

SGX-ST ANNOUNCEMENT

For immediate release

PROPOSED MERGER OF FRASERS LOGISTICS & INDUSTRIAL TRUST AND FRASERS COMMERCIAL TRUST BY WAY OF A TRUST SCHEME OF ARRANGEMENT

EFFECTIVE DATE OF THE TRUST SCHEME, EXPANSION OF INVESTMENT MANDATE AND ENTRY INTO THE RESULTING ROFR AGREEMENT

1. INTRODUCTION

The board of directors of Frasers Logistics & Industrial Asset Management Pte. Ltd., as manager of Frasers Logistics & Industrial Trust ("**FLT**") and the manager of FLT, the "**FLT Manager**"), refers to:

- (a) the circular dated 14 February 2020 by the FLT Manager to unitholders of FLT ("**FLT Unitholders**") and such circular, the "**Circular**") in relation to the proposed merger (the "**Proposed Merger**") of FLT and Frasers Commercial Trust ("**FCOT**") proposed to be effected through the acquisition by Perpetual (Asia) Limited (in its capacity as trustee of FLT) (the "**FLT Trustee**") of all the issued and paid-up units held by the unitholders of FCOT (the "**FCOT Unitholders**") in exchange for a combination of cash and units in FLT ("**FLT Units**") by way of a trust scheme of arrangement (the "**Trust Scheme**") in compliance with the Singapore Code on Take-overs and Mergers and the proposed acquisition of 50 per cent. interest in Farnborough Business Park through the acquisition of a 50 per cent. interest in Farnborough Business Park Ltd (the "**Proposed Asset Acquisition**");
- (b) the letter dated 14 February 2020 from the FLT Manager to the FCOT Unitholders (the "**Offeror's Letter**"), as set out in Appendix B to the scheme document dated 14 February 2020 issued by the FCOT Manager to the FCOT Unitholders in relation to the Proposed Merger; and
- (c) the announcements issued by the FCOT Manager and FLT Manager in relation to, amongst others, the court's sanction of the Trust Scheme and the notice of books closure date to determine the entitlements of the FCOT Unitholders in respect of the Trust Scheme.

All capitalised terms used and not defined herein shall have the same meanings given to them in the Circular and/or the Offeror's Letter.

2. EFFECTIVE DATE OF THE TRUST SCHEME

The FLT Manager wishes to announce that it has notified the Monetary Authority of Singapore in writing of the grant of the court order sanctioning the Trust Scheme on 15 April

2020. The Trust Scheme has therefore become effective and binding in accordance with its terms on 15 April 2020.

3. PAYMENT OF THE SCHEME CONSIDERATION

FCOT Unitholders will receive payment of the Scheme Consideration (S\$0.151 in cash and 1.233 FLT Units per FCOT Unit) by 24 April 2020.

4. INDICATIVE TIMETABLE FOR THE TRUST SCHEME

FLT Unitholders are to note the following indicative timetable in relation to the Trust Scheme for the following events:

Expected date for payment of Cash : 24 April 2020
Consideration and the allotment and issuance of
the Consideration Units

Expected date for commencement of trading of : 24 April 2020
the Consideration Units on the SGX-ST

Expected date for the delisting of FCOT : 29 April 2020

The timetable above is indicative only and may be subject to change. Please refer to future SGXNet announcement(s) by the FLT Manager for the exact dates of these events.

5. EXPANSION OF INVESTMENT MANDATE AND ENTRY INTO THE RESULTING ROFR AGREEMENT

Further to the notice to FLT Unitholders of the proposed change of investment mandate of FLT as disclosed in the Circular, the FLT Manager wishes to announce that the new investment mandate of FLT (the “**New Investment Mandate**”) will come into effect today. The New Investment Mandate is to invest in a portfolio of income-producing real estate used predominantly for (i) logistics or industrial purposes and located globally, and such real estate assets used for logistics or industrial purposes may also include office components ancillary to the foregoing purposes; and/or (ii) commercial purposes (comprising primarily CBD¹ office space) or business park purposes (comprising primarily non-CBD office space and/or research and development space) and located in the Asia-Pacific region or in Europe (including the United Kingdom).

¹ “CBD” means the Central Business District.

Upon the New Investment Mandate coming into effect, the agreement for the Resulting ROFR (as defined in the Circular) will also be entered into today, which will consolidate and supersede the Existing ROFRs (as defined in the Circular) granted by FPL to FCOT and FLT.

6. PROPOSED ASSET ACQUISITION

In connection with the Proposed Asset Acquisition, a novation agreement will today be entered into between among others, FLT Europe Pte. Ltd. (being a wholly owned subsidiary of the FLT Trustee), Frasers Property HoldCo (Jersey) Limited (as vendor) and Frasers Commercial (UK) Sub. 1 Pte. Ltd., pursuant to which all the rights and obligations of FLT Europe Pte. Ltd. under the share purchase agreement in respect of the Proposed Asset Acquisition will be novated to Frasers Commercial (UK) Sub. 1 Pte. Ltd., a subsidiary of FCOT.

7. CHANGE OF FUNCTIONAL CURRENCY TO SINGAPORE DOLLARS

Further to the notice to FLT Unitholders of the proposed change in the functional currency of FLT as disclosed in the Circular, the FLT Manager wishes to announce that the functional currency of FLT will be changed to Singapore dollars with effect from today.

8. RESPONSIBILITY STATEMENT

The directors of the FLT Manager (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement which relate to FLT and/or the FLT Manager are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading. The directors of the FLT Manager jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of the FLT Manager has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

BY ORDER OF THE BOARD

Frasers Logistics & Industrial Asset Management Pte. Ltd.

As manager of Frasers Logistics & Industrial Trust

Company Registration No: 201528178Z

Catherine Yeo

Company Secretary

15 April 2020

Any queries relating to this Announcement, the Proposed Merger or the Proposed Asset Acquisition should be directed to the following:

BofA Securities

T: +65 66780102

Financial Adviser to

Frasers Logistics & Industrial Asset Management Pte. Ltd.

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. 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 occupancy or property rental income, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in amounts and on terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the FLT Manager's current view of future events, and the FLT Manager undertakes no obligation to update publicly or revise any forward-looking statements.

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 FLT Manager's current view on future events.

The value of the units in FLT (“**Units**”) and the income derived from them, if any, may fall or rise. The Units are not obligations of, deposits in, or guaranteed by, the FLT Manager or Perpetual (Asia) Limited, as trustee of FLT. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

This announcement is for information purposes only and does not constitute an offer for sale or an invitation or offer to acquire, purchase or subscribe for Units in the United States. This announcement is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia), Canada or Japan. The Units referred to herein have not been, and will not be, registered under the Securities Act, or the securities laws of any state of the United States or other jurisdiction, and the Units may not be offered or sold in the United States, absent registration or an exemption from, the registration requirements under the Securities Act and applicable state or local securities laws. No public offering of securities is being made in the United States.

Investors should note that they have no right to request the FLT Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of FLT and the FLT Manager is not necessarily indicative of the future performance of FLT and the FLT Manager.

ADDITIONAL INFORMATION – AUSTRALIA'S FOREIGN INVESTMENT REGIME

Australia's foreign investment regime is set out in the Australian Foreign Acquisitions and Takeovers Act 1975 (“**FATA**”) and the Australian Government’s Foreign Investment Policy.

Notifiable actions (i.e. mandatory notification) for Australian Land Trusts

A “*foreign person*”² that acquires Units is required under the FATA to notify and receive a prior no objections notification (“**FIRB Approval**”) in respect of its investment in FLT from the Australian Treasurer through the Foreign Investment Review Board (“**FIRB**”) if any of the circumstances set out below apply at the time the Units are acquired:

- (a) if FLT is considered to be an “Australian Land Trust”³ (“**ALT**”) at the time of acquisition, all foreign persons acquiring Units (including existing holders of Units acquiring additional Units) will require FIRB Approval unless an exemption applies (see below);
- (b) if FLT is not an ALT, but has gross Australian assets in excess of a specified threshold prescribed under FATA (as 31 December 2019, the threshold prescribed under FATA is A\$266.0 million) at the time of acquisition, all investors (i) who are foreign persons and (ii) who are acquiring a substantial interest (20% or more held solely or together with associates) in FLT or have a substantial interest (20% or more held solely or together with associates) and increase their holding, will require FIRB Approval; or

² A “**foreign person**” is broadly defined in the FATA and includes:

- an individual not ordinarily resident in Australia; or
- a corporation in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest (20% or more held solely or together with associates); or
- a corporation in which 2 or more persons, each of whom is an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest (40% or more including associate holdings); or
- the trustee of a trust in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest (20% or more held solely or together with associates); or
- the trustee of a trust in which 2 or more persons, each of whom is an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest (40% or more including associate holdings); or
- a foreign government.

³ An ALT is a unit trust in which the value of interests in Australian land exceeds 50% of the value of the total assets of the unit trust.

- (c) any investor that is a Foreign Government Investor⁴ acquiring a “direct interest”⁵ in FLT will require FIRB Approval at the time of acquisition, regardless of whether FLT is considered to be an ALT or whether FLT has gross Australian assets in excess of A\$266.0 million.

Exemptions from ALT requirements

There are two relevant exemptions from the requirement to obtain FIRB Approval under the FATA that would otherwise apply if FLT was considered to be an ALT:

- (a) where the relevant person is not a foreign government investor and the relevant person's interest in FLT would not be valued in excess of a specified threshold prescribed under the FATA (at 31 December 2019, the threshold prescribed under the FATA is A\$266.0 million, unless the ALT has ‘sensitive’ land holdings, in which case the threshold is A\$58.0 million)⁶; and
- (b) the relevant person, together with associates, is acquiring an interest of less than 10% in FLT and will not be in a position to influence or participate in the central management and control of FLT or to influence, participate in or determine the policy of FLT.⁷

⁴ A “**foreign government investor**” means an entity that is:

- foreign government or separate government entity; or
- a corporation, or trustee of a trust, or general partner of a limited partnership in which:
 - a foreign government or separate government entity, alone or together with one or more associates, holds an interest of at least 20%; or
 - foreign governments or separate government entities of more than one country (or parts of more than one foreign country), together with any one or more associates, hold an interest of at least 40%;
- a “separate government entity” means an individual, corporation or corporation sole that is an agency or instrumentality of a foreign country or part of a foreign country, but not part of the body politic of a foreign country or of a part of a foreign country.

The FATA deems foreign government related entities from the same country to be associated. The effect is that an entity will be a foreign government investor where one or more foreign government related entities from the same country have in aggregate a 20% or more interest in the subject entity.

⁵ A “**direct interest**” is defined to mean:

- an interest of at least 10% in the entity or business, or
- an interest of at least 5% in the entity or business if the person who acquires the interest has entered a legal arrangement relating to the businesses of the person and the entity or business, or
- an interest of any percentage in the entity or business if the person who has acquired the interest is in a position to:
 - participate or influence the central management and control of the entity or business; or
 - influence, participate or determine the policy of the entity or business.

⁶ This applies in respect of ALTs that have predominantly developed commercial real estate portfolios (i.e. less than 10% residential or vacant commercial land). It is the value of the interest being acquired, rather than the value of the underlying land that is determinative for the purposes of this exemption. The concept of ‘sensitive’ land is broad and includes transport logistics facilities, mines and critical infrastructure (for example, an airport or port) as well as property that has Australian government tenants.

⁷ This applies where an ALT is listed on an official stock exchange (whether in Australia or not).

Significant actions

As at 31 December 2019, the value of the Australian land assets comprised in FLT's portfolio is 57.1% of the total asset value of FLT. Consequently, FLT is considered to be an ALT.

As at 31 December 2019, FLT has gross Australian assets of approximately A\$2,260.5 million, which is above A\$266.0 million.

Any investor that is a "foreign person" acquiring Units on the secondary market should seek their own advice on the FIRB requirements as they pertain to their specific circumstances.