

## FRASERS CENTREPOINT TRUST

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

### THE PROPOSED DIVESTMENT OF 143,898,398 UNITS IN HEKTAR REAL ESTATE INVESTMENT TRUST

*For illustrative purposes, certain amounts in Malaysian ringgit (“MYR”) have been translated into Singapore dollars (“S\$”). Unless otherwise indicated, such translations are as at 31 August 2023 and have been made based on the illustrative exchange rate of S\$1.00 = MYR3.423. Such translations should not be construed as representations that MYR amounts referred to could have been, or could be, converted into Singapore dollars, as the case may be, at that or any other rate or at all.*

#### 1. INTRODUCTION

Frasers Centrepoint Asset Management Ltd., in its capacity as manager of Frasers Centrepoint Trust (“**FCT**” and as manager of FCT, the “**Manager**”), wishes to announce that HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of FCT (the “**Trustee**”), has today entered into a sale and purchase agreement (the “**SPA**”) with unrelated third parties (the “**Purchaser**”), in relation to the proposed divestment of 143,898,398 units in Hektar Real Estate Investment Trust (“**Hektar REIT**”, units in Hektar REIT, “**Hektar REIT Units**”, the 143,898,398 Hektar REIT Units proposed to be divested, the “**Sale Hektar REIT Units**” and the proposed divestment of the Sale Hektar REIT Units, the “**Divestment**”).

As at the date of this Announcement, FCT holds 154,458,326 Hektar REIT Units, representing approximately 30.97% of the total number of 498,787,970 Hektar REIT Units in issue.

Following completion of the Divestment, FCT would hold 10,559,928 Hektar REIT Units, representing approximately 2.12% of the total number of 498,787,970 Hektar REIT Units in issue as at the date of this Announcement. The Manager intends to divest these 10,559,928 Hektar REIT Units in due course.

#### 2. THE DIVESTMENT

The divestment consideration payable to the Trustee under the SPA for the Sale Hektar REIT Units is approximately MYR128.1 million (approximately S\$37.4 million), based on the value of MYR0.89 (approximately S\$0.26) for each of the Sale Hektar REIT Units (the “**Divestment Consideration**”). The Divestment Consideration, which was negotiated on a willing-buyer and willing-seller basis after taking into account the closing price of MYR0.60 (approximately S\$0.18) per Hektar REIT Unit on Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”) as at 22 September 2023 (the “**Closing Price**”), represents a premium of approximately 48.3% over the Closing Price and a discount of approximately 26.9% to the net asset value per Hektar REIT Unit of MYR1.217 (approximately S\$0.36) as at 30 June 2023. The book value of the Sale Hektar REIT Units is S\$0.29 per Hektar REIT Unit as at 31 August 2023.

On the signing of the SPA on 22 September 2023, the Purchaser shall pay the sum of approximately MYR1.28 million (approximately S\$0.4 million) (equivalent to 1% of the Divestment Consideration) to the Trustee as earnest deposit and the balance of the Divestment Consideration shall be paid by the Purchaser to the Trustee on completion of the Divestment. The Divestment Consideration will be paid by the Purchaser in cash.

Under the SPA, completion of the Divestment is conditional upon the clearance from Bursa Malaysia for the valuation report in relation to the purchase of Kolej Yayasan Saad, Melaka by MTrustee Berhad (on behalf of Hektar REIT) from KYS College Sdn. Bhd..

Completion of the Divestment is expected to take place in the fourth quarter of 2023.

After taking into account the divestment fee of approximately S\$0.2 million payable in cash and other divestment-related expenses of approximately S\$0.1 million, the net proceeds from the Divestment would be approximately S\$37.1 million.

The Divestment is not expected to have any material impact on the net tangible assets or distributions per unit of FCT and its subsidiaries for the financial year ending 30 September 2023.

The sale and purchase of the Sale Hektar REIT Units under the SPA will be completed by way of a direct business transaction under the rules and directives of Bursa Malaysia with respect to direct business transactions.

### **3. RATIONALE FOR THE DIVESTMENT**

The Manager believes that FCT's unitholding in Hektar REIT is non-core to its portfolio and investment strategy. The Divestment enables FCT to recycle the net proceeds to be deployed for capital management, working capital and/or investments that are consistent with its core suburban retail strategy.

### **4. OTHER INFORMATION**

#### **4.1 Relative figures computed on the bases set out in Rule 1006 of the Listing Manual**

Based on the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual of Singapore Exchange Securities Trading Limited (the "SGX-ST" and the Listing Manual of the SGX-ST, the "Listing Manual"), the Divestment is a "Non-Discloseable Transaction" within the meaning of Rule 1008 of the Listing Manual.

#### **4.2 Documents available for inspection**

A copy of the SPA is available for inspection by appointment only during normal business hours at the registered office of the Manager 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 this Announcement.

**BY ORDER OF THE BOARD**

**Frasers Centrepoint Asset Management Ltd.**

As manager of Frasers Centrepoint Trust

Company Registration No: 200601347G

Catherine Yeo

Company Secretary

22 September 2023

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This Announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.

The value of units in FCT ("**Units**") and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This Announcement is for information purposes only and does not constitute or form part of an offer for sale or an invitation or offer to acquire, purchase or subscribe for Units in the U.S. or any other jurisdiction. The past performance of FCT and the Manager, in its capacity as manager of FCT, is not necessarily indicative of the future performance of FCT and the Manager.

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