

## Fraser's Property Limited

*(Formerly known as Fraser's Centrepont Limited)  
Incorporated in Singapore  
Company Registration No. 196300440G*

### ACQUISITION OF SHARES IN TICON INDUSTRIAL CONNECTION PUBLIC COMPANY LIMITED BY FRASERS ASSETS CO., LTD.

#### 1. INTRODUCTION

The Board of Directors (the "**Board**") of Fraser's Property Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcement dated 9 January 2018 (the "**9 January Announcement**") relating to the incorporation of Fraser's Assets Co., Ltd. (the "**JV Co**") jointly by Fraser's Property Holdings (Thailand) Co., Ltd. ("**FPHT**"), an indirect subsidiary of the Company, and TCC Assets (Thailand) Co., Ltd. ("**TCCAT**"), an interested person of the Company, pursuant to a joint venture agreement entered into between FPHT and TCCAT (the "**JVA**").

The Board wishes to announce that a conditional share purchase agreement ("**Conditional SPA**") has been entered into on 9 February 2018 by the JV Co and Rojana Industrial Park Public Company Limited ("**Rojana**") for the acquisition by the JV Co of all the 478,699,619 ordinary shares (the "**Sale Shares**") of TICON Industrial Connection Public Company Limited ("**TICON**") held by Rojana, representing 26.1% of the share capital of TICON (the "**Acquisition**"), for a consideration of Thai Baht ("**THB**") 17.90 per ordinary share (the "**Consideration**") or an aggregate consideration of THB 8,568,723,180.10 (equivalent to approximately S\$358 million<sup>1</sup>).

FPHT has an existing direct interest in 751,004,000 ordinary shares of TICON, and through FPHT's stake the Company thus has an existing deemed interest in 40.95% of the share capital of TICON. If and when completion of the Acquisition ("**Completion**") takes place, the Company together with TCCAT will through the JV Co hold a further 478,699,619 ordinary shares of TICON representing 26.1% of the share capital of TICON.

Completion is subject to the Condition Precedent (as defined in paragraph 3 below) to be satisfied by Rojana. Completion will trigger a tender offer for the remaining ordinary shares of TICON (not held by FPHT and the JV Co) by the JV Co (the "**Tender Offer**") at a price equivalent to the Consideration (the "**Tender Offer Price**"), which Tender Offer will be undertaken by the JV Co subsequent to the Acquisition.

The Consideration and the Tender Offer Price payable by the JV Co for the Acquisition and the Tender Offer respectively, as well as ancillary costs in the implementation of the Acquisition and Tender Offer (including but not limited to acquisition costs) ("**Related Expenses**") are estimated to be up to THB 20 billion (equivalent to approximately S\$836 million) in aggregate and will be funded by a combination of commercial borrowings of the JV Co, and/or capital contributions and/or shareholders' loans from FPHT and TCCAT to the JV Co in their respective shareholding proportions of 49% for FPHT and 51% for TCCAT, in accordance with the terms of the JVA. For

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<sup>1</sup> In this Announcement, unless otherwise stated, translations of amounts from the THB to Singapore dollars have been made on the basis of S\$1.00 : THB 23.92 as at 8 February 2018.

the purposes of this announcement, a reference to the "**Joint Venture**" shall be deemed to be a reference to the joint venture investment by FPHT and TCCAT through the JV Co in the ordinary shares of TICON by way of the Acquisition and the Tender Offer, including the pro rata funding of the aggregate Consideration, the aggregate Tender Offer Price and the Related Expenses by FPHT and TCCAT referred to in the foregoing.

## **2. RATIONALE FOR THE JOINT VENTURE**

The Joint Venture is in line with the Company's direction to grow its business overseas and its recurring income. TICON, listed on the Stock Exchange of Thailand (the "**SET**"), has a leading market position in Thailand as a developer and owner of industrial and logistics properties, with integrated end-to-end capabilities from land acquisition and development, to lease management and asset and fund management. The Joint Venture enables the Company, an existing investor in TICON through FPHT, to take a further stake in TICON following its initial investment into TICON in January 2017. This allows the Company to further consolidate and extend its presence in the industrial and logistics market sector in Thailand, a market that the Company has been operating in, and which the Company believes has long-term prospects.

TICON provides a platform for the Company to harness its industrial know-how to capture opportunities in the industrial and logistics properties sector in Thailand and the ASEAN Economic Community region. TICON currently owns and manages approximately 2.7 million square metres of industrial and logistics space across Thailand. In addition, TICON is a sponsor and REIT manager, and holds approximately 22% interest in TICON REIT ("**TREIT**"). As at 31 December 2017, the successful merger of TREIT and TICON's three (3) property funds transformed TREIT into one of the largest industrial and logistics REITs in Thailand.

## **3. SALIENT TERMS OF THE JOINT VENTURE AND ACQUISITION**

The JV Co was incorporated with an initial registered and paid-up capital of THB 3,000,000, with FPHT and TCCAT holding shareholding interests of 49% and 51% respectively. The JVA provides that any subsequent capital contribution by each party to the JVA (each a "**Party**") will be in accordance with their shareholding ratio (as nearly as may be) at the time of contribution, and the Party who fails to contribute accordingly will be subject to shareholding ratio dilution. The JVA states that the proportion of economic benefits as well as the contribution by each Party by way of shareholders' loan funding shall be based on the respective Parties' shareholding ratio in the JV Co on a pro rata basis at the time of funding, subject to applicable law, and that the shareholders' loans will have identical terms (including interest rate and repayment date) and the interest rate shall not be lower than the cost of funds of each Party. Any guarantee furnished by the Parties as security for third party financing will be in proportion (as nearly as may be) to their respective shareholding ratio in the JV Co.

Under the Conditional SPA, Completion will be subject to the receipt by the JV Co of evidence of the affirmative resolutions (without any conditions or with conditions that are acceptable to the JV Co) of a meeting of the board of directors and general meeting of the shareholders of Rojana, to the effect that Rojana shall sell the Sale Shares to the JV Co in accordance with the terms of the Conditional SPA (the "**Condition Precedent**").

On Completion, the JV Co will be required to make payment in cash to Rojana for the Sale Shares.

Based on the unaudited consolidated financial statements of TICON for the nine-month period ended 30 September 2017 announced by TICON on the SET on 14 November 2017, the book value and net tangible asset value of the Sale Shares are each approximately Baht 24.7 billion (equivalent to approximately S\$1.0 billion). The closing price of the ordinary shares of TICON on SET on the market day immediately preceding the date of this announcement was THB 17.60 per ordinary share. The Consideration was arrived at on a willing-buyer willing-seller basis after taking into account the financial position, value of assets and investment holdings, peer comparables, market price and prospects of TICON in the property sector in Thailand.

#### **4. INTERESTED PERSON TRANSACTIONS**

TCCAT is a company established in Thailand and is part of the TCC Group, comprising companies and entities which are controlled by Mr. Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi who are also directors and controlling shareholders of the Company. TCCAT is indirectly held by Mr. Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi on a 50:50 basis. Mr. Panote Sirivadhanabhakdi, the son of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi, a Director and Group Chief Executive Officer of the Company, is also a director on the board of TCCAT. Accordingly, TCCAT is considered an "interested person" of the Company and the Joint Venture is considered an interested person transaction for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "Listing Manual").

#### **5. EXCEPTION TO THE REQUIREMENT FOR SHAREHOLDERS' APPROVAL AND STATEMENT OF THE AUDIT COMMITTEE**

It is noted that the value of the Joint Venture will be more than 5% of the Group's latest net tangible assets based on the audited consolidated financial statements of the Group for the financial year ended 30 September 2017 (see paragraph 6 below).

Pursuant to Rule 916(2) and Rule 916(3) of the Listing Manual, the Audit Committee of the Company is of the view that the risks and rewards of/relating to the Joint Venture as set out under the JVA and the shareholders' loans to be extended by FPHT and TCCAT for the purpose of funding the Acquisition and the Tender Offer are in proportion to their equity in the JV Co (and in the case of the said shareholders' loans, are on the same terms), and the terms of the JVA, the said shareholders' loans, and the acquisition by the JV Co of ordinary shares of TICON pursuant to the Acquisition and the Tender Offer are not prejudicial to the interests of the Company and its minority shareholders.

As referred to in the 9 January Announcement, the JV Co was incorporated jointly by FHPT and TCCAT and neither FHPT nor TCCAT had an existing equity interest in the JV Co prior to their participation in the Joint Venture. Prior to the Acquisition, Mr. Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi and the TCC Group also did not have any existing interest in the share capital of TICON other than through their interest in the Company.

Accordingly, the Company is exempted from the requirement of seeking shareholders' approval for the Joint Venture under Rule 906 of the Listing Manual.

**6. TOTAL VALUE OF ALL INTERESTED PERSON TRANSACTIONS**

As at the date of this announcement, there have been no other interested person transactions (excluding transactions less than S\$100,000 and transactions conducted pursuant to the Company's general mandate for interested person transactions) entered into by the Group during the course of the current financial year ending 30 September 2018, apart from the Joint Venture, the value<sup>2</sup> of which is approximately S\$397 million (which is approximately 6.2% of the latest net tangible assets based on the audited consolidated financial statements of the Group for the financial year ended 30 September 2017).

**7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

Save as disclosed in this announcement, none of the Directors nor (so far as the Board is aware) controlling shareholders of the Company have any interest, direct or indirect, in the Joint Venture.

**BY ORDER OF THE BOARD**

Catherine Yeo  
Company Secretary

9 February 2018

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<sup>2</sup> For the purposes of this announcement, the value of the Joint Venture is assumed to be FPHT's share, being 49%, of the sum of the aggregate Consideration payable in relation to the Acquisition and the aggregate Tender Offer Price, assuming that the Condition Precedent is satisfied, Completion takes place, the Tender Offer is successful and the JV Co acquires all the remaining shares in the capital of TICON under the Tender Offer. For the purposes of this announcement, the value of the Joint Venture is assumed to exclude Related Expenses, the amount of which is not finalised.