the specified threshold (as at the date of this Announcement, the threshold prescribed under FATA is A\$289 million³) at the time of acquisition, all investors (i) who are foreign persons and (ii) who are acquiring a substantial interest (20% or more held solely or together with associates) in FLCT or have a substantial interest (20% or more held solely or together with associates) and increase their holding, will require FIRB Approval; or

¹ A "foreign person" is broadly defined in the FATA and includes:

- (a) an individual not ordinarily resident in Australia; or
- (b) a corporation in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest (20% or more held solely or together with associates); or
- (c) a corporation in which 2 or more persons, each of whom is an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest (40% or more including associate holdings); or
- (d) the trustee of a trust in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest (20% or more held solely or together with associates); or
- (e) the trustee of a trust in which 2 or more persons, each of whom is an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest (40% or more including associate holdings);
- (f) a foreign government; or
- (g) any other person, or any other person that meets the conditions, prescribed by the regulations.

² An ALT is a unit trust in which the value of interests in Australian land exceeds 50% of the value of the total assets of the unit trust.

³ Where the investor is from certain free trade agreement partners (Chile, China, Hong Kong, Japan, New Zealand, Peru, Singapore, South Korea, the United States, and any other country for which the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), done at Santiago on 8 March 2018, is in force) a higher threshold of A\$1,250 million applies.

Additional information – Foreign Investment Regime of Australia (cont'd)

- (c) any investor that is a Foreign Government Investor⁴ acquiring a “direct interest”⁵ in FLCT will require FIRB Approval prior to acquisition, regardless of whether FLCT is considered to be an ALT or whether FLCT has gross Australian assets in excess of the applicable threshold; or
- (d) if FLCT is a national security business⁶ (or if it carries on a national security business) any investor acquiring a direct interest in FLCT will require FIRB Approval at the time of acquisition of a “direct interest”, regardless of the value of the interest; or
- (e) if FLCT is an ALT and holds any interests in national security land⁷, any investor acquiring a direct interest in FLCT will require FIRB Approval at the time of acquisition of a “direct interest”, regardless of the value of the interest.

⁴ A “foreign government investor” means an entity that is:

- (a) a foreign government or separate government entity; or
- (b) a corporation, or trustee of a trust, or general partner of an unincorporated limited partnership in which:
 - a foreign government or separate government entity, alone or together with one or more associates, holds an interest of at least 20%; or
 - foreign governments or separate government entities of more than one country (or parts of more than one foreign country), together with any one or more associates, hold an interest of at least 40%;
- (c) a “separate government entity” means an individual, corporation or corporation sole that is an agency or instrumentality of a foreign country or part of a foreign country, but not part of the body politic of a foreign country or of a part of a foreign country.

The FATA deems foreign government related entities from the same country to be associated. The effect is that an entity will be a foreign government investor where one or more foreign government related entities from the same country have in aggregate a 20% or more interest in the subject entity.

⁵ A “direct interest” is defined to mean:

- (a) an interest of at least 10% in the entity or business, or
- (b) an interest of at least 5% in the entity or business if the person who acquires the interest has entered a legal arrangement relating to the businesses of the person and the entity or business, or
- (c) an interest of any percentage in the entity or business if the person who acquired the interest is in a position to:
 - participate in or influence the central management and control of the entity or business; or
 - influence, participate in or determine the policy of the entity or business.

⁶ A business is a ‘national security business’ if:

- (a) the business is carried on wholly or partly in Australia whether or not in anticipation of profit or gain; and
- (b) it is publicly known, or could be known upon the making of reasonable inquiries, that the business is of a kind referred to below:
 - a responsible entity (within the meaning of the *Security of Critical Infrastructure Act 2018* (Cth) (**‘the SOCI Act’**)) for an asset;
 - an entity that is a direct interest holder in relation to a critical infrastructure asset (within the meaning of those terms in the SOCI Act);
 - a carrier or nominated carriage service provider to which the *Telecommunications Act 1997* (Cth) applies;
 - develops, manufactures or supplies critical goods or critical technology that are, or are intended to be, for a military use, or an intelligence use, by defence and intelligence personnel, the defence force of another country, or a foreign intelligence agency;
 - provides, or intends to provide, critical services to defence and intelligence personnel, the defence force of another country, or a foreign intelligence agency;
 - stores or has access to information that has a security classification;
 - stores or maintains personal information of defence and intelligence personnel collected by the Australian Defence Force, the Defence Department or an agency in the national intelligence community which, if accessed, could compromise Australia’s national security;
 - collects, as part of an arrangement with the Australian Defence Force, the Defence Department or an agency in the national intelligence community, personal information on defence and intelligence personnel which, if disclosed, could compromise Australia’s national security; or
 - stores, maintains or has access to personal information on defence and intelligence personnel that has been collected as part of an arrangement with the Australian Defence Force, the Defence Department or an agency within the national intelligence community, which, if disclosed, could compromise Australia’s national security.

⁷ ‘National security land’ is currently defined as:

- Defence premises – land owned or occupied by Defence; or
- Land in which an agency in the national intelligence community has an interest (if this interest is publicly known or could be known after making reasonable inquiries).

Additional information – Foreign Investment Regime of Australia (cont'd)

Exemptions from ALT requirements

There are two relevant exemptions from the requirement to obtain FIRB Approval under the FATA that would otherwise apply if FLCT was considered to be an ALT:

- (a) where the relevant person is not a foreign government investor and the relevant person's interest in FLCT would not be valued in excess of a specified threshold prescribed under the FATA (at the date of this announcement, the threshold prescribed under the FATA is A\$289 million⁸, unless the ALT has 'sensitive' land holdings, in which case the threshold is A\$63 million)⁹; and
- (b) the relevant person, together with associates, is acquiring an interest of less than 10% in FLCT and will not be in a position to influence or participate in the central management and control of FLCT or to influence, participate in or determine the policy of FLCT.¹⁰

Significant actions

As at 31 March 2022, the value of the Australian land assets comprised in FLCT's portfolio is 44.2% of the total asset value of FLCT. Consequently, FLCT is not considered to be an ALT. As at 31 March 2022, FLCT had gross Australian assets of approximately S\$3,534.1 million, which is above the general A\$289 million threshold applicable to trusts that are not ALTs.

Any investor that is a "foreign person" acquiring Units on the secondary market should seek their own advice on the FIRB requirements as they pertain to their specific circumstances.

⁸ See footnote 3 above.

⁹ This applies in respect of ALTs that have predominantly developed commercial real estate portfolios (i.e. less than 10% residential or vacant commercial land). It is the value of the interest being acquired, rather than the value of the underlying land that is in the usual course determinative for the purposes of this exemption. The concept of 'sensitive' land is broad and includes transport logistics facilities, mines, telecommunication structures and critical infrastructure (for example, an airport or port) as well as property that has Australian government tenants.

¹⁰ This applies where an ALT is listed on an official stock exchange (whether in Australia or not).

Important Notice

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

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

The value of 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 Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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