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SGX-ST Announcement
For immediate release

FRASERS LOGISTICS & COMMERCIAL TRUST

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

LAUNCH OF PRIVATE PLACEMENT OF NEW UNITS IN FRASERS LOGISTICS & COMMERCIAL TRUST OF NOT LESS THAN APPROXIMATELY S\$300 MILLION

1. Introduction

Frasers Logistics & Commercial Asset Management Pte. Ltd., as manager of Frasers Logistics & Commercial Trust ("**FLCT**", and the manager of FLCT, the "**Manager**"), wishes to announce the launch of a private placement (the "**Private Placement**") of 220,000,000 new units in FLCT ("**Units**", and the new Units to be issued pursuant to the Private Placement, the "**New Units**") at an issue price of between S\$1.363 and S\$1.399 per New Unit (both figures inclusive) (the "**Issue Price Range**") so as to raise gross proceeds of not less than S\$299.8 million, subject to an upsize option (the "**Upsize Option**") to issue up to 20,000,000 additional New Units to raise additional gross proceeds such that the total gross proceeds of the Private Placement will amount to not more than approximately S\$335.8 million.

2. Details of the Private Placement

The Manager has appointed DBS Bank Ltd., J.P. Morgan (S.E.A.) Limited and Oversea-Chinese Banking Corporation Limited, as the joint lead managers and underwriters in relation to the Private Placement (the "**Joint Lead Managers and Underwriters**").

The Manager has today entered into a placement agreement with the Joint Lead Managers and Underwriters (the "**Placement Agreement**"), pursuant to which the Joint Lead Managers and Underwriters have been appointed to procure subscribers for the New Units at an issue price per New Unit (the "**Issue Price**") to be determined within the Issue Price Range, on the terms and subject to the conditions of the Placement Agreement. The New Units will be fully underwritten by the Joint Lead Managers and Underwriters on the terms and subject to the conditions of the Placement Agreement.

The Issue Price Range of between S\$1.363 and S\$1.399 per New Unit (both figures inclusive) represents a discount of between:

- (i) approximately 2.4% and 4.9% to the volume weighted average price ("**VWAP**") of S\$1.4332 per Unit, of trades in the Units done on Singapore Exchange Securities

Trading Limited (the “**SGX-ST**”) for the preceding Market Day¹ on 21 May 2021 up to the time the Placement Agreement was signed on 24 May 2021; and

- (ii) (for illustrative purposes only) approximately 1.5% and 4.0% to the Adjusted VWAP² of S\$1.4201 per Unit.

The Issue Price will be determined by the Manager and the Joint Lead Managers and Underwriters following an accelerated book-building process. The Manager will make an announcement via SGXNET³ once the Issue Price has been determined.

The Private Placement shall be subject to certain conditions precedent, more particularly set out in the Placement Agreement, including the approval in-principle of the SGX-ST for the listing of and quotation for the New Units on the Main Board of the SGX-ST.

3. Rationale for the Private Placement

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

3.1 Benefits of the Proposed Acquisition

The Manager intends to use the net proceeds from the Private Placement to partially fund the total costs of the proposed acquisition by FLCT of interests in six freehold properties located in Germany, the Netherlands and the United Kingdom (“**UK**”), including effective interests in four property holding companies which hold interests in four freehold logistics properties located in Germany and the Netherlands, being the Hermes Bad Rappenau Facility, the BASF Facility, the Hermes Mainz Facility and the Hendi Facility, and two freehold properties, being BVP and Connexion, in the UK⁴ (the “**Proposed Acquisition**”). On 24 May 2021, an announcement has been issued (the “**Acquisition Announcement**”) detailing the Proposed Acquisition. The benefits of the Proposed Acquisition to FLCT and its Unitholders has been discussed in greater detail in the Acquisition Announcement. A summary of these benefits is as follows:

- Capitalise on strong logistics industry tailwinds;
- Maiden entry into the UK logistics sector through the acquisition of an integrated logistics and business park;
- Strengthens foothold in key European logistics markets;
- Complements and strengthens the FLCT portfolio; and

¹ “**Market Day**” refers to a day on which the SGX-ST is open for securities trading.

² The Adjusted VWAP is computed based on the VWAP of trades in the Units done on the SGX-ST for the preceding Market Day on 21 May 2021 up to the time the Placement Agreement was signed on 24 May 2021 and subtracting the Advanced Distribution (as defined herein).

³ An internet-based corporate announcement submission system maintained by the SGX-ST.

⁴ Each as defined in the Acquisition Announcement dated 24 May 2021.

- Distribution per Unit (“DPU”) and net asset value (“NAV”) per Unit accretive acquisition.

3.2 Benefits of the Private Placement

It is intended that the Proposed Acquisition will be financed by an optimal combination of debt and equity so as to ensure that the Proposed Acquisition will provide overall DPU and NAV per Unit accretion to Unitholders while maintaining a healthy level of gearing. The Manager believes that the Private Placement, in combination with debt financing, is an efficient and overall beneficial method of raising funds to finance the Proposed Acquisition.

The increase in the total number of Units in issue and enlarged Unitholder base is expected to enhance the trading liquidity of the Units, diversify its investor base, and raise the profile of FLCT among investors.

4. ELIGIBILITY TO PARTICIPATE IN THE PRIVATE PLACEMENT

The offer of New Units under the Private Placement will be made to institutional and accredited investors.

The New Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or the securities laws of any state or jurisdiction of the United States and may not be offered or sold within the United States or to or for the account or benefit of any U.S. person, absent registration or an exemption from, the registration requirements under the Securities Act and applicable state or local securities laws. The New Units may not be offered, sold, resold, granted, delivered, allotted, taken up or transferred, directly or indirectly, in the United States except pursuant to an exemption from the registration requirements of the Securities Act and in compliance with applicable state laws.

The Manager, along with the Joint Lead Managers and Underwriters, reserves the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

5. Use of Proceeds

Subject to relevant laws and regulations, the Manager intends to allocate the gross proceeds of not less than S\$299.8 million (being the amount of gross proceeds to be raised based on the low end of the Issue Price Range, excluding the exercise of the Upsize Option) raised from the Private Placement in the following manner:

- up to approximately S\$281.0 million (which is equivalent to 93.7% of the gross proceeds of the Private Placement) to partially fund the Proposed Acquisition⁵; and
- up to approximately S\$18.8 million (which is equivalent to 6.3% of the gross

⁵ The balance of the Proposed Acquisition will be funded by debt.

proceeds of the Private Placement) to pay the estimated fees and expenses, including (i) the underwriting and placement commission and related fees and expenses payable to the Joint Lead Managers and Underwriters, and (ii) professional fees, stamp duty and other fees and expenses to be incurred by FLCT in connection with the Proposed Acquisition and Private Placement.

Should the gross proceeds from the Private Placement exceed S\$299.8 million, such excess proceeds may be used towards further funding of the Proposed Acquisition, future acquisitions, asset enhancement works, developments and/or for general corporate and working capital purposes.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Private Placement at its absolute discretion for other purposes, including, without limitation, to repay existing indebtedness.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Private Placement via SGXNET as and when such funds are materially utilised and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

Pending the deployment of the net proceeds from the Private Placement, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or be used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

6. Authority to issue Units

The issue of the New Units under the Private Placement is being carried out pursuant to a general mandate (the “**General Mandate**”) given to the Manager at the annual general meeting (“**AGM**”) held on 20 January 2021.

Pursuant to the General Mandate, the Manager may, during the period from 20 January 2021 to (i) the conclusion of the next AGM of FLCT or (ii) the date by which the next AGM of FLCT is required by applicable laws and regulations or the trust deed constituting FLCT dated 30 November 2015 (as amended) to be held, whichever is earlier, issue new Units and/or securities, warrants, debentures or other instruments convertible into Units (“**Convertible Securities**”) such that the number of new Units (and/or Units into which the Convertible Securities may be converted) does not exceed 50.0% of the total number of Units in issue as at 20 January 2021 (the “**Base Figure**”), of which the aggregate number of new Units (and/or Units into which the Convertible Securities may be converted) issued other than on a pro-rata basis to existing Unitholders shall not be more than 20.0% of the Base Figure.

The Base Figure, being the number of Units in issue as at 20 January 2021, was 3,424,069,367 Units.

7. **Advanced Distribution**

FLCT's policy is to distribute its distributable income on a semi-annual basis to Unitholders.

In connection with the Private Placement, however, the Manager intends to declare, in respect of the Units in issue immediately prior to the issue of the New Units (the "**Existing Units**"), a distribution of the distributable income for the period from 1 April 2021 to 2 June 2021, the day immediately preceding the date on which the New Units will be issued under the Private Placement (the "**Advanced Distribution**").

The next distribution following the Advanced Distribution will comprise FLCT's distributable income for the period from the date on which the New Units are issued under the Private Placement to 30 September 2021. Semi-annual distributions will resume thereafter.

The Advanced Distribution is intended to ensure that the distributable income accrued by FLCT up to the day immediately prior to the date of issue of the New Units (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to holders of the Existing Units.

The quantum of the DPU under the Advanced Distribution is currently estimated to be 1.308 Singapore cents per Unit⁶. The actual quantum of the distribution per Unit under the Advanced Distribution (which may differ from the estimate above) will be announced on a later date.

For the avoidance of doubt, holders of the New Units will not be entitled to participate in the distribution of any distributable income accrued by FLCT prior to the date of issue of the New Units (including the Advanced Distribution). The New Units are expected to be issued and commence trading on the SGX-ST on 3 June 2021.

(Please see the announcement dated 24 May 2021 issued by the Manager in relation to the notification of the time and date on which the transfer books and register of Unitholders will be closed to determine Unitholders' entitlement to the Advanced Distribution.)

8. **Status of the New Units**

Other than the Advanced Distribution to which the New Units will not be entitled, the New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to any distributable income from the date on which the New Units are issued under the Private Placement to 30 September 2021 as well as all distributions thereafter.

⁶ The estimated distribution for the period from 1 April 2021 to the day immediately prior to the date on which the New Units will be issued pursuant to the Private Placement is based on the Manager's estimate of FLCT's revenue and expenses for the relevant period on a pro-rata basis. This amount is only an estimate based on information currently available to the Manager, and the actual Advanced Distribution may differ.

9. Application to the SGX-ST for Approval-in-Principle

The Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

BY ORDER OF THE BOARD

Fraser's Logistics & Commercial Asset Management Pte. Ltd.
As manager of Fraser's Logistics & Commercial Trust
Company Registration No. 201528178Z

Catherine Yeo
Company Secretary
24 May 2021

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.

This announcement is for information only and does not constitute or form part of an offer, invitation or solicitation of any securities of FLCT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States, European Economic Area, the United Kingdom, Canada, Japan or Australia, and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations.

The securities referred to herein have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act or under the securities laws of any state or other jurisdiction of the United States, and any such new Units may not be offered or sold within the United States except pursuant to an exemption from, or transactions not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws. Any public offering of securities to be made in the United States would be made by means of a prospectus that may be obtained from an issuer and would contain detailed information about such issuer and the management, as well as financial statements. There will be no public offering of the securities referred to herein in the United States.

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 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.

The past performance of FLCT and the Manager is not necessarily indicative of the future performance of FLCT and the Manager.

This advertisement has not been reviewed by the Monetary Authority of Singapore.

Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore:

The New Units are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

ADDITIONAL INFORMATION – FOREIGN INVESTMENT REGIME OF AUSTRALIA

Australia's foreign investment regime is set out in the Australian *Foreign Acquisitions and Takeovers Act 1975* (“**FATA**”) and associated regulations and the Australian Government's Foreign Investment Policy.

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

A “foreign person”⁷ that acquires Units is required under the FATA to notify and receive a prior no objection 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”⁸ (“**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 that meet a specified threshold prescribed under FATA or the consideration value meets the specified threshold (as at the date of this announcement, the threshold prescribed under FATA is A\$281 million⁹) 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

7 A “foreign person” is broadly defined in the FATA and includes:

- (a) an individual not ordinarily resident in Australia; or
- (b) 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
- (c) 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
- (d) 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
- (e) 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
- (f) a foreign government.

8 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.

9 Where the investor is from certain free trade agreement partners (Chile, China, Hong Kong, Japan, New Zealand, Peru, Singapore, South Korea, the United States, and any other country for which the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), done at Santiago on 8 March 2018, is in force) a higher threshold of A\$1,216 million applies.

- (c) any investor that is a Foreign Government Investor¹⁰ acquiring a “direct interest”¹¹ 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; or
- (d) if FLCT is a national security business¹² (or if it holds any interests in national security land¹³ or national security businesses) any investor acquiring a direct interest in FLCT will require FIRB Approval at the time of acquisition of a “direct interest”, regardless of the value of the interest, whether FLCT is considered to be an ALT or whether FLCT has gross Australian assets in excess of the applicable threshold.

10 A “**foreign government investor**” means an entity that is:

- (a) foreign government or separate government entity; or
- (b) 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%;
- (c) 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.

11 A “**direct interest**” is defined to mean:

- (a) an interest of at least 10% in the entity or business, or
- (b) 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
- (c) 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.

12 A “**national security business**” is currently defined as a business that:

- develops, manufactures or supplies critical goods or critical technology that are, or are intended to be, for a military use, or an intelligence use, by defence and intelligence personnel, the defence force of another country, or a foreign intelligence agency;
- provides, or intends to provide, critical services to defence and intelligence personnel, the defence force of another country, or a foreign intelligence agency;
- stores or has access to information that has a security classification;
- stores or maintains personal information of defence and intelligence personnel collected by the Australian Defence Force, the Defence Department or an agency in the national intelligence community which, if accessed, could compromise Australia’s national security;
- collects, as part of an arrangement with the Australian Defence Force, the Defence Department or an agency in the national intelligence community, personal information on defence and intelligence personnel which, if disclosed, could compromise Australia’s national security; or
- stores, maintains or has access to personal information on defence and intelligence personnel which, if disclosed, could compromise Australia’s national security.

13 “**National security land**” is currently defined as:

- Defence premises – land owned or occupied by Defence; or
- Land in which an agency in the national intelligence community has an interest (if this interest is publicly known or could be known after making reasonable inquiries).

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\$281 million¹⁴, unless the ALT has 'sensitive' land holdings, in which case the threshold is A\$61 million)¹⁵; and
- (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 FLCT.¹⁶

Significant actions

As at 31 March 2021, the value of the Australian land assets comprised in FLCT's portfolio is 46.3% of the total asset value of FLCT. Consequently, FLCT is not considered to be an ALT. As at 31 March 2021, FLCT had gross Australian assets of approximately S\$3,114.1 million, which is above the general A\$281 million threshold applicable to trusts that are not ALTs.

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.

¹⁴ See footnote 9 above.

¹⁵ 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 in the usual course 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.

¹⁶ This applies where an ALT is listed on an official stock exchange (whether in Australia or not).