

SGX-ST ANNOUNCEMENT

For immediate release

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COMPLETION OF ACQUISITION OF INTERESTS IN 3 PROPERTIES IN AUSTRALIA AND THE USE OF PROCEEDS FROM THE PRIVATE PLACEMENT

Capitalised terms used herein, unless otherwise defined, shall have the meanings ascribed to them in the announcement of Frasers Logistics & Industrial Trust ("FLT") 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"). Unless otherwise stated, the S\$ equivalent of the A\$ figures in this announcement have been arrived based on an exchange rate of A\$1 : S\$ 0.9310.

1. COMPLETION OF AUSTRALIAN PROPERTIES ACQUISITION

Further to the Acquisition Announcement, Frasers Logistics & Industrial Asset Management Pte. Ltd., in its capacity as manager of FLT (the "**Manager**"), is pleased to announce the completion of the Australian Properties Acquisition¹ by FLT today.

The purchase consideration payable under the Asset Sale and Purchase Agreements for the Australian Properties Acquisition is approximately A\$125.5 million (approximately S\$116.8 million) and the acquisition fee² payable to the Manager for the Australian Properties Acquisition amounts to approximately A\$0.6 million (approximately S\$0.6 million).

1 The Vacant Unit of the FDM Facility has been leased to Techtronic Industries Australia Pty Limited for a period of 5 years commencing on 19 July 2019 for a net rent of A\$120 per m² of lettable area per annum. Therefore, FPAHL does not have any payment obligations under the Rental Support Deed unless the tenant breaks the lease such that the actual term is shorter than 5 years (in which case FHAPL will make good to FLT Queensland No. 4 as if the lease had been secured on a term shorter than 5 years in accordance with the Rental Support Deed).

2 The acquisition fee is payable in units in FLT.

2. USE OF PROCEEDS FROM THE PRIVATE PLACEMENT

Further to the issuance of 220,000,000 New Units at an issue price of S\$1.173 per New Unit pursuant to the Private Placement on 8 August 2019, the Manager wishes to announce that approximately S\$126.4 million (which is equivalent to 49.0% of the gross proceeds of S\$258.1 million from the Private Placement) has been used in the following manner:

- (a) approximately S\$116.8 million (which is equivalent to 45.3% of the gross proceeds of the Private Placement) to fully fund the Australian Properties Acquisition; and
- (b) approximately S\$9.6 million (which is equivalent to 3.7% of the gross proceeds of the Private Placement) to pay the 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 and other fees and expenses incurred by FLT in connection with the Australian Properties Acquisition (inclusive of approximately S\$6.6 million (approximately A\$7.1 million) of stamp duty arising from the Australian Properties Acquisition) and the Private Placement.

Such use is in accordance with the stated use and in accordance with the percentage allocated in the Launch Announcement.

The Manager will make further announcements on the utilisation of the remaining proceeds from the Private Placement as and when such funds are materially disbursed.

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
20 August 2019

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

ADDITIONAL INFORMATION – AUSTRALIA'S FOREIGN INVESTMENT REGIME

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

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

A “foreign person”³ that acquires Units is required under the FATA to notify and receive a prior no objections notification (“**FIRB Approval**”) in respect of its investment in FLT 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 FLT is considered to be an “Australian Land Trust”⁴ (“**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 FLT is not an ALT, but has gross Australian assets in excess of a specified threshold prescribed under FATA (as at the date of this announcement, the threshold prescribed under FATA is A\$266.0 million) 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 FLT or have a substantial interest (20% or more held solely or together with associates) and increase their holding, will require FIRB Approval; or
- (c) any investor that is a Foreign Government Investor⁵ acquiring a “direct interest”⁶ in FLT will require FIRB Approval at the time of acquisition, regardless of whether FLT is considered to be an ALT or whether FLT has gross Australian assets in excess of A\$266.0 million.

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

- an individual not ordinarily resident in Australia; or
- 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
- 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
- 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
- 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
- a foreign government.

4 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.

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

- foreign government or separate government entity; or
- 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%;
- 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.

Exemptions from ALT requirements

There are two relevant exemptions from the requirement to obtain FIRB Approval under the FATA that would otherwise apply if FLT was considered to be an ALT:

- (a) where the relevant person is not a foreign government investor and the relevant person's interest in FLT 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\$266.0 million, unless the ALT has 'sensitive' land holdings, in which case the threshold is A\$58.0 million)⁷; and
- (b) the relevant person, together with associates, is acquiring an interest of less than 10% in FLT and will not be in a position to influence or participate in the central management and control of FLT or to influence, participate in or determine the policy of FLT.⁸

Significant actions

As at 30 June 2019, the value of the Australian land assets comprised in FLT's portfolio is 64.4% of the total asset value of FLT. Consequently, FLT is considered to be an ALT.

As at 30 June 2019, FLT has gross Australian assets of approximately A\$2,025.6 million, which is above A\$266.0 million.

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.

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.

6 A "direct interest" is defined to mean:

- an interest of at least 10% in the entity or business, or
- 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
- 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.

7 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 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.

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