

SGX-ST ANNOUNCEMENT

For immediate release

ACQUISITION OF INTERESTS IN TWO PROPERTIES IN AUSTRALIA AND THE UNITED KINGDOM AND DIVESTMENT OF REMAINING 50% INTEREST IN THE PROPERTY AT 99 SANDSTONE PLACE, PARKINSON, QUEENSLAND, AUSTRALIA

Unless otherwise stated, the S\$ equivalent of the A\$ figures and £ figures in this Announcement have been arrived at based on assumed exchange rates of A\$1 : S\$0.9872 and £1 : S\$1.7969, respectively.

1. Introduction

Frasers Logistics & Commercial Asset Management Pte. Ltd. (formerly known as Frasers Logistics & Industrial Asset Management Pte. Ltd.), as manager of Frasers Logistics & Commercial Trust (formerly known as Frasers Logistics & Industrial Trust) (“**FLCT**”) (the “**Manager**”), is pleased to announce that Perpetual (Asia) Limited, as trustee of FLCT (the “**Trustee**”), has, through FLT Landowner Pty Limited as trustee for Canterbury Road Trust A (which is wholly-owned by FLCT) (the “**Sub-Trust Trustee**”), entered into an asset sale and purchase agreement dated 3 August 2020 (the “**Asset Sale and Purchase Agreement**”) to acquire a freehold logistics property located in Australia (the “**Australian Property**”) from Australand Property Holdings Pty Ltd (as trustee of FPT (Braeside No. 1) Trust) (the “**Australian Vendor**”) (the “**Proposed Australian Acquisition**”).

The Trustee has also, through its wholly-owned subsidiary, FLCT UK Pte. Ltd. (the “**Purchaser**”), entered into a share purchase agreement dated 3 August 2020 (the “**Share Purchase Agreement**”) with, among others¹, Frasers Property HoldCo (Jersey) 2 Limited (as vendor) (the “**UK Vendor**” and together with the Australian Vendor, the “**Vendors**”) to acquire 100.0% of the issued share capital of Maxis Business Park Limited (the “**Target Company**”) which wholly-owns a property known as Maxis Business Park located in the United Kingdom (the “**UK Property**”, and together with the Australian Property, the “**New Properties**”) (the “**Proposed UK Acquisition**”, and together with the Proposed Australian Acquisition, the “**Proposed Acquisitions**”).

The Manager further wishes to announce that FLT Queensland No.8 Pty Ltd as trustee for the Sandstone Place Trust A, a wholly-owned sub-trust of FLCT (the “**FLCT Seller**”) has entered into a contract of sale dated 3 August 2020 (the “**Sale Contract**”) with ACREF 99SP Pty Ltd as trustee for the ACREF 99SP AUT (the “**Existing Co-Owner**”), which is managed by DWS Investments Australia Ltd, to divest the remaining 50% interest in a property at 99 Sandstone Place, Parkinson, Queensland located in Australia (the “**Sale Property**” and the divestment of the Sale Property, the “**Proposed Divestment**”) for a sale consideration of A\$152.5 million

¹ Frasers Property International Pte. Ltd., a subsidiary of Frasers Property Limited, is also a party to the Share Purchase Agreement as guarantor to guarantee the performance of the UK Vendor's obligations under the Share Purchase Agreement.

(approximately S\$150.5 million).

2. The Acquisition of the New Properties

2.1 Details on the New Properties

The Australian Property is located in Braeside, Victoria, Australia with a net lettable area of approximately 14,263 square metres (“sq m”) and is sited on freehold land. The UK Property is located in Bracknell, Thames Valley, United Kingdom (“UK”) with a net lettable area of approximately 17,859 sq m and is sited on freehold land.

The table below sets out a summary of selected information on the New Properties.

Property Address	Land Tenure	Net Lettable Area (sq m)	WALB ⁽¹⁾ (years) (as at 30 June 2020)	WALE ⁽²⁾ (years) (as at 30 June 2020)	Committed Occupancy Rate (as at 30 June 2020)
75-79 Canterbury Road, Braeside, Victoria, Australia	Freehold	14,263	4.9	4.9	100%
Maxis, Western Road, Bracknell, RG12 1RT, United Kingdom	Freehold	17,859	3.2	6.7	100%

Notes:

- (1) “WALB” refers to the weighted average lease to break by gross rental income, being the contracted rental income and estimated recoverable outgoings for the month of June 2020 and excludes straight lining rental adjustments.
- (2) “WALE” refers to the weighted average lease to expiry by gross rental income, being the contracted rental income and estimated recoverable outgoings for the month of June 2020 and excludes straight lining rental adjustments.

2.2 Purchase Consideration for the Proposed Acquisitions

Proposed Australian Acquisition

The asset sale and purchase consideration payable under the Asset Sale and Purchase Agreement (the “**Asset Purchase Consideration**”) for the Proposed Australian Acquisition is approximately A\$22.5 million (approximately S\$22.2 million). The Asset Purchase Consideration was negotiated on a willing-buyer and willing-seller basis and based on the two independent valuations described in paragraph 2.3 below.

Proposed UK Acquisition

The purchase consideration payable by the Purchaser under the Share Purchase Agreement (the “**UK Purchase Consideration**”) is based on:

- (i) the consideration for 100.0% of the issued share capital of the Target Company (“**Share Consideration**”) being the adjusted net asset value of the Target Company as at the date of completion of the Proposed UK Acquisition, taking into account the agreed value of the UK Property of £67.34 million (approximately S\$121.0 million) (the “**Agreed Property Value**”). The Agreed Property Value was arrived at on a willing-buyer and willing-seller basis taking into account the two independent valuations obtained for the UK Property; and
- (ii) the outstanding existing shareholder’s loan extended by the UK Vendor to the Target Company (the “**Loan Consideration**”) which is to be fully discharged on the date of completion of the Proposed UK Acquisition.

2.3 Valuation

The Trustee has commissioned an independent valuer, Savills Valuation Pty Ltd (“**Savills**”), and the Manager has commissioned an independent valuer, CIVAS (VIC) Pty Limited (“**Colliers**”), to respectively value the Australian Property.

Savills in its report stated that the market value of the Australian Property as at 31 July 2020 is A\$22.6 million (approximately S\$22.3 million)². In arriving at the open market value, Savills relied on the income capitalisation and discounted cash flow approach.

Colliers in its report stated that the market value of the Australian Property as at 31 July 2020 is A\$22.5 million (approximately S\$22.2 million)². In arriving at the open market value, Colliers relied on the income capitalisation and the discounted cash flow approach.

In addition, the Trustee has commissioned an independent valuer, Jones Lang LaSalle Limited (“**JLL**”), and the Manager has commissioned an independent valuer, Knight Frank LLP (“**KF**”, together with Savills, Colliers and JLL, the “**Independent Valuers**”), to respectively value the UK Property.

JLL in its report stated that the market value of the UK Property as at 31 July 2020 is £68.25 million (approximately S\$122.6 million). In arriving at the open market value, JLL relied primarily on the income capitalisation method.

KF in its report stated that the market value of the UK Property as at 31 July 2020 is £67.7 million (approximately S\$121.7 million). In arriving at the open market value, KF relied on the income capitalisation and comparison approach.

² The valuations conducted by each of Savills and Colliers does not take into consideration the rental incentives granted to the tenant of the Australian Property which will be reimbursed by the Australian Vendor to the Sub-Trust Trustee under the Incentive Reimbursement Deed.

The Asset Purchase Consideration is not more than the higher of the two independent valuations of the Australian Property conducted by the Independent Valuers as at 31 July 2020.

The Agreed Property Value for the UK Property (which is taken into consideration in arriving at the Share Consideration) is not more than the higher of the two independent valuations of the UK Property conducted by the Independent Valuers as at 31 July 2020.

2.4 Certain Terms and Conditions of the Asset Sale and Purchase Agreement

The principal terms of the Asset Sale and Purchase Agreement include, among others, that:

- (i) the completion of the Proposed Australian Acquisition be subject to the satisfaction of the condition precedent that the Sub-Trust Trustee has obtained financing for the Proposed Australian Acquisition; and
- (ii) certain limited representations and warranties are made by the Australian Vendor including in relation to the capacity of the Australian Vendor, information disclosed, legal matters, title to the Australian Property and other matters in relation to the Australian Property. Claims for breach of warranties are subject to a cap on liability and must be made within a certain period after the completion of the transfer. Furthermore, certain limited representations and warranties are made by the Sub-Trust Trustee in relation to the capacity of the Sub-Trust Trustee.

2.5 Certain Terms and Conditions of the Incentive Reimbursement Deed

In connection with the Proposed Australian Acquisition, the Sub-Trust Trustee will also enter into an incentive reimbursement deed (the “**Incentive Reimbursement Deed**”) in respect of the Australian Property under which the Australian Vendor will be reimbursing the Sub-Trust Trustee for incentives (for example, rent abatement) which the Australian Vendor has made available or agreed to grant to the tenant of the Australian Property.

The actual amount reimbursable under the Incentive Reimbursement Deed will be based on the actual tenancy in respect of the Australian Property as at the time that the Incentive Reimbursement Deed takes effect.

2.6 Certain Terms and Conditions of the Share Purchase Agreement

The principal terms of the Share Purchase Agreement include, among others, that:

- (i) the completion of the Proposed UK Acquisition be subject to the satisfaction of the condition precedent that the Purchaser has obtained adequate financing to fund the Proposed UK Acquisition; and
- (ii) certain limited representations and warranties are made by the UK Vendor including in relation to the capacity of the UK Vendor, information disclosed, legal matters, title to the shares in the Target Company and to the UK Property and other matters in

relation to the Target Company and the UK Property. Claims for breach of warranties are subject to a cap on liability and must be made within a certain time period after the date of completion of the Proposed UK Acquisition. Furthermore, certain limited representations and warranties are made by the Purchaser in relation to the capacity of the Purchaser.

2.7 Certain Terms and Conditions of the Tax Deed of Covenant

On completion of the Proposed UK Acquisition, the Purchaser will also enter into a tax deed of covenant (the “**Tax Deed of Covenant**”) with, among others³, the UK Vendor pursuant to which the UK Vendor will indemnify the Purchaser against certain claims for taxation, including (i) in respect of or in consequence of any transaction which occurred or deemed to have occurred on or before completion under the Share Purchase Agreement; and (ii) by reference to any profits earned, accrued or received on or before completion under the Share Purchase Agreement.

2.8 Estimated Total Transaction Cost

The estimated total cost of the Proposed Acquisitions (the “**Total Transaction Cost**”) is approximately S\$92.4 million, comprising:

- (i) the Asset Purchase Consideration of A\$22.5 million (approximately S\$22.2 million);
- (ii) the estimated UK Purchase Consideration of £37.7 million (approximately S\$67.7 million), being the sum of (a) the estimated Share Consideration of £18.6 million (approximately S\$33.4 million) which is subject to adjustment post-completion of the Proposed UK Acquisition, and (b) the Loan Consideration of £19.1 million (approximately S\$34.3 million);
- (iii) the acquisition fee payable to the Manager for the Proposed Acquisitions pursuant to the trust deed dated 30 November 2015 (as amended and supplemented) constituting FLCT (the “**Trust Deed**”), which amounts to approximately S\$0.7 million (the “**Acquisition Fee**”) ⁴; and
- (iv) the estimated professional and other fees and expenses⁵ incurred or to be incurred by FLCT in connection with the Proposed Acquisitions of approximately S\$1.8 million.

³ Frasers Property International Pte. Ltd., a subsidiary of Frasers Property Limited, is also a party to the Tax Deed of Covenant as guarantor to guarantee the performance of the UK Vendor’s obligations under the Tax Deed of Covenant.

⁴ The Acquisition Fee in respect of the Australian Property is 0.5% of the Asset Purchase Consideration while the Acquisition Fee in respect of the UK Property (which is acquired through the acquisition of the shares of the Target Company) is 0.5% of the Agreed Property Value, and will only be paid on completion of the acquisition of the respective New Properties.

⁵ Inclusive of approximately A\$1.2 million (approximately S\$1.2 million) of stamp duty arising from the Proposed Australian Acquisition.

2.9 Payment of Acquisition Fee in Units

As the Proposed Acquisitions will constitute an “interested party transaction” under Paragraph 5 of Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the “MAS” and Appendix 6, the “**Property Funds Appendix**”), the Acquisition Fee⁶ payable to the Manager in respect of the Proposed Acquisitions will be in the form of units of FLCT (“**Units**”), which shall not be sold within one year from the date of issuance.

2.10 Proposed Method of Financing the Proposed Acquisitions and Financial Effects

The Manager intends to finance the Total Transaction Cost (excluding the Acquisition Fee which will be paid in the form of Units) through internal resources and/or existing debt facilities.

Completion of the Proposed Acquisitions is currently targeted to take place by September 2020.

2.11 Rationale for and Key Benefits of the Proposed Acquisitions

The Manager believes that the Proposed Acquisitions will bring the following key benefits to the unitholders of FLCT (“**Unitholders**”):

- (i) The New Properties are FLCT’s preferred asset types, being logistics and business parks in Australia and the UK, respectively. The Australian Property is well-located in south eastern Melbourne within the established Braeside Industrial Estate which is popular for both occupiers and investors due to strong market fundamentals, low vacancy levels and limited supply. The UK Property is strategically located in Bracknell, Thames Valley, which is the largest regional economy outside of London and a high-tech region in the UK. The location of the UK Property is also well-connected to key motorways and has a direct train service to Waterloo Station, London.

Despite the COVID-19 pandemic, the Australian industrial and logistics market, especially in the eastern seaboard markets, has remained resilient and continued to be the most sought-after sector in Australia. The UK business park market continues to have active leasing taking place despite the COVID-19 pandemic. The Proposed Acquisitions will further strengthen FLCT’s presence in these target markets;

- (ii) The New Properties are both freehold and fully occupied with high quality tenants. The Australian Property was newly completed in May 2019 and has a long WALE of approximately 4.9 years as at 30 June 2020. The Australian Property is leased to IVE

⁶ Based on the Trust Deed, when the Acquisition Fee is paid in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the Acquisition Fee at the prevailing market price of a Unit being the volume weighted average price for a Unit for all trades on the SGX-ST for the period of 10 business days immediately preceding the relevant business day on which the Acquisition Fee is paid.

Group Ltd, a company listed on the Australian Securities Exchange, with a fixed annual rent increment of 3.0%. The UK Property is fully occupied with a WALB of 3.2 years and WALE of 6.7 years as at 30 June 2020. More than 60% of the tenants of the UK Property are in the technology and telecommunication sectors with key tenants including Panasonic UK, Allegis Group Ltd and Cadence Design Systems Ltd.

The New Properties are complementary to FLCT's existing logistics and commercial portfolio. The New Properties will also contribute to further diversification of FLCT's quality tenant base; and

- (iii) The Proposed Acquisitions are in line with the Manager's acquisition growth strategy to acquire good quality income-producing assets that provide attractive cash flows and yields. The Proposed Acquisitions are expected to be accretive and will contribute to stable and regular distributions to the FLCT's Unitholders which meets FLCT's key growth objective whilst maintaining an appropriate capital structure.

2.12 Financial Effects Relating to the Proposed Acquisitions

The Manager is of the view that the Proposed Acquisitions are in the ordinary course of FLCT's business as the acquisition of the New Properties is within the investment strategy of FLCT and does not change the risk profile of FLCT.

The acquisition of the New Properties is not expected to have any material effect on the net tangible assets or the distributions per unit of FLCT for the current financial year.

3. The Proposed Divestment

3.1 Background

The Sale Property was acquired by FLCT as part of its initial public offering portfolio on 20 June 2016. Constructed in 2008 and extended in 2012, the Sale Property has a total gross lettable area of 54,245 sq m and occupies a site of 155,300 sq m. The Sale Property comprises a cross-dock, regional distribution facility with 3,285 sq m of office accommodation and 50,960 sq m of cold storage and ancillary warehousing.

On 24 July 2019, FLCT completed the divestment of the initial 50% ownership in the Sale Property to the Existing Co-Owner for A\$134.2 million (approximately S\$132.5 million). Following the said divestment, FLCT and the Existing Co-Owner held the Sale Property as tenants-in-common.

3.2 Sale Consideration and Valuation

The sale consideration of A\$152.5 million (approximately S\$150.5 million) (the "**Sale Consideration**") for the Sale Property is based on the agreed sale price for a 50% interest in the Sale Property which was negotiated on a willing-buyer and willing-seller basis, taking into account, amongst other factors, the book value of the Sale Property at A\$135.9 million

(approximately S\$134.2 million) (based on a 50% interest in the Sale Property) as at 30 June 2020, as well as the latest independent valuation of the Sale Property conducted by Urbis Valuations Pty Ltd (“**Urbis**”) (based on a 50% interest in the Sale Property) as at 31 July 2020.

Urbis was commissioned by the Trustee and the Manager and had valued the Sale Property at A\$152.0 million (approximately S\$150.1 million) (based on a 50% interest in the Sale Property) as at 31 July 2020 using both the income capitalisation method and the discounted cash flow method.

FLCT is expected to recognise an estimated net gain of approximately A\$8.0 million (approximately S\$7.9 million) over the book value of the Sale Property at A\$135.9 million (approximately S\$134.2 million) (based on a 50% interest in the Sale Property) as at 30 June 2020. The Sale Consideration is also at a 31.0% premium to the original purchase price of A\$116.4 million (approximately S\$114.9 million) (based on a 50% interest in the Sale Property) and is above the valuation provided by Urbis.

3.3 Certain Principal Terms of the Sale Contract

Pursuant to the Sale Contract, the FLCT Seller has agreed to sell all its 50% interest in the Sale Property to the Existing Co-Owner.

The principal terms of the Sale Contract include, among others, that:

- (i) completion of the Proposed Divestment is subject to, and conditional upon, among others, the Existing Co-Owner obtaining approval from Australia’s Foreign Investment Review Board for its acquisition of the Sale Property (the “**FIRB Condition**”) by a sunset date of 26 February 2021;
- (ii) completion of the Proposed Divestment is the later of 40 business days after the date of the Sale Contract and 10 business days after the FIRB Condition is satisfied or waived;
- (iii) certain limited representations and warranties are made by the FLCT Seller including in relation to the capacity of the FLCT Seller and title to the Sale Property. Claims for breach of warranties are subject to a cap on liability and must be made within a certain period after the completion of the transfer. Furthermore, certain limited representations and warranties are made by the Existing Co-Owner in relation to its capacity; and
- (iv) on and from the date of the Sale Contract, the Existing Co-Owner is wholly responsible for any capital expenditure in respect of the Sale Property, other than the cost of existing and committed capital expenditure items which the Existing Co-Owner and FLCT Seller, as tenants-in-common, have agreed to share.

3.4 Rationale for the Proposed Divestment

The Proposed Divestment is in line with the Manager's proactive asset management and portfolio rebalancing strategies and enables FLCT to unlock value from the Sale Property. The net sale proceeds from the Proposed Divestment is expected to bring greater financial flexibility to FLCT and strengthen FLCT's balance sheet.

3.5 Use of Sale Proceeds and Financial Effects of the Proposed Divestment

The net sale proceeds from the Proposed Divestment is estimated to be approximately A\$144.0 million (approximately S\$142.2 million), after taking into account the divestment fee of approximately A\$0.7 million⁷ (approximately S\$0.7 million) (the "**Divestment Fee**") to be paid to the Manager, capital gains tax of approximately A\$7.1 million (approximately S\$7.0 million) and other divestment related expenses.

The completion of the Proposed Divestment is currently targeted to take place by the end of December 2020. The net divestment proceeds may be used for general corporate purposes and/or reducing existing debt.

The Proposed Divestment is not expected to have any material effect on the net tangible assets or the distributions per Unit for the current financial year.

4. Other Information

4.1 Interested Person Transaction and Interested Party Transaction (collectively, "Related Party Transactions")

As at the date of this Announcement, Frasers Property Limited ("**FPL**") and its subsidiaries (the "**FPL Group**") holds an aggregate direct and indirect interest in 754,432,198 Units, which is equivalent to approximately 22.1% of the total number of Units in issue as at the date of this Announcement, and is therefore regarded as a "controlling unitholder" of FLCT for the purposes of both the Listing Manual and the Property Funds Appendix. In addition, as the Manager is a wholly-owned subsidiary of FPL, the FPL Group is therefore regarded as a "controlling shareholder" of the Manager for the purposes of both the Listing Manual and the Property Funds Appendix.

As each of the Vendors is a subsidiary of FPL, for the purposes of Chapter 9 of the Listing Manual and paragraph 5 of the Property Funds Appendix, each of the Vendors (being a subsidiary of a "controlling unitholder" of FLCT and a subsidiary of a "controlling shareholder" of the Manager) is (for the purposes of the Listing Manual) an "interested person" of FLCT and (for the purposes of the Property Funds Appendix) an "interested party" of FLCT.

Therefore, (i) the entry by the Sub-Trust Trustee into the Asset Sale and Purchase Agreement, (ii) the entry by the Sub-Trust Trustee into the Incentive Reimbursement Deed, (iii) the entry by the Purchaser into the Share Purchase Agreement, and (iv) the entry by the Purchaser into

⁷ The divestment fee is 0.5% of the Sale Consideration and is payable to the Manager pursuant to the Trust Deed.

the Tax Deed of Covenant, will constitute Interested Person Transactions under Chapter 9 of the Listing Manual, as well as Interested Party Transactions under the Property Funds Appendix.

However, as the aggregate value of the Asset Purchase Consideration and the UK Purchase Consideration of approximately S\$89.9 million (which is 4.4% of both the latest audited net tangible assets (“**NTA**”) and the net asset value (“**NAV**”) of FLCT as at 30 September 2019) is more than 3.0% of FLCT’s latest audited NTA but less than 5.0% of FLCT’s latest audited NTA when aggregated with other transactions entered into with the same interested person during the same financial year (excluding transactions with a value below S\$100,000 and transactions which have been approved by Unitholders), the entry into of the Proposed Acquisitions is not subject to the requirement of approval of Unitholders.

4.2 Statement of the Audit and Risk Committee

The audit, risk and compliance committee of the Manager is of the view that the Proposed Acquisitions are based on normal commercial terms and are not prejudicial to the interests of FLCT and its minority Unitholders.

4.3 Interests of Directors and Substantial Unitholders

As at the date of this Announcement, the interests of the Directors in the Proposed Acquisitions are as follows:

- (i) Mr Panote Sirivadhanabhakdi is a Non-Executive Director of the Manager, a director and the Group Chief Executive Officer of FPL, a director of other entities within the FPL Group other than the Manager, a director of various entities within the TCC Group⁸ (which is the controlling shareholder of the FPL Group) and holds 20.0% of the issued share capital of TCC Group Investments Limited. Mr Panote Sirivadhanabhakdi is also the son of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi;
- (ii) Mr Chia Khong Shoong is a Non-Executive Director of the Manager, the Chief Corporate Officer of FPL and a director of various subsidiaries of FPL other than the Manager;
- (iii) Mr Rodney Vaughan Fehring is a Non-Executive Director of the Manager, the Chief Executive Officer of Frasers Property Australia Pty Limited (“**FPA**”), a subsidiary of FPL, and a director of various subsidiaries of FPL other than the Manager; and
- (iv) Mr Reinfried Helmut Otter is a Non-Executive Director of the Manager, the Chief Executive Officer of Frasers Property Industrial, a strategic business unit of FPL, and a director of various subsidiaries of FPL other than the Manager.

8 “**TCC Group**” refers to the companies and entities in the TCC Group which are controlled by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi.

Based on the Register of Directors' Unitholdings maintained by the Manager, the direct and deemed interests of the Directors in the Units as at the date of this Announcement are as follows:

Name of Director	Direct Interest		Deemed Interest		Total No. of Units held	% ⁽¹⁾
	No. of Units held	% ⁽¹⁾	No. of Units held	% ⁽¹⁾		
Mr Ho Hon Cheong	-	-	1,123,100	0.0330	1,123,100	0.0330
Mr Goh Yong Chian	800,000	0.0235	-	-	800,000	0.0235
Mr Paul Gilbert Say	-	-	165,000	0.0048	165,000	0.0048
Mr Chin Yoke Choong	136,082	0.0040	100,000 ⁽²⁾	0.0029	236,082	0.0070
Ms Soh Onn Cheng Margaret Jane ⁽³⁾	-	-	18,495	0.0005	18,495	0.0005
Mr Panote Sirivadhanabhakdi ⁽⁴⁾	-	-	118,559,700	3.4785	118,559,700	3.4785
Mr Chia Khong Shoong	-	-	220,000	0.0065	220,000	0.0065
Mr Rodney Vaughan Fehring	-	-	132,000	0.0039	132,000	0.0039
Mr Reinfried Helmut Otter	-	-	-	-	-	-

Notes:

- (1) The percentage is based on 3,408,327,241 Units in issue as at the date of this Announcement.
- (2) Mr Chin Yoke Choong has a deemed interest in 100,000 Units which are held directly by his spouse.
- (3) Ms Soh Onn Cheng Margaret Jane has a deemed interest in 12,330 Units which are held in her Supplementary Retirement Scheme account and 6,165 Units which are held directly by her spouse.
- (4) Mr Panote Sirivadhanabhakdi is deemed interested in 118,559,700 Units held by TCC Group Investments Limited.

4.4 Directors' Service Contracts

No person is proposed to be appointed as a Director in connection with the Proposed Acquisitions and the Proposed Divestment or any other transactions contemplated in relation to the Proposed Acquisitions and the Proposed Divestment.

4.5 Relative Figures Computed on the Bases Set Out in Rule 1006 of the Listing Manual

Based on the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual, each of the acquisition of the New Properties and the divestment of the Sale Property is a "Non-Disclosable Transaction" within the meaning of Rule 1008 of the Listing Manual.

4.6 Existing Related Party Transactions

Except for those transactions which have been specifically approved by Unitholders upon purchase of the Units during the initial public offering and listing of FLCT⁹, transactions with a value below S\$100,000¹⁰, the Renewed Southeast Insurance¹¹, the merger of FLCT and Frasers Commercial Trust by way of a trust scheme of arrangement¹² and the acquisition of 50% interest in Farnborough Business Park¹³, both the Trustee and the Manager have not entered into any Related Party Transaction with FPL or its respective subsidiaries and associates during the course of the current financial year from 1 October 2019 to the date of this announcement.

5. Documents for Inspection

Copies of the following documents are available for inspection¹⁴ during normal business hours at the registered office of the Manager at 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958 from the date of this Announcement up to and including the date falling three months from the date of this announcement:

- (i) the Asset Sale and Purchase Agreement;
- (ii) the Incentive Reimbursement Deed;
- (iii) the Share Purchase Agreement (including the form of the Tax Deed of Covenant);
- (iv) the Sale Contract;
- (v) the valuation reports on the New Properties issued by the Independent Valuers; and
- (vi) the valuation report on the Sale Property issued by Urbis.

9 The Trustee has entered into certain ongoing Interested Person Transactions which are exempted from Rules 905 and 906 of the Listing Manual, having been specifically approved by Unitholders upon purchase of the Units during the initial public offering and listing of FLCT, to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder which will adversely affect FLCT.

10 Rules 905(1), 905(2) and 906 of the Listing Manual do not apply to any transaction below S\$100,000.

11 The “**Renewed Southeast Insurance**” refers to the insurance policy with Southeast Insurance Public Company Limited, an entity within the TCC Group, which was renewed for a further term of one year commencing 1 October 2019 and expiring on 30 September 2020. The value of the Renewed Southeast Insurance is approximately A\$1.3 million (approximately S\$1.2 million).

12 Please refer to FLCT’s announcement on 2 December 2019. The merger of FLCT and Frasers Commercial Trust by way of a trust scheme of arrangement was approved by Unitholders on 11 March 2020.

13 Please refer to FLCT’s announcement on 2 December 2019. The acquisition of 50% interest in Farnborough Business Park was approved by Unitholders on 11 March 2020.

14 Prior appointment will be appreciated.

The Trust Deed will also be available for inspection at the registered office of the Manager, for so long as FLCT is in existence.

BY ORDER OF THE BOARD

Frasers Logistics & Commercial Asset Management Pte. Ltd.
(formerly known as Frasers Logistics & Industrial Asset Management Pte. Ltd.)
As manager of Frasers Logistics & Commercial Trust
(formerly known as Frasers Logistics & Industrial Trust)
Company Registration No: 201528178Z

Catherine Yeo
Company Secretary
3 August 2020

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 the 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 Manager or Perpetual (Asia) Limited, as trustee of FLCT. An investment in the 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 the 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 Manager to redeem their Units while the Units are listed. It is intended that the 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 FLCT and the Manager is not necessarily indicative of the future performance of FLCT and the 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”¹⁵ 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 FLCT 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 FLCT is considered to be an “Australian Land Trust”¹⁶ (“**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 FLCT is not an ALT, but has gross Australian assets in excess of a specified threshold prescribed under FATA (as at the date of this Announcement, the threshold prescribed under FATA is temporarily reduced to A\$0 and will rise to A\$275.0 million when the temporary changes are lifted) 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 FLCT or have a substantial interest (20% or more held solely or together with associates) and increase their holding, will require FIRB Approval; or

15 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.

16 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 Investor¹⁷ acquiring a “direct interest”¹⁸ in FLCT will require FIRB Approval at the time of acquisition, regardless of whether FLCT is considered to be an ALT or whether FLCT has gross Australian assets in excess of the applicable threshold.

Exemptions from ALT requirements

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

- (a) where the relevant person is not a foreign government investor and the relevant person's interest in FLCT would not be valued in excess of a specified threshold prescribed under the FATA (at the date of this announcement, the threshold prescribed under the FATA is A\$0, unless the ALT has ‘sensitive’ land holdings, in which case the threshold is A\$0)¹⁹; and

17 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.

18 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.

19 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.

- (b) the relevant person, together with associates, is acquiring an interest of less than 10% in FLCT and will not be in a position to influence or participate in the central management and control of FLCT or to influence, participate in or determine the policy of FLCT²⁰.

Significant actions

As at 30 June 2020, the value of the Australian land assets comprised in FLCT's portfolio is 47.9% of the total asset value of FLCT. Consequently, FLCT is not considered to be an ALT.

As at 30 June 2020, FLCT has gross Australian assets of approximately A\$3,036.6 million, which is above the A\$0 threshold.

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.

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