

FRASERS LOGISTICS & COMMERCIAL TRUST ACQUIRES THREE FREEHOLD LOGISTICS AND INDUSTRIAL PROPERTIES IN AUSTRALIA

- ◆ Acquisition of three newly completed, freehold prime logistics and industrial properties located in Victoria, Australia, for a **portfolio purchase price of A\$61.0 million (approximately S\$60.4 million¹)**
- ◆ **100%² occupancy rate with a WALE of 6.6 years²**

SINGAPORE, 10 JUNE 2022

Frasers Logistics & Commercial Asset Management Pte. Ltd., the manager of Frasers Logistics & Commercial Trust (“**FLCT**” and the manager of FLCT, the “**REIT Manager**”), is pleased to announce the proposed acquisition of three fully leased freehold logistics and industrial properties in Truganina, Victoria, Australia (the “**New Properties**”) from an unrelated third party, West Industry Park Pty Ltd (the “**Acquisition**”). The property purchase price for the New Properties is A\$61.0 million (approximately S\$60.4 million) (the “**Portfolio Purchase Price**”)³.

The Portfolio Purchase Price was negotiated on a willing buyer and willing seller basis and taking into consideration the independent valuation conducted by Savills Valuations Pty Ltd (“**Savills**”) at A\$61.1 million (approximately S\$60.5 million)⁴ as at 31 May 2022⁵. The Savills valuation is based on the capitalisation and discounted cash flow approaches and referenced comparable market transactions. The Acquisition is expected to complete by the third quarter of 2022.

Mr. Robert Wallace, Chief Executive Officer of the REIT Manager, said, “This investment marks a continuing deployment of our divestment proceeds from the sale of Cross Street Exchange in Singapore and will provide FLCT with further exposure to the attractive Melbourne logistics and industrial market. The New Properties are of smaller tenancy sizes, providing a product offering that targets a differentiated tenancy base, making the New Properties a complementary fit with FLCT’s existing industrial portfolio. With the New Properties being fully leased with a long WALE of 6.6 years and built-in annual rental escalations, the New Properties will contribute to FLCT’s objective of providing stable long term returns to unitholders.”

KEY ATTRIBUTES OF THE ACQUISITION

The New Properties are located in Truganina, a key industrial precinct in Melbourne’s West which sits approximately 20 kilometres from Melbourne’s central business district. According to JLL Research⁶, the Melbourne West industrial precinct has enjoyed continued growth in occupier demand, with total take-up at 205,690 square metres (“**sqm**”) for the first quarter of 2022, remaining well above the 10-year quarterly average of 119,130 sqm. Higher demand is reflected in Melbourne West as it accounted for 52% of the total take-up in Melbourne for the same period. Due to the elevated demand levels, the current vacancy rate in the precinct sits at sub-1.0%⁷. Moreover, the precinct’s prime net rent grew around 15.0% over the past 12 months to 31 March 2022. In comparison to other Eastern seaboard cities of Sydney and Brisbane in Australia, Melbourne West continues to provide an attractive rental affordability proposition.

The New Properties comprise three buildings which were newly completed in early May 2022 and have a total lettable area of 25,089 sqm. The New Properties are fully leased to four tenants with a weighted average lease

¹ Unless otherwise stated, the S\$ equivalent of the A\$ figures in this press release have been arrived at based on an assumed exchange rate of A\$1:S\$0.99 as at 8 June 2022.

² Based on gross rental income (“**GRI**”), being the contracted rental income and estimated recoverable outgoings for the month of March 2022. Excludes straight lining rental adjustments and include committed leases.

³ The purchase price for 1 Magnesium Place, 11 Magnesium Place and 17 Magnesium Place (being the New Properties) are A\$24.2 million, A\$17.35 million and A\$19.45 million respectively.

⁴ The valuation of the New Properties includes outstanding tenant incentives.

⁵ The adopted market values based on the independent valuations of 1 Magnesium Place, 11 Magnesium Place and 17 Magnesium Place (being the New Properties) are A\$24.3 million, A\$17.35 million and A\$19.45 million respectively.

⁶ Source: JLL Research Real Estate Intelligence Service Melbourne L&I Market 1Q 2022.

⁷ Source: CBRE Melbourne West Industrial & Logistics Market Overview as of February 2022.

expiry (“**WALE**”) of 6.6 years⁸ and will benefit from fixed annual rent increments of 3.0%. The Acquisition will enhance FLCT’s presence in the Australian logistics and industrial market, while increasing total portfolio logistics and industrial exposure to 66.3%, from 66.0% prior to the Acquisition⁹. Post-acquisition, FLCT’s portfolio WALE and occupancy rate will remain at 4.6 years and 96.2%, respectively¹⁰.

FUNDING AND FINANCIAL EFFECTS

The total cost of the Acquisition is estimated to be A\$65.9 million (approximately S\$65.2 million), comprising the Portfolio Purchase Price as well as the stamp duty payable, professional and other fees and expenses in connection with the Acquisition and the acquisition fee. The Acquisition will be fully funded from the divestment proceeds of Cross Street Exchange in Singapore¹¹.

The Acquisition is not expected to have any material effect on FLCT’s net tangible assets.

OTHER INFORMATION

Based on the relative figures as computed on the bases set out in Rule 1006 of the listing manual of Singapore Exchange Securities Trading Limited (the “**Listing Manual**”), the Acquisition is a “Non-Discloseable Transaction” within the meaning of Rule 1006 of the Listing Manual.

END

⁸ The WALE for the New Properties is computed assuming that the tenancies have commenced as at 31 March 2022 although each of the tenancies commenced at a different time after 31 March 2022.

⁹ Calculated based on the book value of FLCT’s portfolio as at 31 March 2022 and excludes right-of-use assets for the existing portfolio, includes the purchase consideration of 545 Blackburn Road which was acquired on 20 May 2022 and the Portfolio Purchase Price for the New Properties.

¹⁰ As at 31 March 2022 and includes 545 Blackburn Road which was acquired on 20 May 2022 and the New Properties.

¹¹ Please refer to the announcements dated 2 December 2021 and 25 January 2022 for details.

About the New Properties

The New Properties are located at 1, 11 & 17 Magnesium Place, Truganina, Victoria, Australia and comprise three newly completed freehold modern logistics facilities with units ranging in size from 4,000 sqm to 8,000 sqm. The New Properties have high specifications which would require little near-term capital expenditure and have a number of sustainability features including approximately 300 kilowatts of solar photovoltaic panels.

The New Properties are in proximity to the Deer Park Bypass-Robinsons Road intersection which is comprised of a four-way interchange, providing convenient access and connectivity to Melbourne's key western arterial road and freeway networks. The New Properties are also located near the West Park Industrial Estate, in which six other FLCT logistics & industrial properties are located.

The New Properties are fully leased to four tenants, being STEDI (Etail Investments Pty Ltd), Goodride Tyres Pty Ltd, Stoddart Group Pty Ltd, and Signet Pty Ltd.

About Frasers Logistics & Commercial Trust

Frasers Logistics & Commercial Trust (“**FLCT**”) is a Singapore-listed real estate investment trust with a portfolio comprising 102 industrial and commercial properties, worth approximately S\$6.7 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

About Frasers Property Limited

Frasers Property Limited (“**Frasers Property**” and together with its subsidiaries, the “**Frasers Property Group**” or the “**Group**”), is a multi-national developer-owner-operator 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\$40.7 billion as at 31 March 2022.

Frasers Property’s multi-national businesses operate across five asset classes, namely, residential, retail, commercial & business parks, industrial & logistics as well as hospitality. The Group has businesses in Southeast Asia, Australia, Europe and China, and its well-established hospitality business owns and/or operates serviced apartments and hotels in over 70 cities and 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](https://www.linkedin.com/company/frasers-property).

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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.

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