

## **SGX-ST Announcement**

For immediate release

### **FRASERS LOGISTICS & INDUSTRIAL TRUST**

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

### **PAYMENT OF MANAGEMENT FEES AND ACQUISITION FEES BY WAY OF ISSUE OF UNITS IN FRASERS LOGISTICS & INDUSTRIAL TRUST**

*Capitalised terms used herein, unless otherwise defined, shall have the meanings ascribed to them in the announcement of Frasers Logistics & Industrial Trust dated 3 July 2019 titled “The Proposed Acquisition of Interests in 12 Properties in Germany and Australia” (the “Acquisition Announcement”) and the announcement of FLT dated 30 July 2019 titled “Launch of Private Placement of New Units in Frasers Logistics & Industrial Trust” (the “Launch Announcement”).*

Frasers Logistics & Industrial Asset Management Pte. Ltd., as manager of Frasers Logistics & Industrial Trust (“**FLT**”, and as manager of FLT, the “**REIT Manager**”), wishes to announce that an aggregate 9,984,463 new units in FLT (“**Units**”) have been issued on 11 November 2019 for the purposes as stated below.

#### **(I) REIT Management Fees and HAUT Management Fees**

For the period from 1 July 2019 to 30 September 2019, an aggregate base fee of S\$3,165,447<sup>1</sup> is payable to:

- (i) the REIT Manager pursuant to the terms of the trust deed constituting FLT dated 30 November 2015 (as amended) (the “**REIT Trust Deed**”); and
- (ii) FLT Australia Management Pty Ltd, a wholly-owned subsidiary of the REIT Manager, as the investment manager of FLT Australia Trust (the “**HAUT**”, and FLT Australia Management Pty Ltd, the “**HAUT Manager**”), pursuant to the terms of the investment management agreement dated 27 May 2016 (as amended) (the “**Investment Management Agreement**”) entered into between the REIT Manager, Frasers Property Funds Management Limited, in its capacity as trustee of the HAUT, and the HAUT Manager.<sup>2</sup>

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1 The aggregate of the base fee for the REIT Manager (the “**REIT Manager Base Fee**”) and the base fee for the HAUT Manager (the “**HAUT Manager Base Fee**”) is 0.4% per annum of the value of the Deposited Property (as defined in the REIT Trust Deed).

2 The HAUT Manager Base Fee is 0.2% per annum of the HAUT’s Assets (as defined in the Investment Management Agreement).

For the financial year ended 30 September 2019, an aggregate performance fee of S\$6,438,057<sup>3</sup> is payable to:

- (i) the REIT Manager pursuant to the terms of the REIT Trust Deed; and
- (ii) the HAUT Manager pursuant to the terms of the Investment Management Agreement<sup>4</sup>.

#### **REIT Management Fee Units**

1,794,327 Units at an issue price of S\$1.2131 per Unit, have been issued as payment of 100% of the REIT Manager Base Fee for the period from 1 July 2019 to 30 September 2019.

3,674,034 Units at an issue price of S\$1.2131 per Unit, have been issued as payment of 100% of the REIT Manager Performance Fee for the financial year ended 30 September 2019.

Frasers Property Industrial Trust Holdings Pte. Ltd. (“**FPITH**”) has been nominated by the REIT Manager to receive the aggregate 5,468,361 Units issued as payment of the REIT Manager Base Fee and REIT Manager Performance Fee in its place today in accordance with the REIT Trust Deed which allows the REIT Manager to nominate any person to receive such fee Units. In connection with such nomination, FPITH will pay to the REIT Manager S\$6,633,670 being an amount equal to the aggregate issue price of such Units.

#### **HAUT Management Fee Units**

815,058 Units at an issue price of S\$1.2131 per Unit, have been issued as payment of 100% of the HAUT Manager Base Fee for the period from 1 July 2019 to 30 September 2019.

1,633,076 Units at an issue price of S\$1.2131 per Unit, have been issued as payment of 100% of the HAUT Manager Performance Fee for the financial year ended 30 September 2019.

FPITH has been nominated by the HAUT Manager to receive the aggregate 2,448,134 Units issued as payment of the HAUT Manager Base Fee in its place today in accordance with the Investment Management Agreement which allows the HAUT Manager to nominate any person to receive such fee Units. In connection with such nomination, FPITH will pay to the HAUT Manager S\$2,969,834 being an amount equal to the aggregate issue price of such Units.

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3 The aggregate of the performance fee for the REIT Manager (the “**REIT Manager Performance Fee**”) and the performance fee for the HAUT Manager (the “**HAUT Manager Performance Fee**”) is 5.0% per annum of the Distributable Income of FLT in the relevant financial year (calculated before accounting for the REIT Manager Performance Fee but after accounting for the REIT Manager Base Fee and adding back Adjustments) (unless otherwise defined, capitalised terms used in this footnote shall have the same meanings ascribed to them in the REIT Trust Deed).

4 The HAUT Manager Performance Fee is 1.5% per annum of the Net Property Income (after adjusting for Non-Cash Adjustments) of the HAUT in the relevant financial year (calculated before accounting for the HAUT Manager Performance Fee but after accounting for the HAUT Manager Base Fee) (unless otherwise defined, capitalised terms used in this footnote shall have the same meanings ascribed to them in the Investment Management Agreement).

The respective numbers of Units above were determined based on the volume weighted average price per Unit for all trades on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) in the ordinary course of trading for the last 10 business days of the financial quarter ended 30 September 2019 (in accordance with the REIT Trust Deed and the Investment Management Agreement, as the case may be).

With the above-mentioned issue of new Units, FPITH has an interest in an aggregate of 433,564,327 Units, which represents approximately 19.21% of Units after the issuance of the new Units.

**(II) REIT Acquisition Fees and HAUT Acquisition Fees**

An aggregate of 2,067,968 Units have been issued as payment of acquisition fees in respect of the acquisitions of interests in (i) the three New Australian Properties (the “**Australian Properties**”) , and (ii) seven of the New German Properties (the “**European Properties**”), with the details as follows:

	<b>Issue Price (S\$)</b>	<b>Units</b>
Acquisition Fee – 3 Australian Properties	1.173	503,227
Acquisition Fee – 7 European Properties	1.173	1,564,741
<b>Total</b>		<b>2,067,968</b>

The aggregate acquisition fees are split between the REIT Manager and the HAUT Manager as follows:

**REIT Manager Acquisition Fee**

1,665,386 Units have been issued to the REIT Manager as payment of the Acquisition Fee (as defined in the REIT Trust Deed) of S\$118,058 in respect of the acquisition of interests in the Australian Properties which was completed on 20 August 2019 and S\$1,835,447 in respect of the acquisition of interests in the European Properties, out of which the acquisitions of interests in four properties were completed on 23 August 2019, the acquisition of interests in one property was completed on 27 August 2019 and the acquisitions of interests in two properties were completed on 3 September 2019.

**HAUT Manager Acquisition Fee**

402,582 Units have been issued as payment of the Acquisition Fee (as defined in the Investment Management Agreement) of S\$472,231 in respect of the acquisition of interests in the Australian Properties.

The REIT Manager has been nominated by the HAUT Manager to receive 402,582 Units in its place today in accordance with the Investment Management Agreement which allows the HAUT Manager to nominate any person to receive such fee Units<sup>5</sup>.

The number of Units issued in respect of the Australian Properties and European Properties was based on the issue price per Unit of S\$1.173 under the private placement of 220,000,000 Units to institutional and accredited investors (the "**Private Placement**").

With the abovementioned issue of new Units, the REIT Manager has an interest in an aggregate of 8,024,081 Units, which represents approximately 0.36% of Units after the issuance of the new Units.

The Units were issued in accordance with the disclosures in the prospectus of FLT dated 10 June 2016, the REIT Trust Deed and the Investment Management Agreement. For the avoidance of doubt, there is no double-counting between the fees paid to the REIT Manager and the HAUT Manager. Where management fees are payable to the HAUT Manager under the Investment Management Agreement, the management fees, or as the case may be, acquisition fees payable to the REIT Manager have been correspondingly reduced.

The total number of Units in issue as at 11 November 2019 is 2,258,877,908.

#### **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

11 November 2019

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<sup>5</sup> The HAUT Manager has nominated the REIT Manager to receive the 402,582 Units which it is entitled to receive and pursuant to the nomination agreement between the HAUT Manager and the REIT Manager dated 22 August 2017. In connection with such nomination, the REIT Manager will pay to the HAUT Manager S\$472,231, being an amount equal to the aggregate issue price of such Units.

## **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, 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 REIT 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 REIT Manager or Perpetual (Asia) Limited, as trustee of FLT. 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 REIT Manager to redeem their Units while the Units are listed. It is intended that 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 FLT and the REIT Manager is not necessarily indicative of the future performance of FLT and the REIT Manager.