

FRASERS CENTREPOINT TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 5 June 2006 (as amended))

- I. **THE PROPOSED ACQUISITION OF APPROXIMATELY 63.11% OF THE TOTAL ISSUED SHARE CAPITAL OF ASIARETAIL FUND LIMITED¹; AND**
- II. **THE PROPOSED DIVESTMENT OF A LEASEHOLD INTEREST IN THE WHOLE OF THE LAND LOTS 4710W, 4711V, 10529L AND 10530N ALL OF MUKIM 27 TOGETHER WITH THE BUILDING ERECTED THEREON, SITUATED AT 799 NEW UPPER CHANGI ROAD, SINGAPORE 467351, CURRENTLY KNOWN AS BEDOK POINT.**

1. INTRODUCTION

ARF Transaction

Frasers Centrepoint Asset Management Ltd., in its capacity as manager of Frasers Centrepoint Trust (“**FCT**” and as manager of FCT, the “**Manager**”), is pleased to announce that FCT Holdings (Sigma) Pte. Ltd. (the “**FCT ARF Purchaser**”), a wholly-owned subsidiary of FCT and the Manager have on 3 September 2020 entered into a sale and purchase agreement (the “**ARF Sale and Purchase Agreement**”) with Frasers Property Investments (Bermuda) Limited (the “**FPL ARF Vendor**”) to acquire approximately 63.11% of the total issued share capital of AsiaRetail Fund Limited (“**ARF**”, and the acquisition, the “**ARF Acquisition**”). The FPL ARF Vendor is a company incorporated in Bermuda and wholly-owned by Frasers Property Limited, the sponsor of FCT (the “**Sponsor**”).

As FCT's current strategy is to grow its portfolio of Singapore assets, in connection with and as part of the proposed ARF Acquisition, ARMF (Mauritius) Limited (the “**Mallco Vendor**”) and HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of FCT (the “**Trustee**”), have on 3 September 2020 entered into a sale and purchase agreement (the “**Mallco Share Sale Agreement**”) with Frasers Property Gold Pte. Ltd. (the “**FPL Mallco Purchaser**”), a wholly-owned subsidiary of the Sponsor, for the divestment of 100% of the total issued share capital of Mallco Pte. Ltd. (the “**Mallco Divestment**”, and Mallco Pte. Ltd., “**Mallco**”), a wholly-owned subsidiary of ARF which holds a retail mall in Malaysia, being Setapak Central (the “**ARF Malaysia Asset**”). The Mallco Vendor is a wholly-owned subsidiary of ARF and an entity in which FCT has an interest of approximately 36.89% through ARF and the FCT ARF Purchaser.

The proposed Mallco Divestment will be completed prior to the completion of the proposed ARF Acquisition (the “**ARF Acquisition Completion**”). Upon completion of the proposed Mallco Divestment and the proposed ARF Acquisition (collectively, the “**ARF Transaction**”), FCT will hold a 100% interest in ARF without Mallco.

Bedok Point Divestment

The Manager is also pleased to announce that on 3 September 2020, the Trustee has entered into a put and call option agreement (the “**Bedok Point Put and Call Option Agreement**”) with Chempaka Development Pte Ltd (the “**Bedok Point Purchaser**”) for the divestment of a leasehold interest in the whole of the land lots 4710W, 4711V, 10529L and 10530N all of Mukim

¹ Prior to 1 September 2020, AsiaRetail Fund Limited was known as PGIM Real Estate AsiaRetail Fund Limited.

27 together with the building erected thereon, situated at 799 New Upper Changi Road, Singapore 467351, currently known as Bedok Point (“**Bedok Point**”) to the Bedok Point Purchaser (the “**Bedok Point Divestment**”)². The Bedok Point Purchaser is a wholly-owned subsidiary of the Sponsor.

Pursuant to the Bedok Point Put and Call Option Agreement, the Bedok Point Purchaser and the Trustee will be required to enter into a sale and purchase agreement for Bedok Point, the form of which is appended to the Bedok Point Put and Call Option Agreement (the “**Bedok Point Purchase Agreement**”), on the day the Bedok Point Call Option (as defined herein) is exercised by the Bedok Point Purchaser, or on the day the Bedok Point Put Option (as defined herein) is exercised by the Trustee (as the case may be).

2. THE PROPOSED ARF TRANSACTION

2.1 Description of ARF

ARF is a private investment vehicle set up as a company incorporated in Bermuda. It is the largest non-listed retail mall fund in Singapore, owning five retail malls in Singapore (being Tiong Bahru Plaza, White Sands, Hougang Mall, Century Square and Tampines 1) (the “**ARF Singapore Retail Assets**”), one office property in Singapore (being Central Plaza) (together with the ARF Singapore Retail Assets, the “**ARF Singapore Assets**”) and the ARF Malaysia Asset (together with the ARF Singapore Assets, the “**ARF Assets**”)³. As at 28 August 2020 being the latest practicable date prior to the printing of the circular to unitholders dated 3 September 2020 (the “**Circular**” and the latest practicable date the “**Latest Practicable Date**”), FCT holds an interest of approximately 36.89% in ARF through the FCT ARF Purchaser. The remaining approximately 63.11% of the interest in ARF is held by the Sponsor through the FPL ARF Vendor.

Please refer to Appendix A for a summary of selected information on the ARF Assets as at 30 June 2020, unless otherwise stated.

2.2 ARF Purchase Consideration and Valuation

ARF Singapore Assets

The Trustee has commissioned an independent valuer, Colliers International Consultancy & Valuation (Singapore) Pte Ltd (“**Colliers**”), and the Manager has commissioned an independent valuer, Savills Valuation And Professional Services (S) Pte Ltd (“**Savills Singapore**”), to respectively value each of the ARF Singapore Assets.

The agreed property value for the ARF Singapore Assets, which was negotiated on a willing-buyer and willing-seller basis with reference to the independent valuations by Colliers and Savills Singapore (collectively, the “**Singapore ARF Independent Valuers**”), is S\$3,065.0 million (the “**ARF Singapore Assets Agreed Property Value**”) and is approximately the aggregate of the averages of the two independent valuations of each ARF Singapore Asset of

² In connection with the proposed Bedok Point Divestment, the Trustee will also enter into various deeds of assignment and novation agreements with the Bedok Point Purchaser in relation to material contracts in connection with Bedok Point (including occupation agreements, building maintenance contracts, building guarantees and warranties and utilities).

³ With effect from 1 September 2020, ARF is managed by Frasers Property Corporate Services (Singapore) Pte. Ltd., a wholly-owned subsidiary of the Sponsor. Prior to 1 September 2020, ARF was managed by PGIM Real Estate, the real estate investment business of PGIM, Inc.

S\$3,066.0 million as at 1 August 2020.

ARF Purchase Consideration

The purchase consideration payable to the FPL ARF Vendor under the ARF Sale and Purchase Agreement of approximately S\$1,057.4 million⁴ (the “**ARF Purchase Consideration**”) is equivalent to the proportionate amount of the adjusted net asset value of ARF (the “**ARF NAV**”)⁵ (as at 30 June 2020, being the last calendar date of the most recently completed quarter prior to the signing of the ARF Sale and Purchase Agreement) attributable to approximately 63.11% of the total issued share capital of ARF (the “**Sale Shares**”), less the amount of dividends and distributions declared by ARF in respect of the Sale Shares in relation to the period from 1 April 2020 to 30 June 2020 and paid to the FPL ARF Vendor⁶.

2.3 Estimated Total Acquisition Cost

The estimated total cost of the proposed ARF Acquisition (the “**Total Acquisition Cost**”) is approximately S\$1,108.8 million, comprising:

- (i) the ARF Purchase Consideration of approximately S\$1,057.4 million;
- (ii) the acquisition fee⁷ payable to the Manager for the proposed ARF Acquisition (the “**ARF Acquisition Fee**”) pursuant to the trust deed dated 5 June 2006 constituting FCT (as amended, restated and supplemented) (the “**Trust Deed**”) of approximately S\$19.3 million⁸; and
- (iii) the estimated stamp duties, professional and other fees and expenses incurred or to be incurred by FCT in connection with the proposed ARF Acquisition and the proposed Equity Fund Raising (as defined herein) of approximately S\$32.1 million.

2.4 Method of Financing

The Manager intends to finance the Total Acquisition Cost (excluding the ARF Acquisition Fee Units) through the net proceeds from a proposed equity fund raising (“**Equity Fund Raising**”). Additionally, as the completion of the proposed Mallco Divestment will take place prior to the ARF Acquisition Completion, the ARF Purchase Consideration payable will be reduced by the amount of the Mallco Divestment Consideration (as defined herein).

⁴ As the completion of the proposed Mallco Divestment will take place prior to the ARF Acquisition Completion, the ARF Purchase Consideration payable will be reduced by the amount of the Mallco Divestment Consideration.

⁵ The ARF NAV as at 30 June 2020 takes into account both the ARF Singapore Assets Agreed Property Value and the ARF Malaysia Asset Agreed Property Value (as defined herein).

⁶ For the avoidance of doubt: (i) the FPL ARF Vendor and the FCT ARF Purchaser will be entitled to their proportionate share of dividends and distributions declared by ARF for the period from 1 July 2020 up to (and including) the date of the ARF Acquisition Completion and (ii) the FPL ARF Vendor shall be entitled to any increase in the profit reserves in respect of the Sale Shares (which has not been declared by ARF as dividends or distributions pursuant to (i) above, and after relevant adjustments so as not to take into account any fair value changes in investment properties and any non-cash items) in relation to the period from 1 July 2020 up to (and including) the ARF Acquisition Completion.

⁷ As the proposed ARF Acquisition is an “interested party transaction” under Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the “**MAS**”, and Appendix 6, the “**Property Funds Appendix**”), the ARF Acquisition Fee will be in the form of units in FCT (“**Units**” and the Units to be issued as payment for the ARF Acquisition Fee, the “**ARF Acquisition Fee Units**”) which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

⁸ The ARF Acquisition Fee is 1.0% of the proportionate amount of the ARF Singapore Assets Agreed Property Value attributable to the Sale Shares, being approximately 63.11% of the total issued share capital of ARF. Based on an illustrative issue price of S\$2.22 per ARF Acquisition Fee Unit, the number of ARF Acquisition Fee Units to be issued shall be approximately 8,713,512 Units.

The final decision regarding the amount of equity to be employed to fund the Total Acquisition Cost will be made by the Manager at the appropriate time taking into account the then prevailing market conditions to provide overall distribution per Unit (“DPU”) accretion to unitholders of FCT (the “Unitholders”), while maintaining an optimum level of leverage.

2.5 Mallco Divestment Consideration and Valuation

The Trustee has commissioned Colliers and Rahim & Co International Sdn Bhd (collectively, the “Trustee ARF Malaysian Asset Valuers”) as independent valuers, and the Manager has commissioned an independent valuer, Savills (Malaysia) Sdn Bhd (“Savills Malaysia”), to respectively value the ARF Malaysia Asset.

The agreed property value for the ARF Malaysia Asset, which was negotiated on a willing-buyer and willing-seller basis with reference to the independent valuations by the Trustee ARF Malaysian Asset Valuers and Savills Malaysia (collectively, the “Malaysia ARF Independent Valuers”, and together with the Singapore ARF Independent Valuers, the “ARF Independent Valuers”), is RM318.0 million (approximately S\$103.7 million⁹) (the “ARF Malaysia Asset Agreed Property Value”) and is approximately the average of the two independent valuations of the ARF Malaysia Asset of RM317.5 million (approximately S\$103.5 million) as at 1 August 2020.

The sale price payable by the FPL Mallco Purchaser under the Mallco Share Sale Agreement of approximately S\$39.7 million (the “Mallco Divestment Consideration”) takes into account:

- (i) the adjusted net asset value of Mallco and its subsidiaries of approximately S\$4.5 million (based on the *pro forma* completion statement of Mallco and its subsidiaries as at 30 June 2020) which takes into account the ARF Malaysia Asset Agreed Property Value of RM318.0 million (approximately S\$103.7 million); and
- (ii) the estimated amount for the assignment of an existing shareholder’s loan to the FPL Mallco Purchaser, of which the aggregate principal amount owed by Mallco is approximately S\$35.2 million.

The Mallco Divestment Consideration will be subject to further completion adjustments based on the actual aggregate net assets and liabilities of Mallco and its subsidiaries as at the date of completion of the proposed Mallco Divestment.

2.6 Estimated Mallco Divestment Cost

The estimated cost of the proposed Mallco Divestment (the “Mallco Divestment Cost”) is approximately S\$0.1 million, comprising the estimated professional and other fees and expenses incurred or to be incurred by the Mallco Vendor in connection with the proposed Mallco Divestment.

2.7 Principal Terms of the ARF Sale and Purchase Agreement

The principal terms of the ARF Sale and Purchase Agreement include, among others, the following conditions precedent:

- (i) the receipt by the Manager of confirmations from the Inland Revenue Authority of Singapore or any relevant taxation authority (such confirmations on such terms as may be acceptable to the Manager in its discretion) that no taxes will be imposed nor will

⁹ Based on an exchange rate of S\$1.00 : RM3.0676.

any taxation claim result from or arise by reference to the LLP Conversions¹⁰ (as defined herein);

- (ii) the receipt of the consent or no objection decision (as the case may be) from the Bermuda Monetary Authority pursuant to the Exchange Control Act 1972 (and regulations thereunder) in respect of the transfer of the Sale Shares to the FCT ARF Purchaser;
- (iii) the approval from the board of ARF approving the transfer of the Sale Shares from the FPL ARF Vendor to the FCT ARF Purchaser in accordance with the bye-laws of ARF being granted or obtained and remaining in full force and effect and not withdrawn or revoked or amended, on or before the ARF Acquisition Completion;
- (iv) the resolution approving the proposed ARF Acquisition having been passed by the Unitholders at an extraordinary general meeting ("**EGM**");
- (v) the receipt of approval-in-principle from Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing and quotation of the Preferential Offering Units (as defined herein) on such terms as may be acceptable to the Manager (in its absolute discretion), and there not having occurred any revocation or withdrawal of such approval;
- (vi) the receipt of the SIC Waiver (as defined herein) from the Securities Industry Council (the "**SIC**") (such waiver not being revoked or repealed) and the fulfilment of the conditions under the SIC Waiver;
- (vii) subject to the SIC Waiver being granted, the proposed Whitewash Resolution (as defined herein) having been passed at the EGM; and
- (viii) the issue, listing and quotation of the Preferential Offering Units on the Main Board of the SGX-ST.

Further details on the principal terms of the ARF Sale and Purchase Agreement will be set out in the Circular.

2.8 Principal Terms of the Mallco Share Sale Agreement

The principal terms of the Mallco Share Sale Agreement include, among others, the following conditions precedent:

- (i) the resolution for the transaction in respect of which the proposed Mallco Divestment is a part of having been passed by Unitholders at the EGM; and
- (ii) the approval from the board of ARF approving the transfer of all of the total issued share capital of Mallco from the Mallco Vendor to the FPL Mallco Purchaser, in accordance with the bye-laws of ARF, being granted or obtained and remaining in full force and effect and not withdrawn or revoked or amended, on or before the completion of the proposed Mallco Divestment.

Further details on the principal terms of the Mallco Share Sale Agreement will be set out in the Circular.

¹⁰ This condition precedent may be waived by the Manager in its discretion, at any time, by notice in writing to the FCT ARF Purchaser and the FPL ARF Vendor.

2.9 **Asset Management Agreement and Property Management Agreements in relation to the proposed ARF Acquisition**

After the completion of the proposed ARF Transaction, it is intended that ARF will appoint the Manager as the asset manager of ARF.

In relation to the ARF Singapore Assets, AsiaMalls Management Pte Ltd (“**AMM**”), a wholly-owned subsidiary of Frasers Property Retail Management Pte. Ltd.¹¹, was appointed the property manager of the ARF Singapore Assets and will continue to be the property manager of the ARF Singapore Assets after the completion of the proposed ARF Transaction.

Further details on the asset management agreement and the property management agreements will be set out in the Circular.

2.10 **Conversion to LLP**

As soon as practicable following the ARF Acquisition Completion, the intention is to convert ARMF (TBP) Private Limited, ARMF (Central Plaza) Pte. Ltd., ARMF (Whitesands) Pte. Ltd., ARMF (Hougang Mall) Pte. Ltd. and ARMF II (Tampines) Pte. Ltd., being the Singapore property-holding companies of Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1 respectively (the “**ARF Singapore PropCos**”), to limited liability partnerships (the “**ARF Singapore Prop LLPs**”) pursuant to Section 21 of the Limited Liability Partnerships Act, Chapter 163A of Singapore (the “**LLP Conversion**”). The LLP Conversion would allow Unitholders to enjoy tax transparency treatment on FCT’s income from Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1. The income generated from Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1 will not be subject to corporate income tax at the ARF Singapore Prop LLPs level as a limited liability partnership is tax transparent for Singapore tax purposes.

As Century Square’s property holding company, Century Square Holding Pte Ltd, is the Singapore branch of a Mauritius-incorporated company, the Manager is currently exploring how tax transparency can be achieved in respect of Century Square, including the transfer of Century Square to be held directly by FCT.

3. **THE PROPOSED ISSUE OF UP TO 628,019,324 NEW UNITS UNDER THE PROPOSED EQUITY FUND RAISING**

The Manager proposes to issue up to 628,019,324 New Units (representing approximately 56.1% of the total number of Units in issue as at the Latest Practicable Date (the “**Existing Units**”), pursuant to the proposed Equity Fund Raising.

Based on the illustrative issue price of S\$2.22 per New Unit (the “**Illustrative Issue Price**”), the proposed Equity Fund Raising is expected to raise gross proceeds of up to approximately S\$1,394.2 million. The net proceeds of the proposed Equity Fund Raising will be used to part-finance the Total Acquisition Cost and the balance to pare down existing indebtedness.

The structure and timing of the proposed Equity Fund Raising and the issue price of the New Units (the “**Issue Price**”) have not been determined by the Manager but will be determined in accordance with, among others, Chapter 8 of the listing manual of the SGX-ST (the “**Listing**”).

¹¹ Frasers Property Retail Management Pte. Ltd. is a wholly-owned subsidiary of the Sponsor and the current property manager of FCT’s property portfolio which comprises the following suburban retail properties in Singapore: Causeway Point, Northpoint City North Wing (including Yishun 10 Retail Podium), Changi City Point, Bedok Point, YewTee Point, Anchorpoint and Waterway Point (40%-interest).

Manual"). If and when the Manager decides to undertake the proposed Equity Fund Raising, the proposed Equity Fund Raising may, at the Manager's absolute discretion and subject to the then prevailing market conditions, comprise:

- (i) a private placement¹² of New Units to institutional and other investors (the "**Private Placement**"); and/or
- (ii) a non-renounceable preferential offering of New Units to the existing Unitholders on a *pro rata* basis (the "**Preferential Offering**" and the New Units to be issued pursuant to the Preferential Offering, the "**Preferential Offering Units**").

The Manager will work with DBS Bank Ltd., Citigroup Global Markets Singapore Pte. Ltd., and Oversea-Chinese Banking Corporation Limited as Joint Lead Managers and Underwriters to the proposed Equity Fund Raising (the "**Joint Lead Managers and Underwriters**") to determine the structure and timing of the proposed Equity Fund Raising and the Issue Price, taking into account market conditions and other factors that the Manager and the Joint Lead Managers and Underwriters may consider relevant. The Manager will announce details of the proposed Equity Fund Raising at the appropriate time.

Further details of the proposed Equity Fund Raising will be set out in the Circular.

3.1 Commitment of the Sponsor and Set-Off Mechanism

To demonstrate its support for FCT, the Sponsor, which, through its wholly-owned subsidiaries, Frasers Property Retail Trust Holdings Pte. Ltd. ("**FPRTH**") and the Manager (in its own capacity) (the "**Relevant Entities**"), owns 409,430,348 Units as at the Latest Practicable Date representing approximately 36.57% of the total number of Existing Units, has provided to the Manager and the Joint Lead Managers and Underwriters an irrevocable undertaking (the "**Sponsor Irrevocable Undertaking**") that, among other things, in the event that the proposed Equity Fund Raising includes a Preferential Offering:

- (i) subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST), and in any case not later than the last day for acceptance of the Preferential Offering Units, it will procure the Relevant Entities to accept and subscribe for the Relevant Entities' total provisional allotment of the Preferential Offering Units (the "**Allotted Preferential Offering Units**"); and
- (ii) it will, in addition to paragraph (i) above, procure that the Relevant Entities make excess applications for up to 245,123,341 additional Preferential Offering Units (the "**Excess Preferential Offering Units**"), above the Allotted Preferential Offering Units, which are not taken up by other Unitholders and subscribe for such Excess Preferential Offering Units allotted to the Relevant Entities,

such that the total number of Allotted Preferential Offering Units and Excess Preferential Offering Units applied for by the Relevant Entities is equivalent to 100% of the total number of Preferential Offering Units (i.e. the Sponsor, through the Relevant Entities, will take up any remaining Preferential Offering Units not taken up by the other Unitholders). For the avoidance of doubt, the Relevant Entities, among others, will rank last in the allocation of Excess Preferential Offering Units applications.

¹² For the avoidance of doubt, the Private Placement is inclusive of the proposed Sponsor Placement (as defined herein).

Set-Off Mechanism

In the event that the proposed Equity Fund Raising includes a Preferential Offering, pursuant to the ARF Sale and Purchase Agreement, the ARF Purchase Consideration that the FCT ARF Purchaser is required to pay will be reduced by the total issue price of the Units to be subscribed by the Relevant Entities under the Preferential Offering pursuant to the terms of the Sponsor Irrevocable Undertaking (the “**FPL Subscription Amount**”). Therefore, it would not be necessary for the Sponsor to fund the FPL Subscription Amount.

Further details of the Sponsor Irrevocable Undertaking and the Set-off Mechanism will be set out in the Circular.

3.2 The Proposed Sponsor Placement

In the event that the proposed Equity Fund Raising includes a Private Placement, to provide a higher degree of certainty for the successful completion of the Private Placement and to enable the Sponsor and its subsidiaries (the “**Sponsor Group**”) to be in a position to support FCT and align its interest with the Unitholders, New Units may be issued to the Sponsor Group as part of the Private Placement for the Sponsor Group to subscribe for such number of New Units under the Private Placement up to its proportionate pre-placement unitholdings in FCT (the “**Sponsor Placement**”) ¹³.

Pursuant to the Sponsor Irrevocable Undertaking, the Sponsor has also undertaken that should the Sponsor Group be offered New Units under the proposed Sponsor Placement, the Sponsor Group will subscribe for such number of New Units under the Private Placement up to its proportionate pre-placement unitholdings in FCT. The Sponsor Group’s percentage unitholdings in FCT will not increase after the completion of the Private Placement.

The New Units placed to the Sponsor Group under the proposed Sponsor Placement will be issued at the same price as the New Units issued to other investors under the Private Placement.

4. THE PROPOSED WHITEWASH RESOLUTION

The SIC has on 20 August 2020 granted a waiver (the “**SIC Waiver**”) to the Relevant Entities of the requirement for the Relevant Entities to make a mandatory offer (the “**Mandatory Offer**”) for the remaining Units not owned or controlled by the Relevant Entities, in the event that they incur an obligation to make a Mandatory Offer pursuant to Rule 14 of the Singapore Code on Take-overs and Mergers (the “**Code**”) as a result of the subscription by the Relevant Entities of the Preferential Offering Units (the “**Sponsor Preferential Offering Units**”) in accordance with the terms of the Sponsor Irrevocable Undertaking.

The SIC granted the SIC Waiver subject to, *inter alia*, the satisfaction of the following conditions:

- (i) a majority of Unitholders approve at a general meeting, before the issue of the Allotted Preferential Offering Units and the Excess Preferential Offering Units, the proposed whitewash resolution by way of a poll to waive their rights to receive a general offer from the Relevant Entities (the “**Whitewash Resolution**”);
- (ii) the proposed Whitewash Resolution is separate from other resolutions;

¹³ The proposed Sponsor Placement will apply to any upsize option to issue additional New Units under the Private Placement which may be exercised by the Manager.

- (iii) the Relevant Entities and the parties acting in concert with them (the “**Concert Party Group**”) and parties not independent of them abstain from voting on the proposed Whitewash Resolution;
- (iv) the Concert Party Group did not acquire or are not to acquire any Units or instruments convertible into and options in respect of Units (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Units which have been disclosed in the Circular):
 - (a) during the period between the first announcement of the proposed Preferential Offering and the date Unitholders’ approval is obtained for the proposed Whitewash Resolution; and
 - (b) in the six months prior to the first announcement of the proposed Preferential Offering, but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to the proposed Preferential Offering;
- (v) FCT appoints an independent financial adviser to advise the Unitholders other than the Concert Party Group and parties not independent of them (the “**Independent Unitholders**”) on the proposed Whitewash Resolution;
- (vi) FCT sets out clearly in the Circular:
 - (a) details of the Preferential Offering and the proposed issue of the Allotted Preferential Offering Units and the Excess Preferential Offering Units to the Relevant Entities;
 - (b) the dilution effect to existing Unitholders upon the issue of the Allotted Preferential Offering Units and the Excess Preferential Offering Units to the Relevant Entities;
 - (c) the number and percentage of Units as well as the number of instruments convertible into, rights to subscribe for and options in respect of Units held by the Concert Party Group as at the Latest Practicable Date;
 - (d) the number and percentage of Units to be acquired by the Concert Party Group upon the issue of the Allotted Preferential Offering Units and the Excess Preferential Offering Units;
 - (e) a specific and prominent reference to the fact that the issue of the Allotted Preferential Offering Units and the Excess Preferential Offering Units could result in the Concert Party Group holding over 49.0% of the Units and to the fact that the Concert Party Group will be free to acquire further Units without incurring any obligation under Rule 14 of the Code to make a general offer; and
 - (f) a specific and prominent reference to the fact that Unitholders, by voting for the proposed Whitewash Resolution, are waiving their rights to a general offer from the Relevant Entities at the highest price paid by the Concert Party Group for Units in the past six months preceding the commencement of the offer;
- (vii) the Circular states that the waiver granted by SIC to the Relevant Entities from the requirement to make a general offer under Rule 14 of the Code is subject to the conditions set out in sub-paragraphs (i) to (vi) above;
- (viii) FCT obtains SIC’s approval in advance for the parts of the Circular that refer to the proposed Whitewash Resolution; and

- (ix) to rely on the proposed Whitewash Resolution, approval of the proposed Whitewash Resolution must be obtained within three months of the date of the SIC Waiver and the acquisition of the Allotted Preferential Offering Units and the Excess Preferential Offering Units by the Concert Party Group must be completed within three months of the date of the approval of the proposed Whitewash Resolution.

Rule 14.1(b) of the Code states that the Concert Party Group would be required to make a Mandatory Offer, if the Concert Party Group holds not less than 30.0% but not more than 50.0% of the voting rights of FCT and the Concert Party Group acquires in any period of six months additional Units which carry more than 1.0% of the voting rights of FCT.

In addition to the taking up by the Relevant Entities of their *pro rata* entitlements to the Preferential Offering, the Sponsor has, subject to and conditional upon the approval of the proposed Whitewash Resolution by the Independent Unitholders, irrevocably undertaken to procure the Relevant Entities to apply for the Excess Preferential Offering Units. The exact percentage increase of the Concert Party Group's aggregate unitholding in FCT ("**Unitholding**") will depend on the overall level of acceptances and excess applications by Unitholders for the Preferential Offering as according to Rule 877(10) of the Listing Manual, the Relevant Entities, among others, will rank last in the allocation of Excess Preferential Offering Unit applications. The Concert Party Group's percentage Unitholding after the Preferential Offering will therefore vary depending on the final allocation of the Excess Preferential Offering Units applied for.

If the Concert Party Group's percentage Unitholding after the Preferential Offering increases by more than 1.0% as a result of any allocation further to the application of the Relevant Entities for the Excess Preferential Offering Units, the Concert Party Group would then be required to make a Mandatory Offer unless waived by the SIC.

Accordingly, the Manager is seeking approval from the Independent Unitholders for a waiver of their right to receive a Mandatory Offer from the Relevant Entities, in the event that they incur an obligation to make a Mandatory Offer as a result of the subscription by the Relevant Entities of the Excess Preferential Offering Units in accordance with the terms of the Sponsor Irrevocable Undertaking.

Further details of the proposed Whitewash Resolution will be set out in the Circular.

5. RATIONALE FOR THE PROPOSED ARF TRANSACTION AND THE PROPOSED EQUITY FUND RAISING (INCLUDING THE PROPOSED SPONSOR PLACEMENT)

The Manager believes that the proposed ARF Transaction and the proposed Equity Fund Raising (including the proposed Sponsor Placement) represents a rare opportunity for FCT to increase its number of retail properties from 7 to 11 and substantially increase its retail net lettable area to 2.3 million square feet, making FCT one of Singapore's largest suburban mall owners. The increase in FCT's market capitalisation post the proposed Equity Fund Raising is expected to elevate FCT to among the top ten Singapore REITs ("**S-REIT**") by market capitalisation. The suburban retail sector in Singapore has demonstrated its relevance and resilience during this COVID-19 pandemic, and the Manager believes this transaction will bring the following key benefits to Unitholders:

- (i) Suburban Malls Remains an Attractive Asset Class

- (a) Suburban malls are well-positioned to benefit from the Singapore Government's plan to decentralise and grow regional and sub-regional centres
 - (b) The ARF Singapore Retail Assets are located in densely populated suburbs above or next to major transport nodes with strong catchment, and are complementary to FCT's existing portfolio
 - (c) Suburban malls have attractive dynamics and are resilient as they focus on Essential Services¹⁴
 - (d) The suburban regions in Singapore have a lower retail space per capita compared with the national average of about 6.4 sq ft per capita which is comparatively lower than regional cities like Hong Kong and Kuala Lumpur
- (ii) Enlarged Scale
- (a) FCT's portfolio is resilient and well-positioned to deliver steady performance
 - (b) The increase in market capitalisation post the proposed Equity Fund Raising potentially places FCT amongst the top ten largest S-REITs by market capitalisation and free float, with the potential for higher constituent weightage in key indices like the FTSE EPRA/NAREIT Index
 - (c) With the addition of the ARF Singapore Retail Assets to its portfolio, FCT will be amongst the largest suburban mall owners in Singapore
 - (d) Increase in FCT's portfolio of malls from 7 to 11 following the completion of the proposed Transactions¹⁵ will strengthen FCT's ability to offer more options to retailers and shoppers
- (iii) Quality Portfolio with Improved Diversification
- (a) Reduced concentration risk from any single asset
- (iv) Efficient Holding Structure
- (a) After the proposed ARF Transaction and LLP Conversion, the ARF Singapore Assets¹⁶ will be held via a structure that would allow Unitholders to enjoy tax transparency
- (v) DPU Accretive

Further details on the rationale will be set out in the Circular.

¹⁴ The groupings of essential and non-essential services are based on Ministry of Trade and Industry's press release on 21 April 2020. Note that the individual product group may not align perfectly to the announced Essential Services.

¹⁵ "Transactions" means the proposed ARF Transaction, the proposed Equity Fund Raising, the proposed Sponsor Placement the proposed Whitewash Resolution and the proposed Bedok Point Divestment.

¹⁶ The Manager is currently exploring how tax transparency can be achieved in respect of Century Square, including the transfer of Century Square to be held directly by FCT.

6. THE PROPOSED BEDOK POINT DIVESTMENT

6.1 Description of Bedok Point

Bedok Point is located in the town centre of Bedok, which is one of the largest residential estates in Singapore by population. The mall is well-served by the nearby Bedok Mass Rapid Transit (“MRT”) station and the Bedok bus interchange. Bedok Point has five retail levels (including one basement level) and one basement car park and offers an array of restaurants, food outlets, enrichment centres, retail and service offerings.

The following table sets out a summary of selected information on Bedok Point as at 30 June 2020, unless otherwise stated.

Location	799 New Upper Changi Road, Singapore 467351
Title	Leasehold title expiring on 14 March 2077
GFA (sq ft)	133,597
NLA (sq ft)	82,713
Number of Storeys	Five retail levels (including one basement level) and one basement car park
Number of Car Park Lots	76
Committed Occupancy	92.0%
Weighted Average Lease Expiry (years)	By GRI: 1.17 By NLA: 1.60
Independent Valuation by Jones Lang Lasalle Property Consultants Pte Ltd (“JLL”) (as at 1 August 2020)⁽¹⁾	S\$108.9 million
Independent Valuation by Colliers (as at 1 August 2020)⁽¹⁾	S\$107.2 million
Bedok Point Divestment Consideration⁽²⁾	S\$108.0 million

Notes:

- (1) JLL and Colliers relied on the comparison method and residual method. Additionally, the valuation of Bedok Point was conducted on the basis of Bedok Point as a redevelopment site, assuming that the change of use/re-zoning of Bedok Point to “Residential with Commercial on 1st Storey” is approved and the land lease can be topped up to 99 years subject to payment of lease renewal premium.
- (2) Valuation of Bedok Point as at 30 September 2019 was S\$94.0 million.

6.2 Bedok Point Divestment Consideration and Valuation

The Trustee has commissioned an independent valuer, JLL, and the Manager has commissioned an independent valuer, Colliers (collectively with JLL, the “**Bedok Point Independent Valuers**”), to respectively value Bedok Point. JLL, in its report dated 1 August 2020, stated that the open market value of Bedok Point as at 1 August 2020 was S\$108.9 million. Colliers, in its report dated 1 August 2020, stated that the open market value of Bedok Point as at 1 August 2020 was S\$107.2 million.

In arriving at the open market values of Bedok Point, both JLL and Colliers relied on the comparison method and residual method. Additionally, the valuation of Bedok Point was

conducted on the basis of Bedok Point as a redevelopment site, assuming that the change of use/re-zoning of Bedok Point to “Residential with Commercial on 1st Storey” is approved and the land lease can be topped up to 99 years subject to payment of lease renewal premium.

The sale price of Bedok Point is S\$108.0 million (the “**Bedok Point Divestment Consideration**”), which was negotiated on a willing-buyer and willing-seller basis after taking into account the independent valuations of Bedok Point and represents approximately the average of the two independent valuations of Bedok Point of S\$108.1 million.

On 3 September 2020, the Bedok Point Purchaser had paid to the Trustee an option fee of S\$1.00 (the “**Bedok Point Option Fee**”) (which shall be applied towards payment of the Bedok Point Divestment Consideration upon exercise of the Bedok Point Put Option or the Bedok Point Call Option (as the case may be)) and the balance of the Bedok Point Divestment Consideration shall be paid by the Bedok Point Purchaser to the Trustee and/or such other person as the Trustee may direct on completion of the proposed Bedok Point Divestment (the “**Bedok Point Divestment Completion**”).

6.3 Estimated Total Bedok Point Divestment Cost

The estimated total cost of the proposed Bedok Point Divestment is approximately S\$0.8 million, comprising:

- (i) the divestment fee¹⁷ payable to the Manager for the proposed Bedok Point Divestment (the “**Bedok Point Divestment Fee**”) pursuant to the Trust Deed of approximately S\$0.5 million (being 0.5% of the Bedok Point Divestment Consideration); and
- (ii) the estimated professional and other fees and expenses incurred or to be incurred by FCT in connection with the proposed Bedok Point Divestment of approximately S\$0.3 million.

6.4 Use of Bedok Point Divestment Proceeds

The net proceeds from the proposed Bedok Point Divestment of approximately S\$107.7 million may be used to repay debt, finance any capital expenditure and asset enhancement works and/or to finance general corporate and working capital requirements.

6.5 Principal Terms of the Bedok Point Put and Call Option Agreement

The principal terms of the Bedok Point Put and Call Option Agreement and Bedok Point Purchase Agreement (the form of which is appended to the Bedok Point Put and Call Option Agreement) include, among others, the following:

- (i) Pursuant to the Bedok Point Put and Call Option Agreement:
 - (a) in consideration of the Bedok Point Purchaser’s payment of the Bedok Point Option Fee to the Trustee, the Trustee granted to the Bedok Point Purchaser a right (the “**Bedok Point Call Option**”) to require the Trustee to enter into the Bedok Point Purchase Agreement with the Bedok Point Purchaser for the sale and purchase of Bedok Point at the Bedok Point Divestment Consideration and on the terms of the Bedok Point Purchase Agreement; and

¹⁷ As the proposed Bedok Point Divestment is an “interested party transaction” under the Property Funds Appendix, the Bedok Point Divestment Fee will be in the form of Units (the “**Bedok Point Divestment Fee Units**”) which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix. Based on an illustrative issue price of S\$2.22 per Bedok Point Divestment Fee Unit, the number of Bedok Point Divestment Fee Units to be issued shall be approximately 243,243 Units.

- (b) in consideration of the mutual covenants in the Bedok Point Put and Call Option Agreement, the Bedok Point Purchaser granted to the Trustee a right (the “**Bedok Point Put Option**”) to require the Bedok Point Purchaser to enter into the Bedok Point Purchase Agreement with the Trustee for the sale and purchase of Bedok Point at the Bedok Point Divestment Consideration and on the terms of the Bedok Point Purchase Agreement.
- (ii) The exercise of the Bedok Point Call Option and the Bedok Point Put Option will be subject to, the fulfilment of the following conditions:
 - (a) the Unitholders’ approval for the proposed Bedok Point Divestment being obtained;
 - (b) the ARF Acquisition Completion having taken place; and
 - (c) the Bedok Point Purchaser obtaining the written confirmation from the Singapore Land Authority (on behalf of the President of the Republic of Singapore) that based on the outline application advice from the Urban Redevelopment Authority dated 21 February 2020 as supplemented by an email dated 15 June 2020 from the Urban Redevelopment Authority (“**URA OPA**”), it has in-principle no objections to recommend to the President of the Republic of Singapore to renew the lease term of Bedok Point to a fresh leasehold term of at least 99 years.
- (iii) The Bedok Point Purchaser may exercise the Bedok Point Call Option before the expiry of the period commencing on the Bedok Point Conditions Fulfilment Date¹⁸ and expiring at 5 p.m. on the date falling seven business days thereafter (or such other date as the parties may mutually agree in writing) (“**Bedok Point Call Option Exercise Period**”). If the Bedok Point Call Option has not been exercised by the Bedok Point Purchaser during the Bedok Point Call Option Exercise Period, the Trustee may exercise the Bedok Point Put Option before the expiry of the period commencing immediately after the expiry of the Bedok Point Call Option Exercise Period and ending at 5 p.m. seven business days thereafter.
- (iv) Pursuant to the Bedok Point Purchase Agreement, the Trustee shall deliver to the Bedok Point Purchaser on Bedok Point Divestment Completion vacant possession of such part(s) of Bedok Point which are not occupied by the tenants or licensees under existing tenancy agreements and new tenancy agreements entered into after the date of the Bedok Point Purchase Agreement.
- (v) The Bedok Point Purchaser shall be entitled to terminate the Bedok Point Put and Call Option Agreement and/or the Bedok Point Purchase Agreement if:
 - (a) any government agency or competent authority shall acquire or give notice of acquisition or intended acquisition of the whole of Bedok Point or any 3% or more, in aggregate, of the land area of Bedok Point; or

¹⁸ “**Bedok Point Conditions Fulfilment Date**” means (i) the date the Trustee serves written notice on the Bedok Point Purchaser that the Unitholders’ approval for the proposed Bedok Point Divestment has been obtained and the ARF Acquisition Completion has taken place; or (ii) the date the Bedok Point Purchaser serves written notice on the Trustee that the Bedok Point Purchaser has obtained the written confirmation from the Singapore Land Authority (on behalf of the President of the Republic of Singapore) that based on the URA OPA, it has in-principle no objections to recommend to the President of the Republic of Singapore to renew the lease term of Bedok Point to a fresh leasehold term of at least 99 years, whichever is the later date.

- (b) any reply received by the Bedok Point Purchaser, from the relevant authorities to its legal requisitions in respect of Bedok Point is unsatisfactory.
- (vi) Either the Bedok Point Purchaser or the Trustee shall be entitled to terminate the Bedok Point Put and Call Option Agreement and/or the Bedok Point Purchase Agreement if there is any material damage to or destruction of Bedok Point or any part(s) thereof by fire or other cause or event, such that part(s) of Bedok Point which in aggregate, comprise 5% or more of the net lettable area of Bedok Point, is rendered unfit for use or occupation, or rendered unsafe, or cannot be lawfully used.

6.7 Rationale for the Proposed Bedok Point Divestment

The Manager believes that the proposed Bedok Point Divestment will benefit Unitholders as it is in line with the Manager's proactive portfolio management strategy¹⁹, allowing FCT to unlock value and redeploy it to acquire higher yielding assets with larger scale.

7. PRO FORMA FINANCIAL EFFECTS

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* financial effects of the proposed ARF Transaction, the proposed Equity Fund Raising and the proposed Bedok Point Divestment on the DPU, net asset value ("**NAV**") per Unit and capitalisation presented below are strictly for illustrative purposes and are prepared based on FCT Group's²⁰ latest audited financial statements for FY2019²¹ (the "**FY2019 Audited Financial Statements**"), FCT Group's unaudited financial statements for 9M2020²² (the "**9M2020 Unaudited Financial Statements**") and the unaudited management accounts of the ARF Assets and/or Bedok Point (as the case may be) and assumptions as follows:

- (i) the ARF Purchase Consideration for the Sale Shares is approximately S\$1,057.4 million;
- (ii) gross proceeds of up to approximately S\$1,300.0 million are raised from the issue of up to approximately 585.6 million New Units at the Illustrative Issue Price of S\$2.22 pursuant to the proposed Equity Fund Raising;
- (iii) the ARF Acquisition Fee of approximately S\$19.3 million is payable to the Manager wholly in Units;
- (iv) the ARF Acquisition Fee Units are issued at S\$2.22 per Unit;
- (v) the completion of the LLP Conversion of ARF Singapore PropCos to ARF Singapore Prop LLPs immediately upon the ARF Acquisition Completion and that no tax liability is imposed due to the LLP Conversion; and
- (vi) the financial effects set out below are theoretical in nature and are therefore not necessarily indicative of the future financial position and earnings of FCT Group.

¹⁹The Manager regularly reviews the property portfolio of FCT as part of its proactive portfolio management strategy and where the Manager considers that any property has reached a stage where its divestment is in the interest of Unitholders, the Manager may recommend the divestment and redeploy the divestment proceeds into the acquisition of properties that meet its investment criteria.

²⁰"**FCT Group**" means FCT and its subsidiaries.

²¹"**FY2019**" means the financial year ended 30 September 2019.

²²"**9M2020**" means the nine-month financial period from 1 October 2019 to 30 June 2020.

7.1 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY

The following tables set out the *pro forma* financial effects of the proposed Transactions on FCT's DPU for FY2019 and 9M2020, as if the proposed Transactions were completed on 1 October 2018 for FY2019 and 1 October 2019 for 9M2020, and FCT held the ARF Singapore Assets through to 30 September 2019 or 30 June 2020 (as the case may be), and gross proceeds of approximately S\$1,300.0 million were raised from the issue of approximately 585.6 million New Units at the Issue Price of S\$2.22 per Unit pursuant to the proposed Equity Fund Raising:

Pro forma effects of the proposed Transactions for FY2019				
	FY2019 Audited Financial Statements ⁽¹⁾	Effects of the proposed Transactions		
		Before the proposed ARF Transaction ⁽²⁾	After the proposed ARF Transaction and the proposed Equity Fund Raising	After the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising
Total return for the year (S\$'000)	205,956	212,485	269,986	283,878 ⁽³⁾
Distributable Income (S\$'000)	118,718	133,936	222,342 ⁽⁴⁾	222,937 ⁽⁴⁾
Weighted average number of Issued and Issuable Units ('000)	1,003,727 ⁽⁵⁾	1,116,923 ⁽⁶⁾	1,711,731 ⁽⁷⁾	1,711,957 ⁽⁸⁾
DPU (Singapore cents)	11.97 ⁽⁹⁾	11.99 ⁽⁹⁾	12.98 ⁽⁹⁾	13.02 ⁽⁹⁾
DPU Accretion (%)			8.31 ⁽¹⁰⁾⁽¹¹⁾	8.59 ⁽¹⁰⁾⁽¹¹⁾

Notes:

- (1) Based on FY2019 Audited Financial Statements.
- (2) Based on FY2019 Audited Financial Statements and adjustments made to assume that:
 - (i) The acquisition of 99,150 shares in the capital of ARF took place on 1 October 2018 and expenses have been deducted for borrowing costs from the drawdown of loans to fund the acquisition, the Manager's management fees, the transaction costs and the Trustee's fees incurred in connection with the acquisition;
 - (ii) Divestments of Liang Court, Kinta City, Island Plaza and 1st Avenue Mall took place on 30 September 2018;
 - (iii) FCT Group's total return and distributable income took into account FCT's share of the effects of capital redemptions in the capital of ARF during FY2019;
 - (iv) Acquisition of additional 48,229 shares in the capital of ARF took place on 1 October 2018; and
 - (v) Acquisition of 40% of the total issued units of Sapphire Star Trust ("SST") and 40% share of a unitholders' loan previously extended by the unitholders of SST to SST took place on 1 October 2018.
- (3) Included gain on divestment of Bedok Point.
- (4) Assumed 100% payout ratio from ARF.

- (5) Based on the weighted average number of Units issued and issuable as at 30 September 2019.
- (6) Based on the weighted average number of Units issued and issuable as at 30 September 2019 and included the approximate 0.8 million acquisition fees in Units issued in relation to the acquisition of 48,229 shares in the capital of ARF.
- (7) Assumed the issue of approximately 585.6 million new Units at S\$2.22 per Unit pursuant to the proposed Equity Fund Raising and the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition.
- (8) Assumed the issue of approximately 585.6 million new Units at S\$2.22 per Unit pursuant to the proposed Equity Fund Raising, the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition, and the issue of approximately 0.2 million new Units as payment of the Bedok Point Divestment Fee for the proposed Bedok Point Divestment.
- (9) Excluded release of prior year's retention of distributable income of 0.10 Singapore cents per Unit.
- (10) DPU Accretion based on the DPU before the proposed ARF Transaction of 11.99 Singapore cents.
- (11) Calculated based on DPU of three decimal places.

Pro forma effects of the proposed Transactions for 9M2020				
	9M2020 Unaudited Financial Statements⁽¹⁾	Effects of the proposed Transactions		
		Before the proposed ARF Transaction⁽²⁾	After the proposed ARF Transaction and the proposed Equity Fund Raising	After the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising
Total return for the year (\$'000)	69,818	66,443	67,537	81,742 ⁽³⁾
Distributable Income	81,440	82,106	125,290 ⁽⁴⁾	126,257 ⁽⁴⁾
Weighted average number of Issued and Issuable Units ('000)	1,117,870 ⁽⁵⁾	1,118,716 ⁽⁶⁾	1,713,256 ⁽⁷⁾	1,713,490 ⁽⁸⁾
DPU (Singapore cents)	7.29	7.34	7.31	7.37
DPU Accretion (%)			(0.36) ⁽⁹⁾⁽¹⁰⁾	0.40 ⁽⁹⁾⁽¹⁰⁾

Notes:

- (1) Based on the 9M2020 Unaudited Financial Statements. During the Circuit Breaker Period which ended on 1 June 2020, both FCT and ARF disbursed approximately S\$36.5 million of rental rebates (net of asset and property management fees) to tenants.
- (2) Based on the 9M2020 Unaudited Financial Statements and adjustments made to assume that:
- (i) the acquisition of 48,229 shares in the capital of ARF on 1 October 2019 and expenses have been deducted for borrowing costs from the drawdown of loans to fund the acquisition, the Manager's management fees, the transaction costs and the Trustee's fees incurred in connection with the acquisition; and
- (ii) the divestments of 1st Avenue Mall and Mallco took place on 30 September 2019.
- (3) Included gain on divestment of Bedok Point.
- (4) Assumed 100% payout ratio from ARF.
- (5) Based on the weighted average number of Units issued and issuable as at 30 June 2020.

- (6) Based on the weighted average number of Units issued and issuable as at 30 June 2020 after issuance of acquisition fees of approximately 0.8 million Units in relation to the acquisition of 48,229 shares in the capital of ARF.
- (7) Assumed the issue of approximately 585.6 million new Units at S\$2.22 per Unit pursuant to the proposed Equity Fund Raising and the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition.
- (8) Assumed the issue of approximately 585.6 million new Units at S\$2.22 per Unit pursuant to the proposed Equity Fund Raising, the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition, and the issue of approximately 0.2 million new Units as a payment of the Bedok Point Divestment Fee for the proposed Bedok Point Divestment.
- (9) DPU Accretion based on the DPU before the proposed ARF Transaction of 7.34 Singapore cents.
- (10) Calculated based on DPU of three decimal places.

During the Circuit Breaker Period which ended on 1 June 2020, both FCT and ARF disbursed approximately S\$36.5 million (net of asset and property management fees) of rental rebates to tenants in the third quarter ended 30 June 2020. Excluding the one-off rental rebates disbursed to tenants, the table below sets out the *pro forma* effects on the DPU:

Pro forma effects of the proposed Transactions for 9M2020 (excluding one-off Rental Rebates disbursed to tenants during Circuit Breaker Period)				
	9M2020 Unaudited Financial Statements	Effects of the proposed Transactions		
		Before the proposed ARF Transaction	After the proposed ARF Transaction and the proposed Equity Fund Raising	After the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising
Total return for the year (S\$'000)	92,702 ⁽¹⁾	91,495 ⁽¹⁾	103,054 ⁽²⁾	116,578 ⁽²⁾
Distributable Income	100,342 ⁽¹⁾	101,005 ⁽¹⁾	161,742 ⁽²⁾	162,010 ⁽²⁾
Weighted average number of Issued and Issuable Units ('000)	1,117,870	1,118,716	1,713,256	1,713,490
DPU (Singapore cents)	8.98	9.03	9.44	9.45
DPU Accretion (%)			4.56 ⁽³⁾⁽⁴⁾	4.72 ⁽³⁾⁽⁴⁾

Notes:

- (1) Excluded one-off rental rebates of S\$18.9 million (net of asset and property management fees) disbursed to tenants by FCT for the period April 2020 to June 2020.
- (2) Excluded one-off rental rebates of S\$36.5 million (net of asset and property management fees) disbursed to tenants by FCT and ARF for the period April 2020 to June 2020.
- (3) DPU Accretion based on the DPU before the proposed ARF Transaction of 9.03 Singapore cents.
- (4) Calculated based on DPU of three decimal places.

7.2 Pro Forma NAV

The following tables set out the *pro forma* financial effects of the proposed Transactions on the NAV per Unit as at 30 September 2019 and 30 June 2020, as if FCT had completed the proposed Transactions on those dates, taking into account gross proceeds of approximately S\$1,300 million were raised from the issue of approximately 585.6 million New Units at the Issue Price of S\$2.22 per Unit pursuant to the proposed Equity Fund Raising:

Pro forma effects of the proposed Transactions for FY2019				
	FY2019 Audited Financial Statements ⁽¹⁾	Effects of the proposed Transactions		
		Before the proposed ARF Transaction ⁽²⁾	After the proposed ARF Transaction and the proposed Equity Fund Raising	After the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising
NAV (S\$'000)	2,471,059	2,470,960 ⁽³⁾	3,781,914	3,795,614 ⁽⁴⁾
Issued and Issuable Units ('000)	1,117,509 ⁽⁵⁾	1,118,336 ⁽⁶⁾	1,712,635 ⁽⁷⁾	1,712,878 ⁽⁸⁾
NAV per Unit (S\$)	2.21	2.21	2.21	2.22

Notes:

- (1) Based on FY2019 Audited Financial Statements.
- (2) Based on FY2019 Audited Financial Statements and adjustment made to assume the acquisition of 48,229 shares in the capital of ARF.
- (3) Included write-off of transaction costs arising from the acquisition of 48,229 shares in the capital of ARF.
- (4) Included gain on divestment of Bedok Point.
- (5) Number of issued and issuable units as at 30 September 2019.
- (6) Included approximately 0.8 million Units issued in relation to the acquisition of 48,229 shares in the capital of ARF.
- (7) Assumed the issue of approximately 585.6 million new Units at S\$2.22 per Unit pursuant to the proposed Equity Fund Raising and the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition.
- (8) Assumed the issue of approximately 585.6 million new Units at S\$2.22 per Unit pursuant to the proposed Equity Fund Raising, the issue of approximately 8.7 million new Units as payment of ARF Acquisition Fee for the proposed ARF Acquisition, and issue of approximately 0.2 million new Units as payment of the Bedok Point Divestment Fee for the proposed Bedok Point Divestment.

Pro forma effects of the proposed Transactions for 9M2020				
	9M2020 Unaudited Financial Statements⁽¹⁾	Effects of the proposed Transactions		
		Before the proposed ARF Transaction⁽²⁾	After the proposed ARF Transaction and the proposed Equity Fund Raising	After the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising
NAV (S\$'000)	2,451,521	2,451,421 ⁽³⁾	3,807,974	3,821,674 ⁽⁴⁾
Issued and issuable Units ('000)	1,119,139 ⁽⁵⁾	1,119,966 ⁽⁶⁾	1,714,265 ⁽⁷⁾	1,714,508 ⁽⁸⁾
NAV per Unit (S\$)	2.19	2.19	2.22	2.23

Notes:

- (1) Based on the 9M2020 Unaudited Financial Statements.
- (2) Based on the 9M2020 Unaudited Financial Statements and adjustment made to assume the acquisition of 48,229 shares in the capital of ARF.
- (3) Included write-off of transaction costs arising from the acquisition of 48,229 shares in the capital of ARF.
- (4) Included gain on divestment of Bedok Point.
- (5) Number of issued and issuable Units as at 30 June 2020.
- (6) Included approximately 0.8 million Units issued in relation to the acquisition of 48,229 shares in the capital of ARF.
- (7) Assumed the issue of approximately 585.6 million new Units at S\$2.22 per Unit pursuant to the proposed Equity Fund Raising and the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition.
- (8) Assumed the issue of approximately 585.6 million new Units at S\$2.22 per Unit pursuant to the proposed Equity Fund Raising, the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition, and the issue of approximately 0.2 million new Units as payment of the Bedok Point Divestment Fee for the proposed Bedok Point Divestment.

7.3 Pro Forma Capitalisation

FOR ILLUSTRATIVE PURPOSES ONLY: The following tables set out the *pro forma* capitalisation of FCT as at 30 September 2019 and 30 June 2020, as if FCT had completed the proposed Transactions on those dates, taking into account gross proceeds of approximately S\$1,300 million were raised from the issue of approximately 585.6 million New Units at the Issue Price of S\$2.22 per Unit pursuant to the proposed Equity Fund Raising:

Pro forma effects of the proposed Transactions for FY2019				
	FY2019 Audited Financial Statements ⁽¹⁾	Effects of the proposed Transactions		
		Before the proposed ARF Transaction	After the proposed ARF Transaction and the proposed Equity Fund Raising	After the proposed ARF Transaction, the proposed Bedok Point Divestment and the proposed Equity Fund Raising
Total gross borrowings (S\$'000)	1,269,005 ⁽²⁾	1,466,343 ⁽²⁾⁽³⁾	2,421,569 ⁽²⁾	2,315,589 ⁽²⁾⁽⁴⁾
Total Unitholders' funds (S\$'000)	2,471,059	2,470,960 ⁽⁵⁾	3,781,914 ⁽⁶⁾	3,795,614 ⁽⁷⁾
Total Capitalisation (S\$'000)	3,740,064	3,937,303	6,203,483	6,111,203
Gearing ratio (%)⁽⁸⁾	32.9	36.2	36.0	34.9

Notes:

- (1) Based on FY2019 Audited Financial Statements.
- (2) Included FCT's 40.0% proportionate share of borrowing in SST.
- (3) Included drawdown of S\$197.3 million short term borrowings to fund acquisition of 48,229 shares in the capital of ARF.
- (4) Net proceeds from divestment of Bedok Point assumed to repay existing borrowings.
- (5) Included write-off of transaction costs arising from the acquisition of 48,229 shares in the capital of ARF.
- (6) Assumed the issue of approximately 585.6 million new Units at S\$2.22 per Unit pursuant to the proposed Equity Fund Raising and the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition.
- (7) Assumed the issue of approximately 585.6 million new Units at S\$2.22 per Unit pursuant to the proposed Equity Fund Raising, the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition, and the issue of approximately 0.2 million new Units as payment of the Bedok Point Divestment Fee for the proposed Bedok Point Divestment.
- (8) Computed as gross borrowings over total assets. In accordance with the Property Funds Appendix, the gearing ratio included FCT's 40% proportionate share of deposited property value and borrowing in SST.

Pro forma effects of the proposed Transactions for 9M2020				
		Effects of the proposed Transactions		
		Before the proposed ARF Transaction	After the proposed ARF Transaction and the proposed Equity Fund Raising	After the proposed ARF Transaction, proposed Bedok Point Divestment and the proposed Equity Fund Raising
	9M2020 Unaudited Financial Statements⁽¹⁾			
Total gross borrowings (S\$'000)	1,368,560 ⁽²⁾	1,565,897 ⁽²⁾⁽³⁾	2,721,448 ⁽²⁾	2,615,468 ⁽²⁾⁽⁴⁾
Total Unitholders' funds (S\$'000)	2,451,521	2,451,421 ⁽⁵⁾	3,807,974 ⁽⁶⁾	3,821,674 ⁽⁷⁾
Total capitalisation (S\$'000)	3,820,081	4,017,318	6,529,422	6,437,142
Gearing ratio (%)⁽⁸⁾	35.0	38.1	40.4	39.3

Notes:

- (1) Based on 9M2020 Unaudited Financial Statements.
- (2) Included FCT's 40.0% proportionate share of borrowing in SST.
- (3) Included drawdown of S\$197.3 million short term borrowings to fund acquisition of 48,229 shares in the capital of ARF.
- (4) Net proceeds from divestment of Bedok Point assumed to repay existing indebtedness.
- (5) Included write-off of transaction costs arising from the acquisition of 48,229 shares in the capital of ARF.
- (6) Assumed the issue of approximately 585.6 million new Units at S\$2.22 per Unit pursuant to the proposed Equity Fund Raising and the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition.
- (7) Assumed the issue of approximately 585.6 million new Units at S\$2.22 per Unit pursuant to the proposed Equity Fund Raising, the issue of approximately 8.7 million new Units as payment of the ARF Acquisition Fee for the proposed ARF Acquisition, and the issue of approximately 0.2 million new Units as payment of the Bedok Point Divestment Fee for the proposed Bedok Point Divestment.
- (8) Computed as gross borrowings over total assets. In accordance with the Property Funds Appendix, the gearing ratio included FCT's 40% proportionate share of deposited property value and borrowing in SST.

8. Interested Person Transaction and Interested Party Transaction

8.1 Related Party Transactions

Under Chapter 9 of the Listing Manual, where FCT proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same interested person during the same financial year) is equal to or exceeds 5.0% of the FCT Group's latest audited NTA, Unitholders' approval is required in respect of the transaction.

Paragraph 5.2(b) of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an interested party transaction by FCT whose value (either in itself or when aggregated with the value of other transactions with the same interested party during the current financial year) is equal to or exceeds 5.0% of the FCT Group's latest audited NAV.

Based on the FY2019 Audited Financial Statements, the audited NTA and NAV of the FCT Group attributable to Unitholders was approximately S\$2,471.1 million as at 30 September

2019. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by FCT with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S\$100,000) entered into with the same interested person during the current financial year, equal to or in excess of S\$123.6 million, such a transaction would be subject to Unitholders' approval under Rule 906(1) of the Listing Manual and Paragraph 5.2(b) of the Property Funds Appendix.

Save for the relevant proposed Transactions, the value of all "interested person transactions" entered into between FCT and the Sponsor Group and its associates during the course of the current financial year ending 30 September 2020 that are subject to disclosure under Chapter 9 of the Listing Manual is approximately S\$41.5 million (which is approximately 1.7% of the latest audited NTA and NAV of the FCT Group as at 30 September 2019).

8.2 The Sponsor

As at the Latest Practicable Date, the Sponsor, through the Relevant Entities, owns 409,430,348 Units, representing 36.57% of the total number of Existing Units, and is therefore regarded as a "controlling Unitholder" of FCT under both the Listing Manual and the Property Funds Appendix. In addition, as the Manager is a wholly-owned subsidiary of the Sponsor, the Sponsor is therefore regarded as a "controlling shareholder" of the Manager under both the Listing Manual and the Property Funds Appendix.

8.3 The Proposed ARF Transaction

In relation to the proposed ARF Acquisition and the proposed Mallco Divestment, as the FPL ARF Vendor and the FPL Mallco Purchaser are each wholly-owned subsidiaries of the Sponsor, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, each of the FPL ARF Vendor and the FPL Mallco Purchaser (each being a subsidiary of a "controlling Unitholder" of FCT and a subsidiary of a "controlling shareholder" of the Manager) is an "interested person" (for the purposes of the Listing Manual) and an "interested party" (for the purposes of the Property Funds Appendix) of FCT.

Therefore, the proposed ARF Transaction is an "interested person transaction" under Chapter 9 of the Listing Manual, as well as an "interested party transaction" under the Property Funds Appendix, in respect of which the specific approval of the Unitholders is required.

Given that the aggregate value of the ARF Purchase Consideration of approximately S\$1,057.4 million (which is approximately 42.8% of the audited NTA of the FCT Group and of the audited NAV attributable to Unitholders as at 30 September 2019) exceeds the said threshold, the proposed ARF Transaction is subject to the approval of the Unitholders pursuant to Rule 906(1)(a) of the Listing Manual and Paragraph 5.2(b) of the Property Funds Appendix.

8.4 The Proposed Sponsor Placement

The Sponsor's subsidiaries are associates of a "controlling Unitholder" of FCT and a "controlling shareholder" of the Manager under the Listing Manual. Therefore, for the purposes of Chapter 9 of the Listing Manual, the Sponsor and its subsidiaries are each an "interested person" of FCT and the proposed Sponsor Placement is an "interested person transaction" under Chapter 9 of the Listing Manual in respect of which the specific approval of the Unitholders may be required.

If such number of New Units are placed to the Sponsor Group pursuant to the Private Placement in order for the Sponsor Group to maintain its proportionate pre-placement unitholdings, there is a possibility (depending on the actual Issue Price and the number of New Units placed under the proposed Sponsor Placement) that the value of New Units placed to the

Sponsor Group may exceed 5.0% of the FCT Group's latest audited NTA. In such circumstances, under Rule 906(1)(a) of the Listing Manual, the Manager is required to seek the approval of Unitholders for the placement of New Units to the Sponsor Group.

As the Sponsor is a Substantial Unitholder²³ of FCT, the Manager is also required to seek the approval of Unitholders for the placement of New Units to the Sponsor Group under Rule 812(2) of the Listing Manual.

8.5 The Proposed Bedok Point Divestment

As the Bedok Point Purchaser is a wholly-owned subsidiary of the Sponsor, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the Bedok Point Purchaser (being a subsidiary of a "controlling Unitholder" of FCT and a subsidiary of a "controlling shareholder" of the Manager) is an "interested person" (for the purposes of the Listing Manual) and an "interested party" (for the purposes of the Property Funds Appendix) of FCT.

Therefore, the proposed Bedok Point Divestment is an "interested person transaction" under Chapter 9 of the Listing Manual, as well as an "interested party transaction" under the Property Funds Appendix, in respect of which the specific approval of the Unitholders is required.

The Bedok Point Divestment Consideration is S\$108.0 million (which is approximately 4.4% of the audited NTA of the FCT Group and of the audited NAV attributable to Unitholders as at 30 September 2019).

However, when aggregated with the ARF Purchase Consideration of approximately S\$1,057.4 million, the total value of the Bedok Point Consideration and the ARF Purchase Consideration is approximately S\$1,165.4 million (which is approximately 47.2% of the audited NTA of the FCT Group and of the audited NAV attributable to Unitholders as at 30 September 2019). Therefore, the proposed Bedok Point Divestment is subject to the approval of the Unitholders pursuant to Rule 906(1)(b) of the Listing Manual and Paragraphs 5.2(b) and 5.3 of the Property Funds Appendix.

9. OTHER INFORMATION

9.1 Interests of Directors and Substantial Unitholders

As at the Latest Practicable Date,

- (i) Dr Cheong Choong Kong is the Independent Non-Executive Chairman of the Manager and has a direct interest in 144,649 Units (which is equivalent to approximately 0.01% of the 1,119,447,127 Units in issue);
- (ii) Mr Ho Chee Hwee Simon is a Non-Executive Director of the Manager and has a deemed interest in 100,000 Units (which is equivalent to approximately 0.01% of the 1,119,447,127 Units in issue); and
- (iii) Mr Christopher Tang Kok Kai is a Non-Executive Director of the Manager. He has a direct interest and a deemed interest in an aggregate of 689,220 Units (which is equivalent to approximately 0.06% of the 1,119,447,127 Units in issue).

²³ "Substantial Unitholders" refers to a person with an interest in Units constituting not less than 5.0% of all Units in issue.

Based on the Register of Directors' Unitholdings maintained by the Manager, the direct and deemed interests of the Directors in the Units as at the Latest Practicable Date are as follows:

Name of Director	Direct Interest		Deemed Interest		Total no. of Units held	% ⁽¹⁾⁽²⁾
	No. of Units held	% ⁽¹⁾⁽²⁾	No. of Units held	% ⁽¹⁾⁽²⁾		
Dr Cheong Choong Kong	144,649	0.01	-	-	144,649	0.01
Mr Ho Chai Seng	-	-	-	-	-	-
Mr Ho Chee Hwee Simon	-	-	100,000	0.01	100,000	0.01
Ms Koh Choon Fah	-	-	-	-	-	-
Mr Low Chee Wah	-	-	-	-	-	-
Mr Christopher Tang Kok Kai	50,000	0.00	639,220	0.06	689,220	0.06

Notes:

- (1) The percentage is based on 1,119,447,127 Units in issue as at the Latest Practicable Date.
- (2) Any discrepancies are due to rounding. For the purpose of disclosures of the percentage interests of the directors, percentages are rounded to two decimal places.

Based on the Register of Substantial Unitholders' Unitholdings maintained by the Manager, the Substantial Unitholders and their interests in the Units as at the Latest Practicable Date are as follows:

Name of Substantial Unitholder	Direct Interest		Deemed Interest		Total No. of Units held	% ⁽¹⁾
	No. of Units held	% ⁽¹⁾	No. of Units held	% ⁽¹⁾		
Frasers Property Retail Trust Holdings Pte. Ltd.	360,510,801	32.20	-	-	360,510,801	32.20
Frasers Property Limited ⁽²⁾	-	-	409,430,348	36.57	409,430,348	36.57
Thai Beverage Public Company Limited ⁽³⁾	-	-	409,430,348	36.57	409,430,348	36.57
International Beverage Holdings Limited ⁽⁴⁾	-	-	409,430,348	36.57	409,430,348	36.57
InterBev Investment Limited ⁽⁵⁾	-	-	409,430,348	36.57	409,430,348	36.57
Siriwana	-	-	409,430,348	36.57	409,430,348	36.57

Name of Substantial Unitholder	Direct Interest		Deemed Interest		Total No. of Units held	% ⁽¹⁾
	No. of Units held	% ⁽¹⁾	No. of Units held	% ⁽¹⁾		
Company Limited ⁽⁶⁾						
Maxtop Management Corp. ⁽⁷⁾	-	-	409,430,348	36.57	409,430,348	36.57
Risen Mark Enterprise Ltd. ⁽⁸⁾	-	-	409,430,348	36.57	409,430,348	36.57
Golden Capital (Singapore) Limited ⁽⁹⁾	-	-	409,430,348	36.57	409,430,348	36.57
MM Group Limited ⁽¹⁰⁾	-	-	409,430,348	36.57	409,430,348	36.57
TCC Assets Limited ⁽¹¹⁾	-	-	409,430,348	36.57	409,430,348	36.57
Charoen Sirivadhanabhak di ⁽¹²⁾	-	-	409,430,348	36.57	409,430,348	36.57
Khunying Wanna Sirivadhanabhak di ⁽¹³⁾	-	-	409,430,348	36.57	409,430,348	36.57
Schroders plc ⁽¹⁴⁾	-	-	58,360,834	5.21	58,360,834	5.21

Notes:

- (1) The percentage is based on 1,119,447,127 Units in issue as at the Latest Practicable Date. Any discrepancies are due to rounding. For the purpose of disclosures of the percentage interests of the Substantial Unitholders, percentages are rounded to two decimal places.
- (2) The Sponsor holds a 100% direct interest in each of Frasers Centrepoint Asset Management Ltd. (“**FCAM**”) and FPRTH; and FCAM and FPRTH hold units in FCT. The Sponsor therefore has a deemed interest in the units in FCT in which each of FCAM and FPRTH has an interest, by virtue of Section 4 of the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”).
- (3) Thai Beverage Public Company Limited (“**ThaiBev**”) holds a 100% direct interest in International Beverage Holdings Limited (“**IBHL**”);
 - IBHL holds a 100% direct interest in InterBev Investment Limited (“**IBIL**”);
 - IBIL holds a greater than 20% interest in the Sponsor;
 - the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
 - FCAM and FPRTH hold units in FCT.
 ThaiBev therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.
- (4) IBHL holds a 100% direct interest in IBIL;
 - IBIL holds a greater than 20% interest in the Sponsor;
 - the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
 - FCAM and FPRTH hold units in FCT.
 IBHL therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.
- (5) IBIL holds a greater than 20% interest in the Sponsor;
 - the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
 - FCAM and FPRTH hold units in FCT.
 IBIL therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.
- (6) Siritwana Company Limited (“**SCL**”) holds a greater than 20% interest in ThaiBev;
 - ThaiBev holds a 100% direct interest in IBHL;

- IBHL holds a 100% direct interest in IBIL;
 - IBIL holds a greater than 20% interest in the Sponsor;
 - the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
 - FCAM and FPRTH hold units in FCT.
- SCL therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.
- (7) Maxtop Management Corp. (“**MMC**”) together with Risen Mark Enterprise Ltd. (“**Risen Mark**”) and Golden Capital (Singapore) Limited (“**GC**”) collectively holds a greater than 20% interest in ThaiBev;
- ThaiBev holds a 100% direct interest in IBHL;
 - IBHL holds a 100% direct interest in IBIL;
 - IBIL holds a greater than 20% interest in the Sponsor;
 - the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
 - FCAM and FPRTH hold units in FCT.
- MMC therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.
- (8) Risen Mark together with MMC and GC collectively holds a greater than 20% interest in ThaiBev;
- ThaiBev holds a 100% direct interest in IBHL;
 - IBHL holds a 100% direct interest in IBIL;
 - IBIL holds a greater than 20% interest in the Sponsor;
 - the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
 - FCAM and FPRTH hold units in FCT.
- Risen Mark therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.
- (9) GC together with MMC and Risen Mark collectively holds a greater than 20% interest in ThaiBev;
- ThaiBev holds a 100% direct interest in IBHL;
 - IBHL holds a 100% direct interest in IBIL;
 - IBIL holds a greater than 20% interest in the Sponsor;
 - the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
 - FCAM and FPRTH hold units in FCT.
- GC therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.
- (10) MM Group Limited (“**MM**”) holds a 100% direct interest in each of MMC, Risen Mark and GC;
- MMC, Risen Mark and GC collectively holds a greater than 20% interest in ThaiBev;
 - ThaiBev holds a 100% direct interest in IBHL;
 - IBHL holds a 100% direct interest in IBIL;
 - IBIL holds a greater than 20% interest in the Sponsor;
 - the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
 - FCAM and FPRTH hold units in FCT.
- MM therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.
- (11) TCC Assets Limited (“**TCCA**”) holds a majority interest in the Sponsor;
- the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
 - FCAM and FPRTH hold units in FCT.
- TCCA therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.
- (12) Charoen Sirivadhanabhakdi and his spouse, Khunying Wanna Sirivadhanabhakdi, each owns 50% of the issued and paid-up share capital of TCCA;
- TCCA holds a majority interest in the Sponsor;
 - the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
 - FCAM and FPRTH hold units in FCT.
- Charoen Sirivadhanabhakdi therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.
- (13) Khunying Wanna Sirivadhanabhakdi and her spouse, Charoen Sirivadhanabhakdi, each owns 50% of the issued and paid-up share capital of TCCA;
- TCCA holds a majority interest in the Sponsor;
 - the Sponsor holds a 100% direct interest in each of FCAM and FPRTH; and
 - FCAM and FPRTH hold units in FCT.
- Khunying Wanna Sirivadhanabhakdi therefore has a deemed interest in the units in FCT in which the Sponsor has an interest, by virtue of Section 4 of the SFA.
- (14) Holdings information as at 28 August 2020, as received from Schroder plc on 1 September 2020.

Save as disclosed above and based on information available to the Manager as at the Latest Practicable Date, none of the Directors or the Substantial Unitholders has an interest, direct or indirect, in the proposed Transactions.

9.2 Directors' Service Contracts

No person is proposed to be appointed as a Director in connection with the proposed ARF Transaction, the proposed Bedok Point Divestment or any other transactions contemplated in relation to the proposed ARF Transaction or the proposed Bedok Point Divestment.

9.3 Relative Figures computed on the Bases set out in Rule 1006 of the Listing Manual

Chapter 10 of the Listing Manual governs the acquisition or divestment of assets, including options to acquire or dispose of assets, by FCT. Such transactions are classified into the following categories:

- (i) non-discloseable transactions;
- (ii) discloseable transactions;
- (iii) major transactions; and
- (iv) very substantial acquisitions or reverse takeovers.

A transaction by FCT may fall into any of the categories set out above depending on the size of the relative figures computed on the following bases of comparison under Rule 1006 of the Listing Manual:

- (a) the NAV of the assets to be disposed of, compared with FCT's NAV pursuant to Rule 1006(a) of the Listing Manual;
- (b) the net profits attributable to the assets to be acquired or disposed of, compared with FCT's net profits pursuant to Rule 1006(b) of the Listing Manual; and
- (c) the aggregate value of the consideration given or received, compared with FCT's market capitalisation based on the total number of issued Units excluding treasury Units pursuant to Rule 1006(c) of the Listing Manual.

Rule 1006(d) of the Listing Manual is not applicable to either of the proposed ARF Transaction or the proposed Bedok Point Divestment as FCT will not be issuing any Units as consideration for the proposed ARF Transaction or the proposed Bedok Point Divestment.

(i) The Proposed ARF Transaction

The relative figures computed on the bases set out in Rules 1006(a), 1006(b) and 1006(c) of the Listing Manual in respect of the proposed ARF Transaction are as follows:

	Proposed ARF Transaction (S\$ million)	FCT (S\$ million)	Relative figure (%)
<u>Rule 1006(a)</u> Net asset value of the assets to be disposed of	N.A.		
<u>Rule 1006(b)</u> Net profits attributable to the assets to be acquired or disposed of, compared with FCT's net profits	37.2 ⁽¹⁾	69.8	53.3
<u>Rule 1006(c)</u> Aggregate value of the consideration given or received, compared with FCT's market capitalisation based on the total number of issued Units	1,097.1 ⁽²⁾	2,935.0 ⁽³⁾	37.4
<u>Rule 1006(d)</u> The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	N.A.		

Notes:

- (1) Based on incremental net profit arising from proposed ARF Transaction for the period 9M2020.
- (2) Based on the aggregate of the Mallco Divestment Consideration and the ARF Purchase Consideration.
- (3) Based on the weighted average price of the Units transacted on the SGX-ST on 2 September 2020, being the market day preceding the date of signing of the ARF Sale and Purchase Agreement, the Mallco Share Sale Agreement and the Bedok Point Put and Call Option Agreement, of S\$2.6218 per Unit.

Where any of the relative figures computed on the bases set out above exceeds 20.0%, the transaction is classified as a major transaction under Rule 1014 of the Listing Manual which would be subject to the approval of Unitholders, unless such transaction is in the ordinary course of FCT's business.

The Manager is of the view that the proposed ARF Transaction is in the ordinary course of FCT's business as the proposed ARF Transaction is within the investment policy of FCT and does not change the risk profile of FCT. As such, the proposed ARF Transaction is not subject to Chapter 10 of the Listing Manual.

However, as the proposed ARF Transaction constitutes an "interested person transaction" under Chapter 9 of the Listing Manual, as well as an "interested party transaction" under the Property Funds Appendix, the proposed ARF Transaction will still be subject to the specific approval of Unitholders.

(ii) **The Proposed Bedok Point Divestment**

The relative figures computed on the bases set out in Rules 1006(a), 1006(b) and 1006(c) of the Listing Manual in respect of the proposed Bedok Point Divestment are as follows:

	Proposed Bedok Point Divestment (S\$ million)	FCT (S\$ million)	Relative figure (%)
<u>Rule 1006(a)</u> Net asset value of the assets to be disposed of	106.3 ⁽¹⁾	2,451.5	4.3
<u>Rule 1006(b)</u> Net profits attributable to the assets to be acquired or disposed of, compared with FCT's net profits	1.1	69.8	1.6
<u>Rule 1006(c)</u> Aggregate value of the consideration given or received, compared with FCT's market capitalisation based on the total number of issued Units	108.0	2,935.0 ⁽²⁾	3.7

Notes:

- (1) Based on net selling price of S\$108.0 million for the proposed Bedok Point Divestment after transferring tenants' deposits.
- (2) Based on the weighted average price of the Units transacted on the SGX-ST on 2 September 2020, being the market day preceding the date of signing of the ARF Sale and Purchase Agreement, the Mallco Share Sale Agreement and the Bedok Point Put and Call Option Agreement, of S\$2.6218 per Unit.

Given that none of the relative figures computed on the bases set out above exceeds 50.0%, the proposed Bedok Point Divestment is in the ordinary course of FCT's business pursuant to Rule 1014(3) of the Listing Manual. As such, the proposed Bedok Point Divestment is not subject to Chapter 10 of the Listing Manual.

However, as the proposed Bedok Point Divestment constitutes an "interested person transaction" under Chapter 9 of the Listing Manual, as well as an "interested party transaction" under the Property Funds Appendix, the proposed Bedok Point Divestment will still be subject to the specific approval of Unitholders.

9.4 Opinion of the Independent Financial Adviser and Statement of the Independent Directors and the Audit, Risk and Compliance Committee

The Manager has appointed Ernst & Young Corporate Finance Pte Ltd as the independent financial adviser (the "IFA") pursuant to Rule 921(4) of the Listing Manual as well as to advise the independent directors of the Manager (the "Independent Directors"), the Audit, Risk and Compliance Committee of the Manager (the "Audit, Risk and Compliance Committee") and the Trustee in relation to the proposed ARF Transaction, the proposed Sponsor Placement, the proposed Whitewash Resolution and the proposed Bedok Point Divestment. A copy of the letter

from the IFA to the Independent Directors, the Audit, Risk and Compliance Committee and the Trustee, containing its advice in full (the “**IFA Letter**”) will be set out in the Circular. Unitholders are advised to read the IFA Letter carefully.

The opinion of the IFA as well as the statement by the Independent Directors and the Audit, Risk and Compliance Committee on the proposed ARF Transaction, the proposed Sponsor Placement, the proposed Whitewash Resolution and the proposed Bedok Point Divestment (after taking into account the opinion of the IFA) will be set out in the Circular.

10. APPROVAL IN-PRINCIPLE

The Manager is pleased to announce that approval in-principle was received on 3 September 2020 from the SGX-ST for the listing and quotation on the Main Board of the SGX-ST of up to 628,019,324 New Units which are proposed to be issued pursuant to the proposed Equity Fund Raising.

The SGX-ST’s approval in-principle is subject to, *inter alia*, compliance with the SGX-ST’s listing requirements. The SGX-ST’s in-principle approval is not to be taken as an indication of the merits of the Equity Fund Raising, FCT and/or its subsidiaries. The SGX-ST’s in-principle approval is subject to the following:

- (i) compliance with the SGX-ST’s listing requirements;
- (ii) Unitholders’ approval of the proposed Equity Fund Raising; and
- (iii) submission of:
 - (a) a written undertaking from FCT that it will comply with Rule 803 of the Listing Manual;
 - (b) a written confirmation from FCT that it will not issue the New Units to persons prohibited under Rule 812(1) of the Listing Manual unless specific unitholders’ approval for such a placement is obtained;
 - (c) a written undertaking from FCT that it will comply with Rules 704(30) and 1207(20) of the Listing Manual in relation to the use of the proceeds from the Equity Fund Raising and where proceeds are to be used for working capital purposes, FCT will disclose a breakdown with specific details on the use of proceeds for working capital in its announcements on use of proceeds and in the annual report; and
 - (d) a written undertaking from FCT that it will comply with the confirmation given in Rule 877(10) of the Listing Manual with regards to the allotment of any excess New Units.

11. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection²⁴ during normal business hours at the registered office of the Manager located at 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958 from the date of this announcement up to and including the date falling three months after the date of the Circular:

²⁴ Prior appointment with the Manager (telephone number: +65 6277 2657) will be appreciated.

- (i) the Mallico Share Sale Agreement;
- (ii) the ARF Sale and Purchase Agreement;
- (iii) the Bedok Point Put and Call Option Agreement;
- (iv) the IFA Letter;
- (v) the full valuation report issued by Colliers in respect of the ARF Singapore Assets;
- (vi) the full valuation report issued by Savills Singapore in respect of the ARF Singapore Assets;
- (vii) the full valuation report issued by the Trustee ARF Malaysian Asset Valuers in respect of the ARF Malaysia Asset;
- (viii) the full valuation report issued by Savills Malaysia in respect of the ARF Malaysia Asset;
- (ix) the full valuation report issued by JLL in respect of Bedok Point;
- (x) the full valuation report issued by Colliers in respect of Bedok Point;
- (xi) the independent market research report issued by Cistri Pte. Ltd.;
- (xii) the FY2019 Audited Financial Statements; and
- (xiii) the letter of consent from each of the IFA, the ARF Independent Valuers, the Bedok Point Independent Valuers and Cistri Pte. Ltd., the independent market research consultant.

The Trust Deed will be available for inspection at the registered office of the Manager for so long as FCT is in existence.

BY ORDER OF THE BOARD

Frasers Centrepoint Asset Management Ltd.

As manager of Frasers Centrepoint Trust

Company Registration No: 200601347G

Catherine Yeo
Company Secretary
3 September 2020

For further information, kindly contact:
Mr. Chen Fung Leng
Vice President, Investor Relations
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APPENDIX A

Summary of selected information on the ARF Assets as at 30 June 2020, unless otherwise stated.

Proposed ARF Acquisition															
S/No	Property	Location	Type	Title	Expiry	GFA ⁽¹⁾ (sq ft ⁽²⁾)	NLA ⁽³⁾ (sq ft)	Number of Storeys	Number of Car Park Lots	Committed Occupancy	Weighted Average Lease Expiry (years)		Valuation by Colliers (as at 1 August 2020) (million) ⁽⁵⁾	Valuation by Savills Singapore (as at 1 August 2020) (million) ⁽⁶⁾	Agreed Property Value (million)
											By GRI ⁽⁴⁾	By NLA			
ARF Singapore Assets															
1	Tiong Bahru Plaza	302 Tiong Bahru Road, Tiong Bahru Plaza, Singapore 168732	Retail	Leasehold	31 August 2090	317,001	214,708	4-storeys with 3 basement levels	338 ⁽⁷⁾	97.4%	1.93	2.11	S\$660.0	S\$639.0	S\$654.0
2	White Sands	1 Pasir Ris Central Street 3, White Sands, Singapore 518457	Retail	Leasehold	30 April 2092	227,244	128,631 ⁽⁸⁾	5-storeys with 3 basement levels	187	97.7%	1.60	1.66	S\$428.0	S\$427.5	S\$428.0
3	Hougang Mall	90 Hougang Avenue 10, Hougang Mall, Singapore 538766	Retail	Leasehold	30 April 2093	232,662	150,593 ⁽⁹⁾	5-storeys with 2 basement levels	152	95.5%	1.32	1.34	S\$432.0	S\$434.0	S\$432.0

4	Century Square	2 Tampines Central 5, Century Square, Singapore 529509	Retail	Leasehold	31 August 2091	327,223	202,446 ⁽¹⁰⁾	5-storeys with 3 basement levels	298	96.7%	1.39	1.59	S\$580.0	S\$560.5	S\$574.0
5	Tampines 1	10 Tampines Central 1, Tampines 1, Singapore 529536	Retail	Leasehold	31 March 2089	380,898	268,577	5-storeys with 2 basement levels	203	91.9%	1.18	1.17	S\$762.0	S\$781.0	S\$762.0
6	Central Plaza	298 Tiong Bahru Road, Central Plaza, Singapore 168730	Office	Leasehold	31 August 2090	202,191	144,250 ⁽¹¹⁾	20-storeys with 3 basement levels	338 ⁽⁷⁾	94.3%	1.28	1.27	S\$220.0	S\$208.0	S\$215.0
Total													S\$3,082.0	S\$3,050.0	S\$3,065.0

Notes:

- (1) "GFA" refers to gross floor area.
- (2) "sq ft" refers to square feet.
- (3) "NLA" refers to net lettable area and excludes Community Sports Facilities Scheme ("CSFS") space.
- (4) "GRI" refers to gross rental income.
- (5) Colliers relied on the capitalisation approach and a discounted cash flow analysis.
- (6) Savills Singapore relied on the capitalisation approach and a discounted cash flow analysis.
- (7) Total of 338 carpark lots are shared between Tiong Bahru Plaza and Central Plaza.
- (8) Excludes CSFS space of approximately 21,744 sq ft.
- (9) Excludes CSFS space of approximately 15,767 sq ft.
- (10) Excludes CSFS space of approximately 8,547 sq ft.
- (11) Excludes CSFS space of approximately 28,355 sq ft.

Proposed Mallico Divestment															
S/No	Property	Location	Type	Title	Expiry	GFA (sq ft)	NLA (sq ft)	Number of Storeys	Number of Car Park Lots	Committed Occupancy	Weighted Average Lease Expiry (years)		Valuation by Trustee ARF Malaysian Asset Valuers (as at 1 August 2020) (million) ⁽¹⁾	Valuation by Savills Malaysia (as at 1 August 2020) (million) ⁽²⁾	Agreed Property Value (million)
											By GRI	By NLA			
ARF Malaysia Asset															
1	Setapak Central	No. 67, Jalan Taman Ibu Kota, Taman Danau Kota, Setapak, 53300 Kuala Lumpur, Malaysia	Retail	Leasehold	20 November 2106	1,087,295	512,806	3-storeys with 1 basement level	1,069	98.3%	0.92	0.80	RM300.0 (approximately S\$97.8)	RM335.0 (approximately S\$109.2)	RM318.0 (approximately S\$103.7)

Notes:

- (1) The Trustee ARF Malaysian Asset Valuers relied on the investment method.
(2) Savills Malaysia relied on the investment method.

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