

## Fraser's Logistics & Commercial Trust Reports 1HFY26 DPU of 2.95 Singapore Cents

### Key Highlights

- ◆ **Average portfolio rental reversions of +8.8%** (incoming rent vs. outgoing rent basis) and **+22.0%** (average rent vs. average rent basis) achieved for the period from January to March 2026
- ◆ Overall portfolio **occupancy of 96.1%** with a **WALE of 4.9 years**
- ◆ Healthy **aggregate leverage of 33.7%** as at 31 March 2026, with interest coverage ratio of **4.4 times**

### Results Summary

S\$'000	1HFY26	1HFY25	Variance (%)
Revenue	238,908	232,326	2.8
Adjusted Net Property Income <sup>1</sup>	166,995	161,256	3.6
Distributable Income	111,895	113,004	(1.0)
DPU (Singapore cents)	2.95	3.00	(1.7)

### SINGAPORE, 5 MAY 2026

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"), today announced FLCT's results for the six-month period ended 31 March 2026 ("1HFY26").

### 1HFY26 FINANCIAL PERFORMANCE AND DISTRIBUTION

FLCT reported revenue of S\$238.9 million and Adjusted Net Property Income of S\$167.0 million for 1HFY26, representing increases of 2.8% and 3.6% respectively, from S\$232.3 million and S\$161.3 million in the first half of FY2025 ("1HFY25"). The year-on-year increases were mainly due to positive rental reversions and annual increment from rent review from AU L&I and EU L&I segments, full contribution from 2 Tuas South Link 1 as acquisition was completed in November 2024, effects of higher average exchange rate (of AUD, EUR and GBP against the SGD) in 1HFY26 relative to 1HFY25. The increase was partially offset by the divestment of 357 Collins Street in September 2025, higher vacancies in ATP and FBP, and higher non-recoverable land taxes for Victoria and Queensland, Australia. 75.0% of 1HFY26 management fees were taken in units (1HFY25: 43.1%).

The distribution per unit ("DPU") for 1HFY26 was 2.95 Singapore cents, representing an annualised distribution yield of 6.6%<sup>2</sup>. The 1HFY26 DPU will be paid on 22 June 2026<sup>3</sup>.

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

<sup>2</sup> Based on annualised DPU and market closing price of S\$0.895 per Unit as at 31 March 2026, being the last trading day in the month of March 2026.

<sup>3</sup> FLCT's distributions are made on a semi-annual basis for the six-month periods ending 31 March and 30 September

## PORTFOLIO UPDATE

For the three months from January to March 2026, the FLCT portfolio demonstrated resilience, driven by healthy leasing momentum with approximately 155,967 square metres (“sq m”) leased across 14 leasing transactions. The portfolio average rental reversion achieved was +8.8% on an incoming rent vs. outgoing rent basis and +22.0% 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 +9.4% and +23.2% on an incoming rent vs. outgoing rent basis and on an average rent vs. average rent basis respectively.

FLCT reported a portfolio occupancy of 96.1% as at 31 March 2026, with the logistics & industrial portfolio at 99.8%, and the commercial portfolio at 88.4%. The portfolio weighted average lease expiry (“**WALE**”) is 4.9 years. The results reflect the strength of FLCT’s portfolio in adapting to market shifts, especially within the logistics & industrial space. Net asset value per unit was S\$1.12 as at 31 March 2026.

## INVESTMENT UPDATE

FLCT continued its strategic growth through selective acquisitions in the logistics and industrial sector. FLCT has recently completed a €43.0 million (approximately S\$64.1 million) acquisition of a modern freehold logistics property located at Diamantweg 26 in Hapert, the Netherlands. The facility is 100% occupied with a long-weighted average lease to expiry of 9.5 years. The DPU-accretive acquisition is aligned with FLCT’s focus on high-quality logistics and industrial properties in key markets.

Ms. Anthea Lee, Chief Executive Officer of the REIT Manager, said, “FLCT continues to demonstrate resiliency in the face of a volatile global climate marked by geoeconomic confrontations, elevated interest rates and currency headwinds. Amid this backdrop, our logistics and industrials portfolio showed strength by delivering robust rental reversions and maintaining its position as a crucial driver of FLCT’s overall performance.

FLCT also remains well-positioned to capitalise on strategic growth opportunities while maintaining financial flexibility with aggregate leverage at a healthy 33.7% as at 31 March 2026. Our acquisition in the Netherlands in April 2026 reflects our ability to act on high-quality opportunities with financial discipline and underscores our confidence in FLCT’s balance sheet strength to support continued, measured growth.”

## CAPITAL MANAGEMENT

As at 31 March 2026, FLCT’s aggregate leverage remained healthy at 33.7%, with a weighted average debt maturity of 2.8 years and high interest coverage ratio of 4.4 times. With 75.0% of borrowings at a fixed rate as at 31 March 2026, FLCT’s cost of borrowings as at 31 March 2026 remained fairly stable at 3.2%<sup>4</sup> per annum.

FLCT is rated “BBB+” rating by Fitch Ratings with a stable outlook.

## OUTLOOK

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

### Australia

According to the Australian Bureau of Statistics (ABS), the Australian economy grew by 0.8% in the quarter ending December 2025, while the consumer price index (CPI) for the 12-months to February 2026 was at 3.7%.

The Reserve Bank of Australia (RBA) reduced the cash rate by 75 basis points across three sessions in 2025, cutting from 4.35% p.a. to 3.60% p.a. by August 2025, before reversing course as inflationary pressures re-emerged. The RBA increased the cash rate by 25 basis points to 3.85% in February 2026, its first rate hike since November 2023, citing stronger-than-expected inflation figures and labour market resilience. A further 25 basis point hike followed in March 2026, bringing the current cash rate to 4.10%.

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<sup>4</sup> Based on trailing 12 months borrowing cost

Rising inflation, compounded by domestic capacity constraints and elevated energy, shipping and transport costs, alongside a softer near-term macroeconomic outlook may keep occupier decision-making cautious. Nonetheless, the industrial sector is expected to remain relatively resilient compared to other asset classes, supported by a slower new supply pipeline, structurally favourable demand drivers, and the sector's defensive income profile. Over the medium term, limited zoned industrial land and complex rezoning processes continue to underpin long-term demand. Performance is increasingly shifting from scarcity to quality, with prime, efficient, power-capable assets continuing to outperform as incentives rise and downtime lengthens for secondary stock. It is anticipated that rental growth and investment activity will continue, albeit at a more measured pace.

Over the past 12 months to Q1 2026, national industrial gross take-up reached 3.79 million sqm which is in line with the 3.84 million sqm recorded over the previous 12-month period<sup>5</sup>. Sydney and Melbourne dominated the national leasing activity, accounting for a combined 67% of the gross take up over the past 12 months with Brisbane contributing 16%.

Over the past 12 months, 2.46 million sqm of new supply has been added to the market with 74% absorbed. This is 19.4% higher than the 10-year average annual completion of 2.06 million sqm per annum. The majority of new supply was completed in Sydney which contributed 35% of the total new stock, followed by Melbourne at 32% and Brisbane at 19%. The national future supply pipeline currently comprises 1.6 million sqm of upcoming supply currently under construction.

For the 12 months to 31 March 2026, prime rents in Melbourne South East, Melbourne West, Outer Central West Sydney and South Brisbane increased by 1.2%, 2.0%, 3.4% and 2.4% respectively. Pre-leased transactions accounted for 8% of total leasing activity in Q1 2026, predominantly concentrated in the Victoria and Queensland markets. Incentives across the Eastern Seaboard markets have continued to increase marginally. For Outer Central West Sydney, average prime midpoint incentives are 22.5% and are 28.75% in Melbourne West 25.0% in Melbourne South East.

In contrast to the industrial sector, the Australian office market continues to face challenges. While conditions have stabilised compared to prior years, leasing demand remains uneven across markets. In Perth, the CBD office market has continued to absorb recent supply; however, vacancy remains elevated relative to historic averages, with headline CBD vacancy at approximately 16.9%. Vacancy pressure is unevenly distributed by grade, with Premium-grade vacancy remaining materially lower, at circa 11-12%, reflecting continued tenant preference for high-quality accommodation. In contrast, Prime grade sits at 14-15% and A-grade vacancy sits higher at 18-19%. Secondary-grade vacancy remains the most pressured approaching approximately 20-21%, accounting for the majority of available space. As a result, vacancy pressure continues to be concentrated in older and lower-quality stock despite improving leasing momentum overall.

Economic growth in Western Australia is expected to moderate through 2026, reflecting softer export growth and more cautious occupier decision-making. However, the new supply pipeline is expected to remain limited over the medium term. Leasing activity is increasingly polarised, with premium, well-located assets outperforming older or less competitive stock which continues to face longer backfill periods.

### **Germany, the Netherlands and the UK**

The European Central Bank (ECB) reduced its key interest rate by 150 basis points over several sessions since September 2024 and has maintained a level of 2.0% p.a. since June 2025. The rate cut decisions came on the back of a resilient labour market and declining inflation figures towards the ECB's 2% target. The ECB projects inflation to rise to an average of 2.6% p.a. in 2026, up from 2.1% in 2025, driven by significant increases in wholesale oil and gas prices. Inflation is then expected to ease below the 2% threshold in the second quarter of 2027, before stabilising around the 2% target in 2028.

In the UK, the Bank Rate is currently 3.75% p.a., with the Bank of England holding rates following a series of cuts since August 2024. While inflation is expected to return towards target, near-term risks remain tilted to the upside, primarily driven by energy price pressures.

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<sup>5</sup> JLL Research: Australia Industrial Overview & Outlook Q1 2026

Investment activity remains relatively muted in the European logistics and industrial market in 2025, with global economic uncertainty tempering the customary Q4 rebound. Investment volumes in the wider European logistics market were down 3% year-on-year,<sup>6</sup> while the Netherlands registered a 6% increase<sup>7</sup> and Germany a 10% decrease<sup>8</sup> in investment volumes. The occupier market has been resilient but cautious in the context of heightened uncertainty, leading to slightly higher vacancy rates. Healthy demand across the German and Dutch markets is expected to continue in 2026, supported by a shrinking development pipeline and structural demand tailwinds including defence spending and e-commerce expansion. Prime markets continue to be tightly held and have experienced moderate rental growth, while rents in secondary markets have remained largely stable.<sup>9</sup> While geopolitical factors and trade uncertainty are contributing to cautious occupier decision-making, the logistics and industrial sector remain structurally supported. Overall, the market is transitioning to a more balanced and sustainable phase, with prime assets continuing to demonstrate resilience.

In the UK, logistics investment volumes rose modestly year-on-year in Q1 2026 while prime yields have remained stable at 5.25% since 2023. The occupier market recorded 5.3m sq ft of take up, a 29% increase quarter-on-quarter but 12% lower than a year ago. Following a brief uptick in vacancy in Q4 2025, the rate fell to 6.8% (from c.7.1% in the previous quarter), reflecting reduced availability of both new and secondhand stock.<sup>10</sup>

Despite the UK office occupier market recording some positive recent take-up, conditions remain challenging in out-of-town locations. Take-up in the South East improved in Q4 2025 and was above the five-year average, with full-year volumes reaching 2.8 million sq ft. Activity continues to be focused on higher-quality space, while overall market conditions remain varied across locations. Prime rents are broadly stable, and secondary rents remain under pressure. Vacancy remains elevated relative to long-term averages. Investment volumes are still subdued<sup>11</sup>, with limited transactional evidence, particularly for larger lot sizes, and yields have softened slightly reflecting ongoing pricing and liquidity constraints.

### **Singapore**

In Singapore, overall demand for business parks remained relatively muted. The lack of new completions slowed leasing momentum. Occupier rightsizing due to costs considerations, ongoing consolidation by financial institutions recentralizing their operations back to CBD office and some expansionary demand resulted in mixed leasing activity for the quarter. Overall, net absorption was mildly positive in Q1 2026, at 0.08 million sq ft. Island-wide business park vacancy eased marginally quarter on quarter to 21.4%. Overall, rents for city fringe and rest of island business park market stayed flat.

Demand for prime logistics warehouse space remains healthy, with occupancy at 95.8% in Q1 2026, up from 94.8% in Q4 2025. This is underpinned by sustained demand for modern ramp-up warehouses, with no new completions recorded during the quarter. Prime logistics supply pipeline is expected to ease in 2026, with upcoming facilities largely pre-leased. Consequently, occupiers looking to expand will need to turn to existing stock in the market.<sup>12</sup>

### **Outlook**

Strong leasing momentum across Australia and Europe continues to support high occupancy and stable income performance, with demand for high-quality, well-located assets remaining robust in supply-constrained markets. The REIT Manager expects global growth to generally weaken in 2026. The longer the Middle East conflict persists, the greater the downside risks, potentially tipping the global economy into recession. This is on top of higher trade barriers, prolonged policy uncertainty and higher geopolitical tensions, which together erode business and consumer confidence. The longer the conflict, the greater the impact on inflation, putting upward pressure on interest rates and prolonging price volatility as global trade and supply chains remain disrupted. The REIT Manager continues to be prudent and will continue to actively mitigate risks from high interest rates, inflation and foreign currency volatility.

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<sup>6</sup> CBRE Research, European Industrial and Logistics Capital Market, Q4 2025

<sup>7</sup> JLL Research, Netherlands Logistics Market, Q4 2025

<sup>8</sup> BNP Paribas, Logistics Investment Market Germany, Q4 2025

<sup>9</sup> CBRE Research, Germany, Logistics Market, Q4 2025

<sup>10</sup> CBRE Research, UK Logistics, Q1 2026

<sup>11</sup> CBRE Research, South East Offices, Q4 2025

<sup>12</sup> CBRE Research, Singapore, Q1 2026

Asset valuations may face pressure as bond yields remain elevated; however, the structural case for prime logistics and industrial assets remains compelling, underpinned by long-term tailwinds such as e-commerce growth, supply chain resilience, nearshoring, and the energy transition.

To date, FLCT has seen no material impact on operations, occupancy or leasing commitments from the current geopolitical and trade environment.

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.

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### **About Frasers Logistics & Commercial Trust**

Frasers Logistics & Commercial Trust (“**FLCT**”) is a Singapore-listed real estate investment trust with a portfolio comprising 113 industrial and commercial properties, worth approximately S\$7.0 billion as at 31 March 2026, 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 an integrated investor-developer-operator of real estate products and services. 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\$39.7 billion as at 30 September 2025.

Frasers Property operates across five asset classes: industrial & logistics, retail, commercial & business parks, residential and hospitality. Its businesses span Southeast Asia, Australia, Europe and China, and its well-established hospitality business owns and/or operates serviced apartments and hotels in 20 countries.

The Group is the sponsor of real estate investment trusts (“**REITs**”), Frasers Centrepoint Trust and Frasers Logistics & Commercial Trust, listed on the SGX-ST, as well as Frasers Property Thailand Industrial Freehold & Leasehold REIT and Golden Ventures Leasehold Real Estate Investment Trust, listed on the Stock Exchange of Thailand.

Guided by its purpose of inspiring experiences and creating places for good, the Group promotes an ESG framework that supports long-term value creation through focus areas such as transparent governance, sustainable finance, inclusive communities and reducing its carbon emissions. Frasers Property aims to deliver lasting shared value for its customers, people, investors and communities, while fostering 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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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.

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