

## Frasers Property Limited

*Incorporated in Singapore*

*Company Registration No. 196300440G*

### PROPOSED DIVESTMENT OF INTERESTS IN 12 PROPERTIES IN GERMANY AND AUSTRALIA

#### 1. INTRODUCTION

Pursuant to Rule 704(18)(c) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the board of directors of Frasers Property Limited (the “**Company**” or “**FPL**”) wishes to announce that the Company, through its subsidiaries, Frasers Property Investments (Europe) B.V., FPE Investments RE11 B.V. and FPE Investments RE12 B.V. (collectively, the “**German Vendors**”), entered into a conditional share purchase agreement dated 2 July 2019 (the “**Share Purchase Agreement**”) with FLT Europe B.V. (the “**FLT Europe**”), a wholly-owned subsidiary of Perpetual (Asia) Limited, in its capacity as the trustee of Frasers Logistics & Industrial Trust (“**FLT**”), to divest the equity interests in 10 property holding companies<sup>1</sup> (the “**Property Companies**”) which hold interests in nine freehold logistics properties located in Germany (the “**German Properties**”, and the divestment of the German Properties, the “**German Properties Divestment**”).

In addition, the Company, through Australand C&I Land Holdings Pty Ltd (as trustee of the Australand C&I Land Holdings (Eastern Creek Stage 4 No. 1) Trust), Australand Property Holdings Pty Limited (as trustee of FPT (Keysborough No. 6) Trust) and Australand C&I Land Holdings Pty Ltd entered into three asset sale and purchase agreements dated 2 July 2019 (collectively, the “**Asset Sale and Purchase Agreements**”) with FLT (through the Sub-Trust Trustees<sup>2</sup> acting as trustees respectively of sub-trusts wholly-owned by FLT) to divest three freehold logistics properties located in Australia (the “**Australian Properties**”, together with the German Properties, the “**Properties**”) (the “**Australian Properties Divestment**”, and together with the German Properties Divestment, the “**Proposed Transaction**”).

#### 2. INFORMATION ON THE PROPERTIES

The Proposed Transaction comprises interests in nine properties located in Germany and three properties located in Australia. Details of the Properties which are the subject of the Proposed Transaction are set out in the Appendix hereto.

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- 1 One of the Property Companies, BV Maschinen GmbH, is a holding company which holds the fixtures of two of the German Properties.
  - 2 The “**Sub-Trust Trustees**” refer to FLT Queensland No 3 Pty Limited (as trustee of Wayne Goss Drive Trust B) (“**FLT Queensland No. 3**”), FLT Queensland No 4 Pty Limited (as trustee of Hanson Place Trust A) (“**FLT Queensland No. 4**”) and FLT Landowner Pty Limited (as trustee of Hudson Court Trust B) (“**FLT Landowner**”).

### 3. SALIENT TERMS OF THE PROPOSED TRANSACTION

#### 3.1. Certain Terms and Conditions of the Share Purchase Agreement

The principal terms of the Share Purchase Agreement include, among others, that the completion of the German Properties Divestment be subject to the satisfaction of certain conditions precedent, which include (a) the manager of FLT obtaining the approval of the unitholders of FLT at an extraordinary general meeting, (b) the manager of FLT procuring financing for the acquisition of interests in the German Properties, and (c) the transfer of fixtures in BV Maschinen GmbH which are not in relation to the Amor & Mühle Facility (as defined herein) and the Keramag & VCK Facility (as defined herein).

#### 3.2. Certain Terms and Conditions of the Asset Sale and Purchase Agreements

The common principal terms of the Asset Sale and Purchase Agreements include, among others, that the completion of the Australian Properties Divestment be subject to the satisfaction of the following conditions precedent, being (a) the manager of FLT obtaining the approval of the unitholders of FLT at an extraordinary general meeting, and (b) the manager of FLT procuring financing for the acquisition of the Australian Properties.

#### 3.3. Consideration for the Proposed Transaction

The purchase consideration of approximately €235.4 million (approximately S\$362.6<sup>3</sup> million) under the Share Purchase Agreement (the “**Share Purchase Consideration**”) is payable to the Company in cash, and was negotiated on a willing buyer and willing seller basis, based on the aggregate value of:

- (i) the amount of inter-company loans owing by the Property Companies to the German Vendors as at completion of the German Properties Divestment to be assigned to FLT Europe; and
- (ii) the pro forma consolidated net asset value of the Property Companies based on the agreed purchase price of the German Properties of approximately €320.3 million (approximately S\$493.3 million) (which takes into account the aggregate carrying value of the German Properties of approximately €299.2 million (approximately S\$460.8 million)), and

taking into account the effective interests in the Property Companies that FLT will be acquiring.

The aggregate purchase consideration of approximately A\$125.5 million (approximately S\$119.2 million) under the Asset Sale and Purchase Agreements (the “**Asset Purchase Consideration**”) is payable to the Company in cash, and was negotiated on a willing buyer and willing seller basis, taking into account the aggregate carrying value of the Australian Properties of approximately A\$108.2 million (approximately S\$102.8 million).

The aggregate of the Share Purchase Consideration and the Asset Purchase Consideration is approximately A\$507.2 million (approximately S\$481.8 million).

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3 All S\$ equivalent figures in this announcement are derived based on the exchange rate of A\$1 : S\$0.9500 and €1 : S\$1.5400.

#### **4. RATIONALE**

The Proposed Transaction is in line with the strategy of the Company and its subsidiaries (the “**Group**”) to recycle capital as part of its active portfolio management initiatives from stabilised investment properties via its real estate investment trusts (“**REITs**”), which are of strategic importance to the Group. This enables the Group to both optimise capital productivity and support the growth of its REITs.

#### **5. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTION**

The Proposed Transaction is in the ordinary course of FPL’s business and is not expected to have any material effect on the net tangible assets per share and the earnings per share of the Group for the current financial year.

#### **6. DOCUMENTS FOR INSPECTION**

Copies of the Share Purchase Agreement and the Asset Sale and Purchase Agreements are available for inspection at the registered office of the Company\* at 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958 during normal business hours for three (3) months from the date of this announcement.

By Order of the Board

Catherine Yeo  
Company Secretary  
3 July 2019

*\*Prior appointment with the Company will be appreciated.*

## APPENDIX

S/No	Address	Effective interests in the Properties which are subject to the Proposed Transaction (%)
<b>German Properties</b>		
<b>State: Baden-Wurttemberg</b>		
1	Am Bühlfeld 2-8, 89543, Herbrechtingen, Germany	94.90
2	Hölderlinstraße 29, 71732, Tamm, Germany	94.00
<b>State: Bavaria</b>		
3	Hermesstraße 5, 86836, Graben, Augsburg, Germany	94.90
4	Dieselstraße 30, 85748, Garching, Germany	94.00
<b>State: Berlin</b>		
5	Gewerbegebiet Etzin 1, 14669, Berlin, Germany	94.90
<b>State: Hesse</b>		
6	Im Birkengrund 5-7, 63179, Obertshausen, Germany (the "Amor & Mühle Facility")	94.00
<b>State: North Rhine-Westphalia</b>		
7	Walter-Gropius-Straße 19, 50126, Bergheim, Germany	94.00
8	An den Dieken, 40885, Ratingen, Germany (the "Keramag & VCK Facility")	94.00
9	Fuggerstraße 17, 33689, Bielefeld, Germany	93.10
<b>Australian Properties</b>		
<b>State: New South Wales</b>		
10	2 Hanson Place, Eastern Creek, New South Wales, Australia	100.00
<b>State: Victoria</b>		
11	8-28 Hudson Court, Keysborough, Victoria, Australia	100.00
<b>State: Queensland</b>		
12	29-51 Wayne Goss Drive, Berrinba, Queensland, Australia	100.00