SGX-ST Announcement

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COMPLETION OF 357 COLLINS STREET ACQUISITION
USE OF PROCEEDS FROM THE PRIVATE PLACEMENT
UPDATE ON HOTEL DEVELOPMENT AT THE CHINA SQUARE CENTRAL PROPERTY

1. COMPLETION OF 357 COLLINS STREET ACQUISITION

1.1 357 Collins Street Acquisition

Further to the announcement dated 3 June 2015 on the issue and despatch of the Circular to unitholders dated 3 June 2015 (the "**Circular**") and the approvals granted at the extraordinary general meeting of Frasers Commercial Trust ("**FCOT**") held on 22 June 2015 (the "**EGM**") in relation to, among others, the entry into the building agreement (the "**Building Agreement**") for the development of the hotel (the "**Hotel**") and grant of a long lease at the China Square Central Property and the acquisition of 357 Collins Street, Melbourne, Victoria, Australia ("**357 Collins Street**") by FCOT (the "**357 Collins Street Acquisition**"), Frasers Centrepoint Asset Management (Commercial) Ltd., in its capacity as the manager of FCOT (the "**Manager**"), is pleased to announce that the 357 Collin Street Acquisition has been completed today.

1.2 Entry into 357 Collins Street Property Management Agreement

As stated in page 34 of the Circular, following the completion of the 357 Collins Street Acquisition, Australand Management Services Pty Ltd[1] (the "**Property Manager**") has been appointed as property manager for 357 Collins Street pursuant to the entry of the property

1 Australand Management Services Pty Ltd is a wholly-owned subsidiary of Frasers Australand Pty Ltd, which is an indirect wholly-owned subsidiary of Frasers Centrepoint Limited.

management agreement between TFS Collins Pty Ltd [2] and the Property Manager (the "**357 Collins Street PMA**") today.

Please refer to the Circular for details on the 357 Collins Street PMA, including the term of the 357 Collins Street PMA, the fees payable to the Property Manager under the PMA and the rationale for the appointment of the Property Manager as the property manager for 357 Collins Street.

2. USE OF PROCEEDS FROM THE PRIVATE PLACEMENT

Further to the announcement dated 3 August 2015 in relation to the placement of 96,000,000 new units in FCOT ("**New Units**") at an issue price of S$1.48 per New Unit (the "**Private Placement**"), the Manager is pleased to announce that the following gross proceeds from the Private Placement have been utilised:

(i) approximately S$122.7 million (which is equivalent to 86.4% of the gross proceeds of the Private Placement) to part finance the estimated total cost of the 357 Collin Street Acquisition of A$237.7 million (the "**Total Acquisition Cost**")[3]; and

(ii) approximately S$1.9 million (which is equivalent to 1.3% of the gross proceeds of the Private Placement) to pay (a) the financial advisory commission and related expenses payable to DBS Bank Ltd. as the financial adviser in relation to the Private Placement, (b) the underwriting and selling fees and related expenses payable to Barclays Bank PLC, Singapore Branch, Citigroup Global Markets Singapore Pte. Ltd. and DBS Bank Ltd. as the joint placement agents and underwriters in relation to the Private Placement, and (c) professional and other fees and expenses incurred by FCOT in connection with the Private Placement.

The above utilisation is in accordance with the stated use of the gross proceeds of the Private Placement.

The remaining proceeds of approximately S$17.5 million (which is equivalent to 12.3% of the gross proceeds of the Private Placement) are expected to be used to pay down existing debt and/or for general working capital purposes. The Manager will make further announcements via SGXNET as and when the remaining proceeds are materially disbursed.

3. UPDATE ON HOTEL DEVELOPMENT AT THE CHINA SQUARE CENTRAL PROPERTY

3.1 Entry into Building Agreement for the Hotel Development at the China Square Central Property

As stated in page 20 of the Circular, the entry into of the Building Agreement was subject to and conditional upon certain conditions precedent being satisfied. Pursuant to the foregoing

2 TFS Collins Pty Ltd (an indirect wholly-owned subsidiary of British and Malayan Trustees Limited, in its capacity as trustee of FCOT, incorporated in Australia), in its capacity as trustee of Collins Street Landholding Trust, from Australand Property Holdings (Collins St No.1) Pty Limited (in its capacity as trustee of APT (Collins St No.1) Trust, an indirect wholly-owned special purpose trust of Frasers Australand Pty Ltd. Frasers Australand Pty Ltd is an indirect wholly-owned subsidiary of Frasers Centrepoint Limited ("**FCL**").

3 The Total Acquisition Cost comprises (i) the purchase consideration of A$222.5 million (the "**Purchase Consideration**"); (ii) the acquisition fee payable to the Manager for the 357 Collins Street Acquisition (which is equal to 1.0% of the Purchase Consideration) in connection with the 357 Collins Street Acquisition and which will be fully paid in Units; (iii) the estimated stamp duty payable thereon of approximately A$12.2 million; and (iv) estimated professional and other fees and expenses of approximately A$0.8 million in connection with the 357 Collins Street Acquisition.

and the satisfaction of the conditions precedent, British and Malayan Trustees Limited, in its capacity as the trustee of FCOT (the "**Trustee**"), has entered into the Building Agreement with Frasers Hospitality China Square Trustee Pte. Ltd. (in its capacity as trustee-manager of Frasers Hospitality China Square Trust, an indirect wholly-owned special purpose trust of FCL) (the "**FHCS Trustee**") today.

Please refer to the Circular for details on the Building Agreement, including the terms and conditions of the Building Agreement.

3.2 **Receipt of Hotel Consideration**

As stated in page 19 of the Circular, the consideration for the Trustee's grant of the long lease at the China Square Central Property in respect of the Hotel of S$44.8 million (and the GST thereon) (the "**Hotel Consideration**") is payable by the FHCS Trustee on or before the execution of the Building Agreement. Pursuant to the entry into the Building Agreement, the Hotel Consideration was received by FCOT today.

Please refer to the Circular for details on the Hotel Consideration.

3.3 **Use of Net Proceeds from the Hotel Consideration**

In addition to the use of the estimated net proceeds from the Hotel Consideration as set out on page 20 of the Circular, following the determination that the net proceeds are capital in nature, the Manager wishes to announce that the net proceeds may also be utilised by the Manager for payments of capital distribution to Unitholders.

Accordingly, the Manager may at its absolute discretion, utilise the net proceeds from the Hotel Consideration for any of the uses as set out in the Circular, and/or for capital distribution purposes.

4. INTERESTED PERSON TRANSACTIONS

4.1 **Disclosure in Compliance with Rule 905(2) of the Listing Manual**

As at the date of this announcement, the Manager and the Property Manager are indirect wholly-owned subsidiaries of FCL, a controlling unitholder of FCOT and a controlling shareholder of the Manager. Therefore, for the purposes of Chapter 9 of the Listing Manual of Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), the Property Manager is an "interested person" of FCOT.

FCOT has not entered into any transaction with the Property Manager in the current financial year up to 31 July 2015 and the value of the 357 Collins Street PMA amounts to approximately S$1,282,000 (assuming an exchange rate of A$1:S$1.0369), which does not exceed 3% of FCOT's latest audited net tangible assets for the purposes of Chapter 9 of the Listing Manual.

The total value of all interested person transactions entered into between FCOT and FCL and their subsidiaries and associates (excluding transactions of less than S$100,000) in the current financial year up to 31 July 2015 amounts to approximately S$277,251,000 (including the 357 Collins Street Acquisition, the 357 Collins Street PMA and the Hotel Consideration), which exceeds 3% of FCOT's latest audited net tangible assets for the purposes of Chapter 9 of the Listing Manual.

4.2 **Audit, Risk and Compliance Committee**

Having considered the terms and conditions of the 357 Collins Street PMA, as well as the rationale for the entry into the 357 Collins Street PMA as set out in the Circular, the Audit, Risk and Compliance Committee of the Manager is of the view that the entry into the 357 Collins Street PMA is on normal commercial terms and would not be prejudicial to the interests of FCOT and its minority Unitholders.

4.3 **Interests of Directors and Substantial Unitholders**

Save as disclosed in the Circular and based on information available to the Manager as at the date of this announcement, none of the Directors or the Substantial Unitholders has an interest, direct or indirect, in the entry into the 357 Collins Street PMA.

BY ORDER OF THE BOARD
Frasers Centrepoint Asset Management (Commercial) Ltd.
(Company Registration No: 200503404G)
As manager of Frasers Commercial Trust

Piya Treruangrachada
Company Secretary

18 August 2015

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IMPORTANT NOTICE

This announcement may contain forward-looking statements that involve 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. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.

The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Manager to redeem 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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