

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)

THE PROPOSED ACQUISITION OF INTERESTS IN FOUR LOGISTICS PROPERTIES

Unless otherwise stated, the S\$ equivalent of the € figures in this Announcement have been arrived at based on assumed exchange rates of €1 : S\$1.4584.

1. Introduction

Frasers Logistics & Commercial Asset Management Pte. Ltd., as manager of Frasers Logistics & Commercial Trust (“**FLCT**”, and as manager of FLCT, the “**Manager**”) is pleased to announce that Perpetual (Asia) Limited, as trustee of FLCT (the “**Trustee**”) has, through its wholly-owned subsidiary FLT Europe B.V. (“**FLT Europe**”), entered into a conditional share purchase agreement dated 14 March 2024 (the “**Share Purchase Agreement**”) with Frasers Property Investments (Europe) B.V. (“**FPIE**”) and FPE Investments RE11 B.V. (“**FPE11**”) (collectively, the “**Vendors**”) to acquire 89.9%¹ of the equity interests in four property holding companies (each a “**Target Company**”, and collectively, the “**Target Companies**”) which hold four logistics properties located in Germany (each a “**New Property**”, and collectively, the “**New Properties**”) (the “**Proposed Acquisition**”).

2. The Proposed Acquisition of the New Properties

2.1 About the New Properties

The New Properties which comprise three freehold and one leasehold² logistics properties have a total gross lettable area (“**GLA**”) of approximately 72,422 square metres (“**sqm**”). The New Properties are well located within key logistics markets in Germany with three of the New Properties, being the Egelsbach Property, the Saarwellingen Property, and the Überherrn Property, within the “Blue Banana”³ region which represents the economic corridor of Europe, and the Hamburg Property being strategically situated in proximity to the Port of Hamburg, the largest port in Germany. The New Properties are fully leased with a long weighted average lease expiry (“**WALE**”)⁴ of 6.1 years. Further details of the New Properties are set out in the **Appendix** to this Announcement.

1 FPIE currently holds 94.9% of the equity interests in three of the four property holding companies and FPE11 currently holds 94.0% of the equity interests in the fourth property holding company. FPIE and FPE11 will continue to hold 5.0% and 4.1%, respectively of the equity interests in the property holding companies on completion of the Proposed Acquisition (as defined herein), and intend to acquire the remaining 5.1% and 6.0% respectively of the equity interests currently held by an unrelated third party after completion of the Proposed Acquisition.

2 Refers to the Hamburg Property which has a remaining leasehold interest of 54.9 years as at 31 December 2023.

3 The “Blue Banana” denotes the European regions with dense population zone (>110 million) and represents the economic corridor of Europe, passing through its two largest ports (in Belgium and the Netherlands), across the Rhine region in Germany to northern Italy.

4 Based on gross rental income, being the contracted rental income and estimated recoverable outgoings for the month of December 2023. Excludes straight-lining rental adjustments and includes committed leases.

2.2 Valuation and Purchase Consideration

The Trustee has commissioned an independent external valuer, CBRE GmbH (“**CBRE**”), and the Manager has commissioned an independent external valuer, Colliers International Valuation GmbH (“**Colliers**”), to separately value each of the New Properties.

The aggregate appraised value of the New Properties is €136.7 million (approximately S\$199.4 million) and €130.9 million (approximately S\$190.9 million), based on the independent valuations⁵ of each New Property conducted by Colliers and CBRE, respectively as at 1 February 2024. Further details regarding the valuations of the New Properties are set out in the **Appendix** to this Announcement.

The agreed property purchase price⁶ for the New Properties is approximately €129.5 million (approximately S\$188.9 million) (the “**Property Purchase Price**”). The Property Purchase Price represents a discount of approximately 5.3% to the appraised value of the New Properties by Colliers and a discount of approximately 1.1% to the appraised value of the New Properties by CBRE.

The estimated purchase consideration payable under the Share Purchase Agreement (the “**Purchase Consideration**”) of approximately €118.7 million (approximately S\$173.1 million) is based on:

- (a) the estimated aggregate net assets and liabilities of the Target Companies as at completion of the Proposed Acquisition, taking into account the New Properties Purchase Price of approximately €129.5 million (approximately S\$188.9 million) for the New Properties which was negotiated on a willing-buyer and willing-seller basis (taking into account the independent valuations of the New Properties described herein), adjusted for the effective interests in the Target Companies⁷ that FLT Europe will be acquiring (subject to further post-completion adjustments based on the actual aggregate net assets and liabilities of the Target Companies at completion of the Proposed Acquisition); and
- (b) the inter-company loans owing by the Target Companies to Frasers Property Investments (Holland) B.V., a wholly-owned subsidiary of Frasers Property Limited (“**FPL**” or the “**Sponsor**”) and the holding company of the Vendors, which at completion of the Proposed Acquisition will be assigned to FLT Europe, in satisfaction of the full amount of inter-company loans owing by the Target Companies to Frasers Property Investments (Holland) B.V..

The Purchase Consideration will be paid by FLT Europe to the Vendors and Frasers Property Investments (Holland) B.V. in cash.

2.3 Certain Terms and Conditions of the Share Purchase Agreement

The principal terms of the Share Purchase Agreement include, among others, that the

⁵ The New Properties have been valued based on the definition of “Market Value” as defined in accordance with the Royal Institution of Chartered Surveyor’s RICS Valuation – Global Standards.

⁶ Based on a 100.0% interest.

⁷ Being 89.9% of the aggregate net assets and liabilities of the four Target Companies which hold the New Properties. The Target Companies do not have any existing debt facilities to be assumed by FLT Europe.

completion of the Proposed Acquisition is subject to the satisfaction of certain conditions precedent, which include there being no breach of fundamental warranties or material breach of other warranties at the completion of the Proposed Acquisition.

2.4 Indemnity in relation to Taxation

In connection with the Share Purchase Agreement, FLT Europe has also entered into a deed of indemnity (the “**Deed of Indemnity**”) with the Vendors pursuant to which the Vendors have, among others, and subject as provided under the Deed of Indemnity, jointly and severally agreed with and undertaken to FLT Europe to pay to FLT Europe or a Target Company at FLT Europe’s direction on the due date for payment an amount equal to certain claims for taxation.

2.5 Estimated Total Transaction Cost

The estimated total cost of the Proposed Acquisition (the “**Total Transaction Cost**”) is approximately S\$175.3 million, comprising:

- (a) the Purchase Consideration of approximately €118.7 million (approximately S\$173.1 million);
- (b) the acquisition fee payable to the Manager for the Proposed Acquisition pursuant to the trust deed dated 30 November 2015 (as amended and supplemented) constituting FLCT (the “**Trust Deed**”), which amounts to approximately S\$0.8 million (the “**Acquisition Fee**”)⁸; and
- (c) the estimated professional and other fees and expenses incurred or to be incurred by FLCT in connection with the Proposed Acquisition of approximately S\$1.4 million.

2.6 Payment of Acquisition Fee in Units

As the Proposed Acquisition will constitute an “interested party transaction” under Paragraph 5 of the Property Funds Appendix, the Acquisition Fee⁹ payable to the Manager in respect of the Proposed Acquisition will be in the form of units of FLCT (“**Units**”), which shall not be sold within one year from the date of issuance.

3. Proposed Method of Financing the Proposed Acquisition and Financial Effects

The Manager intends to finance the Total Transaction Cost, less the Acquisition Fee (which will be paid fully through the issue of Units to the Manager), estimated to be approximately S\$174.5 million, through external debt financing.

4. Rationale for and Key Benefits of the Proposed Acquisition

4.1 Increases Logistics and Industrial (“L&I”) footprint in an existing core market

- (a) The freight and logistics market in Germany is one of the largest in Europe and remains attractive for its strategic location within the region. The German logistics sector has

⁸ The Acquisition Fee in respect of each of the New Properties is 0.5% of the Property Purchase Price (in proportion to the effective interests which FLCT will hold in each of the New Properties).

⁹ Based on the Trust Deed, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the Acquisition Fee at the issue price of Units issued to finance or part finance the Proposed Acquisition in respect of which the Acquisition Fee is payable.

maintained its resilience due to its strong underlying market fundamentals bolstered by close to record low vacancy rates and slowdown in new developments resulting in limited supply in key logistics hotspots which continued to drive market rents in these locations by 12%¹⁰ in 2023;

- (b) The New Properties are well positioned within the key logistics markets in Germany. Three of the New Properties, being the Egelsbach Property, the Saarwellingen Property and the Überherrn Property, are strategically located within the “Blue Banana” region which represents the economic corridor of Europe. Additionally, the Egelsbach Property is located close to FLCT’s existing assets within the Frankfurt logistics cluster while the Hamburg Property is situated in proximity to the Port of Hamburg, the largest port in Germany;
- (c) The Proposed Acquisition allows FLCT to expand in an existing market that it currently operates in; and
- (d) The portfolio of New Properties will be acquired at a discount of 5.3% and 1.1% to the independent valuations from Colliers and CBRE, respectively.

4.2 Complements and Enhances FLCT’s Portfolio Metrics

- (a) The New Properties form a resilient portfolio with a long WALE of 6.1 years which will maintain FLCT’s overall portfolio WALE at 4.4 years as at 31 December 2023;
- (b) The fully-occupied New Properties will increase FLCT portfolio occupancy to 95.9% as at 31 December 2023, and maintain FLCT’s L&I portfolio at 100.0% occupancy¹¹;
- (c) The New Properties are leased to quality tenants, such as Schenker AG, DACHSER GmbH & Co. KG and Hermes Germany GmbH, which are existing tenants within FLCT portfolio. These are also key third-party logistics providers with exposure to the new economy sectors such as e-commerce fulfillment services. The portfolio also adds new tenants, Posagenda GmbH and TB International GmbH which are in the logistics, distribution, and consumer and retail product sectors. The addition of these new tenants further diversifies and strengthens FLCT’s tenant base;
- (d) Two of the New Properties, namely the Egelsbach Property and the Hamburg Property, are certified with BREEAM ‘Very Good’ rating, while the Saarwellingen Property and the Überherrn Property are currently undergoing BREEAM certification. These would complement FLCT’s existing property portfolio green credentials; and
- (e) Based on the proposed method of financing, the Proposed Acquisition is expected to be DPU accretive and NAV per Unit accretive to Unitholders.

4.3 Continued Support from Sponsor

- (a) The Proposed Acquisition enables FLCT to tap on the pipeline from FPL, the sponsor of FLCT and reinforces FPL’s continual support towards the growth of FLCT;
- (b) The Sponsor, through its well-established integrated asset and property management

¹⁰ Source: Colliers, Logistics Leasing, Top 8, Q4 2023, Germany.

¹¹ Based on gross rental income, being the contracted rental income and estimated recoverable outgoings for the month of December 2023. Excludes straight-lining rental adjustments and includes committed leases.

platform in Europe, developed the Egelsbach Property and managed the remaining three New Properties for at least four years; and

- (c) The New Properties will continue to be managed by the Sponsor's L&I platform in Europe, alongside FLCT's existing European assets.

4.4 Execution of Investment Strategy

- (a) The Proposed Acquisition enables the Manager to access a 100% L&I portfolio which is a resilient real estate asset class. Upon completion of the Proposed Acquisition, the number of German L&I properties in FLCT's portfolio will increase to 33 assets, representing 25.5% or S\$1.7 billion of FLCT's total portfolio value¹². The proportion of L&I assets in FLCT's portfolio will increase from 70.3% as at 31 December 2023 to 71.1%; and
- (b) The Proposed Acquisition is in line with the Manager's investment strategy to increase the proportion of L&I assets in FLCT's portfolio.

5. Listing Manual Requirements

5.1 Relative Figures Computed on Bases set out in Rule 1006

Based on the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual, the Proposed Acquisition is a non-discloseable transaction within the meaning of Rule 1008 of the Listing Manual.

However, the Proposed Acquisition is an "interested person transaction" under Chapter 9 of the Listing Manual, as well as an "interested party transaction" under the Property Funds Appendix, in respect of which an immediate announcement of the Proposed Acquisition pursuant to Rule 905 of the Listing Manual must be made.

5.2 Interested Person Transaction and Interested Party Transaction

Under Chapter 9 of the Listing Manual, where the Trustee proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same interested person during the same financial year) is equal to or exceeds 3.0% of FLCT's latest audited net tangible assets ("NTA"), FLCT is required to make an immediate announcement. Where the value of such transaction is equal to or exceeds 5.0% of FLCT's latest audited NTA, Unitholders' approval is required in respect of the transaction.

Based on FLCT's FY2023 Audited Financial Statements, the NTA of FLCT as at 30 September 2023 was S\$4,379.7 million. Accordingly, if the value of a transaction which is proposed to be entered into by the Trustee during the current financial year ending 30 September 2024 with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S\$100,000) entered into with the same interested person during the current financial year ending 30 September 2024, equal to or greater than S\$131.4 million, such a transaction would need to be immediately announced. In addition, where the value of

¹² Based on FLCT book value as at 31 December 2023 and the Property Purchase Price of the New Properties.

such transaction is equal to or greater than S\$219.0 million, Unitholders' approval would be required in respect of the transaction.

Paragraph 5 of the Property Funds Appendix also imposes a requirement for an immediate announcement to be made for an interested party transaction by the Trustee which value is equal to or is greater than 3.0% of FLCT's latest audited NAV and to obtain Unitholders' approval where the value of such interested party transaction is equal to or greater than 5.0% of FLCT's latest audited NAV. Based on FLCT's FY2023 Audited Financial Statements, the NAV of FLCT as at 30 September 2023 was S\$4,379.7 million. Accordingly, if the value of a transaction which is proposed to be entered into by the Trustee with an interested party during the current financial year ending 30 September 2024 is equal to or greater than S\$131.4 million, an immediate announcement would need to be made, and if the value of such transaction is equal to or greater than S\$219.0 million, such a transaction would also be subject to approval from Unitholders.

As at the date of this Announcement, FPL and its subsidiaries (the "**FPL Group**") holds an aggregate direct and indirect interest in 852,431,108 Units, which is equivalent to approximately 22.7% of the total number of Units in issue as at the date of this Announcement, and is therefore regarded as a "controlling unitholder" of FLCT for the purposes of both the Listing Manual and the Property Funds Appendix. In addition, as the Manager is a wholly-owned subsidiary of FPL, the FPL Group is therefore regarded as a "controlling shareholder" of the Manager for the purposes of both the Listing Manual and the Property Funds Appendix.

As each of FPIE and FPE11, being the Vendors, is an indirect subsidiary of FPL, for the purposes of Chapter 9 of the Listing Manual and paragraph 5 of the Property Funds Appendix, each of the Vendors (being a subsidiary of a "controlling unitholder" of FLCT and a subsidiary of a "controlling shareholder" of the Manager) is (for the purposes of the Listing Manual) an "interested person" of FLCT and (for the purposes of the Property Funds Appendix) an "interested party" of FLCT.

Therefore, the entry by FLT Europe into the Share Purchase Agreement and the Deed of Indemnity (including the accession to the articles of associations in relation to the four Target Companies in which the relevant Vendors will remain as shareholders) will constitute Interested Person Transactions under Chapter 9 of the Listing Manual, as well as Interested Party Transactions under the Property Funds Appendix.

Given that the Purchase Consideration is approximately S\$173.1 million (which is 4.0% of both the latest audited NTA and the NAV of FLCT as at 30 September 2023), the value of the Proposed Acquisition exceeds 3.0% but does not exceed 5.0% of the NTA and the NAV of FLCT. Accordingly, the Manager is required to make an immediate announcement of the Proposed Acquisition, and Unitholders' approval is not required to be sought, pursuant to Rule 905 of the Listing Manual and paragraph 5 of the Property Funds Appendix.

For the information of the Unitholders, as at the date of this Announcement, save for the Proposed Acquisition and any transaction whose value is less than S\$100,000, the value of all other existing interested person transactions:

- (a) entered into between FLCT and FPL Group and its associates during the course of the current financial year ending 30 September 2024 up to the date of this Announcement that are subject to disclosure under Chapter 9 of the Listing Manual is approximately S\$2.4 million, which is approximately 0.06% of the latest audited NTA of FLCT based on FLCT's FY2023 Audited Financial Statements; and

- (b) entered into during the course of the current financial year ending 30 September 2024 up to the date of this Announcement, between FLCT and all interested persons (including FPL and its associates) is approximately S\$2.4 million which is approximately 0.06% of the latest audited NTA of FLCT based on FLCT's FY2023 Audited Financial Statements.

5.3 Statement of the Audit and Risk Committee

The audit, risk and compliance committee of the Manager is of the opinion that the Proposed Acquisition is based on normal commercial terms and is not prejudicial to the interests of FLCT and its minority Unitholders.

5.4 Interests of Directors

As at the date of this Announcement, the interests of the Directors in the Proposed Acquisition are as follows:

- (a) Mr Panote Sirivadhanabhakdi is a Non-Executive Director of the Manager, a director and the Group Chief Executive Officer of FPL, a director of other entities within the FPL Group other than the Manager, a director of various entities within the TCC Group¹³ (which is the controlling shareholder of the FPL Group) and holds 20.0% of the issued share capital of TCC Group Investments Limited (“**TCCGI**”). Mr Panote Sirivadhanabhakdi is also the son of Mr Charoen Sirivadhanabhakdi and the late Khunying Wanna Sirivadhanabhakdi; and
- (b) Mr Reinfried Helmut Otter (Reini Otter) is a Non-Executive Director of the Manager, the Chief Executive Officer of Frasers Property Industrial, which is a business unit within the FPL Group and is employed by a related corporation of the Manager. He is also a director and/or executive of certain entities within the FPL Group other than the Manager.

Based on the Register of Directors' Unitholdings maintained by the Manager, the direct and deemed interests of the Directors in the Units as at the date of this Announcement are as follows:

Name of Director	Direct Interest		Deemed Interest		Total No. of Units held	%(¹)
	No. of Units held	%(¹)	No. of Units held	%(¹)		
Mr Ho Hon Cheong	-	-	1,123,100	0.03	1,123,100	0.03
Mr Goh Yong Chian	800,000	0.02	-	-	800,000	0.02
Mr Kyle Lee Khai Fatt	-	-	-	-	-	-
Mr Phang Sin Min	-	-	-	-	-	-
Ms Soh Onn Cheng Margaret Jane	-	-	18,495	n.m.	18,495	n.m.
Mr Panote Sirivadhanabhakdi	-	-	118,559,700	3.16 ⁽²⁾	118,559,700	3.16

13 “**TCC Group**” refers to the companies and entities in the TCC Group which are controlled by Mr Charoen Sirivadhanabhakdi and the late Khunying Wanna Sirivadhanabhakdi.

Mr Reinfried Helmut Otter	-	-	-	-	-	-
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Notes:

- (1) All references to percentage units of the issued Units in paragraph 6.5 of this Announcement are based on the total issued Units as at the date of this Announcement, being 3,750,542,729 Units in issue. Percentages are rounded to two decimal places. "n.m." means not meaningful.
- (2) Mr Panote Sirivadhanabhakdi holds 20.0% of the issued share capital of TCCGI and is deemed interested in TCCGI's deemed interest in 118,559,700 Units.

Save as disclosed above and based on information available to the Manager as at the date of this Announcement, none of the Directors has an interest, direct or indirect, in the Proposed Acquisition.

5.5 Directors' Service Contracts

No person is proposed to be appointed as a Director in connection with the Proposed Acquisition or any other transactions contemplated in relation to the Proposed Acquisition.

6. Documents for Inspection

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager¹⁴ at 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958 from the date of this Announcement up to and including the date falling three months after the date of this Announcement:

- (a) the Share Purchase Agreement;
- (b) the Deed of Indemnity; and
- (c) the full valuation reports on the New Properties issued by the independent external valuers.

The Trust Deed will also be available for inspection at the registered office of the Manager, for so long as FLCT is in existence.

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
15 March 2024

¹⁴ Prior appointment with the Manager (telephone: +65 6813 0588) will be appreciated.

APPENDIX

Further Details of the New Properties

The following table sets out a summary of selected information on the New Properties¹⁵:

S/No	Address	Tenant ⁽¹⁾	Trade Sector of Tenant	Effective Interest (%)	Land Tenure	GLA (sqm) ⁽²⁾	Valuation by CBRE (€ m) ⁽³⁾⁽⁴⁾	Valuation by Colliers (€ m) ⁽³⁾⁽⁵⁾	Property Purchase Price (€ m) ⁽⁶⁾	Occupancy (%) ⁽²⁾
1	Hans-Fleißner Straße 46-48, 63329 Egelsbach in Egelsbach, Germany (the "Egelsbach Property")	Posagenda GmbH TB International GmbH	3PL Consumer & Retail Products	89.9	Freehold	29,815	45.2	47.5	44.6	100%
2	Billbrookdeich 167, 22113 Hamburg in Hamburg, Germany (the "Hamburg Property")	Hermes Germany GmbH	3PL	89.9	Leasehold	11,545	59.7	61.7	59.2	100%
3	Werner-Von-Siemens-Straße 44, 66793 Saarwellingen in Saarwellingen, Germany (the "Saarwellingen Property")	Schenker AG	3PL	89.9	Freehold	9,298	7.5	7.9	7.3	100%
4	Thomas-Dachser-Strasse 3, 66802 Überherrn in Überherrn, Germany	DACHSER GmbH & Co. KG	3PL	89.9	Freehold	21,765	18.5	19.6	18.4	100%

¹⁵ The New Properties, being the Hamburg Property, the Saarwellingen Property, the Überherrn Property and the Egelsbach Property are respectively held by the relevant Target Companies, being FPE Investments RE9 B.V., FPE Investments RE15 B.V., FPE Investments RE16 B.V. and FPE Investments RE40 B.V..

S/No	Address	Tenant ⁽¹⁾	Trade Sector of Tenant	Effective Interest (%)	Land Tenure	GLA (sqm) ⁽²⁾	Valuation by CBRE (€ m) ⁽³⁾⁽⁴⁾	Valuation by Colliers (€ m) ⁽³⁾⁽⁵⁾	Property Purchase Price (€ m) ⁽⁶⁾	Occupancy (%) ⁽²⁾
	(the "Überherrn Property")									
Total for the New Properties						72,422	130.9	136.7	129.5	100%

Notes:

- (1) A partial area of the Hamburg Property is also leased to DFMG Deutsche Funkturm GmbH, a telecommunication company, to be used as a radio transmission station with a free-standing antenna support.
- (2) As at 31 December 2023.
- (3) Valuation as at 1 February 2024 and is based on a 100% effective interest in each New Property. The New Properties have been valued based on the definition of "Market Value" as defined in accordance with the Royal Institution of Chartered Surveyor's RICS Valuation – Global Standards.
- (4) CBRE arrived at their opinion of Market Value by adopting a Discounted Cash Flow ("DCF") approach. The Market Value and the key figures derived from it were also compared with comparable transactions to corroborate the chosen input parameters for the DCF approach.
- (5) Colliers arrived at their opinion of Market value by adopting DCF as the lead approach. Sales comparables were used as a secondary approach to validate DCF assumptions and results.
- (6) The Property Purchase Price is based on a 100% effective interest in each New Property.

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

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"¹⁶ 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"¹⁷ ("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\$330 million¹⁸) 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

16 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);
- (f) a foreign government; or
- (g) any other person, or any other person that meets the conditions, prescribed by the regulations.

17 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.

18 Where the investor is from certain free trade agreement partners (Chile, China, Hong Kong, Japan, New Zealand, Peru, Singapore, South Korea, the United States, the United Kingdom 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 (including Canada, Mexico, Malaysia and Vietnam)) a higher threshold of A\$1,427 million applies.

Additional information – Foreign Investment Regime of Australia (cont'd)

- (c) any investor that is a Foreign Government Investor¹⁹ acquiring a “direct interest”²⁰ in FLCT will require FIRB Approval prior to 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 business²¹ (or if it carries on a national security business) 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; or

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

- (a) a foreign government or separate government entity; or
- (b) a corporation, or trustee of a trust, or general partner of an unincorporated 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.

20 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 acquired the interest is in a position to:
 - participate in or influence the central management and control of the entity or business; or
 - influence, participate in or determine the policy of the entity or business.

21 A business is a ‘national security business’ if:

- (a) the business is carried on wholly or partly in Australia whether or not in anticipation of profit or gain; and
- (b) it is publicly known, or could be known upon the making of reasonable inquiries, that the business is of a kind referred to below:
 - a responsible entity (within the meaning of the *Security of Critical Infrastructure Act 2018* (Cth) (**‘the SOCI Act’**)) for an asset;
 - an entity that is a direct interest holder in relation to a critical infrastructure asset (within the meaning of those terms in the SOCI Act);
 - a carrier or nominated carriage service provider to which the *Telecommunications Act 1997* (Cth) applies;
 - 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 that has been collected as part of an arrangement with the Australian Defence Force, the Defence Department or an agency within the national intelligence community, which, if disclosed, could compromise Australia’s national security.

Additional information – Foreign Investment Regime of Australia (cont’d)

- (e) if FLCT is an ALT and holds any interests in national security land²², 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.

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\$330 million²³, unless the ALT has ‘sensitive’ land holdings, in which case the threshold is A\$71 million)²⁴; 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 FLCT²⁵.

Significant actions

As at 30 September 2023, the value of the Australian land assets comprised in FLCT's portfolio is 48.6% of the total asset value of FLCT. Consequently, FLCT is not considered to be an ALT. As at 30 September 2023, FLCT had gross Australian assets of approximately S\$3,375.1 million, which is above the general A\$330 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.

22 **‘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).

23 See footnote 18 above.

24 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, telecommunication structures and critical infrastructure (for example, an airport or port) as well as property that has Australian government tenants.

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