

## Fraser's Property Limited

*Incorporated in Singapore*

*Company Registration No. 196300440G*

### PROPOSED DIVESTMENT OF INTERESTS IN FOUR LOGISTICS PROPERTIES

#### 1. INTRODUCTION

The board of directors of Fraser's Property Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce that the Company, through its wholly-owned subsidiaries, Fraser's Property Investments (Europe) B.V. ("**FPIE**") and FPE Investments RE11 B.V. ("**FPE11**") (collectively, the "**Vendors**"), entered into a conditional share purchase agreement dated 14 March 2024 (the "**Share Purchase Agreement**") with FLT Europe B.V. ("**FLT Europe**"), a wholly-owned subsidiary of Perpetual (Asia) Limited, in its capacity as the trustee of Fraser's Logistics & Commercial Trust ("**FLCT**"), to divest 89.9%<sup>1</sup> of the equity interests in four property holding companies which hold interests in four logistics properties located in Germany (each a "**Property**", and collectively, the "**Properties**") (each a "**Sale Company**", and collectively, the "**Sale Companies**", and the divestment of the Sale Companies, the "**Proposed Transaction**").

#### 2. THE PROPOSED TRANSACTION

##### 2.1. Information on the Properties

The Proposed Transaction comprises interests in four properties located in Germany. Details of the Properties which are the subject of the Proposed Transaction are set out in the Appendix hereto.

##### 2.2. Principal Terms and Conditions of the Transaction Documents

The principal terms of the Share Purchase Agreement include, among others, that the completion of the Proposed Transaction 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 Transaction.

In connection with the Share Purchase Agreement, the Vendors have also entered into a deed of indemnity (the "**Deed of Indemnity**") with FLT Europe 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 Sale Company at FLT Europe's direction on the due date for payment an amount equal to certain claims for taxation.

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<sup>1</sup> 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 Transaction (as defined herein).

### 2.3. Consideration for the Proposed Transaction

The estimated purchase consideration payable under the Share Purchase Agreement (the “**Purchase Consideration**”) of approximately €118.7 million (approximately S\$173.1 million<sup>2</sup>) is based on:

- (i) The estimated aggregate net assets and liabilities of the Sale Companies as at completion of the Proposed Transaction, taking into account the agreed property price<sup>3</sup> for the Properties of approximately €129.5 million (approximately S\$188.9 million<sup>2</sup>) which was negotiated on a willing-buyer-willing-seller basis (which takes into account the aggregate carrying value of the Properties of approximately €129.5 million (approximately S\$187.0 million<sup>4</sup>) based on the audited consolidated financial statements of the Group for the financial year ended 30 September 2023 (“**FY2023**”) (being the latest announced financial statements of the Group) (the “**FY2023 Audited Financial Statements**”) and the latest available independent valuation of the Properties<sup>5</sup>), adjusted for the equity interests in the Sale Companies<sup>6</sup> that the Company will be divesting, subject to further post-completion adjustments based on the actual aggregate net assets and liabilities of the Sale Companies at completion of the Proposed Transaction<sup>7</sup>; and
- (ii) the inter-company loans owing by the Sale Companies to Frasers Property Investments (Holland) B.V., a wholly-owned subsidiary of the Company and the holding company of the Vendors, which at completion of the Proposed Transaction will be assigned to FLT Europe, in satisfaction of the full amount of inter-company loans owing by the Sale 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.

### 2.4. Use of Net Proceeds

The Company intends to use the net proceeds from the Proposed Transaction (being the Purchase Consideration less any fees and expenses incurred or to be incurred by the Company in connection with the Proposed Transaction) for working capital purposes including but not limited to repaying and servicing borrowings.

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2 The S\$ equivalent of the € figures in this announcement have been arrived at based on an assumed exchange rate of €1: S\$1.4584 unless otherwise stated herein.

3 Based on a 100.0% interest.

4 The exchange rate is €1: S\$1.4441 based on the exchange rate for the FY2023 Audited Financial Statements.

5 The latest available independent valuation of the Properties as at 30 September 2023 conducted for financial reporting purpose is approximately €129.5 million (approximately S\$187.0 million<sup>4</sup>). The valuation was commissioned by the Company and the details of the valuer and valuation approach are set out in the Appendix hereto.

6 Being 89.9% of the aggregate net assets and liabilities of the four Sale Companies which hold the Properties. The Sale Companies do not have any existing debt facilities that would be assumed by FLT Europe.

7 As the Purchase Consideration, after deduction of the value of the inter-company loans owing by the Sale Companies to Frasers Property Investments (Holland) B.V., is equivalent to the estimated aggregate net assets and liabilities of the Sale Companies which is the carrying value of the Sale Companies, there is neither an estimated net gain nor loss from the Proposed Transaction, with the fees and expenses incurred or to be incurred by the Company in connection with the Proposed Transaction (which is the amount to be deducted from the Purchase Consideration to arrive at the net proceeds, and being the difference between the net proceeds and the carrying value of the Sale Companies) being approximately €0.07 million (approximately S\$0.1 million<sup>2</sup>).

### 3. RATIONALE FOR AND BENEFITS OF THE PROPOSED TRANSACTION

The Proposed Transaction is in line with the strategy of the Group to recycle capital as part of its active portfolio management initiatives of stabilised investment properties via its real estate investment trusts (“REITs”), which are of strategic importance to the Group. This active portfolio management approach enables the Group to both optimise capital productivity and support the growth of its REITs.

### 4. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL

A proposed disposal by the Company may fall into any of the categories set out in Rule 1004 of the Listing Manual depending on the size of the relative figures computed on the following applicable bases of comparison:

- (i) the net asset value (“NAV”) of the assets to be disposed of, compared with the Company’s NAV;
- (ii) the net profits attributable to the assets disposed of, compared with the Company’s net profits; and
- (iii) the aggregate value of the consideration received, compared with the Company’s market capitalisation based on the total number of issued ordinary shares in the capital of the Company (“Shares”).

The relative figures for the Proposed Transaction using the applicable bases of comparison described above are set out in the table below:

Comparison of	Proposed Transaction	Group	Relative Figure (%)
NAV (S\$ million)	61.6 <sup>(1)</sup>	9,894.9 <sup>(2)</sup>	0.6
Net profits <sup>(3)</sup> (S\$ million)	19.8 <sup>(4)</sup>	400.8 <sup>(2)</sup>	4.9
Consideration for the Proposed Transaction against market capitalisation (S\$ million)	173.1 <sup>(5)</sup>	3,278.2 <sup>(6)</sup>	5.3

**Notes:**

- (1) Based on the NAV of the Sale Companies as at 30 September 2023, adjusted for the equity interests in the Sale Companies that the Company will be divesting.
- (2) Based on the FY2023 Audited Financial Statements.
- (3) Under Rule 1002(3) of the Listing Manual, “net profits” is defined as profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (4) Based on the net profits of the Sale Companies as at 30 September 2023, adjusted for the equity interests in the Sale Companies that the Company will be divesting.
- (5) Based on the Purchase Consideration, which is subject to post-completion adjustment.
- (6) Based on 3,926,041,573 Shares in issue and the weighted average price of S\$0.835 per Share on the SGX-ST on 13 March 2024, being the trading day immediately prior to the date of the Share Purchase Agreement.

Pursuant to Chapter 10 of the Listing Manual, where any of the relative figures computed on the bases set out above exceeds 5% but does not exceed 20%, the Proposed Transaction is regarded as being a “discloseable transaction”. The Company is of the view that the Proposed Transaction is in the ordinary course of the Company’s business.

## 5. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED TRANSACTION

**5.1. FOR ILLUSTRATIVE PURPOSES ONLY:** The pro forma financial effects of the Proposed Transaction on the NAV per Share and earnings per Share (“EPS”) presented below are strictly for illustrative purposes only and do not represent the Company’s actual financial performance or position after the completion of the Proposed Transaction. The pro forma financial effects in this paragraph were prepared based on the FY2023 Audited Financial Statements and the following assumptions:

- (a) the effect of the Proposed Transaction on the Company’s NAV per Share for FY2023 is based on the assumption that the Proposed Transaction had completed on 30 September 2023; and
- (b) the effect of the Proposed Transaction on the Company’s EPS for FY2023 is based on the assumption that the Proposed Transaction had completed on 1 October 2022, after adjusting for non-controlling interests’ share of profit after tax of the Sale Companies and net borrowing costs to fund the Proposed Transaction.

### 5.2. Pro Forma NAV

**FOR ILLUSTRATIVE PURPOSES ONLY:** The pro forma financial effects of the Proposed Transaction on the NAV per Share as at 30 September 2023, as if the Proposed Transaction was completed on 30 September 2023, are as follows:

	Before the Proposed Transaction	After the Proposed Transaction <sup>(1)</sup>
<b>NAV (\$ million)</b>	9,894.9	9,894.7
<b>Number of Shares ('000)</b>	3,926,042	3,926,042
<b>NAV per Share (\$)</b>	2.52	2.52

**Note:**

- (1) As FLCT is a subsidiary of the Group, the pro forma financial effects of the Proposed Transaction on the NAV per Share also take into account FLCT’s interest in the Proposed Transaction.

### 5.3. Pro Forma EPS

**FOR ILLUSTRATIVE PURPOSES ONLY:** The pro forma financial effects of the Proposed Transaction on the EPS for FY2023, as if the Proposed Transaction was completed on 1 October 2022, are as follows:

	Before the Proposed Transaction	After the Proposed Transaction <sup>(1)</sup>
Attributable profit to Shareholders (before fair value change and exceptional items) after adjusting for distributions to perpetual securities holders (S\$ million)	300.3	303.9
Attributable profit to Shareholders (after fair value change and exceptional items) after adjusting for distributions to perpetual securities holders (S\$ million)	123.2	138.7
EPS (before fair value change and exceptional items) <sup>(2)</sup> (cents)	7.7	7.7
EPS (after fair value change and exceptional items) <sup>(2)</sup> (cents)	3.1	3.5
Weighted average number of Shares ('000)	3,926,042	3,926,042

**Notes:**

- (1) As FLCT is a subsidiary of the Group, the pro forma financial effects of the Proposed Transaction on the EPS also take into account FLCT's interest in the Proposed Transaction.
- (2) EPS is calculated by dividing the Group's attributable profit (after adjusting for distributions to perpetual securities holders of S\$49,951,000) by weighted average number of Shares in issue during the financial year.

## 6. DISCLOSURE OF INTERESTS

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

- (a) Mr Panote Sirivadhanabhakdi is a Director and the Group Chief Executive Officer of the Company, a director of other entities within the Group, a director of various entities within the TCC Group<sup>8</sup> (which is the controlling shareholder of the Group) and holds 20.0% of the issued share capital of TCC Group Investments Limited ("TCCGI") and is deemed interested in TCCGI's interest in the units in FLCT ("Units"). Mr Panote Sirivadhanabhakdi is also a Non-Executive Director of the Frasers Logistics & Commercial Asset Management Pte. Ltd., as manager of FLCT. Mr Panote Sirivadhanabhakdi is also the son of Mr Charoen Sirivadhanabhakdi and the late Khunying Wanna Sirivadhanabhakdi;
- (b) Mr Thapana Sirivadhanabhakdi is a Director of the Company, a director within the TCC Group (which is the controlling shareholder of the Group) and holds 20.0% of the issued share capital of TCCGI and is deemed interested in TCCGI's interest in the Units. Mr Thapana Sirivadhanabhakdi is also the son of Mr Charoen Sirivadhanabhakdi and the late Khunying Wanna Sirivadhanabhakdi;
- (c) Mr Sithichai Chaikriangkrai, is a Director of the Company and a director of certain other

<sup>8</sup> "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.

companies which are associates of Mr Charoen Sirivadhanabhakdi and the late Khunying Wanna Sirivadhanabhakdi; and

- (d) Mr Chin Yoke Choong has a direct interest in 136,082 Units and a deemed interest in 100,000 Units.
- (e) Mr Wee Joo Yeow has a direct interest in 663,200 Units.

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

## **7. NO DIRECTORS' SERVICE CONTRACTS**

No person is proposed to be appointed as a director of the Company in connection with the Proposed Transaction or any other transactions contemplated in relation to the Proposed Transaction.

## **8. DOCUMENTS FOR INSPECTION**

A copy of the Share Purchase Agreement and a copy of the Deed of Indemnity are available for inspection at the registered office of the Company<sup>9</sup> at 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958 during normal business hours for three (3) months from the date of this announcement.

## **BY ORDER OF THE BOARD**

Catherine Yeo  
Company Secretary  
15 March 2024

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<sup>9</sup> Prior appointment with the Company will be appreciated.

**APPENDIX  
FURTHER DETAILS OF THE PROPERTIES**

The following table sets out a summary of selected information on the Properties<sup>10</sup>:

<b>S/No</b>	<b>Address</b>	<b>Equity Interests in the Sale Companies that the Company will be divesting (%)</b>	<b>Carrying Value / Valuation as at 30 September 2023 (€ m)</b>	<b>Valuer</b>	<b>Valuation approach</b>
1	Billbrookdeich 167-171 (the " <b>Hamburg Property</b> ")	89.9	59.2	C&W (U.K.) LLP	Discounted Cash Flow Method
2	Werner-von-Siemens Straße 44 (the " <b>Saarwellingen Property</b> ")	89.9	7.3	BNP Paribas Real Estate Consult GmbH	Discounted Cash Flow Method
3	Thomas-Dachser-Straße 3 (the " <b>Überherrn Property</b> ")	89.9	18.4	BNP Paribas Real Estate Consult GmbH	Discounted Cash Flow Method
4	Hans-Fleißner-Straße 46- 48 (the " <b>Egelsbach Property</b> ")	89.9	44.6	BNP Paribas Real Estate Consult GmbH	Discounted Cash Flow Method

<sup>10</sup> The Properties, being the Hamburg Property, the Saarwellingen Property, the Überherrn Property, and the Egelsbach Property are respectively held by the relevant Sale Companies, being FPE Investments RE9 B.V., FPE Investments RE15 B.V., FPE Investments RE16 B.V. and FPE Investments RE40 B.V..