

SGX-ST ANNOUNCEMENT

For immediate release

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FRASERS LOGISTICS & INDUSTRIAL TRUST

(a real estate investment trust constituted on 30 November 2015 under the laws of the Republic of Singapore)

COMPLETION OF ACQUISITION OF INTERESTS IN 21 PROPERTIES IN GERMANY AND THE NETHERLANDS AND USE OF PROCEEDS OF THE PRIVATE PLACEMENT

*Capitalised terms used herein, but not otherwise defined, shall have the meanings ascribed to them in the announcement of Frasers Logistics & Industrial Trust ("**FLT**") dated 20 April 2018 titled "The Proposed Acquisition of Interests in 21 Properties in Germany and the Netherlands" (the "**Acquisition Announcement**") and the announcement of FLT dated 9 May 2018 titled "Launch of Equity Fund Raising to Raise Gross Proceeds of Approximately S\$476.0 million" (the "**Launch Announcement**").*

1. COMPLETION OF ACQUISITION

Further to the Acquisition Announcement, Frasers Logistics & Industrial Asset Management Pte. Ltd., in its capacity as manager of FLT (the "**Manager**"), is pleased to announce the completion of the Proposed Acquisition by FLT today.

The total cost of the Proposed Transaction (the "**Total Transaction Cost**") based on the final funding structure adopted is approximately €325.0 million (approximately S\$514.5

DBS Bank Ltd. and Citigroup Global Markets Singapore Pte. Ltd. are the joint financial advisers, global coordinators and issue managers for the initial public offering of the units in Frasers Logistics & Industrial Trust (the "**Offering**"). DBS Bank Ltd., Citigroup Global Markets Singapore Pte. Ltd., Morgan Stanley Asia (Singapore) Pte., Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited are the joint bookrunners and underwriters for the Offering (collectively, the "**Joint Bookrunners**"). The Joint Bookrunners for the Offering assume no responsibility for the contents of this announcement.

million¹), comprising (i) the purchase consideration payable under the Share Purchase Agreement of approximately €316.2 million (approximately S\$500.6 million¹), subject to post-completion adjustments, if any, based on the actual consolidated net assets and liabilities of the Dutch Target Company (the “**Purchase Consideration**”), (ii) the acquisition fee payable in Units to the Manager for the Proposed Acquisition which amounts to approximately €2.8 million (approximately S\$4.4 million²), and (iii) the estimated professional and other fees and expenses of approximately €6.0 million (approximately S\$9.5 million) incurred in connection with the Proposed Transaction.

Further details in relation to the financing of the Total Transaction Cost are disclosed below.

2. **USE OF PROCEEDS FROM THE PRIVATE PLACEMENT**

Further to the issuance of 333,199,000 New Units at an issue price of S\$0.987 per New Unit pursuant to the Private Placement on 21 May 2018, the Manager wishes to announce that the gross proceeds of approximately S\$328.9 million from the Private Placement have been fully utilised today to part finance the Purchase Consideration.

Due to the timeline of the Equity Fund Raising and completion of the Proposed Acquisition being prior to the receipt of the proceeds from the Preferential Offering (which is expected to be on or around 11 June 2018), the Manager has partially pre-funded the balance of the Purchase Consideration by way of a bridge loan facility (the “**Bridge Loan**”)³. The proceeds of the Preferential Offering will be applied towards repayment of the Bridge Loan and the professional and other fees and expenses incurred in connection with the Proposed Transaction.

The use of proceeds arising from the Private Placement to-date is in accordance with the stated use and is in accordance with the intended allocation of gross proceeds of the Equity Fund Raising as set out in the Launch Announcement.

The Manager will make an announcement when the proceeds from the Preferential Offering have been materially utilised.

3. **DISCLOSURE PURSUANT TO RULE 704(31) OF THE SGX-ST LISTING MANUAL**

Pursuant to Rule 704(31) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Manager wishes to announce that with the completion of the Proposed Acquisition, FLT has assumed certain existing loan facilities entered into by the subsidiaries of the Dutch Target Company, some of which contain the conditions (the “**Relevant Conditions**”) as set out below which make reference to unitholding interests of a controlling unitholder in FLT:

¹ Unless otherwise stated, the S\$ equivalent of the € figures in this Announcement has been arrived at based on an average exchange rate of €1: S\$1.583.

² The acquisition fee in respect of each of the New Properties is 0.5% of the Property Purchase Price of the New Properties (in proportion to the effective interest which FLT will hold in each of the New Properties).

³ Part of the Bridge Loan was used to pay certain fees and expenses incurred by FLT in connection with the Private Placement.

Loan Facility	Relevant Conditions
An aggregate of €24.9 million under two term loan facilities between certain subsidiaries of the Dutch Target Company, as borrowers (each, a “ Borrower ”) and UniCredit Bank AG, München (Germany), as lender	An acceleration right which in turn would lead to a mandatory prepayment event under the term loan facilities would arise if Frasers Property Limited (formerly known as Frasers Centrepont Limited) (“ FPL ”) does not (i) directly or indirectly hold at least 20% of the shares in the relevant Borrower; (ii) directly or indirectly hold at least 20% of the voting rights in the shareholders’ meeting of the relevant Borrower; or (iii) remain able to exercise the management and control over the relevant Borrower.

None of the events described under the Relevant Conditions have occurred. Assuming such an event occurs, and a failure to prepay causes a cross default under other borrowings of FLT, the aggregate level of facilities that may be affected is approximately S\$1,230.8 million (excluding interest) as at the date of this announcement. This does not take into account (i) the amount of the loan facilities which have not been, and which remain available for, drawdown and (ii) future notes issuances under the S\$1,000,000,000 multicurrency debt issuance programme of FLT Treasury Pte. Ltd. (a wholly-owned subsidiary of FLT) and guaranteed by Perpetual (Asia) Limited (in its capacity as trustee of FLT).

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
 25 May 2018

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, Perpetual (Asia) Limited, as trustee of FLT or any of its affiliates. 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 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 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 Manager is not necessarily indicative of the future performance of FLT 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 (the “**FATA**”) and the Australian Government’s Foreign Investment Policy (the “**Policy**”).

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

A “*foreign person*”⁴ that acquires Units is required under the FATA to notify and receive a prior no objections notification (“**FIRB Approval**”) 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”⁵ (“**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 at the date of this announcement, the threshold prescribed under FATA is A\$261.0 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
- (c) any investor that is a Foreign Government Investor⁶ acquiring a “direct interest”⁷ 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\$261.0 million.

⁴ 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.

⁵ 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.

⁶ 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.

Exemptions from ALT requirements

The FATA contains two relevant exemptions from the requirement to obtain FIRB Approval 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 the date of this announcement, the threshold prescribed under the FATA is A\$261.0 million, unless the ALT has 'sensitive' land holdings, in which case the threshold is A\$57.0 million)⁸; 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 the ALT or to influence, participate in or determine the policy of the ALT.⁹

Significant actions

As at 31 March 2018, the value of the Australian land assets comprised in FLT's portfolio is 95.8% of the total asset value of FLT. Consequently, FLT is considered to be an ALT.

As at 31 March 2018, FLT has gross Australian assets of approximately A\$1,930.8 million, which is above A\$261.0 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.

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.

⁷ 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.

⁸ This applies in respect of ALTs that have predominantly developed commercial real estate portfolios (i.e. less than 10% residential or vacant commercial land). Previously, there was no applicable monetary threshold. 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 mines and critical infrastructure (for example, an airport or port) as well as property that has Australian government tenants.

⁹ This exemption applies where an ALT is listed on an official stock exchange (whether in Australia or not).