

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 AND FULL YEAR ENDED 30 SEPTEMBER 2023**

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

TABLE OF CONTENTS

Item No.	Description	Page No.
A	Condensed Interim Consolidated Statement of Total Return	3
B	Distribution Statement	4
C	Condensed Interim Statements of Financial Position	5
D	Condensed Interim Statements of Movements in Unitholders' Funds	6-8
E	Condensed Interim Consolidated Statement of Cash Flows	9-10
F	Portfolio Statement	11-19
G	Notes to Condensed Interim Consolidated Financial Statements	20-32
H	Other Information required by Listing Rule Appendix 7.2	33
H.1	Review	33
H.2	Review of Performance	33-35
H.3	Variance from Forecast Statement	35
H.4	Outlook and Prospects	36-37
H.5	Distributions	38-39
H.6	Interested Person Transactions	39
H.7	Breakdown of Revenue	40
H.8	Review of Performance	40
H.9	Additional information	40
H.10	Confirmation Pursuant to Rule 720(1) of the Listing Manual	41
H.11	Confirmation Pursuant to Rule 704(13) of the Listing Manual	41

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

A. Condensed Interim Consolidated Statement of Total Return

	Note	Group					
		2H2023	2H2022	Change	2023	2022	Change
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	3	212,801	214,517	(0.8)	420,782	450,187	(6.5)
Property operating expenses	4	(55,723)	(49,293)	13.0	(105,781)	(101,366)	4.4
Net property income		157,078	165,224	(4.9)	315,001	348,821	(9.7)
Managers' management fee							
- Base fee		(13,937)	(14,015)	(0.6)	(28,090)	(29,753)	(5.6)
- Performance fee		(5,106)	(5,853)	(12.8)	(10,459)	(12,265)	(14.7)
Trustees' fees		(442)	(443)	(0.2)	(870)	(906)	(4.0)
Trust expenses		(3,037)	(1,638)	85.4	(5,340)	(4,707)	13.4
Exchange gains (net)		2,756	1,043	N.M.	5,019	2,124	N.M.
Finance income		807	721	11.9	1,620	727	N.M.
Finance costs		(25,033)	(19,303)	29.7	(46,763)	(41,595)	12.4
Net finance costs	5	(24,226)	(18,582)	30.4	(45,143)	(40,868)	10.5
Net income		113,086	125,736	(10.1)	230,118	262,446	(12.3)
Net change in fair value of derivatives		(232)	1,211	N.M.	(473)	276	N.M.
Net change in fair value of investment properties	8	(358,956)	425,593	N.M.	(358,956)	425,593	N.M.
Gain on divestment of investment properties		-	-	N.M.	17,389	169,694	(89.8)
Total (loss)/return for the period before tax		(246,102)	552,540	N.M.	(111,922)	858,009	N.M.
Tax credit/(expense)	6	21,459	(101,239)	N.M.	6,581	(119,268)	N.M.
Total (loss)/return for the period		(224,643)	451,301	N.M.	(105,341)	738,741	N.M.
Total (loss)/return attributable to:							
Unitholders of the Trust		(221,107)	442,349	N.M.	(103,034)	728,645	N.M.
Non-controlling interests		(3,536)	8,952	N.M.	(2,307)	10,096	N.M.
		(224,643)	451,301	N.M.	(105,341)	738,741	N.M.
Earnings per Unit (Singapore cents)							
Basic	7	(5.93)	11.98	N.M.	(2.77)	19.74	N.M.
Diluted	7	(5.90)	11.92	N.M.	(2.75)	19.63	N.M.
For information:							
Adjusted NPI [#]		155,525	162,053	(4.0)	311,442	342,138	(9.0)

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.

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

B. Distribution Statement

	Group			
	2H2023	2H2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
Distributable Income during the period				
Total (loss)/return for the period attributable to Unitholders	(221,107)	442,349	(103,034)	728,645
Tax related and other adjustments (Note A)	337,173	(311,272)	340,306	(461,873)
Income available for distribution to Unitholders	116,066	131,077	237,272	266,772
Capital distribution (Note B)	15,491	8,568	25,067	14,981
Distributable Income	131,557	139,645	262,339	281,753
Amount available for distribution to Unitholders at beginning of the period	131,313	142,922	140,459	95,547
Distributable Income for the period	131,557	139,645	262,339	281,753
Amount available for distribution to Unitholders	262,870	282,567	402,798	377,300
Distributions to Unitholders:				
Distribution of 2.57 Singapore cents per Unit for the period from 3 June 2021 to 30 September 2021	-	-	-	(94,733)
Distribution of 3.85 Singapore cents per Unit for the period from 1 October 2021 to 31 March 2022	-	(142,108)	-	(142,108)
Distribution of 3.77 Singapore cents per Unit for the period from 1 April 2022 to 30 September 2022	-	-	(139,928)	-
Distribution of 3.52 Singapore cents per Unit for the period from 1 October 2022 to 31 March 2023	(131,058)	-	(131,058)	-
	(131,058)	(142,108)	(270,986)	(236,841)
Amount available for distribution to Unitholders at end of the period	131,812	140,459	131,812	140,459
Distribution per Unit (DPU) (Singapore cents)	3.52	3.77	7.04	7.62
Note A				
Tax related and other adjustments relate to the following items:				
Straight-lining of rental adjustments	804	(207)	1,243	(708)
Managers' management fee paid/payable in Units	19,043	19,868	38,549	33,744
Exchange gains (net)	(2,808)	(1,071)	(5,372)	(2,104)
Finance costs	1,440	1,898	2,966	3,864
Lease payments of right-of-use assets	(2,357)	(2,964)	(4,802)	(5,975)
Net change in fair value of derivatives	232	(1,211)	473	(276)
Net change in fair value of investment properties	358,956	(425,593)	358,956	(425,593)
Fair value loss/(gain) on financial assets at fair value through profit or loss ("FVTPL")	204	(104)	204	(104)
Loss/(Gain) on divestment of investment properties, net of capital gains tax	-	2,844	(17,389)	(166,850)
Deferred tax (credit)/expense	(32,690)	86,556	(28,970)	93,221
Non-controlling interests' share of adjustments	(4,751)	7,747	(4,842)	7,646
Other adjustments	(900)	965	(710)	1,262
Net distribution adjustments	337,173	(311,272)	340,306	(461,873)
Note B				
Capital distribution relates to the following:				
Lease incentives ^(a)	1,323	1,562	2,636	3,278
Rental support ^(b)	278	1,656	1,724	3,489
Divestment gains	11,730	5,350	16,050	8,214
Coupon interest ^(c)	2,160	-	4,657	-
	15,491	8,568	25,067	14,981

(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.

(b) Rental support received from vendors in relation to the acquisition of certain properties in the United Kingdom ("UK").

(c) Coupon interest received from vendors in relation to the development of certain properties in the UK.

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

C. Condensed Interim Statements of Financial Position

		Group		Trust	
	Note	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Non-current assets					
Investment properties	8	6,649,471	6,931,752	-	-
Plant and equipment		73	130	-	-
Investment in subsidiaries		-	-	2,783,993	2,763,312
Loans to subsidiaries		-	-	1,650,337	1,811,636
Derivative assets		79,886	165,241	69,843	149,672
Total non-current assets		6,729,430	7,097,123	4,504,173	4,724,620
Current assets					
Cash and cash equivalents		152,737	220,728	42,310	98,230
Trade and other receivables		41,752	49,728	187,816	73,692
Loans to subsidiaries		-	-	255,652	-
Derivative assets		13,740	3,870	13,361	939
Investment property held for sale	8	-	38,264	-	-
Total current assets		208,229	312,590	499,139	172,861
Total assets		6,937,659	7,409,713	5,003,312	4,897,481
Current liabilities					
Trade and other payables		65,116	77,322	226,719	128,243
Loans and borrowings	9	522,828	160,079	511,675	22,893
Derivative liabilities		247	-	247	-
Current tax liabilities		21,043	23,761	375	30
Liabilities directly associated with the investment property held for sale	8	-	18,280	-	-
Total current liabilities		609,234	279,442	739,016	151,166
Non-current liabilities					
Trade and other payables		9,382	9,787	-	-
Loans and borrowings	9	1,633,461	1,939,925	1,115,673	1,426,974
Derivative liabilities		5,871	451	5,871	451
Deferred tax liabilities		254,673	291,944	-	-
Total non-current liabilities		1,903,387	2,242,107	1,121,544	1,427,425
Total liabilities		2,512,621	2,521,549	1,860,560	1,578,591
Net assets attributable to Unitholders		4,425,038	4,888,164	3,142,752	3,318,890
Represented by:					
Unitholders' funds		4,379,701	4,838,844	3,142,752	3,318,890
Non-controlling interests		45,337	49,320	-	-
Total equity		4,425,038	4,888,164	3,142,752	3,318,890
Net asset value per Unit (S\$)	10	1.17	1.30	0.84	0.89

D. Condensed Interim Statements of Movements in Unitholders' Funds

	2H2023			2H2022		
	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 April	4,750,901	50,410	4,801,311	4,865,346	43,896	4,909,242
Operations (Decrease)/Increase in net assets resulting from operations	(221,107)	(3,536)	(224,643)	442,349	8,952	451,301
Transactions with owners						
Units issued and to be issued:						
- Managers' management fees paid/payable in Units	19,043	-	19,043	19,868	-	19,868
Distributions paid to Unitholders	(131,058)	-	(131,058)	(142,108)	-	(142,108)
Dividends paid to non-controlling interests	-	(1,762)	(1,762)	-	(749)	(749)
Net decrease in net assets resulting from transactions with owners	(112,015)	(1,762)	(113,777)	(122,240)	(749)	(122,989)
Hedging reserve						
Effective portion of change in fair value of cash flow hedges	(7,813)	(16)	(7,829)	(13,329)	112	(13,217)
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	5,819	-	5,819	43,855	-	43,855
Net (decrease)/increase in net assets resulting from hedging reserve	(1,994)	(16)	(2,010)	30,526	112	30,638
Foreign currency translation reserve						
Translation differences relating to financial statements of foreign subsidiaries	(18,426)	31	(18,395)	(341,705)	(3,069)	(344,774)
Exchange differences on hedge of net investments in foreign operations	(7,383)	-	(7,383)	112,115	-	112,115
Exchange differences on monetary items forming part of net investment in foreign operations	(10,275)	-	(10,275)	(147,547)	-	(147,547)
Net (decrease)/increase in net assets resulting from foreign currency translation reserve	(36,084)	31	(36,053)	(377,137)	(3,069)	(380,206)
Changes in ownership interests in subsidiaries						
Acquisition of non-controlling interests without a change in control	-	210	210	-	178	178
Total changes in ownership interests in subsidiaries	-	210	210	-	178	178
At 30 September	4,379,701	45,337	4,425,038	4,838,844	49,320	4,888,164

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

	2023			2022		
	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	4,838,844	49,320	4,888,164	4,574,641	44,814	4,619,455
Operations						
(Decrease)/Increase in net assets resulting from operations	(103,034)	(2,307)	(105,341)	728,645	10,096	738,741
Transactions with owners						
Units issued and to be issued:						
- Managers' management fees paid/payable in Units	38,549	-	38,549	33,744	-	33,744
Distributions paid to Unitholders	(270,986)	-	(270,986)	(236,841)	-	(236,841)
Dividends paid to non-controlling interests	-	(3,145)	(3,145)	-	(749)	(749)
Net decrease in net assets resulting from transactions with owners	(232,437)	(3,145)	(235,582)	(203,097)	(749)	(203,846)
Hedging reserve						
Effective portion of change in fair value of cash flow hedges	(52,685)	(28)	(52,713)	39,804	196	40,000
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	24,761	-	24,761	32,693	-	32,693
Net (decrease)/increase in net assets resulting from hedging reserve	(27,924)	(28)	(27,952)	72,497	196	72,693
Foreign currency translation reserve						
Translation differences relating to financial statements of foreign subsidiaries	(56,381)	1,287	(55,094)	(315,236)	(5,174)	(320,410)
Exchange differences on hedge of net investments in foreign operations	(26,305)	-	(26,305)	149,544	-	149,544
Exchange differences on monetary items forming part of net investment in foreign operations	(13,062)	-	(13,062)	(168,150)	-	(168,150)
Net (decrease)/increase in net assets resulting from foreign currency translation reserve	(95,748)	1,287	(94,461)	(333,842)	(5,174)	(339,016)
Changes in ownership interests in subsidiaries						
Acquisition of non-controlling interests without a change in control	-	210	210	-	137	137
Total changes in ownership interests in subsidiaries	-	210	210	-	137	137
At 30 September	4,379,701	45,337	4,425,038	4,838,844	49,320	4,888,164

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

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

	2H2023	2H2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
Trust				
At the beginning of the period	3,314,878	3,446,616	3,318,890	3,335,204
Operations				
(Decrease)/Increase in net assets resulting from operations	(59,078)	(30,055)	78,686	131,587
Transactions with owners				
Units issued and to be issued:				
- Managers' management fees paid/payable in Units	19,043	19,868	38,549	33,744
Distributions paid to Unitholders	(131,058)	(142,108)	(270,986)	(236,841)
Net decrease in net assets resulting from transactions with owners	(112,015)	(122,240)	(232,437)	(203,097)
Hedging reserve				
Effective portion of change in fair value of cash flow hedges	(6,852)	(19,286)	(47,148)	22,503
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	5,819	43,855	24,761	32,693
Net (decrease)/increase in net assets resulting from hedging reserve	(1,033)	24,569	(22,387)	55,196
At the end of the period	3,142,752	3,318,890	3,142,752	3,318,890

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

E. Condensed Interim Consolidated Statement of Cash Flows

	Group			
	2H2023	2H2022	FY23	FY22
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flow from operating activities				
Total (loss)/return for the period before tax	(246,102)	552,540	(111,922)	858,009
Adjustments for:				
Straight-lining of rental adjustments	804	(207)	1,243	(708)
Effects of recognising lease incentives on a straight-line basis over the lease term	4,719	3,213	9,697	5,765
Managers' management fee paid/payable in Units	19,043	19,868	38,549	33,744
Depreciation of plant and equipment	29	29	57	61
Loss on write-off of property, plant and equipment	-	-	-	18
Allowance for/(Reversal of) doubtful receivables	414	(128)	333	(107)
Unrealised exchange (gains)/losses (net)	(2,379)	5,079	(3,418)	6,346
Finance income	(807)	(721)	(1,620)	(727)
Finance costs	25,033	19,303	46,763	41,595
Net change in fair value of derivatives	232	(1,211)	473	(276)
Net change in fair value of investment properties	358,956	(425,593)	358,956	(425,593)
Gain on divestment of investment properties	-	-	(17,389)	(169,694)
Cash generated from operations before working capital changes	159,942	172,172	321,722	348,433
Changes in working capital:				
Trade and other receivables	16,428	(26,428)	6,790	(20,912)
Trade and other payables	(10,883)	17,083	(581)	6,168
Cash generated from operations	165,487	162,827	327,931	333,689
Tax paid	(12,120)	(15,838)	(25,676)	(26,744)
Net cash generated from operating activities	153,367	146,989	302,255	306,945
Cash flows from investing activities				
Acquisition of investment properties (including acquisition costs)	-	(133,843)	-	(143,084)
Stamp duty incurred on acquisition of investment properties	-	(8,485)	-	(9,032)
Net proceeds from divestment of investment properties	-	-	31,234	803,246
Capital and other expenditure on investment properties	(56,447)	(104,187)	(161,270)	(127,619)
Interest received	812	693	1,729	699
Net cash (used in)/generated from investing activities	(55,635)	(245,822)	(128,307)	524,210
Cash flows from financing activities				
Interest paid	(24,537)	(18,070)	(44,691)	(38,519)
Proceeds from loans and borrowings	221,751	-	418,925	51,393
Repayment of loans and borrowings	(159,430)	(504,948)	(340,882)	(511,703)
Payment of upfront debt-related transaction costs	(1,014)	-	(1,344)	-
Payment of lease liabilities	(477)	(639)	(969)	(1,270)
Distributions paid to Unitholders	(131,058)	(142,108)	(270,986)	(236,841)
Dividends paid to non-controlling interests	(1,762)	(749)	(3,145)	(749)
Net cash used in financing activities	(96,527)	(666,514)	(243,092)	(737,689)
Net increase/(decrease) in cash and cash equivalents	1,205	(765,347)	(69,144)	93,466
Cash and cash equivalents at beginning of period	151,476	997,164	220,728	140,367
Effect of exchange rate changes on cash and cash equivalents	56	(11,089)	1,153	(13,105)
Cash and cash equivalents at end of period	152,737	220,728	152,737	220,728

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:

2023

- 32,774,272 Units, amounting to S\$40,799,000, were issued to the Managers as satisfaction of the management fees payable to the Managers.

2022

- 19,746,643 Units, amounting to S\$28,921,000, were issued to the Managers as satisfaction of the management fees payable to the Managers.

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

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
			2023	2022	2023	2022
			S\$'000	S\$'000	%	%
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	51,843	51,453	1.2	1.1
21-33 South Park Drive, Dandenong South	14 June 2016	Freehold	37,564	36,752	0.8	0.8
22-26 Bam Wine Court, Dandenong South	14 June 2016	Freehold	29,217	30,550	0.7	0.6
16-32 South Park Drive, Dandenong South	14 June 2016	Freehold	24,691	24,348	0.6	0.5
89-103 South Park Drive, Dandenong South	1 August 2017	Freehold	19,068	20,673	0.4	0.4
<u>The Key Industrial Park</u>						
17 Pacific Drive and 170-172 Atlantic Drive, Keysborough	14 June 2016	Freehold	59,752	51,453	1.4	1.1
150-168 Atlantic Drive, Keysborough	14 June 2016	Freehold	43,935	51,453	1.0	1.1
49-75 Pacific Drive, Keysborough	14 June 2016	Freehold	43,276	48,513	1.0	1.0
77 Atlantic Drive, Keysborough	14 June 2016	Freehold	29,261	32,158	0.7	0.6
78 & 88 Atlantic Drive, Keysborough	14 June 2016	Freehold	27,152	28,023	0.6	0.6
111 Indian Drive, Keysborough	31 August 2016	Freehold	47,010	50,075	1.1	1.0
29 Indian Drive, Keysborough	15 August 2017	Freehold	41,035	45,021	0.9	0.9
17 Hudson Court, Keysborough	12 September 2017	Freehold	43,759	45,021	1.0	0.9
8-28 Hudson Court, Keysborough	20 August 2019	Freehold	56,017	46,399	1.3	0.9
<u>Mulgrave</u>						
211A Wellington Road, Mulgrave	14 June 2016	Freehold	34,357	48,237	0.8	1.0
<u>Braeside Industrial Estate</u>						
75-79 Canterbury Road, Braeside	12 August 2020	Freehold	28,690	27,564	0.6	0.6
West						
<u>West Park Industrial Estate</u>						
468 Boundary Road, Derrimut	14 June 2016	Freehold	44,155	47,778	1.0	1.0
1 Doriemus Drive, Truganina	14 June 2016	Freehold	115,110	121,282	2.6	2.5
2-22 Efficient Drive, Truganina	14 June 2016	Freehold	73,591	65,855	1.7	1.4
1-13 and 15-27 Sunline Drive, Truganina	14 June 2016	Freehold	46,132	48,237	1.0	1.0
Balance carried forward			895,615	920,845	20.4	19.0

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

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
			2023	2022	2023	2022
			S\$'000	S\$'000	%	%
Balance brought forward			895,615	920,845	20.4	19.0
Melbourne, Victoria (cont'd)						
West (cont'd)						
<u>West Park Industrial Estate (cont'd)</u>						
42 Sunline Drive, Truganina	14 June 2016	Freehold	25,834	26,645	0.6	0.6
43 Efficient Drive, Truganina	1 August 2017	Freehold	43,056	35,833	1.0	0.7
<u>West Industry Park</u>						
1 Magnesium Place, Truganina	27 June 2022	Freehold	18,892	22,235	0.4	0.4
11 Magnesium Place, Truganina	27 June 2022	Freehold	13,840	15,941	0.3	0.3
17 Magnesium Place, Truganina	27 June 2022	Freehold	15,599	17,871	0.4	0.4
<u>Altona Industrial Park</u>						
18-34 Aylesbury Drive, Altona	14 June 2016	Freehold	39,761	35,833	0.9	0.7
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	46,741 ^(c)	46,807 ^(c)	1.1	1.0
96-106 Link Road, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	28,959 ^(c)	36,168 ^(c)	0.7	0.7
17-23 Jets Court, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	13,018 ^(c)	13,269 ^(c)	0.3	0.3
25-29 Jets Court, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	17,930 ^(c)	18,374 ^(c)	0.4	0.4
28-32 Sky Road East, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	12,831 ^(c)	13,583 ^(c)	0.3	0.3
115-121 South Centre Road, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	6,197 ^(c)	8,374 ^(c)	0.1	0.2
Balance carried forward			1,178,273	1,211,778	26.9	25.0

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

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
			2023	2022	2023	2022
			S\$'000	S\$'000	%	%
Balance brought forward			1,178,273	1,211,778	26.9	25.0
Sydney, New South Wales						
Outer Central West						
<i>Eastern Creek</i>						
4-8 Kangaroo Avenue, Eastern Creek	14 June 2016	Freehold	117,965	113,012	2.7	2.3
21 Kangaroo Avenue, Eastern Creek	14 June 2016	Freehold	120,162	92,064	2.7	1.9
17 Kangaroo Avenue, Eastern Creek	14 June 2016	Freehold	57,467	64,316	1.3	1.3
7 Eucalyptus Place, Eastern Creek	14 June 2016	Freehold	46,132	47,778	1.1	1.0
2 Hanson Place, Eastern Creek	20 August 2019	Freehold	102,808	91,421	2.3	1.9
<i>Pemulwuy</i>						
8-8A Reconciliation Rise, Pemulwuy	14 June 2016	Freehold	64,848	67,072	1.5	1.4
6 Reconciliation Rise, Pemulwuy	14 June 2016	Freehold	55,797	60,641	1.3	1.3
<i>Wetherill Park</i>						
1 Burilda Close, Wetherill Park	30 November 2016	90-year leasehold expiring on 29 September 2106	98,875 ^(c)	118,079 ^(c)	2.3	2.4
Lot 1, 2 Burilda Close, Wetherill Park	1 August 2017	89-year leasehold expiring on 14 July 2106	46,640 ^(c)	47,214 ^(c)	1.1	1.0
3 Burilda Close, Wetherill Park	5 September 2018	89-year leasehold expiring on 15 May 2107	59,982 ^(c)	67,424 ^(c)	1.4	1.4
Outer North West						
<i>Seven Hills</i>						
8 Distribution Place, Seven Hills	14 June 2016	Freehold	34,797	34,914	0.8	0.7
99 Station Road, Seven Hills	14 June 2016	Freehold	28,206	30,504	0.6	0.6
10 Stanton Road, Seven Hills	14 June 2016	Freehold	17,925	19,984	0.4	0.4
8 Stanton Road, Seven Hills	1 August 2017	Freehold	28,206	30,780	0.6	0.7
<i>Winston Hills</i>						
11 Gibbon Road, Winston Hills	14 June 2016	Freehold	59,488	50,442	1.3	1.1
Wollongong						
<i>Port Kembla</i>						
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	20,400 ^(c)	23,415 ^(c)	0.5	0.5
Balance carried forward			2,137,971	2,170,838	48.8	44.9

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

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
			2023 S\$'000	2022 S\$'000	2023 %	2022 %
Balance brought forward			2,137,971	2,170,838	48.8	44.9
Brisbane, Queensland						
Northern						
350 Earnshaw Road, Northgate	20 June 2016	99-year leasehold expiring on 19 June 2115	63,794	68,910	1.5	1.4
Trade Coast						
286 Queensport Road, North Murarrie	20 June 2016	99-year leasehold expiring on 19 June 2115	40,157	47,961	0.9	1.0
Southern						
57-71 Platinum Street, Crestmead	20 June 2016	99-year leasehold expiring on 19 June 2115	43,935	56,047	1.0	1.2
51 Stradbroke Street, Heathwood	20 June 2016	99-year leasehold expiring on 19 June 2115	31,897	34,914	0.7	0.7
30 Flint Street, Inala	20 June 2016	99-year leasehold expiring on 19 June 2115	27,503	26,829	0.6	0.6
99 Shettleston Street, Rocklea	20 June 2016	99-year leasehold expiring on 19 June 2115	22,319	19,754	0.5	0.4
55-59 Boundary Road, Carole Park	20 June 2016	99-year leasehold expiring on 19 June 2115	20,913	22,051	0.5	0.4
10 Siltstone Place, Berrinba	20 June 2016	99-year leasehold expiring on 19 June 2115	17,310	19,662	0.4	0.4
143 Pearson Road, Yatala	31 August 2016	99-year leasehold expiring on 30 August 2115	47,010	49,432	1.1	1.0
166 Pearson Road, Yatala	1 August 2017	Freehold	43,232	52,555	1.0	1.1
103-131 Wayne Goss Drive, Berrinba	5 September 2018	Freehold	36,730	37,671	0.8	0.8
29-51 Wayne Goss Drive, Berrinba	20 August 2019	Freehold	29,436	30,229	0.7	0.6
Perth, Western Australia						
60 Paltridge Road, Perth Airport	14 June 2016	17-year leasehold expiring on 3 June 2033	9,358	10,107	0.2	0.2
Balance carried forward			2,571,565	2,646,960	58.7	54.7

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

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
			2023 S\$'000	2022 S\$'000	2023 %	2022 %
Balance brought forward			2,571,565	2,646,960	58.7	54.7
B) Germany						
Stuttgart – Mannheim						
Industriepark 309, Gottmadingen	25 May 2018	Freehold	85,202	77,829	2.0	1.6
Otto-Hahn-Straße 10, Vaihingen	25 May 2018	Freehold	88,379	88,244	2.0	1.8
Eiselauer Weg 2, Ulm	25 May 2018	Freehold	71,050	75,155	1.6	1.6
Murrer Straße 1, Freiberg am Neckar	25 May 2018	Freehold	56,175	57,844	1.3	1.2
Ambros-Nehren-Straße 1, Achern	25 May 2018	Freehold	22,817	24,489	0.5	0.5
Bietigheimer Straße 50-52, Tamm	23 August 2019	Freehold	115,384	123,007	2.6	2.5
Am Bühlfeld 2-8, Herbrechtingen	3 September 2019	Freehold	68,162	63,755	1.6	1.3
Buchäckerring 18, Bad Rappenau	4 June 2021	Freehold	63,107	63,896	1.4	1.3
Am Römig 8, Frankenthal	4 June 2021	Freehold	42,599	47,148	1.0	1.0
Munich – Nuremberg						
Oberes Feld 2, 4, 6, 8, Moosthenning	25 May 2018	Freehold	121,449	123,992	2.8	2.6
Koperstraße 10, Nuremberg	25 May 2018	63-year leasehold expiring on 31 December 2080	114,712 ^(c)	113,213 ^(c)	2.6	2.4
Industriepark 1, Mamming	25 May 2018	Freehold	27,871	24,630	0.6	0.5
Jubatus-Allee 3, Ebermannsdorf	25 May 2018	Freehold	15,596	15,904	0.4	0.3
Dieselstraße 30, Garching	27 August 2019	Freehold	52,565	55,029	1.2	1.1
Hermesstraße 5, Graben, Augsburg	3 September 2019	Freehold	58,775	64,318	1.3	1.3
Hamburg – Bremen						
Am Krainhop 10, Isenbüttel	25 May 2018	Freehold	26,138	28,429	0.6	0.6
Am Autobahnkreuz 14, Rastede	25 May 2018	Freehold	26,571	27,444	0.6	0.6
Balance carried forward			3,628,117	3,721,286	82.8	76.9

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

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
			2023	2022	2023	2022
			S\$'000	S\$'000	%	%
Balance brought forward			3,628,117	3,721,286	82.8	76.9
Dusseldorf – Cologne						
Saalhoffer Straße 211, Rheinberg	25 May 2018	Freehold	48,955	50,244	1.1	1.0
Elbestraße 1-3, Marl	25 May 2018	Freehold	23,683	23,588	0.5	0.5
Keffelker Straße 66, Brilon	25 May 2018	Freehold	17,762	16,607	0.5	0.3
Gustav-Stresemann-Weg 1, Münster	25 May 2018	Freehold	21,084	21,955	0.5	0.5
Walter-Gropius-Straße 19, Bergheim	23 August 2019	Freehold	34,081	34,763	0.8	0.7
An den Dieken 94, Ratingen	23 August 2019	Freehold	81,014	94,437	1.8	2.0
Leipzig – Chemnitz						
Johann-Esche-Straße 2, Chemnitz	25 May 2018	Freehold	25,561	27,022	0.6	0.6
Am Exer 9, Leipzig	25 May 2018	Freehold	22,384	22,096	0.5	0.5
Frankfurt						
Im Birkengrund 5-7, Obertshausen	23 August 2019	Freehold	50,544	60,237	1.2	1.2
Genfer Allee 6, Mainz	4 June 2021	Freehold	78,415	83,318	1.8	1.7
Bielefeld						
Fuggerstraße 17, Bielefeld	28 November 2019	Freehold	43,323	49,681	1.0	1.0
Berlin						
Gewerbegebiet Etzin 1, Berlin	20 December 2019	Freehold	66,284	67,274	1.5	1.4
Balance carried forward			4,141,207	4,272,508	94.6	88.3

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

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
			2023	2022	2023	2022
			S\$'000	S\$'000	%	%
Balance brought forward			4,141,207	4,272,508	94.6	88.3
C) Netherlands						
Tilburg – Venlo						
Belle van Zuylenstraat 5, Tilburg	25 May 2018	Freehold	25,994	28,148	0.6	0.6
Heierhoevenweg 17, Venlo	25 May 2018	Freehold	45,056	49,118	1.0	1.0
Utrecht – Zeewolde						
Brede Steeg 1, s-Heerenberg	25 May 2018	Freehold	115,239	123,711	2.6	2.5
Handelsweg 26, Zeewolde	25 May 2018	Freehold	71,050	80,222	1.6	1.6
Innovatielaan 6, De Klomp	30 June 2021	Freehold	33,503	37,859	0.8	0.8
Meppel						
Mandeveld 12, Meppel	31 October 2018	Freehold	44,045	49,822	1.0	1.0
D) The United Kingdom						
Connexion, Blythe Valley Business Park, Shirley, Solihull	4 June 2021	Freehold	60,016	70,563	1.4	1.5
Connexion II, Blythe Valley Business Park, Shirley, Solihull	4 June 2021	Freehold	37,343	-	0.8	-
Worcester, West Midlands	26 January 2022	Freehold	36,678	-	0.8	-
Commercial portfolio						
A) Singapore						
Alexandra Technopark 438A/438B/438C Alexandra Road	15 April 2020	88-year leasehold expiring 25 August 2108	678,000	662,000	15.5	13.7
Balance carried forward			5,288,131	5,373,951	120.7	111.0

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

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
			2023	2022	2023	2022
			S\$'000	S\$'000	%	%
Balance brought forward			5,288,131	5,373,951	120.7	111.0
B) Australia						
Central Park 152-158 St Georges Terrace, Perth, Western Australia, 6000 ("Central Park") ^(d)	15 April 2020	Freehold	320,945	307,798	7.3	6.4
Caroline Chisholm Centre Block 4 Section 13, Tuggeranong, ACT 2900	15 April 2020	81-year leasehold expiring 25 June 2101	216,600	225,106	5.0	4.7
357 Collins Street, Melbourne, Victoria 3000	15 April 2020	Freehold	224,069	315,148	5.1	6.5
545 Blackburn Road, Mount Waverley, Victoria 3149	20 May 2022	Freehold	41,958	55,336	1.0	1.1
C) The United Kingdom						
Farnborough Business Park, Farnborough, Thames Valley	30 April 2020	Freehold	228,393	266,495	5.2	5.5
Maxis Business Park, 43 Western Road, Bracknell	12 August 2020	Freehold	83,438	91,010	1.9	1.9
Blythe Valley Business Park, Shirley, Solihull	4 June 2021	Freehold	164,043	206,236	3.8	4.3
Total completed investment properties and balance carried forward			6,567,577	6,841,080	150.0	141.4

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

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
			2023	2022	2023	2022
			S\$'000	S\$'000	%	%
Balance brought forward			6,567,577	6,841,080	150.0	141.4
Investment property held for sale						
<u>Logistics and industrial portfolio</u>						
Australia						
<u>Port Melbourne</u>						
2-46 Douglas Street, Port Melbourne	14 June 2016	37-year leasehold expiring on 30 March 2053	-(e)	38,264 ^(c)	-	0.8
Investment properties under development						
<u>Logistics and industrial portfolio</u>						
The United Kingdom						
Connexion II, Blythe Valley Business Park, Shirley, Solihull	4 June 2021	Freehold	-(f)	26,621	-	0.5
Worcester, West Midlands	26 January 2022	Freehold	-(f)	26,621	-	0.5
Ellesmere, Cheshire, North West England	14 July 2022	Freehold	81,894	37,430	1.8	0.8
Total investment properties under development			81,894	90,672	1.8	1.8
Total completed investment properties, investment property held for sale and investment properties under development			6,649,471	6,970,016	151.8	144.0
Other assets and liabilities (net)			(2,224,433)	(2,081,852)	(50.8)	(43.0)
Net assets of the Group			4,425,038	4,888,164	101.0	101.0
Net assets attributable to non-controlling interests			(45,337)	(49,320)	(1.0)	(1.0)
Unitholders' funds			4,379,701	4,838,844	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) Includes right-of-use asset.

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

(e) The property was divested on 24 October 2022.

(f) The property has been reclassified as completed investment property.

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 and full year ended 30 September 2023 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 2022. 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.

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 2022.

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 2022, except for adoption of the following FRSs, amendments to and interpretations of FRS for the first time for the annual period beginning on 1 October 2022:

- Amendments to FRS 103: *Reference to the Conceptual Framework*
- Amendments to FRS 16: *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to FRS 37: *Onerous Contracts – Cost of Fulfilling a Contract*
- Annual Improvements to FRSs 2018-2020

The application of these amendments to standards and interpretations 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 2022 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			
	2H2023	2H2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
Rental income	174,146	177,985	346,653	371,188
Recoverable outgoings	38,171	34,096	73,437	72,498
Other revenue	484	2,436	692	6,501
	<u>212,801</u>	<u>214,517</u>	<u>420,782</u>	<u>450,187</u>

Other revenue in 2023 relates mainly to early surrender fee received from various tenants of 357 Collins Street, Melbourne, Victoria, and a tenant from the European portfolio, and government grant income received by the Group in relation to subsidies on certain properties in the European portfolio. Other revenue in 2022 relates mainly to the early surrender fee received from a tenant of Farnborough Business Park, Farnborough, Thames Valley, make good income received from various tenants of 357 Collins Street, Melbourne, Victoria and Central Park, 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.

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

4. Property operating expenses

Property operating expenses comprise the following:

	Group			
	2H2023 S\$'000	2H2022 S\$'000	2023 S\$'000	2022 S\$'000
Land and property tax	10,095	10,054	21,149	21,470
Property management fees	7,408	7,472	15,299	16,259
Property maintenance and related expenses	21,902	16,023	38,458	32,480
Property related professional fees	814	360	1,512	618
Allowance for/(Reversal of) doubtful receivables	414	(128)	333	(107)
Statutory expenses	6,298	6,034	11,118	11,421
Other property expenses	8,792	9,478	17,912	19,225
	<u>55,723</u>	<u>49,293</u>	<u>105,781</u>	<u>101,366</u>

Statutory expenses relate to council rates and other government levies. Property maintenance and related expenses include energy and utilities expenses, general repair and maintenance expenses and cleaning expenses. Other property expenses relate to insurance premiums, amortisation of leasing fee and government grant expenses incurred by the Group.

5. Net finance costs

	Group			
	2H2023 S\$'000	2H2022 S\$'000	2023 S\$'000	2022 S\$'000
Finance income				
Interest income	807	617	1,620	623
Fair value gain on financial assets at FVTPL	-	104	-	104
	<u>807</u>	<u>721</u>	<u>1,620</u>	<u>727</u>
Finance costs				
Financial liabilities measured at amortised cost:				
- Amortisation of debt upfront costs	(766)	(1,802)	(1,923)	(3,229)
- Interest expense on bank loans and notes	(44,658)	(22,498)	(83,082)	(39,962)
- Interest expense on lease liabilities	(2,306)	(2,324)	(3,832)	(4,709)
- Others	(472)	(128)	(665)	(711)
	<u>(48,202)</u>	<u>(26,752)</u>	<u>(89,502)</u>	<u>(48,611)</u>
Fair value loss on financial assets at FVTPL	(204)	-	(204)	-
Derivatives measured at fair value				
- Interest income	23,373	7,449	42,943	7,016
	<u>(25,033)</u>	<u>(19,303)</u>	<u>(46,763)</u>	<u>(41,595)</u>
Net finance costs	<u>(24,226)</u>	<u>(18,582)</u>	<u>(45,143)</u>	<u>(40,868)</u>

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

6. Tax (credit)/expense

The major components of tax (credit)/expense are:

	Group			
	2H2023 S\$'000	2H2022 S\$'000	2023 S\$'000	2022 S\$'000
Current tax expense				
- Current year	6,501	5,539	12,041	11,191
- Underprovision/(Overprovision) in respect of prior years	104	1,029	(33)	419
	6,605	6,568	12,008	11,610
Withholding tax expense	4,626	8,115	10,381	14,437
Deferred tax (credit)/expense				
- Origination and reversal of temporary differences	(32,690)	86,556	(28,970)	93,221
	(21,459)	101,239	(6,581)	119,268

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 (loss)/return for the period attributable to Unitholders and weighted average number of Units during the period:

	Group			
	2H2023 S\$'000	2H2022 S\$'000	2023 S\$'000	2022 S\$'000
Total (loss)/return for the period attributable to Unitholders	(221,107)	442,349	(103,034)	728,645
	'000	'000	'000	'000
Issued Units at the beginning of the period	3,717,814	3,691,122	3,696,167	3,676,420
Effect of issue of new Units:				
- In satisfaction of the Managers' management fees paid in Units	8,415	2,648	24,333	14,784
Weighted average number of Units	3,726,229	3,693,770	3,720,500	3,691,204

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

7. Earnings per Unit (cont'd)

Diluted earnings per Unit

The calculation of diluted earnings per Unit for the Group is based on the total (loss)/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			
	2H2023	2H2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
Total (loss)/return for the period attributable to Unitholders	(221,107)	442,349	(103,034)	728,645
	'000	'000	'000	'000
Weighted average number of Units used in calculation of basic earnings per Unit	3,726,229	3,693,770	3,720,500	3,691,204
- Effect of the Managers' management fees payable in Units	18,308	17,835	24,037	20,401
Weighted average number of Units (diluted)	3,744,537	3,711,605	3,744,537	3,711,605

8. Investment properties

	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)	127,913	24,203	152,116
Capital expenditure incurred	34,997	71,601	106,598
Transfer to investment property held for sale	(38,264)	-	(38,264)
Transfer	(9,255)	9,255	-
Disposal of investment property	(633,552)	-	(633,552)
Capitalisation of leasing incentives, net of amortisation	852	-	852
Straight-lining of rental and other adjustments	(3,198)	-	(3,198)
Net change in fair value recognised in statement of total return	431,916	(6,323)	425,593
Translation differences	(552,611)	(8,064)	(560,675)
At 30 September 2022	6,841,080	90,672	6,931,752

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

8. Investment properties (cont'd)

	Completed Investment properties S\$'000	Investment properties under development S\$'000	Total S\$'000
At 1 October 2022	6,841,080	90,672	6,931,752
Capital expenditure incurred	41,544	102,770	144,314
Transfer	76,521	(76,521)	-
Capitalisation of leasing incentives, net of amortisation	10,501	-	10,501
Straight-lining of rental and other adjustments	(3,935)	-	(3,935)
Net change in fair value recognised in statement of total return	(320,396)	(38,560)	(358,956)
Translation differences	(77,738)	3,533	(74,205)
At 30 September 2023	<u>6,567,577</u>	<u>81,894</u>	<u>6,649,471</u>

Completed investment properties ("IP") comprise industrial properties in Australia, Germany, 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 2-46 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 and the corresponding lease liabilities was reclassified to liabilities directly associated with the investment property held for sale as at 30 September 2022. The Group completed the divestment on 24 October 2022.

Investment properties (2022: including investment property held for sale), are stated at fair value at the reporting date. As at 30 September 2023, the fair values of the investment properties were based on independent valuations undertaken by the following property valuers:

Logistics and industrial portfolio

Properties in:	Property Valuer
Australia	CIVAS (VIC) Pty Ltd, CIVAS (NSW) Pty Ltd, CIVAS (WA) Pty Ltd, Knight Frank NSW Valuations & Advisory Pty Ltd, Knight Frank Valuation & Advisory Victoria, CBRE Valuations Pty Limited and Savills Valuations Pty Ltd (2022: CIVAS (VIC) Pty Ltd, CIVAS (NSW) Pty Ltd, Jones Lang LaSalle Advisory Services Pty Ltd, Knight Frank NSW Valuations & Advisory Pty Ltd, Knight Frank Valuation & Advisory Victoria and Savills Valuations Pty Ltd)
Germany and the Netherlands	BNP Paribas Real Estate Consult GmbH, CBRE GmbH and Colliers International Valuation GmbH (2022: Jones Lang LaSalle SE, BNP Paribas Real Estate Consult GmbH and CBRE GmbH)
United Kingdom	CBRE Limited (2022: CBRE Limited)

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

8. Investment properties (cont'd)

Commercial portfolio

Properties in:	Property Valuer
Australia	CBRE Valuations Pty Limited, CIVAS (WA) Pty Ltd and Savills Valuations Pty Ltd (2022: CIVAS (VIC) Pty Ltd, Knight Frank Valuation & Advisory Canberra and Cushman & Wakefield (Valuations) Pty Ltd)
Singapore	Jones Lang LaSalle Property Consultants Pte Ltd (2022: CBRE Pte. Ltd.)
United Kingdom	CBRE Limited (2022: CBRE Limited)

Measurement of fair value

In 2023, the fair values of the completed investment properties (2022: completed investment properties, including investment property held for sale), were determined using the capitalisation method and/or discounted cash flow method (2022: capitalisation method and/or discounted cash flow method). The fair values of the investment properties under development ("IPUD") were determined using the residual approach (2022: residual approach). The valuation methods involve making certain assessments including those relating to capitalisation rate, net initial yield, discount rate, terminal yield, gross development value and estimated costs to complete (2022: capitalisation rate, net initial yield, discount rate, terminal yield, gross development value and estimated costs to complete).

The fair value measurement for all of the investment properties (2022: including investment property held for sale), has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used.

	2023	2022
	S\$'000	S\$'000
Fair value of completed IP and IPUD	6,526,662	6,804,308
Add: Carrying amount of lease liabilities	122,809	127,444
Carrying amount of completed IP and IPUD	6,649,471	6,931,752
		2022
		S\$'000
Fair value of investment property held for sale (based on valuation report)		19,984
Add: Carrying amount of lease liability		18,280
Carrying amount of investment property held for sale		38,264

The fair values of investment properties are determined annually by independent professional valuers. Certain valuers have recommended that the value of the properties are to be kept under regular review given the current market conditions including inflationary pressures, rising interest rates and ongoing war in Ukraine.

The appropriateness of the valuation methodologies and assumptions adopted are reviewed by the Manager along with the appropriateness and reliability of the inputs used in the valuations.

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

8. Investment properties (cont'd)

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, the independent professional valuers are required to recalibrate the valuation models and inputs to actual market transactions (which may include transactions entered into by the Group with third parties as appropriate) that are relevant to the valuation if such information is reasonably available.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary.

In accordance with the Group's reporting policies, the valuation process and the results of the independent valuations are reviewed once a year by the Audit, Risk and Compliance Committee before the results are presented to the Board of Directors for approval.

In relying on the valuation reports, the Manager had exercised its judgement and was satisfied that the independent valuers have the appropriate professional qualifications and experience in the location and category of the properties being valued and the valuation estimates were reflective of the current market conditions.

9. Loans and borrowings

	Group		Trust	
	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
Current				
Bank loans				
- unsecured	512,399	22,970	512,399	22,970
- secured	10,290	116,990	-	-
Fixed rate notes (unsecured)	-	19,250	-	-
Less: Unamortised transaction costs	(724)	(83)	(724)	(77)
	521,965	159,127	511,675	22,893
Lease liabilities	863	952	-	-
	522,828	160,079	511,675	22,893
Non-current				
Bank loans				
- unsecured	1,211,936	1,509,228	968,936	1,281,228
- secured	153,304	159,150	-	-
Fixed rate notes (unsecured)	150,000	150,000	-	-
Loan from a subsidiary (unsecured)	-	-	150,000	150,000
Less: Unamortised transaction costs	(3,725)	(4,945)	(3,263)	(4,254)
	1,511,515	1,813,433	1,115,673	1,426,974
Lease liabilities	121,946	126,492	-	-
	1,633,461	1,939,925	1,115,673	1,426,974
Total loans and borrowings	2,156,289	2,100,004	1,627,348	1,449,867

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

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

10. Net asset value/Net tangible asset per Unit

	Group		Trust	
	2023	2022	2023	2022
Net asset value ("NAV") per Unit is based on: Net assets attributable to Unitholders (S\$'000)	4,379,701	4,838,844	3,142,752	3,318,890
Total issued and issuable Units at the end of the period ('000) (Note 11)	3,744,537	3,711,605	3,744,537	3,711,605
NAV/Net tangible asset per Unit (S\$)	1.17	1.30	0.84	0.89

11. Units in issue and to be issued

	Group and Trust			
	30 September 2023		30 September 2022	
	Number of Units '000	S\$'000	Number of Units '000	S\$'000
Units issued				
At 1 October	3,696,167	3,472,154	3,676,420	3,443,233
Creation of new Units:				
- Managers' management fees paid in Units	32,774	40,799	19,747	28,921
At 30 September	<u>3,728,941</u>	<u>3,512,953</u>	<u>3,696,167</u>	<u>3,472,154</u>
Units to be issued				
Managers' management fees payable in Units	<u>15,596</u>	<u>17,239</u>	<u>15,438</u>	<u>19,488</u>
Total issued and issuable Units	<u>3,744,537</u>	<u>3,530,192</u>	<u>3,711,605</u>	<u>3,491,642</u>

2023

During the year, 32,774,272 Units were issued at S\$1.16 to S\$1.28 per Unit, amounting to S\$40,799,000, as satisfaction of the Managers' management fees payable in Units.

2022

During the year, 19,746,643 Units were issued at S\$1.35 to S\$1.51 per Unit, amounting to S\$28,921,000, as satisfaction of the Managers' management fees payable in Units.

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

12. Capital commitments

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

	Group	
	2023	2022
	S\$'000	S\$'000
Capital commitments in respect of investment properties (including investment properties under development)	61,796	190,555

13. Segment information

The Group has six reportable segments, which are logistics and industrial – Australia, Europe and UK, and commercial – Australia, Singapore and UK. Each segment is managed separately because of the differences in operating and regulatory environment. All the segments relate to properties used or predominantly used for logistics and industrial or commercial properties. For each of the reporting segments, the Board of Directors of the Manager reviews internal management reports on a regular basis.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment net property income, as included in the internal management reports that are reviewed by the Board of Directors of the Manager. Segment net property income is used to measure performance as the Manager believes that such information is the most relevant in evaluating the results of its segments relative to other entities that operate within the same industry.

Information about reportable segments

	<-----Logistics and industrial----->			<-----Commercial----->			Total S\$'000
	Australia S\$'000	Europe S\$'000	UK S\$'000	Australia S\$'000	Singapore S\$'000	UK S\$'000	
2023							
Revenue	147,920	101,650	5,403	64,494	55,734	45,581	420,782
Property operating expenses	(31,744)	(13,464)	(1,047)	(19,211)	(17,364)	(22,951)	(105,781)
Reportable segment net property income	116,176	88,186	4,356	45,283	38,370	22,630	315,001
Finance income							1,620
Finance costs							(46,763)
Unallocated items:							
- Expenses							(39,740)
Net income							230,118
Net change in fair value of derivatives							(473)
Net change in fair value of investment properties	33,083	(141,915)	(59,858)	(83,059)	15,998	(123,205)	(358,956)
Gain on divestment of investment properties	17,389	-	-	-	-	-	17,389
Tax credit							6,581
Total loss for the year							(105,341)
Capital expenditure	8,206	2,069	103,270	18,739	911	11,119	144,314
Non-current assets ⁽¹⁾	2,571,566	1,904,529	215,931	803,571	678,073	475,874	6,649,544

Frasers Logistics & Commercial Trust and its subsidiaries
Condensed Interim Financial Statements
For the six months and full year ended 30 September 2023

13. Segment information (cont'd)

	<-----Logistics and industrial----->			<-----Commercial----->			Total S\$'000
	Australia S\$'000	Europe S\$'000	UK S\$'000	Australia S\$'000	Singapore S\$'000	UK S\$'000	
2022							
Revenue	153,164	101,650	3,204	69,937	70,498	51,734	450,187
Property operating expenses	(30,467)	(15,094)	(366)	(19,134)	(19,659)	(16,646)	(101,366)
Reportable segment net property income	122,697	86,556	2,838	50,803	50,839	35,088	348,821
Finance income							727
Finance costs							(41,595)
Unallocated items:							
- Expenses							(45,507)
Net income							262,446
Net change in fair value of derivatives							276
Net change in fair value of investment properties	228,349	227,697	(3,954)	(2,529)	6,764	(30,734)	425,593
Gain on divestment of investment properties	-	-	-	-	169,694	-	169,694
Tax expense							(119,268)
Total return for the year							738,741
Capital expenditure	5,433	3,029	71,601	17,377	608	8,550	106,598
Non-current assets ⁽¹⁾	2,646,950	1,994,420	161,236	1,080,673	484,864	563,739	6,931,882

⁽¹⁾ Excluding financial assets

14. Financial ratios

	2023	2022
	%	%
Expenses to weighted average net assets ⁽¹⁾		
- with performance fee of Managers	0.96	1.01
- without performance fee of Managers	0.74	0.76
Expense to net asset value ⁽²⁾	3.40	3.05
Portfolio turnover rate ⁽³⁾	-	3.20

- (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.

15. Subsequent events

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

- On 13 October 2023, FLT INV 28 B.V., a wholly-owned subsidiary of the Group entered into a sale and purchase agreement with unrelated parties of the Group to acquire the freehold interest in the land plots situated within the Aviation Valley business park and next to Maastricht Aachen Airport, in the Netherlands. Simultaneously, FLT INV 28 B.V. also entered into a turnkey design and build agreement to develop, design, construct and turnkey delivery of a logistic facility on the acquired land plots. The total contract sum of the transaction is €14.5 million (approximately S\$20.9 million).
- On 2 November 2023, the Manager declared a distribution of 3.52 Singapore cents per Unit to Unitholders in respect of the period from 1 April 2023 to 30 September 2023.

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 30 September 2023, 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 April 2023 to 30 September 2023 ("2H2023") vs 1 April 2022 to 30 September 2022 ("2H2022")

Adjusted NPI for 2H2023 of S\$155.5 million was S\$6.5 million (or 4.0%) lower than 2H2022. The lower Adjusted NPI for 2H2023 was due mainly to the weaker AUD/SGD exchange rates, lower other revenue (mainly surrender fee income) and lower average occupancies at Maxis Business Park and 357 Collins Street. Property operating expenses were higher due mainly to higher energy and utility expenses. These were in part offset by the full six-month effect of the acquisition of four properties in Australia in 2H2022 ("2022 Acquisitions"), and full six-month contribution from Worcester, West Midlands (practical completion in February 2023) and Connexion II (practical completion in March 2023).

Excluding the impact of the interest expense on lease liabilities, 2H2023 finance costs increased by S\$5.7 million as compared to 2H2022. This was due mainly to the increase in interest rates and additional borrowings drawn. At 30 September 2023, 77.2% (30 September 2022: 81.7%) of borrowings were at fixed rates.

The total loss attributable to Unitholders of the Trust for 2H2023 was S\$221.1 million versus total return attributable to Unitholders of the Trust of S\$442.3 million in 2H2022. This was due mainly to the lower Adjusted NPI and higher finance costs as noted above, net fair value loss on investment properties of S\$359.0 million versus a net fair value gain of S\$425.6 million in 2H2022, and partially offset by the net exchange gain of S\$2.8 million which relates to translation of foreign currency net assets on SGD functional currency entities and the exchange differences arising from settlement of foreign currency forward contracts.

A tax credit of S\$21.5 million was recognised for 2H2023 versus a tax expense of S\$101.2 million recognised in 2H2022. This was due mainly to the lower deferred tax as there was a net fair value loss on investment properties of S\$359.0 million in 2H2023.

The REIT Manager has elected to receive 100% of the 2H2023 management fee in the form of units (2H2022: 100%).

Income available for distribution to Unitholders was S\$116.1 million, a decrease of S\$15.0 million over 2H2022. The REIT Manager has declared a capital distribution of S\$15.5 million during the period (2H2022: S\$8.6 million). Together with the capital distribution, the Distributable Income for 2H2023 was S\$131.6 million (2H2022: S\$139.6 million).

2. Review of performance (cont'd)

(i) Statement of Total Return (cont'd)

Review of Performance for the period from 1 October 2022 to 30 September 2023 ("2023") vs 1 October 2021 to 30 September 2022 ("2022")

Adjusted NPI for 2023 of S\$311.4 million was S\$30.7 million (or 9.0%) lower than 2022. The lower Adjusted NPI for 2023 was due mainly to the weaker exchange rates, divestment of Cross Street Exchange, Singapore in 1H2022, lower other income (mainly surrender fee) and lower average occupancies at Farnborough Business Park, Maxis Business Park and 357 Collins Street. Property operating expenses were higher due mainly to higher energy and utility expenses. These were in part offset by the full year effect of the 2022 Acquisitions and the contribution from Worcester, West Midlands (practical completion in February 2023) and Connexion II (practical completion in March 2023).

Excluding the impact of the interest expense in lease liabilities, 2023 finance costs increased by S\$6.0 million as compared to 2022. This was due mainly to the increase in interest rates and additional borrowings drawn. The weighted average cost of debt for 2023 was 2.2% per annum (2022: 1.6%). At 30 September 2023, 77.2% (30 September 2022: 81.7%) of borrowings were at fixed rates.

The total loss attributable to Unitholders of the Trust for 2023 was S\$103.0 million versus total return attributable to Unitholders of the Trust of S\$728.6 million in 2022. This was due mainly to the lower Adjusted NPI and higher finance costs as noted above, net fair value loss on investment properties of S\$359.0 million versus a net fair value gain of S\$425.6 million in 2022, lower gain on divestment of investment properties of S\$17.4 million versus S\$169.7 million in 2022 and partially offset by net exchange gain of S\$5.0 million which relates to translation of foreign currency net assets on SGD functional currency entities and the exchange differences arising from settlement of foreign currency forward contracts.

A tax credit of S\$6.6 million was recognised for 2023 versus a tax expense of S\$119.3 million recognised in 2022. This was due mainly to the lower deferred tax as there was a net fair value loss on investment properties of S\$359.0 million in 2023.

The REIT Manager has elected to receive 100% of the 2023 management fee in the form of units (2022: 80.3%).

Income available for distribution to Unitholders was S\$237.3 million in 2023 (2022: S\$266.8 million). The REIT Manager has declared a capital distribution of S\$25.1 million during the year (2022: S\$15.0 million). Together with the capital distribution, the Distributable Income for 2023 was S\$262.3 million, an decrease of S\$19.4 million over 2022.

2. Review of performance (cont'd)

(ii) Statement of financial position

Investment properties include fair value adjustments made based on independent valuations as at 30 September 2023. The decrease in completed investment properties was due mainly to the divestment of a leasehold property in Port Melbourne, Victoria, Australia and net fair value loss on revaluation. This was partially offset by capital expenditure incurred.

Investment property under development ("IPUD") relates mainly to the land acquisition of a prime freehold logistics development in Cheshire, United Kingdom and the development costs incurred.

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 continued drawdown of loans to fund capital expenditure and appreciation of EUR and GBP borrowings. The aggregate leverage as at 30 September 2023 is 30.2% (30 September 2022: 27.4%) and interest coverage ratio¹ and adjusted interest coverage ratio¹ for the trailing 12 months ended 30 September 2023 was 7.1 times (30 September 2022: 13.0 times). In aggregate, 77.2% (30 September 2022: 81.7%) of the interest rate risk on the total borrowings were at fixed rates as at 30 September 2023. The Group is in compliance with all its financial covenants.

The net current liabilities position as at 30 September 2023 was due mainly to S\$522 million of gross borrowings that would be due in FY2024. FLCT has existing facilities in place to refinance more than half of the borrowings due in FY2024 and the Manager is confident of securing facilities to meet its current obligations as and when they fall due.

The decrease in Unitholders' funds was due mainly to the loss for 2023, distributions paid to Unitholders in 2023, fair value loss on derivatives and lower foreign currency translation reserve due to the effects of the weaker AUD/SGD exchange rates as at 30 September 2023 compared to 30 September 2022 on the net assets attributable to the foreign operations. The decrease was partially offset by payment of management fees in Units.

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

3. Variance from Forecast Statement

Not applicable.

¹ 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 28 December 2021. Computed as 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), over trailing 12 months borrowing costs and for the purpose of adjusted interest coverage ratio, distribution on hybrid securities. Borrowing costs exclude interest expense on lease liabilities (effective from 28 December 2021).

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

According to the International Monetary Fund, global growth is projected to fall from an estimated 3.5% in 2022 to 3.0% in both 2023 and 2024, with the rise in central bank policy rates to fight inflation continues to weigh on economic activity. The Group of 20 finance chiefs noted increasing concern for global economic growth and implications from geopolitical conflicts.

Australia

In the last quarter, the Australian economy grew 0.4%, while the Consumer Price Index (CPI) rose 6.0% over the last 12 months. In Q3 2023, gross take-up of logistics space increased compared to the last two quarters owing to greater pre-lease transactions which are expected to continue dominating take-up activity. Rental growth in the logistics sector continues for all major markets but at a slower rate and a 1% increase in incentives was recorded over the quarter. While yields have also expanded over the quarter and further cap rate expansions between 25 and 50 bps over the next six months is anticipated, near zero vacancy across Australia is expected to maintain rental growth, which is anticipated to offset potential capital depreciation. The Melbourne office sector continues to see rising vacancies amidst rising incentives in the third quarter of 2023, while the Perth office market conditions continue to strengthen on increased demand and lower vacancies. Plans have been approved for a further 11 projects in Perth CBD as part of the city's rejuvenation, further adding to the oversupply situation.

Germany, the Netherlands and the UK

The European Central Bank (ECB) expects the eurozone economy to expand by 0.7% and inflation at 5.6% in 2024. In September, the ECB raised its key interest rate to a record 4.0%. In response to market uncertainty, supply remains tight and user demand continues to be stable in the German and Dutch logistics & industrial markets. There is a persistent mismatch between supply and occupier requirements including ESG-compliance, energy efficiency which contributes to higher construction costs, and is expected to continue to put upward pressure on rents. The Bank of England has raised rates from almost zero to 5.25% over the past two years, which has impacted returns and real estate valuations. The UK logistics sector remains challenging on increased vacancies, reduced demand and increased development activities with a further 8 million sq ft of space to be delivered by end-2023, while asset valuations are impacted by expansion in capitalisation rates. While the UK business park sector has continued to experience lower levels of physical occupation and elevated vacancy levels, the flight-to-quality theme continues. Many occupiers are consolidating with increasing focus on better quality space.

Singapore

In Singapore, rents for business parks are expected to remain under pressure in the near term on the back of an influx of approximately 1.03 million sq ft per annum of new business park space to be completed over 2023 and 2026. In Q3 2023, demand for business parks remained muted and expansionary activity continued to be limited with selected tenants reducing their space requirements to cut costs. However, high-spec industrial spaces and prime business parks (such as those in the city fringe where ATP is located) with modern facilities and accessibility are expected to see healthy demand in the medium term. The REIT Manager will continue its proactive asset and lease management efforts, which includes embarking on competitive marketing strategies, to maintain an optimised portfolio occupancy level.

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)

Outlook

Looking forward into FY2024, the REIT Manager remains prudent in capital management to navigate emerging issues and risks including further global financial stress, the persistent inflation and the expected prolonged higher interest rate environment. The REIT Manager will continue its proactive asset and lease management efforts in improving occupancies for commercial assets and leverage on market demand to further rental growth. For operating expenses, the REIT Manager will continue to work on cost optimisation initiatives, and to remain vigilant on the movement on energy prices. The REIT Manager will evaluate appropriate hedging strategies for energy contracts to mitigate impact to its operating expenses.

5. Distributions

(a) Current financial period

Any distributions declared for the current period? Yes

Name of Distribution Distribution for the financial period from 1 April 2023 to 30 September 2023

		Singapore cents
Distribution type / rate	Tax-exempt distribution component (per Unit)	2.14
	Taxable income distribution component (per Unit)	0.35
	Capital distribution component (per Unit)	0.72
	Capital gains distribution component (per Unit)	0.31
	Total (per Unit)	3.52

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.

Capital gains distribution component
Capital gains distribution is not taxable in the hands of all unitholders. No tax will be deducted from such component.

5. Distributions (cont'd)

(b) Corresponding period of the immediately preceding financial period

Any distributions declared for the current period? Yes

Name of Distribution Distribution for the financial period from 1 April 2022 to 30 September 2022

		Singapore cents
Distribution type / rate	Tax-exempt distribution component (per Unit)	1.64
	Taxable income distribution component (per Unit)	0.49
	Capital distribution component (per Unit)	1.50
	Capital gains distribution component (per Unit)	0.14
	Total (per Unit)	3.77

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.

Capital gains distribution component
Capital gains distribution is not taxable in the hands of all unitholders. No tax will be deducted from such component.

(c) Date payable

14 December 2023

(d) Record date

10 November 2023

6. Interested Person Transactions

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

Frasers Logistics & Commercial Trust and its subsidiaries
Financial Statements Announcement
For the six months and full year ended 30 September 2023

7. Breakdown of Revenue

	2023 S\$'000	2022 S\$'000	Change %
Revenue for first half year	207,981	235,670	(11.7)
Revenue for second half year	212,801	214,517	(0.8)
Total revenue	420,782	450,187	(6.5)
Total return for first half year	119,302	287,440	(58.5)
Total (loss)/return for second half year	(224,643)	451,301	N.M.
Total (loss)/return	(105,341)	738,741	N.M.

8. Review of performance of the Group – turnover and earnings

Refer to Note 2.

9. Additional information – Foreign Investment Regime of Australia

Refer to Appendix 1.

Frasers Logistics & Commercial Trust and its subsidiaries

Financial Statements Announcement

For the six months and full year ended 30 September 2023

10. 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.

11. Confirmation pursuant to Rule 704(13) of the SGX-ST Listing Manual

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, FLCAM confirms that there is no person occupying a managerial position in FLCAM or in any of the principal subsidiaries of FLCAM or FLCT who is a relative of a director, chief executive officer, or substantial shareholder of FLCAM or substantial unitholder of FLCT.

For and on behalf of the Board of Directors of

Frasers Logistics & Commercial Asset Management Pte. Ltd.

Ho Hon Cheong

Chairman

Kyle Lee Khai Fatt

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
2 November 2023

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 objection 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, the United Kingdom 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 30 September 2023, the value of the Australian land assets comprised in FLCT's portfolio is 48.6% of the total asset value of FLCT. Consequently, FLCT is not considered to be an ALT. As at 30 September 2023, FLCT had gross Australian assets of approximately S\$3,375.1 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).

Frasers Logistics & Commercial Trust and its subsidiaries
Financial Statements Announcement
For the six months and full year ended 30 September 2023

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.