

FRASERS LOGISTICS & COMMERCIAL TRUST INVESTS IN FORWARD FUNDING ACQUISITION OF A PRIME WAREHOUSE DEVELOPMENT IN THE UNITED KINGDOM

- ◆ Acquisition of a prime freehold warehouse development in Worcester, West Midlands, United Kingdom, for a total consideration on a completed basis of £28.3 million (approximately S\$51.5 million)¹
- ◆ Pre-let to a leading UK flooring distributor for a 15-year period

SINGAPORE, 30 NOVEMBER 2021

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 that it has, through its wholly owned subsidiary, Worcester Property Co Limited, acquired a property to be developed at Worcester Six, a new business park (the "**Property**") in the West Midlands, United Kingdom (the "**UK**") from an unrelated third party, Stoford (Worcester) Limited with FLCT to fund the development of the new facility (the "**Proposed Acquisition**"). The all-in maximum consideration for the Proposed Acquisition on a completed basis is £28.3 million (approximately S\$51.5 million) (the "**Maximum Consideration**").

The Maximum Consideration is negotiated on a willing buyer and willing seller basis and taking into consideration the independent valuation conducted by CBRE Limited ("**CBRE**")² at £28.3 million (approximately S\$51.5 million) as at 15 November 2021³. The CBRE valuation is based on the income capitalisation approach and comparable market transactions⁴.

The development of the Property is expected to be completed in the first quarter of 2023.

Mr. Robert Wallace, Chief Executive Officer of the REIT Manager, said, "The acquisition through a forward funding agreement for a prime, freehold high-specification facility in the UK is the continuation of our strategy to grow FLCT's core logistics and industrial portfolio in existing markets. With a committed lease term of 15 years to an international distributor of flooring products, the Proposed Acquisition is expected to further enhance FLCT's portfolio metrics while providing unitholders with a stable and long-term income stream."

"The acquisition is our second third-party acquisition, reaffirming FLCT's deal-sourcing capabilities whilst scaling up our footprint in the attractive UK logistics real estate space, where demand and take-up levels are expected to remain strong."

KEY ATTRIBUTES OF THE PROPOSED ACQUISITION

The Property is strategically located within Worcester Six business park, a strong established location adjacent to junction 6 of the M5 Motorway in the county of Worcestershire. The centralised position of the site strategically serves the West Midlands, North West, South West and Welsh regions of the UK. Approximately 80.0% of the UK's population can be reached in a four hours' drive given the proximity to the National Motorway Network.

Worcester Six is a new Business Park with development planning consent for up to 1.5 million square feet ("**sq ft**") (approximately 139,355 square metres ("**sqm**")) to serve warehousing, industrial, technology, manufacturing and office users. To-date, over 700,000 sq ft (approximately 65,032 sqm) of employment space at Worcester Six has been delivered or committed by the developer, Stoford Properties Ltd, with other notable occupiers including Kohler Mira Limited, Kimal PLC, Zwick Roell Group, Super Smart Service Ltd and Spire

¹ Unless otherwise stated, the S\$ equivalent of the £ figures in this press release have been arrived at based on an assumed exchange rate of £1:S\$1.82.

² CBRE was commissioned by the REIT Manager and Perpetual (Asia) Limited, as trustee of FLCT, to value the Property.

³ CBRE's valuation is on a completed and pre-let basis, and includes rent-free incentives which will be borne by the vendor and deducted from the Maximum Consideration.

⁴ Assuming the Property is on a completed basis and all relevant planning permission is in place and the Property is leased to the Tenant based on the terms in the agreement for lease.

Healthcare Group. The Worcester Six estate has also met the requirements to achieve a BREEAM⁵ Communities “Very Good” certificate.

The Property, when developed, will be a modern and high quality facility with a total lettable area of 180,121 sq ft (approximately 16,734 sqm) on a 3.48-hectare site. The Property is prominently positioned near the entrance to the business park with extensive frontage to the access road. The building will be constructed to high specifications with eaves height of 12.5 meters, 27 loading doors, extensive car parking spaces and a target Energy Performance Certificate rating of “A”.

Upon completion of the development, the Property will be leased to Alliance Flooring Distribution Limited (the “**Tenant**”) on a new 15-year lease, subject to five yearly upward only rent reviews⁶. The Tenant is a subsidiary of Victoria PLC, an international manufacturer and distributor of innovative flooring products which is listed on London Stock Exchange with operations spanning across the UK, Europe and Australia. The Property will also be the Tenant’s headquarter flagship warehouse in the UK.

The Proposed Acquisition will be FLCT’s second warehouse property in the UK, increasing FLCT’s exposure to the UK market to 10.9% of its total portfolio value, from 10.2% prior to the Proposed Acquisition⁷. Post-acquisition, the weighting of FLCT’s portfolio by value towards logistics and industrial will also increase from 61.1% to 61.4%. The Proposed Acquisition will also further deepen FLCT’s presence in the UK’s West Midlands region.

FUNDING AND FINANCIAL EFFECTS

The total cost of the acquisition is estimated to be approximately £29.1 million (approximately S\$53.0 million), comprising the Maximum Consideration, the acquisition fee payable to the REIT Manager in units in FLCT, as well as professional and other fees and expenses in connection with the Proposed Acquisition (which includes stamp duty land tax, but excludes recoverable value-added tax). The Proposed Acquisition will be funded through internal resources and/or existing debt facilities.

The Proposed 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 Proposed Acquisition is a “Non-Discloseable Transaction” within the meaning of Rule 1006 of the Listing Manual.

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⁵ Refers to Building Research Establishment Environmental Assessment Method.

⁶ Indexed to the Retail Price Index on an annual compounded basis, collared at 2.0% per year and capped at 4.0% per year

⁷ As at 30 September 2021 and based on portfolio value which excludes the recognition of right-of-use assets upon the adoption of FRS 116 Leases with effect from 1 October 2019.

Artist Impressions of the Property



About Frasers Logistics & Commercial Trust

Frasers Logistics & Commercial Trust (“**FLCT**”) is a Singapore-listed real estate investment trust with a portfolio comprising 103 industrial and commercial properties, worth approximately S\$7.3 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\$40.3 billion as at 30 September 2021.

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 people, Frasers Property aspires to raise sustainability ideals across its value chain, and build a more resilient business. It has 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 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 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 Manager’s current view of future events.

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