22 February 2016

ENTRY INTO PROPERTY MANAGEMENT AGREEMENT

1. Introduction

Frasers Centrepoint Asset Management (Commercial) Ltd., in its capacity as manager of Frasers Commercial Trust ("**FCOT**", and as manager of FCOT, the "**Manager**"), wishes to announce that it has today entered into a property management agreement (the "**PMA**") with Frasers Centrepoint Property Management Services Pte. Ltd. (the "**Property Manager**") and British and Malayan Trustees Limited, in its capacity as trustee of FCOT (the "**Trustee**"). Under the PMA, the Manager and the Trustee agree to appoint the Property Manager to operate, maintain, manage and market Alexandra Technopark, 55 Market Street and China Square Central, all of which are located in Singapore (the "**Singapore Properties**"), subject to the overall management and supervision of the Manager. The PMA takes effect upon the expiry of the existing property management agreement between the Manager, the Trustee and Frasers Centrepoint Property Management (Commercial) Pte. Ltd., which has a 10-year term expiring on 22 February 2016.

2. Salient Terms of the PMA

2.1 Term and Extension of the PMA

The term of the PMA is for a period of five years commencing from 23 February 2016. However, the Trustee and the Manager may, subject to the terms of the PMA, give written request to the Property Manager to extend the term of the PMA for a further five years on the same terms and conditions save for clauses relating to (i) any further extension of the PMA thereafter, (ii) the fees payable to the Property Manager which shall be revised to the prevailing market rates, and (iii) any term which the Trustee and Manager may reasonably require due to any change in the applicable legislation or regulations, which shall be subject to the approval of FCOT's unitholders ("**Unitholders**") (if required pursuant to the Trust Deed[1] or any applicable legislation or regulation).

1 "**Trust Deed**" means the trust deed constituting FCOT dated 12 September 2005 (as amended and supplemented from time to time).

2.2 Fees and Reimbursements

The fees and reimbursements payable to the Property Manager by FCOT in respect of each of the Singapore Properties are set out below:

2.2.1 Property Management Services

In respect of property management services provided by the Property Manager for a Singapore Property, the Property Manager shall be entitled to receive from FCOT, for each Fiscal Year[1], a fee of 3.0% per annum of the gross revenue of the relevant property.

2.2.2 Marketing Services Fees

The Property Manager will also be entitled to receive in respect of a Singapore Property, a marketing services fee ("**Marketing Services Fee**") for each tenancy or licence that is secured or renewed by the Property Manager based on the following formula:

(A) for each Leasing Term[2] that is equivalent or less than one year, the Marketing Services Fee shall be an amount calculated using the following formula:

$$\frac{\text{Leasing Term}}{24} \times \text{Gross Effective Rent}$$

"Gross Effective Rent" means an amount equivalent to the aggregate of:

(a) (i) the equivalent rent or licence fee payable for one month as at the commencement date of the term of the relevant tenancy or licence or (ii) in the case of a tenancy or licence where the rent or licence fee is staggered during the term, the equivalent average rent or licence fee payable for one month for the duration of the tenancy or licence term; and

(b) one month's service charge and advertising and promotion fee (if any)

Where there are rent-free periods granted during the duration of the tenancy or licence, Gross Effective Rent is an amount equivalent to the aggregate of the rent or licence fee and the service charge and advertising and promotion fee (if any) payable for the duration of the tenancy or licence term, divided by the total duration of the tenancy or licence term.

(B) for each Leasing Term that is more than one year but less than two years, the Marketing Services Fee shall be equivalent to fifty percent (50%) of the Gross Effective Rent;

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1 "**Fiscal Year**" means any period of 12 months commencing on 1 October and ending on 30 September except that the first Fiscal Year shall commence on 23 February 2016 (being the commencement date) and shall end on 30 September of the same year, and the last Fiscal Year shall end on the earlier of (i) the date of expiry of the term and (ii) the date of termination of the PMA.

2 "**Leasing Term**" means the term of each tenancy or licence (expressed in months), as the case may be.

(C) for each Leasing Term that is equal to or more than two years but less than or equal to three years, the Marketing Services Fee shall be equivalent to the Gross Effective Rent; and

(D) for each Leasing Term that is more than three years, the Marketing Services Fee will be mutually agreed in writing between the Manager and the Trustee, which may be equivalent to or more than the Gross Effective Rent, subject to a limit of two months (200%) of the Gross Effective Rent.

For each tenancy or licence that the Property Manager secures a renewal for a term that is equivalent or more than one year, the Marketing Services Fee shall be twenty-five percent (25%) of the Gross Effective Rent

2.2.3 Project Management Services

Where the Trustee engages the Property Manager to carry out project management services for the development or redevelopment (if not prohibited by the Property Funds Appendix or any other applicable law, regulation or guidelines or if otherwise permitted by the Monetary Authority of Singapore) in respect of a Singapore Property or the refurbishment, retrofitting and renovation works on a Singapore Property, the Property Manager shall be paid by FCOT a project management fee to be mutually agreed in writing between the Manager, the Trustee and the Property Manager.

2.2.4 Employee Reimbursements

The Property Manager will be entitled to reimbursements by FCOT for remuneration costs of the Property Manager's employees for services rendered under the PMA in respect of a Singapore Property, as approved by the Manager in the annual business plan and budget for the relevant Singapore Property.

3. Rationale for Entry into the PMA

The Manager is of the view that the entry into the proposed PMA with the Property Manager will ensure that there will be continuity in the management of the Singapore Properties by Frasers Centrepoint Limited ("**FCL**") (through a wholly-owned entity) after the expiry of the existing property management agreement. The Manager therefore believes that the entry into the proposed PMA will be beneficial to FCOT and Unitholders.

4. Interested Person Transaction

At the date of this announcement, the Manager and the Property Manager are wholly-owned by FCL. Therefore, for the purposes of Chapter 9 of the Listing Manual of Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), the Property Manager (being wholly-owned by FCL, which is a "controlling unitholder" of FCOT and also a "controlling shareholder" of the Manager) is (for the purposes of the Listing

Manual) an "interested person" of FCOT. However, the value of the PMA, aggregated with all transactions between FCOT and FCL or its associates for the current financial year is below 3.0% of FCOT's latest audited net tangible assets for the purposes of Chapter 9 of the Listing Manual.

5. Audit, Risk and Compliance Committee

Based on the rationale of the entry into the PMA, the Audit, Risk and Compliance Committee of the Manager is of the view that the terms of the PMA are on normal commercial terms and would not be prejudicial to the interests of FCOT and its minority Unitholders.

6. Documents Available For Inspection

A copy of the PMA is available for inspection at the registered office of the Manager at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958, during normal business hours for a period of three months from the date of this Announcement.

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
Singapore
22 February 2016

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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.

This publication is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of FCOT and the Manager is not necessarily indicative of the future performance of FCOT and the Manager.