

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)

ANNOUNCEMENT PURSUANT TO RULE 706A OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

Pursuant to Rule 706A of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), Frasers Logistics & Commercial Asset Management Pte. Ltd. (formerly known as Frasers Logistics & Industrial Asset Management Pte. Ltd.), as manager of Frasers Logistics & Commercial Trust (formerly known as Frasers Logistics & Industrial Trust) ("**FLCT**", and as manager of FLCT, the "**REIT Manager**") wishes to announce the following acquisitions of shares and incorporation of a subsidiary in respect of the period reported on under Rule 705 of the Listing Manual, that is, in respect of the second half-year ended 30 September 2020:

(I) Completion of Acquisition of 50% Interest in Farnborough Business Park

The REIT Manager refers to its announcement of 2 December 2019 titled "The Proposed Merger of Frasers Logistics & Industrial Trust and Frasers Commercial Trust by way of a Trust Scheme of Arrangement and the Proposed Acquisition of Farnborough Business Park (the "**2 December Announcement**")", where the REIT Manager had announced, *inter alia*, that Perpetual (Asia) Limited (in its capacity as trustee of FLCT) (the "**Trustee**"), had through its wholly owned subsidiary, FLT Europe Pte. Ltd. ("**FLTEPL**") entered into an agreement (the "**FBP Share Purchase Agreement**") for the acquisition (the "**FBP Acquisition**") of one ordinary share (the "**FBP Sale Share**") of Farnborough Business Park Ltd ("**FBPL**") (representing 50.0% of the entire issued share capital of FBPL) from Frasers Property HoldCo (Jersey) Limited (as vendor) (the "**FBP Vendor**"), a subsidiary of Frasers Property Limited, the sponsor of FLCT (the "**Sponsor**"). FBPL is a property holding company which directly owns the legal and beneficial title to Farnborough Business Park, located at Farnborough, Thames Valley, Hampshire GU14 7JP, the United Kingdom.

The FBP Share Purchase Agreement was novated from FLTEPL to Frasers Commercial (UK) Sub. 1 Pte. Ltd. ("**FCPL**"), another indirect wholly-owned subsidiary of FLCT, on 15 April 2020.

The FBP Acquisition by FCPL was completed on 30 April 2020 (the "**FBP Completion Date**") and following completion of the FBP Acquisition, FBPL has become a wholly-owned subsidiary of FLCT.

The estimated purchase consideration under the FBP Share Purchase Agreement, which was paid wholly in cash on completion, is approximately £90.1 million (approximately

S\$157.7 million¹) being the sum of (a) the estimated consideration for the FBP Sale Share of £45.5 million (approximately S\$79.6 million¹), being the adjusted net asset value of FBPL as at the FBP Completion Date, taking into account 50% of the agreed value of Farnborough Business Park of £181.0 million (approximately S\$316.8 million¹) (the “**FBP Agreed Property Value**”), and (b) the loan consideration pursuant to the existing shareholder’s loan extended by the FBP Vendor to FBPL of £44.6 million (approximately S\$78.1 million¹) which was fully discharged on the FBP Completion Date. The FBP Agreed Property Value was arrived at on a willing-buyer and willing-seller basis taking into account the two independent valuations obtained for Farnborough Business Park.

The purchase consideration was subjected to post-completion adjustments in accordance with the FBP Share Purchase Agreement, and the net asset value represented by the FBP Sale Share is £89.9 million (approximately S\$159.7 million²).

(II) Completion of Acquisition of 100% Interest in Maxis Business Park

The REIT Manager refers to its announcement of 3 August 2020, where the Trustee has, through its wholly-owned subsidiary, FLCT UK Pte. Ltd. (the “**Maxis Purchaser**”), entered into a share purchase agreement dated 3 August 2020 (the “**MBP Share Purchase Agreement**”) with, among others³, Frasers Property HoldCo (Jersey) 2 Limited (as vendor and which is a subsidiary of the Sponsor) (the “**Maxis Vendor**”) to acquire 100.0% of the issued share capital (the “**MBP Sale Shares**”) of Maxis Business Park Limited (“**MBPL**”) which wholly-owns a property known as Maxis Business Park located at Maxis, Western Road, Bracknell, RG12 1RT, United Kingdom (the “**MBP Acquisition**”).

The MBP Acquisition was completed on 12 August 2020 and following completion of the MBP Acquisition, MBPL has become a wholly-owned subsidiary of FLCT.

The purchase consideration paid by the Maxis Purchaser to the Maxis Vendor (the “**Maxis Purchase Consideration**”) under the MBP Share Purchase Agreement was £37.7 million in cash (approximately S\$67.7 million⁴), and this was negotiated on a willing-buyer and willing-seller basis, based on:

- (i) the consideration for 100.0% of the issued share capital of MBPL (the “**Maxis Share Consideration**”) being the adjusted net asset value of MBPL as at the date of completion of the MBP Acquisition, taking into account the agreed value of the Maxis Business Park of £67.34 million (approximately S\$121.0 million⁴) (the “**MBP Agreed Property Value**”). The MBP Agreed Property Value was arrived at on a willing-buyer and willing-seller basis and is not more than the higher of the two independent valuations obtained for the Maxis Business Park; and

¹ Based on the exchange rate of £1 = S\$1.6984

² Based on the exchange rate of £1 = S\$1.7762 as at FBP Completion Date

³ Frasers Property International Pte. Ltd., a subsidiary of the Sponsor, is also a party to the MBP Share Purchase Agreement as guarantor to guarantee the performance of the Maxis Vendor’s obligations under the MBP Share Purchase Agreement.

⁴ Based on the exchange rate of £1 = S\$1.7969.

- (ii) the outstanding existing shareholder's loan extended by the Maxis Vendor to MBPL (the "**Maxis Loan Consideration**") which was fully discharged on the date of completion of the MBP Acquisition.

The estimated Maxis Purchase Consideration of £37.7 million (approximately S\$67.7 million⁴) comprised the sum of (a) the estimated Maxis Share Consideration of £18.6 million (approximately S\$33.4 million⁴), being the estimated adjusted net asset value of MBPL as at the date of completion of the MBP Acquisition which is subject to adjustment post-completion of the MBP Acquisition, and (b) the Maxis Loan Consideration of £19.1 million (approximately S\$34.3 million⁴).

(III) Incorporation of Subsidiary

A wholly-owned subsidiary of the Trustee, FLCT UK Pte. Ltd. was incorporated in Singapore on 29 July 2020 with an initial issued share capital of S\$2.00 for the purpose of investment holding (the "**Incorporation**").

None of the Directors of the REIT Manager or the controlling shareholders of FLCT has any interest, direct or indirect, in the Incorporation.

Save as disclosed in the 2 December Announcement in respect of the FBP Acquisition, none of the above transactions are expected to have a material effect on the net tangible assets or distributions per unit of FLCT and its subsidiaries for the current financial year.

BY ORDER OF THE BOARD

Frasers Logistics & Commercial Asset Management Pte. Ltd.

As manager of Frasers Logistics & Commercial Trust
Company Registration No. 201528178Z

Catherine Yeo
Company Secretary
6 November 2020

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 in FLCT ("**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 FLCT. 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 FLCT and the REIT Manager is not necessarily indicative of the future performance of FLCT and the REIT Manager.