

SGX-ST ANNOUNCEMENT

For immediate release

ENTRY INTO LEASE AGREEMENT IN RELATION TO PREMISES AT ALEXANDRA TECHNOPARK WITH FRASERS PROPERTY CORPORATE SERVICES PTE. LTD.

1. INTRODUCTION

1.1 Background

Singapore, 29 June 2018 – Frasers Commercial Asset Management Ltd. (the “**Manager**”), as manager of Frasers Commercial Trust (“**FCOT**”), wishes to announce that British and Malayan Trustees Limited, in its capacity as trustee of FCOT (the “**Trustee**”), has entered into a lease agreement (the “**Lease Agreement**”) with Frasers Property Corporate Services Pte. Ltd. (the “**Tenant**”) to renew the lease (the “**Lease**”) of the units at #08-05 and #08-08 Alexandra Technopark, 438A Alexandra Road, Singapore 119967 (the “**Premises**”) to the Tenant. The term of the existing lease previously entered into between the Trustee and the Tenant will expire on 30 June 2018. The Tenant is a wholly-owned subsidiary of Frasers Property Limited (“**FPL**”), the sponsor of FCOT.

1.2 Details of the Lease

The Lease has been granted for a term of three years, commencing on 1 July 2018 and expiring on 30 June 2021. The aggregate gross rental (inclusive of service charge) for the Lease over its term amounts to approximately S\$1.48 million and is based on a fixed monthly rate. The Lease is not subject to an option to renew.

2. RATIONALE FOR THE LEASE

Having considered the prevailing market conditions, the attributes of the Premises and the fact that the Tenant is the existing tenant of the Premises, and taking into consideration that the rental rate for the Lease is comparable with the rental rates of leases granted by FCOT to other unrelated tenants for comparable units at Alexandra Technopark, the Manager is of the view that the entry into of the Lease will provide continuing, predictable and stable cash flow and rental income to FCOT over the next three years.

3. VALUE OF INTERESTED PERSON TRANSACTIONS FOR THE FINANCIAL YEAR ENDING 30 SEPTEMBER 2018

Under Chapter 9 of the Listing Manual of Singapore Exchange Securities Trading Limited (the “**Listing Manual**”), where FCOT 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% of FCOT’s latest audited net tangible assets (“**NTA**”), FCOT must make an immediate announcement. FCOT should also announce the transaction immediately under Appendix 6 of the Code on Collective Investment Schemes (the “**Property Funds Appendix**”) if the transaction (either in itself or when aggregated with the value of other transactions with the same interested person during the current financial year) is equal to or greater than 3% of

FCOT's net asset value ("**NAV**").

As at the date of this announcement, FPL is deemed to have an interest in 221,098,012 units of FCOT ("**Units**"), equivalent to approximately 25.03% of the total number of Units in issue. Consequently, FPL is regarded as a "controlling unitholder" of FCOT under both the Listing Manual and the Property Funds Appendix. In addition, the Manager is a wholly-owned subsidiary of FPL. FPL is therefore regarded as a "controlling shareholder" of the Manager under both the Listing Manual and the Property Funds Appendix. Accordingly, the Tenant (being a subsidiary of a "controlling unitholder" of FCOT and a "controlling shareholder" of the Manager) is an "interested person" of FCOT under Chapter 9 of the Listing Manual and an "interested party" under the Property Funds Appendix. Therefore, the entry into the Lease Agreement by the Trustee with the Tenant will constitute an "interested person transaction" under Chapter 9 of the Listing Manual and an "interested party transaction" under the Property Funds Appendix.

The total value of the Lease is approximately S\$1.48 million. As at the date of this announcement, the total value of all transactions (other than transactions of a value below \$100,000 each) entered into by FCOT with FPL and its subsidiaries and associates (the "**Sponsor Group**") in the current financial year (including the Lease) is S\$158.9 million. The total value of all interested person transactions (other than transactions of a value below \$100,000 each) entered into by FCOT in the current financial year (including the Lease) is S\$158.9 million.

Based on the latest audited NTA and NAV of approximately S\$1,289.3 million of FCOT for the financial year ended 30 September 2017, the total value of the Lease is less than 3% of the latest audited NTA and NAV of FCOT as at 30 September 2017, but the total value of all transactions (other than transactions of a value below \$100,000 each) entered into by FCOT with the Sponsor Group (including the Lease) exceeds 3% of the latest audited NTA and NAV of FCOT as at 30 September 2017. Accordingly, this announcement is being made pursuant to Rule 905(2) of the Listing Manual.

4. AUDIT, RISK AND COMPLIANCE COMMITTEE STATEMENT

The Audit, Risk and Compliance Committee of the Manager has considered the terms of the Lease Agreement and is of the view that the Lease Agreement is on normal commercial terms and is not prejudicial to the interests of FCOT and its minority Unitholders.

5. OTHER INFORMATION

5.1 Interests of the Directors and Controlling Unitholders

Save as disclosed in this announcement and based on information available to the Manager as at the date hereof, none of the Directors or Substantial Unitholders has an interest, direct or indirect, in the Lease.

5.2 Director's Service Contracts

No person is proposed to be appointed as a director of the Manager in connection with the Lease.

BY ORDER OF THE BOARD

Fraser's Commercial Asset Management Ltd.
As manager of Fraser's Commercial Trust
Company Registration No: 200503404G

Catherine Yeo
Company Secretary
29 June 2018

For further information, kindly contact:

Ms Wang Mei Ling
Vice President, Investor Relations
Fraser's Commercial Asset Management Ltd.
T +65 6277 2509
E meiling.wang@frasersproperty.com

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 Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

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 SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This publication is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of FCOT and the Manager is not necessarily indicative of the future performance of FCOT and the Manager.