

## Fraser's Logistics & Commercial Trust Makes Maiden Acquisition of a Prime Logistics Property in Singapore

- ◆ Acquisition of a prime logistics property near the Tuas Mega Port, for S\$140.3 million
- ◆ Aligned with strategy to expand its Logistics and Industrial (“L&I”) portfolio weightage

**SINGAPORE, 17 OCTOBER 2024**

Fraser's Logistics & Commercial Asset Management Pte. Ltd., the manager of Fraser's Logistics & Commercial Trust (“**FLCT**” and the manager of FLCT, the “**REIT Manager**”), is pleased to announce the proposed acquisition of a prime logistics property known as “2 Tuas South Link 1, Singapore” (the “**Property**”) (the “**Proposed Acquisition**”) from an unrelated third party, Diamond Land Pte. Ltd. (the “**Vendor**”). The purchase price for the Property is approximately S\$140.3 million (the “**Purchase Price**”).

The Purchase Price was negotiated on a willing buyer and willing seller basis, taking into consideration the independent valuation conducted by Knight Frank Pte Ltd as at 30 September 2024, which valued the Property at S\$143.8 million (with the Occupancy Guarantee and Rent-Free Amounts<sup>1</sup>)<sup>2</sup> (the “**Appraised Value**”). The valuations are based on the Capitalisation Method, the Discounted Cash Flow Analysis and the Direct Comparison Method. The Purchase Price represents a discount of 2.5% from the Appraised Value.

Ms. Anthea Lee, Chief Executive Officer of the REIT Manager, said, “This DPU-accretive acquisition marks FLCT's entry into Singapore's robust logistics and industrial market via a prime logistics property. It aligns with our commitment to grow FLCT's logistics and industrial portfolio. Located in proximity to the Tuas Mega Port, this acquisition will position FLCT to capitalise on the strong demand for logistics in Singapore while increasing the income stream derived from Singapore properties.”

### KEY ATTRIBUTES OF THE PROPOSED ACQUISITION

The Proposed Acquisition provides FLCT with a rare opportunity to acquire a prime logistics asset in a highly sought-after market where Singapore's prime logistics occupancy rate averages at 94.6%<sup>3</sup>. This aligns with FLCT's strategic objective to expand its L&I portfolio in developed countries. It will also increase the proportion of income FLCT derives from Singapore properties, thereby reducing its exposure to foreign exchange volatility.

The Property is strategically located just a 2-minute drive from the Tuas Mega Port, a S\$20.0 billion development that has commenced operations and is set to consolidate Singapore's port operations by the 2040s. This proximity positions the Property to benefit from the anticipated increase in demand for logistics facilities as Tuas Mega Port is expected to increase Singapore's container handling capacity from 37.3 million twenty-foot equivalent units (“**TEUs**”)<sup>4</sup> to 65.0 million TEUs when it becomes fully operational<sup>5</sup>.

1 Under the sale and purchase agreement, the parties agree that in the event that the occupancy rate of the Property as at the date of legal completion (“**Completion Date**”) is below 100.0%, the Purchase Price will be adjusted for any vacant lettable space in the Property and new leases (if any) as at the Completion Date (“**Occupancy Guarantee**”) and the amount of adjustment will be computed with reference to agreed rates and capped at a maximum of S\$3.3 million (the “**Occupancy Guarantee Amount**”). The parties also agree that the Purchase Price will also be adjusted to take into account outstanding rent-free amounts (“**Rent-Free Amounts**”).

2 The independent valuation of the Property as at 30 September 2024 without taking into account Occupancy Guarantee and Rent-Free Amounts is S\$140.9 million.

3 Source: CBRE Research.

4 Based on the estimated handling volume in 2022.

5 Source: Maritime and Port Authority of Singapore.

Completed and ready for occupation in 2018, the Property is a modern six-storey ramp-up logistics facility with a total net lettable area (“**NLA**”) of 56,203 square metres. The Property has an occupancy rate of 85.8%<sup>6</sup> with a weighted average lease expiry of approximately 1.8 years<sup>7</sup> as at 30 September 2024, and will benefit from rent escalations. The Property is certified Green Mark Platinum by the Building and Construction Authority (BCA).

After the Proposed Acquisition, FLCT’s total portfolio logistics and industrial exposure will increase from 70.9%<sup>8</sup> to 71.5% and FLCT’s Singapore exposure will increase from 9.8%<sup>7</sup> to 11.6%.

#### **FUNDING, FINANCIAL EFFECTS AND OTHER INFORMATION**

The total cost of the Proposed Acquisition comprising the Purchase Price (less the expected adjustments to the Purchase Price for the Occupancy Guarantee Amount and Rent-Free Amounts) as well as estimated professional, stamp duty and other fees and expenses incurred or to be incurred by FLCT in connection with the Proposed Acquisition and the acquisition fee payable to the REIT Manager will be paid in cash and funded through external debt financing.

The Proposed Acquisition is expected to be completed by the 1QFY2025.

**END**

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6 Occupancy is based on NLA of the committed leases.

7 Based on gross rental income, being the contracted rental income and estimated recoverable outgoings.

8 Based on the book value of FLCT’s portfolio as at 30 June 2024, excluding one property under development in Europe and right-of-use assets.

*Enclosed: Photo of the Property at 2 Tuas South Link 1, Singapore*



### About Frasers Logistics & Commercial Trust

Frasers Logistics & Commercial Trust (“**FLCT**”) is a Singapore-listed real estate investment trust with a portfolio comprising 112 industrial and commercial properties, worth approximately S\$6.9 billion, diversified across five major developed markets – Australia, Germany, Singapore, the United Kingdom and the Netherlands. FLCT was listed on the Mainboard of Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 20 June 2016 as Frasers Logistics & Industrial Trust and was subsequently renamed Frasers Logistics & Commercial Trust on 29 April 2020 following the completion of a merger with Frasers Commercial Trust.

FLCT’s investment strategy is to invest globally in a diversified portfolio of income-producing properties used predominantly for logistics or industrial purposes located globally, or commercial purposes (comprising primarily 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). FLCT is sponsored by Frasers Property Limited.

FLCT is a constituent of the FTSE EPRA Nareit Global Real Estate Index Series (Global Developed Index), Straits Times Index and Global Property Research (GPR) 250.

For more information about FLCT, visit [www.frasersproperty.com/reits/flct](http://www.frasersproperty.com/reits/flct)

### About Frasers Property Limited

Frasers Property Limited (“**Frasers Property**” and together with its subsidiaries, the “**Frasers Property Group**” or the “**Group**”), is a multinational investor-developer-manager of real estate products and services across the property value chain. Listed on the Main Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and headquartered in Singapore, the Group has total assets of approximately S\$40.1 billion as at 31 March 2024.

Frasers Property’s multinational businesses operate across five asset classes, namely, commercial & business parks, hospitality, industrial & logistics, residential and retail. The Group has businesses in Southeast Asia, Australia, the EU, the UK and China, and its well-established hospitality business owns and/or operates serviced apartments and hotels in over 20 countries across Asia, Australia, Europe, the Middle East and Africa.

Frasers Property is also the sponsor of two real estate investment trusts (“**REITs**”) and one stapled trust listed on the SGX-ST. Frasers Centrepoint Trust and Frasers Logistics & Commercial Trust are focused on retail, and industrial & commercial properties, respectively. Frasers Hospitality Trust (comprising Frasers Hospitality Real Estate Investment Trust and Frasers Hospitality Business Trust) is a stapled trust focused on hospitality properties. In addition, the Group has two REITs listed on the Stock Exchange of Thailand. Frasers Property (Thailand) Public Company Limited is the sponsor of Frasers Property Thailand Industrial Freehold & Leasehold REIT, which is focused on industrial & logistics properties in Thailand, and Golden Ventures Leasehold Real Estate Investment Trust, which is focused on commercial properties.

The Group is committed to inspiring experiences and creating places for good for its stakeholders. By acting progressively, producing and consuming responsibly, and focusing on its people, Frasers Property aspires to raise sustainability ideals across its value chain, and build a more resilient business. It is committed to be a net-zero carbon corporation by 2050. Building on its heritage as well as leveraging its knowledge and capabilities, the Group aims to create lasting shared value for its people, the businesses and communities it serves. Frasers Property believes in the diversity of its people and are invested in promoting a progressive, collaborative and respectful culture.

For more information on Frasers Property, please visit [frasersproperty.com](http://frasersproperty.com) or follow us on [LinkedIn](#).

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The value of the units in FLCT (“Units”) and the income derived from them may fall or rise. The Units are not obligations of, deposits in, or guaranteed by the REIT Manager, Perpetual (Asia) Limited, in its capacity as trustee of FLCT, or Frasers Property (as the sponsor of FLCT).

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

Unitholders have no right to request that the REIT Manager redeem or purchase 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 news release may contain forward-looking statements or financial information that involve assumptions, 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. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of FLCT. The forecast financial performance or financial information of FLCT is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements or financial information, which are based on the REIT Manager’s current view of future events.

This news release is not an offer or sale of the Units in the United States. The Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and may not be offered or sold in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act. Any public offering of the Units in the United States would be made by means of a prospectus that would contain detailed information about FLCT, the REIT Manager and its management, as well as financial statements.

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