

瑞銀資產管理 2021 年交流議合個案舉例說明

- ✓ 背景說明：瑞銀資產管理代表客戶，於所投資的公司 Frasers Logistics & Commercial Trust 出席股東會投票。針對當天的三項議案，瑞銀資產管理根據內部盡職治理原則，投下兩贊同與一反對票，而該反對票議案為「無論是否擁有優先認股權，是否核准新發行股份或股票連結型債券」。該公司為新加坡公司，而新加坡當地股東本身即具備優先認股權，因此如果該公司希望新發行無優先認股權股份，需取得股東會同意。
- ✓ 盡職治理評估：瑞銀資產管理認為，無優先認股權股份若超過總發行股份數 10%，則對於現有股東有股權過度稀釋的疑慮，因此根據盡職治理原則投下反對票。
- ✓ 交流議合內容：針對有無優先認股權的新發行股份數，在綜合考量市場彈性、成長潛力、與股東權利稀釋下，給予有限制的新發行無優先認股權股數：針對 Mainboard-listed Companies，無優先認股權股數不得超過整體發行量 10%；而 Catalist-listed Companies 或 REITs，無優先認股權股數則不得超過 20%。

Frasers Logistics & Commercial Trust

Meeting Type: Annual
Meeting Date: 20 January 2021
Meeting ID: 1493722

Singapore Exchange: BUOU
Index: N/A
Sector: Industrial REITs
GICS: 60101020

Primary Contact(s)
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Agenda & Recommendations

Policy: UBS

Incorporated: Singapore

ISS Country of Coverage: Singapore

Please note that this research document contains voting recommendations relating to both UBS corporate governance policy and ISS' own internal policy. The ISS policy is shown purely for information purposes. Voting decisions should be based around UBS voting policy

Item	Code	Proposal	Board Rec.	ISS Rec.	UBS Rec.
MANAGEMENT PROPOSALS					
1	M0105	Adopt Report of the Trustee, Statement by the Manager, and Audited Financial Statements	FOR	FOR	FOR
2	M0136	Approve KPMG LLP as Auditors and Authorize Manager to Fix Their Remuneration	FOR	FOR	FOR
3	M0379	Approve Issuance of Equity or Equity-Linked Securities with or without Preemptive Rights	FOR	FOR	AGAINST

Shading indicates that ISS recommendation differs from Board recommendation

► Items deserving attention due to contentious issues or controversy

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Status of the Trust

The trust is a Singapore-domiciled unit trust constituted in Singapore pursuant to the trust deed dated Nov. 30, 2015 between Frasers Logistics & Commercial Asset Management Pte. Ltd. (Manager), being the manager of the trust, and Perpetual (Asia) Ltd. (Trustee), being the trustee of the trust. Pursuant to the trust deed, the Manager is entitled to the following fees:

MANAGEMENT FEE

- A base fee of 0.4 percent per annum of the value of the group's deposited property; and
- A performance fee of 5 percent per annum of the distributable income of the trust.

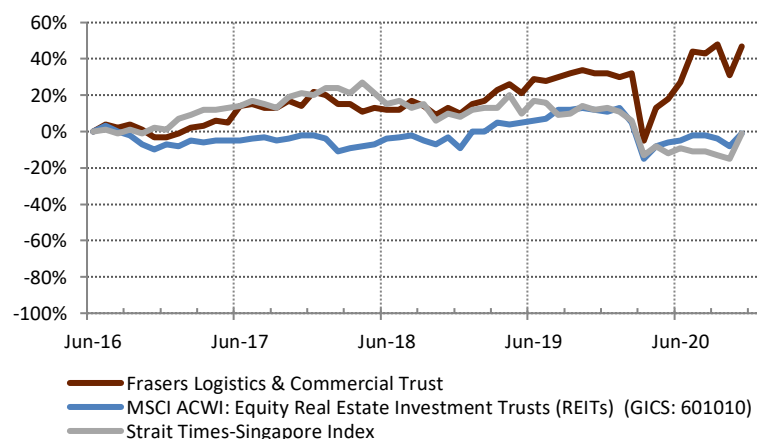
ACQUISITION FEES AND DIVESTMENT FEE

- An acquisition fee of 0.5 percent for acquisitions from related parties and 1 percent for all other cases of the purchase price of the real estate or investment bought by the trust.
- A divestment fee of 0.5 percent of the sale price of the real estate or investment sold by the trust.

Financial Highlights

Company Description: Fraser's Property Limited ("Fraser's Property" and together with its subsidiaries, the "Group"), is a multinational company that develops, owns and manages a diverse, integrated portfolio of properties. Listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") and headquartered in Singapore, the Group has total assets of approximately S\$37.6 billion as at 30 September 2019. Fraser's Property's assets range from residential, retail, commercial & business parks, to logistics & industrial in Southeast Asia, Australia, Europe and China. Its well-established hospitality business owns and/or operates serviced apartments and hotels in over 70 cities across Asia, Australia, Europe, the Middle East and Africa. The Group is unified by its commitment to deliver enriching and memorable experiences to customers and stakeholders, leveraging its knowledge and capabilities from across markets and property sectors, to deliver value in its multiple asset classes. Fraser's Property is also the sponsor of three real estate investment trusts and one stapled trust listed on the SGX-ST. Fraser's Centrepont Trust, Fraser's Commercial Trust, and Fraser's Logistics & Industrial Trust are focused on retail, commercial & business parks, and logistics & industrial properties respectively. Fraser's Hospitality Trust (comprising Fraser's Hospitality Real Estate Investment Trust and Fraser's Hospitality Business Trust) is a stapled trust focused on hospitality properties. In addition, Fraser's Property Thailand is the sponsor of Fraser's Property Thailand Industrial Freehold & Leasehold REIT, which is focused on logistics and industrial properties in Thailand and is listed on the Stock Exchange of Thailand.

STOCK PRICE PERFORMANCE



TOTAL SHAREHOLDER RETURNS (ANNUALIZED)

	1 Yr	3 Yr	5 Yr
Company TSR (%)	12.00	19.54	
GICS 6010 TSR (%)	-10.49	1.55	5.23
Index TSR (%)	9.60	8.08	10.85

Source: Compustat. As of last day of company FY end month: 09/30/2020

COMPANY SNAPSHOT (AS OF RECORD DATE)

Market Cap (M)	4,691
Closing Price	1.37
Dividends Paid (LTM)	0.07
52-Week High	1.52
52-Week Low	0.72
Shares Outstanding (M)	3424.07
Average daily trading volume (prior mo)*	12,208.09

Source: Compustat. As of December 4, 2020 (All currency in SGD)

* Trading Volume in thousands of shares

FINANCIAL & OPERATIONAL PERFORMANCE

All currency in SGD	Historical Performance (FY ending)				
	2016	9/2017	9/2018	9/2019	9/2020
Earnings					
Revenue (M)		229	269	341	667
Net Income (M)		136	142	140	201
EBITDA (M)		157	212	278	569
Profitability					
Pretax Net Margin (%)		71	66	54	42
EBITDA Margin (%)		68	79	82	85
Return on Equity (%)		10	8	7	5
Return on Assets (%)		7	5	4	3
ROIC (%)		7	5	4	3
Leverage					
Debt/Assets		29	35	33	39
Debt/Equity		43	56	54	70
Valuation & Performance					

Annual TSR (%)	15.38	6.85	24.98	17.44
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Source: Compustat. *Note: Compustat standardizes financial data and fiscal year designations to allow for meaningful comparison across companies. Compustat data may differ from companies' disclosed financials and does not incorporate non-trading equity units. See www.issgovernance.com/policy-gateway/company-financials-faq/ for more information.

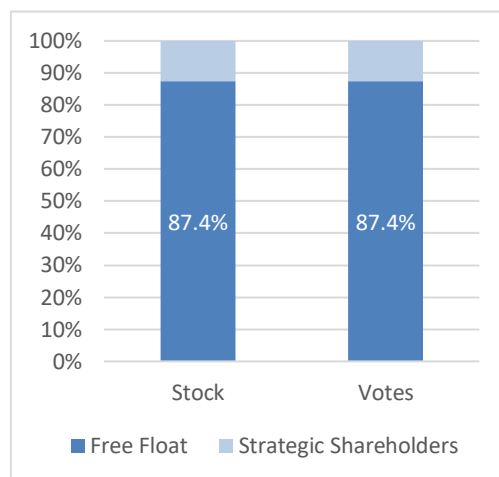
Ownership & Control Overview

Stock Type	Votes per Share	Issued
Common Equity	1	3,424,069,367
Top Holders - Ownership & Control		
		% of Stock % of Votes
<i>Treasury</i>		
►Fraser's Property Ltd.		12.6 12.6
Rojana Industrial Park Public Co. Ltd.		4.1 4.1
Tcc Group Investments Ltd.		3.4 3.4
The Vanguard Group, Inc.		2.4 2.4
TMB Asset Management Co., Ltd.		1.1 1.1
BlackRock Fund Advisors		1.1 1.1
Norges Bank Investment Management		0.9 0.9
Dimensional Fund Advisors LP		0.8 0.8
Deutsche Australia Ltd. (Investment Management)		0.5 0.5

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Percentages rounded down to 1 decimal. "►" identifies shareholders considered strategic under ISS' definition.

ISS' definition of strategic shareholders may include, but is not limited to, shareholders with board representation, State-controlled entities, insiders/executives, employee funds, and other entities with holdings beyond a materiality threshold (5% or 10%).



[to Detailed Ownership Profile](#)

Vote Results for Annual General Meeting 14 January 2020

Proposal	Mgmt Rec	UBS Rec	Disclosed Result	% For	% Against	% Abstain
1 Adopt Report of the Trustee, Statement by the Manager, and Audited Financial Statements	For	For	Pass	99.9	0.1	0.0
2 Approve KPMG LLP as Auditors and Authorize Manager to Fix Their Remuneration	For	For	Pass	99.9	0.1	0.0
3 Approve Issuance of Equity or Equity-Linked Securities with or without Preemptive Rights	For	Against	Pass	96.8	3.2	0.0

Meeting Agenda & Proposals

Item 1. Adopt Report of the Trustee, Statement by the Manager, and Audited Financial Statements	FOR
UBS POLICY VOTE RECOMMENDATION	
Item 1. Adopt Report of the Trustee, Statement by the Manager, and Audited Financial Statements	FOR
ISS POLICY VOTE RECOMMENDATION	
In the absence of any known issues concerning the trust's audited accounts and financial statements, a vote FOR this resolution is warranted.	

Discussion

Frasers Logistics & Commercial Asset Management Pte. Ltd. (Manager), as the manager of the trust, seeks unitholder approval for the report of Perpetual (Asia) Ltd. (Trustee), the statement of the Manager, and auditor reports as well as the financial statements for the year, as included in the annual report.

Based on the unqualified independent audit report of KPMG LLP contained in the annual report, the company's financial statements give a true and fair view of the state of affairs of the company and of the group as at 30 September 2020, and of the group's profit and cash flows for the year, and have been prepared in accordance with financial reporting standards and disclosure requirements in the market.

ISS Policy Analysis

ISS typically recommends a vote for proposals relating to financial statements, unless:

- There are concerns about the accounts presented or audit procedures used; or
- Where the company is not responsive to shareholder questions about specific items that should be publicly disclosed.

In this case, this proposal merits unitholder approval. This recommendation is based on the unqualified independent audit report of KPMG LLP contained in the annual report.

Item 2. Approve KPMG LLP as Auditors and Authorize Manager to Fix Their Remuneration

FOR

UBS POLICY VOTE RECOMMENDATION

Item 2. Approve KPMG LLP as Auditors and Authorize Manager to Fix Their Remuneration

FOR

ISS POLICY VOTE RECOMMENDATION

A vote FOR this proposal is warranted given the absence of any known issues concerning the audit firm, its remuneration, and the way the audit was conducted.

Discussion

The Manager recommends that KPMG LLP be reappointed as the company's independent audit firm. Additionally, the Manager seeks unitholder approval to set the audit firm remuneration.

AUDIT FIRM INFORMATION

Audit firm name	KPMG LLP
Audit firm since (as disclosed)	2016
Audit opinion for the last fiscal year	Unqualified
Term to serve if reappointed	1

FEES PAID DURING THE LAST FISCAL YEAR

Audit firm name	KPMG LLP
Fees currency	SINGAPORE DOLLAR
Audit fees	1,170,000
Audit-related fees	0
Total transaction-related fees	0
Total tax fees	0
Total non-audit fees*	120,000
Total non-audit fees as a percentage of total fees	9.3%

*Total non-audit fees include other fees, tax advice fees, and certain transaction-related fees. Non-audit fees will also include any tax-related fees not identified as tax compliance or tax preparation. Note: The nature of non-audit work undertaken by the auditors was not disclosed.

ISS Policy Analysis

This request does not raise any exceptional issues, as the auditor is independent, non-audit fees are reasonable relative to audit and audit-related fees, and there is no reason to believe the auditor has rendered an inaccurate opinion or engaged in poor accounting practices.

Item 3. Approve Issuance of Equity or Equity-Linked Securities with or without Preemptive Rights

AGAINST

UBS POLICY VOTE RECOMMENDATION

We will not support routine authorities to issue shares without pre-emption rights exceeding 10% of the issued share capital as this is potentially overly dilutive for existing shareholders.

Item 3. Approve Issuance of Equity or Equity-Linked Securities with or without Preemptive Rights

FOR

ISS POLICY VOTE RECOMMENDATION

A vote FOR this resolution is warranted because the issuance request without preemptive rights is within the recommended limit.

Discussion

The Manager seeks unitholder approval for the authority to issue shares with or without preemptive rights as follows:

Nature	Issuance Limit	Method of Listing	REIT?	Duration
With preemptive rights	50%	Mainboard	Yes	One year or until the next AGM
Without preemptive rights	20%	Mainboard	Yes	One year or until the next AGM

MARKET CONTEXT

Shareholders in Singapore enjoy preemptive rights over share issues; if a company wishes to issue shares without preemptive rights, shareholder approval must be sought. In practice, most companies seek annual approval for a mandate to issue shares, including shares issued without preemptive rights. The SGX-ST Listing Manual allows companies to seek an annual mandate for the issuance of ordinary shares up to 50 percent of issued capital, with a sub-limit of 20 percent of issued capital on shares that may be issued without preemptive rights. Companies listed on the SGX's "Catalist" platform for fast-growing companies are allowed to issue up to 100 percent of issued capital, with a sub-limit of 50 percent of issued capital on shares that may be issued without preemptive rights.

ISS Policy Analysis

On the one hand, unitholders should have preemptive rights for large unit issues or have an opportunity review and vote on such issuances, but on the other, the trust should also have the flexibility to transact ordinary business without undue burden or cost. Real Estate Investment Trusts (REITs) in Singapore are required to distribute at least 90 percent of distributable income to unitholders, among other restrictions which limit them to generate capital internally or raise funds by debt issuance. Given the required percentage of distribution, a limit of 10 percent is deemed to be too restrictive which may impede the REITs' growth in terms of acquisition of properties. Therefore, the need for flexibility must be balanced with providing reasonable protection for unitholder interests. As such, the unit issuance limit without preemptive rights should be no more than 10 percent for Mainboard-listed companies and 20 percent for Catalist-listed companies and REITs.

In view of the above, a vote FOR this resolution is warranted.

Detailed Ownership Profile

[back to Ownership and Control Overview](#)

Percentages rounded down to 1 decimal. "▶" identifies shareholders considered strategic under ISS' definition.

Type	Votes per Share	Issued
Common Equity	1	3,424,069,367
Ownership - Common Equity	Number of Shares	% of Class
▶ Frasers Property Ltd.	433,564,327	12.6
Rojana Industrial Park Public Co. Ltd.	142,626,000	4.1
Tcc Group Investments Ltd.	118,559,700	3.4
The Vanguard Group, Inc.	82,118,999	2.4
TMB Asset Management Co., Ltd.	39,735,537	1.1
BlackRock Fund Advisors	37,794,361	1.1
Norges Bank Investment Management	31,372,244	0.9
Dimensional Fund Advisors LP	29,021,712	0.8
Deutsche Australia Ltd. (Investment Management)	20,172,516	0.5
Nuveen Asset Management LLC	17,053,052	0.5
Manulife Investment Management (Hong Kong) Ltd.	16,582,504	0.4
Nikko Asset Management Asia Ltd.	14,960,620	0.4
Schroder Investment Management (Singapore) Ltd.	14,874,410	0.4
Cohen & Steers Capital Management, Inc.	14,819,892	0.4
Affin Hwang Asset Management Bhd.	14,812,760	0.4
BlackRock Investment Management (UK) Ltd.	12,200,010	0.3
BlackRock Advisors (UK) Ltd.	12,097,691	0.3
Victory Capital Management, Inc. (Investment Management)	11,551,400	0.3
NTUC FairPrice Co-Operative Ltd.	11,079,000	0.3
Metro Holdings Ltd.	11,000,000	0.3

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Additional Information

Meeting Location by way of electronic means via live audio-visual webcast or live audio-only stream at pre-registration link at <https://www.frasersproperty.com/reits/flct>

Meeting Time 14:00

Security IDs Y26465107(CINS)

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