

# Proposed Privatisation of Croesus Retail Trust

28 June 2017



## Offeror

- Cyrus BidCo Pte. Ltd. (the “Offeror”)
  - A company incorporated in Singapore by funds advised by Blackstone Real Estate

## Transaction Structure

- Acquisition of all the issued units in Croesus Retail Trust (“CRT”) (the “Units”) by the Offeror, which will be effected by way of a trust scheme (the “Scheme”) in compliance with the Singapore Code on Take-overs and Mergers

## Scheme Consideration

- **S\$1.17 in cash per Unit** (“Scheme Consideration”), which represents a premium of approximately
  - 38% to the one-year volume weighted average price (“VWAP”) per Unit<sup>(1)</sup>
  - 23% to the net asset value (“NAV”) per Unit as at 31 March 2017<sup>(2)(3)</sup>
  - 31% to the net tangible asset (“NTA”) per Unit as at 31 March 2017<sup>(2)(3)</sup>

## Dividend Distribution

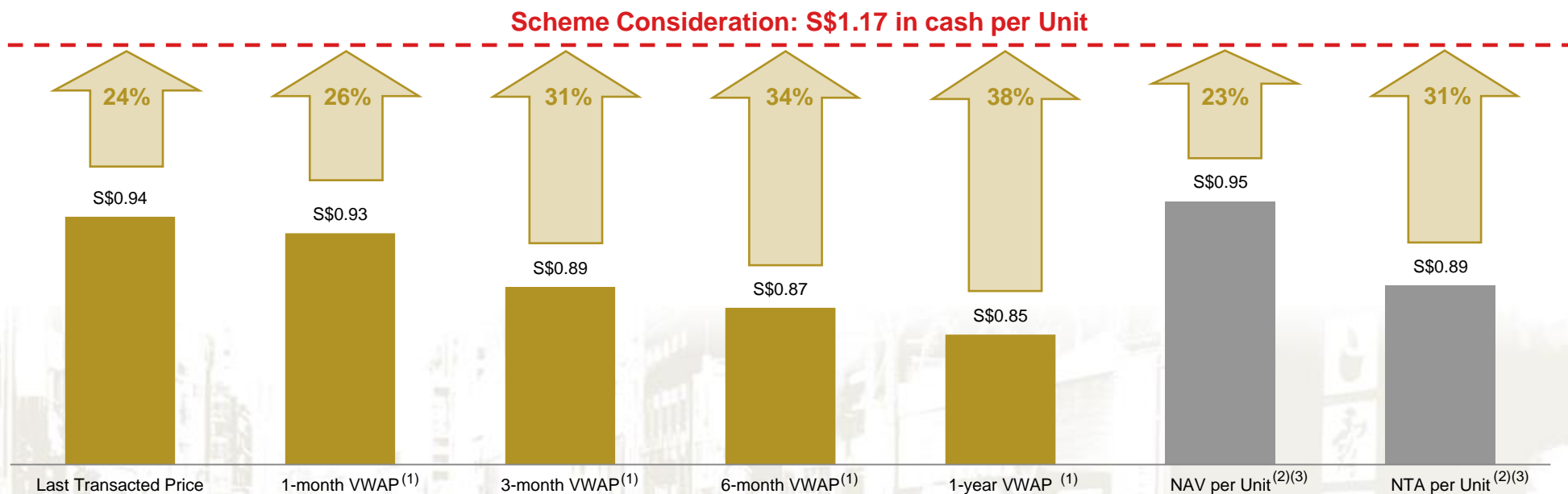
- In addition to the Scheme Consideration, assuming the Effective Date falls on or before 31 October 2017, Unitholders of CRT (the “Unitholders”) may receive distributable income of CRT up to an aggregate of approximately S\$31.3 million, representing approximately 4.06 Singapore cents per Unit
- For the avoidance of doubt, the Scheme Consideration will not be reduced by the Permitted Distributions<sup>(4)</sup>

Note: (1) Until the Last Full Trading Day of 25 April 2017, which is immediately prior to the initial holding announcement by CRT on 26 April 2017. (2) NAV per Unit and NTA per Unit as at 31 March 2017. NTA excludes intangible assets pertaining to the goodwill arising from the acquisition of all issued shares of the Trustee-Manager on 31 August 2016 of JPY4,006 million. (3) Based on an exchange rate of SGD 1.00 = JPY 80.21 extracted from Bloomberg L.P. as at 5.00 p.m. on 23 June 2017. (4) The Permitted Distribution comprises: (a) if the Effective Date falls on or before 31 October 2017, up to an aggregate of approximately S\$31.3 million, representing approximately 4.06 Singapore cents per Unit, for the period from 1 January 2017 to the Effective Date; and (b) if the Effective Date falls after 31 October 2017, (I) up to an aggregate of approximately S\$31.3 million and (II) up to 90% of CRT’s distributable income for the period from 1 November 2017 to the Effective Date. The Offeror reserves the right to reduce the Scheme Consideration if any distribution in excess of the Permitted Distribution is declared, paid or made by the Trustee-Manager on or after the date of the Implementation Agreement.

# Opportunity for Unitholders to Realise Investment at Attractive Valuation

- Based on the Scheme Consideration, the implied equity value of CRT is approximately S\$900.6 million.

## Significant Premium to Various Historical Market Prices

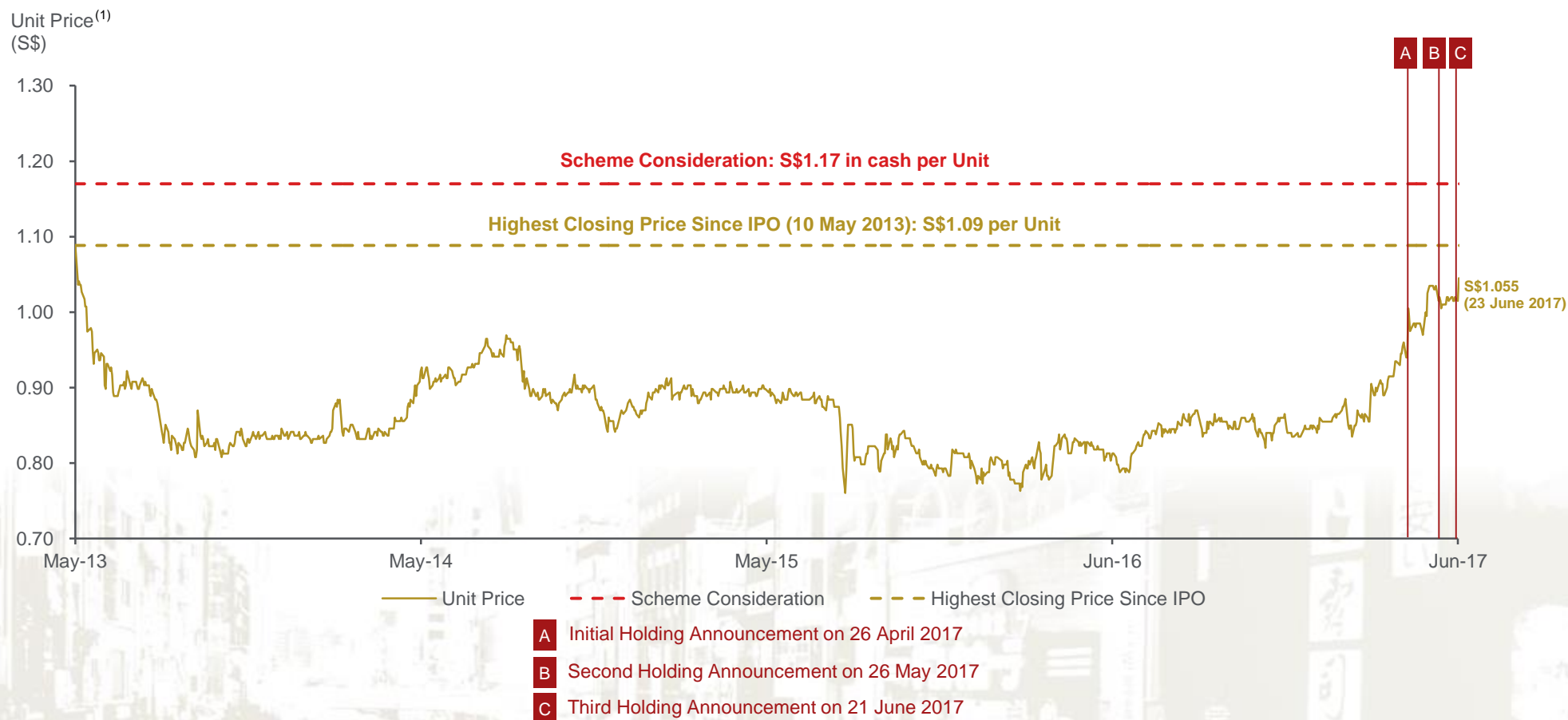


Source: Bloomberg L.P.

Note: (1) The respective VWAPs are with reference to the relevant periods up to and including the Last Full Trading Day. (2) NAV per Unit and NTA per Unit as at 31 March 2017. NTA excludes intangible assets pertaining to the goodwill arising from the acquisition of all issued shares of the Trustee-Manager on 31 August 2016 of JPY4,006 million. (3) Based on an exchange rate of SGD 1.00 = JPY 80.21 extracted from Bloomberg L.P. as at 5.00 p.m. on 23 June 2017.

# Opportunity for Unitholders to Realise Investment at Attractive Valuation (Cont'd)

## Scheme Consideration of S\$1.17 in Cash per Unit Exceeds the Highest Closing Price Since IPO



Source: Bloomberg L.P.

Note: (1) Historical Unit prices have been adjusted for the (i) rights issue of 114,222,677 new Units on the basis of 22 rights Units for every 100 existing Units at an issue price of S\$0.610 per rights Unit, which was completed on 23 October 2015, and (ii) preferential offering of 27,682,070 new Units on the basis of 10 new Units for every 259 existing Units at an issue price of S\$0.797 per new Unit, which was completed on 17 August 2016.

# Opportunity for Unitholders to Realise Investment at Attractive Valuation (Cont'd)

## Premium to All Recent Analysts' Price Targets<sup>(1)</sup>



Source: Bloomberg L.P.

Note: (1) As published on Bloomberg L.P. post the initial holding announcement by CRT on 26 April 2017.

# Opportunity for Unitholders to Exit their Investment in CRT

## The Historical Trading Liquidity of the Units on the SGX-ST Has Been Low

	Average Daily Trading Volume <sup>(1)</sup>	Average Daily Trading Volume as a Percentage of Total Issued Units <sup>(2)(3)</sup>
12-month period up to and including the Last Full Trading Day	1,333,700	0.17%
6-month period up to and including the Last Full Trading Day	1,275,111	0.17%
3-month period up to and including the Last Full Trading Day	1,540,706	0.20%
1-month period up to and including the Last Full Trading Day	1,543,976	0.20%

Source: Bloomberg L.P.

Note: (1) Calculated using the total volume of Units traded divided by the number of days on which CRT is traded on the SGX-ST. (2) Calculated using the daily total volume of Units traded divided by the total number of issued Units. (3) Rounded to the nearest two (2) decimal places.

# The Scheme will be Subject to, amongst others, Approval of the Unitholders

## Scheme Conditions

- The Scheme will require, amongst others, the following approvals:
  - **Amendment of Trust Deed:** Approval of Unitholders holding not less than 75% of the voting rights of all Unitholders present and voting in person or by proxy at the Scheme Meeting to approve the Trust Deed Amendment; and
  - **Approval for the Scheme:** Approval of more than 50% of the number of Unitholders representing at least 75% in value of the Units held by Unitholders present and voting in person or by proxy at the Scheme Meeting to approve the Scheme
- In addition, the Scheme will require, the sanction of the Scheme by the Court
- The Scheme is expected to be completed by the 4<sup>th</sup> quarter of 2017, subject to satisfaction or waiver (where applicable) of the Scheme Conditions

## Scheme Document

- The Board of the Trustee-Manager will be appointing an Independent Financial Adviser (“IFA”) to advise the directors of the Trustee-Manager who are considered independent for purposes of the Scheme (the “Independent Directors”) for the purposes of making a recommendation to the Unitholders
- Full details of the Scheme, including the recommendation of the Independent Directors and the advice of the IFA, will be included in a document to be sent to Unitholders in due course

## Investor Contacts

Financial Adviser to the Trustee-Manager

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## Responsibility Statements

**Trustee-Manager.** The directors of the Trustee-Manager (including any who may have delegated detailed supervision of the preparation of this document) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this document (excluding information relating to the Offeror or any opinion expressed by the Offeror) are fair and accurate and that, where appropriate, no material facts which relate to CRT or the Trustee-Manager have been omitted from this document, and the directors of the Trustee-Manager jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror, the sole responsibility of the directors of the Trustee-Manager has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this document. The directors of the Trustee-Manager do not accept any responsibility for any information relating to the Offeror or any opinion expressed by the Offeror.

**Offeror.** The directors of the Offeror (including any who may have delegated detailed supervision of the preparation of this document) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this document (excluding information relating to CRT or the Trustee-Manager or any opinion expressed by the Trustee-Manager) are fair and accurate and that, where appropriate, no material facts in relation thereto have been omitted from this document, and the directors of the Offeror jointly and severally accept responsibility accordingly.

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## Forward-looking Statements

All statements other than statements of historical facts included in this document are or may be forward looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Offeror’s or the Trustee-Manager’s (as the case may be) current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Given the risks and uncertainties that may cause actual results or outcomes to differ materially from those expressed or implied in such forward-looking statements, Unitholders and investors of the Offeror and CRT should not place undue reliance on such forward-looking statements, and neither the Offeror nor the Trustee-Manager undertakes any obligation to update publicly or revise any forward-looking statements.