PRESS RELEASE

Frasers Logistics & Commercial Trust Reports FY2024 DPU of 6.80 Singapore Cents

FY2024 Highlights

- **Average portfolio rental reversions of +12.8%** (incoming rent vs. outgoing rent basis) **and +23.6%** (average rent vs. average rent basis) achieved for FY2024
- **Completed ~421,000 sqm of leasing** in FY2024, contributing to a high overall portfolio occupancy of 94.5% with a WALE of 4.2 years as at 30 September 2024
- Healthy **aggregate leverage of 33.0%** as at 30 September 2024, with interest coverage ratio of 5.0 times

Results Summary

S$'000	2HFY24	2HFY23	Variance (%)	FY2024	FY2023	Variance (%)
Revenue	**230,648**	**212,801**	8.4	**446,674**	**420,782**	6.2
Adjusted Net Property Income[1]	**161,311**	**155,525**	3.7	**320,005**	**311,442**	2.7
Distributable Income	**124,853**	**131,557**	(5.1)	**255,515**	**262,339**	(2.6)
DPU (Singapore cents)	**3.32**	**3.52**	(5.7)	**6.80**	**7.04**	(3.4)

SINGAPORE, 6 NOVEMBER 2024

Frasers Logistics & Commercial Asset Management Pte. Ltd., the manager of Frasers Logistics & Commercial Trust ("**FLCT**" and the manager of FLCT, the "**REIT Manager**"), today announced FLCT's results for the six-month period ended 30 September 2024 ("**2HFY24**") and the financial year ended 30 September 2024 ("**FY2024**").

FY2024 FINANCIAL PERFORMANCE AND DISTRIBUTION

FLCT reported revenue of S$230.6 million and Adjusted Net Property Income of S$161.3 million for 2HFY24, representing increases of 8.4% and 3.7% respectively, from S$212.8 million and S$155.5 million in the second half of FY2023 ("**2HFY23**"). The year-on-year increases were mainly due to contributions from the Ellesmere Port facility in the United Kingdom (the "**UK**"), which achieved practical completion in December 2023, and from the acquisition of interests in four German logistics properties in March 2024. The increases were offset by higher vacancies in Alexandra Technopark and 357 Collins Street, as well as higher property operating expenses. The higher property operating expenses were mainly due to higher non-recoverable land taxes in Australia. Finance costs rose mainly due to the increase in interest rates and additional borrowings drawn for capital expenditure, fund through developments and acquisitions. As a result of the above, Distributable Income for 2HFY24 was lower at S$124.9 million, from S$131.6 million in 2HFY23.

1 Actual net property income excluding straight lining adjustments for rental income and adding lease payments of right-of-use assets

For FY2024, FLCT reported revenue of S$446.7 million and Adjusted Net Property Income of S$320.0 million, representing increases of 6.2% and 2.7% respectively, from S$420.8 million and S$311.4 million in FY2023. The increases were contributed by full year contributions from Worcester and Connexion II, maiden contribution from Ellesmere Port in the UK, and contributions from the acquisition of interests in four German logistics properties in March 2024. The increases were partially offset by higher vacancies in Alexandra Technopark and 357 Collins Street, as well as higher property operating expenses. The higher property operating expenses were mainly due to higher non-recoverable land taxes in Australia.

Finance costs rose mainly due to the increase in interest rates and additional borrowings drawn for capital expenditure, fund through developments and acquisitions. As a result of the above, Distributable Income for FY2024 was lower at S$255.5 million, from S$262.3 million in FY2023.

The distribution per unit ("**DPU**") for 2HFY24 was 3.32 Singapore cents, which will be paid on 17 December 2024[2]. In addition to the DPU of 3.48 Singapore cents reported for 1HFY24, FLCT's total distribution for FY2024 amounts to 6.80 Singapore cents, or a distribution yield of 5.9%[3].

PORTFOLIO UPDATE

For FY2024, the FLCT portfolio demonstrated resilience, driven by healthy leasing momentum with 421,000 square metres ("**sq m**") or 15.1% of the portfolio committed. The portfolio average rental reversion achieved for FY2024 was +12.8% on an incoming rent vs. outgoing rent basis and +23.6% for the average rent of the new lease as compared to the average rent of the preceding lease ("**average rent vs. average rent**"). The logistics & industrial portfolio, in particular, demonstrated its strength with rental reversions of +22.7% and +38.8% on an incoming rent vs. outgoing rent basis and on an average rent vs. average rent basis respectively in FY2024, outperforming the portfolio average.

FLCT maintained a high portfolio occupancy of 94.5% as at 30 September 2024, with the logistics & industrial portfolio at 98.8%, and the commercial portfolio at 87.5%. The portfolio weighted average lease expiry ("**WALE**") is 4.2 years. These results underscore the resilience of FLCT's portfolio strategy and its ability to navigate market dynamics effectively, particularly in logistics & industrial.

As at 30 September 2024, FLCT's portfolio of 112 properties across five countries was valued at S$6.8 billion. This valuation reflects market pressures including capitalisation rate expansion and commercial sector vacancies, which were partially offset by robust market rental growth in the logistics and industrial sectors, and translation impact from the stronger Australian Dollar and Sterling Pound as at 30 September 2024 as compared to 30 September 2023. Net asset value per unit was S$1.13 as at 30 September 2024.

During the year, FLCT also completed the development of the logistics & industrial property in Ellesmere, North West England in December 2023, while the façade replacement for Central Park in Perth was successfully completed in August 2024.

INVESTMENT UPDATE

FLCT continued its strategic growth through selective acquisitions in the logistics and industrial sector. In FY2024, FLCT completed approximately S$144.0 million of acquisitions, comprising interests in four German properties and a forward funding project in the Netherlands. These strategic additions have increased the proportion of logistics and industrial assets in FLT's portfolio from 70.0% a year ago to 71.9% as at 30 September 2024, aligning with our focus on high-quality logistics and industrial properties in key markets.

Subsequent to the year end on 17 October 2024, FLCT announced the proposed acquisition of a prime logistics property in Singapore located near the Tuas Mega Port, for S$140.3 million[4]. This acquisition is aligned with its strategy to expand FLCT's logistics & industrial portfolio weightage in developed markets.

---

[2] FLCT's distributions are made on a semi-annual basis for the six-month periods ending 31 March and 30 September

[3] Based on FLCT's closing price of S$1.15 on 30 September 2024

[4] For details, please refer to FLCT's announcement dated 17 October 2024

Ms. Anthea Lee, Chief Executive Officer of the REIT Manager, said, “In FY2024, FLCT demonstrated resilience in the face of ongoing challenges. Our core logistics and industrial portfolio continued to show strength and these assets consistently outperformed, delivering robust rental reversions and maintaining their position as a key driver of FLCT’s overall performance.

Looking ahead, we remain committed to increasing FLCT’s logistics and industrial exposure, while maintaining prudent capital management. Our acquisitions in Germany and the forward funded projects, as well as the acquisition of a prime logistics property in Singapore announced in October 2024, align with this strategy. FLCT’s low aggregate leverage also positions us well to capitalise on strategic growth opportunities while maintaining financial flexibility.

We are also pleased that our sustainability efforts continue to be recognised, with FLCT maintaining its 5-star rating in the GRESB Real Estate Assessment for the eighth consecutive year and being named a GRESB Global Listed Sector Leader in the diversified office/industrial sector.”

CAPITAL MANAGEMENT

As at 30 September 2024, FLCT’s aggregate leverage remained healthy at 33.0%, with a weighted average debt maturity of 2.4 years and high interest coverage ratio of 5.0 times. With a high proportion of 73.3% of borrowings at a fixed rate as at 30 September 2024, FLCT’s cost of borrowings for FY2024 was 2.8%[5] per annum.

FLCT is rated “BBB+” rating by Standard & Poor’s with a stable outlook.

ESG LEADERSHIP

Sustainability is integral to FLCT’s operations and FLCT remains committed in delivering sustainability outcomes that underpin long-term performance. During the year, FLCT continues to make progress in various green initiatives, such as achieving green certification for additional properties in the portfolio and securing sustainability linked loans. In the 2024 GRESB Real Estate Assessment, FLCT maintained its highest 5-star rating for the eighth consecutive year and was recognised as a GRESB Global Listed Sector Leader in the diversified office/industrial sector.

OUTLOOK

An overview of the countries in which FLCT has a presence is provided below:

Australia

In the quarter ended June 2024, the Australian economy grew 0.2%, while the annual change in the Consumer Price Index (CPI) over the 12 months to June 2024 was 3.8%[6].

The industrial sector showed mixed performance in the third quarter of 2024 (“**Q3 2024**”)[7]. Gross industrial take-up totalled 583,200 sqm nationally, with year-to-date (YTD) gross take-up reaching 1.7 million sqm. This figure is unlikely to reach the long-run average of 3.0 million by the end of 2024. Sydney was the largest contributor, representing 35% of the national total take-up.

Despite slower growth, positive rental trends continued. For the last 12 months to 30 September 2024, prime rents in Melbourne, Sydney and Brisbane increased by more than 11%, 7% and 19% respectively. In Sydney, while the vacancy rate rose to 2% as of the first half of 2024, it remained relatively low by historical standards.

Pre-lease transactions accounted for over half of the lease activity in Q3 2024, a trend expected to continue as new developments enter the market. In Melbourne, while industrial vacancies remained tight at 2.0%, pre-commitment levels for projects under-construction and due to complete in 2024 is at approximately 21%.

---

5 Based on trailing 12 months borrowing cost

6 Australia Bureau of Statistics, as at 9 October 2024

7 CBRE Research, Figures, Australia, Melbourne, Sydney, and Brisbane Industrial and Logistics, Q3 2024.

Notably, the average incentive for Melbourne prime grade assets increased by seven percentage points year-on-year to 18% in Q3 2024.

In contrast to the industrial sector, the office market continues to see challenges, particularly in Melbourne. The Melbourne CBD office vacancy rate remained high at 21% in Q3 2024[8]. The Perth office market showed more resilience, with the prime vacancy rate normalising at 13% over the quarter. However, the region's economic growth is expected to moderate on slowing export growth, while new supply is expected to remain moderate throughout 2025[9].

Germany, the Netherlands and the UK

The European Central Bank (ECB)[10] reduced its key interest rate by a quarter point in October 2024 and has stated it will continue to follow a data-dependent and meeting-by-meeting approach to determine appropriate interest rate levels, without pre-committing to a particular rate path. The ECB projects inflation to average 2.5% in 2024, declining towards its 2% target over the second half of 2025. Economic growth in the eurozone remains subdued, with ECB projecting growth of 0.8% in 2024, rising to 1.3% in 2025 and 1.5% in 2026, a slight downward revision from previous forecasts.

The logistics and industrial investment market in Europe has shown a noticeable recovery, accelerating through the middle of 2024 with momentum expected to continue in the coming months[11]. However, the slowing European economic growth in 2023 has eased pressure on logistics rental growth. While vacancy rate remains low in most markets, rising supply and slowing demand are pushing rents upwards at a slower rate[12].

In the UK logistics market, take-up in the second quarter of 2024 ("**Q2 2024**") was 21% ahead of the previous quarter and the highest quarterly total recorded since Q3 2022. The sizeable amount of space under offer at end-June 2024 suggests further improvement in volumes for the second half of 2024. Although the pace of rental growth has decelerated, new developments continue to set new headline rents. Rental growth for prime units over 50,000 sq ft rose by 7.8% in the year to Q2 2024[13]. With the growing importance of ESG amongst occupiers, rents of non-compliant properties are likely to come under increasing pressure. While capital value declines have slowed, near-term prospects for capital appreciation appear limited, though investment returns are expected to improve.

In the commercial market, the rate of price decline for best-in-class assets has begun to slow, indicating signs of stabilisation. The flight to quality in the occupier market is set to continue, reflecting the trend of occupiers using their buildings to attract employees to the office.

Singapore

In Singapore, overall demand for business parks remained cautious as consolidations outweighed new set-ups and expansions, as firms continued to prioritise cost-savings and workplace optimisation strategies[14]. Following a record new supply of over 4 million sq ft of business park and light industrial space since end-2022 and upcoming supply pipeline, vacancies within the sector remains at 21.4%. Overall rents decreased by 0.8% for 2024 year to date for city fringe business park and 1.4% for rest of island business parks.

Outlook

The REIT Manager remains cognisant of the global low economic growth and an evolving interest rate environment. While there are signs of potential easing in monetary policy, the REIT Manager continues to maintain a prudent capital management approach and employ appropriate hedging strategies to mitigate FX and interest rate risks.

---

8 JLL Research, Australia Melbourne CBD Office Final Data Q3 2024
9 JLL Research, Australia Perth CBD Office Final Data Q3 2024
10 Monetary policy decisions, European Central Bank, 17 October 2024
11 BNPP Research, Germany Logistics Investment Market H1 2024
12 BNPP Research, European Logistics Market, Q2 2024
13 Knight Frank Research, UK Real Estate Navigator, Q2 2024
14 CBRE Research, Singapore, Q3 2024

The REIT Manager will continue to proactively optimise returns from its commercial assets through proactive asset management and competitive marketing initiatives. Despite the anticipated rise in supply in certain markets, FLCT's portfolio of logistics & industrial assets is well-positioned, benefiting from sustained demand for quality space. The REIT Manager continues to focus on executing its strategy to increase the L&I proportion of the portfolio as it pursues investment opportunities to enhance portfolio resilience and provide sustainable value for Unitholders.

END

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$6.8 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, non-CBD office space and/or research and development business park space) located in the Asia-Pacific region or in Europe (including the United Kingdom).

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

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 or follow us on LinkedIn.

FOR INVESTOR & MEDIA QUERIES, PLEASE CONTACT:

Frasers Logistics & Commercial Asset Management Pte. Ltd.

Chung Keat Ng
Vice President, Investor Relations & Sustainability
T +65 6276 4882
E chungkeat.ng@frasersproperty.com

IMPORTANT NOTICE

This news release is for information purposes only and does not constitute or form part of an offer, solicitation, recommendation or invitation of any offer, to buy or subscribe for any securities of FLCT in Singapore or any other jurisdiction, nor should it or any part of it form the basis of, or be relied on in connection with, any investment decision, contract or commitment whatsoever.

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.

This news release is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of United States securities laws or the laws of any other jurisdiction.