

SGX-ST Announcement
For immediate release

**PROPOSED MERGER OF FRASERS LOGISTICS & INDUSTRIAL TRUST AND
FRASERS COMMERCIAL TRUST BY WAY OF A SCHEME OF ARRANGEMENT –
CLEAN-UP DISTRIBUTION**

Singapore, 28 April 2020 – The board of directors of Frasers Commercial Asset Management Ltd. (as manager of Frasers Commercial Trust ("**FCOT**") (the "**Manager**") refers to:

- (a) the scheme document despatched by the Manager on 14 February 2020 to the FCOT Unitholders (the "**Scheme Document**"); and
- (b) the announcement dated 30 March 2020 (the "**Clean-up Distribution Books Closure Date Announcement**") made by the Manager in relation to, *inter alia*, the books closure date to determine the entitlement of the FCOT Unitholders to the FCOT Permitted Distributions in respect of the period from 1 January 2020 up to the day immediately before the Effective Date (the "**Clean-up Distribution**").

All capitalised terms used but not defined herein shall have the meanings ascribed to them in the Scheme Document.

CLEAN-UP DISTRIBUTION

Further to the Clean-up Distribution Books Closure Date Announcement, the Manager is pleased to announce the Clean-up Distribution of 2.7692 Singapore cents per FCOT Unit for the period from 1 January 2020 to 14 April 2020, comprising:

	Unitholders' Distribution
	cents
1 January 2020 to 31 March 2020	2.4000
1 April 2020 to 14 April 2020	0.3692
Total	2.7692

Key components of the Clean-up Distribution are as follows:

	Unitholders' Distribution
	cents
Taxable income component	1.0761
Tax-exempt income component	0.8723
Capital component	0.8208
Total	2.7692

Please refer to Appendix 1 for the calculation of the Clean-up Distribution.

FCOT Unitholders whose securities accounts with The Central Depository (Pte) Limited are credited with FCOT Units as at 5.00 p.m. on 14 April 2020 will be entitled to the Clean-up Distribution that will be paid on or around 28 May 2020.

COVID-19

The global outbreak of the coronavirus pandemic has disrupted the business environment and operating conditions in FCOT's markets. There is significant uncertainty on how wide the pandemic would spread and how long containment measures implemented by various governments would last. Notwithstanding the foregoing, there was an overall improvement in the performance of FCOT's portfolio for the period from 1 January 2020 to 14 April 2020, as compared to the quarter ended 31 December 2019. As such, the Manager has maintained the Clean-up Distribution at a level equivalent to the distribution per FCOT Unit for the quarter ended 31 December 2019.

The Manager has also implemented various measures to help tenants cope with business challenges during this period. In Singapore, the key measures for Alexandra Technopark and Cross Street Exchange include:

- (i) fully passing on to tenants the property tax rebates on the property tax payable for the period of 1 January 2020 to 31 December 2020 that will be received from the Singapore Government¹; and
- (ii) providing rental waivers of up to one month to the majority of retail tenants.

DELISTING

Frasers Commercial Trust will be delisted from the Official List of the Singapore Exchange Securities Trading Limited with effect from 9.00 a.m. on 29 April 2020.

The Board wishes to thank all FCOT Unitholders, business partners and other stakeholders for their enduring support over the years. The Board would also like to extend its appreciation to the staff of the Manager for their dedicated service over the years. Mr Jack Lam, the Chief Executive Officer of the Manager, will be taking on a new role as Chief Operating Officer of Frasers Property Commercial, while other members of the staff will be assuming new roles with the manager of the Enlarged REIT and/or other business units in the Frasers Property Group.

BY ORDER OF THE BOARD

Frasers Commercial Asset Management Ltd.

(Company Registration No: 200503404G)

As manager of Frasers Commercial Trust

Catherine Yeo
Company Secretary
28 April 2020

¹ The quantum of property tax rebates to be received from the Singapore Government is 30% and 100% for office/industrial and retail premises, respectively. Tenants whose leases are in place for less than the full calendar year will receive the rebates on a pro-rated basis.

Any queries relating to this announcement and the Merger should be directed to:

DBS Bank Ltd.

Tel: +65 6682 8999

Financial Adviser to

Frasers Commercial Asset Management Ltd.

APPENDIX 1

Statement of Total Return of Frasers Commercial Trust Group for the period from 1 January 2020 to 14 April 2020

	S\$'000
Gross revenue	43,019
Property operating expenses	(12,910)
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Net property income	30,109
Share of results of joint venture	2,077
Interest income	2
Manager's management fees	(4,252)
Trust expenses	(6,186)
Finance costs	(5,524)
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Net income before foreign exchange differences, fair value changes and taxation	16,226
Foreign exchange gain	71
Net change in fair value of investment properties	(1,607)
Net change in fair value of derivative financial instruments	59
Realised loss on derivative financial instruments	(10)
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Total return before tax	14,739
Taxation	(1,347)
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Total return for the period	13,392
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Appendix 1 (cont'd)

Distributable Statement for the period from 1 January 2020 to 14 April 2020

	S\$'000
Total return for the period	13,392
Net effect of non-tax deductible / (non-taxable) items and other adjustments (Note A)	11,987
Income available for distribution to Unitholders	<u>25,379</u>
Distributable income to Unitholders	<u><u>25,379</u></u>
Number of FCOT Units entitled to the distributable income	916,622,020
Distribution per Unit (Singapore cents)	2.77

Note A	S\$'000
Non-tax deductible / (non-taxable) items and other adjustments:	
Management fees payable in Units ⁽¹⁾	(915)
Trustees' fees	197
Amortisation of borrowing costs	143
Net change in fair value of investment properties	1,607
Net change in fair value of derivative financial instruments	(59)
Deferred taxation	691
Unrealised exchange gain	(106)
Effects of recognising accounting income on a straight line basis over the lease term	(1,612)
Distribution from gain on disposal of property	7,524
Merger transaction cost	5,650
Other non-tax deductible items and temporary differences	(1,133)
Net effect of non-tax deductible / (non-taxable) items and other adjustments	<u><u>11,987</u></u>

Note:

- (1) This relates to the adjustment to the performance component of the management fees for the period from 1 October 2019 to 31 December 2019, which was previously expected to be settled in FCOT Units. This will now be settled in cash.

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 FCOT Units and the income derived from them, if any, may fall or rise. FCOT Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in FCOT 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 or purchase their FCOT Units while the FCOT Units are listed. It is intended that FCOT Unitholders may only deal in their FCOT Units through trading on the SGX-ST. Listing of the FCOT Units on the SGX-ST does not guarantee a liquid market for the FCOT Units.

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