

## IMPORTANT NOTICE

### NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES

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NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES REFERRED TO IN THE OFFERING CIRCULAR HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. SECURITIES IN BEARER FORM ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THIS OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

**Confirmation of your Representation:** This Offering Circular is being sent at your request and by accepting the e-mail and accessing this Offering Circular, you shall be deemed to have represented to us that the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States and that you consent to delivery of such Offering Circular by electronic transmission.

You are reminded that this Offering Circular has been delivered to you on the basis that you are a person into whose possession this Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this Offering Circular to any other person.

The materials relating to the offering of securities to which this Offering Circular relates do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the underwriters or such affiliate on behalf of the Issuers and the Guarantor (as defined in this Offering Circular) in such jurisdiction.

This Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of FLCT Treasury Pte. Ltd., Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Commercial Trust), DBS Bank Ltd. and Australia and New Zealand Banking Group Limited (the “Arrangers”), the Dealers (as defined in this Offering Circular), any person who controls any of them, or any director, officer, employee or agent of any of them, or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Arrangers and the Dealers.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



**FLCT Treasury Pte. Ltd.**  
**(formerly known as FLT Treasury Pte. Ltd.)**

*(Incorporated with limited liability in Singapore)*  
*Company Registration Number: 201629288G*

**Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Commercial Trust (formerly known as Frasers Logistics & Industrial Trust))**

*(Incorporated with limited liability in the Republic of Singapore)*  
*Company Registration Number: 200518022M*

**S\$1,000,000,000**  
**Multicurrency Debt Issuance Programme**

Under the Multicurrency Debt Issuance Programme described in this Offering Circular (the "**Programme**"), FLCT Treasury Pte. Ltd. (formerly known as FLT Treasury Pte. Ltd.) ("**FLCT Treasury**") and Perpetual (Asia) Limited (in its capacity as trustee (the "**REIT Trustee**") of Frasers Logistics & Commercial Trust (formerly known as Frasers Logistics & Industrial Trust) ("**FLCT**") (the "**Issuers**", and each an "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue euro medium term notes (the "**Notes**") or perpetual securities (the "**Perpetual Securities**") and, together with the Notes, the "**Securities**"). The Perpetual Securities may rank as senior obligations (the "**Senior Perpetual Securities**") or subordinated obligations (the "**Subordinated Perpetual Securities**") of the relevant Issuer. Securities issued by FLCT Treasury (the "**Guaranteed Securities**") will be guaranteed (the "**Guarantee**") by the REIT Trustee (in such capacity, the "**Guarantor**"). Securities issued by the REIT Trustee will not be guaranteed. References in this Offering Circular to the Guarantor and the Guarantee shall only apply to any Guaranteed Securities that are issued under the Programme. The aggregate nominal amount of Securities outstanding will not at any time exceed S\$1,000,000,000 (or the equivalent in other currencies), subject to increase as described herein.

Application has been made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to deal in and for the listing of any Securities which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Securities have been admitted to the Official List of the SGX-ST. Unlisted series of Securities may also be issued pursuant to the Programme and Securities may also be listed on stock exchanges other than SGX-ST. The relevant pricing supplement (each, a "**Pricing Supplement**") in respect of any series of Securities will specify whether or not such Securities will be listed on the SGX-ST or on any other stock exchange. There is no assurance that the application to the Official List of the SGX-ST for the listing of the Securities will be approved. Admission to the Official List of the SGX-ST and listing of any Securities on the SGX-ST is not to be taken as an indication of the merits of the Issuers, the Guarantor, FLCT, the Group (as defined below) or such Securities. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Offering Circular.

Each Series (as defined in the terms and conditions (the "**Conditions**") of the Notes or, as the case may be, the Perpetual Securities) of Securities in bearer form will be represented on issue by a temporary global security in bearer form (each a "**Temporary Global Security**") or a permanent global security in bearer form (each a "**Permanent Global Security**") and together with the Temporary Global Security, the "**Global Securities**"). Securities in registered form (each a "**Registered Security**") (other than Notes denominated in Australian dollars ("**AMTNs**"), issued in the Australian domestic capital market and ranking as senior obligations of an Issuer) will be represented by registered certificates (each a "**Certificate**"), one Certificate being issued in respect of the entire holding of Registered Securities of one Series for each holder of Securities (each such holder a "**Securityholder**"). AMTNs will be issued in registered certificated form, and will take the form of entries on a register established and maintained by a registrar in Australia and may be lodged with the clearing system operated by Austraclear Ltd ("**Austraclear**"). Each Tranche (as defined herein) of AMTNs will be represented by a certificate without coupons (each an "**AMTN Certificate**"), which shall be issued by the relevant Issuer in respect of each Tranche of AMTNs.

Global Securities and Certificates may be deposited on the issue date with a common depository on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**") or with The Central Depository (Pte) Limited ("**CDP**"). The provisions governing the exchange of interests in Global Securities for other Global Securities and definitive Securities are described in "**Summary of Provisions Relating to the Securities while in Global Form**".

Unless otherwise stated in a relevant Pricing Supplement, Tranches of Securities to be issued under the Programme will be unrated.

The Securities and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Securities may include Bearer Securities (as defined in the Dealer Agreement referred to herein) that are subject to U.S. tax law requirements. Subject to certain exceptions, the Securities and the Guarantee may not be offered or sold in the United States, or, in the case of Bearer Securities, offered, sold, or delivered within the United States or to U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")). See "**Subscription and Sale**" for additional information on applicable selling restrictions.

**Investing in Securities issued under the Programme involves certain risks. Prospective investors should have regard, *inter alia*, to the factors described under the section headed "**Risk Factors**" in this Offering Circular.**

Arrangers

DBS Bank Ltd.

ANZ

Dealers

DBS Bank Ltd.

ANZ

*The Issuers and the Guarantor accept responsibility for the information contained in this Offering Circular. The Issuers and the Guarantor, having made all reasonable enquiries, confirm that (i) this Offering Circular contains all information with regard to the Issuers, the Guarantor, FLCT, the Group, the Securities and the Guarantee which is material in the context of the Programme, the issue and offering of the Securities and the giving of the Guarantee, (ii) such information is in all material respects true and accurate and not misleading in any material respects, (iii) the opinions, expectations and intentions expressed in this Offering Circular have been carefully considered, are and will be based on all relevant considerations, reasonable assumptions and facts known to the Issuers and the Guarantor existing at the date of its issue and are and will be fairly, reasonably and honestly held, (iv) there are no other facts the omission of which in the said context would make any such information or expressions of opinion, expectation or intention misleading in any material respect and (v) the Issuers and the Guarantor have made all reasonable enquiries to ascertain all material facts for the purpose aforesaid.*

*This Offering Circular is to be read in conjunction with all documents which are incorporated herein by reference (see "Documents Incorporated by Reference"). This Offering Circular shall be read and construed on the basis that such documents are incorporated in, and form part of, this Offering Circular.*

This Offering Circular has been prepared by the Issuers and the Guarantor for use in connection with the offer and sale of the Securities outside the United States. The Issuers, the Guarantor, the Arrangers and the Dealers reserve the right to reject any offer to purchase the Securities, in whole or in part, for any reason. This Offering Circular does not constitute an offer to any person in the United States. Distribution of this Offering Circular by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States, is unauthorised and any disclosure without the prior written consent of the Issuers and the Guarantor of any of its contents to any such U.S. person or other person within the United States, is prohibited.

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the issue or sale of the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuers, the Guarantor, any of the Dealers or the Arrangers, The Bank of New York Mellon, London Branch as trustee (the "Trustee") or any of the Agents (as defined in the Agency Agreement and the Australian Agency Agreement referred to herein). Save as expressly stated in this Offering Circular, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Issuers, the Guarantor, FLCT or any of their respective subsidiaries or associated companies (if any). Neither this Offering Circular nor any other document or information or any part thereof, delivered or supplied under or in relation to the Programme may be used for the purpose of, and does not constitute an offer of, such solicitation or invitation by or on behalf of the Issuers, the Guarantor, any of the Arrangers or any of the Dealers to subscribe for or purchase the Securities in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. Neither the delivery of this Offering Circular (or any part thereof) nor any sale, offering or purchase made in connection herewith shall, under any circumstances, create any implication that there has been no change in the prospects, results of operation or general affairs of the Issuers, the Guarantor, FLCT or their respective subsidiaries and/or associated companies since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuers, the Guarantor, FLCT or their respective subsidiaries and/or associated companies since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution and publication of this Offering Circular or any such other document or information and the offering or sale of the Securities in certain jurisdictions may be restricted by law. Persons who distribute or publish this Offering Circular or any such other document or information or into whose possession this Offering Circular or any such other document or information comes are required by the Issuers, the Guarantor, the Dealers and the Arrangers to inform themselves about and to observe any such restrictions and all applicable laws, orders, rules and regulations. The Securities and the Guarantee have not been and will not be registered under the Securities Act or with any securities regulatory

authority of any state or other jurisdiction of the United States, and the Securities may include Bearer Securities (as defined herein) that are subject to U.S. tax law requirements. Subject to certain exceptions, the Securities and the Guarantee may not be offered or sold within the United States, or, in the case of Bearer Securities, offered, sold, or delivered within the United States or to U.S. persons. In the case of Bearer Securities, interests in the Temporary Global Security or in the Permanent Global Security will be exchangeable, as set out in the relevant Pricing Supplement, for interests in the Permanent Global Security or Definitive Security (as applicable), subject to certain minimum period or notice requirements and, under certain circumstances, upon certification as to non-U.S. beneficial ownership. See “*Summary of Provisions Relating to the Securities while in Global Form – Exchange*”. For additional information on applicable selling restrictions, see “*Subscription and Sale*”.

This Offering Circular and/or any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme shall not be deemed to constitute an offer of, or an invitation by or on behalf of the Issuers, the Guarantor or the Dealers to subscribe for, or purchase, any Securities.

**IMPORTANT – PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – If the Pricing Supplement in respect of any Securities includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended or superseded, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended or superseded, the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended or superseded, the “**PRiIPs Regulation**”) for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRiIPs Regulation.

**IMPORTANT – PROHIBITION OF SALES TO UK RETAIL INVESTORS** – If the Pricing Supplement in respect of any Securities includes a legend entitled “Prohibition of Sales to UK Retail Investors”, the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended or superseded, the “**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (as amended or superseded, the “**UK Prospectus Regulation**”). Consequently no key information document required by the PRiIPs Regulation as it forms part of domestic law by virtue of the EUWA (as amended or superseded, the “**UK PRiIPs Regulation**”) for offering or selling the Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRiIPs Regulation.

**MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET** – The Pricing Supplement in respect of any Securities may include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. Any person subsequently offering, selling or recommending the Securities (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

**UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET** – The Pricing Supplement in respect of any Securities may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”) or the UK MiFIR Product Governance Rules, any Dealer subscribing for any Securities is a manufacturer in respect of such Securities, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules or the UK MiFIR Product Governance Rules.

This Offering Circular and any other documents or materials in relation to the issue, offering or sale of the Securities have been prepared solely for the purpose of the initial sale by the relevant Dealer(s) of the Securities from time to time to be issued pursuant to the Programme. This Offering Circular and any such other documents or materials are made available to the recipients thereof solely on the basis that they are persons falling within the ambit of Section 274 and/or Section 275 of the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”) and may not be relied upon by any person other than persons to whom the Securities are sold or with whom they are placed by the relevant Dealer(s) as aforesaid or for any other purpose. Recipients of this Offering Circular shall not reissue, circulate or distribute this Offering Circular or any part thereof in any manner whatsoever.

**NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE** – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), unless otherwise specified before an offer of Securities, the Issuers have determined, and hereby notify all relevant persons (as defined in Section 309A(1) of the SFA), that the Securities are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Neither the delivery of this Offering Circular (or any part thereof) nor the issue, offering, purchase or sale of the Securities shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the prospects, results of operations or general affairs of the Issuers, the Guarantor, FLCT or any of their respective subsidiaries or associated companies (if any) or in the information herein since the date hereof or the date on which this Offering Circular has been most recently amended or supplemented.

The Arrangers, the Dealers, the Trustee and the Agents have not separately verified the information contained in this Offering Circular. None of the Arrangers, any of the Dealers, the Trustee, the Agents or any of their respective officers, employees or agents is making any representation or warranty expressed or implied as to the merits of the Securities or the subscription for, purchase or acquisition thereof, the creditworthiness or financial condition or otherwise of the Issuers, the Guarantor, FLCT or their respective subsidiaries or associated companies (if any). Further, none of the Arrangers, any of the Dealers, the Trustee or the Agents makes any representation or warranty as to the Issuers, the Guarantor, FLCT or their respective subsidiaries or associated companies (if any) or as to the accuracy, reliability or completeness of the information set out herein (including the legal and regulatory requirements pertaining to Sections 274, 275 and 276 or any other provisions of the SFA) and the documents which are incorporated by reference in, and form part of, this Offering Circular.

To the fullest extent permitted by law, none of the Dealers, the Arrangers, the Trustee, the Agents or any of their respective officers, employees or agents accepts any responsibility for the contents of this Offering Circular or for any other statement made or purported to be made by the Arrangers, the Dealers, the Trustee or the Agents or on their behalf in connection with the Issuers, the Guarantor, the Programme or the issue and offering of the Securities and the Guarantee. Each of the Arrangers, each Dealer, the Trustee and each Agent accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or any such statement.

Neither this Offering Circular nor any other document or information (or any part thereof) delivered and supplied under or in relation to the Programme is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuers, the Guarantor, the Arrangers, the Dealers, the Trustee, the Agents or any of their respective officers, employees or agents that any recipient of this Offering Circular or any other financial statements should purchase the Securities. Each potential purchaser of Securities shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and its appraisal of the creditworthiness of the Issuers, the Guarantor, FLCT and their respective subsidiaries and associated companies (if any), and obtain its own independent legal or other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Issuers, the Guarantor, FLCT and their respective subsidiaries and associated companies (if any). Accordingly, notwithstanding anything herein, none of the Arrangers, any of the Dealers, the Trustee, the Agents or any of their respective officers, employees or agents shall be held responsible for any loss or damage suffered or incurred by the recipients of this Offering Circular or such other document or information (or such part thereof) as a result of or arising from anything expressly or implicitly contained in or referred to in this Offering Circular or such other document or information (or such part thereof) and the same shall not constitute a ground for rescission of any purchase or acquisition of any of the Securities by a recipient of this Offering Circular or such other document or information (or such part thereof). None of the Dealers, the Arrangers, the Trustee or the Agents undertakes to review the financial condition or affairs of the Issuers or the Guarantor during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Securities of any information coming to the attention of any of the Dealers, the Arrangers, the Trustee, the Agents or any of their respective officers, employees or agents.

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilising manager(s) (the “**Stabilising Manager(s)**”) (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Pricing Supplement may over-allot Securities or effect transactions with a view to supporting the market price of the Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may be discontinued at any time and must in any event be brought to an end after a limited period. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws, rules and regulations. Any such stabilisation action may only be carried on outside Australia and on a financial market operated outside Australia.

Certain monetary amounts and percentages in this Offering Circular have been subject to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Market data and certain industry forecasts used throughout this Offering Circular have been obtained from internal surveys, market research, publicly available information and industry publications. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified, and none of the Issuers, the Guarantor, the Arrangers, the Dealers, the Trustee or the Agents makes any representation as to the accuracy of that information.

Any purchase or acquisition of the Securities is in all respects conditional on the satisfaction of certain conditions set out in the Dealer Agreement and the issue of the Securities by the Issuers pursuant to the Dealer Agreement. Any offer, invitation to offer or agreement made in connection with the purchase or acquisition of the Securities or pursuant to this Offering Circular shall (without any liability or responsibility on the part of the Issuers, the Guarantor, any of the Arrangers or the Dealers) lapse and cease to have any effect if (for any other reason whatsoever) the Securities are not issued by the Issuers pursuant to the Dealer Agreement.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.

The attention of recipients of this Offering Circular is drawn to the selling restrictions applicable to the offering of the Securities set out under the section "*Subscription and Sale*" herein.

Any person(s) who is invited to purchase or subscribe for the Securities or to whom this Offering Circular is sent shall not make any offer or sale, directly or indirectly, of any Securities or distribute or cause to be distributed any document or other material in connection therewith in any country or jurisdiction except in such manner and in such circumstances as will result in compliance with any applicable laws and regulations.

It is recommended that persons proposing to purchase or subscribe for any of the Securities consult their own legal, business and other advisers before purchasing or acquiring the Securities.

Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the tax consequences of the acquisition, ownership or disposal of the Securities.

References to the Issuers' or other websites included herein are inactive textual references only and are not hyperlinks. The contents of any such website are not part of this Offering Circular.

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## SPECIAL NOTE ON FORWARD-LOOKING STATEMENTS

Certain statements contained in this Offering Circular that are not statements of historical fact, including statements about beliefs and expectation, constitute “forward-looking statements”. However, these words are not the exclusive means of identifying forward-looking statements. The words including “believe”, “expect”, “plan”, “anticipate”, “intend”, “aim”, “project”, “seek”, “should”, “will”, “would”, “could”, “may”, “schedule”, “estimate”, “target” and similar words or expressions generally identify forward-looking statements. This Offering Circular also contains forward-looking financial statements in certain sections. All statements other than statements of historical facts included in this Offering Circular, including, but without limitation, those regarding the expected financial position, business strategy, prospects, capital expenditure and investment plans of the Group and the plans and objectives of the Group’s management for its future operations (including development plans and objectives relating to the Group’s operations, revenue, profitability, prospects, future plans and other matters discussed in this Offering Circular regarding matters that are not historical fact and including the financial forecasts, profit projections, statements as to the expansion plans of the Issuers, the Guarantor and/or the Group, expected growth in the Issuers, the Guarantor and/or the Group and other related matters), are forward looking statements and accordingly, are only predictions. Such forward-looking statements and financial information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuers, the Guarantor and/or the Group to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements and financial information speak only as at the date of this Offering Circular. Each of the Issuers and the Guarantor expressly disclaims any obligation or undertaking to release any updates or revisions to any forward-looking statements contained herein to reflect any change in the Issuers’, the Guarantor’s or the Group’s expectations with regard thereto or any change of events, conditions or circumstances, on which any such statements were based, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other relevant regulatory or supervisory body or agency.

This Offering Circular discloses under “*Risk Factors*” and elsewhere, some of the important factors that could cause actual results to differ materially from the Issuers’ or the Guarantor’s expectations. Among the important factors that could cause the actual results, performance or achievements of the Issuers, the Guarantor and/or the Group to differ materially from those in the forward-looking statements and financial information are the conditions of, and changes in, the domestic, regional and global economies, including, but not limited to, factors such as political, economic and social conditions in Australia, Germany, the UK, Singapore and the Netherlands, changes in government laws and regulations affecting the Group, competition in the logistics and industrial, CBD commercial and office and business parks property markets in which the Group may operate or invest, industry, foreign exchange rates, interest rates, inflation, relations with service providers, relations with lenders, hostilities (including future terrorist attacks), the performance and reputation of the Group’s properties and/or acquisitions, difficulties in identifying future acquisitions, difficulty in completing and integrating acquisitions, changes in the Group’s directors and executive officers, risks related to natural disasters, general volatility of the capital markets, general risks relating to the logistics and industrial, CBD commercial and office and business parks property markets in which the Group may invest and the market price of the Units as well as other matters not yet known to the Group or not currently considered material by the Group. All subsequent written and forward-looking statements attributable to the Issuers or the Guarantor or persons acting on behalf of the Issuers or the Guarantor are expressly qualified in their entirety by such cautionary statements.

## CERTAIN DEFINED TERMS AND CONVENTIONS

FLCT publishes its financial statements in Singapore dollars with effect from 15 April 2020. In this Offering Circular, references to “SGD”, “S\$”, “Singapore dollars” or “cents” are to the lawful currency of the Republic of Singapore and references to “AUD”, “A\$”, “Australian dollars” or “Australian cents” are to the lawful currency of Australia. Certain monetary amounts set out in this Offering Circular have been subject to rounding adjustments. Accordingly, figures shown as totals in tables may not be an arithmetic aggregation of the figures that precede them.

However, such translations should not be construed as representations that Australian dollar amounts have been, could have been or could be converted into Singapore dollars at that or any other rate and *vice versa*.

Any discrepancies in the tables, graphs and charts included in this Offering Circular between the listed amounts and totals thereof are due to rounding. Save in the case of figures relating to the distributions per Unit (“DPU”) and distribution yield which are rounded to two decimal places, where applicable, figures and percentages are rounded to one decimal place unless otherwise indicated. Measurements in square metres (“sq m”) are converted to square feet (“sq ft”) and *vice versa* based on the conversion rate of 1.0 sq m = 10.7639 sq ft. All references in this Offering Circular to dates and times shall mean Singapore dates and times unless otherwise specified.

Unless otherwise specified, all information relating to the Properties (as defined below) in this Offering Circular are as at 31 December 2020. See subsection titled “FLCT’s Portfolio of Properties” for details regarding the Properties. (See “Certain Defined Terms and Conventions – Relevant Dates of the Independent Valuations” for further details.)

For the purposes of this Offering Circular:

- references to “**Appraised Value**” means the independent valuation of each Property conducted by the Independent Valuers<sup>1</sup> as at 30 September 2020;
- references to “**Green Star**” refers to the sustainability rating system and certification trademark by the Green Building Council of Australia (“**GBCA**”);
- references to “**GRESB**” refers to Global Real Estate Sustainability Benchmark, the global Environmental, Social and Governance benchmark for real estate;
- unless stated otherwise, references to “**Gross Rental Income**” or “**GRI**” means the contracted rental incomes and estimated recoverable outgoings for the month of December 2020, excluding straight lining rental adjustments and including committed leases;
- references to “**Lettable Area**” means the leasable area which is the amount of floor space available to be rented in a property;
- unless otherwise stated, references to “**occupancy**” for the Portfolio is calculated based on the GRI of the leased area (including committed leases, if any) over the GRI of the Lettable Area;
- references to “**Portfolio Age**” are to the average age of the buildings of the Properties comprising the Portfolio (as defined below) and is computed as the aggregate age of the Properties of the Portfolio, weighted by Appraised Value as at 30 September 2020;

<sup>1</sup> “Independent Valuers” refers to,

- (i) in respect of the logistics and industrial portfolio in the following countries:
  - (a) Australia: CIVAS (VIC) Pty Ltd, Knight Frank NSW Valuations & Advisory Pte Ltd, Savills Valuation Pty Ltd and Urbis Valuations Pty Ltd; and
  - (b) Germany and the Netherlands: CBRE Ltd, Jones Lang LaSalle SE and BNP Paribas and Savills Valuation; and
- (ii) in respect of the commercial portfolio in the following countries:
  - (a) Australia: Jones Lang LaSalle Advisory Services Pty Ltd and Colliers International;
  - (b) Singapore: Jones Land LaSalle Property Consultants Pte Ltd and Savills Valuation and Professional Services (S) Pte Ltd; and
  - (c) The UK: Jones Lang LaSalle Ltd and Knight Frank LLP.

- references to “**weighted average lease to break**” or “**WALB**” refers to weighted average lease to break by headline rent based on the earlier of the next permissible break date(s) at the tenants election or the expiry of the lease; and
- references to “**weighted average lease expiry**” or “**WALE**” refers to expiry by headline rent based on the final termination date of the agreement.

### ***Tenants***

In this Offering Circular and for purposes of convenience only, unless otherwise specified, references to the tenant’s trade names refer to the tenants which FLCT and/or any of its subsidiaries have a direct contractual relationship which arises from the tenancies over the Properties.

### ***Defined Terms used in relation to the Foreign Investment Regime of Australia***

In this Offering Circular, unless otherwise specified, terms used in relation to the foreign investment regime of Australia will have the meaning ascribed to it in “*Definitions*”.

### ***Relevant Dates of the Independent Valuations***

In this Offering Circular, unless otherwise specified, the independent valuations conducted by the Independent Valuers are as at 30 September 2020.

## EXCHANGE CONTROLS

### Australia

There are no foreign exchange controls in Australia that restrict the payment of cash dividends or capital amounts by the HAUT (as defined below) to FLCT. However, where A\$10,000 or more of physical currency or e-currency is transferred into or out of Australia or an entity accepts or sends an instruction for funds of any value to be transferred into or out of Australia, reporting obligations may apply under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) (the “**AML/CTF Act**”). Reporting on suspicious funds transfer transactions is also required under the AML/CTF Act to be made by the relevant financial institution involved in the transaction. This applies even where the amount involved is less than A\$10,000. There are also broad prohibitions covering a range of activities relating to making funds, assets or financial services available, directly or indirectly, to a person or entity that is either itself subject to Australian sanctions or is controlled by a person subject to Australian sanctions. There are two main types of Australian sanction laws:

- Those that the Australian government implements in response to resolutions by the United Nations Security Council which are contained in the Charter of the United Nations Act 1945 (Cth) and regulations made under that Act; and
- Those that the Australian government imposes independently of the United Nations Security Council which are contained in the Autonomous Sanctions Act 2011 (Cth) and the Australian Autonomous Sanctions Regulations 2011 (Cth). The Criminal Code Act 1995 (Cth) also creates offences for funding, supporting and associating with a terrorist organisation. These prohibiting laws may affect dealings in Australia.

## SELECTED FINANCIAL INFORMATION

The following tables set forth the selected financial information of FLCT as at and for the periods indicated. The selected financial information set out below as at and for the financial years ended 30 September 2019 (“FY2019”) and 30 September 2020 (“FY2020”) are derived from FLCT’s FY2020 audited financial statements as at and for FY2020 (the “**Audited Financial Statement**”) included elsewhere in this Offering Circular and should be read together with such financial statements and the accompanying notes thereto.

The Audited Financial Statements were prepared and presented in accordance with the recommendations of the Statement of Recommended Accounting Practice 7 (“**RAP 7**”) Reporting Framework for Unit Trusts issued by the Institute of Singapore Chartered Accountants.

The Audited Financial Statements were audited by KPMG LLP, Certified Public Accountants (“**KPMG**”).

On 15 April 2020, the Group completed the acquisition of the units in Frasers Commercial Trust (“**FCOT**”) by way of a trust scheme of arrangement and FCOT became a sub-trust of the Group. The Group accounted for the acquisition as an acquisition of assets.

### Consolidated Statement of Total Return and Distribution Statement of the Group

	FY2020	FY2019
	S\$'000	S\$'000
Revenue	332,029	217,076
Property operating expenses	(62,214)	(37,335)
<b>Net property income</b>	<b>269,815</b>	<b>179,741</b>
Managers’ management fee	(28,551)	(17,430)
Trustees’ fees	(636)	(412)
Trust expenses	(4,183)	(2,606)
Exchange gains/(losses) (net)	2,055	(2,937)
Finance income	277	1,046
Finance costs	(41,169)	(25,139)
Net finance costs	(40,892)	(24,093)
<b>Net income</b>	<b>197,608</b>	<b>132,263</b>
Net change in fair value of derivatives	(2,859)	1,895
Net change in fair value of investment properties	334,306	109,990
Gain on divestment of investment properties	1,422	1,487
<b>Total return for the year before tax</b>	<b>530,477</b>	<b>245,635</b>
Tax expense	(71,719)	(40,151)
<b>Total return for the year</b>	<b>458,758</b>	<b>205,484</b>
<b>Total return attributable to:</b>		
Unitholders of the Trust	454,722	203,425
Non-controlling interests	4,036	2,059
	<b>458,758</b>	<b>205,484</b>
<b>Distribution Statement</b>		
<b>Total return for the year attributable to Unitholders</b>	454,722	203,425
Tax related and other adjustments	(253,642)	(72,164)
<b>Income available for distribution to Unitholders</b>	<b>201,080</b>	<b>131,261</b>
Distribution from divestment gain	–	3,837
<b>Distributable Income</b>	<b>201,080</b>	<b>135,098</b>
<b>For information:</b>		
Adjusted NPI <sup>(1)</sup>	258,335	176,641

Note:

- (1) FY2020 adjusted net property income (“**Adjusted NPI**”) is calculated based on the actual net property income excluding straight lining adjustments for rental income and adding lease payments of right-of-use assets. FY2019 Adjusted NPI is calculated based on the actual net property income excluding straight lining adjustments for rental income and after adding back straight lining adjustments for ground leases.

## Consolidated Statement of Financial Position of the Group

	As at 30 September 2020	As at 30 September 2019
	S\$'000	S\$'000
<b>Non-current assets</b>		
Investment properties	6,352,240	3,204,557
Plant and equipment	282	–
Derivatives assets	33,577	1,909
Deferred tax assets	323	–
Total non-current assets	6,386,422	3,206,466
<b>Current assets</b>		
Cash and cash equivalents	168,652	115,753
Trade and other receivables	30,602	12,782
Derivative assets	330	1,866
Investment property held for sale	148,641	16,230
Total current assets	348,225	146,631
<b>Total assets</b>	<b>6,734,647</b>	<b>3,353,097</b>
<b>Current liabilities</b>		
Trade and other payables	86,744	47,983
Loans and borrowings	677,256	185,952
Derivative liabilities	2,614	967
Current tax liabilities	18,336	9,403
Total current liabilities	784,950	244,305
<b>Non-current liabilities</b>		
Trade and other payables	17,785	3,035
Loans and borrowings	1,943,550	928,288
Derivative liabilities	59,932	8,722
Deferred tax liabilities	121,753	56,441
Total non-current liabilities	2,143,020	996,486
<b>Total liabilities</b>	<b>2,927,970</b>	<b>1,240,791</b>
<b>Net assets</b>	<b>3,806,677</b>	<b>2,112,306</b>
<b>Represented by:</b>		
Unitholders' funds	3,770,460	2,086,224
Non-controlling interests	36,217	26,082
<b>Total equity</b>	<b>3,806,677</b>	<b>2,112,306</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### FY2020 vs FY2019

FY2020 compared to FY2019 revenue increased 53.0% or S\$115.0 million to S\$332.0 million from S\$217.1 million in FY2019 as the REIT Manager (as defined below) delivered on FLCT's investment and asset management strategies to realise growth and value for Unitholders (as defined below).

Adjusted NPI (as defined above) was S\$258.3 million in FY2020, an increase of 46.3% or S\$81.7 million from S\$176.6 million in FY2019, due mainly to increased contribution from the following:

- Merger of Frasers Logistics & Industrial Trust ("**FLT**") and FCOT which resulted in the contribution of the FCOT portfolio from 15 April 2020, comprising interests in six CBD commercial, office and business park assets in Singapore, Australia and the UK, and acquisition of the remaining 50% interest not already held by FCOT in Farnborough Business Park located in Farnborough, Thames Valley, UK on 30 April 2020;
- Acquisition of three prime Australian logistics properties which was completed in August 2019;
- Acquisition of nine prime German logistics properties which was completed in August, September, November and December 2019;
- Acquisition of a prime freehold logistics property located at 75-79 Canterbury Road, Braeside, Victoria, Australia on 12 August 2020 ("**IVE Facility**"); and
- Acquisition of Maxis Business Park located in Bracknell, Thames Valley, UK on 12 August 2020.

The higher Adjusted NPI was partially offset by the following:

- Divestment of 63-79 South Park Drive, Dandenong South, Victoria, Australia on 9 May 2019;
- Divestment of the initial 50% interest in 99 Sandstone Place, Parkinson, Queensland, Australia on 24 July 2019;
- Divestment of 610 Heatherton Road, Clayton South, Victoria, Australia ("**Heatherton Road Divestment**"); and
- Impact of the COVID-19 pandemic of approximately S\$5.7 million, comprising mainly rental waivers for tenants under the Singapore and Australian government concession deeds and provision for doubtful debt.

Excluding the impact of the interest expense in lease liabilities recognised due to the adoption of Financial Reporting Standard 116 ("**FRS 116**"), finance costs in FY2020 were S\$11.0 million higher than a year ago. The increase was largely due to finance costs attributable to FCOT's borrowings, which are consolidated with the merger of FLT with FCOT, and additional borrowings obtained to finance the various acquisitions above.

As at 30 September 2020, total borrowings were S\$2.5 billion, compared with S\$1.1 billion as at 30 September 2019. FLCT remained well-positioned to service its borrowings with an interest coverage ratio of 6.4 times<sup>2</sup> as at 30 September 2020.

<sup>2</sup> As defined in the CIS Code revised by the MAS on 16 April 2020 and clarified on 29 May 2020 and computed as trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding the effects of any fair value changes of derivatives and investment properties, foreign exchange translation and interest income), over trailing 12 months borrowing costs. Borrowing costs include the effects of FRS 116.

The total return attributable to Unitholders in FY2020 was S\$454.7 million, an increase of 123.5% or S\$251.3 million from S\$203.4 million in FY2019. FY2020 total return attributable to Unitholders included:

- Net fair value gain on investment properties of S\$334.3 million;
- Gain on the Heatherton Road Divestment of S\$1.4 million;
- Net exchange gains of S\$2.1 million which relate to translation of the foreign currency borrowings and the exchange differences arising from settlement of foreign currency forward contracts;
- Stronger Australian Dollar and Euro compared to the Singapore Dollar; and
- Partially offset by fair value loss and on foreign currency forward contracts of S\$2.9 million to hedge the currency risk on distributions to Unitholders.

Tax expenses for FY2020 was S\$71.7 million, an increase of 78.6% or S\$31.6 million from S\$40.2 million in FY2019, due mainly to higher deferred tax on the net fair value gain on investment properties.

Distributable income to Unitholders in FY2020 was S\$201.1 million, an increase of 48.8% or S\$66.0 million from S\$135.1 million in FY2019. As a result, FY2020 DPU was 7.12 Singapore cents, 1.7% higher than 7.00 Singapore cents in FY2019. FLCT's distribution yield as at 30 September 2020 was 5.1% per annum based on the closing price of S\$1.39 per unit<sup>3</sup>.

The REIT Manager continued to demonstrate a strong alignment of interest with Unitholders by electing to receive 95.4% of its FY2020 management fee in the form of Units (as defined below). This compares with 92.2% in FY2019.

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<sup>3</sup> Source: Bloomberg LLP.



## **SUPPLEMENTARY OFFERING CIRCULAR**

The Issuers and the Guarantor have given undertakings to the Arrangers that if an Issuer has notified the Arrangers in writing that it intends to issue Securities under the Programme, the Issuers and the Guarantor shall prepare an amendment or supplement to this Offering Circular or a replacement Offering Circular if any event shall have occurred as a result of which this Offering Circular, if not amended or supplemented, would include a statement of fact which is not true and accurate in any material respect or omit any fact the omission of which would make any statement therein misleading in any material respect.

## DEFINITIONS

In this Offering Circular, unless otherwise specified or the context otherwise requires, all references herein to:

**Aggregate Leverage** means the ratio of FLCT's total borrowings (including deferred payments for assets whether to be settled in cash or in Units) to the value of the Deposited Property;

**ALT** means the Australian Land Trust;

**ASIC** means the Australian Securities & Investments Commission;

**associate** means under the FATA,

(1) *“each of the following persons is an “**associate**” of a person:*

(a) *any relative of the person;*

(b) *any person with whom the person is acting, or proposes to act, in concert in relation to an action to which this Act may apply;*

(c) *any person with whom the person carries on a business in partnership;*

(d) *any entity of which the person is a senior officer;*

(e) *if the person is an entity:*

(i) *any holding entity of the entity; or*

(ii) *any senior officer of the entity;*

(f) *any entity whose senior officers are accustomed or under an obligation (whether formal or informal) to act in accordance with the directions, instructions or wishes of:*

(i) *the person; or*

(ii) *if the person is an entity—the senior officers of the person;*

(g) *an entity if the person is accustomed or under an obligation (whether formal or informal) to act in accordance with the directions, instructions or wishes of:*

(i) *the entity; or*

(ii) *the senior officers of the entity;*

(h) *any corporation in which the person holds a substantial interest;*

(i) *if the person is a corporation—a person who holds a substantial interest in the corporation;*

(j) *the trustee of a trust in which the person holds a substantial interest;*

- (k) *if the person is the trustee of a trust—a person who holds a substantial interest in the trust;*
- (l) *if the person is a foreign government, a separate government entity or a foreign government investor in relation to a foreign country (or a part of a foreign country):*
  - (i) *any other person that is a foreign government in relation to that country (or any part of that country); or*
  - (ii) *any other person that is a separate government entity in relation to that country (or any part of that country); or*
  - (iii) *any other foreign government investor in relation to that country (or any part of that country).*

*Note: A person may be taken to be an associate under section 79 of the FATA.*

***Additional associates in relation to interests in residential land***

- (2) *For an action taken relating to an interest in residential land (within the meaning of any of the paragraphs of subsection 12(1)), each of the following persons is also an **associate** of a person:*
  - (a) *an entity that is not listed for quotation in the official list of a stock exchange if a relative of the person:*
    - (i) *holds a substantial interest in the entity; or*
    - (ii) *is a senior officer of the entity;*
  - (b) *if the person is an entity (the “**first entity**”)—another entity (the “**second entity**”) if:*
    - (i) *an individual holds a substantial interest in the first entity or is a senior officer of the first entity; and*
    - (ii) *a relative of the individual holds a substantial interest in the second entity or is a senior officer of the second entity; and*
    - (iii) *the first entity and the second entity are not, and are not a subsidiary or trustee of an entity, listed for quotation in the official list of a stock exchange.*

***Persons who are not associates***

- (3) *Despite subsections (1) and (2), a person is not an **associate** of another person merely because:*
  - (a) *one gives advice to the other, or acts on the other’s behalf, in the proper performance of the functions attaching to a professional capacity or a business relationship; or*

- (b) *one, a client, gives specific instructions to the other, whose ordinary business includes dealing in financial products (within the meaning of the Corporations Act 2001), to acquire financial products on the client's behalf in the ordinary course of that business; or*
- (c) *one had sent, or proposes to send, to the other an offer under a takeover bid (within the meaning of that Act) for securities held by the other; or*
- (d) *one has appointed the other, otherwise than for valuable consideration (within the ordinary meaning of the term) given by the other or by an associate of the other, to vote as a proxy or representative; or*
- (e) *both of the following apply:*
  - (i) *one provides independent services as a trustee of a trust to the other who is a beneficiary of the trust;*
  - (ii) *the trustee is licensed to provide those services under a law of the Commonwealth, a State, a Territory, a foreign country or a part of a foreign country; or*
- (f) *one holds a substantial interest in a managed investment scheme (within the meaning of the Corporations Act 2001) and the other is the responsible entity of the scheme; or*
- (g) *both are partners of one of the following kinds of partnerships:*
  - (i) *a partnership of actuaries or accountants;*
  - (ii) *a partnership of medical practitioners;*
  - (iii) *a partnership of patent attorneys;*
  - (iv) *a partnership of sharebrokers or stockbrokers;*
  - (v) *a partnership of trade mark attorneys;*
  - (vi) *a partnership that has as its primary purpose collaborative scientific research, and includes at least one university and one private sector participant (whether or not it also includes government agencies or publicly funded research bodies);*
  - (vii) *a partnership of architects;*
  - (viii) *a partnership of pharmaceutical chemists or veterinary surgeons;*
  - (ix) *a partnership of legal practitioners.”;*

<b>ATO</b>	means the Australian Taxation Office;
<b>Australian Corporations Act</b>	means the Corporations Act 2001 (Cth);
<b>Australian Property Manager</b>	means Frasers Property Management Services Pty Limited;
<b>Australian Treasurer</b>	means the Treasurer of the Commonwealth of Australia;
<b>Authorised Investments</b>	means, subject to the CIS Code (as defined below): <ul style="list-style-type: none"> <li>(a) real estate;</li> <li>(b) any improvement or extension of or addition to, or reconstruction, refurbishment, retrofitting, renovation or other development of any real estate or any building thereon;</li> <li>(c) real estate-related assets, wherever the issuers, assets or securities are incorporated, located, issued or traded;</li> <li>(d) listed or unlisted debt securities and listed shares or stock and (if permitted by the Authority) unlisted shares or stock of or issued by local or foreign non-property companies or corporations;</li> <li>(e) government securities (issued on behalf of the Singapore Government or governments of other countries) and securities issued by a supra-national agency or a Singapore statutory board;</li> <li>(f) cash and cash equivalent items;</li> <li>(g) financial derivatives only for the purposes of (a) hedging existing positions in FLCT's portfolio where there is a strong correlation to the underlying investments or (b) efficient portfolio management by FLCT, PROVIDED THAT such derivatives are not used to gear the overall portfolio of FLCT or intended to be borrowings or any form of financial indebtedness of FLCT; and</li> <li>(h) any other investment not covered by paragraph (a) to (g) of this definition but specified as a permissible investment in the Property Funds Appendix or otherwise permitted by the Authority and selected by the REIT Manager for investment by FLCT and approved by the REIT Trustee in writing;</li> </ul>
<b>Authority or MAS</b>	means the Monetary Authority of Singapore;
<b>CBD</b>	means central business district;
<b>COVID-19</b>	means the coronavirus disease which was first reported in 2019, an infectious disease caused by the novel coronavirus SARS-CoV-2;
<b>CPI</b>	means consumer price index;
<b>Deposited Property</b>	means the gross assets of FLCT, including all the Authorised Investments of FLCT for the time being held or deemed to be held by FLCT under the FLCT Trust Deed (as defined below);
<b>Directors</b>	means the Directors (including alternate directors, if any) of the Issuer as at the date of this Offering Circular;

<b>FATA</b>	means the Australian Foreign Acquisitions and Takeovers Act 1975 (Cth);
<b>FIRB</b>	means the Foreign Investment Review Board of Australia;
<b>FIRB Approval</b>	means the requirement under Australia’s foreign investment regime for investors in the Units who are “ <b>foreign persons</b> ” to notify and receive a prior no objection notification to such investment;
<b>Foreign Government Investor</b>	means an entity that is: <ul style="list-style-type: none"> <li>(a) foreign government or separate government entity; or</li> <li>(b) a corporation, trustee of a trust, or general partner of a limited partnership in which: <ul style="list-style-type: none"> <li>(i) a foreign government or separate government entity, alone or together with one or more associates, holds an interest of at least 20%; or</li> <li>(ii) 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%.</li> </ul> </li> </ul>

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

- (a) a body politic of a foreign country; or
- (b) a body politic of part of a foreign country; or
- (c) a part of a body politic of a foreign country or a part of a body politic of part of a foreign country.

A “**separate government entity**” means an individual, corporation or corporation sole that is an agency or instrumentality of a foreign country or a 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;

**Foreign person** is defined broadly in the FATA and includes:

- (a) an individual not ordinarily resident in Australia;
- (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);
- (c) a corporation in which two or more persons, each of whom is either 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);

- (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 two 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
- (f) a foreign government or a foreign government investor;

<b>Foreign Resident Individuals</b>	means individuals who are not tax resident in Australia under Australian tax laws;
<b>FY</b>	means the financial year ended or, as the case may be, ending, 30 September;
<b>GDP</b>	means gross domestic product;
<b>Germany &amp; Netherlands Property Manager</b>	means FPE Advisory B.V.;
<b>Group</b>	means FLCT and its subsidiaries;
<b>HAUT</b>	means the head Australian Trust by the name of “FLT Australia Trust”;
<b>Latest Practicable Date</b>	means 19 February 2021;
<b>Listing Manual</b>	means the Listing Manual of the SGX-ST;
<b>NAV</b>	means Net Asset Value;
<b>NPI</b>	means Net Property Income;
<b>Property Funds Appendix</b>	means Appendix 6 to the CIS Code issued by the Authority in relation to REITs;
<b>Property Managers</b>	means, collectively, the Australian Property Manager, the German & Netherlands Property Manager, the UK Property Manager, the Singapore Property Manager and the third party property managers managing the properties known as Central Park as well as the third party manager providing certain property management services in respect of Farnborough Business Park and Maxis Business Park.
<b>REIT</b>	means a real estate investment trust;
<b>Related Party</b>	means an “ <b>interested person</b> ” as defined in the Listing Rules and/or, as the case may be, “ <b>interested party</b> ” as defined in the Property Funds Appendix;
<b>Related Party Transactions</b>	means an “ <b>Interested Person Transaction</b> ” which has the meaning ascribed to it in the Listing Manual and/or, as the case may be, “ <b>Interested Party Transaction</b> ” which has the meaning ascribed to it in the Property Funds Appendix;

<b>ROFR</b>	means the right of first refusal granted by the Sponsor (as defined below) to the REIT Trustee in respect of the ROFR Properties (as defined below);
<b>S-REIT</b>	means Singapore REIT;
<b>SGX-ST</b>	means Singapore Exchange Securities Trading Limited;
<b>Singapore Property Manager</b>	means Frasers Property Commercial Management Pte. Ltd.;
<b>Sponsor Group</b>	means the Sponsor and its subsidiaries;
<b>Substantial Interest</b>	means an acquisition of control of 20% or more of the actual or potential voting power or issued shares in a target by a single foreign person (together with associates <sup>4</sup> );
<b>Take-Over Code</b>	means the Singapore Code on Take-Overs and Mergers, as amended or modified from time to time;
<b>UK Property Manager</b>	means Frasers Management (UK) Limited;
<b>Unit(s)</b>	means an undivided interest in FLCT as provided for in the FLCT Trust Deed; and
<b>Unitholders</b>	means a holder of Units.

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<sup>4</sup> **“Associate”**, in this context, has the meaning ascribed to it in the FATA. (See *“Certain Defined Terms and Conventions – Defined Terms used in relation to the Foreign Investment Regime of Australia”*.) The definition of “associate” under the FATA is different to the definition of “associate” under the Listing Manual. References to “associate” in respect to the FATA should be construed accordingly.



## DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with (i) each relevant Pricing Supplement, (ii) the most recently published audited consolidated annual financial statements of FLCT, (iii) any financial statements (whether audited or unaudited), published subsequently to 30 September 2020 or such annual financial statements, of FLCT from time to time, (iv) any annual reports of FLCT, and (v) all amendments and supplements from time to time to this Offering Circular, which shall be deemed to be incorporated in, and to form part of, this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents. Such documents shall be incorporated in and form part of this Offering Circular, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular.

Copies of all such documents which are so deemed to be incorporated by reference herein, and to form part of, this Offering Circular are available for inspection at the respective specified office of the REIT Manager during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) set out at the end of this Offering Circular. Copies of the most recently published financial statements of FLCT and all other documents deemed incorporated by reference in this Offering Circular will be made available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com).

## SUMMARY OF THE PROGRAMME

*This summary must be read as an introduction to this Offering Circular and any decision to invest in the Notes should be based on a consideration of this Offering Circular as a whole, including any information incorporated by reference. As it is a summary, it does not contain all of the information that may be important to investors and terms and expressions defined in the Conditions or elsewhere in this Offering Circular have the same meanings in this summary.*

**Issuers** FLCT Treasury Pte. Ltd. and Perpetual (Asia) Limited (in its capacity as trustee of FLCT).

**Guarantor (in the case of Guaranteed Securities only)** Perpetual (Asia) Limited (in its capacity as trustee of FLCT).

**Description** S\$1,000,000,000 Multicurrency Debt Issuance Programme.

**Size** The maximum aggregate principal amount of the Securities to be issued, when added to the aggregate principal amount of all Securities outstanding, shall be S\$1,000,000,000 (or its equivalent in other currencies) or such higher amount as may be increased in accordance with the terms of the Dealer Agreement.

**Arrangers** DBS Bank Ltd. and Australia and New Zealand Banking Group Limited.

**Dealers** DBS Bank Ltd., Australia and New Zealand Banking Group Limited and such other Dealers as may be appointed by the Issuers in accordance with the Dealer Agreement.

Each Issuer and the Guarantor (in the case of Guaranteed Securities only) may from time to time appoint one or more additional Dealers in accordance with the terms of the Dealer Agreement. Any such appointment of a Dealer may be in respect of a single Series, Tranche or the whole Programme. References in this Offering Circular to “**Permanent Dealers**” are to all Dealers other than those appointed as such solely in respect of one or more specified Tranches (and whose appointment has not been terminated) and references to “**Dealers**” are to all Permanent Dealers and any other Dealer that is appointed to the Programme.

**Trustee** The Bank of New York Mellon, London Branch.

**Issuing and Paying Agent (in respect of Securities cleared through Euroclear/Clearstream) and (where appointed) Calculation Agent** The Bank of New York Mellon, London Branch.

**Transfer Agent and Registrar (in respect of Securities cleared through Euroclear/Clearstream)** The Bank of New York Mellon (Luxembourg) S.A.

**Paying Agent, Transfer Agent and Registrar (in respect of Securities cleared through CDP)** The Bank of New York Mellon, Singapore Branch.

**Issuing and Paying Agent,  
Paying Agent, Registrar and  
Calculation Agent (in respect  
of AMTNs)**

BTA Institutional Services Australia Limited (the “**Australian Agent**”).

**Non-Disposal Clause**

So long as any of the Securities remains outstanding, the REIT Trustee has covenanted with the Trustee in the Trust Deed that it will not, and will ensure that none of its Principal Subsidiaries (as defined in the Trust Deed) will, (whether by a single transaction or a number of related or unrelated transactions and whether at one time or over a period of time) sell, transfer, lease out or otherwise dispose of (whether outright, by a sale-and-repurchase or sale and leaseback arrangement, or otherwise) any part of its assets which, either alone or when aggregated with all other disposals required to be taken into account under Clause 10.2.9 of the Trust Deed, would have a material adverse effect on its ability to perform or comply with any of its payment or other material obligations under the Trust Deed, the Securities or the Guarantee. The following disposals shall not be taken into account under Clause 10.2.9 of the Trust Deed:

- (i) disposals in the ordinary course of business or on normal commercial terms;
- (ii) any disposal or sale of assets from FLCT or any of its subsidiaries to any of the subsidiaries of FLCT or, as the case may be, FLCT;
- (iii) any disposal or sale of assets which are obsolete, excess or no longer required for the purpose of its business;
- (iv) any payment of cash as consideration for the acquisition of any asset on normal commercial terms and on an arm’s length basis;
- (v) any exchange of assets for other assets of a similar nature and value and cash;
- (vi) any disposal or sale of assets for the purposes of or pursuant to a consolidation, amalgamation, merger, reconstruction or transfer of assets to a subsidiary of FLCT; and
- (vii) any disposal which the Trustee or the Securityholders by way of an Extraordinary Resolution (as defined in the Trust Deed) shall have agreed shall not be taken into account.

**Notes**

**Method of Issue**

Notes may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more tranches (each, a “**Tranche**”), on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.

**Issue Price**

Notes may be issued at par or at a discount, or premium, to par.

**Form and Denomination and Trading of the Notes**

The Notes will be issued in bearer form or registered form and in such denominations as may be agreed between the relevant Issuer and the relevant Dealer(s). Each Tranche or Series of bearer Notes may initially be represented by a Temporary Global Security or a Permanent Global Security. Each Temporary Global Security may be deposited on the relevant issue date with CDP, a common depository for Euroclear and Clearstream (the “**Common Depository**”), Luxembourg and/or any other agreed clearing system and will be exchangeable, upon request as described therein, either for a Permanent Global Security or definitive Notes (as indicated in the applicable Pricing Supplement). Each Permanent Global Security may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for definitive Notes upon the terms therein. Each Tranche or Series of registered Notes (other than AMTNs) will initially be represented by a Global Certificate. Each Global Certificate may be registered in the name of, or in the name of a nominee of CDP, a Common Depository and/or any other agreed clearing system. Each Global Certificate may be exchanged, upon request as described therein, in whole (but not in part) for Certificates upon the terms therein. Save as provided in the Conditions of the Notes, a Certificate shall be issued in respect of each Securityholder’s entire holding of registered Notes of one Series.

AMTNs will be issued in registered certificated form and will take the form of entries on a register established and maintained by a registrar in Australia and may be lodged with the clearing system operated by Austraclear (the “**Austraclear System**”). Each Tranche of AMTNs will be represented by an AMTN Certificate.

**Clearing Systems**

Clearstream, Euroclear, CDP, the Austraclear System and, in relation to any Tranche, such additional or alternative clearing system approved by the relevant Issuer, the Guarantor, the Trustee, the relevant Registrar and the Issuing and Paying Agent.

**Initial Delivery of Notes**

On or before the issue date for each Tranche, the Global Security representing Bearer Notes or the Global Certificate representing Registered Notes (other than AMTNs) may be deposited with a Common Depository, or with CDP. Global Securities or Global Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the relevant Issuer, the Trustee, the Issuing and Paying Agent and the relevant Dealer. Registered Notes (other than AMTNs) that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee for, such clearing systems. AMTNs lodged with the Austraclear System will be registered in the name of Austraclear.

**Currencies**

Subject to compliance with all relevant laws, regulations and directives, Notes (other than AMTNs) may be issued in Singapore dollars or any other currency agreed between the relevant Issuer, the Guarantor, the relevant Dealer(s), the Issuing and Paying Agent and the relevant Registrar. The AMTNs will be issued in Australian dollars.

**Maturities**

Subject to compliance with all relevant laws, regulations and directives, Notes may have maturities of such tenor as may be agreed between the relevant Issuer and the relevant Dealer(s).

**Specified Denomination**

Definitive Notes will be in such denominations as may be specified in the relevant Pricing Supplement save that unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the relevant Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

Notes issued in, or into, Australia may be issued in such denominations as may be agreed save that:

- (i) the aggregate consideration payable to the relevant Issuer by each offeree is at least A\$500,000 (or the equivalent in another currency and disregarding monies lent by the relevant Issuer or its associates to the purchaser) or the issue results from an offer or invitation for those Notes which otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia; and
- (ii) the issue complies with all other applicable laws.

**Interest Basis**

Notes may bear interest at fixed, floating, variable, index linked or hybrid rates or may not bear interest.

**Fixed Rate Notes**

Fixed Rate Notes will bear a fixed rate of interest which will be payable in arrear on specified dates and at maturity.

**Floating Rate Notes**

Floating Rate Notes will bear interest determined separately for each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the Relevant Currency governed by an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.; or
- (ii) by reference to SOR, SIBOR, HIBOR, LIBOR or EURIBOR,

(or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin.

Interest periods will be specified in the relevant Pricing Supplement.

**Variable Rate Notes**

Variable Rate Notes will bear interest at a variable rate determined in accordance with the Conditions of the Notes. Interest periods in relation to the Variable Rate Notes will be agreed between the relevant Issuer and the relevant Dealer(s) prior to their issue.

**Hybrid Notes**

Hybrid Notes will bear interest, during the fixed rate period to be agreed between the relevant Issuer and the relevant Dealer(s), at a fixed rate of interest which will be payable in arrear on specified dates and, during the floating rate period to be agreed between the relevant Issuer and the relevant Dealer(s), at the rate of interest to be determined by reference to S\$ SIBOR or S\$ Swap Rate (or such other benchmark as may be agreed between the relevant Issuer and the relevant Dealer(s)), as adjusted for any applicable margin (provided that if the Hybrid Notes are denominated in a currency other than Singapore dollars, such Hybrid Notes will bear interest to be determined separately by reference to such benchmark as may be agreed between the relevant Issuer and the relevant Dealer(s)), in each case payable at the end of each interest period to be agreed between the relevant Issuer and the relevant Dealer(s).

**Zero Coupon Notes**

Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest other than in the case of late payment.

**Index Linked Notes**

Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula or to changes in the prices of securities of commodities or to such other factors as the relevant Issuer and the relevant Dealer(s) may agree.

**Credit Linked Notes**

Notes with respect to which payment of principal and interest is linked to the credit of a specified entity or entities will be issued on such terms as may be agreed between the relevant Issuer and the relevant Dealer(s) (as indicated in the applicable Pricing Supplement).

**Interest Periods and Interest Rates**

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.

**Redemption**

Unless previously redeemed or purchased and cancelled, each Note will be redeemed at its redemption amount on the maturity date shown on its face. Unless permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).

**Optional Redemption**

If so provided on the face of the Note and the relevant Pricing Supplement, Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the relevant Issuer and/or the holders of the Notes.

## Tax Redemption

If so provided on the face of the Note and the relevant Pricing Supplement, the Notes may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Interest Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Securityholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero Coupon Notes) their Early Redemption Amount (together with interest accrued to (but excluding) the date fixed for redemption), if:

- (i) the relevant Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 8 of the Notes, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and
- (ii) such obligations cannot be avoided by the relevant Issuer or, as the case may be, the Guarantor taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the relevant Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

## Status of Notes and the Guarantee

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the relevant Issuer.

The payment obligations of the Guarantor under the Guarantee and the Trust Deed constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.

## Negative Pledge

If Condition 4(a) of the Notes is specified as applicable in the relevant Pricing Supplement, so long as any Note or Coupon remains outstanding (as defined, in the case of Notes other than AMTNs, in the Trust Deed or, in the case of AMTNs, in the Note (AMTN) Deed Poll), each of the Issuer and (where the Issuer is FLCT Treasury) the Guarantor will not, and the REIT Trustee will procure that the Principal Subsidiaries will not, create or have outstanding any security ("**Subsequent Security**") over any of the undertaking, assets, property or revenues or rights to receive dividends of FLCT Treasury, FLCT and/or the Principal Subsidiaries over which a first ranking security by way of an assignment

and/or a charge and/or mortgage exists at the time of creation of the Subsequent Security over such undertaking, assets, property or revenues (an “**Existing Secured Asset**”), which ranks, in point of priority, completely after the security created over such Existing Secured Asset, except for any security created or outstanding with the prior consent in writing of the Trustee or the Securityholders of the Notes by way of an Extraordinary Resolution (as defined in the Trust Deed). For the avoidance of doubt, nothing in Condition 4(a) of the Notes shall prohibit:

- (i) any new first ranking security to be created over any Existing Secured Asset (whether in connection with a refinancing or otherwise) provided that the security over such Existing Secured Asset is discharged contemporaneously with the creation of such new security; or
- (ii) any first ranking security over any units or shares in any company, trust or other entity which are not secured notwithstanding that the undertaking, assets, property or revenues belonging to such company, trust or entity may be secured;

or

If Condition 4(b) of the Notes is specified as applicable in the relevant Pricing Supplement, so long as any Note or Coupon issued under the applicable Pricing Supplement remains outstanding, as at the end of each financial year in respect of the Group (the “**Reference Date**”) based upon the amounts certified by two authorised signatories of the REIT Manager (which the REIT Trustee undertakes to procure) to the Trustee no later than the date falling 90 days from the Reference Date (the “**Notification Date**”), the REIT Trustee shall ensure that:

- (i) the total principal amount of all secured borrowings of the Group on a consolidated basis incurred to finance or refinance the Group’s investments in property and secured against such property (“**Total Secured Borrowings**”) shall not exceed 50% of the total book value of all assets of the Group on a consolidated basis as shown by the audited or unaudited balance sheet of the Group as at the relevant date (“**Total Assets**”), provided however that an amount equal to any money borrowed and set aside as at the Reference Date in order to repay any portion of the Total Secured Borrowings shall be deducted from such Total Secured Borrowings and Total Assets as at the Reference Date;
- (ii) if the test in (i) above is not met as at the end of any Reference Date, the REIT Trustee undertakes that such test in (i) above will be met as at the end of the next financial quarter immediately following the Notification Date, failing which, as at the end of the second financial quarter immediately following the Notification Date, in each case, based upon relevant amounts as at the end of the relevant quarter certified by two authorised signatories of the REIT Manager (which the REIT Trustee undertakes to procure) to the Trustee no later than 45 days after the end of the relevant quarter; and



- (iii) certificates delivered by two authorised signatories of the REIT Manager (which the REIT Trustee undertakes to procure) in connection with Condition 4(b) of the Notes shall, in the absence of manifest error, be conclusive.

**Further Covenants**

The REIT Trustee has covenanted with the Trustee in the Trust Deed that so long as any of the Securities remains outstanding, it will ensure that it will at all times own beneficially (directly or indirectly) the whole of the issued share capital for the time being of FLCT Treasury.

**Events of Default**

See Condition 10 of the Notes.

**Taxation**

All payments in respect of the Notes and the Coupons by the relevant Issuer or, as the case may be, the Guarantor shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the relevant Issuer or, as the case may be, the Guarantor shall pay such additional amounts as will result in the receipt by the Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions. For further details, please see the section on “*Taxation – Singapore Taxation*” herein.

**Listing and Admission to Trading**

Each Series of the Notes may, if so agreed between the relevant Issuer and the relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the relevant Issuer and the relevant Dealer(s), subject to all necessary approvals having been obtained. Unlisted Series of Notes may also be issued pursuant to the Programme.

**Selling Restrictions**

The United States, the Public Offer Selling Restriction under the Prospectus Regulation (in respect of Notes having a specified denomination of less than €100,000 or its equivalent in any other currency as at the date of issue of the Notes), the United Kingdom, Hong Kong, Singapore, Japan and Australia.

For the purposes of Regulation S, Category 1 selling restrictions shall apply.

For a description of certain restrictions on offers, sales and deliveries of Notes and the distribution of offering material relating to the Notes, see the section on “*Subscription and Sale*” herein. Further restrictions may apply in connection with any particular Series or Tranche of Notes.

**Governing Law**

- (i) (in respect of Notes other than AMTNs) English law or Singapore law (as specified in the applicable Pricing Supplement) and (ii) (in respect of AMTNs) the laws of New South Wales, Australia.

## ***Perpetual Securities***

### **Method of Issue**

Perpetual Securities may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more Tranches, on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.

### **Issue Price**

Perpetual Securities may be issued at par or at a discount, or premium, to par.

### **Form and Denomination and Trading of the Perpetual Securities**

The Perpetual Securities will be issued in bearer form or registered form and in such denominations as may be agreed between the relevant Issuer and the relevant Dealer(s). Each Tranche or Series of bearer Perpetual Securities may initially be represented by a Temporary Global Security or a Permanent Global Security. Each Temporary Global Security may be deposited on the relevant issue date with CDP, a Common Depositary and/or any other agreed clearing system and will be exchangeable, upon request as described therein, either for a Permanent Global Security or definitive Perpetual Securities (as indicated in the applicable Pricing Supplement). Each Permanent Global Security may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for definitive Perpetual Securities upon the terms therein. Each Tranche or Series of registered Perpetual Securities will initially be represented by a Global Certificate. Each Global Certificate may be registered in the name of, or in the name of a nominee of CDP, a Common Depositary and/or any other agreed clearing system. Each Global Certificate may be exchanged, upon request as described therein, in whole (but not in part) for definitive Certificates upon the terms therein. A Certificate shall be issued in respect of each Perpetual Securityholder's entire holding of registered Perpetual Securities of one Series.

### **Clearing Systems**

Clearstream, Euroclear, CDP and, in relation to any Tranche, such additional or alternative clearing system approved by the relevant Issuer, the Guarantor, the Trustee, the relevant Registrar and the Issuing and Paying Agent.

### **Initial Delivery of Perpetual Securities**

On or before the issue date for each Tranche, the Global Security representing bearer Perpetual Securities or the Global Certificate representing registered Perpetual Securities may be deposited with a Common Depositary, or with CDP. Global Securities or Global Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the relevant Issuer, the Trustee, the Issuing and Paying Agent and the relevant Dealer. Registered Perpetual Securities that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee for, such clearing systems.

### **Currencies**

Subject to compliance with all relevant laws, regulations and directives, Perpetual Securities may be issued in Singapore dollars or any other currency agreed between the relevant Issuer, the relevant Dealer(s), the Issuing and Paying Agent and the relevant Registrar.

**Maturities**

The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the relevant Issuer shall only have the right (but not the obligation) to redeem or purchase them in accordance with the provisions of the terms and conditions of the Perpetual Securities.

**Specified Denomination**

Definitive Perpetual Securities will be in such denominations as may be specified in the relevant Pricing Supplement save that unless otherwise permitted by then current laws and regulations, Perpetual Securities (including Perpetual Securities denominated in Sterling) in respect of which the issue proceeds are to be accepted by the relevant Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies). Perpetual Securities issued in, or into, Australia may be issued in such denominations as may be agreed save that:

- (i) the aggregate consideration payable to the relevant Issuer by each offeree is at least A\$500,000 (or the equivalent in another currency and disregarding monies lent by the Issuer or its associates to the purchaser) or the issue results from an offer or invitation for those Perpetual Securities which otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia; and
- (ii) the issue complies with all other applicable laws.

**Distribution Basis**

Perpetual Securities may confer a right to receive distribution at fixed or floating rates.

**Fixed Rate Perpetual Securities**

Fixed Rate Perpetual Securities will confer a right to receive distribution at a fixed rate which will be payable in arrear on specified dates. If so provided on the face of the Fixed Rate Perpetual Securities, the distribution rate may be reset on such dates and bases as may be set out in the applicable Pricing Supplement.

**Floating Rate Perpetual Securities**

Floating Rate Perpetual Securities will bear interest determined separately for each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the Relevant Currency governed by an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.; or

- (ii) by reference to SOR, SIBOR, HIBOR, LIBOR or EURIBOR,

(or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin.

Interest periods will be specified in the relevant Pricing Supplement.

**Distribution Periods and  
Distribution Rates**

The length of the distribution periods for the Perpetual Securities and the applicable distribution rate or its method of calculation may differ from time to time or be constant for any Series. Perpetual Securities may have a maximum distribution rate, a minimum distribution rate, or both. The use of distribution accrual periods permits the Perpetual Securities to allow distribution at different rates in the same distribution period. All such information will be set out in the relevant Pricing Supplement.

**Distribution Discretion**

If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the relevant Issuer may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date (as defined in the Conditions of the Perpetual Securities) by giving notice in writing to the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14 of the Perpetual Securities) not more than 15 nor less than five business days (or such other notice period as may be specified on the face of the Perpetual Security and the relevant Pricing Supplement) prior to a scheduled Distribution Payment Date.

If Dividend Pusher is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the relevant Issuer may not elect to defer any distribution if during the Reference Period (as specified in the applicable Pricing Supplement) ending on the day before that scheduled Distribution Payment Date, either or both of the following have occurred:

- (i) a dividend, distribution or other payment has been declared or paid on or in respect of any of FLCT's Junior Obligations (as defined in the Conditions of the Perpetual Securities) or (in the case where FLCT Treasury is the Issuer) the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FLCT's or (in the case where FLCT Treasury is the Issuer) the Issuer's Parity Obligations (as defined in the Conditions of the Perpetual Securities); or
- (ii) any of FLCT's or (in the case where FLCT Treasury is the Issuer) the Issuer's Junior Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FLCT's or (in the case where FLCT Treasury is the Issuer) the Issuer's Parity Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration,

in each case, other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, directors or consultants of the Group or (2) as a result of the exchange or conversion of Parity Obligations of FLCT or (in the case where FLCT Treasury is the Issuer) the Issuer for Junior Obligations of FLCT or (in the case where FLCT Treasury is the Issuer) the Issuer and/or as otherwise specified in the applicable Pricing Supplement.

**Non-Cumulative Deferral and Cumulative Deferral**

If Non-Cumulative Deferral is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, any distribution deferred pursuant to Condition 4(IV) of the Perpetual Securities is non-cumulative and will not accrue interest. The relevant Issuer is not under any obligation to pay that or any other distributions that have not been paid in whole or in part. The relevant Issuer may, at its sole discretion, and at any time, elect to pay an amount up to the amount of distribution which is unpaid (an “**Optional Distribution**”) (in whole or in part) by complying with the notice requirements in Condition 4(IV)(e) of the Perpetual Securities. There is no limit on the number of times or the extent of the amount with respect to which the relevant Issuer can elect not to pay distributions pursuant to Condition 4(IV) of the Perpetual Securities. Any partial payment of outstanding Optional Distribution by the relevant Issuer shall be shared by the holders of all outstanding Perpetual Securities and the Coupons related to them on a *pro rata* basis.

If Cumulative Deferral is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, any distribution deferred pursuant to Condition 4(IV) of the Perpetual Securities shall constitute “**Arrears of Distribution**”. The relevant Issuer may, at its sole discretion, elect (in the circumstances set out in Condition 4(IV)(a) of the Perpetual Securities) to further defer any Arrears of Distribution by complying with the notice requirement applicable to any deferral of an accrued distribution. The relevant Issuer is not subject to any limit as to the number of times distributions and Arrears of Distribution can or shall be deferred pursuant to Condition 4(IV) of the Perpetual Securities except that Condition 4(IV)(c) of the Perpetual Securities shall be complied with until all outstanding Arrears of Distribution have been paid in full.

If Additional Distribution is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, each amount of Arrears of Distribution shall bear interest as if it constituted the principal of the Perpetual Securities at the Distribution Rate and the amount of such interest (the “**Additional Distribution Amount**”) with respect to Arrears of Distribution shall be due and payable pursuant to Condition 4 of the Perpetual Securities and shall be calculated by applying the applicable Distribution Rate to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the provisions of Condition 4 of the Perpetual Securities. The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added, for the purpose of calculating the Additional Distribution Amount accruing thereafter, to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.

**Restrictions in the case of Non-Payment**

If Dividend Stopper is so provided on the face of the Perpetual Security and the relevant Pricing Supplement and on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full by reason of Condition 4(IV) of the Perpetual Securities, the relevant Issuer and the Guarantor shall not and the REIT Trustee shall procure that none of FLCT's subsidiaries shall:

- (i) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of FLCT's or (in the case where FLCT Treasury is the Issuer) the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FLCT's or (in the case where FLCT Treasury is the Issuer) the Issuer's Parity Obligations; or
- (ii) redeem, reduce, cancel, buy-back or acquire for any consideration, and will procure that no redemption, reduction, cancellation, buy-back or acquisition for any consideration is made in respect of, any of FLCT's or (in the case where FLCT Treasury is the Issuer) the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FLCT's or (in the case where FLCT Treasury is the Issuer) the Issuer's Parity Obligations,

in each case other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, directors or consultants of the Group or (2) as a result of the exchange or conversion of Parity Obligations of FLCT or (in the case where FLCT Treasury is the Issuer) the Issuer for Junior Obligations of FLCT or (in the case where FLCT Treasury is the Issuer) the Issuer, unless and until (A) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) the relevant Issuer has satisfied in full all outstanding Arrears of Distribution, (B) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Perpetual Securities has occurred, the next scheduled distribution has been paid in full or an Optional Distribution equal to the amount of a distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full or (C) the relevant Issuer or, as the case may be, the Guarantor, is permitted to do so by an Extraordinary Resolution of the Perpetual Securityholders and/or as otherwise specified in the applicable Pricing Supplement.

**Status of the Senior Perpetual Securities and the Senior Guarantee**

The Senior Perpetual Securities and Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the relevant Issuer.

The obligations of the Guarantor under the Senior Guarantee are contained in the Trust Deed. The payment obligations of the Guarantor under the Senior Guarantee and the Trust Deed constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with all other unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.

**Status of the Subordinated Perpetual Securities and the Subordinated Guarantee**

The Subordinated Perpetual Securities and Coupons relating to them constitute direct, unconditional, subordinated and unsecured obligations of the relevant Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with any Parity Obligations of (in the case where FLCT Treasury is the Issuer) FLCT Treasury or (in the case where the REIT Trustee is the Issuer) FLCT.

The obligations of the Guarantor under the Subordinated Guarantee are contained in the Trust Deed. The payment obligations of the Guarantor under the Subordinated Guarantee constitute direct, unconditional, subordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with any Parity Obligations of FLCT.

**Subordination of Subordinated Perpetual Securities**

In the case where FLCT Treasury is the Issuer, subject to the insolvency laws of Singapore and other applicable laws, in the event of the winding-up of the Issuer, the rights of the Perpetual Securityholders and Couponholders in respect of Subordinated Perpetual Securities to payment of principal of and distribution on the Subordinated Perpetual Securities and the Coupons relating to them or, as the case may be, the Subordinated Guarantee are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Issuer but at least *pari passu* with all other subordinated obligations of the Issuer that are not expressed by their terms to rank junior to the Subordinated Perpetual Securities or, as the case may be, the Subordinated Guarantee and in priority to the claims of shareholders of the Issuer and/or as otherwise specified in the applicable Pricing Supplement.

In the case where the REIT Trustee is the Issuer, subject to the insolvency laws of Singapore and other applicable laws, in the event of the winding-up of FLCT, there shall be payable by the Issuer in respect of each Perpetual Security (in lieu of any other payment by the Issuer), such amount, if any, as would have been payable to such Perpetual Securityholder if, on the day prior to the commencement of the winding-up of FLCT, and thereafter, such Perpetual Securityholder were the holder of one of a class of preferred units in the capital of FLCT (and if more than one class of preferred units is outstanding, the most junior ranking class of such preferred units) (the “**Notional Preferred Units**”) having an equal right to return of assets in the winding-up of FLCT and so ranking *pari passu* with the holders of that class or classes of preferred units (if any) which have a preferential right to return of assets in the winding-up of FLCT, and so rank ahead of the holders of Junior Obligations of FLCT, but junior to the claims of all other present and future creditors of FLCT (other than Parity Obligations of FLCT), on the assumption that the amount that such Perpetual Securityholder was entitled to receive in respect of each

Notional Preferred Unit on a return of assets in such winding-up was an amount equal to the principal amount (and any applicable premium outstanding) of the relevant Perpetual Security together with distributions accrued and unpaid since the immediately preceding Distribution Payment Date or the Issue Date (as the case may be) and any unpaid Optional Distributions in respect of which the Issuer has given notice to the Perpetual Securityholders in accordance with the Conditions of the Perpetual Securities.

**No set-off in relation to Subordinated Perpetual Securities**

Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the relevant Issuer or the Guarantor in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them or, as the case may be, the Subordinated Guarantee, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the relevant Issuer and the Guarantor. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the relevant Issuer or the Guarantor in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them or, as the case may be, the Subordinated Guarantee is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the relevant Issuer, the Guarantor or, as the case may be, FLCT (or, in the event of the winding-up or administration of FLCT Treasury or FLCT, the liquidator or, as appropriate, administrator of FLCT Treasury or FLCT) and, until such time as payment is made, shall hold such amount in trust for the relevant Issuer, the Guarantor or, as the case may be, FLCT (or the liquidator or, as appropriate, administrator of FLCT Treasury or FLCT) and accordingly any such discharge shall be deemed not to have taken place.

**Optional Redemption**

If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the relevant Issuer may, on giving not less than 30 nor more than 60 days' irrevocable notice to the Perpetual Securityholders, redeem all or, if so provided, some of the Perpetual Securities at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Perpetual Securities shall be at their Redemption Amount, together with distribution accrued (including any Arrears of Distribution and any Additional Distribution Amount) to (but excluding) the date fixed for redemption.

**Tax Redemption**

If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with



distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if:

- (i) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 7 of the Perpetual Securities, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, or as a result of a position adopted by any political subdivision or any authority of or in Singapore having power to tax, which causes the Perpetual Securities not to qualify as “qualifying debt securities” for the purposes of the Income Tax Act, Chapter 134 of Singapore (the “**ITA**”), which position becomes effective on or after the Issue Date or any other date specified in the Pricing Supplement; and
- (ii) such obligations cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Perpetual Securities then due.

#### **Redemption for Accounting Reasons**

If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days’ notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, on such Distribution Payment Date or any time after that Distribution Payment Date, as a result of any changes or amendments to Singapore Financial Reporting Standards issued by the Singapore Accounting Standards Council, as amended from time to time (the “**SFRS**”) or any other accounting standards that may replace SFRS for the purposes of the consolidated financial statements of the relevant Issuer (the “**Relevant Accounting Standard**”), the Perpetual Securities will not or will no longer be recorded as “equity” of the relevant Issuer pursuant to the Relevant Accounting Standard.

**Redemption for Tax Deductibility**

If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if the relevant Issuer satisfies the Trustee immediately before giving such notice that, as a result of:

- (i) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective otherwise on or after the issue date of such Perpetual Securities;
- (ii) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective otherwise on or after the issue date of such Perpetual Securities; or
- (iii) any applicable official interpretation or pronouncement (which, for the avoidance of doubt, includes any ruling) which is issued or announced on or after the Issue Date that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position which is announced on or after the issue date of such Perpetual Securities,

payments by the Issuer or, as the case may be, the Guarantor, which would otherwise have been tax deductible to FLCT, are no longer, or would in the Distribution Period immediately following that Distribution Payment Date no longer be, fully deductible by FLCT for Singapore income tax purposes.

**Redemption upon a Regulatory Event**

If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer in whole but not in part on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution accrued to (but excluding) the date fixed for redemption), if as a result of any change in, or amendment to, the Property Funds Appendix, or any change in the application or official interpretation of the Property Funds Appendix, the Securities will count towards the Aggregate Leverage as defined in the Conditions of the Perpetual Securities under the Property Funds Appendix.

**Redemption upon a Ratings Event**

If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer in whole but not in part on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution accrued to (but excluding) the date fixed for redemption), if as of the date fixed for redemption, an amendment, clarification or change has occurred, or will in the Distribution Payment Period immediately following the date fixed for redemption occur, in the equity credit criteria, guidelines or methodology of the Rating Agency as defined in the Conditions of the Perpetual Securities specified thereon (or any other rating agency of equivalent recognised standing requested from time to time by the Issuer to grant a rating to the Issuer or the Perpetual Securities) and in each case, any of their respective successors to the rating business thereof, which amendment, clarification or change results or will result in a lower equity credit for the Perpetual Securities than the equity credit assigned or which would have been assigned on the Issue Date (in the case of such Rating Agency) or assigned at the date when equity credit is assigned for the first time (in the case of any other rating agency).

**Redemption in the case of Minimal Outstanding Amount**

If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, immediately before giving such notice, the aggregate principal amount of the Perpetual Securities outstanding is less than 10% of the aggregate principal amount originally issued.

**Redemption upon a Change of Control**

If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if (i) Frasers Logistics & Commercial Asset Management Pte. Ltd. (formerly known as Frasers Logistics & Industrial Asset Management Pte. Ltd.) (the "**REIT Manager**") resigns or is removed as manager of FLCT or (ii) REIT Manager ceases to be, whether directly or indirectly, a wholly-owned subsidiary of Frasers Property Limited (formerly known as Frasers Centrepoint Limited).

**Limited right to institute proceedings in relation to Perpetual Securities**

Notwithstanding any of the provisions in Condition 9 of the Perpetual Securities, the right to institute proceedings for winding-up is limited to circumstances where payment has become due. In the case of any distribution, such distribution will not be due if the relevant Issuer has elected not to pay that distribution in accordance with Condition 4(IV) of the Perpetual Securities.

### **Proceedings for Winding-Up**

If (i) a final and effective order is made or an effective resolution is passed for the winding-up of the relevant Issuer and/ or the Guarantor or (ii) the relevant Issuer fails to make payment in respect of the Perpetual Securities when due or the Guarantor fails to pay any amount under the Guarantee when due and, in each case, such failure continues for a period of more than five business days the relevant Issuer or, as the case may be, the Guarantor shall be deemed to be in default under the Trust Deed and the Perpetual Securities or, as the case may be, the Guarantee and the Trustee may, subject to the provisions of Condition 9(d) of the Perpetual Securities, institute proceedings for the winding-up of the relevant Issuer and/or the Guarantor and/or prove in the winding-up of the relevant Issuer and/or the Guarantor and/or claim in the liquidation of the relevant Issuer and/or the Guarantor for such payment.

### **Taxation**

Where the Perpetual Securities are recognised as debt securities for Singapore income tax purposes, all payments in respect of the Perpetual Securities and the Coupons by the relevant Issuer or, as the case may be, the Guarantor shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the relevant Issuer or, as the case may be, the Guarantor shall pay such additional amounts as will result in the receipt by the Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions specified in the condition of the Perpetual Securities.

Where the Perpetual Securities are not recognised as debt securities for Singapore income tax purposes, all payments in respect of the Perpetual Securities and the Coupons by the relevant Issuer or, as the case may be, the Guarantor may be subject to any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax in the same manner as distributions on ordinary units of FLCT, and the REIT Trustee may be obliged (in certain circumstances) to withhold or deduct tax at the prevailing rate (currently 10.0% or 17.0%) under Section 45G of the ITA. In that event, the relevant Issuer or, as the case may be, the Guarantor will not pay any additional amounts in respect of any such withholding or deduction from payments in respect of the Perpetual Securities for or on account of any such taxes or duties.

For further details, please see the section "*Taxation – Singapore Taxation*" herein.

### **Listing and Admission to Trading**

Each Series of the Perpetual Securities may, if so agreed between the relevant Issuer and the relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the relevant Issuer and the relevant Dealer(s), subject to all necessary approvals having been obtained. Unlisted Series of Perpetual Securities may also be issued pursuant to the Programme.

**Selling Restrictions**

The United States, the Public Offer Selling Restriction under the Prospectus Regulation (in respect of Perpetual Securities having a specified denomination of less than €100,000 or its equivalent in any other currency as at the date of issue of the Notes), the United Kingdom, Hong Kong, Singapore, Japan and Australia.

For the purposes of Regulation S, Category 2 selling restrictions shall apply.

For a description of certain restrictions on offers, sales and deliveries of Perpetual Securities and the distribution of offering material relating to the Perpetual Securities, see the section on “*Subscription and Sale*” herein. Further restrictions may apply in connection with any particular Series or Tranche of Perpetual Securities.

**Governing Law**

English law, save that the provisions of the subordination Condition in Condition 3(b) of the Perpetual Securities will be governed by, and shall be construed in accordance with, Singapore law, or Singapore law (as specified in the applicable Pricing Supplement).

**Legal Entity Identifiers**

Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Commercial Trust): 25490039A7FZFHHURL81

FLCT Treasury Pte. Ltd.: 254900J9F1VUDEEV0321

## RISK FACTORS

*Prior to making any investment decision, prospective investors in or existing holders of the Securities should consider carefully all of the information in this Offering Circular, including any documents incorporated by reference herein and the risks and uncertainties described below. The business, financial condition or results of operations of the Group could be materially adversely affected by any of these risks. The Issuers and the Guarantor believe that the following factors may affect their ability to fulfil their obligations under the Securities issued under the Programme. All of these factors are contingencies which may or may not occur and neither the Issuers nor the Guarantor is in a position to express a view on the likelihood of any such contingency occurring. Additional risks which the Issuers and/or the Guarantor are currently unaware of may also impair their businesses, assets, financial condition, performance or prospects.*

*This Offering Circular does not purport to nor does it contain all information that a prospective investor in or existing holder of the Securities may require in investigating the Issuers, the Guarantor or the Group, prior to making an investment or divestment decision in relation to the Securities issued under the Programme. Neither this Offering Circular nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the Securities (or any part thereof) is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuers, the Guarantor, any of the Arrangers or any of the Dealers that any recipient of this Offering Circular or any such other document or information (or such part thereof) should subscribe for or purchase or sell any of the Securities. This Offering Circular is not, and does not purport to be, investment advice. A prospective investor should make an investment in the Securities only after it has determined that such investment is suitable for its investment objectives. Determining whether an investment in the Securities is suitable is a prospective investor's responsibility, even if the investor has received information to assist it in making such a determination. Each person receiving this Offering Circular acknowledges that such person has not relied on the Issuers, the Guarantor, FLCT, their respective subsidiaries (if any) or associated companies (if any) or joint venture companies (if any), any of the Arrangers, any of the Dealers or any person affiliated with each of them in connection with its investigation of the accuracy or completeness of the information contained herein or of any additional information considered by it to be necessary in connection with its investment or divestment decision. Any recipient of this Offering Circular contemplating subscribing for or purchasing or selling any of the Securities should determine for itself the relevance of the information contained in this Offering Circular and any other document or information (or any part thereof) and its investment or divestment should be, and shall be deemed to be, based solely upon its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuers, the Guarantor, FLCT, their respective subsidiaries (if any), associated companies (if any) and joint venture companies (if any), the terms and conditions of the Securities and any other factors relevant to its decision, including the merits and risks involved. A prospective investor should consult with its legal, tax and financial advisers prior to deciding to make an investment in the Securities.*

### **RISKS RELATING TO FLCT'S PROPERTIES**

**FLCT will be bound by pre-emption rights, expansion rights, rights of first refusal and other restrictions which may restrict it from freely dealing with its interest in certain Properties and may impact FLCT's ability to obtain the best possible price on a divestment, or rental price in a leasing scenario, of such Properties or to capture potential market upside**

A number of tenants of the Properties have been granted a right of first refusal by FLCT in respect of leasing or tenancing the additional land adjoining the premises leased by these tenants as well as new vacant spaces for lease. In some but not all circumstances where a right of first refusal in respect of additional land or tenancy adjoining the premises leased by tenants is granted, FLCT must offer the current tenant a lease or tenancy for the additional land on the same terms as the tenant's existing tenancy before offering and leasing out such additional land to other third parties on the terms set out. A number of the tenancies also contain expansion rights pursuant to which the tenant has the right to request that the landlord carry out certain expansion works and the relevant tenant will pay additional rent and enter into a new lease or a deed of variation for the additional area. Similarly, certain tenants are granted rights of first refusal to expand into or lease new vacant spaces based on upfront agreed-upon rental arrangements.

In certain circumstances, should such rent be below the prevailing market rent at the time the tenant exercises its rights under the right of first refusal, FLCT may be unable to capture any potential market upside.

**Restriction on development of property on areas with heritage sensitivity may restrict FLCT's ability to redevelop or further develop property**

A number of Properties are in the vicinity of heritage items. There could also be areas or buildings of cultural heritage sensitivity associated with a Property or Aboriginal sites being recorded in or near a Property. The existence of the cultural heritage sensitive areas or buildings or the notation on the Aboriginal Heritage Register does not impede the current lawful use of any of the Properties. However, if it was proposed to redevelop, or further develop any Property, the presence of cultural heritage may potentially impact on the extent of such development. Therefore, before granting consent for any future development, the local municipal or other regulatory authority may require an assessment to be undertaken regarding the effect the proposed development may have on the heritage significance of the heritage item concerned.

In addition, a number of the Properties are subject to restrictions on use (including restrictions not to construct on certain parts of the Properties or relating to access) which could impact any future development plans.

**The Properties and future properties to be acquired by FLCT may require significant capital expenditure periodically and FLCT may not be able to secure funding**

The Properties and future properties to be acquired by FLCT may require periodic capital expenditure, refurbishment, renovation for improvements and development in order to remain competitive or be income-producing. FLCT may not be able to fund capital expenditure solely from cash provided from its operating activities and FLCT may not be able to obtain additional equity or debt financing on favourable terms or at all. If FLCT is not able to obtain such financing, the marketability of such property may be affected and this may adversely affect the business, financial condition and results of operations of FLCT.

**FLCT's Portfolio might be adversely affected if the REIT Manager and/or any of the Property Managers do not provide adequate management and maintenance**

As the tenants rely on the proper functioning of the facilities and infrastructure of the Properties for their business operations, should the REIT Manager and/or any of the Property Managers fail to provide adequate management and maintenance, the attractiveness of FLCT's Portfolio of properties to such tenants might be adversely affected and this may result in a loss of tenants, which will adversely affect the business, financial condition and results of operations of FLCT.

**FLCT may suffer material losses in excess of insurance proceeds or FLCT may not be able to put in place or maintain adequate insurance in relation to FLCT's Properties and its potential liabilities to third parties**

FLCT maintains insurance policies covering the Properties in line with general business practices in Australia, Germany, the UK, Singapore and the Netherlands in the logistics and industrial, commercial office and/or business space and retail property industries, as applicable, with policy specifications and insured limits which the REIT Manager believes are adequate and in line with market standards. Regular reinstatement cost assessments are obtained for each Property (generally on a three yearly basis with escalations applied in subsequent years), carried out by independent experts, to ensure the insured values are adequate. Independent surveys are also carried out to identify any potential risks at the Properties (in particular for industrial Properties where the tenants have operational control) and action plans are implemented and reviewed regularly by FLCT to mitigate any identified risks. Risks insured against include those of property damage, terrorism and public liability. There are, however, certain types of losses (such as those arising from wars or acts of God) that generally are not insured because they are either uninsurable or not economically insurable.

Should an uninsured loss or a loss in excess of insured limits occur, including loss caused by vandalism or resulting from breaches of security at one of the Properties, FLCT could be required to pay compensation and/or suffer loss of capital invested in the affected Property as well as anticipated future revenue from that Property as it may not be able to rent out or sell the affected Property. FLCT may also be liable for any debt or other financial obligation that has recourse to FLCT and may be liable

for any mortgage indebtedness or other financial obligations in relation to the affected Property. No assurance can be given that material losses will not be in excess of insurance proceeds in the future, or that adequate insurance coverage for FLCT's Properties will be available in the future on commercially reasonable terms or at commercially reasonable rates. Any such loss could adversely affect the business, financial condition and results of operations of FLCT.

**Renovation or redevelopment works or physical damage to FLCT's Properties may disrupt the operations of FLCT's Properties and collection of rental income or otherwise result in adverse impact on the financial condition of FLCT**

The quality and design of the Properties have a direct influence over the demand for space in, and the rental rates of, the Properties.

The Properties may need to undergo renovation or redevelopment works from time to time to retain their competitiveness and attractiveness to tenants. They may also require unforeseen ad hoc maintenance or repairs in respect of faults or problems that may develop due to structural defects or because of new planning laws or regulations. The costs of maintaining the Properties and the risk of unforeseen maintenance or repair requirements tend to increase over time as the building ages.

Furthermore, while the REIT Manager will endeavour to keep any disruptions caused by such renovation or redevelopment works to a minimum, the operations of the Properties may still experience some disruption and it may not be possible to collect the full rental rate of, or any rental income on, space affected by such renovation or redevelopment works. If any leases are due for renewal at that time, the existing tenants may either choose not to renew the leases upon their expiry or negotiate for lower rental rates and this will adversely affect the revenue of the relevant Property.

In addition, physical damage to the Properties resulting from fire or other causes may lead to a significant disruption to the business and operation of the Properties and, together with the foregoing, may impose unbudgeted costs on FLCT and result in an adverse impact on the financial condition and results of operations of FLCT.

**FLCT is exposed to general risks associated with relying on third-party contractors to provide various services**

FLCT engages third-party contractors to provide various services in connection with the day-to-day operation of its Properties and asset enhancement initiatives, including construction, piling and foundation, building and property fit-out works, alterations and additions, interior decoration and installation of air-conditioning units and lifts. FLCT is exposed to the risk that a third-party contractor may incur costs in excess of project estimates and/or cause delays in project completion. This may result in excess costs which may have to be borne by FLCT in order for the project to be completed. Furthermore, there is a risk that major contractors may experience financial or other difficulties which may affect their ability to carry out the construction works, thus delaying the completion of the projects or resulting in additional costs to FLCT. There can also be no assurance that the services rendered by such third parties will be satisfactory or match FLCT's target quality levels. All of these factors could have an adverse effect on FLCT's business, financial condition and results of operations.

**FLCT's Properties are subject to environmental regulations and could incur significant costs or liability related to environmental matters**

FLCT's operations are subject to various environmental laws, including those relating to air pollution control, water pollution control, waste disposal, noise pollution control and the storage of dangerous goods. Under these laws, an owner or operator of real property may be subject to liability, including a fine or imprisonment, for air pollution, noise pollution or the presence or discharge of hazardous or toxic chemicals at that property. In addition, FLCT may be required to make capital expenditures to comply with these environmental laws. The presence of contamination, air pollution, noise pollution or dangerous goods without a valid licence or the failure to remediate issues relating to contamination, air pollution, noise pollution or dangerous goods may expose FLCT to liability or materially adversely affect its ability to sell or let out the real property or to borrow using the real property as collateral.



Accordingly, if the Properties are affected by contamination or other environmental effects not previously identified and/or rectified, FLCT risks prosecution by environmental authorities and may be required to incur unbudgeted additional capital expenditures to remedy such issue and the business operations and financial position of FLCT's tenants may be adversely impacted, affecting their ability to trade and to meet their tenancy obligations. This will also result in an adverse impact on the financial condition and results of operation of FLCT.

**The due diligence exercise on the Properties, tenancies, buildings and equipment may not have identified all material defects, breaches of laws and regulations and other deficiencies and any losses or liabilities from latent property or equipment defects may adversely affect earnings and cash flows**

The REIT Manager believes that reasonable due diligence investigations with respect to the Properties were, and with respect to other future acquisitions will be, conducted prior to their acquisitions. However, there is no assurance that the Properties or other future properties of FLCT will not have defects or deficiencies requiring repair or maintenance (including design, construction or other latent property or equipment defects in the properties which may require additional capital expenditure, special repair or maintenance expenses) or be affected by breaches of laws and regulations. Such defects or deficiencies may require significant capital expenditure or obligations to third parties and involve significant and unpredictable patterns and levels of expenditure which may have a material adverse effect on FLCT's earnings and cash flows.

Statutory or contractual representations, warranties and indemnities given by any seller of the Properties are unlikely to afford satisfactory protection from costs or liabilities arising from such property or equipment defects. Costs or liabilities arising from such defects or deficiencies may require significant capital expenditures or obligations to third parties and may involve significant and potentially unpredictable patterns and levels of expenditure which may have a material adverse effect on FLCT's earnings and cash flows.

**FLCT may be subject to unknown or contingent liabilities related to properties or businesses that it has acquired or may acquire, which may result in damages and investment losses**

Assets and entities that FLCT has acquired or may acquire in the future may be subject to unknown or contingent liabilities for which FLCT may have limited or no recourse against the sellers. Unknown or contingent liabilities might include liabilities for clean-up or remediation of environmental conditions, claims of tenants, vendors or other persons dealing with the acquired entities, tax liabilities and other liabilities whether incurred in the ordinary course of business or otherwise. In the future, FLCT may enter into transactions with limited representations and warranties or with representations and warranties that do not survive the closing of the transactions, in which event FLCT would have no or limited recourse against the sellers of such properties. While FLCT typically requires the sellers to indemnify it with respect to breaches of representations and warranties that survive, such indemnification is often limited and subject to various materiality thresholds, a significant deductible or an aggregate cap on losses. As a result, there is no guarantee that FLCT will recover sufficient or any amounts with respect to losses due to breaches by the sellers of their representations and warranties. In addition, the total amount of costs and expenses that FLCT may incur with respect to liabilities associated with properties and entities acquired may exceed FLCT's expectations. Any of these matters could have a material adverse effect on FLCT.

**FLCT's Properties may face increased competition from other properties**

The Properties are located in areas where other competing properties are present and new properties may be developed which may compete with the Properties. The income from and the market value of the Properties will be dependent on the ability of FLCT's Properties to compete against other logistics and industrial, commercial office and/or business space and retail properties for tenants. If competing properties are more successful in attracting and retaining tenants, the income from the Properties could be reduced thereby adversely affecting FLCT's cash flows.

**Amenities and transportation infrastructure near FLCT's Properties may be closed, relocated or terminated, or the commencement of their operations may be delayed**

The proximity of amenities and transportation infrastructure such as motorways, airports, ports, train stations and bus stations to FLCT's Properties influences the demand for and hence the occupancy of these Properties. There is no assurance that such amenities, transportation infrastructure and shuttle services will not be closed, relocated or terminated in the future. Such closure, relocation or termination may adversely affect the accessibility of FLCT's Properties and consequently FLCT's business, financial condition and results of operations.

**The appraisals of the Properties are based on various assumptions and the price at which FLCT is able to sell a Property in the future may be different from the carrying value of the Property and/or the Properties may be revalued downwards**

There can be no assurance that the assumptions relied on are accurate measures of the market, and the values of the Properties may be evaluated inaccurately. The Independent Valuers may have included a subjective determination of certain factors relating to the Properties such as their relative market positions, financial and competitive strengths, and physical condition and, accordingly, the valuation of the Properties may be subjective. There can also be no assurance that FLCT will not be required to make downward revaluations of its Properties in the future. For example, any fall in the gross revenue or net property income earned from FLCT's Properties may result in downward revaluations of the properties held by FLCT.

The valuation of any of the Properties does not guarantee a sale price at that value at present or in the future. Hence, the price at which FLCT may sell a Property may be lower than its carrying value.

In addition, FLCT is required to measure investment properties at fair value at each balance sheet date and any change in the fair value of the investment properties is recognised in the statements of total return. A downward revaluation of the properties held by FLCT may result in an increase in FLCT's aggregate leverage.

**FLCT may face significant expenditures if a tenant fails to remove its equipment and restore its space to the original state**

Many of FLCT's tenants have invested significant amounts installing tenant specific infrastructure in the Properties, in particular for tenants within the industrial or logistics space. If a tenant fails to restore its space to the original condition at the end of its lease or if it becomes insolvent during its lease and FLCT is unable to recoup the costs of restoring the space to a pre-let condition, FLCT may incur significant costs to make the space reusable for new tenants and lose out on the revenues from the space if it does not re-let it.

**FLCT's Properties or a part of them may be acquired compulsorily by the respective governments in the countries in which such Properties are located**

FLCT's Portfolio comprises properties which are located across Australia, Germany, the UK, Singapore and the Netherlands. Under the laws and regulations of each of the aforementioned countries, there are various circumstances under which the various governments are empowered to compulsorily acquire property.

In the event that the compensation paid for the compulsory acquisition of a Property of FLCT is less than the market value of the Property, such compulsory acquisitions would have an adverse effect on the revenue of FLCT and the value of the Portfolio.

**The gross revenue earned from, and the value of, FLCT's Properties may be adversely affected by a number of factors**

The revenue earned from, and the value of, FLCT's Properties, and consequently FLCT's financial condition and results of operations, may be adversely affected by a number of factors, including:

- the Property Managers' ability to collect rent from tenants or their guarantors on a timely basis or at all;

- the amount and extent to which FLCT is required to grant rental rebates to tenants due to market pressure;
- defects affecting FLCT's Properties which could result in the inability of the relevant tenants to operate on the relevant Properties, thereby resulting in the inability of such tenants to make timely payments of rent;
- any waiver of interest granted by FLCT to its tenants on late rental payments;
- tenants or their guarantors seeking the protection of bankruptcy laws which could result in delays in the receipt of rent payments, inability to collect rental income, or delays in the termination of the tenant's lease, and which could hinder or delay the re-letting of the space in question or the sale of the relevant Property;
- the local and international economies and real estate market conditions (such as oversupply of, or reduced demand for, commercial space, and changes in market rental rates and operating expenses for FLCT's Properties);
- an inability to renew leases or re-let space as existing leases at the Properties expire;
- an inability to dispose of major investment properties for the values at which they are recorded in FLCT's financial statements;
- vacancies at the Properties following the expiry or termination of leases, leading to reduced occupancy rates at the Properties;
- new and renewed tenancies being agreed on terms and conditions less favourable to FLCT than those under current tenancies;
- competition for tenants for the Properties;
- changes in market rental rates for the Properties;
- the need to renovate and repair areas of the Properties periodically;
- changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and government charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance. Rights related to the Properties may also be restricted by legislative actions, such as revisions to the laws relating to building standards or town planning laws, or the enactment of new laws related to condemnation and redevelopment; and
- any liability of FLCT to pay the associated costs of acts of God, wars, terrorist attacks, riots, civil commotions, epidemic diseases (such as the spread of COVID-19, Ebola virus, Middle East Respiratory Syndrome ("MERS"), Severe Acute Respiratory Syndrome ("SARS"), H5N1 avian flu, swine flu ("Influenza A (H1N1)"), the Zika virus and other widespread communicable diseases), natural disasters and other events beyond the control of the REIT Manager.

## **RISKS RELATING TO FLCT'S BUSINESS AND OPERATIONS**

### **The outbreak of an infectious disease or any other serious public health concerns could adversely impact FLCT's business, financial condition and results of operation**

Outbreaks of infectious diseases and other serious public health concerns, including epidemics and pandemics, in Asia-Pacific, Europe, North America and elsewhere are beyond FLCT's control and may adversely affect the economies of the countries to which FLCT is exposed. Such outbreaks include, but are not limited to, COVID-19, Ebola virus, MERS, SARS, Influenza A (H1N1), or the Zika virus. There can be no assurance that any precautionary measures taken against infectious diseases would be effective. Outbreaks of infectious diseases or other serious public health concerns such as COVID-19, Ebola virus, MERS, SARS, Influenza A (H1N1) and the Zika virus in Asia-Pacific, Europe, North America and

elsewhere, together with any resulting disruption to business operations or the imposition of restrictions on travel and/or quarantines, would have a negative impact on the overall market sentiment, economy and business activities in Asia-Pacific, Europe and North America and elsewhere, thereby adversely affecting the business, financial position and results of operations of FLCT. In particular, the COVID-19 pandemic has resulted in a public health crisis globally since early 2020 and the number of reported cases of COVID-19 worldwide, as well as the number of reported deaths as a consequence, significantly exceeds those observed during the SARS epidemic that occurred from November 2002 to July 2003. The COVID-19 outbreak has resulted in, among other things, quarantine requirements, travel restrictions, enhanced health screenings at ports of entry and elsewhere, event cancellations and suspensions, city lockdowns and closed international borders.

The COVID-19 pandemic has resulted in an unprecedented global economic crisis. As a result of the unprecedented measures taken by governments globally, including the imposition of severe movement and travel restrictions, lockdowns, border controls and safe distancing measures, there have been severe disruptions to businesses in many sectors, including retail, hospitality, travel, manufacturing, logistics, construction, aviation and shipping and many economic activities have come to a halt. The COVID-19 outbreak has resulted, and continues to result, in protracted market volatility, business shutdowns and falling real estate prices. A number of governments (including the Singapore government) have revised gross domestic product growth forecasts for 2020 downward in response to the economic slowdown caused by the outbreak.

Accordingly, COVID-19 could have an adverse impact on the business, financial condition and results of operations of FLCT. For instance, the impact on the economy and the measures imposed by the governments of affected countries in response to the COVID-19 outbreak have resulted in wider adoption of flexible work arrangements (including telecommuting), reduced demand for space by current or potential tenants, requests by existing tenants for rental rebates or reductions or delayed payment, reduced rental rates and/or shorter lease terms for new or renewed leases, early termination of existing leases, and/or lower rental income. As the impact of COVID-19 is fluid and evolving, significant market uncertainty exists. Consequently, the valuations of certain selected investment properties as at 30 September 2020 were subject to material estimation uncertainty. Values may change more rapidly and significantly than during standard market conditions. In FY2020, the impact of the COVID-19 pandemic on FLCT was approximately S\$5.7 million, comprising mainly rental waivers for tenants under the Singapore and Australian government concession deeds and provision for doubtful debt. The financial impact of the COVID-19 pandemic on FLCT's distributable income for the first quarter of the financial year ending 30 September 2021, which includes mainly rental waiver granted and COVID-19 related provisions of approximately S\$0.7 million, has not been material for FLCT.

Given the uncertainties as to how the COVID-19 pandemic will continue to evolve and when it can be fully contained, it is difficult to predict how long such conditions will exist and when normal economic activities will return fully and the extent to which FLCT may be affected by such conditions. Moreover, given the unprecedented nature of the COVID-19 pandemic, the ongoing pandemic may also adversely affect FLCT in ways that cannot be foreseen.

Other than the ongoing COVID-19 pandemic, the occurrence of any other outbreak of infectious disease or serious public health concerns, or the measures taken by the governments of affected countries against such an outbreak, such as the imposition of quarantines and lockdown measures, could severely disrupt FLCT's business operations and undermine investor confidence, thereby materially and adversely affecting its business, financial condition and results of operations.

### **Global geo-political conditions could adversely affect FLCT's business, financial conditions and results of operations**

FLCT is exposed to changes in global geo-political conditions.

On 31 January 2020, the UK officially exited the European Union ("Brexit"). The effect of Brexit remains uncertain, and it is unclear the extent of the impact that Brexit would have on the fiscal, monetary and regulatory landscape within the UK, the European Union and globally. Brexit has and may continue to have a negative economic impact and increase volatility in the global market. The advent of Brexit may have the following consequences: (i) the possible exit of Scotland, Wales or Northern Ireland from the United Kingdom; (ii) the possibility that other European Union countries could hold similar referendums

to the one held in the United Kingdom and/or call into question their membership of the European Union; and (iii) the possibility that one or more countries that adopted the Euro as their national currency might decide, in the long term, to adopt an alternative currency which could have significant negative impacts on international markets. Other developments in the Eurozone, including concerns regarding large budget deficits, sovereign debt default, recessionary economic conditions and a trade war between large economies may lead to increased risk aversion and volatility in global capital markets. Financial markets and the supply of credit could continue to be negatively impacted by ongoing concerns surrounding the sovereign debts and/or fiscal deficits of several countries in Europe.

In the U.S., trade tensions continue between the U.S. and major trading partners, most notably China. Although China is the primary target of U.S. trade measures, value chain linkages mean that other emerging markets, primarily in Asia, may also be impacted. China's policy response to these trade measures also present a degree of uncertainty. There are also trade tensions between China and Australia following China's restrictions on Australian exports as a result of political differences. Sustained trade tensions between major economies could significantly undermine the stability of the global economy and may result in global supply chain disruptions.

These events could change the way some of our tenants conduct their business and the countries in which they operate out of, which may in turn affect their ability to make rental payments to FLCT, or their decision to renew their lease agreements when they expire. These events could also further adversely affect FLCT insofar as they result in a decrease in demand for properties for lease or for sale.

**FLCT is dependent on its significant tenants and any breach by the significant tenants of their obligations under the lease or the loss of such significant tenants may have an adverse effect on the business, financial condition and results of operations of FLCT**

The top 10 tenants in FLCT's Portfolio represent 24.0% of GRI generated by the Properties in the Portfolio as at 31 December 2020. Many factors, including the financial position of the tenants, the ability of such significant tenants to compete with their competitors, material losses suffered by such tenants in excess of insurance proceeds and the consequences of recent global economic conditions, may cause FLCT's tenants to experience a downturn in their businesses or otherwise experience a lack of liquidity, which may weaken their financial condition and result in them failing to make timely rental payments or them defaulting under their leases. If any tenant defaults or fails to make timely rental payments, FLCT may experience delays in enforcing its rights as landlord, may not succeed in recovering rent at all and may incur substantial costs in protecting its investment.

As at 31 December 2020, 45.2% of the Properties are single tenanted (based on GRI) exposing the performance value of each of those properties to the ability of those tenants to continue their obligations under the respective tenancy documents.

In addition, FLCT's financial condition and results of operations and capital growth may be adversely affected by the decision by one or more of such significant tenants to not renew its lease or terminate its lease before it expires. These significant tenants may terminate their leases giving only a short notice period or may terminate without cause. If a key customer or a significant number of tenants terminate their leases or do not renew their leases at expiry, it may be difficult to secure replacement tenants at short notice. In addition, the amount of rent and the terms on which lease renewals and new leases are agreed may be less favourable than the current leases.

Therefore, the loss of key tenants or a significant number of tenants in any one of the Properties or future acquisitions of FLCT could result in periods of vacancy, which could adversely affect the revenue and financial conditions of the relevant Property.

**FLCT is subject to the risk of non-renewal, non-replacement or early termination of leases**

If tenants choose not to renew their leases at the end of their term or if certain tenants exercise the rights of early termination contained in their leases and replacement tenants cannot be found in a timely manner and on terms acceptable to the REIT Manager, there is likely to be a material adverse effect on the business, financial condition and results of operations of FLCT.

### **The amount FLCT may borrow is limited, which may affect the operations of FLCT**

Under the Property Funds Appendix, FLCT is permitted to borrow up to, (a) prior to 1 January 2022, 50.0% of the value of the Deposited Property at the time the borrowing is incurred; or (b) on or after 1 January 2022, 45.0% of the value of the Deposited Property at the time the borrowing is incurred, save that it may exceed 45.0% (up to a maximum of 50.0%) if certain conditions under the Property Funds Appendix are met, taking into account deferred payments (including deferred payments for assets whether to be settled in cash or in Units).

As at 31 December 2020, FLCT had gross borrowings of S\$2,375.0 million, with an Aggregate Leverage of 36.2%.

It is currently not envisaged that FLCT will face issues with the borrowing limits imposed by the Property Funds Appendix. However, FLCT may, from time to time, require further debt financing to achieve its investment strategies and may find itself unable to achieve its investment strategies if this involves and requires debt financing in excess of the borrowing limits imposed by the Property Funds Appendix. In the event that FLCT decides to incur additional borrowings in the future, FLCT may face adverse business consequences as a result of this limitation on future borrowings, and these may include:

- having to miss out on attractive acquisition opportunities which may be available for only a limited period of time but for which debt financing in excess of the borrowing limits would have been required;
- an inability to fund capital expenditure requirements in relation to FLCT's existing asset portfolio;
- a decline in the value of the Deposited Property may cause the borrowing limit to be exceeded, thus affecting FLCT's ability to incur further borrowings; and
- shortage of cash flows (including with respect to distributions) which FLCT might otherwise be able to resolve by borrowing funds.

### **FLCT may face risks associated with debt financing, including bond financing, and the debt covenants could limit or affect FLCT's operations**

FLCT is subject to risks associated with debt financing, including Securities which may be issued or guaranteed by FLCT. Such risks include the risk that its cash flows will be insufficient to meet the required payments of principal and interest under such financing.

Distributions from FLCT to Unitholders will be computed based on at least 90.0% of FLCT's Distributable Income. As a result of this distribution policy, FLCT may not be able to meet all of its obligations to repay any future borrowings through its cash on hand. FLCT may be required to repay maturing debt with funds from additional debt or equity financing or both. There is no assurance that such financing will be available on acceptable terms or at all.

If FLCT defaults under any debt financing facilities extended to it and its subsidiaries and/or payments on the Securities issued or debt guaranteed by FLCT is not repaid on time, the lenders may be able to declare a default and initiate enforcement proceedings in respect of any security provided, and/or call upon any guarantees provided. In addition, under the debt financing facilities, it is a change of control event if the REIT Manager ceases to be a majority owned subsidiary (directly or indirectly) of the Sponsor without the consent of the lenders, and this would give rise to a mandatory prepayment event.

If principal amounts due for repayment at maturity cannot be refinanced, extended or paid with proceeds of other capital transactions, such as new equity capital, FLCT will not be able to repay all maturing debt.

FLCT is subject to the risk that the terms of any refinancing undertaken will be less favourable than the terms of the original borrowings. FLCT is subject to covenants that require it to maintain certain financial ratios (e.g. aggregate leverage ratio). The triggering of any of such covenants may have an adverse impact on FLCT's financial condition.

FLCT's level of borrowings may represent a higher level of gearing as compared to certain other types of unit trusts, such as non-specialised collective investment schemes which invest in equities and/or fixed income instruments. If prevailing interest rates or other factors at the time of refinancing (such as the possible reluctance of lenders to make commercial property loans) result in higher interest rates, the interest expenses relating to such refinanced indebtedness would increase, thereby adversely affecting FLCT's cash flows.

**There is no assurance that the current rating given in respect of FCOT will be maintained or that the rating will not be reviewed, downgraded, suspended or withdrawn in the future**

On 9 February 2021, Moody's Investors Service announced that it had confirmed FCOT Treasury Pte. Ltd.'s Baa2 backed senior unsecured debt ratings and the (P)Baa2 rating on its backed senior unsecured medium-term note programme. The outlook of the ratings were changed to stable to reflect amongst other things, the improvement in FCOT's earnings and the expectation that FCOT's credit metrics will remain appropriately positioned for its ratings over the next 12 to 18 months despite an uncertain demand environment for office assets.

Any ratings assigned by rating agencies to FCOT or FCOT's notes are based on the views of the relevant rating agency only at the relevant point in time. The ongoing COVID-19 outbreak and future events could have a negative impact on the rating of FCOT or FCOT's notes and prospective investors should be aware that there is no assurance that ratings given will be maintained or that the ratings will not be reviewed, revised, suspended or withdrawn as a result of future events or if, in the judgement of the relevant rating agency, circumstances so warrant. A downgrade of the rating may lead to FCOT being unable to obtain future credit on terms which are as favourable as those of its existing borrowings, resulting in loans at higher interest rates. As a key Sub-Trust, such an event could in turn adversely affect the financial condition of FLCT.

**FLCT operates in a capital intensive industry that relies on the availability of sizeable amounts of capital**

FLCT may require additional financing to fund working capital requirements, support the future growth of its business and/or refinance its existing debt obligations. The availability of external financing for FLCT's capital investments depends on many factors outside of its control, including money and capital market conditions and the overall performance of the economies in which it operates or has property investments. In particular, investors should note that the willingness of financial institutions to make capital commitments by way of investing in debt or equity instruments may be adversely affected for prolonged periods of time as a result of various events, as experienced in the past during the global financial crisis, the debt crisis in Europe, the political instability in the Middle East, the spread of epidemic diseases such as COVID-19 and the trade tensions between the United States and other countries such as China. Accordingly, FLCT may face difficulties in raising funds for working capital purposes, to refinance existing debt or to finance future acquisitions of yield-accretive assets. If FLCT does not have sufficient internal cash or external financing on acceptable terms, it may be unable to develop or enhance its Portfolio by acquiring assets when the opportunity arises, fund potential asset enhancements and any on-going capital expenditure requirements or to refinance its existing debt as and when it falls due.

Furthermore, future credit facilities may contain covenants that limit FLCT's operating and financing activities and require the creation of security interests over assets. Accordingly, FLCT's ability to meet payment obligations, refinance maturing debt and fund planned capital expenditure may depend solely on the success of its business strategy and its ability to generate sufficient revenue to satisfy its obligations, which are subject to many uncertainties and contingencies beyond its control, including those highlighted herein. As a result, FLCT's business, financial condition and results of operations may be adversely affected.

**If the REIT Manager's capital market services licence for REIT management ("CMS Licence") is cancelled or the authorisation of FLCT as a collective investment scheme under Section 286 of the SFA is suspended, revoked or withdrawn, the operations of FLCT will be adversely affected**

The CMS Licence issued to the REIT Manager is subject to certain conditions and is valid unless otherwise cancelled. If the CMS Licence of the REIT Manager is cancelled by the MAS, the operations of FLCT will be adversely affected, as the REIT Manager would no longer be able to act as the manager of FLCT.

FLCT was authorised as a collective investment scheme on 10 June 2016 and must comply with the requirements under the SFA and the Property Funds Appendix. In the event that the authorisation of FLCT is suspended, revoked or withdrawn, its operations will also be adversely affected.

#### **The REIT Manager may not be able to successfully implement its investment strategy for FLCT**

There is no assurance that the REIT Manager will be able to implement its investment strategy successfully or that it will be able to expand FLCT's Portfolio at all, or at any specified rate or to any specified size, and the REIT Manager may not be able to carry out its asset enhancement initiatives fully or at all. The REIT Manager also may not be able to make acquisitions or investments on favourable terms or within a desired time frame due to competition from other real estate investors. FLCT will be relying on external sources of funding to expand its Portfolio and carry out its asset enhancement initiatives, which may not be available on favourable terms or at all. Even if FLCT were able to successfully make additional property acquisitions or investments or complete its asset enhancement initiatives, there can be no assurance that FLCT will achieve its intended return on such acquisitions, investments or enhancements. Since the amount of borrowings that FLCT can incur to finance acquisitions is limited by the Property Funds Appendix, such acquisitions are likely to be largely dependent on FLCT's ability to raise equity capital. Acquisitions may cause disruptions to the operations of FLCT and divert management's attention away from day-to-day operations. All of the above factors may adversely affect FLCT's business, financial condition and results of operations.

There may be significant competition for attractive investment opportunities from other property investors, including other REITs, logistics and industrial, commercial office and/or business space and retail property companies and private investment funds. Potential sellers of real estate assets may view the necessity of raising equity capital to fund an acquisition negatively and may prefer other purchasers. There is no assurance that FLCT will be able to compete effectively against other property investors.

The proposed acquisition by FLCT of the ROFR Properties may require third party consents and there can be no assurance that such third parties will give such consent. For example, consents from regulatory authorities, financial institutions pursuant to covenants against sale or mortgages under the financing terms to the vendor may not be obtained at all or on terms that are satisfactory to the REIT Manager.

#### **Regulatory issues and changes in law and accounting standards may have an adverse impact on FLCT's business**

FLCT is subject to the usual business risks that there may be changes in laws that reduce its income or increase its costs. For example, there could be changes in tenancy laws that limit FLCT's recovery of certain property operating expenses, changes or increases in real estate taxes that cannot be recovered from FLCT's tenants or changes in environmental laws that require significant capital expenditure. There is no assurance that the MAS or any other relevant authority will not introduce new legislation, regulations, guidelines or directions which may adversely affect REITs generally or FLCT specifically.

There is no assurance that, in each of the jurisdictions in which FLCT operates, the governments in the respective countries will not pass further legislation which may impact landlords and the owners of properties adversely, for instance in the form of rental deferrals, rental reliefs, rent reductions and/or the passing on of rebates. Any actions taken by FLCT to support its tenants through such rental deferrals, rental reliefs, rent reductions or the passing on of rebates will affect the rental revenue earned from FLCT's Properties.

#### **Future acquisitions may not yield the returns expected, resulting in disruptions to FLCT's business, and may strain management resources**

FLCT's external acquisition growth strategy and its asset selection process may not be successful. There are risks associated with pursuing further acquisitions of industrial or logistics assets and successfully integrating them into FLCT's Portfolio. For example, the expected benefit, synergies or efficiencies from such acquisitions may take longer than expected to be achieved or may not be achieved at all. In addition, acquisitions may cause disruptions to FLCT's operations and divert management's attention away from day-to-day operations.



**FLCT may be unable to successfully integrate and operate acquired properties, which could have a material adverse effect on FLCT**

Even if FLCT is able to make acquisitions on favourable terms, its ability to successfully integrate and operate them is subject to the following significant risks:

- it may spend more than the budgeted amounts to make necessary improvements or renovations to acquired properties, as well as require substantial management time and attention;
- it may be unable to integrate new acquisitions quickly and efficiently, particularly acquisitions of operating businesses or portfolios of properties, into its existing operations;
- acquired properties may be subject to reassessment, which may result in higher than expected property tax payments;
- its tenant retention and lease renewal risks may be increased; and
- market conditions may result in higher than expected vacancy rates and lower than expected rental rates.

Any inability to integrate and operate acquired properties to meet FLCT's financial, operational and strategic expectations could have a material adverse effect on FLCT.

**The REIT Manager's strategy to perform asset enhancement initiatives on some of FLCT's Properties from time to time may not materialise**

The REIT Manager may from time to time perform asset enhancement initiatives on some of the Properties. There is no assurance that such plans for asset enhancement will materialise, or in the event that they do materialise, they may not achieve their desired results or may incur significant costs.

**FLCT's performance depends on certain key personnel and the loss of any key personnel may adversely affect its operations**

FLCT's performance depends, in part, upon the continued service and performance of the executive officers of the REIT Manager. These key personnel may leave the employment of the REIT Manager. If this were to occur in respect of any key personnel, the REIT Manager will need to spend time searching for a replacement and the duties which such executive officers are responsible for may be affected. The loss of any of these individuals could have a material adverse effect on the financial condition and the results of operations of FLCT.

**FLCT may not be able to manage its growth successfully**

There can be no assurance that FLCT will be able to grow successfully. FLCT's ability to achieve future growth will depend, *inter alia*, on its ability to acquire, develop or enhance its existing or new properties. FLCT will rely on a combination of internal cash flows and resources and external sources of funding to acquire, develop or enhance its existing or new properties, which may not be available on commercially reasonable terms or at all. Even if FLCT is successful in securing new assets or in developing or enhancing its existing assets, there can be no assurance that FLCT will be able to achieve the intended returns or generate the intended revenue from such assets. Furthermore, FLCT may face significant competition from other real estate companies or investors and managers of real estate assets in the acquisition, enhancement and management of logistics and industrial, CBD commercial and/or business park properties. There can be no assurance that FLCT will be able to compete effectively, or to secure such opportunities on commercially reasonable terms or at all.

The anticipated future growth in FLCT's business and assets may also challenge its managerial, operational, financial and other resources. The risks associated with FLCT's anticipated future growth include, *inter alia*, the increasing operating complexity of its business and the increasing responsibility of its management. In turn, this will require the continued development of financial and management controls and systems and FLCT's implementation of these systems across its business. Furthermore, FLCT may face additional challenges in ensuring that adequate internal controls and supervisory procedures are in place. If FLCT is unable to successfully manage the impact of FLCT's growth on FLCT's operational and managerial resources and control systems, this could have a material adverse effect on its business, financial condition or results of operations.

### **FLCT may from time to time be subject to legal proceedings and government proceedings**

Legal proceedings against FLCT and/or its subsidiaries relating to property management and disputes over tenancies may arise from time to time. There can be no assurance that FLCT and/or its subsidiaries will not be involved in such proceedings or that the outcome of these proceedings will not adversely affect the financial condition, results of operations or cash flows of FLCT.

### **FLCT is subject to interest rate fluctuations**

Some of FLCT's existing debt, and FLCT's future borrowings may, carry floating interest rates. Consequently, the interest cost to FLCT for such loans will be subject to fluctuations in interest rates. There is no certainty that interest rates will not increase to the detriment of FLCT, and the risk of increase in short-term interest rates may adversely affect the borrowings which are pegged to floating rates.

As part of FLCT's active capital management strategies, it has entered into some hedging transactions to partially mitigate the risk of such interest rate fluctuations. However, such hedging, or FLCT's hedging policy, may not adequately cover its exposure to interest rate fluctuations or any increase in interest rates in new loans or refinancing of existing loans.

Consequently, interest rate fluctuations could have a material adverse effect on the business, financial condition and results of operations of FLCT.

### **FLCT may engage in hedging transactions, which can limit gains and increase costs**

FLCT may enter into hedging transactions to protect itself from the effects of interest rate fluctuations on floating rate debt and exchange rate fluctuations. Hedging transactions may include entering into interest rate hedging instruments, purchasing or selling futures contracts, purchasing put and call options or entering into forward agreements. However, hedging may not always have the desired beneficial effect on the results of operations or financial condition of FLCT. No hedging activity can completely insulate FLCT from risks associated with changes in interest rates and exchange rates, and changes in foreign exchange rates, for example, may negatively affect FLCT's asset value. Moreover, interest rate hedging could fail to protect FLCT or adversely affect FLCT because, among other things:

- the available hedging may not correspond directly with the risk for which protection is sought;
- the nominal amount of the hedge may not match the amount of the related liability;
- the party owing money in the hedging transaction may default on its obligation to pay;
- the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs the ability of FLCT to sell or assign its side of the hedging transaction; and
- the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value. Downward adjustments and the significant loss in value of hedging instruments due to a write down to fair value would reduce the NAV of FLCT.

Hedging involves risks and typically involves costs, including transaction costs, which may reduce overall returns. These costs increase as the period covered by the hedging increases and during periods of rising and volatile interest rates. The REIT Manager regularly monitors the feasibility of engaging in such hedging transactions, taking into account the cost of such hedging transactions.

### **Possible change of investment strategies may adversely affect the business, financial condition and results of operation of FLCT**

The REIT Manager may from time to time amend the investment strategies of FLCT if it determines that such a change is in the best interest of FLCT. In the event of a change of investment strategies, the REIT Manager may, subject to the relevant laws, regulations and rules (including the Listing Manual), alter such investment strategies provided that it has given not less than 30 days' prior notice of the change to the REIT Trustee and Unitholders by way of an announcement on the SGX-ST. The methods of implementing FLCT's investment strategies may vary as new investment and financing techniques are developed or otherwise used. There are risks and uncertainties with respect to the selection of investments and with respect to the investments themselves. Such changes may adversely affect the business, financial condition and results of operations of FLCT.

**Occurrence of any acts of God, natural disasters, severe weather conditions, widespread communicable diseases, war, terrorist attacks, riots, civil commotions and other events beyond the control of FLCT may adversely and materially affect the business and operations of FLCT's Properties**

Acts of God, such as natural disasters, severe weather conditions, widespread communicable diseases, war, terrorist attacks, riots and civil commotions are beyond the control of FLCT or the REIT Manager. These may materially and adversely affect the economy, infrastructure and livelihood of the local population. FLCT's business and income available for distribution may be adversely affected should such acts of God occur. There is no assurance that any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, will not, directly or indirectly, have an adverse effect on the operations of the Properties.

In addition, physical damage to the Properties resulting from fire, earthquakes, flooding or other acts of God may lead to a significant disruption to the business and operation of the Properties which may result in an adverse impact on the business, financial condition and results of operations of FLCT and its capital growth.

**There is no assurance that FLCT will be able to leverage on the Sponsor's experience in the operation of its properties or the Sponsor's experience in the management of REITs**

As at 31 January 2021, the Sponsor holds approximately 22% of the Units, and is accordingly a controlling Unitholder. There is no assurance that the Sponsor will not dispose of all or part of its direct and indirect effective interest in the Units. In the event that the Sponsor decides to transfer or dispose of its Units or its shares in the REIT Manager, FLCT may no longer be able to leverage:

- the Sponsor's experience in the ownership and operation of its properties; or
- the Sponsor's financial strength, market reach and network of contacts to further its growth.

This may have a material and adverse impact on FLCT's business, financial condition and results of operations.

**FLCT's investment strategy may entail a higher level of risk as compared to other types of unit trusts that have a more diverse range of investments**

FLCT's investment strategy is to invest globally in a diversified portfolio of income-producing properties which are predominantly used for logistics or industrial purposes located globally, or commercial purposes (comprising primarily CBD office space) or business park purposes (comprising primarily non-CBD office space and/or research and development space) located in the Asia-Pacific region or in Europe (including the UK), with the current Portfolio in Australia, Germany, Singapore, the UK and the Netherlands. This investment strategy subjects FLCT to risks inherent in concentrating on real estate assets. The level of risk could be higher as compared to other types of unit trusts that have a more diverse range of investments in other sectors.

Any economic downturn may lead to a decline in occupancy for Properties or real estate-related assets in FLCT's Portfolio. This will affect FLCT's rental income from the Properties, and/or a decline in the capital value of FLCT's Portfolio, which will have an adverse impact on the business, financial condition and results of operations of FLCT.

**FLCT relies on information technology in its operations, and any material failure, inadequacy, interruption or security failure of that technology could adversely and materially affect the business and operations of FLCT**

FLCT relies on information technology networks and systems, including the Internet, to process, transmit and store electronic information and to manage or support a variety of its business processes, including financial transactions and maintenance of records, which may include personally identifiable information of tenants and lease data. FLCT relies on commercially available systems, software, tools and monitoring to provide security for processing, transmitting and storing confidential tenant information, such as individually identifiable information relating to financial accounts. Although FLCT has implemented procedures to mitigate technology risk and will continue to take steps to protect the security of the data maintained in its information systems, it is possible that such security measures will not be able to prevent the systems' improper functioning, or the improper disclosure of personally identifiable

information such as in the event of cyberattacks, phishing and malicious software such as ransomware. Security breaches, including physical or electronic break-ins, computer viruses, attacks by hackers and similar breaches, can create system disruptions, shutdowns or unauthorised disclosure of confidential information. Any failure to maintain proper function, security and availability of FLCT's information systems could interrupt its operations, damage its reputation, subject FLCT to liability claims or regulatory penalties, which could in turn affect the Issuer's ability to fulfill its obligations under the Securities.

**The Sponsor will be able to exercise influence over certain activities of FLCT through its shareholding in the REIT Manager. There may be potential conflicts of interest between FLCT, the REIT Manager and the Sponsor**

The Sponsor's principal business is focused on, among others, the operation and enhancement of logistics and industrial, CBD commercial and business park properties. As at 31 January 2021, the Sponsor holds approximately 22% of the Units.

The REIT Manager is a wholly-owned subsidiary of the Sponsor. Accordingly, the Sponsor may be able to exercise influence over the activities of FLCT through the REIT Manager.

Further, the Australian Property Manager, the Germany & Netherlands Property Manager, the Singapore Property Manager and the UK Manager are all wholly-owned subsidiaries of the Sponsor, and have been appointed to manage the Properties as well as all future properties to be acquired by FLCT.

If the Australian Property Manager, the Germany & Netherlands Property Manager, the Singapore Property Manager or the UK Property Manager, as the case may be, were to manage a property which competes with the Properties, there can be no assurance that the Australian Property Manager, the Germany & Netherlands Property Manager or the Singapore Property Manager, as the case may be, will not favour properties in the Sponsor's own property portfolio over those owned by FLCT when providing leasing services to FLCT, which could lead to lower occupancy rates and/or lower rental income for the Properties owned by FLCT as a whole.

Moreover, the Sponsor and its related corporations may in the future sponsor, manage or invest in other REITs or other special purpose vehicles which may also compete directly with FLCT. There can be no assurance that conflicts of interest will not arise between FLCT and the Sponsor and its related corporations in the future, whether in relation to the future acquisition of properties or in relation to competition for tenants.

**RISKS RELATING TO THE JURISDICTIONS WHICH FLCT OPERATES IN**

**FLCT may be adversely affected by global economic and real estate market conditions, as well as changes in regulatory, fiscal and other governmental policies in Australia, Germany, the UK, Singapore and the Netherlands**

An economic decline in the jurisdictions in which the Properties are located could adversely affect FLCT's results of operations and future growth. The global credit markets have experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries. While there have been periods of stability in these markets, the environment has become more unpredictable. The effect of Brexit remains uncertain, and it is unclear the extent of the impact that Brexit would have on the fiscal, monetary and regulatory landscape within the UK, the European Union and globally. Brexit has and may continue to have a negative economic impact and increase volatility in the global market. Global trade wars may also impinge upon the health of the global financial system and disrupt supply chains. Further, as a result of the COVID-19 pandemic, the Ministry of Trade and Industry of Singapore expects GDP to contract between 6% and 6.5% in 2020<sup>5</sup>. In Australia, the Reserve Bank of Australia expects GDP to contract by approximately 4% in 2020, and forecasts GDP to grow by 5% over 2021 and 4% in 2022<sup>6</sup>. In Europe, the German, British and Dutch economies are expected to contract in 2020, with growth forecast in 2021<sup>7</sup>.

<sup>5</sup> "MTI Forecasts GDP Growth of "-6.5 to -6.0 Per cent" in 2020 and "+4.0 to +6.0 Per Cent" in 2021, Ministry of Trade and Industry, Singapore, 23 November 2020.

<sup>6</sup> "Statement of Monetary Policy Decision", Reserve Bank of Australia, 5 November 2020.

<sup>7</sup> "Industrial & Logistics Leasing & Investment Market: Germany", Colliers International, 3Q2020 and "Industrial & Logistics Leasing & Investment Market: The Netherlands", Colliers International, 3Q2020.

Economic factors, including, without limitation, changes in interest rates and inflation, changes in gross domestic product, economic growth, employment levels and consumer spending, consumer and investment sentiment, property market volatility and the availability of debt and equity capital could adversely affect the business, financial condition and results of operations of FLCT. The ongoing COVID-19 pandemic has had a significant adverse impact on the global economy. See “*Risk Factors – Risks Relating to FLCT’s Business and Operations – The outbreak of an infectious disease or any other serious public health concerns could adversely impact FLCT’s business, financial condition and results of operation*”.

In recent years, the global economy and global financial markets have experienced significant volatility as a result of, among other things:

- the occurrence of several health epidemics, such as the COVID-19 pandemic;
- a deterioration in economic and trade relations between the U.S. and China, as well as between Australia and China;
- interest rate fluctuations as well as changes in policy rates by the U.S. Federal Reserve and other central banks;
- uncertainties resulting from Brexit;
- the slowdown of economic growth in China and other major emerging market economies; and
- volatility in oil prices.

These events could adversely affect FLCT insofar as they result in:

- a negative impact on the ability of the tenants of the Properties to pay their rents or fees in a timely manner or continuing their leases, thus reducing FLCT’s cash flows;
- a decline in the demand for leased space for logistics and industrial, CBD commercial and/or business park purposes across Australia, Germany, the UK, Singapore and the Netherlands and the rental rates that can be charged when leases are renewed or new leases entered into, as compared to rental rates that are currently charged;
- decreases in valuations of FLCT’s Properties resulting from deteriorating operating cash flow and/or widening capitalisation rates;
- access to capital markets becoming more difficult, expensive or impossible resulting in an adverse effect on FLCT’s ability to obtain debt capital to fund its operations, meet its obligations, purchase additional properties or otherwise conduct its business;
- decreases in rental or occupancy rates for logistics and industrial, CBD commercial and/or business park properties;
- an adverse effect on the cost of funding FLCT’s business;
- an increase in counterparty risk (being the risk of monetary loss which FLCT may be exposed to if any of its counterparties encounters difficulty in meeting its obligations under the terms of its respective transaction); and/or
- an increased likelihood that one or more of (i) FLCT’s banking syndicates (if any), (ii) banks or insurers, as the case may be, providing bankers’ guarantees or performance bonds for the rental deposits or other types of deposits relating to or in connection with the Properties or FLCT’s operations or (iii) FLCT’s insurers, may be unable to honour their commitments to FLCT.

Investment in logistics and industrial, CBD commercial and/or business park properties in other countries will expose FLCT to additional local real estate market conditions. Other real estate market conditions which may adversely affect the performance of FLCT include the attractiveness of competing logistics and industrial, CBD commercial and/or business park properties or an oversupply or reduced demand for such properties.

Furthermore, FLCT will be subject to real estate laws, regulations and policies as a result of its property investments in the jurisdictions in which the Properties are located. Measures and policies adopted by the respective governments and regulatory authorities at national, provincial or local levels, such as government control over property investments or foreign exchange regulations, might negatively impact the Properties.

### **FLCT may be exposed to risks associated with exchange rate fluctuations and changes in foreign exchange regulations**

FLCT's reporting currency for the purposes of its financial statements is Singapore dollars. However, FLCT also owns properties in Australia, Europe and the UK and may generate revenue and incur operating costs in non-Singapore dollar denominated currencies, such as the Australian dollar, Euro and British Pound. The assets and liabilities of foreign operations are translated into Singapore dollars at exchange rates at reporting date. The income and expenses of foreign operations are translated to Singapore dollars at rates of exchange approximating the transaction date. FLCT recognises foreign currency gains or losses arising from its operations in the period incurred. As a result, currency fluctuations between the Singapore dollar and the non-Singapore dollar currencies in which FLCT does business or proposes to do business will cause FLCT to incur foreign currency exchange gains and losses.

The value of the foreign currencies fluctuates and is affected by changes in foreign exchange regulations in the respective jurisdiction and international political and economic conditions and by many other factors. FLCT cannot predict the effects of exchange rate fluctuations upon its future operating results because of the number of currencies involved, the variability of currency exposure and the potential volatility of foreign exchange rates. FLCT is also subject to exchange controls in the jurisdictions in which FLCT operates.

### **The laws, regulations and accounting standards in the jurisdictions in which the Properties are located may change**

The laws, regulations (including tax laws and regulations) and/or accounting standards in the jurisdictions in which the Properties are located are subject to change. New laws and regulations may also be introduced in these jurisdictions. As a result, the financial statements of FLCT may be affected by these changes. The extent and timing of these changes in accounting standards are currently unknown and subject to confirmation by the relevant authorities. The REIT Manager has not quantified the effects of these proposed changes and there can be no assurance that these changes will not have a significant impact on the presentation of FLCT's financial statements or on FLCT's results of operations. There can be no assurance that any such changes to laws, regulations and accounting standards will not materially and adversely affect the business, financial condition and results of operations of FLCT.

## **RISKS RELATING TO AUSTRALIA**

### **FLCT is exposed to risks relating to the Australian taxation regime**

Australia maintains a complex tax system relating to the taxation of trusts, which is subject to change.

In broad terms, a public unit trust (e.g. trusts beneficially owned by certain listed trusts) will be taxed as a company where the trust constitutes a trading trust. A trust will be a trading trust where the trust's business does not consist wholly of "eligible investment business" or the trust controls or is able to control the affairs or operations of another person in respect of the carrying on of a business that is not an "eligible investment business" at any time during an income year. "Eligible investment business" includes, among other things, investing in land for the purpose of deriving rent and investing or trading in units in a unit trust.

Furthermore, a trust will be unable to qualify as an MIT if it is a trading trust at any time during an income year.

These are annual tests. While FLCT may seek professional advice to ensure that its relevant Australian unit trusts do not become trading trusts, there is no assurance that the Australian Taxation Office (“ATO”) will not take a different view.

Further, Australia has been going through a period of significant tax reform. Tax reform may result in changes to tax legislation which may adversely impact the acquisition and holding structure which HAUT has adopted in relation to its properties in Australia. To date, the proposed changes announced include (but are not limited to):

- **MIT Taxation Regime**

The former Australian Government announced a new tax system for MITs on 7 May 2010. The tax legislation has been amended to introduce the MIT reforms, which themselves have been the subject of further amendments and Australian Taxation Office guidance.

- **AMIT Taxation Regime**

Continuing the measures announced in 2010, the Australian Parliament has enacted a special taxing regime applicable to attribution managed investment trusts (“AMITs”).

- **Foreign Resident Investor Reforms**

The Australian Government released an integrity package in 2018 to tighten the tax concessions given to foreign resident investors. The Australian Parliament has recently enacted legislation to restrict access to the 15% MIT withholding rate for “non-concessional MIT income”. This includes certain income distributed by stapled structures and certain other structures where there is substantial common ownership between an asset entity and an operating entity, or distributed by a trading trust, and income from agricultural land and residential housing (other than affordable housing).

- **Broader Trusts Reform**

On 21 November 2011, the former Australian Government released a consultation paper on the modernisation of the taxation of trusts more generally. However, the status of these reforms is currently unclear.

To qualify as an MIT and to enjoy preferential Australian withholding tax rates, there are several conditions that must be met and among other requirements, no individual (who is not a resident of Australia) (“**Foreign Resident Individual**”), their relatives and their nominees can directly or indirectly hold, control or have the right to acquire an interest of 10.0% or more in FLCT (and therefore, the HAUT) at any time during the income year.

Notwithstanding the Unit Ownership Limit and the Forfeiture Mechanism, the HAUT may not qualify for MIT treatment in the event that a Foreign Resident Individual, their relatives or nominees have an interest in excess of the Unit Ownership Limit that is not remedied by the Forfeiture Mechanism, for example, if a Foreign Resident Individual holds Units through multiple Unitholders. FLCT will monitor investor percentage holdings to determine whether this requirement is met in respect of each year in which the HAUT wishes to qualify as an MIT notwithstanding the Unit Ownership Limit and the Forfeiture Mechanism. Where the HAUT does not qualify for MIT treatment, the distributions would be subject to Australian tax at 30.0% (where the unitholder is a company) or 47.0% (where the unitholder is a trust). This will have an adverse impact on the income of FLCT.

**There are limitations on the ownership of Units in FLCT which may affect the ability of FLCT to raise funds from the equity capital markets.**

Ownership of Units in FLCT is subject to certain restrictions. This may affect the ability of FLCT to raise funds from the equity capital market as explained below.

## FLCT not an Australian Land Trust

FLCT would be considered an ALT under Australia's foreign investment regime, if the value of its interests in Australian land exceeds 50.0 per cent. of the value of its total assets. If FLCT is not an ALT, the regular business thresholds would apply to acquisitions of substantial interests (an interest of 20 per cent. or more) by foreign persons<sup>8</sup> of units in FLCT (being, A\$281 million or A\$1,216 million for certain agreement country investors).

Where an investor is a Foreign Government Investor<sup>9</sup> and acquires a direct interest (an interest of 10 per cent. or more) in FLCT, FIRB<sup>10</sup> Approval<sup>11</sup> would be required prior to the acquisition of the Units (as a \$0 monetary threshold applies).

Where an investor is a foreign person that is not a Foreign Government Investor, notification to the Australian Treasurer and receipt of FIRB Approval is not mandatory prior to the acquisition of a substantial interest of the Units, assuming that the acquisition falls below the applicable monetary thresholds under FATA. In this circumstance, the notification to the Australian Treasurer may be made on a voluntary basis as a reviewable national security action. However, the Australian Treasurer may still exercise power if they consider the acquisition to be contrary to the national interest or exercise the "call-in" power where the Australian Treasurer considers that the action may pose national security concerns.

## FLCT as an Australian Land Trust

FLCT would be considered an ALT under Australia's foreign investment regime, if the value of its interests in Australian land exceeds 50.0 per cent. of the value of its total assets. FLCT's commercial, industrial and logistics assets in Australia are interests in Australian land. Under Australia's foreign investment regime, acquisitions by foreign persons individually, or together with associates<sup>12</sup> (including Foreign Government Investors) of interests of less than 10.0 per cent. in a listed ALT, where the foreign persons are not in a position to influence or participate in the central management and control of the ALT or to influence, participate in, or determine the policy of the ALT, will be exempt from the requirement to obtain FIRB Approval.

This exemption does not apply where:

- a foreign person (and its associates) acquires an interest in an ALT and, after the acquisition, holds at least 10 per cent. in the ALT, and the total value of interests in Australian residential land, vacant commercial land and/or mining and production tenements that are held by the ALT is 10 per cent. or more of the value of the total assets of the ALT;

<sup>8</sup> A "foreign person" is defined broadly in the FATA and includes:

- (a) an individual not ordinarily resident in Australia;
- (b) a corporation in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest (20 per cent. or more held solely or together with associates);
- (c) a corporation in which two or more persons, each of whom is either an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest (40 per cent. or more including associate holdings);
- (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 per cent. or more held solely or together with associates); or
- (e) the trustee of a trust in which two 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 per cent. or more including associate holdings); or
- (f) a foreign government;
- (g) any other person, or any other person that meets the conditions, prescribed by the regulations.

<sup>9</sup> A "Foreign Government Investor" is defined as:

- (a) a foreign government or separate government entity; or
- (b) a corporation, trustee of a trust, or general partner of a limited partnership in which:
  - (i) a foreign government or separate government entity, alone or together with one or more associates, holds an interest of at least 20.0 per cent.; or
  - (ii) foreign governments or separate government entities of more than one foreign country (or parts of more than one foreign country), together with any one or more associates, hold an interest of at least 40.0 per cent; or
- (c) a corporation, trustee or partner of a kind described in paragraph (b) above, assuming the references to foreign government(s) in those paragraphs included references to foreign government investor(s).

<sup>10</sup> "FIRB" refers to the Foreign Investment Review Board of Australia.

<sup>11</sup> "FIRB Approval" refers to the requirement under Australia's foreign investment regime for investors in the Units who are "foreign persons" to notify and receive a prior no objections notification to such investment.

<sup>12</sup> "Associate", in this context, has the meaning ascribed to it in the FATA. The definition of "associate" under the FATA is different to the definition of "associate" under the Listing Manual. References to "associate" in respect to the FATA should be construed accordingly.



- a foreign person (and its associates) acquires an interest in an ALT and, after the acquisition, holds at least 10 per cent. in the ALT and:
  - the total value of interests in Australian residential land, vacant commercial land and/or mining and production tenements that are held by the ALT is less than 10 per cent. of the value of the total assets of the ALT;
  - if the ALT holds sensitive land, the value of the interests of the foreign person (and its associates) is A\$61.0 million (or in the case of certain agreement country investors, A\$1,216 million) or more; and
  - if the ALT does not hold sensitive land, the value of the interests of the foreign person (and its associates) is A\$281 million (or, in the case of agreement country investors, A\$1,216 million) or more; or
- a Foreign Government Investor (including with its associates) acquires an interest in an ALT and after the acquisition they hold 10.0 per cent. or more, regardless of value in the ALT.

Foreign persons proposing to make an acquisition that is not exempt will be required under the FATA to notify the Australian Treasurer (through FIRB) and obtain FIRB Approval for such investment.

The breach of the notification requirement and failure to obtain prior approval may be an offence under Australian law which could result in a fine or imprisonment. If the Australian Treasurer considers the proposal to be contrary to Australia's national interest, the Australian Treasurer has powers under the FATA to make adverse orders including the prohibition of a proposal or ordering disposal of an interest acquired.

As at 30 September 2020, FLCT's interests in Australian land and their market values relative to the total value of FLCT's assets is 44.8 per cent. of its total assets (based on the independent valuations as at 30 September 2020). Consequently, FLCT is not considered to be an ALT. In the event that the value of FLCT's interests in Australian land subsequently exceeds 50.0 per cent. of the value of its total assets, investors who acquire Units on the secondary market where the value of the interest held after the acquisition is greater than A\$61.0 million (or A\$1,216 million for certain agreement country investors) and represents more than 10.0 per cent. interest post-Listing will be considered to be making an acquisition of an interest in an ALT that will require FIRB Approval.

A purchaser of Units in FLCT, or existing Unitholders (who do not fall within the exemptions) adding to their existing interest in 10.0 per cent. or more of the issued Units of FLCT where the total value of the interest held after the acquisition exceeds A\$61.0 million (or A\$1,216 million for certain agreement country investors) would need to provide prior notice to the Australian Treasurer (through the FIRB), seeking FIRB Approval to the proposed acquisition of Units in FLCT.

Where an investor is required to obtain FIRB Approval to acquire an interest in FLCT and fails to do so, this could have an adverse impact on applications by FLCT seeking FIRB Approval in relation to proposed acquisitions by it that are notifiable in Australia.

As at 30 September 2020, FLCT is not considered to be an ALT as its interests in Australian land and their market values relative to the total value of FLCT's assets is 44.8 per cent. of its total assets (based on the independent valuations as at 30 September 2020). As at 30 September 2020, FLCT holds gross Australian assets of approximately S\$3,019.8 million, which is above the current applicable FATA threshold of A\$281.0 million. If FLCT is not an ALT, but its total Australian asset value or the total issued securities value (whichever is higher) is above the applicable threshold under the FATA (which is currently A\$281.0 million or A\$1,216.0 million in the case of certain agreement country investors, noting that the lower threshold still applies for investments into sensitive businesses) at the time of acquisition, all investors (i) who are foreign persons and (ii) who are acquiring a substantial interest (20 per cent. or more held solely or together with associates) in FLCT or have a substantial interest (20 per cent. or more held solely or together with associates) and increase their holding, will require FIRB Approval.

The REIT Manager will announce the proportion which FLCT's interests in Australian land represents compared to FLCT's total assets when they release the periodic announcements of the financial statements for FLCT.

It is the responsibility of any person who wishes to acquire Units to satisfy themselves as to their compliance with the FATA, regulations made under the FATA, guidelines issued by the FIRB and with any other necessary approval and registration requirement or formality, before acquiring any Units. If a Unitholder does not comply with the FATA or in certain circumstances where an action may be notified to FIRB on a voluntary basis (but is not mandatorily notifiable), the Australian Treasurer has powers under the FATA to make adverse orders in respect of an acquisition if he considers it to be contrary to Australia's national interest or "call-in" a transaction for review where the Australian Treasurer considers that the action may pose national security concerns. The adverse orders include an order to prohibit a proposal that has not yet occurred, or to order disposal of an interest that has occurred. See "*Overview of Relevant Laws and Regulations in Australia*" for further details.

In addition, the classification of FLCT as an ALT may impact the market for the trading of the Units including affecting the liquidity of the Units due to the potential risk of an offence regarding the acquisition of an interest in an ALT without prior notification and obtaining FIRB Approval.

Unitholders are also subject to the Unit Ownership Limit which ensures that the HAUT or such other trusts acquired or established by FLCT in Australia continue to qualify as a MIT, where such Australian trust would otherwise qualify as a MIT.

Absent any exemption or waiver of the Unit Ownership Limit (which can be granted by the REIT Manager if such ownership would not impact the MIT qualification of the HAUT or such other trusts acquired or established by FLCT in Australia, where such Australian trust would otherwise qualify as a MIT) or save in the situation where the Take-Over Exception<sup>13</sup> applies, Units acquired or held in excess of the Unit Ownership Limit will be subject to the Forfeiture Mechanism, the Unitholder's rights to distributions in respect of such Excess Units and to vote would terminate.

Such restrictions on the ownership of Units in FLCT may affect FLCT's ability to raise funds from the equity capital markets, which in turn may have an adverse impact on the business, financial condition, operations and prospects of FLCT.

## **RISKS RELATING TO INVESTING IN REAL ESTATE**

### **There are general risks attached to investments in real estate**

Investments in real estate and therefore the income generated from the Properties are subject to various risks, including but not limited to:

- adverse changes in political or economic conditions;
- adverse local and international economies and real estate market conditions (such as oversupply of properties or reduction in demand for properties in the markets in which FLCT operates);
- the financial condition of tenants of the Properties;
- the availability of financing such as changes in availability of debt or equity financing, which may result in an inability by FLCT to finance future acquisitions on favourable terms or at all;
- changes in interest rates and other operating expenses;
- changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and government charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance. Rights related to the Properties may also be restricted by legislative actions, such as revisions to the laws relating to building standards or town planning laws, or the enactment of new laws related to condemnation and redevelopment;

<sup>13</sup> "Take-Over Exception" refers to a situation where a general offer for Units in accordance with Rule 14 or Rule 15, as the case may be, of the Singapore Code on Take-overs and Mergers becomes or is declared unconditional in all respects or a scheme of arrangement or trust scheme in relation to Units in accordance with the Singapore Code on Take-overs and Mergers that becomes effective in accordance with its terms whereby the Forfeiture Mechanism would not apply. For the avoidance of doubt, without prejudice to the other provisions in the Trust Deed (including for example the foregoing application of the Take-Over Exception and the application of the Unit Ownership Limit), separate on and off-market acquisitions of the Units by the offeror during the offer period do not fall within the Take-Over Exception and will be subject to the Forfeiture Mechanism.

- environmental claims in respect of real estate;
- changes in market rental rates;
- changes in energy prices;
- changes in the relative popularity of real estate which are predominantly used for logistics, industrial or commercial purposes and locations leading to an oversupply of space or a reduction in customer demand for a particular type of logistics, industrial or commercial property in a given market;
- competition among property owners for tenants which may lead to vacancies or an inability to rent space on favourable terms;
- inability to renew leases or re-let space as existing leases expire;
- the amount and extent to which tenants require a waiver of interest on late payment of rent;
- an inability to collect rents from tenants of the Properties on a timely basis or at all due to bankruptcy or insolvency of the tenants or otherwise;
- insufficiency of insurance coverage or increases in insurance premiums for the Properties;
- increases in the rate of inflation;
- an inability of the Property Managers to provide or procure the provision of adequate maintenance and other services;
- defects affecting the Properties which need to be rectified, or other required repair and maintenance of the Properties, leading to unforeseen capital expenditure;
- the need to renovate and repair areas of the Properties periodically;
- the relative illiquidity of real estate investments;
- fluctuations in the value of real estate;
- considerable dependence on cash flows for the maintenance of, and improvements to, the Properties;
- increased operating costs, including real estate taxes;
- any defects in or illegal structures on the Properties that were not uncovered by physical inspection or due diligence review;
- the management style and strategy of the REIT Manager;
- the attractiveness of the Properties to current and potential tenants;
- the cost of regulatory compliance;
- the ability to rent out the Properties on favourable terms; and
- the occurrence of power supply failures, acts of God, wars, terrorist attacks, riots, civil commotions, epidemic diseases (such as the spread of COVID-19, Ebola virus, MERS, SARS, Influenza A (H1N1), the Zika virus and other widespread communicable diseases), natural disasters, uninsurable losses and other events beyond the control of the REIT Manager.

Many of these factors may cause fluctuations in occupancy rates, rental rates or operating expenses, causing a negative effect on the value of real estate and income derived from real estate. The annual valuation of the Properties will reflect such factors and as a result may fluctuate upwards or downwards. The capital value of FLCT's real estate assets may be significantly diminished in the event of a sudden downturn in real estate market prices or the global economy, which may adversely affect the financial condition of FLCT.

**FLCT may be subject to taxes arising from investments in local or foreign assets and changes thereto arising from changes in tax laws and regulations**

Income and gains derived from investments in real estate assets and real estate-related assets in foreign countries may be subject to various types of taxes both in Singapore and in the relevant foreign countries. These include income tax, withholding tax, capital gains tax and other taxes specifically imposed for the ownership of such assets. All these taxes, which are also subject to changes in laws and regulations, as well as changes in the interpretation and/or application of such laws and regulations, that may lead to an increase in tax rates or the introduction of new taxes or changes to the tax treatment, could adversely affect and erode the returns from the Properties. This may adversely affect FLCT's results of operations.

Furthermore, there could be delays in the completion of the tax assessment of Properties by the relevant tax authorities. Some of the relevant tax authorities may conduct tax audits from time to time on FLCT's Properties. While it is not possible to anticipate the occurrence, frequency, nature and impact of such tax audits, it is possible that these tax authorities may challenge certain tax positions of FLCT. If FLCT entities holding Properties are unable to obtain a tax audit clearance by such tax authorities or if the results of the tax audit are unfavourable, this may adversely affect FLCT's ability to finance its obligations under the Securities and FLCT may be required to obtain other financing to satisfy its obligations under the Securities. If FLCT is unable to obtain financing on acceptable terms or it has reached its Aggregate Leverage Limit imposed by the Property Funds Appendix, the amount and timing of payments on the Securities could be adversely affected.

**FLCT may suffer higher taxes if any of its current or future subsidiaries are treated as having a taxable presence or permanent establishment outside their place of incorporation and place of tax residency**

If any of FLCT or its current or future subsidiaries are considered as having a taxable presence or permanent establishment outside its place of incorporation and place of tax residency, their income or gains may be subject to additional taxes which may have an adverse impact on FLCT and its subsidiaries' financial condition.

**FLCT may be adversely affected by the illiquidity of real estate investments**

FLCT's investment strategy of principally investing globally in a diversified portfolio of income-producing properties which are predominantly used for logistics or industrial purposes located globally, or commercial purposes (comprising primarily CBD office space) or business park purposes (comprising primarily non-CBD office space and/or research and development space) located in the Asia-Pacific region or in Europe (including the UK), involves a higher level of risk as compared to a portfolio which has a more diverse range of investments. Real estate investments are relatively illiquid and such illiquidity may affect FLCT's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, property market or other conditions. FLCT may be unable to sell its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets in order to ensure a quick sale. FLCT may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. These factors could have an adverse effect on FLCT's financial condition and results of operations.

**FLCT's financial condition and results of operations may be adversely affected by increases in direct expenses and other operating expenses**

FLCT's financial condition and results of operations could be adversely affected if direct expenses and other operating expenses increase (save for such expenses which FLCT is not responsible for pursuant to the lease) without a corresponding increase in revenue.

Factors which could lead to an increase in expenses include, but are not limited to, the following:

- increases in property tax assessments and other statutory charges;
- changes in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies;
- expenses incurred for building improvement and remediation works in response to prevailing industry standards, evolving building codes and Environmental, Social and Governance guidelines and initiatives;
- changes in direct or indirect tax policies, laws or regulations;
- increases in sub-contracted service costs;
- increases in labour costs;
- increases in repair and maintenance costs;
- increases in the rate of inflation;
- defects affecting, or environmental pollution in connection with, the Properties which need to be rectified;
- increases in insurance premiums; and
- increases in the cost of utilities.

**The rate of increase in rentals (if any) of FLCT's Properties may be less than the inflation rate**

The rate of increase in rentals (if any) of the Properties may be less than the inflation rate and therefore an investment in FLCT may not provide an effective hedge against inflation.

**RISKS RELATING TO THE SECURITIES ISSUED UNDER THE PROGRAMME**

**The Securities may not be a suitable investment for all investors**

Each potential investor in any Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Securities, the merits and risks of investing in the relevant Securities and the information contained or incorporated by reference in this Offering Circular, any applicable supplement to this Offering Circular or any Pricing Supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Securities and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Securities, including where principal, interest or distribution is payable in one or more currencies, or where the currency for principal, interest or distribution payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Securities and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Securities may be complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to the purchaser's overall portfolios. A potential investor should not invest in Securities which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Securities will perform under changing conditions, the resulting effects on the value of such Securities and the impact this investment will have on the potential investor's overall investment portfolio.

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Securities are legal investments for it, (2) the Securities can be used as collateral for various types of borrowing, and (3) other restrictions apply to its purchase of any Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Securities under any applicable risk-based capital or similar rules.

### **Modification and waivers**

The Conditions contain provisions for calling meetings of Securityholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Securityholders including Securityholders who did not attend and vote at the relevant meeting and Securityholders who voted in a manner contrary to the majority.

The Conditions also provide that the Trustee may (but is not obliged to) agree, without the consent of the Securityholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed or the Note (AMTN) Deed Poll or any Conditions of the Securities which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with any mandatory provision of law or as required by Euroclear and/or Clearstream, CDP and/or the Austraclear System and/or any other clearing system in or through which the Securities may be held, and (ii) any other modification to the Trust Deed, the Note (AMTN) Deed Poll or the Conditions of the Securities (except as mentioned in the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll) which is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders, and (iii) any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, the Note (AMTN) Deed Poll, the Agency Agreement or the Conditions which is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders. Any such modification shall be binding on the Securityholders and the Couponholders and, unless the Trustee otherwise agrees, such modification, waiver or authorisation shall be notified by the relevant Issuer to the Securityholders as soon as practicable.

### **Singapore taxation**

The Notes to be issued from time to time under the Programme during the period from the date of this Offering Circular to 31 December 2023 are intended to be "qualifying debt securities" for the purposes of the ITA, subject to the fulfilment of certain conditions more particularly described in the section "*Taxation – Singapore Taxation*". However, there is no assurance that such Notes will continue to enjoy the tax concessions in connection therewith should the relevant tax laws or MAS circulars be amended or revoked at any time.

### **Application of Singapore insolvency and related laws to the Issuers and/or the Guarantor may result in a material adverse effect on the Securityholders**

There can be no assurance that the Issuers or the Guarantor will not become bankrupt, unable to pay its debts or insolvent or the subject of judicial management, schemes of arrangement, winding-up or liquidation orders or other insolvency-related proceedings or procedures. In the event of an insolvency or near insolvency of the Issuers or the Guarantor, the application of certain provisions of Singapore insolvency and related laws may have a material adverse effect on the Securityholders. Without being exhaustive, below are some matters that could have a material adverse effect on the Securityholders. Where either of the Issuers or the Guarantor is insolvent and undergoes certain insolvency procedures, there may be a moratorium against actions and proceedings which may apply in the case of judicial management, schemes of arrangement and/or winding-up in relation to the relevant Issuer or, as the case may be, the Guarantor. It may also be possible that if a company related to the Issuers or the Guarantor

proposes a creditor scheme of arrangement and obtains an order for a moratorium, the relevant Issuer or, as the case may be, the Guarantor, may also seek a moratorium even if the relevant Issuer or, as the case may be, the Guarantor, is not in itself proposing a scheme of arrangement. These moratoriums can be lifted with court permission and in the case of judicial management, either with court permission or if so permitted by the judicial manager. Accordingly, if for instance there is any need for the Trustee to bring an action against Issuer or, as the case may be, the Guarantor, the need to obtain court permission (or in the case of judicial management) the judicial manager's consent may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

Further, Securityholders may be made subject to a binding scheme of arrangement where the majority in number representing 75% in value of creditors and the court approve such scheme. In respect of company-initiated creditor schemes of arrangement, there are cram-down provisions that may apply to a dissenting class of creditors. The court may, notwithstanding a single class of dissenting creditors, approve a scheme provided an overall majority in number representing 75% in value of the creditors meant to be bound by the scheme have agreed to it and provided that the scheme does not unfairly discriminate and is fair and equitable to each dissenting class and the court is of the view that it is appropriate to approve the scheme. In such scenarios, Securityholders may be bound by a scheme of arrangement to which they may have dissented.

The Insolvency, Restructuring and Dissolution Act 2018 (Act 40 of 2018) (the “**IRD Act**”) was passed in Parliament of Singapore on 1 October 2018 and came into force on 30 July 2020. The IRD Act includes a prohibition against terminating, amending or claiming an accelerated payment or forfeiture of the term under, any agreement (including a security agreement) with a company that commences certain insolvency or rescue proceedings (and before the conclusion of such proceedings), by reason only that the proceedings are commenced or that the company is insolvent. This prohibition is not expected to apply to any contract or agreement that is, or that is directly connected with, the Securities. However, it may apply to related contracts that are not found to be directly connected with the Securities.

#### **Legal investment considerations may restrict certain investments**

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should seek independent legal advice to determine whether and to what extent (1) Securities are legal investments for the potential investor, (2) Securities can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Securities under any applicable risk-based capital or similar rules.

#### **A change in the law which governs the Securities may adversely affect Securityholders**

The Conditions of the Securities (other than the terms and conditions for AMTNs) will be governed by English law (save for the provisions relating to Subordinated Perpetual Securities in Condition 3(b) of the Perpetual Securities which shall be governed by and construed in accordance with the Singapore law) or Singapore law (as specified in the applicable Pricing Supplement) and, in the case of AMTNs, the law of New South Wales, Australia. No assurance can be given as to the impact of any possible judicial decision or change to English law, Singapore law or Australian law or administrative practice after the date of the date of issue of the relevant Tranche of Securities.

#### **The Guarantee provided by the Guarantor will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defences that may limit its validity and enforceability**

The Guarantee given by the Guarantor provides holders of Securities with a direct claim against the Guarantor in respect of FLCT Treasury's obligations under the Securities. Enforcement of the Guarantee would be subject to certain generally available defences. Local laws and defences may vary, and may include those that relate to corporate benefit (*ultra vires*), fraudulent conveyance or transfer (*action pauliana*), voidable preference, financial assistance, corporate purpose, liability in tort, subordination and capital maintenance or similar laws and concepts. They may also include regulations or defences which affect the rights of creditors generally.

If a court were to find the Guarantee given by the Guarantor, or a portion thereof, void or unenforceable as a result of such local laws or defence, or to the extent that agreed limitations on guarantees apply, holders would cease to have any claim in respect of the Guarantor and would be creditors solely of FLCT Treasury and, if payment had already been made under the Guarantee, the court could require that the recipient return the payment to the Guarantor.

### **Enforcement of the Guarantee**

Securityholders should note that the Guarantee is issued by the Guarantor, and not FLCT, since FLCT is not a legal entity. Securityholders should note that under the terms of the Guarantee, Securityholders shall only have recourse in respect of the Guarantee to the assets comprised in FLCT which Perpetual (Asia) Limited (in its capacity as trustee of FLCT) has recourse to under the trust deed dated 30 November 2015, as amended by a first amending and restating deed dated 2 June 2016 and as further amended pursuant to the supplemental deeds dated 10 June 2016, 28 October 2016, 25 January 2018, 1 April 2019, 17 January 2020 and 29 April 2020 constituting FLCT (the “**FLCT Trust Deed**”) and not to Perpetual (Asia) Limited personally nor any other properties held by Perpetual (Asia) Limited as trustee of any trust (other than FLCT). Further, Securityholders do not have direct access to the assets comprised in FLCT but can only gain access to such assets through the Guarantor and, if necessary, seek to subrogate to the Guarantor’s right of indemnity out of such assets, and accordingly, any claim of the Securityholders to the assets comprised in FLCT is derivative in nature. A Securityholder’s right of subrogation therefore could be limited by the REIT Trustee’s right of indemnity under the FLCT Trust Deed. Securityholders should also note that such right of indemnity of the Guarantor may be limited or lost through fraud, gross negligence, wilful default, breach of trust or breach of the FLCT Trust Deed.

### **Performance of contractual obligations**

The ability of the relevant Issuer to make payments in respect of the Securities may depend upon the due performance by the other parties to the transaction documents of the obligations thereunder including the performance by the Issuing and Paying Agent, the CDP Paying Agent, a Transfer Agent, the relevant Registrar and/or the Calculation Agent of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the relevant Issuer of its obligations to make payments in respect of the Securities, the relevant Issuer may not, in such circumstances, be able to fulfil its obligations to the Securityholders and the Couponholders.

### **The Securities may be represented by Global Securities or Global Certificates and holders of a beneficial interest in a Global Security or Global Certificate must rely on the procedures of the relevant Clearing System(s)**

Securities (other than AMTNs) issued under the Programme may be represented by one or more Global Securities or Global Certificates. Such Global Securities will be deposited with a common depository for Euroclear and Clearstream or the CDP (each of Euroclear, Clearstream and CDP, a “**Clearing System**”). Except in the circumstances described in the relevant Global Security or Global Certificate, investors will not be entitled to receive definitive Securities or Certificates. The relevant Clearing System(s) will maintain records of the beneficial interests in the Global Securities or Global Certificates. While the Securities are represented by one or more Global Securities or Global Certificates, investors will be able to trade their beneficial interests only through the Clearing Systems.

While the Securities (other than AMTNs) are represented by one or more Global Securities or Global Certificates, the relevant Issuer or, as the case may be, the Guarantor, will discharge its payment obligations under the Securities by making payments to or to the order of the relevant Clearing System for distribution to their account holders.

A holder of a beneficial interest in a Global Security or Global Certificate must rely on the procedures of the relevant Clearing System(s) to receive payments under the relevant Securities. Neither the relevant Issuer nor the Guarantor has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Securities or Global Certificates (as the case may be).



Holders of beneficial interests in the Global Securities or Global Certificates will not have a direct right to vote in respect of the relevant Securities. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System(s) to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Securities or Global Certificates will not have a direct right under the respective Global Securities or Global Certificates to take enforcement action against the relevant Issuer or the Guarantor in the event of a default under the relevant Securities but will have to rely upon their rights under the Trust Deed.

**Where the AMTNs are lodged with the Austraclear System, investors will have to rely on the procedures of Austraclear for transfer, payment and communication with the relevant Issuer**

AMTNS will be issued in registered certificated form. Each Tranche of AMTNs will be represented by an AMTN Certificate. Each AMTN Certificate is a certificate representing the AMTNs of a particular Tranche and will be substantially in the form set out in the Note (AMTN) Deed Poll, duly completed and signed by the relevant Issuer and authenticated by the Registrar in respect of AMTNs. An AMTN Certificate is not a negotiable instrument nor is it a document of title. Title to any AMTNs the subject of an AMTN Certificate is evidenced by entry in the Register and, in the event of a conflict, the Register shall prevail (subject to correction for fraud or proven error).

The relevant Issuer may procure that the AMTNs are lodged with the Austraclear System. On lodgement, Austraclear will become the sole registered holder and legal owner of the AMTNs. Subject to the rules and regulations known as the “Austraclear System Regulations” established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System, participants of the Austraclear System (“**Accountholders**”) may acquire rights against Austraclear in relation to those AMTNs as beneficial owners and Austraclear is required to deal with the AMTNs in accordance with the directions and instructions of the Accountholders. Investors in AMTNs who are not Accountholders would need to hold their interest in the relevant AMTNs through a nominee who is an Accountholder. All payments by the relevant Issuer in respect of AMTNs lodged with the Austraclear System will be made directly to an account agreed with Austraclear or as it directs in accordance with the Austraclear System Regulations.

Where the AMTNs are lodged with the Austraclear System, any transfer of AMTNs will be subject to the Austraclear System Regulations. Secondary market sales of AMTNs cleared through the Austraclear System will be settled in accordance with the Austraclear System Regulations.

Accountholders who acquire an interest in AMTNs lodged with the Austraclear System must look solely to Austraclear for their rights in relation to such Securities and will have no claim directly against the relevant Issuer in respect of such AMTNs although under the Austraclear System Regulations, Austraclear may direct the relevant Issuer to make payments direct to the relevant Accountholders.

Where Austraclear is registered as the holder of any AMTN that is lodged with the Austraclear System, Austraclear may, where specified in the Austraclear System Regulations, transfer the AMTNs to the person in whose Security Record (as defined in the Austraclear System Regulations) those AMTNs are recorded and, as a consequence, remove those AMTNs from the Austraclear System.

**Securityholders should be aware that definitive Securities and Certificates which have a denomination that is not an integral multiple of the minimum Denomination Amount may be illiquid and difficult to trade**

In relation to any issue of Securities which have a denomination consisting of a minimum Denomination Amount (as defined in the Conditions) plus a higher integral multiple of another smaller amount, it is possible that the Securities may be traded in amounts in excess of the minimum Denomination Amount that are not integral multiples of such minimum Denomination Amount. In such case a Securityholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Denomination Amount will not receive a definitive Security or Certificate in respect of such holding (should definitive Securities or Certificates be printed) and would need to purchase a principal amount of Securities such that it holds an amount equal to one or more Denomination Amounts. If definitive Securities or Certificates are issued, holders should be aware that definitive Securities or Certificates which have a denomination that is not an integral multiple of the minimum Denomination Amount may be illiquid and difficult to trade. Definitive Securities will in no circumstances be issued to any person holding Securities in an amount lower than the minimum denomination and such Securities will be cancelled and holders will have no rights against the relevant Issuer (including rights to receive principal or interest or to vote or attend meetings of Securityholders) in respect of such Securities.

**FLCT Treasury is a special purpose company with no business activities of its own and will be dependent on funds from the Group to make payments under the Securities**

FLCT Treasury was established by the Group specifically for the purpose of issuing Securities under the Programme and will on-lend the entire proceeds from the issue of the Securities to the Guarantor and/or other members of the Group. FLCT Treasury does not and will not have any assets other than such loan receivables and its ability to make payments under the Securities will depend on its receipt of timely payments under such loan agreement or other financing arrangements with the Guarantor and/or other members of the Group.

**The relevant Issuer may be unable to pay interest on, or redeem, the Securities**

On certain dates, including the occurrence of any early redemption event specified in the relevant Pricing Supplement or otherwise and at maturity of the Securities, the relevant Issuer may, and at maturity, will, be required to pay interest or, as the case may be, distribution on, or redeem, all of the Securities. If such an event were to occur, the relevant Issuer may not have sufficient cash on hand (whether due to a serious decline in net operating cash flows or otherwise) and may not be able to arrange financing to make such payment or redeem the Securities in time, or on acceptable terms, or at all. The ability to make interest or distribution payments or redeem the Securities in such event may also be limited by the terms of other debt instruments. Failure to pay interest or distribution on the Securities or to repay, repurchase or redeem tendered Securities by the relevant Issuer would constitute an event of default under the Securities, which may also constitute a default under the terms of other indebtedness of the Group.

**The Trustee may request that the Securityholders provide an indemnity and/or security and/or prefunding to its satisfaction**

In certain circumstances (including without limitation the giving of notice to the relevant Issuer and the Guarantor pursuant to Condition 10 of the Notes and the taking of enforcement steps pursuant to Condition 11 of the Notes or, as the case may be, Condition 9(c) of the Perpetual Securities), the Trustee may (at its sole discretion) request the Securityholders to provide an indemnity and/or security, and/or prefunding to its satisfaction before it takes actions on behalf of Securityholders. The Trustee shall not be obliged to take any such actions if not first indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to any indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions notwithstanding the provision of an indemnity or security or prefunding to it in breach of the terms of the Trust Deed constituting the Securities and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable law, it will be for the Securityholders to take such actions directly.

**RISKS RELATING TO THE PERPETUAL SECURITIES ISSUED UNDER THE PROGRAMME**

**Perpetual Securities may be issued for which investors have no right to require redemption**

The Perpetual Securities are perpetual and have no fixed final maturity date. Perpetual Securityholders have no right to require the relevant Issuer to redeem Perpetual Securities at any time, and an investor who acquires Perpetual Securities may only dispose of such Perpetual Securities by sale. Perpetual Securityholders who wish to sell their Perpetual Securities may be unable to do so at a price at or above the amount they have paid for them, or at all. Therefore, holders of Perpetual Securities should be aware that they may be required to bear the financial risks of an investment in Perpetual Securities for an indefinite period of time.

**If specified in the relevant Pricing Supplement, Perpetual Securityholders may not receive distribution payments if the relevant Issuer elects not to pay all or a part of a distribution under the terms and conditions of the Perpetual Securities**

If Optional Payment is specified in the relevant Pricing Supplement, the relevant Issuer may, at its sole discretion, elect not to pay any scheduled distribution on the Perpetual Securities in whole or in part for any period of time. The relevant Issuer is subject to certain restrictions in relation to the declaration or payment of distributions on its Junior Obligations and (except on a *pro rata* basis) its Parity Obligations and the redemption and repurchase of its Junior Obligations and (except on a *pro rata* basis) its Parity Obligations in the event that it does not pay a distribution in whole or in part. The relevant Issuer is not

subject to any limit as to the number of times or the amount with respect to which the relevant Issuer can elect not to pay distributions under the Perpetual Securities. While the relevant Issuer may, at its sole discretion, and at any time, elect to pay an Optional Distribution, being an optional amount equal to the amount of distribution which is unpaid in whole or in part, there is no assurance that the relevant Issuer will do so, and distributions which are not paid in whole or in part may remain unpaid for an indefinite period of time. Any non-payment of a distribution in whole or in part shall not constitute a default for any purpose. Any election by the relevant Issuer not to pay a distribution in whole or in part, will likely have an adverse effect on the market price of the Perpetual Securities. In addition, as a result of the potential non-cumulative distribution feature of the Perpetual Securities and the relevant Issuer's ability to elect not to pay a distribution in whole or in part, the market price of the Perpetual Securities may be more volatile than the market price of other debt securities on which original issue discount or interest accrues that are not subject to such election not to pay and may be more sensitive generally to adverse changes in the Group's financial condition.

**If specified in the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the relevant Issuer's option on the date(s) specified in the relevant Pricing Supplement or on the occurrence of certain other events**

The Perpetual Securities are perpetual securities and have no fixed final redemption date. If specified in the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the relevant Issuer on certain date(s) specified in the relevant Pricing Supplement at their principal amount (or such other redemption amount stated in the relevant Pricing Supplement) together with all outstanding Arrears of Distribution, Additional Distribution Amounts and distribution accrued to the date fixed for redemption. In addition, if specified on the relevant Pricing Supplement, the relevant Issuer may, at its option, redeem the Perpetual Securities in whole, but not in part, on any Distribution Payment Date, or any time after such Distribution Payment Date, upon the occurrence of certain other events. See "*Terms and Conditions of the Perpetual Securities – Redemption and Purchase*".

The date on which the relevant Issuer elects to redeem the Perpetual Securities may not accord with the preference of individual Perpetual Securityholders. This may be disadvantageous to Perpetual Securityholders in light of market conditions or the individual circumstances of the holder of Perpetual Securities. In addition, an investor may not be able to reinvest the redemption proceeds in comparable securities at an effective distribution rate at the same level as that of the Perpetual Securities.

**There are limited remedies for default under the Perpetual Securities and the Guarantee**

Any scheduled distribution will not be due if the relevant Issuer elects not to pay all or a part of that distribution pursuant to the terms and conditions of the Perpetual Securities. Notwithstanding any of the provisions relating to non-payment defaults, the right to institute winding-up proceedings is limited to circumstances where payment has become due and the relevant Issuer or, as the case may be, the Guarantor fails to make the payment when due. The only remedy against the relevant Issuer and/ or the Guarantor available to any Perpetual Securityholder for recovery of amounts in respect of the Perpetual Securities following the occurrence of a payment default after any sum becomes due in respect of the Perpetual Securities and/or the Guarantor will be proving in such winding-up and/or claiming in the liquidation of the relevant Issuer and/or the Guarantor in respect of any payment obligations of the relevant Issuer or, as the case may be, the Guarantor arising from the Perpetual Securities and/or the Guarantee.

**The relevant Issuer may raise or redeem other capital which affects the price of the Perpetual Securities**

The relevant Issuer may raise additional capital through the issue of other securities or other means. There is no restriction, contractual or otherwise, on the amount of securities or other liabilities which the relevant Issuer may issue or incur and which rank senior to, or *pari passu* with, the Perpetual Securities. Similarly, subject to compliance with the terms and conditions of the Perpetual Securities, the relevant Issuer may redeem securities that rank junior to, *pari passu* with, or senior to the Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities or the redemption of any such securities may reduce the amount (if any) recoverable by holders of Perpetual Securities on a winding-up of the relevant Issuer, and may increase the likelihood of a deferral of distribution under the Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities or the redemption of any such securities might also have an adverse impact on the trading price of the Perpetual Securities and/or the ability of holders of Perpetual Securities to sell their Perpetual Securities.

## **The Subordinated Perpetual Securities and the Subordinated Guarantee are subordinated obligations**

The obligations of the relevant Issuer under the Subordinated Perpetual Securities, and the Guarantor under the Subordinated Guarantee, will constitute unsecured and subordinated obligations of the relevant Issuer and the Guarantor respectively. In the event of the winding-up of the relevant Issuer or the Guarantor, the rights of the holders of Subordinated Perpetual Securities to receive payments in respect of the Subordinated Perpetual Securities or the Subordinated Guarantee will rank senior to the holders of all Junior Obligations and *pari passu* with the holders of all Parity Obligations, but junior to the claims of all other creditors, including, for the avoidance of doubt, the holders of Senior Perpetual Securities and/or Notes. In the event of a shortfall of funds or a winding-up, there is a real risk that an investor in the Subordinated Perpetual Securities will lose all or some of its investment and will not receive a full return of the principal amount or any unpaid Arrears of Distribution, Additional Distribution Amounts or accrued distribution.

In addition, subject to the limit on the aggregate principal amount of Securities that can be issued under the Programme (which can be amended from time to time by the relevant Issuer and the Guarantor without the consent of the Securityholders), there is no restriction on the amount of unsubordinated securities or other liabilities which the relevant Issuer may issue or incur and which rank senior to, or *pari passu* with, the Subordinated Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by holders of Subordinated Perpetual Securities on a winding-up of the relevant Issuer or the Guarantor and/or may increase the likelihood of a non-payment of distribution under the Subordinated Perpetual Securities and/or the Subordinated Guarantee.

### **Perpetual Securityholders may be subject to Singapore taxation**

In the event that the Inland Revenue Authority of Singapore (the “IRAS”) regards any tranche of the Perpetual Securities (the “**Relevant Tranche of the Perpetual Securities**”) to be equity instruments for Singapore income tax purposes, all payments, or part thereof, of Distributions (including Optional Distributions and any Arrears of Distribution and any Additional Distribution Amount) in respect of the Relevant Tranche of the Perpetual Securities may be subject to Singapore income tax, and where the REIT Trustee is the relevant Issuer, the REIT Trustee and the REIT Manager may be obliged (in certain circumstances) to withhold tax at the prevailing rate (currently 10.0% or 17.0%) under Section 45G of the ITA. Where tax is withheld or deducted, the REIT Trustee shall not be under any obligation to pay additional amounts as will result in receipt by holders of the Relevant Tranche of the Perpetual Securities of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required.

In the event that the IRAS regards any Relevant Tranche of the Perpetual Securities to be debt securities for Singapore income tax purposes, that Relevant Tranche of the Perpetual Securities is intended to be “qualifying debt securities” for the purposes of the ITA, subject to the fulfilment of certain conditions more particularly described in the section “*Taxation – Singapore Taxation*”. However, there is no assurance that the conditions for “qualifying debt securities” will be met or that such Relevant Tranche of the Perpetual Securities will continue to enjoy the tax concessions in connection therewith should the relevant tax laws be amended or revoked at any time. There is also no assurance that the IRAS will regard the Relevant Tranche of the Perpetual Securities as debt securities which are within the ambit of “qualifying debt securities”.

Additionally, no assurance, warranty or guarantee is given on the tax treatment to holders of the Perpetual Securities in respect of the Distributions (including Optional Distributions and any Arrears of Distribution and any Additional Distribution Amount) payable to them. Potential Perpetual Securityholders are thus advised to consult their own professional advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Perpetual Securities.

For further details on the tax treatment of the Perpetual Securities, see “*Taxation - Singapore Taxation*”.

## **RISKS RELATING TO THE STRUCTURE OF A PARTICULAR ISSUE OF SECURITIES**

A wide range of Securities may be issued under the Programme. A number of these Securities may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

### **Securities subject to optional redemption by the relevant Issuer may have a lower market value than Securities that cannot be redeemed**

In the case of non-Singapore dollar Securities, unless in the case of any particular Tranche of Securities the relevant Pricing Supplement specifies otherwise, in the event that the relevant Issuer or the Guarantor would be obliged to increase the amounts payable in respect of any Securities due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Singapore or any political subdivision thereof or any authority therein or thereof having power to tax, the relevant Issuer may redeem all outstanding Securities in accordance with the Conditions.

An optional redemption feature is likely to limit the market value of Securities. During any period when the relevant Issuer may elect to redeem Securities, the market value of those Securities generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may be expected to redeem Securities when its cost of borrowing is lower than the interest rate on the Securities. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Securities being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

### **Inverse Floating Rate Securities are typically more volatile than conventional floating rate debt**

Inverse Floating Rate Securities have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as the London Interbank Offered Rate (“LIBOR”). The market values of such Securities typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Securities are more volatile because an increase in the reference rate not only decreases the interest rate of the Securities, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Securities.

### **Securities carrying an interest rate which may be converted from fixed to floating interest rates and vice-versa, may have lower market values than other Securities**

Fixed/Floating Rate Securities may bear interest at a rate that the relevant Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The relevant Issuer’s ability to convert the interest rate will affect the secondary market and the market value of such Securities since the relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the relevant Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Securities may be less favourable than then prevailing spreads on comparable Floating Rate Securities tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Securities. If the relevant Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Securities.

### **The regulation and reform of “benchmark” rates of interest and indices may adversely affect the value of Notes linked to or referencing such “benchmarks”**

Interest rates and indices which are deemed to be or used as “benchmarks” are the subject of recent national, international regulatory and other regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Securities linked to or referencing such a benchmark.

More broadly, any of the international, national, or other proposals, for reforms or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. For example, the sustainability of the London interbank offered rate (“**LIBOR**”) has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. On 27 July 2017, the United Kingdom Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the “**FCA Announcement**”). The FCA Announcement indicated that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. As the Swap Offer Rate (“**SOR**”) methodology relies on USD LIBOR in its computation, the likely discontinuation of LIBOR after the end of 2021 will impact the future sustainability of SOR. On 30 August 2019, the MAS announced that it has established a steering committee to oversee an industry-wide interest rate benchmark transition from the SOR to the Singapore Overnight Rate Average (“**SORA**”). In addition, the Association of Banks in Singapore (“**ABS**”) and the Singapore Foreign Exchange Market Committee (“**SFEMC**”) released a consultation report “Roadmap for Transition of Interest Rate Benchmarks: From SOR to SORA” identifying SORA as the alternative interest rate benchmark to SOR, envisaging a phased transition over two years. On 19 March 2020, the Steering Committee for SOR Transition to SORA (“**SC-STTS**”) released its response to feedback received on the consultation report in which the SC-STTS noted that overall, there was broad support for the proposed transition roadmap and approach set out in the consultation report. In its response, the SC-STTS also outlined its key priorities and updated transition roadmap to achieve a smooth transition from SOR to SORA as the new interest rate benchmark for the SGD cash and derivatives markets. On 29 July 2020, the ABS and SFEMC issued another consultation report titled “SIBOR Reform and the Future Landscape for SGD Interest Rate Benchmarks” which recommends the discontinuation of SIBOR in three to four years, and a shift to the use of the SORA as the main interest rate benchmark for SGD financial markets. On 5 August 2020, MAS announced several key initiatives to support the adoption of SORA, which include issuing SORA based floating rate notes on a monthly basis starting from 21 August 2020, as well as publishing key statistics involving SORA on a daily basis. As part of the initiatives by MAS, SORA was prescribed as a financial benchmark under the SFA pursuant to the Securities and Futures (Prescribed Financial Benchmark) Regulations 2020, which came into operation on 5 August 2020. On 27 October 2020, SC-STTS announced industry timelines to support a coordinated shift away from the use of SOR, and to concurrently accelerate the usage of SORA. SOR is set to be discontinued alongside LIBOR discontinuation after end-2021, and by end-April 2021, the issuance of SOR-linked loans and securities that mature after end-2021 are expected to cease. The potential elimination of the LIBOR benchmark or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the Conditions, or result in other consequences, in respect of any Securities linked to such benchmark. Such factors may have the following effects on certain benchmarks: (i) discourage market participants from continuing to administer or contribute to the benchmark; (ii) trigger changes in the rules or methodologies used in the benchmark or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Securities linked to or referencing a benchmark.

The Conditions of the Securities do not provide for the discontinuation of a benchmark and if such occurs in respect of LIBOR or any other benchmark, this may require an adjustment to the Conditions, or result in other consequences, in respect of any Securities linked to such benchmark (including, but not limited to, Floating Rate Securities whose interest rates are linked to LIBOR). This may result in the Securities performing differently (which may include payment of a lower rate of interest) than they would do if the relevant benchmark were to continue to apply.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by Benchmarks Regulation (EU) 2016/1011 or any other international or national reforms, in making any investment decision with respect to any Securities linked to or referencing a benchmark.

**The market prices of Securities issued at a substantial discount or premium tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities**

The market values of Securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the Securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

**Investors may lose part or all of their investment in any Index-Linked Notes issued**

If, in the case of a particular Tranche of Securities, the relevant Pricing Supplement specifies that the Securities are Index-Linked Notes, there is a risk that the investor may lose the value of its entire investment or part of it.

**RISKS RELATING TO THE MARKET GENERALLY**

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

**Securities issued under the Programme have no current active trading market and may trade at a discount to their initial offering price and/or with limited liquidity**

Securities issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Securities which is already issued). If the Securities are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the relevant Issuer and/or the Guarantor. If the Securities are trading at a discount, investors may not be able to receive a favourable price for their Securities, and in some circumstances investors may not be able to sell their Securities at all or at their fair market value. Although an application has been made for the Securities issued under the Programme to be admitted to listing on the SGX-ST, there is no assurance that such application will be accepted, that any particular Tranche of Securities will be so admitted or that an active trading market will develop. In addition, the market for investment grade and crossover grade debt has been subject to disruptions that have caused volatility in prices of securities similar to the Securities issued under the Programme. Accordingly, there is no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for any particular Tranche of Securities.

**Exchange rate risks and exchange controls may result in investors receiving less interest or principal than expected**

The relevant Issuer will pay principal and interest or, as the case may be, distribution on the Securities in the currency specified in the relevant Pricing Supplement (the “**Specified Currency**”). This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Specified Currency would decrease (1) the Investor’s Currency equivalent yield on the Securities, (2) the Investor’s Currency equivalent value of the principal payable on the Securities and (3) the Investor’s Currency equivalent market value of the Securities.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

**Changes in market interest rates may adversely affect the value of Fixed Rate Securities**

Investment in Fixed Rate Securities involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Securities.

**The credit ratings assigned to the Securities may not reflect all risks**

One or more independent credit rating agencies may assign credit ratings to an issue of Securities. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Securities. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

**Interest rate risk**

Securityholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the price of the Securities, resulting in a capital loss for the Securityholders. However, the Securityholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the price of the Securities may rise. The Securityholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

**Inflation risk**

Securityholders may suffer erosion on the return of their investments due to inflation. Securityholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Securities. An unexpected increase in inflation could reduce the actual returns.



## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Notes in definitive form issued in exchange for the Global Security(ies) or the Global Certificate(s) representing each Series and to AMTNs (as defined below). Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Notes (other than AMTNs). Those definitions will be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes (other than AMTNs). References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme, details of the relevant Series being shown on the face of the relevant Notes and in the relevant Pricing Supplement.*

The Notes are issued by Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust (“**FLT**”) and in such capacity, the “**FLT Trustee**”) or FLT Treasury Pte. Ltd. (“**FLT Treasury**”) (each, in relation to Notes issued by it, the “**Issuer**”) pursuant to the Trust Deed (as defined below) or the Note (AMTN) Deed Poll (as defined below), as the case may be. Issues of Notes by FLT Treasury will be guaranteed by the FLT Trustee (in such capacity, the “**Guarantor**”). References in these Conditions to the Guarantor and the Guarantee shall only apply to Notes issued by FLT Treasury.

The Notes (other than Notes which are specified in the applicable Pricing Supplement as being denominated in Australian dollars, issued in the Australian domestic capital market and ranking as senior obligations of the Issuer (“**AMTNs**”)) are constituted by a trust deed dated 28 October 2016 (as amended or supplemented as at the date of issue of the Notes (the “**Issue Date**”), the “**Trust Deed**”) made between (1) FLT Treasury, (2) the FLT Trustee and (3) The Bank of New York Mellon, London Branch (the “**Trustee**”, which expression shall wherever the context so admits include such company and all other persons for the time being the trustee or trustees of the Trust Deed), as trustee for the Securityholders (as defined below), as supplemented by the Singapore Supplemental Trust Deed (as amended and supplemented as at the Issue Date) dated 28 October 2016 between the same parties. AMTNs will be constituted by the Deed Poll dated 28 October 2016 executed by each of FLT Treasury and the FLT Trustee (as amended and supplemented from time to time, the “**Note (AMTN) Deed Poll**”) in favour of the Trustee and the holders of the AMTNs. The provisions of these Conditions (as defined below) relating to Bearer Notes, Certificates, Coupons and Talons do not apply to Notes specified in the Pricing Supplement as being AMTNs.

These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Coupons and Talons referred to below and (in respect of AMTNs) the Note (AMTN) Deed Poll. FLT Treasury and the FLT Trustee have entered into an agency agreement dated 28 October 2016 made between (1) FLT Treasury, (2) the FLT Trustee, (3) The Bank of New York Mellon, London Branch, as issuing and paying agent (in such capacity, the “**Issuing and Paying Agent**”) and (where appointed as contemplated therein) as calculation agent (in such capacity, the “**Calculation Agent**”), (4) The Bank of New York Mellon, Singapore Branch, as CDP paying agent in respect of Notes cleared through CDP (the “**CDP Paying Agent**”) and, together with the Issuing and Paying Agent and any other paying agents (including the Australian Agent (as defined below)) that may be appointed, the “**Paying Agents**”), (5) The Bank of New York Mellon (Luxembourg) S.A., as transfer agent in respect of Notes cleared through Euroclear (as defined below) or Clearstream, Luxembourg (as defined below) and The Bank of New York Mellon, Singapore Branch, as transfer agent in respect of Notes cleared through CDP (each a “**Transfer Agent**”) and, together with the Australian Agent and any other transfer agents that may be appointed, the “**Transfer Agents**”), (6) The Bank of New York Mellon (Luxembourg) S.A., as registrar in respect of Notes cleared through Euroclear or Clearstream, Luxembourg and The Bank of New York Mellon, Singapore Branch, as registrar in respect of Notes cleared through CDP (each in such capacity, a “**Registrar**”) and (7) the Trustee, as trustee in relation to the Notes (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”). FLT Treasury, the FLT Trustee and BTA Institutional Services Australia Limited as registrar and issuing and paying agent in Australia (the “**Australian Agent**”) have entered into an agency and registry services agreement (as amended or supplemented from time to time, the “**Australian Agency Agreement**”) dated 28 October 2016 in relation to the AMTNs. The

Securityholders and the holders (the “**Couponholders**”) of the coupons (the “**Coupons**”) appertaining to the interest-bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) are bound by and are deemed to have notice of all of the provisions of these Conditions, all the provisions of the Trust Deed, the applicable Pricing Supplement and (in respect of the AMTN holders only) the Note (AMTN) Deed Poll, and are deemed to have notice of those provisions applicable to them of the Agency Agreement or the Australian Agency Agreement, as the case may be. The Trustee acts for the benefit of the Securityholders (as defined below).

Although AMTNs will not be constituted by the Trust Deed, AMTNs will have the benefit of certain other provisions of the Trust Deed.

Copies of the Trust Deed, the Agency Agreement, the Note (AMTN) Deed Poll and the Australian Agency Agreement are available for inspection at the principal office of the Trustee for the time being and at the specified office of the Issuing and Paying Agent for the time being. The Note (AMTN) Deed Poll will be held by the Australian Agent and copies of the Note (AMTN) Deed Poll and the Australian Agency Agreement referred to above are available for inspection free of charge during usual business hours at the principal office of the Australian Agent (presently at Level 2, 35 Clarence Street, Sydney NSW 2000, Australia).

## 1 Form, Denomination and Title

### (a) Form and Denomination

- (i) The Notes of the Series of which this Note forms part (in these Conditions, the “**Notes**”) are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”), in each case in the Denomination Amount shown thereon or on the Certificates or, in the case of AMTNs, the AMTN Certificates (as defined in Condition 1(b)(vi)).
- (ii) This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Hybrid Note, a Zero Coupon Note, an Index Linked Interest Note, a combination of any of the foregoing or any other type of Note (depending upon the Interest Basis shown on its face) and this Note may be an Index Linked Redemption Note, a Credit Linked Note, a combination of any of the foregoing or any other type of Note (depending upon the Redemption/Payment Basis shown on its face).
- (iii) Bearer Notes are serially numbered and issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to default interest referred to in Condition 7(h)) in these Conditions are not applicable.
- (iv) Registered Notes (other than AMTNs) are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

### (b) Title

- (i) Title to the Bearer Notes and the Coupons and Talons appertaining thereto shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar or (in the case of AMTNs) the Australian Agent in accordance with the provisions of the Agency Agreement or (in the case of AMTNs) the Australian Agency Agreement respectively (the “**Register**”).
- (ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Coupon or Talon shall be deemed to be and shall be treated as the absolute owner of such Note, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft, loss or forgery thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.

- (iii) For so long as any of the Notes is represented by a Global Security (as defined below) or, as the case may be, a Global Certificate (as defined below) and such Global Security or Global Certificate is held by a common depository for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and/or The Central Depository (Pte) Limited ("**CDP**"), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or CDP as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or CDP as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, the Transfer Agents and all other agents of the Issuer and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, premium, interest, distribution, redemption, purchase and/or any other amounts in respect of the Notes, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, the other Transfer Agents, all other agents of the Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions "**Securityholder**" and "**holder of Notes**" and related expressions shall be construed accordingly). Notes which are represented by the Global Security or, as the case may be, the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or CDP. For so long as any of the Notes is represented by a Global Security or a Global Certificate and such Global Security or, as the case may be, Global Certificate is held by CDP, the record date for purposes of determining entitlements to any payment of principal, interest and any other amounts in respect of the Note shall, unless otherwise specified by the Issuer, be the date falling five (5) business days prior to the relevant payment date (or such other date as may be prescribed by CDP).
- (iv) In these Conditions, "**Global Security**" means the relevant Temporary Global Security representing each Series or the relevant Permanent Global Security representing each Series, "**Global Certificate**" means the relevant Global Certificate representing each Series that is registered in the name of, or in the name of a nominee of, (1) a common depository for Euroclear and/or Clearstream, Luxembourg, (2) CDP and/or (3) any other clearing system, "**Securityholder**" means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be) and "**holder**" (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be), "**Series**" means (A) (in relation to Notes other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which are (aa) expressed to be consolidated and forming a single series and (bb) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (B) (in relation to Variable Rate Notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest and "**Tranche**" means Notes which are identical in all respects (including as to listing).
- (v) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.
- (vi) In the case of AMTNs, the following provisions shall apply in lieu of the foregoing provisions of Condition 1 in the event of any inconsistency.

AMTNs will be debt obligations of the Issuer owing under the Note (AMTN) Deed Poll, will be represented by a certificate (“**AMTN Certificate**”) and will take the form of entries in a Register to be established and maintained by the Australian Agent in Sydney unless otherwise agreed with the Australian Agent (pursuant to the Australian Agency Agreement). The Agency Agreement is not applicable to the AMTNs.

AMTNs will not be serially numbered. Each entry in the Register constitutes a separate and individual acknowledgement to the relevant Securityholder of the indebtedness of the Issuer to the relevant Securityholder. The obligations of the Issuer in respect of each AMTN constitute separate and independent obligations which the Securityholder is entitled to enforce in accordance with these Conditions, the Trust Deed and the Note (AMTN) Deed Poll. Other than an AMTN Certificate, no certificate or other evidence of title will be issued by or on behalf of the Issuer unless the Issuer determines that certificates should be made available or it is required to do so pursuant to any applicable law or regulation.

No AMTN will be registered in the name of more than four persons. AMTNs registered in the name of more than one person are held by those persons as joint tenants. AMTNs will be registered by name only, without reference to any trust or third party interest (equitable or otherwise) of any person and an entry in the Register in relation to an AMTN constitutes conclusive evidence that the person so entered is the registered owner of such AMTN, subject to rectification for fraud or error.

Upon a person acquiring title to any AMTN by virtue of becoming registered as the owner of that AMTN, all rights and entitlements arising by virtue of the Note (AMTN) Deed Poll or the Trust Deed in respect of that AMTN vest absolutely in the registered owner of the AMTN, such that no other person including a person who has previously been registered as the owner of that AMTN has or is entitled to assert against the Issuer or the Australian Agent or the registered owner of the AMTN for the time being and from time to time any rights, benefits or entitlements in respect of the AMTN. Neither the Issuer nor the Australian Agent shall be obliged to recognise any trust (whether express, implied or constructive) or third party interest (equitable or otherwise) of any person. The Issuer and the Australian Agent are each entitled to rely on the correctness of all information contained in the Register and, provided it acts in good faith in doing so, neither is liable to any person for any error in it except, in the case of the Australian Agent, to the extent that the error is a result of its failure to comply with the Australian Agency Agreement.

Each Tranche of AMTNs will be represented by a single AMTN Certificate substantially in the form set out in the Note (AMTN) Deed Poll. The Issuer shall issue and deliver, and procure the authentication by the Australian Agent of, such number of AMTN Certificates as are required from time to time to represent all of the AMTNs of each Series. An AMTN Certificate is not a negotiable instrument nor is it a document of title in respect of any AMTNs represented by it. In the event of a conflict between any AMTN Certificate and the Register, the Register shall prevail (subject to correction for fraud or proven error).

## **2 No Exchange of Notes and Transfers of Registered Notes**

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Denomination Amount may not be exchanged for Bearer Notes of another Denomination Amount. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes (other than AMTNs):** This Condition 2(b) does not apply to AMTNs which are specified in the applicable Pricing Supplement to be Registered Notes. Subject to Conditions 2(f) and 2(g) below, one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any other Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless

otherwise agreed by the Issuer) duly completed and executed and any other evidence as the Registrar or such other Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee, and by the Registrar with the prior written approval of the Trustee. A copy of the current regulations will be made available by the Registrar to any Securityholder upon request.

- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes or AMTNs:** In the case of an exercise of the Issuer's or Securityholders' option in respect of, or a partial redemption of, a holding of Registered Notes or AMTNs, represented by a single Certificate or AMTN Certificate, as the case may be, a new Certificate or AMTN Certificate, as the case may be shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes or AMTNs of the same holding having different terms, separate Certificates or AMTN Certificates, as the case may be shall be issued in respect of those Notes of that holding that have the same terms. New Certificates or AMTN Certificates, as the case may be shall only be issued against surrender of the existing Certificates or AMTN Certificates, as the case may be to the Registrar or the Australian Agent, as the case may be, or any other Transfer Agent. In the case of a transfer of Registered Notes or AMTNs to a person who is already a holder of Registered Notes or AMTNs, a new Certificate or AMTN Certificate, as the case may be representing the enlarged holding shall only be issued against surrender of the Certificate or AMTN Certificate, as the case may be representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) or 2(c) shall be available for delivery within five business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(c)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day (other than a Saturday or Sunday) on which banks are open for business in the place of the specified office of the Registrar or the other relevant Transfer Agent (as the case may be).
- (e) **Transfers of AMTNs:** AMTNs may be transferred in whole but not part. Unless lodged in the clearing system operated by Austraclear Ltd ("**Austraclear**"), the AMTNs will be transferable by duly completed and (if applicable) stamped transfer and acceptance forms in the form specified by, and obtainable from, the Australian Agent or by any other manner approved by the Issuer and the Australian Agent. The Issuer is not obliged to stamp transfer and acceptance forms. Each transfer and acceptance form must be accompanied by such evidence (if any) as the Australian Agent may require to prove the title of the transferor or the transferor's right to transfer the AMTNs and be signed by both the transferor and the transferee and delivered to the Australian Agent's office. The Australian Agent may refuse to register a transfer and acceptance form if it contravenes or fails to comply with the Conditions or the transfer of Notes pursuant to that transfer and acceptance form would result in a contravention of any applicable law.

AMTNs may only be transferred within, to or from Australia if (i) the aggregate consideration payable by the transferee at the time of transfer is at least A\$500,000 (or its equivalent in any other currency and, in either case, disregarding moneys lent by the transferor or its associates within the meaning given by sections 10 to 17 of the Australian Corporations Act (as defined below) or the offer or invitation giving rise to the transfer otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act 2001 of the Commonwealth of Australia (the “**Australian Corporations Act**”), (ii) the transfer is not to a “**retail client**” for the purposes of section 761G of the Australian Corporations Act, (iii) the transfer is in compliance with all applicable laws, regulations or directives (including, without limitation, in the case of a transfer to or from Australia, the laws of the jurisdiction in which the transfer takes place), and (iv) in the case of a transfer between persons outside Australia, if a transfer and acceptance form is signed outside Australia. A transfer to an unincorporated association is not permitted. The Issuer is not liable to any Securityholders or other persons in relation to a breach by any Securityholder of this Condition 2(e).

A person becoming entitled in accordance with applicable laws to an AMTN as a consequence of the death or bankruptcy of a Securityholder or of a vesting order of a court or other judicial or quasi-judicial body or a person administering the estate of a Securityholder may, upon producing such evidence as to that entitlement or status as the Australian Agent considers sufficient, transfer such AMTN or, if so entitled, become registered as the holder of the AMTN.

Where the transferor executes a transfer of less than all of the AMTNs registered in its name, and the specific AMTNs to be transferred are not identified, the Australian Agent may register the transfer in respect of such of the AMTNs registered in the name of the transferor as the Australian Agent thinks fit, provided the aggregate nominal amount of the AMTNs registered as having been transferred equals the aggregate nominal amount of the AMTNs expressed to be transferred in the transfer.

- (f) **Transfers Free of Charge:** Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar, the Australian Agent or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar, the Australian Agent or the relevant Transfer Agent may require) in respect of tax or charges.
- (g) **Closed Periods:** No Securityholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(b), (ii) after any such Note has been called for redemption or (iii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 7(b)(ii)).
- (h) **Austraclear - AMTNs:** If AMTNs are or will be lodged into the Austraclear System (as defined in Condition 7(i)):
  - (i) the Issuer will not be responsible for any loss occasioned by the failure of the Austraclear System or the failure of any person (except the Issuer) to perform its obligations under the Austraclear System Regulations (as defined in Condition 7(i)) or otherwise;
  - (ii) the Australian Agent will enter Austraclear in the Register as the legal owner and Securityholder of the AMTNs;
  - (iii) the Issuer will be entitled to deal exclusively with Austraclear as legal owner of the Notes;

- (iv) while the AMTNs remain in the Austraclear System:
  - (A) all payments and notices required of the Issuer in relation to AMTNs will be made or directed (as the case may be) to Austraclear in accordance with the Austraclear System Regulations;
  - (B) all dealings (including transfers and payments) in relation to interests in AMTNs within the Austraclear System will be governed by the Austraclear System Regulations and need not comply with the Note (AMTN) Deed Poll or the Conditions to the extent of any inconsistency; and
  - (C) any payment to or as required by Austraclear made by the Issuer operates as a complete discharge of the Issuer's liability to pay the relevant amount under the AMTNs and the Issuer has no obligation to see to the application of that amount by Austraclear or to verify the entitlement of any person to whom Austraclear requires the Issuer to make payment.
- (v) If an AMTN is Withdrawn from the Austraclear System in accordance with the Austraclear System Regulations, such AMTN shall be a Withdrawn Note and the person in whose Security Record such AMTN appeared immediately before such AMTN was Withdrawn will be the holder of the resulting Withdrawn Note and the Australian Agent will record that person as the Securityholder in the Register (in this Condition 2(h)(v), "**Withdrawn**", "**Withdrawn Note**" and "**Security Record**" have the meaning given to them in the Austraclear System Regulations).

### 3 Status and Guarantee

#### (a) Status

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

#### (b) Guarantee

The payment of all sums expressed to be payable by FLT Treasury under the Trust Deed, the Notes and the Coupons are unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under the Guarantee (as defined in the Trust Deed) are contained in the Trust Deed. The payment obligations of the Guarantor under the Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.

### 4 Negative Pledge

- (a) If Condition 4(a) is specified as applicable in the applicable Pricing Supplement, so long as any Note or Coupon remains outstanding (as defined, in the case of Notes other than AMTNs, in the Trust Deed or, in the case of AMTNs, in the Note (AMTN) Deed Poll), each of the Issuer and (where the Issuer is FLT Treasury) the Guarantor will not, and the FLT Trustee will procure that the Principal Subsidiaries (as defined below) will not, create or have outstanding any security ("**Subsequent Security**") over any Existing Secured Assets (as defined below) which ranks, in point of priority, completely after the security created over such Existing Secured Asset, except for any security created or outstanding with the prior consent in writing of the Trustee or the Securityholders of the Notes by way of an Extraordinary Resolution.

In these Conditions, “**Existing Secured Asset**” means any of the undertaking, assets, property or revenues or rights to receive dividends of FLT Treasury, FLT and/or the Principal Subsidiaries over which a first ranking security by way of an assignment and/or a charge and/or mortgage exists at the time of creation of the Subsequent Security over such undertaking, assets, property or revenues.

For the avoidance of doubt, nothing in this Condition 4(a) shall prohibit:

- (i) any new first ranking security to be created over any Existing Secured Asset (whether in connection with a refinancing or otherwise) provided that the security over such Existing Secured Asset is discharged contemporaneously with the creation of such new security; or
- (vi) any first ranking security over any units or shares in any company, trust or other entity which are not secured notwithstanding that the undertaking, assets, property or revenues belonging to such company, trust or entity may be secured.

Or

- (b) If Condition 4(b) is specified as applicable in the applicable Pricing Supplement, so long as any Note or Coupon issued under the applicable Pricing Supplement remains outstanding, as at the end of each financial year in respect of the Group (the “**Reference Date**”) based upon the amounts certified by two authorised signatories of Frasers Logistics & Industrial Asset Management Pte. Ltd., as manager of FLT (the “**FLT Manager**”) (which the FLT Trustee undertakes to procure) to the Trustee no later than the Notification Date, the FLT Trustee shall ensure that:

- (i) the Total Secured Borrowings shall not exceed 50 per cent. of Total Assets, provided however that an amount equal to any money borrowed and set aside as at the Reference Date in order to repay any portion of the Total Secured Borrowings shall be deducted from such Total Secured Borrowings and Total Assets as at the Reference Date;
- (ii) if the test in (i) above is not met as at the end of any Reference Date, the FLT Trustee undertakes that such test in (i) above will be met as at the end of the next financial quarter immediately following the Notification Date, failing which, as at the end of the second financial quarter immediately following the Notification Date, in each case, based upon relevant amounts as at the end of the relevant quarter certified by two authorised signatories of the FLT Manager (which the FLT Trustee undertakes to procure) to the Trustee no later than 45 days after the end of the relevant quarter; and
- (iii) certificates delivered by two authorised signatories of the FLT Manager (which the FLT Trustee undertakes to procure) in connection with this Condition 4(b) shall, in the absence of manifest error, be conclusive.

In these Conditions:

- (i) “**Group**” means FLT and its subsidiaries;
- (ii) “**HAUT**” means the entity by the name of “FLT Australia Trust”;
- (iii) “**Intermediate Holding Entity**” means any subsidiary which serves as an intermediate holding entity for FLT in a particular jurisdiction and shall include (without limitation) the HAUT;
- (iv) “**Notification Date**” means the date falling 90 days from the Reference Date;



(v) **“Principal Subsidiaries”** means any subsidiary of FLT (excluding the Intermediate Holding Entities) whose total assets, as shown by the accounts of such subsidiary (consolidated in the case of a subsidiary which itself has subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, is at least 20 per cent. of the total assets of the Group as shown by such audited consolidated accounts, provided that if any such subsidiary (the **“transferor”**) shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another subsidiary of FLT or FLT (the **“transferee”**) then:

(A) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to be a Principal Subsidiary and the transferee (unless it is FLT) shall thereupon become a Principal Subsidiary; and

(B) if a substantial part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (unless it is FLT) shall thereupon become a Principal Subsidiary.

Any subsidiary which becomes a Principal Subsidiary by virtue of (A) above or which remains or becomes a Principal Subsidiary by virtue of (B) above shall continue to be a Principal Subsidiary until the date of issue of the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the total assets of the relevant subsidiary as shown by the accounts of such subsidiary (consolidated in the case of a subsidiary which itself has subsidiaries) or the date of issue of a report by the Auditors (as defined in the Trust Deed) described below (whichever is earlier), based upon which such audited consolidated accounts or, as the case may be, Auditor’s report have been prepared, to be less than 20 per cent. of the total assets of the Group, as shown by such audited consolidated accounts or, as the case may be, Auditor’s report. A report by the Auditors, who shall also be responsible for producing any pro-forma accounts required for the above purposes, that in their opinion a subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive;

(vi) **“subsidiary”** means any company which is for the time being, a subsidiary (within the meaning of section 5 of the Companies Act, Chapter 50 of Singapore), and in relation to FLT, means any company, corporation, trust, fund or other entity (whether or not a body corporate):

(A) which is controlled, directly or indirectly, by FLT; or

(B) more than half the interests of which are beneficially owned, directly or indirectly, by FLT; or

(C) which is a subsidiary of any company, corporation, trust, fund or other entity (whether or not a body corporate) to which paragraph (A) or (B) of this definition applies,

and for these purposes, any company, corporation, trust, fund or other entity (whether or not a body corporate) shall be treated as being controlled by FLT if FLT is able to direct its affairs and/or to control the composition of its board of directors or equivalent body;

(vii) **“Total Assets”** means the total book value of all assets of the Group on a consolidated basis as shown by the audited or unaudited balance sheet of the Group as at the relevant date; and

(viii) **“Total Secured Borrowings”** means at any time the total principal amount of all secured borrowings of the Group on a consolidated basis incurred to finance or refinance the Group’s investments in property and secured against such property.

5 (I) **Interest on Fixed Rate Notes**

(a) **Interest Rate and Accrual**

Each Fixed Rate Note bears interest on its Calculation Amount (as defined in Condition 5(II) (e)) from the Interest Commencement Date in respect thereof and as shown on the face of such Note at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of such Note in each year and on the Maturity Date shown on the face of such Note if that date does not fall on an Interest Payment Date.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date (and if the Interest Commencement Date is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the Maturity Date falls before the date on which the first payment of interest would otherwise be due. If the Maturity Date is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the Interest Commencement Date, as the case may be) to the Maturity Date will amount to the Final Broken Amount shown on the face of the Note.

Interest will cease to accrue on each Fixed Rate Note from the due date for redemption thereof unless, upon due presentation of that Fixed Rate Note if it is a Bearer Note or, in the case of a Registered Note, the Certificate representing that Fixed Rate Note and subject to the provisions of the Trust Deed or (in the case of AMTNs) the Note (AMTN) Deed Poll, payment of principal is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(I) to the Relevant Date (as defined in Condition 8).

(b) **Calculations**

In the case of a Fixed Rate Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon. The amount of interest payable per Calculation Amount in respect of any Note shall be calculated by multiplying the product of the Interest Rate and the Calculation Amount, by the Day Count Fraction shown on the Note.

(II) **Interest on Floating Rate Notes, Variable Rate Notes or Index Linked Interest Notes**

(a) **Interest Payment Dates**

Each Floating Rate Note, Index Linked Interest Note or Variable Rate Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note, and such interest will be payable in arrear on each interest payment date ("**Interest Payment Date**"). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the "**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or the Interest Commencement Date, as the case may be) provided that the Agreed Yield (as defined in Condition 5(II)(c)) in respect of any Variable Rate Note for any Interest Period relating to that Variable Rate Note shall be payable on the first day of that Interest Period. If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day (as defined below), then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following

Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an “**Interest Period**”.

Interest will cease to accrue on each Floating Rate Note, Index Linked Interest Note or Variable Rate Note from the due date for redemption thereof unless, upon due presentation of that Floating Rate Note if it is a Bearer Note or, in the case of a Registered Note, the Certificate representing that Floating Rate Note and subject to the provisions of the Trust Deed or (in the case of AMTNs) the Note (AMTN) Deed Poll, payment of the principal is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(II) to the Relevant Date.

(b) **Rate of Interest for Floating Rate Notes:** The Rate of Interest in respect of Floating Rate Notes for each Interest Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(i) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (i), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (A) the Floating Rate Option is as specified hereon;
- (B) the Designated Maturity is a period specified hereon; and
- (C) the relevant Reset Date is the first day of that Interest Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (i), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(ii) Screen Rate Determination for Floating Rate Notes where the Reference Rate is not specified as being SIBOR or SOR

(A) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (I) the offered quotation; or
- (II) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR or Hong Kong time in the case of HIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR, EURIBOR or HIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon;

- (B) If the Relevant Screen Page is not available or if, sub-paragraph (A)(I) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (A)(II) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (C) If sub-paragraph (B) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Interest Determination Date, any one or more banks

(which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, *provided that*, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period).

- (iii) Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SIBOR or SOR
  - (A) Each Floating Rate Note where the Reference Rate is specified as being SIBOR (in which case such Note will be a SIBOR Note) or SOR (in which case such Note will be a Swap Rate Note) bears interest at a floating rate determined by reference to a Benchmark as specified hereon or in any case such other Benchmark as specified hereon;
  - (B) The Rate of Interest payable from time to time in respect of each Floating Rate Note under this Condition 5(II)(b)(iii) will be determined by the Calculation Agent on the basis of the following provisions:
    - (I) in the case of Floating Rate Notes which are SIBOR Notes:
      - (aa) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption “ABS SIBOR FIX – SIBOR AND SWAP OFFER RATES – RATES AT 11.00 HRS SINGAPORE TIME” and the column headed “**SGD SIBOR**” (or such other Relevant Screen Page);
      - (bb) if no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or, if no rate appears, on such other Relevant Screen Page) or if Reuters Screen ABSIRFIX01 page (or such other replacement page thereof or such other Relevant Screen Page) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of each of the Reference Banks to provide the Calculation Agent with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore inter-bank market for a period equivalent to the duration of such Interest Period commencing on such Interest Payment Date in an amount comparable to the aggregate nominal amount of the relevant Floating Rate Notes. The Rate of Interest for such Interest Period shall be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of such offered quotations, as determined by the Calculation Agent;

- (cc) if on any Interest Determination Date two but not all the Reference Banks provide the Calculation Agent with such quotations, the Rate of Interest for the relevant Interest Period shall be determined in accordance with sub-paragraph (bb) above on the basis of the quotations of those Reference Banks providing such quotations; and
  - (dd) if on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotations, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Calculation Agent at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Period, an amount equal to the aggregate nominal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate or if on such Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotation, the rate per annum which the Calculation Agent determines to be arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date;
- (II) in the case of Floating Rate Notes which are Swap Rate Notes:
- (aa) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period as being the rate which appears on the Reuters Screen ABSFIX01 Page under the caption "SGD SOR rates as of 11:00 hrs London Time" under the column headed "SGD SOR" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period;
  - (bb) if on any Interest Determination Date no such rate is quoted on Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) or Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) is unavailable for any reason, such Calculation Agent will determine the Rate of Interest for such Interest Period as being the rate (or, if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to the nearest four decimal places)) for a period equal to the duration of such Interest Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as such Calculation Agent may select; and

- (cc) if on any Interest Determination Date such Calculation Agent is otherwise unable to determine the Rate of Interest under paragraphs (bb) and (cc) above, the Rate of Interest shall be determined by such Calculation Agent to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to such Calculation Agent at or about 11.00 a.m. (Singapore time) on the first business day following such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate, or if on such day one only or none of the Reference Banks provides such Calculation Agent with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about 11.00 a.m. (Singapore time) on such Interest Determination Date.
  - (iv) On the last day of each Interest Period, the Issuer will pay interest on each Floating Rate Note to which such Interest Period relates at the Rate of Interest for such Interest Period.
  - (v) For the avoidance of doubt, in the event that the Rate of Interest in relation to any Interest Period is less than zero, the Rate of Interest in relation to such Interest Period shall be equal to zero.
- (c) **Rate of Interest – Variable Rate Notes**
- (i) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (c). The interest payable in respect of a Variable Rate Note on the first day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the “**Agreed Yield**” and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in this Condition 5(II)(c) as the “**Rate of Interest**”.
  - (ii) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period shall, subject as referred to in paragraph (c)(iv) below, be determined as follows:
    - (1) not earlier than 9.00 a.m. (Singapore time) on the ninth business day nor later than 3.00 p.m. (Singapore time) on the third business day prior to the commencement of each Interest Period, the Issuer and the Relevant Dealer (as defined below) shall endeavour to agree on the following:
      - (A) whether interest in respect of such Variable Rate Note is to be paid on the first day or the last day of such Interest Period;
      - (B) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the first day of such Interest Period, an Agreed Yield in respect of such Variable Rate Note for such Interest Period (and, in the event of the Issuer and the Relevant Dealer so agreeing on such Agreed Yield, the Interest Amount (as defined below) for such Variable Rate Note for such Interest Period shall be zero); and

- (C) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the last day of such Interest Period, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an “**Agreed Rate**”) and, in the event of the Issuer and the Relevant Dealer so agreeing on an Agreed Rate, such Agreed Rate shall be the Rate of Interest for such Variable Rate Note for such Interest Period; and
- (2) if the Issuer and the Relevant Dealer shall not have agreed either an Agreed Yield or an Agreed Rate in respect of such Variable Rate Note for such Interest Period by 3.00 p.m. (Singapore time) on the third business day prior to the commencement of such Interest Period, or if there shall be no Relevant Dealer during the period for agreement referred to in (1) above, the Rate of Interest for such Variable Rate Note for such Interest Period shall automatically be the rate per annum equal to the Fall Back Rate (as defined below) for such Interest Period.
- (iii) The Issuer has undertaken to the Issuing and Paying Agent and the Calculation Agent pursuant to the Agency Agreement that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following business day:
- (1) notify the Guarantor, the Issuing and Paying Agent and the Calculation Agent of the Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note for such Interest Period; and
- (2) cause such Agreed Yield or, as the case may be, Agreed Rate for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Securityholder at its request.
- (iv) For the purposes of sub-paragraph (ii) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no Relevant Dealer in respect of the Variable Rate Note(s) shall be the rate (the “**Fall Back Rate**”) determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s), being (in the case of Variable Rate Notes which are denominated in Singapore dollars) SIBOR (in which case such Variable Rate Note(s) will be SIBOR Note(s)) or Swap Rate (in which case such Variable Rate Note(s) will be Swap Rate Note(s)) or (in any other case or in the case of Variable Rate Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Variable Rate Note(s).

Such rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Variable Rate Note. The “**Spread**” is the percentage rate per annum specified on the face of such Variable Rate Note as being applicable to the rate of interest for such Variable Rate Note. The rate of interest so calculated shall be subject to Condition 5(V)(a).

The Fall Back Rate payable from time to time in respect of each Variable Rate Note will be determined by the Calculation Agent in accordance with the provisions of Condition 5(II)(b) (*mutatis mutandis*) and references therein to “**Rate of Interest**” shall mean “**Fall Back Rate**”.

- (v) If interest is payable in respect of a Variable Rate Note on the first day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Agreed Yield applicable to such Variable Rate Note for such Interest Period on the first day of such Interest Period. If interest is payable in respect of a Variable Rate Note on the last day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Interest Amount (as defined below) for such Variable Rate Note for such Interest Period on the last day of such Interest Period.



- (vi) For the avoidance of doubt, in the event that the Rate of Interest in relation to any Interest Period is less than zero, the Rate of Interest in relation to such Interest Period shall be equal to zero.

(d) **Rate of Interest – Index Linked Interest Notes**

Interest will accrue on each Index Linked Interest Note by reference to an index or formula as specified hereon.

(e) **Definitions**

As used in these Conditions:

**“Benchmark”** means the rate specified as such in the applicable Pricing Supplement;

**“business day”** means:

- (i) (in the case of Notes denominated in Singapore dollars) a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore; and
- (xii) (in the case of Notes denominated in a currency other than Singapore dollars), a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks and foreign exchange markets are open for business in Singapore and the principal financial centre for that currency;

**“Calculation Amount”** means the amount specified as such on the face of any Note, or if no such amount is so specified, the Denomination Amount of such Note as shown on the face thereof;

**“Day Count Fraction”** means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the **“Calculation Period”**):

- (i) if **“Actual/Actual”** or **“Actual/Actual — ISDA”** is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if **“Actual/365 (Fixed)”** is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;
- (iii) if **“Actual/360”** is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;
- (iv) if **“30/360”**, **“360/360”** or **“Bond Basis”** is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

**“Y<sub>1</sub>”** is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30;

- (vi) if “**30E/360 (ISDA)**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30;

- (vii) if “**Actual/Actual — ICMA**” is specified in the applicable Pricing Supplement,
- (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
  - (B) if the Calculation Period is longer than one Determination Period, the sum of:
    - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
    - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

“**Determination Date**” means the date(s) specified as such in the applicable Pricing Supplement or, if none is so specified, the Interest Payment Date(s); and

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

- (viii) if “**RBA Bond Basis**” is specified in the applicable Pricing Supplement, means one divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:
- (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
  - (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365));

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended;

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified as the Interest Commencement Date on the face of such Note;

**“Interest Determination Date”** means, in respect of any Interest Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Note;

**“ISDA Definitions”** means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (as the same may be updated, amended or supplemented from time to time), unless otherwise specified hereon;

**“Rate of Interest”** means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon;

**“Reference Banks”** means the institutions specified in the applicable Pricing Supplement or, if none, three major banks selected by the Issuer in the interbank market that is most closely connected with the Benchmark;

**“Reference Rate”** means the rate specified as such hereon;

**“Relevant Currency”** means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated;

**“Relevant Dealer”** means, in respect of any Variable Rate Note, the Dealer party to the Dealer Agreement referred to in the Agency Agreement with whom the Issuer has concluded or is negotiating an agreement for the issue of such Variable Rate Note pursuant to the Dealer Agreement;

**“Relevant Financial Centre”** means, in the case of interest to be determined on an Interest Determination Date with respect to any Floating Rate Note, Index Linked Interest Note or Variable Rate Note, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

**“Relevant Screen Page”** means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency and Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark; and

**“Relevant Time”** means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the inter-bank market in the Relevant Financial Centre.

**(III) Interest on Hybrid Notes**

**(a) Interest Rate and Accrual**

Each Hybrid Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note.

**(b) Fixed Rate Period**

(i) In respect of the Fixed Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Fixed Rate Period at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of the Note in each year and on the last day of the Fixed Rate Period if that date does not fall on an Interest Payment Date.

- (ii) The first payment of interest will be made on the Interest Payment Date next following the first day of the Fixed Rate Period (and if the first day of the Fixed Rate Period is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the last day of the Fixed Rate Period falls before the date on which the first payment of interest would otherwise be due. If the last day of the Fixed Rate Period is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the first day of the Fixed Rate Period, as the case may be) to the last day of the Fixed Rate Period will amount to the Final Broken Amount shown on the face of the Note.
  - (iii) Where the due date of redemption of any Hybrid Note falls within the Fixed Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed or (in the case of AMTNs) the Note (AMTN) Deed Poll, payment of principal is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) to the Relevant Date.
  - (iv) In the case of a Hybrid Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon during the Fixed Rate Period.
- (c) **Floating Rate Period**
- (i) In respect of the Floating Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Floating Rate Period, and such interest will be payable in arrear on each interest payment date (“**Interest Payment Date**”). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the “**Specified Number of Months**”) after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the first day of the Floating Rate Period (and which corresponds numerically with such preceding Interest Payment Date or the first day of the Floating Rate Period, as the case may be). If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.
  - (ii) In this Condition 5(III), the period beginning on (and including) the first day of the Floating Rate Period and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an “**Interest Period**”.

- (iii) Where the due date of redemption of any Hybrid Note falls within the Floating Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed or (in the case of AMTNs) the Note (AMTN) Deed Poll, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) to the Relevant Date.
- (iv) The provisions of Condition 5(II)(b) shall apply to each Hybrid Note during the Floating Rate Period as though references therein to Floating Rate Notes are references to Hybrid Notes.

#### **(IV) Zero Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note (determined in accordance with Condition 6(f)). As from the Maturity Date, the rate of interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 6(f)).

#### **(V) Calculations**

##### **(a) Margin, Maximum/Minimum Rates of Interest and Rounding**

- (i) If any Margin is specified hereon (either (A) generally, or (B) in relation to one or more Interest Periods), an adjustment shall be made to all Rates of Interest, in the case of (A), or the Rates of Interest for the specified Interest Periods, in the case of (B), calculated in accordance with Condition 5(II) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to the next paragraph.
- (ii) If any Maximum Rate of Interest or Minimum Rate of Interest is specified hereon, then any Rate of Interest shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (A) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (B) all figures shall be rounded to seven significant figures (with halves being rounded up) and (C) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes, “**unit**” means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

##### **(b) Determination of Rate of Interest and Calculation of Interest Amounts**

The Calculation Agent will, as soon as practicable after the Relevant Time on each Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable (the “**Interest Amounts**”) in respect of each Calculation Amount of the relevant Floating Rate Notes, Index Linked Interest Notes, Variable Rate Notes or (where applicable) Hybrid Notes for the relevant Interest Period. The amount of interest payable per Calculation Amount in respect of any Floating Rate Note, Index Linked Interest Note Variable Rate Note or (where applicable) Hybrid Note shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount, by the Day Count Fraction shown on the Note. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(c) **Notification**

The Calculation Agent will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Issuing and Paying Agent, the Trustee, the Issuer and the Guarantor as soon as possible after their determination but in no event later than the fourth business day thereafter. In the case of Floating Rate Notes, if so required by the Issuer, the Calculation Agent will also cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to Securityholders in accordance with Condition 16 as soon as possible after their determination. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period by reason of any Interest Payment Date not being a business day. If the Floating Rate Notes, Index Linked Interest Notes, Variable Rate Notes or, as the case may be, Hybrid Notes become due and payable under Condition 10, the Rate of Interest and Interest Amounts payable in respect of the Floating Rate Notes or, as the case may be, Index Linked Interest Notes, Variable Rate Notes or, as the case may be, Hybrid Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest and Interest Amounts need to be made unless the Trustee requires otherwise.

(d) **Determination or Calculation by the Trustee**

In the case of Notes other than AMTNs, if the Calculation Agent does not at any material time determine or calculate the Rate of Interest for an Interest Period or any Interest Amount, the Trustee may, but shall not be obliged to, do so (or may, but shall not be obliged to, appoint an agent on its behalf to do so). If it does so, the Trustee or such agent shall apply the provisions of this Condition 5, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(e) **Calculation Agent and Reference Banks**

The Issuer will procure that, so long as any Floating Rate Note, Variable Rate Note or Hybrid Note remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Note, Index Linked Interest Note, Variable Rate Note, Hybrid Note or Zero Coupon Note remains outstanding, there shall at all times be a Calculation Agent. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amounts, the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Calculation Agent may not resign from its duties without a successor having been appointed as aforesaid.

## 6 **Redemption and Purchase**

(a) **Final Redemption**

Unless previously redeemed or purchased and cancelled as provided below, this Note (including each Index Linked Redemption Note and Credit Linked Note) will be redeemed at its Redemption Amount shown on its face on the Maturity Date shown on its face ("**Redemption Amount**") (if this Note is shown on its face to be a Fixed Rate Note, Hybrid Note (during the Fixed Rate Period) or Zero Coupon Note) or on the Interest Payment Date falling in the Redemption Month shown on its face (if this Note is shown on its face to be a Floating Rate Note, Index Linked Interest Note, Variable Rate Note or Hybrid Note (during the Floating Rate Period)).

(b) **Redemption at the Option of the Issuer**

If so provided hereon, the Issuer may, on giving not less than 30 nor more than 60 days' irrevocable notice to the Securityholders, redeem all or, if so provided, some of the Notes at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount, together with interest accrued (but excluding) to the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Notes other than AMTNs, the notice to Securityholders shall also contain the certificate numbers of the Bearer Notes or, in the case of Registered Notes, shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any Stock Exchange, the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any redemption of such Notes.

In the case of a partial redemption of AMTNs, the AMTNs to be redeemed must be specified in the notice and selected (i) in a fair and reasonable manner; and (ii) in compliance with any applicable law, directive or requirement of any stock exchange or other relevant authority on which the AMTNs are listed.

(c) **Redemption at the Option of Securityholders**

If so provided hereon, the Issuer shall, at the option of the holder of any Note, upon the holder of such Note giving not less than 30 nor more than 60 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the date or dates so provided at its Redemption Amount, together with interest accrued to the date fixed for redemption. To exercise such option, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent or any other Paying Agent at its specified office or (in the case of Registered Notes other than AMTNs) the Certificate representing such Note(s) with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice (an "**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar, any other Transfer Agent or the Issuer (as applicable) within the Securityholders' Redemption Option Period shown on the face hereof. Any Note or Certificate so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(d) **Redemption for Taxation Reasons**

If so provided hereon, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Securityholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero Coupon Notes) Early Redemption Amount (as defined in Condition 6(f) below) (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 8, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the



earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(d), the Issuer shall deliver or procure that there is delivered to the Issuing and Paying Agent and the Trustee (in the case of Notes other than AMTNs) and the Australian Agent (in the case of AMTNs) a certificate signed by a duly authorised officer of FLT Treasury or, in the case of the FLT Trustee acting as the Issuer or the Guarantor, as the case may be, by a duly authorised officer of the FLT Manager stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent tax or legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or is likely to become obliged to pay such additional amounts as a result of such change or amendment. The Australian Agent will make such certificate available to the holders of the relevant AMTNs for inspection. The Trustee shall be entitled to accept any such certificate and opinion as sufficient evidence of the satisfaction of the condition precedent set out in (ii) of this Condition 6(d) above without further enquiry and without liability to any Securityholder, Couponholder or any other person, in which event it shall be conclusive and binding on Securityholders and Couponholders.

(e) **Purchases**

The Issuer, the Guarantor or any of the subsidiaries of FLT may at any time purchase Notes at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons relating to them) in the open market or otherwise, provided that in any such case such purchase or purchases is or are in compliance with all relevant laws, regulations and directives.

Notes purchased by the Issuer, the Guarantor or any of the subsidiaries of FLT may be surrendered by the purchaser through the Issuer to the Issuing and Paying Agent and, in the case of Registered Notes, the Registrar for cancellation or may at the option of the Issuer, the Guarantor or the relevant subsidiary of FLT be held or resold.

For the purposes of these Conditions, “**directive**” includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation, or stock exchange.

(f) **Early Redemption of Zero Coupon Notes**

- (i) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or formula, upon redemption of such Note pursuant to Condition 6(d) or upon it becoming due and payable as provided in Condition 10, shall be the “**Amortised Face Amount**” (calculated as provided below) of such Note unless otherwise specified hereon.
- (ii) Subject to the provisions of sub-paragraph (iii) below of this Condition 6(f), the Amortised Face Amount of any such Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(d) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment) until the

Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 5(IV).

- (iv) Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(g) **Credit Linked Notes**

Provisions relating to the redemption of Credit Linked Notes will be set out in the applicable Pricing Supplement.

(h) **Cancellation**

All Notes purchased by or on behalf of the Issuer, the Guarantor or any of the subsidiaries of FLT may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Notes (other than AMTNs), by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes or Certificates so surrendered for cancellation may not be reissued or resold.

If any AMTN represented by an AMTN Certificate is redeemed or purchased and cancelled in accordance with this Condition 6 then (i) the applicable AMTN Certificate will be deemed to be surrendered and cancelled without any further formality, and (ii) where some, but not all, of the AMTNs represented by that AMTN Certificate are so redeemed or purchased and cancelled, the Issuer will, promptly and without charge, issue and deliver, and procure the authentication by the Australian Agent of, a new AMTN Certificate in respect of those AMTNs that had been represented by the original AMTN Certificate and which remain outstanding following such redemption or purchase and cancellation.

## **7 Payments**

(a) **Principal and Interest in respect of Bearer Notes**

Payments of principal and interest (which shall include the Redemption Amount and the Early Redemption Amount) in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons, as the case may be, at the specified office of any Paying Agent by a cheque drawn in the currency in which payment is due on, or, at the option of the holders, by transfer to an account maintained by the holder in that currency with, a bank in the principal financial centre for that currency.

(b) **Principal and Interest in respect of Registered Notes (other than AMTNs)**

This Condition 7(b) does not apply to AMTNs.

- (i) Payments of principal in respect of Registered Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 7(b)
- (ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made by a cheque drawn in the currency in which payment is due on and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account maintained by the holder in that currency with, a bank in the principal financial centre for that currency.

(c) **Payments subject to Law, etc.**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Securityholders or Couponholders in respect of such payments.

(d) **Appointment of Agents**

The Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agents, the Australian Agent and the Registrars initially appointed by the Issuer and their specified offices are listed below. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, the CDP Paying Agent, any other Paying Agent, the Calculation Agent, any Transfer Agent, the Australian Agent and either Registrar and to appoint additional or other Paying Agents, Calculation Agents, Transfer Agents and Registrars, provided that they will at all times maintain (i) an Issuing and Paying Agent, (ii) a Calculation Agent, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CDP Paying Agent in relation to Notes cleared through CDP, (v) a Registrar or Australian Agent (as applicable) in relation to Registered Notes and (vi) a Paying Agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that the Global Security(ies) are exchanged for definitive Notes, for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.

Notice of any such change or any change of any specified office will promptly be given to the Securityholders in accordance with Condition 16.

Subject to the provisions of the Agency Agreement, the Agency Agreement may be amended by the Issuer, the Guarantor, the Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agent, the Registrar and the Trustee, without the consent of the holder of any Note or Coupon, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which all of the Issuer, the Guarantor, the Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agent, the Registrar and the Trustee may mutually deem necessary or desirable, provided in each case that such amendment does not, in the opinion of each of the Issuer, the Guarantor and the Trustee, adversely affect the interests of the holders of the Notes or the Coupons. Any such amendment shall be binding on the holder of any Note or Coupon.

(e) **Unmatured Coupons and Unexchanged Talons**

- (i) Bearer Notes which comprise Fixed Rate Notes (other than Index Linked Redemption Notes and Credit Linked Notes) and Hybrid Notes should be surrendered for payment together with all unexpired Coupons (if any) relating to such Notes (and, in the case of Hybrid Notes, relating to interest payable during the Fixed Rate Period), failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of five years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Subject to the provisions of the relevant Pricing Supplement upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Variable Rate Note or Hybrid Note, unexpired Coupons relating to such Note (and in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period) (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

- (iv) Where any Bearer Note comprising a Floating Rate Note, Index Linked Interest Note, Variable Rate Note, Index Linked Redemption Note, Credit Linked Note or Hybrid Note is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period), redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption or repayment of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate.

(f) **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(g) **Non-business Days**

Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay.

(h) **Default Interest**

If on or after the due date for payment of any sum in respect of the Notes (other than AMTNs), payment of all or any part of such sum is not made against due presentation of the Notes (in the case of Bearer Notes) or the Certificates representing the Notes or, as the case may be, the Coupons, or if any sum in respect of the AMTNs is not paid in full on its due date, the Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Securityholders or, as the case may be, Couponholders (as well after as before judgment) at a rate per annum determined by the Issuing and Paying Agent to be equal to one per cent. per annum above (in the case of a Fixed Rate Note or a Hybrid Note during the Fixed Rate Period) the Interest Rate applicable to such Note or (in the case of a Floating Rate Note or a Hybrid Note during the Floating Rate Period) the Rate of Interest applicable to such Note or (in the case of a Variable Rate Note) the variable rate by which the Agreed Yield applicable to such Note is determined or, as the case may be, the Rate of Interest applicable to such Note, or in the case of an Index Linked Interest Note or a Zero Coupon Note, as provided for in the relevant Pricing Supplement. So long as the default continues then such rate shall be re-calculated on the same basis at intervals of such duration as the Issuing and Paying Agent may select, save that the amount of unpaid interest at the above rate accruing during the preceding such period shall be added to the amount in respect of which the Issuer is in default and itself bear interest accordingly. Interest at the rate(s) determined in accordance with this Condition 7(h) shall be calculated on the Day Count Fraction specified hereon and the actual number of days elapsed, shall accrue on a daily basis and shall be immediately due and payable by the Issuer.

(i) **AMTNs**

- (i) The Australian Agent will act (through its office in Sydney) as paying agent for AMTNs pursuant to the Australian Agency Agreement and:
  - (A) if the AMTNs are in the clearing system (the “**Austraclear System**”) operated by Austraclear, by crediting to the account (held with a bank in Australia) notified by Austraclear to the Australian Agent, or otherwise by paying to Austraclear in the manner required by Austraclear, each amount due under the AMTNs and on its due date (including on the relevant Interest Payment Date or Maturity Date (as the case

may be)) and otherwise in accordance with the rules and regulations known as the “**Austraclear System Regulations**” established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System;

- (B) if the AMTNs are not in the Austraclear System, by crediting each amount due to a Securityholder and on its due date (including on the relevant Interest Payment Date or Maturity Date (as the case may be), to an Australian dollar account (held with a bank in Australia) previously notified in writing by that Securityholder to the Issuer and the Australian Agent or, in the absence of such notification by close of business on the relevant Record Date (as defined below), by cheque drawn on the Sydney branch of an Australian bank dispatched by post on the relevant payment date to that Securityholder (or to the first named of the relevant joint Securityholders).
- (ii) If a payment in respect of the AMTN is prohibited by law from being made in Australia, such payment will be made in an international financial center for the account of the relevant payee, and on the basis that the relevant amounts are paid in immediately available funds, freely transferrable at the order of the payee.

For the purposes of this Condition 7(i), in relation to AMTNs, “**Business Day**” has the meaning given in the Australian Agency Agreement.

- (iii) Payments of principal and interest will be made in Sydney in Australian dollars to the persons registered at the close of business in Sydney on the relevant Record Date (as defined below) as the holders of such AMTNs or (if so required by the Trustee by notice in writing following the occurrence of an Event of Default or Potential Event of Default or following receipt by the Trustee of any money which it proposes to pay under Clause 7.1 of the Trust Deed) to the Trustee, subject in all cases to normal banking practice and all applicable laws and regulations. Payment will be made by cheques drawn on the Sydney branch of an Australian bank dispatched by post on the relevant payment date at the risk of the Securityholder or, at the option of the Securityholder, by the Australian Agent giving in Sydney irrevocable instructions for the effecting of a transfer of the relevant funds to an Australian dollar account in Australia specified by the Securityholder to the Australian Agent (or in any other manner in Sydney which the Australian Agent and the Securityholder agree). Payment of an amount due in respect of an AMTN to the holder or otherwise in accordance with this Condition or to the Trustee discharges the obligation of the Issuer to all persons to pay that amount.
- (iv) In the case of payments made by electronic transfer, payments will for all purposes be taken to be made when the Australian Agent gives irrevocable instructions in Sydney for the making of the relevant payment by electronic transfer, being instructions which would be reasonably expected to result, in the ordinary course of banking business, in the funds transferred reaching the account of the Securityholder on the same day as the day on which the instructions are given.
- (v) If a cheque posted or an electronic transfer for which irrevocable instructions have been given by the Australian Agent is shown, to the satisfaction of the Australian Agent, not to have reached the Securityholder and the Australian Agent is able to recover the relevant funds, the Australian Agent may make such other arrangements as it thinks fit for the effecting of the payment in Sydney.
- (vi) Interest will be calculated in the manner specified in Condition 5 and will be payable to the persons who are registered as Securityholders at the close of business in Sydney on the relevant Record Date and cheques will be made payable to the Securityholder (or, in the case of joint Securityholders, to the first-named) and sent to their registered address, unless instructions to the contrary are given by the Securityholder (or, in the case of joint Securityholders, by all the Securityholders) in such form as may be prescribed by the Australian Agent. Payments of principal will be made, when due, to, or to the order of, the persons who are registered as Securityholders at the close of business in Sydney on the relevant Record Date, subject, if so directed by the Australian Agent, to receipt from them of such instructions as the Australian Agent may require.

- (vii) If any day for payment in respect of any AMTN is not a Business Day, such payment shall not be made until the next day which is a Business Day, and no further interest shall be paid in respect of the delay in such payment.
- (viii) Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto. Neither the Issuer nor the Australian Agent shall be liable to any Securityholder or other person for any commissions, costs, losses or expenses in relation to or resulting from such payments.

In this Condition 7(i) in relation to AMTNs, “**Record Date**” means, in the case of payments of principal or interest, the close of business in Sydney on the date which is the eighth calendar day before the due date of the relevant payment of principal or interest.

## 8 Taxation

All payments in respect of the Notes and the Coupons by the Issuer or, as the case may be, the Guarantor shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as will result in the receipt by the Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented (or in respect of which the Certificate representing it is presented) for payment:

- (a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Note or Coupon or the receipt of any sums due in respect of such Note or Coupon (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore); or
- (b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or
- (c) to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note (or the Certificate representing it), or Coupon is presented for payment.

For the avoidance of doubt, neither the Issuer nor any other person shall be required to pay any additional amounts or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the United States Internal Revenue Code (the “**Code**”) as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

As used in these Conditions, “**Relevant Date**” in respect of any Note or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Securityholders in accordance with Condition 16 that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Redemption Amounts,

Early Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 6, “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 and any reference to “**principal**” and/or “**premium**” and/or “**Redemption Amounts**” and/or “**interest**” and/or “**Early Redemption Amounts**” shall be deemed to include any additional amounts which may be payable under these Conditions.

## 9 Prescription

Claims against the Issuer for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 10 Events of Default

If any of the following events (each an “**Event of Default**”) shall have occurred and is continuing, the Trustee at its discretion may, and if so requested in writing by holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (provided in any such case that the Trustee shall first have been indemnified and/or secured and/or prefunded to its satisfaction), give notice in writing to the Issuer and the Guarantor that the Notes are immediately repayable, whereupon the Redemption Amount of such Notes or (in the case of Zero Coupon Notes) the Early Redemption Amount of such Notes together with accrued interest to the date of payment shall become immediately due and payable:

- (a) the Issuer or the Guarantor does not pay any principal or interest payable under any of the Notes and such default continues for a period of five business days after the due date;
- (b) the Issuer or the Guarantor does not perform or comply with any one or more of its obligations (other than the payment obligation of the Issuer or the Guarantor referred to in Condition 10(a)) under the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll or any of the Notes and, if that default is capable of remedy, it is not remedied within 30 days after the date of the notice from the Trustee or a holder of the relevant AMTNs to the Issuer or, as the case may be, the Guarantor requiring the same to be remedied;
- (c)
  - (i) any other indebtedness of the Issuer, the Guarantor, the Intermediate Holding Entities or any of the Principal Subsidiaries of FLT in respect of borrowed money becomes due and payable prior to its stated maturity by reason of any event of default (however described) or is not paid when due or within any originally agreed applicable grace period; or
  - (ii) the Issuer, the Guarantor, the Intermediate Holding Entities or any of the Principal Subsidiaries of FLT fails to pay when properly called upon to do so, any guarantee of indebtedness for borrowed moneys,

provided however that no Event of Default will occur under this Condition 10(c) unless and until the aggregate amount of the indebtedness in respect of which one or more of the events mentioned above in this Condition 10(c) has/have occurred equals or exceeds S\$35,000,000 or its equivalent in other currency or currencies;

- (e) the Issuer, the Guarantor or any of the Principal Subsidiaries of FLT is (or is deemed by law or a court to be) insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of its indebtedness (other than those contested in good faith and by appropriate proceedings), takes any proceeding under any law for the rescheduling, readjustment or deferment of all or a material part of its indebtedness (or of any material part which it will otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of the indebtedness of the Issuer, the Guarantor or any of the Principal Subsidiaries of FLT;

- (f) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or a material part of the assets of the Issuer, the Guarantor or any of the Principal Subsidiaries of FLT and is not discharged or stayed within 30 days;
- (g) any security on or over the whole or a material part of the assets of the Issuer, the Guarantor or any of the Principal Subsidiaries of FLT becomes enforceable;
- (h) any meeting is convened, or any petition or originating summons is presented or any order is made or any resolution is passed for the winding-up (as defined in the Trust Deed) of the Issuer, the Guarantor, the Intermediate Holding Entities or any of the Principal Subsidiaries of FLT (except (i) for the purposes of a reconstruction, amalgamation, merger, consolidation or reorganisation on terms approved in writing by the Trustee or by an Extraordinary Resolution of the Securityholders or (ii) in the case of an Intermediate Holding Entity or a Principal Subsidiary, where such winding-up does not involve insolvency and results in such Intermediate Holding Entity or Principal Subsidiary, as the case may be, being able to pay all of its creditors in full) or a liquidator (including a provisional liquidator), receiver, judicial manager, trustee, administrator, agent or similar officer of the Issuer, the Guarantor, the Intermediate Holding Entities or any of the Principal Subsidiaries of FLT or over all or any substantial part of the assets of the Issuer, the Guarantor, the Intermediate Holding Entities or any of the Principal Subsidiaries of FLT is appointed and (other than the appointment of a judicial manager or liquidator (including a provisional liquidator)) is not discharged within 30 days;
  - (i) the Issuer, the Guarantor or any of the Principal Subsidiaries of FLT ceases to carry on the whole or a substantial part of its business, except (A) for the purposes of a reconstruction, amalgamation, merger, consolidation or reorganisation on terms approved in writing by the Trustee or by an Extraordinary Resolution of the Securityholders or (B) in the case of a Principal Subsidiary, where such cessation does not involve insolvency and results in such Principal Subsidiary being able to pay all of its creditors in full. For the purposes of this Condition 10(h), no cessation of any part of the business of FLT or any of the Principal Subsidiaries of FLT shall constitute an Event of Default if such cessation:
    - (i) does not require the approval of the securityholders of FLT in a general meeting under the rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”); or
    - (ii) has been approved by the securityholders of FLT in a duly convened general meeting of FLT in accordance with the rules of the SGX-ST and the FLT Trust Deed (as defined below) and such approval has not been obtained in consideration for the payment of a consent fee or any other financial incentive to some or all securityholders of FLT;
- (i) an order is made by any government authority or agency with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or substantially all of the assets of the Issuer, the Guarantor or any of the Principal Subsidiaries of FLT and such event has a material adverse effect on the Issuer or the Guarantor;
- (j) if at any time any act, condition or thing which is required to be done, fulfilled or performed in order (i) to enable the Issuer or the Guarantor lawfully to enter into, exercise its rights under and perform the obligations expressed to be assumed by it under and in respect of the Notes and the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll, (ii) to ensure that those obligations are legal, valid, binding and enforceable or (iii) to make the Notes, the Coupons and the Trust Deed admissible in evidence in Singapore is not done, fulfilled or performed (unless such condition is no longer required or applicable);
- (k) it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any one or more of their obligations under the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll or any of the Notes;



- (l) the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll or any of the Notes ceases for any reason (or is claimed by the Issuer or the Guarantor not) to be the legal and valid obligations of the Issuer or the Guarantor, binding upon it in accordance with its terms (subject to equitable principles and insolvency laws affecting creditors' rights generally);
- (m) any litigation, arbitration or administrative proceeding (other than those of a vexatious or frivolous nature or which are contested in good faith) against the Issuer or the Guarantor is current or pending to restrain the entry into, the exercise of any of the rights under, and/or the performance or enforcement of, or compliance with, any of the material obligations of the Issuer or the Guarantor under the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll or any of the Notes;
- (n) any event occurs which, under the law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in Conditions 10(d), 10(e), 10(f), 10(g), 10(h) or 10(i);
- (o) the Issuer, the Guarantor or any of the Principal Subsidiaries of FLT is declared by the Minister of Finance to be a declared company under the provisions of Part IX of the Companies Act, Chapter 50 of Singapore;
- (p) (i)(1) the FLT Trustee resigns or is removed from the position of trustee for FLT, (2) an order is made for the winding-up of the FLT Trustee, a receiver, judicial manager, administrator, agent or similar officer of the FLT Trustee is appointed, and/or (3) there is a declaration, imposition or promulgation in Singapore or in any relevant jurisdiction of a moratorium, any form of exchange control or any law, directive or regulation of any agency or the amalgamation, reconstruction or reorganisation of the FLT Trustee which prevents or restricts the ability of the FLT Trustee to perform its obligations under any of the Notes, the Trust Deed or the Agency Agreement and (ii) a replacement or substitute trustee of FLT is not appointed in accordance with the terms of the trust deed dated 30 November 2015 constituting FLT, as amended and restated by the first amending and restating deed dated 2 June 2016, and supplemented by the first supplemental deed dated 10 June 2016 and the second supplemental deed dated 28 October 2016, and as further amended or supplemented from time to time (the "**FLT Trust Deed**"); and
- (q) the FLT Manager resigns or is removed as a manager of FLT and a replacement or substitute manager is not appointed in accordance with the FLT Trust Deed.

## **11 Enforcement of Rights**

At any time after the Notes shall have become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer or the Guarantor as it may think fit to enforce repayment of the Notes, together with accrued interest, but it shall not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution of the Securityholders of such Notes or so requested in writing by Securityholders holding not less than 25 per cent. in principal amount of such Notes outstanding and (b) it shall have been indemnified and/or secured and/or pre-funded by the Securityholders to its satisfaction. No Securityholder or Couponholder shall be entitled to proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound to do so, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing.

## **12 Meeting of Securityholders and Modifications**

- (a) The Trust Deed and (in the case of AMTNs) the Note (AMTN) Deed Poll each contains provisions for convening meetings of Securityholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Notes of such Series (including these Conditions insofar as the same may apply to such Notes) or any of the provisions of the Trust Deed.

The Trustee, the Issuer or the Guarantor at any time may, and the Trustee upon the request in writing by Securityholders holding not less than 10 per cent. of the principal amount of the Notes of any Series for the time being outstanding and after being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses shall, convene a meeting of the Securityholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Securityholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (b) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (c) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates of interest or the basis for calculating any Interest Amount in respect of the Notes, (d) to vary any method of, or basis for, calculating the Redemption Amount or the Early Redemption Amount including the method of calculating the Amortised Face Amount, (e) to vary the currency or currencies of payment or denomination of the Notes, (f) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (g) to modify the provisions concerning the quorum required at any meeting of Securityholders or the majority required to pass the Extraordinary Resolution or (h) to modify or cancel the Guarantee, will only be binding if passed at a meeting of the Securityholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

The Trustee may (but is not obliged to) agree, without the consent of the Securityholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed or the Note (AMTN) Deed Poll which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with any mandatory provision of law or is required by Euroclear, Clearstream, Luxembourg, CDP and/or any other clearing system in which the Notes may be held, (ii) any other modification (except as mentioned in the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll) which is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders, and (iii) any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, the Note (AMTN) Deed Poll, the Agency Agreement or these Conditions which is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders. Any such modification, authorisation or waiver shall be binding on the Securityholders and the Couponholders and, unless the Trustee otherwise agrees, such modification, waiver or authorisation shall be notified by the Issuer to the Securityholders as soon as practicable.

In connection with the exercise of its functions and/or exercise of its rights, powers and/or discretions (including but not limited to those in relation to any proposed modification, waiver or authorisation), the Trustee shall have regard to the interests of the Securityholders as a class and shall not have regard to the consequences of such exercise for individual Securityholders or Couponholders.

These Conditions may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

- (b) **Meetings of AMTN holders:** The Note (AMTN) Deed Poll contains provisions for convening meetings of holders of AMTNs to consider any matter affecting their interests.

### **13 Replacement of Notes, Certificates, AMTN Certificates, Coupons and Talons**

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates), or at the specified office of such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Securityholders in accordance with Condition 16, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, undertaking, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed

Note, Certificate, Coupon or Talon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note, Certificate, Coupon or Talon) and otherwise as the Issuer and/or the Guarantor may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

Should any AMTN Certificate be lost, stolen, mutilated, defaced or destroyed, upon written notice of such having been received by the Issuer and the Australian Agent:

- (a) that the AMTN Certificate will be deemed to be cancelled without any further formality; and
- (b) the Issuer will, promptly and without charge, issue and deliver, and procure the authentication by the Australian Agent of, a new AMTN Certificate to represent the holding of the AMTNs that had been represented by the original AMTN Certificate.

#### **14 Further Issues**

The Issuer may from time to time without the consent of the Securityholders or Couponholders create and issue further notes having the same terms and conditions as the Notes of any Series and so that the same shall be consolidated and form a single Series with such Notes, and references in these Conditions to “Notes” shall be construed accordingly.

#### **15 Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including without limitation provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trust Deed also contains a provision entitling the Trustee to enter into business transactions with FLT Treasury, the FLT Trustee, FLT or any of the respective related entities of FLT Treasury, the FLT Trustee and FLT without accounting to the Securityholders or Couponholders for any profit resulting from such transactions.

None of the Trustee or any of the Agents shall be responsible for the performance by FLT Treasury, the FLT Trustee or FLT and any other person appointed by FLT Treasury in relation to the Notes of the duties and obligations on their part expressed in respect of the same and, unless it has express written notice from the Issuer or the Guarantor to the contrary, the Trustee and each Agent shall assume that the same are being duly performed. None of the Trustee or any Agent shall be liable to any Securityholder or Couponholder, FLT Treasury, the FLT Trustee, FLT or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Securityholders.

The Trustee shall be entitled to rely on any direction, request or resolution of Securityholders given by holders of the requisite principal amount of Notes outstanding or passed at a meeting of Securityholders convened and held in accordance with the Trust Deed.

Whenever the Trustee is required or entitled by the terms of the Trust Deed, these Conditions or any other transaction document to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to its exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction, to seek directions from the Securityholders by way of an Extraordinary Resolution, and the Trustee is not responsible or liable to any person for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction where the Trustee is seeking such directions or in the event that no such directions are received.

The Trustee shall not be under any obligation to monitor compliance with the provisions of the Trust Deed, the Agency Agreement or these Conditions.

The Trustee may rely without liability to Securityholders, Couponholders, FLT Treasury, the FLT Trustee, FLT or any other person on any report, confirmation, opinion or certificate from or any advice of any legal advisers, accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise, and, in such event, such report, confirmation, opinion, certificate or advice shall be binding on the Securityholders and the Couponholders.

Each Securityholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of each of the Issuer and the Guarantor, and the Trustee shall not at any time have any responsibility for the same and each Securityholder shall not rely on the Trustee in respect thereof.

## **16 Notices**

Notices to the holders of Registered Notes shall be valid if mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notwithstanding the foregoing, notices to the holders of Notes will be valid if published in a daily newspaper of general circulation in Singapore (or, if the holders of any Series of Notes can be identified, notices to such holders will also be valid if they are given to each of such holders). It is expected that such publication will be made in *The Business Times*. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper as provided above. Notices regarding AMTNs may also be published in a leading daily newspaper of general circulation in Australia. If so given, it is expected that such notices will be published in *The Australian Financial Review*. Any such notice will be deemed to have been given on the date of such publication.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Notes in accordance with this Condition 16.

So long as the Notes are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg and/or CDP, there may be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or (subject to the agreement of CDP) CDP for communication by it to the Securityholders, except that if the Notes are listed on any Stock Exchange and the rules of such Stock Exchange so require, notice will in any event be published in accordance with the preceding paragraphs. Any such notice shall be deemed to have been given to the Securityholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or CDP.

Notices to be given by any Securityholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same with the Issuing and Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes or AMTNs, as the case may be) or such other Agent as may be specified in these Conditions. Whilst the Notes are represented by a Global Security or a Global Certificate, such notice may be given by any Securityholder to the Issuing and Paying Agent or, as the case may be, the Registrar or, as the case may be, such other Agent through Euroclear, Clearstream, Luxembourg and/or CDP in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar or, as the case may be, such other Agent and Euroclear, Clearstream, Luxembourg and/or CDP may approve for this purpose.

Notwithstanding the other provisions of this Condition 16, in any case where the identities and addresses of all the Securityholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

## 17 Acknowledgement

- (a) Notwithstanding any provision to the contrary in the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith, the Trustee, the Securityholders and the Couponholders acknowledge and agree that the FLT Trustee has entered into the Trust Deed only in its capacity as trustee of FLT and not in its personal capacity and all references to (in the case of Notes being issued by the FLT Trustee) the Issuer, the Guarantor or the FLT Trustee in the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes and the Coupons shall be construed accordingly. Accordingly, notwithstanding any provision to the contrary in the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith, the FLT Trustee has assumed all obligations under the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith in its capacity as trustee of FLT and not in its personal capacity and any liability of or indemnity, covenant, undertaking, representation and/or warranty given by the FLT Trustee under the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith is given by the FLT Trustee only in its capacity as trustee of FLT and not in its personal capacity and any power and right conferred on any receiver, attorney, agent and/or delegate under the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith is limited to the assets of FLT over which the FLT Trustee, in its capacity as trustee of FLT, has recourse and shall not extend to any personal or other assets of the FLT Trustee or any assets held by the FLT Trustee as trustee of any other trust (other than FLT). Any obligation, matter, act, action or thing required to be done, performed or undertaken by the FLT Trustee under the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith shall only be in connection with matters relating to FLT (and shall not extend to any personal or other assets of the FLT Trustee or the obligations of the FLT Trustee in respect of any other trust or real estate investment trust of which it is a trustee). The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Securityholders and the Couponholders under law or equity whether in respect of any negligence, fraud, wilful breach or breach of trust of FLT in relation to the FLT Trust Deed.
- (b) Notwithstanding any provision to the contrary in the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith, it is hereby agreed that the FLT Trustee's obligations under the Trust Deed, the Notes, the Coupons these Conditions and any document in connection herewith or therewith will be solely the corporate obligations of the FLT Trustee and there shall be no recourse against the shareholders, directors, officers or employees of the FLT Trustee for any claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the transactions contemplated by the provisions of the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Securityholders and the Couponholders under law or equity whether in respect of any negligence, fraud, wilful breach or breach of trust of the FLT Trustee in relation to the FLT Trust Deed.
- (c) For the avoidance of doubt, any legal action or proceedings commenced against the FLT Trustee whether in Singapore, England or elsewhere pursuant to the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith shall be brought against the FLT Trustee in its capacity as trustee of FLT and not in its personal capacity. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Securityholders and the Couponholders under law or equity whether in respect of any negligence, fraud, wilful breach or breach of trust of the FLT Trustee in relation to the FLT Trust Deed.

- (d) The provisions of this Condition 17 shall apply, *mutatis mutandis*, to any notices, certificates or other documents which the FLT Trustee issues under or pursuant to the Notes and any document in connection herewith or therewith as if expressly set out in such notices, certificates or documents and shall survive the termination or rescission of the Trust Deed, the Notes or the Coupons.

## 18 Contracts (Rights of Third Parties) Act

[No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.]<sup>1</sup>

[No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.]<sup>2</sup>

## 19 Governing Law and Jurisdiction

Condition 19(a), Condition 19(b) and Condition 19(c) do not apply to AMTNs.

- (a) **Governing Law:** The Trust Deed, the Notes, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, [English law]<sup>1</sup>[Singapore law]<sup>2</sup>.
- (b) **Jurisdiction:** The [Courts of England]<sup>1</sup> [Courts of Singapore]<sup>2</sup> are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Notes (other than AMTNs), Coupons, Talons or the Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Notes (other than AMTNs), Coupons, Talons or the Guarantee (“**Proceedings**”) may be brought in such courts. Each of the Issuer and the Guarantor has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.
- (c) **Service of Process:** Each of the Issuer and the Guarantor has in the Trust Deed irrevocably appointed an agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.
- (d) **AMTNs:**
- (i) The AMTNs, the Australian Agency Agreement and the Note (AMTN) Deed Poll shall be governed by the laws in force in New South Wales, Australia, save that the provisions of Condition 10 and Condition 12(a) shall be interpreted so as to have the same meaning they would have if governed by English Law.
- (ii) The courts of New South Wales, Australia and the courts of appeal from them are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with them and any suit, action or proceedings arising out of or in connection with the AMTNs, the Australian Agency Agreement and the Note (AMTN) Deed Poll (together referred to as “**Australian Proceedings**”) may be brought in such courts.
- (iii) For so long as any AMTNs are outstanding, the Issuer agrees that it will irrevocably appoint an agent in Australia to receive, for it and on its behalf, service of process in any Australian Proceedings in Australia.

<sup>1</sup> Include for Notes governed by English law.

<sup>2</sup> Include for Notes governed by Singapore law.

## TERMS AND CONDITIONS OF THE PERPETUAL SECURITIES

*The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Perpetual Securities in definitive form issued in exchange for the Global Security(ies) or the Global Certificate(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Perpetual Securities. Those definitions will be endorsed on such Bearer Perpetual Securities or on the Certificates relating to such Registered Perpetual Securities. References in the Conditions to “**Perpetual Securities**” are to the Perpetual Securities of one Series only, not to all Perpetual Securities that may be issued under the Programme, details of the relevant Series being shown on the face of the relevant Perpetual Securities and in the relevant Pricing Supplement.*

The Perpetual Securities are issued by Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust (“**FLT**”) and in such capacity, the “**FLT Trustee**”) or FLT Treasury Pte. Ltd. (“**FLT Treasury**”) (each, in relation to Perpetual Securities issued by it, the “**Issuer**”) pursuant to the Trust Deed (as defined below). Issues of Perpetual Securities by FLT Treasury will be guaranteed by the FLT Trustee (in such capacity, the “**Guarantor**”). References in these Conditions to the Guarantor and the Guarantee shall only apply to Perpetual Securities issued by FLT Treasury.

The Perpetual Securities are constituted by a trust deed dated 28 October 2016 (as amended or supplemented as at the date of issue of the Perpetual Securities (the “**Issue Date**”), the “**Trust Deed**”) made between (1) FLT Treasury, (2) the FLT Trustee and (3) The Bank of New York Mellon, London Branch (the “**Trustee**”, which expression shall wherever the context so admits include such company and all other persons for the time being the trustee or trustees of the Trust Deed), as trustee for the Perpetual Securityholders (as defined below) as supplemented by the Singapore Supplemental Trust Deed (as amended and supplemented as at the Issue Date) dated 28 October 2016 between the same parties.

These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Perpetual Securities, Certificates, Coupons and Talons referred to below. FLT Treasury and the FLT Trustee have entered into an agency agreement dated 28 October 2016 made between (1) FLT Treasury, (2) the FLT Trustee, (3) The Bank of New York Mellon, London Branch, as issuing and paying agent (in such capacity, the “**Issuing and Paying Agent**”) and (where appointed as contemplated therein) as calculation agent (in such capacity, the “**Calculation Agent**”), (4) The Bank of New York Mellon, Singapore Branch, as CDP paying agent in respect of Perpetual Securities cleared through CDP (the “**CDP Paying Agent**”) and, together with the Issuing and Paying Agent and any other paying agents that may be appointed, the “**Paying Agents**”), (5) The Bank of New York Mellon (Luxembourg) S.A., as transfer agent in respect of Perpetual Securities cleared through Euroclear (as defined below) or Clearstream, Luxembourg (as defined below) and The Bank of New York Mellon, Singapore Branch, as transfer agent in respect of Perpetual Securities cleared through CDP (each a “**Transfer Agent**” (and, together with any other transfer agents that may be appointed, the “**Transfer Agents**”), (6) The Bank of New York Mellon (Luxembourg) S.A., as registrar in respect of Perpetual Securities cleared through Euroclear or Clearstream, Luxembourg and The Bank of New York Mellon, Singapore Branch, as registrar in respect of Perpetual Securities cleared through CDP (each in such capacity, the “**Registrar**”) and (7) the Trustee, as trustee in relation to the Perpetual Securities (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”). The Perpetual Securityholders and the holders (the “**Couponholders**”) of the distribution coupons (the “**Coupons**”) appertaining to the Perpetual Securities in bearer form and, where applicable in the case of such Perpetual Securities, talons for further Coupons (the “**Talons**”) are bound by and are deemed to have notice of all of the provisions of these Conditions, (in respect of the holders of Perpetual Securities) all the provisions of the Trust Deed and the applicable Pricing Supplement, and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

Copies of the Trust Deed and the Agency Agreement are available for inspection at the principal office of the Trustee for the time being and at the specified office of the Issuing and Paying Agent for the time being.

## 1 Form, Denomination and Title

### (a) Form and Denomination

- (i) The Perpetual Securities of the Series of which this Perpetual Security forms part (in these Conditions, the “**Perpetual Securities**”) are issued in bearer form (“**Bearer Perpetual Securities**”) or in registered form (“**Registered Perpetual Securities**”), in each case in the Denomination Amount shown hereon.
- (ii) This Perpetual Security is a Fixed Rate Perpetual Security or a Floating Rate Perpetual Security (depending upon the Distribution Basis shown on its face).
- (iii) Bearer Perpetual Securities are serially numbered and issued with Coupons (and, where appropriate, a Talon) attached.
- (iv) Registered Perpetual Securities are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Perpetual Securities by the same holder.

### (b) Title

- (i) Title to the Bearer Perpetual Securities and the Coupons and Talons appertaining thereto shall pass by delivery. Title to the Registered Perpetual Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”).
- (ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Perpetual Security, Coupon or Talon shall be deemed to be and shall be treated as the absolute owner of such Perpetual Security, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Perpetual Security, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft, loss or forgery thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.
- (iii) For so long as any of the Perpetual Securities is represented by a Global Security (as defined below) or, as the case may be, a Global Certificate (as defined below) and such Global Security or Global Certificate is held by a common depository for Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and/or The Central Depository (Pte) Limited (“**CDP**”), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or CDP as the holder of a particular principal amount of such Perpetual Securities (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or CDP as to the principal amount of such Perpetual Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, the Transfer Agents and all other agents of the Issuer and the Trustee as the holder of such principal amount of Perpetual Securities other than with respect to the payment of principal, premium, interest, distribution, redemption, purchase and/or any other amounts in respect of the Perpetual Securities, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, the other Transfer Agents, all other agents of the Issuer and the Trustee as the holder of such Perpetual Securities in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions “**Perpetual Securityholder**” and “**holder of Perpetual Securities**” and related expressions shall be construed accordingly). Perpetual Securities which are represented by the Global Security or, as the case may be, the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of



Euroclear, Clearstream, Luxembourg and/or CDP. For so long as any of the Perpetual Securities is represented by a Global Security or a Global Certificate and such Global Security or, as the case may be, Global Certificate is held by CDP, the record date for purposes of determining entitlements to any payment of principal, interest and any other amounts in respect of the Perpetual Security shall, unless otherwise specified by the Issuer, be the date falling five (5) business days prior to the relevant payment date (or such other date as may be prescribed by CDP).

- (iv) In these Conditions, “**Global Security**” means the relevant Temporary Global Security representing each Series or the relevant Permanent Global Security representing each Series, “**Global Certificate**” means the relevant Global Certificate representing each Series that is registered in the name of, or in the name of a nominee of, (1) a common depository for Euroclear and/or Clearstream, Luxembourg, (2) CDP and/or (3) any other clearing system, “**Perpetual Securityholder**” means the bearer of any Bearer Perpetual Security or the person in whose name a Registered Perpetual Security is registered (as the case may be) and “**holder**” (in relation to a Perpetual Security, Coupon or Talon) means the bearer of any Bearer Perpetual Security, Coupon or Talon or the person in whose name a Registered Perpetual Security is registered (as the case may be), “**Series**” means a Tranche, together with any further Tranche or Tranches, which are (A) expressed to be consolidated and forming a single series and (B) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of distribution and “**Tranche**” means Perpetual Securities which are identical in all respects (including as to listing).
- (v) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

## 2 No Exchange of Perpetual Securities and Transfers of Registered Perpetual Securities

- (a) **No Exchange of Perpetual Securities:** Registered Perpetual Securities may not be exchanged for Bearer Perpetual Securities. Bearer Perpetual Securities of one Denomination Amount may not be exchanged for Bearer Perpetual Securities of another Denomination Amount. Bearer Perpetual Securities may not be exchanged for Registered Perpetual Securities.
- (b) **Transfer of Registered Perpetual Securities:** Subject to Conditions 2(e) and 2(f) below, one or more Registered Perpetual Securities may be transferred upon the surrender (at the specified office of the Registrar or any other Transfer Agent) of the Certificate representing such Registered Perpetual Securities to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed and any other evidence as the Registrar or such other Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Perpetual Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Perpetual Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Perpetual Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee, and by the Registrar with the prior written approval of the Trustee. A copy of the current regulations will be made available by the Registrar to any Perpetual Securityholder upon request.

- (c) **Exercise of Options or Partial Redemption in Respect of Registered Perpetual Securities:** In the case of an exercise of the Issuer's option in respect of, or a partial redemption of, a holding of Registered Perpetual Securities represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Perpetual Securities of the same holding having different terms, separate Certificates shall be issued in respect of those Perpetual Securities of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Perpetual Securities to a person who is already a holder of Registered Perpetual Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) or 2(c) shall be available for delivery within five business days of receipt of the form of transfer and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day (other than a Saturday or Sunday) on which banks are open for business in the place of the specified office of the Registrar or the other relevant Transfer Agent (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Perpetual Securities and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Guarantor, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the relevant Transfer Agent may require) in respect of tax or charges.
- (f) **Closed Periods:** No Perpetual Securityholder may require the transfer of a Registered Perpetual Security to be registered (i) during the period of 15 days prior to any date on which Perpetual Securities may be called for redemption by the Issuer at its option pursuant to Condition 5(b), (ii) after any such Perpetual Security has been called for redemption or (iii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 6(b)(ii)).

### 3 Status and Guarantee

- (a) **Senior Perpetual Securities:** This Condition 3(a) applies to Perpetual Securities that are Senior Perpetual Securities (being the Perpetual Securities that specify their status as senior in the applicable Pricing Supplement).
  - (i) **Status of Senior Perpetual Securities**

The Senior Perpetual Securities and Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

(ii) **Guarantee of Senior Perpetual Securities**

The payment of all sums expressed to be payable by FLT Treasury under the Trust Deed, the Senior Perpetual Securities and the Coupons relating to them are unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under the Senior Guarantee (as defined in the Trust Deed) are contained in the Trust Deed. The payment obligations of the Guarantor under the Senior Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.

- (b) **Subordinated Perpetual Securities:** This Condition 3(b) applies to Perpetual Securities that are Subordinated Perpetual Securities (being the Perpetual Securities that specify their status as subordinated in the applicable Pricing Supplement).

(i) **Status of Subordinated Perpetual Securities**

The Subordinated Perpetual Securities and Coupons relating to them constitute direct, unconditional, subordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with any Parity Obligations of (in the case where FLT Treasury is the Issuer) FLT Treasury or (in the case where the FLT Trustee is the Issuer) FLT. The rights and claims of the Perpetual Securityholders and Couponholders in respect of the Subordinated Perpetual Securities are subordinated as provided in this Condition 3(b).

In these Conditions, “**Parity Obligation**” means (i) in the case of FLT Treasury, any instrument or security (including without limitation any preference shares) issued, entered into or guaranteed by FLT Treasury (1) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with the Subordinated Perpetual Securities of FLT Treasury and (2) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of FLT Treasury and/or, in the case of an instrument or security guaranteed by FLT Treasury, the issuer thereof and (ii) in the case of FLT, any instrument or security (including without limitation any preference units in FLT) issued, entered into or guaranteed by the FLT Trustee on behalf of FLT (1) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with a Notional Preferred Unit (as defined below) and (2) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the FLT Trustee and/or, in the case of an instrument or security guaranteed by the FLT Trustee, the issuer thereof.

(ii) **Ranking of claims on winding-up – Issuer**

- (a) In the case where FLT Treasury is the Issuer, subject to the insolvency laws of Singapore and other applicable laws, in the event of the winding-up of the Issuer, the rights of the Perpetual Securityholders and Couponholders in respect of Subordinated Perpetual Securities to payment of principal of and distribution on the Subordinated Perpetual Securities and the Coupons relating to them are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Issuer but at least *pari passu* with all other subordinated obligations of the Issuer that are not expressed by their terms to rank junior to the Subordinated Perpetual Securities and in priority to the claims of shareholders of the Issuer and/or as otherwise specified in the applicable Pricing Supplement.

In these Conditions, “**winding-up**” means the bankruptcy, termination, winding-up, liquidation, receivership or similar proceedings in respect of FLT Treasury or, as the case may be, FLT.

(b) In the case where the FLT Trustee is the Issuer, subject to the insolvency laws of Singapore and other applicable laws, in the event of the winding-up of FLT, there shall be payable by the Issuer in respect of each Perpetual Security (in lieu of any other payment by the Issuer), such amount, if any, as would have been payable to such Perpetual Securityholder if, on the day prior to the commencement of the winding-up of FLT, and thereafter, such Perpetual Securityholder were the holder of one of a class of preferred units in the capital of FLT (and if more than one class of preferred units is outstanding, the most junior ranking class of such preferred units) (the “**Notional Preferred Units**”) having an equal right to return of assets in the winding-up of FLT and so ranking *pari passu* with the holders of that class or classes of preferred units (if any) which have a preferential right to return of assets in the winding-up of FLT, and so rank ahead of the holders of Junior Obligations (as defined in Condition 4(IV)(a) of FLT, but junior to the claims of all other present and future creditors of FLT (other than Parity Obligations of FLT), on the assumption that the amount that such Perpetual Securityholder was entitled to receive in respect of each Notional Preferred Unit on a return of assets in such winding-up was an amount equal to the principal amount (and any applicable premium outstanding) of the relevant Perpetual Security together with distributions accrued and unpaid since the immediately preceding Distribution Payment Date or the Issue Date (as the case may be) and any unpaid Optional Distributions (as defined in Condition 4(IV)(c)) in respect of which the Issuer has given notice to the Perpetual Securityholders in accordance with these Conditions.

(iii) **No set-off – Issuer**

Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the Issuer. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of the winding-up or administration of FLT Treasury or FLT, the liquidator or, as appropriate, administrator of FLT Treasury or FLT) and, until such time as payment is made, shall hold such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of FLT Treasury or FLT) and accordingly any such discharge shall be deemed not to have taken place.

(iv) **Guarantee of Subordinated Perpetual Securities**

The payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Subordinated Perpetual Securities and the Coupons relating to them are unconditionally and irrevocably guaranteed on a subordinated basis by the Guarantor (other than Subordinated Perpetual Securities to be issued by the FLT Trustee). The obligations of the Guarantor under the Subordinated Guarantee are contained in the Trust Deed. The payment obligations of the Guarantor under the Subordinated Guarantee constitute direct, unconditional, subordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with any Parity Obligations of FLT. The rights and claims of the Perpetual Securityholders in respect of the Subordinated Guarantee are subordinated as provided in this Condition 3(b).

(v) **Ranking of claims on winding up – FLT**

Subject to the insolvency laws of Singapore and other applicable laws, in the event of the winding-up of FLT, there shall be payable by the Guarantor under and in accordance with the terms of the Subordinated Guarantee in respect of each Perpetual Security (in lieu of any other payment by the Guarantor) such amount, if any, as would have been payable to such Perpetual Securityholder if, on the day prior to the commencement of the winding-up of FLT, and thereafter, such Perpetual Securityholder were the holder of Notional Preferred Units having an equal right to return of assets in the winding-up of FLT and so ranking *pari passu* with the holders of that class or classes of preferred units (if any) which have a preferential right to return of assets in the winding-up of FLT, and so rank ahead of the holders of Junior Obligations of FLT, but junior to the claims of all other present and future creditors of FLT (other than Parity Obligations of FLT), on the assumption that the amount that such Perpetual Securityholder was entitled to receive in respect of each Notional Preferred Unit on a return of assets in such winding-up was an amount equal to the principal amount (and any applicable premium outstanding) of the relevant Perpetual Security together with distributions accrued and unpaid since the immediately preceding Distribution Payment Date or the Issue Date (as the case may be) and any unpaid Optional Distributions in respect of which the Issuer has given notice to the Perpetual Securityholders in accordance with these Conditions.

(vi) **No set-off – Guarantor**

Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Guarantor in respect of, or arising under or in connection with, the Subordinated Guarantee, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the Guarantor. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the Guarantor in respect of, or arising under or in connection with, the Subordinated Guarantee is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Guarantor (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of FLT) and, until such time as payment is made, shall hold such amount in trust for the Guarantor (or the liquidator or, as appropriate, administrator of FLT) and accordingly any such discharge shall be deemed not to have taken place.

**4 Distribution and other Calculations**

**(I) Distribution on Fixed Rate Perpetual Securities**

**(a) Distribution Rate and Accrual**

Each Fixed Rate Perpetual Security confers a right to receive distribution on its Calculation Amount (as defined in Condition 4(II)(c)) from the Distribution Commencement Date in respect thereof and as shown on the face of such Perpetual Security at the rate per annum (expressed as a percentage) equal to the Distribution Rate shown on the face of such Perpetual Security payable in arrear on each Distribution Payment Date or Distribution Payment Dates shown on the face of such Perpetual Security in each year.

The first payment of distribution will be made on the Distribution Payment Date next following the Distribution Commencement Date (and if the Distribution Commencement Date is not a Distribution Payment Date, will amount to the Initial Broken Amount shown on the face of such Perpetual Security).

Distribution will cease to accrue on each Fixed Rate Perpetual Security from the due date for redemption thereof unless, upon due presentation thereof and subject to the provisions of the Trust Deed, payment of principal is improperly withheld or refused, in which event distribution at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(l) to the Relevant Date (as defined in Condition 7).

(b) **Distribution Rate**

The Distribution Rate applicable to each Fixed Rate Perpetual Security shall be:

- (i) (if no Reset Date is specified in the applicable Pricing Supplement),
  - (1) if no Step-Up Margin is specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security; or
  - (2) if a Step-Up Margin is specified in the applicable Pricing Supplement, (A) for the period from (and including) the Distribution Commencement Date to (but excluding) the Step-Up Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security and (B) for the period from (and including) the Step-Up Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security plus the Step-Up Margin (as specified in the applicable Pricing Supplement); and
- (ii) (if a Reset Date is specified in the applicable Pricing Supplement), (1) for the period from (and including) the Distribution Commencement Date to (but excluding) the First Reset Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security and (2) for the period from (and including) the First Reset Date and each Reset Date (as shown in the applicable Pricing Supplement) falling thereafter to (but excluding) the immediately following Reset Date, the Reset Distribution Rate (as specified in the applicable Pricing Supplement),

Provided always that if Redemption upon a Change of Control Event is specified on the face of such Perpetual Security and a Change of Control Event Margin is specified in the applicable Pricing Supplement, in the event that a Change of Control Event (as defined in Condition 5(i)) has occurred, so long as the Issuer has not already redeemed the Perpetual Securities in accordance with Condition 5(i), the then prevailing Distribution Rate shall be increased by the Change of Control Event Margin with effect from (and including) the Distribution Payment Date immediately following the date on which the Change of Control Event occurred (or, if the Change of Control Event occurs on or after the date which is two business days prior to the immediately following Distribution Payment Date, the next following Distribution Payment Date).

(c) **Calculation of Reset Distribution Rate**

The Calculation Agent will, on the second business day prior to each Reset Date, calculate the applicable Reset Distribution Rate or (if a Change of Control Event has occurred) the applicable Distribution Rate payable in respect of each Perpetual Security. The Calculation Agent will cause the applicable Reset Distribution Rate or (if a Change of Control Event has occurred) the applicable Distribution Rate to be notified to the Issuing and Paying Agent, the Trustee, the Registrar, the Issuer and the Guarantor as soon as possible after its determination but in no event later than the fourth business day thereafter. All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 4 by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Registrar, the Transfer Agent and the Perpetual Securityholders and (except as provided in the Agency Agreement) no liability to any such person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

(d) **Publication of Relevant Reset Distribution Rate**

The Issuer shall cause notice of the then applicable Reset Distribution Rate or (if a Change of Control Event has occurred) the applicable Distribution Rate to be notified to the Perpetual Securityholders in accordance with Condition 14 as soon as possible after determination thereof.

(e) **Determination or Calculation by Trustee**

If the Calculation Agent does not at any material time determine or calculate the applicable Reset Distribution Rate or (if a Change of Control Event has occurred) the applicable Distribution Rate, the Trustee may, but shall not be obliged to, do so (or may, but shall not be obliged to, appoint an agent on its behalf to do so). If it does so, the Trustee or such agent shall apply the provisions of this Condition 4(l), with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(f) **Calculations**

In the case of a Fixed Rate Perpetual Security, distribution in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon. The amount of distribution payable per Calculation Amount in respect of any Perpetual Security shall be calculated by multiplying the product of the Distribution Rate and the Calculation Amount, by the Day Count Fraction shown on the Perpetual Security.

(II) **Distribution on Floating Rate Perpetual Securities**

(a) **Distribution Payment Dates**

Each Floating Rate Perpetual Security confers a right to receive distribution on its Calculation Amount from the Distribution Commencement Date in respect thereof and as shown on the face of such Perpetual Security, and such distribution will be payable in arrear on each distribution payment date (“**Distribution Payment Date**”). Such Distribution Payment Date(s) is/are either shown hereon as Specified Distribution Payment Date(s) or, if no Specified Distribution Payment Date(s) is/are shown hereon, Distribution Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Distribution Period on the face of the Perpetual Security (the “**Specified Number of Months**”) after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date (and which corresponds numerically with such preceding Distribution Payment Date or the Distribution Commencement Date, as the case may be). If any Distribution Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day (as defined below), then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Payment Date and each successive period beginning on (and including) a Distribution Payment Date and ending on (but excluding) the next succeeding Distribution Payment Date is herein called a “**Distribution Period**”.

Distribution will cease to accrue on each Floating Rate Perpetual Security from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event distribution will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(II) to the Relevant Date.

(b) **Distribution Rate for Floating Rate Perpetual Securities:** The Distribution Rate in respect of Floating Rate Perpetual Securities for each Distribution Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(i) ISDA Determination for Floating Rate Perpetual Securities

Where ISDA Determination is specified hereon as the manner in which the Distribution Rate is to be determined, the Distribution Rate for each Distribution Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (i), “**ISDA Rate**” for a Distribution Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (A) the Floating Rate Option is as specified hereon;
- (B) the Designated Maturity is a period specified hereon; and
- (C) the relevant Reset Date is the first day of that Distribution Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (i), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(iii) Screen Rate Determination for Floating Rate Perpetual Securities where the Reference Rate is not specified as being SIBOR or SOR

(A) Where Screen Rate Determination is specified hereon as the manner in which the Distribution Rate is to be determined, the Distribution Rate for each Distribution Period will, subject as provided below, be either:

- (I) the offered quotation; or
- (II) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR or Hong Kong time in the case of HIBOR) on the Distribution Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Perpetual Securities is specified hereon as being other than LIBOR, EURIBOR or HIBOR, the Distribution Rate in respect of such Perpetual Securities will be determined in accordance with the Pricing Supplement;



- (B) If the Relevant Screen Page is not available or if, sub-paragraph (A)(I) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (A)(II) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Distribution Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Distribution Rate for such Distribution Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (C) If sub-paragraph (B) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Distribution Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Distribution Determination Date, deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Distribution Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, *provided that*, if the Distribution Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Distribution Rate shall be determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum or Minimum Distribution Rate is to be applied to the relevant Distribution Period from that which applied to the last preceding Distribution Period, the Margin or Maximum Distribution Rate or Minimum Distribution Rate relating to the relevant Distribution Period, in place of the Margin or Maximum Distribution Rate or Minimum Distribution Rate relating to that last preceding Distribution Period).

- (iii) Screen Rate Determination for Floating Rate Perpetual Securities where the Reference Rate is specified as being SIBOR or SOR
  - (A) Each Floating Rate Perpetual Security where the Reference Rate is specified as being SIBOR (in which case such Perpetual Security will be a SIBOR Perpetual Security) or SOR (in which case such Perpetual Security will be a Swap Rate Perpetual Security) confers a right to receive distribution at a floating rate determined by reference to a Benchmark as specified hereon or in any case such other Benchmark as specified hereon;
  - (B) The Distribution Rate payable from time to time in respect of each Floating Rate Perpetual Security under this Condition 4(II)(b)(iii) will be determined by the Calculation Agent on the basis of the following provisions:
    - (I) in the case of Floating Rate Perpetual Securities which are SIBOR Perpetual Securities:
      - (aa) the Calculation Agent will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Distribution Rate for such Distribution Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Distribution Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption “ABS SIBOR FIX – SIBOR AND SWAP OFFER RATES – RATES AT 11.00 HRS SINGAPORE TIME” and the column headed “SGD SIBOR” (or such other Relevant Screen Page);
      - (bb) if no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or, if no rate appears, on such other Relevant Screen Page) or if Reuters Screen ABSIRFIX01 page (or such other replacement page thereof or such other Relevant Screen Page) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of each of the Reference Banks to provide the Calculation Agent with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Distribution Determination Date to prime banks in the Singapore inter-bank market for a period equivalent to the duration of such Distribution Period commencing on such Distribution Payment Date in an amount comparable to the aggregate nominal amount of the relevant Floating Rate Perpetual Securities. The Distribution Rate for such Distribution Period shall be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of such offered quotations, as determined by the Calculation Agent;
      - (cc) if on any Distribution Determination Date two but not all the Reference Banks provide the Calculation Agent with such quotations, the Distribution Rate for the relevant Distribution Period shall be determined in accordance with sub-paragraph (bb) above on the basis of the quotations of those Reference Banks providing such quotations; and
      - (dd) if on any Distribution Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotations, the Distribution Rate for the relevant Distribution Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number)

to the Calculation Agent at or about the Relevant Time on such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Distribution Period, an amount equal to the aggregate nominal amount of the relevant Floating Rate Perpetual Securities for such Distribution Period by whatever means they determine to be most appropriate or if on such Distribution Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotation, the rate per annum which the Calculation Agent determines to be arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Distribution Determination Date;

- (II) in the case of Floating Rate Perpetual Securities which are Swap Rate Perpetual Securities
  - (aa) the Calculation Agent will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Distribution Rate for such Distribution Period as being the rate which appears on the Reuters Screen ABSFIX01 Page under the caption "SGD SOR rates as of 11:00 hrs London Time" under the column headed "SGD SOR" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Distribution Determination Date and for a period equal to the duration of such Distribution Period;
  - (bb) if on any Distribution Determination Date no such rate is quoted on Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) or Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) is unavailable for any reason, such Calculation Agent will determine the Distribution Rate for such Distribution Period as being the rate (or, if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to the nearest four decimal places)) for a period equal to the duration of such Distribution Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as such Calculation Agent may select;
  - (cc) if on any Distribution Determination Date such Calculation Agent is otherwise unable to determine the Distribution Rate under paragraphs (bb) and (cc) above, the Distribution Rate shall be determined by such Calculation Agent to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to such Calculation Agent at or about 11.00 a.m. (Singapore time) on the first business day following such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Distribution Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Perpetual Securities for such Distribution Period by whatever means they determine to be most appropriate, or if on such day one only or none of the Reference Banks provides such Calculation Agent with such

quotation, the Distribution Rate for the relevant Distribution Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about 11.00 a.m. (Singapore time) on such Distribution Determination Date.

- (C) On the last day of each Distribution Period, the Issuer will pay distribution on each Floating Rate Perpetual Security to which such Distribution Period relates at the Distribution Rate for such Distribution Period.
- (D) For the avoidance of doubt, in the event that the Distribution Rate in relation to any Distribution Period is less than zero, the Distribution Rate in relation to such Distribution Period shall be equal to zero.

(c) **Definitions**

As used in these Conditions:

**“Benchmark”** means the rate specified as such in the applicable Pricing Supplement;

**“business day”** means:

- (i) (in the case of Perpetual Securities denominated in Singapore dollars) a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore; and
- (ii) (in the case of Perpetual Securities denominated in a currency other than Singapore dollars), a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks and foreign exchange markets are open for business in Singapore and the principal financial centre for that currency;

**“Calculation Amount”** means the amount specified as such on the face of any Perpetual Security, or if no such amount is so specified, the Denomination Amount of such Perpetual Security as shown on the face thereof;

**“Day Count Fraction”** means, in respect of the calculation of an amount of distribution on any Perpetual Security for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting a Distribution Period, the **“Calculation Period”**):

- (i) if **“Actual/Actual”** or **“Actual/Actual — ISDA”** is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if **“Actual/365 (Fixed)”** is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;
- (iii) if **“Actual/360”** is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;
- (iv) if **“30/360”**, **“360/360”** or **“Bond Basis”** is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“ $Y_1$ ” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“ $Y_2$ ” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“ $M_1$ ” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“ $M_2$ ” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“ $D_1$ ” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case  $D_1$  will be 30; and

“ $D_2$ ” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and  $D_1$  is greater than 29, in which case  $D_2$  will be 30;

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“ $Y_1$ ” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“ $Y_2$ ” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“ $M_1$ ” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“ $M_2$ ” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“ $D_1$ ” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case  $D_1$  will be 30; and

“ $D_2$ ” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case  $D_2$  will be 30;

- (vi) if “**30E/360 (ISDA)**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30; and

- (vii) if “**Actual/Actual — ICMA**” is specified in the applicable Pricing Supplement,
- (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
  - (B) if the Calculation Period is longer than one Determination Period, the sum of:
    - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
    - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“**Determination Date**” means the date(s) specified as such in the applicable Pricing Supplement or, if none is so specified, the Distribution Payment Date(s); and

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date;

“**Distribution Commencement Date**” means the Issue Date or such other date as may be specified as the Distribution Commencement Date on the face of such Perpetual Security;

“**Distribution Determination Date**” means, in respect of any Distribution Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Perpetual Security;

“**Distribution Rate**” means the distribution rate payable from time to time in respect of this Perpetual Security and that is either specified or calculated in accordance with the provisions hereon;

**“Euro-zone”** means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended;

**“ISDA Definitions”** means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (as the same may be updated, amended or supplemented from time to time), unless otherwise specified hereon;

**“Reference Banks”** means the institutions specified in the applicable Pricing Supplement or, if none, three major banks selected by the Issuer in the interbank market that is most closely connected with the Benchmark;

**“Reference Rate”** means the rate specified as such hereon;

**“Relevant Currency”** means the currency specified as such hereon or, if none is specified, the currency in which the Perpetual Securities are denominated;

**“Relevant Financial Centre”** means, in the case of distribution to be determined on a Distribution Determination Date with respect to any Floating Rate Perpetual Security, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

**“Relevant Screen Page”** means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency and Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark; and

**“Relevant Time”** means, with respect to any Distribution Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the inter-bank market in the Relevant Financial Centre.

### **(III) Calculations**

#### **(a) Margin, Maximum/Minimum Distribution Rates and Rounding**

- (i) If any Margin is specified hereon (either (A) generally, or (B) in relation to one or more Distribution Periods), an adjustment shall be made to all Distribution Rates, in the case of (A), or the Distribution Rates for the specified Distribution Periods, in the case of (B), calculated in accordance with Condition 4(II) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to the next paragraph.
- (ii) If any Maximum Distribution Rate or Minimum Distribution Rate is specified hereon, then any Distribution Rate shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (A) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (B) all figures shall be rounded to seven significant figures (with halves being rounded up) and (C) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes **“unit”** means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

(b) **Determination of Distribution Rate and Calculation of Distribution Amounts**

The Calculation Agent will, as soon as practicable after the Relevant Time on each Distribution Determination Date determine the Distribution Rate and calculate the amount of distribution payable (the “**Distribution Amounts**”) in respect of each Calculation Amount of the relevant Floating Rate Perpetual Securities for the relevant Distribution Period. The amount of distribution payable per Calculation Amount in respect of any Floating Rate Perpetual Security shall be calculated by multiplying the product of the Distribution Rate and the Calculation Amount, by the Day Count Fraction shown on the Perpetual Security. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(c) **Notification**

The Calculation Agent will cause the Distribution Rate and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date to be notified to the Issuing and Paying Agent, the Trustee, the Issuer and the Guarantor as soon as possible after their determination but in no event later than the fourth business day thereafter. In the case of Floating Rate Perpetual Securities, if so required by the Issuer, the Calculation Agent will also cause the Distribution Rate and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date to be notified to Perpetual Securityholders in accordance with Condition 14 as soon as possible after their determination. The Distribution Amounts and the Distribution Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Distribution Period by reason of any Distribution Payment Date not being a business day. If an Enforcement Event occurs in relation to the Floating Rate Perpetual Securities, the Distribution Rate and Distribution Amounts payable in respect of the Floating Rate Perpetual Securities shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Distribution Rate and Distribution Amounts need to be made unless the Trustee requires otherwise.

(d) **Determination or Calculation by the Trustee**

If the Calculation Agent does not at any material time determine or calculate the Distribution Rate for a Distribution Period or any Distribution Amount, the Trustee may, but shall not be obliged to, do so (or may, but shall not be obliged to, appoint an agent on its behalf to do so). If it does so, the Trustee or such agent shall apply the provisions of this Condition 4, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(e) **Calculation Agent and Reference Banks**

The Issuer will procure that, so long as any Floating Rate Perpetual Security remains outstanding (as defined in the Trust Deed), there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Perpetual Security remains outstanding, there shall at all times be a Calculation Agent. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Distribution Rate for any Distribution Period or to calculate the Distribution Amounts, the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Calculation Agent may not resign from its duties without a successor having been appointed as aforesaid.



#### (IV) Distribution Discretion

##### (a) Optional Payment

If Optional Payment is set out hereon, the Issuer may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date by giving notice (an “**Optional Payment Notice**”) to the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not more than 15 nor less than five business days (or such other notice period as may be specified hereon) prior to a scheduled Distribution Payment Date.

If Dividend Pusher is set out hereon, the Issuer may not elect to defer any distribution if during the Reference Period (as specified in the applicable Pricing Supplement) ending on the day before that scheduled Distribution Payment Date, either or both of the following have occurred:

- (i) a dividend, distribution or other payment has been declared or paid on or in respect of any of FLT’s Junior Obligations or (in the case where FLT Treasury is the Issuer) the Issuer’s Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FLT’s or (in the case where FLT Treasury is the Issuer) the Issuer’s Parity Obligations; or
- (ii) any of FLT’s or (in the case where FLT Treasury is the Issuer) the Issuer’s Junior Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FLT’s or (in the case where FLT Treasury is the Issuer) the Issuer’s Parity Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration,

in each case, other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, directors or consultants of the Group (as defined in the Trust Deed) or (2) as a result of the exchange or conversion of Parity Obligations of FLT or (in the case where FLT Treasury is the Issuer) the Issuer for Junior Obligations of FLT or (in the case where FLT Treasury is the Issuer) the Issuer (a “**Compulsory Distribution Payment Event**”) and/or as otherwise specified in the applicable Pricing Supplement.

In these Conditions, “**Junior Obligation**” means (i) in the case of FLT Treasury, any of its ordinary shares and any class of its share capital and any other instruments or securities (including without limitation any preference shares, preferred units or subordinated perpetual securities) issued, entered into or guaranteed by FLT Treasury that ranks or is expressed to rank, whether by its terms or by operation of law, junior to the Perpetual Securities and (ii) in the case of FLT, any class of equity capital in FLT and any instrument or security issued, entered into or guaranteed by the FLT Trustee on behalf of FLT, other than any instrument or security (including without limitation any preferred units) ranking in priority in payment and in all other respects to the ordinary units of FLT.

Each Optional Payment Notice shall be accompanied, in the case of the notice to the Trustee and the Issuing and Paying Agent, by a certificate signed by a director or a duly authorised officer of FLT Treasury or, in the case of the FLT Trustee acting as the Issuer, a certificate signed by a director or a duly authorised officer of Frasers Logistics & Industrial Asset Management Pte. Ltd., as manager of FLT (the “**FLT Manager**”) to be procured by the FLT Trustee confirming that no Compulsory Distribution Payment Event has occurred. Any such certificate shall be conclusive evidence that no Compulsory Distribution Payment Event has occurred and the Trustee and the Issuing and Paying Agent shall be entitled to rely without any obligation to verify the same and without liability to any Perpetual Securityholder or any other person on any Optional Payment Notice or any certificate as aforementioned. Each Optional Payment Notice shall be conclusive and binding on the Perpetual Securityholders.

(b) **No Obligation to Pay**

If Optional Payment is set out hereon and subject to Condition 4(IV)(c) and Condition 4(IV)(d), the Issuer shall have no obligation to pay any distribution on any Distribution Payment Date and any failure to pay a distribution in whole or in part shall not constitute a default of the Issuer in respect of the Perpetual Securities.

(c) **Non-Cumulative Deferral and Cumulative Deferral**

(i) If Non-Cumulative Deferral is set out hereon, any distribution deferred pursuant to this Condition 4(IV) is non-cumulative and will not accrue interest. The Issuer is not under any obligation to pay that or any other distributions that have not been paid in whole or in part. The Issuer may, at its sole discretion, and at any time, elect to pay an amount up to the amount of distribution which is unpaid ("**Optional Distribution**") (in whole or in part) by complying with the notice requirements in Condition 4(IV)(e). There is no limit on the number of times or the extent of the amount with respect to which the Issuer can elect not to pay distributions pursuant to this Condition 4(IV).

Any partial payment of outstanding Optional Distribution by the Issuer shall be shared by the holders of all outstanding Perpetual Securities and the Coupons related to them on a *pro rata* basis.

(ii) If Cumulative Deferral is set out hereon, any distribution deferred pursuant to this Condition 4(IV) shall constitute "**Arrears of Distribution**". The Issuer may, at its sole discretion, elect to (in the circumstances set out in Condition 4(IV)(a)) further defer any Arrears of Distribution by complying with the foregoing notice requirement applicable to any deferral of an accrued distribution. The Issuer is not subject to any limit as to the number of times distributions and Arrears of Distribution can or shall be deferred pursuant to this Condition 4(IV) except that this Condition 4(IV)(c) shall be complied with until all outstanding Arrears of Distribution have been paid in full.

(iii) If Additional Distribution is set out hereon, each amount of Arrears of Distribution shall bear interest as if it constituted the principal of the Perpetual Securities at the Distribution Rate and the amount of such interest (the "**Additional Distribution Amount**") with respect to Arrears of Distribution shall be due and payable pursuant to this Condition 4 and shall be calculated by applying the applicable Distribution Rate to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the foregoing provisions of this Condition 4. The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added, for the purpose of calculating the Additional Distribution Amount accruing thereafter, to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.

(d) **Restrictions in the case of Non-Payment**

If Dividend Stopper is set out hereon and on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full by reason of this Condition 4(IV), the Issuer and the Guarantor shall not and the FLT Trustee shall procure that none of FLT's subsidiaries shall:

(i) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of FLT's or (in the case where FLT Treasury is the Issuer) the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FLT's or (in the case where FLT Treasury is the Issuer) the Issuer's Parity Obligations; or

- (ii) redeem, reduce, cancel, buy-back or acquire for any consideration, and will procure that no redemption, reduction, cancellation, buy-back or acquisition for any consideration is made in respect of, any of FLT's or (in the case where FLT Treasury is the Issuer) the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FLT's or (in the case where FLT Treasury is the Issuer) the Issuer's Parity Obligations,

in each case other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, directors or consultants of the Group or (2) as a result of the exchange or conversion of Parity Obligations of FLT or (in the case where FLT Treasury is the Issuer) the Issuer for Junior Obligations of FLT or (in the case where FLT Treasury is the Issuer) the Issuer, unless and until (A) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) the Issuer has satisfied in full all outstanding Arrears of Distribution, (B) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Perpetual Securities has occurred, the next scheduled distribution has been paid in full or an Optional Distribution equal to the amount of a distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full or (C) the Issuer or, as the case may be, the Guarantor, is permitted to do so by an Extraordinary Resolution (as defined in the Trust Deed) of the Perpetual Securityholders and/or as otherwise specified in the applicable Pricing Supplement.

(e) **Satisfaction of Optional Distribution or Arrears of Distribution**

The Issuer:

- (i) may, at its sole discretion, satisfy an Optional Distribution or Arrears of Distribution, as the case may be (in whole or in part) at any time by giving notice of such election to the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not more than 20 nor less than 10 business days (or such other notice period as may be specified hereon) prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Optional Distribution or Arrears of Distribution on the payment date specified in such notice); and
- (ii) in any event shall satisfy any outstanding Arrears of Distribution (in whole but not in part) on the earliest of:
  - (A) the date of redemption of the Perpetual Securities in accordance with the redemption events set out in Condition 5 (as applicable);
  - (B) the next Distribution Payment Date on the occurrence of a breach of Condition 4(IV)(d) or the occurrence of a Compulsory Distribution Payment Event; and
  - (C) the date such amount becomes due under Condition 9 or on a winding-up of the Issuer or the Guarantor.

Any partial payment of an Optional Distribution or Arrears of Distribution, as the case may be, by the Issuer shall be shared by the Perpetual Securityholders of all outstanding Perpetual Securities on a *pro-rata* basis.

(f) **No Default**

Notwithstanding any other provision in these Conditions, the non-payment of any distribution payment in accordance with this Condition 4(IV) shall not constitute a default for any purpose (including, without limitation, pursuant to Condition 9) on the part of the Issuer under the Perpetual Securities.

For the avoidance of doubt, nothing in this Condition 4(IV) shall restrict the payment of any fees to any party by way of issuance of units or payment of cash by FLT.

## 5 Redemption and Purchase

### (a) No Fixed Redemption Date

The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 3 and without prejudice to Condition 9) only have the right (but not the obligation) to redeem or purchase them in accordance with the following provisions of this Condition 5.

### (b) Redemption at the Option of the Issuer

If so provided hereon, the Issuer may, on giving not less than 30 nor more than 60 days' irrevocable notice to the Perpetual Securityholders, redeem all or, if so provided, some of the Perpetual Securities at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Perpetual Securities shall be at their Redemption Amount, together with distribution accrued (including any Arrears of Distribution and any Additional Distribution Amount) to (but excluding) the date fixed for redemption.

All Perpetual Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Perpetual Securities, the notice to Perpetual Securityholders shall also contain the certificate numbers of the Bearer Perpetual Securities or, in the case of Registered Perpetual Securities, shall specify the principal amount of Registered Perpetual Securities drawn and the holder(s) of such Registered Perpetual Securities, to be redeemed, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Perpetual Securities are listed on any Stock Exchange, the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any redemption of such Perpetual Securities.

### (c) Redemption for Taxation Reasons

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if:

- (i) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 7, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, or as a result of a position adopted by any political subdivision or any authority of or in Singapore having power to tax, which causes the Perpetual Securities not to qualify as "qualifying debt securities" for the purposes of the Income Tax Act, Chapter 134 of Singapore, which position becomes effective on or after the Issue Date or any other date specified in the Pricing Supplement; and
- (ii) such obligations cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Perpetual Securities then due.

Prior to the publication of any notice of redemption pursuant to this Condition 5(c), the Issuer shall deliver or procure that there is delivered to the Issuing and Paying Agent and the Trustee a certificate signed by a duly authorised officer of FLT Treasury, or in the case of the FLT Trustee acting as the Issuer or the Guarantor, as the case may be, by a duly authorised officer of the FLT Manager stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent tax or legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or is likely to become obliged to pay such additional amounts as a result of such change or amendment.

Upon the expiry of any such notice as is referred to in this Condition 5(c), the Issuer shall be bound to redeem all the Perpetual Securities in accordance with this Condition 5(c).

(d) **Redemption for Accounting Reasons**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, on such Distribution Payment Date or any time after that Distribution Payment Date, as a result of any changes or amendments to Singapore Financial Reporting Standards issued by the Singapore Accounting Standards Council, as amended from time to time (the "SFRS") or any other accounting standards that may replace SFRS for the purposes of the consolidated financial statements of the Issuer (the "Relevant Accounting Standard"), the Perpetual Securities will not or will no longer be recorded as "equity" of the Issuer pursuant to the Relevant Accounting Standard.

Prior to the publication of any notice of redemption pursuant to this Condition 5(d), the Issuer shall deliver or procure that there is delivered to the Trustee and the Issuing and Paying Agent:

- (i) a certificate, signed by a duly authorised officer of FLT Treasury or, in the case of the FLT Trustee acting as the Issuer, by a duly authorised signatory of the FLT Manager stating that the circumstances referred to above prevail and setting out the details of such circumstances; and
- (ii) an opinion of the Issuer's independent auditors stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the Relevant Accounting Standard is due to take effect.

Upon the expiry of any such notice as is referred to in this Condition 5(d), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(d).

(e) **Redemption for Tax Deductibility**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if the Issuer satisfies the Trustee immediately before giving such notice that, as a result of:

- (i) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date;

- (ii) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date; or
- (iii) any applicable official interpretation or pronouncement (which, for the avoidance of doubt, includes any ruling) which is issued or announced on or after the Issue Date that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position which is announced on or after the Issue Date,

payments by the Issuer or, as the case may be, the Guarantor, which would otherwise have been tax deductible to FLT, are no longer, or would in the Distribution Period immediately following that Distribution Payment Date no longer be, fully deductible by FLT for Singapore income tax purposes.

Prior to the publication of any notice of redemption pursuant to this Condition 5(e), the Issuer shall deliver or procure that there is delivered to the Trustee and the Issuing and Paying Agent:

- (1) a certificate, signed by a duly authorised officer of FLT Treasury or, in the case of the FLT Trustee acting as the Issuer, by a duly authorised signatory of the FLT Manager stating that the circumstances referred to above prevail and setting out the details of such circumstances; and
- (2) an opinion of the Issuer's independent tax or legal adviser of recognised standing stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the tax regime is due to take effect.

Upon the expiry of any such notice as is referred to in this Condition 5(e), the Issuer shall be bound to redeem all the Perpetual Securities in accordance with this Condition 5(e).

(f) **Redemption upon a Regulatory Event**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole but not in part on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution accrued to (but excluding) the date fixed for redemption), if as a result of any change in, or amendment to, the Property Funds Appendix (as defined below), or any change in the application or official interpretation of the Property Funds Appendix, the Perpetual Securities will count towards the Aggregate Leverage (as defined below) under the Property Funds Appendix, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Perpetual Securities will count towards the Aggregate Leverage.

Prior to the publication of any notice of redemption pursuant to this Condition 5(f), the Issuer shall deliver, or procure that there is delivered to the Trustee and the Issuing and Paying Agent:

- (i) a certificate signed by a director or a duly authorised officer of FLT Treasury or, in the case of the FLT Trustee acting as the Issuer, by a director or a duly authorised signatory of the FLT Manager stating that the Issuer is entitled to effect such redemption and setting out the details of such circumstances; and
- (ii) an opinion of independent legal or any other professional advisers of recognised standing stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to, or change in application or interpretation of, the Property Funds Appendix, took, or is due to take, effect.

Upon the expiry of any such notice as is referred to in this Condition 5(f), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(f).

In this Condition 5(f), “**Aggregate Leverage**” means, as defined under the Property Funds Appendix, the total borrowings and deferred payments of a real estate investment trust, or such other definition as may from time to time be provided for under the Property Funds Appendix and “**Property Funds Appendix**” means appendix 6 to the Code of Collective Investment Schemes issued by the Monetary Authority of Singapore in relation to real estate investment trusts.

(g) **Redemption upon a Ratings Event**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole but not in part on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days’ notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution accrued to (but excluding) the date fixed for redemption), if as of the date fixed for redemption, an amendment, clarification or change has occurred, or will in the Distribution Payment Period immediately following the date fixed for redemption occur, in the equity credit criteria, guidelines or methodology of the Rating Agency (as defined below) specified hereon (or any other rating agency of equivalent recognised standing requested from time to time by the Issuer to grant a rating to the Issuer or the Perpetual Securities) and in each case, any of their respective successors to the rating business thereof, which amendment, clarification or change results or will result in a lower equity credit for the Perpetual Securities than the equity credit assigned or which would have been assigned on the Issue Date (in the case of such Rating Agency) or assigned at the date when equity credit is assigned for the first time (in the case of any other rating agency), provided that, prior to the publication of any notice of redemption pursuant to this Condition 5(g), the Issuer shall deliver, or procure that there is delivered to the Trustee and the Issuing and Paying Agent a certificate signed by a director or a duly authorised officer of FLT Treasury or, in the case of the FLT Trustee acting as the Issuer, by a director or a duly authorised signatory of the FLT Manager stating that the Issuer is entitled to effect such redemption and setting out the details of such circumstances.

Upon the expiry of any such notice as is referred to in this Condition 5(g), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(g).

In this Condition 5(g), “**Rating Agencies**” means (a) Moody’s Investors Service Inc., (b) Fitch, Ratings Inc., and/or (c) Standard & Poor’s Rating Services, and their respective successors and “**Rating Agency**” means any one of them.

(h) **Redemption in the case of Minimal Outstanding Amount**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days’ notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, immediately before giving such notice, the aggregate principal amount of the Perpetual Securities outstanding is less than 10 per cent. of the aggregate principal amount originally issued.

Upon expiry of any such notice as is referred to in this Condition 5(h), the Issuer shall be bound to redeem all the Perpetual Securities in accordance with this Condition 5(h).

(i) **Redemption upon a Change of Control**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if the FLT Manager resigns or is removed as manager of FLT and a replacement or substitute manager is not appointed in accordance with the FLT Trust Deed (a "**Change of Control Event**").

(j) **Purchases**

The Issuer, the Guarantor or any of the subsidiaries of FLT may at any time purchase Perpetual Securities at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons relating to them) in the open market or otherwise, provided that in any such case such purchase or purchases is or are in compliance with all relevant laws, regulations and directives.

Perpetual Securities purchased by the Issuer, the Guarantor or any of the subsidiaries of FLT may be surrendered by the purchaser through the Issuer to, in the case of Bearer Perpetual Securities, the Issuing and Paying Agent and, in the case of Registered Perpetual Securities, the Registrar for cancellation or may at the option of the Issuer, the Guarantor or the relevant subsidiary of FLT be held or resold.

For the purposes of these Conditions, "**directive**" includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation, or stock exchange.

(k) **Cancellation**

All Perpetual Securities purchased by or on behalf of the Issuer, the Guarantor or any of the subsidiaries of FLT may be surrendered for cancellation, in the case of Bearer Perpetual Securities, by surrendering each such Perpetual Security together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Perpetual Securities, by surrendering the Certificate representing such Perpetual Securities to the Registrar and, in each case, if so surrendered, shall, together with all Perpetual Securities redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Perpetual Securities or Certificates so surrendered for cancellation may not be reissued or resold.

## 6 **Payments**

(a) **Principal and Distribution in respect of Bearer Perpetual Securities**

Payments of principal and distribution in respect of Bearer Perpetual Securities will, subject as mentioned below, be made against presentation and surrender of the relevant Perpetual Securities or Coupons, as the case may be, at the specified office of any Paying Agent by a cheque drawn in the currency in which payment is due on, or, at the option of the holders, by transfer to an account maintained by the holder in that currency with, a bank in the principal financial centre for that currency.

(b) **Principal and Distribution in respect of Registered Perpetual Securities**

(i) Payments of principal in respect of Registered Perpetual Securities will, subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 6(b)(ii).



- (ii) Distribution on Registered Perpetual Securities shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of distribution on each Registered Perpetual Security shall be made by a cheque drawn in the currency in which payment is due on and mailed to the holder (or to the first named of joint holders) of such Perpetual Security at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of distribution may be made by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency.

(c) **Payments subject to Law, etc.**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Perpetual Securityholders or Couponholders in respect of such payments.

(d) **Appointment of Agents**

The Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agents and the Registrars initially appointed by the Issuer and their specified offices are listed below. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, the CDP Paying Agent, any other Paying Agent, the Calculation Agent, any Transfer Agent and either Registrar and to appoint additional or other Paying Agents, Calculation Agents, Transfer Agents and Registrars, provided that they will at all times maintain (i) an Issuing and Paying Agent, (ii) a Calculation Agent, (iii) a Transfer Agent in relation to Registered Perpetual Securities, (iv) a CDP Paying Agent in relation to Perpetual Securities cleared through CDP, (v) a Registrar in relation to Registered Perpetual Securities and (vi) a Paying Agent in Singapore, where the Perpetual Securities may be presented or surrendered for payment or redemption, in the event that the Global Security(ies) are exchanged for definitive Perpetual Securities, for so long as the Perpetual Securities are listed on the SGX-ST and the rules of the SGX-ST so require.

Notice of any such change or any change of any specified office will promptly be given to the Perpetual Securityholders in accordance with Condition 14.

Subject to the provisions of the Agency Agreement, the Agency Agreement may be amended by the Issuer, the Guarantor, the Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agent, the Registrar and the Trustee, without the consent of the holder of any Perpetual Security or Coupon, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which all of the Issuer, the Guarantor, the Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agent, the Registrar and the Trustee may mutually deem necessary or desirable, provided that in each case such amendment does not, in the opinion of each of the Issuer, the Guarantor and the Trustee, adversely affect the interests of the holders of the Perpetual Securities or the Coupons. Any such amendment shall be binding on the holder of any Perpetual Security or Coupon.

(e) **Unmatured Coupons and Unexchanged Talons**

- (i) Bearer Perpetual Securities which comprise Fixed Rate Perpetual Securities should be surrendered for payment together with all unexpired Coupons (if any) relating to such Perpetual Securities, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of five years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).

- (ii) Subject to the provisions of the relevant Pricing Supplement, upon the due date for redemption of any Bearer Perpetual Security comprising a Floating Rate Perpetual Security, unmatured Coupons relating to such Perpetual Security (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Perpetual Security, any unexchanged Talon relating to such Perpetual Security (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Bearer Perpetual Security comprising a Floating Rate Perpetual Security is presented for redemption without all unmatured Coupons, and where any Bearer Perpetual Security is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption or repayment of any Perpetual Security is not a due date for payment of distribution, distribution accrued from the preceding due date for payment of distribution or the Distribution Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Perpetual Security or Certificate.

(f) **Talons**

On or after the Distribution Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Perpetual Security, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).

(g) **Non-business Days**

Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Perpetual Security or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further distribution or other payment in respect of any such delay.

## 7 **Taxation**

Where the Perpetual Securities are recognised as debt securities for Singapore income tax purposes, all payments in respect of the Perpetual Securities and the Coupons by the Issuer or, as the case may be, the Guarantor shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as will result in the receipt by the Perpetual Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Perpetual Security or Coupon presented (or in respect of which the Certificate representing it is presented) for payment:

- (a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Perpetual Security or Coupon or the receipt of any sums due in respect of such Perpetual Security or Coupon (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore); or

- (b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or
- (c) to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Perpetual Security (or the Certificate representing it), or Coupon is presented for payment.

For the avoidance of doubt, neither the Issuer nor any other person shall be required to pay any additional amounts or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the United States Internal Revenue Code (the “**Code**”) as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

Where the Perpetual Securities are not recognised as debt securities for Singapore income tax purposes, all payments in respect of the Perpetual Securities by or on behalf of the Issuer or, as the case may be, the Guarantor may be subject to any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax in the same manner as distributions on ordinary units of FLT, and the FLT Trustee may be obliged (in certain circumstances) to withhold or deduct tax at the prevailing rate (currently 10 per cent. or 17 per cent.) under Section 45G of the Income Tax Act, Chapter 134 of Singapore. In that event, the Issuer or, as the case may be, the Guarantor will not pay any additional amounts in respect of any such withholding or deduction from payments in respect of the Perpetual Securities for or on account of any such taxes or duties.

As used in these Conditions, “**Relevant Date**” in respect of any Perpetual Security or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Perpetual Securityholders in accordance with Condition 14 that, upon further presentation of the Perpetual Security (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to “**principal**” shall be deemed to include any premium payable in respect of the Perpetual Securities, all Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 5, “**distribution**” shall be deemed to include all Distribution Amounts and all other amounts payable pursuant to Condition 4 and any reference to “**principal**” and/or “**premium**” and/or “**Redemption Amounts**” and/or “**distribution**” shall be deemed to include any additional amounts which may be payable under these Conditions.

## **8 Prescription**

Claims against the Issuer for payment in respect of the Perpetual Securities and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of distributions) from the appropriate Relevant Date in respect of them.

## 9 Non-payment

### (a) Non-payment when Due

Notwithstanding any of the provisions below in this Condition 9, the right to institute proceedings for winding-up is limited to circumstances where payment has become due. In the case of any distribution, such distribution will not be due if the Issuer has elected not to pay that distribution in accordance with Condition 4(IV). In addition, nothing in this Condition 9, including any restriction on commencing proceedings, shall in any way restrict or limit the rights of the Trustee or any of its directors, officers, employees or agents to claim from or to otherwise take any action against the Issuer and/or the Guarantor in respect of any costs, charges, fees, expenses or liabilities incurred by such party pursuant to or in connection with the Perpetual Securities, the Guarantee or the Trust Deed.

### (b) Proceedings for Winding-Up

If (i) a final and effective order is made or an effective resolution is passed for the winding-up of the Issuer and/or the Guarantor or (ii) the Issuer fails to make payment in respect of the Perpetual Securities when due or the Guarantor fails to pay any amount under the Guarantee when due and, in each case, such failure continues for a period of more than five business days (together, the “**Enforcement Events**”), the Issuer or, as the case may be, the Guarantor shall be deemed to be in default under the Trust Deed and the Perpetual Securities or, as the case may be, the Guarantee and the Trustee may, subject to the provisions of Condition 9(d), institute proceedings for the winding-up of the Issuer and/or the Guarantor and/or prove in the winding-up of the Issuer and/or the Guarantor and/or claim in the liquidation of the Issuer and/or the Guarantor for such payment.

### (c) Enforcement

Without prejudice to Condition 9(b) but subject to the provisions of Condition 9(d), the Trustee may without further notice to the Issuer or the Guarantor institute such proceedings against the Issuer and/or the Guarantor as it may think fit to enforce any term or condition binding on the Issuer and/or the Guarantor under the Perpetual Securities, the Guarantee or the Trust Deed, as the case may be, (other than any payment obligation of the Issuer or the Guarantor under or arising from the Perpetual Securities or the Guarantee, including, without limitation, payment of any principal or premium or satisfaction of any distributions (including any damages awarded for breach of any obligations)) and in no event shall the Issuer or the Guarantor, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

### (d) Entitlement of Trustee

The Trustee shall not and shall not be obliged to take any of the actions referred to in Condition 9(b) or Condition 9(c) against the Issuer and/or the Guarantor to enforce the terms of the Trust Deed, the Guarantee or the Perpetual Securities unless (i) it shall have been so directed by an Extraordinary Resolution of the Perpetual Securityholders or so requested in writing by Perpetual Securityholders holding not less than 25 per cent. in principal amount of the Perpetual Securities outstanding and (ii) it shall have been indemnified and/or secured and/or pre-funded by the Perpetual Securityholders to its satisfaction.

### (e) Right of Perpetual Securityholders or Couponholder

No Perpetual Securityholder or Couponholder shall be entitled to proceed directly against the Issuer or the Guarantor or to institute proceedings for the winding-up or claim in the liquidation of the Issuer and/or the Guarantor or to prove in such winding-up unless the Trustee, having become so bound to proceed or being able to prove in such winding-up or claim in such liquidation, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing, in which case the Perpetual Securityholder or Couponholder shall have only such rights against the Issuer and/or the Guarantor as those which the Trustee is entitled to exercise as set out in this Condition 9.

(f) **Extent of Perpetual Securityholders' Remedy**

No remedy against the Issuer or the Guarantor, other than as referred to in this Condition 9, shall be available to the Trustee or the Perpetual Securityholders or Couponholders, whether for the recovery of amounts owing in respect of the Trust Deed, the Perpetual Securities or the Guarantee or in respect of any breach by the Issuer or the Guarantor of any of its other obligations under or in respect of the Trust Deed, the Perpetual Securities or the Guarantee (as applicable).

**10 Meeting of Perpetual Securityholders and Modifications**

The Trust Deed contains provisions for convening meetings of Perpetual Securityholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Perpetual Securities of such Series (including these Conditions insofar as the same may apply to such Perpetual Securities) or any of the provisions of the Trust Deed.

The Trustee, the Issuer or the Guarantor at any time may, and the Trustee upon the request in writing by Perpetual Securityholders holding not less than 10 per cent. of the principal amount of the Perpetual Securities of any Series for the time being outstanding and after being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses shall, convene a meeting of the Perpetual Securityholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Perpetual Securityholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of redemption of the Perpetual Securities or any date for payment of distribution or Distribution Amounts on the Perpetual Securities, (b) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Perpetual Securities, (c) to reduce the rate or rates of distribution in respect of the Perpetual Securities or to vary the method or basis of calculating the rate or rates of distribution or the basis for calculating any Distribution Amount in respect of the Perpetual Securities, (d) to vary any method of, or basis for, calculating the Redemption Amount, (e) to vary the currency or currencies of payment or denomination of the Perpetual Securities, (f) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (g) to modify the provisions concerning the quorum required at any meeting of Perpetual Securityholders or the majority required to pass the Extraordinary Resolution or (h) to modify or cancel the Guarantee, will only be binding if passed at a meeting of the Perpetual Securityholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

The Trustee may (but is not obliged to) agree, without the consent of the Perpetual Securityholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with any mandatory provision of law or is required by Euroclear, Clearstream, Luxembourg, CDP and/or any other clearing system in which the Perpetual Securities may be held, (ii) any other modification (except as mentioned in the Trust Deed) which is in the opinion of the Trustee not materially prejudicial to the interests of the Perpetual Securityholders, and (iii) any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, the Agency Agreement or these Conditions which is in the opinion of the Trustee not materially prejudicial to the interests of the Perpetual Securityholders. Any such modification, authorisation or waiver shall be binding on the Perpetual Securityholders and the Couponholders and, unless the Trustee otherwise agrees, such modification, waiver or authorisation shall be notified by the Issuer to the Perpetual Securityholders as soon as practicable.

In connection with the exercise of its functions and/or exercise of its rights, powers and/or discretions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution), the Trustee shall have regard to the interests of the Perpetual Securityholders as a class and shall not have regard to the consequences of such exercise for individual Perpetual Securityholders or Couponholders.

These Conditions may be amended, modified, or varied in relation to any Series of Perpetual Securities by the terms of the relevant Pricing Supplement in relation to such Series.

## 11 Replacement of Perpetual Securities, Certificates, Coupons and Talons

If a Perpetual Security, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, at the specified office of the Issuing and Paying Agent (in the case of Bearer Perpetual Securities, Coupons or Talons) and of the Registrar (in the case of Certificates), or at the specified office of such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Perpetual Securityholders in accordance with Condition 14, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, undertaking, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Perpetual Security, Certificate, Coupon or Talon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Perpetual Security, Certificate, Coupon or Talon) and otherwise as the Issuer may require. Mutilated or defaced Perpetual Securities, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

## 12 Further Issues

The Issuer may from time to time without the consent of the Perpetual Securityholders or Couponholders create and issue further perpetual securities having the same terms and conditions as the Perpetual Securities of any Series and so that the same shall be consolidated and form a single Series with such Perpetual Securities, and references in these Conditions to “**Perpetual Securities**” shall be construed accordingly.

## 13 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including without limitation provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trust Deed also contains a provision entitling the Trustee to enter into business transactions with FLT Treasury, FLT, the Guarantor, the FLT Trustee or any of the respective related entities of FLT Treasury, FLT, the Guarantor and the FLT Trustee without accounting to the Perpetual Securityholders or Couponholders for any profit resulting from such transactions.

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer, FLT, the Guarantor, the FLT Trustee or any other person appointed by the Issuer in relation to the Perpetual Securities of the duties and obligations on their part expressed in respect of the same and, unless it has express written notice from the Issuer or the Guarantor to the contrary, the Trustee and each Agent shall assume that the same are being duly performed. None of the Trustee or any Agent shall be liable to any Perpetual Securityholder or Couponholder, the Issuer, the Guarantor, the FLT Trustee, FLT or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Perpetual Securityholders.

The Trustee shall be entitled to rely on any direction, request or resolution of Perpetual Securityholders given by holders of the requisite principal amount of Perpetual Securities outstanding or passed at a meeting of Perpetual Securityholders convened and held in accordance with the Trust Deed.

Whenever the Trustee is required or entitled by the terms of the Trust Deed, these Conditions or any other transaction document to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to its exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction, to seek directions from the Perpetual Securityholders by way of an Extraordinary Resolution, and the Trustee is not responsible or liable to any person for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction where the Trustee is seeking such directions or in the event that no such directions are received.

The Trustee shall not be under any obligation to monitor compliance with the provisions of the Trust Deed, the Agency Agreement or these Conditions.

The Trustee may rely without liability to Perpetual Securityholders, Couponholders, the Issuer, FLT, the Guarantor, the FLT Trustee or any other person on any report, confirmation, opinion or certificate from or any advice of any legal advisers, accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise, and, in such event, such report, confirmation, opinion, certificate or advice shall be binding on the Perpetual Securityholders and the Couponholders.

Each Perpetual Securityholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of each of the Issuer and the Guarantor, and the Trustee shall not at any time have any responsibility for the same and each Perpetual Securityholder shall not rely on the Trustee in respect thereof.

#### **14 Notices**

Notices to the holders of Registered Perpetual Securities shall be valid if mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notwithstanding the foregoing, notices to the holders of Perpetual Securities will be valid if published in a daily newspaper of general circulation in Singapore (or, if the holders of any Series of Perpetual Securities can be identified, notices to such holders will also be valid if they are given to each of such holders). It is expected that such publication will be made in *The Business Times*. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Perpetual Securities in accordance with this Condition 14.

So long as the Perpetual Securities are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg and/or CDP, there may be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or (subject to the agreement of CDP) CDP for communication by it to the Perpetual Securityholders, except that if the Perpetual Securities are listed on any Stock Exchange and the rules of such Stock Exchange so require, notice will in any event be published in accordance with the preceding paragraphs. Any such notice shall be deemed to have been given to the Perpetual Securityholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or CDP.

Notices to be given by any Perpetual Securityholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relative Perpetual Security or Perpetual Securities, with the Issuing and Paying Agent (in the case of Bearer Perpetual Securities) or the Registrar (in the case of Certificates) or such other Agent as may be specified in these Conditions. Whilst the Perpetual Securities are represented by a Global Security or a Global Certificate, such notice may be given by any Perpetual Securityholder to the Issuing and Paying Agent or, as the case may be, the Registrar or, as the case may be, such other Agent through Euroclear, Clearstream, Luxembourg and/or CDP in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar or, as the case may be, such other Agent and Euroclear, Clearstream, Luxembourg and/or CDP may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identities and addresses of all the Perpetual Securityholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

## 15 Acknowledgement

- (a) Notwithstanding any provision to the contrary in the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith, the Trustee, the Perpetual Securityholders and the Couponholders acknowledge and agree that the FLT Trustee has entered into the Trust Deed only in its capacity as trustee of FLT and not in its personal capacity and all references to (in the case of Perpetual Securities issued by the FLT Trustee) the Issuer, the Guarantor or the FLT Trustee in the Trust Deed, the Perpetual Securities and the Coupons shall be construed accordingly. Accordingly, notwithstanding any provision to the contrary in the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith, the FLT Trustee has assumed all obligations under the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith in its capacity as trustee of FLT and not in its personal capacity and any liability of or indemnity, covenant, undertaking, representation and/or warranty given by the FLT Trustee under the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith is given by the FLT Trustee only in its capacity as trustee of FLT and not in its personal capacity and any power and right conferred on any receiver, attorney, agent and/or delegate under the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith is limited to the assets of FLT over which the FLT Trustee, in its capacity as trustee of FLT, has recourse and shall not extend to any personal or other assets of the FLT Trustee or any assets held by the FLT Trustee as trustee of any other trust (other than FLT). Any obligation, matter, act, action or thing required to be done, performed or undertaken by the FLT Trustee under the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith shall only be in connection with matters relating to FLT (and shall not extend to any personal or other assets of the FLT Trustee or the obligations of the FLT Trustee in respect of any other trust or real estate investment trust of which it is a trustee). The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Perpetual Securityholders and the Couponholders under law or equity whether in respect of any negligence, fraud, wilful breach or breach of trust of FLT in relation to the FLT Trust Deed.
- (b) Notwithstanding any provision to the contrary in the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith, it is hereby agreed that the FLT Trustee's obligations under the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith will be solely the corporate obligations of the FLT Trustee and there shall be no recourse against the shareholders, directors, officers or employees of the FLT Trustee for any claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the transactions contemplated by the provisions of the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Perpetual Securityholders and the Couponholders under law or equity whether in respect of any negligence, fraud, wilful breach or breach of trust of the FLT Trustee in relation to the FLT Trust Deed.
- (c) For the avoidance of doubt, any legal action or proceedings commenced against the FLT Trustee whether in Singapore, England or elsewhere pursuant to the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith shall be brought against the FLT Trustee in its capacity as trustee of FLT and not in its personal capacity. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Perpetual Securityholders and the Couponholders under law or equity whether in respect of any negligence, fraud, wilful breach or breach of trust of the FLT Trustee in relation to the FLT Trust Deed.



- (d) The provisions of this Condition 15 shall apply, *mutatis mutandis*, to any notices, certificates or other documents which the FLT Trustee issues under or pursuant to the Perpetual Securities and any document in connection herewith or therewith as if expressly set out in such notices, certificates or documents and shall survive the termination or rescission of the Trust Deed, the Perpetual Securities or the Coupons.

## 16 Contracts (Rights of Third Parties) Act

[No person shall have any right to enforce any term or condition of the Perpetual Securities under the Contracts (Rights of Third Parties) Act 1999.]<sup>1</sup>

[No person shall have any right to enforce any term or condition of the Perpetual Securities under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.]<sup>2</sup>

## 17 Governing Law and Jurisdiction

- (a) **Governing Law:** The Trust Deed, the Perpetual Securities, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, [English law, except that the subordination provisions set out in Condition 3(b) applicable to (i) the Issuer shall be governed by and construed in accordance with the laws of the Republic of Singapore; and (ii) the Guarantor shall be governed by and construed in accordance with the laws of the Republic of Singapore]<sup>1</sup>[Singapore law]<sup>2</sup>.
- (a) **Jurisdiction:** The Courts of [England]<sup>1</sup>[Singapore]<sup>2</sup> are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Perpetual Securities, Coupons, Talons or the Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Perpetual Securities, Coupons, Talons or the Guarantee (“**Proceedings**”) may be brought in such courts. Each of the Issuer and the Guarantor has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.
- (b) **Service of Process:** Each of the Issuer and the Guarantor has in the Trust Deed irrevocably appointed an agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.

<sup>1</sup> Include for Perpetual Securities governed by English law.

<sup>2</sup> Include for Perpetual Securities governed by Singapore law.

## SUMMARY OF PROVISIONS RELATING TO THE SECURITIES WHILE IN GLOBAL FORM

*The following section does not apply to AMTNs and references in the following section to the “**Issuing and Paying Agent**” shall be to the Issuing and Paying Agent in respect of Securities other than AMTNs.*

### 1 Initial Issue of Securities

Global Securities and Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depository (as defined hereinafter).

Upon the initial deposit of a Global Security with a common depository for Euroclear and Clearstream (the “**Common Depository**”), CDP, or registration of Registered Securities in the name of (i) any nominee for the Common Depository and/or (ii) CDP, the relevant clearing system will credit each subscriber with a nominal amount of Securities equal to the nominal amount thereof for which it has subscribed and paid.

Securities that are initially deposited with the Common Depository may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream held by such other clearing systems. Conversely, Securities that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream or other clearing systems.

### 2 Relationship of Accountholders with Clearing Systems

Save as provided in the following paragraph, each of the persons shown in the records of Euroclear, Clearstream, CDP or any other clearing system (each an “**Alternative Clearing System**”) as the holder of a Security represented by a Global Security or a Global Certificate must look solely to Euroclear, Clearstream, CDP or such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Security or the holder of the underlying Registered Securities, as the case may be, and in relation to all other rights arising under the Global Securities or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, CDP or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Securities for so long as the Securities are represented by such Global Security or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Security or the holder of the underlying Registered Securities, as the case may be, in respect of each amount so paid.

### 3 Exchange

#### 3.1 Temporary Global Securities

Each Temporary Global Security will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Pricing Supplement indicates that such Global Security is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “*Overview of the Programme – Selling Restrictions*”), in whole, but not in part, for the Definitive Securities defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Global Security or, if so provided in the relevant Pricing Supplement, for Definitive Securities.

### 3.2 Permanent Global Securities

Each Permanent Global Security will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3.4 below, in part for Definitive Securities:

- (i) if the Permanent Global Security is held on behalf of Euroclear or Clearstream or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (ii) if the Permanent Global Security is cleared through the CDP System (as defined in “*Clearance and Settlement – CDP*”) and (a) an Event of Default (as defined in “*Terms and Conditions of the Notes*”) has occurred and is continuing, (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), (c) CDP has announced an intention to permanently cease business and no alternative clearing system is available or (d) CDP has notified the Issuer that it is unable or unwilling to act as depository for the Securities and to continue performing its duties as set out in the depository agreement made between the Issuer and CDP and no alternative clearing system is available.

In the event that a Global Security is exchanged for Definitive Securities, such Definitive Securities shall be issued in Specified Denomination(s) only. A Securityholder who holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding and would need to purchase a principal amount of Securities such that it holds an amount equal to one or more Specified Denominations.

### 3.3 Global Certificates

If the Pricing Supplement states that the Securities are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Securities held in Euroclear or Clearstream, CDP or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Securities within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Securities may be withdrawn from the relevant clearing system.

Transfers of the holding of Securities represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) with the consent of the Issuer; or
- (iii) if the Global Certificate is cleared through CDP and:
  - (a) an Event of Default has occurred and is continuing; or
  - (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise); or
  - (c) CDP has announced an intention to permanently cease business and no alternative clearing system is available; or
  - (d) CDP has notified the Issuer that it is unable or unwilling to act as depository for the Securities and to continue performing its duties as set out in the depository agreement made between the Issuer and CDP and no alternative clearing system is available,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3.3(i) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

### **3.4 Partial Exchange of Permanent Global Securities**

For so long as a Permanent Global Security is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Security will be exchangeable in part on one or more occasions for Definitive Securities if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Pricing Supplement) relating to Partly Paid Securities.

### **3.5 Delivery of Securities**

On or after any due date for exchange the holder of a Global Security may surrender such Global Security or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent. In exchange for any Global Security, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Security exchangeable for a Permanent Global Security, deliver, or procure the delivery of, a Permanent Global Security in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Security that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Security to reflect such exchange or (ii) in the case of a Global Security exchangeable for Definitive Securities, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Securities. In this Offering Circular, "**Definitive Securities**" means, in relation to any Global Security, the definitive Bearer Securities for which such Global Security may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest that have not already been paid on the Global Security and a Talon). Definitive Securities will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each Permanent Global Security, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Securities.

### **3.6 Exchange Date**

"**Exchange Date**" means, in relation to a Temporary Global Security, the day falling after the expiry of 40 days after its issue date and, in relation to a Permanent Global Security, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Securities when due, 30 days, after that date on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

## **4 Amendment to Conditions**

The Temporary Global Securities, Permanent Global Securities and Global Certificates contain provisions that apply to the Securities that they represent, some of which modify the effect of the terms and conditions of the Securities set out in this Offering Circular. The following is a summary of certain of those provisions:

### **4.1 Payments**

No payment falling due after the Exchange Date will be made on any Global Security unless exchange for an interest in a Permanent Global Security or for Definitive Securities is improperly withheld or refused. Payments on any Temporary Global Security issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Securities represented by a Global Security will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Securities, surrender of that Global Security to or to the order of the

Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Securityholders for such purpose. A record of each payment so made will be endorsed on each Global Security, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Securities. Condition 7(d)(vi) and Condition 8(e) of the Terms and Conditions of the Notes will apply to the definitive Notes only. Condition 6(d)(vi) and Condition 7(e) of the Terms and Conditions of the Perpetual Securities will apply to the definitive Perpetual Securities only.

For the purpose of any payments made in respect of a Global Security, the relevant place of presentation (if applicable) shall be disregarded in the definition of “**business day**” set out in Condition 7(h) of the Terms and Conditions of the Securities.

All payments in respect of Securities represented by a Global Certificate (other than a Global Certificate held through CDP) will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

#### **4.2 Prescription**

Claims against the Issuer in respect of Securities that are represented by a Permanent Global Security will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8 of the Terms and Conditions of the Securities).

#### **4.3 Meetings**

The holder of a Permanent Global Security or of the Securities represented by a Global Certificate shall (unless such Permanent Global Security or Global Certificate represents only one Security) be treated as being two persons for the purposes of any quorum requirements of a meeting of Securityholders and, at any such meeting, the holder of a Permanent Global Security or of the Securities represented by a Global Certificate shall be treated as having one vote in respect of each integral currency unit of the Relevant Currency of the Securities. All holders of Registered Securities are entitled to one vote in respect of each integral currency unit of the Relevant Currency of the Securities comprising such Securityholder's holding, whether or not represented by a Global Certificate.

#### **4.4 Cancellation**

Cancellation of any Security represented by a Permanent Global Security that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant Permanent Global Security or its presentation to or to the order of the Issuing and Paying Agent for endorsement in the relevant schedule of such Permanent Global Security or in the case of a Global Certificate, by reduction in the aggregate principal amount of the Certificates in the Register, whereupon the principal amount thereof shall be reduced for all purposes by the amount so cancelled and endorsed.

#### **4.5 Purchase**

Securities represented by a Permanent Global Security may only be purchased by the Issuer, the Guarantor or any subsidiaries of FLCT if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

#### **4.6 Issuer's Option**

Any option of the Issuer provided for in the Conditions of any Securities while such Securities are represented by a Permanent Global Security shall be exercised by the Issuer giving notice to the Securityholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Securities drawn in the case of a partial exercise of an option and accordingly no drawing of Securities shall be required. In the event of a partial redemption

of Notes of any Series, Notes will be redeemed *pro rata* and the Calculation Amount of the Notes shall be determined in accordance with the standard procedures of Euroclear and Clearstream or CDP or any other clearing system (as the case may be) and the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of such clearing system.

#### **4.7 Securityholders' Options**

Any option of the Securityholders provided for in the Conditions of any Securities while such Securities are represented by a Permanent Global Security may be exercised by the holder of the Permanent Global Security giving notice to the Issuing and Paying Agent within the time limits relating to the deposit of Securities with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Securities in respect of which the option has been exercised and the option may be exercised in respect of the whole or any part of such Permanent Global Security, and stating the nominal amount of Securities in respect of which the option is exercised and at the same time presenting the Permanent Global Security to the Issuing and Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent, for notation. Any option of the Securityholders provided for in the Conditions of any Securities while such Securities are represented by a permanent Global Certificate may be exercised in respect of the whole or any part of the holding of Securities represented by such Global Certificate.

#### **4.8 Trustee's Powers**

In considering the interests of Securityholders while any Global Security is held on behalf of, or Registered Securities are registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Security or Registered Securities and may consider such interests as if such accountholders were the holders of the Securities represented by such Global Security or Global Certificate.

#### **4.9 Notices**

So long as any Securities are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held on behalf of:

- (i) Euroclear and/or Clearstream or any other clearing system (except as provided in (ii) below of this paragraph 4.9), notices to the holders of Securities of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Security or Global Certificate; or
- (ii) CDP, subject to the agreement of CDP, notices to the holders of Securities of that Series may be given by delivery of the relevant notice to CDP for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Security or Global Certificate.

## **USE OF PROCEEDS**

The net proceeds arising from the issue of Securities under the Programme (after deducting issue expenses) will be used for the refinancing of existing borrowings, financing or refinancing of acquisitions, investments, asset enhancement works and developments, which FLCT, its subsidiaries, associated companies and joint ventures may pursue from time to time as well as working capital requirements and the general corporate purposes of FLCT, its subsidiaries, associated companies and joint ventures, or as otherwise specified in the applicable Pricing Supplement.

## CAPITALISATION AND INDEBTEDNESS

The following table sets forth the consolidated capitalisation and indebtedness of the Group as at 30 September 2020. This table should be read in conjunction with the consolidated financial statements and related notes appearing elsewhere in this Offering Circular.

	<b>As at 30 September 2020</b> <i>(S\$'000)</i>
Loans and borrowings (Current) <sup>(1)</sup> .....	676,015
Loans and borrowings (Non-current) <sup>(1)</sup> .....	1,769,868
Total Equity <sup>(2)</sup> .....	3,806,677
<b>Total Capitalisation</b> .....	6,252,560

Notes:

- (1) Net of unamortised transaction costs and excluding lease liabilities.
- (2) Total Equity is calculated as the aggregate of Unitholders' funds and non-controlling interests.

As at 30 September 2020, the Group had gross loans and borrowings of S\$2,454.3 million with an Aggregate Leverage of 37.4%.

Since 30 September 2020, the Group has partially repaid its loans and borrowings with proceeds from the divestment of the Cold Storage Facility (as defined below). As at 31 December 2020, the Group had gross loans and borrowings of S\$2,375.0 million, with an Aggregate Leverage of 36.2%. The Group's loans and borrowings as at 31 December 2020 are expected to be partially paid down with proceeds from the divestment of its ownership of the SA Portfolio (as defined below).



## DESCRIPTION OF FLCT TREASURY

### History and Overview

FLCT Treasury Pte. Ltd. (“**FLCT Treasury**”) was incorporated with limited liability under the laws of the Republic of Singapore on 25 October 2016 under the name of FLT Treasury Pte. Ltd., and on 2 December 2020, FLT Treasury Pte. Ltd. changed its name to FLCT Treasury Pte. Ltd. It is a wholly-owned subsidiary of FLCT and its principal activities are the provision of financial and treasury services for and on behalf of FLCT.

Since its incorporation, FLCT Treasury has not engaged in any material activities other than the establishment of the Programme, the issue of Notes under the Programme and the authorisation of documents and agreements referred to in this Offering Circular to which it is or will be a party.

### Registered Office

The registered address of FLCT Treasury as at the date of this Offering Circular is 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958.

### Shareholding and Capital

As at the date of this Offering Circular, the issued share capital of FLCT Treasury is S\$2, comprising of two ordinary shares. All of the issued share capital of FLCT Treasury is owned by Perpetual (Asia) Limited in its capacity as trustee of FLCT.

As at the date of this Offering Circular, FLCT Treasury has no borrowings, indebtedness in the nature of borrowings, loan capital outstanding or created but unissued (including term loans), guarantees or material contingent liabilities.

### Directors

As at the date of this Offering Circular, the directors of FLCT Treasury are: Mr Chia Khong Shoong, Mr Robert Stuart Claude Wallace and Ms Susanna Cher Mui Sim.

## DESCRIPTION OF FRASERS LOGISTICS & COMMERCIAL TRUST

### History and Overview

Frasers Logistics & Commercial Trust (“**FLCT**”), was constituted by the FLCT Trust Deed. FLCT is principally regulated by the Securities and Futures Act, Chapter 289 of Singapore (“**SFA**”), the Code on Collective Investment Schemes (“**CIS Code**”), including the Property Funds Appendix, and other relevant regulations as well as the FLCT Trust Deed.

FLCT was listed on the Main Board of the SGX-ST on 20 June 2016 as Frasers Logistics & Industrial Trust and was subsequently renamed Frasers Logistics & Commercial Trust following the completion of a merger with Frasers Commercial Trust (“**FCOT**”) which became effective on 15 April 2020. FLCT’s investment strategy is to invest globally in a diversified portfolio of income-producing properties which are predominantly used for logistics or industrial purposes located globally, or commercial purposes (comprising primarily office space in a CBD (“**CBD office space**”)) or business park purposes (comprising primarily non-CBD office space and/or research and development space) located in the Asia-Pacific region or in Europe (including the United Kingdom (“**UK**”)).

FLCT is managed by Frasers Logistics & Commercial Asset Management Pte. Ltd. (formerly known as Frasers Logistics & Industrial Asset Management Pte. Ltd.) (the “**REIT Manager**”) which is a wholly-owned subsidiary of FLCT’s sponsor, Frasers Property Limited (formerly known as Frasers Centrepoint Limited) (“**FPL**” or the “**Sponsor**”, and together with its subsidiaries, the “**Sponsor Group**”). The Sponsor is a multi-national developer-owner-operator of real estate products and services across the property value chain. Listed on the SGX-ST and headquartered in Singapore, the Sponsor Group has total assets of approximately S\$38.7 billion as at 30 September 2020. The Sponsor’s multi-national businesses operate across five asset classes, namely, residential, retail, commercial and business parks, logistics and industrial as well as hospitality. The Sponsor Group has businesses in Southeast Asia, Australia, Europe and China, and its well-established hospitality business owns and/or operates serviced apartments and hotels in over 70 cities and 20 countries across Asia, Australia, Europe, the Middle East and Africa.

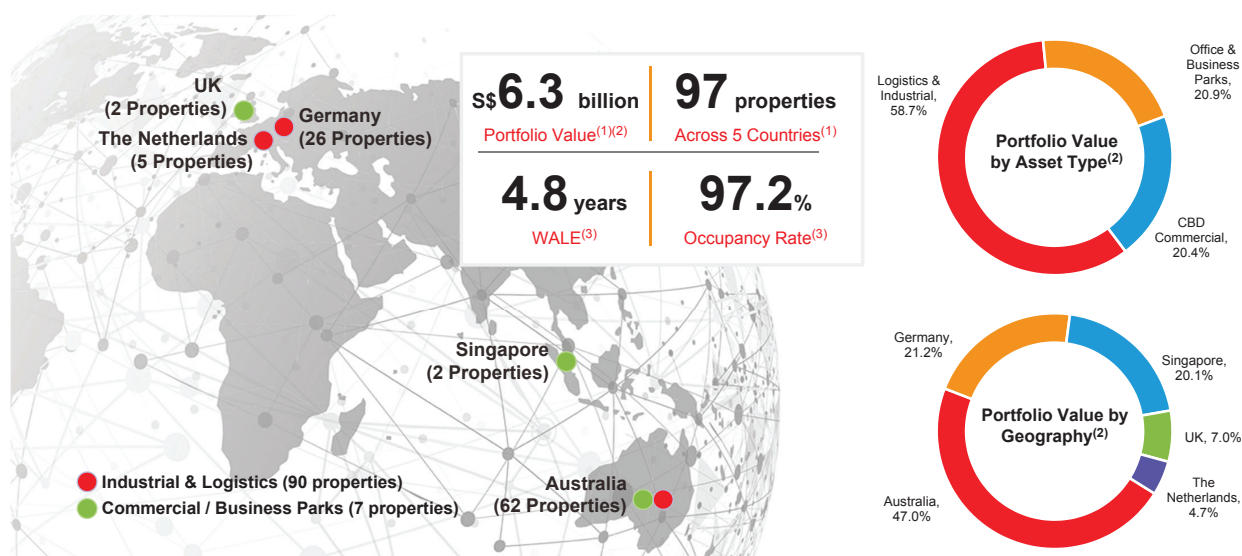
The Sponsor is also the sponsor of one other REIT listed on the SGX-ST, Frasers Centrepoint Trust that is focused on retail properties, as well as one stapled trust listed on the SGX-ST, Frasers Hospitality Trust (comprising Frasers Hospitality Real Estate Investment Trust and Frasers Hospitality Business Trust) that is focused on hospitality properties. In addition, the Sponsor Group has two REITs listed on the Stock Exchange of Thailand. Frasers Property (Thailand) Public Company Limited is the sponsor of Frasers Property Thailand Industrial Freehold & Leasehold REIT, which is focused on industrial and logistics properties in Thailand, and Golden Ventures Leasehold Real Estate Investment Trust, which is focused on commercial properties.

As at 31 December 2020, FLCT is the sixth<sup>14</sup> largest S-REIT with a market capitalisation of S\$4.8 billion, with a portfolio comprising 97<sup>15</sup> industrial and commercial properties diversified across five developed countries – Australia, Germany, Singapore, the UK and the Netherlands (the “**Portfolio**”, and the properties comprising the Portfolio, the “**Properties**”).

<sup>14</sup> Based on market capitalisation as at 31 December 2020.

<sup>15</sup> Excludes the properties at 5 Butler Boulevard, Adelaide Airport, South Australia, 18-20 Butler Boulevard, Adelaide Airport, South Australia and 20-22 Butler Boulevard, Adelaide Airport, South Australia (the “**SA Portfolio**”) which has been classified as “Investment Property Held for Sale”. Please refer to the section on “Recent Developments – Divestment of three leasehold properties in South Australia” for further details.

A brief overview of the Portfolio and the spread of the Properties across the different jurisdictions is set out in the diagram below:



**Notes:**

- (1) Excludes the SA Portfolio which has been classified as “Investment Property Held for Sale”. Please refer to the section on “Recent Developments – Divestment of three leasehold properties in South Australia” for further details.
- (2) Based on book value as at 31 December 2020 and excludes (i) the SA Portfolio which has been classified as “Investment Property Held for Sale”, and (ii) the recognition of right-of-use assets upon the adoption of FRS 116 with effect from 1 October 2019.
- (3) Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of December 2020. Excludes straight lining rental adjustments and includes committed leases.

**Recent Developments**

**Impact of COVID-19**

The unprecedented COVID-19 pandemic has adversely impacted many industries worldwide and continues to evolve, with uncertainties over its duration and the magnitude of its impact on the global economy. Businesses and economies were and continue to be significantly affected by the COVID-19 pandemic and lockdown measures imposed by various local authorities. While the markets where FLCT’s Properties are located have begun to show some initial signs of recovery, the operating environment is expected to remain challenging in the months ahead as the situation remains dynamic with continued uncertainties. In Australia, the Reserve Bank of Australia expects GDP to contract by approximately 4% in 2020, and forecasts GDP to grow by 5% over 2021 and 4% in 2022<sup>16</sup>. In Singapore, the Ministry of Trade and Industry expects GDP to contract between 6% and 6.5% in 2020<sup>17</sup>. In Europe, the German, British and Dutch economies are expected to contract in 2020, with growth forecast in 2021<sup>18</sup>.

Overall, the Portfolio has been resilient and has not been materially impacted by the COVID-19 pandemic, backed by its strong property fundamentals such as the strategic location and quality of the modern Properties, high-quality tenant base and favourable lease attributes. In FY2020, the financial impact of the COVID-19 pandemic on FLCT was approximately S\$5.7 million, comprising mainly rental waivers for tenants under the Singapore and Australian government concession deeds and provision for doubtful debt. The financial impact of the COVID-19 pandemic on FLCT’s distributable income for the first quarter of the financial year ending 30 September 2021, which includes mainly rental waiver granted and COVID-19 related provisions of approximately S\$0.7 million, has not been material for FLCT.

<sup>16</sup> “Statement of Monetary Policy Decision”, Reserve Bank of Australia, 5 November 2020.

<sup>17</sup> “MTI Forecasts GDP Growth of “-6.5 to -6.0 Per Cent” in 2020 and “+4.0 to +6.0 Per Cent” in 2021, Ministry of Trade and Industry, Singapore, 23 November 2020.

<sup>18</sup> “Industrial & Logistics Leasing & Investment Market: Germany”, Colliers International, 3Q2020 and “Industrial & Logistics Leasing & Investment Market: The Netherlands”, Colliers International, 3Q2020.

The major structural changes driven by the acceleration of e-commerce activities during the COVID-19 pandemic is expected to continue to benefit FLCT's consumer and logistics tenants. As at 31 December 2020, approximately one-third of the tenants in FLCT's logistics and industrial portfolio (by GRI) were involved in e-commerce and/or e-fulfilment activities, culminating in an uptick in demand for space at FLCT's logistics and warehouse properties. Whilst FLCT has not been materially impacted by the COVID-19 pandemic in FY2020, the global situation remains uncertain and there will likely be further impacts to FLCT's performance in a sustained COVID-19 pandemic.

In addition, please see "*Risk Factors – Risks Relating to FLCT's Business and Operations – The outbreak of an infectious disease or any other serious public health concerns could adversely impact FLCT's business, financial condition and results of operation*" for further details on the impact of the COVID-19 pandemic.

### **Acquisition of two new properties**

In August 2020, FLCT acquired two freehold properties from the Sponsor at a total agreed property value of approximately S\$143.2 million<sup>19</sup>. The two modern and high-quality properties have excellent connectivity, strong tenants and are a complementary fit to FLCT's Portfolio. The acquisitions comprise:

- (i) A 14,263 sq m prime-grade freehold logistics property in Melbourne's popular south eastern industrial precinct. This property is fully occupied by IVE Group and has a WALE of 4.6 years as at 30 September 2020. The logistics and industrial sector in south eastern Melbourne continues to be popular with investors due to its robust market fundamentals, low vacancy levels, limited supply and favourable demographics.
- (ii) Maxis Business Park, a 17,859 sq m freehold property located in Bracknell, Thames Valley in the UK. This fully occupied property has a WALB of 2.7 years and a WALE of 6.4 years as at 30 September 2020, and serves as the regional headquarters of several tenants, including Panasonic UK, Allegis Group and Cadence Design Systems. More than 60% of the tenants at Maxis Business Park are in the technology and telecommunication sectors, further adding to the resilience of the property.

### **Divestment of remaining 50% interest in the Cold Storage Facility**

As part of the rebalancing of FLCT's Portfolio, the REIT Manager announced the divestment of the remaining 50% interest in the property at 99 Sandstone Place, Parkinson, Queensland, Australia (the "**Cold Storage Facility**") for approximately A\$152.5 million (approximately S\$150.5 million<sup>20</sup>) in August 2020, representing a 12.2% premium to the book value of the property and 13.6% higher than the divestment of the initial 50% interest in July 2019. The divestment of the Cold Storage Facility was completed on 23 November 2020.

### **Divestment of three leasehold properties in South Australia**

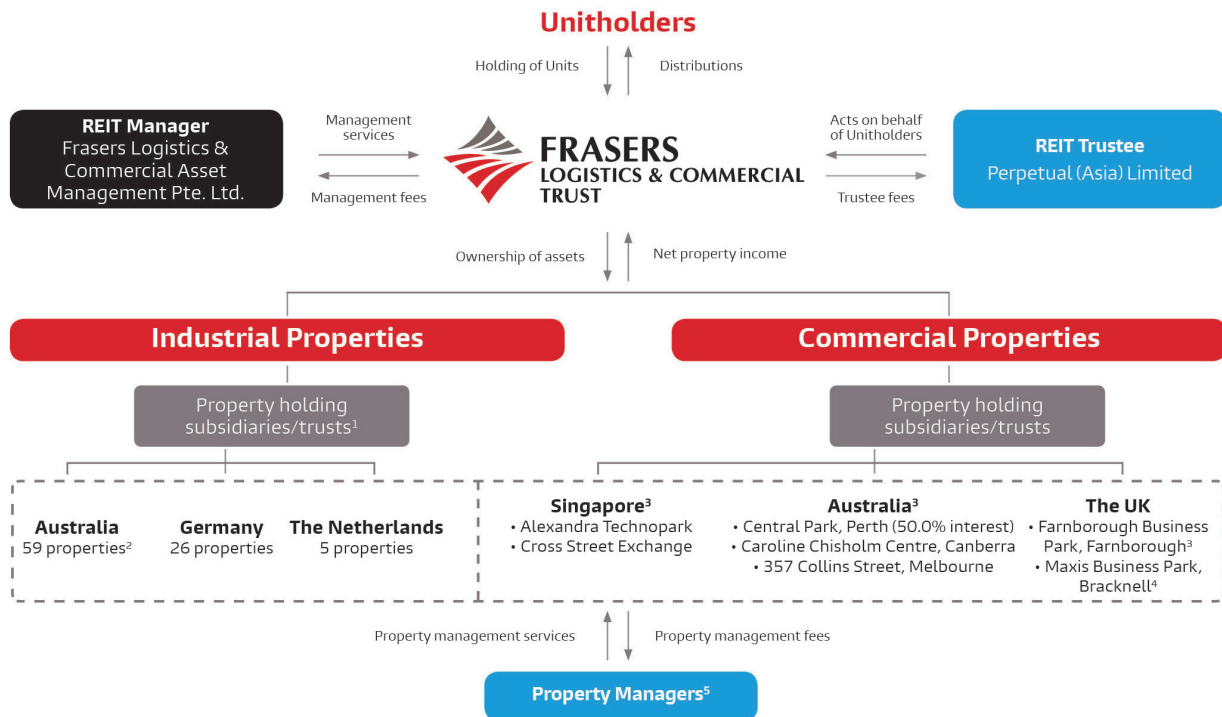
In line with FLCT's focus on core industrial and logistics markets in the eastern seaboard of Australia, the REIT Manager announced on 10 December 2020 the divestment of the SA Portfolio for a total consideration of A\$29.6 million. This represents a premium of 19.4% to the SA Portfolio's total book value of A\$24.8 million as at 30 September 2020 and is above the total original purchase consideration of A\$28.7 million at FLCT's initial public offering in 2016. The proposed divestment is expected to be completed by 31 March 2021.

<sup>19</sup> Based on the agreed property values of A\$22.5 million and £67.3 million for the IVE Facility and Maxis Business Park, respectively, and translated based on assumed exchange rate of A\$1: S\$0.9872 and £1: S\$1.7969 as noted in the SGX-ST announcement of the REIT Manager dated 3 August 2020 on the acquisition.

<sup>20</sup> Translated based on assumed exchange rate of A\$1 : S\$0.9872 as noted in the SGX-ST announcement of the REIT Manager dated 3 August 2020 on the divestment.

## Structure of FLCT

The following diagram illustrates the relationship between, among others, FLCT, the REIT Manager, the REIT Trustee, the Property Managers and the Unitholders as at the Latest Practicable Date:



### Notes:

The above represents a simplified trust structure for FLCT. The industrial and commercial properties owned by FLCT are held through various intermediate entities comprising subsidiaries/trusts/sub-trusts.

- (1) Industrial properties located in Australia are held through a wholly-owned subsidiary and trust/sub-trusts of FLCT (the “**Sub-Trusts**”). Industrial properties located in Germany and the Netherlands are held through wholly-owned subsidiaries of FLCT.
- (2) Excludes the SA Portfolio which has been classified as “Investment Property Held for Sale”. Please refer to the section on “Recent Developments – Divestment of three leasehold properties in South Australia” for further details.
- (3) Commercial properties located in Singapore, Australia and Farnborough Business Park in the UK are held through FCOT, a wholly-owned sub-trust of FLCT. The trustee of FCOT is British and Malayan Trustees Limited.
- (4) Maxis Business Park is held through a wholly-owned subsidiary of FLCT.
- (5) The Property Managers for the Properties are as follows:
  - (a) the property manager for the Australian industrial properties and 357 Collins Street is Frasers Property Management Services Pty Limited, a wholly-owned indirect subsidiary of the Sponsor;
  - (b) the property manager for the German and Dutch industrial properties is FPE Advisory B.V., a wholly-owned indirect subsidiary of the Sponsor;
  - (c) the property manager for the Singapore commercial properties is Frasers Property Commercial Management Pte. Ltd., a wholly-owned indirect subsidiary of the Sponsor;
  - (d) the property managers of Central Park and Caroline Chisholm Centre are third party entities and are not related parties of the REIT Manager; and
  - (e) the property managers for the UK properties are Frasers Management (UK) Limited, a wholly-owned indirect subsidiary of the Sponsor, as well as a third party entity which is not a related party of the REIT Manager.

## **Operational Structure**

FLCT is constituted to invest in real estate and real estate-related assets and the REIT Manager must manage FLCT so that the investments of FLCT are principally in real estate and real estate-related assets (including ownership of companies or other legal entities whose primary purpose is to hold or own real estate or real estate-related assets). FLCT's investment strategy is to invest globally in a diversified portfolio of income-producing properties which are predominantly used for logistics or industrial purposes located globally, or commercial purposes (comprising primarily CBD office space) or business park purposes (comprising primarily non-CBD office space and/or research and development space) located in the Asia-Pacific region or in Europe (including the UK).

FLCT aims to generate returns for the Unitholders by owning, buying and managing such properties in line with its investment strategy (including selling any property that has reached a stage that offers only limited scope for growth).

## **FLCT**

### The FLCT Trust Deed

FLCT is constituted by the FLCT Trust Deed. It is principally regulated by the SFA and the CIS Code (including the Property Funds Appendix) and other relevant regulations, as well as the FLCT Trust Deed. FLCT was authorised as a collective investment scheme by the MAS on 10 June 2016.

The provisions of the SFA and the CIS Code (including the Property Funds Appendix) prescribe certain terms of the FLCT Trust Deed and certain rights, duties and obligations of the REIT Manager, the REIT Trustee and Unitholders under the FLCT Trust Deed. The Property Funds Appendix also imposes certain restrictions on REITs in Singapore, including a restriction on the types of investments which REITs in Singapore may hold, a general limit on their level of borrowings and certain restrictions with respect to Interested Party Transactions (as defined in the Property Funds Appendix).

### The Units and the Unitholders

The rights and interests of the Unitholders are contained in the FLCT Trust Deed. Under the FLCT Trust Deed, these rights and interests are safeguarded by the REIT Trustee.

Each Unit represents an undivided interest in FLCT. Unitholders have no equitable or proprietary interest in the Deposited Property and are not entitled to the transfer to them of the Deposited Property (or any part thereof) or of any estate or interest in the Deposited Property (or any part thereof). The rights of Unitholders under the FLCT Trust Deed are limited to the right to require due administration of FLCT in accordance with the provisions of the FLCT Trust Deed, including, without limitation, by suit against the REIT Trustee or the REIT Manager.

### Termination of FLCT

Under the provisions of the FLCT Trust Deed, the duration of FLCT shall end on the earliest of:

- the date on which FLCT is terminated by the REIT Manager in such circumstances as set out under the provisions of the FLCT Trust Deed, as described below; or
- the date on which FLCT is terminated by the REIT Trustee in such circumstances as set out under the provisions of the FLCT Trust Deed, as described below.

The REIT Manager may in its absolute discretion terminate FLCT by giving notice in writing to all the Unitholders or (as the case may be) the depository (in respect of the depositors) and the REIT Trustee not less than three months in advance of the termination and to the MAS not less than seven days before the termination in any of the following circumstances:

- if any law shall be passed which renders it illegal or, in the opinion of the REIT Manager, impracticable or inadvisable for FLCT to exist;
- if the NAV of the Deposited Property shall be less than S\$50.0 million after the end of the first anniversary of the date of the FLCT Trust Deed or any time thereafter; and

- if at any time FLCT becomes unlisted after it has been listed.

Subject to the SFA and any other applicable laws or regulations, FLCT may be terminated by the REIT Trustee by notice in writing in any of the following circumstances, namely:

- if the REIT Manager shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the REIT Trustee) or if a receiver is appointed over any of its assets or if a judicial manager is appointed in respect of the REIT Manager or if any encumbrancer shall take possession of any of its assets or if it shall cease business and the REIT Trustee fails to appoint a successor manager in accordance with the provisions of the FLCT Trust Deed;
- if any law shall be passed which renders it illegal or, in the opinion of the REIT Trustee, impracticable or inadvisable for FLCT to exist; and
- if within the period of three months from the date of the REIT Trustee expressing in writing to the REIT Manager the desire to retire the REIT Manager fails to appoint a new trustee in accordance with the provisions of the FLCT Trust Deed.

The decision of the REIT Trustee in any of the events specified above shall be final and binding upon all the parties concerned but the REIT Trustee shall be under no liability on account of any failure to terminate FLCT as set out above or otherwise. The REIT Manager shall accept the decision of the REIT Trustee and relieve the REIT Trustee of any liability to it therefor and hold it harmless from any claims whatsoever on its part for damages or for any other relief.

In addition to the above, the Unitholders may, by Extraordinary Resolution duly passed at a meeting of the Unitholders held in accordance with Section 295 of the SFA, terminate FLCT.

***The REIT Manager: Frasers Logistics & Commercial Asset Management Pte. Ltd.***

The REIT Manager was incorporated in Singapore under the Companies Act on 7 July 2015. As at the Latest Practicable Date, it has paid-up capital of S\$3,000,000 and its registered office is located at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958.

The REIT Manager is a wholly-owned subsidiary of the Sponsor.

The REIT Manager has been issued a capital markets services licence for REIT management (the “**CMS Licence**”) on 9 June 2016 pursuant to the SFA.

The REIT Manager has general powers of management over the assets of FLCT. The REIT Manager’s main responsibility is to manage FLCT’s assets and liabilities for the benefit of Unitholders. The REIT Manager will set the strategic direction of FLCT and give recommendations to the REIT Trustee on the acquisition, divestment, development and/or enhancement of assets of FLCT in accordance with its stated investment strategy.

More details on the REIT Manager are set out in the section titled “The REIT Manager and Corporate Governance”.

***The REIT Trustee: Perpetual (Asia) Limited***

The REIT Trustee is a company incorporated in Singapore on 30 December 2005 and it is an indirect wholly-owned subsidiary of The Trust Company Limited, which is ultimately owned by Perpetual Limited which is listed on the Australian Securities Exchange. The REIT Trustee is registered as a trust company under the Trust Companies Act. It is approved to act as a trustee for authorised collective investment schemes under the SFA and is regulated by the MAS. It also holds a capital markets services licence for the provision of custodial services for securities. The REIT Trustee acts as trustee to Singapore-listed REITs and several unit trusts, custodian to private equity funds and bond trustee to institutional and retail bond issues.

More details on the REIT Trustee are set out in the section titled “The REIT Trustee”.

## ***The Property Managers***

### The Australian Property Manager

The Australian Property Manager is Frasers Property Management Services Pty Limited, which provides property management services in Australia. The Australian Property Manager is a wholly-owned indirect subsidiary of the Sponsor and currently manages the industrial and logistics properties of FLCT located in Australia as well as the commercial property known as 357 Collins Street located in Australia.

### The Germany & Netherlands Property Manager

The Germany & Netherlands Property Manager is FPE Advisory B.V., which provides property management services in Germany and the Netherlands. The Germany & Netherlands Property Manager is a wholly-owned indirect subsidiary of the Sponsor and currently manages the industrial and logistics properties of FLCT located in Germany and the Netherlands.

### The Singapore Property Manager

The Singapore Property Manager is Frasers Property Commercial Management Pte. Ltd., which provides property management services in Singapore. The Singapore Property Manager is a wholly-owned indirect subsidiary of the Sponsor and currently manages the commercial properties of FLCT located in Singapore.

### The UK Property Manager

The UK Property Manager is Frasers Management (UK) Limited, which is a wholly-owned indirect subsidiary of the Sponsor and provides certain property management services in respect of the properties known as Farnborough Business Park and Maxis Business Park. These services supplement the existing property management services which a third party (which is not a related party of the REIT Manager) has been providing, prior to the acquisition of these properties by FLCT.

### Other property managers

The property managers of the properties known as Central Park and Caroline Chisholm Centre as well as the property manager providing certain property management services in respect of Farnborough Business Park and Maxis Business Park are third party entities and are not related parties of the REIT Manager.

## **Strategies**

The REIT Manager's principal objectives are to deliver regular and stable distributions to the Unitholders and to achieve long-term growth in DPU and in the NAV per Unit, while maintaining an appropriate structure.

The REIT Manager seeks to achieve its objectives through the following key strategies:

### ***Active Asset Management and Asset Enhancement Initiatives***

The REIT Manager proactively manages the leases of the Properties to seek to maintain healthy occupancy and high tenant retention rates and reduce lease expiry concentration risks. The REIT Manager will also seek to reposition and/or enhance the Properties through asset enhancement initiatives, to allow FLCT to optimise the cash flow and unlock the value of the Properties. To improve environmental performance and enhance the properties' appeal to tenants, and in turn create value for Unitholders, the REIT Manager will also aim to incorporate green features, designs and initiatives.

FLCT has a strong track record in asset and property management as demonstrated by the high occupancy, significant level of repeat business and high tenant retention rate. FLCT's 90<sup>21</sup> prime logistics and industrial assets in Australia and Europe are fully occupied, and its seven high-quality commercial assets in Singapore, Australia and the UK achieved a healthy occupancy rate of 93.6% as at 31 December 2020. In FY2020, FLCT achieved a tenant retention rate of 88.7% on a Lettable Area basis, while a total of 267,996 sq m of Lettable Area in the Portfolio was renewed or leased across 64 lease transactions. For the first quarter of the financial year ending 30 September 2021, a total of 63,546 sq m of Lettable Area in the Portfolio was renewed or leased.

<sup>21</sup> Excludes the SA Portfolio which has been classified as "Investment Property Held for Sale". Please refer to the section on "Recent Developments – Divestment of three leasehold properties in South Australia" for further details.



The REIT Manager continuously reviews the Portfolio to maximise returns, including undertaking selective divestments to recycle capital from non-core assets. For example, the REIT Manager rebalanced its portfolio in FY2020 by divesting FLCT's remaining 50% interest in the 54,245 sq m Cold Storage Facility for approximately A\$152.5 million (approximately S\$150.5 million<sup>22</sup>) to ACREF 99SP Pty Ltd in August 2020, representing a 12.2% premium to the book value of the property and 13.6%<sup>23</sup> higher than the divestment of the initial 50% interest in July 2019. The transaction was completed on 23 November 2020.

### ***Selective Development***

The REIT Manager endeavours to selectively undertake development activities complementary to the Portfolio, either jointly or on its own. Such development activities may include, but are not limited to, greenfield developments, built-to-suit developments and re-development of its existing assets.

The REIT Manager is able to leverage on the Sponsor's expertise as a multi-national developer, including that of Frasers Property Industrial, a strategic business unit and a wholly-owned subsidiary of the Sponsor, to undertake property development activities either jointly or on its own. Under the Property Funds Appendix, FLCT has the ability to undertake property development activities of up to S\$655.9 million, which is equivalent to 10% of the value of the Deposited Property as at 30 September 2020 (based on the total contract value of property development activities undertaken and investments in uncompleted property developments). A REIT's development activities may exceed 10% of its deposited property (subject to a maximum of 25% of its deposited property) only if the additional 15% allowance is utilised solely for the redevelopment of a Property that has been held by the REIT for at least three years and which it will continue to hold for at least three years after completion of the redevelopment and the REIT obtains the specific approval of its unitholders at a general meeting for the redevelopment of the property. The limits imposed by the Property Funds Appendix on property development activities will ensure that the level of such activities only accounts for a limited proportion of the Deposited Property.

FLCT will undertake property development activities selectively to ensure that such activities are value enhancing to the Portfolio. The REIT Manager may also re-develop its existing assets. In carrying out property development activities, the REIT Manager will consider, among other things, development and construction risks, as well as the overall benefits to Unitholders and the tenants. In view of the REIT Manager's focus on sustainability which is core to the creation of long-term value for Unitholders and FLCT's other stakeholders, the REIT Manager will also seek to incorporate sustainability initiatives within designs in the development where possible.

### ***Accretive Acquisitions***

As at 31 December 2020, FLCT is the sixth largest S-REIT<sup>24</sup> with a market capitalisation of approximately S\$4.8 billion and a S\$6.3 billion portfolio of 97 prime properties in five developed countries. The landmark merger with FCOT in April 2020 broadened FLCT's investment mandate, allowing the REIT Manager to source and pursue strategic asset acquisition opportunities in a wider spectrum of asset classes across logistics, industrial, office, business park and CBD commercial properties. FLCT is well-positioned to take advantage of the opportunities within the above asset classes through strategic acquisitions of quality properties with attractive cash flows and yields to enhance returns to Unitholders. FLCT is also able to leverage on its Sponsor's network, expertise and ground knowledge to identify strategic acquisition opportunities.

Apart from identifying suitable third party opportunities for growth, FLCT also has access to a sizeable ROFR pipeline granted by the Sponsor which as at 31 December 2020 was over S\$5 billion. The ROFR pipeline comprises completed income-producing real estate used for (i) logistics or industrial purposes<sup>25</sup> and located globally or (ii) commercial purposes (comprising primarily CBD office space) or business park purposes (comprising primarily non-CBD office space and/or research and development space) and located in the Asia-Pacific region and Europe (including the UK) (the "**ROFR Properties**").

<sup>22</sup> Translated based on assumed exchange rate of A\$1 : S\$0.9872 as noted in the SGX-ST announcement of the REIT Manager dated 3 August 2020 on the divestment.

<sup>23</sup> Based on the valuation by Savills Valuation Pty Ltd as at 15 April 2019 using the income capitalisation and discounted cash flow approaches. The book value of the property as at 15 April 2019 was A\$18.0 million.

<sup>24</sup> Based on market capitalisation as at 31 December 2020.

<sup>25</sup> Such real estate assets used for "**logistics**" or "**industrial**" purposes also include office components ancillary to the foregoing purposes.

## ***Prudent Capital and Risk Management***

The REIT Manager endeavours to maintain a healthy balance sheet, employ an appropriate mix of debt and equity in financing acquisitions of properties, secure diversified funding sources to access both financial institutions and capital markets, optimise its cost of debt financing and utilise interest rate and foreign exchange hedging strategies, where appropriate, in order to minimise exposure to market volatility.

The REIT Manager intends to achieve the above by pursuing the following strategies:

### Optimal capital structure strategy

The REIT Manager endeavours to optimise the capital structure and cost of capital, within the borrowing limits set out in the Property Fund Appendix, by employing an optimal capital structure comprising an appropriate mix of debt and equity in financing acquisitions of properties and any asset enhancement activities. The REIT Manager's capital management strategy involves adopting and maintaining appropriate aggregate leverage levels to ensure optimal returns to Unitholders, while maintaining flexibility in respect of future capital expenditures or acquisitions.

The REIT Manager actively manages FLCT's capital structure and ensures that the gearing of FLCT is maintained at a prudent level. Refinancing risk is also monitored, taking into account the maturity profile of debt facilities and available sources of funding. As far as possible, the maturities of debt facilities are spread out to mitigate re-financing risks in any single financial year. In addition, a suitable level of working capital is maintained to meet the requirements of FLCT's operations. The REIT Manager also seeks to broaden its source of funding to ensure liquidity, fund capital expenditure requirements and investment opportunities as well as to refinance existing debt. As and when appropriate, the REIT Manager will consider diversifying its sources of debt financing in the future, including by way of accessing the public debt capital markets. The public debt capital markets may also provide FLCT with the ability to secure longer-term funding options in a more cost-efficient manner. Nevertheless, the REIT Manager intends to maintain a prudent level of borrowings while maximising returns for Unitholders.

As at 31 December 2020, FLCT had gross borrowings of S\$2,375.0 million, with an Aggregate Leverage of 36.2%.

### Proactive interest rate risk management strategy

The REIT Manager endeavours to utilise interest rate hedging strategies, where appropriate, to optimise risk-adjusted returns to Unitholders. The REIT Manager adopts a policy of fixing interest rates for at least 50% of its outstanding borrowings via the use of derivative financial instruments or other suitable financial products. As at 31 December 2020, 57.4% of FLCT's borrowings are at fixed interest rates. Interest rate derivative instruments are used for the purpose of hedging interest rate risk and managing the portfolio of fixed and floating rates. The REIT Manager also monitors economic conditions and interest rate movements and reviews its hedging strategy, in each case on an ongoing basis.

### Proactive foreign currency risk management strategy

The REIT Manager manages foreign exchange volatility through the use of hedging instruments and regularly evaluates the feasibility of implementing the appropriate level of foreign exchange hedges, after taking into account the prevailing market conditions. In order to manage the currency risk involved in investing in assets outside Singapore, the REIT Manager may adopt a currency risk management strategy that includes the use of foreign currency-denominated borrowings to match the currency of the asset investment as a natural currency hedge. In addition, the REIT Manager manages foreign exchange volatility on FLCT's distributable income with currency forward contracts and hedge distributions on a rolling six-month basis.

### Other financing strategies

The REIT Manager may, in future, consider other opportunities to raise additional equity capital for FLCT through the issue of new Units, for example to finance acquisitions of properties. The decision to raise additional equity will also take into account the stated strategy of maintaining an optimal capital structure.

In addition, FLCT’s progress and achievements in the areas of sustainability have allowed it to tap into additional sources of funding, namely green loans and sustainability-linked loans, which have the potential to offer a lower cost of funding. Please see “Competitive Strengths – Continued focus on sustainability” for further details on the green loans and sustainability-linked loans into which FLCT has been able to tap on.

## Competitive Strengths

### ***Diversified properties strategically located across five developed countries***

The Portfolio is diversified, comprising 97<sup>26</sup> Properties, with no single Property contributing more than 11.0% and 10.5% of Appraised Value and GRI, respectively.

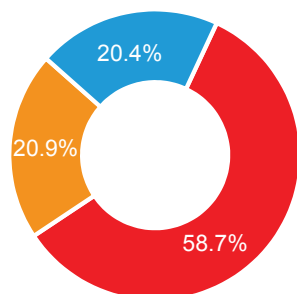
The Properties are strategically located in prime locations with resilient economic growth and strong investment fundamentals. FLCT’s logistics and industrial properties are characterised by high levels of connectivity to major transport routes, public transportation and logistics hubs, which attracts tenants seeking well located properties with convenient access to modern infrastructure and a skilled workforce. FLCT’s commercial properties are located in major business districts and enjoy a diverse tenant base from across a wide spectrum of business sectors.

The Properties are established across five developed countries, namely Australia, Germany, Singapore, the UK and the Netherlands, with no single country contributing more than 47.0% of the total value of the Portfolio. The Properties are also well diversified across the different sectors of logistics and industrial, office and business parks and CBD commercial, with no single sector representing more than 58.7% of the value of the Portfolio.

The charts below provide a breakdown of the Portfolio by asset type and geography in percentage terms of the overall valuation of the Portfolio.

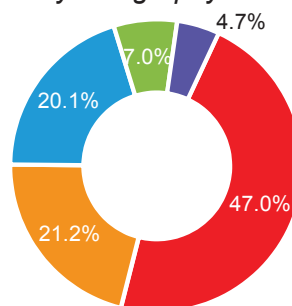
### Portfolio Composition (1)

By Asset Type



- L&I (90 properties)
- Office & Business Parks (4 properties)
- CBD Commercial (3 properties)

By Geography



- Australia (62 properties)
- Germany (26 properties)
- Singapore (2 properties)
- The Netherlands (5 properties)
- The UK (2 properties)

**Note:**

(1) Based on book value as at 31 December 2020. Excludes (i) the SA Portfolio which has been classified as “Investment Property Held for Sale”, and (ii) the recognition of right-of-use assets upon the adoption of FRS 116 with effect from 1 October 2019.

<sup>26</sup> Excludes the SA Portfolio which has been classified as “Investment Property Held for Sale”. Please refer to the section on “Recent Developments – Divestment of three leasehold properties in South Australia” for further details.

**Quality portfolio with strong property fundamentals, high occupancy rate and a well-diversified tenant base**

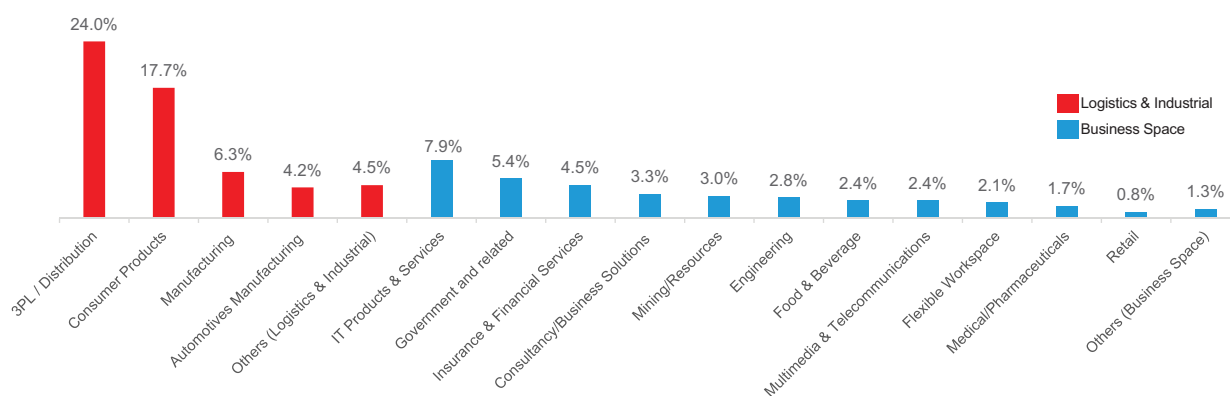
As at 31 December 2020, FLCT’s Portfolio enjoys a high occupancy rate of 97.2% and a well-diversified tenant base of 331 tenants. The top-10 tenants accounted for only 24.0% of FLCT’s Portfolio GRI with no single tenant accounting for more than 5.1%<sup>27</sup>, providing income diversity to the Portfolio.

In addition, the Portfolio has a high-quality tenant base that includes government related entities, well-established multinational corporations, conglomerates and publicly listed companies operating across a broad range of sectors including logistics and distribution, consumer and manufacturing sectors.

FLCT’s consumer and logistics tenants are expected to continue to benefit from major structural changes driven by the acceleration of e-commerce activities during the COVID-19 pandemic. As at 31 December 2020, approximately one-third of tenants in FLCT’s logistics and industrial portfolio were engaged in e-commerce and/or e-fulfilment related activities (by GRI), further demonstrating the quality and resilience of FLCT’s tenant base during this challenging period.

The chart below provides a breakdown of the Portfolio by tenant sectors based on GRI for the month of December 2020.

**Portfolio Tenant Sector Breakdown<sup>(1)(2)</sup>**



**Notes:**

- (1) Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of December 2020. Excludes straight lining rental adjustments and includes committed leases.
- (2) Excludes vacancies.

FLCT’s Portfolio is also well-placed to capitalise on demand for high-quality suburban business space and opportunities from emerging trends such as the ‘hub-and-spoke’ model of having front facing working spaces in the CBD and back-end operations in decentralised locations, which may contribute to demand for CBD office space and decentralised locations<sup>28</sup>. According to Knight Frank Research<sup>29</sup>, COVID-19 has underlined the need for operational resilience and contingency planning. For businesses considering how they can maintain their operations during this or future ‘black swan’ events, access to office accommodation located outside major city centres or offering parking facilities may be considered as offering necessary business agility.

<sup>27</sup> Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of December 2020. Excludes straight lining rental adjustments and includes committed leases.

<sup>28</sup> “Singapore Office, Hi-Tech (B1) and Busines Park Market Overview”, CBRE, 3Q2020.

<sup>29</sup> “Independent Market Report: South East Office Market”, Knight Frank, October 2020.

### **Modern logistics and industrial properties and predominantly freehold or long leasehold land tenure**

The Portfolio primarily comprises logistics and industrial properties (58.7% of the total value of the Portfolio as at 31 December 2020), which have a low average age of 8.5 years, resulting in lower capital expenditure requirements for maintenance or refurbishment of the properties in the near term. This modern, well-located portfolio is also better equipped to meet the needs and support the supply-chain efficiencies of major players in the logistics and industrial space. In addition, 94.1% of FLCT's logistics and industrial properties by Appraised Value comprises either freehold land or leasehold land with a leasehold land tenure of more than 75 years. Freehold properties comprise the majority of the logistics and industrial properties under the Portfolio, contributing 81.9% aggregate Appraised Value, while leasehold properties with leasehold land tenure of more than 75 years account for 12.2% aggregate Appraised Value.

### **Stable lease structure and long WALE of 4.8 years**

The REIT Manager's proactive asset management approach has resulted in a well-spread out Portfolio lease expiry profile. The Portfolio's lease expiries are not concentrated in any particular year. As at 31 December 2020, no more than 16.9% of total leases are expiring in any given year over the next five years, ensuring stability of cash flows in the long term and enhancing income certainty.

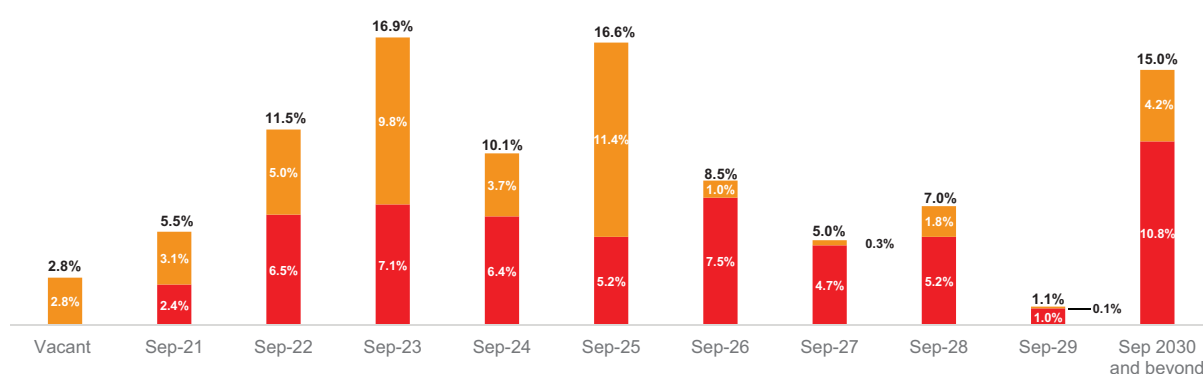
The Portfolio benefits from a long WALE of 4.8 years as at 31 December 2020. On a sectoral basis, the WALE for the logistics and industrial properties under the Portfolio is 5.5 years while the commercial properties under the Portfolio have a WALE of 4.0 years as at 31 December 2020.

During the lease term, the Portfolio rents may be subject to periodic fixed increments, inflation linked adjustments or market reviews which provide organic rental growth potential. For the logistics and industrial Properties, leases in Australia generally have fixed annual increments averaging 3.1% while the majority of European leases benefit from CPI-linked indexation or fixed escalations. For the commercial properties, certain leases are also structured with built-in rental increments, such as periodic fixed increments, inflation linked adjustments or market reviews. As a result, the Portfolio has greater income stability.

#### **Portfolio Lease Expiry Profile as at 31 December 2020<sup>(1)</sup>**

- ◆ Well spread-out lease expiry profile with only **5.5% of GRI due for renewal in FY2021**
- ◆ 8 industrial and 40 commercial leases expiring in FY2021, each constituting  $\leq 0.4\%$  of GRI

■ Industrial  
■ Commercial



#### **Note:**

- (1) Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of December 2020. Excludes straight lining rental adjustments and includes committed leases.

### ***Healthy financials with strong balance sheet and diversified sources of funding***

FLCT's continued disciplined and prudent approach to capital management has optimised its capital structure and resulted in a strong balance sheet. FLCT's capital risk profile remains healthy, with an Aggregate Leverage of 36.2% and a debt headroom of S\$1,811.3 million<sup>30</sup> as at 31 December 2020, providing FLCT with the financial flexibility to pursue growth opportunities. FLCT also has an average cost of borrowings of 1.9%<sup>31</sup> and a healthy interest coverage ratio 6.5 times<sup>32</sup> as at 31 December 2020.

FLCT's well-diversified sources of funding, which include sustainability-linked credit facilities, and proactive capital management have resulted in a well-spread debt maturity profile with no more than 29.4% of borrowings maturing in any year, thereby minimising refinancing risks. FLCT has an average weighted debt maturity of approximately 3.1 years as at 31 December 2020. The REIT Manager intends to continue to actively explore refinancing borrowings ahead of their maturities and extend the loan tenor in line with its prudent capital management strategy.

### ***Committed and reputable Sponsor with a strong network and established track record***

The Sponsor is FPL, a multi-national developer-owner-operator of real estate products and services across the property value chain. The Sponsor Group had total assets of approximately S\$38.7 billion as at 30 September 2020. As the Sponsor held a substantial ownership stake of approximately 22% in FLCT as at 31 January 2021, there is an alignment of interests between the Sponsor, the REIT Manager and the Unitholders. The REIT Manager is able to benefit from and leverage its association with the Sponsor in the management of FLCT in various ways, including tapping on the Sponsor's extensive experience in development and management of real estate assets, sourcing talent and experienced personnel from the Sponsor's pool of employees (including those who may be considered for appointment to the board of directors of the REIT Manager), accessing the Sponsor Group's network of lenders for debt financing purposes and negotiating for favourable terms with external suppliers and vendors on a group basis. The REIT Manager is also able to benefit from the expertise of Frasers Property Industrial and Frasers Property Australia, a strategic business unit and wholly-owned subsidiary of FPL, respectively, both of which were acknowledged as global sector leaders in two categories by the Global Real Estate Sustainability Benchmark ("**GRESB**") in 2020.

The Sponsor has also shown a commitment to grow FLCT, granting FLCT a ROFR pipeline which as at 31 December 2020 was over S\$5 billion<sup>33</sup>. It has further demonstrated its commitment through the divestment of quality assets from time to time, with the recent acquisitions by FLCT of the IVE Facility in Melbourne, Australia and Maxis Business Park in Bracknell, UK, both sourced from the Sponsor. These acquisitions were completed on 12 August 2020.

### ***Experienced REIT management team with proven track record of delivering growth and creating value***

The management team of the REIT Manager comprises experienced professionals with significant experience managing REITs and/or private property funds, property development, investment, management, marketing and leasing, as well as finance. FLCT would benefit from the origination, acquisition and operational capabilities of the appointed management team.

The REIT Manager has a proven track record of executing value accretive transactions, and its proactive and disciplined approach to investment and asset management has delivered growth to the Portfolio and created significant value for Unitholders and FLCT.

<sup>30</sup> Based on the leverage limit of, (a) prior to 1 January 2022, 50% of the value of the Deposited Property at the time the borrowing is incurred; or (b) on or after 1 January 2022, 45% of the value of the Deposited Property at the time the borrowing is incurred, which may exceed 45% (up to a maximum of 50%) if certain conditions under the Property Funds Appendix are met.

<sup>31</sup> Based on trailing 12 months borrowing cost (including FCOT from 15 April 2020).

<sup>32</sup> As defined in the CIS Code revised by the MAS on 16 April 2020 and clarified on 29 May 2020 and computed as trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), over trailing 12 months borrowing costs. Borrowing costs include the effects of FRS 116.

<sup>33</sup> Comprising completed income-producing real estate (i) used for logistics or industrial purposes and located globally, and such real estate assets used for "logistics" or "industrial" purposes may also include office components ancillary to the foregoing purposes, or (ii) used for commercial purposes (comprising primarily CBD office space) or business park purposes (comprising primarily non-CBD office space and/or research and development space) and located in the Asia-Pacific region or in Europe (including the UK).

The REIT Manager was able to grow the Portfolio from 51 properties in one country and a portfolio value of approximately S\$1.6 billion at the time of FLCT's initial public offering in 2016 to 97<sup>34</sup> properties in five countries across three continents and more than tripled the value of the Portfolio to approximately S\$6.3 billion as at 31 December 2020.

### **Continued focus on sustainability**

The REIT Manager intends to continue to focus on sustainability which is core to the creation of long-term value for FLCT's Unitholders and other stakeholders.

FLCT is a market leader in sustainability, especially in Australia where it holds one of the largest Green Star performance rated industrial portfolios in Australia and has been awarded the highest Green Star performance-rated portfolio in Australia for four consecutive years. Green Star performance rating is awarded by the GBCA which has assessed the Properties against nine key performance criteria – energy, water, transport, materials, indoor environment quality, management, land use and ecology, emissions and innovation. FLCT achieved an overall 4 Star Green Star rating and was the first to achieve 6 Star Green Star ratings for industrial facilities in each of New South Wales, Victoria and Queensland.

FLCT was also named 'Industrial – Global Listed Sector Leader' for the third consecutive year in the 2020 GRESB assessment<sup>35</sup>. FLCT's logistics and industrial portfolio spanning Australia, Germany and the Netherlands achieved an overall score of 87 out of 100, while FLCT's commercial portfolio achieved an overall score of 78 out of 100.

FLCT's progress and achievements in the areas of sustainability has allowed it to tap into additional sources of funding, namely green loans and sustainability-linked loans, which have the potential to offer a lower cost of funding. FLCT established a sustainability-linked loan framework in FY2020 and successfully secured S\$660 million of sustainability-linked credit facilities in aggregate in FY2020 with the funds raised all deployed to finance the merger with FCOT and the acquisition of the remaining 50% interest in Farnborough Business Park in April 2020, and to refinance maturing debts. The credit facilities have an interest margin reduction feature if pre-determined sustainability targets are achieved.

### **FLCT's Portfolio of Properties<sup>36</sup>**

#### **Property Portfolio**

The Portfolio comprises 97 Properties located across Australia, Germany, Singapore, the UK and the Netherlands, with an aggregate Lettable Area of approximately 2.5 million sq m.

#### Details of the Portfolio

A brief overview of key features of the Portfolio as at 31 December 2020 is set out below:

	<b>Logistics and industrial Properties</b>	<b>Commercial and business park Properties</b>	<b>Total</b>
<b>Number of Properties</b>	90	7	97
<b>Portfolio Value (S\$ million)<sup>(1)</sup></b>	3,693.7	2,607.4	6,301.1
<b>Lettable Area (sq m)</b>	2,192,480	339,683	2,532,163
<b>Occupancy<sup>(2)</sup></b>	100.0%	93.6%	97.2%
<b>WALE<sup>(2)</sup></b>	5.5 years	4.0 years	4.8 years

#### **Notes:**

- (1) Book value as at 31 December 2020. Excludes (i) the SA Portfolio which has been classified as "Investment Property Held for Sale", and (ii) the recognition of right-of-use assets upon the adoption of FRS 116 with effect from 1 October 2019.
- (2) Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of December 2020. Excludes straight lining rental adjustments and includes committed leases.

<sup>34</sup> Excludes the SA Portfolio which has been classified as "Investment Property Held for Sale". Please refer to the section on "Recent Developments – Divestment of three leasehold properties in South Australia" for further details.

<sup>35</sup> The GRESB assessment is widely recognised as the global standard for portfolio-level sustainability reporting in the real estate sector.

<sup>36</sup> Excludes the SA Portfolio which has been classified as "Investment Property Held for Sale". Please refer to the section on "Recent Developments – Divestment of three leasehold properties in South Australia" for further details.

The table below shows the geographical and sectoral spread of the Portfolio as at 31 December 2020.

Country	No. of Properties		
	Logistics and industrial Properties	Commercial and business park Properties	Total
Australia	59	3	62
Germany	26	0	26
Singapore	0	2	2
The UK	0	2	2
The Netherlands	5	0	5
<b>Total</b>	<b>90</b>	<b>7</b>	<b>97</b>

Further details on the Properties are set out in the section titled “Information on the Properties” below.

### **ROFR Properties**

As at 31 December 2020, FLCT has access to more than S\$5 billion of pipeline assets held by its Sponsor through a ROFR agreement. The ROFR comprises completed income-producing real estate (i) used for logistics or industrial purposes and located globally or (ii) used for commercial purposes (comprising primarily CBD office space) or business park purposes (comprising primarily non-CBD office space and/or research and development space) and located in the Asia-Pacific region or in Europe (including the UK). The Sponsor is obliged to offer to sell the ROFR Properties to FLCT should the Sponsor decide to divest its interest in these properties, subject to any prior overriding obligations which the Sponsor may have in relation to the ROFR Properties<sup>37</sup>.

### **Information on the Properties**

#### **Key Information on the Properties<sup>38</sup>**

FLCT’s Portfolio comprises 97 modern high-quality properties located in five major markets across three continents, of which 90 are logistics and industrial properties and the remaining seven are CBD commercial and office and business park assets. By Appraised Value, 66.9% of these assets are located in Australia and Singapore with the remaining 33.1% spread across Germany, the UK and the Netherlands.

The tables below set out certain information on the Properties, including the independent valuations by the Independent Valuers, as at 30 September 2020. The carrying amount of the Portfolio (including right-of-use assets) is approximately S\$6,133.0 million as at 30 September 2020.

#### **Australia**

A majority of FLCT’s Australian properties are in major business and trade hubs along the eastern seaboard states. 59 properties or 80.4% of FLCT’s Australian portfolio properties by value are in Melbourne, Sydney and Brisbane, with the remaining three Australian properties comprising 19.6%, located in Perth and Canberra as at 30 September 2020.

FLCT’s Australian portfolio has an aggregate leasable area of 2,532,268 sq m across three resilient asset classes: logistics and industrial, CBD commercial, and office and business parks. The Australian portfolio was valued at S\$2.9 billion as at 30 September 2020.

<sup>37</sup> For the avoidance of doubt, where FLCT acquires future properties offered to it by the Sponsor pursuant to the terms of the ROFR, such acquisitions would constitute Related Party Transactions to FLCT and would be subject to the applicable requirements under the Listing Manual and/or the Property Funds Appendix, as the case may be.

<sup>38</sup> Excludes the SA Portfolio which has been classified as “Investment Property Held for Sale”. Please refer to the section on “Recent Developments – Divestment of three leasehold properties in South Australia” for further details.



Properties located in Australia (Logistics and Industrial)

S/N	Address	Completion date	Title	Lettable Area (sq m)	Occupancy (%)	Tenant(s)	Valuation as at 30 September 2020 (\$\$ m)	Purchase price (\$\$ m)	FY 2020 gross revenue (\$\$ m)
<b>Melbourne</b>									
1	98-126 South Park Drive, Dandenong South	October 2006	Freehold	28,062	100.0	Woolworths	39.6	30.7	2.8
2	21-33 South Park Drive, Dandenong South	November 2005	Freehold	22,106	100.0	Caprice	28.4	21.5	2.0
3	22-26 Bam Wine Court, Dandenong South	September 2004	Freehold	17,606	100.0	Bam Wine	24.9	19.7	1.9
4	16-32 South Park Drive, Dandenong South	April 2009	Freehold	12,729	100.0	Australian Postal Corporation	16.6	12.4	1.1
5	89-103 South Park Drive, Dandenong South	September 2005	Freehold	10,425	100.0	Ecolab	15.8	11.7	1.0
6	17 Pacific Drive and 170-172 Atlantic Drive, Keysborough	December 2012	Freehold	30,004	100.0	BIC, Chrisco Hampers	43.2	31.9	2.8
7	150-168 Atlantic Drive, Keysborough	August 2011	Freehold	27,272	100.0	ESR Group, Tyres 4 U	38.0	32.3	3.0
8	49-75 Pacific Drive, Keysborough	December 2011	Freehold	25,163	100.0	AutoPacific Group	35.7	26.2	2.5
9	77 Atlantic Drive, Keysborough	August 2015	Freehold	15,095	100.0	Miele	24.1	17.0	1.6
10	78 & 88 Atlantic Drive, Keysborough	November 2014	Freehold	13,495	100.0	Adairs, Melrose Health	19.8	15.5	1.6
11	111 Indian Drive, Keysborough	June 2016	Freehold	21,660	100.0	Astral Pool	40.1	29.3	2.7
12	29 Indian Drive, Keysborough	November 2017	Freehold	21,854	100.0	Stanley Black & Decker	36.4	28.0	2.4
13	17 Hudson Court, Keysborough	May 2018	Freehold	21,200	100.0	Clifford Hallam Healthcare	35.7	26.9	2.3
14	8-28 Hudson Court, Keysborough	December 2016	Freehold	25,762	100.0	Dana, Pinnacle Diversity, Licensing Essentials	38.1	31.4	2.3

S/N	Address	Completion date	Title	Lettable Area (sq m)	Occupancy (%)	Tenant(s)	Valuation as at 30 September 2020 (\$\$ m)	Purchase price (\$\$ m)	FY 2020 gross revenue (\$\$ m)
15	211A Wellington Road, Mulgrave	April 2016	Freehold	7,175	100.0	Mazda	39.1	34.0	3.2
16	75-79 Canterbury Road, Braeside	May 2019	Freehold	14,263	100.0	IVE Group	22.1	22.1	0.2
17	468 Boundary Road, Derrimut	August 2006	Freehold	24,732	100.0	CHEP	37.6	22.2	2.4
18	1 Doriemus Drive, Truganina	March 2015	Freehold	74,546	100.0	CEVA Logistics	96.8	75.8	6.3
19	2-22 Efficient Drive, Truganina	March 2015	Freehold	38,335	100.0	MaxiParts, Schenker, Toll Transport	45.5	37.9	3.3
20	1-13 & 15-27 Sunline Drive, Truganina	April 2011	Freehold	26,153	100.0	Arlec, Freight Specialists	32.7	26.1	2.4
21	42 Sunline Drive, Truganina	June 2015	Freehold	14,636	100.0	Austrans	17.8	14.4	1.3
22	43 Efficient Drive, Truganina	February 2017	Freehold	23,088	100.0	CEVA Logistics	26.9	22.1	2.0
23	18-34 Aylesbury Drive, Altona	February 2015	Freehold	21,493	100.0	Seaway Logistics, Godfreys	26.4	20.7	1.9
24	38-52 Sky Road East, Melbourne Airport	October 2008	Leasehold (Expires 30 June 2047)	46,231	100.0	Unilever	42.7	24.2 <sup>1</sup>	3.2
25	96-106 Link Road, Melbourne Airport	June 2009	Leasehold (Expires 30 June 2047)	18,599	100.0	DHL Global Forwarding	37.0	22.7 <sup>1</sup>	2.9
26	17-23 Jets Court, Melbourne Airport	March 2009	Leasehold (Expires 30 June 2047)	9,869	100.0	Eagle Lighting, ICAL	14.0	7.1 <sup>1</sup>	1.2
27	25-29 Jets Court, Melbourne Airport	December 2007	Leasehold (Expires 30 June 2047)	15,544	100.0	Agility Logistics, Boeing Defence	16.7	10.0 <sup>1</sup>	1.4
28	28-32 Sky Road East, Melbourne Airport	August 2008	Leasehold (Expires 30 June 2047)	12,086	100.0	Agility Logistics	13.0	8.1 <sup>11</sup>	1.1

S/N	Address	Completion date	Title	Lettable Area (sq m)	Occupancy (%)	Tenant(s)	Valuation as at 30 September 2020 (\$\$ m)	Purchase price (\$\$ m)	FY 2020 gross revenue (\$\$ m)
29	115-121 South Centre Road, Melbourne Airport	May 2008	Leasehold (Expires 30 June 2047)	3,085	100.0	Jetstream Café, Alternative Freight	8.1	5.1	0.7
30	2-46 Douglas Street, Port Melbourne	October 2005	Leasehold (Expires 30 March 2053)	21,803	100.0	Siemens, Toll Transport	39.8	19.6'	3.1
<b>Sydney</b>									
31	4-8 Kangaroo Avenue, Eastern Creek	December 2013	Freehold	40,543	100.0	Schenker	90.0	65.2	5.9
32	21 Kangaroo Avenue, Eastern Creek	July 2015	Freehold	41,401	100.0	Techtronic Industries	71.9	54.7	5.0
33	17 Kangaroo Avenue, Eastern Creek	June 2015	Freehold	23,112	100.0	Fisher & Paykel, Quatius Logistics	47.2	32.3	2.9
34	7 Eucalyptus Place, Eastern Creek	December 2014	Freehold	16,074	100.0	FDM Warehousing	32.3	24.7	2.5
35	2 Hanson Place, Eastern Creek	March 2019	Freehold	32,839	100.0	FDM Warehousing, Techtronic Industries	70.9	59.1	4.5
36	8-8A Reconciliation Rise, Pemulwuy	December 2005	Freehold	22,511	100.0	Inchcape, Ball & Doggett	47.5	32.0	3.2
37	6 Reconciliation Rise, Pemulwuy	April 2005	Freehold	19,218	100.0	Ball & Doggett	45.6	28.7	2.9
38	1 Burlida Close, Wetherill Park	September 2016	Leasehold (Expires 29 September 2106)	18,848	100.0	Martin Brower	97.1'	52.5	4.9
39	Lot 1,2 Burlida Close, Wetherill Park	July 2016	Leasehold (Expires 14 July 2106)	14,333	100.0	Survitec, Phoenix	38.4'	19.3	2.0
40	3 Burlida Close, Wetherill Park	May 2017	Leasehold (Expires 14 May 2107)	20,078	100.0	Nick Scali, Plastic Bottles	53.7'	28.4	2.7
41	8 Distribution Place, Seven Hills	May 2008	Freehold	12,319	100.0	Cabac	25.7	20.6	1.9
42	99 Station Road, Seven Hills	March 2011	Freehold	10,772	100.0	RF Industries	21.0	15.6	1.4

S/N	Address	Completion date	Title	Lettable Area (sq m)	Occupancy (%)	Tenant(s)	Valuation as at 30 September 2020 (\$\$ m)	Purchase price (\$\$ m)	FY 2020 gross revenue (\$\$ m)
43	10 Stanton Road, Seven Hills	April 2003	Freehold	7,065	100.0	CSR Building Products	15.0	11.1	1.2
44	8 Stanton Road, Seven Hills	May 2002	Freehold	10,708	100.0	Yusen Logistics	18.7	14.4	1.2
45	11 Gibbon Road, Winston Hills	May 2015	Freehold	16,625	100.0	Huhtamaki, Toshiba	47.2	34.7	3.4
46	Lot 104 & 105 Springhill Road, Port Kembla	August 2009	Leasehold (Expires on 13 August 2049 for Lot 104 and 20 August 2049 for Lot 105)	90,661	100.0	Inchcape	28.7 <sup>1</sup>	24.0	3.4
<b>Brisbane</b>									
47	99 Shettleston Street, Rocklea	January 2002	Leasehold (Expires 19 June 2115)	15,186	100.0	Opal Packaging	23.5	20.2	1.9
48	30 Flint Street, Inala	January 2013	Leasehold (Expires 19 June 2115)	15,052	100.0	Isuzu	25.9	22.5	2.1
49	55-59 Boundary Road, Carole Park	May 2004	Leasehold (Expires 19 June 2115)	13,250	100.0	Goodyear & Dunlop	19.9	13.8	1.3
50	51 Stradbroke Street, Heathwood	June 2002	Leasehold (Expires 19 June 2115)	14,916	100.0	B & R	28.6	20.8	2.1
51	10 Siltstone Place, Berrinba	October 2014	Leasehold (Expires 19 June 2115)	9,797	100.0	TCK Alliance	16.0	12.2	1.1
52	103-131 Wayne Goss Drive, Berrinba	September 2017	Freehold	19,487	100.0	National Tiles, Paccar	32.3	28.0	2.4
53	29-51 Wayne Goss Drive, Berrinba	October 2016	Freehold	15,456	100.0	Avery Dennison, GM Kane and Sons	26.5	22.7	1.9
54	57-71 Platinum Street, Crestmead	November 2000	Leasehold (Expires 19 June 2115)	20,518	100.0	Stramit	46.4	26.6	2.9

S/N	Address	Completion date	Title	Lettable Area (sq m)	Occupancy (%)	Tenant(s)	Valuation as at 30 September 2020 (\$\$ m)	Purchase price (\$\$ m)	FY 2020 gross revenue (\$\$ m)
55	143 Pearson Rd, Yatala	July 2016	Leasehold (Expires 30 August 2115)	30,618	100.0	O-I	40.9	33.1	2.8
56	166 Pearson Road, Yatala	October 2017	Freehold	23,218	100.0	Beaulieu	41.1	30.7	2.5
57	286 Queensport Road, North Murarrie	September 2004	Leasehold (Expires 19 June 2115)	21,531	100.0	Laminex	40.2	32.3	3.0
58	350 Earnshaw Road, Northgate	December 2009	Leasehold (Expires 19 June 2115)	30,779	100.0	H.J. Heinz	59.6	45.7	4.2
<b>Perth</b>									
59	60 Paltridge Road, Perth Airport	February 2009	Leasehold (Expires 3 June 2033)	20,143	100.0	Amazon, Electrolux	11.6	16.6	2.7

**Notes:**

(1) Includes right-of-use assets as at 30 September 2020.

(2) The REIT Manager announced on 10 December 2020 the divestment of the properties at 5 Butler Boulevard, Adelaide Airport, South Australia, 18-20 Butler Boulevard, Adelaide Airport, South Australia and 20-22 Butler Boulevard, Adelaide Airport, South Australia. Please see "Recent Developments – Divestment of three leasehold properties in South Australia" for more information.

**Properties located in Australia (CBD Commercial)**

S/N	Address	Completion date	Title	Lettable Area (sq m)	Occupancy (%)	Number of tenants and key tenants	Valuation as at 30 September 2020 (\$\$ m)	Purchase price (\$\$ m)	FY 2020 gross revenue (\$\$ m)
<b>Melbourne</b>									
60	357 Collins Street, Melbourne	December 2012	Freehold	31,962	95.9	26 tenants. Key tenants include Commonwealth Bank of Australia, Service Stream and Orange Business Services.	312.9	305.2	9.4

S/N	Address	Completion date	Title	Lettable Area (sq m)	Occupancy (%)	Number of tenants and key tenants	Valuation as at 30 September 2020 (\$\$ m)	Purchase price (\$\$ m)	FY 2020 gross revenue (\$\$ m)
<b>Perth</b>									
61	Central Park, 152- 158 St Georges Terrace Perth	1992	Freehold	66,113	80.8	22 tenants. Key tenants include Rio Tinto, Grant Thornton, Australia Energy Market and Jones Lang LaSalle.	307.1	289.0	10.4

Properties located in Australia (Office and Business Parks)

S/N	Address	Completion date	Title	Lettable Area (sq m)	Occupancy (%)	Tenant(s)	Valuation as at 30 September 2020 (\$\$ m)	Purchase price (\$\$ m)	FY 2020 gross revenue (\$\$ m)
<b>Canberra</b>									
62	Caroline Chisholm Centre, Block 4 Section 13, Tuggeranong	June 2007	Leasehold (99 years from June 2002)	40,224	100.0	Commonwealth of Australia (Department of Human Services)	239.6	228.0	10.7

**Singapore**

FLCT's Singapore portfolio comprises a prime CBD commercial asset valued at S\$643.0 million and Alexandra Technopark, a quality office and business park located in the city fringe of Singapore valued at S\$624.0 million as at 30 September 2020. In aggregate, the two assets have a leasable area of 132,604 sq m.

Properties located in Singapore (CBD Commercial)

S/N	Address	Completion date	Title	Lettable Area (sq m)	Occupancy (%)	Number of tenants and key tenants	Valuation as at 30 September 2020 (\$\$ m)	Purchase price (\$\$ m)	FY 2020 gross revenue (\$\$ m)
63	Cross Street Exchange, 18, 20 & 22 Cross Street and 4 retail units at 181 South Bridge Road	2002 and 2019	Leasehold (99 years from 3 February 1997)	36,497	89.5	71 tenants. Key tenants include GroupM, Suntory, JustCo and WeWork.	643.0	648.0	14.3

Properties located in Singapore (Office and Business Parks)

S/N	Address	Completion date	Title	Lettable Area (sq m)	Occupancy (%)	Number of tenants and key tenants	Valuation as at 30 September 2020 (S\$ m)	Purchase price (S\$ m)	FY 2020 gross revenue (S\$ m)
64	Alexandra Technopark, 438A / 438B / 438C Alexandra Road	1996, 1998 and 2018	Leasehold (99 years from 26 August 2009)	96,107	97.9	56 tenants.  Key tenants include Google, Worley, Nokia and Olympus.	624.0	606.0	25.5

**Germany**

FLCT has a strong presence in major global logistics hubs across Germany with 26 highly sought-after logistics and industrial assets located in the logistics regions of Hamburg- Bremen; Leipzig-Chernitz; Munich- Nuremberg; Stuttgart-Mannheim; Frankfurt; Düsseldorf-Cologne, Bielefeld and Berlin. FLCT's German portfolio has an aggregate Lettable Area of 662,996 sq m, and a portfolio value of S\$1.3 billion as at 30 September 2020.

Properties located in Germany (Logistics and Industrial)

S/N	Address	Completion date	Title	Lettable Area (sq m)	Occupancy (%)	Tenant(s)	Valuation as at 30 September 2020 (S\$ m)	Purchase price (S\$ m)	FY 2020 gross revenue (S\$ m)
<b>Hamburg – Bremen</b>									
65	Am Krainhop 10, Isenbüttel	July 2014	Freehold	20,679	100.0	Volkswagen	29.9	23.6	1.7
66	Am Autobahnkreuz 14, Rastede	November 2015	Freehold	11,491	100.0	Broetje-Automation	28.8	25.9	2.0
<b>Leipzig – Chernitz</b>									
67	Johann-Esche- Straße 2, Chernitz	January 2007	Freehold	18,053	100.0	Rhenus	26.9	23.0	1.9
68	Am Exer 9, Leipzig	September 2013	Freehold	11,357	100.0	Dräxlmaier	22.2	17.9	1.3

S/N	Address	Completion date	Title	Lettable Area (sq m)	Occupancy (%)	Tenant(s)	Valuation as at 30 September 2020 (\$\$ m)	Purchase price (\$\$ m)	FY 2020 gross revenue (\$\$ m)
<b>Munich – Nuremberg</b>									
69	Oberes Feld 2, 4, 6, 8, Moosfhenning	July 2009, August 2012 and August 2015	Freehold	72,558	100.0	BMW	110.7	94.2	6.0
70	Koperstraße 10, Nuremberg	April 2015 and July 2018	Leasehold (Expires 31 December 2080)	44,221	100.0	Roman Mayer Logistik, Hellman Worldwide Logistics, Johnson Outdoors	104.9 <sup>1</sup>	58.2	5.3
71	Industriepark 1, Mamming	August 2013	Freehold	14,193	100.0	Leadec	24.8	21.9	1.5
72	Jubatus-Allee 3, Ebermannsdorf	April 2005	Freehold	9,389	100.0	Grammer Automotive	12.5	10.5	0.8
73	Hermesstraße 5, 86836, Graben, Augsburg	February 2018	Freehold	11,534	100.0	Hermes	57.4	48.5	2.5
74	Dieselstraße 30, 85748, Garching	January 2008	Freehold	13,014	100.0	EDEKA	51.7	43.3	2.6
<b>Stuttgart – Mannheim</b>									
75	Industriepark 309, 78244 Gottmadingen	Between 1999 and 2014	Freehold	55,007	100.0	Constellium	77.9	66.4	6.0
76	Otto-Hahn Straße 10, Vaihingen	March 2014	Freehold	43,756	100.0	Dachser, DSV Solutions	88.0	68.9	4.5
77	Eiselauer Weg 2, Ulm	August 2009	Freehold	24,525	100.0	Transgourmet	71.4	58.3	3.6
78	Murrer Strasse 1, Freiberg am Neckar	August 2017	Freehold	21,071	100.0	Logistics Group	58.3	45.5	2.7
79	Ambros- Nehren-Strasse, Achern	February 2016	Freehold	12,304	100.0	Ziegler	23.5	18.6	1.2
80	Am Bühlfeld 2-8, 89543, Herbrechtingen	April 2008	Freehold	44,501	100.0	Wilhelm Kentner Kraftwagen – Spedition	55.4	45.7	3.2
81	Bietigheimer Straße 50 – 52, 71732 Tamm	August 2018	Freehold	38,932	100.0	Robert Bosch	117.3	99.5	5.5
<b>Frankfurt</b>									
82	Im Birkengrund 5-7, 63179, Obertshausen	December 2016	Freehold	23,154	100.0	Amor, Mühle Verpackungs-und Dienstleistungs	50.2	41.9	2.6



S/N	Address	Completion date	Title	Lettable Area (sq m)	Occupancy (%)	Tenant(s)	Valuation as at 30 September 2020 (\$\$ m)	Purchase price (\$\$ m)	FY 2020 gross revenue (\$\$ m)
<b>Dusseldorf – Cologne</b>									
83	Saalhofer Straße 211, Rheinberg	September 2016	Freehold	31,957	100.0	BMW	46.6	39.5	2.5
84	Elbestraße 1-3, Marl	July 1995, June 2002 and May 2013	Freehold	16,831	100.0	Bunzl	23.0	19.4	1.4
85	Keffelker Straße 66, Brilon	November 2009	Freehold	13,352	100.0	ABB	15.8	14.0	1.3
86	Gustav- Stresemann-Weg 1, Münster	July 2009	Freehold	12,960	100.0	Saurer Technologies	25.0	20.5	1.6
87	An den Dieken 94, 40885, Ratingen	March 2014	Freehold	43,095	100.0	Keramag Keramische WerkeAG, VCK Logistics	75.8	67.2	4.0
88	Walter-Gropius- Straße 19, 50126, Bergheim	June 2001 and October 2018	Freehold	19,404	100.0	Callius, WEG, GILOG	32.1	27.8	1.8
89	Fuggerstraße 17, 33689 Bielefeld	2016	Freehold	22,336	100.0	B+S GmbH Logistik Und Dienstleistungen	42.4	35.7	1.9
<b>Berlin</b>									
90	Gewerbegebiet Etzin 1, 14669 Berlin	October 2017	Freehold	13,142	100.0	Hermes	69.3	58.9	2.4

**Note:**

(1) Includes right-of-use assets as at 30 September 2020.

### The UK

FLCT's UK portfolio comprises two office and business park assets in the South East region: Farnborough Business Park located in Farnborough, Thames Valley and Maxis Business Park in Bracknell, Thames Valley. The two assets have a total Lettable Area of 68,865 sq m, and an aggregate valuation of S\$434.4 million as at 30 September 2020.

#### Properties located in the UK (Office and Business Parks)

S/N	Address	Completion date	Title	Lettable Area (sq m)	Occupancy (%)	Number of tenants and key tenants	Valuation as at 30 September 2020 (S\$ m)	Purchase price (S\$ m)	FY 2020 gross revenue (S\$ m)
<b>Farnborough, Thames Valley</b>									
91	Farnborough Business Park, Farnborough	2001 to 2019	Freehold	51,006	99.3	37 tenants. Key tenants include Fluor, Syneos Health, TI Media, AETNA Global and Red Hat.	314.0	311.4	12.5
<b>Bracknell, Thames Valley</b>									
92	Maxis Business Park, Bracknell	2009	Freehold	17,859	100.0	10 tenants. Key tenants include Panasonic, Allegis Group, Blue Yonder Technology and Cadence Design Systems.	120.4	121.1	1.3

### The Netherlands

FLCT has a presence in the Netherlands with five quality assets in three Dutch logistics and industrial regions: Meppel, Utrecht – Zeewolde, and Tilburg – Venlo. The portfolio has an aggregate gross leasable area of 218,285 sq m. The portfolio was valued at S\$289.1 million as at 30 September 2020.

#### Properties located in the Netherlands (Logistics and Industrial)

S/N	Address	Completion date	Title	Lettable area (sq m)	Occupancy (%)	Tenant(s)	Valuation as at 30 September 2020 (S\$ m)	Purchase price (S\$ m)	FY 2020 gross revenue (S\$ m)
<b>Meppel</b>									
93	Mandeveld 12, Meppel	May 2018	Freehold	31,013	100.0	FrieslandCampina	44.5	36.6	2.3
<b>Utrecht – Zeewolde</b>									
94	Brede Steeg 1, s-Heerenberg	Between 2001 and 2009	Freehold	84,806	100.0	Mainfreight	104.8	92.0	6.5
95	Handelsweg 26, Zeewolde	July 1994, July 2000 and July 2010	Freehold	51,703	100.0	Bakker Logistiek	70.3	55.5	4.1
<b>Tilburg – Venlo</b>									
96	Belle van Zuylenstraat 5, Tilburg	July 1996 and July 2000	Freehold	18,121	100.0	Bakker Logistiek	26.1	21.1	1.4
97	Heierhoevenweg 17, Venlo	October 2015	Freehold	32,642	100.0	DSV Solutions	43.4	36.1	2.2

### **Top 10 Tenants**

The table below sets out selected information on the top 10 tenants of the Properties (based on GRI) as at 31 December 2020.

<b>Tenant</b>	<b>Country</b>	<b>% of GRI</b>	<b>WALE (years)</b>
Commonwealth of Australia	Australia	5.1	4.5
Google	Singapore	4.0	4.0
Rio Tinto	Australia	2.5	9.5
Commonwealth Bank of Australia	Australia	2.0	2.0
Ceva Logistics	Australia	2.0	4.5
BMW	Germany	1.9	7.0
Techtronic Industries	Australia	1.8	2.8
Schenker	Australia	1.7	3.9
Mainfreight	Germany	1.5	5.2
Fluor	The UK	1.5	4.3
		<b>Total: 24.0%</b>	<b>Average: 4.3 years</b>

### **Leasing Activities**

The Property Managers have a deep knowledge of the tenants' businesses and business requirements and will leverage this to renew the leases with the tenants in their existing facilities or cater for their expansion within the existing facilities or into new facilities.

The Property Managers proactively engage with tenants well in advance of the tenancies' lease expiry. The Property Managers also maintain regular contact with the tenants and regularly review their respective current and future occupancy requirements in order to ensure advance notice of the tenants' intention. This enables FLCT to identify and execute leasing strategies to assist in maintaining a high tenant retention rate and de-risk the portfolio's lease expiry profile, to maximise rental returns, achieve long term capital appreciation and market leadership in the commercial, industrial and logistics property market, and together with maintenance of its brand position.

### **Lease Management**

The tenancy documents entered into for the Properties contain terms and conditions, including those relating to duration of the lease, the rental amount payable, rental reviews, provision of security deposits, and landlord/tenant obligations at lease expiry. The REIT Manager believes that the terms and conditions of such tenancy documents are in line with generally accepted market practice and procedures. In certain instances, these terms have been modified to accommodate the specific needs of major tenants, such as expansion clauses and lease break clauses (which often include a requirement for the tenant to pay a surrender fee to the landlord).

As tenant retention is critical to minimising the turnover of leases, the Property Managers maintain close communication and a good working relationship with the existing tenants. Discussions and meetings for lease renewal will be held in advance with tenants whose leases are due to expire. Arrears management procedures will also be enforced to ensure timely payment of rent. The REIT Manager believes that these proactive steps to retain tenants and reduce rental in arrears will help maintain a stable income stream for FLCT.

## **The REIT Manager and Corporate Governance**

### ***Roles and Responsibility of the REIT Manager***

The REIT Manager has general powers of management over the assets of FLCT. The REIT Manager's main responsibility is to manage FLCT's assets and liabilities for the benefit of Unitholders.

The REIT Manager is responsible for formulating the business plans in relation to FLCT's Properties. The REIT Manager will work closely with the Property Managers to implement FLCT's strategies. Further, the REIT Manager will set the strategic direction of FLCT and give recommendations to the REIT Trustee on the acquisition, divestment or enhancement of assets of FLCT in accordance with its stated investment strategy.

The REIT Manager is required under paragraph 4 of the Property Funds Appendix to hold an annual general meeting once in every calendar year and not more than 15 months after the holding of the last preceding annual general meeting. FLCT last held its annual general meeting on 20 January 2021.

The REIT Manager has covenanted in the FLCT Trust Deed to use its best endeavours to carry on and conduct its business in a proper and efficient manner, to ensure that FLCT is carried on and conducted in a proper and efficient manner and to conduct all transactions with or for FLCT at arm's length and on normal commercial terms.

The REIT Manager will also be responsible for ensuring that FLCT complies with the applicable provisions of the SFA and all other relevant legislation, the Listing Manual, the CIS Code (including the Property Funds Appendix), the Take-Over Code, the FLCT Trust Deed, the CMS Licence, any tax rulings and all relevant contracts.

The REIT Manager may require the REIT Trustee to borrow on behalf of FLCT (upon such terms and conditions as the REIT Manager thinks fit, including the charging or mortgaging of all or any part of the Deposited Property) whenever the REIT Trustee, with the consent of the REIT Manager, considers, among other things, that such borrowings are necessary in order to enable the REIT Trustee to meet its liabilities or whenever the REIT Manager considers it necessary that monies be borrowed or raised to:

- finance the acquisition of any Authorised Investments, directly or indirectly, through special purpose vehicles; or
- finance the repurchase and/or redemption of Units by the REIT Manager; or
- finance the distributions of FLCT.

However, the REIT Manager must not direct the REIT Trustee to incur a borrowing, if to do so would mean that FLCT's total borrowings exceed the Aggregate Leverage limit of, (a) prior to 1 January 2022, 50% of the value of the Deposited Property at the time the borrowing is incurred; or (b) on or after 1 January 2022, 45% of the value of the Deposited Property at the time the borrowing is incurred, save that it may exceed 45% (up to a maximum of 50%) if certain conditions under the Property Funds Appendix are met.

In the absence of fraud, gross negligence, wilful default or breach of the FLCT Trust Deed by the REIT Manager, it shall not incur any liability by reason of any error of law or any matter or thing done or suffered to be done or omitted to be done by it in good faith under the FLCT Trust Deed. In addition, the REIT Manager shall be entitled, for the purpose of any indemnity against any actions, costs, claims, damages, expenses or demands to which it may be put as manager of FLCT, to have recourse to the Deposited Property or any part thereof save where such action, cost, claim, damage, expense or demand is occasioned by the fraud, gross negligence, wilful default or breach of the FLCT Trust Deed by the REIT Manager. The REIT Manager may, in managing FLCT and in carrying out and performing its duties and obligations under the FLCT Trust Deed, with the written consent of the REIT Trustee, appoint such persons to exercise any or all of its powers and discretions and to perform all or any of its obligations under the FLCT Trust Deed, provided always that the REIT Manager shall be liable for all acts and omissions of such persons as if such acts and omissions were its own.

More information on the directors and management of the REIT Manager is set out in the section titled “Directors and Management” herein.

### ***Retirement or Removal of the REIT Manager***

The REIT Manager shall have the power to retire in favour of a corporation approved by the REIT Trustee to act as the manager of FLCT.

Also, the REIT Manager may be removed by notice given in writing by the REIT Trustee if:

- the REIT Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the REIT Trustee) or if a receiver is appointed over its assets or a judicial manager is appointed in respect of the REIT Manager;
- the REIT Manager ceases to carry on business;
- the REIT Manager fails or neglects after reasonable notice from the REIT Trustee to carry out or satisfy any material obligation imposed on the REIT Manager by the FLCT Trust Deed;
- the Unitholders, by a resolution passed by a simple majority of Unitholders present and voting (with no Unitholders being disenfranchised) at a meeting of Unitholders duly convened and held in accordance with the provisions of the FLCT Trust Deed, shall so decide;
- for good and sufficient reason, the REIT Trustee is of the opinion, and so states in writing such reason and opinion, that a change of the REIT Manager is desirable in the interests of the Unitholders provided that the REIT Manager has a right under the FLCT Trust Deed to refer the matter to arbitration, subject to the terms of the FLCT Trust Deed. Any decision made pursuant to such arbitration proceedings is binding upon the REIT Manager, the REIT Trustee and all the Unitholders; or
- the MAS directs the REIT Trustee to remove the REIT Manager.

### ***Corporate Governance of the REIT Manager***

The following outlines the main corporate governance practices of the REIT Manager.

#### The REIT Manager Board

The board of directors of the REIT Manager (the “**REIT Manager Board**”) is responsible for the overall leadership and oversight of both FLCT’s and the REIT Manager’s business, financial, investment and material operational affairs and performance objectives, and its long-term success. The REIT Manager Board sets the strategic direction of FLCT and the REIT Manager and the REIT Manager’s approach to corporate governance, including the organisational culture, values and ethical standards of conduct, and works with Management on its implementation across all levels of the organisation, as well as focus on value creation, innovation and sustainability. The REIT Manager Board, supported by management, ensures necessary resources are in place for FLCT and the REIT Manager to meet its strategic objectives. Through the enterprise-wide risk management framework of FLCT and its subsidiaries, the REIT Manager Board establishes and maintains a sound risk management framework to effectively monitor and manage risks. It also oversees management to ensure transparency and accountability to key stakeholder groups. All the REIT Manager Board members participate in matters relating to corporate governance, business operations and risks, financial performance and the nomination and review of performance of directors.

The REIT Manager Board consists of nine members, five of whom are independent<sup>39</sup> directors.

The composition of the REIT Manager Board will be reviewed regularly to ensure that the REIT Manager Board has the appropriate mix of expertise and experience.

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<sup>39</sup> The independence of the directors in this context refers to their independence from management and business relationships with the REIT Manager.

The REIT Manager Board has established the Audit and Risk and Compliance Committee and the Nominating and Remuneration Committee to oversee specific areas, for greater efficiency.

#### The Audit, Risk and Compliance Committee (“ARCC”)

The ARCC is appointed by the REIT Manager Board from the Directors on the REIT Manager Board and is composed of four non-executive members, all of whom are independent directors.

As at the date of this Offering Circular, the members of the ARCC are Mr Chin Yoke Choong (Chairman), Mr Goh Yong Chian, Mr Ho Hon Cheong and Mr Paul Gilbert Say, all of whom are independent directors. All the members of the ARCC are appropriately qualified to discharge their responsibilities, possessing the requisite accounting and related financial management expertise or experience.

The key objectives of the ARCC is to assist the REIT Manager Board in fulfilling its responsibility to oversee the quality and integrity of the accounting, auditing, internal controls, risk management and financial practices of the REIT Manager. The ARCC reviews the quality and reliability of information prepared for inclusion in financial reports, and is responsible for making recommendations to the REIT Manager Board regarding the appointment of external auditors and for reviewing the adequacy of external audits in respect of cost, scope and performance. The ARCC also reviews the framework and processes established by the management to achieve compliance with applicable laws, regulations, standards, best practice guidelines and the REIT Manager’s policies and procedures. The ARCC also assists the REIT Manager Board in ensuring that the management maintains a sound system of risk management and internal controls.

#### The Nominating and Remuneration Committee (“NRC”)

As at the date of this Offering Circular, the members of the NRC are Mr Ho Hon Cheong (Chairman), Mr Chin Yoke Choong, Mr Goh Yong Chian and Mr Panote Sirivadhanabhakdi, a majority of whom (including the Chairman of the NRC) are independent directors.

The NRC has written terms of reference endorsed by the REIT Manager Board which sets out their duties and responsibilities. The role of the NRC is to make recommendations to the REIT Manager Board on matters relating to:

- the appointment and re-appointment of Directors;
- the development of a process for evaluation of the performance of the REIT Manager Board, its board committees and Directors;
- the review of and the recommendations to the Board on the succession plans for the Directors, the Chairman, the Chief Executive Officer and key management personnel;
- the review of the remuneration framework for the REIT Manager Board and the key management personnel of the REIT Manager;
- the review of the specific remuneration packages for each Director and key management personnel of the REIT Manager; and
- the review of the overall proportion of independent Directors on the REIT Manager Board and the independence of such Directors.

#### Management of Business Risk

The REIT Manager Board meets quarterly or more frequently if necessary and reviews the financial performance of FLCT against a previously approved budget. The REIT Manager Board also reviews the business risks of FLCT, examines liability management and acts upon any comments from both the internal and external auditors of FLCT.

The REIT Manager has appointed experienced and well-qualified management personnel to handle the day-to-day operations of FLCT. In assessing business risk, the REIT Manager Board considers the economic environment and risks relevant to the commercial, industrial and logistics market. It reviews management reports and feasibility studies on individual development projects prior to approving major transactions. The management meets regularly to review the operations of the REIT Manager and FLCT and discuss any disclosure issues.

#### Conflicts of Interest Management

The REIT Manager, select outsourced service providers to the REIT Manager and the Property Managers which are wholly-owned subsidiaries of the Sponsor (consisting of the Australian Property Manager, the Germany & Netherlands Property Manager, the UK Property Manager and the Singapore Property Manager) adhere to a strict Conflicts of Interest Management Policy addressing events where conflicts of interest may arise in asset management and leasing situations, which requires the appointment of separate representatives, designated to act in the interests of each party, who must adhere with independence protocol. Potential conflicts are recorded in a Conflicts Register which is reported to the ARCC on a quarterly basis.

#### ***Related Party Transactions***

##### The REIT Manager's Internal Control System

The REIT Manager has established an internal control system to ensure that all Related Party Transactions:

- will be undertaken on normal commercial terms; and
- will not be prejudicial to the interests of FLCT and the Unitholders.

As a general rule, the REIT Manager must demonstrate to the ARCC that such transactions satisfy the foregoing criteria, which may entail:

- obtaining (where practicable) quotations from parties unrelated to the REIT Manager; or
- obtaining valuations from independent professional valuers (in accordance with the Property Funds Appendix).

The REIT Manager maintains a register to record all Related Party Transactions which are entered into by FLCT and the bases, including any quotations from unrelated parties and independent valuations obtained to support such bases, on which they are entered into.

The REIT Manager also incorporates into its internal audit plan a review of all Related Party Transactions entered into by FLCT. The ARCC shall review the internal audit reports at least twice a year to ascertain that the guidelines and procedures established to monitor Related Party Transactions have been complied with. In addition, the REIT Trustee also has the right to review such audit reports to ascertain that the Property Funds Appendix have been complied with. Such review includes the examination of the nature of the transaction and its supporting documents or such other data deemed necessary to the ARCC. If a member of the ARCC has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction.

##### Role of the ARCC for Related Party Transactions

The ARCC monitors the procedures established to regulate Related Party Transactions, including reviewing any Related Party Transactions entered into from time to time and the internal audit reports to ensure compliance with the relevant provisions of the Listing Manual and the Property Funds Appendix.

If a member of the ARCC has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction.

In addition, the ARCC shall undertake due process to ensure that the terms in a divestment to a Related Party are generally in line with that which would have been obtained had the asset been sold to a non-interested party.



## Related Party Transactions

As a REIT listed on the SGX-ST, FLCT is regulated by the Property Funds Appendix and the Listing Manual. The Property Funds Appendix regulate, among other things, transactions entered into by the REIT Trustee (for and on behalf of FLCT) with an Interested Party relating to FLCT's acquisition of assets from or sale of assets to an Interested Party, FLCT's investment in securities of or issued by an Interested Party and the leasing of assets to an Interested Party.

Depending on the materiality of transactions entered into by FLCT for the acquisition of assets from, the sale of assets to or the investment in securities of or issued by an Interested Party, the Property Funds Appendix may require that an immediate announcement to the SGX-ST be made, and may also require that the approval of Unitholders be obtained.

## Corporate Social Responsibility

The REIT Manager believes in being a responsible corporate citizen and will ensure that it adheres to its business operations and strategy to FPL's existing corporate social responsibility framework, which is committed to contributing positively towards the community and the environment. The REIT Manager is committed to working on corporate social responsibility initiatives under the framework in order to enhance the social well-being of the local community and contribute to a sustainable future.

## **The REIT Trustee**

### ***Power, Duties and Obligations of the REIT Trustee***

The REIT Trustee's powers, duties and obligations are set out in the FLCT Trust Deed. The powers and duties of the REIT Trustee include:

- acting as trustee of FLCT and, in such capacity, safeguarding the rights and interests of the Unitholders;
- holding the assets of FLCT on trust for the benefit of the Unitholders in accordance with the FLCT Trust Deed;
- lending monies out of the assets of FLCT for the benefit of Unitholders as a whole in accordance with the FLCT Trust Deed and subject to compliance with the applicable laws, regulations and guidelines; and
- exercising all the powers of a trustee and the powers that are incidental to the ownership of the assets of FLCT.

The REIT Trustee has covenanted in the FLCT Trust Deed that it will exercise all due care, diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of the Unitholders.

In the exercise of its powers, the REIT Trustee may (on the recommendation of the REIT Manager) and subject to the provisions of the FLCT Trust Deed, acquire or dispose of any real or personal property, borrow and encumber any asset.

The REIT Trustee may, subject to the provisions of the FLCT Trust Deed, appoint and engage:

- a person or entity as may be necessary, usual or desirable to exercise any of its powers or perform its obligations; and
- any real estate agents or managers or service providers or such other persons, including a Related Party of the REIT Manager on an arm's length basis and on normal commercial terms, in relation to the project management, development, leasing, lease management, marketing, property marketing, purchase or sale of any real estate assets and real estate-related assets.

Although the REIT Trustee may borrow money and obtain other financial accommodation for the purposes of FLCT, both on a secured and unsecured basis, the REIT Manager must not direct the REIT Trustee to incur a liability if to do so would mean that total liabilities of FLCT exceed: (a) prior to 1 January 2022, 50% of the value of the Deposited Property at the time the borrowing is incurred; or (b) on or after 1 January 2022, 45% of the value of the Deposited Property at the time the borrowing is incurred, save that it may exceed 45% (up to a maximum of 50%) if certain conditions under the Property Funds Appendix are met (or such other limit as may be stipulated by the Property Funds Appendix or other limit prescribed by the MAS).

The REIT Trustee must carry out its functions and duties and comply with all the obligations imposed on it and set out in the FLCT Trust Deed, the Listing Manual, the SFA, the CIS Code (including the Property Funds Appendix), the Take-Over Code, any tax rulings and all other applicable laws, regulations and guidelines. It must retain FLCT's assets, or cause FLCT's assets to be retained, in safe custody and cause FLCT's accounts to be audited. It can appoint valuers to value the real estate assets and real estate-related assets of FLCT.

The REIT Trustee is not personally liable to a Unitholder in connection with the office of the REIT Trustee except in respect of its own fraud, gross negligence, wilful default, breach of trust or breach of the FLCT Trust Deed. Any liability incurred and any indemnity to be given by the REIT Trustee shall be limited to the assets of FLCT over which the REIT Trustee has recourse, provided that the REIT Trustee has acted without fraud, gross negligence, wilful default, breach of trust or breach of the FLCT Trust Deed. The FLCT Trust Deed contains certain indemnities in favour of the REIT Trustee under which it will be indemnified out of the assets of FLCT for liability arising in connection with certain acts or omissions. These indemnities are subject to any applicable laws.

#### ***Retirement and Replacement of the REIT Trustee***

The REIT Trustee may retire or be replaced under the following circumstances:

- the REIT Trustee shall not be entitled to retire voluntarily except upon the appointment of a new trustee (such appointment to be made in accordance with the provisions of the FLCT Trust Deed); and
- the REIT Trustee may be removed by notice in writing to the REIT Trustee by the REIT Manager:
  - if the REIT Trustee goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the REIT Manager) or if a receiver is appointed over any of its assets or if a judicial manager is appointed in respect of the REIT Trustee;
  - if the REIT Trustee ceases to carry on business;
  - if the REIT Trustee fails or neglects after reasonable notice in writing from the REIT Manager to carry out or satisfy any material obligation imposed on the REIT Trustee by the FLCT Trust Deed; or
  - if the Unitholders by Extraordinary Resolution duly passed at a meeting of Unitholders held in accordance with the provisions of the FLCT Trust Deed, and of which not less than 21 days' notice has been given to the REIT Trustee and the REIT Manager, shall so decide, or
- if the MAS directs that the REIT Trustee be removed.

## **Other Information relating to FLCT**

### ***Insurance***

FLCT has in place insurance for the Properties that the REIT Manager believes is adequate in relation to the Properties and consistent with industry practice and all relevant laws and regulations in the respective countries where they are located. The insurance coverage for all the Properties includes property damage and business interruption, including loss of rent and/or consequential losses arising from such business interruption.

There are, however, certain types of risks that are not covered by such insurance policies, including acts of war, allied risks and in most cases, acts of terrorism<sup>40</sup>.

### ***Legal Proceedings***

None of FLCT and the REIT Manager is currently involved in any material litigation nor, to the best of the REIT Manager's knowledge, is there any material litigation currently contemplated or threatened against FLCT or the REIT Manager.

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<sup>40</sup> However, under the Australian Terrorism Insurance Act 2003, the insurers of FLCT are eligible to reinsure the risk of losses arising from a declared terrorism incident with the Australian Reinsurance Pool Corporation under the Terrorism Insurance Scheme established by the Australian Government.

## DIRECTORS AND MANAGEMENT

### ***Board of Directors of the REIT Manager***

The REIT Manager Board is responsible for the overall corporate governance of the REIT Manager including establishing goals for management and monitoring the achievement of these goals. The REIT Manager is also responsible for the strategic business direction and risk management of FLCT. All the REIT Manager Board members participate in matters relating to corporate governance, business operations and risks, financial performance and the nomination and review of performance of directors.

The REIT Manager Board has established a framework for the management of the REIT Manager and FLCT, including a system of internal controls and a business risk management process.

The following table sets forth information regarding the Directors of the REIT Manager:

Name	Address	Position
Mr Ho Hon Cheong	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Chairman and Independent Non-Executive Director
Mr Chin Yoke Choong	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Independent Non-Executive Director
Mr Goh Yong Chian	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Independent Non-Executive Director
Mr Paul Gilbert Say	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Independent Non-Executive Director
Ms Soh Onn Cheng Margaret	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Independent Non-Executive Director
Mr Panote Sirivadhanabhakdi	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Non-Executive and Non-Independent Director
Mr Rodney Vaughan Fehring	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Non-Executive and Non-Independent Director
Mr Chia Khong Shoong	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Non-Executive and Non-Independent Director
Mr Reinfried Helmut Otter (Reini Otter)	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Non-Executive and Non-Independent Director

As at the Latest Practicable Date, none of the Directors of the REIT Manager has any family relationship, or is related to one another, with any Executive Officers of the REIT Manager, or with any employee of the REIT Manager upon whose work FLCT is dependent.

In addition, as at the Latest Practicable Date, save for Mr Panote Sirivadhanabhakdi, none of the Directors of the REIT Manager is related to any person with an interest in not less than 5% of the shares in issue (“**Substantial Shareholder**”) of the REIT Manager or any person who is a holder of Units with an interest in one or more Units constituting not less than 5% of all Units in issue (“**Substantial Unitholder**”). Mr Panote Sirivadhanabhakdi is a son of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi, each a Substantial Shareholder.

None of the independent directors of the REIT Manager sits on the boards of the Sponsor, the principal subsidiaries of the Sponsor, the principal subsidiaries of FLCT that are based in Singapore or other jurisdictions.

### ***Experience and Expertise of the Board of Directors of the REIT Manager***

Information on the business and working experience of the Directors of the REIT Manager is set out below.

**Mr Ho Hon Cheong** was appointed as a Chairman and Independent Non-Executive Director on 26 May 2016.

Mr Ho was the Chief Executive Officer/President Director of PT Bank Danamon Indonesia Tbk (which is listed on the Indonesia Stock Exchange) from March 2010 to February 2015. From April 2009 to March 2010, Mr Ho was the Managing Director, Special Investments at Temasek Holdings Pte. Ltd., where he was responsible for building on the global credit and debt platforms to invest in distressed assets and the special situation asset class. From January 2004 to March 2009, Mr Ho was the Chief Executive Officer of PT Bank Internasional Indonesia Tbk. Prior to the foregoing, Mr Ho had worked for Citigroup over a period of about 23 years in various senior management positions in several countries including Malaysia, Singapore, Thailand and Saudi Arabia.

Mr Ho is a Non-Executive Independent Commissioner at PT Chandra Asri Petrochemical Tbk in Indonesia (which is listed on the Indonesia Stock Exchange), a Non-Executive Independent Director at AIA Singapore Pte. Ltd. and a Non-Executive Non-Independent Director in Alliance Bank Malaysia Bhd in Malaysia.

Mr Ho holds a Master of Business Administration (Accounting and Finance) from McGill University and a Bachelor of Engineering (Honours) from University of Malaya.

**Mr Chin Yoke Choong** was appointed as an Independent Non-Executive Director of the REIT Manager on 29 April 2020.

Mr Chin is Chairman of the Housing & Development Board, NTUC Fairprice Co-operative Limited and NTUC Fairprice Foundation Ltd. He is also the Deputy Chairman of NTUC Enterprise Co-operative Limited. Mr Chin serves on the boards of the Singapore Labour Foundation and Temasek Holdings (Private) Limited. He is also a Director of several listed companies, namely Yeo Hiap Seng Limited, Ho Bee Land Limited and AVJennings Limited.

Mr Chin was the Managing Partner of KPMG Singapore from 1992 until his retirement in September 2005. He has previously served as a Director of Singapore Telecommunications Limited and Frasers Commercial Asset Management Ltd. (which was then the REIT manager of FCOT), and was also a member of the Council of Presidential Advisers.

Mr Chin holds a Bachelor of Accountancy from the University of Singapore. He is an associate member of the Institute of Chartered Accountants in England and Wales.

**Mr Goh Yong Chian** was appointed as an Independent Non-Executive Director of the REIT Manager on 26 May 2016.

Mr Goh joined Fraser and Neave, Limited (“**F&N**”) in 1969 until his retirement in 2009. He has held several designations in F&N, including Project Development Manager and Business Development Manager. From October 1989 to July 2009, Mr Goh was the Head of Corporate Finance, where he was responsible for the F&N Group’s financial accounting, treasury and taxation.

Mr Goh was conferred Associate, Chartered Management Accountants in 1971 and Fellow, Chartered Association of Certified Accountants in 1982. He is a Fellow Chartered Accountant of Singapore since 2005.

**Mr Paul Gilbert Say** was appointed as an Independent Non-Executive Director of the REIT Manager on 26 May 2016.

Mr Say currently sits on the boards of ALE Property Group and Women's Community Shelters as a Non-Executive Director and is a Director/Sole Trader at Stratum Pty Ltd. His responsibilities include the provision of governance and oversight in relation to the real estate market and strategic business model advice, leasing, valuations, divestments and acquisition advice. Prior to setting up Stratum Pty Ltd, Mr Say was the Chief Investment Officer and Chairman of the Investment Committee from March 2007 to June 2012 at an ASX-listed Australian REIT, DEXUS Property Group. Prior to this, he was with the multinational property group Lend Lease Corporation for 11 years.

Mr Say holds a Graduate Diploma in Financial Planning and a Graduate Diploma in Finance & Investment from the Financial Services Institute of Australia ("**FINSIA**"). He also holds an Associate Diploma of Real Estate Valuation. Mr Say is also a Fellow of the Royal Institution of Chartered Surveyors and the Australian Property Institute.

**Ms Soh Onn Cheng Margaret** was appointed as an Independent Non-Executive Director of the REIT Manager on 29 April 2020.

Ms Soh is also a director of KBS US Prime Property Management Pte. Ltd., the manager of Prime US REIT. Prior to Ms Soh's appointment with the REIT Manager, she served as a Director of Frasers Commercial Asset Management Ltd., which was then the REIT manager of FCOT.

Ms Soh was a partner in the Corporate Real Estate department of Allen & Gledhill LLP from July 1989 until her retirement in June 2017. Her main areas of practice involve corporate real estate-related matters and working with corporates and REITs.

Ms Soh was admitted as an advocate and solicitor of the Supreme Court of Singapore and holds a Bachelor of Laws (Honours) degree from the National University of Singapore.

**Mr Panote Sirivadhanabhakdi** was appointed as a Non-Executive and Non-Independent Director of the REIT Manager on 26 May 2016.

Mr Panote Sirivadhanabhakdi is also Group Chief Executive Officer of FPL. In addition, he serves on the boards of various listed companies in Singapore and Thailand, including Frasers Property (Thailand) Public Company Limited (formerly known as TICON Industrial Connection Public Company Limited), Thai Beverage Public Company Limited and Univentures Public Company Limited, as well as private companies such as Golden Land Property Development Public Company Limited, Frasers Property Australia Pty Limited, International Beverage Holdings (China) Limited, International Beverage Holdings Limited, InterBev (Singapore) Limited, Beer Thip Brewery (1991) Co., Ltd, Sura Bangyikhan Group of Companies, International Beverage Holdings (UK) Limited, Blairmhor Limited and Blairmhor Distillers Limited. Mr Panote Sirivadhanabhakdi is also a Non-Executive Director of the managers of Frasers Hospitality Trust.

Mr Panote Sirivadhanabhakdi was Executive Director of Univentures Public Company Limited and Chief Executive Officer of Univentures Public Company Limited as well as the Chairman of its Executive Board of Directors from July 2007 to September 2016. Mr Panote Sirivadhanabhakdi remains a Non-Executive Director of Univentures Public Company Limited. He was also a Non-Executive Director of F&N from April 2013 to January 2014.

Mr Panote Sirivadhanabhakdi obtained a Bachelor of Science in Manufacturing Engineering from Boston University (USA) in 2000, a Master of Science in Analysis, Design and Management of Information Systems from the London School of Economics and Political Science (UK) in 2005, and Industrial Engineering and Economics from Massachusetts University (USA) in 1997.

**Mr Rodney Vaughan Fehring** was appointed as a Non-Executive and Non-Independent Director of the REIT Manager on 11 February 2019.

Mr Fehring was previously Managing Director & Chief Executive Officer of Lend Lease Primelife Ltd from August 2008 to March 2010, before taking on the role of Executive General Manager, Residential at Frasers Property Australia from March 2010 to July 2015. From July 2015 to October 2020, Mr Fehring was the Chief Executive Officer at Frasers Property Australia. Mr Fehring is also a Director of the Green Building Council of Australia.

Mr Fehring holds a Bachelor of Applied Science and Graduate Diploma in Sports Administration from La Trobe University, Australia, a Graduate Diploma in Urban & Regional Planning from RMIT University, Australia and a Diploma, Advanced Management Program from The Wharton School, University of Pennsylvania, USA.

**Mr Chia Khong Shoong** was appointed as a Non-Executive and Non-Independent Director of the REIT Manager on 11 February 2019.

Mr Chia is also Group Chief Corporate Officer of FPL. Prior to joining FPL, Mr Chia was an investment banker with The Hongkong & Shanghai Banking Corporation Ltd from 2004 to 2008 and Citigroup/Salomon Smith Barney from 2000 to 2004, where he was responsible for originating and executing corporate finance and investment banking assignments for corporate clients.

Mr Chia holds a Master of Philosophy (Management Studies) degree from Cambridge University and a Bachelor of Commerce (Accounting and Finance) (First Class Honours) degree from the University of Western Australia.

**Mr Reinfried Helmut Otter (Reini Otter)** was appointed as a Non-Executive and Non-Independent Director of the REIT Manager on 30 July 2020.

Mr Reini Otter is currently the Chief Executive Officer of Frasers Property Industrial, a strategic business unit of FPL. Mr Reini Otter was previously the Regional General Manager of Frasers Property Australia Pty Limited from September 2007 to July 2015, before taking on the roles of Executive General Manager, Commercial & Industrial, Frasers Property Australia Pty Limited and Executive General Manager, Commercial & Industrial and Investment Property, Frasers Property Australia Pty Limited from August 2015 to June 2019.

Mr Reini Otter holds a Bachelor of Science (Architecture) and Bachelor of Architecture from the University of Sydney. Mr Reini Otter is also a graduate from the Advanced Management Program at INSEAD Business School, Europe.

#### ***Executive Officers of the REIT Manager***

The executive officers of the REIT Manager are entrusted with the responsibility for the daily operations of the REIT Manager. The following table sets forth information regarding the executive officers of the REIT Manager:

<b>Name</b>	<b>Address</b>	<b>Position</b>
Mr Robert Stuart Claude Wallace	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Chief Executive Officer
Ms Susanna Cher Mui Sim	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Chief Financial Officer
Mr Jonathan James Spong	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Head of Portfolio Management

Name	Address	Position
Ms Annie Khung Shyang Lee	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Financial Controller
Ms Chew Yi Wen	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Head of Investments
Ms Tricia Yeo	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Head of Capital Markets and Treasury
Mr Ng Chung Keat	c/o 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958	Assistant Vice President, Investor Relations

### ***Experience and Expertise of the Executive Officers of the REIT Manager***

Information on the working experience of the executive officers of the REIT Manager is set out below.

**Mr Robert Stuart Claude Wallace** is the Chief Executive Officer of the REIT Manager.

Mr Wallace works closely with the Board of Directors and management team to drive the overall business and investment strategies of FLCT. He provides strategic leadership for the day to day management of the business, ensuring that FLCT's business plans are executed accurately and efficiently.

Prior to joining the REIT Manager, Mr Wallace was the Executive General Manager of Investment Property at FPA, formerly Australand Property Group ("**APG**") which he joined in August 2007. During this time, he was responsible for leading the Investment Property Division which owned and managed a portfolio of investment properties with an aggregate value of approximately A\$2.5 billion. He has been involved in many facets of the FPA business, including group strategy, funds management, acquisitions and dispositions, portfolio management, divisional reporting and capital sourcing. Mr Wallace was also the joint venture manager for Australand Logistics Joint Venture and the fund manager for Australand Wholesale Property Fund No. 6.

From October 2002 to August 2007, he was a fund manager at MAB Funds Management Limited. He joined the group at its infancy and oversaw the growth of the funds under management from A\$15 million to a value in excess of A\$275 million. Mr Wallace ensured that the managed funds were able to meet investor targets and ensured compliance with the relevant statutory guidelines. Mr Wallace has also held previous roles with Jones Lang LaSalle and Charter Keck Cramer.

Mr Wallace holds a Bachelor of Business (Property) from RMIT University and a Postgraduate Diploma in Applied Finance and Investment from FINSIA (formerly known as Securities Institute of Australia). He is also a Certified Practising Valuer with the Australian Property Institute.

**Ms Susanna Cher Mui Sim** is the Chief Financial Officer of the REIT Manager.

Ms Cher leads FLCT's finance team. She also assists the Chief Executive Officer in executing the strategic plans.

Prior to joining the REIT Manager, Ms Cher was the GM Special Projects at FCL Management Services Pte. Ltd. from September 2015. She was with CitySpring Infrastructure Management Pte Ltd, the Trustee-Manager of CitySpring Infrastructure Trust, from November 2006 to May 2015 and was the Chief Financial Officer from July 2013, where she was responsible for all aspects of financial and statutory reporting and compliance with SGX-ST and MAS. She was also responsible for financing and treasury activities, and risk management as well as human resources, corporate secretarial and administration functions.



From November 1993 to November 2006, Ms Cher was the Chief Financial Officer at Thomson Medical Centre Ltd, where she was responsible for all aspects of financial and statutory reporting and financing and tax matters for the Group. She was also responsible for procurement, information technology and patient service centres.

Ms Cher was also a Group Management Accountant at Wearnes Brothers Management Pte Ltd from July 1990 to August 1993 where she was responsible for statutory and SGX reporting. She was also responsible for reviewing the performance of the business segments in the Group.

From April 1986 to June 1990, Ms Cher was a Financial Controller at Esco Scientific Technologies Pte Ltd. She was also an Audit/Senior Management Consultant at Ernst and Whinney from April 1982 to March 1986.

Ms Cher holds a Bachelor of Accountancy from the National University of Singapore and is a Chartered Accountant with the Institute of Chartered Accountants (Singapore) and a Certified Public Accountant (CPA) of Australia.

**Mr Jonathan James Spong** is the Head of Portfolio Management of the REIT Manager.

Mr Spong spearheads FLCT's portfolio management function, working closely with the asset and property managers to drive property strategy, marketing and leasing as well as the implementation of organic growth strategies and portfolio initiatives, including asset enhancement and sustainability.

Prior to joining the REIT Manager, Mr Spong was Asset Manager, Investment Property at FPA, formerly APG from January 2015. During his time at APG, he was responsible for enhancing the value of a portfolio of 37 high quality logistics and industrial properties located in New South Wales and Queensland through proactive asset management.

Mr Spong was also a member of the Real Estate Team at Valad Property Group from January 2007 to December 2014, where he was responsible for the asset management of a portfolio of commercial and industrial properties located in Australia and New Zealand. His responsibilities included the implementation of asset plans to maximise rental returns as well as acquiring and disposing of assets to optimise portfolio metrics.

From July 2005 to December 2006, Mr Spong was Investment Analyst, Commercial Property at DEXUS Property Group, where he had analytical responsibilities for a portfolio of 40 high quality commercial assets. From September 1999 to July 2005, Mr Spong was Senior Valuer at DTZ (now known as Cushman & Wakefield), where he was responsible for providing a broad range of valuation services for secured lending purposes, portfolio valuations and development appraisal for national and international clients covering all property sectors.

Mr Spong holds a Bachelor of Science (Honours) from St Andrews University in Scotland and a Master of Land Economy from the University of Aberdeen in Scotland. Mr Spong is also a Qualified Associate of the Australian Property Institute and the Royal Institution of Chartered Surveyors.

**Ms Annie Khung Shyang Lee** is the Financial Controller of the REIT Manager.

Reporting to the Chief Financial Officer, Ms Khung is responsible for timely and accurate statutory reporting, compliance reporting and supports the Chief Financial Officer.

Prior to joining the REIT Manager, Ms Khung was the Financial Controller at FEO Hospitality Asset Management Pte Ltd, the manager of Far East Hospitality Trust from January 2016 to August 2016, where she was responsible for overseeing all aspects of finance and taxation matters and provided support for compliance matters.

From May 2015 to January 2016, Ms Khung was the Senior Finance Manager at Keppel Infrastructure Fund Management Pte Ltd, the Trustee-Manager of Keppel Infrastructure Trust, where she was involved in the Group's financial and reporting functions, treasury matters and other finance-related matters.

Ms Khung was with CitySpring Infrastructure Management Pte Ltd, the Trustee-Manager of CitySpring Infrastructure Trust from September 2007 to May 2015, and was the Vice President, Finance from July 2010. She was involved in all aspects of finance matters, including the statutory and financial reporting of the group results, budgeting, taxation and certain compliance related matters. She also reviewed the financial performance of the operating companies and assisted in the development of group financial policies and procedures.

Prior to that, Ms Khung was with Ernst & Young LLP, where she left as an Audit Manager.

Ms Khung holds Bachelor of Commerce and Bachelor of Finance degrees from the University of Adelaide, Australia. She is a Chartered Accountant with the Institute of Singapore Chartered Accountants and a member of CPA Australia.

**Ms Chew Yi Wen** is the Head of Investments of the REIT Manager.

Ms Chew leads the investment team and is responsible for sourcing, evaluating and executing acquisition and divestment transactions for FLCT.

Prior to her current appointment, Ms Chew was Assistant General Manager at Frasers Property's group investment team from February 2014 to November 2017. She worked closely with the Group's Chief Investment Officer in implementing strategies on acquisitions, dispositions and capital sourcing, and played a key role in the execution of Frasers Property's merger and acquisition transactions. Ms Chew was involved in several transformational transactions involving more than S\$5 billion undertaken by Frasers Property in recent years, including the acquisition of APG (currently known as FPA) in 2014 – which became an expanded platform to the group in Australia; the acquisition of Malmaison and Hotel du Vin Group in 2015 – a new boutique hotel brand added to Frasers Hospitality; as well as the acquisition of Geneba Properties N.V. (currently known as Frasers Property Europe), and four business parks in the UK in 2017 – to strengthen the group's presence in Europe. In 2016, she was also actively involved with the overall planning and execution of the initial public offering of Frasers Logistics & Industrial Trust.

Prior to joining Frasers Property, Ms Chew was at CapitaLand Mall Asia Limited from April 2010 to January 2014, where she gained extensive experience in investment, asset management and property development in both Singapore and China. She started her real estate career with a consultancy firm specialising in valuation and feasibility studies for the hospitality industry. Her experience spans different regions and various real estate asset classes, including industrial, office, retail and hospitality.

Ms Chew holds a Bachelor of Science (Real Estate) Honors degree from the National University of Singapore.

**Ms Tricia Yeo** is the Head of Capital Markets & Treasury of the REIT Manager.

Ms Yeo leads the capital markets and treasury functions and is responsible for the strategic capital management, financial risk management and funding activities for FLCT. Her team works closely with the investment and finance teams to ensure alignment with FLCT's strategies and initiatives. She also oversees the investor relations activities.

Ms Yeo has more than 18 years of experience in the finance industry including audit, advisory and banking. She started her career as an auditor with a Big Four accounting firm, and subsequently moved into real estate investment banking with various international banks.

Prior to joining the REIT Manager, she oversaw the finance, taxation, capital management and treasury function for FCOT, as Chief Financial Officer of the manager of FCOT. Before joining FCOT in May 2017, she headed the real estate sector coverage at the investment banking arm of an Asian regional bank. Ms Yeo graduated from the Nanyang Technological University of Singapore with a Bachelor of Accountancy (Honours) degree and holds an MBA from INSEAD. She is a Singapore Chartered Accountant with the Institute of Singapore Chartered Accountants and a Chartered Financial Analyst.

**Mr Ng Chung Keat** is the Assistant Vice President, Investor Relations of the REIT Manager.

Mr Ng is responsible for FLCT's investor relations function and is in charge of maintaining transparent communication with the investment and research communities. Mr Ng also supports FLCT's sustainability reporting and provides market intelligence as well as research support to management.

Prior to joining the REIT Manager in December 2016, Mr Ng was an Associate Director with public and investor relations consultancy, Citigate Dewe Rogerson from August 2011, where he provided strategic media and investor relations counsel to public companies. Mr Ng has also been involved in multiple transactions and special situations, including mergers and acquisitions, spin-offs, issue management, initial and secondary public offerings.

From November 2006 to August 2011, Mr Ng was an Associate Consultant at WeR1 Consultants, where he supported the implementation of investor relations programmes to listed companies.

Mr Ng holds a Bachelor of Science, Finance, from the University College Dublin, Ireland.

# TAXATION

## Singapore taxation

The statements made below are general in nature and are based on current tax laws in Singapore and administrative guidelines and circulars issued by the relevant authorities in force as at the date of this Offering Circular and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars occurring after such date, which changes could be made on a retroactive basis. These laws, guidelines and circulars are also subject to various interpretations and the Singapore tax authorities or the courts may later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Offering Circular are intended or are to be regarded as advice on the tax position of any holder of the Securities or of any person acquiring, selling or otherwise dealing with the Securities or on any tax implications arising from the acquisition, sale or other dealings in respect of the Securities. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive tax incentives(s)) may be subject to special rules or tax rates. The statements should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. Holders and prospective holders of the Securities are advised to consult their own professional tax advisers as to the tax consequences of the acquisition, ownership or disposal of the Securities, including the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that neither the Issuers, the Guarantor, any of the Arrangers, any of the Dealers nor any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the acquisition, ownership or disposal of the Securities.

In addition, the disclosure below is on the assumption that the Comptroller of Income Tax regards each tranche of Perpetual Securities as “debt securities” for the purposes of the ITA and that distribution payments (including Optional Distributions and any Arrears of Distribution and any Additional Distribution Amount) made under each tranche of Perpetual Securities (hereafter referred to as “**Distributions**”) will be regarded as interest payable on indebtedness and holders thereof may therefore enjoy the tax concessions and exemptions available for qualifying debt securities, provided that the other conditions for the qualifying debt securities scheme are satisfied. If any tranche of Perpetual Securities is not regarded as “debt securities” for the purposes of the ITA, or any Distributions made under any tranche of Perpetual Securities is not regarded as interest payable on indebtedness or holders thereof are not eligible for the tax concessions under the qualifying debt securities scheme, the tax treatment to holders may differ. Investors and holders of any tranche of Perpetual Securities should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of any tranche of Perpetual Securities.

### 1 Taxation relating to interest and other payments on Notes and Perpetual Securities

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15.0% final withholding tax described below) to non-resident persons (other than non-resident individuals) is the prevailing corporate tax rate, currently 17.0%. As for non-resident individuals, the current applicable rate is 22.0%. However, if the payment is derived by a person not resident in Singapore and such payment is (aa) not derived from any trade, business, profession or vocation carried on or exercised by such person in Singapore and (bb) not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0%. The rate of 15.0% may be reduced by applicable tax treaties.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (a) interest from debt securities derived on or after 1 January 2004;
- (b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and
- (c) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

The terms “break cost”, “prepayment fee” and “redemption premium” are defined in the ITA as follows:

“**break cost**”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;

“**prepayment fee**”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and

“**redemption premium**”, in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to “break cost”, “prepayment fee” and “redemption premium” in this Singapore tax disclosure have the same meaning as defined in the ITA.

In addition, as the Programme as a whole is arranged by DBS Bank Ltd. and Australia and New Zealand Banking Group Limited, Singapore Branch, each of which is a Financial Sector Incentive (Standard Tier) Company (as defined in the ITA) at such time, any tranche of the Securities issued during the period from the date of this Offering Circular to 31 December 2023 (the “**Relevant Securities**”) would, pursuant to the ITA and the Income Tax (Qualifying Debt Securities) Regulations (the “**QDS Regulations**”), be “qualifying debt securities” for the purposes of the ITA, to which the following treatment shall apply:

- (a) subject to certain prescribed conditions having been fulfilled (including the furnishing to the MAS by the relevant Issuer, or such other person as the MAS may direct, of a return on debt securities for any tranche of the Relevant Securities within such period as the MAS may specify and such other particulars in connection with such tranche of the Relevant Securities as the MAS may require and the inclusion by the relevant Issuer in all offering documents relating to such tranche of the Relevant Securities of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost

from the Relevant Securities is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for “qualifying debt securities” shall not apply if the non-resident person acquires such tranche of the Relevant Securities using funds from that person’s operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the “**Specified Income**”) from the Relevant Securities, derived by a holder who is not resident in Singapore and (aa) who does not have any permanent establishment in Singapore or (bb) who carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire such tranche of the Relevant Securities are not obtained from such person’s operation through a permanent establishment in Singapore, are exempt from Singapore income tax;

- (b) subject to certain conditions having been fulfilled (including the furnishing by the relevant Issuer, or such other person as the MAS may direct, of a return on debt securities for any tranche of the Relevant Securities within such period as the MAS may specify and such other particulars in connection with such tranche of the Relevant Securities as the MAS may require), Specified Income from the Relevant Securities derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10.0% (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and
- (c) subject to:
  - (i) the relevant Issuer including in all offering documents relating to that tranche of the Relevant Securities a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Specified Income) derived from such tranche of the Relevant Securities is not exempt from tax shall include such income in a return of income made under the ITA; and
  - (ii) the relevant Issuer, or such other person as the MAS may direct, furnishing to the MAS a return on debt securities for that tranche of the Relevant Securities within such period as the MAS may specify and such other particulars in connection with such tranche of the Relevant Securities as the MAS may require,

Specified Income derived from any tranche of the Relevant Securities is not subject to withholding of tax by the relevant Issuer.

However, notwithstanding the foregoing:

- (a) if during the primary launch of any tranche of the Relevant Securities, such tranche of the Relevant Securities is issued to fewer than four persons and 50.0% or more of the issue of such tranche of Relevant Securities is beneficially held or funded, directly or indirectly, by related parties of the relevant Issuer or the REIT Manager, such tranche of Relevant Securities would not qualify as “qualifying debt securities”; and
- (b) even though a particular tranche of the Relevant Securities is “qualifying debt securities”, if, at any time during the tenure of such tranche of the Relevant Securities, 50.0% or more of such tranche of the Relevant Securities which is outstanding at any time during the life of its issue is beneficially held or funded, directly or indirectly, by related parties of the relevant Issuer or the REIT Manager, Specified Income from such tranche of the Relevant Securities derived by:
  - (i) any related party of the relevant Issuer or the REIT Manager; or
  - (ii) any other person where the funds used by such person to acquire such tranche of the Relevant Securities are obtained, directly or indirectly, from any related party of the relevant Issuer or the REIT Manager,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term “related party”, in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from the Relevant Securities by any person who is not tax resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for “qualifying debt securities” should not apply if such person acquires the Relevant Securities with funds from the Singapore operations.

Notwithstanding that the relevant Issuer is permitted to make payments of Specified Income in respect of the Relevant Securities without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose Specified Income (whether it is interest, discount income, prepayment fee, redemption premium or break cost) derived from the Relevant Securities is not exempt from tax is required to include such income in a return of income made under the ITA.

The 10.0% concessionary tax rate for qualifying debt securities does not apply to persons who have been granted the financial sector incentive (standard tier) status (within the meaning of Section 43N of the ITA).

## **2 Taxation relating to payments on Perpetual Securities**

### **Singapore tax classification of hybrid instruments**

The ITA currently does not contain specific provisions on how financial instruments that exhibit both debt-like and equity-like features, i.e. hybrid instruments, should be treated for income tax purposes. However, the IRAS has published the e-Tax Guide: Income Tax Treatment of Hybrid Instruments (Second Edition) on 21 October 2019 (the “**Hybrid Instruments e-Tax Guide**”) which sets out the income tax treatment of hybrid instruments, including the factors that the IRAS will generally use to determine whether such instruments are debt or equity instruments for income tax purposes.

Among others, the IRAS has stated in the Hybrid Instruments e-Tax Guide that:

- (a) whether or not a hybrid instrument will be treated as debt or equity security for income tax purposes will firstly depend on its legal form, to be determined based on an examination of the legal rights and obligations attached to the instrument;
- (b) a hybrid instrument is generally characterised as equity if the legal terms of the instrument indicate ownership interests in the issuer. If the legal form of a hybrid instrument is not indicative of or does not reflect the legal rights and obligations, the facts and circumstances surrounding the instrument and a combination of factors, not limited to the following, would have to be examined to ascertain the nature of the instrument for income tax purposes.

These factors include (but are not limited to):

- (i) nature of interest acquired;
- (ii) investor’s right to participate in issuer’s business;
- (iii) voting rights conferred by the instrument;
- (iv) obligation to repay the principal amount;
- (v) payout;
- (vi) investor’s right to enforce payment;

- (vii) classification by other regulatory authority; and
  - (viii) ranking for repayment in the event of liquidation or dissolution;
- (c) if a hybrid instrument is characterised as a debt instrument for income tax purposes, distributions from the issuer to the investors are regarded as interest; and
- (d) if a hybrid instrument issued by a company or a REIT (as defined in the ITA) is characterised as an equity instrument for income tax purposes, distributions from the issuer to the investors are regarded as either dividends or REIT distributions.

### **Application for tax ruling**

The relevant Issuer may apply to the IRAS for an advance tax ruling to confirm the classification of any tranche of the Perpetual Securities for Singapore income tax purposes and the Singapore tax treatment of the payment of the Distributions.

If such an application is made, the REIT Manager will provide details of the tax ruling issued by the IRAS via an announcement on its website [www.fraserslogisticstrust.com](http://www.fraserslogisticstrust.com) shortly after the receipt of the tax ruling.

## **3 Capital gains**

Singapore does not impose tax on capital gains. Any gains considered to be in the nature of capital arising from a sale of the Securities will not be taxable in Singapore. However, any gains derived by any person from a sale of the Securities which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

There are no specific laws or regulations which deal with the characterisation of capital gains. The characterisation of the gains arising from a sale of the Securities will depend on the individual facts and circumstances relating to that sale of the Securities.

Holders of the Securities who are adopting or have adopted Singapore Financial Reporting Standard 39 – Financial Instruments: Recognition and Measurement (“**FRS 39**”), Singapore Financial Reporting Standard 109 – Financial Instruments (“**FRS 109**”) or Singapore Financial Reporting Standard (International) 9 – Financial Instruments (“**SFRS(I) 9**”) (as the case may be) may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Securities, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on “*Adoption of FRS 39, FRS 109 or SFRS(I) 9 treatment for Singapore income tax purposes*”.

## **4 Adoption of FRS 39, FRS 109 or SFRS(I) 9 treatment for Singapore income tax purposes**

Subject to certain “opt-out” provisions, Section 34A of the ITA requires taxpayers who adopt or are required to adopt FRS 39 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 39, subject to certain exceptions provided in that section. The IRAS has also issued an e-tax guide entitled “Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition & Measurement” to provide guidance on the Singapore income tax treatment of financial instruments.

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who adopt or who are required to adopt FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued an e-tax guide entitled “Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments”.



Holders of the Securities who may be subject to the tax treatment under the FRS 39 tax regime, FRS 109 tax regime or the SFRS(I) 9 tax regime should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Securities.

## 5 Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

### FATCA Withholding

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, as amended, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. Each of the Issuers believes that it is a foreign financial institution for these purposes. A number of jurisdictions (including Singapore) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes.

Certain aspects of the application of these rules to instruments such as the Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Securities that are not treated as equity for U.S. federal income tax purposes and are issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date. However, if additional securities (as described under “*Terms and Conditions—Further Issues*”) that are not distinguishable from previously issued Securities are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Securities, including the Securities offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Securities, no person will be required to pay additional amounts as a result of the withholding.

Securityholders should consult their own tax advisers regarding how these rules may apply to their investment in the Securities.

## CLEARANCE AND SETTLEMENT

### **Bearer Securities**

Each Issuer may make applications to Euroclear and Clearstream for acceptance in their respective book-entry systems in respect of any Series of Bearer Securities. Each Issuer may also apply to have Bearer Securities accepted for clearance through CDP. In respect of Bearer Securities, a Temporary Global Security and/or a Permanent Global Security will be deposited with a common depository for Euroclear and Clearstream or with CDP. Transfers of interests in a Temporary Global Security or a Permanent Global Security will be made in accordance with the normal market debt securities operating procedures of CDP, Euroclear and Clearstream. Each Global Security will have an International Securities Identification Number (“**ISIN**”) and a Common Code. Investors in Securities of such Series may hold their interests in a Global Security through Euroclear or Clearstream or CDP, as the case may be.

### **Registered Securities**

Each Issuer may make applications to Euroclear and Clearstream for acceptance in their respective book-entry systems in respect of the Securities to be represented by a Global Certificate. Each Issuer may also apply to have Securities represented by a Global Certificate accepted for clearance through CDP. Each Global Certificate will have an ISIN and a Common Code. Investors in Securities of such Series may hold their interests in a Global Certificate only through Euroclear or Clearstream or CDP, as the case may be.

### **Individual Certificates**

Registration of title to Registered Securities in a name other than a depository or its nominee for Euroclear and Clearstream or CDP will be permitted only in the circumstances set forth in “*Summary of Provisions Relating to the Securities while in Global Form – Exchange*”. In such circumstances, the relevant Issuer will cause sufficient individual Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Securityholder(s). A person having an interest in a Global Certificate must provide the Registrar with a written order containing instructions and such other information as the relevant Issuer and the Registrar may require to complete, execute and deliver such individual Certificates.

### **Clearance and Settlement**

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream and CDP (together, the “**Clearing Systems**”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuers and the Guarantor believe to be reliable, but none of the Issuers, the Guarantor, FLCT, the Arrangers, the Trustee, any Agent nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Issuers nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Securities held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to, or payments made on account of, such beneficial ownership interests.

### **The Clearing Systems**

The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.

### **Euroclear and Clearstream**

Euroclear and Clearstream each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream participants are financial institutions throughout the world, including underwriters, securities

brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Distributions of principal and interest with respect to book-entry interests in the Securities held through Euroclear or Clearstream will be credited, to the extent received by any paying agent, to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant Clearing System's rules and procedures.

## **CDP**

In respect of Securities which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities ("**Depository System**") maintained by CDP. Securities that are to be listed on the SGX-ST may be cleared through CDP. CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Securities which are accepted for clearance by CDP, the entire issue of the Securities is to be held by CDP in the form of a Global Security or Global Certificate for persons holding the Securities in securities accounts with CDP (the "**Depositors**"). Delivery and transfer of Securities between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors.

Settlement of over-the-counter trades in the Securities through the Depository System may be effected through securities sub-accounts held with corporate depositors (the "**Depository Agents**"). Depositors holding the Securities in direct securities accounts with CDP, and who wish to trade Securities through the Depository System, must transfer the Securities to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between the Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payments of interest and distribution and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfers of interests in the Securities in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuers, the Guarantor, the Issuing and Paying Agent in Singapore or any other Agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

## **The Austraclear System**

Each Tranche of AMTNs will be represented by a single AMTN Certificate substantially in the form set out in the Note (AMTN) Deed Poll. Each Issuer shall issue and deliver, and procure the authentication by the Australian Agent of, such number of AMTNs Certificates as are required from time to time to represent all of the AMTNs of each Series. An AMTN Certificate is not a negotiable instrument nor is it a document of title in respect of any AMTNs represented by it. In the event of a conflict between any AMTN Certificate and the Register, the Register shall prevail (subject to correction for fraud or proven error).

On issue of any AMTNs, the relevant Issuer will (unless otherwise specified in the applicable Pricing Supplement) procure that the AMTNs are lodged with the Austraclear System. On lodgement, Austraclear will become the sole registered holder and legal owner of the AMTNs. Subject to the Austraclear System Regulations, Accountholders may acquire rights against Austraclear in relation to those AMTNs as beneficial owners and Austraclear is required to deal with the AMTNs in accordance with the directions and instructions of the Accountholders. Any potential investors who are not Accountholders would need to hold their interest in the relevant AMTNs through a nominee who is an Accountholder. All payments by the relevant Issuer in respect of AMTNs entered in the Austraclear System will be made directly to an account agreed with Austraclear or as it directs in accordance with the Austraclear System Regulations.

### ***Holding of AMTNs through Euroclear and Clearstream***

Once lodged with the Austraclear System, interests in the AMTNs may be held through Euroclear or Clearstream. In these circumstances, entitlements in respect of holdings of interests in the AMTNs in Euroclear would be held in the Austraclear System by HSBC Custody Nominees (Australia) Limited as nominee of Euroclear, while entitlements in respect of holdings of interests in the AMTNs in Clearstream would be held in the Austraclear System by J.P. Morgan Nominees Australia Pty Limited as nominee of Clearstream.

The rights of a holder of interests in AMTNs held through Euroclear or Clearstream are subject to the respective rules and regulations of Euroclear and Clearstream, the arrangements between Euroclear and Clearstream and their respective nominees and the Austraclear System Regulations.

### ***Transfers***

Any transfer of AMTNs will be subject to the Corporations Act 2001 of Australia and the other requirements set out in the terms and conditions of the AMTNs and, where the AMTNs are entered in the Austraclear System, the Austraclear System Regulations.

Secondary market sales of AMTNs settled in the Austraclear System will be settled in accordance with the Austraclear System Regulations.

### ***Relationship of Accountholders with Austraclear Australia***

Accountholders who acquire an interest in AMTNs lodged with the Austraclear System must look solely to Austraclear for their rights in relation to such Securities and will have no claim directly against the relevant Issuer in respect of such AMTNs although under the Austraclear System Regulations, Austraclear may direct the Issuer to make payments direct to the relevant Accountholders.

Where Austraclear is registered as the holder of any AMTNs that is lodged with the Austraclear System, Austraclear may, where specified in the Austraclear System Regulations, transfer the AMTNs to the person in whose Security Record (as defined in the Austraclear System Regulations) those AMTNs are recorded and, as a consequence, remove those AMTNs from the Austraclear System.

Potential investors in AMTNs should inform themselves of, and satisfy themselves with, the Austraclear System Regulations and (where applicable) the rules of Euroclear and Clearstream and the arrangements between them and their nominees in the Austraclear System.

AMTNs lodged with the Austraclear System will be transferable only in accordance with the rules and regulations (in force from time to time) of the Austraclear System. The transferor of an AMTN is deemed to remain the holder of such AMTN until the name of the transferee is entered in the register in respect of such AMTN.

## SUBSCRIPTION AND SALE

### Summary of Dealer Agreement

Subject to the terms and on the conditions contained in a dealer agreement dated 28 October 2016 (the “**Dealer Agreement**”) between FLCT Treasury, the REIT Trustee, the Arrangers and the Permanent Dealers, as supplemented by the Singapore Supplemental Dealer Agreement (as amended or supplemented as at the Issue Date) dated 28 October 2016 between the same parties, the Securities will be offered on a continuous basis by the Issuers to the Permanent Dealers. However, each Issuer has reserved the right to sell Securities directly on its own behalf to Dealers that are not Permanent Dealers. The Securities may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Securities may also be sold by the Issuers through the Dealers, acting as agents of the relevant Issuer. The Dealer Agreement also provides for Securities to be issued in syndicated Tranches that are underwritten by two or more Dealers.

The relevant Issuer will pay each relevant Dealer a commission as agreed between them in respect of Securities subscribed by it. The relevant Issuer has agreed to reimburse the Arrangers for their expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Securities on a syndicated basis will be stated in the relevant Subscription Agreement. Each Issuer may also from time to time agree with the relevant Dealer(s) that it may pay certain third party commissions (including, without limitation, rebates to private banks as specified in the applicable Subscription Agreement).

Each Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Securities. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Securities in certain circumstances prior to payment for such Securities being made to the relevant Issuer.

The Dealers and their affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. The Dealers and certain of their affiliates may have performed certain investment banking and other commercial dealings and advisory services for the Issuers, the Guarantor and/or their respective affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform services for the Issuers, the Guarantor and/or their respective affiliates in the ordinary course of their business and receive fees for so acting. In the ordinary course of their various business activities, the Dealers and their affiliates may make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuers, the Guarantor or its subsidiaries, jointly controlled entities or associated companies, including Securities issued under the Programme, may be entered into at the same time or proximate to offers and sales of Securities or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of Securities. Securities issued under the Programme may be purchased by or be allocated to any Dealer or an affiliate for asset management and/or proprietary purposes but not with a view to distribution/whether or not with a view to later distribution. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

In connection with each Tranche of Securities issued under the Programme, the Dealers or certain of their affiliates may purchase Securities and be allocated Securities for asset management and/or proprietary purposes but not with a view to distribution. Further, any of the Dealers or their respective affiliates may purchase Securities for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to such Securities and/or other securities of the Issuers, the Guarantor, FLCT or their respective subsidiaries or affiliates at the same time as the offer and sale of each Tranche of Securities or in secondary market transactions.

Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Tranche of Securities to which a particular Pricing Supplement relates (notwithstanding that such selected counterparties may also be purchasers of such Tranche of Securities).

## **Selling Restrictions**

### **United States**

The Securities and the Guarantee have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States.

The Securities and the Guarantee are being offered and sold outside of the United States in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of the Securities and the Guarantee, an offer or sale of the Securities or the Guarantee within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

The Securities may include Bearer Securities (as defined in the Dealer Agreement agreed to herein) which are subject to U.S. tax law requirements. Subject to certain exceptions, Bearer Securities may not be offered, sold or delivered within the United States or to U.S. persons. Each Dealer has agreed that it will not offer, sell or deliver any Bearer Securities within the United States or to U.S. persons, except as permitted by the Dealer Agreement.

### **Prohibition of Sales to EEA Retail Investors**

Unless the Pricing Supplement in respect of any Securities specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (i) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (a) a retail client as defined in point (11) of MiFID II; or
  - (b) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (c) not a qualified investor as defined in the Prospectus Regulation; and
- (ii) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

### **Prohibition of Sales to UK Retail Investors**

Unless the Pricing Supplement in respect of any Securities specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (i) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (a) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
  - (b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

- (c) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (ii) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

### United Kingdom

Each Dealer has represented and agreed that:

- (i) in relation to any Securities which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Securities would otherwise constitute a contravention of section 19 of the FSMA by the relevant Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which section 21(1) of the FSMA does not apply to the relevant Issuer or the Guarantor; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the UK.

### Hong Kong

In relation to each Tranche of Securities issued by the relevant Issuer, each Dealer has represented and agreed that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Securities, except for Securities which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”), other than (a) to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under the SFO.

### Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Securities to be issued from time to time by the Issuers and/or the Guarantor pursuant to the Programme have not been and will not be circulated or distributed, nor the Securities offered or sold, or made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures

Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Securities are subscribed or purchased in reliance of an exemption under Section 274 or 275 of the SFA, the Securities shall not be sold within the period of six (6) months from the date of the initial acquisition of the Securities, except to any of the following persons:

- (i) an institutional investor (as defined in Section 4A of the SFA);
- (ii) a relevant person (as defined in Section 275(2) of the SFA); or
- (iii) any person pursuant to an offer referred to in Section 275(1A) of the SFA,

unless expressly specified otherwise in Section 276(7) of the SFA or Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Where the Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six (6) months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person as defined in Section 275(2) of the SFA, or (in the case of such corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA or (in the case of such trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Any reference to the SFA is a reference to the Securities and Futures Act (Chapter 289) of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

*Singapore SFA Product Classification: In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), unless otherwise specified before an offer of Securities, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Securities are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).*



## Japan

The Securities have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Securities in Japan or to, or for the benefit of, a resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

## Australia

Each Dealer represents, warrants and agrees that no prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the “**Corporations Act**”)) in relation to the Programme or any Securities has been or will be lodged with the Australian Securities and Investments Commission (“**ASIC**”) or the Australian stock exchange operated by ASX Limited (ABN 98 008 624 691) (“**ASX Limited**”). Each Dealer represents and agrees that it:

- (a) has not offered, and will not offer for issue or sale and has not invited, and will not invite applications, for issue, or offers to purchase, the Securities in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any draft, preliminary or definitive Offering Circular, advertisement or other offering material relating to the Securities in Australia,

unless:

- (i) the aggregate consideration payable by each offeree or invitee is at least A\$500,000 (or its equivalent in other currencies, but disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to the investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act;
- (ii) the offer or invitation does not constitute an offer or invitation to a “**retail client**” for the purposes of section 761G of the Corporations Act;
- (iii) such action complies with all applicable laws, regulations and directives; and
- (iv) does not require any document to be lodged with ASIC or ASX Limited.

## General

These selling restrictions may be modified by the agreement of the Issuers, the Guarantor and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Securities to which it relates or in a supplement to this Offering Circular.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of this Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it shall, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Securities or has in its possession or distributes this Offering Circular, any other offering material, or any Pricing Supplement therefore in all cases at its own expense.

## FORM OF PRICING SUPPLEMENT IN RELATION TO NOTES

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

### Pricing Supplement dated [●]

**[FLCT Treasury Pte. Ltd./Perpetual (Asia) Limited  
(in its capacity as trustee of Frasers Logistics & Commercial Trust)]  
Issue of [Aggregate Principal Amount of Tranche] [Title of Notes]  
under the S\$[●] Multicurrency Debt Issuance Programme**

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the “**Conditions**”) set forth in the Offering Circular dated 25 February 2021 [and the supplemental Offering Circular dated [●]]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular [as so supplemented].

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the “**Conditions**”) set forth in the Offering Circular dated [●]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated [●] [and the supplemental Offering Circular dated [●]], save in respect of the Conditions which are extracted from the Offering Circular dated [●] and are attached hereto.]

*[The following language applies if the Notes are intended to be Qualifying Debt Securities for the purposes of the Income Tax Act, Chapter 134 of Singapore.]*

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the “**ITA**”), shall not apply if such person acquires such Notes using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.]

*[Insert the following language for an issue of AMTNs]*

The Notes will be constituted by a deed poll (“**Note (AMTN) Deed Poll**”) dated 28 October 2016 executed by the Issuer and will be issued in certificated registered form by inscription on a register. The Notes are AMTNs for the purposes of the Offering Circular dated 25 February 2021 and the Conditions.

Notes will be offered in Australia only in the wholesale capital markets and on the basis that no disclosure to investors is required under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia.]

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement.]*

- 1 [(i)] Issuer: [FLCT Treasury Pte. Ltd./Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Commercial Trust)]
- [(ii)] Guarantor: Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Commercial Trust)]
- 2 (i) Series Number: [●]
- [(ii)] Tranche Number: [●]
- (If fungible with an existing Series, details of that Series, including the date on which the Notes became fungible.)]
- 3 Currency or Currencies: [●]
- 4 Aggregate Principal Amount:
- (i) Series: [●]
- (ii) [Tranche: [●]]
- 5 (i) Issue Price: [●] per cent. of the Aggregate Nominal Amount
- [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)]
- (ii) Net Proceeds: [●]
- 6 (i) Denomination Amount: [●]<sup>46</sup>
- (ii) Calculation Amount: [●]
- 7 (i) Issue Date: [●]
- (ii) Interest Commencement Date: [*Specify*/Issue date/Not Applicable]
- (iii) First Call Date: [*Specify*/Not Applicable]
- 8 Negative Pledge: [Not Applicable/Condition 4(a) applies/Condition 4(b) applies]
- 9 Maturity Date: [*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]<sup>47</sup>

<sup>41</sup> (If the Denomination Amount is expressed to be €100,000 or its equivalent and multiples of a lower nominal amount (for example €1,000), insert the following: “€100,000 plus integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]”.

Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

If the Notes are AMTNs insert the following: “Subject to the requirement that the amount payable by each person who subscribed for the Notes must be at least A\$500,000 (disregarding monies lent by the Issuer or its associates).”

<sup>42</sup> Note that Hong Kong Dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification it will be necessary to use the second option.

- 10 Interest Basis:  per cent. Fixed Rate]
- [*specify reference rate*] +/- per cent. Floating Rate]
- [Variable Rate] [Hybrid] [Zero Coupon] [Index Linked Interest] [Other (specify)]
- (further particulars specified below)
- 11 Redemption/Payment Basis: [Redemption at par]
- [Index Linked Redemption]
- [For Credit Linked Note – see schedule attached (full details of Credit Linked Notes to be inserted in a schedule)]
- [Other (*specify*)]
- 12 Redemption Amount (including early redemption): [Denomination Amount/ [others]]
- [Specify early redemption amount if different from final redemption amount or if different from that set out in the Conditions]
- 13 Change of Interest or Redemption/ Payment Basis: [*Specify details of any provision for convertibility of Notes into another interest or redemption/ payment basis*]
- 14 Put/Call Options: [Issuer's Redemption Option]
- [Securityholders' Redemption Option]
- [Redemption for Taxation Reasons]
- [(further particulars specified below)]
- 15 Status of the Notes: Senior
- 16 Listing and admission to trading:  (*specify*)/None]
- 17 Method of distribution: [Syndicated/Non-syndicated]
- Provisions relating to interest (if any) payable**
- 18 Fixed Rate Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Interest Rate:  per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s):  in each year [*adjusted in accordance with [specify Business Day Convention]/[not adjusted]*]

- (iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount<sup>48</sup>
- (iv) Initial Broken Amount: [●]
- (v) Final Broken Amount: [●]
- (vi) Day Count Fraction: [30/30E/360/Actual/Actual(ICMA/ISDA)/RBA Bond Basis/other]
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/*give details*]
- 19 Floating Rate Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph.)*
- (i) Redemption Month [●]
- (ii) Specified Number of Months (Interest Period) [●]
- (iii) Specified Interest Payment Dates: [●]
- (iv) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
- (v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/ other (*give details*)]
- (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [●]
- (vii) Screen Rate Determination:
- Reference Rate: [●]
- (Either LIBOR, EURIBOR, HIBOR, SIBOR or SOR or other, although additional information is required if other)*
- Interest Determination Date(s): [●]
- (the day falling two Business Days in London for the Currency prior to the first day of such Distribution Period if the Currency is not Sterling, euro or Hong Kong Dollars or first day of each Distribution Period if the Currency is Sterling or Hong Kong Dollars or the day falling two TARGET Business Days prior to the first day of such Distribution Period if the Currency is euro)

<sup>48</sup> For Hong Kong Dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate: "Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest HK\$0.01, HK\$0.005 for the case of Hong Kong Dollar denominated Fixed Rate Notes, being rounded upwards".

- Relevant Screen Page: [●]  
*[(In the case of EURIBOR, if not Reuters Page EURIBOR 01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)]*
- (viii) ISDA Determination:
  - Floating Rate Option: [●]
  - Designated Maturity: [●]
  - Reset Date: [●]
  - ISDA Definitions: 2006 (if different to those set out in the Conditions, please specify)
- (ix) Benchmark: [LIBOR, EURIBOR, HIBOR, SIBOR, Swap Rate or other benchmark]
- (x) Reference Banks: [Specify three]
- (xi) Relevant Time: [●]
- (xii) Relevant Financial Centre: [The financial centre most closely connected to the Benchmark – specify if not Singapore]
- (xiii) Margin(s): [+/-][●] per cent. per annum
- (xiv) Minimum Rate of Interest: [●] per cent. per annum
- (xv) Maximum Rate of Interest: [●] per cent. per annum
- (xvi) Day Count Fraction: [●]
- (xvii) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [●]
- 20 Variable Rate Note Provisions: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
  - (i) Redemption Month: [Month and year]
  - (ii) Interest Determination Date: [●] Business Days prior to the first day of each Interest Period
  - (iii) Day Count Fraction: [●]
  - (iv) Specified Number of Months (Interest Period): [●]
  - (v) Specified Interest Payment Dates: [●]

	(vi) Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other ( <i>give details</i> )]
	(vii) Benchmark:	[SIBOR, Swap Rate or other benchmark]
	(viii) Primary Source:	[Specify relevant screen page or “Reference Banks”]
	(ix) Reference Banks:	[Specify three]
	(x) Relevant Time:	[●]
	(xi) Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark – specify if not Singapore]
	(xii) Spread:	[+/-] [●] per cent. per annum
	(xiii) Minimum Rate of Interest:	[●] per cent. per annum
	(xiv) Maximum Rate of Interest:	[●] per cent. per annum
21	Hybrid Note Provisions:	[Applicable/Not Applicable]  <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Fixed Rate Period:	[●]
	(ii) Floating Rate Period:	[●]
	(iii) Maturity Date:	[●]
	(iv) Redemption Month:	[Month and year]
	(v) Interest Determination Date:	[●] Business Days prior to the first day of each Interest Period
	(vi) Day Count Fraction:	[●]
	(vii) Interest Payment Date(s):	[●]
	(viii) Initial Broken Amount:	[●]
	(ix) Final Broken Amount:	[●]
	(x) Interest Rate:	[●] per cent. per annum
	(xi) Specified Number of Months (Interest Period):	[●]
	(xii) Specified Interest Payment Dates:	[●]
	(xiii) Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other ( <i>give details</i> )]
	(xiv) Benchmark:	[SIBOR, SWAP RATE or other benchmark]

- (xv) Primary Source: [specify relevant screen page or “Reference Banks”]
- (xvi) Relevant Time: [●]
- (xvii) Relevant Financial Centre: [The financial centre most closely connected to the Benchmark – specify if not Singapore]
- (xviii) Reference Banks: [specify three]
- (xix) Spread: [+/-] [●] per cent. per annum
- (xx) Minimum Rate of Interest: [●] per cent. per annum
- (xxi) Maximum Rate of Interest: [●] per cent. per annum
- (xxii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Hybrid Notes during the Floating Rate Period, if different from those set out in the Conditions: [●]
- 22 Zero Coupon Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Amortisation Yield: [●] per cent. per annum
- (ii) Any other formula/basis of determining amount payable: [●]
- (iii) Day Count Fraction: [●]
- (iv) Any amount payable under Condition 7(h) (Default interest on the Notes): [●]
- 23 Index Linked Interest Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Index/Formula: [give or annex details]
- (ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Agent]): [●]
- (iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted: [●]
- (iv) Specified Number of Months (Interest Period): [●]



- (v) Specified Interest Payment Dates:
- (vi) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
- (vii) Redemption Month: [Month and year]
- (viii) Day Count Fraction:
- (ix) Relevant Financial Centre: [The financial centre most closely connected]
- (x) Any amount payable under Condition 7(h) (Default interest on the Notes):

#### PROVISIONS RELATING TO REDEMPTION

- 24 Issuer's Redemption Option  
Issuer's Redemption Option Period (Condition 6(b)): [Applicable/Not Applicable]  
[Specify maximum and minimum number of days for notice period] [Specify Dates]
- 25 Securityholders' Redemption Option  
Securityholders' Redemption Option Period (Condition 6(c)): [Yes/No]  
[Specify maximum and minimum number of days for notice period] [Specify Dates]
- 26 Redemption for Taxation Reasons: [Yes/No]  
(Condition 6(d)): [on [insert other dates of redemption not on interest payment dates]]
- 27 Redemption Amount of each Note:  per Calculation Amount
- 28 Early Redemption Amount:
- (i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 29 Form of Notes: [Bearer Notes/Registered Notes]  
  
[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]  
  
[Temporary Global Note exchangeable for Definitive Notes on  days' notice] (*For this option to be available, such Notes shall only be issued in denominations that are equal to, or greater than, €100,000 (or its equivalent in other currencies) and integral multiples thereof*)

[Permanent Global Note/Global Certificate exchangeable for Definitive Notes in the limited circumstances specified in the permanent Global Note/Global Certificate]

(N.B. *The exchange upon notice/at any time options should not be expressed to be applicable if the Denomination Amount of the Notes in paragraph 6 includes language substantially to the following effect: "€100,000 plus integral multiples of €1,000 in excess thereof up to and including €199,000." Furthermore, such Denomination Amount construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.*)

*If the Notes are AMTNs insert the following:*

[The Notes are AMTNs as referred to in the Offering Circular and will be issued in registered certificated form, constituted by the Note (AMTN) Deed Poll and take the form of entries on a register to be maintained by the Australian Agent (as defined below). Copies of the Note (AMTN) Deed Poll are available from the Australian Agent at its principal office in Sydney.]

[Definitive Notes]

- |    |   |   |
|----|---|---|
| 30 | Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): | [Yes/No. If yes, <i>give details</i> ]  |
| 31 | Redenomination, renominatisation and reconventioning provisions:                                      | [Not Applicable/The provisions [annexed to this Pricing Supplement] apply]                    |
| 32 | Consolidation provisions:   | [Not Applicable/The provisions [in Condition [●]] [annexed to this Pricing Supplement] apply] |
| 33 | Private Banking Rebate:   | [Applicable/Not Applicable]   |
| 34 | Use of Proceeds:  | [As per the Offering Circular/ <i>give details</i> ]  |
| 35 | Other terms or special conditions:  | [Not Applicable/ <i>give details</i> ]  |

## **DISTRIBUTION**

- |    |                                       |  |
|----|---------------------------------------|--|
| 36 | (i) If syndicated, names of Managers: | [Not Applicable/ <i>give name</i> ]  |
|    | (ii) Stabilising Manager (if any):    | [Not Applicable/ <i>give name</i> ]  |
| 37 | If non-syndicated, name of Dealer:    | [Not Applicable/ <i>give name</i> ]  |
| 38 | U.S. selling restrictions:            | [Reg. S Category 1/2; TEFRA D/TEFRA C/TEFRA Not Applicable] The Notes are being offered and sold only in accordance with Regulation S. |
| 39 | Additional selling restrictions:      | [Not Applicable/ <i>give details</i> ]   |

## OPERATIONAL INFORMATION

- 40 ISIN Code: [●]
- 41 Common Code: [●]
- 42 Any clearing system(s) other than Euroclear, Clearstream, the Austraclear System or CDP and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
- 43 Delivery: Delivery [against/free of] payment
- 44 Additional Paying Agent(s) (if any): [If the Notes are AMTNs, insert the following:  
  
BTA Institutional Services Australia Limited (ABN 48 002 916 396) has been appointed under the Agency and Registry Services Agreement dated [●] 2016 as issuing and paying agent and registrar (“**Australian Agent**”) in respect of the Notes. The Australian Agent’s address is Level 2, 35 Clarence Street, Sydney, New South Wales 2000, Australia]

## GENERAL

- 45 Applicable governing document: [Trust Deed dated [●] 2016]  
  
[Singapore Supplemental Trust Deed dated [●] 2016]
- 46 The aggregate principal amount of Notes in the Currency issued has been translated into Singapore dollars at the rate specified, producing a sum of: [Not applicable/Exchange rate of Currency: Singapore dollar/Singapore dollar equivalent: [●]]
- 47 In the case of Registered Notes, specify the location of the office of the Registrar if other than [Luxembourg/Singapore]: [●]
- 48 In the case of Bearer Notes, specify the location of the office of the Issuing and Paying Agent if other than [London or Singapore]: [●]
- 49 Ratings: The Notes to be issued are unrated.
- 50 Governing Law: [English law/Singapore law/The law of New South Wales, Australia][, save that the provisions of the subordination Condition in Condition 3(b) are governed by, and shall be construed in accordance with, Singapore law]

## Purpose of Pricing Supplement

This Pricing Supplement comprises the final terms required for issue and admission to trading on the Singapore Exchange Securities Trading Limited of the Notes described herein pursuant to the S\$1,000,000,000 Multicurrency Debt Issuance Programme of FLCT Treasury Pte. Ltd. and Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Commercial Trust).

### **[Stabilisation]**

[In connection with this issue, [insert name of Stabilising Manager] (the “**Stabilising Manager**”) (or persons acting on behalf of any Stabilising Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or overallotment must be conducted by the relevant Stabilising Manager (or persons acting on behalf of any Stabilising Manager) in accordance with all applicable laws and rules. Any such stabilisation action may only be carried on outside Australia and on a financial market operated outside Australia.]

### **Investment Considerations**

There are significant risks associated with the Notes including, but not limited to, counterparty risk, country risk, price risk and liquidity risk. Investors should contact their own financial, legal, accounting and tax advisers about the risks associated with an investment in these Notes, the appropriate tools to analyse that investment, and the suitability of the investment in each investor’s particular circumstances. No investor should purchase the Notes unless that investor understands and has sufficient financial resources to bear the price, market liquidity, structure and other risks associated with an investment in these Notes.

Before entering into any transaction, investors should ensure that they fully understand the potential risks and rewards of that transaction and independently determine that the transaction is appropriate given their objectives, experience, financial and operational resources and other relevant circumstances. Investors should consider consulting with such advisers as they deem necessary to assist them in making these determinations.

### **Responsibility**

[Each of] the Issuer [and the Guarantor] accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of [FLCT Treasury Pte. Ltd./Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Commercial Trust)]

By: \_\_\_\_\_  
Duly authorised

[Signed on behalf of Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Commercial Trust):

By: \_\_\_\_\_  
Duly authorised

## FORM OF PRICING SUPPLEMENT IN RELATION TO PERPETUAL SECURITIES

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

### Pricing Supplement dated [●]

[FLCT Treasury Pte. Ltd./Perpetual (Asia) Limited  
(in its capacity as trustee of Frasers Logistics & Commercial Trust)]  
Issue of [Aggregate Principal Amount of Tranche] [Title of Perpetual Securities]  
under the S\$1,000,000,000 Multicurrency Debt Issuance Programme

This document constitutes the Pricing Supplement relating to the issue of Perpetual Securities described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Perpetual Securities (the “**Conditions**”) set forth in the Offering Circular dated 25 February 2021 [and the supplemental Offering Circular dated [●]]. This Pricing Supplement contains the final terms of the Perpetual Securities and must be read in conjunction with such Offering Circular [as so supplemented].

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Perpetual Securities (the “**Conditions**”) set forth in the Offering Circular dated [●]. This Pricing Supplement contains the final terms of the Perpetual Securities and must be read in conjunction with the Offering Circular dated [●] [and the supplemental Offering Circular dated [●]], save in respect of the Conditions which are extracted from the Offering Circular dated [●] and are attached hereto.]

*[The following language applies if the Perpetual Securities are intended to be Qualifying Debt Securities for the purposes of the Income Tax Act, Chapter 134 of Singapore.]*

Where interest (including distributions which are regarded as interest for Singapore income tax purposes), discount income, prepayment fee, redemption premium or break cost is derived from any of the Perpetual Securities by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the “**ITA**”), shall not apply if such person acquires such Perpetual Securities using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest (including distributions which are regarded as interest for Singapore income tax purposes), discount income, prepayment fee, redemption premium or break cost derived from the Perpetual Securities is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.]

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement.]*

- |   |        |                 |  |
|---|--------|-----------------|--|
| 1 | [(i)]  | Issuer:         | [FLCT Treasury Pte. Ltd./Perpetual (Asia) Limited<br>(in its capacity as trustee of Frasers Logistics & Commercial Trust)] |
|   | [(ii)] | Guarantor:      | Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Commercial Trust)]                             |
| 2 | (i)    | Series Number:  | [●]  |
|   | [(ii)] | Tranche Number: | [●]  |

*(If fungible with an existing Series, details of that Series, including the date on which the Perpetual Securities became fungible.)*

- 3 Currency or Currencies: [●]
- 4 Aggregate Principal Amount:
- (i) Series: [●]
- (ii) [Tranche: [●]]
- 5 (i) Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] *(in the case of fungible issues only, if applicable)*]
- (ii) Net Proceeds: [●]
- 6 (i) Denomination Amount: [●]<sup>49</sup>
- (ii) Calculation Amount: [●]
- 7 (i) Issue Date: [●]
- (ii) Distribution Commencement Date: [*Specify*/Issue date/Not Applicable]
- (iii) First Call Date: [*Specify*/Not Applicable]
- 8 Maturity Date: [*specify date or (for Floating Rate Perpetual Securities) Distribution Payment Date falling in or nearest to the relevant month and year*]<sup>50</sup>
- 9 Distribution Basis: [[●] per cent. Fixed Rate  
[[*specify reference rate*] +/- [●] per cent. Floating Rate] (further particulars specified below)
- 10 Redemption/Payment Basis: [Redemption at par]  
[Other (specify)]
- 11 Redemption Amount (including early redemption): [Denomination Amount/ [others]]  
[Specify early redemption amount if different from final redemption amount or if different from that set out in the Conditions]

<sup>44</sup> If the Denomination Amount is expressed to be €100,000 or its equivalent and multiples of a lower nominal amount (for example €1,000), insert the following: "€100,000 plus integral multiples of €1,000 in excess thereof up to and including €199,000. No Perpetual Securities in definitive form will be issued with a denomination above €199,000".

Perpetual Securities (including Perpetual Securities denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

<sup>45</sup> Note that Hong Kong Dollar denominated Fixed Rate Perpetual Securities where the Distribution Payment Dates are subject to modification it will be necessary to use the second option.

- 12 Put/Call Options: [Redemption at the Option of the Issuer]  
 [Redemption for Taxation Reasons]  
 [Redemption for Accounting Reasons]  
 [Redemption for Tax Deductibility]  
 [Redemption upon a Regulatory Event]  
 [Redemption upon a Ratings Event]  
 [Redemption in the case of Minimal Outstanding Amount]  
 [Redemption for Change of Control Event]  
 [(further particulars specified below)]
- 13 Status of Perpetual Securities: [Senior Perpetual Securities/Subordinated Perpetual Securities]
- 14 Listing and admission to trading: [[●] (*specify*)/None]
- 15 Method of distribution: [Syndicated/Non-syndicated]

**PROVISIONS RELATING TO DISTRIBUTION PAYABLE**

- 16 Fixed Rate Perpetual Security Provisions: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Distribution Rate[(s)]: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Distribution Payment Date(s): [●] in each year [adjusted in accordance with [*specify Business Day Convention*]/[*not adjusted*]]
- (iii) Initial Broken Amount: [●]
- (iv) Final Broken Amount: [●]
- (v) Day Count Fraction: [30/30E/360/Actual/Actual(ICMA/ISDA)/other]
- (vi) First Reset Date: [●]
- (vii) Reset Date: [●]
- (viii) Reset Distribution Rate: [●]
- (ix) Initial Spread: [●]
- (x) Reset Period: [●]
- (xi) Step-Up Margin: [●]
- (xii) Step-up Date: [●]
- (xiii) Relevant Rate: [●]

(xiv)	Change of Control Margin:	[●]
(xv)	Other terms relating to the method of calculating distribution for Fixed Rate Perpetual Securities:	[Not Applicable/ <i>give details</i> ]
17	Floating Rate Perpetual Security Provisions:	[Applicable/Not Applicable]  <i>(If not applicable, delete the remaining subparagraphs of this paragraph.)</i>
(i)	Specified Number of Months (Distribution Period):	[●]
(ii)	Specified Distribution Payment Dates:	[●]
(iii)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other ( <i>give details</i> )]
(iv)	Manner in which the Distribution Rate(s) is/are to be determined:	[Screen Rate Determination/ISDA Determination/ other ( <i>give details</i> )]
(v)	Party responsible for calculating the Distribution Rate(s) and Amount(s) (if not the Calculation Agent):	[●]
(vi)	Distribution Determination Date:	[●] Business Days prior to the first day of each Distribution Period
(vii)	Screen Rate Determination:	
	● Reference Rate:	[●]  (Either LIBOR, EURIBOR, HIBOR, SIBOR or SOR or other, although additional information is required if other)
	● Interest Determination Date(s):	[●]  (the day falling two Business Days in London for the Currency prior to the first day of such Distribution Period if the Currency is not Sterling, euro or Hong Kong Dollars or first day of each Distribution Period if the Currency is Sterling or Hong Kong Dollars or the day falling two TARGET Business Days prior to the first day of such Distribution Period if the Currency is euro)
	● Relevant Screen Page:	[●]  [(In the case of EURIBOR, if not Reuters Page EURIBOR 01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)]



- (viii) ISDA Determination:
- Floating Rate Option: [●]
  - Designated Maturity: [●]
  - Reset Date: [●]
  - ISDA Definitions: 2006 (if different to those set out in the Conditions, please specify)
- (ix) Benchmark: [LIBOR, EURIBOR, HIBOR, SIBOR, Swap Rate or other benchmark]
- (x) Reference Banks: [Specify three]
- (xi) Relevant Time: [●]
- (xii) Relevant Financial Centre: [The financial centre most closely connected to the Benchmark – specify if not Singapore]
- (xiii) Margin(s): [+/-][●] per cent. per annum
- (xiv) Minimum Distribution Rate: [●] per cent. per annum
- (xv) Maximum Distribution Rate: [●] per cent. per annum
- (xvi) Day Count Fraction: [●]
- (xvii) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Perpetual Securities, if different from those set out in the Conditions: [●]
- (xviii) Optional Payment: [●]
- (xix) Optional Distribution: [●]
- (xx) Dividend Stopper: [●]
- (xxi) Dividend Pusher and Reference Period: [●]
- (xxii) Non-cumulative Deferral: [●]
- (xxiii) Cumulative Deferral: [●]
- (xxiv) Additional Distribution: [●]

#### PROVISIONS RELATING TO REDEMPTION

- 18 Redemption at the Option of the Issuer [Yes/No]  
 Issuer's Redemption Option Period  
 (Condition 5(b)) [Specify maximum and minimum number of days for notice period]

- |    |  |   |
|----|--|---|
| 19 | Redemption for Taxation Reasons<br>Issuer's Redemption Option Period<br>(Condition 5(c))                         | [Yes/No]<br><br>[Specify maximum and minimum number of days for<br>notice period]   |
| 20 | Redemption for Accounting Reasons<br>Issuer's Redemption Option Period<br>(Condition 5(d))                       | [Yes/No]<br><br>[Specify maximum and minimum number of days for<br>notice period]   |
| 21 | Redemption for Tax Deductibility<br>Issuer's Redemption Option Period<br>(Condition 5(e))                        | [Yes/No]<br><br>[Specify maximum and minimum number of days for<br>notice period]   |
| 22 | Redemption upon a Regulatory Event<br>Issuer's Redemption Option Period<br>(Condition 5(f))                      | [Yes/No]<br><br>[Specify maximum and minimum number of days for<br>notice period]   |
| 23 | Redemption upon a Ratings Event<br>Issuer's Redemption Option Period<br>(Condition 5(g))                         | [Yes/No]<br><br>[Specify maximum and minimum number of days for<br>notice period]   |
| 24 | Redemption in the case of Minimal<br>Outstanding Amount Issuer's<br>Redemption Option Period (Condition<br>5(h)) | [Yes/No]<br><br>[Specify maximum and minimum number of days for<br>notice period]   |
| 25 | Redemption for Change of Control<br>Event Issuer's Redemption Option<br>Period (Condition 5(i))                  | [Yes/No]<br><br>[If yes, insert definition of Change of Control Event]<br><br>[Specify maximum and minimum number of days for<br>notice period] |
| 26 | Redemption Amount of each Perpetual<br>Security:   | [●] per Calculation Amount  |

**GENERAL PROVISIONS APPLICABLE TO THE PERPETUAL SECURITIES**

- |    |                               |   |
|----|-------------------------------|---|
| 27 | Form of Perpetual Securities: | [Bearer Perpetual Securities/Registered Perpetual<br>Securities]<br><br>[Temporary Global Security exchangeable for a<br>Permanent Global Perpetual Security which is<br>exchangeable for Definitive Perpetual Securities in<br>the limited circumstances specified in the Permanent<br>Global Security]<br><br>[Temporary Global Security exchangeable for<br>Definitive Perpetual Securities on [●] days' notice]<br>(For this option to be available, such Perpetual<br>Securities shall only be issued in denominations<br>that are equal to, or greater than, €100,000 (or its<br>equivalent in other currencies) and integral multiples<br>thereof) |
|----|-------------------------------|---|

[Permanent Global Security /Global Certificate exchangeable for Definitive Perpetual Securities in the limited circumstances specified in the permanent Global Security/Global Certificate] (N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Denomination Amount of the Perpetual Securities in paragraph 6 includes language substantially to the following effect: “€100,000 plus integral multiples of €1,000 in excess thereof up to and including €199,000.” Furthermore, such Denomination Amount construction is not permitted in relation to any issue of Perpetual Securities which is to be represented on issue by a temporary Global Perpetual Security exchangeable for Definitive Perpetual Securities.)

[Definitive Perpetual Securities]

- |    |  |   |
|----|--|---|
| 28 | Talons for future Coupons to be attached to Definitive Perpetual Securities (and dates on which such Talons mature): | [Yes/No. If yes, <i>give details</i> ]  |
| 29 | Redenomination, renominatisation and reconventioning provisions:   | [Not Applicable/The provisions [annexed to this Pricing Supplement] apply]                    |
| 30 | Consolidation provisions:  | [Not Applicable/The provisions [in Condition [●]] [annexed to this Pricing Supplement] apply] |
| 31 | Private Banking Rebate:  | [Applicable/Not Applicable]   |
| 32 | Use of Proceeds:   | [As per the Offering Circular/ <i>give details</i> ]  |
| 33 | Other terms or special conditions:   | [Not Applicable/ <i>give details</i> ]  |

#### **DISTRIBUTION**

- |    |                                       |   |
|----|---------------------------------------|---|
| 34 | (i) If syndicated, names of Managers: | [Not Applicable/ <i>give name</i> ]   |
|    | (ii) Stabilising Manager (if any):    | [Not Applicable/ <i>give name</i> ]   |
| 35 | If non-syndicated, name of Dealer:    | [Not Applicable/ <i>give name</i> ]   |
| 36 | U.S. selling restrictions:            | [Reg. S Category 1/2; TEFRA D/TEFRA C/TEFRA Not Applicable] The Perpetual Securities are being offered and sold only in accordance with Regulation S. |
| 37 | Additional selling restrictions:      | [Not Applicable/ <i>give details</i> ]  |

#### **OPERATIONAL INFORMATION**

- |    |  |  |
|----|--|--|
| 38 | ISIN Code:   | [●]  |
| 39 | Common Code:   | [●]  |
| 40 | Any clearing system(s) other than Euroclear, Clearstream or CDP and the relevant identification number(s): | [Not Applicable/ <i>give name(s) and number(s)</i> ] |

- 41 Delivery: Delivery [against/free of] payment
- 42 Additional Paying Agent(s) (if any): [●]
- GENERAL**
- 43 Applicable governing document: [Trust Deed dated [●] 2016]  
[Singapore Supplemental Trust Deed dated [●] 2016]
- 44 The aggregate principal amount of Perpetual Securities in the Currency issued has been translated into Singapore dollars at the rate specified, producing a sum of: [Not applicable/Exchange rate of Currency: Singapore dollar/Singapore dollar equivalent: [●]]
- 45 In the case of Registered Perpetual Securities, specify the location of the office of the Registrar if other than [Luxembourg/ Singapore]: [●]
- 46 In the case of Bearer Perpetual Securities, specify the location of the office of the Issuing and Paying Agent if other than [London or Singapore]: [●]
- 47 Ratings: The Perpetual Securities to be issued are unrated.
- 48 Governing Law: [English law, save that the provisions of the subordination Condition in Condition 3(b) are governed by, and shall be construed in accordance with, Singapore law]/[Singapore law]

### **Purpose of Pricing Supplement**

This Pricing Supplement comprises the final terms required for issue and admission to trading on the Singapore Exchange Securities Trading Limited of the Perpetual Securities described herein pursuant to the S\$1,000,000,000 Multicurrency Debt Issuance Programme of FLCT Treasury Pte. Ltd. and Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Commercial Trust).

### **[Stabilisation]**

[In connection with this issue, [insert name of Stabilising Manager] (the “**Stabilising Manager**”) (or persons acting on behalf of any Stabilising Manager) may over-allot Perpetual Securities or effect transactions with a view to supporting the market price of the Perpetual Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Perpetual Securities is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Perpetual Securities and 60 days after the date of the allotment of the Perpetual Securities. Any stabilisation action or overallotment must be conducted by the relevant Stabilising Manager (or persons acting on behalf of any Stabilising Manager) in accordance with all applicable laws and rules. Any such stabilisation action may only be carried on outside Australia and on a financial market operated outside Australia.]

### **Investment Considerations**

There are significant risks associated with the Perpetual Securities including, but not limited to, counterparty risk, country risk, price risk and liquidity risk. Investors should contact their own financial, legal, accounting and tax advisers about the risks associated with an investment in these Perpetual Securities, the appropriate tools to analyse that investment, and the suitability of the investment in each investor's particular circumstances. No investor should purchase the Perpetual Securities unless that investor understands and has sufficient financial resources to bear the price, market liquidity, structure and other risks associated with an investment in these Perpetual Securities.

Before entering into any transaction, investors should ensure that they fully understand the potential risks and rewards of that transaction and independently determine that the transaction is appropriate given their objectives, experience, financial and operational resources and other relevant circumstances. Investors should consider consulting with such advisers as they deem necessary to assist them in making these determinations.

### **Responsibility**

[Each of] the Issuer [and the Guarantor] accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of [FLCT Treasury Pte. Ltd./Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Commercial Trust)]

By: \_\_\_\_\_  
Duly authorised

[Signed on behalf of Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Commercial Trust):]

By: \_\_\_\_\_  
Duly authorised

## GENERAL INFORMATION

- (1) Application has been made for permission to deal in, and for quotation of, any Securities which are agreed at the time of issue to be listed on the SGX-ST. There can be no assurance that the application to the SGX-ST will be approved. If the application to the SGX-ST to list a particular Series of Securities is approved, and the rules of the SGX-ST so require, such Securities will be traded on the SGX-ST in a minimum board lot size of S\$200,000 or its equivalent in other specified currencies. So long as any Securities are listed on the SGX-ST and the rules of the SGX-ST so require, the relevant Issuer shall appoint and maintain a paying agent in Singapore, where such Securities may be presented or surrendered for payment or redemption, in the event that that Global Security representing such Securities is exchanged for definitive Securities. In addition, an announcement of such exchange will be made through the SGX-ST. Such announcement will include all material information with respect to the delivery of the definitive Securities, including details of the paying agent in Singapore.
- (2) Each of the Issuers and the Guarantor has obtained all necessary consents, approvals and authorisations in Singapore in connection with the establishment of the Programme and the giving of the Guarantee. The establishment of and any updates to the Programme was authorised by resolutions of the Board of Directors of FLCT Treasury passed on 27 October 2016 and the establishment of and any updates to the Programme and the giving of the Guarantee by the REIT Trustee was authorised by resolutions of the Board of Directors of the REIT Trustee passed on 6 June 2016 and 10 October 2016.
- (3) Except as disclosed in this Offering Circular, there has been no significant change in the financial or trading position of (i) FLCT Treasury since 30 September 2020 and (ii) the REIT Trustee or the Group since 30 September 2020 and no material adverse change in the prospects of (a) FLCT Treasury since 30 September 2020 and (ii) the REIT Trustee or the Group since 30 September 2020.
- (4) Except as disclosed in this Offering Circular, there are no legal or arbitration proceedings pending or, so far as the Issuers, the Guarantor and their respective directors are aware, threatened against the Issuers, the Guarantor, FLCT or any of their respective subsidiaries the outcome of which, in the opinion of the directors, may have or have had during the 12 months prior to the date of this Offering Circular a material adverse effect on the financial position of the Issuers or the Guarantor.
- (5) Each Bearer Security having a maturity of more than one year, Coupon and Talon will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.
- (6) The Securities may be accepted for clearance through Euroclear, Clearstream, CDP and the Austraclear System. The appropriate ISIN and common code in relation to the Securities of each Tranche will be specified in the relevant Pricing Supplement. The relevant Pricing Supplement shall specify any other clearing system as shall have accepted the relevant Securities for clearance together with any further appropriate information.
- (7) There are no material contracts entered into other than in the ordinary course of the Issuers’ or the Guarantor’s business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuers’ or the Guarantor’s ability to meet its obligations to Securityholders in respect of the Securities being issued.
- (8) Where information in this Offering Circular has been sourced from third parties this information has been accurately reproduced and as far as the Issuers and the Guarantor is aware and is able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.

- (9) For so long as Securities may be issued pursuant to this Offering Circular, the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the specified office of the Issuing and Paying Agent (with reasonable prior notification being given), being at the date of this Offering Circular, the address set out at the end of this Offering Circular:
- (i) the Trust Deed (which includes the form of the Global Securities, the definitive Bearer Securities, the Certificates, the Coupons and the Talons);
  - (ii) the Singapore Supplemental Trust Deed;
  - (iii) the Note (AMTN) Deed Poll in respect of AMTNs;
  - (iv) the Agency Agreement;
  - (v) the Australian Agency Agreement in respect of AMTNs;
  - (vi) the constitutive documents of each Issuer and the Guarantor;
  - (vii) the FLCT Trust Deed;
  - (viii) the most recently published annual report and audited consolidated financial statements of FLCT and the most recently published interim accounts of FLCT;
  - (ix) each Pricing Supplement (save that a Pricing Supplement related to an unlisted Series of Securities will only be available for inspection by a holder of any such Securities and such holder must produce evidence satisfactory to the Issuer, the Guarantor or the Trustee as to its holding of Securities and identity);
  - (x) a copy of this Offering Circular together with any supplement to this Offering Circular or further Offering Circular; and
  - (xi) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Offering Circular.
- (10) The Legal Entity Identifier for:
- (i) Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Commercial Trust) is 25490039A7FZFHURL81; and
  - (ii) FLCT Treasury Pte. Ltd. is 254900J9F1VUDEEV0321.

## INDEX TO FINANCIAL STATEMENTS

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## REPORT OF THE TRUSTEE

Perpetual (Asia) Limited (the “Trustee”) is under a duty to take into custody and hold the assets of Frasers Logistics & Commercial Trust (formerly known as Frasers Logistics & Industrial Trust) (the “Trust”) held by it or through its subsidiaries (collectively, the “Group”) in trust for the holders (“Unitholders”) of units in the Trust (the “Units”). In accordance with the Securities and Futures Act, Chapter 289 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes and the Listing Manual (collectively referred to as the “Regulations”), the Trustee shall monitor the activities of Frasers Logistics & Commercial Asset Management Pte. Ltd. (the “Manager”) for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed dated 30 November 2015 (as amended) (the “Trust Deed”) between the Manager and the Trustee in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Group during the financial year covered by these financial statements set out on pages 192 to 292, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,  
**Perpetual (Asia) Limited**

**Sin Li Choo**  
Director

**Singapore**  
20 November 2020



## STATEMENT BY THE MANAGER

In the opinion of the directors of Frasers Logistics & Commercial Asset Management Pte. Ltd. (formerly known as Frasers Logistics & Industrial Asset Management Pte. Ltd.) (the “Manager”), the accompanying financial statements set out on pages 192 to 292, comprising the consolidated statement of financial position and consolidated portfolio statement of the Group and the statement of financial position of the Trust as at 30 September 2020, the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in unitholders’ funds and consolidated statement of cash flows of the Group and the statement of movements in unitholders’ funds of the Trust for the year ended 30 September 2020, and notes to the financial statements are drawn up so as to present fairly, in all material respects, the financial positions of the Group and the Trust and the portfolio holdings of the Group as at 30 September 2020, the total return, distributable income, movements in unitholders’ funds and cash flows of the Group and the movements in unitholders’ funds of the Trust for the year ended 30 September 2020 in accordance with the recommendations of Statement of Recommended Accounting Practice 7 *Reporting Framework for Unit Trusts* issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed.

At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet their financial obligations as and when they materialise.

For and on behalf of the Manager,  
**Frasers Logistics & Commercial Asset Management Pte. Ltd.**

**Ho Hon Cheong**  
Director

**Chin Yoke Choong**  
Director

**Singapore**  
20 November 2020

# INDEPENDENT AUDITORS' REPORT

UNITHOLDERS OF FRASERS LOGISTICS & COMMERCIAL TRUST  
(FORMERLY KNOWN AS FRASERS LOGISTICS & INDUSTRIAL TRUST)  
(CONSTITUTED IN THE REPUBLIC OF SINGAPORE PURSUANT TO THE TRUST DEED DATED 30 NOVEMBER 2015 (AS AMENDED))

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### *Opinion*

We have audited the financial statements of Frasers Logistics & Commercial Trust (formerly known as Frasers Logistics & Industrial Trust) (the "Trust") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position and consolidated portfolio statement of the Group and the statement of financial position of the Trust as at 30 September 2020, the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in unitholders' funds and consolidated statement of cash flows of the Group and the statement of movements in unitholders' funds of the Trust for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 192 to 292.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of movements in unitholders' funds of the Trust present fairly, in all material respects, the consolidated financial position and the portfolio holdings of the Group and the financial position of the Trust as at 30 September 2020 and the consolidated total return, consolidated distributable income, consolidated movements in unitholders' funds and consolidated cash flows of the Group and the movements in unitholders' funds of the Trust for the year ended on that date in accordance with the recommendations of Statement of Recommended Accounting Practice 7 ("RAP 7") *Reporting Framework for Unit Trusts* issued by the Institute of Singapore Chartered Accountants.

### *Basis for opinion*

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the 'Auditors' responsibilities for the audit of the financial statements' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### *Valuation of investment properties (Refer to Note 10 of the financial statements)*

#### *Risk*

The Group owns a portfolio of logistics and industrial properties in Australia, Germany and the Netherlands, as well as commercial properties and business parks in Singapore, Australia and the United Kingdom that are leased to third parties under operating leases. Investment properties represent the largest category of assets on the consolidated statement of financial position, with a carrying value of approximately S\$6.4 billion as at 30 September 2020.

These investment properties are stated at their fair values based on independent external valuations. The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are sensitive to key assumptions applied and a change in the assumptions may have an impact on the valuations.

The valuers for certain commercial properties in Singapore and Australia have highlighted in their valuation reports that the real estate market has been impacted by the uncertainty that the COVID-19 pandemic has caused, that the valuations were current at the date of valuation only and that the values may change significantly and unexpectedly over a relatively short period of time.

## INDEPENDENT AUDITORS' REPORT

UNITHOLDERS OF FRASERS LOGISTICS & COMMERCIAL TRUST  
(FORMERLY KNOWN AS FRASERS LOGISTICS & INDUSTRIAL TRUST)  
(CONSTITUTED IN THE REPUBLIC OF SINGAPORE PURSUANT TO THE TRUST DEED DATED 30 NOVEMBER 2015 (AS AMENDED))

### *Our response*

We evaluated the qualifications and competence of the external valuers. We considered the valuation methodologies used against those applied by other valuers for similar property types. We evaluated the appropriateness of the key assumptions used in the valuations by comparing them to available industry data, taking into consideration comparability and market factors. Where the assumptions were outside of the expected range, we undertook further procedures, and when necessary, held discussions with the external valuers to understand the effects of additional factors taken into account in the valuations. We also discussed with the Manager and the external valuers to understand how they have considered the implications of COVID-19 and market uncertainty in the valuations.

### *Our findings*

The external valuers are members of generally-recognised professional bodies for valuers and have considered their own independence in carrying out their work. The valuation methodologies used by the valuers are in line with generally accepted market practices. The key assumptions applied in the valuations are generally comparable to available market data. Where the assumptions were outside of the expected range, the additional factors considered by the valuers were consistent with other corroborative evidence.

### **Accounting for the acquisition of Frasers Commercial Trust (Refer to Note 32 to the financial statements)**

#### *Risk*

On 15 April 2020, the Group completed the acquisition of the units in Frasers Commercial Trust ("FCOT") by way of a trust scheme of arrangement and FCOT became a sub-trust of the Group. The acquisition is considered a key audit matter as this is a significant non-routine transaction and requires management judgement in determining whether the acquisition is a business combination or an acquisition of assets, given that the accounting treatment is different in each case. The Group accounted for the acquisition as an acquisition of assets.

#### *Our response*

We assessed the Group's basis of accounting for the acquisition as an acquisition of assets by examining the transaction agreements, to understand the key terms of the transaction. We also considered the appropriateness of the disclosures in relation to the acquisition in the financial statements.

#### *Our findings*

The judgement applied by management in determining the basis of accounting as an asset acquisition was supported by the available information. We also found the disclosures on the acquisition in the financial statements to be appropriate.

#### *Other information*

Frasers Logistics & Commercial Asset Management Pte. Ltd., the Manager of the Trust (the "Manager"), is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained Glossary, About Frasers Logistics & Commercial Trust, Financial Highlights, Our Strategy, Letter to Unitholders, In Conversation with the CEO, Organisation Structure, Corporate Structure, Board of Directors, Management Team, Financial Review, Capital Management, Operational Review, Property Overview, Property Profiles, Investor Relations, Unit Price Performance, Independent Market Research Australia, Independent Market Research Germany, Independent Market Research The Netherlands, Independent Market Research Singapore, Independent Market Research The UK, Enterprise-Wide Risk Management, Sustainability Report, Corporate Governance Report, Financial Information and Interested Person Transactions prior to the date of this auditors' report, and the Unitholders' Statistics, which is expected to be made available to us after that date.



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## INDEPENDENT AUDITORS' REPORT

UNITHOLDERS OF FRASERS LOGISTICS & COMMERCIAL TRUST  
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(CONSTITUTED IN THE REPUBLIC OF SINGAPORE PURSUANT TO THE TRUST DEED DATED 30 NOVEMBER 2015 (AS AMENDED))

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Unitholders' Statistics, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Manager and take appropriate actions in accordance with SSAs.

### *Responsibilities of the Manager for the financial statements*

The Manager of the Trust is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 issued by the Institute of Singapore Chartered Accountants, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease operations of the Group, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Group's financial reporting process.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

## INDEPENDENT AUDITORS' REPORT

UNITHOLDERS OF FRASERS LOGISTICS & COMMERCIAL TRUST  
(FORMERLY KNOWN AS FRASERS LOGISTICS & INDUSTRIAL TRUST)  
(CONSTITUTED IN THE REPUBLIC OF SINGAPORE PURSUANT TO THE TRUST DEED DATED 30 NOVEMBER 2015 (AS AMENDED))

- Conclude on the appropriateness of the use of the going concern basis of accounting by the Manager and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Lo Mun Wai.

**KPMG LLP**  
*Public Accountants and  
Chartered Accountants*

**Singapore**  
20 November 2020

## STATEMENT OF TOTAL RETURN

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	Group	
		2020 S\$'000	2019 S\$'000
Revenue	3	332,029	217,076
Property operating expenses	4	(62,214)	(37,335)
<b>Net property income</b>		<u>269,815</u>	<u>179,741</u>
Managers' management fees	5	(28,551)	(17,430)
Trustees' fees		(636)	(412)
Trust expenses		(4,183)	(2,606)
Exchange gains/(losses) (net)		2,055	(2,937)
Finance income	6	277	1,046
Finance costs	6	(41,169)	(25,139)
Net finance costs		(40,892)	(24,093)
<b>Net income</b>		<u>197,608</u>	<u>132,263</u>
Net change in fair value of derivatives		(2,859)	1,895
Net change in fair value of investment properties	10	334,306	109,990
Gain on divestment of investment properties		1,422	1,487
<b>Total return for the year before tax</b>		<u>530,477</u>	<u>245,635</u>
Tax expense	7	(71,719)	(40,151)
<b>Total return for the year</b>	8	<u>458,758</u>	<u>205,484</u>
<b>Total return attributable to:</b>			
Unitholders		454,722	203,425
Non-controlling interests		4,036	2,059
		<u>458,758</u>	<u>205,484</u>
<b>Earnings per Unit (Singapore cents)</b>			
Basic	9	16.46	9.88
Diluted	9	16.31	9.82

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



# DISTRIBUTION STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Group	
	2020 S\$'000	2019 S\$'000
<b>Amount available for distribution to Unitholders at beginning of the year</b>	68,701	46,539
Total return for the year attributable to Unitholders	454,722	203,425
Tax related and other adjustments ( <b>Note A</b> )	(253,642)	(72,164)
	201,080	131,261
Distribution from divestment gain	-	3,837
<b>Amount available for distribution to Unitholders</b>	<b>269,781</b>	<b>181,637</b>
Distributions to Unitholders:		
Distribution of 2.57 Singapore cents per Unit for the period from 21 May 2018 to 30 September 2018	-	(46,517)
Distribution of 3.54 Singapore cents per Unit for the period from 1 October 2018 to 31 March 2019	-	(66,419)
Distribution of 2.45 Singapore cents per Unit for the period from 1 April 2019 to 7 August 2019	(47,108)	-
Distribution of 1.01 Singapore cents per Unit for the period from 8 August 2019 to 30 September 2019	(21,551)	-
Distribution of 3.73 Singapore cents per Unit for the period from 1 October 2019 to 14 April 2020	(84,368)	-
	(153,027)	(112,936)
<b>Amount available for distribution to Unitholders at end of the year</b>	<b>116,754</b>	<b>68,701</b>
<b>Distribution per Unit (DPU) (Singapore cents)<sup>(1)</sup></b>	<b>7.12</b>	<b>7.00</b>
<b>Note A</b>		
Tax related and other adjustments relate to the following items:		
Straight-lining of rental adjustments	(5,366)	(3,100)
Managers' management fees paid/payable in Units	27,232	16,063
Exchange (gains)/losses (net)	(1,682)	2,971
Interest expense on lease liabilities	5,060	-
Lease payments of right-of-use assets	(6,114)	-
Net change in fair value of derivatives	2,859	(1,895)
Net change in fair value of investment properties	(334,306)	(109,990)
Gain on divestment of investment properties	(1,422)	(1,487)
Deferred tax expense	53,897	23,360
Other adjustments	6,200	1,914
<b>Net distribution adjustments</b>	<b>(253,642)</b>	<b>(72,164)</b>

<sup>(1)</sup> The DPU relates to the distributions in respect of the relevant financial year. The distribution for the second half of the financial year will be made subsequent to the financial year end.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2020

	Note	Group		Trust	
		2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
<b>Non-current assets</b>					
Investment properties	10	6,352,240	3,204,557	-	-
Plant and equipment	11	282	-	-	-
Investment in subsidiaries	12	-	-	2,355,631	824,945
Loans to subsidiaries	13	-	-	1,925,039	1,667,071
Derivative assets	14	33,577	1,909	32,460	1,909
Deferred tax assets	19	323	-	-	-
		<u>6,386,422</u>	<u>3,206,466</u>	<u>4,313,130</u>	<u>2,493,925</u>
<b>Current assets</b>					
Cash and cash equivalents	15	168,652	115,753	36,949	42,925
Trade and other receivables	16	30,602	12,782	73,876	56,002
Derivative assets	14	330	1,866	322	1,866
Investment property held for sale	10	148,641	16,230	-	-
		<u>348,225</u>	<u>146,631</u>	<u>111,147</u>	<u>100,793</u>
<b>Total assets</b>		<u>6,734,647</u>	<u>3,353,097</u>	<u>4,424,277</u>	<u>2,594,718</u>
<b>Current liabilities</b>					
Trade and other payables	17	86,744	47,983	22,567	3,106
Loans and borrowings	18	677,256	185,952	309,472	101,549
Derivative liabilities	14	2,614	967	2,614	967
Current tax liabilities		18,336	9,403	147	130
		<u>784,950</u>	<u>244,305</u>	<u>334,800</u>	<u>105,752</u>
<b>Non-current liabilities</b>					
Trade and other payables	17	17,785	3,035	-	-
Loans and borrowings	18	1,943,550	928,288	962,243	586,898
Derivative liabilities	14	59,932	8,722	52,642	5,993
Deferred tax liabilities	19	121,753	56,441	-	-
		<u>2,143,020</u>	<u>996,486</u>	<u>1,014,885</u>	<u>592,891</u>
<b>Total liabilities</b>		<u>2,927,970</u>	<u>1,240,791</u>	<u>1,349,685</u>	<u>698,643</u>
<b>Net assets</b>		<u>3,806,677</u>	<u>2,112,306</u>	<u>3,074,592</u>	<u>1,896,075</u>
Represented by:					
Unitholders' funds		3,770,460	2,086,224	3,074,592	1,896,075
Non-controlling interests	20	36,217	26,082	-	-
		<u>3,806,677</u>	<u>2,112,306</u>	<u>3,074,592</u>	<u>1,896,075</u>
<b>Units in issue and to be issued ('000)</b>	21	<u>3,424,069</u>	<u>2,258,878</u>	<u>3,424,069</u>	<u>2,258,878</u>
<b>Net asset value per Unit (S\$)</b>	22	<u>1.10</u>	<u>0.92</u>	<u>0.90</u>	<u>0.84</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	Attributable to Unitholders S\$'000	Non-controlling interests S\$'000	Total S\$'000
<b>Group</b>				
<b>At 1 October 2019</b>		2,086,224	26,082	2,112,306
<b>Operations</b>				
Increase in net assets resulting from operations		454,722	4,036	458,758
<b>Transactions with owners</b>				
Issue of new Units:				
– Managers' management fees paid/payable in Units		27,232	–	27,232
– Managers' acquisition fees paid/payable in Units		13,097	–	13,097
– Units issued as partial satisfaction of the consideration for the merger with Frasers Commercial Trust ("FCOT")		1,118,889	–	1,118,889
Distributions paid to Unitholders	23	(153,027)	–	(153,027)
<b>Net increase in net assets resulting from transactions with owners</b>		1,006,191	–	1,006,191
<b>Hedging reserve</b>				
Effective portion of change in fair value of cash flow hedges		3,468	62	3,530
<b>Increase in net assets resulting from hedging reserve</b>		3,468	62	3,530
<b>Foreign currency translation reserve</b>				
Translation differences relating to financial statements of foreign subsidiaries		138,269	2,854	141,123
Exchange differences on hedge of net investments in foreign operations		(74,320)	–	(74,320)
Exchange differences on monetary items forming part of net investments in foreign operations		155,906	–	155,906
<b>Increase in net assets resulting from foreign currency translation reserve</b>		219,855	2,854	222,709
<b>Changes in ownership interests in subsidiaries</b>				
Acquisition of subsidiaries with non-controlling interests		–	3,183	3,183
<b>At 30 September 2020</b>		3,770,460	36,217	3,806,677

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	Attributable to Unitholders S\$'000	Non-controlling interests S\$'000	Total S\$'000
<b>Group</b>				
<b>At 1 October 2018</b>		1,735,105	17,010	1,752,115
<b>Operations</b>				
Increase in net assets resulting from operations		203,425	2,059	205,484
<b>Transactions with owners</b>				
Issue of new Units:				
– Private placement		247,345	-	247,345
– Managers' management fees paid/payable in Units		16,063	-	16,063
– Managers' acquisition fees paid/payable in Units		2,509	-	2,509
Unit issue costs		(3,946)	-	(3,946)
Distributions paid to Unitholders	23	(112,936)	-	(112,936)
<b>Net increase in net assets resulting from transactions with owners</b>		149,035	-	149,035
<b>Hedging reserve</b>				
Effective portion of change in fair value of cash flow hedges		(7,183)	(49)	(7,232)
<b>Decrease in net assets resulting from hedging reserve</b>		(7,183)	(49)	(7,232)
<b>Foreign currency translation reserve</b>				
Translation differences relating to financial statements of foreign subsidiaries		1,070	180	1,250
Exchange differences on hedge of net investments in foreign operations		129	-	129
Exchange differences on monetary items forming part of net investments in foreign operations		4,643	-	4,643
<b>Increase in net assets resulting from foreign currency translation reserve</b>		5,842	180	6,022
<b>Changes in ownership interests in subsidiaries</b>				
Acquisition of subsidiaries with non-controlling interests		-	6,882	6,882
<b>At 30 September 2019</b>		2,086,224	26,082	2,112,306

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	2020 S\$'000	2019 S\$'000
<b>Trust</b>			
<b>At 1 October</b>		1,896,075	1,658,208
<b>Operations</b>			
Increase in net assets resulting from operations		172,535	95,128
<b>Transactions with owners</b>			
Issue of new Units:			
- Private placement		-	247,345
- Managers' management fees paid/payable in Units		27,232	16,063
- Managers' acquisition fees paid/payable in Units		13,097	2,509
- Units issued as partial satisfaction of the consideration for the merger with FCOT		1,118,889	-
Unit issue costs		-	(3,946)
Distributions paid to Unitholders	23	(153,027)	(112,936)
<b>Net increase in net assets resulting from transactions with owners</b>		1,006,191	149,035
<b>Hedging reserve</b>			
Effective portion of change in fair value of cash flow hedges		(209)	(6,296)
<b>Decrease in net assets resulting from hedging reserve</b>		(209)	(6,296)
<b>At 30 September</b>		3,074,592	1,896,075

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	Group	
		2020 S\$'000	2019 S\$'000
<b>Cash flows from operating activities</b>			
Total return before tax		530,477	245,635
<b>Adjustments for:</b>			
Straight-lining of rental adjustments		(5,366)	(3,100)
Effects of recognising lease incentives on a straight-line basis over the lease term		(223)	(1,046)
Managers' management fees paid/payable in Units		27,232	16,063
Depreciation of plant and equipment		40	-
Allowance for doubtful receivables		1,820	-
Unrealised exchange (gains)/losses (net)		(216)	816
Finance income	6	(277)	(1,046)
Finance costs	6	41,169	25,139
Net change in fair value of derivatives		2,859	(1,895)
Net change in fair value of investment properties	10	(334,306)	(109,990)
Gain on divestment of investment properties		(1,422)	(1,487)
Cash generated from operations before working capital changes		261,787	169,089
Changes in working capital:			
Trade and other receivables		(6,543)	2,218
Trade and other payables		(22,031)	(14,997)
Cash generated from operations		233,213	156,310
Tax paid		(18,353)	(14,302)
<b>Net cash generated from operating activities</b>		214,860	142,008
<b>Cash flows from investing activities</b>			
Acquisition of subsidiaries	32	(434,568)	(274,197)
Acquisition of investment properties (including acquisition costs)		(22,255)	(113,516)
Stamp duty incurred on acquisition of investment properties		(1,202)	(6,406)
Net proceeds from divestment of investment property		17,652	134,960
Capital expenditure on investment properties		(13,079)	(12,023)
Purchase of plant and equipment		(50)	-
Interest received		269	1,076
<b>Net cash used in investing activities</b>		(453,233)	(270,106)
<b>Cash flows from financing activities</b>			
Interest paid		(32,970)	(22,107)
Issuance of new Units		-	247,345
Unit issue costs		-	(3,946)
Proceeds from loans and borrowings		1,084,713	370,878
Repayment of loans and borrowings		(599,644)	(327,284)
Payment of upfront debt-related transaction costs		(2,707)	(4,480)
Payments for lease liabilities		(6,114)	-
Distributions paid to Unitholders		(153,027)	(112,936)
<b>Net cash generated from financing activities</b>		290,251	147,470
<b>Net increase in cash and cash equivalents</b>		51,878	19,372
Cash and cash equivalents at beginning of year		115,753	95,271
Effect of exchange rate changes on cash and cash equivalents		1,021	1,110
<b>Cash and cash equivalents at end of year</b>	15	168,652	115,753

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### SIGNIFICANT NON CASH TRANSACTIONS

During the year, there were the following significant non cash transactions:

- 1,130,191,302 Units, amounting to S\$1,118,889,000 (2019: Nil), were issued as partial satisfaction of the consideration for the merger with FCOT.
- 20,232,085 (2019: 14,499,712) Units, amounting to S\$21,649,000 (2019: S\$14,536,000), were issued to the Managers as satisfaction of the management fees paid/payable to the Managers.
- 13,903,260 (2019: 475,615) Units, amounting to S\$14,706,000 (2019: S\$464,000), were issued to the Managers as satisfaction of the acquisition fees paid/payable to the Managers for the acquisition of certain subsidiaries and the merger with FCOT.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# PORTFOLIO STATEMENT

As at 30 September 2020

Group	Location of property	Acquisition date	Tenure <sup>(a)</sup>	Carrying amount		Percentage of net assets attributable to Unitholders	
				2020 S\$'000	2019 S\$'000	2020 %	2019 %
<b>Logistics and industrial portfolio</b>							
<b>(A) Australia</b>							
<b>Melbourne, Victoria</b>							
<b>South East</b>							
<i>South Park Industrial Estate</i>							
	98-126 South Park Drive, Dandenong South	14 June 2016	Freehold	39,556	33,812	1.0	1.6
	21-33 South Park Drive, Dandenong South	14 June 2016	Freehold	28,359	23,893	0.8	1.1
	22-26 Bam Wine Court, Dandenong South	14 June 2016	Freehold	24,936	22,090	0.7	1.1
	16-32 South Park Drive, Dandenong South	14 June 2016	Freehold	16,624	13,750	0.4	0.7
	89-103 South Park Drive, Dandenong South	1 August 2017	Freehold	15,842	13,525	0.4	0.6
<i>The Key Industrial Park</i>							
	17 Pacific Drive and 170-172 Atlantic Drive, Keysborough	14 June 2016	Freehold	43,223	38,320	1.1	1.8
	150-168 Atlantic Drive, Keysborough	14 June 2016	Freehold	37,991	33,361	1.0	1.6
	49-75 Pacific Drive, Keysborough	14 June 2016	Freehold	35,693	27,951	0.9	1.3
	77 Atlantic Drive, Keysborough	14 June 2016	Freehold	24,056	19,115	0.6	0.9
	78 & 88 Atlantic Drive, Keysborough	14 June 2016	Freehold	19,754	16,410	0.5	0.8
	111 Indian Drive, Keysborough	31 August 2016	Freehold	40,094	34,713	1.1	1.7
	29 Indian Drive, Keysborough	15 August 2017	Freehold	36,427	31,557	1.0	1.5
	17 Hudson Court, Keysborough	12 September 2017	Freehold	35,742	30,926	1.0	1.5
	8-28 Hudson Court, Keysborough	20 August 2019	Freehold	38,089	33,180	1.0	1.6
<i>Clayton South &amp; Mulgrave</i>							
	211A Wellington Road, Mulgrave	14 June 2016	Freehold	39,116	36,066	1.0	1.7
<i>Braeside Industrial Estate</i>							
	75-79 Canterbury Road, Braeside	12 August 2020	Freehold	22,101	-	0.6	-
<b>West</b>							
<i>West Park Industrial Estate</i>							
	468 Boundary Road, Derrimut	14 June 2016	Freehold	37,600	33,000	1.0	1.6
	1 Doriemus Drive, Truganina	14 June 2016	Freehold	96,812	85,656	2.6	4.1
	2-22 Efficient Drive, Truganina	14 June 2016	Freehold	45,472	41,926	1.2	2.0
	1-13 and 15-27 Sunline Drive, Truganina	14 June 2016	Freehold	32,662	28,402	0.9	1.4
	Balance carried forward			710,149	597,653	18.8	28.6

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



# PORTFOLIO STATEMENT

As at 30 September 2020

Group	Location of property	Acquisition date	Tenure <sup>(a)</sup>	Carrying amount		Percentage of net assets attributable to Unitholders	
				2020 S\$'000	2019 S\$'000	2020 %	2019 %
	Balance brought forward			710,149	597,653	18.8	28.6
<b>Melbourne, Victoria</b> (cont'd)							
<b>West</b> (cont'd)							
<i>West Park Industrial Estate (cont'd)</i>							
	42 Sunline Drive, Truganina	14 June 2016	Freehold	17,798	15,508	0.5	0.7
	43 Efficient Drive, Truganina	1 August 2017	Freehold	26,892	23,352	0.7	1.1
<i>Altona Industrial Park</i>							
	18-34 Aylesbury Drive, Altona	14 June 2016	Freehold	26,403	24,344	0.7	1.2
<b>North</b>							
<i>Melbourne Airport Business Park</i>							
	38-52 Sky Road East, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	42,691 <sup>(p)</sup>	25,246	1.1	1.2
	96-106 Link Road, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	37,032 <sup>(p)</sup>	23,713	1.0	1.1
	17-23 Jets Court, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	14,033 <sup>(p)</sup>	6,943	0.4	0.4
	25-29 Jets Court, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	16,661 <sup>(p)</sup>	10,008	0.4	0.5
	28-32 Sky Road East, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	12,961 <sup>(p)</sup>	6,988	0.3	0.4
	115-121 South Centre Road, Melbourne Airport	14 June 2016	31-year leasehold expiring on 30 June 2047	8,091 <sup>(p)</sup>	4,779	0.2	0.2
<b>City Fringe</b>							
<i>Port Melbourne</i>							
	2-46 Douglas Street, Port Melbourne	14 June 2016	37-year leasehold expiring on 30 March 2053	39,760 <sup>(p)</sup>	20,377	1.1	1.0
	Balance carried forward			952,471	758,911	25.2	36.4

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# PORTFOLIO STATEMENT

As at 30 September 2020

Group	Location of property	Acquisition date	Tenure <sup>(a)</sup>	Carrying amount		Percentage of net assets attributable to Unitholders	
				2020	2019	2020	2019
				\$'000	\$'000	%	%
	Balance brought forward			952,471	758,911	25.2	36.4
<b>Sydney, New South Wales</b>							
<b>Outer Central West</b>							
	<i>Eastern Creek</i>						
	4-8 Kangaroo Avenue, Eastern Creek	14 June 2016	Freehold	89,967	77,000	2.4	3.7
	21 Kangaroo Avenue, Eastern Creek	14 June 2016	Freehold	71,876	65,369	1.9	3.1
	17 Kangaroo Avenue, Eastern Creek	14 June 2016	Freehold	47,184	42,648	1.2	2.0
	7 Eucalyptus Place, Eastern Creek	14 June 2016	Freehold	32,271	29,574	0.9	1.4
	2 Hanson Place, Eastern Creek	20 August 2019	Freehold	70,947	61,762	1.9	3.0
<i>Pemulwuy</i>							
	8-8A Reconciliation Rise, Pemulwuy	14 June 2016	Freehold	47,526	42,738	1.3	2.0
	6 Reconciliation Rise, Pemulwuy	14 June 2016	Freehold	45,619	38,139	1.2	1.8
<i>Wetherill Park</i>							
	1 Burilda Close, Wetherill Park	30 November 2016	90-year leasehold expiring on 29 September 2106	97,120 <sup>(g)</sup>	63,566	2.6	3.0
	Lot 1, 2 Burilda Close, Wetherill Park	1 August 2017	89-year leasehold expiring on 14 July 2106	38,394 <sup>(g)</sup>	23,713	1.0	1.1
	3 Burilda Close, Wetherill Park	5 September 2018	89-year leasehold expiring on 15 May 2107	53,677 <sup>(g)</sup>	32,820	1.4	1.6
<b>Outer North West</b>							
<i>Seven Hills</i>							
	8 Distribution Place, Seven Hills	14 June 2016	Freehold	25,719	23,713	0.7	1.2
	99 Station Road, Seven Hills	14 June 2016	Freehold	21,025	18,303	0.6	0.9
	10 Stanton Road, Seven Hills	14 June 2016	Freehold	14,962	12,172	0.4	0.6
	8 Stanton Road, Seven Hills	1 August 2017	Freehold	18,678	17,221	0.5	0.8
<i>Winston Hills</i>							
	11 Gibbon Road, Winston Hills	14 June 2016	Freehold	47,184	43,279	1.2	2.1
<b>Port Kembla (Wollongong)</b>							
	<i>Port Kembla (Wollongong)</i>						
	Lot 104 & 105 Springhill Road, Port Kembla	14 June 2016	33-year leasehold, expiring on 13 August 2049 <sup>(e)</sup> for Lot 104 and 20 August 2049 <sup>(c)</sup> for Lot 105	28,701 <sup>(g)</sup>	23,803	0.8	1.2
	Balance carried forward			1,703,321	1,374,731	45.2	65.9

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# PORTFOLIO STATEMENT

As at 30 September 2020

Group	Location of property	Acquisition date	Tenure <sup>(a)</sup>	Carrying amount 2020 S\$'000	Carrying amount 2019 S\$'000	Percentage of net assets attributable to Unitholders 2020 %	Percentage of net assets attributable to Unitholders 2019 %
	Balance brought forward			1,703,321	1,374,731	45.2	65.9
<b>Brisbane, Queensland</b>							
	99 Sandstone Place, Parkinson	20 June 2016	Freehold	- <sup>(b)</sup>	121,721 <sup>(d)</sup>	-	5.8
	350 Earnshaw Road, Northgate	20 June 2016	99-year leasehold expiring on 19 June 2115	59,652	53,016	1.6	2.5
	286 Queensport Road, North Murarrie	20 June 2016	99-year leasehold expiring on 19 June 2115	40,192	36,066	1.1	1.7
	57-71 Platinum Street, Crestmead	20 June 2016	99-year leasehold expiring on 19 June 2115	46,450	39,852	1.2	1.9
	51 Stradbroke Street, Heathwood	20 June 2016	99-year leasehold expiring on 19 June 2115	28,555	24,705	0.8	1.2
	30 Flint Street, Inala	20 June 2016	99-year leasehold expiring on 19 June 2115	25,914	23,893	0.7	1.1
	99 Shettleston Street, Rocklea	20 June 2016	99-year leasehold expiring on 19 June 2115	23,470	20,828	0.6	1.0
	55-59 Boundary Road, Carole Park	20 June 2016	99-year leasehold expiring on 19 June 2115	19,851	17,852	0.5	0.9
	10 Siltstone Place, Berrinba	20 June 2016	99-year leasehold expiring on 19 June 2115	16,038	14,426	0.4	0.7
	143 Pearson Road, Yatala	31 August 2016	99-year leasehold expiring on 30 August 2115	40,876	37,328	1.1	1.8
	166 Pearson Road, Yatala	1 August 2017	Freehold	41,072	36,516	1.1	1.8
	103-131 Wayne Goss Drive, Berrinba	5 September 2018	Freehold	32,271	29,574	0.9	1.4
	29-51 Wayne Goss Drive, Berrinba	20 August 2019	Freehold	26,501	23,082	0.7	1.1
<b>Adelaide, South Australia &amp; Perth, Western Australia</b>							
	20-22 Butler Boulevard, Adelaide Airport	14 June 2016	81-year leasehold expiring on 27 May 2097 <sup>(e)</sup>	18,211 <sup>(g)</sup>	9,467	0.5	0.5
	18-20 Butler Boulevard, Adelaide Airport	14 June 2016	81-year leasehold expiring on 27 May 2097 <sup>(e)</sup>	13,044 <sup>(g)</sup>	6,311	0.3	0.3
	5 Butler Boulevard, Adelaide Airport	14 June 2016	81-year leasehold expiring on 27 May 2097 <sup>(e)</sup>	13,162 <sup>(g)</sup>	7,574	0.3	0.4
	60 Paltridge Road, Perth Airport	14 June 2016	17-year leasehold expiring on 3 June 2033	11,637	11,045	0.3	0.5
	Balance carried forward			2,160,217	1,887,987	57.3	90.5

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# PORTFOLIO STATEMENT

As at 30 September 2020

Group	Location of property	Acquisition date	Tenure <sup>(a)</sup>	Carrying amount		Percentage of net assets attributable to Unitholders	
				2020	2019	2020	2019
				S\$'000	S\$'000	%	%
	Balance brought forward			2,160,217	1,887,987	57.3	90.5
<b>(B) Germany</b>							
<b>Stuttgart - Mannheim</b>							
	Industriepark 309, Gottmadingen	25 May 2018	Freehold	77,935	70,011	2.1	3.4
	Otto-Hahn-Straße 10, Vaihingen	25 May 2018	Freehold	88,017	74,366	2.3	3.6
	Eiselaer Weg 2, Ulm	25 May 2018	Freehold	71,389	62,703	1.9	3.0
	Murrer Straße 1, Freiberg	25 May 2018	Freehold	58,251	50,630	1.5	2.4
	Ambros-Nehren-Straße 1, Achern	25 May 2018	Freehold	23,524	20,463	0.6	1.0
	Bietigheimer Straße 50-52, Tamm	23 August 2019	Freehold	117,302	101,435	3.1	4.9
	Am Bühlfeld 2-8, Herbrechtingen	3 September 2019	Freehold	55,370	47,940	1.5	2.3
<b>Munich - Nuremberg</b>							
	Oberes Feld 2, 4, 6, 8, Moosthenning	25 May 2018	Freehold	110,741	101,171	2.9	4.8
	Koperstraße 10, Nuremberg	25 May 2018	63-year leasehold expiring on 31 December 2080	104,872 <sup>(b)</sup>	66,181	2.8	3.2
	Industriepark 1, Mamming	25 May 2018	Freehold	24,805	23,093	0.7	1.1
	Jubatus-Allee 3, Ebermannsdorf	25 May 2018	Freehold	12,482	11,254	0.3	0.5
	Dieselstraße 30, Garching	27 August 2019	Freehold	51,690	43,848	1.4	2.1
	Hermesstraße 5, Graben, Augsburg	3 September 2019	Freehold	57,451	49,402	1.5	2.4
<b>Hamburg - Bremen</b>							
	Am Krainhop 10, Isenbüttel	25 May 2018	Freehold	29,926	26,163	0.8	1.2
	Am Autobahnkreuz 14, Rastede	25 May 2018	Freehold	28,805	27,039	0.8	1.3
	Balance carried forward			3,072,777	2,663,686	81.5	127.7

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# PORTFOLIO STATEMENT

As at 30 September 2020

Group	Location of property	Acquisition date	Tenure <sup>(a)</sup>	Carrying amount 2020 S\$'000	Carrying amount 2019 S\$'000	Percentage of net assets attributable to Unitholders 2020 %	Percentage of net assets attributable to Unitholders 2019 %
	Balance brought forward			3,072,777	2,663,686	81.5	127.7
	<b>Dusseldorf - Cologne</b>						
	Saalhoffer Straße 211, Rheinberg	25 May 2018	Freehold	46,569	42,240	1.2	2.0
	Elbestraße 1-3, Marl	25 May 2018	Freehold	23,044	21,047	0.6	1.0
	Keffelker Straße 66, Brilon	25 May 2018	Freehold	15,843	14,763	0.4	0.7
	Gustav-Stresemann-Weg 1, Münster	25 May 2018	Freehold	24,965	22,509	0.7	1.1
	Walter-Gropius-Straße 19, Bergheim	23 August 2019	Freehold	32,086	28,246	0.9	1.4
	An den Dieken 94, Ratingen	23 August 2019	Freehold	75,854	67,526	2.0	3.2
	<b>Leipzig - Chemnitz</b>						
	Johann-Esche-Straße 2, Chemnitz	25 May 2018	Freehold	26,885	24,554	0.7	1.2
	Am Exer 9, Leipzig	25 May 2018	Freehold	22,244	20,316	0.6	1.0
	<b>Frankfurt</b>						
	Im Birkengrund 5-7, Obertshausen	23 August 2019	Freehold	50,249	43,263	1.3	2.1
	<b>Bielefeld</b>						
	Fuggerstraße 17, Bielefeld	28 November 2019	Freehold	42,408	-	1.1	-
	<b>Berlin</b>						
	Gewerbegebiet Etzin 1, Ketzin	20 December 2019	Freehold	69,293	-	1.8	-
	<b>(C) Netherlands</b>						
	<b>Tilburg - Venlo</b>						
	Belle van Zuylenstraat 5, Tilburg;	25 May 2018	Freehold	26,085	22,464	0.7	1.1
	Miraga Klompeweg 7, Tilburg						
	Heierhoevenweg 17, Venlo	25 May 2018	Freehold	43,368	39,609	1.2	1.9
	<b>Utrecht - Zeewolde</b>						
	Brede Steeg 1, s-Heerenberg	25 May 2018	Freehold	104,820	97,050	2.8	4.6
	Handelsweg 26, Zeewolde	25 May 2018	Freehold	70,253	59,282	1.9	2.8
	Balance carried forward			3,746,743	3,166,555	99.4	151.8

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# PORTFOLIO STATEMENT

As at 30 September 2020

Group	Location of property	Acquisition date	Tenure <sup>(a)</sup>	Carrying amount 2020 S\$'000	Carrying amount 2019 S\$'000	Percentage of net assets attributable to Unitholders	
						2020 %	2019 %
	Balance brought forward			3,746,743	3,166,555	99.4	151.8
<b>Meppel</b>							
	Mandeveid 12, Meppel	31 October 2018	Freehold	44,488	38,002	1.2	1.8
	<b>Commercial portfolio</b>						
<b>(A) Singapore</b>							
	18, 20 & 22 Cross Street and 4 retail units at 181 South Bridge Road, Singapore 048423/2/1 and 058743	15 April 2020	76-year leasehold expiring 2 February 2096	643,000	-	17.1	-
	Alexandra Technopark 438A, 438B & 438C Alexandra Road, Singapore 119967/8/76	15 April 2020	88-year leasehold expiring 25 August 2108	624,000	-	16.5	-
<b>(B) Australia</b>							
	Central Park 152-158 St Georges Terrace, Perth, Western Australia, 6000 ("Central Park" <sup>(b)</sup> )	15 April 2020	Freehold	307,061	-	8.1	-
	Caroline Chisholm Centre Block 4 Section 13, Tuggeranong, ACT 2900 Australia ("Caroline Chisholm Centre")	15 April 2020	81-year leasehold expiring 25 June 2101	239,585	-	6.4	-
	357 Collins Street, Melbourne, Victoria 3000 Australia ("357 Collins Street")	15 April 2020	Freehold	312,928	-	8.3	-
<b>(C) The United Kingdom</b>							
	Farnborough Business Park, Farnborough, Thames Valley, United Kingdom	30 April 2020	Freehold	314,028	-	8.3	-
	Maxis Business Park, Western Road, Bracknell, United Kingdom	12 August 2020	Freehold	120,407	-	3.2	-
<b>Total investment properties</b>				6,352,240	3,204,557	168.5	153.6
	Balance carried forward			6,352,240	3,204,557	168.5	153.6

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# PORTFOLIO STATEMENT

As at 30 September 2020

## Group

Location of property	Acquisition date	Tenure <sup>(a)</sup>	Carrying amount 2020 S\$'000	Carrying amount 2019 S\$'000	Percentage of net assets attributable to Unitholders 2020 %	Percentage of net assets attributable to Unitholders 2019 %
Balance brought forward			6,352,240	3,204,557	168.5	153.6
<b>Investment property held for sale Logistics and Industrial portfolio</b>						
<b>Australia</b>						
<b>Melbourne, Victoria</b>						
<b>South East</b>						
<i>Clayton South &amp; Mulgrave</i>						
610-638 Heatherton Road, Clayton South	14 June 2016	Freehold	-	16,230	-	0.8
<b>Brisbane, Queensland</b>						
99 Sandstone Place, Parkinson	20 June 2016	Freehold	148,641 <sup>(d)</sup>	-	3.9	-
<b>Total investment properties and investment property held for sale</b>			6,500,881	3,220,787	172.4	154.4
Other assets and liabilities (net)			(2,694,204)	(1,108,481)	(71.4)	(53.1)
Net assets of the Group			3,806,677	2,112,306	101.0	101.3
Net assets attributable to non-controlling interests			(36,217)	(26,082)	(1.0)	(1.3)
Unitholders' funds			3,770,460	2,086,224	100.0	100.0

<sup>(a)</sup> From the date of acquisition.<sup>(b)</sup> Transferred to investment property held for sale.<sup>(c)</sup> Includes an option for the Trust to renew the land lease for 5 further terms of 5 years upon expiry.<sup>(d)</sup> The carrying amount represented the Group's 50% interest in the property.<sup>(e)</sup> Includes an option for the Group to renew the land lease for a further term of 49 years upon expiry.<sup>(f)</sup> The Group has an effective interest of 50% in the property.<sup>(g)</sup> Includes right-of-use asset as at 30 September 2020.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 20 November 2020.

## 1. GENERAL

Frasers Logistics & Commercial Trust (formerly known as Frasers Logistics & Industrial Trust) (the "Trust") is a Singapore-domiciled unit trust constituted in Singapore pursuant to the Trust Deed dated 30 November 2015 (as amended) (the "Trust Deed") between Frasers Logistics & Commercial Asset Management Pte. Ltd. (formerly known as Frasers Logistics & Industrial Asset Management Pte. Ltd.) (the "Manager") and Perpetual (Asia) Limited (the "Trustee"). The Trustee is under a duty to take into custody and hold the assets of the Trust and its subsidiaries (the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units").

The Trust was formally admitted to the Official List of the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 20 June 2016 (the "Listing Date").

The registered office of the Manager is at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958.

For financial reporting purposes, the Group is regarded as a subsidiary of Frasers Property Limited, a Singapore-domiciled company. The ultimate holding company is TCC Assets Limited, which is incorporated in the British Virgin Islands.

On 15 April 2020, the Trust completed its merger with Frasers Commercial Trust ("FCOT") by way of a trust scheme of arrangement ("the Merger"). Following the completion of the transaction, FCOT was delisted from the Official List of the SGX-ST on 29 April 2020 and became a wholly-owned unlisted sub-trust of the Trust. With effect from 29 April 2020, the Trust was renamed Frasers Logistics & Commercial Trust. Accordingly, the Manager has been renamed Frasers Logistics & Commercial Asset Management Pte. Ltd. and has replaced Frasers Commercial Asset Management Ltd. ("FCOT Manager") as manager of FCOT. The Trustee of FCOT is British and Malayan Trustees Limited (the "FCOT Trustee"). The Trustee, the FCOT Trustee and the HAUT Trustee (as defined in Note 1(d)) are hereinafter collectively referred to as "the Trustees".

The principal activity of the Group following the Merger is to invest directly or indirectly in a diversified portfolio of income producing real estate assets (i) used for logistics or industrial purposes which may also include office components ancillary to the foregoing purposes, or (ii) used for commercial purposes (comprising primarily office space in a Central Business District ("CBD office space") or business park purposes (comprising primarily non-CBD office space and/or research and development space) located in the Asia Pacific region or in Europe (including the United Kingdom).

The consolidated financial statements relate to the Trust and its subsidiaries. A list of significant subsidiaries is shown in Note 34.

The Group has entered into several service agreements in relation to the management of the Group and operations of its properties. The fee structures of these services are as follows:

### (a)(i) *Manager's management fees*

Pursuant to the Trust Deed, the Manager is entitled to management fees comprising a base fee of 0.4% per annum (or such lower percentage as may be determined by the Manager in its absolute discretion) of the value of the Group's Deposited Property (as defined in the Trust Deed) and a performance fee of 5.0% per annum (or such lower percentage as may be determined by the Manager in its absolute discretion) of the Distributable Income (as defined in the Trust Deed) of the Group in the relevant financial year (calculated before accounting for the Manager's performance fee but after accounting for the Manager's base fee and the HAUT Manager's base fee and performance fee (as defined in Note 1(b)(i)).



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 1. GENERAL (CONT'D)

### (a)(i) *Manager's management fees (cont'd)*

For the purpose of calculating the base fee, if the Trust holds only a partial interest in any Deposited Property, such Deposited Property shall be pro-rated in proportion to the partial interest held.

The Manager may elect to receive the base fee and performance fee in cash or Units, or a combination of cash and Units. Management fees payable in cash and in the form of Units shall be payable quarterly in arrears (in relation to the base fee) or annually in arrears (in relation to the performance fee).

As provided for in the Trust Deed, the price of a Unit issued shall be computed based on the volume weighted average price of a Unit for all trades done on SGX-ST in the ordinary course of trading for the last 10 business days immediately preceding the relevant period in which the fees accrue.

Any increase in the rate or any change in the structure of the Manager's management fees must be approved by an extraordinary resolution at a meeting of the holders of Units of the Trust duly convened and held in accordance with the provisions of the Trust Deed.

The Manager's change in its election to receive cash or Units or a combination of cash and Units is not considered as a change in the structure of the Manager's management fees.

### (a)(ii) *Manager's acquisition fees*

The Manager is entitled to:

- an acquisition fee of 0.5% for acquisitions from related parties and 1.0% for all other cases (or such lower percentage as may be determined by the Manager in its absolute discretion) of any of the following as is applicable (subject to there being no double-counting):
  - (i) the acquisition price of any real estate (excluding stamp duty) purchased by the Trust, whether directly or indirectly through one or more special purpose vehicles ("SPVs"), plus any other payments in addition to the acquisition price made by the Trust or its SPVs to the vendor in connection with the purchase of the real estate (pro-rated, if applicable, to the proportion of the Trust's interest);
  - (ii) the underlying value of any real estate which is taken into account when computing the acquisition price payable for the equity interests of any vehicle holding directly or indirectly the real estate purchased by the Trust, whether directly or indirectly through one or more SPVs, plus any other payments made by the Trust or its SPVs to the vendor in connection with the purchase of such equity interests (pro-rated, if applicable, to the proportion of the Trust's interest); or
  - (iii) the acquisition price of any investment purchased by the Trust, whether directly or indirectly through one or more SPVs, in any debt securities of any property corporation or other SPV owning or acquiring real estate or any debt securities which are secured whether directly or indirectly by the rental income from real estate.



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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 1. GENERAL (CONT'D)

#### (a)(ii) *Manager's acquisition fees (cont'd)*

- a divestment fee of 0.5% (or such lower percentage as may be determined by the Manager in its absolute discretion) of any of the following as is applicable (subject to there being no double-counting):
  - (i) the sale price of any real estate sold or divested by the Trust, whether directly or indirectly through one or more SPVs, plus any other payments in addition to the sale price received by the Trust or its SPVs from the purchaser in connection with the sale or divestment of the real estate (pro-rated, if applicable, to the proportion of the Trust's interest);
  - (ii) the underlying value of any real estate which is taken into account when computing the sale price for the equity interests in any vehicle holding directly or indirectly the real estate, sold or divested by the Trust, whether directly or indirectly through one or more SPVs, plus any other payments received by the Trust or its SPVs from the purchaser in connection with the sale or divestment of such equity interests (pro-rated, if applicable, to the proportion of the Trust's interest); or
  - (iii) the sale price of the investment sold or divested by the Trust, whether directly or indirectly through one or more SPVs, in any debt securities of any property corporation or other SPV owning or acquiring real estate or any debt securities which are secured whether directly or indirectly by the rental income from real estate.

The Manager may elect to receive the acquisition fee and divestment fee in the form of cash and/or Units, provided that in respect of any acquisition and sale or divestment of real estate assets from/to related parties, such a fee should be received in the form of Units.

In 2020, the Manager had elected to receive 95.4% (2019: 92.2%) of the base and performance fees in the form of Units.

#### (a)(iii) *Development management fee payable to the Manager*

The Manager is entitled to receive development management fee equivalent to 3.0% of the Total Project Costs (as defined in the Trust Deed) incurred in a development project undertaken by the Manager on behalf of the Trust.

When the estimated Total Project Costs is greater than S\$200.0 million, the Trustee and the Manager's independent directors will first review and approve the quantum of the development management fee, whereupon the Manager may be directed by its independent directors to reduce the development management fee. Further, in cases where the market pricing for comparable services is, in the Manager's view, materially lower than the development management fee, the independent directors of the Manager shall have the discretion to accept a development management fee which is less than 3.0% of the Total Project Costs incurred in a Development Project undertaken on behalf of the Trust.

No acquisition fee shall be paid when the Manager receives the development management fee for a Development Project. For the avoidance of doubt, the Manager shall be entitled to receive an acquisition fee on the land costs.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 1. GENERAL (CONT'D)

### **(b)(i) Head Australian Trust Manager's management fees**

The Trust has a subsidiary which is the head Australian trust in Australia, FLT Australia Trust ("HAUT"). HAUT has a manager ("HAUT Manager") to perform investment management services for it. Pursuant to the investment management agreement for HAUT, the HAUT Manager is entitled to a management fee comprising a base fee of 0.2% per annum (or such lower percentage as may be determined by the HAUT Manager in its absolute discretion) of the total value of HAUT's assets and a performance fee of 1.5% (or such lower percentage as may be determined by the HAUT Manager in its absolute discretion) of HAUT's net property income (after non-cash adjustments) in the relevant financial year.

### **(b)(ii) Acquisition fee and divestment fee payable to the HAUT Manager**

In consideration for HAUT Manager providing services under the investment management agreement in connection with HAUT, the HAUT Manager will be entitled to:

- an acquisition fee of 0.4% for acquisitions from related parties and 0.8% for all other cases of:
  - (i) the acquisition price of any real estate purchased by HAUT whether directly or indirectly through one or more SPVs, plus any other payments in addition to the acquisition price made by HAUT or a SPV to the vendor in connection with the purchase of the real estate (pro-rated, if applicable, to the proportion of HAUT's interest);
  - (ii) the underlying value of any real estate which is taken into account when computing the acquisition price payable for the equity interests of any vehicle holding directly or indirectly the real estate purchased by HAUT whether directly or indirectly through one or more SPVs, plus any other payments made by HAUT or a SPV to the vendor in connection with the purchase of such equity interests (pro-rated, if applicable, to the proportion of HAUT's interest); or
  - (iii) the acquisition price of any investment purchased by HAUT, whether directly or indirectly through one or more SPVs, in any debt securities of any property corporation or other SPV owning or acquiring real estate or any debt securities which are secured whether directly or indirectly by the rental income from real estate.
- a divestment fee of 0.4% of:
  - (i) the sale price of any real estate sold or divested by HAUT whether directly or indirectly through one or more SPVs, plus any other payments in addition to the sale price received by HAUT or a SPV from the purchaser in connection with the sale or divestment of the property (pro-rated, if applicable, to the proportion of HAUT's interest);
  - (ii) the underlying value of any real estate which is taken into account when computing the sale price for the equity interests in any vehicle holding directly or indirectly the real estate, sold or divested by HAUT, whether directly or indirectly through one or more SPVs, plus any other payments received by HAUT or its SPVs from the purchaser in connection with the sale or divestment of such equity interests (pro-rated, if applicable, to the proportion of the HAUT's interest); or
  - (iii) the sale price of any investment sold or divested by HAUT, whether directly or indirectly through one or more SPVs, in any debt securities of any property corporation or other SPV owning or acquiring real estate or any debt securities which are secured whether directly or indirectly by the rental income from real estate.



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# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 1. GENERAL (CONT'D)

### *(b)(ii) Acquisition fee and divestment fee payable to the HAUT Manager (cont'd)*

The HAUT Manager will also be entitled to be reimbursed for certain expenses properly incurred in relation to performance of its role under the investment management agreement. The HAUT Manager's fees may be paid in the form of cash, or the Trust's Units, or by a combination of these sources as elected by the Manager.

The base fee, performance fee, acquisition fee and divestment fee payable to the Manager shall be reduced by the amount of the relevant fee payable to the HAUT Manager.

The Manager and HAUT Manager are hereinafter collectively referred to as "the Managers".

### *(c) Trustee's fee*

Pursuant to the Trust Deed, the Trustee's fee is charged on a scaled basis of up to 0.015% per annum of the value of the Trust's Deposited Property (as defined in the Trust Deed), subject to a minimum of S\$15,000 per month, excluding out-of-pocket expenses and goods and services tax ("GST"). The Trustee's fee is payable monthly, in arrears.

### *(d) HAUT Trustee's fee*

Pursuant to the trust deed of HAUT, the trustee of the HAUT (the "HAUT Trustee") is entitled to a fee of 0.025% per annum of the total value of HAUT's assets excluding out-of-pocket expenses and GST. The HAUT Trustee's fee is payable quarterly, in arrears.

The HAUT Trustee will also be entitled to be reimbursed for certain expenses reasonably and properly incurred in the proper performance of its duties in relation to HAUT.

### *(e) FCOT Trustee's fees*

Pursuant to the trust deed of FCOT, the FCOT Trustee's fee is charged on a scaled basis of up to 0.015% per annum of the gross asset value of FCOT and its subsidiaries, subject to a minimum of S\$36,000 per annum, excluding out-of-pocket expenses and GST. The FCOT Trustee's fee is paid quarterly, in arrears.

### *(f) Property managers' fees*

Fees payable to the property managers, which are companies controlled by a substantial Unitholder (except for the property managers of Central Park and Caroline Chisholm Centre in Australia, and certain property managers for the commercial properties in the United Kingdom), in relation to services provided, comprise:

- (i) Property management fees

#### **Logistics and industrial properties located in Australia**

Pursuant to the Australian property management agreement, property management fees are payable as follows:

- (I) a property management fee of 1.2% per annum of the Net Property Income (as defined in the Australian property management agreement) of each property; and
- (II) where any property is not fully leased, A\$1,000 per month per property in the event there is vacant lettable area in such property.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 1. GENERAL (CONT'D)

### (f) *Property managers' fees (cont'd)*

- (i) Property management fees (cont'd)

#### **Logistics and industrial properties located in Germany and the Netherlands**

In the event that the aggregate property management fees recovered by the property manager from the tenants under the relevant tenancy documents is more than the agreed property management fee, thereby amounting to an excess, no further amounts will be paid to the property manager. For the avoidance of doubt, the property manager will be entitled to retain for its own benefit such amounts recovered from the tenants which is excess of the agreed property management fee.

Pursuant to the master property management agreement, property management fees are payable as follows:

- (I) a property management fee of up to 2.0% per annum of the Gross Revenue (as defined in the master property management agreement) of each property; and
- (II) a lease management fee of up to 1.0% per annum of the Gross Revenue (as defined in the master property management agreement) of each property.

#### **Commercial properties located in Singapore**

Pursuant to the Singapore property management agreement for the Singapore commercial properties, a property management fee is payable at 3.0% per annum of the gross revenue of the properties and employee costs reimbursement.

The property manager may elect to be paid property management fees in cash, in Units or a combination of both. The price of Units issued is determined based on the volume weighted average price of Units for the ten business days preceding the end of the relevant periods in which the fees are accrued for. During the financial year, the relevant property managers had elected for 100% (2019: 100%) of the fees payable under the respective property management agreements to be settled in cash.

#### **Commercial properties located in Australia**

In Australia, the property manager of 357 Collins Street is entitled to fixed property management fees with annual increases and employee costs reimbursement.

- (ii) Project management fee

Under the property management agreement, the property manager will be entitled to project management fee of up to 3% of the construction costs depending on the quantum of the construction costs, to be mutually agreed by the Manager and the property manager, except for the commercial properties in Singapore where the fee is to be mutually agreed between the Manager, the FCOT Trustee and the property manager.

- (iii) Marketing services commission

Under the property management agreement, the property manager will be entitled to commissions for the marketing services of up to 3 months' Gross Revenue (as defined in the property management agreement) depending on the length of the new lease or renewed leases.



Contents

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The financial statements of the Group have been prepared in accordance with the recommendations of Statement of Recommended Accounting Practice (“RAP”) 7 *Reporting Framework for Unit Trusts* issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code on Collective Investment Schemes (the “CIS Code”) issued by the Monetary Authority of Singapore (the “MAS”) and the provisions of the Trust Deed. RAP 7 requires the accounting policies to generally comply with the principles relating to recognition and measurement under the Financial Reporting Standards in Singapore (“FRSs”).

This is the first set of the Group’s annual financial statements in which FRS 116 *Leases* and the Amendments to FRS 109, FRS 39 and FRS 107 *Interest Rate Benchmark Reform* have been applied. The related changes to significant accounting policies are described in Note 2.2.

The financial statements are presented in Singapore dollars (“SGD”), which is the functional currency of the Trust and rounded to the nearest thousand (S\$’000), unless otherwise stated, and have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The Trust changed its functional currency from Australian dollar to Singapore dollar with effect from 15 April 2020 (being the effective date of the Group’s merger with FCOT). In prior years, the Trust’s investment strategy was focussed on Australia and its income was mainly denominated in Australian dollars. The Trust’s investments in Europe in recent years, together with the Merger and the adoption of a new investment mandate, would result in a dilution of the Trust’s Australian dollar denominated income. Consequently, the functional currency of the Trust was changed to the Singapore dollar to reflect the current and prospective economic substance of the underlying transactions, events and conditions of the Trust. The effect of change in functional currency to Singapore dollar was applied prospectively in the financial statements.

Following the change in functional currency, the presentation currency was changed from Australian dollar to Singapore dollar. The comparative information in these financial statements has been translated from Australian dollar to Singapore dollar based on the exchange rate of A\$1: S\$0.90164, being the rate on 15 April 2020, the effective date of the Merger.

The accounting policies set out below have been applied by the Group consistently to the periods presented in these financial statements and have been applied consistently by the Group entities.

#### ***Significant accounting judgements and estimates***

The preparation of financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is described in Note 2.10(d) – Property acquisitions and business combinations.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year relates to valuation of investment properties as discussed below.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.1 Basis of preparation (cont'd)

#### Valuation of investment properties

The Group's investment properties are stated at their fair values, which are determined annually based on independent professional valuations undertaken. The fair values of investment properties are determined using the capitalisation method, discounted cash flow method and/or direct comparison method. These estimated fair values may differ from the prices at which the Group's investment properties could be sold at a particular time, since actual selling prices are negotiated between willing buyers and sellers. Also, certain estimates require an assessment of factors not within the Managers' control, such as overall market conditions. As a result, actual results of operations and realisation of these investment properties could differ from the estimates set forth in these financial statements, and the difference could be significant. The carrying amount of investment properties is disclosed in the statement of financial position and the portfolio statement.

#### **Measurement of fair values**

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the financial year during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 10 – Investment properties
- Note 29 – Fair values of financial instruments



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.2 Changes in accounting policies

#### New standards and amendments

The Group has applied the following FRSs, amendments to and interpretations of FRSs for the first time for the annual period beginning on 1 October 2019:

- FRS 116 *Leases*
- FRS INT 123 *Uncertainty over Income Tax Treatments*
- *Long-term Interests in Associates and Joint Ventures* (Amendments to FRS 28)
- *Prepayment Features with Negative Compensation* (Amendments to FRS 109)
- *Previously Held Interest in a Joint Operation* (Amendments to FRS 103 and 111)
- *Income Tax Consequences of Payments on Financial Instruments Classified as Equity* (Amendments to FRS 12)
- *Borrowing Costs Eligible for Capitalisation* (Amendments to FRS 23)
- *Plan Amendment, Curtailment or Settlement* (Amendments to FRS 19)

In addition to the above, the Group early adopted FRS 109 *Financial Instruments*, FRS 39 *Financial Instruments: Recognition and Measurement* and FRS 107 *Financial Instruments: Disclosures* on 1 October 2019 in relation to the project on interest rate benchmark reform. The Group applied the interest rate benchmark reform amendments retrospectively to hedging relationships that existed at 1 October 2019 or were designated thereafter and that are directly affected by interest rate benchmark reform. These amendments also apply to the gain or loss accumulated in the cash flow hedging reserve in unitholders' funds that existed at 1 October 2019. The details of the accounting policies are disclosed in Notes 2.14(f) and 28(a)(ii) for related disclosures about the risks and hedge accounting.

Other than FRS 116, the application of these amendments to standards and interpretations did not have a material effect on the financial statements.

#### FRS 116 *Leases*

FRS 116 introduced a single, on-balance sheet accounting model for lessees. As a result, the Group, as a lessee, has recognised right-of-use ("ROU") assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. Lessor accounting remains similar to previous accounting policies.

The Group applied FRS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in unitholders' funds at 1 October 2019. Accordingly, the comparative information presented for 2019 is not restated – i.e. it is presented, as previously reported, under FRS 17 *Leases* and related interpretations.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.2 Changes in accounting policies (cont'd)

#### Definition of a lease

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under INT FRS 104 *Determining whether an Arrangement contains a Lease*. The Group now assesses whether a contract is or contains a lease based on the new definition of a lease, as explained in FRS 116.

On transition to FRS 116, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied FRS 116 only to contracts that were previously identified as leases. Contracts that were not identified as leases under FRS 17 and INT FRS 104 were not reassessed. Therefore, the definition of a lease under FRS 116 had been applied only to contracts entered into or after 1 October 2019.

#### As a lessee

Previously, the Group classified property leases as operating leases under FRS 17. These mainly include leases of land. These leases typically run for periods ranging from 15 years up to 90 years. Some leases include an option to renew the lease for an additional period after the end of the non-cancellable period. Some leases provide for additional rent payments based on changes in local price indices.

At transition, for leases classified as operating leases under FRS 17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 October 2019. ROU assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The Group used the following practical expedients when applying FRS 116 to leases previously classified as operating leases under FRS 17:

- Applied the exemption not to recognise ROU assets and lease liabilities for leases with less than 12 months of lease term.
- Excluded initial direct costs from measuring the ROU asset at the date of initial application.
- Used hindsight when determining the lease term.

#### As a lessor

The Group leases out its investment properties, including ROU assets. The Group has classified these leases as operating leases.

The Group is not required to make any adjustments on transition to FRS 116 for leases in which it acts as a lessor, except for a sub-lease.

The Group sub-leases some of its properties. Under FRS 17, the head lease and sub-lease contracts were classified as operating leases. On transition to FRS 116, the right-of-use assets recognised from the head leases are presented in investment properties, and measured at fair value at that date. The Group assessed the classification of the sub-lease contracts with reference to the right-of-use asset rather than the underlying asset, and concluded that they are operating leases under FRS 116.



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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.2 Changes in accounting policies (cont'd)

##### Impact on financial statements

##### *Impact on transition\**

On transition to FRS 116, the Group recognised additional ROU assets, including investment properties and additional lease liabilities. The impact on transition as of 1 October 2019 is summarised below.

	1 October 2019 S\$'000
Right-of-use assets presented in investment properties	161,801
Lease liabilities	<u>161,801</u>

\* For the impact of FRS 116 on total return, see Note 24. For the impact of FRS 116 on segment information, see Note 27. For the details of accounting policies under FRS 116 and FRS 17, see Note 2.19.

When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate at 1 October 2019. The incremental borrowing rate applied ranges from 1.39% to 3.81%.

	1 October 2019 S\$'000
Operating lease commitments at 30 September 2019 as disclosed under FRS 17 in the Group's financial statements	<u>473,858</u>
Discounted using the incremental borrowing rate as at 1 October 2019/ Lease liabilities recognised at 1 October 2019	<u>161,801</u>

#### 2.3 New standards and interpretations not adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 October 2019 and earlier application is permitted. Except as disclosed in Note 2.2, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

Several new FRSs, interpretations and amendments to FRSs are effective for annual periods beginning after 1 October 2019. The Group is in the process of assessing the impact of the new FRSs, interpretations and amendments to FRSs on its financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.4 Revenue

#### *Rental income from operating leases*

Rental income from investment properties is recognised in the statement of total return on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period in which it is earned and the amount can be reliably measured.

#### *Recoverable outgoings*

Recoverable outgoings is recognised when the services are rendered.

### 2.5 Levies

A provision for levies is recognised when the condition that triggers the payment of the levy as specified in the relevant legislation is met. If a levy obligation is subject to a minimum activity threshold so that the obligating event is reaching a minimum activity, then a provision is recognised when that minimum activity threshold is reached.

### 2.6 Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- amortisation of debt upfront costs; and
- interest expense.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in statement of total return using the effective interest method.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.7 Taxes

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the statement of total return except to the extent that it relates to items recognised directly in unitholders' funds.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financing reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

The Group has obtained certain tax rulings and confirmations from the Inland Revenue Authority of Singapore ("IRAS") and the Singapore Ministry of Finance ("MOF") in respect of the Singapore taxation on certain income from the properties located in Singapore and overseas (as the case may be).

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.7 Taxes (cont'd)

##### (a) Tax transparency treatment

The IRAS has granted tax transparency treatment on the Trust's taxable income ("Taxable Income") that is distributed to the Unitholders and approved sub-trust status to FCOT. Broadly, the Trust's Taxable Income includes distributions made by FCOT out of income from the letting of real estate properties in Singapore and incidental property related service income and income from management or holding of real estate properties ("Specified Income"). As an approved sub-trust, FCOT can enjoy tax transparency treatment on the part of its Specified Income that is distributed to the Trust in the same year the income is derived.

Subject to meeting the terms and conditions, for the tax transparency treatment, the Trust will not be assessed tax on the Taxable Income. Instead, the Trust will deduct income tax at the prevailing corporate tax rate, currently at 17.0% (2019: 17.0%), from the distributions made to Unitholders that are made out of the Taxable Income of the Trust, except:

- (i) where the beneficial owners are individuals or qualifying Unitholders, who are not acting in the capacity of a trustee, the Trust will make the distributions to such Unitholders without deducting any income tax; and
- (ii) where the beneficial owners are qualifying foreign non-individual investors or foreign funds, or where the Units are held by nominee Unitholders who can demonstrate that the Units are held for beneficial owners who are qualifying foreign non-individual investors or foreign funds, the Trust will deduct/withhold tax at the reduced rate of 10.0% from the distribution made during the period from 18 February 2005 to 31 December 2025 (both dates inclusive).

A qualifying Unitholder is a Unitholder who is:

- (i) a tax resident Singapore-incorporated company;
- (ii) a body of persons (excluding companies or partnerships) incorporated or registered in Singapore, including charities registered under Charities Act (Cap. 37) or established by any written law, town councils, statutory boards, co-operative societies registered under the Co-operatives Societies Act (Cap. 62) or trade unions registered under the Trade Unions Act (Cap. 333);
- (iii) a Singapore branch of a foreign company;
- (iv) an international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act (Cap. 145);
- (v) real estate investment trust exchange-traded funds ("REIT ETFs") which have been accorded the tax transparency treatment (in respect of distributions made on or before 31 December 2025);
- (vi) an agent bank or Supplementary Retirement Scheme ("SRS") operator which acts as a nominee for individuals who have purchased Units under the CPF Investment Scheme or the SRS respectively; or
- (vii) a nominee who can demonstrate that the Units are held for beneficial owners who are individuals or who fall within the classes of Unitholders listed in (i) to (iv) above.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.7 Taxes (cont'd)

##### (a) Tax transparency treatment (cont'd)

A qualifying foreign non-individual Unitholder is one who is not a resident of Singapore for income tax purposes and:

- (i) who does not have any permanent establishment in Singapore; or
- (ii) who carries on any operation in Singapore through a permanent establishment in Singapore, where the funds used to acquire the Units are not obtained from that operation in Singapore.

A qualifying foreign fund is a fund which is not a resident of Singapore for income tax purposes and qualifies for tax exemption under Section 13CA, 13X or 13Y of the Singapore Income Tax Act, and:

- (i) does not have any permanent establishment in Singapore (other than a fund manager in Singapore); or
- (ii) carries on any operation in Singapore through a permanent establishment in Singapore (other than a fund manager in Singapore), where the funds used to acquire the Units are not obtained from that operation in Singapore.

A Qualifying Non-resident Fund is a non-resident fund that qualifies for tax exemption under Section 13CA, 13X or 13Y of the Income Tax Act (Cap.134) and who:

- does not have a permanent establishment in Singapore (other than a fund manager in Singapore); or
- carries on an operation through a permanent establishment in Singapore (other than a fund manager in Singapore), where the funds used by that qualifying fund to acquire units of the Trust are not obtained from that operation.

Under the tax transparency treatment, the Trust will have to distribute at least 90.0% of its Taxable Income by a specific time. For the remaining amount of Taxable Income of the Trust not distributed, tax will be assessed on and collected from the Trust on such remaining amount (referred to as "Retained Taxable Income").

In the event where a distribution is subsequently made out of such Retained Taxable Income, the Trust will not have to make a further deduction of income tax from the distribution.

In the event that there are subsequent adjustments to the Taxable Income when the actual Taxable Income of the Trust is finally agreed with IRAS, such adjustments are taken up as an adjustment to the Taxable Income for the next distribution following the agreement with IRAS.

The above tax transparency treatment to the Trust and FCOT does not apply to gains from the sale of real estate properties in Singapore and other income not constituting Specified Income. Such gains, if determined by the IRAS to be trading gains, are assessable to tax on the trustee of the respective trust.

##### (b) Tax exemption on foreign sourced income

Pursuant to Section 13(12) of the Singapore Income Tax Act, the Trust and FCOT have obtained various confirmations from the IRAS and/or the MOF in respect of certain foreign sourced income (including foreign-sourced dividends, foreign-sourced interest income and foreign-sourced distributions) derived from its properties located overseas. Subject to satisfying certain conditions, such income is exempt from Singapore income tax and the Trust can distribute such income, after deduction of certain expenses, to Unitholders without tax deduction at source.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.8 Earnings per Unit

The Group presents basic and diluted earnings per Unit. Basic earnings per Unit is calculated by dividing the total return attributable to Unitholders of the Group by the weighted average number of Units outstanding during the financial year. Diluted earnings per Unit is determined by adjusting the total return attributable to Unitholders and the weighted average number of Units outstanding adjusted for the effects of all dilutive potential Units.

### 2.9 Segment reporting

An operating segment is a component of the Group that engages in business activities from which they may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Board of Directors of the Manager to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Board of Directors of the Manager include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly trust expenses.

Segment capital expenditure is the total cost incurred during the year on investment properties.

### 2.10 Basis of consolidation and business combinations

#### (a) *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

#### (b) *Consolidation*

The financial year of the Group ends on 30 September unless otherwise stated. The consolidated financial statements incorporate the financial statements of the Group made up to 30 September. The financial statements of subsidiaries are prepared using consistent accounting policies. Adjustments are made to any dissimilar material accounting policies to conform to the Group's significant accounting policies.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

#### (c) *Business combinations*

Business combinations are accounted for by applying the acquisition method in accordance with FRS 103 *Business Combinations* as at the date of acquisition, which is the date on which control is transferred. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are recognised as expenses in the periods in which the costs are incurred and the services are received.



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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.10 Basis of consolidation and business combinations (cont'd)

##### (c) *Business combinations* (cont'd)

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is recognised as equity, it is not remeasured and settlement is accounted for within unitholders' funds. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the statement of total return.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the statement of total return.

The Group elects for each individual business combination, whether non-controlling interest ("NCI") in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets, at the date of acquisition. Other components of non-controlling interests are measured on their acquisition date at fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. Any goodwill that arises is tested annually for impairment. Goodwill acquired in a business combination is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses. When the excess is negative, a bargain purchase is recognised immediately in the statement of total return.

##### (d) *Property acquisitions and business combinations*

At the time of acquisition, the Group considers whether each acquisition represents an acquisition of business or an acquisition of an asset. An acquisition is accounted for as a business combination where an integrated set of activities is acquired, in addition to the property. In determining whether an integrated set of activities is acquired, the Manager considers whether significant processes such as strategic management and operational processes, are acquired. Where significant processes are acquired, the acquisition is considered an acquisition of business and accounted for as stated above. Where the acquisition does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of acquisition is allocated to the assets and liabilities acquired and no goodwill or deferred tax is recognised.

##### (e) *Joint operations*

A joint operation is an arrangement in which the Group has joint control whereby the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement. The Group accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

##### (f) *Subsidiaries in the separate financial statements*

Investment in subsidiaries are stated in the Trust's statement of financial position at cost less accumulated losses.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.11 Foreign currencies

#### (a) *Foreign currency transactions*

Transactions in foreign currencies are measured in the respective functional currencies of each entity at rates of exchange approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the rates ruling at the reporting date. The foreign currency gain or loss on monetary assets and liabilities is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities measured at historical cost in a foreign currency are recorded using the exchange rates ruling at the date of the initial transactions. Non-monetary assets and liabilities measured at fair value in a foreign currency are translated using the exchange rates at the date that the fair value was measured. Foreign currency differences arising on the settlement of monetary assets and liabilities or translating monetary assets and liabilities are recognised in the statement of total return. However, foreign currency differences arising from the translation of the following items are recognised in unitholders' funds:

- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent the hedges are effective.

#### (b) *Foreign operations*

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised directly in the foreign currency translation reserve in unitholders' funds. However, if the foreign operation is not a wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, joint control or significant influence is lost, the cumulative amount in the foreign currency translation reserve related to that foreign operation is reclassified to profit or loss or the statement of total return (as the case may be) as part of the gain or loss on disposal. When only part of the interest in a subsidiary that includes a foreign operation is disposed of while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised directly in the foreign currency translation reserve in unitholders' funds.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.12 Investment properties

Investment properties are properties held to earn rental income and capital appreciation, but not for sale in the ordinary course of business, use in the production or supply of goods or services, or for administrative purposes.

Investment properties are measured at cost on initial recognition. Cost includes expenditure that is directly attributable to the acquisition of the investment properties.

Subsequent to initial recognition, investment properties are measured at fair value. Any gains or losses arising from changes in fair values of the investment properties are recognised in the statement of total return in the period in which they arise.

Fair value is determined at each reporting date in accordance with the Trust Deed. In addition, the investment properties are to be valued by independent professional valuers at least once a year, in accordance with the Code on Collective Investment Schemes ("CCIS") issued by MAS.

Investment properties are de-recognised when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property is recognised in the statement of total return in the year of retirement or disposal.

Subsequent expenditure relating to the investment properties that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Property that is being constructed for future use as an investment property is accounted for at fair value.

#### 2.13 Plant and equipment

Plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost includes directly attributable costs of bringing the asset to a working condition for its intended use. Expenditure for additions, improvements and renewals are capitalised and expenditure for repair and maintenance are charged to the statement of total return.

The gain or loss on disposal of an item of plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the statement of total return.

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in the statement of total return on a straight-line basis over the estimated useful lives of the plant and equipment. Depreciation is recognised from the date that the plant and equipment are installed and are ready for use. The estimated useful lives of the plant and equipment are as follows:

Furniture and fittings	5 years
Equipment	5 years
Computers	3 years

The depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.14 Financial instruments

#### (a) *Non-derivative financial assets*

##### At initial recognition

A financial asset is recognised if the Group becomes a party to the contractual provisions of the financial asset.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of total return.

##### Classification and subsequent measurement

The Group classifies its financial assets in the following measurement categories:

- amortised cost;
- fair value through other comprehensive income – debt investment;
- fair value through other comprehensive income – equity investment; or
- fair value through profit or loss.

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

##### ***Financial assets at amortised cost***

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method.

##### Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.14 Financial instruments (cont'd)

##### (a) *Non-derivative financial assets (cont'd)*

###### Financial assets: Business model assessment (cont'd)

- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

###### Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.14 Financial instruments (cont'd)

#### (b) *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and bank deposits.

#### (c) *Non-derivative financial liabilities*

A financial liability is classified as fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in the statement of total return as incurred. Financial liabilities at fair value through profit or loss are measured at fair value and changes therein, including any interest expense, are recognised in the statement of total return.

The Group classifies non-derivative financial liabilities under the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

#### (d) *Derecognition*

Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or transfers substantially all the risks and rewards of the assets. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

#### (e) *Offsetting*

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### (f) *Derivative financial instruments and hedge accounting*

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures.

On initial designation of a derivative as a hedging instrument, the Group formally documents the economic relationship between the hedging instrument and hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect the statement of total return.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the statement of total return when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.14 Financial instruments (cont'd)

##### (f) *Derivative financial instruments and hedge accounting (cont'd)*

###### ***Applicable from 1 October 2019 for hedges directly affected by interest rate benchmark reform***

For the purpose of evaluating whether there is an economic relationship between the hedged item(s) and the hedging instrument(s), the Group assumes that the benchmark interest rate is not altered as a result of interest rate benchmark reform.

For a cash flow hedge of a forecast transaction, the Group assumes that the benchmark interest rate will not be altered as a result of interest rate benchmark reform for the purpose of assessing whether the forecast transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect profit or loss. A similar exception is also provided for a discontinued cash flow hedging relationship.

The Group will cease to apply the specific policy for assessing the economic relationship between the hedged item and the hedging instrument (i) to a hedged item or hedging instrument when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows of the respective item or instrument or (ii) when the hedging relationship is discontinued. For its highly probable assessment of the hedged item, the Group will no longer apply the specific policy when the uncertainty arising from interest rate benchmark reform about the timing and the amount of the interest rate benchmark-based future cash flows of the hedged item is no longer present, or when the hedging relationship is discontinued.

##### (i) ***Cash flow hedges***

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in unitholders' funds and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the statement of total return.

Where the hedged forecast transaction subsequently results in the recognition of a non-financial item, the amounts accumulated in the hedging reserve is included in the initial cost of the non-financial item.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in unitholders' funds until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to the statement of total return in the same period or periods as the hedged expected future cash flows affect the statement of total return.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.14 Financial instruments (cont'd)

#### (f) *Derivative financial instruments and hedge accounting* (cont'd)

##### (ii) *Net investment hedges*

The Group designates certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative, changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains and losses, is recognised in unitholders' funds and presented in the translation reserve within unitholders' funds. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognised immediately in the statement of total return. The amount recognised in unitholders' funds is reclassified to the statement of total return on disposal of the foreign operation.

#### (g) *Impairment of financial assets*

The Group recognises loss allowances for expected credit losses (ECL) on financial assets measured at amortised cost.

Loss allowances of the Group are measured on either of the following bases:

- 12 months ECL: these are ECL that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECL: these are ECL that result from all possible default events over the expected life of a financial instrument.

##### Simplified approach

The Group applied the simplified approach to provide for ECL for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECL.

##### General approach

The Group applies the general approach to provide for ECL on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECL at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.14 Financial instruments (cont'd)

##### (g) *Impairment of financial assets (cont'd)*

###### General approach (cont'd)

If credit has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECL.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

###### Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to entity in accordance with the contract and the cashflows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

###### Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

###### Presentation of ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.14 Financial instruments (cont'd)

#### (g) Impairment of financial assets (cont'd)

##### Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

### 2.15 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

The recoverable amount of an asset or cash-generating unit ("CGU") is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 2.16 Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### 2.17 Financial guarantee contracts

Financial guarantees are financial instruments issued by the Group that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are accounted for as insurance contracts. A provision is recognised based on the Group's estimate of the ultimate cost of settling all claims incurred but unpaid at the reporting date. The provision is assessed by reviewing individual claims and tested for adequacy by comparing the amount recognised and the amount that would be required to settle the guarantee contract.



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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.18 Unitholders' funds

Unitholders' funds are classified as equity.

Expenses incurred in connection with the issuance of Units are deducted directly against unitholders' funds.

#### 2.19 Leases

The Group has applied FRS 116 with effect from 1 October 2019 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under FRS 17 and INT FRS 104 *Determining whether an Arrangement contains a Lease*. The details of accounting policies under FRS 17 and INT FRS 104 are disclosed separately.

##### Policy applicable from 1 October 2019

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in FRS 116.

This policy is applied to contracts entered into, on or after 1 October 2019.

##### (i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for leases of properties, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

##### *Short-term leases and leases of low-value assets*

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.19 Leases (cont'd)

#### Policy applicable from 1 October 2019 (cont'd)

##### (ii) As a lessor

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group recognises lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

Generally, the accounting policies applicable to the Group as a lessor in the comparative period were not different from FRS 116.

#### Leases – Policy applicable before 1 October 2019

For contracts entered into before 1 October 2019, the Group determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met:
  - the purchaser had the ability or right to operate the asset while obtaining more than an insignificant amount of the output;
  - the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
  - facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.19 Leases (cont'd)

##### Leases – Policy applicable before 1 October 2019 (cont'd)

##### (i) As a lessee

In the comparative period, as a lessee, the Group classified leases that transferred substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent. Subsequent to initial recognition, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under leases were classified as operating leases and were not recognised in the Group's statement of financial position. Payments made under operating leases were recognised in the statement of total return on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

##### (ii) As a lessor

When the Group acted as a lessor, it determined at lease inception whether each lease was a finance lease or an operating lease.

To classify each lease, the Group made an overall assessment of whether the lease transferred substantially all of the risks and rewards incidental to ownership of the underlying asset. If this was the case, then the lease was a finance lease; if not, then it was operating lease. As part of this assessment, the Group considered certain indicators such as whether the lease was for the major part of the economic life of the asset.

#### 2.20 Distribution policy

The Trust's distribution policy is to distribute at least 90% of the Distributable Income to the Unitholders. The actual level of distribution and payment of distributions will be at the sole discretion of the Board of Directors of the Manager.

Distributions are made on a semi-annual basis, with the amount calculated as at 31 March and 30 September each year for the six-month period ending on each of the said dates. In accordance with the Trust Deed, the Manager is required to pay distributions within 90 days of the end of each distribution period.

### 3. REVENUE

	Group	
	2020	2019
	S\$'000	S\$'000
Rental income	286,411	186,041
Incentives reimbursement	5,422	5,032
Recoverable outgoings	37,130	23,870
Other revenue	3,066	2,133
	332,029	217,076

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 4. PROPERTY OPERATING EXPENSES

	Group	
	2020	2019
	S\$'000	S\$'000
Allowance for doubtful receivables	1,820	-
Ground lease expenses	-	9,485
Land and property tax	14,745	8,002
Property management fees	5,116	2,750
Property maintenance and related expenses	13,702	4,434
Property related professional fees	1,902	114
Statutory expenses	8,279	6,514
Other property expenses	16,650	6,036
	<u>62,214</u>	<u>37,335</u>

### 5. MANAGERS' MANAGEMENT FEES

	Group	
	2020	2019
	S\$'000	S\$'000
Base fee	19,450	11,367
Performance fee	9,101	6,063
	<u>28,551</u>	<u>17,430</u>

During the financial year, an aggregate of 22,659,457 (2019: 14,491,971) Units were issued or will be issued to the Managers as satisfaction of the management fees incurred, at unit prices ranging from S\$0.76 to S\$1.42 (2019: S\$1.03 to S\$1.21) per Unit.

### 6. FINANCE INCOME AND FINANCE COSTS

	Group	
	2020	2019
	S\$'000	S\$'000
<b>Finance income</b>		
Interest income	277	1,046
<b>Finance costs</b>		
Financial liabilities measured at amortised cost:		
- Amortisation of debt upfront costs	(3,277)	(2,306)
- Interest expense on bank loans and notes	(28,939)	(22,048)
- Interest expense on lease liabilities	(5,060)	-
- Others	(789)	(146)
	<u>(38,065)</u>	<u>(24,500)</u>
Derivatives measured at fair value		
- Interest expense	(3,104)	(639)
	<u>(41,169)</u>	<u>(25,139)</u>
<b>Net finance costs</b>	<u>(40,892)</u>	<u>(24,093)</u>



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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 7. TAX EXPENSE

#### Tax expense

The major components of tax expense for the financial year ended 30 September 2020 are:

	Note	2020 S\$'000	Group 2019 S\$'000
Current tax expense			
- Current year income tax		7,467	3,425
- Over provision in respect of prior years		(9)	-
Deferred tax expense			
- Origination and reversal of temporary differences	19	53,897	23,360
Withholding tax expense		10,364	13,366
		<u>71,719</u>	<u>40,151</u>

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial year is as follows:

	2020 S\$'000	Group 2019 S\$'000
<b>Total return for the year before tax</b>	<u>530,477</u>	<u>245,635</u>
Tax using the Singapore tax rate of 17% (2019: 17%)	90,181	41,758
Effect of tax rates in foreign jurisdictions	7,373	(1,705)
Non-deductible expenses	7,546	6,072
Tax transparency	(3,196)	-
Income not subject to tax	(42,331)	(19,855)
Deferred tax assets not recognised	839	262
Withholding tax expense	10,364	13,366
Over provision in respect of prior years	(9)	-
Others	952	253
	<u>71,719</u>	<u>40,151</u>

### 8. TOTAL RETURN FOR THE YEAR

The following items have been included in arriving at total return for the year:

	2020 S\$'000	Group 2019 S\$'000
Audit fees paid/payable to auditors of the Trust	311	170
Audit fees paid/payable to other auditors	618	576
Non-audit fees paid/payable to auditors of the Trust	71	31
Non-audit fees paid/payable to other auditors	48	-
Valuation fees	<u>349</u>	<u>525</u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 9. EARNINGS PER UNIT

#### Basic earnings per Unit

The calculation of basic earnings per Unit for the Group is based on the total return for the year attributable to Unitholders and weighted average number of Units during the year:

	Group	
	2020	2019
	S\$'000	S\$'000
Total return for the year attributable to Unitholders	454,722	203,425
	'000	'000
Issued Units at the beginning of the year	2,248,893	2,013,918
Effect of issue of new Units:		
- Private placement	-	32,548
- In partial satisfaction of the consideration for the Merger	494,073	-
- In satisfaction of the Managers' management fees paid in Units	13,615	11,327
- In satisfaction of the Managers' acquisition fees paid in Units	6,824	671
Weighted average number of Units	2,763,405	2,058,464

#### Diluted earnings per Unit

The calculation of diluted earnings per Unit for the Group was based on the total return for the year attributable to Unitholders and the weighted average number of Units during the year after adjustment for the effects of all dilutive potential Units.

	Group	
	2020	2019
	S\$'000	S\$'000
Total return for the year attributable to Unitholders	454,722	203,425
	'000	'000
Weighted average number of Units used in calculation of basic earnings per Unit	2,763,405	2,058,464
- Effect of the Managers' management fees payable in Units	16,961	11,090
- Effect of the Managers' acquisition fees payable in Units	7,585	1,872
Weighted average number of Units (diluted)	2,787,951	2,071,426

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 10. INVESTMENT PROPERTIES

	Note	S\$'000
<b>Group</b>		
At 1 October 2018		2,685,268
Acquisition of investment properties through		
acquisition of subsidiaries (including acquisition costs)	32	413,845
Acquisition of investment properties (including acquisition costs)		120,568
Capital expenditure incurred		10,394
Transfer to investment property held for sale		(16,230)
Divestments		(133,423)
Capitalised leasing incentives, net of amortisation		2,315
Straight-lining of rental adjustments		3,102
Net change in fair value recognised in statement of total return		109,990
Translation differences		8,728
At 30 September 2019		<u>3,204,557</u>
At 1 October 2019		3,204,557
Recognition of right-of-use asset on initial application of FRS 116	2.2	161,801
Adjusted balance at 1 October 2019		<u>3,366,358</u>
Acquisition of investment properties through		
acquisition of subsidiaries (including acquisition costs)	32	2,386,648
Acquisition of investment properties (including acquisition costs)		23,479
Capital expenditure incurred		13,395
Transfer to investment property held for sale		(148,641)
Capitalised leasing incentives, net of amortisation		364
Straight-lining of rental adjustments		7,161
Net change in fair value recognised in statement of total return		334,306
Translation differences		369,170
At 30 September 2020		<u>6,352,240</u>

Investment properties comprise industrial properties in Australia, Germany and the Netherlands, and commercial properties and business parks in Singapore, Australia and the United Kingdom that are leased to third parties under operating leases (Note 24).

In 2020, the Group announced its proposed divestment of its remaining 50% interest in 99 Sandstone Place, Parkinson located in Queensland, Australia. Accordingly, the investment property has been reclassified to investment property held for sale as at 30 September 2020.

In 2019, the Group announced its proposed divestment of 610 Heatherton Road, Clayton South located in Victoria, Australia. Accordingly, the investment property had been reclassified to investment property held for sale as at 30 September 2019. The proposed divestment was completed during the current year.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 10. INVESTMENT PROPERTIES (CONT'D)

Investment properties, including investment property held for sale, are stated at fair value at the reporting date. As at 30 September 2020, the fair values of the investment properties were based on independent valuations undertaken by the following property valuers:

#### Logistics and industrial portfolio

Properties in:	Property Valuer
Australia	CIVAS (VIC) Pty Ltd, Knight Frank NSW Valuations & Advisory Pte Ltd, Savills Valuation Pty Ltd and Urbis Valuations Pty Ltd (2019: CIVAS (VIC) Pty Ltd, Knight Frank NSW Valuations & Advisory Pty Ltd, Savills Valuations Pty Ltd and Urbis Valuations Pty Ltd)
Germany and the Netherlands	CBRE Ltd, Jones Lang LaSalle SE and BNP Paribas and Savills Valuation (2019: CBRE Ltd, Colliers International Valuation UK LLP and Jones Lang LaSalle SE)

#### Commercial portfolio

Properties in:	Property Valuer
Australia	Jones Lang LaSalle Advisory Services Pty Ltd and Colliers International (2019: Not applicable)
Singapore	Jones Lang LaSalle Property Consultants Pte Ltd and Savills Valuation and Professional Services (S) Pte Ltd (2019: Not applicable)
United Kingdom	Jones Lang LaSalle Ltd and Knight Frank LLP (2019: Not applicable)

The independent valuers have the appropriate professional qualifications and experience in the location and category of the properties being valued.

The valuers for certain commercial properties in Singapore and Australia, namely Alexandra Technopark in Singapore and Central Park and 357 Collins Street in Australia, have highlighted in their valuation reports that the real estate market has been impacted by the uncertainty that the COVID-19 pandemic has caused, that the valuations were current at the date of valuation only and that the values may change significantly and unexpectedly over a relatively short period of time.

Included in the acquisition costs capitalised during the year are audit fees of S\$241,000 (2019: S\$75,000) paid to auditors of the Trust for services performed in relation to the Group's acquisition of certain properties during the year.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 10. INVESTMENT PROPERTIES (CONT'D)

#### Security

As at 30 September 2020, investment properties with a carrying amount of S\$1,057,920,000 (2019: S\$1,098,257,000) are pledged as security to secure bank loans (see Note 18).

#### Measurement of fair value

##### (i) *Fair value hierarchy*

The fair values of the investment properties, including the investment property held for sale, were determined using the capitalisation method, discounted cash flow method and/or direct comparison method. The valuation methods involve making certain estimates including those relating to capitalisation rate, gross initial yield, net initial yield, discount rate, terminal yield and price per square foot ("psf").

The fair value measurement for all of the investment properties, including the investment property held for sale, has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used. Details of the inputs used in the valuation techniques are disclosed in note (ii) below.

	2020 S\$'000
Fair value of investment properties (based on valuation report)	6,177,317
Add: Carrying amount of lease liabilities	174,923
Carrying amount of investment properties	<u>6,352,240</u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 10. INVESTMENT PROPERTIES (CONT'D)

#### Measurement of fair value (cont'd)

#### (ii) Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring the fair values of investment properties, including investment property held for sale, as well as the significant unobservable inputs used.

Type	Valuation techniques	Significant unobservable inputs	Australia	Europe	Singapore	United Kingdom
Logistics and industrial	Capitalisation method	Capitalisation rate	5.00% – 16.22% (2019: 5.25% – 15.64%)	N.A.	N.A.	N.A.
		Gross initial yield <sup>(1)</sup>	N.A.	4.26% – 6.49% (2019: 4.56% – 6.51%)	N.A.	N.A.
		Net initial yield <sup>(2)</sup>	N.A.	3.85% – 5.62% (2019: 4.14% – 5.86%)	N.A.	N.A.
	Discounted cash flow method	Discount rate	6.00% – 8.50% (2019: 6.50% – 9.00%)	3.75% – 7.55% (2019: 5.50% – 7.50%)	N.A.	N.A.
		Terminal yield	5.00% – 59.07% (2019: 5.25% – 44.86%)	4.20% – 6.87% (2019: 4.50% – 6.50%)	N.A.	N.A.
Commercial	Capitalisation method	Capitalisation rate	4.88% – 7.00% (2019: N.A.)	N.A.	3.50% – 6.00% (2019: N.A.)	N.A.
		Gross initial yield <sup>(1)</sup>	N.A.	N.A.	N.A.	5.55% – 6.91% (2019: N.A.)
		Net initial yield <sup>(2)</sup>	N.A.	N.A.	N.A.	5.20% – 6.30% (2019: N.A.)
	Discounted cash flow method	Discount rate	6.25% – 6.75% (2019: N.A.)	N.A.	6.75% – 8.00% (2019: N.A.)	N.A.
		Terminal yield	5.13% – 7.50% (2019: N.A.)	N.A.	3.75% – 6.25% (2019: N.A.)	N.A.
Direct comparison method	Price psf	N.A.	N.A.	\$610 psf (2019: N.A.)	N.A.	

N.A.: Not applicable

<sup>(1)</sup> Rent divided by net property value

<sup>(2)</sup> Rent net of non-recoverable expenses divided by gross property value



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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 10. INVESTMENT PROPERTIES (CONT'D)

#### Measurement of fair value (cont'd)

#### (ii) *Valuation techniques and significant unobservable inputs* (cont'd)

##### **Inter-relationship between key unobservable inputs and fair value measurements**

The significant unobservable inputs used in the fair value measurement of investment properties, including the investment property held for sale, are capitalisation rate, gross initial yield, net initial yield, discount rate, terminal yield and price psf. An increase in capitalisation rate, gross initial yield, net initial yield, discount rate and terminal yield in isolation would result in a lower fair value. An increase in price psf would result in a higher fair value.

Key unobservable inputs relate to:

- Capitalisation rate corresponds to a rate of return on a property based on the income that the property is expected to generate.
- Gross initial yield corresponds to a rate of return on a property based on the current passing income.
- Net initial yield corresponds to a rate of return on a property based on the current passing income net of estimated non-recoverable expenses.
- Discount rate represents the required rate of return, adjusted for a risk premium that reflects the risks relevant to the asset.
- Terminal yield reflects the exit capitalisation rate applied to a projected terminal cash flow.
- Price psf represents the transacted price of comparable properties.

#### (iii) *Valuation policies and procedures*

The fair values of investment properties are determined annually by independent professional valuers. The appropriateness of the valuation methodologies and assumptions adopted are reviewed by the Manager along with the appropriateness and reliability of the inputs used in the valuations.

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, the independent professional valuers are required to recalibrate the valuation models and inputs to actual market transactions (which may include transactions entered into by the Group with third parties as appropriate) that are relevant to the valuation if such information is reasonably available.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary.

In accordance with the Group's reporting policies, the valuation process and the results of the independent valuations are reviewed once a year by the Audit, Risk and Compliance Committee before the results are presented to the Board of Directors for approval.

In relying on the valuation reports, the Manager had exercised its judgement and was satisfied that the independent valuers have the appropriate professional qualifications and experience in the location and category of the properties being valued and the valuation estimates were reflective of the current market conditions.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 11. PLANT AND EQUIPMENT

	Furniture and fittings S\$'000	Equipment S\$'000	Computers S\$'000	Total S\$'000
<b>Group</b>				
<b>Cost</b>				
At 1 October 2019	-	-	-	-
Acquisition of subsidiaries	200	61	11	272
Additions	37	13	-	50
At 30 September 2020	237	74	11	322
<b>Accumulated depreciation</b>				
At 1 October 2019	-	-	-	-
Depreciation for the financial year	(29)	(7)	(4)	(40)
At 30 September 2020	(29)	(7)	(4)	(40)
<b>Net carrying amounts</b>				
At 30 September 2020	208	67	7	282
At 30 September 2019	-	-	-	-

## 12. INVESTMENT IN SUBSIDIARIES

	2020 S\$'000	Trust 2019 S\$'000
Equity investments, at cost	2,355,631	824,945

Details of the Group's significant subsidiaries are disclosed in Note 34.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 13. LOANS TO SUBSIDIARIES

Loans to subsidiaries are unsecured. Included in loans to subsidiaries are amounts of S\$986,381,000 (2019: S\$907,339,000) which bear interest at 2.7% to 5.4% (2019: 3.9% to 5.4%) per annum and are repayable between 2024 to 2028 (2019: 2024 to 2028). The remaining loans to subsidiaries are interest-free and are repayable on demand. The loans form part of the Trust's net investments in its subsidiaries and settlement of such loans is neither planned nor likely to occur in the foreseeable future. There is no impairment loss on these loans as the expected credit loss on them is not material.

### 14. DERIVATIVE ASSETS/(LIABILITIES)

	Group		Trust	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
<b>Derivative assets</b>				
Foreign currency forward contracts	330	1,866	322	1,866
Cross currency swaps	25,735	1,909	25,735	1,909
Cross currency interest rate swaps	7,842	-	6,725	-
	<u>33,907</u>	<u>3,775</u>	<u>32,782</u>	<u>3,775</u>
Classified as:				
- Non-current	33,577	1,909	32,460	1,909
- Current	330	1,866	322	1,866
	<u>33,907</u>	<u>3,775</u>	<u>32,782</u>	<u>3,775</u>
<b>Derivative liabilities</b>				
Interest rate swaps used for hedging	(11,991)	(8,415)	(4,701)	(5,686)
Foreign currency forward contracts	(1,209)	-	(1,209)	-
Cross currency swaps	(34,771)	(1,274)	(34,771)	(1,274)
Cross currency interest rate swaps	(14,575)	-	(14,575)	-
	<u>(62,546)</u>	<u>(9,689)</u>	<u>(55,256)</u>	<u>(6,960)</u>
Classified as:				
- Non-current	(59,932)	(8,722)	(52,642)	(5,993)
- Current	(2,614)	(967)	(2,614)	(967)
	<u>(62,546)</u>	<u>(9,689)</u>	<u>(55,256)</u>	<u>(6,960)</u>
<b>Net derivative liabilities as a percentage of net assets</b>				
	<u>(0.75)</u>	<u>(0.28)</u>	<u>(0.73)</u>	<u>(0.17)</u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 14. DERIVATIVE ASSETS/(LIABILITIES) (CONT'D)

#### (a) Interest rate swaps used for hedging

Interest rate swaps are used by the Group to hedge its exposure to interest rate risk associated with movements in interest rates on the loans and borrowings of the Group.

As at the reporting date, the Group and the Trust have interest rate swap arrangements in place for the following amounts:

	Group		Trust	
	Nominal amount		Nominal amount	
	2020	2019	2020	2019
	S\$'000	S\$'000	S\$'000	S\$'000
Maturing:				
Within one year	136,906	144,262	136,906	144,262
Between one to five years	468,063	219,525	177,569	171,312
After five years	-	30,765	-	-
	604,969	394,552	314,475	315,574

At 30 September 2020, the fixed interest rates of the outstanding interest rate swap contracts ranged between 0.30% to 2.40% (2019: 0.30% to 2.40%) per annum.

All of the Group's interest rate swaps were designated as cash flow hedges to hedge the Group's interest rate risk arising from variable rate loans and borrowings.

#### (b) Foreign currency forward contracts, cross currency swaps and cross currency interest rate swaps

Foreign currency forward contracts are used by the Group to hedge its foreign currency risk on distributions to Unitholders. Cross currency swaps and cross currency interest rate swaps are used by the Group to hedge its foreign currency exposure and net investments in foreign operations.

As at the reporting date, the Group and the Trust have foreign currency forward contracts, cross currency swaps and cross currency interest rate swaps for the following amounts:

	Group		Trust	
	Nominal amount		Nominal amount	
	2020	2019	2020	2019
	S\$'000	S\$'000	S\$'000	S\$'000
Maturing:				
Within one year	83,021	71,827	81,257	71,827
Between one to five years	788,040	353,521	769,619	353,521
	871,061	425,348	850,876	425,348



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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 15. CASH AND CASH EQUIVALENTS

	Group		Trust	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
Cash at bank	168,652	106,566	36,949	33,738
Fixed deposits	-	9,187	-	9,187
	<u>168,652</u>	<u>115,753</u>	<u>36,949</u>	<u>42,925</u>

The Group's and the Trust's exposure to foreign currency risk on cash and cash equivalents are disclosed in Note 28(a).

### 16. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
Trade receivables	10,371	762	-	-
Less: Allowance for doubtful receivables	(1,820)	-	-	-
Net trade receivables	<u>8,551</u>	<u>762</u>	<u>-</u>	<u>-</u>
Accrued receivables	2,099	2,316	-	-
GST/VAT receivables	3,474	1,209	1,864	513
Other receivables	5,892	3,465	30	575
Amounts due from subsidiaries (non-trade)	-	-	71,823	54,804
Amounts due from related parties (non-trade)	<u>2,498</u>	<u>349</u>	<u>-</u>	<u>-</u>
	22,514	8,101	73,717	55,892
Prepayments	<u>8,088</u>	<u>4,681</u>	<u>159</u>	<u>110</u>
	<u>30,602</u>	<u>12,782</u>	<u>73,876</u>	<u>56,002</u>

#### Trade receivables

Trade receivables comprise mainly rental receivables. These are secured by way of bankers' and corporate guarantees or security deposits held by the Group.

#### Other receivables

Other receivables of the Group mainly comprises security deposits received from tenants which are held by the third party property manager on behalf of the Group.

#### Amounts due from subsidiaries and related parties

Amounts due from subsidiaries and related parties are unsecured, interest-free and repayable on demand. There is no impairment loss on these outstanding balances as the expected credit loss is not material.

#### Credit risk

The Group's and the Trust's exposure to credit risk on trade receivables, are disclosed in Note 28(c).



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 17. TRADE AND OTHER PAYABLES

	Group		Trust	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
<b>Current</b>				
Trade payables	3,366	7,089	69	635
GST/VAT payables	7,332	2,888	-	-
Accrued expenses	49,516	22,359	18,350	1,989
Accrued capital expenditure for investment properties	4,679	745	-	-
Security deposits	3,752	-	-	-
Deferred income	320	295	-	-
Rental received in advance	10,581	2,357	-	-
Amounts due to subsidiaries (non-trade)	-	-	3,384	482
Amounts due to related parties (non-trade)	6,245	11,392	764	-
Amounts due to non-controlling interests (non-trade)	953	858	-	-
	<u>86,744</u>	<u>47,983</u>	<u>22,567</u>	<u>3,106</u>
<b>Non-current</b>				
Security deposits	16,637	1,682	-	-
Deferred income	1,148	1,353	-	-
	<u>17,785</u>	<u>3,035</u>	<u>-</u>	<u>-</u>
<b>Total trade and other payables</b>	<u>104,529</u>	<u>51,018</u>	<u>22,567</u>	<u>3,106</u>

Amounts due to subsidiaries and related parties are unsecured, interest-free and repayable on demand.

Amounts due to non-controlling interests are unsecured, bear interest at 6% (2019: 6%) and have no fixed terms of repayment.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 18. LOANS AND BORROWINGS

	Group		Trust	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
<b>Current</b>				
Bank loans				
- unsecured	456,300	101,885	310,330	101,885
- secured	110,615	84,403	-	-
Fixed rate notes (unsecured)	110,000	-	-	-
Less: Unamortised transaction costs	(900)	(336)	(858)	(336)
	676,015	185,952	309,472	101,549
Lease liabilities	1,241	-	-	-
	677,256	185,952	309,472	101,549
<b>Non-current</b>				
Bank loans				
- unsecured	1,493,087	593,788	968,396	593,788
- secured	263,827	341,390	-	-
Fixed rate notes (unsecured)	19,250	-	-	-
Floating rate notes (unsecured)	1,250	-	-	-
Less: Unamortised transaction costs	(7,546)	(6,890)	(6,153)	(6,890)
	1,769,868	928,288	962,243	586,898
Lease liabilities	173,682	-	-	-
	1,943,550	928,288	962,243	586,898
<b>Total loans and borrowings</b>	<b>2,620,806</b>	<b>1,114,240</b>	<b>1,271,715</b>	<b>688,447</b>

#### Terms and debt repayment structure

	Interest rate range %	Year of maturity	Group		Trust	
			Face value S\$'000	Carrying amount S\$'000	Face value S\$'000	Carrying amount S\$'000
<b>2020</b>						
AUD bank loans	1.2 to 1.6	2020 to 2025	885,416	880,413	719,109	714,352
Euro bank loans	0.3 to 2.6	2020 to 2036	469,810	469,559	95,378	95,127
SGD bank loans	0.9 to 1.4	2020 to 2025	918,500	915,387	416,607	414,603
GBP bank loans	1.0 to 1.1	2020	50,103	50,103	47,633	47,633
SGD fixed rate notes	2.8 to 3.2	2021 to 2023	129,250	129,173	-	-
SGD floating rate notes	1.5	2022	1,250	1,248	-	-
AUD lease liabilities	1.5 to 3.8	2024 to 2107	146,866	146,866	-	-
Euro lease liabilities	1.4	2080	28,057	28,057	-	-
			2,629,252	2,620,806	1,278,727	1,271,715
<b>2019</b>						
AUD bank loans	2.0 to 2.3	2020 to 2024	495,109	489,122	495,109	489,122
Euro bank loans	0.8 to 2.6	2019 to 2036	559,966	559,410	134,174	133,617
SGD bank loans	2.5	2024	66,391	65,708	66,391	65,708
			1,121,466	1,114,240	695,674	688,447

The interest rate range disclosed above excludes the effects of the related interest rate swaps, cross currency swaps, cross currency interest rate swaps and amortisation of borrowing costs.

The secured bank loans are secured on certain investment properties (Note 10).

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 18. LOANS AND BORROWINGS (CONT'D)

The reconciliation of liabilities arising from financing activities were as follows:

	Note	Other loans and borrowings S\$'000	Lease liabilities S\$'000	Total S\$'000
<b>Group</b>				
Balance as at 1 October 2018		960,043	-	960,043
Financing cashflows*		39,114	-	39,114
Acquisition of subsidiaries	32	107,883	-	107,883
The effect of changes in foreign exchange rates		4,894	-	4,894
Other changes				
Amortisation of debt transaction costs		2,306	-	2,306
Total other changes		2,306	-	2,306
Balance as at 30 September 2019		1,114,240	-	1,114,240
Balance as at 1 October 2019		1,114,240	-	1,114,240
Recognition of right-of-use asset on initial application of FRS 116		-	161,801	161,801
Adjusted balance as at 1 October 2019		1,114,240	161,801	1,276,041
Financing cashflows*		482,362	(6,114)	476,248
Acquisition of subsidiaries	32	725,198	-	725,198
The effect of changes in foreign exchange rates		120,806	13,909	134,715
Other changes				
Additions to lease liabilities		-	267	267
Amortisation of debt transaction costs		3,277	-	3,277
Interest expense on lease liabilities		-	5,060	5,060
Total other changes		3,277	5,327	8,604
Balance as at 30 September 2020		2,445,883	174,923	2,620,806

\* Cashflow from financing activities presented in the consolidated statement of cash flows include interest expense paid of S\$32,970,000 (2019: S\$22,107,000), which are included as part of Note 17 - Trade and other payables. There are no material non-cash changes associated with interest payables.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 19. DEFERRED TAX ASSETS/(LIABILITIES)

	At 1 October 2018 S\$'000	Recognised in statement of total return (Note 7) S\$'000	Translation differences S\$'000	At 30 September 2019 S\$'000	Acquisition of subsidiaries S\$'000	Recognised in statement of total return (Note 7) S\$'000	Translation differences S\$'000	At 30 September 2020 S\$'000
<b>Group</b>								
<b>Deferred tax assets</b>								
Provisions	-	-	-	-	298	-	25	323
<b>Deferred tax liabilities</b>								
Investment properties	(32,977)	(23,360)	(104)	(56,441)	-	(53,897)	(11,415)	(121,753)

Deferred tax assets have not been recognised in respect of the following items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom:

	Group	
	2020 S\$'000	2019 S\$'000
Deductible temporary differences	6,526	7,621

The deductible temporary differences do not expire under the current tax legislation.

Under FRS 12 *Income Taxes*, deferred tax is not recognised for temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting or taxable profit or loss. In 2020 and 2019, the Group's acquisition of subsidiaries were accounted for as acquisition of assets and not a business combination, and affected neither accounting nor taxable profit at the point of acquisition. Accordingly, the initial recognition exemption in FRS 12 applies. As at 30 September 2020, the Group has not recognised deferred tax liabilities of S\$122.7 million (2019: S\$40.3 million) relating to temporary differences on the initial recognition of assets and liabilities of subsidiaries acquired.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 20. NON-CONTROLLING INTERESTS

The non-controlling interests ("NCI") relate to the following subsidiary:

Name	Principal place of business/ Country of incorporation	Effective interest held by NCI	
		2020 %	2019 %
FLT Europe B.V. and its subsidiaries	The Netherlands	5.1 to 9.9*	5.1 to 9.9*

\* This represents the effective interest held by NCI in various subsidiaries of FLT Europe B.V. ("FLTE"). The NCI in the underlying subsidiaries of FLTE are individually immaterial.

The following summarised financial information of the above subsidiary is prepared in accordance with FRS, modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	2020 S\$'000	2019 S\$'000
Revenue	88,129	58,881
Profit and total comprehensive income	75,170	36,725
<b>Profit and total comprehensive income attributable to NCI</b>	<b>4,036</b>	<b>2,059</b>
Non-current assets	1,631,017	1,316,568
Current assets	75,866	64,014
Non-current liabilities	(391,021)	(377,498)
Current liabilities	(736,677)	(612,603)
<b>Net assets</b>	<b>579,185</b>	<b>390,481</b>
<b>Net assets attributable to NCI</b>	<b>36,217</b>	<b>26,082</b>
Cash flows from operating activities	55,385	23,177
Cash flows used in investing activities	(89,425)	(273,472)
Cash flows from financing activities	43,259	276,517
<b>Net increase in cash and cash equivalents</b>	<b>9,219</b>	<b>26,222</b>

No dividend was paid to NCI for the years ended 30 September 2020 and 30 September 2019.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 21. UNITS IN ISSUE AND TO BE ISSUED

	Group and Trust			
	Number of Units '000	2020 S\$'000	Number of Units '000	2019 S\$'000
<b>Units issued</b>				
At 1 October	2,248,893	1,919,350	2,013,918	1,657,005
Creation of new Units:				
- Private placement	-	-	220,000	247,345
- Managers' management fees paid in Units	20,233	21,649	14,500	14,536
- Managers' acquisition fees paid in Units	13,903	14,706	475	464
- Units issued as partial satisfaction of the consideration for the Merger	1,130,191	1,118,889	-	-
At 30 September	3,413,220	3,074,594	2,248,893	1,919,350
<b>Units to be issued</b>				
Managers' management fees payable in Units	10,344	14,722	7,917	9,112
Managers' acquisition fees payable in Units	505	718	2,068	2,327
Total issuable Units	10,849	15,440	9,985	11,439
Total issued and issuable Units	3,424,069	3,090,034	2,258,878	1,930,789

#### 2020

During the year, the following new Units were issued:

- 1,130,191,302 Units were issued at S\$0.99 per Unit, amounting to S\$1,118,889,000 as partial satisfaction of the consideration for the Merger;
- 20,232,085 Units were issued at S\$0.76 to S\$1.22 per Unit, amounting to S\$21,649,000, as satisfaction of the Managers' management fees payable in Units; and
- 13,903,260 Units were issued at S\$1.04 to S\$1.17 per Unit, amounting to S\$14,706,000, as satisfaction of the Managers' acquisition fees payable in Units arising from certain subsidiaries acquired and the Merger.

#### 2019

During the year, the following new Units were issued:

- 220,000,000 Units were issued at S\$1.17 per Unit as part of a private placement undertaken by the Trust, amounting to S\$247,345,000, for cash;
- 14,499,712 Units were issued at S\$1.03 to S\$1.21 per Unit, amounting to S\$14,536,000, as satisfaction of the Managers' management fees payable in Units; and
- 475,615 Units were issued at S\$1.03 to S\$1.09 per Unit, amounting to S\$464,000, as satisfaction of the Managers' acquisition fees payable in Units arising from certain investment properties acquired.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 21. UNITS IN ISSUE AND TO BE ISSUED (CONT'D)

Each Unit in the Trust represents an undivided interest in the Trust.

A holder of the Units of the Trust has no equitable or proprietary interest in the underlying assets of the Group and is not entitled to the transfer to it of any asset (or any part thereof) or of any real estate, any interest in any asset and real estate-related assets (or any part thereof) of the Group.

Under the Trust Deed, every Unit carries the same voting rights.

The holders of the Units are entitled to receive distributions as and when declared by the Trust.

The liability of a holder of the Units is limited to the amount paid for the Units.

All issued Units are fully paid.

### 22. NET ASSET VALUE PER UNIT

	Group		Trust	
	2020	2019	2020	2019
Net asset value per Unit is based on: Net assets attributable to Unitholders (S\$'000)	3,770,460	2,086,224	3,074,592	1,896,075
Total issued and issuable Units at 30 September ('000) (Note 21)	3,424,069	2,258,878	3,424,069	2,258,878
Net asset value per unit (S\$)	1.10	0.92	0.90	0.84

### 23. DISTRIBUTIONS PAID TO UNITHOLDERS

	Group and Trust	
	2020	2019
	S\$'000	S\$'000
Distributions paid during the year:		
Distribution of 2.57 Singapore cents per Unit for the period from 21 May 2018 to 30 September 2018 and paid on 19 December 2018	-	46,517
Distribution of 3.54 Singapore cents per Unit for the period from 1 October 2018 to 31 March 2019 and paid on 26 June 2019	-	66,419
Distribution of 2.45 Singapore cents per Unit for the period from 1 April 2019 to 7 August 2019 and paid on 1 November 2019	47,108	-
Distribution of 1.01 Singapore cents per Unit for the period from 8 August 2019 to 30 September 2019 and paid on 16 December 2019	21,551	-
Distribution of 3.73 Singapore cents per Unit for the period from 1 October 2019 to 14 April 2020 and paid on 26 June 2020	84,368	-
	<u>153,027</u>	<u>112,936</u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 24. LEASES

#### (i) Leases as lessee (FRS 116)

The Group leases land. The leases typically run for periods ranging from 15 to 90 years, some with options to renew after the lease expiry dates. Some lease payments are subject to market review and renegotiated every five years to reflect market rentals and certain leases provide for additional rent payments that are based on changes in local price indices.

Previously, these leases were classified as operating leases under FRS 17.

Information about leases for which the Group is a lessee is presented below.

#### Amounts recognised in statement of total return

	Group S\$'000
<b>2020 – Leases under FRS 116</b>	
Interest on lease liabilities	5,060
<b>2019 – Operating leases under FRS 17</b>	
Lease expense	9,485

#### Amounts recognised in statement of cash flows

	Group S\$'000
<b>2020</b>	
<b>Total cash outflow for leases</b>	<b>6,114</b>

#### Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The lease payments relating to lease extension periods for certain leasehold land leases had not been included in lease liabilities as the Group is not reasonably certain if the lease extension options will be exercised.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 24. LEASES (CONT'D)

#### (ii) Leases as lessor

The Group leases out its investment properties consisting of its owned properties as well as leased properties (Note 10). All leases are classified as operating leases from a lessor perspective.

#### Operating leases

The Group leases out its investment properties. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Note 10 sets out information about the operating leases of investment properties.

Rental income from investment properties during 2020 was S\$286,411,000 (2019: S\$186,041,000).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	S\$'000
<b>2020 – Operating leases under FRS 116</b>	
Less than one year	384,586
One to two years	344,022
Two to three years	296,719
Three to four years	240,536
Four to five years	192,720
More than five years	619,159
<b>Total</b>	<u>2,077,742</u>
<b>2019 – Operating leases under FRS 17</b>	
Less than one year	201,524
Between one and five years	652,092
More than five years	563,339
<b>Total</b>	<u>1,416,955</u>



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 25. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party transactions disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place during the financial year at terms agreed between parties:

	2020 S\$'000	Group 2019 S\$'000
With related parties of the Managers:		
- Consideration for the FCOT units held by related parties pursuant to the Merger	(400,288)	-
- Acquisition of subsidiaries	(318,169)	(290,122)
- Acquisition of investment properties	(21,956)	(114,130)
- Insurance expense paid/payable	(1,166)	(857)
- Rental income and other income received/receivable	395	2,938*
- Lease incentive reimbursement received/receivable	5,480	5,031
- Reimbursements to	(693)	(1,161)
With the Managers:		
- Base management fees paid/payable	(19,021)	(11,367)
- Performance management fees paid/payable	(8,961)	(6,063)
- Acquisition fees paid/payable	(13,094)	(2,509)
- Divestment fees paid/payable	(92)	(683)
- Reimbursements to	(1,335)	(165)
With the FCOT Manager:		
- Base management fees paid/payable	(429)	-
- Performance management fees paid/payable	(140)	-
With the property managers who are related parties of the Manager:		
- Property management fees paid/payable	(5,145)	(2,747)
- Marketing services commission and other expenses paid/payable	(1,584)	(575)
- Leasing fees paid/payable	(457)	-
- Reimbursements to	(21)	-
With the Trustees:		
- Trustee fees paid/payable	(609)	(396)

\* In relation to assignment of remaining lease term of 2 properties.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 26. COMMITMENTS

#### (a) Capital commitments

Capital and development expenditure contracted for at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	2020	2019
	S\$'000	S\$'000
Capital commitments in respect of:		
- Investment properties	10,855	912

#### (b) Guarantees

The Trust has provided unsecured corporate guarantees amounting to S\$116,000,000 (2019: Nil) to banks for loans taken by certain subsidiaries.

### 27. OPERATING SEGMENTS

The Group has five reportable segments, which are Logistics and industrial – Australia and Europe, and Commercial – Australia, Singapore and United Kingdom (UK). Each segment is managed separately because of the differences in operating and regulatory environment. All the segments relate to properties used or predominantly used for logistics and industrial or commercial properties. For each of the reporting segments, the Board of Directors of the Manager reviews internal management reports on a regular basis.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment net property income, as included in the internal management reports that are reviewed by the Board of Directors of the Manager. Segment net property income is used to measure performance as the Manager believes that such information is the most relevant in evaluating the results of its segments relative to other entities that operate within the same industry.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 27. OPERATING SEGMENTS (CONT'D)

#### Information about reportable segments

	◀ - Logistics and industrial - ▶		◀ ----- Commercial ----- ▶			Total S\$'000
	Australia S\$'000	Europe S\$'000	Australia S\$'000	Singapore S\$'000	UK S\$'000	
<b>2020</b>						
Revenue	159,739	88,143	30,537	39,785	13,825	332,029
Property operating expenses	(26,712)	(9,510)	(8,504)	(13,413)	(4,075)	(62,214)
Reportable segment net property income	133,027	78,633	22,033	26,372	9,750	269,815
Finance income						277
Finance costs						(41,169)
Unallocated items:						
- Expenses						(31,315)
<b>Net income</b>						197,608
Net change in fair value of investment properties	79,455	54,828	53,691	149,551	(3,219)	334,306
Net change in fair value of derivatives						(2,859)
Gain on divestment of investment properties	1,422	-	-	-	-	1,422
Tax expense						(71,719)
<b>Total return for the year</b>						458,758
Capital expenditure	3,680	1,111	5,995	2,609	-	13,395
Non-current assets <sup>(1)</sup>	2,160,214	1,631,017	859,574	1,267,282	434,435	6,352,522

	Logistics and industrial		Total S\$'000
	Australia S\$'000	Europe S\$'000	
<b>2019</b>			
Revenue	158,195	58,881	217,076
Property operating expenses	(30,716)	(6,619)	(37,335)
Reportable segment net property income	127,479	52,262	179,741
Finance income	1,046	-	1,046
Finance costs	(16,801)	(8,338)	(25,139)
Unallocated items:			
- Expenses			(23,385)
<b>Net income</b>			132,263
Net change in fair value of investment properties	90,756	19,234	109,990
Net change in fair value of derivatives			1,895
Gain on divestment of investment properties	1,487	-	1,487
Tax expense			(40,151)
<b>Total return for the year</b>			205,484
Capital expenditure	10,235	159	10,394
Non-current assets <sup>(1)</sup>	1,887,989	1,316,568	3,204,557

<sup>(1)</sup> Excluding deferred tax assets and financial assets

There is no tenant that contributed more than 10% of the Group's total revenue in 2020 and 2019.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 28. FINANCIAL RISK MANAGEMENT

Risk management is integral to the business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Manager continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

The Manager is responsible for setting the objectives and underlying principles of financial risk management for the Group. This is supported by comprehensive internal processes and procedures which are formalised in the Manager's organisational and reporting structure, operating manuals and delegation of authority guidelines.

The Audit, Risk and Compliance Committee ("ARCC") of the Manager oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The ARCC is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the ARCC. The ARCC then reports to the Board of Directors on any inadequacies, deficiencies or matters of concern of which the ARCC becomes aware or that it suspects, arising from its review of the Group's risk management policies and procedures.

### (a) *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's total return and unitholders' funds. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

#### (i) *Foreign currency risk*

The entities within the Group normally conduct their business in their respective functional currencies.

The Group's foreign currency risk relates mainly to cash and cash equivalents, trade and other receivables, trade and other payables and loans and borrowings, that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies in which these transactions primarily are denominated are the Australian dollar (AUD), Euro (EUR), British Pound (GBP) and Singapore dollar (SGD). The Manager monitors the Group's foreign currency exposure on an ongoing basis and limits its exposure to fluctuations in foreign currency exchange rates by using derivative financial instruments or other suitable financial products, where appropriate.

It is the Manager's policy to hedge the Group's anticipated foreign currency exposure in respect of its distributions to Unitholders, net of anticipated payments required in the same currency at least six months forward by using foreign currency forward contracts.

The Group's net investments in foreign subsidiaries are hedged naturally to the extent that borrowings are taken up in their respective foreign currencies.

The Group uses cross currency swaps and cross currency interest rate swaps to hedge its currency risk. The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency and amount of their respective cash flows.

The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 28. FINANCIAL RISK MANAGEMENT (CONT'D)

#### (a) Market risk (cont'd)

##### (i) Foreign currency risk (cont'd)

The exposure of the Group and the Trust to Australian dollar, Euro, British Pound and Singapore dollar in Singapore dollar equivalent is as follows:

	←----- 2020 -----→				←----- 2019 -----→	
	AUD S\$'000	EUR S\$'000	GBP S\$'000	SGD S\$'000	EUR S\$'000	SGD S\$'000
<b>Group</b>						
Cash and cash equivalents	32,799	4,423	3,609	-	214	10,213
Trade and other receivables	-	-	-	-	56	1,140
Trade and other payables	(15,716)	(515)	(25)	-	(728)	(828)
Loans and borrowings	(753,399)	(95,378)	(50,103)	(65,393)	(133,618)	(65,708)
Net statement of financial position exposure	(736,316)	(91,470)	(46,519)	(65,393)	(134,076)	(55,183)
Less: Cross currency swaps and cross currency interest rate swaps	426,683	-	-	65,393	-	65,601
Less: Borrowings designated for net investment hedge	326,716	95,378	47,633	-	-	-
<b>Net currency exposure</b>	<b>17,083</b>	<b>3,908</b>	<b>1,114</b>	<b>-</b>	<b>(134,076)</b>	<b>10,418</b>

	←----- 2020 -----→			←----- 2019 -----→	
	AUD S\$'000	EUR S\$'000	GBP S\$'000	EUR S\$'000	SGD S\$'000
<b>Trust</b>					
Cash and cash equivalents	27,688	4,423	271	214	10,213
Trade and other receivables	65,618	394	-	350	1,191
Trade and other payables	(18,643)	(515)	(1,083)	(728)	(828)
Loans and borrowings	(719,109)	(95,378)	(47,633)	(133,618)	(65,708)
Net statement of financial position exposure	(644,446)	(91,076)	(48,445)	(133,782)	(55,132)
Less: Cross currency swaps and cross currency interest rate swaps	392,392	-	-	-	65,602
<b>Net currency exposure</b>	<b>(252,054)</b>	<b>(91,076)</b>	<b>(48,445)</b>	<b>(133,782)</b>	<b>10,470</b>

As at 30 September 2020, the Group and the Trust had outstanding foreign currency forward contracts with nominal amount of approximately S\$83.0 million and S\$81.3 million (2019: S\$73.9 million and S\$73.9 million) respectively to hedge future payments of distribution.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 28. FINANCIAL RISK MANAGEMENT (CONT'D)

### (a) **Market risk** (cont'd)

#### (i) **Foreign currency risk** (cont'd)

##### *Sensitivity analysis*

It is estimated that a one percentage point strengthening in foreign currencies against the Singapore dollar (2019: Australian dollar) would decrease the Group's total return by approximately S\$1,051,000 (2019: increase by S\$497,000). It is also estimated that a one percentage point strengthening in foreign currencies against the Singapore dollar (2019: Australian dollar) would increase the Trust's total return by S\$3,103,000 (2019: decrease by S\$2,386,000). A one percentage point weakening in foreign currencies against the Singapore dollar (2019: Australian dollar) would have an equal but opposite effect. This analysis assumes that all other variables, in particular interest rates, remain constant.

#### (ii) **Interest rate risk**

The Group adopts a policy of ensuring that at least 50% of its interest rate risk exposure is at a fixed rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a floating rate and using interest rate swaps to hedge the variability in cash flows.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenures, repricing dates, maturities and the notional amounts.

The Group assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in interest rates; and
- changes in the critical terms of either the swaps or the loans and borrowings.

#### Managing interest rate benchmark reform and associated risks

##### *Derivatives*

The Group holds interest rate swaps and cross currency interest rate swaps for risk management purposes which are designated in cash flow hedging relationships. The cross currency interest rate swaps have floating legs that are indexed to Singapore Swap Offer Rates ("SOR"). The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association ("ISDA")'s master agreements. The Group is currently in discussions with counterparties of respective contracts. No derivative instruments have been modified as at 30 September 2020.

As at the reporting date, the Group and the Trust have outstanding interest rate swaps and cross currency interest rate swaps with a total nominal amount of S\$937.4 million (2019: S\$394.6 million) and S\$564.0 million (2019: S\$315.6 million) respectively to hedge interest rate risk.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 28. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) **Market risk** (cont'd)

(ii) **Interest rate risk** (cont'd)

Managing interest rate benchmark reform and associated risks (cont'd)

*Hedge accounting*

The Group has evaluated the extent to which its cash flow hedging relationships are subject to uncertainty driven by the IBOR reform as at 30 September 2020. Some of the Group's hedged items and hedging instruments continue to be indexed to IBOR benchmark rate which is SOR.

The Group's SOR cash flow hedging relationships extend beyond the anticipated cessation date for IBOR. However, there is uncertainty about when and how replacement may occur with respect to the relevant hedged items and hedging instruments. Such uncertainty may impact the hedging relationship. The Group applies the amendments to FRS 109 issued to those hedging relationships directly affected by IBOR reform.

Hedging relationships impacted by IBOR reform may experience ineffectiveness attributable to market participants' expectations of when the shift from the existing IBOR benchmark rate to an alternative benchmark interest rate will occur. This transition may occur at different times for the hedged item and hedging instrument, which may lead to hedge ineffectiveness.

The Group's exposure to SOR designated in hedging relationships to hedge interest rate risk is S\$352.4 million nominal amount at 30 September 2020, representing both the nominal amount of the hedging interest rate swaps and cross currency interest rate swaps.

Exposure to interest rate risk

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments, as reported to the management, was as follows:

	Group		Trust	
	Nominal amount		Nominal amount	
	2020	2019	2020	2019
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Fixed rate instruments</b>				
Financial assets	-	-	986,381	907,339
Financial liabilities	(403,715)	(321,056)	-	-
Effect of interest rate swaps	(604,969)	(394,552)	(314,475)	(315,574)
Effect of cross currency interest rate swaps	(332,460)	-	(249,492)	-
	<u>(1,341,144)</u>	<u>(715,608)</u>	<u>422,414</u>	<u>591,765</u>
<b>Variable rate instruments</b>				
Financial assets	168,652	115,753	36,949	42,925
Financial liabilities	(2,050,614)	(800,410)	(1,278,727)	(695,674)
Effect of interest rate swaps	604,969	394,552	314,475	315,574
Effect of cross currency interest rate swaps	332,460	-	249,492	-
	<u>(944,533)</u>	<u>(290,105)</u>	<u>(677,811)</u>	<u>(337,175)</u>



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 28. FINANCIAL RISK MANAGEMENT (CONT'D)

#### (a) Market risk (cont'd)

##### (ii) Interest rate risk (cont'd)

###### Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at FVTPL, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, in respect of the fixed rate instruments, a change in interest rates at the reporting date would not affect total return.

###### Cash flow sensitivity analysis for variable rate instruments

A change of 1% in interest rates at the reporting date would have increased/(decreased) total return and unitholders' funds (before any tax effect) by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Total return		Unitholders' funds	
	1% increase S\$'000	1% decrease S\$'000	1% increase S\$'000	1% decrease S\$'000
<b>Group</b>				
<b>2020</b>				
Variable rate instruments not hedged	(9,445)	9,445	-	-
Interest rate swaps	-	-	14,472	(14,918)
Cross currency interest rate swaps	-	-	11,842	(12,693)
Cash flow sensitivity (net)	(9,445)	9,445	26,314	(27,611)
<b>2019</b>				
Variable rate instruments not hedged	(2,901)	2,901	-	-
Interest rate swaps	-	-	4,256	(9,608)
Cash flow sensitivity (net)	(2,901)	2,901	4,256	(9,608)
<b>Trust</b>				
<b>2020</b>				
Variable rate instruments not hedged	(6,778)	6,778	-	-
Interest rate swaps	-	-	7,300	(7,678)
Cross currency interest rate swaps	-	-	5,779	(5,961)
Cash flow sensitivity (net)	(6,778)	6,778	13,079	(13,639)
<b>2019</b>				
Variable rate instruments not hedged	(3,372)	3,372	-	-
Interest rate swaps	-	-	4,277	(4,410)
Cash flow sensitivity (net)	(3,272)	3,372	4,277	(4,410)



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# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 28. FINANCIAL RISK MANAGEMENT (CONT'D)

### (b) Hedge accounting

#### (i) Cash flow hedges

At 30 September, the Group and the Trust held the following instruments to hedge exposures to changes in foreign currency and interest rates.

	Carrying amount		Changes in value used for calculating hedge ineffectiveness			Maturity date
	Contractual notional amount S\$'000	Assets/ (Liabilities) S\$'000	Financial statement line item S\$'000	Hedging instrument S\$'000	Hedged item S\$'000	
<b>2020</b>						
<b>Cash flow hedges</b>						
<b>Group</b>						
Interest rate risk						
- Interest rate swaps to hedge floating rate loans and borrowings	604,969	(11,991)		3,468	(3,468)	1.31% 2021 - 2025
Foreign exchange risk						
- Cross currency swaps to hedge foreign currency loans and borrowings	287,332	25,131	Derivative financial instruments	24,625	(24,625)	- 2024
Interest rate risk and foreign exchange risk						
- Cross currency interest rate swaps to hedge foreign currency floating rate loans and borrowings	324,402	3,221	Derivative financial instruments	3,221	(3,221)	- 2024 - 2025

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 28. FINANCIAL RISK MANAGEMENT (CONT'D)

### (b) Hedge accounting (cont'd)

#### (i) Cash flow hedges (cont'd)

	Carrying amount		Changes in value used for calculating hedge ineffectiveness		Weighted average hedge rate	Maturity date
	Contractual notional amount S\$'000	Assets/ (Liabilities) S\$'000	Financial statement line item S\$'000	Hedging instrument S\$'000		
<b>2020</b>						
<b>Cash flow hedges</b>						
<b>Trust</b>						
Interest rate risk						
- Interest rate swaps to hedge floating rate loans and borrowings	314,475	(4,701)	Derivative financial instruments	(209)	209	1.34% 2021 - 2025
Foreign exchange risk						
- Cross currency swaps to hedge foreign currency loans and borrowings	270,059	25,735	Derivative financial instruments	25,735	(25,735)	- 2024
Interest rate risk and foreign exchange risk						
- Cross currency interest rate swaps to hedge foreign currency floating rate loans and borrowings	241,733	3,702	Derivative financial instruments	3,702	(3,702)	- 2024 - 2025

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 28. FINANCIAL RISK MANAGEMENT (CONT'D)

#### (b) Hedge accounting (cont'd)

##### (i) Cash flow hedges (cont'd)

	Carrying amount		Changes in value used for calculating hedge ineffectiveness		Weighted average hedge rate	Maturity date
	Contractual notional amount S\$'000	Assets/ (Liabilities) S\$'000	Financial statement line item S\$'000	Hedging instrument S\$'000		
<b>2019</b>						
<b>Cash flow hedges</b>						
<b>Group</b>						
Interest rate risk						
- Interest rate swaps to hedge floating rate loans and borrowings	394,552	(8,415)	Derivative financial instruments	(7,183)	7,183	1.61% 2020 - 2025
Foreign exchange risk						
- Cross currency swaps to hedge foreign currency loans and borrowings	65,602	506	Derivative financial instruments	506	(506)	- 2024
<b>Trust</b>						
Interest rate risk						
- Interest rate swaps to hedge floating rate loans and borrowings	315,574	(5,686)	Derivative financial instruments	(6,296)	6,296	1.88% 2020 - 2023

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 28. FINANCIAL RISK MANAGEMENT (CONT'D)

#### (b) Hedge accounting (cont'd)

##### (i) Cash flow hedges (cont'd)

The following table provides a reconciliation by risk category of components of unitholders' funds resulting from cash flow hedge accounting.

	Group		Trust	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
<b>Group</b>				
<b>Balance as at 1 October</b>	(6,540)	643	(5,653)	643
<b>Cash flow hedges</b>				
Change in fair value Interest rate risk	3,468	(7,183)	(209)	(6,296)
<b>Balance as at 30 September</b>	<u>(3,072)</u>	<u>(6,540)</u>	<u>(5,862)</u>	<u>(5,653)</u>

##### (ii) Net investment hedge

A foreign currency exposure arises from the Group's net investments in its subsidiaries in Australia, Europe and the United Kingdom ("UK") that have Australian dollar, Euro and British Pound as their functional currencies, respectively. The risk arises from the fluctuation in spot exchange rates between the Australian dollar, Euro and British Pound (2019: Euro) against the Singapore dollar (2019: Australian dollar), which causes the amount of the net investments to vary.

The hedged risk in the net investment hedge is the risk of a weakening Australian dollar, Euro and British Pound (2019: Euro) against the Singapore dollar (2019: Australian dollar) that will result in a reduction in the carrying amount of the Group's net investments in its subsidiaries in Australia, Europe and the UK (2019: Europe).

Part of the Group's net investment in foreign operations are hedged through the use of cross currency swaps and cross currency interest rate swaps. The Group entered into cross currency swaps and cross currency interest rate swaps to swap floating rate Singapore dollar obligations for floating rate Australian dollar, Euro and British Pound obligations. No ineffectiveness was recognised on the net investment hedges.

At the end of the financial year, the Group has designated a portion of the net investments in the subsidiaries, with a carrying amount of S\$1,157.8 million (2019: S\$287.9 million) as net investment hedges, which mitigate the currency risk arising from certain subsidiaries' net assets. As at 30 September 2020, a cumulative net foreign exchange loss of S\$74,191,000 (2019: gain of S\$129,000) in respect of the Group's net investment hedges remained in unitholders' funds.

To assess hedge effectiveness, the Group determines the economic relationship between the hedge instrument and the hedge item by adopting the critical term match method. Critical term match method would be applied to assess qualitatively the economic relationship between the hedging instrument and the hedged item. The hedged item and the hedging instrument are expected to move in opposite directions as a result of a change in the hedged risk.



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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 28. FINANCIAL RISK MANAGEMENT (CONT'D)

#### (c) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations with the Group, as and when they fall due.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure.

#### Trade receivables

The Manager monitors the amounts owing by lessees on an ongoing basis. Credit evaluations are performed by the Manager before lease agreements are entered into with the lessees. Credit risk is also mitigated by the bankers' and corporate guarantees or security deposits held for each lessee.

At 30 September 2020 and 30 September 2019, there was no significant concentration of credit risk. The Group's maximum exposure to credit risk is represented by the carrying amounts of financial assets in the statement of financial position, before taking into account security deposits held as collateral.

#### Exposure to credit risk

The exposure to credit risk for trade receivables at the reporting date by operating segment was as follows:

	2020 S\$'000	Group 2019 S\$'000
Logistics and industrial		
– Australia	443	511
– Europe	371	251
Commercial		
– Australia	1,492	–
– Singapore	3,132	–
– United Kingdom	3,113	–
	8,551	762

#### Expected credit loss assessment for individual tenants

In measuring the expected credit losses, trade debtors are grouped based on shared credit risk characteristics and days past due. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the debtor to settle the receivables.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 28. FINANCIAL RISK MANAGEMENT (CONT'D)

#### (c) Credit risk (cont'd)

##### Expected credit loss assessment for individual tenants (cont'd)

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 30 September:

	Gross carrying amount S\$'000	Group Impairment loss allowance S\$'000
<b>2020</b>		
Current (not past due)	2,978	(173)
1 – 30 days past due	3,690	(78)
31 – 60 days past due	772	(106)
61 – 90 days past due	345	(70)
More than 90 days past due	2,586	(1,393)
	<u>10,371</u>	<u>(1,820)</u>
<b>2019</b>		
Current (not past due)	467	-
1 – 30 days past due	88	-
31 – 60 days past due	58	-
61 – 90 days past due	36	-
More than 90 days past due	113	-
	<u>762</u>	<u>-</u>

Trade receivables that are individually determined to be impaired at the balance sheet date relate to debtors that have been adversely impacted by the COVID-19 pandemic and have defaulted on payments.

The allowance for impairment losses of receivables is made based on management's assessment of the amount that is expected to be recoverable.

The Manager believes that no allowance for impairment is necessary in respect of the remaining trade receivables as they relate mainly to tenants that have a good record with the Group or have provided bankers' and corporate guarantees or sufficient security deposits as collateral, and hence ECL is negligible.

The movement in the allowance for impairment loss in respect for trade receivables during the year was as follows:

	2020 S\$'000	2019 S\$'000
<b>Group</b>		
At 1 October	-	-
Impairment loss recognised	1,826	-
Amount written off	(13)	-
Translation differences	7	-
At 30 September	<u>1,820</u>	<u>-</u>



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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 28. FINANCIAL RISK MANAGEMENT (CONT'D)

#### (c) *Credit risk (cont'd)*

##### *Cash and cash equivalents*

Cash and fixed deposits are placed with financial institutions which are regulated. Investments and transactions involving derivative financial instruments are allowed only with counterparties who have sound credit ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

##### *Derivatives*

Derivative financial instruments are only entered into with banks and financial counterparties with sound credit ratings. The credit risk related to derivative financial instruments arises from the potential failure of counterparties to meet their obligations under the contracts. It is the Group's policy to enter into derivative financial instrument transactions with credit worthy counterparties.

#### (d) *Liquidity risk*

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations due to shortage of funds. The Manager maintains a level of cash and cash equivalents and has unutilised committed and uncommitted facilities for drawdown deemed adequate to finance the Group's operations for a reasonable period, including the servicing of financing obligations, and to mitigate the effects of fluctuations in cash flows. In addition, the Manager also monitors and observes the CCIS issued by the MAS concerning limits on total borrowings.

As at the end of the financial year, the Group maintains several unutilised lines of credit.

The Group has contractual commitments to incur capital expenditure on its investment properties (Note 26).

The following are the remaining contractual maturities of financial liabilities. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 28. FINANCIAL RISK MANAGEMENT (CONT'D)

### (d) Liquidity risk (cont'd)

	Carrying amount S\$'000	Contractual cash flows S\$'000	Cash flows		
			Within one year S\$'000	Between one and five years S\$'000	More than five years S\$'000
<b>Group</b>					
<b>2020</b>					
<b>Non-derivative financial liabilities</b>					
Trade and other payables*	92,480	(92,480)	(75,843)	(12,101)	(4,536)
Loans and borrowings	2,620,806	(2,752,072)	(712,297)	(1,764,949)	(274,826)
Balance carried forward	2,713,286	(2,844,552)	(788,140)	(1,777,050)	(279,362)
<b>Derivative financial instruments</b>					
Interest rate swaps used for hedging (net-settled)	11,991	(12,072)	(6,538)	(5,534)	-
Foreign currency forward contracts (gross-settled)	879				
- outflow		(83,021)	(83,021)	-	-
- inflow		82,190	82,190	-	-
Cross currency swaps used for hedging (gross-settled)	9,036				
- outflow		(464,098)	(1,437)	(462,661)	-
- inflow		454,849	5,148	449,701	-
Cross currency interest rate swaps used for hedging (gross-settled)	6,733				
- outflow		(383,153)	(5,181)	(377,972)	-
- inflow		376,275	4,682	371,593	-
	28,639	(29,030)	(4,157)	(24,873)	-
	2,741,925	(2,873,582)	(792,297)	(1,801,923)	(279,362)
<b>2019</b>					
<b>Non-derivative financial liabilities</b>					
Trade and other payables*	47,013	(47,013)	(45,331)	-	(1,682)
Loans and borrowings	1,114,240	(1,187,818)	(205,202)	(807,548)	(175,068)
	1,161,253	(1,234,831)	(250,533)	(807,548)	(176,750)
<b>Derivative financial instruments</b>					
Interest rate swaps used for hedging (net-settled)	8,415	(7,411)	(3,367)	(3,975)	(69)
Foreign currency forward contracts (gross-settled)	(1,866)				
- outflow		(72,137)	(72,137)	-	-
- inflow		73,956	73,956	-	-
Cross currency swaps used for hedging (gross-settled)	(635)				
- outflow		(384,560)	(1,573)	(382,987)	-
- inflow		384,575	5,453	379,122	-
	5,914	(5,577)	2,332	(7,840)	(69)
	1,167,167	(1,240,408)	(248,201)	(815,388)	(176,819)

\* Excluding deferred income and rental received in advance

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 28. FINANCIAL RISK MANAGEMENT (CONT'D)

#### (d) Liquidity risk (cont'd)

	Carrying amount S\$'000	Contractual cash flows S\$'000	Cash flows	
			Within one year S\$'000	Between one and five years S\$'000
<b>Trust</b>				
<b>2020</b>				
<b>Non-derivative financial liabilities</b>				
Trade and other payables	22,567	(22,567)	(22,567)	-
Loans and borrowings	1,271,715	(1,321,747)	(323,829)	(997,918)
	<u>1,294,282</u>	<u>(1,344,314)</u>	<u>(346,396)</u>	<u>(997,918)</u>
<b>Derivative financial instruments</b>				
Interest rate swaps used for hedging (net-settled)	4,701	(4,713)	(2,934)	(1,779)
Foreign currency forward contracts (gross-settled)	887			
- outflow		(81,257)	(81,257)	-
- inflow		80,418	80,418	-
Cross currency swaps used for hedging (gross-settled)	9,036			
- outflow		(464,098)	(1,437)	(462,661)
- inflow		454,849	5,148	449,701
Cross currency interest rate swaps used for hedging (gross-settled)	7,850			
- outflow		(363,542)	(4,747)	(358,795)
- inflow		355,545	4,119	351,426
	<u>22,474</u>	<u>(22,798)</u>	<u>(690)</u>	<u>(22,108)</u>
	<u>1,316,756</u>	<u>(1,367,112)</u>	<u>(347,086)</u>	<u>(1,020,026)</u>
<b>2019</b>				
<b>Non-derivative financial liabilities</b>				
Trade and other payables	3,106	(3,106)	(3,106)	-
Loans and borrowings	688,447	(733,849)	(113,267)	(620,582)
	<u>691,553</u>	<u>(736,955)</u>	<u>(116,373)</u>	<u>(620,582)</u>
<b>Derivative financial instruments</b>				
Interest rate swaps used for hedging (net-settled)	5,686	(5,747)	(3,066)	(2,681)
Foreign currency forward contracts (gross-settled)	(1,866)			
- outflow		(72,137)	(72,137)	-
- inflow		73,956	73,956	-
Cross currency swaps used for hedging (gross-settled)	(635)			
- outflow		(384,560)	(1,573)	(382,987)
- inflow		384,575	5,453	379,122
	<u>3,185</u>	<u>(3,913)</u>	<u>2,633</u>	<u>(6,546)</u>
	<u>694,738</u>	<u>(740,868)</u>	<u>(113,740)</u>	<u>(627,128)</u>

\* Excluding deferred income and rental received in advance

The maturity analyses above show the contractual undiscounted cash flows of the Group's financial liabilities on the basis of their earliest possible contractual maturity. Derivative financial instruments held are usually not closed out prior to contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement. The interest payments on floating rate loans and borrowings in the table above reflect market forward interest rates at the year end and these amounts may change as market interest rates change. The future cash flows on derivative instruments may be different from the amounts in the above table as interest rates change. Except for these financial liabilities, it is not expected that the cash flows included in the maturity analyses could occur significantly earlier, or at significantly different amounts.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 29. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONT'D)

### (a) Classifications and fair values (cont'd)

Note	Amortised cost S\$'000	Fair value through profit or loss S\$'000	Carrying amount			Fair value			
			Fair value - instruments	Fair value - hedging instruments	Other financial liabilities	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>Group</b>									
<b>30 September 2020</b>									
<b>Financial liabilities measured at fair value</b>									
14	-	-	(11,991)	-	-	(11,991)	-	-	(11,991)
Interest rate swaps									
Foreign currency forward contracts									
14	-	(1,209)	-	-	-	(1,209)	-	-	(1,209)
Cross currency swaps									
14	-	-	(34,771)	-	-	(34,771)	-	-	(34,771)
Cross currency interest rate swaps									
14	-	-	(14,575)	-	-	(14,575)	-	-	(14,575)
	-	(1,209)	(61,337)	-	-	(62,546)	-	-	(62,546)
<b>Financial liabilities not measured at fair value</b>									
17	-	-	-	-	(92,480)	-	-	-	(92,480)
Trade and other payables**									
18	-	-	-	-	(2,445,883)	-	-	(2,471,656)	(2,471,656)
Loans and borrowings***									
	-	-	-	-	(2,538,363)	-	-	-	(2,538,363)

\*\* Excluding deferred income and rental received in advance

\*\*\* Excluding lease liabilities

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 29. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONT'D)

### (a) Classifications and fair values (cont'd)

Note	Amortised cost S\$'000	Fair value through profit or loss S\$'000	Carrying amount		Fair value					
			Fair value – instruments	Fair value – hedging instruments	Other financial liabilities	Total S\$'000	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>Group</b>										
<b>30 September 2019</b>										
<b>Financial assets measured at fair value</b>										
Foreign currency forward contracts										
14	-	1,866	-	-	-	-	1,866	-	-	1,866
Cross currency swaps										
14	-	574	1,335	-	-	-	1,909	-	-	1,909
	-	2,440	1,335	-	-	-	3,775	-	-	3,775
<b>Financial assets not measured at fair value</b>										
Cash and cash equivalents										
15	115,753	-	-	-	-	-	115,753	-	-	115,753
Trade and other receivables*										
16	8,101	-	-	-	-	-	8,101	-	-	8,101
	123,854	-	-	-	-	-	123,854	-	-	123,854

\* Excluding prepayments

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 29. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONT'D)

### (a) Classifications and fair values (cont'd)

Note	Amortised cost S\$'000	Fair value through profit or loss S\$'000	Carrying amount			Fair value		
			Fair value - instruments	Fair value - hedging instruments	Other financial liabilities	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000
<b>Group</b>								
<b>30 September 2019</b>								
<b>Financial liabilities measured at fair value</b>								
Interest rate swaps	-	-	(8,415)	-	-	-	(8,415)	(8,415)
Cross currency swaps	-	(69)	(1,205)	-	-	-	(1,274)	(1,274)
	-	(69)	(9,620)	-	-	-	(9,689)	
<b>Financial liabilities not measured at fair value</b>								
Trade and other payables**	-	-	-	-	(47,013)	-	(47,013)	
Loans and borrowings	-	-	-	-	(1,114,240)	-	(1,114,240)	(1,151,940)
	-	-	-	-	(1,161,253)	-	(1,161,253)	

\*\* Excluding deferred income and rental received in advance



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 29. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONT'D)

### (a) Classifications and fair values (cont'd)

Note	Amortised cost S\$'000	Fair value through profit or loss S\$'000	Carrying amount			Fair value			
			Fair value - instruments	Fair value - hedging instruments	Other financial liabilities	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>Trust</b>									
<b>30 September 2020</b>									
<b>Financial liabilities measured at fair value</b>									
14	-	-	(4,701)	-	-	(4,701)	-	-	(4,701)
Interest rate swaps									
Foreign currency forward contracts									
14	-	(1,209)	-	-	-	(1,209)	-	-	(1,209)
Cross currency swaps									
14	-	(34,771)	-	-	-	(34,771)	-	-	(34,771)
Cross currency interest rate swaps									
14	-	(12,078)	(2,497)	-	-	(14,575)	-	-	(14,575)
	-	(48,058)	(7,198)	-	-	(55,256)	-	-	
<b>Financial liabilities not measured at fair value</b>									
17	-	-	-	-	(22,567)	(22,567)	-	-	(22,567)
Trade and other payables									
18	-	-	-	-	(1,271,715)	(1,271,715)	-	-	(1,271,715)
Loans and borrowings									
	-	-	-	-	(1,294,282)	(1,294,282)	-	-	





# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 29. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONT'D)

## (a) Classifications and fair values (cont'd)

Note	Amortised cost S\$'000	Carrying amount			Fair value			
		Fair value through profit or loss S\$'000	Fair value - hedging instruments S\$'000	Other financial liabilities S\$'000	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>Trust</b>								
<b>30 September 2019</b>								
<b>Financial liabilities measured at fair value</b>								
Interest rate swaps	-	-	(5,686)	-	-	-	(5,686)	(5,686)
Cross currency swaps	-	(1,274)	-	-	-	(1,274)	(1,274)	(1,274)
	-	(1,274)	(5,686)	-	-	-	(6,960)	
<b>Financial liabilities not measured at fair value</b>								
Trade and other payables	-	-	-	(3,106)	-	-	(3,106)	
Loans and borrowings	-	-	-	(688,447)	-	-	(688,447)	
	-	-	-	(691,553)	-	-	(691,553)	

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 29. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONT'D)

#### (b) Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values.

Type	Valuation techniques
<u>Financial instruments measured at fair value</u>	
<b>Group and Trust</b> Interest rate swaps, foreign currency forward contracts, cross currency swaps and cross currency interest rate swaps	<i>Market comparison technique:</i> The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.
<u>Financial instruments not measured at fair value</u>	
<b>Group</b> Loans and borrowings	<i>Discounted cash flows:</i> The fair values are based on the present value of future payments, discounted at the market interest rate at the measurement date.
<b>Trust</b> Loans to subsidiaries	<i>Discounted cash flows:</i> The fair values are based on the present value of future receipts, discounted at the market rate of interest at the measurement date.

There were no transfers between the levels of the fair value hierarchy during the year.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 30. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains an optimal capital structure to support the business and maximise Unitholders' value.

The aggregate leverage ratio is calculated as gross borrowings divided by total assets, based on the latest valuations.

	Group	
	2020	2019
Total loans and borrowings (gross) (Note 18) (S\$'000)	2,454,329	1,121,466
Total assets (S\$'000)	6,559,724	3,353,096
Aggregate leverage (%) <sup>(1)</sup>	37.4	33.4

On 16 April 2020, the MAS announced that the aggregate leverage limit for Singapore real estate investment trusts will be raised from 45% to 50% with immediate effect. In its public consultation last year, the MAS had proposed for S-REITs to have a new minimum interest coverage ratio ("ICR") of 2.5 times before they are allowed to increase their leverage to beyond the prevailing 45% limit (up to 50%). However, the MAS has deferred the new ICR requirement to 1 January 2022 in light of the current COVID-19 pandemic situation. As at 30 September 2020, the Group had an ICR<sup>(2)</sup> of 6.4 times.

The Group was in compliance with all externally imposed capital requirements for the financial years ended 30 September 2020 and 30 September 2019.

There were no substantial changes in the Group's and the Trust's approach to capital management during the year.

<sup>(1)</sup> The impact of FRS 116 *Leases* (adopted with effect from 1 October 2019) has been excluded for the purpose of computing the Aggregate Leverage Ratio.

<sup>(2)</sup> Ratio that is calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, foreign exchange translation and interest income), by the trailing 12 months borrowing costs (including interest expense on lease liabilities), as defined in the Code on Collective Investment Schemes revised by the Monetary Authority of Singapore on 16 April 2020 and clarified on 29 May 2020. Borrowing costs include effects of FRS 116.

### 31. FINANCIAL RATIOS

	2020	2019
	%	%
Expense to weighted average net assets <sup>(1)</sup>		
– with performance fee of Managers	1.16	1.14
– without performance fee of Managers	0.85	0.81
Expense to net asset value <sup>(2)</sup>	2.51	2.74
Portfolio turnover ratio <sup>(3)</sup>	0.56	7.24

<sup>(1)</sup> The expense ratios are computed in accordance with the guidelines of the Investment Manager Association of Singapore. The expenses used in the computation relate to the expenses of the Group, excluding property expenses, interest expense, foreign exchange gains and losses and tax expense of the Group.

<sup>(2)</sup> The expense ratio is computed based on total operating expense, including property expenses and all fees and charges paid/payable to the Managers and the interested parties as a percentage of net asset value as at the end of the financial year.

<sup>(3)</sup> The portfolio turnover ratios are computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 32. ACQUISITION OF SUBSIDIARIES

In 2020, there were the following acquisitions of subsidiaries:

- (a) In April 2020, the Group completed the merger with FCOT by way of a trust scheme of arrangement. FCOT owns a portfolio of six properties.

The purchase consideration of S\$1,257.3 million was settled by a cash consideration of S\$138.4 million and issuance of 1,130.2 million new Units, amounting to S\$1,118.9 million.

In April 2020, concurrent with the Merger, the Group acquired the remaining 50% interest in Farnborough Business Park Ltd ("FBPL") which owns Farnborough Business Park for a purchase consideration of S\$158.7 million (approximately £89.3 million). The acquisition of this 50% interest in FBPL (the "FBPL Acquisition"), together with the 50% equity interest in FBPL held by FCOT, resulted in FBPL being a wholly owned subsidiary of the Group.

The Merger and FBPL Acquisition are collectively referred to as the "FCOT Acquisition".

The net assets of FCOT include the undistributed capital gains available for distribution of S\$132.9 million. This relates to the net gain on disposal of 55 Market Street in August 2018.

- (b) In August 2020, the Group acquired 100% equity interest in Maxis Business Park Limited which owns Maxis Business Park (the "Maxis Acquisition"), comprising two office buildings, in the UK, for a consideration of S\$67.7 million (approximately £37.7 million).
- (c) In November 2019 and December 2019, the Group acquired equity interests in two property holding companies which hold interests in two freehold logistics properties located in Germany for a total consideration of S\$91.3 million (approximately €62.3 million) (the "Europe Acquisition").

All the acquisitions were accounted for as acquisition of assets.

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 32. ACQUISITION OF SUBSIDIARIES (CONT'D)

	FCOT Acquisition S\$'000	Maxis Acquisition S\$'000	Europe Acquisition S\$'000	Total 2020 S\$'000
Investment properties	2,134,632	121,131	94,625	2,350,388
Plant and equipment	272	-	-	272
Trade and other receivables	12,152	2,175	789	15,116
Cash at bank	40,169	1,725	3,019	44,913
Derivative assets and liabilities	(3,922)	-	-	(3,922)
Trade and other payables	(96,062)	(3,290)	(3,939)	(103,291)
Loans and borrowings	(671,206)	(53,992)	-	(725,198)
Shareholders' loans	(79,258)	(34,406)	(39,145)	(152,809)
Total identifiable net assets	1,336,777	33,343	55,349	1,425,469
Less: Non-controlling interest, based on their proportionate interest in the recognised amounts of the assets and liabilities of the acquiree	-	-	(3,183)	(3,183)
Identifiable net assets acquired	1,336,777	33,343	52,166	1,422,286
<b>Consideration transferred</b>				
Consideration paid in cash	297,146	67,749	91,311	456,206
Consideration paid in units	1,118,889	-	-	1,118,889
	1,416,035	67,749	91,311	1,575,095
<b>Effect of the acquisition on cash flows</b>				
Consideration for equity interest	1,336,777	33,343	52,166	1,422,286
Add: Shareholders' loans assumed	79,258	34,406	39,145	152,809
	1,416,035	67,749	91,311	1,575,095
Add: Acquisition costs incurred	34,090	1,038	1,132	36,260
	1,450,125	68,787	92,443	1,611,355
Less: Consideration paid in units	(1,118,889)	-	-	(1,118,889)
Less: Acquisition fee paid in units	(11,933)	(606)	(446)	(12,985)
Less: Cash at bank of subsidiaries acquired	(40,169)	(1,725)	(3,019)	(44,913)
Net cash outflow	279,134	66,456	88,978	434,568

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 32. ACQUISITION OF SUBSIDIARIES (CONT'D)

In 2019, the Group acquired equity interests in nine property holding companies which held interests in eight freehold logistics properties located in Germany for a total consideration of S\$290.1 million (€198.8 million).

The acquisitions were accounted for as acquisition of assets.

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	2019 S\$'000
Investment properties	413,845
Trade and other receivables	1,602
Cash at bank	16,808
Trade and other payables	(27,368)
Borrowings	(107,883)
Shareholders' loans	(163,366)
Total identifiable net assets	<u>133,638</u>
Less: Non-controlling interest, based on their proportionate interest in the recognised amounts of the assets and liabilities of the acquiree	(6,882)
Identifiable net assets acquired	<u>126,756</u>
<b>Consideration transferred</b>	
Cash paid	<u>290,122</u>
<b>Effect of the acquisition on cash flows</b>	
Consideration for equity interest	126,756
Add: Shareholders' loans assumed	163,366
	<u>290,122</u>
Add: Acquisition costs incurred	883
Less: Cash at bank of subsidiaries acquired	(16,808)
Net cash outflow	<u>274,197</u>



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 33. SUBSEQUENT EVENTS

There were the following significant events subsequent to the reporting date:

- On 5 October 2020, 505,408 Units were issued at an issue price of S\$1.417 per Unit as payment of acquisition fees in respect of the Group's acquisition of (i) a Australian property, and (ii) interests in a UK property, during the year ended 30 September 2020.
- On 6 November 2020, the Manager declared a distribution of 3.39 Singapore cents per Unit to Unitholders in respect of the period from 15 April 2020 to 30 September 2020.
- On 12 November 2020, the following Units were issued:

In payment of	Period to which the fees relate to	Issue price per Unit	Number of Units issued '000
Managers' management fees			
- Base fee	1 July 2020 to 30 September 2020	S\$1.4205	4,030
- Performance fee	1 October 2019 to 30 September 2020	S\$1.4205	6,314
			10,344

- The Manager has been closely monitoring the COVID-19 outbreak since early 2020, given the disruptions and uncertainty that it has on global economic and operational prospects. The Manager has assessed, and continues to actively monitor, the inherent risk of the outbreak and put in place mitigating measures including those directed by the respective authorities.

As at the date of this report, the Manager has considered, to the best of its knowledge, all available information in its assessment of the impact of COVID-19 on the Group, including policy responses by the authorities of the countries and states in which the Group operates in. Such policy responses may include relief measures introduced for businesses and individuals who are unable to fulfil their contractual obligations due to COVID-19, such as the waiver and/or deferment of rental payments, as well as moratoriums on eviction or foreclosures during the COVID-19 pandemic. However, as COVID-19 remains an evolving situation, the Manager is unable to ascertain the full impact of COVID-19 to the Group in the medium-to-longer term.

The Manager will continue to monitor the situation and take the appropriate measures to manage the implications of COVID-19 in accordance with the guidelines, regulations and legislations provided by the authorities in the respective countries that the Group operates in and will take the necessary actions to ensure the long-term sustainability of the Group.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

## 34. LIST OF SIGNIFICANT SUBSIDIARIES

Name of subsidiaries	Principal activity	Country of incorporation	Principal place of business	Effective interest held by the Trust	
				2020 %	2019 %
<i>Direct subsidiaries</i>					
FLT Australia Pte. Ltd. <sup>(1)</sup>	Investment holding	Singapore	Singapore	100.0	100.0
FLT Treasury Pte. Ltd. <sup>(1)</sup>	Provision of treasury service	Singapore	Singapore	100.0	100.0
FLT Europe Pte. Ltd. <sup>(1)</sup>	Investment holding	Singapore	Singapore	100.0	100.0
FLT Europe Treasury Pte. Ltd. <sup>(1)</sup>	Investment holding	Singapore	Singapore	100.0	100.0
FLT Europe 1 Pte. Ltd. <sup>(1)</sup>	Investment holding	Singapore	Singapore	100.0	100.0
FLT Europe 2 Pte. Ltd. <sup>(1)</sup>	Investment holding	Singapore	Singapore	100.0	100.0
FLT Europe 3 Pte. Ltd. <sup>(1)</sup>	Investment holding	Singapore	Singapore	100.0	100.0
FLCT UK Pte. Ltd	Investment holding	Singapore	Singapore	100.0	-
FLT Australia Trust <sup>(2)(3)</sup>	Investment holding	Australia	Australia	100.0	100.0
Frasers Commercial Trust <sup>(1)</sup>	Property investment and investment holding	Singapore	Singapore	100.0	-
<i>Indirect subsidiaries</i>					
Atlantic Drive Trust B	Property investment	Australia	Australia	100.0	100.0
Atlantic Drive Trust C	Property investment	Australia	Australia	100.0	100.0
Atlantic Drive Trust D	Property investment	Australia	Australia	100.0	100.0
Aylesbury Drive Trust A	Property investment	Australia	Australia	100.0	100.0
Bam Wine Court Trust A	Property investment	Australia	Australia	100.0	100.0
Boundary Road Trust A	Property investment	Australia	Australia	100.0	100.0
Boundary Road Trust B	Property investment	Australia	Australia	100.0	100.0
Butler Boulevard Trust A	Property investment	Australia	Australia	100.0	100.0
Butler Boulevard Trust B	Property investment	Australia	Australia	100.0	100.0
Butler Boulevard Trust C	Property investment	Australia	Australia	100.0	100.0
Canterbury Road Trust A	Property investment	Australia	Australia	100.0	-
Distribution Place Trust A	Property investment	Australia	Australia	100.0	100.0
Dorismus Drive Trust A	Property investment	Australia	Australia	100.0	100.0
Douglas Street Trust A	Property investment	Australia	Australia	100.0	100.0
Earnshaw Road Trust A	Property investment	Australia	Australia	100.0	100.0
Efficient Drive Trust A	Property investment	Australia	Australia	100.0	100.0
Efficient Drive Trust B	Property investment	Australia	Australia	100.0	100.0
Eucalyptus Place Trust A	Property investment	Australia	Australia	100.0	100.0
Flint Street Trust A	Property investment	Australia	Australia	100.0	100.0
Gibbon Road Trust A	Property investment	Australia	Australia	100.0	100.0
Hanson Place Trust A	Property investment	Australia	Australia	100.0	100.0
Horsley Drive Trust A	Property investment	Australia	Australia	100.0	100.0
Horsley Drive Trust B	Property investment	Australia	Australia	100.0	100.0
Horsley Drive Trust C	Property investment	Australia	Australia	100.0	100.0
Hudson Court Trust A	Property investment	Australia	Australia	100.0	100.0
Hudson Court Trust B	Property investment	Australia	Australia	100.0	100.0
Indian Drive Trust A	Property investment	Australia	Australia	100.0	100.0
Indian Drive Trust B	Property investment	Australia	Australia	100.0	100.0
Jets Court Trust A	Property investment	Australia	Australia	100.0	100.0
Jets Court Trust B	Property investment	Australia	Australia	100.0	100.0
Kangaroo Avenue Trust A	Property investment	Australia	Australia	100.0	100.0
Kangaroo Avenue Trust B	Property investment	Australia	Australia	100.0	100.0
Kangaroo Avenue Trust C	Property investment	Australia	Australia	100.0	100.0



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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 34. LIST OF SIGNIFICANT SUBSIDIARIES (CONT'D)

Name of subsidiaries	Principal activity	Country of incorporation	Principal place of business	Effective interest held by the Trust	
				2020 %	2019 %
<i>Indirect subsidiaries (cont'd)</i>					
Link Road Trust A	Property investment	Australia	Australia	100.0	100.0
Pacific Drive Trust A	Property investment	Australia	Australia	100.0	100.0
Pacific & Atlantic Drive Trust A	Property investment	Australia	Australia	100.0	100.0
Paltridge Road Trust A	Property investment	Australia	Australia	100.0	100.0
Pearson Road Trust A	Property investment	Australia	Australia	100.0	100.0
Pearson Road Trust B	Property investment	Australia	Australia	100.0	100.0
Platinum Street Trust A	Property investment	Australia	Australia	100.0	100.0
Queensport Road Trust A	Property investment	Australia	Australia	100.0	100.0
Reconciliation Rise Trust A	Property investment	Australia	Australia	100.0	100.0
Reconciliation Rise Trust B	Property investment	Australia	Australia	100.0	100.0
Sandstone Place Trust A	Property investment	Australia	Australia	100.0	100.0
Shettleston Street Trust A	Property investment	Australia	Australia	100.0	100.0
Siltstone Place Trust A	Property investment	Australia	Australia	100.0	100.0
Sky Road East Trust A	Property investment	Australia	Australia	100.0	100.0
Sky Road East Trust B	Property investment	Australia	Australia	100.0	100.0
South Centre Road Trust A	Property investment	Australia	Australia	100.0	100.0
South Park Drive Trust A	Property investment	Australia	Australia	100.0	100.0
South Park Drive Trust C	Property investment	Australia	Australia	100.0	100.0
South Park Drive Trust D	Property investment	Australia	Australia	100.0	100.0
South Park Drive Trust E	Property investment	Australia	Australia	100.0	100.0
Springhill Road Trust A	Property investment	Australia	Australia	100.0	100.0
Stanton Road Trust A	Property investment	Australia	Australia	100.0	100.0
Stanton Road Trust B	Property investment	Australia	Australia	100.0	100.0
Station Road Trust A	Property investment	Australia	Australia	100.0	100.0
Stradbroke Street Trust A	Property investment	Australia	Australia	100.0	100.0
Sunline Drive Trust A	Property investment	Australia	Australia	100.0	100.0
Sunline Drive Trust B	Property investment	Australia	Australia	100.0	100.0
Wayne Goss Drive Trust A	Property investment	Australia	Australia	100.0	100.0
Wayne Goss Drive Trust B	Property investment	Australia	Australia	100.0	100.0
Wellington Road Trust A	Property investment	Australia	Australia	100.0	100.0
FLT Europe B.V. <sup>(2)</sup>	Investment holding	The Netherlands	The Netherlands	100.0	100.0
Al Gewerbepark Obertshausen GmbH	Property investment	Luxembourg	The Netherlands	94.0	94.0
Al Gewerbepark Ratingen GmbH	Property investment	Luxembourg	The Netherlands	94.0	94.0
Al Gewerbepark Tamm GmbH	Property investment	Luxembourg	The Netherlands	94.0	94.0
BV Maschinen GmbH	Investment holding	Luxembourg	The Netherlands	100.0	100.0
CCP IV Garching S.à.r.l.	Property investment	Luxembourg	The Netherlands	94.0	94.0
FLT Achern GmbH	Property investment	Germany	The Netherlands	94.0	94.0
FLT INV 1 B.V.	Investment holding	The Netherlands	The Netherlands	94.9	94.9
FLT INV 2 B.V.	Investment holding	The Netherlands	The Netherlands	100.0	100.0
FLT INV 3 B.V.	Investment holding	The Netherlands	The Netherlands	100.0	100.0
FLT INV 4 B.V.	Property investment	The Netherlands	The Netherlands	94.9	94.9
FLT INV 5 B.V.	Property investment	The Netherlands	The Netherlands	94.9	94.9
FLT INV 6 B.V.	Property investment	The Netherlands	The Netherlands	100.0	100.0
FLT INV 7 B.V.	Property investment	The Netherlands	The Netherlands	94.9	94.9
FLT INV 8 B.V.	Property investment	The Netherlands	The Netherlands	94.9	94.9

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 34. LIST OF SIGNIFICANT SUBSIDIARIES (CONT'D)

Name of subsidiaries	Principal activity	Country of incorporation	Principal place of business	Effective interest held by the Trust	
				2020 %	2019 %
<i>Indirect subsidiaries (cont'd)</i>					
FLT INV 9 B.V.	Property investment	The Netherlands	The Netherlands	100.0	100.0
FLT INV 10 B.V.	Investment holding	The Netherlands	The Netherlands	100.0	100.0
FLT INV 11 B.V.	Investment holding	The Netherlands	The Netherlands	100.0	100.0
FLT INV 12 B.V.	Investment holding	The Netherlands	The Netherlands	100.0	100.0
FLT INV 13 B.V.	Property investment	The Netherlands	The Netherlands	94.9	94.9
FLT INV 14 B.V.	Property investment	The Netherlands	The Netherlands	100.0	100.0
FLT INV 15 B.V.	Property investment	The Netherlands	The Netherlands	100.0	100.0
FLT INV 16 B.V.	Property investment	The Netherlands	The Netherlands	100.0	100.0
FLT INV 17 B.V.	Investment holding	The Netherlands	The Netherlands	100.0	100.0
FLT INV 18 B.V.	Investment holding	The Netherlands	The Netherlands	100.0	100.0
FLT INV 19 B.V.	Investment holding	The Netherlands	The Netherlands	100.0	100.0
FLT INV 20 B.V.	Investment holding	The Netherlands	The Netherlands	100.0	100.0
FLT INV 21 B.V.	Property investment	The Netherlands	The Netherlands	100.0	100.0
FLT INV 22 B.V.	Property investment	The Netherlands	The Netherlands	94.9	-
FLT INV 23 B.V.	Property investment	The Netherlands	The Netherlands	94.9	94.9
FLT INV 24 B.V.	Property investment	The Netherlands	The Netherlands	94.9	94.9
FLT Marl GmbH	Investment holding	Germany	The Netherlands	94.9	94.9
FLT Marl GmbH & Co. KG	Property investment	Germany	The Netherlands	94.9	94.9
FLT Moosthenning 1 GmbH	Property investment	Germany	The Netherlands	94.8	94.8
FLT Moosthenning 2 GmbH	Property investment	Germany	The Netherlands	94.8	94.8
FLT Moosthenning (SP) GmbH	Property investment	Germany	The Netherlands	100.0	100.0
FLT Nuremberg GmbH	Property investment	Germany	The Netherlands	94.0	94.0
FLT Rheinberg GmbH	Property investment	Germany	The Netherlands	94.9	94.9
FLT Vaihingen GmbH	Property investment	Germany	The Netherlands	94.0	94.0
Gewerbepark Bergheim GmbH	Property investment	Luxembourg	The Netherlands	94.0	94.0
FLT Freiberg GmbH (formerly known as Greenfield Logistikpark Freiberg GmbH)	Property investment	Germany	The Netherlands	94.8	94.8
FLT Isenbittel GmbH (formerly known as LogProject Isenbittel GmbH)	Property investment	Germany	The Netherlands	94.8	94.8
FLT Gottmadingen GmbH (formerly known as SMR2 Verwaltungs GmbH)	Property investment	Germany	The Netherlands	90.1	90.1
GUMES Verwaltung Objekt Bielefeld-Sennestadt GmbH	Property investment	Germany	The Netherlands	93.1	-
Frasers Commercial Sub No. 1 Pte. Ltd. <sup>(1)</sup>	Investment holding	Singapore	Singapore	100.0	-
Frasers Commercial Sub No. 2 Pte. Ltd. <sup>(1)</sup>	Investment holding	Singapore	Singapore	100.0	-
Frasers Commercial Sub No. 3 Pte. Ltd. <sup>(1)</sup>	Investment holding	Singapore	Singapore	100.0	-
Frasers Commercial Sub No. 4 Pte. Ltd. <sup>(1)</sup>	Investment holding	Singapore	Singapore	100.0	-
FCOT Treasury Pte. Ltd. <sup>(1)</sup>	Provision of treasury services	Singapore	Singapore	100.0	-
Frasers Commercial (UK) Sub. 1 Pte. Ltd. <sup>(1)</sup>	Investment holding	Singapore	Singapore	100.0	-

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 34. LIST OF SIGNIFICANT SUBSIDIARIES (CONT'D)

Name of subsidiaries	Principal activity	Country of incorporation	Principal place of business	Effective interest held by the Trust	
				2020 %	2019 %
<i>Indirect subsidiaries (cont'd)</i>					
Frasers Commercial Investments No. 1 Pte. Ltd. <sup>(1)</sup>	Investment holding	Singapore	Singapore	100.0	-
Frasers Commercial Investments No. 3 Pty Ltd	Investment holding	Cayman Islands	Cayman Islands	100.0	-
Frasers Commercial Investments No. 4 Pty Ltd	Investment holding	Cayman Islands	Cayman Islands	100.0	-
Central Park Landholding Trust	Property investment	Australia	Australia	100.0	-
Collins Street Landholding Trust	Property investment	Australia	Australia	100.0	-
Athlon Drive Landholding Trust	Property investment	Australia	Australia	100.0	-
ARC Trust	Investment holding	Australia	Australia	100.0	-
Farnborough Business Park Ltd	Property investment	Jersey	United Kingdom	100.0	-
Maxis Business Park Limited	Property investment	Jersey	United Kingdom	100.0	-

<sup>(1)</sup> Audited by KPMG LLP, Singapore.

<sup>(2)</sup> Audited by other member firms of KPMG International.

<sup>(3)</sup> Held by the Trust and FLT Australia Pte. Ltd. with equity interest of 50% each.

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