



## **FRASERS CENTREPOINT LIMITED**

(Incorporated in the Republic of Singapore)

(Company Registration No. 196300440G)

- I. **FRASERS LOGISTICS & INDUSTRIAL TRUST – LODGEMENT OF PRELIMINARY PROSPECTUS;**
- II. **CHAPTER 10 OF THE LISTING MANUAL;**
- III. **FINANCIAL EFFECTS OF THE PROPOSED FLT LISTING; AND**
- IV. **INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE LISTING MANUAL.**

### **1. Lodgement of Preliminary Prospectus**

- 1.1 Frasers Centrepoint Limited (the “**Company**”) refers to its announcement dated 16 May 2016 (the “**ETL Announcement**”) in relation to:
  - (i) the receipt of the eligibility-to-list letter for the proposed initial public offering and listing (the “**Offering**”) of units (“**Units**”) in a real estate investment trust to be known as Frasers Logistics & Industrial Trust (“**FLT**”) on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”); and
  - (ii) the grant by the SGX-ST of a waiver from the requirement under Rule 1014 of the Listing Manual of the SGX-ST (the “**Waiver**”, and the Listing Manual of the SGX-ST, the “**Listing Manual**”).
- 1.2 The Company wishes to announce that in connection with the Offering, Frasers Logistics & Industrial Asset Management Pte. Ltd. (in its capacity as manager of FLT) (the “**REIT Manager**”) has today lodged the preliminary prospectus of FLT (the “**Preliminary Prospectus**”) with the Monetary Authority of Singapore.
- 1.3 FLT will as at the date of its listing on the Main Board of the SGX-ST (the “**Listing Date**”), hold a portfolio of 51 Australian industrial properties (the “**IPO Properties**”) and in addition, will also be granted call option rights to acquire an additional three Australian industrial properties post-listing (the “**Call Option Properties**”, and collectively with the IPO Properties, the “**FLT Portfolio**”). FLT will be acquiring the freehold and leasehold interests in the IPO Properties and Call Option Properties from Frasers Property Australia group of entities (“**FPA**”), which are subsidiaries of the Company.
- 1.4 The joint financial advisers, global coordinators and the joint issue managers for the Offering are Citigroup Global Markets Singapore Pte. Ltd. and DBS Bank Ltd.. The joint bookrunners and underwriters to the Offering are Citigroup Global Markets Singapore Pte. Ltd., DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte. (“**Morgan Stanley**”), Oversea-Chinese Banking

Corporation Limited (“**OCBC**”) and United Overseas Bank Limited. The co-managers to the Offering are Bank of China Limited, Singapore Branch and CIMB Securities (Singapore) Pte. Ltd..

## 2. Chapter 10 of the Listing Manual

2.1 As stated in the ETL Announcement, in connection with the establishment of FLT (in which the Company will hold approximately 22.5% of the Units post-listing), the Company’s management of FLT through its wholly-owned subsidiary, being the REIT Manager, and the divestment of the FLT Portfolio into FLT (collectively, the “**Proposed FLT Listing**”), the Company had applied to the SGX-ST for the Waiver in respect of the requirement to seek shareholders’ approval for the proposed divestment of the FLT Portfolio to FLT.

2.2 Further to the ETL Announcement, the Company wishes to announce the relative figures computed on the basis as set out in Rule 1006(c) of the Listing Manual as follows:

	<b>77.5% of the FLT Portfolio (\$ m)<sup>(1)(2)</sup></b>	<b>FCL Group<sup>(3)</sup> (\$ m)</b>	<b>Relative Figure (%)</b>
<b>Rule 1006(c)</b> The aggregate value of the consideration received for the FLT Portfolio <sup>(4)</sup> disposed of, compared with the Company’s market capitalisation	1,334 <sup>(5)</sup>	4,611 <sup>(6)</sup>	28.9

### Notes:

- (1) For the avoidance of doubt, taking into account the deemed disposal of the Call Option Properties.
- (2) Computed on the basis that the Company is deemed to be disposing of and receiving consideration for only a 77.5% interest in the FLT Portfolio as it will retain 22.5% of the Units immediately after completion of the Offering, subject to the exercise of any over-allotment option.
- (3) “**FCL Group**” means the Company and its subsidiaries and entities held or managed, directly or indirectly, by the Company (including the FPA group).
- (4) Taking into account the divestment to FLT of the leasehold interests in the IPO Properties and the Call Option Property located in the State of Queensland. FPA will only be entering into the concurrent lease instruments to grant the leasehold interests for the IPO Properties and the Call Option Properties located in Queensland on the Listing Date. The acquisition of the IPO Properties and Call Option Property located in Queensland is being aggregated for purposes of disclosing the Rule 1006(c) computations as this is part of the entire Proposed FLT Listing.
- (5) Based on the purchase consideration of A\$1,704.0 million for the FLT Portfolio (the “**Purchase Consideration**”) at an illustrative exchange rate of A\$1.00 : S\$1.01.
- (6) Based on the closing price of S\$1.59 per share in the Company (“**Share**”) of 2.9 billion Shares in issue (excluding treasury shares) as at 2 June 2016.

## 3. Financial Effects of the Proposed FLT Listing

### 3.1 Bases and Assumption

The pro forma financial effects of the Proposed FLT Listing on the FCL Group have been prepared based on the audited consolidated financial statements of the FCL Group for the financial year ended 30 September 2015 (“**FY2015**”). The pro forma financial effects have been prepared for illustrative purposes only and they do not reflect the future actual financial position of the FCL Group post the proposed divestment of the IPO Properties.

The pro forma financial effects on the net asset value (“NAV”) and NAV per Share and net tangible assets (“NTA”) and NTA per Share for FY2015 have been prepared based on the assumption that the Proposed FLT Listing was completed on 30 September 2015. The pro forma financial effects on profit after tax and non-controlling interest and earnings per share (“EPS”) for FY2015 have been prepared based on the assumption that the Proposed FLT Listing was completed on 1 October 2014.

FLT will be consolidated into the FCL Group accounts. The pro forma financial effects are prepared in respect of the proposed divestment of the IPO Properties to FLT and the significant assumptions and bases are set out as follows:

- (i) divestment of the IPO Properties at the aggregate purchase consideration of A\$1,578.2 million as at 1 October 2014 (for EPS effects) and as at 30 September 2015 (for NAV and NTA effects);
- (ii) FCL is deemed to have control of FLT. Accordingly, the operating results of the IPO Properties continues to be consolidated into the FCL Group accounts and adjusted for non-controlling interests;
- (iii) an estimated share of the REIT Manager’s profit arising from FCL’s 100.0% interest in the REIT Manager assuming that the trust deed constituting FLT (which sets out the fees payable to the REIT Manager) was in place on 1 October 2014;
- (iv) interest adjustment for FY2015, assuming that the proceeds from the initial public offering of FLT are used to repay borrowings; and
- (v) the pro forma financial information set out in this paragraph 3 have been prepared based on an illustrative exchange rate of A\$1.00 : S\$1.0011 as at 30 September 2015.

For the avoidance of doubt, the pro forma financial effects set out in this paragraph 3 is in respect of only the divestment of the IPO Properties and excludes the divestment of the Call Option Properties which are currently under development.

### 3.2 NAV per Share

Assuming the Proposed FLT Listing had been completed on 30 September 2015, the financial effects of the Proposed FLT Listing on the consolidated NAV of the FCL Group as at 30 September 2015 are as follows:

	Before the Proposed FLT Listing <sup>(1)</sup>	Post- Proposed FLT Listing
NAV (S\$ million)	6,509	6,581
No. of issued Shares ('000)	2,895,010	2,895,010
NAV per Share (S\$)	2.25	2.27

Note:

- (1) Based on the audited consolidated financial statements of the FCL Group for FY2015.

### 3.3 NTA per Share

Assuming the Proposed FLT Listing had been completed on 30 September 2015, the financial effects of the Proposed FLT Listing on the consolidated NTA of the FCL Group as at 30 September 2015 are as follows:

	Before the Proposed FLT Listing <sup>(1)</sup>	Post- Proposed FLT Listing
<b>NTA (S\$ million)</b>	5,619	5,691
<b>No. of issued Shares ('000)</b>	2,895,010	2,895,010
<b>NTA per Share (S\$)</b>	1.94	1.97

**Note:**

(1) Based on the audited consolidated financial statements of the FCL Group for FY2015.

### 3.4 EPS per Share

Assuming the Proposed FLT Listing had been completed on 1 October 2014, being the beginning of the most recently completed financial year, the financial effects on the consolidated earnings of the FCL Group for FY2015 are as follows:

	Before the Proposed FLT Listing <sup>(1)</sup>	Post- Proposed FLT Listing
<b>Profit after tax and non-controlling interests (after fair value change and exceptional items) (S\$ million)</b>	771	852
<b>Weighted average number of issued Shares ('000)</b>	2,893,873	2,893,873
<b>EPS (after fair value change and exceptional items) (Singapore cents)<sup>(2)</sup></b>	25.03	27.82

**Notes:**

(1) Based on the audited consolidated financial statements of the FCL Group for FY2015.

(2) After adjusting for distribution(s) to perpetual security holders of S\$47 million.

### 3.5 Gearing

Assuming completion of the Proposed FLT Listing had taken place on 30 September 2015, the gearing of the FCL Group will be as follows:

	Before the Proposed FLT Listing <sup>(1)</sup>	Post- Proposed FLT Listing
<b>Net Debt over Total Equity (%)</b>	84	69

**Note:**

(1) Based on the audited consolidated financial statements of the FCL Group for FY2015.

#### 4. Interested Person Transactions under Chapter 9 of the Listing Manual

- 4.1 As disclosed in the Preliminary Prospectus, TCC Group Investments Limited (“**TCCG**”) will be subscribing for between 89,887,000 Units<sup>1</sup> (representing 6.3% of the total number of Units in issue immediately after completion of the Offering) and 94,117,000 Units<sup>2</sup> (representing 6.6% of the total number of Units in issue immediately after completion of the Offering) (the “**TCCG Units**”, and the subscription by TCCG of the TCCG Units, the “**TCCG Subscription**”).
- 4.2 As disclosed in the Prospectus, TCCG is subscribing for the TCCG Units, concurrently with the Offering, as a strategic investor into FLT. For the avoidance of doubt, TCCG will be subscribing for the TCCG Units at the same offering price per Unit (“**Offering Price**”) as other investors subscribing for Units as part of the Offering.
- 4.3 In connection with the TCCG Subscription, the Company wishes to announce that TCCG has today entered into a conditional subscription agreement with the REIT Manager, a wholly-owned subsidiary of the Company, to subscribe for the TCCG Units.
- 4.4 TCCG is an entity equally held by Atinant Bijananda, Thapana Sirivadhanabhakdi, Wallapa Traisorat, Thapanee Techajareonvikul and Panote Sirivadhanabhakdi (the five children of Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi). Mr Panote Sirivadhanabhakdi is a director of the Company. In addition, Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi are directors and the ultimate controlling shareholders of the Company. Accordingly, TCCG is considered an “*interested person*” of the Company and the TCCG Subscription is an “*interested person transaction*” under Chapter 9 of the Listing Manual.
- 4.5 The value of the TCCG Subscription (when aggregated with other earlier transactions (with a value of S\$100,000 or more and which is not carried out under the Company’s shareholders’ mandate for transactions with interested persons) entered into with the same interested person during the financial year) will be approximately 4.96% of the FCL Group’s NTA of approximately S\$5,619 million based on the last audited consolidated financial statements of the FCL Group for FY2015 (the “**Audited NTA**”).
- 4.6 Pursuant to Rule 917(5) of the Listing Manual, there have been no other “*interested person transactions*” (with a value of S\$100,000 or more or which is not carried out under the Company’s shareholders’ mandate for transactions with interested persons) with TCCG and/or its subsidiaries from 1 October 2015 to the date of this Announcement. Other than transactions with a value of less than S\$100,000 and transactions carried out under FCL’s shareholders’ mandate for transactions with interested persons, the current total value of all interested person transactions with the TCC Group<sup>3</sup> and its associates (excluding the TCCG Subscription) from 1 October 2015 to the date of this Announcement is approximately S\$199 million, which represents approximately 3.54% of the FCL Group’s Audited NTA for FY2015.

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1 Based on the maximum Offering Price of S\$0.89 per Unit as disclosed in the Preliminary Prospectus.

2 Based on the minimum Offering Price of S\$0.85 per Unit as disclosed in the Preliminary Prospectus.

3 “**TCCG Group**” refers to the entities and companies in the TCC Group which are controlled by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi, who are directors and controlling shareholders of the Company

## **5. Audit Committee Statement**

- 5.1 Based on (i) the rationale for the TCCG Subscription as set out in paragraph 4.2 above; and (ii) that TCCG will be subscribing for the TCCG Units at the same Offering Price as other investors subscribing for Units as part of the Offering, the Audit Committee of the Company is of the opinion that the TCCG Subscription is on normal commercial terms and the TCCG Subscription is not prejudicial to the interests of the Company and its minority shareholders.
- 5.2 Directors of the Company who are interested persons have abstained, and will abstain, from the Board's and Audit Committee's approval of the TCCG Subscription.

## **6. Interests of Directors in the Offering**

In addition, the Company wishes to announce that:

- (i) Mr Panote Sirivadhanabhakdi, being a director of the Company, is also a Non-Executive Director of the REIT Manager;
- (ii) Mr Charles Mak Ming Ying, being a director of the Company, is also the Vice Chairman of Morgan Stanley Asia Pacific and President of Morgan Stanley International Wealth Management, which are related corporations of Morgan Stanley; and
- (iii) Mr Wee Joo Yeow, being a director of the Company, is also a director of OCBC.

As stated above and as disclosed in the Preliminary Prospectus, Morgan Stanley and OCBC are amongst the joint bookrunners and underwriters for the Offering.

## **BY ORDER OF THE BOARD**

Piya Treruagrachada

Company Secretary

3 June 2016

**Important Notice:**

This announcement does not constitute an offer, invitation to purchase or subscribe for or solicitation of Units in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in any connection with, any contract or commitment whatsoever.

The information in this announcement in respect of FLT is qualified in its entirety by, and is subject to, the more detailed information to be set out in the final prospectus of FLT ("**Final Prospectus**") to be registered by the Monetary Authority of Singapore. The information presented in this announcement is subject to change. Anyone wishing to purchase Units should read the Final Prospectus before deciding whether to purchase Units and will need to make an application in the manner set out in the Final Prospectus. Any decision to purchase Units should be made solely on the basis of information contained in the Final Prospectus and no reliance should be placed on any information other than that contained in the Final Prospectus.

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