

**Fraser's Property Limited**

*(Formerly known as Fraser's Centrepont Limited)*

*Incorporated in Singapore*

*Company Registration No. 196300440G*

**PROPOSED DIVESTMENT OF INTERESTS IN 21 PROPERTIES IN GERMANY AND  
THE NETHERLANDS****1. INTRODUCTION****1.1. Divestment of interests in 21 Properties in Germany and the Netherlands**

Pursuant to Rule 704(18)(c) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the board of directors of Fraser's Property Limited (the "**Company**" or "**FPL**") wishes to announce that the Company has on 19 April 2018, through an indirect wholly-owned subsidiary of the Company, Fraser's Property Investments (Holland) B.V. (the "**Vendor**"), entered into a share purchase agreement (the "**Share Purchase Agreement**") with FLT Europe Pte. Ltd. (the "**Purchaser**"), a wholly-owned subsidiary of Perpetual (Asia) Limited, in its capacity as the trustee of Fraser's Logistics & Industrial Trust ("**FLT**"), to sell (the "**Divestment**") its entire shareholding interest in FPE Logistics B.V. (the "**Sale Shares**" and FPE Logistics B.V., the "**Dutch Target Company**") and assign the inter-company loan owing from the Dutch Target Company to the Purchaser for an aggregate consideration of €316.2 million (approximately S\$515.4 million<sup>1</sup>) (the "**Purchase Consideration**") (the "**Transaction**"). The Purchase Consideration is subject to further post-completion adjustments (based on the actual consolidated net assets and liabilities of the Dutch Target Company as at the completion of the Transaction).

The Dutch Target Company is incorporated under the laws of the Netherlands which will indirectly (through special purpose vehicles) hold interests in the Properties (as defined herein).

**2. INFORMATION ON THE PROPERTIES**

The Divestment comprises 17 properties located in Germany and four properties located in the Netherlands (collectively, the "**Properties**"). Details of the Properties are set out in the appendix hereto.

**3. SALIENT TERMS OF THE TRANSACTION****3.1. Terms of the Share Purchase Agreement**

The Share Purchase Agreement contains customary provisions relating to the Transaction, including representations and warranties, indemnities, market standard clauses and pre-completion covenants, as well as, among others, the following:

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<sup>1</sup> All S\$ equivalent figures in this announcement are derived based on the exchange rate of S\$1 = €1.63.

- (a) if, at any time prior to completion of the Transaction, any one or more of the Properties is/are materially damaged, (i) either party to the Share Purchase Agreement ("**Party**") may terminate the agreement; or (ii) both Parties shall co-operate and discuss on the mechanism to exclude the materially damaged Property or Properties, or the property holding companies which hold the materially damaged Property or Properties, as the case may be, and proceed with the Transaction, in which case the Parties shall in good faith discuss and make adjustments to the Purchase Consideration payable;
- (b) if any one or more of the Properties is/are materially damaged, and either singly or in aggregate, results in the situation where 30.0% or more of the aggregate of the agreed purchase price of the portfolio of Properties to be acquired by the Purchaser pursuant to the Share Purchase Agreement (excluding the materially damaged Property or Properties, as the case may be) will be made up by Properties located in the Netherlands, the Purchaser may terminate the Share Purchase Agreement;
- (c) if, at any time prior to completion of the Transaction, any one or more of the Properties is damaged, but not materially damaged, then neither Party may on that account terminate the Share Purchase Agreement, but the Vendor shall procure the relevant property holding company to forthwith reinstate such Property to its state and condition before the event of damage; and
- (d) if, at any time prior to completion of the Transaction, there is any change in the law (including subordinate legislation) or proposed change in the law (including subordinate legislation) with retroactive effect in relation to the transactions contemplated under the Share Purchase Agreement that materially increases either Party's liabilities in relation to the transactions contemplated under the Share Purchase Agreement, such Party (the "**Terminating Party**") may, in its sole discretion, choose to (i) terminate the agreement; or (ii) co-operate with the other Party and discuss on possible amendments to the transactions contemplated in the Share Purchase Agreement in order to reduce the liabilities to the Terminating Party resulting from the transactions contemplated in the Share Purchase Agreement to an amount comparable to its liabilities before such change, and proceed with the Transaction.

Completion of the Transaction is subject to the fulfilment or waiver (as the case may be) of, among others, the following:

- (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 Sale Shares and assignment of the inter-company loan on terms reasonably satisfactory to the manager of FLT.

### 3.2. Consideration for the Transaction

The Purchase Consideration is payable to the Company in cash, and was negotiated on a willing-buyer and willing-seller basis, taking into consideration:

- (a) the amount of the loan (to be extended by the Vendor to the Dutch Target Company) which will be assigned to the Purchaser; and
- (b) the pro forma consolidated net asset value of the Dutch Target Company<sup>2</sup> taking into account the carrying value of the Properties,

which totals approximately €308.6 million (approximately S\$503.0 million).

## 4. RATIONALE

The Transaction is in line with the strategy of the Company and its subsidiaries (the “**Group**”) to optimise capital productivity by recycling capital from stabilised investment properties via its REIT platforms, which are of strategic importance to the Group.

- (a) The Transaction allows FPL to recycle capital for potential acquisitions, development and/or asset enhancement of properties. At the same time, the Group continues to benefit from investing in the Properties via the Group's stake in FLT. To this end, FPL has undertaken (i) to subscribe and/or will procure its respective subsidiaries to subscribe in respect of the private placement to be undertaken by FLT, and/or (ii) to accept and/or procure its respective subsidiaries to accept in full for their total provisional allotments in the preferential offering to be undertaken by FLT, to maintain its proportionate stake in FLT. In addition, the Group will continue to undertake asset and property management of the Properties, which allows the Group to maintain the network effect of its portfolio.
- (b) As a sponsor, it is in the Group's interest to support the growth of its REIT platforms. The Transaction will enhance FLT's defensive attributes through geographical diversification, increased freehold component, reduced tenancy concentration risk and an improved weighted average lease expiry. In addition, FLT can potentially benefit from enhanced synergistic alignment with FPL by leveraging the Group's established European management platform to undertake property and asset management functions for the Properties. With a stronger platform, FLT will be in a better position to (i) continue to play a part in the Group's capital recycling; and (ii) contribute to the Group's recurring income in the form of asset and property management fees.

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<sup>2</sup> An internal restructuring will be undertaken, which will involve the transfer of the equity interests of the special purpose vehicles which directly or indirectly own interests in the Properties from Frasers Property Investments (Europe) B.V. and Geneva Properties N.V. (both indirect subsidiaries of the Company) to the Dutch Target Company. This restructuring will only be completed prior to completion of the Transaction.

**5. FINANCIAL EFFECTS OF THE TRANSACTION**

The 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. DOCUMENT FOR INSPECTION**

A copy of the Share Purchase Agreement is 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  
20 April 2018

## APPENDIX

S/No	Address	The Company's effective interest in the Property (%)
<b>German Properties</b>		
<b>State: Baden-Wurttemberg</b>		
1	Industriepark 309, 78244 Gottmadingen, Germany	94.90 90.06
2	Otto-Hahn-Straße 10, 71665 Vaihingen, Germany	94.00
3	Eiselauer Weg 2, 89081 Ulm, Germany	94.90
4	Murrer Straße 1, 71691 Freiberg, Germany	94.80
5	Ambros-Nehren-Straße 1, 77855 Achern, Germany	94.00
<b>State: Bavaria</b>		
6	Oberes Feld 2, 4, 6, 8, 84164 Moosthenning, Germany	94.80
7	Koperstraße 10, 90451 Nuremberg, Germany	94.00
8	Industriepark 1, 94437 Mamming, Germany	94.90
9	Jubatus-Allee 3, 92263 Ebermannsdorf, Germany	94.90
<b>State: Lower Saxony</b>		
10	Am Krainhop 10, 38550 Isenbüttel, Germany	94.80
11	Am Autobahnkreuz 14, 26180 Rastede, Germany	94.90
<b>State: North Rhine-Westphalia</b>		
12	Saalhoffer Straße 211, 47495 Rheinberg, Germany	94.90
13	Elbestraße 1-3, 45768 Marl, Germany	94.91
14	Keffelker Straße 66, 59929 Brilon, Germany	94.90
15	Gustav-Stresemann-Weg 1, 48155 Münster, Germany	94.90
<b>State: Saxony</b>		
16	Johann-Esche-Straße 2, 09120 Chemnitz, Germany	94.90
17	Am Exer 9, 04158 Leipzig, Germany	94.90
<b>Dutch Properties</b>		
<b>Province: Flevoland</b>		
18	Handelsweg 26, 3899 AB Zeewolde, The Netherlands	100.00
<b>Province: Gelderland</b>		
19	Brede Steeg 1, 7041 s-Heerenberg, The Netherlands	100.00

S/No	Address	The Company's effective interest in the Property (%)
<b>Province: Limburg</b>		
20	Heierhoevenweg 17, 5928 Venlo, The Netherlands	100.00
<b>Province: North Brabant</b>		
21	Belle van Zuylenstraat 5, 5032 MA Tilburg, The Netherlands; Mraga Klompeweg 7, 5032 MP Tilburg, The Netherlands	100.00