

SCHEME DOCUMENT

DATED 22 AUGUST 2017



CROESUS RETAIL TRUST

(a business trust constituted on 7 May 2012 under the laws of the Republic of Singapore)
Managed by Croesus Retail Asset Management Pte. Ltd.
(Company Registration Number: 201205175K)

(1) PROPOSED AMENDMENTS TO THE TRUST DEED OF CROESUS RETAIL TRUST; AND

(2) PROPOSED ACQUISITION BY CYRUS BIDCO PTE. LTD. OF ALL THE ISSUED UNITS IN CROESUS RETAIL TRUST BY WAY OF A TRUST SCHEME

Financial Adviser
to the Trustee-Manager



Independent Financial
Adviser to the
Independent Directors



YOUR VOTE COUNTS

Please vote in person or by proxy

SCHEME CONSIDERATION

S\$1.17 in Cash
per Unit

PERMITTED DISTRIBUTIONS

On 18 August 2017, the Trustee-Manager announced a distribution of 4.06 Singapore cents per Unit for the period from 1 January 2017 to 30 June 2017. The books closure date for this distribution is 28 August 2017. The Scheme Consideration will not be reduced by this distribution⁽¹⁾.

IMPORTANT DATES AND TIMES

Latest date and time for lodgement of Proxy Form for Scheme Meeting:
10 September 2017 at 10:00 a.m.

Date and time of Scheme Meeting:
13 September 2017 at 10:00 a.m.

Venue of Scheme Meeting:
**The Ballroom, Lower Lobby
The Fullerton Hotel Singapore
One Fullerton Square
Singapore 049178**

IF YOU ARE IN ANY DOUBT ABOUT THIS SCHEME DOCUMENT OR THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all or any of your issued and fully paid-up Units in CRT, you should immediately hand this Scheme Document and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Scheme Document.

- (1) If the Effective Date falls after 31 October 2017, Unitholders may receive up to an additional 90% of CRT's distributable income for the period from 1 November 2017 to the Effective Date.

TRANSACTION OVERVIEW

- Cyrus BidCo Pte. Ltd. (the “**Offeror**”) has proposed to acquire (the “**Acquisition**”) all the issued units in CRT (the “**Units**”).
- The Acquisition will be effected by way of a trust scheme (the “**Scheme**”) in accordance with the trust deed constituting CRT (the “**Trust Deed**”) and in compliance with the Singapore Code on Take-overs and Mergers (the “**Code**”), and subject to the terms of the Implementation Agreement entered into between the Trustee-Manager and the Offeror (the “**Implementation Agreement**”).
- On 18 August 2017, the Trustee-Manager announced a distribution of 4.06 Singapore cents per Unit for the period from 1 January 2017 to 30 June 2017. The books closure date for this distribution is 28 August 2017. If the Effective Date falls after 31 October 2017, Unitholders may receive up to an additional 90% of CRT’s distributable income for the period from 1 November 2017 to the Effective Date. For the avoidance of doubt, the Scheme Consideration will not be reduced by the Permitted Distributions.
- If the Scheme is approved by Unitholders at the Scheme Meeting, it is expected to become effective on or before 31 October 2017. Under this scenario, Unitholders will receive:

Scheme Consideration: S\$1.17 per Unit



Permitted Distributions: S\$0.0406 per Unit⁽²⁾

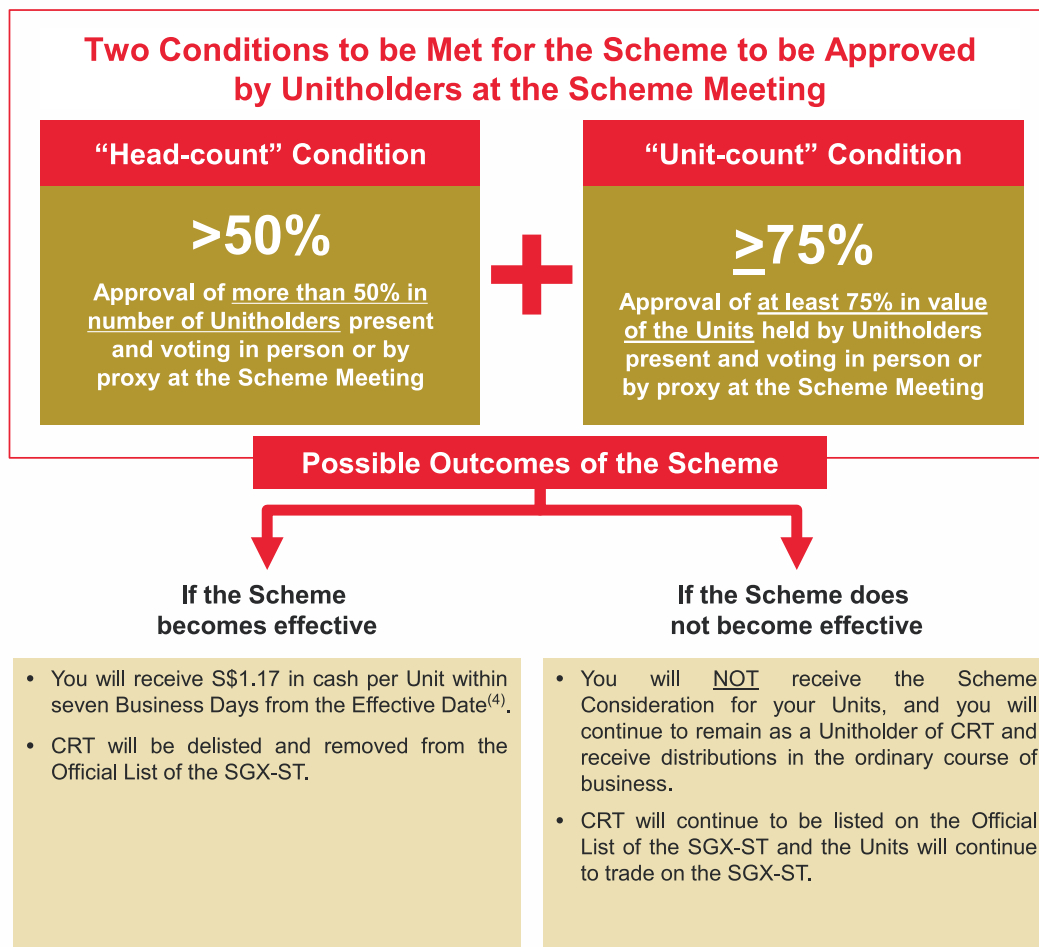
- Further, the Scheme Consideration will not be reduced by the transaction expenses which are incurred by the Trustee-Manager and up to a limit of US\$9 million (or approximately 1.59 Singapore cents per Unit)⁽³⁾.

(2) The distribution of 4.06 Singapore cents per Unit for the period from 1 January 2017 to 30 June 2017 was announced by the Trustee-Manager on 18 August 2017. The books closure date for this distribution is 28 August 2017.

(3) Based on the number of Units issued and to be issued as at 30 June 2017, being 771,552,510 Units and an exchange rate of USD 1.00 = SGD 1.37 extracted from Bloomberg L.P. as at 5.00 p.m. on the Latest Practicable Date.

SCHEME CONDITIONS

- The Scheme will require, amongst others, the following approvals:
 - **Amendment of the Trust Deed:** Approval of Unitholders holding in aggregate 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% in 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 to the approvals from Unitholders, the Scheme will require the sanction of the Scheme by the Court under Order 80 of the Rules of Court, Chapter 322, R 5 of Singapore.

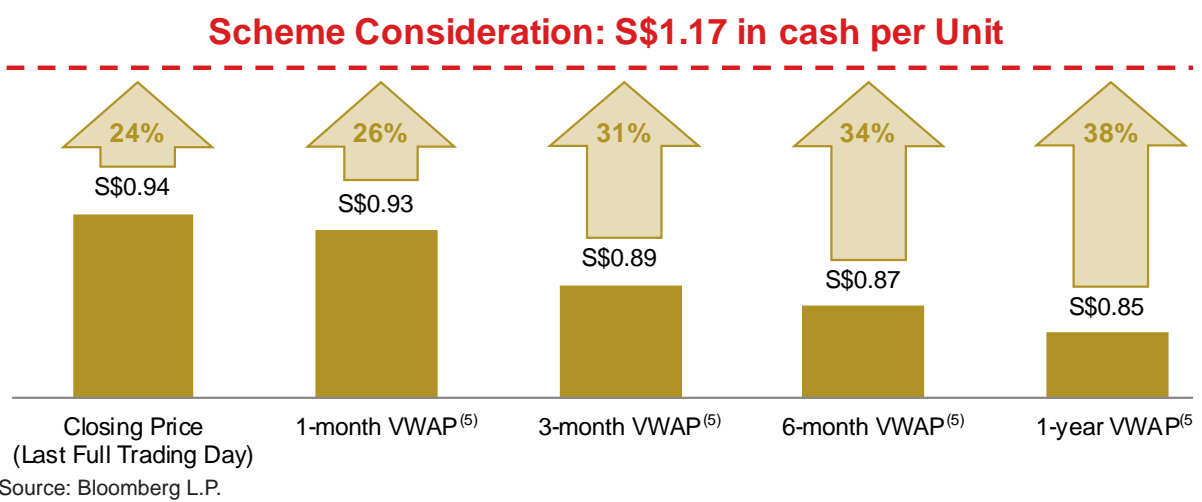
FURTHER INFORMATION ON VOTING PROCEDURES AND PROXY FORM SUBMISSION CAN BE FOUND ON PAGES 7 TO 9 OF THIS GATEFOLD.

(4) If the Effective Date falls after 31 October 2017, Unitholders may receive up to an additional 90% of CRT’s distributable income for the period from 1 November 2017 to the Effective Date.

1

OPPORTUNITY TO REALISE YOUR INVESTMENT IN CASH AT A COMPELLING PRICE

- The Scheme Consideration represents an attractive premium to the prevailing and historical trading prices of the Units prior to 26 April 2017, the date of the Initial Holding Announcement.



- The Scheme Consideration exceeds the highest closing price of the Units, being S\$1.09 per Unit in May 2013, since CRT was listed on the Main Board of the SGX-ST.

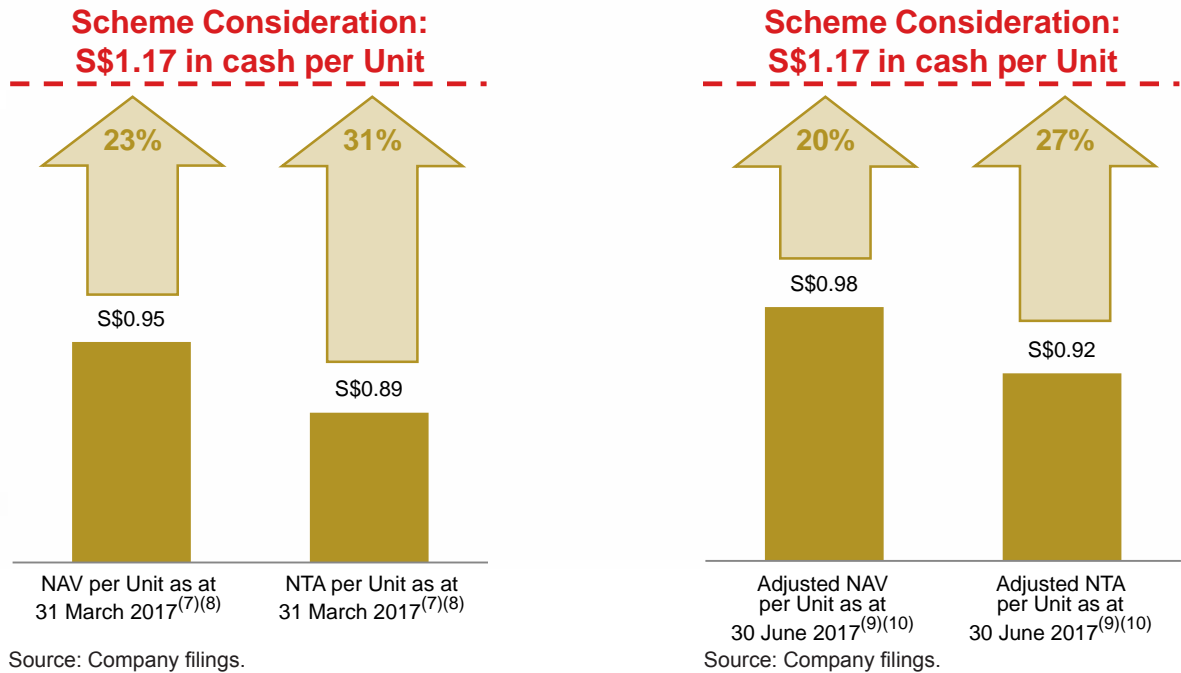


(5) The respective VWAPs are with reference to the relevant periods up to and including 25 April 2017, being the last trading day immediately prior to the date of the Initial Holding Announcement (the "Last Full Trading Day").

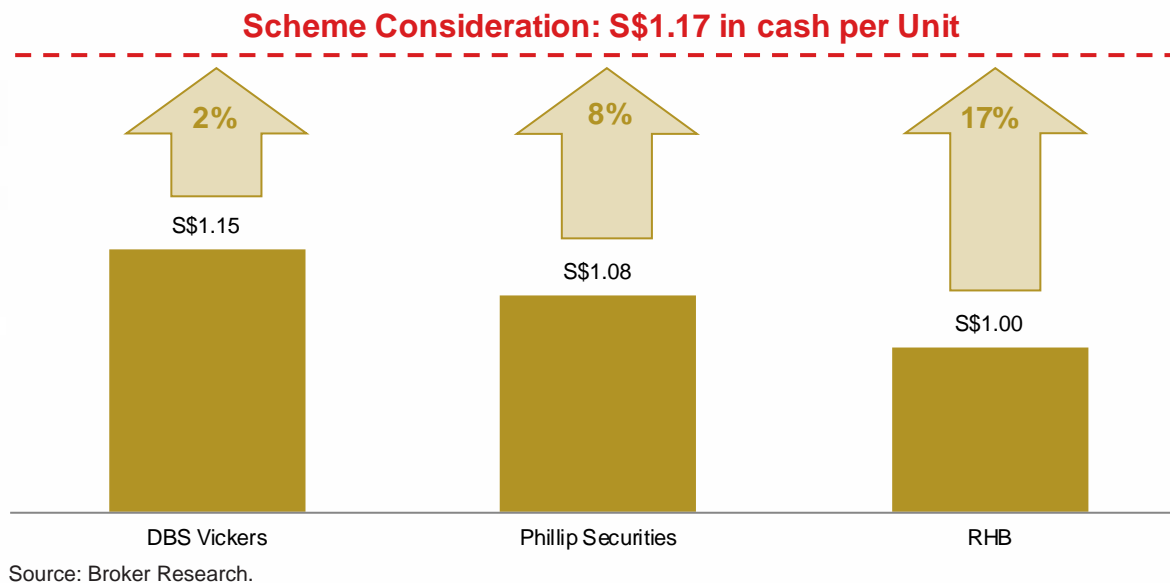
(6) Historical Unit prices have been adjusted for the (i) rights issue of 114,222,677 new Units on the basis of 22 rights Units for every 100 existing Units at an issue price of S\$0.610 per rights Unit, which was completed on 23 October 2015, and (ii) preferential offering of 27,682,070 new Units on 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 TO REALISE YOUR INVESTMENT AT AN ATTRACTIVE VALUATION

- The valuation implied by the Scheme Consideration exceeds the latest available market value of the properties of the CRT Group.



- The Scheme Consideration exceeds price targets of all analysts covering CRT⁽¹¹⁾.



(7) As at 31 March 2017, the NAV and NTA of CRT was JPY58,839 million and JPY54,833 million respectively. The NAV per Unit and NTA per Unit were calculated based on the number of Units issued, being 769,732,510 Units. NTA excludes intangible assets pertaining to the goodwill arising from the acquisition of all the issued shares of the Trustee-Manager on 31 August 2016 of JPY4,006 million.

(8) 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.

(9) As at 30 June 2017, the NAV and NTA of CRT was JPY63,990 million and JPY59,984 million respectively. The NAV per Unit and NTA per Unit as at 30 June 2017 were calculated based on the number of Units issued and to be issued as at 30 June 2017, being 771,552,510 Units. NTA excludes intangible assets pertaining to the goodwill arising from the acquisition of all the issued shares of the Trustee-Manager on 31 August 2016 of JPY4,006 million. The Adjusted NAV and Adjusted NTA have been adjusted for the declared distribution of 4.06 Singapore cents per Unit in respect of the period between 1 January 2017 and 30 June 2017.

(10) Based on an exchange rate of SGD 1.00 = JPY 81.39, as at 30 June 2017.

(11) As published on Bloomberg L.P. after the Initial Holding Announcement.

OPPORTUNITY TO EXIT YOUR INVESTMENT IN CRT

- The historical trading liquidity of the Units on the SGX-ST has been low with no more than 0.20% of total issued Units traded per day on average in the last 12-month period.
- The average daily trading volume of the Units are detailed in the table below.

	Average daily trading volume ⁽¹²⁾	Average daily trading volume as a percentage of total issued Units ⁽¹³⁾⁽¹⁴⁾
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.

Extracted from the IFA Letter

“... it appears that while the historical trading and free float volume of the Units has not been high in absolute terms relative to the market capitalization and free float of CRT, the Units are nevertheless readily traded on a frequent basis indicating a ready market for the trading of the Units”.



INDEPENDENT FINANCIAL ADVISER

IT IS IMPORTANT THAT YOU READ THIS EXTRACT TOGETHER WITH AND IN THE CONTEXT OF THE IFA LETTER IN FULL, WHICH CAN BE FOUND IN APPENDIX A TO THIS SCHEME DOCUMENT. YOU ARE ADVISED AGAINST RELYING SOLELY ON THIS EXTRACT.

(12) Calculated using the total volume of Units traded divided by the number of days on which CRT was traded on the SGX-ST.

(13) Calculated using the daily total volume of Units traded divided by the total number of issued Units.

(14) Rounded to the nearest two (2) decimal places.

INDEPENDENT FINANCIAL ADVISER (“IFA”) AND INDEPENDENT DIRECTORS’ RECOMMENDATIONS

IT IS IMPORTANT THAT YOU READ THESE EXTRACTS TOGETHER WITH AND IN THE CONTEXT OF THE IFA LETTER AND THE LETTER TO UNITHOLDERS IN FULL, WHICH CAN BE FOUND IN APPENDIX A AND PAGES 14 TO 39 OF THIS SCHEME DOCUMENT RESPECTIVELY. YOU ARE ADVISED AGAINST RELYING SOLELY ON THESE EXTRACTS.

Extracted from the IFA Letter

“Based upon and subject to the foregoing, we are of the opinion that, as at the Latest Practicable Date the terms of the Scheme from a financial point of view are **FAIR AND REASONABLE** so far as the Unitholders are concerned. Accordingly, we advise the Independent Directors to recommend that the Unitholders **VOTE IN FAVOUR** of the Scheme at the Scheme Meeting or sell their Units in the open market if they are able to obtain a price higher than the Scheme Consideration (taking into account the Permitted Distributions and after netting off the related transaction expenses).”



INDEPENDENT FINANCIAL ADVISER

Extracted from the recommendation from the Independent Directors

“The Independent Directors, having considered carefully the terms of the Scheme and the advice given by the IFA in the IFA Letter, concur with the recommendation of the IFA in respect of the Scheme. Accordingly, the Independent Directors recommend that Unitholders **VOTE IN FAVOUR** of the Scheme at the Scheme Meeting. Unitholders also have the option of selling their Units in the open market if they are able to obtain a price higher than the Scheme Consideration (taking into account the Permitted Distributions and after netting off the related transaction expenses).”

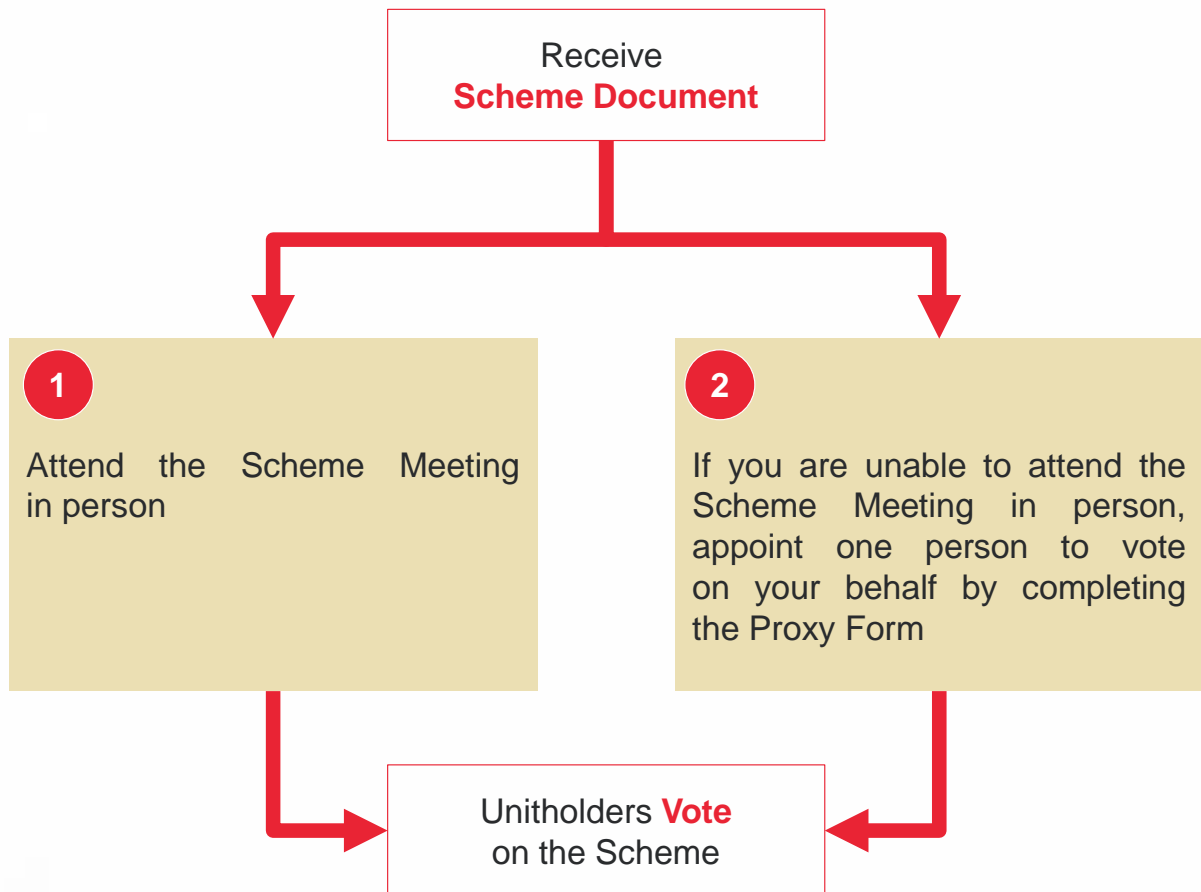
Unitholders should also be aware and note that there is no assurance that the trading volumes and market prices of the Units will be maintained at the current levels prevailing as at the Latest Practicable Date if the Scheme does not become effective and binding for whatever reason. Unitholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.”



INDEPENDENT DIRECTORS

HOW TO VOTE AT THE SCHEME MEETING

- There are two ways you can vote at the Scheme Meeting.



- The result of the Scheme Meeting will be determined by Unitholders who cast their votes (in person or by proxy) on a poll at the Scheme Meeting and will be binding on all Unitholders.
- If you are unable to attend the Scheme Meeting on 13 September 2017 at 10:00 a.m., please complete the Proxy Form enclosed with this Scheme Document, and return the completed and signed Proxy Form so that it arrives at the office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, Singapore Land Tower, #32-01, Singapore 048623 **BY NO LATER THAN 10:00 A.M. on 10 SEPTEMBER 2017.**

COMPLETE THE PROXY FORM TO APPOINT ONE PERSON TO VOTE ON YOUR BEHALF

- If you are unable to attend the Scheme Meeting in person, you may appoint someone you know, or the Chairman of the Scheme Meeting, to vote on your behalf by completing the Proxy Form.

STEP 1: Locate the Proxy Form

The Proxy Form is enclosed with this Scheme Document, or can be obtained from:

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place, Singapore Land Tower, #32-01
Singapore 048623

Operating hours: Monday to Friday, 8:30 a.m. to 5:30 p.m.

STEP 2: Complete the Proxy Form

PROXY FORM FOR SCHEME MEETING

A *I/We _____ (Name(s)) _____ (NRIC/Passport/UEIN) of _____ (Address) being a unitholder/unitholders of Croesus Retail Trust ("CRT"), hereby appoint:

Name	Address	NRIC/Passport Number

or failing "him/her, the Chairman of the Scheme Meeting as "my/our proxy to attend and to vote for "me/us and on "my/our behalf at the Scheme Meeting to be held at **The Ballroom, Lower Lobby, The Fullerton Hotel Singapore, One Fullerton Square, Singapore 049178, on 13 September 2017 at 10:00 a.m.** and at any adjournment thereof.

*I/We direct "my/our proxy to vote for or against the resolutions to be proposed at the Scheme Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy will vote or abstain from voting at "his/her discretion, as "he/she will on any other matter arising at the Scheme Meeting (or any adjournment thereof). If no person is named in the above boxes, the Chairman of the Scheme Meeting shall be "my/our proxy to vote, for or against the resolutions to be proposed at the Scheme Meeting, for "me/us and on "my/our behalf at the Scheme Meeting and at any adjournment thereof.

If you wish to vote "FOR" the resolutions to be proposed at the Scheme Meeting, please indicate with a tick (✓) in the box marked "FOR" as set out below. If you wish to vote "AGAINST" the resolutions to be proposed at the Scheme Meeting, please indicate with a tick (✓) in the box marked "AGAINST" as set out below. **DO NOT TICK BOTH BOXES FOR EACH RESOLUTION.**

Resolutions	For	Against
1 To approve the proposed Trust Deed Amendment		
2 To approve the proposed Scheme (conditional upon Resolution 1 being passed)		

* Delete accordingly

D Dated this _____ day of _____ 2017

Total number of Units held

Signature(s) of Unitholder(s)/
Common Seal of Corporate Unitholder

IMPORTANT: PLEASE READ NOTES ON NEXT PAGE

A Fill in your name and particulars.

*I/We _____ (Name(s)) _____ (NRIC/Passport/UEIN) of _____ (Address) being a unitholder/unitholders of Croesus Retail Trust ("CRT"), hereby appoint:

B You may fill in the details of the appointee or leave this section blank. The Chairman of the Scheme Meeting will be the appointee if this section is left blank.

Name	Address	NRIC/Passport Number

C Indicate your vote by ticking in the box labeled **FOR** or **AGAINST** for each of the Scheme Resolutions.

Resolutions	For	Against
1 To approve the proposed Trust Deed Amendment		
2 To approve the proposed Scheme (Conditional upon Resolution 1 being passed)		

DO NOT FILL IN BOTH FOR AND AGAINST BOXES FOR EACH OF THE SCHEME RESOLUTIONS

PLEASE NOTE THAT YOU WOULD EFFECTIVELY BE VOTING AGAINST THE SCHEME (RESOLUTION 2) IF YOU VOTE AGAINST THE TRUST DEED AMENDMENT (RESOLUTION 1)

COMPLETE THE PROXY FORM TO NOMINATE A PERSON TO VOTE ON YOUR BEHALF

STEP 2: Complete the Proxy Form (cont'd)

PROXY FORM FOR SCHEME MEETING

A I/We _____ (Name(s)) _____ (NRIC/Passport/UEN)
of _____ (Address)
being a unitholder/unitholders of Croesus Retail Trust ("CRT"), hereby appoint:

B

Name	Address	NRIC/Passport Number

or falling "him/her, the Chairman of the Scheme Meeting as "my/our proxy to attend and to vote for "me/us and on "my/our behalf at the Scheme Meeting to be held at **The Ballroom, Lower Lobby, The Fullerton Hotel Singapore, One Fullerton Square, Singapore 049178, on 13 September 2017 at 10:00 a.m.** and at any adjournment thereof.

"I/We direct "my/our proxy to vote for or against the resolutions to be proposed at the Scheme Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy will vote or abstain from voting at "his/her discretion, as "he/she will on any other matter arising at the Scheme Meeting (or any adjournment thereof). If no person is named in the above boxes, the Chairman of the Scheme Meeting shall be "my/our proxy to vote, for or against the resolutions to be proposed at the Scheme Meeting, for "me/us and on "my/our behalf at the Scheme Meeting and at any adjournment thereof.

If you wish to vote "FOR" the resolutions to be proposed at the Scheme Meeting, please indicate with a tick (✓) in the box marked "FOR" as set out below. If you wish to vote "AGAINST" the resolutions to be proposed at the Scheme Meeting, please indicate with a tick (✓) in the box marked "AGAINST" as set out below. **DO NOT TICK BOTH BOXES FOR EACH RESOLUTION.**

Resolutions	For	Against
1 To approve the proposed Trust Deed Amendment		
2 To approve the proposed Scheme (conditional upon Resolution 1 being passed)		

C

Dated this _____ day of _____, 2017

D

Total number of Units held

E

Signature(s) of Unitholder(s)/
Common Seal of Corporate Unitholder

E

Indicate the number of Units you hold.

Total Number of Units held

IMPORTANT: PLEASE READ NOTES ON NEXT PAGE

STEP 3: Return the completed Proxy Form

Return the completed and signed Proxy Form in the endorsed pre-addressed envelope so that it arrives at the office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, Singapore Land Tower, #32-01, Singapore 048623, BY NO LATER THAN 10:00 A.M. on 10 SEPTEMBER 2017. The envelope is prepared for posting in Singapore only. Please affix sufficient postage if posting from outside of Singapore.

Postage will be paid by addressee
For posting in Singapore only

BUSINESS REPLY SERVICE
PERMIT NO. 08701

|||

CROESUS RETAIL ASSET MANAGEMENT PTE. LTD.

BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD.
50 RAFFLES PLACE
SINGAPORE LAND TOWER #32-01
SINGAPORE 048623

CHECK YOUR UNITHOLDING BALANCE

A CONTACT THE CDP

You can check your unitholding balance with the CDP at:

The Central Depository

9 North Buona Vista Drive
#01-19/20 The Metropolis
Singapore 138588

Tel: +65 6535 7511

Fax: +65 6535 0775

Operating hours:

Monday to Friday, 8:30 a.m. to 5:00 p.m.

Saturday, 8:30 a.m. to 12:00 p.m.

Closed on Sundays & Public Holidays

B CONTACT INTERMEDIARIES

If you own Units through a bank, broker or any other intermediary, you can check your unitholding balance by contacting them directly.

C CONTACT SRS AGENT BANK

If you are an SRS Investor, please consult your SRS Agent Bank (namely DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited) for further information.

INVESTOR CONTACTS

Investor Contacts

Financial Adviser to the Trustee-Manager

Citigroup Global Markets Singapore Pte. Ltd.

Investment Banking

Telephone: +65 6657 1959

Financial Adviser to the Offeror

DBS Bank Ltd.

Strategic Advisory

Telephone: +65 6878 8657

IMPORTANT NOTICE

The information in this section should be read with the full information contained in the rest of this Scheme Document. If there should be any inconsistency or conflict between this section and this Scheme Document, this Scheme Document shall prevail. Nothing in this section is intended to be, or shall be taken as, advice, a recommendation or a solicitation to the Unitholders or any other party.

Unitholders are advised to be cautious when dealing in their Units and not to take any action in relation to their Units which may not prove to be in their best interests.

INFORMATION ON THE OFFEROR

- The Offeror is a company incorporated in Singapore by funds managed or advised by affiliates of The Blackstone Group L.P. (collectively, the “**Blackstone Group**”).
- The Blackstone Group is one of the largest institutional real estate investors in the world.
 - With offices in the United States of America, Europe and Asia (as of 31 December 2016) the Blackstone Group manages US\$102 billion of equity for real estate investments.
 - Since 2004, the Blackstone Group has completed over 20 public company real estate acquisitions with a combined transaction value in excess of US\$110 billion.
 - The Blackstone Group is one of the largest retail owners in the world, with investments in 563 retail properties globally totalling 83.1 million square feet and 15 retail properties totalling 6.5 million square feet in Asia (as of 30 September 2016).
 - The Blackstone Group has significant experience in executing transactions and has completed acquisitions with an aggregate value of over US\$3 billion in Japan (as of 31 December 2016).

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DEFINITIONS

In this Scheme Document, the following definitions apply throughout unless otherwise stated or the context otherwise requires:

- “Acquisition”** : Has the meaning ascribed to it in **Paragraph 1.1** of the Letter to Unitholders
- “Audited Financial Statements”** : The audited consolidated balance sheet of the CRT Group as at 30 June 2016, the consolidated profit and loss account and the consolidated cash flow statement of the CRT Group for the year ended 30 June 2016, and the notes thereto
- “Blackstone Group”** : The Blackstone Group L.P. and affiliates of The Blackstone Group L.P.
- “Board”** : The board of Directors of the Trustee-Manager as at the Latest Practicable Date
- “Books Closure Date”** : The date and time to be announced (before the Effective Date) by the Trustee-Manager on which the Transfer Books and the Register of Unitholders will be closed in order to determine the entitlements of Unitholders in respect of the Scheme
- “Business Day”** : A day (other than Saturday, Sunday or a public holiday) on which commercial banks are open for business in Singapore
- “Business Trusts Act”** : Business Trusts Act, Chapter 31A of Singapore
- “CDP”** : The Central Depository (Pte) Limited
- “Code”** : The Singapore Code on Take-overs and Mergers
- “Companies Act”** : Companies Act, Chapter 50 of Singapore
- “Competing Offer”** : Any offer, proposal or expression of interest by any person other than the Offeror pursuant to which such person or any other person may, whether directly or indirectly, and whether by unit purchase, scheme of arrangement, merger or amalgamation, capital reconstruction, purchase of assets, tender offer, general offer, partial offer, joint venture, dual listed company structure or otherwise:
- (i) acquire or become the holder or owner of, or otherwise have an economic interest in: (a) all or any substantial part of the businesses, assets, revenues and/or undertakings of CRT, or (b) all or a significant portion of the Units;

DEFINITIONS

	(ii)	acquire control of the CRT Group or merge with CRT;
	(iii)	benefit under any other arrangement having an effect similar to any of the above; or
	(iv)	effect a transaction which would preclude or restrict the Acquisition and/or the Scheme.
“Court”	:	The High Court of the Republic of Singapore, or where applicable on appeal, the Court of Appeal of the Republic of Singapore
“CRT”	:	Croesus Retail Trust
“CRT Associate Entities”	:	The Master Lessees, the ISHs and the subsidiaries of the ISHs except for the TMKs
“CRT Convertible Securities”	:	Convertible securities, warrants, options and derivatives in respect of the Units or other securities (if any) which carry voting rights in CRT
“CRT Group”	:	CRT and its subsidiaries and the TMKs, and unless the context requires otherwise, the Trustee-Manager Share Trust, the Trustee-Manager and its subsidiaries, as set out in Part A of Schedule 7 of the Implementation Agreement
“CRT Group Entity”	:	Any member of the CRT Group
“Directors”	:	The directors of the Trustee-Manager as at the Latest Practicable Date
“Data Room Information”	:	(i) All documents in the Index List, being the documents made available in the Virtual Data Room; (ii) the constitutional documents and statutory books (including all registers and minute books) of the CRT Group made available in the Physical Data Room; and (iii) all matters and information contained in the Question-and-Answer Log
“Disclosure Letter”	:	The letter of even date with the Implementation Agreement from the Trustee-Manager to the Offeror, on a private and confidential basis, disclosing (i) information constituting exceptions to the Warranties set out in Appendix L to this Scheme Document; and (ii) details of other matters referred to in the Implementation Agreement
“Effective Date”	:	Has the meaning ascribed to it in Paragraph 4.1 of the Letter to Unitholders

DEFINITIONS

“Encumbrances”	:	Any charge, mortgage, lien, hypothecation, judgment, encumbrance, easement, security, title retention, preferential right, trust arrangement, pledge, rights of pre-emption or other rights or interests conferring similar rights in favour of a third party
“Entitled Unitholders”	:	Unitholders as at 5.00 p.m. on the Books Closure Date
“Further Hearing”	:	Has the meaning ascribed to it in Paragraph 13.2.2 of the Letter to Unitholders
“FY”	:	Financial year ended or ending 30 June, as the case may be
“Gatefold”	:	The pages preceding the “Contents” section of this Scheme Document
“Governmental Authority”	:	<ul style="list-style-type: none">(i) The government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof, including without limitation any entity directly or indirectly owned (in whole or in part) or controlled thereby; (ii) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities; and (iii) any quasi-government or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, Taxation (as defined in the Implementation Agreement), importing or other governmental or quasi-governmental authority
“IFA”	:	CIMB Bank Berhad, Singapore Branch, the independent financial adviser to the Independent Directors
“IFA Letter”	:	The letter dated 22 August 2017 setting out the advice of the IFA to the Independent Directors in respect of the Scheme, as set out in Appendix A to this Scheme Document

DEFINITIONS

- “Implementation Agreement”** : The implementation agreement dated 28 June 2017 entered into between the Trustee-Manager and the Offeror setting out the terms and conditions on which the Trustee-Manager and the Offeror will implement the Scheme
- “Independent Directors”** : The Directors who are considered independent for the purposes of making a recommendation to the Unitholders on the Scheme, namely all of the Directors
- “Index List”** : The document index list dated 28 June 2017 listing the documents provided to the Offeror and its representatives and advisers in the Virtual Data Room
- “Initial Holding Announcement”** : The initial holding announcement on 26 April 2017 by the Trustee-Manager that it has been approached in connection with a potential transaction that may or may not lead to an acquisition of all the Units
- “Initial Holding Announcement Date”** : 26 April 2017, being the date of the Initial Holding Announcement
- “ISHs”** : Apple Ippan Shadan Hojin, Durian Ippan Shadan Hojin, Mangosteen ISH, Orange Ippan Shadan Hojin, Persimmon ISH, ISH CRT Shobu and ISH CRT Tachikawa
- “Joint Announcement”** : The joint announcement by the Trustee-Manager and the Offeror dated 28 June 2017 in relation to, *inter alia*, the Acquisition and the Scheme
- “Joint Announcement Date”** : 28 June 2017, being the date of the Joint Announcement
- “JPY”** : Japanese yen, being the lawful currency for the time being of Japan
- “Latest Practicable Date”** : 17 August 2017, being the latest practicable date prior to the printing of this Scheme Document
- “Letter to Unitholders”** : The letter to the Unitholders as set out on pages 14 to 39 of this Scheme Document
- “Listing Manual”** : The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
- “Long Stop Date”** : 31 December 2017, or such other date as the Parties may agree in writing

DEFINITIONS

“Market Day”	:	A day on which the SGX-ST is open for the trading of securities
“MAS”	:	Monetary Authority of Singapore
“Master Lessees”	:	GK CRT Shobu, GK CRT Tachikawa, YK Torius Management, GK CRT Saga and GK CRT Asahikawa
“Material Adverse Effect”	:	A diminution: <ul style="list-style-type: none">(i) in the consolidated net asset value of the CRT Group by more than 10 per cent. as compared to the consolidated net asset value in the consolidated unaudited financial statements of the CRT Group for the third quarter ended 31 March 2017 announced on 15 May 2017; or(ii) in the consolidated revenue of the CRT Group for the 12-month period prior to the Relevant Date by more than 10 per cent. as compared to the consolidated revenue of the CRT Group for the 12-month period ended 31 March 2017, provided that the following items shall not be taken into account in determining the above:<ul style="list-style-type: none">(a) foreign currency translations,(b) distributions that have already been paid to the Unitholders prior to the date of the Implementation Agreement as well as the Permitted Distributions and(c) any rent reduction in respect of leases entered into for Aeon Town Moriya and Aeon Town Suzuka
“Offer”	:	A general cash offer made for or on behalf of the Offeror to acquire all the Units on the terms and subject to the conditions which will be set out in the offer document issued for or on behalf of the Offeror
“Offeror”	:	Cyrus BidCo Pte. Ltd.
“Offeror Concert Party Group”	:	The Offeror and parties acting in concert with the Offeror
“Offeror Convertible Securities”	:	Convertible securities, warrants, options and derivatives in respect of the Offeror Shares or other securities (if any) which carry voting rights in the Offeror
“Offeror Financial Adviser”	:	DBS Bank Ltd., the financial adviser of the Offeror

DEFINITIONS

“Offeror Information”	:	The information concerning the Offeror or its affiliates provided by or on behalf of the Offeror to the Trustee-Manager for inclusion in this Scheme Document
“Offeror Shares”	:	Ordinary shares in the capital of the Offeror
“Overseas Unitholder”	:	Has the meaning ascribed to it in Paragraph 18.1 of the Letter to Unitholders
“Parties”	:	The parties to the Implementation Agreement, being the Trustee-Manager and the Offeror
“Permitted Distributions”	:	Has the meaning ascribed to it in Paragraph 14(xi) of Appendix J to this Scheme Document
“Physical Data Room”	:	The physical data room at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, which the Trustee-Manager granted access to the Offeror on 26 May 2017, 29 May 2017 and 9 June 2017
“Portfolio Properties”	:	The properties set out in Schedule 8 of the Implementation Agreement and any part thereof
“Prescribed Occurrence”	:	Has the meaning ascribed to it in Appendix I to this Scheme Document
“Proxy Form”	:	The accompanying proxy form for the Scheme Meeting as set out in this Scheme Document
“Question-and-Answer Log”	:	The written responses as at 20 June 2017 provided by the Trustee-Manager or on the Trustee-Manager’s behalf to questions raised by the Offeror and its representatives and advisers during the Offeror’s due diligence of the CRT Group
“Record Date”	:	The date falling on the Business Day immediately preceding the Effective Date
“Register of Unitholders”	:	The register of unitholders of CRT
“Relevant Date”	:	(i) For the purposes of Paragraph 9 of Appendix H to this Scheme Document only, the later of (a) the date of the latest publicly released consolidated unaudited financial statements of the CRT Group prior to the Record Date; or (b) the date of the calendar month-end falling at least 28 calendar days prior to the Record Date; and (ii) in every other instance, the Record Date

DEFINITIONS

“Resolution 1”	:	Has the meaning ascribed to it in Paragraph 10.1.1 of the Letter to Unitholders
“Resolution 2”	:	Has the meaning ascribed to it in Paragraph 10.1.2 of the Letter to Unitholders
“Rules of Court”	:	Rules of Court, Chapter 322, R 5 of Singapore
“Scheme”	:	The trust scheme to be proposed by the Trustee-Manager to Unitholders, reflecting the terms set out in the Implementation Agreement, as set out on pages O-1 to O-8 of this Scheme Document (as may be amended or modified from time to time)
“Scheme Conditions”	:	The conditions precedent in the Implementation Agreement which must be satisfied (or, where applicable, waived) by the Long Stop Date for the Scheme to be implemented and which are reproduced in Appendix H to this Scheme Document
“Scheme Consideration”	:	Has the meaning ascribed to it in Paragraph 3.1.2 of the Letter to Unitholders
“Scheme Court Order”	:	The order of the Court sanctioning the Scheme under Order 80 of the Rules of Court
“Scheme Document”	:	This document dated 22 August 2017 and any other document(s) which may be issued by or on behalf of the Trustee-Manager to amend, revise, supplement or update the document(s) from time to time
“Scheme Meeting”	:	The meeting of the Unitholders to be convened to approve the Trust Deed Amendment and the Scheme, notice of which is set out on pages P-1 to P-4 of this Scheme Document, and any adjournment thereof
“Scheme Meeting Court Order”	:	Has the meaning ascribed to it in Paragraph 13.2 of the Letter to Unitholders
“Scheme Resolutions”	:	Resolution 1 and Resolution 2
“Securities Account”	:	The relevant securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SFA”	:	Securities and Futures Act, Chapter 289 of Singapore
“SGX-ST”	:	Singapore Exchange Securities Trading Limited

DEFINITIONS

“SIC”	:	Securities Industry Council of Singapore
“SRS”	:	Supplementary Retirement Scheme
“SRS Agent Banks”	:	Agent bank included under the SRS
“SRS Investors”	:	Investors who have purchased Units using their SRS contributions pursuant to the SRS
“Supplemental Trust Deed”	:	Has the meaning ascribed to it in Paragraph 1.1 of the Letter to Unitholders
“Switch Option”	:	The election by the Offeror to proceed with the Acquisition by way of an Offer (in lieu of proceeding by way of the Scheme)
“S\$” or “SGD”	:	Singapore dollars, being the lawful currency of Singapore
“TBIs”	:	The trust beneficiary interests in the trusts the TBI Trustees of which own the Portfolio Properties
“TBI Trustee”	:	The trustees owning the Portfolio Properties
“TM Trust Deed”	:	The trust deed dated 12 June 2016 constituting the Trustee-Manager Share Trust
“TMKs”	:	The <i>tokutei mokuteki kaisha</i> structure through which CRT invests in the TBIs
“Transaction Expenses Cap”	:	Has the meaning ascribed to it in Paragraph 3.1.2(ii) of the Letter to Unitholders
“Transfer Books”	:	The transfer books of CRT
“Trust Deed”	:	The trust deed dated 7 May 2012 constituting CRT, as amended and supplemented by the amending and restating deeds dated 29 June 2012, 7 November 2012, 24 April 2013, 30 April 2013 and 27 October 2016
“Trust Deed Amendment”	:	The amendments to the Trust Deed to include provisions to facilitate the implementation of the Scheme as set out in Appendix D to this Scheme Document
“Trustee-Manager”	:	Croesus Retail Asset Management Pte. Ltd.
“Trustee-Manager Share Trust”	:	A trust known as the “Trustee-Manager Share Trust” constituted to hold all the issued shares of the Trustee-Manager
“Unit Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd., the unit registrar of CRT

DEFINITIONS

“Units”	:	Units in CRT
“Unitholder Cut-Off Time”	:	A time that is 72 hours prior to the time of the Scheme Meeting (being the time at which the name of the Unitholder must appear in the Register of Unitholders or the Depository Register, as having Units entered against its name in the said Registers), for the purpose of determining the entitlement of a Unitholder to attend and vote at the Scheme Meeting
“Unitholders”	:	Persons who are registered as holders of Units in the Register of Unitholders and Depositors who have Units entered against their names in the Depository Register
“US\$” or “USD”	:	United States dollars, being the lawful currency of the United States of America
“Valuation Reports”	:	Has the meaning ascribed to it in Paragraph 10.1 of Appendix C to this Scheme Document
“Virtual Data Room”	:	The virtual data room which the Trustee-Manager granted access to the Offeror for the period from 8 May 2017 to 9 June 2017 (both dates inclusive)
“Warranties”	:	(i) In relation to the Offeror, representations and warranties set out in Appendix K to this Scheme Document; and (ii) in relation to CRT, the representations and warranties set out in Appendix L to this Scheme Document
“%” or “per cent.”	:	Per centum or percentage

Acting in Concert and Concert Parties. The expression “**acting in concert**” and the term “**concert parties**” shall have the meanings as ascribed to them respectively in the Code.

Depositors and Depository Register. The expressions “**Depositor**” and “**Depository Register**” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

Expressions. Words importing the singular shall, where applicable, include the plural and *vice versa* and words indicating a specific gender shall, where applicable, include the other genders (male, female or neuter). References to persons shall, where applicable, include corporations.

Headings. The headings in this Scheme Document are inserted for convenience only and shall be ignored in construing this Scheme Document.

DEFINITIONS

Rounding. Any discrepancies in the figures included in this Scheme Document between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown in totals in this Scheme Document may not be an arithmetic aggregation of the figures that precede them.

Unitholders. References to “**you**”, “**your**” and “**yours**” in this Scheme Document are, as the context so determines, to Unitholders (including persons whose Units are deposited with CDP or who have purchased the Units on the SGX-ST).

Statutes. Any reference in this Scheme Document to any enactment or statutory provision is a reference to that enactment or statutory provision as for the time being amended modified, supplemented or re-enacted. Any word defined under the Business Trusts Act, the Code, the Listing Manual or any modification thereof and not otherwise defined in this Scheme Document shall, where applicable, have the meaning ascribed to that word under the Business Trusts Act, the Code, the Listing Manual or that modification, as the case may be, unless the context otherwise requires.

Subsidiary and Related Corporations. The expressions “**subsidiary**” and “**related corporations**” shall have the same meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

Time and Date. Any reference to a time of day and date in this Scheme Document shall be a reference to Singapore time and date respectively, unless otherwise specified.

Total Number of Units and Percentage of Units. In this Scheme Document, the total number of Units as at the Latest Practicable Date is 769,732,510. Unless otherwise specified, all references to a percentage unitholding in the capital of CRT in this Scheme Document are based on 769,732,510 Units in CRT as at the Latest Practicable Date. For the avoidance of doubt, the total number of Units may change after the Latest Practicable Date if new Units are issued to the Trustee-Manager as part payment of the management fees due to the Trustee-Manager every quarter.

FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Scheme 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 none of the Offeror, the Trustee-Manager, the Offeror Financial Adviser and Citigroup Global Markets Singapore Pte. Ltd. undertakes any obligation to update publicly or revise any forward-looking statements.

EXPECTED TIMETABLE

Latest date and time for lodgement of Proxy Form for the Scheme Meeting	:	10 September 2017 at 10:00 a.m. ⁽¹⁾⁽²⁾
Date and time of the Scheme Meeting	:	13 September 2017 at 10:00 a.m.
Expected date of Court hearing of the application to sanction the Scheme	:	2 October 2017 ⁽³⁾
Expected last day for trading of Units	:	5 October 2017
Expected date of suspension of Units	:	6 October 2017
Expected Books Closure Date	:	10 October 2017 at 5.00 p.m.
Expected Effective Date	:	11 October 2017 ⁽⁴⁾
Expected date for the payment of the Scheme Consideration	:	By 23 October 2017
Expected date for the delisting of Units	:	24 October 2017

You should note that save for the latest date and time for the lodgement of the Proxy Form and the date, time and place of the Scheme Meeting, the above timetable is indicative only and may be subject to change. For the events listed above which are described as “expected”, please refer to future announcement(s) by the Trustee-Manager and/or the SGX-ST for the exact dates of these events.

Notes:

- (1) Unitholders are requested to lodge the Proxy Forms for the Scheme Meeting in accordance with the instructions contained therein not less than 72 hours before the time appointed for the Scheme Meeting.
- (2) All Proxy Forms for the Scheme Meeting must be lodged with the Unit Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623. Completion and lodgement of a Proxy Form will not prevent a Unitholder from attending and voting in person at the Scheme Meeting if they subsequently wish to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.
- (3) The date of the Court hearing of the application to sanction the Scheme will depend on the date that is allocated by the Court.
- (4) If each of the Scheme Conditions is satisfied or, as the case may be, has been waived in accordance with the Implementation Agreement, the Scheme will come into effect on the date falling seven (7) Business Days after the last of the conditions precedent set out in Paragraphs 1, 2, 3 and 4 of **Appendix H** to this Scheme Document has been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

CORPORATE INFORMATION

TRUSTEE-MANAGER	: Croesus Retail Asset Management Pte. Ltd. 50 Raffles Place #25-03 Singapore Land Tower Singapore 048623
DIRECTORS OF THE TRUSTEE-MANAGER	: Mr Lim Teck Leong David Mr Jim Chang Cheng-Wen Mr Eng Meng Leong Mr Quah Ban Huat Mr Yong Chao Hsien Jeremy
COMPANY SECRETARY	: Ms Kim Yi Hwa
REGISTERED OFFICE OF TRUSTEE-MANAGER	: 50 Raffles Place #25-03 Singapore Land Tower Singapore 048623
UNIT REGISTRAR	: Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
LEGAL ADVISER TO THE TRUSTEE-MANAGER	: Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
FINANCIAL ADVISER TO THE TRUSTEE-MANAGER	: Citigroup Global Markets Singapore Pte. Ltd. 8 Marina View #21-00 Asia Square Tower 1 Singapore 018960
INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT DIRECTORS	: CIMB Bank Berhad, Singapore Branch 50, Raffles Place #09-01, Singapore Land Tower Singapore 048623
AUDITORS	: Ernst & Young LLP One Raffles Quay (North Tower) #18-01 Singapore 048583

LETTER TO UNITHOLDERS

CROESUS RETAIL TRUST

(a business trust constituted on 7 May 2012 under the laws of the Republic of Singapore)

Managed by Croesus Retail Asset Management Pte. Ltd.

(Registration Number 201205175K)

Directors of the Trustee-Manager:

Mr Lim Teck Leong David (Chairman and Independent Director)
Mr Jim Chang Cheng-Wen (Executive Director and Chief Executive Officer)
Mr Eng Meng Leong (Independent Director)
Mr Quah Ban Huat (Independent Director)
Mr Yong Chao Hsien Jeremy (Executive Director and Managing Director)

Registered Office:

50 Raffles Place
#25-03 Singapore Land Tower
Singapore 048623

22 August 2017

To: The Unitholders of Croesus Retail Trust

Dear Sir/Madam

- (1) **PROPOSED AMENDMENTS TO THE TRUST DEED OF CROESUS RETAIL TRUST; AND**
- (2) **PROPOSED ACQUISITION BY CYRUS BIDCO PTE. LTD. OF ALL THE ISSUED UNITS IN CROESUS RETAIL TRUST BY WAY OF A TRUST SCHEME**

1. INTRODUCTION

1.1 Announcement of the Acquisition and the Scheme

On 28 June 2017, the Trustee-Manager, as trustee-manager of CRT, and the Offeror jointly announced the proposed acquisition (the “**Acquisition**”) of all the issued units in CRT (the “**Units**”) by the Offeror, a company incorporated in Singapore by funds managed or advised by affiliates of The Blackstone Group L.P.. The Acquisition will be effected by way of a trust scheme (the “**Scheme**”) in accordance with the Trust Deed and in compliance with the Code, and subject to the terms and conditions of the Implementation Agreement.

A copy of the Joint Announcement is available on the website of the SGX-ST at www.sgx.com.

1.2 Proposed Amendments to the Trust Deed

In connection with the implementation of the Scheme, it was also announced that the Trustee-Manager proposes to enter into a supplemental trust deed (the “**Supplemental Trust Deed**”) to amend the Trust Deed to include provisions to facilitate the implementation of the Scheme as set out in **Appendix D** to this Scheme Document (the “**Trust Deed Amendment**”).

LETTER TO UNITHOLDERS

1.3 Purpose

The purpose of this Scheme Document is to set out information pertaining to the Scheme, to seek approval from the Unitholders for the proposed Trust Deed Amendment and the Scheme, and to give the Unitholders notice of the Scheme Meeting.

1.4 Information on CRT

CRT is a business trust constituted under the Trust Deed on 7 May 2012 and registered under the Business Trusts Act on 2 May 2013. Listed on the Main Board of the SGX-ST on 10 May 2013, CRT is an Asia-Pacific retail business trust focused on investing in a diversified portfolio of predominantly retail real estate assets located in Japan and the Asia-Pacific region.

As at the Latest Practicable Date, CRT has 769,732,510 Units in issue.

1.5 Information on the Trustee-Manager

The Trustee-Manager was incorporated in Singapore on 1 March 2012. CRT is managed by the Trustee-Manager, whose key objective is to deliver a competitive return on investment to the Unitholders through regular and growing distributions and long-term capital value growth of CRT's portfolio of assets.

As at the Latest Practicable Date, the Trustee-Manager has an issued and paid-up share capital of S\$100,000 comprising 100,000 ordinary shares in issue and no treasury shares. All of the issued shares of the Trustee-Manager are held by Perpetual (Asia) Limited (as trustee of the Trustee-Manager Share Trust) for the benefit of the Unitholders in proportion to their unitholding interest in CRT.

The board of Directors of the Trustee-Manager (the "**Board**") comprises the following:

1.5.1 Mr Lim Teck Leong David (Chairman and Independent Director);

1.5.2 Mr Jim Chang Cheng-Wen (Executive Director and Chief Executive Officer);

1.5.3 Mr Eng Meng Leong (Independent Director);

1.5.4 Mr Quah Ban Huat (Independent Director); and

1.5.5 Mr Yong Chao Hsien Jeremy (Executive Director and Managing Director).

1.6 Information on the Offeror

The Offeror is a newly-incorporated entity formed for the purpose of the Scheme and is controlled by the Blackstone Group. The Offeror is incorporated under the laws of Singapore and has not traded since incorporation, nor has it entered into any obligations, other than those incidental to its formation or in connection with the Scheme.

LETTER TO UNITHOLDERS

The board of directors of the Offeror comprises the following:

1.6.1 Alan Kekoa Miyasaki;

1.6.2 Kimmo Benjam Tammela; and

1.6.3 Prashant Kanodia.

1.7 Information on the Blackstone Group

The Blackstone Group is one of the largest institutional real estate investors in the world. With offices in the United States of America, Europe and Asia, as of 31 December 2016, the Blackstone Group manages US\$102 billion of equity for real estate investments. Since 2004, the Blackstone Group has completed over 20 public company real estate acquisitions with a combined transaction value in excess of US\$110 billion (including Hilton Hotels, Equity Office Properties Trust, Trizec Properties, Spirit Group, CarrAmerica Realty, CenterParcs UK, MeriStar Hospitality, La Quinta, Wyndham International, NHP PLC, Boca Resorts, Prime Hospitality, Extended Stay America, Savoy Hotels, Valad Property Group, Tysan Holdings Ltd., Japan Residential Investment Company, Strategic Hotels & Resorts and BioMed Realty Trust). The Blackstone Group is also one of the largest retail owners in the world, with investments in 563 properties globally and 15 properties totaling 6.5 million square feet in Asia (as of 30 September 2016). The Blackstone Group also has significant experience in executing transactions and has completed acquisitions with an aggregate value of over US\$3 billion in Japan (as of 31 December 2016).

Further details on the Offeror and the Blackstone Group can be found in the letter from the Offeror to Unitholders as set out in **Appendix B** to this Scheme Document.

2. RATIONALE FOR THE ACQUISITION AND FUTURE PLANS FOR CRT

2.1 The Offeror's Rationale

As stated in Paragraphs 4.1 and 4.2 of the letter from the Offeror to Unitholders as set out in **Appendix B** to this Scheme Document, the rationale for the Acquisition is as follows:

***“4.1 Opportunity for Unitholders to Realise their Investment in Cash at an Attractive Valuation and a Compelling Price without incurring Brokerage Fees*”**

The Scheme Consideration represents an attractive premium to the prevailing and historical trading prices of the Units prior to 26 April 2017, the date of the Initial Holding Announcement (the “Initial Holding Announcement Date”).

The Scheme Consideration represents a premium of approximately 24% over the last traded price of S\$0.940 per Unit on 25 April 2017, being the last trading day immediately prior to the Initial Holding Announcement Date (“Last Full Trading Day”) and premium of approximately 26%, 31%, 34%, 38%, over the VWAP of the Units over the 1-, 3-, 6- and 12-month periods respectively up to and including the Last Full Trading Day.

LETTER TO UNITHOLDERS

...

The Scheme Consideration exceeds the highest closing price of the Units, being S\$1.09 per Unit in May 2013, since CRT was listed on the Main Board of the SGX-ST.

...

The valuation implied by Scheme Consideration exceeds the latest available market value of the properties of the CRT Group.

The Scheme Consideration represents a premium of approximately 23% and 31% above the net asset value (“NAV”) per Unit and net tangible asset (“NTA”) per Unit as at 31 March 2017 respectively. The NAV and NTA take into account the market value of the properties of the CRT Group as at 30 June 2016. In addition, the Scheme Consideration represents a premium of approximately 20% and 27% above the adjusted NAV (“Adjusted NAV”) per Unit and adjusted NTA (“Adjusted NTA”) per Unit as at 30 June 2017 respectively.⁽⁵⁾⁽⁶⁾ The Adjusted NAV and Adjusted NTA take into account the market value of the properties of the CRT Group as at 30 June 2017.

(5) As at 30 June 2017, the NAV and NTA of CRT was JPY63,990 million and JPY59,984 million respectively. The NAV per Unit and NTA per Unit as at 30 June 2017 were calculated based on the number of Units issued and to be issued as at 30 June 2017, being 771,552,510 Units. NTA excludes intangible assets pertaining to the goodwill arising from the acquisition of all the issued shares of the Trustee-Manager on 31 August 2016 of JPY4,006 million. The Adjusted NAV and Adjusted NTA have been adjusted for the declared distribution of 4.06 Singapore cents per Unit in respect of the period between 1 January 2017 and 30 June 2017.

(6) Based on an exchange rate of SGD1.00=JPY81.39, as at 30 June 2017.

The Scheme Consideration exceeds price targets of all analysts covering CRT.⁽⁷⁾

(7) As published on Bloomberg L.P. after the Initial Holding Announcement.

...

Unitholders may also receive distributions without a reduction in the Scheme Consideration.

In addition, assuming the Effective Date falls on or before 31 October 2017, 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 as the Trustee-Manager is permitted under the Implementation Agreement to declare such distributions to Unitholders.⁽⁸⁾ On 18 August 2017, the Trustee-Manager announced a distribution of 4.06 Singapore cents per Unit for the period of 1 January 2017 to 30 June 2017. The books closure date for this distribution is 28 August 2017. For the avoidance of doubt, the Scheme Consideration will not be reduced by the Permitted Distributions.⁽⁹⁾

(8) For the period from 1 January 2017 to the earlier of (i) the Effective Date, and (ii) 31 October 2017. If the Effective Date occurs after 31 October 2017, Unitholders may receive up to an additional 90% of CRT's distributable income for the period from 1 November 2017 to the Effective Date.

LETTER TO UNITHOLDERS

- (9) *The Permitted Distribution comprises: (i) 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 (ii) if the Effective Date falls after 31 October 2017, (a) up to an aggregate of approximately S\$31.3 million and (b) 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.*

...

4.2 Opportunity for Unitholders to Exit their Investment in CRT

The historical trading liquidity of the Units on the SGX-ST has been low. The average daily trading volume of the Units over the last 1-month, 3-month, 6-month and 12-month periods up to and including the Last Full Trading Day are detailed in the table below.

	Average daily trading volume⁽¹⁰⁾	Average daily trading volume as a percentage of total issued Units⁽¹¹⁾⁽¹²⁾
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%

(10) *Calculated using the total volume of Units traded divided by the number of days on which CRT was traded on the SGX-ST.*

(11) *Calculated using the daily total volume of Units traded divided by the total number of issued Units.*

(12) *Rounded to the nearest two (2) decimal places."*

2.2 The Offeror's Future Plans

As stated in Paragraph 4.3 of the letter from the Offeror to Unitholders as set out in **Appendix B** to this Scheme Document:

"The Offeror intends to undertake the Scheme with a view to delisting and privatising CRT. The Offeror is of the view that the delisting and privatisation of CRT will provide the Offeror and CRT with greater control and management flexibility in the implementation of any strategic initiatives and/or operational changes of the CRT Group, as well as dispense with compliance costs associated with the maintenance of its listed status.

LETTER TO UNITHOLDERS

Subsequent to the Effective Date and depending on the outcome of the Scheme, the Offeror intends to undertake a review of CRT's businesses and operations as well as evaluate strategic options. Save as disclosed and other than in the ordinary course of business, the Offeror presently has no plans to (i) introduce any major changes to the business of the CRT, (ii) re-deploy the fixed assets of the CRT, or (iii) discontinue the employment of the employees of the CRT Group. However, the Offeror retains the flexibility at any time to further consider any options or opportunities in relation to the CRT Group which may present themselves or which the Offeror may regard to be in the interests of the Offeror and the CRT Group."

3. THE ACQUISITION AND THE SCHEME

3.1 Terms of the Scheme

The Scheme will be effected in accordance with the Trust Deed (as supplemented by the Supplemental Trust Deed) and in compliance with the Code, subject to the terms and conditions of the Implementation Agreement. Under the Scheme:

3.1.1 all the Units held by the Entitled Unitholders as at the Books Closure Date will be transferred to the Offeror:

- (i) fully paid;
- (ii) free from all Encumbrances; and
- (iii) together with all rights, benefits and entitlements attaching thereto as at the date of the Implementation Agreement and thereafter attaching thereto (including the right to receive and retain all rights and distributions (if any) declared, paid or made by the Trustee-Manager on or after the date of the Implementation Agreement), except for the Permitted Distributions. For the avoidance of doubt, the Trustee-Manager shall be entitled to announce, declare, make or pay the Permitted Distributions and the Unitholders shall have the right to receive and retain the Permitted Distributions; and

3.1.2 in consideration for such transfer of the Units, the Offeror will pay each Entitled Unitholder S\$1.17 in cash for each Unit transferred (the "**Scheme Consideration**") upon the Scheme becoming effective in accordance with its terms. For the avoidance of doubt:

- (i) the Offeror is not entitled to receive any Permitted Distributions and the Scheme Consideration will not be reduced by the Permitted Distributions. For the avoidance of doubt, this includes the distribution of 4.06 Singapore cents per Unit for the period from 1 January 2017 to 30 June 2017 announced by the Trustee-Manager on 18 August 2017;
- (ii) the Scheme Consideration shall not be reduced by the transaction expenses referred to in **Paragraph 3.2** below which are incurred by the Trustee-Manager and up to a limit of US\$9,000,000 in aggregate (the "**Transaction Expenses Cap**"); and

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- (iii) in the event any distribution in excess of the Permitted Distributions is declared, paid or made by the Trustee-Manager on or after the date of the Implementation Agreement, the Offeror reserves the right to reduce the Scheme Consideration by the amount of such excess.

3.2 Transaction Expenses

Unless otherwise agreed between the Parties, each Party to the Implementation Agreement shall bear its own expenses incurred in relation to the Acquisition and the Scheme.

3.3 Switch Option — Competing Offer

Pursuant to the terms of the Implementation Agreement, subject to prior consultation with the SIC, in the event of a Competing Offer, the Offeror shall have the right at its discretion to elect to proceed with the Acquisition by way of a general cash offer made for or on behalf of the Offeror to acquire all the Units on the terms and subject to the conditions which will be set out in the offer document issued for or on behalf of the Offeror (“**Offer**”) (in lieu of proceeding by way of the Scheme) (the “**Switch Option**”). If the Offeror exercises the Switch Option, it will make the Offer on the same or better terms as those which apply to the Scheme, including at a consideration per Unit at least equal to the Scheme Consideration, and conditional upon a level of acceptances set at no higher than the level of acceptances upon which the Competing Offer is conditional. In such event, the Parties have agreed that the Implementation Agreement shall terminate with effect from the date of announcement of the Offer (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law), and neither the Trustee-Manager nor the Offeror shall have any claim against the other under the Implementation Agreement. For the avoidance of doubt, if the Offer made by the Offeror pursuant to the exercise of the Switch Option becomes or is declared unconditional in all respects or becomes effective, **Paragraphs 3.1.2(ii)** and **3.2** above shall apply *mutatis mutandis* to such Offer to the effect that the consideration per Unit under the Offer shall not be reduced by the transaction expenses incurred by the Trustee-Manager in relation to the Acquisition, the Scheme and the Offer up to the Transaction Expenses Cap.

3.4 Analysis of the Scheme Consideration

Please refer to Paragraph 4 of the letter from the Offeror to Unitholders as set out in **Appendix B** to this Scheme Document for the financial evaluation of the Scheme Consideration.

4. SCHEME CONDITIONS

4.1 Scheme Conditions

The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of the conditions precedent (the “**Scheme Conditions**”) set out in **Appendix H** to this Scheme Document. If each of the Scheme Conditions is satisfied or, as the case may be, has been waived in accordance with the Implementation Agreement, the Scheme will come into effect on the date falling seven (7) Business Days after the last of the Scheme Conditions set out in Paragraphs 1, 2, 3 and 4 of **Appendix H** to this Scheme Document has been satisfied or, as the case may be, waived in accordance with the Implementation Agreement (the “**Effective Date**”), and in any event by no later than 31 December 2017 or such other date as the Parties may agree in writing (the “**Long Stop Date**”). As at the

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Latest Practicable Date, save for the Scheme Conditions set out in Paragraphs 4(i), 4(ii), 4(iii) and 4(iv) of **Appendix H** to this Scheme Document which have been satisfied (or, where applicable, waived), the Scheme is conditional upon the satisfaction (or, where applicable, waiver) of the remaining Scheme Conditions as set out in **Appendix H** to this Scheme Document by the Long Stop Date.

4.2 Benefit of Scheme Conditions

4.2.1 The Offeror's Benefit. The Offeror alone may waive the Scheme Conditions in Paragraph 6 (in relation to any Prescribed Occurrences set out in **Appendix I** to this Scheme Document relating to any CRT Group Entity), Paragraph 7 and Paragraph 9 of **Appendix H** to this Scheme Document.

4.2.2 The Trustee-Manager's Benefit. The Trustee-Manager alone may waive the Scheme Conditions in Paragraph 6 (in relation to any Prescribed Occurrences set out in **Appendix I** to this Scheme Document relating to the Offeror) and Paragraph 8 of **Appendix H** to this Scheme Document.

4.2.3 Mutual Benefit. The Scheme Conditions in Paragraphs 1 and 2 of **Appendix H** to this Scheme Document are not capable of being waived by either or both of the Parties. The Scheme Conditions in Paragraphs 3, 4 and 5 of **Appendix H** to this Scheme Document may only be waived with the consent in writing of both Parties (to the extent legally permissible).

5. TERMINATION OF SCHEME

5.1 Right to Terminate

The Implementation Agreement provides that subject to **Paragraph 5.3** and provided the Party seeking termination does so only after it has had prior consultation with and approval of the SIC:

5.1.1 (i) **Regulatory Action.** if any court of competent jurisdiction or Governmental Authority has issued an order, decree or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting the Scheme, the Acquisition or any part thereof, or has refused to do anything necessary to permit the Scheme, the Acquisition or any part thereof, and such order, decree, ruling, other action or refusal shall have become final and non-appealable, either Party may terminate the Implementation Agreement at any time on or prior to the Record Date by notice in writing to the other Party;

(ii) **Breach**

(a) if the Trustee-Manager is in material breach of any provision of the Implementation Agreement (other than a provision which is qualified by a materiality test, in which case any breach shall suffice), in each such case which has individually or taken together with any other breaches resulted in a Material Adverse Effect, or has failed to perform and comply in all

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material respects with any matters referred to in Paragraph 7(ii) of **Appendix H** to this Scheme Document on or prior to the Record Date, the Offeror may terminate the Implementation Agreement at any time on or prior to the Record Date by notice in writing to the Trustee-Manager; or

- (b) if the Offeror is in material breach of any provision of the Implementation Agreement (other than a provision which is qualified by a materiality test, in which case any breach shall suffice) or has failed to perform and comply in all material respects with any matters referred to in Paragraph 8(ii) of **Appendix H** to this Scheme Document on or prior to the Record Date, the Trustee-Manager may terminate the Implementation Agreement at any time on or prior to the Record Date by notice in writing to the Offeror,

provided that either the Offeror or the Trustee-Manager, as the case may be, has given written notice to the other Party of the alleged breach stating its intention to terminate the Implementation Agreement and further that in the case where such a breach is capable of remedy, the Party in breach fails to remedy the same within the earlier of (I) 20 Business Days after receipt of such notice or (II) the Record Date; and

- (iii) **Unitholders' Approval.** if the resolutions in respect of the amendments to the Trust Deed as stated in Paragraph 1 of **Appendix H** to this Scheme Document and the Scheme are not approved (without amendment) by the requisite majorities of the Unitholders at the Scheme Meeting, either Party may terminate the Implementation Agreement at any time on or prior to the Record Date by notice in writing to the other Party;

5.1.2 without prejudice to Paragraph 13 of **Appendix J** to this Scheme Document and **Paragraph 5.4** of this Scheme Document, if a Competing Offer becomes or is declared unconditional in all respects or becomes effective, either Party may terminate the Implementation Agreement by notice in writing to the other Party; and

5.1.3 notwithstanding anything to the contrary in the Implementation Agreement and subject to the Party seeking termination doing so only after it has had prior consultation with and approval of the SIC, if any of the Scheme Conditions set out in **Appendix H** to this Scheme Document has not been satisfied (or, where applicable, has not been waived) by, or if the Scheme has not become effective on, the Long Stop Date, the Implementation Agreement shall terminate as follows:

- (i) in the event of any non-fulfilment of the Scheme Conditions in Paragraphs 1, 2, 3, 4 and 5 of **Appendix H** to this Scheme Document, either Party may terminate the Implementation Agreement by notice in writing to the other Party;
- (ii) in the event of any non-fulfilment of the Scheme Conditions in Paragraph 6 (in relation to any Prescribed Occurrences set out in **Appendix I** to this Scheme Document relating to any CRT Group Entity), Paragraph 7 and Paragraph 9 of **Appendix H** to this Scheme Document, the Offeror may terminate the Implementation Agreement by notice in writing to the Trustee-Manager; and

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- (iii) in the event of any non-fulfilment of the Scheme Conditions in Paragraph 6 (in relation to the Prescribed Occurrences set out in **Appendix I** to this Scheme Document relating to the Offeror) and Paragraph 8 of **Appendix H** to this Scheme Document, the Trustee-Manager may terminate the Implementation Agreement by notice in writing to the Offeror.

5.2 Effect of Termination

In the event of termination of the Implementation Agreement by either Party pursuant to the terms of the Implementation Agreement:

5.2.1 the Implementation Agreement shall cease to have any further force or effect (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law); and

5.2.2 neither Party shall have any further liability or obligation to the other Party (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law); but

5.2.3 such termination shall not prejudice the rights of either Party which have accrued or arisen prior to such termination.

5.3 Consultation with the SIC

In the event either Party intends to consult the SIC in relation to the termination of the Implementation Agreement, it shall give prior written notice of such intention to the other Party.

5.4 Compensation

Pursuant to the terms of the Implementation Agreement:

5.4.1 the Trustee-Manager agrees that:

- (i) it shall fully compensate the Offeror for all the costs and expenses incurred by or on behalf of the Offeror in connection with the Acquisition and/or the Scheme (including the fees and disbursements invoiced by its counsel, auditors and advisers engaged by or on behalf of the Offeror in connection with the Acquisition and/or the Scheme), subject to a maximum amount of 0.75 per cent. of the aggregate Scheme Consideration if any of the following occurs:
 - (a) in the event of a material breach or non-compliance by the Trustee-Manager of any of its obligations under Paragraph 13 of **Appendix J** to this Scheme Document; and/or
 - (b) in the event a Competing Offer becomes or is declared unconditional in all respects or becomes effective;

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5.4.2 any payment under **Paragraph 5.4.1** shall be made by the Trustee-Manager to the Offeror within:

- (i) (in the case of a payment under **Paragraph 5.4.1(i)(a)**) 10 Business Days after written notice from the Offeror to the Trustee-Manager stating that a payment obligation under **Paragraph 5.4.1(i)(a)** is triggered or where the Trustee-Manager issues a notice to the Offeror that it disagrees that such payment obligation is triggered, within 10 Business Days after the date of the final settlement of such disagreement or a court order ordering that payment be made (as the case may be); and
- (ii) (in the case of a payment under **Paragraph 5.4.1(i)(b)**) 10 Business Days after the date on which the Competing Offer becomes or is declared unconditional in all respects or becomes effective; and

5.4.3 Paragraph 5.4 shall survive the termination of the Implementation Agreement and remain in effect until all liabilities of the Trustee-Manager under **Paragraph 5.4**, if any, have been satisfied.

6. SPECIFIC OBLIGATIONS OF THE TRUSTEE-MANAGER

Pursuant to the terms of the Implementation Agreement but subject to (i) the fiduciary duties of its Directors and (ii) compliance with all applicable laws and regulations, the Trustee-Manager shall execute all documents and do all acts and things necessary for the implementation of the Scheme, as expeditiously as practicable, including the obligations set out in **Appendix J** to this Scheme Document.

7. NO CASH OUTLAY

Unitholders should note that no cash outlay (including any stamp duties or brokerage expenses) will be required from the Entitled Unitholders under the Scheme.

8. WAIVER OF RIGHTS TO A GENERAL OFFER

Unitholders should note that by voting in favour of the Scheme, Unitholders will be regarded as having waived their rights to a general offer by the Offeror Concert Party Group to acquire the Units under the Code (in respect of the Scheme only) and are agreeing to the Offeror Concert Party Group acquiring or consolidating effective control of CRT by way of the Scheme without having to make a general offer. For the avoidance of doubt, pursuant to the terms of the Implementation Agreement, the Offeror has a right to exercise the Switch Option as described in **Paragraphs 3.3** and **10.1**.

9. THE TRUST DEED AMENDMENT

The Trustee-Manager is seeking the approval of Unitholders pursuant to Section 31(1)(a) of the Business Trusts Act for the Trust Deed Amendment.

The Trust Deed Amendment will introduce provisions to facilitate the implementation of the Scheme. As part of the Trust Deed Amendment, the Trustee-Manager will have the power to do all things that it considers necessary or desirable to give effect to the Scheme.

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Please refer to **Appendix D** to this Scheme Document which sets out the proposed amendments to the Trust Deed.

10. APPROVALS REQUIRED

10.1 Scheme Meeting and Court Sanction. The Scheme will require, *inter alia*, the following approvals:

- 10.1.1** the approval of the Unitholders holding in the aggregate not less than three-fourths of the voting rights of all the Unitholders present and voting either in person or by proxy at the Scheme Meeting to approve the Trust Deed Amendment (“**Resolution 1**”);
- 10.1.2** the approval of a majority in number of the Unitholders representing at least three-fourths in value of the Units held by the Unitholders present and voting either in person or by proxy at the Scheme Meeting to approve the Scheme (“**Resolution 2**”); and
- 10.1.3** where the High Court of the Republic of Singapore or where applicable on appeal, the Court of Appeal of the Republic of Singapore (in each case, referred to as the “**Court**”) accepts jurisdiction to make an order on the Scheme, the sanction of the Scheme by the Court under Order 80 of the Rules of Court (the “**Scheme Court Order**”).

Resolution 1 is in respect of the Trust Deed Amendment.

Resolution 2 is in respect of the Scheme and is contingent upon the approval of Resolution 1.

In the event that Resolution 1 is not passed, the Trustee-Manager will not proceed with Resolution 2. This means that the Scheme cannot be implemented by the Trustee-Manager and the Offeror unless both Resolutions 1 and 2 are passed. In addition, the Scheme will only come into effect if all the Scheme Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

For the avoidance of doubt, in the event that Resolution 1 is passed, but Resolution 2 is not passed, the Trust Deed will be amended in accordance with the Trust Deed Amendment but the Scheme will not be implemented.

Switch Option — Scheme Court Order. In the event the Court does not or will not grant the Scheme Court Order even if Unitholders’ approval for Resolutions 1 and 2 is or will be obtained, for reasons other than that the Scheme is, in substance, not a reasonable one, subject to prior consultation with the SIC, the Offeror shall have the right at its discretion to exercise the Switch Option. In such event, the Offeror will make the Offer on the same or better terms as those which apply to the Scheme, save that the Offer shall be conditional upon a level of acceptances set at 90 per cent. of the Units to which the Offer relates, with the reservation of the right of the Offeror to reduce the 90 per cent. acceptance condition to a lower level of acceptances as the Offeror may decide and as may be approved by the SIC. If the Offeror exercises such Switch Option, the Parties have

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agreed that the Implementation Agreement shall terminate with effect from the date of announcement of the Offer (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law), and neither the Trustee-Manager nor the Offeror shall have any claim against the other under the Implementation Agreement. For the avoidance of doubt, if the Offer made by the Offeror pursuant to its exercise of such Switch Option becomes or is declared unconditional in all respects or becomes effective, **Paragraphs 3.1.2(ii) and 3.2** above shall apply *mutatis mutandis* to such Offer to the effect that the consideration per Unit under the Offer shall not be reduced by the transaction expenses incurred by the Trustee-Manager in relation to the Acquisition, the Scheme and the Offer up to the Transaction Expenses Cap.

10.2 SIC Confirmations. Pursuant to the application made by the Offeror to the SIC to seek SIC's rulings and confirmations on certain matters in relation to the Scheme, the SIC has confirmed on 23 June 2017, *inter alia*, that:

10.2.1 the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) on Rule 19 of the Code, subject to, amongst others, the following conditions:

- (i) the Offeror Concert Party Group abstains from voting on the Scheme;
- (ii) the Scheme Document contains advice to the effect that by voting for the Scheme, Unitholders are agreeing to the Offeror Concert Party Group acquiring CRT without having to make a general offer for CRT, and the Scheme Document discloses the names of each member of the Offeror Concert Party Group, their current voting rights in CRT and their voting rights in CRT after the Scheme;
- (iii) the Scheme is approved by a majority in number representing three-fourths in value of Unitholders or class of Unitholders present and voting either in person or by proxy at a meeting convened to approve the Scheme; and
- (iv) the Trustee-Manager obtains Court approval for the Scheme under Order 80 of the Rules of Court; and

10.2.2 it has no objections to the Scheme Conditions.

11. DELISTING

Upon the Scheme becoming effective in accordance with its terms, CRT will be wholly-owned by the Offeror and will, subject to the approval of the SGX-ST, be delisted and removed from the Official List of the SGX-ST.

An application was made to seek approval from the SGX-ST to delist and remove CRT from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms. The SGX-ST has, on 16 August 2017, advised that it has no objection to the Trustee-Manager's application to delist and remove CRT from the Official List of the SGX-ST, subject to:

- (i) compliance with the SGX-ST's listing requirements;

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- (ii) approval of the Scheme by a majority in number of Unitholders present and voting, either in person or by proxy, at the Scheme Meeting, such majority holding not less than three-fourths in value of the Units voted at the Scheme Meeting; and
- (iii) the approval of the High Court of the Republic of Singapore being obtained for the Scheme.

The above decision of the SGX-ST is not to be taken as an indication of the merits of the Scheme, the delisting and removal of CRT from the Official List of the SGX-ST, CRT, the Trustee-Manager, their subsidiaries and/or their securities.

UNITHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF THE SCHEME, THE UNITS WILL BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.

12. CONFIRMATION OF FINANCIAL RESOURCES

As stated in the letter from the Offeror to Unitholders as set out in **Appendix B** to this Scheme Document, the Offeror Financial Adviser has confirmed that the Offeror has sufficient financial resources to acquire, and satisfy in full the aggregate Scheme Consideration payable by the Offeror for, all the Units to be acquired by the Offeror pursuant to the Scheme.

13. SCHEME MEETING

13.1 Scheme Meeting

As stated in **Paragraph 10.1** above, the Scheme will require, *inter alia*, the following approvals:

13.1.1 the approval of the Unitholders holding in the aggregate not less than three-fourths of the voting rights of all the Unitholders present and voting either in person or by proxy at the Scheme Meeting to approve Resolution 1; and

13.1.2 the approval of a majority in number of the Unitholders representing at least three-fourths in value of the Units held by the Unitholders present and voting either in person or by proxy at the Scheme Meeting to approve Resolution 2.

Resolution 1 is in respect of the Trust Deed Amendment.

Resolution 2 is in respect of the Scheme and is contingent upon the approval of Resolution 1.

In the event that Resolution 1 is not passed, the Trustee-Manager will not proceed with Resolution 2. This means that the Scheme cannot be implemented by the Trustee-Manager and the Offeror unless both Resolutions 1 and 2 are passed. In addition, the Scheme will only come into effect if all the Scheme Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

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For the avoidance of doubt, in the event that Resolution 1 is passed, but Resolution 2 is not passed, the Trust Deed will be amended in accordance with the Trust Deed Amendment but the Scheme will not be implemented.

When the Scheme, with or without modification, becomes effective, it will be binding on all Unitholders, whether or not they were present in person or by proxy or voted at the Scheme Meeting.

13.2 Convening of Scheme Meeting

Pursuant to an application by the Trustee-Manager made under Order 80 of the Rules of Court, and by an order of the Court dated 1 August 2017 (the “**Scheme Meeting Court Order**”), the Court had ordered, amongst other things, that:

13.2.1 the Trustee-Manager shall be at liberty to convene the Scheme Meeting within three months of the date of the Scheme Meeting Court Order for the purpose of considering, and if thought fit, approving the Trust Deed Amendment and the Scheme, which meeting shall be convened in the manner set out in **Appendix N** to this Scheme Document;

13.2.2 in the event the Trust Deed Amendment and the Scheme are approved at the Scheme Meeting, the Trustee-Manager shall be at liberty to apply at a further hearing (the “**Further Hearing**”) for the Scheme to be approved by the Court and/or an order that the Trustee-Manager is entitled to proceed to effect the Scheme;

13.2.3 any person who claims that his rights as a Unitholder will be prejudiced by the Trust Deed Amendment and/or by the Trustee-Manager effecting the Scheme may attend at the Further Hearing to apply to the Court for such orders or such directions as the circumstances may require;

13.2.4 save for the publication of a summary of the above orders in this Scheme Document, notice of the proceedings and these orders need not be given to or served on any person; and

13.2.5 the Trustee-Manager be at liberty to apply for such further or other directions as may be necessary.

If Unitholders’ approval for Resolutions 1 and 2 are obtained, the Trustee-Manager will further apply to the Court at the Further Hearing for (i) an order that the Trust Deed Amendment, following Unitholders’ approval, is within the powers of amendment contained in the Trust Deed and under the Business Trusts Act, and (ii) the Scheme Court Order and/or an order that the Trustee-Manager is entitled to proceed to effect the Scheme. The date of the Further Hearing will be announced by the Trustee-Manager via SGXNET. The Court has given directions for the Trustee-Manager to make any application for the Further Hearing by 31 October 2017.

13.3 Notice

The notice of the Scheme Meeting is set out on pages P-1 to P-4 of this Scheme Document. You are requested to take note of the date, time and place of the Scheme Meeting.

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14. IMPLEMENTATION OF THE SCHEME

14.1 Application to Court for Sanction

Upon receipt of the approval by the requisite majority of Unitholders (as stated in **Paragraph 13.1** above) present and voting, either in person or by proxy, at the Scheme Meeting, an application will be made to the Court by the Trustee-Manager for the Scheme Court Order.

14.2 Procedure for Implementation

If the requisite majority of Unitholders approve the Scheme Resolutions at the Scheme Meeting and the Court sanctions the Scheme by granting the Scheme Court Order, the Offeror and the Trustee-Manager will (subject to the Scheme Conditions having been satisfied or, as the case may be, waived in accordance with the Implementation Agreement) take the necessary steps to render the Scheme effective and binding, and the following will be implemented:

14.2.1 the Units held by the Entitled Unitholders will be transferred to the Offeror for the Scheme Consideration to be paid by the Offeror, as follows:

- (i) in the case of the Entitled Unitholders (not being Depositors), the Trustee-Manager shall authorise any person to execute or effect on behalf of all such Entitled Unitholders an instrument or instruction of transfer of all the Units held by such Entitled Unitholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Unitholder; and
- (ii) in the case of the Entitled Unitholders (being Depositors), the Trustee-Manager shall instruct CDP, for and on behalf of such Entitled Unitholders, to debit, not later than seven (7) Business Days after the Effective Date, all the Units standing to the credit of the Securities Account of such Entitled Unitholders and against payment of the Scheme Consideration as set out in Paragraph 14.2.4(ii), credit all of such Units to the Securities Account of the Offeror or such Securities Account(s) as directed by the Offeror;

14.2.2 from the Effective Date, all existing confirmation notes relating to the Units held by the Entitled Unitholders (not being Depositors) will cease to be evidence of title of the Units represented thereby;

14.2.3 the Entitled Unitholders (not being Depositors) are required to forward their existing confirmation notes relating to their Units to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation; and

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14.2.4 the Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Units set out in **Paragraph 14.2.1** above, pay cash to the Entitled Unitholders who are entitled to receive the Scheme Consideration for all of their Units as follows:

(i) **Entitled Unitholders whose Units are not deposited with CDP**

the Offeror shall pay each Entitled Unitholder (not being a Depositor) by sending a cheque for the Scheme Consideration payable to and made out in favour of such Entitled Unitholder by ordinary post to his address as appearing in the Register of Unitholders at the close of business on the Books Closure Date, at the sole risk of such Entitled Unitholder, or in the case of joint Entitled Unitholders, to the first named Entitled Unitholder made out in favour of such Entitled Unitholder by ordinary post to his address as appearing in the Register of Unitholders at the close of business on the Books Closure Date, at the sole risk of such joint Entitled Unitholders; and

(ii) **Entitled Unitholders whose Units are deposited with CDP**

the Offeror shall pay each Entitled Unitholder (being a Depositor) by making payment of the Scheme Consideration payable to such Entitled Unitholder to CDP. CDP shall:

- (a) in the case of an Entitled Unitholder (being a Depositor) who has registered for CDP's direct crediting service, credit the Scheme Consideration payable to such Entitled Unitholder, to the designated bank account of such Entitled Unitholder; and
- (b) in the case of an Entitled Unitholder (being a Depositor) who has not registered for CDP's direct crediting service, send to such Entitled Unitholder, by ordinary post to his address as appearing in the Depository Register at the close of business on the Books Closure Date regardless of whether such Entitled Unitholder holds the Units as custodian or nominee and at the sole risk of such Entitled Unitholder, or in the case of joint Entitled Unitholders, to the first named Entitled Unitholder by ordinary post to his address as appearing in the Depository Register at the close of business on the Books Closure Date, at the sole risk of such joint Entitled Unitholders, a cheque for the payment of such Scheme Consideration made out in favour of such Entitled Unitholder.

Assuming that the Scheme becomes effective and binding on 11 October 2017, the crediting by CDP of the Scheme Consideration into the designated bank accounts of the Entitled Unitholders (in the case of the Entitled Unitholders being Depositors and who have registered with CDP for its direct crediting service) or, as the case may be, the posting of cheques for the Scheme Consideration in the manner set out in **Paragraphs 14.2.4(i) and 14.2.4(ii)(b)** above, is expected to take place on or before 23 October 2017.

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The despatch of payment by the Offeror to each Entitled Unitholder's address and/or CDP (as the case may be) in accordance with the above shall be deemed as good discharge to the Offeror, CRT, the Trustee-Manager and CDP for the moneys represented thereby.

14.3 Retention and Release of Proceeds

On and after the day being six (6) calendar months after the posting of such cheques relating to the Scheme Consideration, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed (or has been returned uncashed) and shall place all such moneys in a bank account in the Trustee-Manager's name with a licensed bank in Singapore selected by the Trustee-Manager. The Trustee-Manager or its successor entity shall hold such moneys until the expiration of six (6) years from the Effective Date and shall prior to such date make payments therefrom of the sums payable pursuant to Clause 5 of the Scheme as set out in **Appendix O** to this Scheme Document to persons who satisfy the Trustee-Manager or its successor entity that they are respectively entitled thereto and that the cheques referred to in Clause 5 of the Scheme as set out in **Appendix O** to this Scheme Document for which they are payees have not been cashed. Any such determination shall be conclusive and binding upon all persons claiming an interest in the relevant moneys, and any payments made by the Trustee-Manager hereunder shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to Clause 4 of the Scheme as set out in **Appendix O** to this Scheme Document.

On the expiry of six (6) years from the Effective Date, each of CRT, the Trustee-Manager, and the Offeror shall be released from any further obligation to make any payments of the Scheme Consideration under the Scheme and the Trustee-Manager or its successor entity shall transfer to the Offeror the balance (if any) of the sums then standing to the credit of the bank account referred to in Clause 7(a) of the Scheme as set out in **Appendix O** to this Scheme Document including accrued interest, subject, if applicable, to the deduction of interest, tax or any withholding tax or any other deduction required by law and subject to the deduction of any expenses.

15. CLOSURE OF BOOKS

15.1 Notice of Books Closure

Subject to the approval by the requisite majority of Unitholders (as stated in **Paragraph 13.1** above) present and voting, either in person or by proxy, at the Scheme Meeting, and the sanction of the Scheme by the Court, notice of the Books Closure Date will be given in due course for the purposes of determining the entitlements of the Entitled Unitholders to the Scheme Consideration under the Scheme.

The Books Closure Date is expected to be on 10 October 2017 at 5.00 p.m.. CRT will make a further announcement in due course on the Books Closure Date.

15.2 Books Closure

No transfer of the Units where the confirmation notes relating thereto are not deposited with CDP may be effected after the Books Closure Date, unless such transfer is made pursuant to the Scheme.

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15.3 Trading in Units on the SGX-ST

The Scheme is tentatively scheduled to become effective and binding on or about 11 October 2017 and accordingly (assuming the Scheme becomes effective and binding on 11 October 2017), the Units are expected to be delisted and removed from the Official List of the SGX-ST after payment of the Scheme Consideration. It is therefore expected that, subject to the approval of the SGX-ST, the Units will cease to be traded on the SGX-ST on or about 5 October 2017 at 5.00 p.m., being three (3) Market Days before the expected Books Closure Date on 10 October 2017 at 5.00 p.m..

Unitholders (not being Depositors) who wish to trade in their Units on the SGX-ST are required to deposit with CDP their confirmation notes relating to their Units, together with the duly executed instruments of transfer in favour of CDP, fifteen (15) Market Days prior to the tentative last day for trading of the Units.

16. SETTLEMENT AND REGISTRATION PROCEDURES

Subject to the Scheme becoming effective and binding, the following settlement and registration procedures will apply:

16.1 Entitled Unitholders whose Units are not deposited with CDP

Entitlements to the Scheme Consideration will be determined on the basis of the Entitled Unitholders (not being Depositors) and their holdings of Units appearing in the Register of Unitholders as at 5.00 p.m. on the Books Closure Date.

Entitled Unitholders (not being Depositors) who have not already done so are requested to take the necessary action to ensure that the Units owned by them are registered in their names with the Unit Registrar by 5.00 p.m. on the Books Closure Date.

From the Effective Date, each existing confirmation note representing a former holding of Units by Entitled Unitholders (not being Depositors) will cease to be evidence of title of the Units represented thereby.

Within seven (7) Business Days of the Effective Date, the Offeror shall make payment of the Scheme Consideration to each Entitled Unitholder (not being a Depositor) based on his holding of the Units as at 5.00 p.m. on the Books Closure Date.

16.2 Entitled Unitholders whose Units are deposited with CDP

Entitlements to the Scheme Consideration will be determined on the basis of Entitled Unitholders (being Depositors) and the number of Units standing to the credit of their Securities Account as at 5.00 p.m. on the Books Closure Date.

Entitled Unitholders (being Depositors) who have not already done so are requested to take the necessary action to ensure that the Units owned by them are credited to their Securities Account by 5.00 p.m. on the Books Closure Date.

Following the Effective Date, CDP will debit all the Units standing to the credit of each relevant Securities Account of each Entitled Unitholder (being a Depositor) and credit all of such Units to the Securities Account of the Offeror or such Securities Account(s) as directed by the Offeror.

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Within seven (7) Business Days of the Effective Date, CDP shall make payment of the Scheme Consideration to each Entitled Unitholder (being a Depositor) based on the number of Units standing to the credit of his Securities Account as at 5:00 p.m. on the Books Closure Date.

17. DIRECTORS' INTERESTS

Based on the Register of Directors' Unitholdings maintained by the Trustee-Manager, the interests in Units held by the directors of the Trustee-Manager are as set out in Paragraph 5.3 of **Appendix C** to this Scheme Document.

Save as disclosed in this Scheme Document, no Director or controlling Unitholder has any interest in the Scheme (other than by reason only of being a Director or a Unitholder).

18. OVERSEAS UNITHOLDERS

18.1 Overseas Unitholders

The applicability of the Scheme to Unitholders whose addresses are outside Singapore, as shown on the Register of Unitholders, or as the case may be, in the records of CDP (each, an "**Overseas Unitholder**"), may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Unitholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

Overseas Unitholders who are in doubt as to their positions should consult their own professional advisers in the relevant jurisdictions.

18.2 Copies of Scheme Document

Where there are potential restrictions on sending this Scheme Document to any overseas jurisdiction, the Offeror and the Trustee-Manager reserve the right not to send such documents to the Unitholders in such overseas jurisdiction.

Unitholders (including Overseas Unitholders) may obtain copies of this Scheme Document and any related documents during normal business hours and up to the date of the Scheme Meeting from the Unit Registrar at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623. Alternatively, an Overseas Unitholder may write in to the Unit Registrar at the same address to request for this Scheme Document and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to three (3) Market Days prior to the date of the Scheme Meeting.

For the avoidance of doubt, the Scheme is being proposed to all the Unitholders (including the Overseas Unitholders), including those to whom the Scheme Document will not be, or may not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Scheme would not be in compliance with the laws of such jurisdiction.

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It is the responsibility of any Overseas Unitholder who wishes to request for this Scheme Document and any related documents to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In requesting for this Scheme Document and any related documents or participating in the Scheme, the Overseas Unitholder represents and warrants to the Offeror and the Trustee-Manager that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. If any Overseas Unitholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.

18.3 Notice

The Offeror and the Trustee-Manager each reserves the right to notify any matter, including the fact that the Scheme has been proposed, to any or all Unitholders (including Overseas Unitholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Unitholder (including any Overseas Unitholder) to receive or see such announcement or advertisement. For the avoidance of doubt, for as long as CRT remains listed on the SGX-ST, the Trustee-Manager will continue to notify all Unitholders (including Overseas Unitholders) of any matter relating to the Scheme by announcement via SGXNET.

Notwithstanding that such Overseas Unitholder may not receive the notice of the Scheme Meeting, they shall be bound by the Scheme if the Scheme becomes effective.

18.4 Foreign Jurisdiction

It is the responsibility of any Overseas Unitholder who wishes to participate in the Scheme to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection with the Scheme, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In participating in the Scheme, the Overseas Unitholder represents and warrants to the Offeror, CRT and the Trustee-Manager that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. If any Overseas Unitholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.

19. ACTION TO BE TAKEN BY UNITHOLDERS

A Unitholder who has Units entered against its name in (i) the Register of Unitholders; or (ii) the Depository Register as at the Unitholder Cut-Off Time, shall be entitled to attend and vote, in person or by proxy, at the Scheme Meeting.

Unitholders who are unable to attend the Scheme Meeting are requested to complete the enclosed Proxy Form in accordance with the instructions printed thereon and lodge them with the Unit Registrar at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623 not less than 72 hours before the time fixed for the Scheme Meeting. A Unitholder may appoint one (and not more than one) proxy to attend and vote at the Scheme Meeting.

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The completion and lodgement of Proxy Forms will not prevent Unitholders from attending and voting in person at the Scheme Meeting if they subsequently wish to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.

A Unitholder entitled to attend and vote at the Scheme Meeting, and who votes in person or by proxy at the Scheme Meeting, will be counted as one Unitholder. A person appointed to act as a proxy need not be a Unitholder but must attend the Scheme Meeting in person to represent the appointor.

Each Unitholder entitled to attend and vote at the Scheme Meeting, and who votes in person or by proxy at the Scheme Meeting, may only cast all the votes it uses at the Scheme Meeting in one way, namely, either for or against each of the Scheme Resolutions.

20. INFORMATION RELATING TO SRS INVESTORS

SRS Investors who wish to attend the Scheme Meeting are advised to consult their respective SRS Agent Banks for further information and if they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice.

21. INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT DIRECTORS

21.1 Appointment of IFA

CIMB Bank Berhad, Singapore Branch has been appointed as the independent financial adviser to advise the Independent Directors in respect of the Scheme (the “**IFA**”). Unitholders should consider carefully the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors before deciding whether or not to vote in favour of the Scheme. The advice of the IFA is set out in its letter dated 22 August 2017 (the “**IFA Letter**”) as set out in **Appendix A** to this Scheme Document.

21.2 Factors Taken Into Consideration by the IFA

In arriving at its recommendation, the IFA has taken into account certain considerations (an extract of which is reproduced in italics below). Unitholders should read the following extract in conjunction with, and in the context of, the IFA Letter in its entirety as set out in **Appendix A** to this Scheme Document.

- “(a) The Acquisition is by way of a Scheme, under which if effected, each Unitholder will be entitled to receive the Scheme Consideration of S\$1.17 per Unit;*
- (b) Upon the Scheme becoming effective, CRT will be wholly-owned by the Offeror and will, subject to the approval of SGX-ST, be delisted and removed from the Official List of the SGX-ST;*
- (c) Over the period from Date of IPO to Last Full Trading Day, the Units had consistently traded below the Scheme Consideration;*
- (d) The Scheme Consideration represents a premium of 25.8% to the IPO price of \$0.93;*

LETTER TO UNITHOLDERS

- (e) *Over the period from the Last Full Trading Day to the Joint Announcement Date, the Units had consistently traded below the Scheme Consideration;*
- (f) *The Units traded above S\$1.17 between the Joint Announcement Date and the Latest Practicable Date but this is most likely attributable to expectation of the Permitted Distributions which CRT is entitled to pay without any adjustments to the Scheme Consideration;*
- (g) *As at the Latest Practicable Date, the closing price of the Units was at a premium of 2.1% to the Scheme Consideration;*
- (h) *The Units have adequate liquidity and broker research coverage. The historical Unit Prices provide a reasonable basis against which to compare the Scheme Consideration;*
- (i) *We note that the Units have traded within a VWAP band of S\$0.837 to S\$0.940 over the period from Date of IPO up to and including the Last Full Trading Day. We also note that the Scheme Consideration represents a premium of between 24.5% to 37.7% over the various VWAPs in the most recent 12 months prior to and including the Last Full Trading Day. The Scheme Consideration is at a 20.6% premium to the highest price of the Units since the Date of IPO;*
- (j) *We note that the Units have generally underperformed the FSSTI and FSSREIT between the Date of IPO and Last Full Trading Day, generally traded in line with FSSTI and FSSREIT between the Last Full Trading Day and the Joint Announcement Date, and that between the Joint Announcement Date and the Latest Practicable Date, the Units has generally traded upwards and have closed slightly above the Scheme Consideration as at the Latest Practicable Date. Following the release of the Initial Holding Announcement, the Units have significantly outperformed the FSSTI and FSSREIT. Based on the foregoing, we conclude that it is likely that the market price of the Units as at the Latest Practicable Date is supported by the Scheme;*
- (k) *The Scheme Consideration represents a premium of 15.2% and 19.9% to the latest NAV per unit and Adjusted NAV per unit respectively as of 30 June 2017;*
- (l) *The P/NAV of 1.15x implied by the Scheme Consideration is generally higher than the historical P/NAV and higher than the average historical P/NAV of 0.95x from the Date of IPO to the Last Full Trading Day;*
- (m) *We note that the P/NAV implied by the Scheme Consideration of 1.15x is above the mean and median of the P/NAV of the Foreign Retail Trusts, and the LTM Yield as implied by the Scheme Consideration of 6.55% is lower than the mean and median of the Foreign Retail Trusts, implying that the Scheme Consideration values CRT more favourably than the Foreign Retail Trusts;*
- (n) *We note that the P/NAV implied by the Scheme Consideration of 1.15x is above the mean and median of the P/NAV of the Comparable Trusts, and the LTM Yield as implied by the Scheme Consideration of 6.55% is higher than the mean and median of the Comparable Trusts;*
- (o) *We note that the acquisition premium to NAV implied by the Scheme Consideration of 15.2% is higher than the average and median of Selected Property Precedent Transactions (2.1% and 1.2% respectively) and higher than the average and median of Selected Precedent Singapore Property Take-overs (discount to NAV of 20.3% and 12.1% respectively);*

LETTER TO UNITHOLDERS

- (p) *We note the market price premium implied by the Scheme Consideration is in line with the corresponding mean and median Precedent Singapore Takeovers for the premia to last transacted price (23.1% to 27.5%);*
- (q) *We note the market price premia implied by the Scheme Consideration are below the corresponding mean and median Precedent Singapore Takeovers for the premia to 1-month and 3-month VWAPs;*
- (r) *We note that the Scheme Consideration is at 21.2% premium to the average target price and 18.2% premium to the highest target price;*
- (s) *As at the Latest Practicable Date, there is no publicly available evidence of any alternative offer for the Units; and*
- (t) *On 18 August 2017, the Trustee-Manager announced a distribution of 4.06 Singapore cents per Unit for the period from 1 January 2017 to 30 June 2017.”*

21.3 Advice of the IFA

After having regard to the considerations set out in the IFA Letter, and based on the information available to the IFA as at the Latest Practicable Date, the IFA has made certain recommendations to the Independent Directors (an extract of which is reproduced in italics below).

Unitholders should read the following extract in conjunction with, and in the context of, the IFA Letter in its entirety as set out in **Appendix A** to this Scheme Document.

“Based upon and subject to the foregoing, we are of the opinion that, as at the Latest Practicable Date the terms of the Scheme from a financial point of view are FAIR AND REASONABLE so far as the Unitholders are concerned. Accordingly, we advise the Independent Directors to recommend that the Unitholders VOTE IN FAVOUR of the Scheme at the Scheme Meeting or sell their Units in the open market if they are able to obtain a price higher than the Scheme Consideration (taking into account the Permitted Distributions and after netting off the related transaction expenses).”

22. INDEPENDENT DIRECTORS' RECOMMENDATION

22.1 Independence

All of the Directors consider themselves to be independent for the purpose of making a recommendation to the Unitholders in respect of the Scheme.

As at the Latest Practicable Date, none of the directors and controlling shareholders of the Offeror are related to the Directors and controlling unitholders of CRT.

22.2 Recommendation

The Independent Directors, having considered carefully the terms of the Scheme and the advice given by the IFA in the IFA Letter, concur with the recommendation of the IFA in respect of the Scheme. Accordingly, the Independent Directors recommend that

LETTER TO UNITHOLDERS

Unitholders **VOTE IN FAVOUR** of the Scheme at the Scheme Meeting. Unitholders also have the option of selling their Units in the open market if they are able to obtain a price higher than the Scheme Consideration (taking into account the Permitted Distributions and after netting off the related transaction expenses).

Having regard to the above and the rationale for the Trust Deed Amendment as set out in **Paragraph 9**, the Trustee-Manager is of the opinion that the Trust Deed Amendment would be beneficial to, and is in the interests of CRT. Accordingly, the Trustee-Manager recommends that Unitholders **VOTE IN FAVOUR** of the Trust Deed Amendment.

Unitholders are reminded that upon the Scheme becoming effective in accordance with its terms, it will be binding on all Unitholders, whether or not they attended or voted at the Scheme Meeting, and, if they attended and voted at the Scheme Meeting, whether or not they voted in favour of the Scheme.

Unitholders should also be aware and note that there is no assurance that the trading volumes and market prices of the Units will be maintained at the current levels prevailing as at the Latest Practicable Date if the Scheme does not become effective and binding for whatever reason. Unitholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.

Unitholders should read and consider carefully this Scheme Document in its entirety, in particular, the advice of the IFA as set out in **Appendix A** to this Scheme Document before deciding whether or not to vote in favour of the Scheme.

22.3 No Regard to Specific Objectives

The Independent Directors advise Unitholders, in deciding whether or not to vote in favour of the Scheme, to carefully consider the advice of the IFA and in particular, the various considerations highlighted by the IFA in the IFA Letter.

In giving the above recommendation, the Independent Directors have not had regard to the specific objectives, financial situation, tax position, tax status, risk profiles or particular needs and constraints and circumstances of any individual Unitholder. As each Unitholder would have different investment objectives and profiles, the Independent Directors recommend that any individual Unitholder who may require advice in the context of his specific investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

23. DIRECTORS' AND TRUSTEE-MANAGER'S INTENTIONS WITH RESPECT TO THEIR UNITS

In the absence of a Competing Offer, all of the Directors who legally and/or beneficially own Units (amounting to approximately 2.96 per cent. of the total number of Units), as set out in Paragraph 5.3 of **Appendix C** to this Scheme Document have informed the Trustee-Manager that they will **VOTE IN FAVOUR** of the Scheme Resolutions at the Scheme Meeting.

In accordance with the Trust Deed and as permitted under the Implementation Agreement, the Trustee-Manager may be issued new Units as part payment of the management fees due to it every quarter. Consistent with the Trustee-Manager's past practice, the Trustee-Manager may dispose of such Units in the ordinary course of

LETTER TO UNITHOLDERS

business of the Trustee-Manager. In the event that the Trustee-Manager is a Unitholder as at the Unitholder Cut-Off Time, and in the absence of a Competing Offer, the Trustee-Manager will **VOTE IN FAVOUR** of the Scheme Resolutions at the Scheme Meeting.

24. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Scheme Document (other than the information in **Appendices A, B and M** to this Scheme Document, and any information relating to or opinions expressed by the Offeror, the Offeror Concert Party Group, Ernst & Young LLP, Cushman & Wakefield K.K., CBRE K.K. and/or the IFA) and the pages preceding the “Contents” section of this Scheme Document (the “**Gatefold**”) (other than the IFA’s statement on the trading liquidity of the Units on page 5 of the Gatefold, the IFA’s recommendation on page 6 of the Gatefold, and the information relating to the Offeror on page 12 of the Gatefold) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Scheme Document and the Gatefold constitute full and true disclosure of all material facts about the Acquisition, the Scheme, CRT, the Trustee-Manager and their subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Scheme Document and the Gatefold misleading.

Where any information in this Scheme Document and the Gatefold has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Scheme Document and the Gatefold in its proper form and context.

In respect of the IFA Letter, the sole responsibility of the Directors has been to ensure that the facts stated with respect to CRT and its subsidiaries are fair and accurate.

25. GENERAL INFORMATION

Your attention is drawn to the further relevant information in the Appendices to this Scheme Document.

Yours faithfully

For and on behalf of
the Board of Directors of
CROESUS RETAIL ASSET MANAGEMENT PTE. LTD.
(AS TRUSTEE-MANAGER OF CROESUS RETAIL TRUST)

Mr Lim Teck Leong David
Chairman and Independent Director

APPENDIX A - LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE SCHEME

LETTER FROM CIMB TO THE INDEPENDENT DIRECTORS REGARDING THE TRUST SCHEME

CIMB Bank Berhad
Singapore Branch
(Incorporated in Malaysia)

50 Raffles Place #09-01
Singapore Land Tower
Singapore 048623

22 August 2017

To: Independent Directors
Croesus Retail Asset Management Pte. Ltd.
(as trustee-manager of Croesus Retail Trust)
50 Raffles Place
#25-03 Singapore Land Tower
Singapore 048623

Dear Sirs,

THE PROPOSED ACQUISITION BY CYRUS BIDCO PTE. LTD. (THE "OFFEROR") OF ALL THE ISSUED UNITS IN CROESUS RETAIL TRUST ("CRT") BY WAY OF A TRUST SCHEME

For the purpose of this letter, unless otherwise defined or the context otherwise requires, all capitalised terms in this letter shall have the same meaning as in the scheme document issued by Croesus Retail Asset Management Pte. Ltd. (the "Trustee-Manager") to the Unitholders of Croesus Retail Trust (the "Scheme Document") dated 22 August 2017 in relation to the Acquisition.

1. INTRODUCTION

On 28 June 2017, the Trustee-Manager, as trustee-manager of CRT, and the Offeror jointly announced the proposed acquisition of all the issued units in CRT (the "Units") by the Offeror (the "Acquisition"), a company incorporated in Singapore by funds managed or advised by affiliates of The Blackstone Group L.P. (collectively, the "Blackstone Group"). The Acquisition will be effected by way of a trust scheme (the "Scheme") in compliance with the Trust Deed and in compliance with the Code, and subject to the terms and conditions of the implementation agreement ("Implementation Agreement").

In connection with the implementation of the Scheme, the Trustee-Manager and the Offeror (each, a "Party" and collectively the "Parties") have entered into an implementation agreement (the "Implementation Agreement") setting out the terms and conditions on which the Trustee-Manager and the Offeror will implement the Scheme. The directors of the Trustee-Manager who are considered independent for the purposes of the Scheme (the "Independent Directors") have unanimously approved the Implementation Agreement and the Trustee-Manager entering into the Implementation Agreement.

APPENDIX A - LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE SCHEME

In connection with the implementation of the Scheme, it was also announced that the Trustee-Manager proposes to enter into a supplemental trust deed (the “**Supplemental Trust Deed**”) to amend the existing trust deed dated 7 May 2012 constituting CRT (as amended and supplemented by the amending and restating deeds dated 29 June 2012, 7 November 2012, 24 April 2013, 30 April 2013 and 27 October 2016) (the “**Trust Deed**”) to include provisions to facilitate the implementation of the Scheme as set out in **Appendix D** to the Scheme Document (the “**Trust Deed Amendment**”).

A copy of the Joint Announcement is available on the website of the SGX-ST at www.sgx.com.

The Scheme, which is proposed in accordance with the Trust Deed and the Code, has to be approved by the Unitholders at a meeting convened at the direction of the Court. By order(s) of the Court dated 1 August 2017, the Scheme Meeting was directed to be convened for the purpose of considering and, if thought fit, approving the Scheme.

By proposing that the Scheme be effected by way of a Trust Scheme, the Trustee-Manager is providing the Unitholders with the opportunity to determine at the Scheme Meeting whether they consider the Scheme to be in their best interests. When the Scheme, with or without modification, becomes effective, the Scheme will be binding on all the Unitholders, whether or not they were present, in person or by proxy, or voted at the Scheme Meeting.

In this connection, CIMB Bank Berhad, Singapore Branch (“**CIMB**”) has been appointed as the independent financial adviser to the Independent Directors who are required to render a recommendation to the Unitholders in respect of the Scheme.

This letter sets out, *inter alia*, our evaluation of the financial terms of the Scheme and our advice thereon. It forms part of the Scheme Document dated 22 August 2017 and issued by the Trustee-Manager.

To ensure that the advice we wish to put forth by means of this letter is comprehensive and yet remains concise, details contained in the Scheme Document, where necessary or relevant in supporting or elaborating our advice, are not wholly reproduced, but instead, made reference to or summarised throughout the sections of this letter.

We recommend that the Independent Directors advise the Unitholders to read these contextual references and summaries with due care.

2. TERMS OF REFERENCE

We have been appointed to advise the Independent Directors on the financial terms of the Scheme and whether they should recommend that Unitholders vote for or against the Scheme. We have confined our evaluation to the financial terms of and other considerations (as set out in this letter) relevant to the Scheme and our terms of reference do not require us to evaluate or comment on the commercial risks and/or commercial merits of the Scheme and we have not made such evaluation or comment. However, we may draw upon the views of the Directors and/or the management of the Trustee-Manager or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion as set out in this letter. We have not been

APPENDIX A - LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE SCHEME

requested, and we do not express any opinion on the relative merits of the Scheme as compared to any other alternative transaction. We have not been requested or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Units.

We have held discussions with the management of the Trustee-Manager and have examined publicly available information collated by us as well as information, both written and verbal, provided to us by the Directors, the management of the Trustee-Manager and the Trustee-Manager's other professional advisers. We have not independently verified such information, whether written or verbal, and accordingly we cannot and do not warrant or make any representation (whether express or implied) regarding, or accept any responsibility for, the accuracy, completeness or adequacy of such information. However, we have made reasonable enquiries and exercised our judgment on the reasonable use of such information and have found no reason to doubt the reliability of the information.

We have relied upon the assurances of the Directors (including those who may have delegated supervision of the Scheme Document) that they have taken all reasonable care to ensure that the facts stated and opinions expressed by them or the Trustee-Manager in the Scheme Document are fair and accurate in all material respects. The Directors have confirmed to us, that to the best of their knowledge and belief, all material information relating to any CRT Group Entity, its associated or joint venture companies, and the Scheme have been disclosed to us, that such information is fair and accurate in all material respects and that there are no other material facts and circumstances the omission of which would make any statement in the Scheme Document inaccurate, incomplete or misleading in any material respect. The Directors have jointly and severally accepted such responsibility accordingly.

We have not made any independent evaluation or appraisal of the assets and liabilities (including without limitation, land and buildings) of the CRT Group. However, we have been furnished with property valuation reports by each of Cushman & Wakefield K. K. and CBRE K. K. (collectively known as the "**Valuation Reports**") (extracts of which are set out in Appendix M of the Scheme Document). With respect to such valuation reports, we are not experts in the evaluation or appraisal of assets and liabilities (including without limitation, real property) and have relied solely upon the aforesaid valuation reports prepared by the independent valuers for such evaluation and appraisal.

Our opinion is based upon market, economic, industry, monetary and other conditions prevailing on 17 August 2017 (the "**Latest Practicable Date**"), as well as the information made available to us as at the Latest Practicable Date. Such conditions may change significantly over a short period of time. Accordingly, we do not express any opinion or view on the future prospects, financial performance and/or financial position of the CRT Group. Unitholders should take note of any announcement and/or documents relevant to their consideration of the Scheme which may be released or published by or on behalf of the Trustee-Manager and/or the Offeror after the Latest Practicable Date.

In rendering our advice, we have not had regard to the specific investment objectives, financial situation, tax position, risk profile or particular needs and constraints of any individual Unitholder. As each Unitholder would have different investment objectives and profiles, any Unitholder who may require specific advice in the context of his specific investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

APPENDIX A - LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE SCHEME

The Trustee-Manager has been separately advised in the preparation of the Scheme Document (other than this letter). We were not involved in and have not provided any advice in the preparation, review and verification of the Scheme Document (other than this letter). Accordingly, we take no responsibility for, and express no views (express or implied) on, the contents of the Scheme Document (other than this letter).

3. RATIONALE FOR THE ACQUISITION AND FUTURE PLANS FOR CRT

3.1 The Offeror's Rationale

As stated in the letter from the Offeror to Unitholders as set out in **Appendix B** to the Scheme Document, the rationale for the Acquisition is as follows:

1. *The Scheme Consideration represents an attractive premium to the prevailing and historical trading prices of the Units prior to 26 April 2017, the date of the Initial Holding Announcement (the "Initial Holding Announcement Date").*
2. *The Scheme Consideration exceeds the highest closing price of the Units, being S\$1.09 per Unit in May 2013, since CRT was listed on the Main Board of the SGX-ST.*
3. *The valuation implied by Scheme Consideration exceeds the latest available market value of the properties of the CRT Group.*
4. *The Scheme Consideration exceeds price targets of all analysts covering CRT.*
5. *Unitholders may also receive distributions without a reduction in the Scheme Consideration.*

3.2 The Offeror's Intentions

As stated in the letter from the Offeror to Unitholders as set out in **Appendix B** to the Scheme Document:

"The Offeror intends to undertake the Scheme with a view to delisting and privatising CRT. The Offeror is of the view that the delisting and privatisation of CRT will provide the Offeror and CRT with greater control and management flexibility in the implementation of any strategic initiatives and/or operational changes of the CRT Group, as well as dispense with compliance costs associated with the maintenance of its listed status.

Subsequent to the Effective Date and depending on the outcome of the Scheme, the Offeror intends to undertake a review of CRT's businesses and operations as well as evaluate strategic options. Save as disclosed and other than in the ordinary course of business, the Offeror presently has no plans to (i) introduce any major changes to the business of the CRT, (ii) re-deploy the fixed assets of the CRT, or (iii) discontinue the employment of the employees of the CRT Group. However, the Offeror retains the flexibility at any time to further consider any options or opportunities in relation to the CRT Group which may present themselves or which the Offeror may regard to be in the interests of the Offeror and the CRT Group."

APPENDIX A - LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE SCHEME

4. THE ACQUISITION AND THE SCHEME

The Scheme Document, amongst other things, sets out the terms and conditions of the Scheme. The principal terms of the Scheme, as extracted from the Scheme Document, are set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those in the Scheme Document, unless otherwise stated. **Unitholders are advised to read the entire Scheme Document including relevant sections, as extracted below, carefully.**

Relevant sections extracted from the Letter to Unitholders (Pages 19 to 28 of the Scheme Document):

“3.1 Terms of the Scheme

The Scheme will be effected in accordance with the Code and the Trust Deed (as supplemented by the Supplemental Trust Deed), subject to the terms and conditions of the Implementation Agreement. Under the Scheme:

3.1.1 *all the Units held by the Entitled Unitholders as at the Books Closure Date will be transferred to the Offeror:*

- (i) fully paid;*
- (ii) free from all Encumbrances; and*
- (iii) together with all rights, benefits and entitlements attaching thereto as at the date of the Implementation Agreement and thereafter attaching thereto (including the right to receive and retain all rights and distributions (if any) declared, paid or made by the Trustee-Manager on or after the date of the Implementation Agreement), except for the Permitted Distributions. For the avoidance of doubt, the Trustee-Manager shall be entitled to announce, declare, make or pay the Permitted Distributions and the Unitholders shall have the right to receive and retain the Permitted Distributions; and*

3.1.2 *in consideration for such transfer of the Units, the Offeror will pay each Entitled Unitholder as at the Books Closure Date S\$1.17 in cash for each Unit transferred (the “**Scheme Consideration**”) upon the Scheme becoming effective in accordance with its terms. For the avoidance of doubt:*

- (i) the Offeror is not entitled to receive the Permitted Distributions and the Scheme Consideration will not be reduced by the Permitted Distributions. For the avoidance of doubt, this includes the distribution of 4.06 Singapore cents per Unit for the period from 1 January 2017 to 30 June 2017 announced by the Trustee-Manager on 18 August 2017;*
- (ii) the Scheme Consideration shall not be reduced by the transaction expenses referred to in **Paragraph 3.2** below which are incurred by the Trustee-Manager and up to a limit of US\$9,000,000 in aggregate (the “**Transaction Expenses Cap**”); and*
- (iii) in the event any distribution in excess of the Permitted Distributions is declared, paid or made by the Trustee-Manager on or after the date of the Implementation Agreement, the Offeror reserves the right to reduce the Scheme Consideration by the amount of such excess.*

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3.2 Transaction Expenses

Unless otherwise agreed between the Parties, each Party to the Implementation Agreement shall bear its own expenses incurred in relation to the Acquisition and the Scheme.

3.3 Switch Option - Competing Offer

Pursuant to the terms of the Implementation Agreement, subject to prior consultation with the SIC, in the event of a Competing Offer, the Offeror shall have the right at its discretion to elect to proceed with the Acquisition by way of a general cash offer made for or on behalf of the Offeror to acquire all the Units on the terms and subject to the conditions which will be set out in the offer document issued for or on behalf of the Offeror ("**Offer**") (in lieu of proceeding by way of the Scheme) (the "**Switch Option**"). If the Offeror exercises the Switch Option, it will make the Offer on the same or better terms as those which apply to the Scheme, including at a consideration per Unit at least equal to the Scheme Consideration, and conditional upon a level of acceptances set at no higher than the level of acceptances upon which the Competing Offer is conditional. In such event, the Parties have agreed that the Implementation Agreement shall terminate with effect from the date of announcement of the Offer (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law), and neither the Trustee-Manager nor the Offeror shall have any claim against the other under the Implementation Agreement. For the avoidance of doubt, if the Offer made by the Offeror pursuant to the exercise of the Switch Option becomes or is declared unconditional in all respects or becomes effective, **Paragraphs 3.1.2(ii)** and **3.2** above shall apply mutatis mutandis to such Offer to the effect that the consideration per Unit under the Offer shall not be reduced by the transaction expenses incurred by the Trustee-Manager in relation to the Acquisition, the Scheme and the Offer up to the Transaction Expenses Cap.

3.4 Analysis of the Scheme Consideration

Please refer to Paragraph 4 of the letter from the Offeror to Unitholders as set out in **Appendix B** to this Scheme Document for the financial evaluation of the Scheme Consideration.

4. SCHEME CONDITIONS

4.1 Scheme Conditions

The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of the conditions precedent (the "**Scheme Conditions**") set out in **Appendix H** to this Scheme Document. If each of the Scheme Conditions is satisfied or, as the case may be, has been waived in accordance with the Implementation Agreement, the Scheme will come into effect on the date falling seven (7) Business Days after the last of the Scheme Conditions set out in Paragraphs 1, 2, 3 and 4 of **Appendix H** to this Scheme Document has been satisfied or, as the case may be, waived in accordance with the Implementation Agreement (the "**Effective Date**"), and in any event by no later than 31 December 2017 or such other date as the Parties may agree in writing (the "**Long Stop Date**"). As at the Latest Practicable Date, save for the Scheme Conditions set out in Paragraphs 4(i), 4(ii), 4(iii) and 4(iv) of **Appendix H** to this Scheme Document, which have been satisfied (or, where applicable, waived), the Scheme is conditional upon the satisfaction (or, where applicable, waiver) of the remaining Scheme Conditions as set out in **Appendix H** to this Scheme Document by the Long Stop Date.

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4.2 Benefit of Scheme Conditions

4.2.1 The Offeror's Benefit. *The Offeror alone may waive the Scheme Conditions in Paragraph 6 (in relation to the Prescribed Occurrences set out in **Appendix I** to this Scheme Document relating to any CRT Group Entity), Paragraph 7 and Paragraph 9 of **Appendix H** to this Scheme Document.*

4.2.2 The Trustee-Manager's Benefit. *The Trustee-Manager alone may waive the Scheme Conditions in Paragraph 6 (in relation to the Prescribed Occurrences set out in **Appendix I** to this Scheme Document relating to the Offeror) and Paragraph 8 of **Appendix H** to this Scheme Document.*

4.2.3 Mutual Benefit. *The Scheme Conditions in Paragraphs 1 and 2 of **Appendix H** to this Scheme Document are not capable of being waived by either or both of the Parties. The Scheme Conditions in Paragraphs 3, 4 and 5 of **Appendix H** to this Scheme Document may only be waived with the consent in writing of both Parties (to the extent legally permissible).*

5. TERMINATION OF SCHEME

5.1 Right to Terminate

*The Implementation Agreement provides that subject to **Paragraph 5.3** and provided the Party seeking termination does so only after it has had prior consultation with and approval of the SIC:*

5.1.1 (i) Regulatory Action. *if any court of competent jurisdiction or Governmental Authority has issued an order, decree or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting the Scheme, the Acquisition or any part thereof, or has refused to do anything necessary to permit the Scheme, the Acquisition or any part thereof, and such order, decree, ruling, other action or refusal shall have become final and non-appealable, either Party may terminate the Implementation Agreement at any time on or prior to the Record Date by notice in writing to the other Party;*

(ii) Breach.

(a) *if the Trustee-Manager is in material breach of any provision of the Implementation Agreement (other than a provision which is qualified by a materiality test, in which case any breach shall suffice), in each such case which has individually or taken together with any other breaches resulted in a Material Adverse Effect, or has failed to perform and comply in all material respects with any matters referred to in Paragraph 7(ii) of **Appendix H** to this Scheme Document on or prior to the Record Date, the Offeror may terminate the Implementation Agreement at any time on or prior to the Record Date by notice in writing to the Trustee-Manager; or*

(b) *if the Offeror is in material breach of any provision of the Implementation Agreement (other than a provision which is qualified by a materiality test, in which case any breach shall suffice) or has failed to perform and comply*

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*in all material respects with any matters referred to in Paragraph 8(ii) of **Appendix H** to this Scheme Document on or prior to the Record Date, the Trustee-Manager may terminate the Implementation Agreement at any time on or prior to the Record Date by notice in writing to the Offeror,*

provided that either the Offeror or the Trustee-Manager, as the case may be, has given written notice to the other Party of the alleged breach stating its intention to terminate the Implementation Agreement and further that in the case where such a breach is capable of remedy, the Party in breach fails to remedy the same within the earlier of (I) 20 Business Days after receipt of such notice or (II) the Record Date; and

*(iii) **Unitholders' Approval.** if the resolutions in respect of the amendments to the Trust Deed as stated in Paragraph 1 of **Appendix H** to this Scheme Document and the Scheme are not approved (without amendment) by the requisite majorities of the Unitholders at the Scheme Meeting, either Party may terminate the Implementation Agreement at any time on or prior to the Record Date by notice in writing to the other Party;*

*5.1.2 without prejudice to Paragraph 13 of **Appendix J** to this Scheme Document and **Paragraph 5.4** of this Scheme Document, if a Competing Offer becomes or is declared unconditional in all respects or becomes effective, either Party may terminate the Implementation Agreement by notice in writing to the other Party;*

*5.1.3 notwithstanding anything to the contrary in the Implementation Agreement and subject to the Party seeking termination doing so only after it has had prior consultation with and approval of the SIC, if any of the Scheme Conditions set out in **Appendix H** to this Scheme Document has not been satisfied (or, where applicable, has not been waived) by, or if the Scheme has not become effective on, the Long Stop Date, the Implementation Agreement shall terminate as follows:*

*(i) in the event of any non-fulfilment of the Scheme Conditions in Paragraphs 1, 2, 3, 4 and 5 of **Appendix H** to this Scheme Document, either Party may terminate the Implementation Agreement by notice in writing to the other Party;*

*(ii) in the event of any non-fulfilment of the Scheme Conditions in Paragraph 6 (in relation to the Prescribed Occurrences set out in **Appendix I** to this Scheme Document relating to any CRT Group Entity), Paragraph 7 and Paragraph 9 of **Appendix H** to this Scheme Document, the Offeror may terminate the Implementation Agreement by notice in writing to the Trustee-Manager; and*

*(iii) in the event of any non-fulfilment of the Scheme Conditions in Paragraph 6 (in relation to the Prescribed Occurrences set out in **Appendix I** to this Scheme Document relating to the Offeror) and Paragraph 8 of **Appendix H** to this Scheme Document, the Trustee-Manager may terminate the Implementation Agreement by notice in writing to the Offeror.*

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5.2 Effect of Termination

In the event of termination of the Implementation Agreement by either Party pursuant to the terms of the Implementation Agreement:

5.2.1 the Implementation Agreement shall cease to have any further force or effect (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law); and

5.2.2 neither Party shall have any further liability or obligation to the other Party (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law); but

5.2.3 such termination shall not prejudice the rights of either Party which have accrued or arisen prior to such termination.

5.3 Consultation with the SIC

In the event either Party intends to consult the SIC in relation to the termination of the Implementation Agreement, it shall give prior written notice of such intention to the other Party.

5.4 Compensation

Pursuant to the terms of the Implementation Agreement:

5.4.1 the Trustee-Manager agrees that:

(i) it shall fully compensate the Offeror for all the costs and expenses incurred by or on behalf of the Offeror in connection with the Acquisition and/or the Scheme (including the fees and disbursements invoiced by its counsel, auditors and advisers engaged by or on behalf of the Offeror in connection with the Acquisition and/or the Scheme), subject to a maximum amount of 0.75 per cent. of the aggregate Scheme Consideration if any of the following occurs:

*(a) in the event of a material breach or non-compliance by the Trustee-Manager of any of its obligations under Paragraph 13 of **Appendix J** to this Scheme Document; and/or*

(b) in the event a Competing Offer becomes or is declared unconditional in all respects or becomes effective;

*5.4.2 any payment under **Paragraph 5.4.1** shall be made by the Trustee-Manager to the Offeror within:*

*(i) (in the case of a payment under **Paragraph 5.4.1(i)(a)**) 10 Business Days after written notice from the Offeror to the Trustee-Manager stating that a payment obligation under **Paragraph 5.4.1(i)(a)** is triggered or where the Trustee-Manager issues a notice to the Offeror that it disagrees that such payment obligation is triggered, within 10 Business Days after the date of the final settlement of such disagreement or a court order ordering that payment be made (as the case may be); and*

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- (ii) (in the case of a payment under **Paragraph 5.4.1(i)(b)**) 10 Business Days after the date on which the Competing Offer becomes or is declared unconditional in all respects or becomes effective; and

5.4.3 Paragraph 5.4 shall survive the termination of the Implementation Agreement and remain in effect until all liabilities of the Trustee-Manager under **Paragraph 5.4**, if any, have been satisfied.

6. **SPECIFIC OBLIGATIONS OF THE TRUSTEE-MANAGER**

Pursuant to the terms of the Implementation Agreement but subject to (i) the fiduciary duties of its Directors and (ii) compliance with all applicable laws and regulations, the Trustee-Manager shall execute all documents and do all acts and things necessary for the implementation of the Scheme, as expeditiously as practicable, including the obligations set out in **Appendix J** to this Scheme Document.

7. **NO CASH OUTLAY**

Unitholders should note that no cash outlay (including any stamp duties or brokerage expenses) will be required from the Entitled Unitholders under the Scheme.

8. **WAIVER OF RIGHTS TO A GENERAL OFFER**

Unitholders should note that by voting in favour of the Scheme, Unitholders will be regarded as having waived their rights to a general offer by the Offeror Concert Party Group to acquire the Units under the Code (in respect of the Scheme only) and are agreeing to the Offeror Concert Party Group acquiring or consolidating effective control of CRT by way of the Scheme without having to make a general offer. For the avoidance of doubt, pursuant to the terms of the Implementation Agreement, the Offeror has a right to exercise the Switch Option as described in **Paragraphs 3.3** and **10.1**.

9. **THE TRUST DEED AMENDMENT**

The Trustee-Manager is seeking the approval of Unitholders pursuant to Section 31(1)(a) of the Business Trusts Act for the Trust Deed Amendment.

The Trust Deed Amendment will introduce provisions to facilitate the implementation of the Scheme. As part of the Trust Deed Amendment, the Trustee-Manager will have the power to do all things that it considers necessary or desirable to give effect to the Scheme.

Please refer to **Appendix D** to the Scheme Document which sets out the proposed amendments to the Trust Deed.

10. **APPROVALS REQUIRED**

10.1 Scheme Meeting and Court Sanction. The Scheme will require, inter alia, the following approvals:

- 10.1.1 the approval of the Unitholders holding in the aggregate not less than three-fourths of the voting rights of all the Unitholders present and voting either in person or by proxy at the Scheme Meeting to approve the Trust Deed Amendment ("**Resolution 1**");

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10.1.2 the approval of a majority in number of the Unitholders representing at least three-fourths in value of the Units held by the Unitholders present and voting either in person or by proxy at the Scheme Meeting to approve the Scheme (“**Resolution 2**”); and

10.1.3 where the High Court of the Republic of Singapore or where applicable on appeal, the Court of Appeal of the Republic of Singapore (in each case, referred to as the “**Court**”) accepts jurisdiction to make an order on the Scheme, the sanction of the Scheme by the Court under Order 80 of the Rules of Court (the “**Scheme Court Order**”).

Resolution 1 is in respect of the Trust Deed Amendment.

Resolution 2 is in respect of the Scheme and is contingent upon the approval of Resolution 1.

In the event that Resolution 1 is not passed, the Trustee-Manager will not proceed with Resolution 2. This means that the Scheme cannot be implemented by the Trustee-Manager and the Offeror unless both Resolutions 1 and 2 are passed. In addition, the Scheme will only come into effect if all the Scheme Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

For the avoidance of doubt, in the event that Resolution 1 is passed, but Resolution 2 is not passed, the Trust Deed will be amended in accordance with the Trust Deed Amendment but the Scheme will not be implemented.

Switch Option — Scheme Court Order. In the event the Court does not or will not grant the Scheme Court Order even if Unitholders’ approval for Resolutions 1 and 2 is or will be obtained, for reasons other than that the Scheme is, in substance, not a reasonable one, subject to prior consultation with the SIC, the Offeror shall have the right at its discretion to exercise the Switch Option. In such event, the Offeror will make the Offer on the same or better terms as those which apply to the Scheme, save that the Offer shall be conditional upon a level of acceptances set at 90 per cent. of the Units to which the Offer relates, with the reservation of the right of the Offeror to reduce the 90 per cent. acceptance condition to a lower level of acceptances as the Offeror may decide and as may be approved by the SIC. If the Offeror exercises such Switch Option, the Parties have agreed that the Implementation Agreement shall terminate with effect from the date of announcement of the Offer (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law), and neither the Trustee-Manager nor the Offeror shall have any claim against the other under the Implementation Agreement. For the avoidance of doubt, if the Offer made by the Offeror pursuant to its exercise of such Switch Option becomes or is declared unconditional in all respects or becomes effective, **Paragraphs 3.1.2(ii) and 3.2** above shall apply *mutatis mutandis* to such Offer to the effect that the consideration per Unit under the Offer shall not be reduced by the transaction expenses incurred by the Trustee-Manager in relation to the Acquisition, the Scheme and the Offer up to the Transaction Expenses Cap.

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10.2 SIC Confirmations. Pursuant to the application made by the Offeror to the SIC to seek SIC's rulings and confirmations on certain matters in relation to the Scheme, the SIC has confirmed on 23 June 2017, inter alia, that:

10.2.1 the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) on Rule 19 of the Code, subject to, amongst others, the following conditions:

- (i) the Offeror Concert Party Group abstains from voting on the Scheme;*
- (ii) the Scheme Document contains advice to the effect that by voting for the Scheme, Unitholders are agreeing to the Offeror Concert Party Group acquiring CRT without having to make a general offer for CRT, and the Scheme Document discloses the names of each member of the Offeror Concert Party Group, their current voting rights in CRT and their voting rights in CRT after the Scheme;*
- (iii) the Scheme is approved by a majority in number representing three-fourths in value of Unitholders or class of unitholders present and voting either in person or by proxy at a meeting convened to approve the Scheme; and*
- (iv) the Trustee-Manager obtains Court approval for the Scheme under Order 80 of the Rules of Court; and*

10.2.2 it has no objections to the Scheme Conditions.

11. DELISTING

Upon the Scheme becoming effective in accordance with its terms, CRT will be wholly-owned by the Offeror and will, subject to the approval of the SGX-ST, be delisted and removed from the Official List of the SGX-ST.

An application was made to seek approval from the SGX-ST to delist CRT from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms. The SGX-ST has, on 16 August 2017, advised that it has no objection to the Trustee-Manager's application to delist CRT from the Official List of the SGX-ST, subject to:

11.1 compliance with the SGX-ST's listing requirements

11.2 approval of the Scheme by a majority in number of Unitholders present and voting, either in person or by proxy, at the Scheme Meeting, such majority holding not less than three-fourths in value of the Units voted at the Scheme Meeting; and

11.3 the approval of the High Court of the Republic of Singapore being obtained for the Scheme.

The above decision of the SGX-ST is not to be taken as an indication of the merits of the Scheme, the delisting and removal of CRT from the Official List of the SGX-ST, CRT, the Trustee-Manager, their subsidiaries and/or their securities.

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13. SCHEME MEETING

13.1 Scheme Meeting

As stated in **Paragraph 10.1** above, the Scheme will require, inter alia, the following approvals:

13.1.1 the approval of the Unitholders holding in the aggregate not less than three-fourths of the voting rights of all the Unitholders present and voting either in person or by proxy at the Scheme Meeting to approve Resolution 1; and

13.1.2 the approval of a majority in number of the Unitholders representing at least three-fourths in value of the Units held by the Unitholders present and voting either in person or by proxy at the Scheme Meeting to approve Resolution 2.

Resolution 1 is in respect of the Trust Deed Amendment.

Resolution 2 is in respect of the Scheme and is contingent upon the approval of Resolution 1.

In the event that Resolution 1 is not passed, the Trustee-Manager will not proceed with Resolution 2. This means that the Scheme cannot be implemented by the Trustee-Manager and the Offeror unless both Resolutions 1 and 2 are passed. In addition, the Scheme will only come into effect if all the Scheme Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

For the avoidance of doubt, in the event that Resolution 1 is passed, but Resolution 2 is not passed, the Trust Deed will be amended in accordance with the Trust Deed Amendment but the Scheme will not be implemented.

When the Scheme, with or without modification, becomes effective, it will be binding on all Unitholders, whether or not they were present in person or by proxy or voted at the Scheme Meeting.”

5. INFORMATION ON CRT, TRUSTEE-MANAGER, OFFEROR AND BLACKSTONE GROUP

5.1 CRT

CRT is a business trust constituted under the Trust Deed on 7 May 2012 and registered under the Business Trusts Act on 2 May 2013. Listed on the Mainboard of the SGX-ST on 10 May 2013, CRT is an Asia-Pacific retail business trust focused on investing in a diversified portfolio of predominantly retail real estate assets located in Japan and the Asia-Pacific region.

As at the Latest Practicable Date, CRT has 769,732,510 Units in issue.

5.2 Trustee-Manager

The Trustee-Manager was incorporated in Singapore on 1 March 2012. CRT is managed by the Trustee-Manager, whose key objective is to deliver a competitive return on investment to the Unitholders through regular and growing distributions and long-term capital value growth of CRT's portfolio of assets.

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As at the Latest Practicable Date, the Trustee-Manager has an issued and paid-up share capital of S\$100,000 comprising 100,000 ordinary shares in issue and no treasury shares. All of the issued shares of the Trustee-Manager are held by Perpetual (Asia) Limited (as trustee of the Trustee-Manager Share Trust), for the benefit of the Unitholders in proportion to their unitholding in CRT.

The board of directors of the Trustee-Manager (the “**Board**”) comprises the following:

5.2.1 Mr Lim Teck Leong David (Chairman and Independent Director);

5.2.2 Mr Jim Chang Cheng-Wen (Executive Director and Chief Executive Officer);

5.2.3 Mr Eng Meng Leong (Independent Director);

5.2.4 Mr Quah Ban Huat (Independent Director); and

5.2.5 Mr Yong Chao Hsien Jeremy (Executive Director and Managing Director).

5.3 Information on the Offeror

The Offeror is a newly-incorporated entity formed for the purpose of the Scheme and is controlled by the Blackstone Group. The Offeror is incorporated under the laws of Singapore and has not traded since incorporation, nor has it entered into any obligations, other than those incidental to its formation or in connection with the Scheme.

The board of directors of the Offeror comprises the following:

5.3.1 Alan Kekoa Miyasaki;

5.3.2 Kimmo Benjam Tammela; and

5.3.3 Prashant Kanodia.

5.4 Information on the Blackstone Group

The Blackstone Group is one of the largest institutional real estate investors in the world. With offices in the United States of America, Europe and Asia, as of 31 December 2016, the Blackstone Group manages US\$102 billion of equity for real estate investments. Since 2004, the Blackstone Group has completed over 20 public company real estate acquisitions with a combined transaction value in excess of US\$110 billion (including Hilton Hotels, Equity Office Properties Trust, Trizec Properties, Spirit Group, CarrAmerica Realty, CenterParcs UK, MeriStar Hospitality, La Quinta, Wyndham International, NHP PLC, Boca Resorts, Prime Hospitality, Extended Stay America, Savoy Hotels, Valad Property Group, Tysan Holdings Ltd., Japan Residential Investment Company, Strategic Hotels & Resorts and BioMed Realty Trust). The Blackstone Group is also one of the largest retail owners in the world, with investments in 563 retail properties globally and 15 retail properties totaling 6.5 million square feet in Asia (as of 30 September 2016). The Blackstone Group also has significant experience in executing transactions and has completed acquisitions with an aggregate value of over US\$3 billion in Japan (as of 31 December 2016).

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Further details on the Offeror and the Blackstone Group can be found in the letter from the Offeror to Unitholders as set out in **Appendix B** to the Scheme Document.

6. FINANCIAL EVALUATION OF THE TERMS OF THE SCHEME

Methodology

In assessing the financial terms of the Scheme, we have considered the following:

1. Historical trading performance of the Units;
2. Price to NAV analysis of the Units;
3. Valuation multiples of trusts listed on the SGX-ST which are broadly comparable to CRT;
4. Precedent property transactions;
5. Premia / discounts paid in recent takeovers of listed companies / trusts on the SGX-ST;
6. Research / Equities analysts' target prices of the Units; and
7. The CRT Group's historical financial performance, financial position and outlook; and
8. Rationale for the Scheme and other relevant considerations which have a significant bearing on our assessment.

General Bases and Assumptions

We wish to highlight that unless specified otherwise, the figures used in our financial assessment have been extracted where available and/or applicable, from Bloomberg, the Scheme Document dated 22 August 2017, annual and interim reports of CRT and companies / trusts which are broadly comparable to CRT and such other information as may be publicly available. We make no representations or warranties, express or implied, as to the accuracy or completeness of such information.

In the course of our analysis, we have also relied on the following general bases:

- (a) As at the Latest Practicable Date, CRT has 769,732,510 Units in issue; and
- (b) The market prices and trading statistics of all securities and equity indices as extracted from Bloomberg unless otherwise stated.

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Valuation multiples

We have applied the following valuation multiples in our analysis:

Valuation Multiples	General Description
P/NAV	<p>The “P/NAV” or “price-to-NAV” multiple illustrates the ratio of the market price of a company’s share relative to its historical NAV per share as recorded in its financial statements.</p> <p>The NAV of a company is defined as its total assets (including intangible assets) less its total liabilities, and excludes, where applicable, minority interests. The NAV figure provides an estimate of the value of a company assuming the sale of all its assets at book value, the proceeds of which are first used to settle liabilities and obligations with the balance available for distribution to shareholders. Comparisons of companies using their NAVs are affected by differences in accounting policies, in particular depreciation and amortisation policies.</p>
12 Months Distribution Yield	<p>The “12 Months Distribution Yield” is the aggregate gross dividend per unit amount that have gone ex distribution over the prior 12 months, divided by the current unit price. Gross and net distribution are assumed to be the same when only one is reported.</p>

6.1 Historical trading performance of the Units

We have compared the Scheme Consideration to the historical price performance of the Units and considered the historical trading volume of the Units.

Unitholders should note that the past trading performance of the Units should not, in any way, be relied upon as an indication of its future trading performance. The price performance of the Units may be due to market factors and other individual factors which may not be easily isolated and identified with certainty.

6.1.1 Price performance and trading activity of the Units

In evaluating the Scheme Consideration, it would be relevant to examine the price performance and trading volume of the Units over a reasonable period, during which the market price of the Units may ordinarily reflect public investors’ valuation of the Units, based on publicly available information.

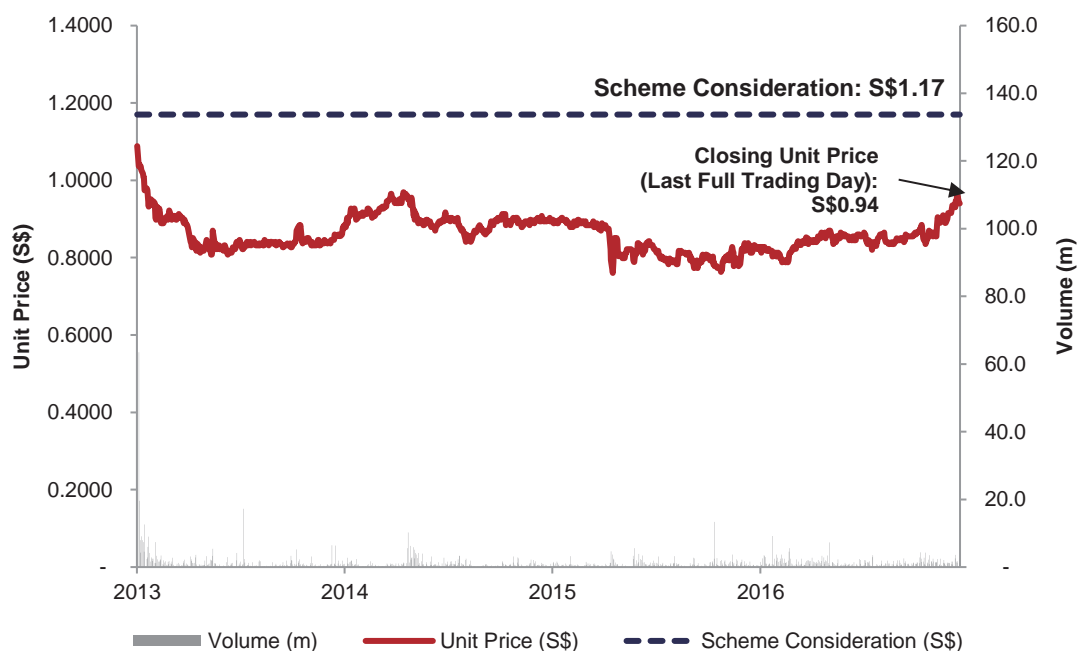
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Unit price performance

We set out below in Exhibit 1, the daily closing prices and trading volumes of the Units for the period from 10 May 2013 (being the first trading day of the Units following its initial public offering) (“**Date of IPO**”) up to and including 25 April 2017, being the last trading day (the “**Last Full Trading Day**”) immediately prior to the date of the Initial Holding Announcement and highlight certain key events during this period.

Trading in the Units after the Last Full Trading Day incorporates information set out in the Initial Holding Announcement and may reflect market expectations of a possible offer for the Units.

Exhibit 1: Unit price performance for the period from Date of IPO up to and including Last Full Trading Day



Source: Bloomberg L.P., Company filings

Note:

- 1 Unit prices from Bloomberg L.P. have been adjusted for capital changes (rights issue, placements and preferential offerings)

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Selected announcements between Date of IPO and Last Full Trading Day

Date	Announcement
10 May 2013	Listing of CRT on Mainboard of SGX-ST
13 November 2013	Results for the period from 7 May 2012 to 30 September 2013
27 December 2013	The Trustee-Manager announces that it sent notices of intent to purchase to each of the vendors of Mallage Saga, Forecast Kyoto Kawaramachi, NIS Wave I and Luz Omori, in order to extend its first right to negotiate for the purchase of each of these properties until 31 March 2014
3 January 2014	The Trustee-Manager announces it has established a U.S.\$500,000,000 Euro Medium Term Note Programme. Net proceeds arising from the issue of Notes (after deducting issue expenses) for financing or refinancing acquisitions and/or investments by CRT and its subsidiaries (the "Group"), financing any development and asset enhancement works on the properties in which it has an interest, refinancing the existing borrowings of the Group and general corporate purposes of the Group
23 January 2014	The Trustee-Manager announces that it issued S\$100,000,000 4.60% Fixed Rate Notes due 2017 (the "Notes"). The Notes will be issued under the U.S.\$500,000,000 Euro Medium Term Note Programme established by the Issuer on 3 January 2014
14 February 2014	Results for 2Q FY2014. Interim distribution of S\$0.0524
15 May 2014	Results for 3Q FY2014. CRT was voted Singapore's 'Best Small-cap Company' in a 2014 annual survey by FinanceAsia
28 August 2014	Results for FY2014. Final distribution of S\$0.0374
1 September 2014	The Trustee-Manager announces: 1) through Durian TMK, entered into a conditional purchase and sale agreement with Tozai Select One YK to acquire trust beneficiary interests in respect of One's Mall, a completed retail property in Japan 2) the launch of a private placement of 78,900,000 new units in CRT at an issue price of between S\$0.890 and S\$0.920 per New Unit (both figures inclusive) to raise gross proceeds of between S\$70.2 million and S\$72.6 million to partially fund the acquisition 3) in addition to the semi-annual distribution of S\$0.0374 per Unit for the period from 1 January 2014 to 30 June 2014, the Trustee-Manager intends to declare, in connection with the private placement and in respect of the Units in issue on the day immediately prior to the date on which the new units are issued, an advance distribution for the period from 1 July 2014 to the day immediately prior to the date on which the new units in CRT are issued pursuant to the private placement
12 November 2014	Results for 1Q FY2015
18 December 2014	The Trustee-Manager announces it has increased the amount of CRT's distributable income hedged to approximately 100% of its distributable income for the period up to 31 December 2015, a move to mitigate forex risks for more steady returns to investors

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11 February 2015	Results for 2Q FY2015. Interim distribution of S\$0.0250. The Trustee-Manager announces it has implemented a distribution reinvestment plan
31 March 2015	The Trustee-Manager announces that the tenant renewal and asset enhancement exercise at Mallage Shobu is close to completion, and this culminated in a Grand Renewal Ceremony on 28 March 2015
14 May 2015	Results for 3Q FY2015
26 August 2015	Results for FY2015. Final distribution of S\$0.0392
28 September 2015	The Trustee-Manager announces that: 1) it has, through Apple TMK, entered into a purchase and sale agreement with Hisayama Property TMK to acquire trust beneficiary interests in respect of Torius Property, a completed retail property located in Fukuoka, Japan comprising 36 buildings for a purchase consideration of JPY7,997 million (approximately S\$95.2 million) 2) it proposes to partially finance the acquisition through a renounceable rights issue of 114,222,677 new units in CRT on a pro rata basis of twenty-two (22) Rights Units for every one hundred (100) existing Units held as at a date and time to be determined by the Trustee-Manager for the purpose of determining the entitlements of unitholders of CRT under the rights issue, at an issue price of S\$0.610 per Rights Unit, fractional entitlements to be disregarded, to raise maximum gross proceeds of approximately S\$69.7 million (approximately JPY5,852.8 million).
11 November 2015	Results for 1Q FY2016
11 February 2016	Results for 2Q FY2016. Interim distribution of S\$0.0350
23 March 2016	The Trustee-Manager announces 1) the launch of a private placement of 60,000,000 new units in CRT at an issue price of between S\$0.745 and S\$0.770 per New Unit (both figures inclusive) to raise gross proceeds of up to S\$46.2 million, and may issue up to 10,000,000 additional new units so as to raise up to S\$7.7 million of additional gross proceeds in the event of oversubscription 2) that it intends to declare, in respect of existing units, an advanced distribution of S\$0.0195
4 April 2016	The Trustee-Manager announces that it intends to issue S\$60,000,000 5.0% Fixed Rate Notes due 2020 (the "Notes"). The Notes will be issued under the EMTN Programme established by the Issuer on 3 January 2014
7 April 2016	The Trustee-Manager announces it has, through Orange TMK entered into a purchase and sale agreement with Grand Natalie Property TMK to acquire trust beneficiary interests in respect of the completed retail property known as "Fuji Grand Natalie" located in Hatsukaichi City, Hiroshima Prefecture, Japan for a purchase consideration of JPY3,300.0 million (approximately S\$40.2 million)
13 May 2016	Results for 3Q FY2016

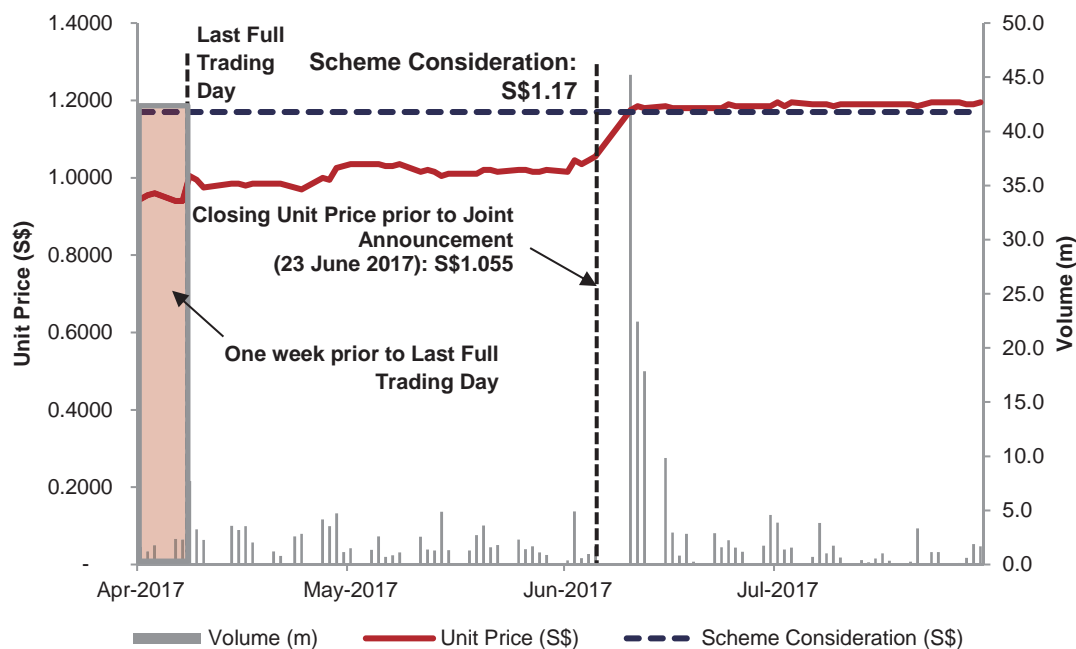
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13 May 2016	The Trustee-Manager announces that it has, through Orange TMK, entered into two separate purchase and sale agreements to acquire the trust beneficiary interests in respect of two income-producing retail properties in Japan, namely Mallage Saga and Feeeal Asahikawa. The aggregate purchase consideration for the acquisitions is JPY6,110.0 million (approximately S\$74.5 million).
12 June 2016	The Trustee-Manager announces the proposed internalisation of the Trustee-Manager. In order to fund the proposed Internalisation, the Trustee-Manager intends to part-finance the proposed internalisation through an issuance of 25,641,026 to 32,722,285 new Units to raise gross proceeds ranging from S\$20.0 million to S\$22.1 million by way of an underwritten non-renounceable preferential offering on a pro rata basis of up to one (1) Preferential Offering Unit for every twenty-two (22) existing Units. The remainder of the Purchase Consideration will be part-financed by part of the proceeds from the issuance of the S\$60,000,000 5.0% fixed rate notes of approximately S\$24.6 million and CRT's existing cash balances of approximately S\$10.0 million.
26 August 2016	Results for FY2016. Final distribution of S\$0.0161
29 September 2016	The Trustee-Manager announces that it has reopened the existing S\$60,000,000 5.0% fixed rate notes due 2020 issued on 13 April 2016 (the "Series 002 Tranche 1 Notes") and accordingly, intends to issue S\$50,000,000 5.0% fixed rate notes due 2020 (the "Series 002 Tranche 2 Notes") (to be consolidated and form a single series with the Series 002 Tranche 1 Notes)
11 November 2016	Results for 1Q FY2017
18 November 2016	The Trustee-Manager announces that it has purchased an aggregate principal amount of S\$9,750,000 of the Notes, representing approximately 9.75% of the aggregate principal amount of the Notes outstanding prior to such purchase
23 January 2017	The Trustee-Manager announces that it has fully redeemed the outstanding principal amount of S\$90,250,000 of the Series 001 Notes on the maturity date, being 23 January 2017
14 February 2017	Results for 2Q FY2017. Interim distribution of S\$0.0360
26 April 2017	Initial Holding Announcement

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In addition, we set out below in Exhibit 2, the daily closing prices and trading volumes of the Units for the period after the Last Full Trading Day up to the Latest Practicable Date:

Exhibit 2: Unit price performance after the Last Full Trading Day up to the Latest Practicable Date



Source: Bloomberg L.P., Company filings

Note:

- 1 Unit prices from Bloomberg L.P. have been adjusted for capital changes (rights issue, placements and preferential offerings)

Selected announcements between Last Full Trading Day and Latest Practicable Date

Date	Announcement
15 May 2017	Results for 3Q FY2017
27 June 2017	Trading halt
28 June 2017	Joint Announcement
21 July 2017	Asset valuation as at 30 June 2017
16 August 2017	Receipt of approval in-principle from SGX-ST
18 August 2017	Results for FY2017. Final distribution of S\$0.0406

Based on Exhibit 1 and 2, we note the following:

- (i) Over the period from Date of IPO to the Last Full Trading Day, the Units had consistently traded below the Scheme Consideration;
- (ii) The Scheme Consideration represents a premium of 25.8% to the IPO price of \$0.93;

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- (iii) Over the period from the Last Full Trading Day to the Joint Announcement Date, the Units had consistently traded below the Scheme Consideration;
- (iv) The Units traded above S\$1.17 between the Joint Announcement Date and the Latest Practicable Date but this is most likely attributable to expectation of the Permitted Distributions which CRT is entitled to pay without any adjustments to the Scheme Consideration; and
- (v) As at the Latest Practicable Date, the closing price of the Units was at a premium of 2.1% to the Scheme Consideration.

Liquidity and trading volume

To evaluate whether the historical market prices of the Units provide a meaningful reference point for comparison against the Scheme Consideration and in evaluating the Scheme Consideration relative to the historical market prices of the Units, we have considered the liquidity and free float of CRT relative to companies that make up the FTSE Straits Times Index (“FSSTI”) (“FSSTI Constituents”).

Exhibit 3: Liquidity analysis¹, setting out the historical average daily trading volume (“ADTV”) and average daily value of FSSTI Constituents for last 12 months prior to the Last Full Trading Day

No.	Company	Market cap (\$m)	Free float ² (%)	Avg. daily vol/free float (%) ³	Avg. daily value/market cap (%) ⁴
1	Jardine Matheson Holdings Ltd	66,155	36.3%	0.11%	0.03%
2	Singapore Telecommunications Limited	61,233	50.1%	0.26%	0.14%
3	DBS Group Holdings Ltd	48,819	70.6%	0.29%	0.18%
4	Oversea-Chinese Banking Corp Ltd	40,612	68.7%	0.19%	0.12%
5	United Overseas Bank Ltd.	35,898	85.6%	0.19%	0.15%
6	Hongkong Land Holdings Ltd	25,045	49.8%	0.20%	0.06%
7	Thai Beverage Public Co., Ltd	23,227	32.2%	0.26%	0.08%
8	Wilmar International Ltd	22,441	30.9%	0.36%	0.11%
9	Jardine Cycle & Carriage Ltd	18,861	20.4%	0.44%	0.07%
10	CapitaLand Ltd	15,587	59.9%	0.40%	0.21%
11	Global Logistic Properties Ltd	13,452	41.4%	0.86%	0.27%
12	Genting Singapore Plc	12,927	47.0%	0.36%	0.14%
13	Singapore Airlines Ltd	12,157	44.3%	0.28%	0.13%
14	Keppel Corporation Ltd	11,947	99.9%	0.27%	0.24%
15	Singapore Technologies Engineering Ltd	11,749	48.8%	0.22%	0.09%
16	City Developments Ltd	9,548	64.6%	0.31%	0.17%
17	Singapore Exchange Ltd	8,049	71.5%	0.25%	0.18%
18	Ascendas Real Estate Investment Trust	7,354	79.7%	0.46%	0.35%
19	CapitaLand Mall Trust	7,090	64.0%	0.40%	0.26%
20	Comfortdelgro Corporation Ltd	5,891	99.6%	0.39%	0.38%
21	UOL Group Limited	5,771	66.0%	0.22%	0.12%
22	SATS Ltd.	5,529	60.0%	0.48%	0.28%
23	Singapore Press Holdings Ltd	5,517	99.9%	0.26%	0.28%

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No.	Company	Market cap (S\$m)	Free float ² (%)	Avg. daily vol/free float (%) ³	Avg. daily value/ market cap (%) ⁴
24	Sembcorp Industries Ltd	5,496	50.1%	0.54%	0.25%
25	CapitaLand Commercial Trust	4,825	68.1%	0.40%	0.26%
26	StarHub Ltd	4,823	34.0%	0.67%	0.26%
27	Hutchison Port Holdings Trust	4,794	69.9%	0.24%	0.13%
28	Golden Agri-Resources Ltd	4,648	49.6%	0.39%	0.20%
29	Yangzijiang Shipbuilding (Holdings) Ltd.	4,292	55.5%	0.63%	0.28%
30	SIA Engineering Company Limited	4,121	22.2%	0.10%	0.02%
	Mean		58.0%	0.35%	0.18%
	Median		57.7%	0.30%	0.17%
	Maximum		99.9%	0.86%	0.38%
	Minimum		20.4%	0.10%	0.02%
	CRT (Scheme Consideration)	901	79.8%	0.22%	0.16%

Source: Bloomberg L.P.

Notes:

- 1 All figures are as at the Last Full Trading Day
- 2 Free float percentages are based on Bloomberg estimates for all FSSTI Constituents
- 3 Average daily trading volume for the last 12 months prior to the Last Full Trading Day
- 4 Average daily trading value for the last 12 months prior to the Last Full Trading Day

We note that CRT's free float of 79.8% is higher than the mean and median free float of the FSSTI Constituents of 58.0% and 57.7% respectively.

Based on Exhibit 3, we note that in the 12-month period leading up to the Last Full Trading Day, CRT's average daily trading volume represented 0.22% of CRT's free float and CRT's average daily trading value represented 0.16% of CRT's market capitalisation. These values are within the corresponding percentage ranges of the FSSTI Constituents (between 0.10% to 0.86%, and between 0.02% to 0.38% respectively) for the same 12-month period leading up to the Last Full Trading Day but below their respective mean and median percentages.

We set out below in Exhibit 4 the ADTV of the Units for various periods between Date of IPO and up to and including the Last Full Trading Day.

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Exhibit 4: Historical average daily trading volume of the Units for various periods between Date of IPO and up to and including the Last Full Trading Day

Periods prior to the Last Full Trading Day ¹	ADTV ² (million)	ADTV as a percentage of free float ^{3,4} (%)	% of market days traded
Since Date of IPO	1.37	0.32%	100.0%
Last 3 years	1.08	0.25%	100.0%
Last 2 years	1.12	0.26%	100.0%
Last 1 year	1.33	0.22%	100.0%
Last 6 months	1.28	0.21%	100.0%
Last 3 months	1.54	0.26%	100.0%
Last 1 month	1.54	0.26%	100.0%
Last Full Trading Day	2.29	0.38%	—

Source: Bloomberg L.P.

Notes:

- 1 Periods analysed as follows — Since Date of IPO: 10 May 2013 to Last Full Trading Day, Last 3 years: 24 April 2014 to Last Full Trading Day, Last 2 years: 24 April 2015 to Last Full Trading Day, Last 1 year: 25 April 2016 to Last Full Trading Day, Last 6 months: 26 October 2016 to Last Full Trading Day, Last 3 months: 26 January 2017 to Last Full Trading Day, Last 1 month: 27 March 2017 to Last Full Trading Day. Only trading days have been included in our analysis.
- 2 The ADTV of the Units is calculated based on the total volume of the Units traded during the period divided by the number of market days during that period.
- 3 Based on the public float of the Units during each relevant period.
- 4 Rounded to nearest two decimal places.

Based on Exhibit 4, we note the following:

- (i) The ADTV of the Units ranged between 1.08 million Units and 2.29 million Units, or between 0.21% and 0.38% of CRT's free float, over the various historical periods; and
- (ii) During the period from Date of IPO up to and including the Last Full Trading Day, trading in the Units occurred on all market days in that period.

Based on Exhibit 3 and 4, it appears that while the historical trading and free float volume of the Units has not been high in absolute terms relative to the market capitalisation and free float of CRT, the Units are nevertheless readily traded on a frequent basis indicating a ready market for the trading of the Units. The trading liquidity ratios of the Units are well within the ranges seen in the FSSTI Constituents. We also note that CRT is currently covered by at least 3 equity research analysts, which provides guidance to public investors in their investment decision-making in relation to CRT. These would imply that the transacted prices of the Units generally reflect publicly available information and public investors' valuation. As such, the historical market prices of the Units provide a reasonable and valid benchmark for assessing the Scheme Consideration.

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Price premia

We set out below in Exhibit 5 the premia implied by the Scheme Consideration over the historical volume-weighted average transacted prices (“**VWAP**”) of the Units during the various historical periods prior and up to the Last Full Trading Day.

Exhibit 5: Premium / (Discount) implied by the Scheme Consideration to VWAP

Periods prior to the Last Full Trading Day	VWAP (S\$)	Premium of Scheme Consideration over VWAP (%)	Highest price (S\$)	Lowest price (S\$)
Since Date of IPO	0.901	29.9%	0.970	0.587
Last 3 years	0.857	36.5%	0.970	0.627
Last 2 years	0.837	39.7%	0.970	0.627
Last 1 year	0.850	37.7%	0.970	0.737
Last 6 months	0.870	34.5%	0.970	0.787
Last 3 months	0.886	32.0%	0.970	0.815
Last 1 month	0.927	26.2%	0.970	0.890
Last Full Trading Day	0.940	24.5%	0.950	0.930

Source: Bloomberg L.P.

Note:

- The historical VWAPs are rounded to the nearest three (3) decimal places for the purpose of calculating the corresponding premium

Based on the above, we note that the Units have traded within a VWAP band of S\$0.837 to S\$0.940 over the period from Date of IPO up to and including the Last Full Trading Day. We note that the Scheme Consideration represents a premium of between 24.5% to 37.7% over the various VWAPs in the most recent 12 months prior to and including the Last Full Trading Day. The Scheme Consideration is at a 20.6% premium to the highest price of the Units since the Date of IPO.

6.1.2 Price performance of the Units relative to market performance

To gauge the price performance of the Units relative to the general price performance of the stock market, we set out below in Exhibits 6 and 7 the market price movement of the Units against the FSSTI and FTSE Real Estate Investment Trust Index (“**FSSREIT**”) for the period from Date of IPO up to and including the Last Full Trading Day and the Latest Practicable Date.

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Exhibit 6: Price performance against the FSSTI⁽¹⁾ and FSSREIT⁽²⁾ for period from Date of IPO up to and including the Last Full Trading Day

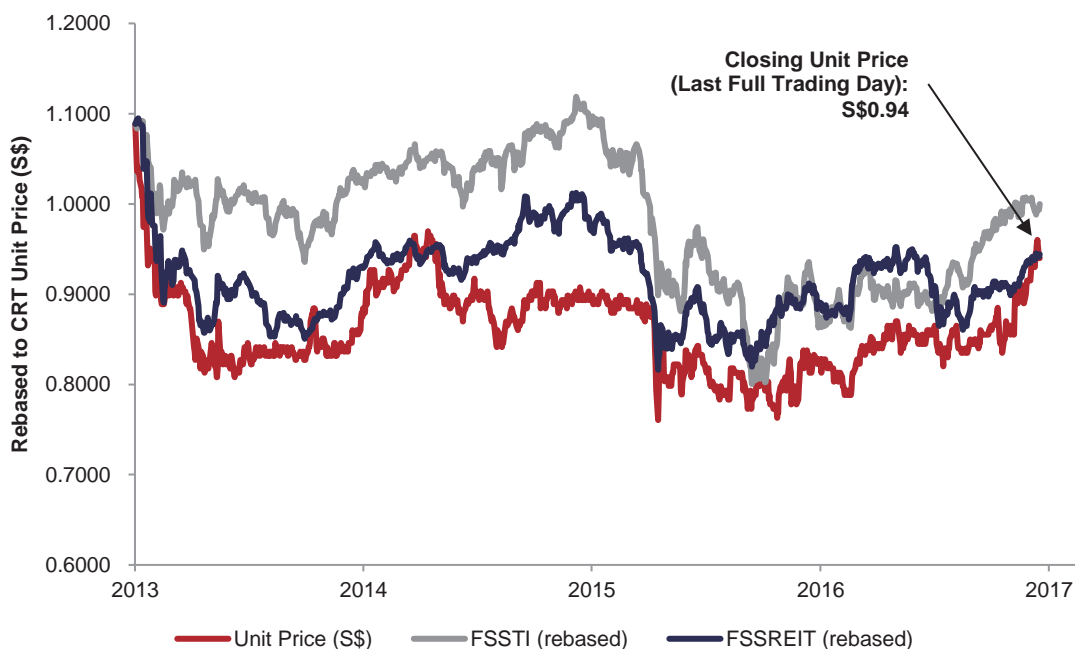
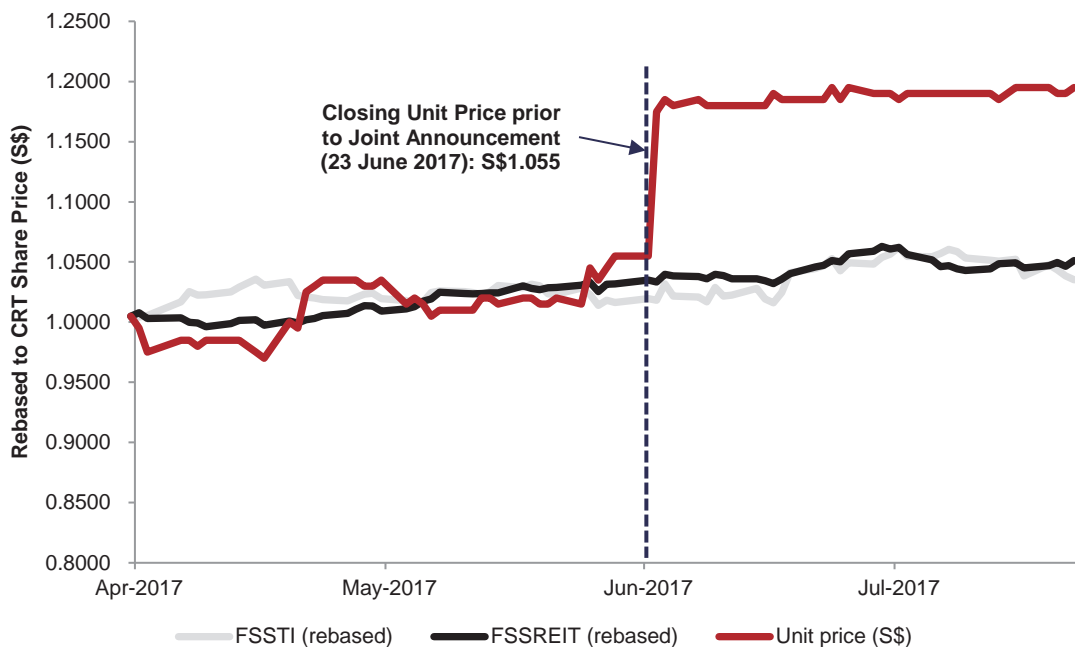


Exhibit 7 below sets out the trading statistics of the last transacted prices of CRT, FSSTI and FSSREIT after the Last Full Trading Day and up to the Latest Practicable Date:



Source: Bloomberg L.P.

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Note:

- 1 The FSSTI is a market capitalisation weighted index based on the stocks of 30 representative companies listed on the Main board of the SGX-ST
- 2 The FSSREIT is a free float-adjusted, market-capitalisation weighted index that reflects the performance of REITs listed on SGX-ST
- 3 Unit prices from Bloomberg L.P. have been adjusted for capital changes (rights issue, placements and preferential offerings)

Exhibit 8 below sets out the trading statistics of the last transacted prices of CRT, FSSTI and FSSREIT as at 25 April 2016 (being the 12-month period prior to the Last Full Trading Day), the Last Full Trading Day and the Latest Practicable Date:

	As at 25 April 2016	As at Last Full Trading Day	Percentage change (%)	As at Latest Practicable Date	Percentage change from Last Full Trading Day to Latest Practicable Date (%)
FSSTI	2,900.28	3,163.93	9.1%	3,268.88	3.3%
FSSREIT	736.53	767.57	4.2%	808.44	5.3%
CRT	0.765	0.940	22.8%	1.195	27.1%

Based on Exhibit 6, we note that the Units have generally underperformed the FSSTI and FSSREIT between Date of IPO and Last Full Trading Day.

Following the release of the Initial Holding Announcement, the Units have significantly outperformed the FSSTI and FSSREIT.

Between the Last Full Trading Day and Joint Announcement Date, the units have generally traded in line with the FSSTI and FSSREIT.

Between the Joint Announcement Date and Latest Practicable Date, the Units had generally traded upwards and have closed slightly above the Scheme Consideration as at Latest Practicable Date.

Based on the foregoing, we conclude that it is likely that the market price of the Units as at the Latest Practicable Date is supported by the Scheme. As such, Unitholders should note that there is no assurance that the market price of the Units will be maintained at levels prevailing as at the Latest Practicable Date in the event the Scheme does not become effective.

6.2 NAV and historical trailing NAV per Unit of the CRT Group relative to Scheme Consideration

Based on the Company's unaudited consolidated financial statements for the financial year ended 30 June 2017, the unaudited NAV of the Group as at 30 June 2017 was approximately JPY63,989.8 million / S\$783.9 million¹ or approximately S\$1.0167 per Unit². The CRT Group's investment properties, restricted cash and cash and short term deposits have an aggregate book value of JPY134,819.0 million which represents approximately 94.5% of the CRT Group's total assets of JPY142,609.0 million.

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Exhibit 9 below sets out the premium of the Scheme Consideration over the NAV per Unit as at 30 June 2017 and 31 March 2017.

Exhibit 9: Premium of the Scheme Consideration over the NAV per Unit as at 30 June 2017 and 31 March 2017

	As at 30 June 2017	Premium implied by the Scheme Consideration	As at 31 March 2017	Premium implied by the Scheme Consideration
NAV (S\$ million) ¹	783.9	—	738.1	—
Scheme Consideration	S\$1.17	—	S\$1.17	—
NAV per Unit ² (S\$)	1.0161	15.2%	0.9588	22.0%
Adjusted NAV per Unit ^{2,3} (S\$)	0.9755	19.9%	—	—

Notes:

- 1 Based on a SGD/JPY exchange rate of 81.6260 and 79.7130 as at 30 June 2017 and 31 March 2017 respectively.
- 2 Based on the units in issue of CRT of 769,732,510 Units.
- 3 On 18 August 2017, the Trustee-Manager announced a distribution of 4.06 Singapore cents per Unit for the period from 1 January 2017 to 30 June 2017. The NAV per Unit after adjusting for the distribution ("**Adjusted NAV per Unit**") would be S\$0.9755 and the premium implied by the Scheme Consideration would be 19.9%.

The Directors have confirmed to us that save as disclosed in the Scheme Document and in the ordinary course of business, there have been no material acquisitions and/or disposals of assets by the Company since 30 June 2017 up to the Latest Practicable Date. The Directors have also confirmed that save for the sale of retail properties in the ordinary course of its business, the CRT Group does not have any plans for an impending material disposal and/or conversion of the use of the CRT Group's assets and/or material change in the nature of the CRT Group's business as at the Latest Practicable Date.

We also note from the letter from the Offeror to Unitholders that the Offeror intends to undertake the Scheme with a view to delisting and privatising CRT. The Offeror is of the view that the delisting and privatisation of CRT will provide the Offeror and CRT with greater control and management flexibility in the implementation of any strategic initiatives and/or operational changes of the CRT Group, as well as dispense with compliance costs associated with the maintenance of its listed status.

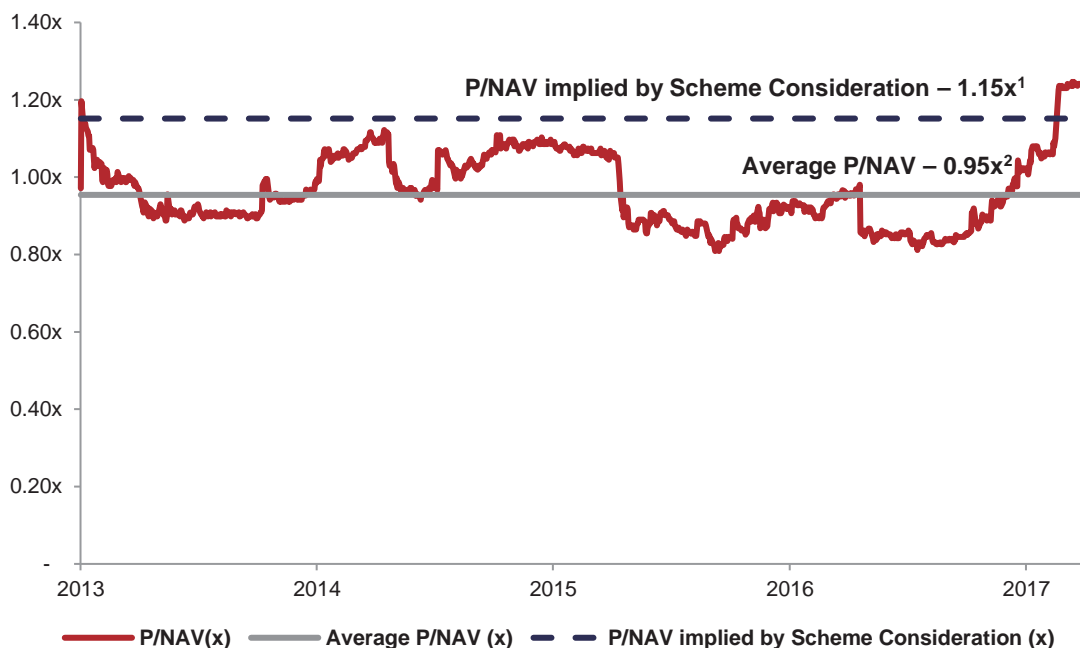
Subsequent to the Effective Date and depending on the outcome of the Scheme, the Offeror intends to undertake a review of CRT's businesses and operations as well as evaluate strategic options. Save as disclosed and other than in the ordinary course of business, the Offeror presently has no plans to (i) introduce any major changes to the business of the CRT, (ii) re-deploy the fixed assets of the CRT, or (iii) discontinue the employment of the employees of the CRT Group. However, the Offeror retains the flexibility at any time to further consider any options or opportunities in relation to the CRT Group which may present themselves or which the Offeror may regard to be in the interests of the Offeror and the CRT Group.

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Trailing P/NAV multiples of the Units

We have also compared the P/NAV of the Units implied by the Scheme Consideration against the trailing P/NAV multiples of the Units over the period from Date of IPO to the Last Full Trading Day, as well as till the Latest Practicable Date, as set out below.

Exhibit 10: Trailing P/NAV multiples of the Units



Notes:

- 1 Based on the Scheme Consideration of S\$1.17 per unit, NAV per unit of S\$1.0161 and SGD/JPY exchange rate of 81.6260 as of 30 June 2017.
- 2 From Date of IPO to the Last Full Trading Day.

Based on the above, we note the following:

- (i) The Scheme Consideration represents a premium of 15.2% and 19.9% to the latest NAV per unit and Adjusted NAV per Unit respectively as of 30 June 2017; and
- (ii) The P/NAV of 1.15x implied by the Scheme Consideration is generally higher than the historical P/NAV and higher than the average historical P/NAV of 0.95x from Date of IPO to the Last Full Trading Day.

6.3 Valuation multiples of Singapore Comparable Trusts which are considered to be broadly comparable to CRT in limited aspects

For the purpose of evaluating the financial terms of the Scheme, we have made reference to the valuation ratios of (i) selected Singapore-listed retail real estate investment trusts (“REIT”) and business trusts (“BT”) with assets primarily based in Singapore (“Singapore Retail Trusts”) and (ii) Singapore-listed retail REIT and BT with assets primarily based outside Singapore (“Foreign Retail Trusts”) (collectively, “Comparable Trusts”), to obtain an indication of the market valuation of the Comparable Trusts relative to that of CRT implied by the Scheme Consideration.

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We wish to highlight that the Comparable Trusts are not exhaustive and we recognise that there is no Singapore-listed trust which we consider to be identical to CRT in terms of, inter alia, geographical markets, composition of business activities, scale of business operations, risk profile, asset base, valuation methodologies adopted, accounting policies, track record, future prospects, market/industry size, political risk, competitive and regulatory environment, financial positions and other relevant criteria and that such businesses may have fundamentally different annual profitability objectives. The Independent Directors should note that any comparison made with respect to the Comparable Trusts merely serve to provide an illustrative perceived market valuation of the CRT as at the Latest Practicable Date.

The valuation multiples of the Comparable Trusts do not incorporate the premium typically required to acquire control as they reflect the traded prices of non-controlling stakes.

6.3.1 Valuation ratios of Comparable Trusts

Brief descriptions of the Comparable Trusts are set out below in Exhibit 11:

Exhibit 11: Comparable Trusts

Comparable Trusts	Market cap (S\$m)	Description
Foreign Retail Trusts		
Mapletree Greater China Commercial Trust ("MGCT")	3,113	Mapletree Greater China Commercial Trust operates as a real estate investment trust. The Company invests primarily in office and retail properties located in Greater China.
CapitaLand Retail China Trust ("CRCT")	1,422	CapitaLand Retail China Trust is a shopping mall real estate investment trust. The Trust was established with the objective of investing on a long-term basis in a diversified portfolio of income-producing real estate used primarily for retail purposes and located in China.
Lippo Malls Indonesia Retail Trust ("LMIRT")	1,214	Lippo Malls Indonesia Retail Trust is a real estate investment trust that invests in malls and other retail locations.
Dasin Retail Trust ("DRT")	454	Dasin Retail Trust invests in, owns, and develops land and income-producing real estates in Greater China.
BHG Retail REIT ("BHG")	376	BHG Retail REIT is a real estate investment trust in Singapore. The REIT invests, directly and indirectly, in real estate which is used primarily for retail purposes, as well as real estate-related assets in relation to retail, with an initial focus on China
Singapore Retail Trusts		
CapitaLand Mall Trust ("CMT")	7,516	CapitaLand Mall Trust is a retail real estate investment trust. The Trust owns and invests in income-producing assets which are used, or predominantly used, for retail purposes primarily in Singapore.
Mapletree Commercial Trust ("MCT")	4,458	Mapletree Commercial Trust is a Singapore-focused real estate investment trust. The Trust invests on a long-term basis, directly or indirectly, in a diversified portfolio of income-producing real estate used primarily for office and/or retail purposes, whether wholly or partially, as well as real estate-related assets.
SPH REIT ("SPHT")	2,517	SPH REIT is a Singapore-based REIT established principally to invest, directly or indirectly, in a portfolio of income-producing real estate which is used primarily for retail purposes in Asia-Pacific, as well as real estate-related assets.
Frasers Centrepoint Trust ("FCT")	1,987	Frasers Centrepoint Trust is a Singapore-domiciled retail real estate investment trust. The Trust invests in income-producing properties used primarily for retail purposes in Singapore and overseas.
Starhill Global REIT ("SGT")	1,658	Starhill Global REIT is a Singapore-based real estate investment trust. The Trust invests primarily in real estate used for retail and office purposes, both in Singapore and overseas.

Source: Bloomberg L.P.

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We set out in Exhibit 12 below the valuation statistics for the Comparable Trusts based on their last traded price as at the Latest Practicable Date:

Exhibit 12: Comparable Trusts trading multiples

Comparable Trusts	Market cap (\$m)	Current P/NAV (x)	Current Gearing ¹ (%)	LTM Yield ² (%)
Foreign Retail Trusts				
MGCT	3,113	0.89x	39.4%	6.59%
CRCT	1,422	1.00x	34.9%	6.25%
LMIRT	1,214	1.17x	30.2%	8.15%
DRT	454	0.55x	30.2%	7.28%
BHG	376	0.65x	27.5%	7.27%
Mean		0.85x	32.4%	7.11%
Median		0.89x	30.2%	7.27%
Singapore Retail Trusts				
CMT	7,516	1.09x	31.3%	5.25%
MCT	4,458	1.13x	36.4%	5.57%
SPHT	2,517	1.05x	25.6%	5.60%
FCT	1,987	1.12x	30.0%	5.45%
SGT	1,658	0.83x	35.2%	6.47%
Overall mean		0.95x	32.1%	6.39%
Overall median		1.03x	30.8%	6.36%
CRT (Scheme Consideration)	901	1.15x⁵	44.6%	6.55%
CRT (Adjusted for internalisation³)	851	1.16x	44.6%	6.86%

Source: Bloomberg L.P., Company filings

Notes:

- 1 Calculated based on total borrowings against total assets.
- 2 Calculated based on the trailing twelve months distributable income against the current number of Units outstanding.
- 3 The market capitalization and distributable income of CRT are adjusted for the internalisation via a rollback of DPU accretion of 1% and consideration of S\$50m paid to the then sponsors, based on the unitholder's circular dated 15 June 2016 despatched to the unitholders for the internalisation exercise. The NAV, total assets and total borrowings were also adjusted by subtracting the total identifiable net assets at fair value for the Trustee-Manager, goodwill arising from the acquisition, total assets and liabilities of the Trustee-Manager of JPY93.9m, JPY4,006.1m, JPY489.7m and JPY395.9m as of 30 June 2017 respectively and are for illustrative purposes only.

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- 4 Based on the forecast derived from the forecast year 2017 (without Shiqi Metro Mall) as disclosed in the prospectus of DRT dated 13 January 2017.

- 5 On 31 August 2016, CRT completed the internalisation of the Trustee-Manager. With the completion of the internalisation, all of the issued shares of the Trustee-Manager have been acquired and are held by Perpetual (Asia) Limited (as trustee of the Trustee-Manager Share Trust) for the benefit of the Unitholders in proportion to their unitholding interest in CRT. Financial information is based on the CRT Group.

Based on the above, we note that the P/NAV implied by the Scheme Consideration of 1.15x is above the mean and median of the P/NAV of the Foreign Retail Trusts, and the LTM Yield as implied by the Scheme Consideration of 6.55% is lower than the mean and median of the Foreign Retail Trusts, implying that the Scheme Consideration values CRT more favourably than the Foreign Retail Trusts.

We also note that the P/NAV implied by the Scheme Consideration of 1.15x is above the mean and median of the P/NAV of the Comparable Trusts, and the LTM Yield as implied by the Scheme Consideration of 6.55% is higher than the mean and median of the Comparable Trusts.

We note that in June 2016, the CRT Group undertook an exercise to internalise its REIT manager. In our analysis, we have also illustrated the potential impact if the REIT manager were to be excluded from CRT to provide a like-for-like comparison with the Comparable Trusts which are all managed by an external REIT manager. In this internalisation exercise, a consideration of S\$50 million was paid to the then sponsor of the REIT manager and as a result of the internalisation exercise, there was an accretion of 1% to the distributable income and consequently the DPU and yield of CRT. We note that the P/NAV implied by the Scheme Consideration and adjusted for internalisation of 1.16x is also higher than the mean and median of the P/NAV of the Foreign Retail Trusts and the Comparable Trusts, and the LTM Yield as implied by the Scheme Consideration is lower than the mean and median of the Foreign Retail Trusts but higher than the mean and median of the Comparable Trusts.

6.4 Recent offer transaction

We wish to highlight that the premium that an offeror pays in any particular takeover depends on various factors such as the potential synergy that the offeror can gain by acquiring the target, the presence of competing bids for the target, prevailing market conditions and sentiments, attractiveness and profile of the target's business and assets, size of consideration and existing and desired level of control in the target. The comparison below is made without taking into consideration the underlying liquidity of the shares and the performance of the shares of the relevant companies below. Further, the list of target companies involved in the precedent property transactions set out in the analysis below are not directly comparable with CRT in terms of size of operations, market capitalisation, business activities, asset base, geographical spread, track record, accounting policies, financial performance, operating and financial leverage, future prospects and other relevant criteria. Hence, the comparison of the Scheme with the precedent property transactions set out below is for illustrative purposes only. Any conclusions drawn from the comparisons made may not reflect any perceived valuation of CRT.

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6.4.1 Precedent transactions

We have reviewed selected transactions between 1 January 2015 and the Latest Practicable Date, involving privatisations of retail REITs in Japan or acquisition of entire portfolio of property assets in Japan for which information is publicly available (“**Selected Property Precedent Transactions**”).

Exhibit 13 sets out the implied transaction multiples for the Selected Property Precedent Transactions:

Exhibit 13: Selected Property Precedent Transactions

Announcement date	Target	Acquirer	Transaction value (\$m)	Stake acquired (%)	Acquisition premium to NAV
1 August 2017	Astro Japan Property Group (“ Astro Japan ”)	Funds managed by Blackstone Real Estate	471.6 ¹	100.0%	6.1%
7 March 2017 ²	Astro Japan	Lone Star Funds	488.1 ²	100.0%	0.0%
31 October 2015	Saizen REIT	Lone Star Funds	514.1 ³	100.0%	0.2%
29 February 2016	Galileo Portfolio	A new J-REIT ³	714.8 ⁴	100.0%	2.2%
Average					2.1%
Median					1.2%
Implied by the Scheme Consideration					15.2%

Source: Company filings, Mergermarket

Notes:

- 1 Based on a AUD/SGD exchange rate of 1.0825 as at 1 August 2017. The proposal requires the approval of Astro Japan shareholders by majority vote at the shareholder meeting on 13 September 2017.
- 2 Based on a AUD/SGD exchange rate of 1.0425 as at 31 December 2016. The proposed acquisition was rejected by the board of Astro Japan.
- 3 Based on a SGD/JPY exchange rate of 86.33 as at 28 October 2015.
- 4 Based on a SGD/JPY exchange rate of 80.86 as at 26 February 2016. A new J-REIT was established for the purpose of acquiring the portfolio via a capital raising and initial public offering and listing on the Tokyo Stock Exchange.

We have also reviewed recent delistings and privatisations of companies involved pre-dominantly in property business listed on the SGX-ST over the period beginning 1 January 2015 to the Latest Practicable Date (“**Selected Precedent Singapore Property Take-overs**”).

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Exhibit 14 sets out the implied transaction multiples for the Selected Precedent Singapore Property Take-overs:

Exhibit 14: Selected Precedent Singapore Property Take-overs

Announcement date	Target	Acquirer	Transaction value (\$m)	Stake acquired (%)	Acquisition premium / (discount) to NAV
22-Sep-15	Eastern Holdings Ltd	MBT Enterprises Pte. Ltd.	63.8	100.0%	17.7%
23-Jan-15 ¹	Keppel Land Limited	Keppel Corporation Limited	3,072.8	45.4%	(11.5)%
13-Jan-16	Starland Holdings Limited	GRP Limited	5.8	17.1%	(12.6)%
8-Aug-16	Sim Lian Group Limited	Coronation 3G Pte. Ltd.	213.4	19.6%	(6.1)%
23-Feb-17	Global Premium Hotels Limited	JK Global Capital Pte. Ltd.	95.9	25.0%	(47.3)%
28-Mar-17	Top Global Limited	SW International Holding Pte. Ltd.	24.0	22.6%	(62.0)%
Average					(20.3)%
Median					(12.1)%
Implied by the Scheme Consideration					15.2%

Source: Company filings, Mergermarket

Note:

1 Based on base offer price of S\$4.38 per share

We note from Exhibits 13 and 14 that the acquisition premium to NAV implied by the Scheme Consideration of 15.2% is higher than the average and median of Selected Property Precedent Transactions (2.1% and 1.2% respectively) and higher than the average and median of Selected Precedent Singapore Property Take-overs (discount to NAV of 20.3% and 12.1% respectively).

6.4.2 Premia/Discounts paid in Precedent Takeovers

We note that it is the intention of the Offeror to make CRT its wholly-owned subsidiary and that the Offeror does not intend to maintain the listing status of CRT. In this regard and for the purpose of providing an illustrative guide as to how the financial terms of the Scheme compare relative to other delistings and successful privatisations, we have compared the financial terms of the Scheme with those of recent successful privatisations and delistings of companies listed on the SGX-ST over the period beginning 1 January 2015 to the Latest Practicable Date.

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Exhibit 15: Precedent Singapore Take-over Premia

Company	Announcement date	Offer price implied premium over / (discount to)		
		Closing share price prior to announcement (%)	1-month VWAP prior to announcement (%)	3-month VWAP prior to announcement (%)
Delistings				
Action Asia Limited	27-Feb-15	69.6	67.6	66.7
Junma Tyre Cord Company Limited	10-Mar-15	222.6 ⁵	162.3 ⁵	174.7 ⁵
Eastern Holdings Ltd	22-Sep-15	41.7	67.3	34.1
Zagro Asia Limited	03-Nov-15	15.4	19.0	20.0
Sinotel Technologies Ltd.	30-Nov-15	50.6	30.6	45.5
Xyec Holdings Co., Ltd	29-Mar-16	50.0	49.3	49.3
China Dairy Group Ltd.	12-Apr-16	87.7	96.4	82.5
Otto Marine Limited	8-Jun-16	39.1	44.8	43.5
Aztech Group Ltd.	19-Sep-16	29.2	38.6	21.0
China New Town	18-Oct-16	18.6	20.5	27.0
Privatisations				
Popular Holdings Limited	14-Jan-15	39.1	39.7	37.3
Keppel Land Limited	23-Jan-15	20.0	25.0	28.8
Lizhong Wheel Group Limited	17-Aug-15	96.1	87.3	79.2
Chosen Holdings Limited	01-Sep-15	21.0	26.0	27.0
Li Heng Chemical Fibre Technologies Limited	22-Dec-15	115.1 ⁵	100.8 ⁵	104.5 ⁵
Interplex Holdings Ltd.	23-Dec-15	15.5	11.1	13.1
Tiger Airways Holding Limited ³	04-Jan-16	45.2	48.5	56.3
Starland Holdings Limited	13-Jan-16	25.5	45.7	60.5
China Yongsheng Limited	24-Feb-16	52.4	67.4	62.4
Xinren Aluminium Holdings Limited	25-Feb-16	31.3	49.6	50.0
OSIM International Ltd ⁴	07-Mar-16	27.0	40.9	42.5
Select Group Limited	23-Mar-16	23.5	37.9	43.4
GMG Global Limited	28-Mar-16	10.8	25.2	39.9
China Merchants Holdings (Pacific) Limited	9-May-16	22.9	21.8	25.3
Eu Yan Sang International Ltd	16-May-16	2.6	8.5	16.5
Ellipsiz Limited	7-Jul-16	1.6	5.0	8.0
Halcyon Agri Corporation Limited	18-Jul-16	18.1	12.8	8.0
Sim Lian Group Limited	8-Aug-16	14.9	16.6	19.5
China Minzhong Food Corporation Limited	15-Nov-16	4.2	23.1	25.9
China Auto Electronics Group Limited	24-Oct-16	23.1	50.9	65.0
Auric Pacific Group Limited	7-Feb-17	13.4	17.7	23.8
Global Premium Hotels Limited	23-Feb-17	14.1	18.1	21.7
Kingboard Copper Foil Holdings Limited	3-Mar-17	19.9	28.3	32.9
Spindex Industries Limited	3-Mar-17	21.4	20.9	23.4
Top Global Limited	28-Mar-17	50.0	65.0	65.0
Changtian Plastic & Chemical Limited	29-May-17	45.3	46.6	48.2

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Company	Announcement date	Offer price implied premium over / (discount to)		
		Closing share price prior to announcement (%)	1-month VWAP prior to announcement (%)	3-month VWAP prior to announcement (%)
Scheme of Arrangement				
HTL International Holdings Limited	7-Jan-16	46.0	69.2	98.4
Lantrovision Ltd	27-Jan-16	47.7	42.8	46.2
SMRT Corporation Ltd	20-Jul-16	8.7	10.8	10.7
Innovalues Limited	26-Oct-16	13.5	19.0	21.6
ARA Asset Management Limited	8-Nov-16	26.2	29.6	30.3
High (Overall)		69.6	69.2	98.4
Low (Overall)		1.6	5.0	8.0
Mean (Overall)		27.5	34.1	36.7
Median (Overall)		23.1	29.6	32.9
CRT (implied by the Scheme Consideration)		24.5	26.2	32.1

Source: Bloomberg L.P. and the companies' offer documents and circulars

Based on Exhibit 15, we note that:

- (i) the market price premium implied by the Scheme Consideration is in line with the corresponding mean and median Precedent Singapore Takeovers for the premia to last transacted price (23.1% to 27.5%);
- (ii) the market price premia implied by the Scheme Consideration are below the corresponding mean and median Precedent Singapore Takeovers for the premia to 1-month and 3-month VWAPs.

6.5 Analysts' price targets for the Units

We have compared recent research reports by analysts in relation to CRT as compiled by Bloomberg L.P.. Exhibit 16 below summarises the key points of the various research reports.

Exhibit 16: Summary of broker recommendations

Broker	Date of price target ¹	Recommendation	Target price (S\$)
DBS Vickers	17 Mar 2017	Buy	0.99
Phillip Capital	15 Feb 2017	Buy	0.93
RHB	14 Feb 2017	Buy	0.96
CIMB	14 Feb 2017	Buy	0.98
Average Target Price			0.97
Highest Target Price			0.99
Scheme Consideration			1.17

Source: Bloomberg L.P.

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Note:

1 Date of price target is date of latest broker report prior to the Last Full Trading Day

Based on Exhibit 16 above, we note that the Scheme Consideration is at 21.2% premium to the average target price and 18.2% premium to the highest target price.

We wish to highlight that the research reports may not be exhaustive and the estimated target prices for the Units and other statements or opinions in these reports represent the individual views of the respective analysts (and not those of CIMB in its capacity as independent financial adviser for the purposes of this letter) based on the circumstances (including, inter alia, market, economic, industry and monetary conditions as well as market sentiment and investor perceptions regarding the future prospects of CRT) prevailing at the date of the publication of the respective analyst research reports. The opinions of the analysts may change over time as a result of, inter alia, changes in market conditions, CRT's corporate developments and the emergence of new information relevant to CRT.

6.6 Summary of CRT's Recent Financial Performance

Set out below is certain financial information extracted from the annual reports of CRT for FY2014, FY2015 and FY2016 and from the unaudited consolidated financial statements of the CRT Group for FY2017 respectively.

The financial information for FY2014, FY2015 and FY2016 should be read in conjunction with the audited consolidated financial statements of the CRT Group and the accompanying notes as set out in the annual reports of CRT for FY2014, FY2015 and FY2016 respectively and the financial information for FY2017 should be read in conjunction with the unaudited consolidated financial statements of the CRT Group and the accompanying notes as set out in the unaudited consolidated financial statements of the CRT Group for FY2017.

	Unaudited FY2017 JPY'000	Audited FY2016 JPY'000	Audited FY2015 JPY'000	Audited FY2014⁽¹⁾ JPY'000
Revenue	12,318,638	9,581,167	7,635,403	6,261,227
Net profit before tax	9,382,735	7,786,391	9,666,407	6,343,341
Net profit after tax	8,082,002	5,946,575	7,579,092	4,792,539
Net earnings per unit				
- Basic (JPY)	10.75	9.68	15.25 ⁽²⁾	11.22 ⁽²⁾
- Diluted (JPY)	10.75	9.68	15.25 ⁽²⁾	11.22 ⁽²⁾

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Set out below is also a summary of the distribution per Unit declared in respect of each of FY2014, FY2015 and FY2016 and FY2017. This information was extracted from the annual reports of CRT for FY2014, FY2015 and FY2016 and the unaudited consolidated financial statements of the CRT Group for FY2017.

Distribution per Unit	Interim and Final Tax Exempt Distribution (Singapore cents)
In respect of FY2017	7.66
In respect of FY2016	7.06
In respect of FY2015	8.08 ⁽²⁾
In respect of FY2014 ⁽¹⁾	8.98 ⁽²⁾

Notes:

- (1) FY2014 refers to the period from 10 May 2013 to 30 June 2014.
- (2) Figures have not been restated to reflect the effect of 114,222,677 units issued pursuant to the rights issue on 2 November 2015 and 27,682,070 units issued pursuant to the preferential offering on 25 August 2016.

The audited consolidated balance sheet of the CRT Group as at 30 June 2016, being the latest published audited consolidated balance sheet of the CRT Group prior to the Latest Practicable Date, and the unaudited consolidated balance sheet of the CRT Group as at 30 June 2017, which is reproduced from the unaudited consolidated financial statements of the CRT Group for FY2017, are set out below.

The audited consolidated balance sheet of the CRT Group as at 30 June 2016 should be read in conjunction with the audited consolidated financial statements of the CRT Group and the accompanying notes as set out in the annual report of CRT for FY2016 and the unaudited consolidated balance sheet of the CRT Group as at 30 June 2017 should be read in conjunction with the unaudited consolidated financial statements of the CRT Group and the accompanying notes as set out in the unaudited consolidated financial statements of the CRT Group for FY2017.

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	Unaudited FY2017 JPY'000	Audited FY2016 JPY'000
ASSETS		
Non-current assets		
Investment properties	117,540,000	112,640,000
Property, plant and equipment	37,137	—
Intangible assets	4,006,139	—
Trade and Other receivables	477,825	437,341
Derivative financial instruments	870,049	—
Prepayments	467,189	593,270
Restricted cash	5,412,710	5,584,205
Deferred tax assets	8,174	13,601
Total non-current assets	<u>128,819,223</u>	<u>119,268,417</u>
Current assets		
Cash and short-term deposits	6,753,841	5,385,095
Trade and other receivables	1,126,843	1,654,787
Derivative financial instruments	326,040	94,907
Prepayments	470,624	484,390
Restricted cash	5,112,424	4,287,146
Total current assets	<u>13,789,772</u>	<u>11,906,325</u>
Total assets	<u>142,608,995</u>	<u>131,174,742</u>
LIABILITIES AND EQUITY		
Current liabilities		
Loans and borrowings	29,725,609	8,337,184
Trade and other payables	2,350,329	2,150,697
Derivative financial instruments	135,330	1,109,698
Income tax payables	291,734	242,681
Other liabilities	713,145	760,034
Total current liabilities	<u>33,216,147</u>	<u>12,600,294</u>
Non-current liabilities		
Loans and borrowings	33,838,523	51,057,438
Trade and other payables	4,826,502	4,937,428
Derivative financial instruments	218,353	1,594,315
Other liabilities	1,104,132	1,150,387
Deferred tax liabilities	5,415,498	4,521,444
Total non-current liabilities	<u>45,403,008</u>	<u>63,261,012</u>
Total Liabilities	<u>78,619,155</u>	<u>75,861,306</u>
Net assets attributable to unitholders	<u>63,989,840</u>	<u>55,313,436</u>
Equity attributable to unitholders		
Units in issue	50,572,667	47,333,037
Accumulated profits/(losses)	13,495,508	8,754,848
Fair value adjustment reserve	(78,335)	(774,449)
Total equity	<u>63,989,840</u>	<u>55,313,436</u>

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6.7 Other Relevant Considerations which have a Significant Bearing on our Assessment

6.7.1 The Offeror's Rationale

As stated in the letter from the Offeror to Unitholders as set out in **Appendix B** to the Scheme Document, the rationale for the Acquisition is as follows:

1. *The Scheme Consideration represents an attractive premium to the prevailing and historical trading prices of the Units prior to 26 April 2017, the date of the Initial Holding Announcement (the "Initial Holding Announcement Date").*
2. *The Scheme Consideration exceeds the highest closing price of the Units, being S\$1.09 per Unit in May 2013, since CRT was listed on the Main Board of the SGX-ST.*
3. *The valuation implied by Scheme Consideration exceeds the latest available market value of the properties of the CRT Group.*
4. *The Scheme Consideration exceeds all analysts' price targets.*
5. *Unitholders may also receive distributions without a reduction in the Scheme Consideration.*

6.7.2 The Offeror's Future Plans

As stated in the letter from the Offeror to Unitholders as set out in **Appendix B** to the Scheme Document:

"The Offeror intends to undertake the Scheme with a view to delisting and privatising CRT. The Offeror is of the view that the delisting and privatisation of CRT will provide the Offeror and CRT with greater control and management flexibility in the implementation of any strategic initiatives and/or operational changes of the CRT Group, as well as dispense with compliance costs associated with the maintenance of its listed status.

Subsequent to the Effective Date and depending on the outcome of the Scheme, the Offeror intends to undertake a review of CRT's businesses and operations as well as evaluate strategic options. Save as disclosed and other than in the ordinary course of business, the Offeror presently has no plans to (i) introduce any major changes to the business of the CRT, (ii) re-deploy the fixed assets of the CRT, or (iii) discontinue the employment of the employees of the CRT Group. However, the Offeror retains the flexibility at any time to further consider any options or opportunities in relation to the CRT Group which may present themselves or which the Offeror may regard to be in the interests of the Offeror and the CRT Group."

6.7.3 Scheme Approval Requirements

By proposing that the Scheme be effected by way of a Trust Scheme, CRT is providing the Unitholders with the opportunity to determine at the Scheme Meeting whether they consider the Scheme to be in their best interests. When the Scheme, with or without modification, becomes effective, the Scheme will be binding on all the Unitholders, whether or not they were present, in person or by proxy, or voted at the Scheme Meeting.

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Unitholders are to note that the Scheme must be approved by a majority in number of Unitholders, representing not less than three-fourths in value of the Units held by the Unitholders present and voting either in person or by proxy at the Scheme Meeting.

6.7.4 Historical Distributions Paid by CRT

	Tax Exempt Distribution (Singapore cents)
FY2017	
- <i>Interim</i>	3.60
- <i>Final</i>	4.06
- <i>Total</i>	7.66
FY2016	
- <i>Interim</i>	5.45
- <i>Final</i>	1.61
- <i>Total</i>	7.06
FY2015	
- <i>Interim</i>	4.16
- <i>Final</i>	3.92
- <i>Total</i>	8.08
FY2014¹	
- <i>Interim</i>	5.24
- <i>Final</i>	3.74
- <i>Total</i>	8.98

Note:

1 FY2014 refers to the period from Date of IPO to 30 June 2014

Unitholders should note that past distributions paid by CRT should not in any way be relied upon as an indication or promise of its future distributions.

As stated in Section 6.3.1, the LTM Yield of the Foreign Retail Trusts had a mean and median of 7.11% and 7.27% respectively while the LTM Yield as implied by the Scheme Consideration is 6.55%. Should the Scheme be approved by unitholders during the Scheme Meeting, Unitholders can potentially reinvest the Scheme Consideration received from the Offeror into the Foreign Retail Trusts with a higher yield. We also note that the FSSREIT had a LTM yield of 5.82% as at the Latest Practicable Date.

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6.7.5 Impact of Foreign Exchange Rate

Exhibit 17: SGD/JPY exchange rate from Date of IPO to Latest Practicable Date



Source: Bloomberg L.P.

Exhibit 18: SGD/JPY exchange rate as at various dates

Date	SGD/JPY exchange rate
30 June 2013	78.1983
30 March 2017	79.7130
Last Full Trading Day (25 April 2017)	79.6940
Joint Announcement Date (28 June 2017)	81.2546
30 June 2017	81.6260

Unitholders should note that the underlying assets and liabilities of CRT are denominated in JPY while the Units are traded in SGD, the distributions are in SGD and the Scheme Consideration is denominated in SGD as well.

We note that in addition to the foreign exchange rates listed above, the SGD/JPY exchange rate has fluctuated from a low of 73.7518 on 26 September 2016 to a high of 92.5241 on 5 June 2015, with an average of 82.3181 from the Date of IPO to Latest Practicable Date. We note that during the same period, the NAV has increased from JPY30,267.0 million (as of 30 June 2013) to JPY63,989.8 million (as of 30 June 2017) during the same period, representing an increase of 111.4%. Applying the respective foreign exchange rates, the NAV has increased from S\$387.1 million to S\$783.9 million, representing an increase of 102.5%. In this respect, we note that the NAV in SGD terms has underperformed the NAV in JPY terms during this period.

As such, the NAV of the Units in SGD terms, the distribution per unit and consequently the market price of the Units will be subject to foreign exchange fluctuation between SGD and JPY.

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6.7.6 Alternative Offer

Unitholders should note that as at the Latest Practicable Date, there is no publicly available evidence of any alternative offer for the Units.

6.7.7 Outlook

We note the following excerpts from CRT's FY2017 results presentation: "*Core consumer prices for the month of June 2017 increased 0.4% y-o-y due to cautious market sentiments. To mitigate its foreign currency exposure, CRT has hedged almost 100% of its expected distributable income up to June 2019 as it receives its distributable income in JPY and pays out distributions in SGD.*"

In the previous quarter, CRT took up a 4-year term loan facility of JPY3.0 billion at a fixed interest rate of 1.65667% per annum. The Trustee-Manager intends to use the proceeds to fund the capital expenditure for asset enhancement initiatives as well as other general and working capital purposes.

The Trustee-Manager has entered into a lease reservation agreement to commit a well-established supermarket chain to the proposed new building plans at Torius, which takes into account design specifications that cater to the tenant's requirements. The potential new building is estimated to increase the property's total net lettable area by about 1,800 sq m. It is expected that construction of the new building is to commence in the financial year ending 30 June 2018.

In respect of its tenant replacement exercises, CRT has replaced its anchor tenant Sumitomo Mitsui Trust Bank with Taito Station, a leading gaming arcade in Japan, at Croesus Tachikawa. Taito Station has commenced its lease in May 2017 and started operations on 28 July 2017. At Mallage Shobu, H&M has taken up retail space of approximately 1,500 square metres on the ground floor of the shopping mall as an anchor tenant and is expected to start operations by the end of August 2017. At Feeeal Asahikawa, the Trustee-Manager remains focused on its tenant replacement initiative to replace the current tenants with tenants with potentially better performances. Moving forward, the Trustee-Manager will continue its efforts in monitoring and reviewing of its tenants' performance to ensure optimal performance from CRT's existing portfolio.

CRT received a request from Aeon Town for a rental review of both its leases at Aeon Town Moriya and Aeon Town Suzuka. Under a standard lease in Japan, tenants are allowed to request for a rental revision should there be a change in conditions that justify a revision. At the present time, the Trustee-Manager does not have sufficient information to consider the request. The Trustee-Manager will make further announcements on SGXNet as appropriate.

CRT has approximately 46.7% of its total debt maturing in May 2018. Considering the low interest rate environment in Japan, the refinancing of the debt is expected to be at a better rate."

6.7.8 Restrictions following lapse of Scheme

Pursuant to Rule 33.1 of the Code, in the event that the Scheme does not become effective and binding in accordance with its terms, is withdrawn or lapses, neither the Offeror, any persons who acted in concert with it in the course of the Scheme nor any

APPENDIX A - LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE SCHEME

person who is subsequently acting in concert with any of them may within 12 months from the date on which the Scheme is withdrawn or lapses: (i) announce an offer or possible offer for CRT; or (ii) acquire any voting rights of CRT if the Offeror or any persons acting in concert with it would thereby become obliged under Rule 14 of the Code to make an offer.

6.7.9 Conditions Precedent

We note that the Scheme is conditional upon the satisfaction (or where applicable, the waiver), of the conditions listed in **Appendix H** to the Scheme Document. We wish to highlight to Unitholders that should any of these conditions not be met (or where applicable, waived), the Scheme might not proceed notwithstanding that the Scheme has been approved by Unitholders at the Scheme Meeting.

6.7.10 Permitted Distributions

We note from **Appendix J** to the Scheme Document that the Trustee-Manager will not, will procure that each CRT Group Entity will not and will use reasonable endeavours to procure that each CRT Associate Entity will not, without the prior written consent of the Offeror, declare, make and pay any distributions to Unitholders out of the distributable income of CRT for the calendar year 2017, except as follows:

- (a) if the Effective Date falls on or before 31 October 2017, up to S\$31,332,340 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 S\$31,332,340 for the period from 1 January 2017 to 31 October 2017; and (II) up to 90 per cent. of CRT's distributable income for the period from 1 November 2017 to the Effective Date.

On 18 August 2017, the Trustee-Manager announced a distribution of 4.06 Singapore cents per Unit for the period from 1 January 2017 to 30 June 2017 and the books closure date will be on 28 August 2017. Unitholders who sell their Units on or after the ex-distribution date will still be entitled to this distribution. Unitholders should refer to the announcement by CRT on the ex-distribution date.

7. OUR RECOMMENDATION

In arriving at our recommendation, we have reviewed and evaluated all the factors which we deem to have significant relevance in respect of our assessment of the Scheme, including the following:

- (a) The Acquisition is by way of a Scheme, under which if effected, each Unitholder will be entitled to receive the Scheme Consideration of S\$1.17 per Unit;
- (b) Upon the Scheme becoming effective, CRT will be wholly-owned by the Offeror and will, subject to the approval of SGX-ST, be delisted and removed from the Official List of the SGX-ST;
- (c) Over the period from Date of IPO to Last Full Trading Day, the Units had consistently traded below the Scheme Consideration;
- (d) The Scheme Consideration represents a premium of 25.8% to the IPO price of \$0.93;

APPENDIX A - LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE SCHEME

- (e) Over the period from the Last Full Trading Day to the Joint Announcement Date, the Units had consistently traded below the Scheme Consideration;
- (f) The Units traded above S\$1.17 between the Joint Announcement Date and the Latest Practicable Date but this is most likely attributable to expectation of the Permitted Distributions which CRT is entitled to pay without any adjustments to the Scheme Consideration;
- (g) As at the Latest Practicable Date, the closing price of the Units was at a premium of 2.1% to the Scheme Consideration;
- (h) The Units have adequate liquidity and broker research coverage. The historical Unit Prices provide a reasonable basis against which to compare the Scheme Consideration;
- (i) We note that the Units have traded within a VWAP band of S\$0.837 to S\$0.940 over the period from Date of IPO up to and including the Last Full Trading Day. We also note that the Scheme Consideration represents a premium of between 24.5% to 37.7% over the various VWAPs in the most recent 12 months prior to and including the Last Full Trading Day. The Scheme Consideration is at a 20.6% premium to the highest price of the Units since the Date of IPO;
- (j) We note that the Units have generally underperformed the FSSTI and FSSREIT between the Date of IPO and Last Full Trading Day, generally traded in line with FSSTI and FSSREIT between the Last Full Trading Day and the Joint Announcement Date, and that between the Joint Announcement Date and the Latest Practicable Date, the Units has generally traded upwards and have closed slightly above the Scheme Consideration as at the Latest Practicable Date. Following the release of the Initial Holding Announcement, the Units have significantly outperformed the FSSTI and FSSREIT. Based on the foregoing, we conclude that it is likely that the market price of the Units as at the Latest Practicable Date is supported by the Scheme;
- (k) The Scheme Consideration represents a premium of 15.2% and 19.9% to the latest NAV per unit and Adjusted NAV per Unit respectively as of 30 June 2017;
- (l) The P/NAV of 1.15x implied by the Scheme Consideration is generally higher than the historical P/NAV and higher than the average historical P/NAV of 0.95x from the Date of IPO prior to the Last Full Trading Day;
- (m) We note that the P/NAV implied by the Scheme Consideration of 1.15x is above the mean and median of the P/NAV of the Foreign Retail Trusts, and the LTM Yield as implied by the Scheme Consideration of 6.55% is lower than the mean and median of the Foreign Retail Trusts, implying that the Scheme Consideration values CRT more favourably than the Foreign Retail Trusts;
- (n) We note that the P/NAV implied by the Scheme Consideration of 1.15x is above the mean and median of the P/NAV of the Comparable Trusts, and the LTM Yield as implied by the Scheme Consideration of 6.55% is higher than the mean and median of the Comparable Trusts;

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- (o) We note that the acquisition premium to NAV implied by the Scheme Consideration of 15.2% is higher than the average and median of Selected Property Precedent Transactions (2.1% and 1.2% respectively) and higher than the average and median of Selected Precedent Singapore Property Take-overs (discount to NAV of 20.3% and 12.1% respectively);
- (p) We note the market price premium implied by the Scheme Consideration is in line with the corresponding mean and median Precedent Singapore Takeovers for the premia to last transacted price (23.1% to 27.5%);
- (q) We note the market price premia implied by the Scheme Consideration are below the corresponding mean and median Precedent Singapore Takeovers for the premia to 1-month and 3-month VWAPs;
- (r) We note that the Scheme Consideration is at 21.2% premium to the average target price and 18.2% premium to the highest target price;
- (s) As at the Latest Practicable Date, there is no publicly available evidence of any alternative offer for the Units; and
- (t) On 18 August 2017, the Trustee-Manager announced a distribution of 4.06 Singapore cents per Unit for the period from 1 January 2017 to 30 June 2017.

Based upon and subject to the foregoing, we are of the opinion that, as at the Latest Practicable Date the terms of the Scheme from a financial point of view are FAIR AND REASONABLE so far as the Unitholders are concerned. Accordingly, we advise the Independent Directors to recommend that the Unitholders VOTE IN FAVOUR of the Scheme at the Scheme Meeting or sell their Units in the open market if they are able to obtain a price higher than the Scheme Consideration (taking into account the Permitted Distributions and after netting off the related transaction expenses).

We wish to emphasise that we have been appointed to render our opinion as of the Latest Practicable Date. Our terms of reference do not require us to express, and we do not express, an opinion on the future growth prospects of CRT. This letter is addressed to the Independent Directors for their benefit in connection with and for the purpose of their consideration of the Scheme, and should not be relied on for any other purpose. Nothing herein shall confer or be deemed or is intended to confer any right or benefit to any third party and the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore shall not apply. The recommendations made by the Independent Directors to the Unitholders in relation to, respectively, the Scheme, remain the responsibility of the Independent Directors.

This letter is governed by, and construed in accordance with the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter. This letter will be incorporated as an Appendix to the Scheme Document. No other person may use, reproduce, disseminate or quote this letter (or any part thereof) for any other purpose, other than for the purpose stated herein, at any time and in any manner except with CIMB's prior written consent in each specific case. For avoidance of doubt, no prior consent is needed if it is done in relation to the Scheme.

APPENDIX A - LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE SCHEME

In rendering the above advice, we have not had regard to the specific investment objectives, financial situation, tax position or particular needs and constraints of any individual Unitholder. As each Unitholder would have different investment objectives and profiles, we would advise that any individual Unitholder who may require specific advice in relation to his investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Our opinion is only based on a financial analysis and does not incorporate any assessment of commercial, legal, tax, regulatory or other matters, including but not limited to: (i) the rationale highlighted in the Scheme Document; and (ii) the potential impact of the success or failure of the Scheme on the CRT Group. Our opinion also does not incorporate an assessment of the price at which Units may trade following the success or failure of the Scheme. Such factors (including the aforesaid illustrations) are beyond the ambit of our review and do not fall within our terms of reference in connection with the Scheme.

If the Independent Directors make a recommendation to the Unitholders to vote in favour of the Scheme, the Independent Directors may also wish to consider highlighting that the Scheme will become effective only if all conditions precedent set out in the Implementation Agreement and the requisite approvals set out in the Implementation Agreement and the Scheme Document are obtained.

Yours faithfully

For and on behalf of

CIMB BANK BERHAD, SINGAPORE BRANCH

MAH KAH LOON
MANAGING DIRECTOR AND HEAD
CORPORATE AND INVESTMENT BANKING

ERIC WONG
DIRECTOR
INVESTMENT BANKING

APPENDIX B - LETTER FROM THE OFFEROR TO UNITHOLDERS

Cyrus BidCo Pte. Ltd.

(Company Registration No: 201713609C)

(Incorporated in Singapore)

22 August 2017

To:

Unitholders of Croesus Retail Trust

Dear Sir/Madam

PROPOSED ACQUISITION BY CYRUS BIDCO PTE. LTD. OF ALL THE ISSUED UNITS IN CROESUS RETAIL TRUST BY WAY OF A TRUST SCHEME

1. INTRODUCTION

- 1.1 The Acquisition and the Scheme.** On 28 June 2017 (the “**Joint Announcement Date**”), Cyrus BidCo Pte. Ltd. (the “**Offeror**”), a company incorporated in Singapore by funds managed or advised by affiliates of The Blackstone Group L.P. (collectively, the “**Blackstone Group**”), and Croesus Retail Asset Management Pte. Ltd. (the “**Trustee-Manager**”, and together with the Offeror, the “**Parties**”, and each, a “**Party**”), as trustee-manager of Croesus Retail Trust (“**CRT**”), made a joint announcement (the “**Joint Announcement**”) in relation to the proposed acquisition (the “**Acquisition**”) of all the issued units in CRT (the “**Units**”) by the Offeror by way of a trust scheme (the “**Scheme**”) in compliance with the Singapore Code on Take-overs and Mergers (the “**Code**”).
- 1.2 Implementation Agreement.** In connection with the Acquisition, the Trustee-Manager and the Offeror have on the Joint Announcement Date entered into an implementation agreement (the “**Implementation Agreement**”) setting out the terms and conditions on which the Trustee-Manager and the Offeror will implement the Scheme.
- 1.3 Amendment of Trust Deed.** In connection with the implementation of the Scheme, the Trustee-Manager proposes to enter into a supplemental trust deed (the “**Supplemental Trust Deed**”) to amend the existing trust deed dated 7 May 2012 constituting CRT (as amended and supplemented by the amending and restating deeds dated 29 June 2012, 7 November 2012, 24 April 2013, 30 April 2013 and 27 October 2016) (the “**Trust Deed**”) to include provisions to facilitate the implementation of the Scheme as set out in **Appendix D** to the Scheme Document (as defined below) (the “**Trust Deed Amendment**”).
- 1.4 Scheme Document.** This letter from the Offeror (the “**Letter**”) to the unitholders of CRT (the “**Unitholders**”) should be read and construed together with, and in the context of, the scheme document dated 22 August 2017 (the “**Scheme Document**”) issued by the Trustee-Manager on behalf of CRT to the Unitholders containing details of the Scheme. Unless otherwise stated, terms used but not defined in this Letter shall have the same meanings as defined in the Scheme Document.

If you are in doubt about this Letter or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

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2. THE ACQUISITION

2.1 The Scheme. The Scheme will be effected in accordance with the Code and the Trust Deed (as supplemented by the Supplemental Trust Deed), subject to the terms and conditions of the Implementation Agreement. Under the Scheme:

2.1.1 all the Units held by the Unitholders, as at a books closure date to be announced (before the Effective Date) by the Trustee-Manager on which the Transfer Books and the Register of Unitholders of CRT will be closed in order to determine the entitlements of the Unitholders in respect of the Scheme (the "**Books Closure Date**"), will be transferred to the Offeror:

- (i) fully paid;
- (ii) free from all charges, mortgages, liens, hypothecations, judgments, encumbrances, easements, securities, title retentions, preferential rights, trust arrangements, pledges, rights of pre-emption or other rights or interests conferring similar rights in favour of a third party; and
- (iii) together with all rights, benefits and entitlements attaching thereto as at the date of the Implementation Agreement and thereafter attaching thereto (including the right to receive and retain all rights and distributions (if any) declared, paid or made by the Trustee-Manager on or after the date of the Implementation Agreement), except for the Permitted Distributions. For the avoidance of doubt, the Trustee-Manager shall be entitled to announce, declare, make or pay the Permitted Distributions and the Unitholders shall have the right to receive and retain the Permitted Distributions; and

2.1.2 in consideration for such transfer of the Units, the Offeror will pay each Unitholder as at the Books Closure Date S\$1.17 in cash for each Unit transferred (the "**Scheme Consideration**") upon the Scheme becoming effective in accordance with its terms. For the avoidance of doubt:

- (i) the Offeror is not entitled to receive any Permitted Distributions and the Scheme Consideration will not be reduced by the Permitted Distributions;
- (ii) the Scheme Consideration shall not be reduced by the transaction expenses referred to in **Paragraph 2.2** of this Letter which are incurred by the Trustee-Manager and up to a limit of US\$9,000,000 in aggregate (the "**Transaction Expenses Cap**"); and
- (iii) in the event any distribution in excess of the Permitted Distributions is declared, paid or made by the Trustee-Manager on or after the date of the Implementation Agreement, the Offeror reserves the right to reduce the Scheme Consideration by the amount of such excess.

2.2 Transaction Expenses. Unless otherwise agreed between the Parties, each Party to the Implementation Agreement shall bear its own expenses incurred in relation to the Acquisition and the Scheme.

APPENDIX B - LETTER FROM THE OFFEROR TO UNITHOLDERS

- 2.3 Scheme Conditions.** The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of the conditions precedent (the “**Scheme Conditions**”) by 31 December 2017 (or such other date as the Parties may agree in writing) (the “**Long Stop Date**”). Additional information on the Scheme Conditions is set out in Paragraph 4 of the **Letter to Unitholders** in the Scheme Document. The Scheme Conditions are reproduced in **Appendix H** to the Scheme Document. As at the Latest Practicable Date, save for the Scheme Conditions set out in Paragraphs 4(i), 4(ii), 4(iii) and 4(iv) of **Appendix H** to the Scheme Document which have been satisfied (or, where applicable, waived), the Scheme is conditional upon the satisfaction (or, where applicable, waiver) of the remaining Scheme Conditions as set out in **Appendix H** to the Scheme Document by the Long Stop Date.
- 2.4 Switch Option — Competing Offer.** Pursuant to the terms of the Implementation Agreement, subject to prior consultation with the Securities Industry Council (“**SIC**”), in the event of a Competing Offer, the Offeror shall have the right at its discretion to elect to proceed with the Acquisition by way of a general cash offer made for or on behalf of the Offeror to acquire all the Units on the terms and subject to the conditions which will be set out in the offer document issued for or on behalf of the Offeror (“**Offer**”) (in lieu of proceeding by way of the Scheme) (the “**Switch Option**”). If the Offeror exercises such Switch Option, it will make the Offer on the same or better terms as those which apply to the Scheme, including at a consideration per Unit at least equal to the Scheme Consideration, and conditional upon a level of acceptances set at no higher than the level of acceptances upon which the Competing Offer is conditional. In such event, the Parties have agreed that the Implementation Agreement shall terminate with effect from the date of announcement of the Offer (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law), and neither the Trustee-Manager nor the Offeror shall have any claim against the other under the Implementation Agreement. For the avoidance of doubt, if the Offer made by the Offeror pursuant to the exercise of the Switch Option becomes or is declared unconditional in all respects or becomes effective, **Paragraphs 2.1.2(ii) and 2.2** of this Letter shall apply *mutatis mutandis* to such Offer to the effect that the consideration per Unit under the Offer shall not be reduced by the transaction expenses incurred by the Trustee-Manager in relation to the Acquisition, the Scheme and the Offer up to the Transaction Expenses Cap.
- 2.5 Switch Option — Scheme Court Order.** In the event the Court does not or will not grant the Scheme Court Order as set out in Paragraph 9.1.3 of the **Letter to Unitholders** in the Scheme Document, for reasons other than that the Scheme is, in substance, not a reasonable one, subject to prior consultation with the SIC, the Offeror shall have the right at its discretion to exercise the Switch Option. In such event, the Offeror will make the Offer on the same or better terms as those which apply to the Scheme, save that the Offer shall be conditional upon a level of acceptances set at 90 per cent. of the Units to which the Offer relates, with the reservation of the right of the Offeror to reduce the 90 per cent. acceptance condition to a lower level of acceptances as the Offeror may decide and as may be approved by the SIC. If the Offeror exercises such Switch Option, the Parties have agreed that the Implementation Agreement shall terminate with effect from the date of announcement of the Offer (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law), and neither the Trustee-Manager nor the Offeror shall have any claim against the other under the Implementation Agreement. For the avoidance of doubt, if the Offer made by the Offeror pursuant to its exercise of such Switch Option becomes or is declared unconditional in all respects or becomes effective, **Paragraphs 2.1.2(ii) and 2.2** of this Letter shall apply *mutatis mutandis* to such Offer to the effect that the consideration per Unit under the Offer shall not be reduced by the transaction expenses incurred by the Trustee-Manager in relation to the Acquisition, the Scheme and the Offer up to the Transaction Expenses Cap.

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2.6 Effect of Termination. In the event of termination of the Implementation Agreement by either Party pursuant to the terms of the Implementation Agreement:

2.6.1 the Implementation Agreement shall cease to have any further force or effect (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law); and

2.6.2 neither Party shall have any further liability or obligation to the other Party (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law); but

2.6.3 such termination shall not prejudice the rights of either Party which have accrued or arisen prior to such termination.

In the event of (i) a material breach or non-compliance by the Trustee-Manager of any of its obligations under Paragraph 13 of **Appendix J** to the Scheme Document, and/or (ii) in the event a Competing Offer becomes or is declared unconditional in all respects or becomes effective, the Trustee-Manager shall fully compensate the Offeror for all the costs and expenses incurred by or on behalf of the Offeror in connection with the Acquisition and/or the Scheme (including the fees and disbursements invoiced by its counsel, auditors and advisers engaged by or on behalf of the Offeror in connection with the Acquisition and/or the Scheme), subject to a maximum amount of 0.75 per cent. of the aggregate Scheme Consideration (the "**Break Fee**").

Please refer to Paragraph 5 of the **Letter to Unitholders** in the Scheme Document for additional details on the termination rights and the Break Fee under the Implementation Agreement.

3. DELISTING

Upon the Scheme becoming effective in accordance with its terms, CRT will be wholly-owned by the Offeror and will, subject to the approval of the SGX-ST, be delisted and removed from the Official List of the SGX-ST.

An application was made to seek approval from the SGX-ST to delist and remove CRT from the Official List of the SGX-ST upon the Scheme becoming effective in accordance with its terms. The SGX-ST has on 16 August 2017 advised that it has no objection to the Trustee-Manager's application to delist and remove CRT from the Official List of the SGX-ST, subject to:

- (i) compliance with the SGX-ST's listing requirements;
- (ii) approval of the Scheme by a majority in number of Unitholders present and voting, either in person or by proxy, at the Scheme Meeting, such majority holding not less than three-fourths in value of the Units voted at the Scheme Meeting; and
- (iii) the approval of the High Court of the Republic of Singapore being obtained for the Scheme.

The above decision of the SGX-ST is not to be taken as an indication of the merits of the Scheme, the delisting and removal of CRT from the Official List of the SGX-ST, CRT, the Trustee-Manager, its subsidiaries and/or their securities.

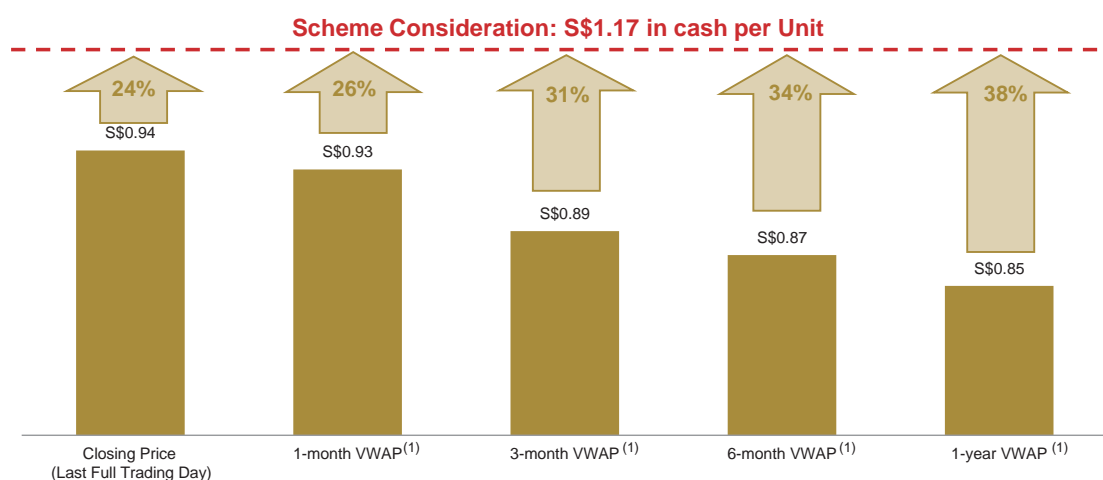
APPENDIX B - LETTER FROM THE OFFEROR TO UNITHOLDERS

4. RATIONALE FOR THE ACQUISITION AND OFFEROR'S CURRENT INTENTIONS FOR CRT

4.1 Opportunity for Unitholders to Realise their Investment in Cash at an Attractive Valuation and a Compelling Price without incurring Brokerage Fees

The Scheme Consideration represents an attractive premium to the prevailing and historical trading prices of the Units prior to 26 April 2017, the date of the Initial Holding Announcement (the "Initial Holding Announcement Date").

The Scheme Consideration represents a premium of approximately 24% over the last traded price of S\$0.940 per Unit on 25 April 2017, being the last trading day immediately prior to the Initial Holding Announcement Date ("Last Full Trading Day") and premium of approximately 26%, 31%, 34%, 38%, over the VWAP of the Units over the 1-, 3-, 6- and 12-month periods respectively up to and including the Last Full Trading Day.



Source: Bloomberg L.P.

- (1) The respective VWAPs are with reference to the relevant periods up to and including the Last Full Trading Day.

The Scheme Consideration exceeds the highest closing price of the Units, being S\$1.09 per Unit in May 2013, since CRT was listed on the Main Board of the SGX-ST.



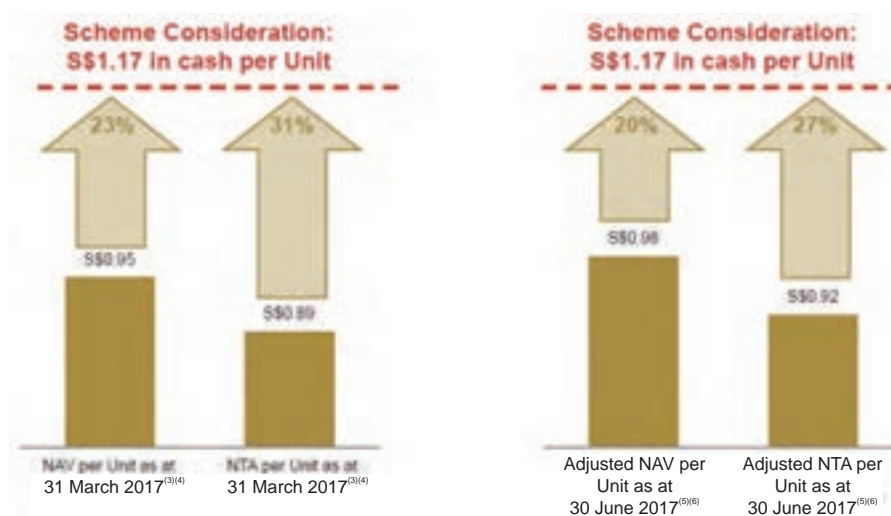
Source: Bloomberg L.P.

- (2) 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.

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The valuation implied by Scheme Consideration exceeds the latest available market value of the properties of the CRT Group.

The Scheme Consideration represents a premium of approximately 23% and 31% above the net asset value (“NAV”) per Unit and net tangible asset (“NTA”) per Unit as at 31 March 2017 respectively. The NAV and NTA take into account the market value of the properties of the CRT Group as at 30 June 2016. In addition, the Scheme Consideration represents a premium of approximately 20% and 27% above the adjusted NAV (“Adjusted NAV”) per Unit and adjusted NTA (“Adjusted NTA”) per Unit as at 30 June 2017 respectively.⁽⁵⁾⁽⁶⁾ The Adjusted NAV and Adjusted NTA take into account the market value of the properties of the CRT Group as at 30 June 2017.



Source: Company filings

Source: Company filings

- (3) As at 31 March 2017, the NAV and NTA of CRT was JPY58,839 million and JPY54,833 million respectively. The NAV per Unit and NTA per Unit were calculated based on the number of Units issued, being 769,732,510 Units. 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.
- (4) Based on an exchange rate of SGD1.00 = JPY80.21 extracted from Bloomberg L.P. as at 5.00 p.m. on 23 June 2017.
- (5) As at 30 June 2017, the NAV and NTA of CRT was JPY63,990 million and JPY59,984 million respectively. The NAV per Unit and NTA per Unit as at 30 June 2017 were calculated based on the number of Units issued and to be issued as at 30 June 2017, being 771,552,510 Units. NTA excludes intangible assets pertaining to the goodwill arising from the acquisition of all the issued shares of the Trustee-Manager on 31 August 2016 of JPY4,006 million. The Adjusted NAV and Adjusted NTA have been adjusted for the declared distribution of 4.06 Singapore cents per Unit in respect of the period between 1 January 2017 and 30 June 2017.
- (6) Based on an exchange rate of SGD1.00 = JPY81.39, as at 30 June 2017.

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The Scheme Consideration exceeds price targets of all analysts covering CRT.⁽⁷⁾



Source: Broker Research

(7) As published on Bloomberg L.P. after the Initial Holding Announcement.

Unitholders may also receive distributions without a reduction in the Scheme Consideration.

In addition, assuming the Effective Date falls on or before 31 October 2017, 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 as the Trustee-Manager is permitted under the Implementation Agreement to declare such distributions to Unitholders.⁽⁸⁾ On 18 August 2017, the Trustee-Manager announced a distribution of 4.06 Singapore cents per Unit for the period of 1 January 2017 to 30 June 2017. The books closure date for this distribution is 28 August 2017. For the avoidance of doubt, the Scheme Consideration will not be reduced by the Permitted Distributions.⁽⁹⁾

(8) For the period from 1 January 2017 to the earlier of (i) the Effective Date, and (ii) 31 October 2017. If the Effective Date occurs after 31 October 2017, Unitholders may receive up to an additional 90% of CRT's distributable income for the period from 1 November 2017 to the Effective Date.

(9) The Permitted Distribution comprises: (i) 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 (ii) if the Effective Date falls after 31 October 2017, (a) up to an aggregate of approximately \$S\$31.3 million and (b) 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.

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4.2 Opportunity for Unitholders to Exit their Investment in CRT

The historical trading liquidity of the Units on the SGX-ST has been low. The average daily trading volume of the Units over the last 1-month, 3-month, 6-month and 12-month periods up to and including the Last Full Trading Day are detailed in the table below.

	Average daily trading volume ⁽¹⁰⁾	Average daily trading volume as a percentage of total issued Units ⁽¹¹⁾⁽¹²⁾
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%

(10) Calculated using the total volume of Units traded divided by the number of days on which CRT was traded on the SGX-ST.

(11) Calculated using the daily total volume of Units traded divided by the total number of issued Units.

(12) Rounded to the nearest two (2) decimal places.

4.3 Offeror's intentions for CRT

The Offeror intends to undertake the Scheme with a view to delisting and privatising CRT. The Offeror is of the view that the delisting and privatisation of CRT will provide the Offeror and CRT with greater control and management flexibility in the implementation of any strategic initiatives and/or operational changes of the CRT Group, as well as dispense with compliance costs associated with the maintenance of its listed status.

Subsequent to the Effective Date and depending on the outcome of the Scheme, the Offeror intends to undertake a review of CRT's businesses and operations as well as evaluate strategic options. Save as disclosed and other than in the ordinary course of business, the Offeror presently has no plans to (i) introduce any major changes to the business of the CRT, (ii) re-deploy the fixed assets of the CRT, or (iii) discontinue the employment of the employees of the CRT Group. However, the Offeror retains the flexibility at any time to further consider any options or opportunities in relation to the CRT Group which may present themselves or which the Offeror may regard to be in the interests of the Offeror and the CRT Group.

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5. INFORMATION RELATING TO CRT AND THE TRUSTEE-MANAGER

5.1 CRT. CRT is a business trust constituted under the Trust Deed on 7 May 2012 and registered under the Business Trusts Act, Chapter 31A of Singapore on 2 May 2013. Listed on the Mainboard of the SGX-ST on 10 May 2013, CRT is an Asia-Pacific retail business trust focused on investing in a diversified portfolio of predominantly retail real estate assets located in Japan and the Asia-Pacific region.

As at 17 August 2017 (the "**Latest Practicable Date**"), CRT has 769,732,510 Units in issue.

5.2 The Trustee-Manager. The Trustee-Manager was incorporated in Singapore on 1 March 2012. CRT is managed by the Trustee-Manager, whose key objective is to deliver a competitive return on investment to the Unitholders through regular and growing distributions and long-term capital value growth of CRT's portfolio of assets.

As at the Latest Practicable Date, the Trustee-Manager has an issued and paid-up share capital of S\$100,000 comprising 100,000 ordinary shares in issue and no treasury shares. All of the issued shares of the Trustee-Manager are held by Perpetual (Asia) Limited (as trustee of the Trustee-Manager Share Trust) for the benefit of the Unitholders in proportion to their unitholding interest in CRT.

The board of directors of the Trustee-Manager comprises the following:

5.2.1 Mr Lim Teck Leong David (Chairman and Independent Director);

5.2.2 Mr Jim Chang Cheng-Wen (Executive Director and Chief Executive Officer);

5.2.3 Mr Eng Meng Leong (Independent Director);

5.2.4 Mr Quah Ban Huat (Independent Director); and

5.2.5 Mr Yong Chao Hsien Jeremy (Executive Director and Managing Director).

5.3 Material Changes in the Financial Position of CRT. Save for the information of CRT which is publicly available (including, without limitation, the unaudited consolidated financial statements of the CRT Group for the financial year ended 30 June 2017 and announcements which are released by the Trustee-Manager, on behalf of CRT, on the SGXNET) and save as disclosed in the Scheme Document, there has not been, to the knowledge of the Offeror, any material change in the financial position or prospects of CRT since 30 June 2016, being the date of the last balance sheet laid before the Unitholders in a general meeting.

5.4 Transfer Restrictions. The Trust Deed does not and the Supplemental Trust Deed will not contain any restrictions on the right to transfer the Units in connection with the Acquisition or the Scheme, which has the effect of requiring holders of the Units, before transferring them, to offer the Units for purchase to other Unitholders or to any person.

APPENDIX B - LETTER FROM THE OFFEROR TO UNITHOLDERS

6. INFORMATION RELATING TO THE BLACKSTONE GROUP AND THE OFFEROR

6.1 The Blackstone Group. The Blackstone Group is one of the largest institutional real estate investors in the world. With offices in the United States of America, Europe and Asia, as of 31 December 2016, the Blackstone Group manages US\$102 billion of equity for real estate investments. Since 2004, the Blackstone Group has completed over 20 public company real estate acquisitions with a combined transaction value in excess of US\$110 billion (including Hilton Hotels, Equity Office Properties Trust, Trizec Properties, Spirit Group, CarrAmerica Realty, CenterParcs UK, MeriStar Hospitality, La Quinta, Wyndham International, NHP PLC, Boca Resorts, Prime Hospitality, Extended Stay America, Savoy Hotels, Valad Property Group, Tysan Holdings Ltd., Japan Residential Investment Company, Strategic Hotels & Resorts and BioMed Realty Trust). The Blackstone Group is also one of the largest retail owners in the world, with investments in 563 properties globally and 15 properties totaling 6.5 million square feet in Asia (as of 30 September 2016). The Blackstone Group also has significant experience in executing transactions and has completed acquisitions with an aggregate value of over US\$3 billion in Japan (as of 31 December 2016).

6.2 Directors of the Offeror. The names, addresses and descriptions of the directors of the Offeror as at the Latest Practicable Date are as follows:

Name	Address	Designation
Alan Kekoa Miyasaki	c/o 77 Robinson Road, #13-00, Robinson 77, Singapore 068896	Director
Kimmo Benjam Tammela	c/o 77 Robinson Road, #13-00, Robinson 77, Singapore 068896	Director
Prashant Kanodia	c/o 77 Robinson Road, #13-00, Robinson 77, Singapore 068896	Director

6.3 Principal Activities of the Offeror. The Offeror is a newly-incorporated investment holding entity formed for the purpose of the Scheme and is controlled by the Blackstone Group. The Offeror is incorporated under the laws of Singapore and has not traded since incorporation, nor has it entered into any obligations, other than those incidental to its formation or in connection with the Scheme.

6.4 Share Capital. As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of US\$3.00 comprising three (3) ordinary shares, all of which are held by companies owned by the Blackstone Group as follows:

Name	Number of shares
BREP Asia Holdings (NQ) III Pte. Ltd. (“BREP Asia Holdings”)	1
BREP Asia Cyrus SBS Ltd (“BREP Asia Cyrus”)	1
BREP VIII Cyrus SBS Ltd (“BREP VIII Cyrus”)	1
Total	3

APPENDIX B - LETTER FROM THE OFFEROR TO UNITHOLDERS

The shareholdings of BREP Asia Holdings, BREP Asia Cyrus and BREP VIII Cyrus in the Offeror will be adjusted in connection with the completion of the Acquisition as follows:

6.4.1 over 98% of the issued ordinary shares in the Offeror will be held by BREP Asia Holdings; and

6.4.2 not more than 2% of the issued ordinary shares in the Offeror will be held by BREP Asia Cyrus and BREP VIII Cyrus.

6.5 Summary of Financial Information. As the Offeror is an investment holding company which has not traded since its incorporation, except to enter into certain arrangements in connection with the Acquisition and the Scheme, no audited or unaudited financial statements of the Offeror have been prepared since the date of its incorporation as at the Latest Practicable Date.

As no audited financial statements of the Offeror have been prepared to date, there are no significant accounting policies to be noted.

6.6 Material Changes in Financial Position. Save as a result of the financing of the Acquisition, as at the Latest Practicable Date, there has been no known material change in the financial position of the Offeror since the date of its incorporation.

7. NO SPECIAL ARRANGEMENTS

7.1 No Agreement having any Connection with or Dependence on the Scheme

Save for (i) the Implementation Agreement, (ii) foreign exchange hedging arrangements that have been entered into with financial institutions in connection with funding arrangements for the Scheme, and (iii) arrangements that may be entered into with financial institutions for the purposes of refinancing of the current financing arrangements of the CRT Group post-completion of the Acquisition, as at the Latest Practicable Date, there is no agreement, arrangement or understanding between (a) the Offeror or any party acting in concert with it, and (b) any of the current or recent directors of the Trustee-Manager or any of the current or recent Unitholders or any other person that has any connection with, or is dependent on or is conditional upon, the Scheme or its outcome.

7.2 Transfer of Units

As at the Latest Practicable Date, there is no agreement, arrangement or understanding whereby any of the Units acquired by the Offeror pursuant to the Scheme will be transferred to any other person.

7.3 No Payment or Benefit to Directors of the Trustee-Manager

As at the Latest Practicable Date, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of Trustee-Manager or of any of its related corporations (within the meaning of Section 6 of the Companies Act) as compensation for loss of office or otherwise in connection with the Scheme.

APPENDIX B - LETTER FROM THE OFFEROR TO UNITHOLDERS

8. DISCLOSURE OF INTERESTS

8.1 Holdings. As at the Latest Practicable Date, DBS Bank Ltd., the financial adviser to the Offeror (the “**Offeror Financial Advisor**”), directly holds 38,728,028 Units representing approximately 5.03 per cent. of the total issued Units for its own account.

8.2 As at the Latest Practicable Date,

8.2.1 save as disclosed in **Paragraph 8.1** of this Letter, none of the Offeror, its directors or parties acting in concert with it owns, controls or has agreed to acquire any (i) Units; (ii) securities which carry voting rights in CRT; or (iii) convertible securities, warrants, options or derivatives in respect of such Units or securities which carry voting rights in CRT (collectively, the “**CRT Securities**”);

8.2.2 none of the Offeror, its directors or parties acting in concert with it has dealt for value in any CRT Securities during the period commencing three (3) months prior to the Initial Holding Announcement Date and ending on the Latest Practicable Date;

8.2.3 none of the Offeror, its directors or parties acting in concert with it has received any irrevocable undertaking from any party to vote in favour of the Scheme;

8.2.4 none of the Offeror, its directors or parties acting in concert with it has entered into any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to the CRT Securities which may be an inducement to deal or refrain from dealing in the CRT Securities; and

8.2.5 none of the Offeror, its directors or parties acting in concert with it has, in respect of any CRT Securities, (i) granted any security interest over any CRT Securities to another person, whether through a charge, pledge or otherwise; (ii) borrowed from another person any CRT Securities (excluding borrowed CRT Securities which have been on-lent or sold); or (iii) lent to another person any CRT Securities.

All references to “**derivative**” shall mean any financial product whose value in whole or in part is determined, directly or indirectly, by reference to the price of an underlying security or securities which causes the holder to have a long economic exposure to the underlying securities.

8.3 Save as disclosed in the Scheme Document and save for information relating to the Offeror, the Acquisition and the Scheme that is publicly available, there has been no material change in any information previously published by or on behalf of the Offeror during the period commencing from the Joint Announcement Date and ending on the Latest Practicable Date.

9. CONFIRMATION OF FINANCIAL RESOURCES

The Offeror Financial Adviser confirms that the Offeror has sufficient financial resources to acquire, and satisfy in full the aggregate Scheme Consideration payable by the Offeror for, all the Units to be acquired by the Offeror pursuant to the Scheme.

APPENDIX B - LETTER FROM THE OFFEROR TO UNITHOLDERS

10. CONSENT

DBS Bank Ltd. has given and has not withdrawn its written consent to the issue of this Letter with the inclusion herein of its name and all references to its name in the form and context in which it appears in this Letter.

11. MARKET QUOTATIONS

11.1 Transacted Prices

The highest, lowest (on the daily closing prices for the monthly market data) and last closing prices and transacted volume of the Units on the SGX-ST on a monthly basis from 26 October 2016 (being six (6) calendar months preceding the Initial Holding Announcement Date) to the Latest Practicable Date, as reported by Bloomberg L.P., are set out below:

Monthly Trades	Highest Closing Price (\$)	Lowest Closing Price (\$)	Last Closing Price (\$)	Transacted Volume of the Units
July 2017	1.195	1.180	1.190	47,620,475
June 2017	1.185	1.005	1.180	118,679,700
May 2017	1.035	0.970	1.015	46,763,000
April 2017	1.005	0.900	0.975	39,600,800
March 2017	0.910	0.855	0.890	33,844,567
February 2017	0.885	0.835	0.850	33,488,000
January 2017	0.860	0.840	0.855	20,735,500
December 2016	0.865	0.835	0.835	16,846,500
November 2016	0.865	0.820	0.840	25,175,700
October 2016	0.860	0.845	0.860	15,689,088

11.2 Highest and Lowest Prices

During the period commencing six (6) months prior to the Initial Holding Announcement Date and ending on the Latest Practicable Date, the highest closing price was S\$1.195 per Unit, transacted on 19 July 2017, 21 July 2017, 10 August 2017, 11 August 2017, 14 August 2017 and 17 August 2017 respectively, and the lowest closing price was S\$0.820 per Unit, transacted on 22 November 2016.

11.3 Closing Prices

The closing price on:

- (i) 25 April 2017, being the last full trading day immediately prior to the Initial Holding Announcement Date, was S\$0.940 per Unit; and
- (ii) the Latest Practicable Date, was S\$1.195 per Unit.

APPENDIX B - LETTER FROM THE OFFEROR TO UNITHOLDERS

12. DOCUMENTS FOR INSPECTION

A copy of the following documents will be made available for inspection during normal business hours at the registered office of the Trustee-Manager from the date of the Scheme Document up until the Effective Date:

12.1.1 the Implementation Agreement; and

12.1.2 the letter of consent referred to in **Paragraph 10** of this Letter above.

13. RESPONSIBILITY STATEMENT

The directors of the Offeror (including any who may have delegated detailed supervision of the preparation of this Letter and the pages preceding the “Contents” section of the Scheme Document (the “**Gatefold**”)) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Letter and the Gatefold (excluding the information in the section on “Important Dates and Times” on the cover page of the Gatefold, the independent financial adviser’s statement on the trading liquidity of the Units on page 5 of the Gatefold, the independent financial adviser’s recommendation on page 6 of the Gatefold and the Independent Directors’ recommendation on page 6 of the Gatefold, the information on the voting logistics for the Scheme Meeting on pages 7 to 10 of the Gatefold and 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 Letter and the Gatefold, and the directors of the Offeror 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 Trustee-Manager, the sole responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Letter and the Gatefold. The directors of the Offeror do not accept any responsibility for the information in the section on “Important Dates and Times” on the cover page of the Gatefold, the independent financial adviser’s statement on the trading liquidity of the Units on page 5 of the Gatefold, the independent financial adviser’s recommendation on page 6 of the Gatefold and the Independent Directors’ recommendation on page 6 of the Gatefold, the information on the voting logistics for the Scheme Meeting on pages 7 to 10 of the Gatefold and any information relating to CRT or the Trustee-Manager or any opinion expressed by the Trustee-Manager.

Yours faithfully
For and on behalf of
CYRUS BIDCO PTE. LTD.

Alan Kekoa Miyasaki
Director

APPENDIX C - GENERAL INFORMATION RELATING TO CRT

1. DIRECTORS

The names, addresses and designations of the Directors as at the Latest Practicable Date are as follows:

Name	Address	Designation
Mr Lim Teck Leong David	50 Raffles Place #25-03 Singapore Land Tower Singapore 048623	Chairman and Independent Director
Mr Jim Chang Cheng-Wen	50 Raffles Place #25-03 Singapore Land Tower Singapore 048623	Executive Director and Chief Executive Officer
Mr Eng Meng Leong	50 Raffles Place #25-03 Singapore Land Tower Singapore 048623	Independent Director
Mr Quah Ban Huat	50 Raffles Place #25-03 Singapore Land Tower Singapore 048623	Independent Director
Mr Yong Chao Hsien Jeremy	50 Raffles Place #25-03 Singapore Land Tower Singapore 048623	Executive Director and Managing Director

2. PRINCIPAL ACTIVITIES

CRT is a business trust constituted under the Trust Deed on 7 May 2012 and registered under the Business Trusts Act on 2 May 2013. Listed on the Main Board of the SGX-ST on 10 May 2013, CRT is an Asia-Pacific retail business trust focused on investing in a diversified portfolio of predominantly retail real estate assets located in Japan and the Asia-Pacific region.

The principal activity of CRT is owning income-producing real estate used primarily for retail purposes located in the Asia-Pacific region and real estate-related assets relating to the foregoing.

3. UNITS

3.1 Units

As at the Latest Practicable Date, CRT has 769,732,510 Units in issue. For the avoidance of doubt, the total number of Units may change after the Latest Practicable Date if new Units are issued to the Trustee-Manager as part payment of the management fees due to the Trustee-Manager every quarter.

3.2 Rights of the Unitholders in respect of Capital, Distributions and Voting

Selected texts of the Trust Deed relating to the rights of the Unitholders in respect of capital, distributions and voting have been extracted and reproduced in **Appendix E** to this Scheme Document.

APPENDIX C - GENERAL INFORMATION RELATING TO CRT

3.3 Convertible Instruments

As at the Latest Practicable Date, there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, Units or securities which carry voting rights affecting Units.

4. FINANCIAL INFORMATION

4.1 Financial Information of the CRT Group

Set out below is certain financial information extracted from the annual reports of CRT for FY2014, FY2015 and FY2016 and from the unaudited consolidated financial statements of the CRT Group for FY2017 respectively.

The financial information for FY2014, FY2015 and FY2016 should be read in conjunction with the audited consolidated financial statements of the CRT Group and the accompanying notes as set out in the annual reports of CRT for FY2014, FY2015 and FY2016 respectively and the financial information for FY2017 should be read in conjunction with the unaudited consolidated financial statements of the CRT Group and the accompanying notes as set out in the unaudited consolidated financial statements of the CRT Group for FY2017.

	Unaudited FY2017 JPY'000	Audited FY2016 JPY'000	Audited FY2015 JPY'000	Audited FY2014⁽¹⁾ JPY'000
Revenue	12,318,638	9,581,167	7,635,403	6,261,227
Exceptional items	—	—	—	—
Net profit before tax	9,382,735	7,786,391	9,666,407	6,343,341
Net profit after tax	8,082,002	5,946,575	7,579,092	4,792,539
Non-controlling interests	—	—	—	—
Net earnings per unit				
- Basic (JPY)	10.75	9.68	15.25 ⁽²⁾	11.22 ⁽²⁾
- Diluted (JPY)	10.75	9.68	15.25 ⁽²⁾	11.22 ⁽²⁾

APPENDIX C - GENERAL INFORMATION RELATING TO CRT

Set out below is also a summary of the distribution per Unit declared in respect of each of FY2014, FY2015 and FY2016 and FY2017. This information was extracted from the annual reports of CRT for FY2014, FY2015 and FY2016 and the unaudited consolidated financial statements of the CRT Group for FY2017.

Distribution per Unit	Interim and Final Tax Exempt Distribution (Singapore cents)
In respect of FY2017	7.66
In respect of FY2016	7.06
In respect of FY2015	8.08 ⁽²⁾
In respect of FY2014 ⁽¹⁾	8.98 ⁽²⁾

Notes:

- (1) FY2014 refers to the period from 10 May 2013 to 30 June 2014.
- (2) Figures have not been restated to reflect the effect of 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.

The audited consolidated balance sheet of the CRT Group as at 30 June 2016, being the latest published audited consolidated balance sheet of the CRT Group prior to the Latest Practicable Date, and the unaudited consolidated balance sheet of the CRT Group as at 30 June 2017, which is reproduced from the unaudited consolidated financial statements of the CRT Group for FY2017, are set out below.

The audited consolidated balance sheet of the CRT Group as at 30 June 2016 should be read in conjunction with the audited consolidated financial statements of the CRT Group and the accompanying notes as set out in the annual report of CRT for FY2016 and the unaudited consolidated balance sheet of the CRT Group as at 30 June 2017 should be read in conjunction with the unaudited consolidated financial statements of the CRT Group and the accompanying notes as set out in the unaudited consolidated financial statements of the CRT Group for FY2017.

	Unaudited FY2017 JPY'000	Audited FY2016 JPY'000
ASSETS		
Non-current assets		
Investment properties	117,540,000	112,640,000
Property, plant and equipment	37,137	—
Intangible assets	4,006,139	—
Trade and other receivables	477,825	437,341
Derivative financial instruments	870,049	—
Prepayments	467,189	593,270
Restricted cash	5,412,710	5,584,205
Deferred tax assets	8,174	13,601
Total non-current assets	<u>128,819,223</u>	<u>119,268,417</u>

APPENDIX C - GENERAL INFORMATION RELATING TO CRT

	Unaudited FY2017 JPY'000	Audited FY2016 JPY'000
Current assets		
Cash and short-term deposits	6,753,841	5,385,095
Trade and other receivables	1,126,843	1,654,787
Derivative financial instruments	326,040	94,907
Prepayments	470,624	484,390
Restricted cash	<u>5,112,424</u>	<u>4,287,146</u>
Total current assets	<u>13,789,772</u>	<u>11,906,325</u>
Total assets	142,608,995	131,174,742
LIABILITIES		
Current liabilities		
Loans and borrowings	29,725,609	8,337,184
Trade and other payables	2,350,329	2,150,697
Derivative financial instruments	135,330	1,109,698
Income tax payable	291,734	242,681
Other liabilities	<u>713,145</u>	<u>760,034</u>
Total current liabilities	<u>33,216,147</u>	<u>12,600,294</u>
Non-current liabilities		
Loans and borrowings	33,838,523	51,057,438
Trade and other payables	4,826,502	4,937,428
Derivative financial instruments	218,353	1,594,315
Other liabilities	1,104,132	1,150,387
Deferred tax liabilities	<u>5,415,498</u>	<u>4,521,444</u>
Total non-current liabilities	<u>45,403,008</u>	<u>63,261,012</u>
Total liabilities	78,619,155	75,861,306
Net assets attributable to unitholders	63,989,840	55,313,436
Equity attributable to unitholders		
Units in issue	50,572,667	47,333,037
Accumulated (losses)/profits	13,495,508	8,754,848
Fair value adjustment reserve	<u>(78,335)</u>	<u>(774,449)</u>
Total equity	<u>63,989,840</u>	<u>55,313,436</u>

Copies of the annual reports of CRT for FY2014, FY2015 and FY2016 and the unaudited consolidated financial statements of the CRT Group for FY2017 are available for inspection at the Trustee-Manager's registered office at 50 Raffles Place, #25-03 Singapore Land Tower, Singapore 048623 during normal business hours from the date of this Scheme Document up to the Effective Date.

APPENDIX C - GENERAL INFORMATION RELATING TO CRT

4.2 Material Changes in Financial Position

Save as disclosed in this Scheme Document, the unaudited consolidated financial statements of the CRT Group for FY2017 and any other information on the CRT Group which is publicly available (including without limitation, the announcements released by the Trustee-Manager, on behalf of CRT, on SGXNET), there have been no material changes in the financial position of CRT since 30 June 2016, being the date of the last published audited consolidated financial statements of the CRT Group.

4.3 Significant Accounting Policies

The significant accounting policies for the CRT Group are set out in the extract of the notes to the audited consolidated financial statements of the CRT Group for FY2016, which are set out in **Appendix F** to this Scheme Document.

4.4 Changes in Accounting Policies

The changes in the significant accounting policies for the CRT Group are set out in the extract of the notes to the audited consolidated financial statements of the CRT Group for FY2016, which are set out in **Appendix F** to this Scheme Document. Save as aforesaid, as at the Latest Practicable Date, there are no changes in the accounting policies of the CRT Group which will cause the figures disclosed in this Paragraph 4 not to be comparable to a material extent.

5. DISCLOSURE OF INTERESTS

5.1 Holdings of Offeror Shares and Offeror Convertible Securities by CRT

As at the Latest Practicable Date, none of the CRT Group Entities owns, controls or has agreed to acquire any Offeror Shares or any Offeror Convertible Securities.

5.2 Interests of Directors in Offeror Shares and Offeror Convertible Securities

As at the Latest Practicable Date, and save as disclosed in this Scheme Document, none of the Directors has any direct or indirect interests in the Offeror Shares or the Offeror Convertible Securities.

5.3 Interests of Directors in Units

As at 11 August 2017, based on the Register of Directors' Unitholdings maintained by the Trustee-Manager, the interests in Units held by the directors of the Trustee-Manager are set out below.

Directors	Direct Interest		Deemed Interest	
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾
Mr Lim Teck Leong David	1,500,000	0.19	1,872,748 ⁽²⁾	0.24
Mr Jim Chang Cheng-Wen	9,903,200	1.29	—	—
Mr Eng Meng Leong	—	—	—	—
Mr Quah Ban Huat	—	—	—	—
Mr Yong Chao Hsien Jeremy	9,514,840	1.24	—	—

APPENDIX C - GENERAL INFORMATION RELATING TO CRT

Notes:

- (1) All references to percentage shareholding of the issued Units in this Paragraph 5.3 are based on the total issued Units as at the Latest Practicable Date, being 769,732,510 Units in issue.
- (2) Mr Lim Teck Leong David is deemed to be interested in the 1,872,748 Units held by Mezzanine Holdings Limited.

5.4 Interests of Substantial Unitholders in Units

As at 11 August 2017, based on the Register of Substantial Unitholders maintained by CRT, the interests of the substantial unitholders of CRT in the Units are set out below:

Substantial unitholder	Direct Interest		Deemed Interest	
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾
DBS Bank Ltd.	38,728,028	5.03	—	—
DBS Group Holdings Ltd ⁽²⁾	—	—	38,728,028	5.03
Temasek Holdings (Private) Limited ⁽³⁾	—	—	41,992,628	5.46
GKG Investment Holdings Pte Ltd ⁽⁴⁾	—	—	49,208,314	6.39
Goh Geok Khim ⁽⁵⁾	5,519,472	0.72	52,519,997	6.82
Goh Yew Lin ⁽⁶⁾	3,218,631	0.42	51,502,008	6.69

Notes:

- (1) All references to percentage unitholding of the issued Units of CRT in this Paragraph 5.4 are based on the total issued Units as at the Latest Practicable Date, being 769,732,510 Units in issue.
- (2) DBS Group Holdings Ltd (“**DBSH**”) is deemed to be interested in 38,728,028 Units held directly by DBS Bank Ltd., a wholly-owned subsidiary of DBSH.
- (3) Temasek Holdings (Private) Limited (“**Temasek**”) is deemed to be interested in 41,992,628 Units in which its associated companies have a direct or deemed interest. Temasek itself does not have any direct interest in CRT.

Temasek’s deemed interest arises from holdings directly held by two independently-managed entities in which Temasek has a more than 20% interest, including the 38,728,028 Units held directly by DBS Bank Ltd., a wholly-owned subsidiary of DBSH (in which Temasek has more than a 20% interest). Temasek is not involved in the business or operating decisions of either of the entities which has a direct holding in CRT, including those regarding each of their positions in the Units.
- (4) GKG Investment Holdings Pte Ltd (“**GKGI**”) is deemed to be interested in the Units held by its subsidiaries.
- (5) Mr Goh Geok Khim (“**GK**”) is a controlling shareholder of GKGI and is deemed to be interested in the Units held by GKGI and his spouse.
- (6) Mr Goh Yew Lin is deemed to be interested in the Units held by GKGI and his spouse.

6. DEALINGS DISCLOSURE

6.1 Dealings in Offeror Shares and Offeror Convertible Securities by the CRT Group

None of the CRT Group Entities has dealt for value in the Offeror Shares or the Offeror Convertible Securities during the period commencing three (3) months prior to the Initial Holding Announcement Date and ending on the Latest Practicable Date.

6.2 Dealings in Offeror Shares and Offeror Convertible Securities by the Directors

None of the Directors has dealt for value in the Offeror Shares or the Offeror Convertible Securities during the period commencing three (3) months prior to the Initial Holding Announcement Date and ending on the Latest Practicable Date.

APPENDIX C - GENERAL INFORMATION RELATING TO CRT

6.3 Dealings in Units by the Directors

None of the Directors has dealt for value in any Units during the period commencing three (3) months prior to the Initial Holding Announcement Date and ending on the Latest Practicable Date.

6.4 Dealings in CRT Convertible Securities

None of the Directors has dealt for value in any CRT Convertible Securities during the period commencing three (3) months prior to the Initial Holding Announcement Date and ending on the Latest Practicable Date.

7. INTERESTS OF THE INDEPENDENT FINANCIAL ADVISER

7.1 Interests of the IFA in Units and CRT Convertible Securities

As at the Latest Practicable Date, none of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis, owns or controls any Units or CRT Convertible Securities.

7.2 Dealings in Units and CRT Convertible Securities by the IFA

None of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis has dealt for value in the Units or CRT Convertible Securities during the period commencing three (3) months prior to the Initial Holding Announcement Date and ending on the Latest Practicable Date.

8. ARRANGEMENTS AFFECTING DIRECTORS

8.1 No Payment or Benefit to Directors

As at the Latest Practicable Date, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any Director or to any director of any other corporation which, by virtue of Section 6 of the Companies Act, is deemed to be related to the Trustee-Manager as compensation for loss of office or otherwise in connection with the Scheme.

8.2 No Agreement Conditional upon Outcome of the Scheme

As at the Latest Practicable Date, there is no agreement, arrangement or understanding made between any of the Directors and any other person in connection with or conditional upon the outcome of the Scheme.

8.3 No Material Interest in Material Contracts

As at the Latest Practicable Date, there are no material contracts entered into by the Offeror in which any Director has a material personal interest, whether direct or indirect.

APPENDIX C - GENERAL INFORMATION RELATING TO CRT

9. MATERIAL LITIGATION

9.1 As at the Latest Practicable Date:

9.1.1 none of the CRT Group Entities is engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially or adversely affect the financial position of the CRT Group taken as a whole; and

9.1.2 the Directors are not aware of any proceedings pending or threatened against any of the CRT Group Entities or of any facts likely to give rise to any proceedings which might materially or adversely affect the financial position of the CRT Group taken as a whole.

10. VALUATION ON PORTFOLIO PROPERTIES

10.1 The Trustee-Manager has commissioned independent valuations of the Portfolio Properties (the “**Valuation Reports**”). Extracts of the Valuation Reports are set out in **Appendix M** to this Scheme Document. Under Rule 26.3 of the Code, the Trustee-Manager is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the assets, which are the subject of a valuation given in connection with an offer, were to be sold at the amount of the valuation.

10.2 Based on the Valuation Reports, the potential tax liabilities that may be incurred by CRT on the hypothetical disposal of the Portfolio Properties on an “as is” basis is approximately JPY5,537 million (approximately S\$68 million). The Trustee-Manager expects the aforesaid tax liabilities to crystallise as and when CRT disposes of its interests in the above properties. The aforesaid tax liabilities will not crystallise if no disposal takes place.

11. GENERAL DISCLOSURE

11.1 Financial Statements for FY2016 and FY2017

The audited consolidated financial statements of the CRT Group for FY2016 and the unaudited consolidated financial statements of the CRT Group for FY2017 are set out in **Appendix F** and **Appendix G** to this Scheme Document respectively.

11.2 Directors’ Service Contracts

As at the Latest Practicable Date:

11.2.1 there are no service contracts between any of the Directors or proposed directors with any CRT Group Entity which have more than twelve (12) months to run and which are not terminable by the employing company within the next twelve (12) months without paying any compensation; and

11.2.2 there are no such contracts entered into or amended during the period commencing six (6) months prior to the Initial Holding Announcement Date and ending on the Latest Practicable Date.

APPENDIX C - GENERAL INFORMATION RELATING TO CRT

11.3 Material Contracts with Interested Persons

As at the Latest Practicable Date, save as disclosed in the audited consolidated financial statements of the CRT Group for FY2014, FY2015 and FY2016, the unaudited consolidated financial statements of the CRT Group for FY2017, the annual reports of CRT for FY2014, FY2015 and FY2016, and any other information on the CRT Group which is publicly available (including without limitation, the announcements released by the Trustee-Manager on SGXNET) as to material contracts with interested persons (within the meaning of Note 1 to Rule 23.12 of the Code) which are not in the ordinary course of business, none of the CRT Group Entities has entered into any material contracts with interested persons (other than those entered into in the ordinary course of business) during the period beginning three (3) years before the Initial Holding Announcement Date and ending on the Latest Practicable Date.

11.4 Costs and Expenses

In the event that the Scheme does not become effective and binding for any reason, the expenses and costs incurred by the Trustee-Manager in connection with the Scheme will be borne by the Trustee-Manager.

11.5 Directors' and Trustee-Manager's Intentions with respect to their Units

In the absence of a Competing Offer, all of the Directors who legally and/or beneficially own Units (amounting to approximately 2.96 per cent. of the total number of Units), as set out in Paragraph 5.3 of this **Appendix C** have informed the Trustee-Manager that they will **VOTE IN FAVOUR** of the Scheme Resolutions at the Scheme Meeting.

In accordance with the Trust Deed and as permitted under the Implementation Agreement, the Trustee-Manager may be issued new Units as part payment of the management fees due to it every quarter. Consistent with the Trustee-Manager's past practice, the Trustee-Manager may dispose of such Units in the ordinary course of business of the Trustee-Manager. In the event that the Trustee-Manager is a Unitholder as at the Unitholder Cut-Off Time, and in the absence of a Competing Offer, the Trustee-Manager will **VOTE IN FAVOUR** of the Scheme Resolutions at the Scheme Meeting.

12. CONSENTS

12.1 General

Allen & Gledhill LLP, Citigroup Global Markets Singapore Pte. Ltd. and the Unit Registrar have each given and have not withdrawn their respective written consents to the issue of this Scheme Document with the inclusion herein of their names and all the references to their names in the form and context in which they respectively appear in this Scheme Document.

12.2 IFA

The IFA has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion herein of its name, the IFA Letter as set out in **Appendix A** to this Scheme Document and all references to its name in the form and context in which it appears in this Scheme Document.

APPENDIX C - GENERAL INFORMATION RELATING TO CRT

12.3 Auditors

Ernst & Young LLP has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion herein of its name and the auditors' report relating to the audited consolidated financial statements of the CRT Group for FY2016 as set out in **Appendix F** to this Scheme Document and all references to its name in the form and context in which it appears in this Scheme Document.

12.4 Independent Valuers

Cushman & Wakefield K.K. and CBRE K.K. have each given and have not withdrawn their respective written consents to the issue of this Scheme Document with the inclusion herein of their names and the extracts of the Valuation Reports as set out in **Appendix M** to this Scheme Document and all references to their names in the form and context in which they appear in this Scheme Document.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Trustee-Manager's registered office at 50 Raffles Place, #25-03 Singapore Land Tower, Singapore 048623 during normal business hours from the date of this Scheme Document up to the Effective Date:

13.1.1 the Trust Deed;

13.1.2 the annual reports of CRT for FY2014, FY2015 and FY2016;

13.1.3 the unaudited consolidated financial statements of the CRT Group for FY2017;

13.1.4 the Implementation Agreement;

13.1.5 the Valuation Reports; and

13.1.6 the letters of consent referred to in Paragraph 12 of this **Appendix C** to this Scheme Document.

APPENDIX D - TRUST DEED AMENDMENT

To insert the following provision as Clause 23A in the Trust Deed:

“23A. Trust Scheme

23A.1 Definitions

For the purposes of Clause 23A:

“Offeror” means any corporation and body unincorporated (whether incorporated or carrying on business in Singapore or not) or natural person (whether resident in Singapore or not and whether a citizen of Singapore or not) proposing to acquire all the Units in the Trust by way of the Trust Scheme;

“Scheme Meeting” means the general meeting (or any adjourned meeting) of the Holders for the purpose of, *inter alia*, considering and voting on the Scheme Resolutions;

“Scheme Resolutions” means resolutions of the Holders to approve the Trust Scheme, including:

- (i) a resolution passed by Holders holding in the aggregate not less than three-fourths of the voting rights of all the Holders present and voting either in person or by proxy at the Scheme Meeting to approve the amendments to the Trust Deed to facilitate the implementation of the Trust Scheme; and
- (ii) a resolution passed by a majority in number of Holders representing at least three-fourths in value of the Units held by the Holders or class of Holders present and voting either in person or by proxy at the Scheme Meeting to approve the Trust Scheme; and

“Trust Scheme” means the arrangement under which the Offeror acquires all of the units in the Trust, which is subject to the Scheme Resolutions being approved at the Scheme Meeting.

23A.2 Implementation of Trust Scheme

23A.2.1 Each Holder and the Trustee-Manager shall do all things and execute all deeds, instruments, transfers or other documents as the Trustee-Manager considers are necessary or desirable to give full effect to the terms of the Trust Scheme and the transactions contemplated by it.

23A.2.2 Without limiting the Trustee-Manager's other powers under this Clause 23A, the Trustee-Manager shall have the power to do all things which it considers necessary, desirable or reasonably incidental to give effect to the Trust Scheme and the transactions contemplated by it.

23A.2.3 Clause 23A binds the Trustee-Manager and all Holders from time to time, including those who do not attend the Scheme Meeting, those who do not vote at the Scheme Meeting, and those who vote against the Scheme Resolutions at the Scheme Meeting and to the extent of any inconsistency, overrides the other provisions of the Trust Deed.”

APPENDIX E - EXTRACTS FROM THE TRUST DEED

The rights of Unitholders in respect of capital, distributions and voting as extracted and reproduced from the Trust Deed are set out below:

All capitalised terms used in the following extracts shall have the same meanings given to them in the Trust Deed, a copy of which is available for inspection during normal business hours at the office of the Trustee-Manager in Singapore from the Joint Announcement Date up until the Effective Date.

1. THE RIGHTS OF UNITHOLDERS IN RESPECT OF CAPITAL

3. Provisions as to Units, Holders and Statements of Holdings

3.1 Certificates

3.1.1 No certificates shall be issued to Holders by the Trustee-Manager in respect of the Units (whether Listed or Unlisted) issued to Holders. For so long as the Trust is Listed, the Trustee-Manager shall, pursuant to the Depository Services Terms and Conditions, appoint the Depository as the Unit depository for the Trust and all Units issued will be deposited with the Depository and represented by entries in the Register in the name of the Depository as the registered Holder thereof.

3.1.2 For so long as the Trust is Listed on the SGX-ST, the Trustee-Manager or the Registrar shall issue to each Holder or (as the case may be) the Depository, not more than 10 Business Days after the issue of Units, a confirmation note confirming the date of issue and the number of Units so issued and, if applicable, stating that the Units are issued under a moratorium and the expiry date of such moratorium. For the purposes of this Deed, such a confirmation note shall be deemed to be a certificate evidencing title to the Units issued.

3.1.3 In the event the Trust is Listed on a Recognised Stock Exchange other than the SGX-ST or becomes Unlisted, the Trustee-Manager or the Registrar shall issue to each Holder, not more than one month after the allotment of Units to such Holder, a confirmation note confirming such allotment. For the purposes of this Deed, such a confirmation note shall be deemed to be a certificate evidencing title to the Units issued.

3.2 Form of Statements of Holdings

3.2.1 The Trustee-Manager or the Registrar shall, for so long as the Trust is Listed on a Recognised Stock Exchange other than the SGX-ST or is Unlisted, issue to each Holder of Units on a quarterly basis (or such other period as may be determined by the Trustee-Manager) a statement of holdings (the "**Statement of Holdings**"). A Statement of Holdings shall be dated and shall specify the number of Units held by each Holder in respect of the preceding quarter (or such other relevant period) and the transactions in respect of such Units and shall be in such form as may from time to time be determined by the Trustee-Manager.

3.2.2 For so long as the Trust is Listed on the SGX-ST and Units are registered in the name of the Depository, the Depository shall, within the relevant periods, issue to each Depositor the relevant contract statements, confirmation notes and monthly statements in respect of transactions in or, as the case may be, holdings of Units in such Depositor's Securities Account.

APPENDIX E - EXTRACTS FROM THE TRUST DEED

3.3 Sub-division and Consolidation of Units

3.3.1 The Trustee-Manager may, at any time and on giving prior written notice (such notice period to be determined by the Trustee-Manager in its absolute discretion) to each Holder or (as the case may be) to each Depositor by the Trustee-Manager delivering such notice in writing to such Holder or the Depository for onward delivery to the Depositors, determine that each Unit shall be sub-divided into Units or consolidated with other Units and the Holders shall be bound accordingly.

3.3.2 The Register shall be altered accordingly to reflect the new number of Units held by each Holder as a result of such sub-division or consolidation and, where applicable, the Trustee-Manager shall cause the Depository to alter the Depository Register accordingly in respect of each relevant Depositor's Securities Account to reflect the new number of Units held by such Depositor as a result of such sub-division or consolidation.

3.4 Terms and Conditions of Trust Deed and Supplemental Deeds to Bind Holders

The terms and conditions of this Deed shall be binding on each Holder and all persons claiming through him as if he had been party thereto and as if this Deed contained covenants on the part of each Holder to observe and be bound by all the provisions hereof and an authorisation by each Holder to do all such acts and things as this Deed may require the Trustee-Manager to do.

3.5 Rights attached to Units

3.5.1 Without prejudice to any special right previously conferred on the Holders of any existing Units or Class of Units but subject to the Relevant Laws, Regulations and Guidelines and this Deed, any Units may be issued by the Trustee-Manager and any such Units may be issued with such preferred rights ("**Preferred Rights**") in the payment of distributions or in a winding up, or deferred, subordinated or other special rights or such restrictions, whether in regard to distributions, voting or otherwise as the Trustee-Manager may determine, provided that for the avoidance of doubt, the Trustee-Manager does not have the right to issue Units of the same Class with different rights.

3.5.2 The Trustee-Manager shall not allot or issue any Units conferring upon its Holder any Preferred Rights in priority to the Units in issue on the date of the constitution of the Trust unless the rights attached to Units with such Preferred Rights with respect to the following matters are set out in this Deed or have been otherwise approved by the Holders by an Extraordinary Resolution:

- (i) repayment of capital;
- (ii) participation in surplus assets and profits;
- (iii) cumulative or non-cumulative distributions;
- (iv) voting; and
- (v) priority of payment of capital and distributions in relation to other Units or other Classes of Units.

APPENDIX E - EXTRACTS FROM THE TRUST DEED

3.6 Variation of Rights

3.6.1 If at any time different Classes of Units are issued, the rights attached to any Class (unless otherwise provided by the terms of issue of the Units of that Class) may, subject to the provisions of the Relevant Laws, Regulations and Guidelines, whether or not the Trust is being wound up, be varied or abrogated with the sanction of an Extraordinary Resolution of the Holders in respect of Units of that Class, and to every such Extraordinary Resolution the provisions of this Deed relating to meetings of Holders shall apply *mutatis mutandis* PROVIDED THAT the necessary quorum shall be two persons at least holding or representing by proxy or by attorney one-third of the issued Units of the Class and that any Holder in respect of Units of that Class present in person or by proxy or by attorney may vote at the poll.

3.6.2 The rights conferred upon the Holders of the Units of any Class issued with preferred, deferred, subordinated or other rights shall not, unless otherwise expressly provided by the terms of issue of the Units of that Class or by this Deed as are in force at the time of such issue, be deemed to be varied by the creation or issue of further Units ranking equally therewith.

3.7 Units to be Held Free from Equities

A Holder entered in the Register as the registered holder of Units or (as the case may be) a Depositor whose name is entered in the Depository Register in respect of Units registered to him, shall be the only person entitled to be recognised by the Trustee-Manager as having any right, title or interest in or to the Units registered in his name and the Trustee-Manager may recognise such Holder as absolute owner thereof and shall not be bound by any notice to the contrary and shall also not be bound to take notice of or to see to the execution of any trust, express, implied or constructive, save as herein expressly provided or save as required by any court of competent jurisdiction to recognise any trust or equity or other interest affecting the title to any Units. Save as provided in this Deed, no notice of any trust, express, implied or constructive, shall be entered on the Register or the Depository Register.

3.8 Restrictions on Directions

The Holders shall not give any directions to the Trustee-Manager (whether at a meeting of Holders convened pursuant to Clause 26 or otherwise) if it would require the Trustee-Manager to do or omit doing anything which may result in:

3.8.1 the Trust or the Trustee-Manager ceasing to comply with the Relevant Laws, Regulations and Guidelines or any other applicable laws and regulations; or

3.8.2 the exercise of any discretion expressly conferred on the Trustee-Manager by this Deed or the determination of any matter which under this Deed requires the agreement of the Trustee-Manager, PROVIDED THAT nothing in this Clause 3.8.2 shall limit the right of a Holder to require the due administration of the Trust in accordance with this Deed.

APPENDIX E - EXTRACTS FROM THE TRUST DEED

4. Registration of Holders

4.1 Register of Holders

4.1.1 The Trustee-Manager shall exercise Due Care in procuring an up-to-date Register to be kept in Singapore in such manner as may be required by the Relevant Laws, Regulations and Guidelines. The Register shall be maintained at all times whether the Trust is Listed or Unlisted. For so long as the Trust is Listed on the SGX-ST, the Trustee-Manager shall record the Depository as the registered Holder of all Units in issue. In the event the Trust is Listed on any other Recognised Stock Exchange or is Unlisted, the Trustee-Manager shall record each Holder as the registered Holder of Units held by such Holder. The Trustee-Manager shall be entitled to appoint the Registrar to keep and maintain the Register.

4.1.2 There shall be entered in the Register the following information as soon as practicable after the Trustee-Manager or the Registrar receives the relevant information:

- (i) the names and addresses of the Holders (and, in the case where the registered Holder is the Depository, the name and address of the Depository);
- (ii) the Class of Units held by each Holder;
- (iii) the number of Units held by each Holder;
- (iv) the date on which every such person entered in respect of the Units standing in his name became a Holder and, where practicable, a sufficient reference to enable the name and address of the transferor to be identified;
- (v) the date on which any transfer is registered and the name and address of the transferee; and
- (vi) the date on which any person ceased to be a Holder.

4.1.3 Units may be issued to Joint Holders PROVIDED THAT not more than five persons may be registered as Joint Holders unless such Joint Holders are executors or trustees of a deceased Holder.

4.2 Unlisted Units and Units Listed on a Recognised Stock Exchange other than the SGX-ST

For so long as the Trust is Unlisted or Listed on a Recognised Stock Exchange other than the SGX-ST, the entries in the Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by each Holder and, in the event of any discrepancy between the entries in the Register and the details appearing on any Statement of Holdings, the entries in the Register shall prevail unless the Holder proves to the satisfaction of the Trustee-Manager that the Register is incorrect.

APPENDIX E - EXTRACTS FROM THE TRUST DEED

4.3 Units Listed on the SGX-ST

4.3.1 For so long as the Trust is Listed on the SGX-ST, the entries in the Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by the Depository and, in the event of any discrepancy between the entries in the Register and the confirmation notes issued by the Trustee-Manager to the Depository under Clause 3.1, the entries in the Register shall prevail unless the Trustee-Manager and the Depository mutually agree that the Register is incorrect.

4.3.2 For so long as the Trust is Listed on the SGX-ST, the Trustee-Manager shall have entered into the Depository Services Terms and Conditions for the Depository to maintain a record in the Depository Register of the Depositors having Units credited into their respective Securities Accounts and to record in the Depository Register the information referred to in Clauses 4.1.2(i) to 4.1.2(vi) in relation to each Depositor. Each Depositor named in the Depository Register shall for such period as the Units are entered against his name in the Depository Register, be deemed to be the owner in respect of the number of Units entered against such Depositor's name in the Depository Register and the Trustee-Manager shall be entitled to rely on any and all such information in the Depository Register.

4.3.3 The entries in the Depository Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by each Depositor and, in the event of any discrepancy between the entries in the Depository Register and the details appearing in any contract statement, statement of account balances, confirmation note or monthly statement issued by the Depository, the entries in the Depository Register shall prevail unless the Depositor proves to the satisfaction of the Trustee-Manager and the Depository that the Depository Register is incorrect.

4.4 Change of Name or Address

For so long as the Trust is Unlisted, any change of name or address on the part of any Holder shall forthwith be notified by such Holder to the Trustee-Manager, whether in writing or in such other manner as the Trustee-Manager may approve, who, on being satisfied thereof and on compliance with such formalities as it may require, shall alter or cause to be altered the Register accordingly.

4.5 Inspection of Register

Except when the Register is closed in accordance with Clause 4.6, the Register shall during Business Hours (subject to such reasonable restrictions as the Trustee-Manager may impose) be open to the inspection of any person without charge PROVIDED THAT, if the Register is kept on magnetic tape or in accordance with some other mechanical or electrical system, the provisions of this Clause 4.5 may be satisfied by the production of legible evidence of the contents of the Register.

4.6 Closure of Register

Subject to the Relevant Laws, Regulations and Guidelines, the Register may be closed at such times and for such periods as the Trustee-Manager may from time to time determine PROVIDED THAT it shall not be closed for more than 30 days in any one year.

APPENDIX E - EXTRACTS FROM THE TRUST DEED

4.7 Transfer of Units

4.7.1 For so long as the Trust is Listed on the SGX-ST, transfers of Units that are held directly through the Depository between Depositors shall be effected electronically through the Depository making an appropriate entry in the Depository Register in respect of the Units that have been transferred in accordance with the Depository Requirements and the provisions of Clauses 4.7.2 to 4.7.6 shall not apply. The Trustee-Manager shall be entitled to appoint the Depository to facilitate transactions of Units within the Depository and maintain records of Units of Holders credited into Securities Accounts. Any transfer or dealing in Units on the SGX-ST between a Depositor and another person shall be transacted at a price agreed between the parties and settled in accordance with the Depository Requirements. The broker or other financial intermediary effecting any transfer or dealing in Units on the SGX-ST shall be deemed to be the agent duly authorised by any such Depositor or person on whose behalf the broker or intermediary is acting. In any case of transfer, all charges in relation to such transfer as may be imposed by the Trustee-Manager and/or the Depository shall be borne by the Holder who is the transferor. There are no restrictions as to the number of Units (whether Listed or Unlisted) which may be transferred by a transferor to a transferee. For so long as the Trust is Listed on the SGX-ST, in the case of a transfer of Units credited from a Securities Account into another Securities Account, the instrument of transfer shall be in such form as provided by the Depository (if applicable) and the transferor shall be deemed to remain the Depositor of the Units transferred until the relevant Units have been credited into the Securities Account of the transferee or transferred out of a Securities Account and registered on the Depository Register. If the Units are Listed on any other Recognised Stock Exchange, the transfer of Units shall be in accordance with the requirements of the relevant Recognised Stock Exchange. No transfer or purported transfer of a Listed Unit other than a transfer made in accordance with this Clause 4.7.1, shall entitle the transferee to be registered in respect thereof; neither shall any notice of such transfer or purported transfer (other than aforesaid) be entered upon the Depository Register.

4.7.2 For so long as the Trust is Unlisted, every Holder shall be entitled to transfer any of the Units held by him or, in the case of Joint Holders, by any one of the Joint Holders as follows:

- (i) a transfer of Units shall be effected by an instrument of transfer in writing in common form (or in such other form as the Trustee-Manager may from time to time approve);
- (ii) every instrument of transfer referred to in Clause 4.7.2(i) relating to Units must be signed by the transferor and the transferee and, subject to the provisions of Clause 4.7, the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the Register in respect thereof. The instrument of transfer need not be a deed;
- (iii) all charges in relation to such transfer as may be imposed by the Trustee-Manager shall be borne by the Holder who is the transferor; and
- (iv) there are no restrictions as to the number of Units which may be transferred.

APPENDIX E - EXTRACTS FROM THE TRUST DEED

- 4.7.3** Every instrument of transfer referred to in Clause 4.7.2(i) must be duly stamped (if required by law) and left with the Trustee-Manager for registration accompanied by any necessary declarations or other documents that may be required in consequence of any Relevant Laws, Regulations and Guidelines and by such evidence as the Trustee-Manager may require to prove the title of the transferor or his right to transfer the Units.
- 4.7.4** For so long as the Trust is Unlisted, the Trustee-Manager shall alter or cause to be altered the Register to record the date of each transfer of Units in accordance with Clause 4.7.2 and the name and address of the transferee.
- 4.7.5** For so long as the Trust is Unlisted, all instruments of transfer which are registered in respect of Units transferred in accordance with Clause 4.7.2 shall be retained by the Trustee-Manager.
- 4.7.6** For so long as the Trust is Unlisted, a fee not exceeding S\$10.00 (or such other amount as the Trustee-Manager may from time to time agree), which excludes any stamp duty or other governmental taxes or charges payable, may be charged by the Trustee-Manager for its own account for the registration of any transfer of Units in accordance with Clause 4.7.2 by an instrument of transfer of Units. Such fee must, if required by the Trustee-Manager, be paid before the registration of any transfer.
- 4.7.7** No transfer or purported transfer of a Unit other than a transfer made in accordance with this Clause 4.7 shall entitle the transferee to be registered in respect thereof and neither shall any notice of such transfer or purported transfer (other than as aforesaid) be entered upon the Register or the Depository Register.
- 4.7.8** The Trustee-Manager shall have the power to rectify the Register if it appears to the Trustee-Manager that any of the particulars recorded in the Register (including those particulars set out in Clause 4.1) is wrongly entered or omitted.

4.8 Death of Holders

The executors or administrators of a deceased Holder (not being a Joint Holder) shall be the only persons recognised by the Trustee-Manager as having title to the Units. In the case of the death of any one of the Joint Holders of Units and subject to applicable law the survivor(s), upon producing such evidence of death as the Trustee-Manager may require, shall be the only person or persons recognised by the Trustee-Manager as having any title to or interest in the Units PROVIDED THAT where the sole survivor is a Minor, the Trustee-Manager shall act only on the requests, applications or instructions of the surviving Minor after he attains the age of 18 years and shall not be obliged to act on the requests, applications or instructions of the heirs, executors or administrators of the deceased Joint Holder, and shall not be liable for any claims or demands whatsoever by the heirs, executors or administrators of the deceased Joint Holder, or for any claims or demands whatsoever by the Minor Joint Holder or the Minor Joint Holder's legal guardian in omitting to act on any request, application or instruction given by the Minor before he attains such age.

APPENDIX E - EXTRACTS FROM THE TRUST DEED

4.9 Body Corporate

A body corporate may be registered as a Holder or as one or more of the Joint Holders. The successor in title of any corporate Holder which loses its legal entity by reason of a merger or amalgamation shall be the only person recognised by the Trustee-Manager as having title to the Units of such corporate Holder. The registration of a body corporate as a Depositor or a Joint Depositor shall be in accordance with the terms and conditions established by the Depository for the holding and operation of Securities Accounts. The successor in title of any corporate Depositor resulting from a merger or amalgamation shall, upon producing such evidence as may be required by the Trustee-Manager of such succession, be the only person recognised by the Trustee-Manager as having title to the Units.

4.10 Minors

A Minor shall not be registered as a sole Holder but may be registered as a Joint Holder PROVIDED THAT each of the other Joint Holders is a person who has attained the age of 18 years. In the event that one of the Joint Holders is a Minor, the Trustee-Manager need only act on the instructions given by the adult Joint Holder.

4.11 Transmission

4.11.1 Any person becoming entitled to a Unit in consequence of the death or bankruptcy of any Holder or of being the survivor of Joint Holders may (subject as hereinafter provided), upon producing such evidence as to his title as the Trustee-Manager shall think sufficient, either be registered himself as Holder of such Unit upon giving to the Trustee-Manager notice in writing of his desire to be recognised as Holder or transfer such Unit to some other person. The Trustee-Manager shall upon the receipt by it of any such notice alter or cause to be altered the Register accordingly. All the limitations, restrictions and provisions of this Deed relating to transfers shall be applicable to any such notice or transfer as if the death or bankruptcy had not occurred and such notice or transfer were a transfer executed by the Holder.

4.11.2 Any person becoming entitled to a Unit in consequence of death or bankruptcy as aforesaid may give a discharge for all moneys payable in respect of the Unit but he shall not be entitled in respect thereof to receive notices of or to attend or vote at any meeting of Holders until he shall have been registered as the Holder of such Unit in the Register or (as the case may be) the Depositor of such Unit in the Depository Register.

4.11.3 The Trustee-Manager may retain any moneys payable in respect of any Unit which any person is, under the provisions as to the transmission of Units hereinbefore contained, entitled to be registered as the Holder of, or which any person under those provisions is entitled to the transfer of until such person shall be registered as the Holder of such Units or shall duly transfer the same.

4.12 Payment of Fee

In respect of the registration of any probate, letters of administration, power of attorney, marriage or death certificate, stop notice, order of the court, deed poll or other document relating to or affecting the title to any Unit, the Trustee-Manager may require from the person applying for registration a fee of S\$10.00 (or such other amount as the

APPENDIX E - EXTRACTS FROM THE TRUST DEED

Trustee-Manager may from time to time determine) together with a sum sufficient in the opinion of the Trustee-Manager to cover any stamp duty or other governmental taxes or charges that may be payable in connection with such registration. Such fee, if required by the Trustee-Manager, must be paid before the registration of any transfer.

4.13 Registrar

The Trustee-Manager may, at any time or from time to time, appoint an agent on its behalf to, *inter alia*, keep and maintain the Register. The fees and expenses of the Registrar (as may be agreed from time to time between the Trustee-Manager and the Registrar) may be paid out of the Trust Property.

6. Issue of Units, Preference Units and Instruments Convertible into Units

6.1 Issue of Units

6.1.1 Notwithstanding anything to the contrary in this Deed, no Units may be issued and no offer, agreement or option which would or might require Units to be issued may be made or granted without prior approval of the Holders in general meeting by passing an Ordinary Resolution in accordance with Section 36 of the Business Trusts Act but subject thereto and to other requirements of the Relevant Laws, Requirements and Guidelines, the Trustee-Manager may issue new Units (whether on an initial issue of Units, a Rights Issue, an issue of new Units otherwise than by way of a Rights Issue, any issue pursuant to a reinvestment of distribution arrangement or any issue of Units pursuant to a conversion of any securities) or grant an offer, agreement or option which would or might require Units to be issued or otherwise dispose of the same to such persons and on such terms and conditions as the Trustee-Manager may deem fit.

6.1.2 The Trustee-Manager shall not be bound to accept an application for Units so as to give rise to a holding of fewer than 100 Units (or such other number of Units as may be determined by the Trustee-Manager). No fractions of a Unit shall be issued (whether on an initial issue of Units, a Rights Issue, an issue of new Units otherwise than by way of a Rights Issue, any issue pursuant to a reinvestment of distribution arrangement or any issue of Units pursuant to a conversion of any securities) and if any fractions of a Unit arises, the Trustee-Manager shall in respect of each Holder's entitlement to Units truncate (but not round off) to the nearest whole Unit and any balance arising from such truncation shall be retained as part of the Trust Property.

6.1.3 Issues of Units shall only be made on a Business Day unless and to the extent that the Trustee-Manager otherwise prescribes.

6.1.4 The Trustee-Manager may by deed supplemental hereto issue further Classes of Units under such terms and conditions as may be contained therein.

6.1.5 The Units in the Trust may be Listed on the SGX-ST pursuant to Clause 8 and, if so Listed and deposited with the Depository, shall be traded on the SGX-ST and settled through the Depository. Units already in issue may be transferred or otherwise dealt with through the Securities Accounts into which Units are credited in accordance with Clause 4.7.

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6.1.6 If the Trust is Listed on the SGX-ST, or any other Recognised Stock Exchange, then the Trustee-Manager shall not thereafter issue any further Units in numbers exceeding the limit, if any, prescribed at the time in the Listing Rules or the listing rules of the relevant Recognised Stock Exchange and any Relevant Laws, Regulations and Guidelines, except where such Units are issued in such circumstances as permitted by the Listing Rules or the listing rules of the relevant Recognised Stock Exchange and any Relevant Laws, Regulations and Guidelines or otherwise as required or permitted by the SGX-ST, the relevant Recognised Stock Exchange or any relevant authorities.

6.2 Issue Price of Units Prior to the Listing Date

6.2.1 Prior to the Listing Date, the Trustee-Manager may, subject to Clause 6.1 and any Relevant Laws, Regulations and Guidelines, issue Units at any time to any person at any issue price per Unit ("**Issue Price**") and on such terms and conditions as the Trustee-Manager may determine in its absolute discretion.

6.2.2 The issue of Units for the purpose of an initial public offering of Units shall be at an Issue Price to be determined by the Trustee-Manager, or within such range to be determined by the Trustee-Manager, on or before the Listing Date for such Units, PROVIDED THAT the Trustee-Manager may delegate the right to make such determination to any issue manager, underwriter or placement agent engaged in connection with the initial public offering. The actual Issue Price shall be determined by the Trustee-Manager and/or such issue manager, underwriter or placement agent following a book building process or through such method of price determination as may be decided upon and agreed by the relevant persons. The manner of and amount payable and any applicable refund on an application for Units during the initial public offering will be stated in the relevant Prospectus. Any such offer of Units for the purpose of an initial public offering may remain open for a period as may be agreed by the Trustee-Manager, subject to any Relevant Laws, Regulations and Guidelines.

6.2.3 The Trustee-Manager may issue Units at the Issue Price determined in accordance with Clause 6.2.2 to the vendor of any Authorised Investments to be purchased by the Trust in conjunction with an initial public offering of Units, or to any person nominated by such vendor, in full or partial satisfaction of the consideration or any deferred purchase consideration payable by the Trust for such Authorised Investments.

6.3 Issue Price of Units when the Trust is Listed

6.3.1 Subject to Clauses 6.1 and 6.3.2, Section 36 of the Business Trusts Act and any other Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed, the Trustee-Manager may issue Units on any Business Day at an Issue Price equal to the Market Price, without the prior approval of the Holders in a meeting of Holders. For this purpose "**Market Price**" shall mean:

- (i) the volume weighted average price for a Unit (if applicable, of the same Class) for all trades on the SGX-ST, or such other Recognised Stock Exchange on which the Trust is Listed, in the ordinary course of trading on the SGX-ST or, as the case may be, such other Recognised Stock Exchange, for the period of 10 Business Days (or such other period as may be prescribed by the SGX-ST or relevant Recognised Stock Exchange) immediately preceding the relevant Business Day; or

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- (ii) if the Trustee-Manager believes that the calculation in Clause 6.3.1(i) does not provide a fair reflection of the market price of a Unit, an amount as determined by the Trustee-Manager (after consultation with a Stockbroker approved by the Trustee-Manager), as being the fair market price of a Unit and this will be announced on the SGXNET for so long as the Trust is Listed on the SGX-ST.

6.3.2 Subject to Clause 6.3.3, for so long as the Trust is Listed on the SGX-ST, the Trustee-Manager may issue Units at an Issue Price other than calculated in accordance with Clause 6.3.1 without the prior approval of the Holders in a meeting of Holders provided that, in determining the Issue Price and the premium or discount, if any, to the Issue Price, including, but not limited to:

- (iii) the Issue Price for a Rights Issue on a pro-rata basis to all existing Holders;
- (iv) the Issue Price of a Unit issued other than by way of a Rights Issue offered on a pro-rata basis to all existing Holders;
- (v) the Issue Price for any reinvestment of distribution arrangement;
- (vi) the Issue Price for any Units which are issued as full or partial consideration for the acquisition of an Authorised Investment by the Trust; and
- (vii) the Issue Price for a conversion of instruments which may be convertible into Units,

the Trustee-Manager complies with the Listing Rules and any other Relevant Laws, Regulations and Guidelines in determining the Issue Price. If the Issue Price determined by the Trustee-Manager is at a discount to the Market Price, the discount shall not exceed such percentage as may, from time to time, be permitted under the Listing Rules and any other Relevant Laws, Regulations and Guidelines.

6.3.3 Subject to any direction to the contrary that may be given by an Ordinary Resolution of a meeting of Holders or except as permitted under the Listing Rules, all new Units shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices of meetings of Holders in proportion, as far as the circumstances admit, to the number of the existing Units to which they are entitled. The offer shall be made by notice specifying the number of Units offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the Units offered, the Trustee-Manager may dispose of those Units in such manner as they think most beneficial to the Trust. The Trustee-Manager may likewise so dispose of any new Units which (by reason of the ratio which the new Units bear to Units held by persons entitled to an offer of new Units) cannot, in the opinion of the Trustee-Manager, be conveniently offered under this Clause 6.3.3.

6.4 Units Issued on Unpaid or Partly Paid Basis

6.4.1 No Units shall be issued on an unpaid or partly paid basis, unless such issue is approved by an Extraordinary Resolution of a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1. In the event such issue is approved, capital paid on Units in advance of calls shall not, while carrying interest, confer a right to participate in distributions.

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6.4.2 In the event that the Trustee-Manager issues Units on an unpaid or partly paid basis, the provisions of Clauses 6.4.3 and 6.4.4 shall apply.

6.4.3 Calls on Units

- (i) The Trustee-Manager may from time to time make calls upon the Holders in respect of any moneys unpaid on their Units but subject always to the terms of issue of such Units. A call may be made payable by instalments.
- (ii) Each Holder shall (subject to receiving at least 14 days' notice specifying the time or times and place of payment) pay to the Trust at the time or times and place so specified the amount called on his Units. The Joint Holders of a Unit shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Trustee-Manager may determine.
- (iii) If a sum called in respect of a Unit is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 10.0% per annum) as the Trustee-Manager may determine but the Trustee-Manager shall be at liberty in any case or cases to waive payment of such interest wholly or in part.
- (iv) Any sum which by the terms of issue of a Unit becomes payable upon allotment or at any fixed date shall for all the purposes of this Deed be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment all the relevant provisions of this Deed as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- (v) The Trustee-Manager may on the issue of Units differentiate between the Holders as to the amount of calls to be paid and the times of payment.
- (vi) The Trustee-Manager may if it thinks fit receive from any Holder willing to advance the same, all or any part of the moneys uncalled and unpaid upon the Units held by him and such payment in advance of calls shall extinguish *pro tanto* the liability upon the Units in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Trust may pay interest at such rate (not exceeding 8.0% per annum) as the Holder paying such sum and the Trustee-Manager may agree. Capital paid on Units in advance of calls shall not, while carrying interest, confer a right to participate in profits.

6.4.4 Forfeiture and Lien

- (i) If a Holder fails to pay in full any call or instalment of a call on the due date for payment thereof, the Trustee-Manager may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Trust by reason of such non-payment.

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- (ii) The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the Units on which the call has been made will be liable to be forfeited.
- (iii) If the requirements of any such notice as aforesaid are not complied with, any Unit in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by the Trustee-Manager. Such forfeiture shall include all distributions declared in respect of the forfeited Unit and not actually paid before forfeiture.
- (iv) A Unit so forfeited shall become the property of the Trust and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Trustee-Manager shall think fit and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Trustee-Manager thinks fit. The Trustee-Manager may, if necessary, authorise some person to transfer or effect the transfer of a forfeited Unit to any such other person as aforesaid.
- (v) A Holder whose Units have been forfeited shall cease to be a holder in respect of the Units but shall notwithstanding the forfeiture remain liable to pay to the Trust all moneys which at the date of forfeiture were payable by him to the Trust in respect of the Units with interest thereon at 8.0% per annum (or such lower rate as the Trustee-Manager may determine) from the date of forfeiture until payment and the Trustee-Manager may at its absolute discretion enforce payment without any allowance for the value of the Units at that time of forfeiture or waive payment in whole or in part.
- (vi) The Trust shall have a first and paramount lien on every Unit (not being a fully paid Unit) and distributions from time to time declared in respect of such Units provided that such lien shall be restricted to unpaid calls and instalments upon the specific Units in respect of which such moneys are due and unpaid, and to such amounts as the Trust may be called upon by law to pay in respect of the Units of the holder or deceased holder. The Trustee-Manager may waive any lien which has arisen and may resolve that any Unit shall for some limited period be exempt wholly or partially from the provisions of this Clause.
- (vii) The Trust may sell in such manner as the Trustee-Manager thinks fit any Unit on which the Trust has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of 14 days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the Unit or the person entitled thereto by reason of his death or bankruptcy.

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- (viii) The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities and any residue shall be paid to the person entitled to the Units at the time of the sale or to his executors, administrators or assigns, or as he may direct. For the purpose of giving effect to any such sale the Trustee-Manager may authorise some person to transfer or effect the transfer of the Units sold to the purchaser.
- (ix) A statutory declaration in writing that the declarant is a director or secretary of the Trustee-Manager and that a Unit has been duly forfeited or sold to satisfy a lien of the Trust on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Unit. Such declaration and the receipt of the Trust for the consideration (if any) given for the Unit on the sale, re-allotment or disposal thereof together (where the same be required) with the confirmation note delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee (as the case may be)) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute good title to the Unit and the Unit shall be registered in the name of the person to whom the Unit is sold, re-allotted or disposed of or, where such person is a Depositor, the Trustee-Manager shall procure that his name be entered in the Depository Register in respect of the Unit so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the Unit be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the Unit.

6.5 Units Issued to Persons Resident Outside Singapore

- 6.5.1 If a Unit is to be issued to a person resident outside Singapore, the Trustee-Manager shall be entitled to charge for its own account an additional amount to the Issue Price thereof which is equal to the excess of the expenses actually incurred by the Trustee-Manager over the amount of expenses which would have been incurred if such person had been resident in Singapore.
- 6.5.2 In relation to any Rights Issue, the Trustee-Manager may in its absolute discretion elect not to extend an offer of Units under the Rights Issue to those Holders whose addresses are outside Singapore. In such event, the rights or entitlements to the Units of such Holders will be offered for sale by the Trustee-Manager as the nominee and authorised agent of each such relevant Holder in such manner and at such price as the Trustee-Manager may determine. Where necessary, the Trustee-Manager shall have the discretion to impose such other terms and conditions in connection with the sale. The proceeds of any such sale, if successful, will be paid to the relevant Holders whose rights or entitlements have been thus sold, PROVIDED THAT where such proceeds payable to the relevant Holders are less than S\$10.00, the Trustee-Manager shall be entitled to retain such proceeds as part of the Trust Property.

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6.6 Non-payment of Issue Price

Subject to the Relevant Laws, Regulations and Guidelines and unless otherwise provided in the relevant agreement, application form or other document relating to the issuance of the Units, where (a) payment of the Issue Price payable in respect of any Unit agreed to be issued by the Trustee-Manager has not been received before the seventh Business Day after the date on which the Unit was agreed to be issued (or such other date as the Trustee-Manager may agree) or (b) the Issue Price paid in respect of any Unit is returned to the Holder, (in respect of sub-paragraph (a)) the agreement to issue such Unit and (in respect of sub-paragraph (b)) such Units may, in the absolute discretion of the Trustee-Manager, at that time or any time thereafter be cancelled by the Trustee-Manager by giving notice to that effect to the applicant or the Holder (as the case may be) and such Unit shall thereupon be deemed never to have been issued or agreed to be issued (as the case may be) and the applicant or the Holder (as the case may be) therefor shall have no right or claim in respect thereof against the Trustee-Manager, PROVIDED THAT:

6.6.1 no previous valuations of the Trust shall be re-opened or invalidated as a result of the cancellation of such Units; and

6.6.2 the Trustee-Manager shall be entitled to charge the applicant (and retain for its own account) a cancellation fee of such amount as it may from time to time determine to represent the administrative costs involved in processing the application for such Units from such applicant.

6.7 Updating of Securities Account

For so long as the Trust is Listed on the SGX-ST, the Trustee-Manager shall cause the Depository to effect the book entry of Units issued to a Depositor into such Depositor's Securities Account no later than the tenth Business Day after the date on which those Units are agreed to be issued by the Trustee-Manager.

6.8 Suspension of Issue

The Trustee-Manager may, subject to the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange, suspend the issue of Units during any of the following events:

6.8.1 any period when the SGX-ST or any other relevant Recognised Stock Exchange is closed (otherwise than for public holidays) or during which dealings are restricted or suspended;

6.8.2 the existence of any state of affairs which, in the opinion of the Trustee-Manager, might seriously prejudice the interests of the Holders as a whole or of the Trust Property;

6.8.3 when, for any reason, the prices of Trust Assets cannot be promptly and accurately ascertained;

6.8.4 when remittance of money which will or may be involved in the realisation of Trust Assets or in the payment for Trust Assets cannot, in the opinion of the Trustee-Manager, be carried out at normal rates of exchange;

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6.8.5 in relation to any general meeting of the Holders, the period of 48 hours before such general meeting or any adjournment thereof;

6.8.6 where the issuance of Units is suspended pursuant to any order or direction issued by the MAS or other relevant regulatory authorities; or

6.8.7 when the business operations of the Trustee-Manager in relation to the Trust are substantially interrupted or closed as a result of, or arising from, nationalisation, expropriation, currency restrictions, pestilence, widespread communicable and infectious diseases, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes, nuclear fusion or fission or acts of God.

Such suspension shall take effect forthwith upon the declaration in writing thereof by the Trustee-Manager and shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this Clause 6.8 exists upon the declaration in writing thereof by the Trustee-Manager. In the event of any suspension while the Trust is Listed on the SGX-ST, the Trustee-Manager shall ensure that immediate announcement of such suspension is made through the SGX-ST.

6.9 Issue of Instruments Convertible into Units

The Trustee-Manager may issue instruments which may be convertible into Units (including but not limited to any options, securities, warrants, debentures or other instruments that might or would require Units to be issued) for consideration or for no consideration and on such terms of offer and issue as the Trustee-Manager may determine, subject to Clause 6.1 and any Relevant Laws, Regulations and Guidelines relating to the offer of issue of instruments which may be convertible into Units.

6.10 Issue of Preference Units

6.10.1 Preference Units may be issued subject to Clause 6.1 and any Relevant Laws, Regulations and Guidelines, as well as any limitation as may be prescribed by the SGX-ST or any Recognised Stock Exchange upon which Units may be listed. The total number of issued Preference Units shall not exceed the total number of Units issued at any time.

6.10.2 Preference Holders shall have the same rights as ordinary Holders as regards receiving of notices, reports and balance sheets and attending meetings of Holders, and Preference Holders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking of the Trust or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the distribution on the preference Units is more than six months in arrear.

6.10.3 The Trustee-Manager has the power to issue further preference capital ranking equally with, or in priority to, preference Units already issued.

6.10.4 The Trustee-Manager may by deed supplemental hereto issue Classes of Units under such terms and conditions as may be contained therein

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7. Unit Buy Back

This Clause 7 shall apply to all Units, currently in issue or to be issued, including any Units which are issued, or to be issued, with preference rights, and shall apply subject to, and in accordance with, any Relevant Laws, Regulations and Guidelines in force at the relevant time.

7.1 Holders' approval

For so long as the Trust is Listed, the Trustee-Manager may purchase Units if it has obtained the prior approval of Holders in general meeting by passing an Ordinary Resolution (the "**Unit Buy-back Mandate**"), in accordance with the Business Trusts Act and the provisions of this Deed but subject thereto and to other requirements of the Relevant Laws, Regulations and Guidelines.

7.2 Purchase Price

For so long as the Trust is Listed and the Trustee-Manager decides to purchase Units, the purchase price to be paid for the Units will be determined by the board of directors of the Trustee-Manager in its absolute discretion, subject to the requirements of the Relevant Laws, Regulations and Guidelines.

7.3 Authority and Limits on the Purchase of Units

7.3.1 Maximum Limit

The total number of Units which may be purchased pursuant to any Unit Buy-back Mandate is limited to that number of Units representing not more than 10% of the total number of issued Units as at the date of the general meeting when such Unit Buy-back Mandate is approved by Holders.

7.3.2 Duration of Authority

Purchases of Units may be made during the Relevant Period. For the purpose of this Clause 7.3.2, "**Relevant Period**" is the period commencing from the date of the general meeting at which a Unit Buyback Mandate is sought and the resolution relating to the Unit Buy-back Mandate is passed, and expiring on the earlier of:

- (i) the date on which the next annual general meeting of Holders is held;
- (ii) the date by which the next annual general meeting of Holders is required by law or the provisions of this Deed to be held; or
- (iii) the date on which the purchases of Units by the Trustee-Manager pursuant to the Unit Buy-back Mandate are carried out to the full extent mandated.

For the avoidance of doubt, the authority conferred on the Trustee-Manager by the Unit Buy-back Mandate to purchase Units may be renewed at the next annual general meeting of Holders.

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7.4 Solvency Statement

The Trustee-Manager may purchase Units out of the assets of the Trust by paying a sum sufficient to satisfy the purchase price of the Units calculated in accordance with Clause 7.2, provided that the board of directors of the Trustee-Manager makes a written statement, in accordance with a resolution of the board of directors of the Trustee-Manager and signed by not less than two directors, that the board of directors of the Trustee-Manager is satisfied on reasonable grounds that, immediately after the purchase of Units, the Trustee-Manager will be able to fulfill from the Trust Property, the liabilities of the Trust as these liabilities fall due, in accordance with the requirements of the Relevant Laws, Regulations and Guidelines.

7.5 Dealing with Purchased Units

Units which are purchased shall be cancelled and shall not thereafter be reissued or dealt with in any manner, subject to the requirements of the Relevant Laws, Regulations and Guidelines. For the avoidance of doubt, this Clause 7.5 shall not limit or restrict the right of the Trustee-Manager to cause the creation and/or issue of further or other Units. On the cancellation of any Unit under this Clause 7.5, the rights and privileges attached to that Unit shall expire.

7.6 Source of Funds

The Trustee-Manager may not purchase Units of the Trust for a consideration other than in cash. The Trustee-Manager may utilise any source of funds available to it, including the Trust's internal sources of funds or external borrowings or a combination of both to finance the Trustee-Manager's purchase of Units on behalf of the Trust pursuant to any Unit Buy-back Mandate, subject always to the requirements of the Relevant Laws, Regulations and Guidelines.

7.7 Manner of Purchase

Subject always to the requirements of the Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed, the Trustee-Manager may:

7.7.1 purchase or acquire Units on a securities exchange ("**Market Purchase**"); or

7.7.2 make an offer to purchase Units, otherwise than on a securities exchange and by way of an "off-market" acquisition of the Units on an "equal access scheme" (as defined below) ("**Off-market Purchase**"),

and to deal with any of the Units so purchased or acquired in accordance with this Clause 7.

For the purposes of this Clause 7, an "**equal access scheme**" is a scheme which satisfies the following criteria:

- (i) the offers under the scheme are to be made to every person who holds Units to purchase or acquire the same percentage of their Units;
- (ii) all of those persons have a reasonable opportunity to accept the offers made to them; and

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- (iii) the terms of all the offers are the same except that there shall be disregarded:
 - (a) differences in consideration attributable to the fact that the offers relate to Units with different accrued distribution entitlements;
 - (b) differences in consideration attributable to the fact that the offers relate to Units with different amounts remaining unpaid; and
 - (c) differences in the offers introduced solely to ensure that each Holder is left with a whole number of Units.

7.8 Procedure for Purchase of Units via a Market Purchase

7.8.1 For so long as the Trust is Listed, where Units are purchased via a Market Purchase, the notice of general meeting of Holders specifying the intention to propose a resolution to authorise a Market Purchase shall;

- (i) specify the maximum number of Units or the maximum percentage of Units of the Trust authorised to be acquired or purchased;
- (ii) determine the maximum price which may be paid for the Units (either by specifying a particular sum or by providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion);
- (iii) specify a date on which the authority is to expire, being a date that must not be later than the date on which the next annual general meeting is, or is required by law to be, held, whichever is earlier; and
- (iv) specify the sources of funds to be used for the purchase or acquisition including the amount of financing and its impact on the Trust's financial position.

7.8.2 The resolution authorising a Market Purchase may be unconditional or subject to conditions and shall state the particulars set out in Clauses 7.8.1(i) to 7.8.1(iii).

7.8.3 The authority for a Market Purchase may, from time to time, be varied or revoked by Holders in a general meeting. A resolution to confer or vary the authority for a Market Purchase may determine the maximum price for purchase or acquisition by:

- (i) specifying a particular sum; or
- (ii) providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion.

7.9 Procedure for Purchase of Units via an Off-Market Purchase

7.9.1 For so long as the Trust is Listed, where Units are purchased via an Off-Market Purchase, the notice of general meeting of Holders specifying the intention to propose a resolution to authorise an Off-Market Purchase shall:

- (i) specify the maximum number of Units or the maximum percentage of Units of the Trust authorised to be acquired or purchased;

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- (ii) determine the maximum price which may be paid for the Units (either by specifying a particular sum or by providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion);
- (iii) specify a date on which the authority is to expire, being a date that must not be later than the date on which the next Annual General Meeting is, or is required by law to be, held, whichever is earlier; and
- (iv) specify the sources of funds to be used for the purchase or acquisition including the amount of financing and its impact on the Trust's financial position.

7.9.2 The resolution authorising an Off-Market Purchase may be unconditional or subject to conditions and shall state the particulars set out in Clauses 7.9.1(i) to 7.9.1(iv).

7.9.3 The authority for an Off-Market Purchase may, from time to time, be varied or revoked by Holders in a general meeting. A resolution to confer or vary the authority for an Off-Market Purchase may determine the maximum price for purchase or acquisition by:

- (i) specifying a particular sum; or
- (ii) providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion.

7.9.4 For so long as the Trust is Listed, in the event that the Trustee-Manager decides to make any offer to purchase Units via an Off-Market Purchase, the Trustee-Manager will send an offer notice to Holders in the event of any such offer to purchase Units. Holders wishing to take up the offer will be asked to respond by sending a request in writing for the purchase of their Units together with the certificate or certificates (if any) representing such Units. At such request in writing of a Holder (or, in the case of Joint Holders, all the Joint Holders), the Trustee-Manager will purchase, in accordance with this Clause 7 and the Relevant Laws, Regulations and Guidelines, such number of Units in relation to which the Holder is registered in the Depository Register as are required by the Holder to be purchased.

7.10 Amendments to Register

Where all the Units or a specified number of Units held by a Holder have been purchased by the Trustee-Manager, the Trustee-Manager shall amend, or procure the amendment of, the details of the Depository from the Register, in respect of such number of Units.

7.11 Reporting Requirements

Subject to the Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed on the SGX-ST, the Trustee-Manager shall:

7.11.1 notify the SGX-ST (in the form of an announcement on the SGXNET) of all purchases of Units in accordance with the Listing Rules and in such form and shall include such details as the SGX-ST may prescribe; and

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7.11.2 make an announcement on the SGXNET at the same time it notifies the SGX-ST of any purchases of Units pursuant to any Unit Buy-back Mandate, that the directors of the Trustee-Manager are satisfied on reasonable grounds that, immediately after the purchase of Units, the Trustee-Manager will be able to fulfil, from the Trust Property, the liabilities of the Trust as these liabilities fall due, in accordance with the Relevant Laws, Regulations and Guidelines.

2. THE RIGHTS OF UNITHOLDERS IN RESPECT OF DISTRIBUTIONS

11. Distributions

11.1 Distribution to Holders

Subject to this Clause 11 and to the Relevant Laws, Regulations and Guidelines, the Trustee-Manager may, regardless of whether there are any profits or losses, or retained earnings or accumulated losses in respect of a given period, from time to time, at its sole discretion, make distributions to Holders at half-yearly intervals or at such other intervals as the Trustee-Manager shall decide in its absolute discretion.

11.2 Determination of Distributable Amount and Reserves

The Trustee-Manager (acting after consultation with the Auditors) may from time to time at its absolute discretion:

- (i) set aside out of the profits of the Trust and to carry to reserve such sums and make such provisions as it thinks fit;
- (ii) determine the amount available for distribution; and
- (iii) capitalise any sum for the time being standing in the reserves or otherwise available for distribution.

11.3 Frequency of Distribution of Income

For each Distribution Period the Trustee-Manager will calculate and distribute each Holder's Distribution Entitlement in accordance with the provisions of this Clause 11.

11.4 Distribution Entitlement

Each Holder's Distribution Entitlement is to be determined in accordance with the following formula:

$$DE = DA \times \frac{UH}{UI}$$

where:

"DE" is the Distribution Entitlement;

"DA" is the Distributable Amount determined by the Trustee-Manager;

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“UH” is the number of Units held by the Holder at the close of business on the Record Date for the relevant Distribution Period adjusted to the extent he is entitled to participate in the Distributable Amount; and

“UI” is the number of Units in issue in the Trust at the close of business on the Record Date for the relevant Distribution Period adjusted to the extent the Holder is entitled to participate in the Distributable Amount.

11.5 Distribution of Entitlement

11.5.1 Upon declaration by the Trustee-Manager of a distribution, each Holder shall be entitled to receive and the Trustee-Manager shall pay, the Holder's Distribution Entitlement on or before the Distribution Date for the Distribution Period.

11.5.2 The persons who are Holders on the Record Date for a Distribution Period are entitled to their respective Distribution Entitlements for that Distribution Period.

11.5.3 The Trustee-Manager may deduct from each Holder's Distribution Entitlement all amounts which:

- (i) are necessary to avoid distributing a fraction of a cent;
- (ii) the Trustee-Manager determines not to be practical to distribute on a Distribution Date;
- (iii) equal any amount of Tax which has been paid or which the Trustee-Manager determines is or may be payable by the Trustee-Manager in respect of the portion of the income of the Trust attributable to such Holder, or the amount of the distribution otherwise distributable to such Holder;
- (iv) are required to be deducted by law, the Tax Ruling or this Deed; or
- (v) are payable by the Holder to the Trustee-Manager.

11.5.4 The Trustee-Manager may in its absolute discretion determine how any sum so retained is to be applied and/or paid.

11.6 Holder Notification

Each Holder must as and when required by the Trustee-Manager, provide such information as to his place of residence or any other information relevant for taxation purposes as the Trustee-Manager may from time to time determine.

11.7 Categories and Sources of Income

11.7.1 For any category or source of income the Trustee-Manager may keep separate accounts and allocate the income from any category or source to any Holder.

11.7.2 The Trustee-Manager may cause the distribution of any amount recorded in an account or record kept pursuant to Clause 11.7.1 before the distribution of any other amount.

APPENDIX E - EXTRACTS FROM THE TRUST DEED

11.8 Distribution Reinvestment Arrangements

Subject to and in accordance with Relevant Laws, Regulations and Guidelines, the Trustee-Manager may advise Holders from time to time in writing that Holders may, on terms specified in the notice, participate in an arrangement under which Holders may request that all or a proportion of specified distributions due to them be applied to the issue of further Units subject to Clause 6.1 and PROVIDED THAT the Issue Price for any such Units to be issued shall be the Issue Price determined in accordance with Clause 6.3 if the Trust is Listed and Clause 6.2 if the Trust is Unlisted. The Units so issued shall be deemed to be purchased by such Holders. The Trustee-Manager shall be entitled to amend the terms of any such distribution reinvestment arrangements from time to time by notice in writing to Holders.

11.9 Capitalisation of Undistributed Distributable Amount

Prior to the Listing Date, the Trustee-Manager, with the agreement of all Holders, may elect not to distribute in accordance with Clause 11.3 and in lieu of such distribution capitalise the undistributed Distributable Amount.

11.10 Distribution of Capital and Unrealised Gains

The Trustee-Manager may at its discretion cause the distribution of an amount which represents:

11.10.1 part of the capital of the Trust and which the Trustee-Manager reasonably determines to be in excess of the financial needs of the Trust; or

11.10.2 part or all of the unrealised gains due to the increase in the capital value of the Real Estate held by the Trust.

12. Place and Conditions of Payment

12.1 Place and Conditions of Payment

12.1.1 Any moneys payable by the Trustee-Manager to any Holder on the relevant Record Date under the provisions of this Deed shall be paid, in the case of Holders who do not hold their Units jointly with any other person, by cheque or warrant sent through the post to the registered address of such Holder or, in the case of Joint Holders, to the registered address of the Joint Holder who is first named on the Register or to the registered address of any other of the Joint Holders as may be authorised by all of them. Every such cheque or warrant shall be made payable to the order of the person to whom it is delivered or sent and payment of the cheque or warrant by the banker upon whom it is drawn shall be a satisfaction of the moneys payable and shall be a good discharge to the Trustee-Manager. Where the Trustee-Manager receives the necessary authority in such form as the Trustee-Manager shall consider sufficient, it shall pay the amount due to any Holder to his bankers or other agent and the receipt of such an amount by such bankers or other agent shall be a good discharge therefor.

APPENDIX E - EXTRACTS FROM THE TRUST DEED

12.1.2 Any moneys payable by the Trustee-Manager to any Depositor appearing in the Depository Register on the relevant Record Date under the provisions of this Deed shall be paid, in the case of such Depositor's Units credited into a Securities Account, by transferring such moneys into the Depository's bank account (as notified to the Trustee-Manager) and the Trustee-Manager causing the Depository to make payment thereof to such Depositor by cheque sent through the post to the address of such Depositor on record with the Depository or, in the case of Joint Depositors, to the mailing address of the Joint Depositors on record with the Depository or by any other form as may be agreed between the Trustee-Manager and the Depository. Payment of the moneys by the Trustee-Manager to the Depository shall be a satisfaction of the moneys payable to the relevant Depositor and shall be a good discharge to the Trustee-Manager. Any charges payable to the Depository for the distribution of moneys to Depositors under this Deed may be paid out of the Trust Property.

12.1.3 No amount payable to any Holder shall bear interest.

12.2 Receipt of Holders

The receipt of the Holder or (as the case may be) the Depository on behalf of the Depositors for any amounts payable in respect of Units shall be a good discharge to the Trustee-Manager, and if several persons are registered as Joint Holders or, in consequence of the death of a Holder, are entitled to be so registered, any one of them may give effectual receipts for any such amounts.

12.3 Unclaimed Moneys

12.3.1 Any moneys payable to a Holder under this Deed which remain unclaimed after a period of 12 months shall be accumulated in a special account (the "**Unclaimed Moneys Account**") from which the Trustee-Manager may, from time to time, make payments to a Holder claiming any such moneys.

12.3.2 Subject to Clause 23, the Trustee-Manager may, at its absolute discretion and if practicable, cause such sums which represent moneys remaining in the Unclaimed Moneys Account for five years after the date for payment of such moneys into the Unclaimed Moneys Account and interest, if any, earned thereon to be paid into the courts of Singapore after deducting from such sums all fees, costs and expenses incurred in relation to such payment into the courts of Singapore PROVIDED THAT if the said moneys are insufficient to meet the payment of all such fees, costs and expenses, the Trustee-Manager shall be entitled to have recourse to the Trust Property for such payment.

APPENDIX E - EXTRACTS FROM THE TRUST DEED

3. THE RIGHTS OF UNITHOLDERS IN RESPECT OF VOTING

26. Meetings of Holders

The provisions set out in Schedule 1 relating to meetings and proceedings of Holders shall have effect as if the same were included herein.

Schedule 1 Meeting of Holders

1. General Meetings

1.1 Annual general meetings

An Annual General Meeting shall be held once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding Annual General Meeting and, for so long as the Trust is Listed on the SGX-ST and/or any other Recognised Stock Exchange, within such period as may be prescribed by the Listing Rules and/or the listing rules of such other Recognised Stock Exchange) and place as may be determined by the Trustee-Manager. All other general meetings shall be called Extraordinary General Meetings.

1.2 Extraordinary general meetings

The Trustee-Manager may whenever it thinks fit, and shall on requisition in accordance with the Relevant Laws, Regulations and Guidelines, proceed with proper expedition to convene an Extraordinary General Meeting.

1.3 Requisition and calling of general meetings

Requisition of general meetings and calling of general meetings shall be in accordance with the Business Trusts Act and any other Relevant Laws, Regulations and Guidelines.

2. Notice of General Meeting

2.1 Subject to the Business Trusts Act and for so long as the Trust is Listed, the Listing Rules as well, notice of every general meeting shall be given to the Holders in the manner provided in this Deed. The period of notice shall be determined in accordance with the Business Trusts Act and for so long as the Trust is Listed, the Listing Rules as well, PROVIDED THAT the period of notice prescribed under the Business Trusts Act and the Listing Rules (as the case may be) shall not be inclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given. Where there is an inconsistency between the Business Trusts Act and the Listing Rules on the period of notice required, the period of notice required for the purposes of this Deed shall be the longer of the periods of notice prescribed by the Business Trusts Act and the Listing Rules.

2.2 The notice shall specify the place, day and hour of meeting and the terms of the resolutions to be proposed. The accidental omission to give notice to or the non-receipt of notice by any of the Holders shall not invalidate the proceedings at any meeting.

APPENDIX E - EXTRACTS FROM THE TRUST DEED

2.3 Notwithstanding the preceding sub-Paragraphs of this Paragraph 2 but subject to the Relevant Laws, Regulations and Guidelines, any notice or other document required to be served upon or sent to all the Holders for the time being shall be deemed to have been duly served or sent if published in any one leading English-language daily newspaper in Singapore. Any notice or document so served or sent shall be deemed to have been so served or sent on the date of such publication and, if the publication in the two newspapers does not appear on the same day, on the date of the later publication.

3. Proceedings at meetings

3.1 Chairman of meetings

The chairman or deputy chairman of the Board or if the chairman or deputy chairman is not present or there is no chairman or deputy chairman present, a person nominated in writing by the Trustee-Manager shall preside as chairman (“**Chairman**”) at a general meeting. If the chairman or deputy chairman is not present within fifteen minutes after the time appointed for holding the general meeting, or in the case where there is no chairman or deputy chairman present and there is no person nominated in writing by the Trustee-Manager or such nominated person is not present, the Holders present shall choose one of their number to be Chairman.

3.2 Holders’ rights at meetings

Every Holder shall, notwithstanding any provision to the contrary in this Deed, have a right to attend any general meeting of the Holders and to speak and vote on any resolution before the meeting in accordance with paragraphs 3.4 and 3.5 of this Schedule 1.

3.3 Quorum

No business other than the appointment of a Chairman shall be transacted at any general meeting unless the quorum is present at the commencement of business. The quorum shall be not less than two Holders present in person or by proxy of one-tenth in value of all the Units for the time being in issue, PROVIDED THAT (i) a proxy representing more than one Holder shall only count as one Holder for the purpose of determining the quorum; and (ii) where a Holder is represented by more than one proxy such proxies shall count as only one Holder for the purpose of determining the quorum.

3.4 Adjournment of meetings

3.4.1 If within half an hour from the time appointed for a meeting (or such longer interval as the Chairman may think fit to allow) a quorum is not present, the general meeting, if convened on the requisition of Holders, shall be dissolved. In any other case it shall stand adjourned to such day and time being not less than 15 days thereafter and to such place as shall be determined for the purpose by the Chairman.

3.4.2 Notice of the adjourned meeting shall be given in the same manner as for an original meeting. Such notice shall state that the Holders present at the adjourned meeting whatever their number and the value of the Units held by them will form a quorum thereat. At any such adjourned meeting the Holders present in person or by proxy thereat shall be a quorum.

APPENDIX E - EXTRACTS FROM THE TRUST DEED

3.4.3 The Chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

3.5 Voting

3.5.1 At any general meeting a resolution put to the vote of the meeting shall, subject to the Relevant Laws, Regulations and Guidelines, be decided by poll.

3.5.2 A poll shall be taken in such manner (including the use of a ballot or voting papers or tickets) as the Chairman may direct and the result of the poll shall be deemed to be the resolution of the general meeting at which the poll was conducted. The Chairman may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

3.5.3 A poll shall be taken at such time and place as the Chairman directs.

3.5.4 Notwithstanding any provisions to the contrary in this Deed, the Trustee-Manager may determine that the proxy vote at any meeting may be received electronically through a proxy voting website, and if the Trustee-Manager so determines that the proxy vote may be received electronically through a proxy voting website, a Holder may for such meeting vote by proxy electronically through the proxy voting website, provided that the Holder have enrolled or registered at such proxy voting website (if such enrolment or registration is required).

3.6 Votes of Holders

3.6.1 Subject to the Business Trusts Act, each Unit shall confer the right to poll at any meeting to one vote, and one vote only. A Holder shall not be entitled to vote unless all calls or other sums personally payable by him in respect of Units have been paid.

3.6.2 On a poll every Holder who is present in person or by proxy shall have one vote for every Unit of which he is the Holder. On a poll votes may be given either personally or by proxy. A person entitled to more than one vote need not use all his votes or cast them the same way.

3.6.3 In the case of Joint Holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the vote of the other Joint Holders and for this purpose seniority shall be determined by the order in which the names stand in the Register, the first being the senior.

3.6.4 Where in Singapore or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any Holder on the ground (however formulated) of mental disorder, the Trustee-Manager may in its absolute discretion, upon or subject to production of such evidence of the appointment as the Trustee-Manager may require, permit such receiver or other person on behalf of such Holder to vote in person or by proxy at any meeting or to exercise any other right conferred by Holding of Units in relation to meetings.

APPENDIX E - EXTRACTS FROM THE TRUST DEED

3.6.5 No Holder shall, unless the Trustee-Manager otherwise determines, be entitled in respect of Units held by him to vote at a meeting either personally or by proxy or to exercise any other right conferred by Holding of Units in relation to meetings if any call or other sum presently payable by him to the Trust in respect of such Units remains unpaid.

3.6.6 For the purposes of determining the number of Units held in respect of Units registered in the name of the Depository and the number of votes which a particular Holder may cast in respect of such Units, the Trustee-Manager shall be entitled and bound to accept as accurate the number of Units credited into the Securities Account(s) of the relevant Depositor as shown in the records of the Depository as at a time not earlier than 72 hours prior to the time of the relevant meeting, supplied by the Depository to the Trustee-Manager, and to accept as the maximum number of votes which in aggregate that Depositor and his proxy(ies) (if any) are able to cast on a poll a number which is the number of Units credited into the Securities Account(s) of the relevant Depositor, as shown in the aforementioned records of the Depository, whether that number is greater or smaller than that specified by the Depositor or in the instrument of proxy. The Trustee-Manager shall not under any circumstances be responsible for, or liable to any person as a result of it, acting upon or relying on the aforementioned records of the Depository.

4. Proxies

4.1 An instrument of proxy may be in the usual common form or in any other form which the Trustee-Manager shall approve.

4.2 The instrument appointing a proxy shall be in writing, under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised.

4.3 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at such place as the Trustee-Manager may in the notice convening the meeting direct or if no such place is appointed then at the registered office of the Trustee-Manager not less than 72 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. A person appointed to act as a proxy need not be a Holder.

4.4 The instrument appointing a proxy to vote at a meeting of the Holders shall be deemed to confer authority to demand or join in demanding a poll. A demand by a person as proxy for a Holder shall, for the purpose of Paragraph 3.5, be deemed to be the same as a demand by the Holder.

4.5 A Holder may appoint not more than two proxies to attend and vote at the same meeting, PROVIDED THAT if the Holder is a Depositor, the Trustee-Manager shall be entitled and bound:

4.5.1 to reject any instrument of proxy lodged if the Depositor is not shown to have any Units entered against his name in the Depository Register as at 72 hours before the time of the relevant meeting as certified by the Depository to the Trust; and

APPENDIX E - EXTRACTS FROM THE TRUST DEED

- 4.5.2 to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of Units entered against the name of that Depositor in the Depository Register as at 72 hours before the time of the relevant meeting as certified by the Depository to the Trust, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.
- 4.6 In any case where a form of proxy appoints more than one proxy, the proportion of the holding of Units concerned to be represented by each proxy shall be specified in the form of proxy. Where a Holder appoints two proxies and does not specify the number of Units to be represented by each proxy, then the Units held by the Holder are deemed to be equally divided between the proxies.
- 4.7 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the Units in respect of which the proxy is given PROVIDED THAT no intimation in writing of such death, insanity, revocation or transfer shall have been received at the place appointed for the deposit of proxies or if no such place is appointed at the registered office of the Trustee-Manager before the commencement of the meeting or adjourned meeting at which the proxy is used.
- 4.8 Where a Holder is a relevant intermediary (including, but not limited to, a nominee company, a custodian bank), the Holder may appoint more than two proxies to exercise all or any of its rights to attend, speak and vote at every meeting, provided that each proxy must be appointed to exercise the rights attached to a different Unit or Units held by it (which number of Units and Class shall be specified).
- 4.9 A “**relevant intermediary**” means:
- (i) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity; or
 - (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds Units in that capacity.
- 5. Minutes of proceedings**
- 5.1 The Trustee-Manager shall exercise Due Care to ensure that it will comply with all provisions of Relevant Laws, Regulations and Guidelines in relation to records of proceedings of meetings.
- 5.2 Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Trustee-Manager and any such minute as aforesaid if purporting to be signed by the Chairman of the meeting shall be evidence of the matters therein stated and until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat to have been duly passed.

APPENDIX E - EXTRACTS FROM THE TRUST DEED

6. Resolutions

- 6.1** An Ordinary Resolution means a resolution proposed and passed as such by a majority being more than 50.0% of the total number of votes cast for and against such resolution at a meeting of Holders or, to the extent permitted by law, a resolution in writing, as described in paragraph 6.3 below.
- 6.2** An Extraordinary Resolution means a resolution proposed and passed as such by a majority consisting of 75.0% or more of the total number of votes cast for and against such resolution at a meeting of Holders or, to the extent permitted by law, a resolution in writing, as described in paragraph 6.3 below.
- 6.3** A resolution in writing signed by or on behalf of the relevant percentage, as required for the passing of an Ordinary Resolution or an Extraordinary Resolution (as the case may be), of the Holders for the time being entitled to receive notice of any meeting of Holders shall be as valid and effectual as an Ordinary Resolution or an Extraordinary Resolution (as the case may be) passed at a meeting of those Holders duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by or on behalf of one or more of the Holders concerned.
- 6.4** The expressions “in writing” and “signed” include approval by any such Holder by telefax or any form of electronic communication approved by the Trustee-Manager.
- 6.5** An Extraordinary Resolution or an Ordinary Resolution, as the case may be, shall be binding on all Holders whether or not present at the relevant meeting and each of the Holders and the Trustee-Manager shall, subject to the provision relating to indemnity in this Deed, be bound to give effect thereto accordingly.

7. Corporate representatives

A corporation, being a Holder, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of Holders and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

**APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF
THE CRT GROUP FOR FY2016**

Croesus Retail Trust
(Constituted under the Singapore Business
Trusts Act, Chapter 31A)
and its subsidiaries

Financial Statements
For the year ended 30 June 2016



APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Financial Statements
For the year ended 30 June 2016

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APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Statement of the Trustee-Manager For the year ended 30 June 2016

The directors of Croesus Retail Asset Management Pte. Ltd. as Trustee-Manager of Croesus Retail Trust (the "Trust" and Croesus Retail Asset Management Pte. Ltd. as Trustee-Manager of the Trust, the "Trustee-Manager"), are pleased to present their statement to the unitholders together with the audited consolidated financial statements of the Trust and its subsidiaries (collectively, the "Group") for the year ended 30 June 2016 and the balance sheet as at 30 June 2016 and the statement of changes in unitholders' funds of the Trust for the year ended 30 June 2016.

Opinion of the directors

In the opinion of the directors,

- (i) the consolidated financial statements of the Group and the balance sheet and the statement of changes in unitholders' funds of the Trust are drawn up so as to give a true and fair view of the financial position of the Group and of the Trust as at 30 June 2016, and of the financial performance, changes in unitholders' funds and cash flows of the Group and the changes in unitholders' funds of the Trust for the year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Trustee-Manager will be able to fulfil, out of the trust property of the Trust, the liabilities of the Trust as and when they fall due.

Directors

The directors of the Trustee-Manager in office at the date of this report are as follows:

Mr Lim Teck Leong David (Chairman)
Mr Jim Chang Cheng-Wen (Chief Executive Officer)
Mr Yong Chao Hsien Jeremy (Managing Director)
Mr Eng Meng Leong
Mr Quah Ban Huat

In accordance with Regulation 12(6) of the Singapore Business Trust Regulations ("BTR"), the Board of Directors of the Trustee-Manager may determine that a director who is not considered to be independent from management and business relationships with the Trustee-Manager under Regulation 3; or not considered to be independent from a substantial shareholder of the Trustee-Manager under Regulation 4, is nonetheless independent from management and business relationships with the Trustee-Manager or independent from a substantial shareholder of the Trustee-Manager, if the Board of Directors is satisfied that the director's independent judgment and ability to act with regard to the interests of all the unitholders of the Trust as a whole will not be interfered with, despite the relationships.

The details of the Board of Directors' review and determination under Regulation 12(7) of the BTR are disclosed in the Corporate Governance section of the Annual Report of the Trust at page 56 in accordance with Regulation 12(8) and 12(9) of the BTR.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Statement of the Trustee-Manager For the year ended 30 June 2016

Arrangements to enable directors to acquire units and debentures

Except as described in the paragraph below, neither at the end of nor at any time during the financial year was the Trustee-Manager a party to any arrangement where the objective was to enable any or all directors of the Trustee-Manager to acquire benefits by means of the acquisition of units in, or debentures of, the Trust.

Directors' interests in units and debentures

According to the register of directors' unitholdings and for the purpose of Section 76 of the Business Trusts Act, Chapter 31A of Singapore (the "BTA"), only those directors as shown below hold units in, or debentures of, the Trust:

Name of director	Direct interest		Deemed interest	
	At the beginning of financial year	At the end of financial year	At the beginning of financial year	At the end of financial year
Mr Lim Teck Leong David	-	-	1,450,000	1,769,000
Mr Jim Chang Cheng-Wen	-	-	5,984,000	6,618,500
Mr Yong Chao Hsien Jeremy	-	-	5,984,000	6,618,500

There was no change in any of the above-mentioned interests in the Trust between the end of the year and 21 July 2016.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in units, unit options, warrants or debentures of the Trust, or of related corporations, either at the beginning of the financial year, or at the end of the financial year.

Unit Options

There were no options granted during the financial year to acquire unissued units in the Trust.

No units have been issued during the financial year by virtue of the exercise of options to take up unissued units in the Trust.

There were no unissued units in the Trust under option as at the end of the financial year.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Statement of the Trustee-Manager For the year ended 30 June 2016

Audit and Risk Committee

The Audit and Risk Committee ("ARC") comprises three independent directors. The members at the end of the financial year were as follows:

Mr Eng Meng Leong (Chairman)
Mr Quah Ban Huat
Mr Lim Teck Leong David

The ARC carried out its functions in accordance with Regulation 13(6) of the Business Trusts Regulations, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group, and reviewed the internal auditor's evaluation of the adequacy of the Group's system of internal accounting controls and the assistance given by the Group's management to the external and internal auditors.
- Reviewed the quarterly and annual financial statements and the auditor's report on the annual financial statements of the Group and the Trust before their submission to the board of directors (the "Board").
- Reviewed effectiveness of the Group and the Trust's material internal controls, including strategic, financial, operational, information technology, compliance controls and risk management via reviews carried out by the internal auditor.
- Met with the external auditor and management in separate sessions to discuss any matters that these groups believe should be discussed privately with the ARC.
- Reviewed the assistance provided by the Trustee-Manager's officers to the internal and external auditors.
- Reviewed the policies and practices put in place by management.
- Reviewed the cost effectiveness and the independence and objectivity of the external auditor.
- Reviewed the nature and extent of non-audit services provided by the external auditor.
- Recommended to the board of directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit.
- Reported actions and minutes of the ARC to the Board with such recommendations as the ARC considered appropriate.
- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016


Croesus Retail Trust and its subsidiaries

Statement of the Trustee-Manager
For the year ended 30 June 2016

Independent Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

For and on behalf of the Board of the Trustee-Manager,
Croesus Retail Asset Management Pte. Ltd.,



Lim Teck Leong David
Director



Jim Chang Cheng-Wen
Director

16 September 2016

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Trustee-Manager's Certificate For the year ended 30 June 2016

The directors of Croesus Retail Asset Management Pte. Ltd. as trustee-manager of Croesus Retail Trust (the "Trust" and Croesus Retail Asset Management Pte. Ltd. as Trustee-Manager of the Trust, the "Trustee-Manager") hereby certify that:

- the fees or charges paid or payable out of the trust property of the Trust to the Trustee-Manager are in accordance with the Trust Deed of the Trust;
- the interested person transactions are not detrimental to the interests of all the unitholders of the Trust as a whole based on the circumstances at the time of the transactions; and
- the Board of Directors of the Trustee-Manager is not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or the interests of all the unitholders of the Trust as a whole.

For and on behalf of the Board of Directors of the Trustee-Manager,
Croesus Retail Asset Management Pte. Ltd.,



Lim Teck Leong David
Director



Jim Chang Cheng-Wen
Director

16 September 2016

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Statement by the Chief Executive Officer of the Trustee-Manager For the year ended 30 June 2016

In accordance with Section 86 of the Business Trusts Act, Chapter 31A of Singapore, I, the Chief Executive Officer of Croesus Retail Asset Management Pte. Ltd., as trustee-manager of Croesus Retail Trust (the "Trust" and Croesus Retail Asset Management Pte. Ltd. as Trustee-Manager of the Trust, the "Trustee-Manager"), in my personal capacity, certify that I am not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of all the unitholders of the Trust as a whole.



Jim Chang Cheng-Wen
Chief Executive Officer

16 September 2016

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Statement of Policies and Practices For the year ended 30 June 2016

Croesus Retail Asset Management Pte. Ltd. as trustee-manager of Croesus Retail Trust (the "Trust" or "CRT" and Croesus Retail Asset Management Pte. Ltd. as trustee-manager of the Trust, the "Trustee-Manager") and the board of directors (the "Board") are responsible for safeguarding the interests of the unitholders as a whole and managing the business conducted by CRT. The Trustee-Manager has general powers of management over the business and assets of the Trust and its main responsibility is to manage CRT's assets and liabilities for the benefit of the unitholders as a whole. In the event of a conflict between the interests of the unitholders as a whole and its own interests, the Trustee-Manager shall act in the best interests of all unitholders as a whole and give priority to the interests of all the unitholders as a whole over its own interests.

The Board is also obliged to exercise due care to comply with the relevant provisions of all applicable legislations and regulations, the Singapore Exchange Securities Trading Limited's Listing Manual (the "Listing Manual"), the Trust Deed and all relevant contracts entered into by CRT.

The Board, in exercising its powers and carrying out its duties as the Trustee-Manager of the Trust, has put in place measures to ensure that the following are met:

- the property of the Trust ("Trust Property") is properly accounted for and is kept distinct from the property held by the Trustee-Manager in its own capacity;
- adherence with the business scope of CRT as set out in the Trust Deed;
- potential conflicts between the interests of the Trustee-Manager and the interests of the unitholders of the Trust as a whole are appropriately managed;
- interested person transactions are transparent, properly recorded and reviewed;
- expenses and cost allocations payable to the Trustee-Manager out of the Trust Property, and that fees and expenses charged to the Trust are appropriate and in accordance with the Trust Deed; and
- compliance with the Business Trust Act, Chapter 31A of Singapore (the "BTA") and the listing rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST").

Trust Property is Properly Accounted For

The Trust Property is properly accounted for and the Trust Property is kept distinct from the property of the Trustee-Manager held in its own capacity. Different bank accounts are maintained for the Trustee-Manager in its capacity as Trustee-Manager of CRT and the Trustee-Manager in its own capacity, and regular internal reviews are carried out to ascertain that all Trust Property has been fully accounted for.

The financial statements for CRT and the Trustee-Manager are kept separate and distinct and each of the financial statements are duly audited by the external auditor on an annual basis to ensure that the Trust Property is properly accounted for and kept distinct from the property of the Trustee-Manager held in its own capacity.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Statement of Policies and Practices For the year ended 30 June 2016

Adherence to the Business Scope of the Trust

The management provides regular updates to the Board and the Audit and Risk Committee (the "ARC") about potential projects that it is looking into on behalf of CRT and the Board and the ARC ensures that all such projects are within the permitted business scope under the Trust Deed. Prior to the carrying out of any significant business transaction, the Board, the ARC and/or the management will have careful regard to the provisions of the Trust Deed and when in doubt, seek advice from professional advisers.

Potential Conflicts of Interest

The Trustee-Manager has instituted the following procedures to deal with conflicts of interest issues:

- the Trustee-Manager will not manage any other business trust;
- all resolutions in writing of the directors in relation to matters concerning CRT must be approved by a majority of the directors, including at least one Independent Director;
- in respect of matters in which the sponsor and/or their subsidiaries have an interest, direct or indirect, any nominees appointed by the sponsor and/or their subsidiaries to the Board to represent its/their interests will abstain from voting. In such matters, the quorum must comprise a majority of the Independent Directors and must exclude Nominee Directors of the sponsor and/or their subsidiaries;
- where matters concerning CRT relate to transactions entered into or to be entered into by the Trustee-Manager for and on behalf of CRT with a related party of the Trustee-Manager (which would include relevant associates thereof) or CRT, the Board is required to consider the terms of such transactions to satisfy itself that such transactions are conducted on normal commercial terms, are not prejudicial to the interests of CRT and the unitholders, and in accordance with all applicable requirements of the Listing Manual and the BTA relating to the transaction in question. If the Trustee-Manager is to sign any contract with a related party of the Trustee-Manager or CRT, the Trustee-Manager will review the contract to ensure that it complies with the provisions of the Listing Manual and the BTA relating to Interested Person Transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the Monetary Authority of Singapore and SGX-ST to apply to business trusts.

Important safeguards that the Trustee-Manager has put in place to address any potential conflicts of interests with the Japan asset managers in respect of CRT's portfolio of properties and any other properties that will be managed by the Japan asset managers include the following:

- the team leaders for marketing, leasing and the day-to-day operations of the properties will be different from those managing the other properties not owned by CRT;

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Statement of Policies and Practices For the year ended 30 June 2016

Potential Conflicts of Interest (cont'd)

- the Japan asset managers managing the properties will select independent third-party property managers which in turn will select the group personnel of the independent third-party building managers who will be dedicated to the properties, on the basis that these third parties are deemed to be the most appropriate, taking into account the quality of services provided and associated costs; and
- critical strategic matters pertaining to mall management, such as leasing and operational policies, formulation of tenancy mix, and the determination of the rental rates, the key lease terms and the operating budget for running the retail assets, will be managed and controlled by the Trustee-Manager.

The Trustee-Manager will review the adequacy of the above safeguards from time to time, and will implement further safeguards and measures to ensure that the interests of CRT will not be prejudiced.

Interested Person Transactions

The Trustee-Manager has established an internal control system to ensure that all future interested person transactions will be undertaken on normal commercial terms and will not be prejudicial to the interests of CRT and the unitholders.

The Trustee-Manager maintains a register to record all interested person transactions which are entered into by CRT and the bases, including any quotations from unrelated parties and independent valuations obtained to support such bases, on which they are entered into.

The Trustee-Manager has also incorporated into its internal audit plan a review of all interested person transactions entered into by CRT. The ARC shall review the internal audit reports at least twice a year to ascertain that the guidelines and procedures established to monitor interested person transactions have been complied with.

Where matters concerning CRT relate to transactions entered into or to be entered into by the Trustee-Manager for and on behalf of CRT with a related party of the Trustee-Manager (which would include relevant associates thereof) or CRT, the Trustee-Manager is required to consider the terms of such transactions to satisfy itself that such transactions are conducted:

- on normal commercial terms;
- are not prejudicial to the interests of CRT and the unitholders; and
- in accordance with all applicable requirements of the Listing Manual and the BTA relating to the transaction in question.

If the Trustee-Manager is to sign any contract with a related party of the Trustee-Manager or CRT, the Trustee-Manager will review the contract to ensure that it complies with the provisions of the Listing Manual and the BTA relating to interested person transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the Monetary Authority of Singapore and the SGX-ST to apply to business trusts.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Statement of Policies and Practices For the year ended 30 June 2016

Fees and Expenses Charged to the Trust are Appropriate and in Accordance with the Trust Deed

The Trustee-Manager is entitled to receive for its own account out of the Trust Property a base fee calculated at a rate in accordance with the formula below:

- (i) if the value of the Trust Property is less than JPY100 billion, the base fee will be 0.60% per annum of the value of the Trust Property, subject to a cap on the base fee of JPY0.5 billion; and
- (ii) if the value of the Trust Property is equal to or greater than JPY100 billion, the base fee will be 0.50% per annum of the value of the Trust Property.

The Trustee-Manager shall be entitled to receive for its own account out of the Trust Property a performance fee of 3.0% per annum of net property income.

Any increase in the rates set out above or any change in the formula for calculation of the Trustee-Manager's management fees must be approved by an extraordinary resolution passed at a unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

The management fee (comprising the base fee and performance fee) is payable to the Trustee-Manager in the form of cash and/or units (as the Trustee-Manager may elect). The management fee to be received by the Trustee-Manager will be partly offset by the relevant Japan asset management fees to be paid directly to the relevant Japan asset managers, so as to reduce the amount of the management fee payable to the Trustee-Manager.

The Trustee-Manager is entitled to:

- (i) an acquisition fee calculated at a rate not exceeding 1.0% of:
 - (a) in the case of an acquisition of real estate, the acquisition price of any real estate purchased, whether directly or indirectly through one or more special purpose vehicles ("SPVs"), by CRT (plus any other payments in addition to the acquisition price made by CRT or its SPVs to the vendor in connection with the purchase of the real estate) (pro-rated, if applicable, to the proportion of CRT's interest);
 - (b) in the case of an acquisition of (I) the trust beneficiary interests ("TBI") in respect of the real estate or (II) the equity interests of any vehicle holding directly or indirectly the real estate, the underlying value of any real estate which is taken into account when computing the acquisition price for (A) the TBI in respect of the real estate or (B) the equity interests in such vehicle holding directly or indirectly the real estate purchased by CRT, whether directly or indirectly through one or more SPVs (plus any additional payments made by CRT or its SPVs to the vendor in connection with the purchase of such TBI or, as the case may be, equity interests) (pro-rated, if applicable, to the proportion of CRT's interest);

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Statement of Policies and Practices For the year ended 30 June 2016

Fees and Expenses Charged to the Trust are Appropriate and in Accordance with the Trust Deed (cont'd)

- (i) an acquisition fee calculated at a rate not exceeding 1.0% of: (cont'd)
 - (c) in the case of an acquisition of the contractual interest pursuant to a *tokumei kumiai* agreement, the underlying value of the real estate which is taken into account when computing the acquisition price payable for such contractual interest, whether directly or indirectly through one or more SPVs (plus any additional payments made by CRT or its SPVs to the vendor in connection with the purchase of such contractual interest) (pro-rated, if applicable, to the proportion of CRT's interest); or
 - (d) the acquisition price of any other asset forming a part of the Trust Property acquired from time to time by the Trustee-Manager on behalf of CRT; and
- (ii) a divestment fee calculated at a rate not exceeding 0.5% of:
 - (a) sale price of real estate sold or divested, whether directly or indirectly through one or more SPVs, by CRT (plus any other payments in addition to the sale price received by CRT or its SPVs from the purchaser in connection with the sale or divestment of the real estate) (pro-rated, if applicable, to the proportion of CRT's interest);
 - (b) the underlying value of any real estate which is taken into account when computing the sale price for (I) the TBI in respect of the real estate or (II) the equity interests in any vehicle holding directly or indirectly the real estate sold or divested by the Trustee-Manager on behalf of CRT, whether directly or indirectly (plus any additional payments received by CRT or its SPV from the purchaser in connection with the sale or divestment of such TBI or, as the case may be, equity interests) (pro-rated, if applicable, to the proportion of CRT's interest);
 - (c) in the case of a divestment of the contractual interest pursuant to a *tokumei kumiai* agreement, the underlying value of the real estate which is taken into account when computing the sale price payable for the divestment of such contractual interest, whether directly or indirectly one or more SPVs (plus any additional payments received by CRT or its SPVs from the purchaser in connection with the divestment of such contractual interest) (pro-rated, if applicable, to the proportion of CRT's interest); or
 - (d) the sale price of any other asset forming a part of the Trust Property sold or divested from time to time by the Trustee-Manager on behalf of CRT.

The acquisition fee and the divestment fee (regardless whether the real estate is acquired from, or disposed to, an interested person) is payable to the Trustee-Manager in the form of cash and/or units (as the Trustee-Manager may elect) at the prevailing market price. The acquisition fee and the divestment fee to be received by the Trustee-Manager will be partly offset by the relevant fees to be paid directly to the relevant Japan asset managers, so as to reduce the amount of fees payable to the Trustee-Manager.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Statement of Policies and Practices For the year ended 30 June 2016

Fees and Expenses Charged to the Trust are Appropriate and in Accordance with the Trust Deed (cont'd)

Any payment to third-party agents or brokers in connection with the acquisition or divestment of any asset of CRT shall be paid by the Trustee-Manager to such persons out of the Trust Property of CRT or the assets of the relevant *tokutei mokuteki kaisha* of CRT, and not out of the acquisition fee or divestment fee (as the case may be) received or to be received by the Trustee-Manager.

The Trustee-Manager believes that the acquisition fee is on an arm's length basis, is on normal commercial terms and not prejudicial to the interests of CRT and the unitholders.

Fees and expenses paid to the Trustee-Manager out of the Trust Property for the financial year ended 30 June 2016 are disclosed in Note 25 of the Notes to the Financial Statements.

The expenses which are payable to the Trustee-Manager in its capacity as the trustee-manager of CRT out of the Trust Property are appropriate and in accordance with the Trust Deed, and regular internal reviews are carried out to ensure that such expenses payable are in order.

Compliance with the BTA and the Listing Manual

The Trustee-Manager has engaged the services of and obtained advice from professional advisers and consultants from time to time to ensure compliance with the requirements of the BTA and the Listing Manual.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

**Independent Auditor's Report
For the year ended 30 June 2016**

Independent Auditor's Report to the Unitholders of Croesus Retail Trust

Report on the Financial Statements

We have audited the accompanying financial statements of Croesus Retail Trust (the "Trust") and its subsidiaries (collectively the "Group") set out on pages 15 to 74, which comprise the consolidated balance sheet of the Group and balance sheet of the Trust as at 30 June 2016, the consolidated statement of comprehensive income, the consolidated statement of changes in unitholders' funds and the consolidated statement of cash flows of the Group and the changes in unitholders' funds of the Trust for the year ended 30 June 2016, and a summary of significant accounting policies and other explanatory information.

Trustee-Manager's Responsibility for the Financial Statements

The Trustee-Manager is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Business Trusts Act, (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Independent Auditor's Report
For the year ended 30 June 2016

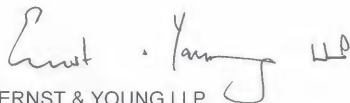
Independent Auditor's Report to the Unitholders of Croesus Retail Trust

Opinion

In our opinion, the consolidated financial statements of the Group, the balance sheet and the statement of changes in unitholders' funds of the Trust are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Trust as at 30 June 2016, and of the financial performance, changes in unitholders' fund and cash flows of the Group and changes in unitholders' fund of the Trust for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Trustee-Manager on behalf of the Trust, have been properly kept in accordance with the provisions of the Act.


ERNST & YOUNG LLP
Public Accountants and
Chartered Accountants
Singapore

16 September 2016

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Consolidated Statement of Comprehensive Income For the year ended 30 June 2016

	Note	Group	
		2016 JPY'000	2015 JPY'000
Gross revenue	4	9,581,167	7,635,403
Property operating expenses	5	(4,132,333)	(2,954,282)
Net property income		5,448,834	4,681,121
Trustee-Manager's fees		(631,837)	(555,112)
Japan asset manager's fees		(95,944)	(79,448)
Other administrative expenses		(105,983)	(57,877)
Other trust expenses	6	(142,549)	(141,629)
Finance income		9,593	3,202
Finance costs	7	(1,106,069)	(1,004,177)
Foreign exchange (losses)/gains		(56,204)	113,939
Profit before changes in fair value		3,319,841	2,960,019
Fair value gains on investment properties	11	5,705,812	6,336,798
Fair value (losses)/gains on derivative financial instruments		(1,239,262)	369,590
Profit before tax	8	7,786,391	9,666,407
Income tax expense	9	(1,839,816)	(2,087,315)
Net profit for the year attributable to unitholders of the Trust		5,946,575	7,579,092
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Net (losses)/gains on fair value changes on cash flow hedge	23	(413,268)	88,776
Total other comprehensive income attributable to unitholders of the Trust		(413,268)	88,776
Total comprehensive income for the year		5,533,307	7,667,868
Earnings per unit attributable to unitholders of the Trust - basic and diluted (JPY)	10	9.68	13.26 *

* The figures have been restated to reflect the effect of the right issue units issued on 2 November 2015.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Balance Sheets As at 30 June 2016

	Note	Group		Trust	
		2016 JPY'000	2015 JPY'000	2016 JPY'000	2015 JPY'000
Non-current assets					
Investment properties	11	112,640,000	87,930,000	–	–
Investment in subsidiaries	12	–	–	39,187,987	29,837,901
Loans to subsidiaries	13	–	–	8,410,746	8,536,696
Restricted cash	14	5,584,205	3,767,811	–	–
Prepayments	15	593,270	300,279	–	–
Trade and other receivables	16	437,341	97,242	–	–
Deferred tax assets	9	13,601	11,990	–	–
Derivative financial instruments	17	–	885,548	–	885,548
		119,268,417	92,992,870	47,598,733	39,260,145
Current assets					
Trade and other receivables	16	1,654,787	491,358	276,537	278,495
Prepayments	15	484,390	321,059	–	–
Restricted cash	14	4,287,146	3,300,260	–	–
Cash and short-term deposits	18	5,385,095	2,941,662	3,500,730	1,115,077
Derivative financial instruments	17	94,907	353,744	94,907	353,744
		11,906,325	7,408,083	3,872,174	1,747,316
Total assets		131,174,742	100,400,953	51,470,907	41,007,461
Current liabilities					
Trade and other payables	19	2,150,697	1,219,328	32,570	37,026
Loans and borrowings	20	8,337,184	646,873	7,734,059	–
Derivative financial instruments	17	1,109,698	298	1,109,698	–
Other liabilities	21	760,034	658,761	51,583	40,023
Income tax payables		242,681	255,408	53,109	65,841
		12,600,294	2,780,668	8,981,019	142,890
Non-current liabilities					
Trade and other payables	19	4,937,428	3,250,321	–	–
Loans and borrowings	20	51,057,438	46,840,340	4,527,265	9,137,533
Other liabilities	21	1,150,387	580,868	628,412	128,546
Deferred tax liabilities	9	4,521,444	2,998,862	–	–
Derivative financial instruments	17	1,594,315	363,732	947,056	–
		63,261,012	54,034,123	6,102,733	9,266,079
Total liabilities		75,861,306	56,814,791	15,083,752	9,408,969
Net assets		55,313,436	43,586,162	36,387,155	31,598,492

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Balance Sheets As at 30 June 2016

	Note	Group		Trust	
		2016 JPY'000	2015 JPY'000	2016 JPY'000	2015 JPY'000
Unitholders' funds					
Units in issue	22	47,333,037	36,486,750	47,348,544	36,502,257
Fair value adjustment reserve	23	(774,449)	(361,181)	(127,191)	2,848
Accumulated profits/(losses)		8,754,848	7,460,593	(10,834,198)	(4,906,613)
Net assets attributable to unitholders		55,313,436	43,586,162	36,387,155	31,598,492

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Consolidated Statement of Changes in Unitholders' Funds For the year ended 30 June 2016

Group	Note	Units in issue JPY'000	Fair value adjustment reserve JPY'000	Accumulated profits JPY'000	Total JPY'000
At 1 July 2014		29,861,308	(449,957)	2,982,183	32,393,534
Net profit for the year		-	-	7,579,092	7,579,092
<u>Other comprehensive income</u>					
- Net gains on fair value changes on cash flow hedge	23	-	88,776	-	88,776
Total comprehensive income for the year		-	88,776	7,579,092	7,667,868
<u>Contributions by and distributions to unitholders</u>					
Issue of new units	22	6,804,052	-	-	6,804,052
Issue costs	22	(189,265)	-	-	(189,265)
Management fees payable in units	22	10,655	-	-	10,655
Distributions to unitholders	24	-	-	(3,100,682)	(3,100,682)
Total contributions by and distributions to unitholders		6,625,442	-	(3,100,682)	3,524,760
At 30 June 2015 and 1 July 2015		36,486,750	(361,181)	7,460,593	43,586,162
Net profit for the year		-	-	5,946,575	5,946,575
<u>Other comprehensive income</u>					
- Net losses on fair value changes on cash flow hedge	23	-	(413,268)	-	(413,268)
Total comprehensive income for the year		-	(413,268)	5,946,575	5,533,307
<u>Contributions by and distributions to unitholders</u>					
Issue of new units	22	11,176,171	-	-	11,176,171
Issue costs	22	(365,830)	-	-	(365,830)
Management fees payable in units	22	35,946	-	-	35,946
Distributions to unitholders	24	-	-	(4,652,320)	(4,652,320)
Total contributions by and distributions to unitholders		10,846,287	-	(4,652,320)	6,193,967
At 30 June 2016		47,333,037	(774,449)	8,754,848	55,313,436

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Statement of Changes in Unitholders' Funds For the year ended 30 June 2016

Trust	Note	Units in issue JPY'000	Fair value adjustment reserve JPY'000	Accumulated losses JPY'000	Total JPY'000
At 1 July 2014		29,876,815	(1,904)	(2,386,145)	27,488,766
Net profit for the year		-	-	580,214	580,214
<u>Other comprehensive income</u>					
- Net gains on fair value changes on cash flow hedge	23	-	4,752	-	4,752
Total comprehensive income for the year		-	4,752	580,214	584,966
<u>Contributions by and distributions to unitholders</u>					
Issue of new units	22	6,804,052	-	-	6,804,052
Issue costs	22	(189,265)	-	-	(189,265)
Management fees payable in units	22	10,655	-	-	10,655
Distributions to unitholders	24	-	-	(3,100,682)	(3,100,682)
Total contributions by and distributions to unitholders		6,625,442	-	(3,100,682)	3,524,760
At 30 June 2015 and 1 July 2015		36,502,257	2,848	(4,906,613)	31,598,492
Net loss for the year		-	-	(1,275,265)	(1,275,265)
<u>Other comprehensive income</u>					
- Net losses on fair value changes on cash flow hedge	23	-	(130,039)	-	(130,039)
Total comprehensive income for the year		-	(130,039)	(1,275,265)	(1,405,304)
<u>Contributions by and distributions to unitholders</u>					
Issue of new units	22	11,176,171	-	-	11,176,171
Issue costs	22	(365,830)	-	-	(365,830)
Management fees payable in units	22	35,946	-	-	35,946
Distributions to unitholders	24	-	-	(4,652,320)	(4,652,320)
Total contributions by and distributions to unitholders		10,846,287	-	(4,652,320)	6,193,967
At 30 June 2016		47,348,544	(127,191)	(10,834,198)	36,387,155

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Consolidated Cash Flow Statement For the year ended 30 June 2016

	Note	Group	
		2016 JPY'000	2015 JPY'000
Operating activities			
Profit before tax		7,786,391	9,666,407
Adjustments for:			
Changes in fair value of investment properties	11	(5,705,812)	(6,336,798)
Changes in fair value of derivative financial instruments		1,239,262	(369,590)
Finance income		(9,593)	(3,202)
Finance costs	7	1,106,069	1,004,177
Trustee-Manager's fees paid in units		408,364	388,107
Trustee-Manager's fees payable in units		165,007	129,061
Amortisation of property tax		30,249	54,506
Unrealised foreign exchange losses/(gains)		19,536	(46,500)
Operating cash flows before changes in working capital		5,039,473	4,486,168
Changes in working capital:			
Restricted cash		(2,803,280)	(2,259,921)
Prepayments		(486,572)	(438,999)
Trade and other receivables		(1,435,509)	264,294
Trade and other payables		2,539,651	1,897,570
Other liabilities		597,766	193,206
Cash flows from operations		3,451,529	4,142,318
Finance income received		9,593	3,202
Finance costs paid		(634,712)	(598,268)
Income taxes paid		(399,590)	(336,922)
Net cash flows generated from operating activities		2,426,820	3,210,330
Investing activities			
Acquisition of investment properties	11	(18,595,536)	(11,298,156)
Subsequent expenditure on investment properties	11	(408,652)	(413,382)
Net cash flows used in investing activities		(19,004,188)	(11,711,538)

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Consolidated Cash Flow Statement For the year ended 30 June 2016

	Note	Group	
		2016 JPY'000	2015 JPY'000
Financing activities			
Proceeds from issuance of units		10,638,747	6,297,540
Payment of issue costs	22	(365,830)	(189,265)
Proceeds from loans and borrowings		14,815,222	6,150,000
Payment of upfront costs of loans and borrowings		(185,482)	(155,509)
Repayment of loans and borrowings		(1,210,000)	(360,000)
Distributions to unitholders	24	(4,652,320)	(3,100,682)
Net cash flows generated from financing activities		19,040,337	8,642,084
Net increase in cash and cash equivalents			
Effect of exchange rate changes on cash and cash equivalents		2,462,969	140,876
Cash and cash equivalents at beginning of the year		(19,536)	46,365
		2,941,662	2,754,421
Cash and cash equivalents at end of the year	18	5,385,095	2,941,662

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

1. Corporate information

Croesus Retail Trust (the "Trust") is a Singapore-domiciled trust originally constituted as a private trust pursuant to the Trust Deed dated 7 May 2012, with Croesus Retail Asset Management Pte. Ltd. as its Trustee-Manager (the "Trustee-Manager"). The Trust Deed was amended by the first amending and restating deed dated 29 June 2012, the second amending and restating deed dated 7 November 2012, the third amending and restating deed dated 24 April 2013 and the fourth amending and restating deed dated 30 April 2013 ("Trust Deed") to comply with the requirements of, among others, the Monetary Authority of Singapore ("MAS") and the Singapore Exchange Securities Trading Limited ("SGX-ST"), for a listed Business Trust. The Trust is a registered business trust constituted by the Trust Deed and is principally regulated by the Securities and Futures Act ("SFA") and the Singapore Business Trusts Act. The Trust Deed is governed by the laws of the Republic of Singapore.

The Trust was listed on the Main Board of the SGX-ST on 10 May 2013. The Trust was a dormant private trust during the period from 7 May 2012 (date of constitution) to 9 May 2013.

The registered office and principal place of business of the Trustee-Manager is at 50 Raffles Place, #25-03 Singapore Land Tower, Singapore 048623.

The principal activity of the Trust is owning income-producing real estate used primarily for retail purposes located in the Asia-Pacific region and real estate-related assets relating to the foregoing. The principal activities of the subsidiary companies are as disclosed in Note 12 to the financial statements.

The Group has entered into several service agreements in relation to management of the Trust and its property operations. The fee structures of these services are as follows:

(a) *Trustee-Manager's fees*

Management fees

The Trustee-Manager is entitled to receive a base fee calculated at a rate in accordance with the formula below:

- (i) if the value of the trust property is less than JPY100 billion, the base fee will be 0.6% per annum of the value of the trust property, subject to a cap on the base fee of JPY0.5 billion; and
- (ii) if the value of the trust property is equal to or greater than JPY100 billion, the base fee will be 0.5% per annum of the value of the trust property.

The Trustee-Manager is entitled to receive a performance fee of 3.0% per annum of net property income.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

1. Corporate information (cont'd)

(a) *Trustee-Manager's fees (cont'd)*

Development management fees

The Trustee-Manager is entitled to a development management fee of 3.0% of the total project costs incurred in a development project undertaken on behalf of the Trust.

Acquisition/divestment fees

The Trustee-Manager is entitled to a fee upon the acquisition of an asset by the Group calculated as 1.0% of the acquisition value of the investment.

The Trustee-Manager is entitled to a fee upon the disposal/divestment of an asset by the Group calculated as 0.5% of the sale value of the investment.

(b) *Japan asset manager's fees*

The Japan asset manager's fees, acquisition fees and disposition fees referred to below will partly offset the Trustee-Manager's fees, so as to reduce the Trustee-Manager's fees paid to the Trustee-Manager.

Asset servicing and administration fees

The Japan asset managers are entitled to an asset servicing and administration fee comprising a property operation management fee and an incentive fee:

(i) Property operation management fee: Market price of the trust beneficiary interests ("TBI") x 0.00075, where market price of the TBI means the latest appraisal value of the TBI held by the Group (being its value as determined by an independent valuer as at the end of the preceding fiscal year); and

(ii) Incentive fee: Net property income of the TBI x 0.0045.

Acquisition fees

The Japan asset managers are entitled to an acquisition fee calculated through the acquisition value of the TBI x 0.0028.

Disposition fees

The Japan asset managers are entitled to a disposition fee calculated through the sale value of the investment (excluding consumption tax thereon) x 0.0014.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

2. Summary of significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgment in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

The financial statements are presented in Japanese Yen (JPY) and all values in the tables are rounded to the nearest thousand (JPY'000) as indicated unless otherwise stated.

2.2 Standards issued but not yet effective

The Group has not adopted the following standards that have been issued but not yet effective:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to FRS 1: <i>Disclosure Initiative</i>	1 January 2016
Amendments to FRS 16 and FRS 38: <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
Amendments to FRS 16 and FRS 41: <i>Agriculture: Bearer Plants</i>	1 January 2016
Amendments to FRS 27: <i>Equity Method in Separate Financial Statements</i>	1 January 2016
Amendments to FRS 111: <i>Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
Amendments to FRS 110, FRS 112 and FRS 28: <i>Investment Entities: Applying the Consolidation Exception (Editorial correction in June 2015)</i>	1 January 2016
FRS 114 <i>Regulatory Deferral Accounts</i>	1 January 2016
Improvements to FRSs (November 2014)	
FRS 105 <i>Non-current Assets Held for Sale and Discontinued Operations</i>	1 January 2016
FRS 107 <i>Financial Instruments: Disclosures</i>	1 January 2016
FRS 19 <i>Employee Benefits</i>	1 January 2016
FRS 34 <i>Interim Financial Reporting</i>	1 January 2016
Amendments to FRS 7: <i>Disclosure Initiative</i>	1 January 2017
Amendments to FRS 12: <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017
FRS 115 <i>Revenue from Contracts with Customers</i>	1 January 2018

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

2. Summary of significant accounting policies (cont'd)

2.2 Standards issued but not yet effective (cont'd)

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
FRS 109 <i>Financial Instruments</i>	1 January 2018
Amendments to FRS 115: <i>Clarifications to FRS 115 Revenue from Contracts with Customers</i>	1 January 2018
FRS 116 <i>Leases</i>	1 January 2019
Amendments to FRS 110 and FRS 28: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined ^a

^a The mandatory effective date of this Amendment will be revised from 1 January 2016 to a date to be determined by the Accounting Standards Council

Except for FRS 115, FRS 109 and FRS 116, the Trustee-Manager expects that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 115, FRS 109 and FRS 116 are described below.

FRS 115 Revenue from Contracts with Customers

FRS 115 establishes a five-step model that will apply to revenue arising from contracts with customers. Under FRS 115, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in FRS 115 provide a more structured approach to measuring and recognising revenue when the promised goods and services are transferred to the customer i.e. when performance obligations are satisfied.

Key issues for the Group include identifying performance obligations, accounting for contract modifications, applying the constraint to variable consideration, evaluating significant financing components, measuring progress toward satisfaction of a performance obligation, recognising contract cost assets and addressing disclosure requirements.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Group is currently assessing the impact of FRS 115 and plans to adopt the new standard on the required effective date.

FRS 109 Financial Instruments

FRS 109 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in FRS 109 are based on an expected credit loss model and replace the FRS 39 incurred loss model. Adopting the expected credit losses requirements will require the Group to make changes to its current systems and processes.

Under FRS 109, the Group will be required to measure the investment at fair value. Any difference between the previous carrying amount and the fair value would be recognised in the opening retained earnings when the Group apply FRS 109.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

2. Summary of significant accounting policies (cont'd)

2.2 Standards issued but not yet effective (cont'd)

FRS 109 Financial Instruments (cont'd)

FRS 109 is effective for annual periods beginning on or after 1 January 2018 with early application permitted. Retrospective application is required, but comparative information is not compulsory. The Group is currently assessing the impact of FRS 109 and plans to adopt the standard on the required effective date.

FRS 116 Leases

FRS 116 requires lessees to recognise for most leases, a liability to pay rentals with a corresponding asset, and recognise interest expense and depreciation separately. The new standard is effective for annual periods beginning on or after 1 January 2019. The Group is currently assessing the impact of the new standard and plans to adopt the new standard on the required effective date.

2.3 Basis of consolidation and business combinations

(a) *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Trust. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest;
- derecognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

2. Summary of significant accounting policies (cont'd)

2.3 Basis of consolidation and business combinations (cont'd)

(b) Business combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

2.4 Foreign currency

The financial statements are presented in Japanese Yen, which is also the Trust's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Trust and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

2. Summary of significant accounting policies (cont'd)

2.4 Foreign currency (cont'd)

(b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into Japanese Yen at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. Revenue is recognised as follows:

(a) Gross rental income

Gross rental income consists of base rent, variable rent and other rental income.

Base rent is rental income due from tenancies but excludes variable rent.

Variable rent is rental income due from tenancies that are based on a percentage of gross turnover.

Other rental income includes common area maintenance fees, carpark income and signage and billboard fees.

Gross rental income is recognised in profit or loss on a straight-line basis over the term of the lease except variable rent recognized in profit or loss when earned.

(b) Utilities income

Utilities income includes revenue earned from the operations of the utility facilities, which is recognised when the services are rendered.

(c) Other income

Other income includes parking charges, vending machine income and other revenue from the operation of the investment properties. Other income is recognised when the services are rendered.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

2. Summary of significant accounting policies (cont'd)

2.6 *Investment properties*

Investment properties are properties that are either owned by the Group or leased under a finance lease that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties. Properties held under operating leases are classified as investment properties when the definition of an investment property is met.

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

2.7 *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Trust's balance sheet, investments in subsidiaries are accounted for at cost less impairment losses.

2.8 *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements
For the year ended 30 June 2016

2. Summary of significant accounting policies (cont'd)

2.8 Impairment of non-financial assets (cont'd)

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.9 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Group. Derivatives, including separated embedded derivatives are also classified as held for trading.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements
For the year ended 30 June 2016

2. Summary of significant accounting policies (cont'd)

2.9 Financial instruments (cont'd)

(a) *Financial assets (cont'd)*

Subsequent measurement (cont'd)

(i) Financial assets at fair value through profit or loss (cont'd)

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

(ii) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(b) *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements
For the year ended 30 June 2016

2. Summary of significant accounting policies (cont'd)

2.9 Financial instruments (cont'd)

(b) Financial liabilities (cont'd)

Subsequent measurement

The measurement of financial liabilities depends on their classification.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.10 Impairment of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

(a) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements
For the year ended 30 June 2016

2. Summary of significant accounting policies (cont'd)

2.10 Impairment of financial assets (cont'd)

(a) *Financial assets carried at amortised cost (cont'd)*

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(b) *Financial assets carried at cost*

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost had been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and deposits with financial institutions which are subject to an insignificant risk of changes in value.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

2. Summary of significant accounting policies (cont'd)

2.12 Leases

(a) As lessee

Finance leases which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(b) As lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.5 (a). Contingent rents are recognised as revenue in the period in which they are earned.

2.13 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

2. Summary of significant accounting policies (cont'd)

2.14 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

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Notes to the Financial Statements
For the year ended 30 June 2016

2. Summary of significant accounting policies (cont'd)

2.14 Taxes (cont'd)

(b) Deferred tax (cont'd)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

2.15 Provision

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past event, and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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Notes to the Financial Statements For the year ended 30 June 2016

2. Summary of significant accounting policies (cont'd)

2.16 Units on issue and issue costs

Proceeds from issuance of units are recognised as unit in issue in unitholders' funds. Incremental costs directly attributable to the issuance of units are deducted against unitholders' funds.

2.17 Distributions to Trust's unitholders

Distributions to the Trust's unitholders are recognised when the distributions are declared payable by the Trustee-Manager.

2.18 Operating segments

The Group's investment properties are primarily tenanted for use as retail space and are all located in Japan. The revenues of the Group are derived primarily from retail tenants. No separate business segment and geographical segment information has been prepared as the Group's assets and operations are all located in Japan.

2.19 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for asset retirement obligations and contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

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Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

2. Summary of significant accounting policies (cont'd)

2.20 Hedge accounting

The Group applies hedge accounting for certain hedging transactions which qualify for hedge accounting.

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment (except for foreign currency risk); or
- cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; or
- hedges of a net investment in a foreign operation.

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges which meet the strict criteria for hedge accounting are accounted for as follows:

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income in the fair value adjustment reserve, while any ineffective portion is recognised immediately in profit or loss in other expenses.

The Group uses interest rate swaps and cross currency swaps to hedge its exposure to interest rate risk and foreign currency risk for loans and borrowings. Details of interest rate swaps and cross currency swaps are disclosed in Note 17.

Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognised in equity is transferred to the profit or loss. If the hedging instrument has expired or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognised in other comprehensive income remains in other comprehensive income until the forecast transaction or firm commitment affects profit or loss.

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Notes to the Financial Statements For the year ended 30 June 2016

3. Significant accounting judgments and estimates

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgments made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Determination of lease classification

The Group has entered into commercial property leases on its investment properties. The Group evaluated the terms and conditions of the arrangements and assessed that the lease term does not constitute a substantial portion of the economic life of the commercial property and the minimum lease payment is not substantially all of the fair value of the leased asset. The Group determined that it retains all the significant risks and rewards of ownership of these properties and so accounts for the contracts as operating leases.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Fair value of financial instruments

Where the fair values of financial instruments recorded on the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flow model. The inputs to these models are derived from observable market data where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of liquidity and model inputs regarding the future financial performance of the investee, its risk profile, and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The valuation of financial instruments is described in more detail in Note 27.

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Notes to the Financial Statements
For the year ended 30 June 2016

3. Significant accounting judgments and estimates (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(b) *Revaluation of investment properties*

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. The Group engaged real estate valuation experts to assess fair value as at 30 June 2016. The fair values of investment properties are determined by independent real estate valuation experts using Discounted Cash Flow Method ("DCF"). The key assumptions used to determine the fair value of these investment properties and sensitivity analysis are provided in Note 27.

The carrying amount of the investment properties carried at fair value is disclosed in Note 11 to the financial statements. The Trustee-Manager is of the view that the valuation methods and estimates are reflective of the current market condition.

(c) *Taxes*

The Group is subject to income taxes in two jurisdictions. Significant estimate is required in determining the taxability of certain income, capital allowances and deductibility of certain expenses during the estimation of the provision for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. These are based on management's best estimates of the most likely outcome of the tax liability. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax and the relevant tax provisions in the period in which such determination is made. The carrying amount of income tax payables and deferred tax assets/liabilities are disclosed in Note 9 to the financial statements.

(d) *Asset retirement obligations*

The Group has recognised an asset retirement obligation ("ARO") associated with the investment properties. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove plant from the site and the expected timing of those costs. The carrying amount of the provision as at 30 June 2016 is JPY628,412,000 (2015: JPY128,546,000). If the estimated pre-tax discount rate used in the calculation had been 0.1% higher than management's estimate, the carrying amount of the provision would have been JPY25,319,000 (2015: JPY5,454,000) lower.

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Notes to the Financial Statements For the year ended 30 June 2016

4. Gross revenue

	Group	
	2016	2015
	JPY'000	JPY'000
Gross rental income	7,847,501	6,427,214
Utilities income	1,040,706	860,878
Other income	692,960	347,311
	9,581,167	7,635,403

5. Property operating expenses

	Group	
	2016	2015
	JPY'000	JPY'000
Property management expenses	831,657	386,005
Building management expenses	710,213	550,232
Repair expenses	136,686	163,790
Utilities expenses	1,136,446	980,333
Property tax expenses	527,602	403,563
Insurance expenses	17,273	15,223
Sales and promotions expenses	362,538	260,137
Other expenses	409,918	194,999
	4,132,333	2,954,282

Included in property management expenses are payments to property managers of JPY506,774,000 (2015: JPY345,942,000).

6. Other trust expenses

Other trust expenses comprise the following:

	Group	
	2016	2015
	JPY'000	JPY'000
Audit fees	6,866	6,816
Non-audit fees	7,970	12,155
Legal and professional fees	109,271	93,764
Others	18,442	28,894
	142,549	141,629

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Notes to the Financial Statements For the year ended 30 June 2016

7. Finance costs

	Group	
	2016 JPY'000	2015 JPY'000
Interest expenses on:		
- Specified loans	273,732	275,108
- Specified bonds	92,144	63,232
- Medium-term notes	342,060	313,171
	707,936	651,511
Amortisation of upfront costs on:		
- Specified loans	178,224	176,973
- Specified bonds	76,306	55,377
- Medium-term notes	59,094	51,456
	313,624	283,806
Others	84,509	68,860
	1,106,069	1,004,177

8. Profit before tax

The following items have been included in arriving at profit before tax:

	Group	
	2016 JPY'000	2015 JPY'000
Audit fees *		
- Auditor of the Trust	13,045	10,906
- Other auditor	24,100	15,200
Non-audit fees *		
- Auditor of the Trust	10,259	14,054
- Other auditor	8,400	6,700

* These amounts are included in "Other administrative expenses" of JPY40,968,000 (2015: JPY27,889,000) and "Other trust expenses" of JPY14,836,000 (2015: JPY18,971,000) in the consolidated statement of comprehensive income.

Included in arriving at fair value gains on investment properties are JPY15,717,000 (2015: Nil) of non-audit fees paid to the auditors.

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For the year ended 30 June 2016

9. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 30 June 2016 and 2015 are:

	Group	
	2016 JPY'000	2015 JPY'000
Current income tax		
- Current income taxation	334,682	406,986
- Over provision in respect of previous year	(15,837)	(37,091)
Deferred income tax		
- Origination of temporary differences	1,520,971	1,717,420
Income tax expense recognised in profit or loss	1,839,816	2,087,315

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 30 June 2016 and 2015 are as follows:

	Group	
	2016 JPY'000	2015 JPY'000
Profit before tax	7,786,391	9,666,407
Tax at statutory tax rate of 17% (2015: 17%)	1,323,686	1,643,289
Adjustments:		
Income not subject to taxation	(243,861)	(219,111)
Non-deductible expenses	457,807	173,256
Different tax rates arising from foreign jurisdiction	234,371	467,967
Withholding tax	73,838	64,008
Effect of partial tax exemption	(3,504)	(4,174)
Over provision in respect of previous year	(15,837)	(37,091)
Others	13,316	(829)
Income tax expense recognised in profit or loss	1,839,816	2,087,315

Income not subject to taxation mainly pertains to profit made by Tokutei Mokuteki Kaisha ("TMK") and declared to be distributed as dividend satisfying the conditions set forth under the Special Taxation Measures Law of Japan. The TMK is a special purpose corporation specifically designed for the purpose of issuing asset-backed securities under TMK Laws.

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Notes to the Financial Statements For the year ended 30 June 2016

9. Income tax expense (cont'd)

Deferred tax

Deferred tax as at 30 June 2016 and 2015 relates to the following:

	Group			
	2016	2016	2015	2015
	Consolidated balance sheet JPY'000	Consolidated income statement JPY'000	Consolidated balance sheet JPY'000	Consolidated income statement JPY'000
Deferred tax liabilities:				
Revaluation to fair value of investment properties	3,282,313		2,227,481	
Capital allowance of investment properties	1,239,131		771,381	
	4,521,444	(1,522,582)	2,998,862	(1,723,640)
Deferred tax assets:				
Unutilised tax losses	13,601	1,611	11,990	6,220
	13,601	1,611	11,990	6,220
Deferred tax expenses		(1,520,971)		(1,717,420)

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

10. Earnings per unit

The calculation of basic earnings per unit is based on:

	Group	
	2016	2015
Total profit attributable to unitholders (JPY'000)	5,946,575	7,579,092
Weighted average number of units in issue during the year ('000)	614,490	571,422 *
Earnings per unit (JPY)	9.68	13.26 *

* The figures have been restated to reflect the effect of the right issue units issued on 2 November 2015.

Diluted earnings per unit are the same as the basic earnings per unit as there are no dilutive instruments in issue during the year.

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11. Investment properties

	Group	
	2016 JPY'000	2015 JPY'000
At 1 July	87,930,000	69,881,664
Acquisitions during the year	18,595,536	11,298,156
Capital expenditures capitalised	408,652	413,382
Fair value gain on revaluation	5,705,812	6,336,798
At 30 June	112,640,000	87,930,000

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties.

Valuation of investment properties

Investment properties are stated at fair value based on valuation performed as at 30 June 2016 except for Fuji Grand Natalie, Mallage Saga and Feeeal Asahikawa. Valuation of Fuji Grand Natalie was performed as at 31 March 2016 and valuation of Mallage Saga and Feeeal Asahikawa were performed as at 15 April 2016.

The valuations were performed by CBRE K.K. and Cushman & Wakefield K.K., independent valuers with a recognised and relevant professional qualification and with recent experience in the location and category of the properties being valued. Details of valuation techniques and inputs used are disclosed in Note 27.

Properties pledged as security

All investment properties are mortgaged to secure specified loans and specified bonds (Note 20).

The investment properties held by the Group as at 30 June 2016 are as follows:

		Aggregate net lettable area (sqm)	Existing use	Percentage of interest
Aeon Town Moriya	Japan/Ibaraki	68,046.8	Retail property	100%
Aeon Town Suzuka	Japan/Mie	43,500.7	Retail property	100%
Croesus Shinsaibashi	Japan/Osaka	2,342.4	Retail property	100%
Croesus Tachikawa	Japan/Tokyo	7,140.8	Retail property	100%
Feeeal Asahikawa	Japan/Hokkaido	20,275.9	Retail property	100%
Fuji Grand Natalie	Japan/Hiroshima	31,064.6	Retail property	100%
Luz Omori	Japan/Tokyo	9,285.2	Retail property	100%
Mallage Saga	Japan/Saga	46,650.0	Retail property	100%
Mallage Shobu	Japan/Saitama	68,074.6	Retail property	100%
One's mall	Japan/Chiba	52,848.6	Retail property	100%
Torius	Japan/Fukuoka	76,870.9	Retail property	100%

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12. Investment in subsidiaries

	Trust	
	2016 JPY'000	2015 JPY'000
Unquoted equity, at cost	_#	_#
Preference shares, at cost	39,187,987	29,837,901
	39,187,987	29,837,901

Less than JPY1,000

The subsidiaries of the Trust are as follows:

Name of subsidiary	Country of incorporation	Principal activities	Proportion (%) of ownership interest	
			2016	2015
<i>Direct subsidiaries</i>				
Apple 1 TMK Holding Pte. Ltd. ("A1TH") ⁽¹⁾	Singapore	Investment vehicle of listed trust	100%	-
Apple 2 TMK Holding Pte. Ltd. ("A2TH") ⁽¹⁾	Singapore	Investment vehicle of listed trust	100%	-
Croesus TMK Holding Pte. Ltd. ("CTH") ⁽¹⁾	Singapore	Investment vehicle of listed trust	100%	100%
Durian 1 TMK Holding Pte. Ltd. ("D1TH") ⁽¹⁾	Singapore	Investment vehicle of listed trust	100%	100%
Durian 2 TMK Holding Pte. Ltd. ("D2TH") ⁽¹⁾	Singapore	Investment vehicle of listed trust	100%	100%
Mangosteen TMK Holding Pte. Ltd. ("MTH") ⁽¹⁾	Singapore	Investment vehicle of listed trust	100%	100%
Orange 1 TMK Holding Pte. Ltd. ("O1TH") ⁽¹⁾	Singapore	Investment vehicle of listed trust	100%	-
Orange 2 TMK Holding Pte. Ltd. ("O2TH") ⁽¹⁾	Singapore	Investment vehicle of listed trust	100%	-
Persimmon TMK Holding Pte. Ltd. ("PTH") ⁽¹⁾	Singapore	Investment vehicle of listed trust	100%	100%

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Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements
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12. Investment in subsidiaries (cont'd)

Name of subsidiary	Country of incorporation	Principal activities	Proportion (%) of ownership interest	
			2016	2015
<i>Held through Apple 2 TMK Holding Pte. Ltd.</i>				
Apple Tokutei Mokuteki Kaisha ("ATMK") ⁽²⁾	Japan	Development, owning and management of retail mall	100%	–
<i>Held through Durian 2 TMK Holding Pte. Ltd.</i>				
Durian Tokutei Mokuteki Kaisha ("DTMK") ⁽²⁾	Japan	Development, owning and management of retail mall	100%	100%
<i>Held through Mangosteen TMK Holding Pte. Ltd.</i>				
Mangosteen Tokutei Mokuteki Kaisha ("MTMK") ⁽²⁾	Japan	Development, owning and management of retail mall	100%	100%
<i>Held through Orange 2 TMK Holding Pte. Ltd.</i>				
Orange Tokutei Mokuteki Kaisha ("OTMK") ⁽²⁾	Japan	Development, owning and management of retail mall	100%	–
<i>Held through Persimmon TMK Holding Pte. Ltd.</i>				
Persimmon Tokutei Mokuteki Kaisha ("PTMK") ⁽²⁾	Japan	Development, owning and management of retail mall	100%	100%

⁽¹⁾ Audited by Ernst & Young LLP, Singapore.

⁽²⁾ Audited by member firm of Ernst & Young Global in Japan.

Acquisition of subsidiaries

On 2 October 2015, the Trust acquired 100% issued and paid-up capital of A1TH and A2TH, each comprising of SGD1 in share capital and SGD1 in cash, for a nominal consideration of SGD1. Upon the acquisition, A1TH and A2TH became subsidiaries of the Trust.

On 30 March 2016, the Trust acquired 100% issued and paid-up capital of O1TH and O2TH, each comprising of SGD1 in share capital and SGD1 in cash, for a nominal consideration of SGD1. Upon the acquisition, O1TH and O2TH became subsidiaries of the Trust.

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Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

13. Loans to subsidiaries

Loans to subsidiaries are unsecured, bears interest at 5.9% p.a., repayable on 10 May 2018, 28 February 2019, 9 October 2019, 13 October 2020 and 17 May 2021. The loans are to be settled in cash and may be repaid partially or fully before its repayment date.

14. Restricted cash

Restricted cash relates to the amount of cash reserve which is required to be maintained based on the agreements with the banks providing specified loans and specified bonds. Restricted cash are restricted for use in specific operating expenses, capital expenditures in the business plan and repayment of tenant rental deposit and the bank's approval is required for their use.

15. Prepayments

	Group	
	2016	2015
	JPY'000	JPY'000
Non-current:		
Prepaid operating expenses		
- Lease deposits	404,894	119,020
- Lease commissions	61,933	55,709
- Lease incentives	123,067	121,691
- Others	3,376	3,859
	593,270	300,279
Current:		
Prepaid operating expenses		
- Property tax expenses	362,474	255,819
- Lease commissions	18,407	14,784
- Lease deposits	10,806	2,768
- Lease incentives	33,755	25,693
- Others	58,948	21,995
	484,390	321,059
Total prepayments	1,077,660	621,338

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Notes to the Financial Statements For the year ended 30 June 2016

16. Trade and other receivables

	Group		Trust	
	2016 JPY'000	2015 JPY'000	2016 JPY'000	2015 JPY'000
Non-current:				
Lease deposits	426,913	86,815	-	-
Other receivables	10,428	10,427	-	-
	437,341	97,242	-	-
Current:				
Trade receivables	530,469	321,795	-	-
Consumption tax recoverable	615,913	41,073	25,367	14,518
Interest receivables	-	-	242,088	256,012
Income tax receivables	68,019	-	-	-
Refundable deposits	170,429	79,319	-	-
Amounts due from subsidiaries	-	-	8,594	7,965
Other receivables	269,957	49,171	488	-
	1,654,787	491,358	276,537	278,495
Total trade and other receivables	2,092,128	588,600	276,537	278,495
<i>Add:</i>				
Restricted cash	9,871,351	7,068,071	-	-
Cash and short-term deposits (Note 18)	5,385,095	2,941,662	3,500,730	1,115,077
Total loans and receivables	17,348,574	10,598,333	3,777,267	1,393,572

Trade receivables

Trade receivables are non-interest bearing and are generally on 15 to 30 days' credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition. The carrying amounts of current trade and other receivables approximate their fair values.

Trade and other receivables denominated in foreign currencies other than the respective entities' functional currencies as at 30 June are as follows:

	Group		Trust	
	2016 JPY'000	2015 JPY'000	2016 JPY'000	2015 JPY'000
Singapore Dollars	25,367	14,518	25,367	14,518

Trade and other receivables that are neither past due nor impaired are substantially from companies with a good collection track record with the Group.

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Notes to the Financial Statements For the year ended 30 June 2016

16. Trade and other receivables (cont'd)

Amounts due from subsidiaries

Amounts due from subsidiaries are unsecured, non-interest bearing, and repayable upon demand.

17. Derivative financial instruments

Group 2016	Maturity	Contract/ Notional amount JPY'000	Assets JPY'000	Liabilities JPY'000
Cross currency swaps	2017 - 2020	13,127,017	94,907	1,142,731
Forward currency contracts	2016 - 2018	11,058,000	-	914,023
Interest rate swaps	2018 - 2020	42,500,000	-	647,259
		<u>66,685,017</u>	<u>94,907</u>	<u>2,704,013</u>

Assets JPY'000	Liabilities JPY'000
-------------------	------------------------

Represented by:

Derivative financial instruments

- Non-current

- Current

-	1,594,315
94,907	1,109,698

Total derivative financial instruments

<u>94,907</u>	<u>2,704,013</u>
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2015	Maturity	Contract/ Notional amount JPY'000	Assets JPY'000	Liabilities JPY'000
Cross currency swap	2017	8,176,796	914,052	-
Forward currency contracts	2015 - 2016	4,944,000	325,240	-
Interest rate swaps	2015 - 2019	39,150,000	-	364,030
		<u>52,270,796</u>	<u>1,239,292</u>	<u>364,030</u>

Assets JPY'000	Liabilities JPY'000
-------------------	------------------------

Represented by:

Derivative financial instruments

- Non-current

- Current

885,548	363,732
353,744	298

Total derivative financial instruments

<u>1,239,292</u>	<u>364,030</u>
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Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

17. Derivative financial instruments (cont'd)

Trust 2016	Maturity	Contract/ Notional amount JPY'000	Assets JPY'000	Liabilities JPY'000
Cross currency swaps	2017-2020	13,127,017	94,907	1,142,731
Forward currency contracts	2016-2018	11,058,000	-	914,023
		<u>24,185,017</u>	<u>94,907</u>	<u>2,056,754</u>
			Assets JPY'000	Liabilities JPY'000
<i>Represented by:</i>				
Derivative financial instruments				
- Non-current				
- Current				
			94,907	1,109,698
Total derivative financial instruments			<u>94,907</u>	<u>2,056,754</u>
2015	Maturity	Contract/ Notional amount JPY'000	Assets JPY'000	Liabilities JPY'000
Cross currency swap	2017	8,176,796	914,052	-
Forward currency contracts	2015 - 2016	4,944,000	325,240	-
		<u>13,120,796</u>	<u>1,239,292</u>	<u>-</u>
			Assets JPY'000	Liabilities JPY'000
<i>Represented by:</i>				
Derivative financial instruments				
- Non-current				
- Current				
			885,548	-
			353,744	-
Total derivative financial instruments			<u>1,239,292</u>	<u>-</u>

Forward currency contracts

Forward currency contracts are used to hedge foreign currency risk arising from the cash flow of the Group's foreign investment properties in Japan. The Group entered into forward currency contracts to manage its distributions to unitholders. A net unrealised (loss)/gain of (JPY1,239,262,000) (2015: JPY369,590,000) was included in profit and loss in respect of these contracts.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

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Notes to the Financial Statements For the year ended 30 June 2016

17. Derivatives financial instruments (cont'd)

Interest rate swaps

Interest rate swaps are used to hedge interest rate risk arising from the underlying floating interest rates of specified loans and specified bonds. Under the interest rate swaps, the Group receives floating interest at specific contracted intervals and pays fixed rates of interest ranging from 0.60% to 1.19% (2015: 0.64% to 1.19%) per annum.

The Group designates these interest rate swaps as cash flow hedges which were assessed to be highly effective. An unrealised loss of JPY647,258,000 (2015: JPY364,030,000) was included in fair value adjustment reserve in unitholders' funds in respect of these contracts. Fair value loss on the interest rate of JPY151,415,000 (2015: JPY128,620,000) recognised in the hedging reserve was transferred to profit or loss as part of finance costs during the year.

Cross currency swaps

Cross currency swaps are used to hedge foreign exchange risk arising from the principal and the interest of medium-term notes. The Group entered into cross currency swaps to convert the principal of SGD160 million (2015: SGD100 million) to JPY13,127 million (2015: JPY8,176 million) and exchanged its SGD interest obligation of fixed-rate of 4.60% and 5.00% (2015: 4.60%) per annum into JPY interest obligations of fixed-rate of 3.83% and 2.65% (2015: 3.83%) per annum.

The Group designates the cross currency swaps as cash flow hedges which were assessed to be highly effective. An unrealised (loss)/gain of (JPY127,191,000) (2015: JPY2,848,000) was included in fair value adjustment reserve in unitholders' funds in respect of these contracts.

18. Cash and short-term deposits

	Group		Trust	
	2016 JPY'000	2015 JPY'000	2016 JPY'000	2015 JPY'000
Cash at banks and on hand	5,385,095	2,371,969	3,500,730	545,384
Short-term deposits	-	569,693	-	569,693
	5,385,095	2,941,662	3,500,730	1,115,077

Certain balance of cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits were made for varying periods of between one month to three months, and earns interest at the respective short-term deposit rates ranging from 0.02% to 1.04% per annum.

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Notes to the Financial Statements For the year ended 30 June 2016

18. Cash and short-term deposits (cont'd)

Cash and short-term deposits denominated in foreign currencies as at 30 June are as follows:

	Group		Trust	
	2016 JPY'000	2015 JPY'000	2016 JPY'000	2015 JPY'000
Singapore Dollars	229,241	504,563	227,595	502,639

19. Trade and other payables

	Group		Trust	
	2016 JPY'000	2015 JPY'000	2016 JPY'000	2015 JPY'000
Non-current:				
Security deposits received	4,937,428	3,250,321	-	-
Current:				
Trade payables	1,117,222	746,987	-	-
Security deposits received	825,077	364,421	-	-
Amounts due to related companies	22,413	25,268	20,414	25,268
Other payables	185,985	82,652	12,156	11,758
	2,150,697	1,219,328	32,570	37,026
Total trade and other payables	7,088,125	4,469,649	32,570	37,026
<i>Add:</i>				
Other liabilities (Note 21) (exclude asset retirement obligations and deferred revenue)	182,114	186,930	51,583	40,023
Loans and borrowings (Note 20)	59,394,622	47,487,213	12,261,324	9,137,533
Total financial liabilities carried at amortised cost	66,664,861	52,143,792	12,345,477	9,214,582

Trade payables

These amounts are non-interest bearing. Trade payables are normally settled on 30 to 60 days' credit terms.

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For the year ended 30 June 2016

19. Trade and other payables (cont'd)

Trade and other payables denominated in foreign currencies as at 30 June are as follows:

	Group		Trust	
	2016 JPY'000	2015 JPY'000	2016 JPY'000	2015 JPY'000
Singapore Dollars	12,332	15,671	12,332	15,671

Amounts due to related companies

These amounts are non-trade related, unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

20. Loans and borrowings

	Maturity	Group		Trust	
		2016 JPY'000	2015 JPY'000	2016 JPY'000	2015 JPY'000
Non-current:					
Specified loans	2018 - 2019	29,111,950	28,933,726	-	-
Specified bonds	2018 - 2021	17,418,223	8,769,081	-	-
Medium-term notes	2020	4,527,265	-	4,527,265	-
Medium-term notes	2017	-	9,137,533	-	9,137,533
		51,057,438	46,840,340	4,527,265	9,137,533
Current:					
Specified bonds	2015	-	646,873	-	-
Specified bonds	2017	603,125	-	-	-
Medium-term notes	2017	7,734,059	-	7,734,059	-
		8,337,184	646,873	7,734,059	-
Total loans and borrowings		59,394,622	47,487,213	12,261,324	9,137,533

Specified loans

Specified loans amounting to JPY29,111,950,000 (2015: JPY28,933,726,000) are secured by mortgage over certain investment properties of the Group. The interest rates range from 3 months Libor + 0.40% to 3 months Libor + 0.45% (2015: 3 months Libor + 0.40% to 3 months Libor + 0.45%) per annum. The loans are repayable upon maturity. The Group has entered into interest rate swaps (Note 17) to fully hedge the specified loans that are on floating interest rates.

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Notes to the Financial Statements For the year ended 30 June 2016

20. Loans and borrowings (cont'd)

Specified bonds

Specified bonds amounting to JPY18,021,348,000 (2015: JPY9,415,954,000) are secured with general lien on certain assets of the Group. The floating interest rates range from 3 months Libor + 0.35% to 3 months Libor + 0.70% (2015: 3 months Libor + 0.30% to 3 months Libor + 0.70%) per annum. The bonds are repayable upon maturity. The Group has entered into interest rate swaps (Note 17) to hedge JPY12,771,711,000 (2015: JPY8,769,081,000) of the specified bonds that are on floating interest rates. The remaining specified bonds amounting to JPY5,249,637,000 (2015: Nil) are on fixed interest rates of 0.50%.

Medium-term notes

The medium-term notes are unsecured and issued by the Trust pursuant to USD500 million Euro Medium-Term Note Programme established on 3 January 2014. The aggregate balance amounted to SGD160 million (2015: SGD100 million), consisting of:

- (i) SGD100 million notes payable on 23 January 2017 with an interest rate of 4.60% per annum.
- (ii) SGD60 million notes payable on 13 April 2020 with an interest rate of 5.00% per annum.

The Trust entered into cross currency swaps (Note 17) to convert the principal and the interest of the medium-term notes from Singapore Dollar to Japanese Yen.

The Trust is currently in the planning stage to refinance the SGD 100 million notes payable on 23 January 2017 and is exploring the various options available.

21. Other liabilities

	Group		Trust	
	2016 JPY'000	2015 JPY'000	2016 JPY'000	2015 JPY'000
Non-current:				
Deferred revenue on deposits received	521,975	452,322	-	-
Asset retirement obligations	628,412	128,546	628,412	128,546
	1,150,387	580,868	628,412	128,546
Current:				
Deferred revenue on deposits received	577,920	471,831	-	-
Accrued interest for loans and borrowings	49,987	45,964	-	-
Accrued operating expenses	84,730	60,986	51,583	40,023
Other liabilities	47,397	79,980	-	-
	760,034	658,761	51,583	40,023
Total other liabilities	1,910,421	1,239,629	679,995	168,569

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Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

21. Other liabilities (cont'd)

Deferred revenue on deposits received

Tenants deposits liabilities are initially recognized at fair value and the difference between the fair value and the nominal amount is included as a component of rent income over the lease term.

Asset retirement obligations

Asset retirement obligations are associated with investment properties of the Group. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rate, the expected cost to dismantle and remove plant from the site and the expected timing of those costs.

22. Units in issue

2016	Number of units '000	Group JPY'000	Trust JPY'000
At 1 July	519,194	36,486,750	36,502,257
Issue of units:			
Trustee-Managers' fees paid in units	7,890	537,425	537,425
Right issue	114,223	5,845,581	5,845,581
Distribution reinvestment plan	7,339	477,665	477,665
Private placement	70,000	4,315,500	4,315,500
	199,452	11,176,171	11,176,171
Units issued as at 30 June	718,646	47,662,921	47,678,428
Trustee-Managers' fees payable in units	910	35,946	35,946
Issue costs	-	(365,830)	(365,830)
At 30 June	719,556	47,333,037	47,348,544

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22. Units in issue (cont'd)

2015	Number of units '000	Group JPY'000	Trust JPY'000
At 1 July	431,438	29,861,308	29,876,815
Issue of units:			
Trustee-Managers' fees paid in units	6,000	506,512	506,512
Private placement	78,900	6,085,912	6,085,912
Distribution reinvestment plan	2,626	211,628	211,628
	87,526	6,804,052	6,804,052
Units issued as at 30 June	518,964	36,665,360	36,680,867
Trustee-Managers' fees payable in units	230	10,655	10,655
Issue costs	-	(189,265)	(189,265)
At 30 June	519,194	36,486,750	36,502,257

During the year, the following units were issued:

- 7,890,000 (2015: 6,000,000) units were issued at unit prices ranging between 80.00 – 84.39 (2015: 93.82 – 101.14) Singapore cents as payment of management fees to the Trustee-Manager.
- 114,223,000 units were issued at unit price 61.00 Singapore cents pursuant to right issue to partially fund the proposed acquisition of Torius.
- 7,339,000 (2015: 2,626,000) units were issued at unit price 76.75 (2015: 92.60) Singapore cents pursuant to CRT's distribution reinvestment plan.
- 70,000,000 (2015: 78,900,000) units were issued at unit price 75.00 (2015: 91.50) Singapore cents pursuant to private placement to partially fund the acquisition of investment properties.

Each unit in the Trust represents an undivided interest in the Trust. The rights and interests of unitholders are contained in the Trust Deed and include the rights to:

- receive income and other distributions attributable to the units held;
- participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a unitholder does not have the right to require any assets (or part thereof) of the Trust be returned to him;
- attend all unitholders' meeting. The Trustee-Manager may at any time convene a meeting of unitholders in accordance with the provisions of the Trust Deed;
- vote at unitholders' meetings. Every unitholder has one vote for each unit of which he is the unitholder.

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22. Units in issue (cont'd)

The restrictions of a unitholder include the following:

- a unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- a unitholder has no right to request to redeem his units while his units are listed on SGX-ST.

A unitholder's liability is limited to the amount paid or payable for any unit in the Trust. The provisions for the Trust Deed provide that no unitholders will be personally liable to indemnify the Trustee-Manager or any creditor of the Trust in the event that the liabilities of the Trust exceed its assets.

Issue costs include professional and other fees, underwriting, selling and management commission, and miscellaneous offering expenses. Included in issue costs are JPY7,325,000 (2015: JPY6,843,000) of non-audit fees paid to the auditors.

23. Fair value adjustment reserve

	Group		Trust	
	2016 JPY'000	2015 JPY'000	2016 JPY'000	2015 JPY'000
At 1 July	(361,181)	(449,957)	2,848	(1,904)
Net (losses)/gains on fair value changes on cash flow hedge	(413,268)	88,776	(130,039)	4,752
At 30 June	(774,449)	(361,181)	(127,191)	2,848

Fair value adjustment reserve represents the cumulative fair value changes of derivative financial instruments.

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24. Distribution to unitholders

	Group and Trust	
	2016	2015
	JPY'000	JPY'000
Distribution of 3.74 Singapore cents per unit for the period from 1 January 2014 to 30 June 2014	–	1,369,360
Advance distribution of 1.66 Singapore cents per unit for the period from 1 July 2014 to 10 September 2014	–	614,703
Distribution of 2.50 Singapore cents per unit for the period from 11 September 2014 to 31 December 2014	–	1,116,619
Distribution of 3.92 Singapore cents per unit for the period from 1 January 2015 to 30 June 2015	1,693,805	–
Distribution of 3.50 Singapore cents per unit for the period from 1 July 2015 to 31 December 2015	1,891,855	–
Advance distribution of 1.95 Singapore cents per unit for the period from 1 January 2016 to 3 April 2016	1,066,660	–
Total distribution	4,652,320	3,100,682

The Trustee-Manager proposed a distribution of 1.61 Singapore cents (2015: 3.92 Singapore cents) per unit or SGD11,585,000 (equivalent to JPY1,022,415,000) (2015: SGD20,352,000 (equivalent to JPY1,626,855,000)) to unitholders in respect of the period from 4 April 2016 to 30 June 2016 (2015: 1 January 2015 to 30 June 2015).

The income available for distribution for the year is JPY3,980,929,000 (2015: JPY3,358,177,000) and in accordance with its distribution policy, the Trustee-Manager distributes 100% (2015: 100%) of the income available for distribution to unitholders.

25. Related party transactions

In addition to related party transactions disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the year:

	2016	2015
	JPY'000	JPY'000
Management fees paid/payable to the Trustee-Manager	631,837	555,112
Acquisition fees paid to the Trustee-Manager ⁽¹⁾	125,330	79,200
Asset servicing and administration fee paid/payable to related parties of the Trustee-Manager ⁽²⁾	7,933	–
Acquisition fees paid to related parties of the Trustee-Manager ⁽¹⁾	48,740	–

⁽¹⁾ These amounts are included in arriving at fair value gains on investment properties.

⁽²⁾ This amount is included in Japan asset manager's fees

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26. Commitments

(a) Operating lease commitments – as lessee

The Group has entered into commercial leases on carpark and land for its investment properties. These leases have remaining lease terms of up to about 44 years (2015: 44 years).

Minimum lease payments recognised as an expense in profit or loss for the financial year ended 30 June 2016 amounted to JPY318,269,000 (2015: JPY147,552,000).

Future minimum rental payable under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	2016	2015
	JPY'000	JPY'000
Not later than one year	485,352	121,890
Later than one year but not later than five years	1,827,749	487,560
Later than five years	14,366,235	2,700,931
	16,679,336	3,310,381

(b) Operating lease commitments – as lessor

The Group has entered into commercial property leases on its investment properties. These non-cancellable leases have remaining lease terms of up to about 18 years (2015: 13 years). Future minimum rental receivable under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	2016	2015
	JPY'000	JPY'000
Not later than one year	9,327,807	6,174,026
Later than one year but not later than five years	6,529,984	5,253,532
Later than five years	4,448,482	1,626,536
	20,306,273	13,054,094

(c) Other commitment

Following the approval of the unitholders obtained at the Extraordinary General Meeting dated 30 June 2016, Trustee-Manager Share Trust ("TM Share Trust") will acquire all of the issued shares of the Trustee-Manager for a purchase consideration of JPY 4,100 million, which will be funded by the Trust. The Trust established TM Share Trust for the principal purpose of holding the issued shares of the Trustee-Manager on behalf of the unitholders of CRT.

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27. Fair value of assets and liabilities

(a) *Fair value hierarchy*

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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Notes to the Financial Statements For the year ended 30 June 2016

27. Fair value of assets and liabilities (cont'd)

(b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

Group 2016	Quoted prices in active markets for identical instruments (Level 1) JPY'000	Significant observable inputs other than quoted prices (Level 2) JPY'000	Significant unobservable inputs (Level 3) JPY'000	Total JPY'000
Assets measured at fair value				
Non-financial assets				
Investment properties (Note 11)	–	–	112,640,000	112,640,000
Total non-financial assets	–	–	112,640,000	112,640,000
Financial assets				
Derivative financial instruments (Note 17)				
Cross currency swaps	–	94,907	–	94,907
Total financial assets	–	94,907	–	94,907
Total financial and non- financial assets	–	94,907	112,640,000	112,734,907
Liabilities measured at fair value				
Financial liabilities				
Derivative financial instruments (Note 17)				
Cross currency swaps	–	1,142,731	–	1,142,731
Forward currency contracts	–	914,023	–	914,023
Interest rate swaps	–	647,259	–	647,259
Total financial liabilities	–	2,704,013	–	2,704,013

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Notes to the Financial Statements
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27. Fair value of assets and liabilities (cont'd)

(b) Assets and liabilities measured at fair value (cont'd)

Group 2015	Quoted prices in active markets for identical instruments (Level 1) JPY'000	Significant observable inputs other than quoted prices (Level 2) JPY'000	Significant unobservable inputs (Level 3) JPY'000	Total JPY'000
Assets measured at fair value				
Non-financial assets				
Investment properties (Note 11)	-	-	87,930,000	87,930,000
Total non-financial assets	-	-	87,930,000	87,930,000
Financial assets				
Derivative financial instruments (Note 17)				
Forward currency contracts	-	325,240	-	325,240
Cross currency swap	-	914,052	-	914,052
Total financial assets	-	1,239,292	-	1,239,292
Total financial and non- financial assets	-	1,239,292	87,930,000	89,169,292
Liabilities measured at fair value				
Financial liabilities				
Derivative financial instruments (Note 17)				
Interest rate swaps	-	364,030	-	364,030
Total financial liabilities	-	364,030	-	364,030

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27. Fair value of assets and liabilities (cont'd)

(c) Level 2 fair value measurements

As at 30 June 2016, the Group has forward currency contracts, interest rate swaps and cross currency swaps, which are categorised in Level 2. The fair value of forward currency contracts is determined using mark-to-market valuation, which is calculated on the basis of quoted forward exchange rates at the balance sheet date, received from respective banking and financial institutions. The fair value of interest rate swaps and cross currency swaps are also determined using mark-to-market valuation, which is calculated as the present value of the estimated future cash flows, received from respective banking and financial institutions. These derivative financial instruments are recognised at fair value in the financial statements.

(d) Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs as applied by the external valuation expert:

Description and location	Fair value (JPY'000)	Valuation technique	Unobservable inputs	Rate (per annum)
Aeon Town Moriya (Ibaraki)	15,200,000	Discounted cash flow	- Discount rate - Terminal capitalisation rate	5.1% 5.4%
Aeon Town Suzuka (Mie)	9,990,000	Discounted cash flow	- Discount rate - Terminal capitalisation rate	5.6% 5.9%
Croesus Shinsaibashi (Osaka)	11,900,000	Discounted cash flow	- Discount rate - Terminal capitalisation rate	3.5% 3.8%
Croesus Tachikawa (Tokyo)	13,300,000	Discounted cash flow	- Discount rate - Terminal capitalisation rate	4.3% 4.7%
Feeaal Asahikawa (Hokkaido)	2,500,000	Discounted cash flow	- Discount rate - Terminal capitalisation rate	5.5% 5.8%

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27. Fair value of assets and liabilities (cont'd)

(d) Level 3 fair value measurements (cont'd)

Description and location	Fair value (JPY'000)	Valuation technique	Unobservable inputs	Rate (per annum)
Fuji Grand Natalie (Hiroshima)	3,520,000	Discounted cash flow	- Discount rate	5.6%
			- Terminal capitalisation rate	5.9%
Luz Omori (Tokyo)	4,040,000	Discounted cash flow	- Discount rate	4.5%
			- Terminal capitalisation rate	4.7%
Mallage Saga (Saga)	4,200,000	Discounted cash flow	- Discount rate	6.8%
			- Terminal capitalisation rate	7.1%
Mallage Shobu (Saitama)	26,400,000	Discounted cash flow	- Discount rate	5.4%
			- Terminal capitalisation rate	5.7%
One's Mall (Chiba)	12,900,000	Discounted cash flow	- Discount rate	4.9%
			- Terminal capitalisation rate	5.2%
Torius (Fukuoka)	8,690,000	Discounted cash flow	- Discount rate	6.1%
			- Terminal capitalisation rate	6.4%
	112,640,000			

The fair values are determined using the DCF approach with reference to the direct capitalisation approach value as a cross check. The DCF and direct capitalisation approach involve the estimation of income and expenses, taking into account expected future changes in economic and social conditions, which may affect the value of the properties. The direct comparison approach is not applied due to a lack of comparable transactions. The Group is of the view that the valuation methods and estimates are reflective of the current market condition.

Total property expenses, recognised in the consolidated profit or loss, represent direct operating expenses arising from investment properties that generated rental income. The Group does not have any investment properties that did not generate rental income.

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Notes to the Financial Statements For the year ended 30 June 2016

27. Fair value of assets and liabilities (cont'd)

(d) Level 3 fair value measurements (cont'd)

Sensitivity analysis for investment properties

The investment properties categorised under Level 3 of the fair value hierarchy are generally sensitive to the various unobservable inputs tabled above. A significant movement of each input would result in significant change to the fair value of the respective investment properties. A significant increase in the discount rate and the terminal capitalisation rate would result in a significantly lower fair value measurement, and vice versa.

Valuation policies and procedures

For all significant financial reporting valuations using valuation models and input unobservable to the Trustee-Manager, the Group engages external valuation experts to perform the valuation. The Trustee-Manager is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and FRS 113 fair value measurement guidance.

For valuations performed by external valuation experts, the Trustee-Manager reviews the appropriateness of the valuation methodologies and assumptions adopted. The Trustee-Manager also evaluates the appropriateness and reliability of the input used in the valuations. External valuation experts are required, to the extent practicable, to use a minimum of one methodology to cross-check valuations that are sensitive to unobservable input.

Significant changes in fair value measurements from period to period are evaluated by management for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent external sources, or internal sources if necessary and appropriate.

28. Financial risk management objectives and policies

The Group and the Trust is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The board of directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Chief Financial Officer. The Audit and Risk Committee provides independent oversight to the effectiveness of the risk management process.

The Trustee-Manager is responsible for setting the objectives and underlying principles of financial risk management for the Group. This is supported by comprehensive internal processes and procedures which are formalised in the Trustee-Manager's organisational and reporting structure, operating manuals and delegation of authority guidelines.

The following sections provide details regarding the Group's and the Trust's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements
For the year ended 30 June 2016

28. Financial risk management objectives and policies (cont'd)

(a) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Trust's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and short-term deposits and derivative financial instruments), the Group and the Trust minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. Credit evaluations are performed by the Group before lease agreements are entered into with lessees. In addition, the Group requires lessees to provide tenancy security deposits. Cash and short-term deposits are placed with financial institutions which are regulated.

At the end of the reporting period, the maximum exposure to credit risk is represented by the net carrying amount of that class of financial instruments, being offset by any tenancy security deposits.

The credit risk for trade receivables based on the information provided to key management is as follows:

Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks which are regulated. Trade and other receivables that are neither past due nor impaired are substantially from companies with a good collection track record with the Group.

Financial assets that are past due and/or impaired

There is no other class of financial assets that are past due and/or impaired.

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Notes to the Financial Statements For the year ended 30 June 2016

28. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Trust will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Trust's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Trust's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations. In addition, the Group also monitors and observes the bank covenants imposed by the banks on the various borrowings.

The table below summarises the maturity profile of the Group's and the Trust's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

Group 2016	Within 1 year JPY'000	1 to 5 years JPY'000	Over 5 years JPY'000	Total JPY'000
<u>Financial assets</u>				
Trade and other receivables	1,552,910	3,500	555,265	2,111,675
Restricted cash	4,287,146	3,152,780	2,431,425	9,871,351
Cash and short-term deposits	5,385,095	–	–	5,385,095
Derivative financial instruments	119,208	272,726	–	391,934
Total undiscounted financial assets	11,344,359	3,429,006	2,986,690	17,760,055
<u>Financial liabilities</u>				
Trade and other payables	2,155,625	3,130,567	2,431,425	7,717,617
Loans and borrowings	9,406,193	52,678,766	–	62,084,959
Other liabilities (exclude deferred revenue)	84,730	–	672,272	757,002
Derivative financial instruments	190,185	317,087	–	507,272
Total undiscounted financial liabilities	11,836,733	56,126,420	3,103,697	71,066,850
Total net undiscounted financial liabilities	(492,374)	(52,697,414)	(117,007)	(53,306,795)

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Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements
For the year ended 30 June 2016

28. Financial risk management objectives and policies (cont'd)

(b) *Liquidity risk (cont'd)*

Group 2015	Within 1 year JPY'000	1 to 5 years JPY'000	Over 5 years JPY'000	Total JPY'000
<u>Financial assets</u>				
Trade and other receivables	401,115	6,927	213,500	621,542
Restricted cash	3,300,260	653,623	3,114,188	7,068,071
Cash and short-term deposits	2,941,662	-	-	2,941,662
Derivative financial instruments	104,877	60,053	-	164,930
Total undiscounted financial assets	6,747,914	720,603	3,327,688	10,796,205
<u>Financial liabilities</u>				
Trade and other payables	1,248,551	653,622	3,114,188	5,016,361
Loans and borrowings	1,230,174	47,265,340	-	48,495,514
Other liabilities (exclude deferred revenue)	60,986	-	286,000	346,986
Derivative financial instruments	136,340	307,968	-	444,308
Total undiscounted financial liabilities	2,676,051	48,226,930	3,400,188	54,303,169
Total net undiscounted financial assets/ (liabilities)	4,071,863	(47,506,327)	(72,500)	(43,506,964)

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements
For the year ended 30 June 2016

28. Financial risk management objectives and policies (cont'd)

(b) *Liquidity risk (cont'd)*

Trust 2016	Within 1 year JPY'000	1 to 5 years JPY'000	Over 5 years JPY'000	Total JPY'000
<u>Financial assets</u>				
Trade and other receivables	9,082	-	-	9,082
Cash and short-term deposits	3,500,730	-	-	3,500,730
Loan to subsidiaries	496,234	9,066,810	-	9,563,044
Derivative financial instruments	119,208	272,726	-	391,934
Total undiscounted financial assets	4,125,254	9,339,536	-	13,464,790
<u>Financial liabilities</u>				
Trade and other payables	32,570	-	-	32,570
Loans and borrowings	8,605,650	5,166,219	-	13,771,869
Other liabilities	51,583	-	672,272	723,855
Total undiscounted financial liabilities	8,689,803	5,166,219	672,272	14,528,294
Total net undiscounted financial (liabilities)/assets	(4,564,549)	4,173,317	(672,272)	(1,063,504)

APPENDIX F - AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE CRT GROUP FOR FY2016

Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements
For the year ended 30 June 2016

28. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

Trust 2015	Within 1 year JPY'000	1 to 5 years JPY'000	Over 5 years JPY'000	Total JPY'000
Financial assets				
Trade and other receivables	7,965	-	-	7,965
Cash and short-term deposits	1,115,077	-	-	1,115,077
Loan to subsidiaries	503,665	9,569,947	-	10,073,612
Derivative financial instruments	104,877	60,053	-	164,930
Total undiscounted financial assets	1,731,584	9,630,000	-	11,361,584
Financial liabilities				
Trade and other payables	25,268	-	-	25,268
Loans and borrowings	418,048	8,416,171	-	8,834,219
Other liabilities	40,023	-	-	40,023
Total undiscounted financial liabilities	483,339	8,416,171	-	8,899,510
Total net undiscounted financial assets	1,248,245	1,213,829	-	2,462,074

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Trust's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Trust's exposure to interest rate risk arises primarily from their loans and borrowings.

The Group constantly monitors its exposure to changes in interest rates for its interest-bearing financial liabilities. Interest rate risk is managed on an ongoing basis with the primary objective of limiting the extent to which net interest expense can be affected by adverse movements in interest rates through the use of interest rate swaps.

The Group has outstanding interest rate swaps with notional amounts totaling JPY42,500,000,000 (2015: JPY39,150,000,000) (Note 17). As at the reporting date, financial derivative liabilities of JPY647,259,000 (2015: JPY364,030,000) were recorded on the balance sheets based on the net fair value of these interest rate swaps.

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Notes to the Financial Statements For the year ended 30 June 2016

28. Financial risk management objectives and policies (cont'd)

(c) Interest rate risk (cont'd)

Sensitivity analysis for interest rate risk

At the reporting date, the Group has minimal interest rate exposure as the Group had fully hedged its floating rate financial liabilities, and its profits after tax and operating cash flows are fully independent of changes in market interest rates.

(d) Foreign currency risk

Foreign currency risk arises when transactions are denominated in currencies other than the respective functional currencies of the various entities in the Group and impact the Group's total return for the year.

The Group's foreign currency risk relates mainly to its distribution to unitholders in Singapore Dollar. The Group monitors its foreign currency exposure on an on-going basis and manages its exposure to adverse movements in foreign currency exchange rates through financial instruments or other suitable financial products.

The Group has outstanding forward currency contracts and cross currency swaps with notional amounts totaling JPY11,058,000,000 and JPY13,127,017,000 (2015: JPY4,944,000,000 and JPY8,176,796,000) respectively (Note 17). As at the reporting date, net financial derivative (liabilities)/ assets of (JPY1,961,847,000) (2015: JPY1,239,292,000) were recorded on the balance sheets based on the net fair value of these forward currency contracts and cross currency swaps.

Sensitivity analysis for foreign currency risk

At the reporting date, if the Japanese Yen strengthened/weakened against Singapore Dollar by 10% (2015: 10%) with all other variables constant, the Group's total return before tax would have been JPY21,691,000 (2015: JPY50,341,000) lower/higher due to exchange differences arising from appreciation/depreciation of Japanese Yen against Singapore Dollar.

29. Operating segment

The Group's investment properties are primarily tenanted for use as retail space and are all located in Japan. The revenues of the Group are derived primarily from retail tenants. Therefore, the Trustee-Manager considers that the Group operates within a single business segment and within a single geographical segment in Japan.

	2016	2015
	JPY'000	JPY'000
Revenue from a major retail tenant	1,962,492	1,872,116

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Notes to the Financial Statements
For the year ended 30 June 2016

29. Operating segment (cont'd)

Geographical segment

Revenue and non-current assets information based on the geographical location of assets respectively are as follows:

	2016		2015	
	Revenue JPY'000	Non-current assets JPY'000	Revenue JPY'000	Non-current assets JPY'000
Japan	9,581,167	119,268,417	7,635,403	92,992,870

30. Capital management

The Trustee-Manager looks at the depository assets as defined under the Property Fund Guidelines to manage as capital. The Trustee-Manager's objective when managing capital is to optimise the Group's capital structure within the borrowing limits set out in the Trust Deed to fund future acquisitions and asset enhancement works at the Group's properties. To maintain or achieve an optimal capital structure, the Trustee-Manager may issue new units or source additional borrowing.

The Trustee-Manager monitors capital based on gearing ratio. The gearing ratio is calculated as total loans and borrowings divided by total depository assets.

The gearing ratios of the Group as at the end of the reporting periods are as follows:

	2016 JPY'000	2015 JPY'000
Total loans and borrowings (Note 20)	59,394,622	47,487,213
Total depository assets	131,174,742	100,400,953
Gearing ratio	45.3%	47.3%

The banks providing specified loans and specified bonds to subsidiaries require the subsidiaries to keep certain level of cash reserve and gearing ratio in the agreements. The Trustee-Manager monitors and manages the working capital of the Group and financial position of the subsidiaries to satisfy these requirements.

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Croesus Retail Trust and its subsidiaries

Notes to the Financial Statements For the year ended 30 June 2016

31. Subsequent events

Issuance of 27,682,070 preferential offering units

On 25 August 2016, the Trust issued an aggregate of 27,682,070 new units at an issue price of 79.70 Singapore cents pursuant to the the pro-rata and non-renounceable preferential offering.

Completion of the internalisation of the Trustee-Manager

On 31 August 2016, the Trust completed the internalisation of the Trustee-Manager with a consideration of JPY4,100 million.

The Trust established the TM Share Trust for the principal purpose of holding the issued shares of the Trustee-Manager on behalf of the unitholders. With the completion of the internalisation, all of the issued shares of the Trustee-Manager were acquired and were held by the TM Share Trust.

Payment of management fee by way of issue of units

On 1 September 2016, the Trust made payment of management fees by way of issue of 2,590,000 new units to the Trustee-Manager at the issue price of 85.76 Singapore cents per unit.

32. Authorisation of financial statements for issue

The financial statements for the year ended 30 June 2016 were authorised for issue in accordance with a resolution of the Board of Directors of the Trustee-Manager, Croesus Retail Asset Management Pte. Ltd., on 16 September 2016.

APPENDIX G - UNAUDITED FY2017 FINANCIAL STATEMENTS OF THE CRT GROUP FOR THE PERIOD ENDED 30 JUNE 2017



Croesus Retail Trust

Croesus Retail Trust (“CRT”) is the first Asia-Pacific retail business trust with an initial portfolio located in Japan listed on Singapore Exchange Securities Trading Limited (the “SGX-ST”).

CRT’s principal investment strategy is to invest in a diversified portfolio of predominantly retail real estate assets located in Japan and across the Asia-Pacific region and real estate-related assets relating to the foregoing. The initial portfolio is located in Japan in order to create a core portfolio of stable income generating assets. This core portfolio would serve as a foundation for CRT to pursue development and acquisition opportunities in the Asia-Pacific region, including Japan, to generate long-term capital value and long-term returns.

As at 30 June 2017, CRT’s portfolio comprises 11 quality retail properties (the “Properties”) located across Japan with an aggregate net lettable area (“NLA”) of approximately 426,420.3 sqm and the occupancy rates as at 30 June 2017 are as follows.

Properties	Country / Prefecture	Acquisition Date	NLA (sqm)	Occupancy rate
Aeon Town Moriya	Japan / Ibaraki	10 May 2013	68,046.8	100%
Aeon Town Suzuka	Japan / Mie	10 May 2013	43,500.7	100%
Croesus Shinsaibashi	Japan / Osaka	10 May 2013	2,342.4	100%
Croesus Tachikawa	Japan / Tokyo	6 Mar 2014	7,140.8	97.2%
Feeel Asahikawa	Japan / Hokkaido	27 May 2016	20,455.0	96.5%
Fuji Grand Natalie	Japan / Hiroshima	18 Apr 2016	31,064.4	100%
Luz Omori	Japan / Tokyo	6 Mar 2014	9,285.2	90.8%
Mallage Saga	Japan / Saga	27 May 2016	46,699.5	95.6%
Mallage Shobu	Japan / Saitama	10 May 2013	68,177.2	96.6%
One’s Mall	Japan / Chiba	16 Oct 2014	52,844.6	99.1%
Torius	Japan / Fukuoka	16 Oct 2015	76,863.7	92.6%

The Properties are held by Croesus Retail Asset Management Pte. Ltd. (in its capacity as trustee-manager of CRT, the “Trustee-Manager”) through a tokutei mokuteki kaisha (“TMK”) structure. The TMK is one of the common structures adopted for investment in real estate in Japan. The TMK may either acquire legal ownership rights of real properties or, as in the case of CRT’s investment in the Properties, may hold the trust beneficiary interest (“TBI”) in the Properties. In the case of CRT, the legal title to each of the Properties is held in trust by a trustee, which is typically a bank while the TBIs are held by the TMK. The TMK may obtain financing by issuing equity securities (preferred and specified equities) and debt securities (such as specified bonds), as well as by borrowing from entities which qualify as “Qualified Institutional Investors” under the Financial Instruments and Exchange Law of Japan. The TBIs in respect of the acquisition in the listing date of May 2013, March 2014, October 2014, October 2015 and April to May 2016 are held through Mangosteen TMK, Persimmon TMK, Durian TMK, Apple TMK and Orange TMK, respectively.

APPENDIX G - UNAUDITED FY2017 FINANCIAL STATEMENTS OF THE CRT GROUP FOR THE PERIOD ENDED 30 JUNE 2017

CROESUS RETAIL TRUST
ANNOUNCEMENT OF RESULT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017



On 31 August 2016, CRT completed the internalisation of the Trustee-Manager. With the completion of the internalisation, all of the issued shares of the Trustee-Manager have been acquired and are held by a trust known as the "Trustee-Manager Share Trust" (the "TM Share Trust"). The TM Share Trust was constituted as part of the internalisation of the Trustee-Manager by a declaration of trust by Perpetual (Asia) Limited (as trustee of the TM Share Trust) (the "TM Share Trustee") on 12 June 2016 and was established for the principal purpose of holding all the issued shares of the Trustee-Manager to provide additional benefits to CRT and, to this end, the unitholders of CRT from time to time. For purposes of this financial results announcement, CRT (and its subsidiaries and the TMKs) and the TM Share Trust collectively form the "CRT Group".

CRT is managed by the Trustee-Manager. The Trustee-Manager's key objectives are to deliver a competitive return on investment to unitholders of CRT through (i) regular and growing distributions and (ii) long-term capital value growth of CRT's portfolio of assets.

Distribution Policy

CRT distributed 100% of its income available for distribution from its listing date of 10 May 2013 to 30 June 2016. CRT will continue to do the same for the period from 1 July 2016 to 30 June 2017, and at least 90% of its income available for distribution thereafter.

CRT will make distributions to unitholders on a semi-annual basis with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates.

APPENDIX G - UNAUDITED FY2017 FINANCIAL STATEMENTS OF THE CRT GROUP FOR THE PERIOD ENDED 30 JUNE 2017

CROESUS RETAIL TRUST
ANNOUNCEMENT OF RESULT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017



1 (a) Consolidated statement of comprehensive income and distribution statement for 4Q 2017 vs 4Q 2016 and Year 2017 vs Year 2016

Note	4Q 2017	4Q 2016	Variance	Year 2017	Year 2016	Variance
	1 Apr 2017 to 30 Jun 2017 (JPY'000)	1 Apr 2016 to 30 Jun 2016 (JPY'000)	Increase/(Decrease) (%)	1 Jul 2016 to 30 Jun 2017 (JPY'000)	1 Jul 2015 to 30 Jun 2016 (JPY'000)	Increase/(Decrease) (%)
Gross Revenue	2,992,903	2,675,351	11.9%	12,318,638	9,581,167	28.6%
Gross rental income	2,379,061	2,169,427	9.7%	9,721,574	7,847,501	23.9%
Utilities income	326,130	287,617	13.4%	1,340,128	1,040,706	28.8%
Other income	287,712	218,307	31.8%	1,256,936	692,960	81.4%
(a)						
Property Operating Expenses	(1,551,742)	(1,235,825)	25.6%	(5,985,094)	(4,132,333)	44.8%
Property management expenses	(369,415)	(258,825)	42.7%	(1,418,643)	(831,657)	70.6%
Building management expenses	(223,935)	(206,471)	8.5%	(879,921)	(710,213)	23.9%
Repair expenses	(108,935)	(56,964)	91.2%	(233,734)	(136,686)	71.0%
Utilities expenses	(371,738)	(317,566)	17.1%	(1,521,451)	(1,136,446)	33.9%
Property tax expenses	(179,457)	(160,654)	11.7%	(721,168)	(527,602)	36.7%
Insurance expenses	(5,691)	(5,239)	8.6%	(23,260)	(17,273)	34.7%
Sales and promotion expenses	(118,217)	(106,258)	11.3%	(479,629)	(362,538)	32.3%
Other expenses	(174,354)	(123,848)	40.8%	(707,288)	(409,918)	72.5%
(b)						
(c)						
(d)						
Net Property Income	1,441,161	1,439,526	0.1%	6,333,544	5,448,834	16.2%
Finance income	2,715	1,701	59.6%	9,048	9,593	(5.7%)
Other income	79,685	-	100%	79,685	-	100.0%
Finance costs	(294,946)	(308,325)	(4.3%)	(1,257,037)	(1,106,069)	13.6%
Other administrative expenses	(146,147)	(37,222)	292.6%	(492,401)	(105,983)	364.6%
Trustee-Manager's fees	-	(180,637)	(100.0%)	(121,654)	(631,837)	(80.7%)
Japan Asset Manager's fees	(27,203)	(25,621)	6.2%	(112,761)	(95,944)	17.5%
Other trust expenses	(67,400)	(48,988)	37.6%	(556,534)	(142,549)	290.4%
Foreign exchange gains/ (losses)	32,872	(7,564)	(534.6%)	(107,330)	(56,204)	91.0%
(e)						
(f)						
(g)						
(h)						
(i)						
Profit before changes in fair value	1,020,737	832,870	22.6%	3,774,560	3,319,841	13.7%
Fair value gains on investment properties	4,051,100	5,653,095	(28.3%)	4,051,100	5,705,812	(29.0%)
Fair value gains/ (losses) on derivative financial instruments	357,468	(820,625)	(143.6%)	1,557,075	(1,239,262)	(225.6%)
(j)						
(k)						
Profit before tax	5,429,305	5,665,340	(4.2%)	9,382,735	7,786,391	20.5%
Income tax expenses						
Current tax	(68,122)	(54,156)	25.8%	(403,868)	(318,844)	26.7%
Deferred tax	(469,247)	(1,176,765)	(60.1%)	(896,865)	(1,520,972)	(41.0%)
(l)						
(m)						
Profit after tax	4,891,936	4,434,419	10.3%	8,082,002	5,946,575	35.9%
(n)						
Other comprehensive income						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Net gains/ (losses) on fair value changes on cash flow hedge	85,424	(78,443)	(208.9%)	696,114	(413,268)	(268.4%)
(o)						
Total other comprehensive income	85,424	(78,443)	(208.9%)	696,114	(413,268)	(268.4%)
Total comprehensive income for the period	4,977,360	4,355,976	14.3%	8,778,116	5,533,307	58.6%

APPENDIX G - UNAUDITED FY2017 FINANCIAL STATEMENTS OF THE CRT GROUP FOR THE PERIOD ENDED 30 JUNE 2017

CROESUS RETAIL TRUST
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1 (a) Consolidated statement of comprehensive income and distribution statement for 4Q 2017 vs 4Q 2016 and Year 2017 vs Year 2016 (Cont'd)

Consolidated distribution statement

Note	4Q 2017	4Q 2016	Variance	Year 2017	Year 2016	Variance
	1 Apr 2017 to 30 Jun 2017 (JPY'000)	1 Apr 2016 to 30 Jun 2016 (JPY'000)	Increase/ (Decrease) (%)	1 Jul 2016 to 30 Jun 2017 (JPY'000)	1 Jul 2015 to 30 Jun 2016 (JPY'000)	Increase/ (Decrease) (%)
<u>Reconciliation of profit after tax to income available for distribution</u>						
Profit after tax	4,891,936	4,434,419	10.3%	8,082,002	5,946,575	35.9%
<u>Adjustment for:</u>						
Trustee-Manager's fees paid/payable in Units	176,331	165,365	6.6%	710,767	573,371	24.0%
Amortisation of upfront costs	88,337	85,519	3.3%	343,694	313,614	9.6%
Amortisation of prepaid property tax	-	30,249	(100.0%)	-	30,249	(100.0%)
Fair value gains on investment properties, net of tax (j)	(3,314,205)	(4,609,136)	(28.1%)	(3,314,205)	(4,650,980)	(28.7%)
Fair value (gains)/ losses on derivative financial instruments (k)	(357,468)	820,625	(143.6%)	(1,557,075)	1,239,262	(225.6%)
Deferred tax expense (m)	(267,648)	132,806	(301.5%)	159,970	466,139	(65.7%)
Expenses for the acquisition of the Trustee-Manager (h)	-	-	-	353,736	-	100.0%
Others	54,499	8,607	533.2%	106,235	62,699	69.4%
Income available for distribution	1,271,782	1,068,454	19.0%	4,885,124	3,980,929	22.7%

Notes:

- (a) The increase in other income for 4Q 2017 is due mainly to the income contribution from a strong performance by the cinema in Torius and the income contribution from newly acquired properties, such as Mallage Saga and Feeeal Asahikawa on 27 May 2016.

The increase in other income for Year 2017 is due mainly to compensation from tenants in Croesus Tachikawa and Mallage Shobu for early termination of its lease contract and the income contribution from newly acquired properties, such as Torius and Mallage Saga/Feeeal Asahikawa acquired on 16 October 2015 and 27 May 2016, respectively.

- (b) The increase in property management expenses for 4Q 2017 is due mainly to the increase in cinema expenses and the expenses from newly acquired properties, such as Mallage Saga and Feeeal Asahikawa on 27 May 2016.

The increase in property management expenses for Year 2017 is due mainly to the expenses from newly acquired properties, such as Torius and Mallage Saga/Feeeal Asahikawa on 16 October 2015 and 27 May 2016, respectively.

- (c) The increase in repair expenses for 4Q 2017 is due mainly to the expenses from refurbishment works in Mallage Shobu.

The increase in repair expenses for Year 2017 is due mainly to the expenses from refurbishment works in Mallage Shobu and One's Mall and the expenses from newly acquired properties, such as Torius and Mallage Saga/Feeeal Asahikawa on 16 October 2015 and 27 May 2016, respectively.

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1 (a) Consolidated statement of comprehensive income and distribution statement for 4Q 2017 vs 4Q 2016 and Year 2017 vs Year 2016 (Cont'd)

Consolidated distribution statement (Cont'd)

Notes: (Cont'd)

- (d) The increase in other expenses for 4Q 2017 is due mainly to land lease expenses from newly acquired property, such as Mallage Saga acquired on 27 May 2016.

The increase in other expenses for Year 2017 is due mainly to land lease expenses from newly acquired properties, such as Torius and Mallage Saga on 16 October 2015 and 27 May 2016, respectively.

- (e) The increase in other income for 4Q 2017 and Year 2017 pertains to realised gain on disposal of CRT units by the Trustee-Manager.
- (f) The increase in other administrative expenses for 4Q 2017 and Year 2017 is due mainly to the operating expenses of the Trustee-Manager arising from the acquisition of all the issued shares of the Trustee-Manager.
- (g) The decrease in Trustee-Manager's fees for 4Q 2017 and Year 2017 is due to the acquisition of all the issued shares of the Trustee-Manager.
- (h) The increase in other trust expenses for 4Q 2017 is due mainly to the professional and other fees and expenses incurred in connection with the proposed acquisition announced on 28 June 2017.
- The increase in other trust expenses for Year 2017 is due mainly to the professional and other fees and expenses incurred in connection with the acquisition of all the issued shares of the Trustee-Manager and the proposed acquisition announced on 28 June 2017.
- (i) The increase in foreign exchange gains/(losses) for 4Q 2017 and Year 2017 is due mainly to unrealised foreign exchange gains/(losses) from cash and bank balances.
- (j) Fair value gains on investment properties arose from unrealised gains on revaluation of the investment properties of the Group.
- (k) Fair value gains/ (losses) on derivative financial instruments arose from mark to market of forward currency contracts (in accordance with FRS 39) used to hedge distributions.
- (l) The increase in current tax expenses for 4Q 2017 and Year 2017 is due mainly to current tax expenses of the Trustee-Manager arising from the acquisition of all the issued shares of the Trustee-Manager.
- (m) The decrease in deferred tax expenses for 4Q 2017 and Year 2017 is due mainly to the decrease of fair value gains compared to 4Q 2016 and Year 2016 and Japan's effective tax rate change.
- (n) Included in profit after tax is the Trustee-Manager's profit after tax of JPY 135,703 thousand in 4Q 2017 and JPY 334,027 thousand in Year 2017.
- (o) Net gains/(losses) on fair value changes on cash flow hedge arose from re-measurement of cross currency swap and interest rate swaps entered into to hedge the interest rate risk and currency risk on borrowings.

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1 (b) (i) Balance sheets

	Note	30 Jun 2017		30 Jun 2016	
		CRT (JPY'000)	CRT Group (JPY'000)	CRT (JPY'000)	CRT Group (JPY'000)
Non-current assets					
Investment properties		-	117,540,000	-	112,640,000
Property, plant and equipment		-	37,137	-	-
Intangible assets	(a)	-	4,006,139	-	-
Investment in subsidiaries		34,029,552	-	39,187,987	-
Loan to subsidiaries		6,222,766	-	8,410,746	-
Other receivables		-	477,825	-	437,341
Derivative financial instrument	(b)	870,049	870,049	-	-
Prepayments		-	467,189	-	593,270
Restricted cash		-	5,412,710	-	5,584,205
Deferred tax assets		-	8,174	-	13,601
		41,122,367	128,819,223	47,598,733	119,268,417
Current assets					
Cash and short-term deposits		4,514,404	6,753,841	3,500,730	5,385,095
Trade and other receivables	(c)	560,918	1,126,843	276,537	1,654,787
Derivative financial instruments	(b)	326,040	326,040	94,907	94,907
Prepayments		-	470,624	-	484,390
Restricted cash		-	5,112,424	-	4,287,146
		5,401,362	13,789,772	3,872,174	11,906,325
Total assets		46,523,729	142,608,995	51,470,907	131,174,742
Current liabilities					
Loans and borrowings	(d)	144,813	29,725,609	7,734,059	8,337,184
Trade and other payables		23,968	2,350,329	32,570	2,150,697
Derivative financial instruments	(b)	18,358	135,330	1,109,698	1,109,698
Income tax payable		24,520	291,734	53,109	242,681
Other liabilities		257,079	713,145	51,583	760,034
		468,738	33,216,147	8,981,019	12,600,294
Non-current liabilities					
Loans and borrowings	(e)	11,647,870	33,838,523	4,527,265	51,057,438
Trade and other payables		-	4,826,502	-	4,937,428
Derivative financial instruments	(b)	87,716	218,353	947,056	1,594,315
Other liabilities		629,440	1,104,132	628,412	1,150,387
Deferred tax liabilities		-	5,415,498	-	4,521,444
		12,365,026	45,403,008	6,102,733	63,261,012
Total liabilities		12,833,764	78,619,155	15,083,752	75,861,306
Net assets attributable to unitholders		33,689,965	63,989,840	36,387,155	55,313,436
Equity attributable to unitholders					
Units in issue	(f)	50,588,174	50,572,667	47,348,544	47,333,037
Accumulated (losses)/profits		(12,967,482)	13,495,508	(10,834,198)	8,754,848
Fair value adjustment reserve		169,273	(78,335)	(127,191)	(774,449)
Other reserve	(g)	(4,100,000)	-	-	-
		33,689,965	63,989,840	36,387,155	55,313,436

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1 (b) (i) Balance sheets (Cont'd)

Notes:

- (a) The intangible assets pertain to goodwill arising from the acquisition of all the issued shares of the Trustee-Manager on 31 August 2016. The goodwill represents the excess of the cost of acquisition over the fair value of the net tangible assets as at the date of acquisition.

The fair value of the identifiable assets and liabilities of the Trustee-Manager as at the acquisition date were:

	Fair Value Recognised on Acquisition (JPY'000)
Property, plant and equipment	51,386
Trade and other receivables	384,781
Cash and cash equivalents	53,557
	489,724
Trade and other payables	(115,798)
Other liabilities	(56,994)
Loans and borrowings	(202,427)
Income tax payables	(18,028)
Deferred tax liabilities	(2,616)
	(395,863)
Total identifiable net assets at fair value	93,861
Goodwill arising from the acquisition	4,006,139
Total consideration	4,100,000

- (b) Derivative financial instruments relate to fair value of forward currency contracts, interest rate swaps and cross currency swaps. JPY has generally weakened against the rates at which the forward currency contracts and cross currency swaps were entered into, resulting in a net gain on the fair value of derivative financial instruments at the CRT and CRT Group levels, resulting in the non-current and current assets under derivative financial instruments to be recorded as an increase and the current and non-current liabilities under derivative financial instruments to be recorded as a decrease. While interest rates in Japan have generally decreased from the rate at which the interest rate swaps were entered into, the interest rates in Japan have increased from 30 June 2016, thereby also resulting in the current and non-current liabilities under derivative financial instruments to be recorded as a decrease at the CRT Group level.
- (c) The decrease in trade and other receivables in the CRT Group is due mainly to the refund of consumption tax for acquisition of Fuji Grand Natalie and Mallage Saga/Feeal Asahikawa acquired on 18 April 2016 and 27 May 2016, respectively.
- (d) CRT purchased and cancelled SGD 9.75 million of the SGD 100 million in aggregate principal amount of 4.6% fixed rate notes due 2017 ("Series 001 Notes") on 18 November 2016 (the "Early Cancellation") and fully redeemed and cancelled the outstanding principal amount of SGD 90.25 million of the Series 001 Notes on 23 January 2017. The increase in current loans and borrowings pertains to the reclassification of specified loans and bond amounting to JPY 27,057 million and JPY 2,480 million respectively that will be due in May 2018.

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1 (b) (i) Balance sheets (Cont'd)

Notes (Cont'd)

- (e) CRT issued SGD 50 million 5.0% fixed rate notes due 2020 under the USD 500 million euro medium term note programme (the "EMTN Programme") on 6 October 2016. Specified loan of JPY 5,000 million was drawn down on 6 January 2017. The proceeds from the bond and loan was partially used to redeem the Series 001 Notes on 23 January 2017. Bank loan was drawn down under a 4-year term loan facility of JPY 3,000 million on 28 March 2017. The decrease in non-current loans and borrowings pertains to the reclassification of specified loans and bond amounting to JPY 27,057 million and JPY 2,480 million respectively that will be due in May 2018.
- (f) CRT issued 27,682,070 units pursuant to the preferential offering on 25 August 2016. The proceeds from the preferential offering were used to partially finance the acquisition of all the issued shares of the Trustee Manager on 31 August 2016.
- (g) Other reserve pertains to the distributions of returns. Please refer to the note (b) in the statement of changes in unitholders' fund.

1 (b) (ii) Gross borrowings

Note	Maturity	30 Jun 2017 CRT Group (JPY'000)	30 Jun 2016 CRT Group (JPY'000)
Amount payable within one year			
(a)	2018	27,056,981	-
(b)	2017-2018	2,514,870	-
(b)	2017	-	603,125
(c)	2017	-	7,734,059
(d)	2017-2018	8,945	-
(e)	2017-2018	144,813	-
		29,725,609	8,337,184
Amount payable after one year			
(a)	2018-2019	7,212,523	29,111,950
(b)	2018-2021	14,978,130	17,418,223
(c)	2020	8,896,432	4,527,265
(e)	2018-2021	2,751,438	-
		33,838,523	51,057,438
		63,564,132	59,394,622
Total loans and borrowings			

Notes:

Details of borrowings and collaterals

(a) Specified loans

Specified loans are secured by mortgages over certain investment properties of the CRT Group. The interest rates range from 3-month Libor + 0.40% to 3-month Libor + 0.45% per annum. The loans are repayable upon maturity. Entities of the CRT Group have entered into interest rate swaps to convert the floating interest rates to fixed interest rates.

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1 (b) (ii) Gross borrowings (Cont'd)

Notes (Cont'd)

Details of borrowings and collaterals (Cont'd)

(b) Specified bonds

Specified bonds are secured with general lien on certain assets of the CRT Group. The variable interest rate range from 3-month Libor + 0.35% to 3-month Libor + 0.70% per annum and the fixed interest rate is 0.50% per annum. The bonds are repayable upon maturity. Entities of the CRT Group have entered into interest rate swaps to convert the floating interest rates to fixed interest rates.

(c) Medium-term notes

The medium-term notes are unsecured and issued by CRT pursuant to the EMTN Programme established on 3 January 2014. The aggregate balance as at 30 June 2017 amounted to SGD 110 million notes payable on 13 April 2020 with an interest rate of 5.00% per annum. CRT entered into cross currency swaps to convert the principal and the interest of the medium-term notes from Singapore Dollar to Japanese Yen.

(d) Obligations under finance leases

These obligations are secured by a charge over the leased assets. The average discount rate implicit in the leases is 3.56% per annum. These obligations are denominated in JPY.

(e) Bank loan

The bank loan is unsecured and was drawn down under a 4-year term loan facility of JPY 3,000 million on 28 March 2017. The fixed interest rate is 1.65667% per annum.

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1 (c) Consolidated cash flow statements for 4Q 2017 vs 4Q 2016 and Year 2017 vs Year 2016

Note	4Q 2017		4Q 2016		Year 2017		Year 2016	
	1 Apr 2017 to 30 Jun 2017 (JPY*000)	1 Apr 2016 to 30 Jun 2016 (JPY*000)	1 Jul 2016 to 30 Jun 2017 (JPY*000)	1 Jul 2015 to 30 Jun 2016 (JPY*000)	1 Jul 2016 to 30 Jun 2017 (JPY*000)	1 Jul 2015 to 30 Jun 2016 (JPY*000)	1 Jul 2016 to 30 Jun 2017 (JPY*000)	1 Jul 2015 to 30 Jun 2016 (JPY*000)
Operating activities								
	5,429,305	5,665,340	9,382,735	7,786,391				
Profit before tax								
Adjustment for:								
	(4,051,100)	(5,653,095)	(4,051,100)	(5,705,812)				
(a)	(4,051,100)	(5,653,095)	(4,051,100)	(5,705,812)				
	(357,468)	820,625	(1,557,075)	1,239,262				
	(2,715)	(1,701)	(9,048)	(9,593)				
	294,946	308,325	1,257,037	1,106,069				
	173,916	143,418	534,164	408,364				
	-	21,947	-	165,007				
	-	30,249	-	30,249				
	4,107	-	14,249	-				
	2,251	(18,855)	118,495	19,536				
	1,493,242	1,316,253	5,689,457	5,039,473				
Changes in working capital								
	477,925	(1,286,221)	(653,781)	(2,803,280)				
	72,307	(37,608)	139,847	(486,572)				
	(282,433)	(428,091)	965,703	(1,435,509)				
	(81,251)	1,506,968	(117,538)	2,539,651				
	3,187	554,823	(231,182)	597,766				
	1,682,977	1,626,124	5,792,506	3,451,529				
	2,715	1,701	9,048	9,593				
	(232,241)	(104,056)	(870,226)	(634,712)				
	3,898	1,207	(458,992)	(399,590)				
	1,457,349	1,524,976	4,472,336	2,426,820				
Net cash flows generated from operating activities								
Investing activities								
	-	(10,348,254)	-	(18,595,536)				
(a)	-	(10,348,254)	-	(18,595,536)				
	(253,593)	(300,762)	(848,900)	(408,652)				
	-	-	(4,046,443)	-				
(b)	-	-	(4,046,443)	-				
	(253,593)	(10,649,016)	(4,895,343)	(19,004,188)				
Net cash flows used in investing activities								
Financing activities								
	-	4,315,500	2,757,924	10,638,747				
(c)	-	4,315,500	2,757,924	10,638,747				
	-	(108,696)	(52,458)	(365,830)				
	-	(1,066,660)	(3,341,342)	(4,652,320)				
	-	10,255,222	11,725,000	14,815,222				
(d)	-	10,255,222	11,725,000	14,815,222				
	-	(115,637)	(225,205)	(185,482)				
(e)	-	(115,637)	(225,205)	(185,482)				
	-	(560,000)	(8,946,356)	(1,210,000)				
	-	12,719,729	1,917,563	19,040,337				
Net cash flow generated from financing activities								
	1,203,756	3,595,689	1,494,556	2,462,969				
Net increase in cash and cash equivalents								
Cash and cash equivalents at beginning of the financial period								
	5,559,651	1,770,551	5,385,095	2,941,662				
Effect of exchange rate change on cash and cash equivalents								
	(9,566)	18,855	(125,810)	(19,536)				
Cash and cash equivalents at end of the financial period								
	6,753,841	5,385,095	6,753,841	5,385,095				

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1 (c) Consolidated cash flow statements for 4Q 2017 vs 4Q 2016 and Year 2017 vs Year 2016 (Cont'd)

Notes:

- (a) CRT completed the acquisition of Torius on 16 October 2015, Fuji Grand Natalie on 18 April 2016, Mallage Saga and Feeeal Asahikawa on 27 May 2016. The properties were revalued to the fair value of the properties.
- (b) The net cash outflow for the acquisition of all the issued shares of the Trustee-Manager consists of the purchase consideration for the acquisition of all the issued shares of the Trustee-Manager net of cash and cash equivalents acquired.

<u>Effect of the acquisition on cash flows</u>	(JPY'000)
Total consideration	4,100,000
Cash and cash equivalents of the Trustee-Manager	(53,557)
Net cash outflow for the acquisition of the Trustee-Manager	4,046,443

- (c) In Year 2017, CRT issued 27,682,070 new units pursuant to the preferential offering at an issue price of SGD 0.797 per new unit on 25 August 2016. These proceeds were used to partially finance the acquisition of all the issued shares of the Trustee-Manager. On 28 September 2016, CRT issued 5,005,533 units at SGD 0.8345 pursuant to CRT's distribution reinvestment plan ("DRP") in respect of the distribution for the period from 4 April 2016 to 30 June 2016 of SGD 0.0161 per unit in CRT. On 31 March 2017, CRT issued 10,049,289 units at SGD 0.8423 pursuant to DRP in respect of the distribution for the period from 1 July 2016 to 31 December 2016 of SGD 0.036 per unit in CRT.

In Year 2016, CRT issued 114,222,667 rights units pursuant to the right issue at an issue price of SGD 0.610 each on 2 November 2015. These proceeds were used mainly for the acquisition of Torius. On 30 March 2016, CRT issued 7,338,952 units at SGD 0.7675 pursuant to DRP in respect of the distribution for the period from 1 July 2015 to 31 December 2015 of SGD 0.035 per unit in CRT. On 4 April 2016, CRT issued 70,000,000 units at SGD 0.75 each. These proceeds were mainly used for the acquisitions of Fuji Grand Natalie, Mallage Saga and Feeeal Asahikawa.

- (d) In Year 2017, CRT issued medium-term notes amounting to SGD 50 million, equivalent to approximately JPY 3,725 million, on 6 October 2016. Specified loan of JPY 5,000 million was drawn down on 6 January 2017 and bank loan was drawn down under a 4-year term loan facility of JPY 3,000 million on 28 March 2017.

In Year 2016, CRT issued specified bonds amounting to JPY 4,560 million and JPY 5,282 million on 16 October 2015 and 27 May 2016 respectively. In addition, there was a drawdown of SGD 60 million Medium Term Note equivalent to JPY 4,950 million on 13 April 2016.

- (e) CRT purchased and cancelled SGD 9.75 million of the Series 001 Notes on 18 November 2016 and fully redeemed and cancelled the outstanding principal amount of SGD 90.25 million of the Series 001 Notes on 23 January 2017.

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1 (d) (i) Statement of changes in unitholders' fund

Note	CRT		CRT Group	
	4Q 2017	Year 2017	4Q 2017	Year 2017
	1 Apr 2017 to 30 Jun 2017 (JPY'000)	1 Jul 2016 to 30 Jun 2017 (JPY'000)	1 Apr 2017 to 30 Jun 2017 (JPY'000)	1 Jul 2016 to 30 Jun 2017 (JPY'000)
Units in issue				
	50,414,258	47,348,544	50,398,751	47,333,037
	173,916	3,457,095	173,916	3,457,095
(a)	-	(165,007)	-	(165,007)
	-	(52,458)	-	(52,458)
	50,588,174	50,588,174	50,572,667	50,572,667
Accumulated (losses)/profits				
	(13,109,922)	(10,834,198)	8,603,572	8,754,848
	142,440	1,097,737	4,891,936	8,082,002
	-	(3,231,021)	-	(3,341,342)
	(12,967,482)	(12,967,482)	13,495,508	13,495,508
Fair value adjustment reserve				
	118,851	(127,191)	(163,759)	(774,449)
	50,422	296,464	85,424	696,114
	169,273	169,273	(78,335)	(78,335)
Other reserve				
	(4,100,000)	-	-	-
(b)	-	(4,100,000)	-	-
	(4,100,000)	(4,100,000)	-	-
Equity attributable to unitholders	33,689,965	33,689,965	63,989,840	63,989,840

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1 (d) (i) Statement of changes in unitholders' fund (Cont'd)

	CRT		CRT Group	
	4Q 2016	Year 2016	4Q 2016	Year 2016
	1 Apr 2016 to 30 Jun 2016 (JPY'000)	1 Jul 2015 to 30 Jun 2016 (JPY'000)	1 Apr 2016 to 30 Jun 2016 (JPY'000)	1 Jul 2015 to 30 Jun 2016 (JPY'000)
Units in issue				
Balance at beginning of the period	42,976,376	36,502,257	42,960,869	36,486,750
- Issue of new units	4,458,917	11,176,171	4,458,917	11,176,171
- Management fees payable in units	21,947	35,946	21,947	35,946
- Issue costs	(108,696)	(365,830)	(108,696)	(365,830)
Balance at end of the period	47,348,544	47,348,544	47,333,037	47,333,037
Accumulated (losses)/profit				
Balance at beginning of the period	(8,597,337)	(4,906,613)	5,387,089	7,460,593
- Net profit/(loss) for the period	(1,170,201)	(1,275,265)	4,434,419	5,946,575
- Distribution to unitholders	(1,066,660)	(4,652,320)	(1,066,660)	(4,652,320)
Balance at end of the period	(10,834,198)	(10,834,198)	8,754,848	8,754,848
Fair value adjustment reserve				
Balance at beginning of the period	(48,123)	2,848	(696,006)	(361,181)
- Net gains/(losses) on fair value changes on cash flow hedge	(79,068)	(130,039)	(78,443)	(413,268)
Balance at end of the period	(127,191)	(127,191)	(774,449)	(774,449)
Equity attributable to unitholders	36,387,155	36,387,155	55,313,436	55,313,436

Notes:

- (a) Management fees payable in units represents units to be issued to the Trustee-Manager as partial consideration of the Trustee-Manager's fees incurred for the period ended 30 June 2016. The management fees payable in units are reclassified to issue of new units when the management fees are paid in units.
- (b) The distribution of returns was an implementational step for the internalisation of the Trustee-Manager which involved the acquisition of all the issued shares of the Trustee-Manager by the TM Share Trustee. In relation to the internalisation of the Trustee-Manager, the Trustee-Manager declared a distribution of returns where the equitable interests in the shares of the Trustee-Manager held under the TM Share Trust were distributed to unitholders of CRT. The TM Share Trust was established for the principal purpose of holding all the issued shares of the Trustee-Manager to provide additional benefits to CRT and, to this end, the unitholders of CRT from time to time. With the completion of the internalisation, all of the issued shares of the Trustee-Manager are now held by the TM Share Trustee under the TM Share Trust.

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1 (d) (ii) Details of any changes in the units

	4Q 2017	Year 2017	Year 2016
	1 Apr 2017 to 30 Jun 2017	1 Jul 2016 to 30 Jun 2017	1 Jul 2015 to 30 Jun 2016
Balance at beginning of the period	767,582,510	716,965,618	517,513,989
- Trustee-Manager's fees paid in units	2,150,000	10,030,000	7,890,000
- Private placement	-	-	70,000,000
- Distribution reinvestment plan	-	15,054,822	7,338,952
- Rights issue	-	-	114,222,677
- Preferential offering	-	27,682,070	-
Issued units at the end of the period	769,732,510	769,732,510	716,965,618
Units to be issued			
- Trustee-Manager's fees payable in units	(a) 1,820,000	1,820,000	2,590,000
Balance at end of the period	<u>771,552,510</u>	<u>771,552,510</u>	<u>719,555,618</u>

Note:

- (a) These are units to be issued to the Trustee-Manager as partial consideration of the Trustee-Manager's fees incurred for the period ended 30 June 2017 and 30 June 2016. The Trustee-Manager has opted to receive approximately 80% of the fees in units. As provided for in the trust deed dated 7 May 2012 constituting CRT, as amended (the "Trust Deed"), the price of the units to be issued will be computed based on the volume weighted average price of a unit for the period of ten business days immediately preceding the relevant business day of the issue of such units.

1 (d) (iii) To show the total number of issued shares excluding treasury shares and subsidiary holdings as at the end of the current financial period, and as at the end of the immediately preceding year.

CRT did not hold any treasury shares and subsidiary holdings as at 30 June 2017 and 30 June 2016.

Total number of issued units in CRT as at 30 June 2017 and 30 June 2016 are as disclosed in paragraph 1 (d) (ii).

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by our auditor.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

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- 4 Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied.

Same as described in paragraph 5, CRT has applied the same accounting policies and methods of computation with those applied in the audited financial statements for the financial year ended 30 June 2016.

- 5 If there are any changes in the accounting policies and methods of computation, what has changed, as well as the reasons for, and effect of the change.

There is no change in the accounting policies and methods of computation compared with the audited financial statements as at 30 June 2016 except for the adoption of new or revised FRS that are mandatory for financial year beginning on 1 July 2016. The adoption of those FRS has no significant impact to the financial position or performance of CRT for the current financial period.

- 6 Group earnings per unit ("EPU") and income available for distribution per unit ("DPU") for 4Q 2017 vs 4Q 2016 and Year 2017 vs Year 2016

Group earnings per unit

	Note	4Q 2017		4Q 2016	
		1 Apr 2017 to 30 Jun 2017	1 Apr 2016 to 30 Jun 2016	As restated ^(b)	
Weighted average number of units	(a)	768,503,939	712,690,893	740,372,963	
Earnings for the period (JPY'000)		4,891,936	4,434,419	4,434,419	
EPU for the period based on the weighted average number of units in issue (JPY)		6.37	6.22	5.99	

	Note	Year 2017		Year 2016	
		1 Jul 2016 to 30 Jun 2017	1 Jul 2015 to 30 Jun 2016	As restated ^(b)	
Weighted average number of units	(a)	751,521,795	614,489,907	677,188,396	
Earnings for the period (JPY'000)		8,082,002	5,946,575	5,946,575	
EPU for the period based on the weighted average number of units in issue (JPY)		10.75	9.68	8.78	

Notes:

- (a) The weighted average number of units is weighted for 4Q 2017, 4Q 2016, Year 2017 and Year 2016 respectively. The diluted EPU is the same as the basic EPU as no dilutive instruments were in issue during the respective reporting periods.

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6 Group earnings per unit ("EPU") and income available for distribution per unit ("DPU") for 4Q 2017 vs 4Q 2016 and Year 2017 vs Year 2016 (Cont'd)

Group earnings per unit (Cont'd)

Notes: (Cont'd)

(b) The weighted average number of units and EPU have been adjusted to reflect the effect of 114,222,677 units issued pursuant to the renounceable rights issue on 2 November 2015 and 27,682,070 units issued pursuant to the preferential offering on 25 August 2016.

Group distribution per unit

Note	4Q 2017		4Q 2016	
	1 Apr 2017 to 30 Jun 2017	1 Apr 2016 to 30 Jun 2016	As restated (b)	
(a)	771,552,510	747,237,688	747,237,688	
	1,271,782	1,068,454	1,068,454	
(c)	2.01	1.70	1.70	

Number of units issued and to be issued at end of period entitled to distribution

Income available for distribution for the period (JPY'000)

DPU for the period based on the number of units entitled to distribution (Singapore cent)

Number of units issued and to be issued at end of period entitled to distribution

Income available for distribution for the period (JPY'000)

DPU for the period based on the number of units entitled to distribution (Singapore cent)

Note	Year 2017		Year 2016	
	1 Jul 2016 to 30 Jun 2017	1 Jul 2015 to 30 Jun 2016	As restated (b)	
(a)	771,552,510	747,237,688	747,237,688	
	4,885,124	3,980,929	3,980,929	
(c)	7.66	7.06	6.83	

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6 Group earnings per unit ("EPU") and income available for distribution per unit ("DPU") for 4Q 2017 vs 4Q 2016 and Year 2017 vs Year 2016 (Cont'd)

Group distribution per unit (Cont'd)

Notes:

(a) The computation of DPU for the period is based on the number of units entitled to distribution. This comprises:

- (i) The number of units in issue as at 30 June 2017 and 30 June 2016 of 769,732,510 and 716,965,618, respectively;
- (ii) The estimated number of units to be issued to the Trustee-Manager as partial consideration of the Trustee-Manager's fees payable for the period from 1 April 2017 to 30 June 2017 and for the period from 1 April 2016 to 30 June 2016 of 1,820,000** and 2,590,000 respectively; and

** As provided for in the Trust Deed, the price of the units issued shall be computed based on the volume weighted average price of a unit for the period of ten business days immediately preceding the relevant business day of the issue of such units.

(iii) The number of units issued pursuant to the preferential offering of 27,682,070 ("the Preferential Offering Units") on 25 August 2016 for 4Q 2016 and Year 2016.

*** The Preferential Offering Units rank pari passu in all respects with the Units in issue on the day immediately prior to the date on which the Preferential Offering Units are issued including the right to CRT's distributable income for the period from 4 April 2016 to 30 June 2016, as well as distributions thereafter.

(b) The restated 4Q 2016 and Year 2016 DPU was adjusted to reflect the effect of an enlarged unit base, taking into consideration the 27,682,070 units issued pursuant to the preferential offering on 25 August 2016, to income available for distribution for the period from 1 April 2016 to 3 April 2016 and 1 July 2015 to 3 April 2016, respectively.

(c) CRT had entered into forward currency contracts to hedge the currency risk on distributions to the unitholders. The distribution per unit for the period from 1 July 2016 to 30 June 2017 and for the period from 1 July 2015 to 30 June 2016 are computed based on an average SGD/JPY exchange rate of 83.35 and 84.83 respectively. The average exchange rate takes into consideration the forward currency contracts rate and spot rate at the end of the period.

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7 Group net asset value ("NAV") per unit based on existing units in issue and to be issued

	Note	As at 30 Jun 2017	As at 30 Jun 2016
Number of units issued and to be issued at end of period	(a)	771,552,510	719,555,618
NAV as at end of period (JPY"000)		63,989,840	55,313,436
Net asset value per unit (JPY)		82.94	76.87

Notes:

- (a) The number of units used to compute net asset value per unit as at 30 June 2017 and 30 June 2016 are 771,552,510 and 719,555,618, respectively. This comprises:
- (i) The number of units in issue as at 30 June 2017 and 30 June 2016 of 769,732,510 and 716,965,618 respectively; and
 - (ii) The estimated number of units to be issued to the Trustee-Manager as partial consideration of the Trustee-Manager's fees payable for the period from 1 April 2017 to 30 June 2017 and for the period from 1 April 2016 to 30 June 2016 of 1,820,000** and 2,590,000 (as reflected in the results announcement on 26 August 2016), respectively.

** As provided for in the Trust Deed, the price of the units issued shall be computed based on the volume weighted average price of a unit for the period of ten business days immediately preceding the relevant business day of the issue of such units.

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8 Review of performance

8 (a) Statement of net property income and distribution

4Q 2017 vs 4Q 2016

	4Q 2017	4Q 2016		Variance (%)
	1 Apr 2017 to 30 Jun 2017	1 Apr 2016 to 30 Jun 2016	As restated (a)	
Gross revenue (JPY'000)	2,992,903	2,675,351	2,675,351	11.9%
Net property income (JPY'000)	1,441,161	1,439,526	1,439,526	0.1%
Income available for distribution (JPY'000)	1,271,782	1,068,454	1,068,454	19.0%
Income available for distribution per unit (Singapore cent)	2.01	1.70	1.70	18.2%

Note:

- (a) The restated 4Q 2016 was adjusted to reflect the effect of an enlarged unit base, taking into consideration the 27,682,070 units issued pursuant to the preferential offering on 25 August 2016, to income available for distribution for the period from 1 April 2016 to 3 April 2016.

Year 2017 vs Year 2016

	Year 2017	Year 2016		Variance (%)
	1 Jul 2016 to 30 Jun 2017	1 Jul 2015 to 30 Jun 2016	As restated (a)	
Gross revenue (JPY'000)	12,318,638	9,581,167	9,581,167	28.6%
Net property income (JPY'000)	6,333,544	5,448,834	5,448,834	16.2%
Income available for distribution (JPY'000)	4,885,124	3,980,929	3,980,929	22.7%
Income available for distribution per unit (Singapore cent)	7.66	7.06	6.83	12.2%

Note:

- (a) The restated Year 2016 was adjusted to reflect the effect of an enlarged unit base, taking into consideration the 27,682,070 units issued pursuant to the preferential offering on 25 August 2016, to income available for distribution for the period from 1 July 2015 to 3 April 2016.

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8 (b) Review of performance (Actual to Actual)

4Q 2017 actual compared to 4Q 2016 actual

Gross revenue for 4Q 2017 was JPY 2,993 million, 11.9% higher than 4Q 2016. The increase is due mainly to acquisition of Fuji Grand Natalie on 18 April 2016 and Mallage Saga and Feeeal Asahikawa on 27 May 2016. On top of that, higher variable rent from better tenant sales in Mallage Shobu and a strong performance by the cinema in Torius contributed to the increase in gross revenue.

Net property income for 4Q 2017 was JPY 1,441 million, 0.1% higher than 4Q 2016. The increase is due to the same factors that contributed to the increase in gross revenue. The increase is lower than gross revenue due mainly to higher expense ratios in newly acquired properties such as Mallage Saga and Feeeal Asahikawa and the expenses from refurbishment works in Mallage Shobu.

Income available for distribution for 4Q 2017 was JPY 1,272 million, 19.0% higher than 4Q 2016. The cost savings arising from the internalisation of the Trustee-Manager (being the excess cash from the Trustee-Manager's income (after deducting the costs of operating the Trustee-Manager)), lower finance cost from refinance of Series 001 Notes and realised gain on disposal of CRT units by the Trustee-Manager contributed to the increase in income available for distribution.

The total number of units for 4Q 2017 increased as compared to 4Q 2016. The increase in units is due mainly to 5,005,533 units and 10,049,289 units issued pursuant to DRP on 28 September 2016 and on 31 March 2017. The average SGD/JPY foreign exchange rates for the 4Q 2017 DPU and 4Q 2016 DPU computation are 81.49 and 84.84, respectively.

Overall, the income available for distribution per unit for 4Q 2017 was 2.01 Singapore cents, 18.2% higher than 4Q 2016 (as restated to take into the consideration of the 27,682,070 units issued pursuant to the preferential offering on 25 August 2016).

Year 2017 actual compared to Year 2016 actual

Gross revenue for Year 2017 was JPY 12,319 million, 28.6% higher than Year 2016. The increase is due mainly to acquisition of Torius on 16 October 2015, Fuji Grand Natalie on 18 April 2016 and Mallage Saga and Feeeal Asahikawa on 27 May 2016. On top of that, higher variable rent from better tenant sales in Mallage Shobu and compensation from tenants for early termination in Mallage Shobu and Croesus Tachikawa contributed to the increase in gross revenue.

Net property income for Year 2017 was JPY 6,334 million, 16.2% higher than Year 2016. The increase is due to the same factors that contributed to the increase in gross revenue. The increase is lower than gross revenue due mainly to higher expense ratios in newly acquired properties such as Torius, Mallage Saga and Feeeal Asahikawa and the expenses from refurbishment works in Mallage Shobu and One's Mall.

Income available for distribution for Year 2017 was JPY 4,885 million, 22.7% higher than Year 2016. The increase is due mainly to the same factors that contributed to the increase in net property income. Also, the cost savings arising from the internalisation of the Trustee-Manager (being the excess cash from the Trustee-Manager's income (after deducting the costs of operating the Trustee-Manager)), lower finance cost from refinance of Series 001 Notes and realised gain on disposal of CRT units by the Trustee-Manager contributed to the increase in income available for distribution.

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8 (b) **Review of performance (Actual to Actual) (Cont'd)**

Year 2017 actual compared to Year 2016 actual (Cont'd)

The total number of units for Year 2017 increased as compared to Year 2016. The increase in units is due mainly to 5,005,533 units and 10,049,289 units issued pursuant to DRP on 28 September 2016 and on 31 March 2017. The average SGD/JPY foreign exchange rates for the Year 2017 DPU and Year 2016 DPU computation are 83.35 and 84.83, respectively.

Overall, the income available for distribution per unit for Year 2017 was 7.66 Singapore cents, 12.2% higher than Year 2016 (as restated to take into the consideration of the 27,682,070 units issued pursuant to the preferential offering on 25 August 2016).

9 **Variance between the forecast and actual results**

CRT has not disclosed any forecast.

10 **Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

In the second quarter of 2017, the annualised real GDP registered an increase of 4.0%, which marked positive growth for six consecutive quarters, the longest period of growth in the past 11 years⁽¹⁾. Core consumer prices⁽²⁾ for the month of June 2017 increased 0.4% y-o-y due to cautious market sentiments. To mitigate its foreign currency exposure, CRT has hedged almost 100% of its expected distributable income up to June 2019 as it receives its distributable income in JPY and pays out distributions in SGD.

On the real estate front, commercial land prices in Tokyo, Nagoya and Osaka have continued to appreciate. In particular, property prices in Osaka have risen significantly due to an increase of foreign visitors, further driving cap rate compressions.⁽³⁾ This has resulted in greater competition for prime retail properties among Japanese real estate investment trusts and property players.

In the previous quarter, CRT took up a 4-year term loan facility of JPY3.0 billion at a fixed interest rate of 1.65667% per annum. The Trustee-Manager intends to use the proceeds to fund the capital expenditure for asset enhancement initiatives as well as other general and working capital purposes.

The Trustee-Manager has entered into a lease reservation agreement to commit a well-established supermarket chain to the proposed new building plans at Torius, which takes into account design specifications that cater to the tenant's requirements. The potential new building is estimated to increase the property's total net lettable area by about 1,800 sq m. It is expected that construction of the new building is to commence in the financial year ending 30 June 2018.

In respect of its tenant replacement exercises, CRT has replaced its anchor tenant Sumitomo Mitsui Trust Bank with Taito Station, a leading gaming arcade in Japan, at Croesus Tachikawa. Taito Station has commenced its lease in May 2017 and started operations on 28 July 2017. At Mallage Shobu, H&M has taken up retail space of approximately 1,500 square metres on the ground floor of the shopping mall as an anchor tenant and is expected to start operations by the end of August 2017. At Feeal Asahikawa, the Trustee-Manager remains focused on its tenant replacement initiative to replace the current tenants with tenants with potentially better performances. Moving forward, the Trustee-Manager will continue its efforts in monitoring and reviewing of its tenants' performance to ensure optimal performance from CRT's existing portfolio.

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10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months (Cont'd)

CRT received a request from Aeon Town for a rental review of both its leases at Aeon Town Moriya and Aeon Town Suzuka. Under a standard lease in Japan, tenants are allowed to request for a rental revision should there be a change in conditions that justify a revision. At the present time, the Trustee-Manager does not have sufficient information to consider the request. The Trustee-Manager will make further announcements on SGXNet as appropriate.

CRT has approximately 46.7% of its total debt maturing in May 2018. Considering the low interest rate environment in Japan, the refinancing of the debt is expected to be at a better rate.

On 28 June 2017, CRT announced a proposed acquisition of all the issued units and privatization of CRT by Cyrus BidCo Pte. Ltd., a company incorporated in Singapore by funds managed or advised by affiliates of The Blackstone Group L.P..⁽⁴⁾

Notes:

- (1) Source: Statistics Bureau, Ministry of Internal Affairs and Communications of Japan. CPI refers to All items, less fresh food.
- (2) Source: Bank of Japan report "Outlook for Economic Activity and Prices" dated 21 July 2017.
- (3) Based on Colliers International, Japan Investment Outlook report for Q3 2016.
- (4) For more details, please refer to SGXNet announcement dated 28 June 2017.

11 Distributions

(a) Current financial period

Any distribution declared for the current financial period?	Yes. 4.06 cents for the period from 1 January 2017 to 30 June 2017.
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(b) Corresponding period of the immediately preceding year

Any distributions declared for the corresponding period of the immediate preceding financial period?	Yes. 1.61 cents for the period from 4 April 2016 to 30 June 2016.
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1.95 cents advance distribution for the period from 1 January 2016 to 3 April 2016 was paid on 29 June 2016.

(c) Date Payable

28 September 2017.

(d) Books closure date

5:00 pm on 28 August 2017.

12 If no distribution has been declared (recommended), a statement to that effect

Refer to paragraph 11.

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- 13 **If the group has obtained a general mandate from unitholders for IPT, the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect**

CRT has not obtained a general mandate from unitholders for IPTs other than the fees and charges payable by CRT under the Trust Deed, which are not subject to Rules 905 and 906 of the Listing Manual to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder which will adversely affect CRT, as disclosed in CRT's prospectus dated 2 May 2013.

- 14 **Segmented revenue and results for business and geographical segments**

The Group's investment properties are primarily tenanted for use as retail space and are all located in Japan. The revenues from the Group are derived primarily from retail tenants. Therefore, the Manager considers that the Group operates within a single business segment and within a single geographical segment in Japan.

Revenue from a major retail tenant amounted to JPY 1,976,992,545 for the year ended 30 June 2017.

- 15 **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Not applicable.

- 16 **Confirmation that the issuer has procured undertakings from all of its directors and executive officers (in the format set out in appendix 7.7) under rule 720(1)**

CRT confirms that it has procured undertakings from all of its directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual.

- 17 **Breakdown of revenue**

	Year 2017 1 Jul 2016 to 30 Jun 2017 (JPY'000)	Year 2016 1 Jul 2015 to 30 Jun 2016 (JPY'000)	Variance (%)
Gross revenue reported for first half year	6,306,015	4,440,220	42.0%
Net income after tax for first half year	2,220,373	780,350	184.5%
Gross revenue reported for second half year	6,012,623	5,140,947	17.0%
Net income after tax for second half year	5,861,629	5,166,225	13.5%

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18 Breakdown of annual distribution for the current full year and the previous full year

	Note	Year 2017	Year 2016
		(JPY'000)	(JPY'000)
1 July 2015 to 31 December 2015			1,891,855
1 January 2016 to 3 April 2016	(a)		1,066,660
4 April 2016 to 30 June 2016			1,022,414
1 July 2016 to 31 December 2016		2,333,342	
1 January 2017 to 30 June 2017		2,551,782	
Income available for distribution		4,885,124	3,980,929

Notes:

- (a) This distribution pertains to an advance distribution for the period from 1 January 2016 to 3 April 2016 made by CRT in connection with a private placement completed on 4 April 2016.

19 Disclosure pursuant to Rule 704 (13) of the Listing Manual

Pursuant to Listing Rule 704 (13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Croesus Retail Asset Management Pte. Ltd., being the trustee-manager of CRT, confirms that there is no person occupying a managerial position in the Trustee-Manager or in any of the principal subsidiaries of CRT who is a relative of a Director, Chief Executive Officer, substantial shareholder of the Company or substantial unitholder of CRT.

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20 Use of proceeds

(i) Use of placement proceeds raised on 11 September 2014

The Trustee-Manager had on 28 December 2016 and 31 May 2017 made an announcement in respect of the use of proceeds from the placement.

As at 30 June 2017, JPY 97,500,000 remains available for general corporate and working capital purposes by CRT.

The Trustee-Manager will make the appropriate announcements on any material development on the use of the placement proceeds in compliance with the listing requirement of the SGX-ST, as and when required.

(ii) Use of renounceable rights issue proceeds raised on 3 November 2015

A summary of the utilisation of proceeds from the renounceable rights issue has been reported on Page 71 of the Annual Report 2016.

As at 30 June 2017, JPY 520,127,000 remains available for general corporate and working capital purposes by CRT.

The Trustee-Manager will make the appropriate announcements on any material development on the use of the proceeds from the renounceable rights issue in compliance with the listing requirements of the SGX-ST, as and when required.

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On behalf of the Board

Croesus Retail Asset Management Pte. Ltd.
(as trustee-manager of Croesus Retail Trust)

Lim Teck Leong, David
Chairman

Chang Cheng-Wen, Jim
Chief Executive Officer and Executive Director

18 August 2017

This release may contain forward-looking statements that involve 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 similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

This release may include market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information. While the Trustee-Manager has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, the Trustee-Manager has not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein.

APPENDIX H - SCHEME CONDITIONS

All capitalised terms used and not defined in this Appendix shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the office of the Trustee-Manager in Singapore from the Joint Announcement Date up until the Effective Date.

The Acquisition is conditional upon the satisfaction (or, where applicable, the waiver) of the following:

1. **Amendment of Trust Deed:** the approval of the Unitholders holding in the aggregate not less than three-fourths of the voting rights of all the Unitholders present and voting either in person or by proxy at the Scheme Meeting to approve the amendments to the Trust Deed to facilitate the implementation of the Scheme as set out in **Appendix D** to this Scheme Document;
2. **Unitholder Approval for the Scheme:** the approval of a majority in number of the Unitholders representing at least three-fourths in value of the Units held by the Unitholders present and voting either in person or by proxy at the Scheme Meeting to approve the Scheme;
3. **Court Approval for the Scheme:** where the Court accepts jurisdiction to make an order on the Scheme, the sanction of the Scheme by the Court through the obtaining of the Scheme Court Order;
4. **Regulatory Approvals:** all the Regulatory Approvals having been obtained or granted and remaining in full force and effect from the date such Regulatory Approvals are obtained or granted up to the Record Date, including without limitation, the following:
 - (i) confirmation from the SIC that Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) to Rule 19 of the Code shall not apply to the Scheme;
 - (ii) confirmation from the SIC that it has no objections to the Scheme Conditions set out in this **Appendix H**;
 - (iii) the approval of the Japan Fair Trade Commission or expiration of the waiting period under Chapter 4 of the Act on Prohibition of Private Monopolisation and Maintenance of Fair Trade (Law No. 54 of 1947, as amended) and the relevant provisions of the Cabinet Ordinance and Regulations for the Law; and
 - (iv) approval-in-principle from the SGX-ST for the Scheme, the Scheme Document and for the proposed delisting of CRT from the SGX-ST;
5. **No Legal or Regulatory Restraint:** between the date of the Implementation Agreement and up to the Record Date, no issuance of any order, injunction, judgment, decree or ruling issued by any Governmental Authority or other legal or regulatory restraint, prohibition or condition preventing the consummation of the Acquisition or implementation of the Scheme or proposed transactions relating to the Scheme, shall be in effect;
6. **No Prescribed Occurrence:** between the date of the Implementation Agreement and up to the Record Date, no Prescribed Occurrence in relation to the Offeror or any CRT Group Entity (as the case may be) occurs other than as required or contemplated by the Implementation Agreement or the Acquisition;

APPENDIX H - SCHEME CONDITIONS

7. Trustee-Manager Representations, Warranties and Covenants:

- (i) there having been no breach by the Trustee-Manager of its Warranties given under Clause 7.2 of the Implementation Agreement as at the date of the Implementation Agreement and the Record Date as though made on and as at each such date except to the extent any Warranty expressly relates to an earlier date (in which case as at such earlier date), in each such case which has, individually or taken together with any other breaches, resulted in a Material Adverse Effect and is material in the context of the Scheme; and
- (ii) the Trustee-Manager having, as at the Record Date, performed and complied in all material respects with all covenants and agreements contained in the Implementation Agreement which are required to be performed by or complied with by it, on or prior to the Record Date;

8. Offeror Representations, Warranties and Covenants:

- (i) there having been no breach by the Offeror of its Warranties given under Clause 7.1 of the Implementation Agreement as at the date of the Implementation Agreement and the Record Date as though made on and as at each such date except to the extent any Warranty expressly relates to an earlier date (in which case as at such earlier date), in each such case which has, individually or taken together with any other breaches, resulted in a material adverse effect on the business of the Offeror (taken as a whole) and is material in the context of the Scheme; and
- (ii) the Offeror having, as at the Record Date, performed and complied in all material respects with all covenants and agreements contained in the Implementation Agreement which are required to be performed by or complied with by it, on or prior to the Record Date; and

9. Material Adverse Effect: there being no event occurring from the date of the Implementation Agreement up to the Relevant Date which, individually or in the aggregate with any other events or occurrences, will result, or be reasonably likely to result, in a Material Adverse Effect. In determining whether there is a Material Adverse Effect for purposes of this Paragraph 9 only, reference shall be made to the consolidated net asset value or the revenue of the CRT Group as reflected in the later of (i) the latest publicly released consolidated unaudited financial statements of the CRT Group prior to the Record Date; or (ii) the Relevant Statement (as defined below) as at the calendar month-end falling at least 28 calendar days prior to the Record Date setting out (a) the consolidated net asset value of the CRT Group and (b) the consolidated revenue of the CRT Group for the immediately preceding 12-month period.

The “**Relevant Statement**” shall, at the option of the Trustee-Manager, be:

- (I) the unaudited management accounts prepared in accordance with the same accounting policies and practices as applied in the consolidated unaudited financial statements of the CRT Group for the third quarter ended 31 March 2017 announced on 15 May 2017, except for the lack of note disclosure; or

APPENDIX H - SCHEME CONDITIONS

- (II) a statement to be prepared based on information including the monthly property management reports of the CRT Group and other accounting records. The Trustee-Manager shall exercise best efforts to prepare such statement in accordance with the same accounting policies and practices as applied in the consolidated unaudited financial statements of the CRT Group for the third quarter ended 31 March 2017 announced on 15 May 2017, and in any event, shall ensure that such statement has been prepared materially in accordance with such accounting policies with respect to the determination of the consolidated net asset value and consolidated revenue, except for the lack of note disclosure.

For the avoidance of doubt, the following items shall not be taken into account in determining the above: (A) foreign currency translations, (B) distributions that have already been paid to the Unitholders prior to the date of the Implementation Agreement as well as the Permitted Distributions and (C) any rent reduction in respect of leases entered into for Aeon Town Moriya and Aeon Town Suzuka.

APPENDIX I - PRESCRIBED OCCURENCES

All capitalised terms used and not defined in this Appendix shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the office of the Trustee-Manager in Singapore from the Joint Announcement Date up until the Effective Date.

For the purpose of the Implementation Agreement, a “**Prescribed Occurrence**”, as referred to in **Paragraphs 4.2.1, 4.2.2, 5.1.3(ii) and 5.1.3(iii)** of the Letter to Unitholders and Paragraph 6 of **Appendix H** to this Scheme Document and defined in the Implementation Agreement, means, in relation to CRT and any of the CRT Group Entities or the Offeror, as the case may be, any of the following:

1. **Unit Buy-back:** CRT entering into a unit buy-back agreement or resolving to approve the terms of a unit buy-back agreement under the Trust Deed or the Business Trusts Act;
2. **Allotment of Units:** the Trustee-Manager making an allotment of, or granting an option to subscribe for, any Units, shares of a CRT Group Entity, securities convertible into Units or shares of a CRT Group Entity, or agreeing to make such an allotment or to grant such an option or convertible security, or any or doing any of the foregoing with respect to its own securities or the securities of CRT or a CRT Group Entity, except for the Management Fee Units;
3. **Conversion of Units:** CRT sub-dividing or consolidating all or any of its Units into a larger or smaller number of units;
4. **Amendment of Trust Deed:** the Trustee-Manager making any amendment to the Trust Deed, other than any amendment required in relation to the Scheme (including the Trust Deed Amendment);
5. **Amendment of TM Trust Deed:** Perpetual (Asia) Limited (“**Perpetual**”) making any amendment to the trust deed dated 12 June 2016 constituting the Trustee-Manager Share Trust;
6. **Issuance of Debt Securities:** the Trustee-Manager or a CRT Group Entity or a CRT Associate Entity issuing, or agreeing to issue, convertible notes or other debt securities;
7. **Distributions:** the Trustee-Manager or Perpetual declaring, making or paying any distributions to Unitholders, except for the Permitted Distributions;
8. **Injunctions:** an injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme or the Acquisition or any part thereof by either the Trustee-Manager or the Offeror;
9. **Cessation of Business:** CRT or the Offeror ceases or threatens to cease for any reason to carry on business in the usual ordinary course;
10. **Investigations and Proceedings:** if CRT, a CRT Group Entity, a CRT Associate Entity, the Offeror or any of their respective directors is the subject of any formal governmental, quasi-governmental, criminal, regulatory or stock exchange investigation and/or proceeding (other than any routine Tax audit) which has been served on such person in writing which will reasonably likely result in (i) a Material Adverse Effect or (ii) a material adverse effect on the Offeror (as the case may be);

APPENDIX I - PRESCRIBED OCCURENCES

11. **Resolution for Winding Up:** CRT (or any CRT Group Entity) or the Offeror resolving that it be wound up;
12. **Order of Court for Winding Up:** the making of an order by a court of competent jurisdiction for the winding up of CRT (or any CRT Group Entity) or the Offeror;
13. **Appointment of Liquidator and Judicial Manager:** the appointment of a liquidator, provisional liquidator, judicial manager, provisional judicial manager and/or other similar officer of any CRT Group Entity or the Offeror;
14. **Composition:** any CRT Group Entity or the Offeror entering into any arrangement or general assignment or composition for the benefit of its creditors generally;
15. **Appointment of Receiver:** the appointment of a receiver or a receiver and manager, in relation to the property or assets of any CRT Group Entity or the Offeror;
16. **Insolvency:** CRT (or any CRT Group Entity) or the Offeror becoming or being deemed by law or a court to be insolvent or stops or suspends or threatens to stop or suspend payment of its debts; or
17. **Analogous Event:** any event occurs which, under the laws of any jurisdiction, has an analogous or equivalent effect to any of the foregoing event(s).

APPENDIX J - SPECIFIC OBLIGATIONS OF THE TRUSTEE-MANAGER

All capitalised terms used and not defined in this Appendix shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the office of the Trustee-Manager in Singapore from the Joint Announcement Date up until the Effective Date.

The Trustee-Manager's obligations under Paragraphs 1 to 14 of this **Appendix J** are subject to (i) the fiduciary duties of its Directors; and (ii) compliance with all applicable laws and regulations.

1. **Joint Announcement:** the Trustee-Manager shall release the Joint Announcement jointly with the Offeror on SGXNET on the date of the Implementation Agreement;
2. **Supplemental Trust Deed:** the Trustee-Manager shall prepare the Supplemental Trust Deed to amend the Trust Deed to include the Trust Deed Amendment;
3. **Court Application:** as soon as reasonably practicable and in any event within 10 Business Days after the date of the Implementation Agreement, or such other date as the Parties may agree in writing, the Trustee-Manager shall apply to the Court for order(s) confirming that the Trust Deed Amendment is within the power of amendment within the Trust Deed and the Business Trust Act, convening the Scheme Meeting and for any ancillary order(s) relating thereto;
4. **Scheme Document:** subject to the provision of the Offeror Information by the Offeror, the Trustee-Manager shall prepare and despatch the Scheme Document to the Unitholders to approve the Trust Deed Amendment and the Scheme, in compliance with all applicable laws and regulations;
5. **SGX-ST Approval:** the Trustee-Manager shall submit the draft Scheme Document to the SGX-ST for clearance as soon as reasonably practicable after the date of the Implementation Agreement and diligently seek such clearance;
6. **Scheme Meeting:** if necessary, the Trustee-Manager shall apply to Court at a second hearing for order(s) convening the Scheme Meeting and for any ancillary order(s) relating thereto and convening the Scheme Meeting;
7. **Despatch of Documents:** the Trustee-Manager shall instruct its unit registrar to despatch to the entitled Unitholders the Scheme Document and the Proxy Form for use at the Scheme Meeting following approval thereof by the SGX-ST;
8. **Scheme Court Order:** if the Scheme is approved by Unitholders in accordance with the requisite majority, the Trustee-Manager shall apply to the Court for the Scheme Court Order, and diligently seek the Scheme Court Order;
9. **MAS Lodgement:**
 - (i) following the approval by the requisite majorities of Unitholders of the Trust Deed Amendment and the Scheme, the Trustee-Manager shall deliver a copy of the resolutions approved at the Scheme Meeting to the Monetary Authority of Singapore ("**MAS**") for lodgement within such time frame as shall be agreed between the Parties in writing (provided that such time frame shall be in compliance with the applicable requirements under the Business Trusts Act); and

APPENDIX J - SPECIFIC OBLIGATIONS OF THE TRUSTEE-MANAGER

- (ii) following the grant of the Scheme Court Order, the Trustee-Manager shall deliver the same to MAS for lodgement within such time frame as shall be agreed between the Parties in writing;
- 10. Conduct of CRT's Business by the Trustee-Manager:** during the period from the date of the Implementation Agreement to the Effective Date, the Trustee-Manager shall cause the CRT Group to carry on its respective businesses only in the usual and ordinary course in the same manner as previously conducted in compliance with all applicable laws and regulations in all material respects, and using reasonable endeavours to cause each of the CRT Associate Entities to carry on its business, in compliance with all applicable laws and regulations in all material respects, in the usual and ordinary course, subject to the terms of the Implementation Agreement including Paragraph 14 of this **Appendix J**;
- 11. Provision of Information and Assistance:** subject and without prejudice to the Trustee-Manager's legal or regulatory obligations, from the date of the Implementation Agreement until (and including) the Effective Date, the Trustee-Manager will and will procure that the CRT Group (and use reasonable endeavours to procure the CRT Associate Entities to) authorise and direct its officers, employees, auditors, legal advisers and other advisers to provide reasonable assistance and to co-operate with the Offeror (acting reasonably) (including the provision of information) for the completion of the Acquisition, the implementation of the Scheme (including for the fulfilment of the Scheme Conditions) and in connection with the Offeror's plans for the CRT Group and CRT Associate Entities post-completion of the Acquisition (including the refinancing of existing banking facilities and debt instruments disclosed in the Index List (the "**Financing Arrangement**"));
- 12. Directors' Recommendation:** where the IFA has advised that the Unitholders should vote in favour of the Scheme, the Trustee-Manager will use reasonable endeavours to procure that its Directors (other than those directors who are deemed to have an interest in the Scheme) will similarly recommend to the Unitholders to vote in favour of the Scheme at the Scheme Meeting, subject to and without prejudice to the fiduciary duties of such Directors and the Trustee-Manager under all applicable laws and regulations (including their duties under the Business Trusts Act);
- 13. No Solicitation:** during the period from the date of the Implementation Agreement to the earlier of the Effective Date and the date on which the Implementation Agreement is terminated in accordance with its terms, the Trustee-Manager will, subject to applicable laws and regulations:
- (i) not, and will procure that no CRT Group Entity (including its employees, representatives and advisers) will, except with the prior written consent of the Offeror, directly or indirectly, solicit, encourage, initiate, induce or enter into discussions, agreements or understandings regarding (a) any Competing Offer; or (b) any other transaction (including allowing any third party to perform due diligence investigations on any CRT Group Entity) which would preclude, interfere with or prejudice the Acquisition and/or the Scheme;
- (ii) notify the Offeror of the details of any approach or solicitations by any third party made in writing either to the Trustee-Manager or any CRT Group Entity with a view to the making of any such Competing Offer which the Trustee-Manager (acting reasonably) views as *bona fide*, upon it becoming aware of the relevant matter; and
- (iii) deal exclusively with the Offeror to complete the Acquisition and/or the Scheme,

APPENDIX J - SPECIFIC OBLIGATIONS OF THE TRUSTEE-MANAGER

save that the restrictions in this Paragraph 13 shall not apply to (I) the provision of information by or on behalf of the Trustee-Manager to the SGX-ST, the SIC or the MAS; (II) the making of normal presentations, by and on behalf of any CRT Group Entity, to brokers, portfolio investors, analysts and members of the press and media in the ordinary and usual course of business; (III) prevent the Trustee-Manager from providing information to any bona fide third party in compliance with Rule 9.2 of the Code; and (IV) the acknowledgement of receipt of any correspondence relating to a Competing Offer.

For the avoidance of doubt, nothing in this Paragraph 13 shall prohibit or restrict a CRT Group Entity from receiving any unsolicited or uninitiated expression of interest, offer or proposal of a kind referred to in this Paragraph 13 and, in the event such expression of interest, offer or proposal is received by a CRT Group Entity, such CRT Group Entity shall be entitled to:

- (a) if required pursuant to the Listing Manual and/or the Code, announce such expression of interest, offer or proposal;
- (b) make any required recommendation to its unitholders or shareholders (as the case may be) as the directors of the Trustee-Manager or the CRT Group Entity (as the case may be) may deem fit if a general offer is made in accordance with the Code;
- (c) entertain such unsolicited expression of interest, offer or proposal to the extent that the directors of the Trustee-Manager or the CRT Group Entity (as the case may be) determine that failure to take such action would violate their fiduciary duties, or other statutory, legal and/or regulatory obligations to which they are subject under applicable laws and regulations (including obligations under the Code); and
- (d) generally perform all such acts as may be necessary for the directors of the Trustee-Manager or the CRT Group Entity (as the case may be) to comply with and discharge their fiduciary duties, statutory, regulatory and/or legal obligations that they may be subject to under all applicable laws and regulations (including but not limited to their obligations under the Code); and

14. Normal Dealing: during the period between the date of the Implementation Agreement and the earlier of the Effective Date and the date on which the Implementation Agreement is terminated in accordance with its terms, the Trustee-Manager will not, will procure that each CRT Group Entity will not and will use reasonable endeavours to procure that each CRT Associate Entity will not, without the prior written consent of the Offeror (such consent not to be unreasonably withheld or delayed):

- (i) except as would not be material in the context of the CRT Group taken as a whole and except for a disposal of the Management Fee Units, dispose of any assets, including units, shares or other interests in any CRT Group Entity, any CRT Associate Entity or in any other entity in which it has an interest to a third party, or, voluntarily assume, acquire or incur any liabilities (including contingent liabilities);
- (ii) dispose of any real property and/or any TBI owned by the CRT Group or any CRT Associate Entity or acquire any real property and/or any trust beneficiary interest in trust, the trustee of which owns real property;
- (iii) create, or agree to create, any Encumbrance over its business or any of its property;

APPENDIX J - SPECIFIC OBLIGATIONS OF THE TRUSTEE-MANAGER

- (iv) enter into any guarantee, indemnity or other agreement to secure any obligation of a third party that is not a CRT Group Entity or to create any Encumbrance over any of the CRT Group's assets or undertakings;
- (v) enter into any transaction with any unitholder, shareholder and/or director of any CRT Group Entity or any CRT Associate Entity other than in the ordinary and usual course of business of the CRT Group;
- (vi) save for the Financing Arrangements, incur further bank indebtedness;
- (vii) enter into, amend, or agree to amend, any employee benefit plans or employment contracts or increase any employee compensation or benefits other than in the ordinary and usual course of business of the CRT Group;
- (viii) make, or agree to make, material modification of any existing property management agreements, building management agreements and asset management agreements, including any increase in fees or extension of any term thereof or modification of any termination provisions therein;
- (ix) enter into, terminate, renew, amend, waive or agree to amend or waive any material rights under, or agree to any renewal, rent review or rent reduction with respect to any leases (a) with a rental (excluding common area maintenance expenses, sales promotion, parking and all other service or maintenance charges) exceeding an annual sum of JPY60 million (in the case of variable rent components, rental shall be calculated on a forecasted sales basis) or (b) over 300 tsubos in area (including, without limitation, the leases entered into in respect of Aeon Town Moriya and Aeon Town Suzuka) (collectively, the "**Material Leases**"), but provided always that where the Trustee-Manager has provided a written request to the Offeror (in reasonable detail and attached with the relevant available information) that a CRT Group Entity or a CRT Associate Entity is seeking to enter into, terminate, renew, amend, waive or agree to amend or waive any material rights under, or agree to any renewal, rent review or rent reduction with respect to any Material Lease, the Offeror shall provide a written response to the Trustee-Manager indicating its acceptance or rejection of such request within five (5) Business Days after receipt of such request, and in the event the Offeror (acting reasonably) rejects such request, its written response shall set out the reason(s) for its rejection. For the purposes of this Paragraph 14(ix) only, any request from the Trustee-Manager shall be made in writing to such representatives of the Offeror as notified to the Trustee-Manager in writing on or prior to the date of the Implementation Agreement. For the avoidance of doubt, if the Offeror does not provide its rejection in writing within the timeframe prescribed above, the relevant CRT Group Entity or CRT Associate Entity may proceed to enter into, terminate, renew, amend, waive or agree to amend or waive any material rights under, or agree to any renewal, rent review or rent reduction with respect to each Material Lease which is the subject of the request to the Offeror;
- (x) without prejudice to the foregoing, renew, amend, or agree to renew or amend any terms of, any material agreement or arrangement to which any CRT Group Entity or CRT Associate Entity is a party or is bound by which would individually or together with other agreements or arrangements result in a Material Adverse Effect; and

APPENDIX J - SPECIFIC OBLIGATIONS OF THE TRUSTEE-MANAGER

- (xi) declare, make and pay any distributions to Unitholders out of the distributable income of CRT for the calendar year 2017, except as follows:
 - (a) if the Effective Date falls on or before 31 October 2017, up to S\$31,332,340 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 S\$31,332,340 for the period from 1 January 2017 to 31 October 2017; and (II) up to 90 per cent. of CRT's distributable income for the period from 1 November 2017 to the Effective Date,

collectively, the "**Permitted Distributions**". In determining the distributable income of CRT for the period from 1 November 2017 to the Effective Date, it shall be assumed that 80 per cent. of the management fees payable to the Trustee-Manager for that period is to be satisfied by the issue of new Units (whether or not such Management Fee Units are issued). For the avoidance of doubt, the number of Units in issue as at the Effective Date shall be the aggregate of (I) 769,732,510 Units and (II) up to 2,000,000 Management Fee Units to be issued to the Trustee-Manager for the fourth quarter ended 30 June 2017.

15. Capital Expenditures: during the period between the date of the Implementation Agreement and the earlier of the Effective Date and the date on which the Implementation Agreement is terminated in accordance with its terms, the Trustee-Manager will not, will procure that each CRT Group Entity will not and will use reasonable endeavours to procure that each CRT Associate Entity will not, without the prior written consent of the Offeror (such consent not to be unreasonably withheld or delayed) enter into, amend or agree to amend, any contract or series of related contracts for capital expenditures except for:

- (i) the Permitted Capital Expenditures;
- (ii) contracts for capital expenditures that require any CRT Group Entity or CRT Associate Entity to make payments which are equal to or less than JPY10 million individually; and
- (iii) contracts for capital expenditures that require any CRT Group Entity or CRT Associate Entity to make payments which are in excess of JPY10 million individually, but provided always that the Trustee-Manager provides a written request to the Offeror (in reasonable detail and attached with the relevant available information) that the relevant CRT Group Entity or CRT Associate Entity is seeking to incur the relevant capital expenditures and upon delivery of such written request (in reasonable detail and attached with the relevant available information), the Offeror shall provide a written response to the Trustee-Manager indicating its acceptance or rejection of such request within five (5) Business Days after receipt of such request. For the purposes of this Paragraph 15(iii) only, any request from the Trustee-Manager shall be made in writing to such representatives of the Offeror as notified to the Trustee-Manager in writing on or prior to the date of the Implementation Agreement. For the avoidance of doubt, if the Offeror does not provide its rejection in writing within the timeframe prescribed above, the relevant CRT Group Entity or CRT Associate Entity may proceed to incur the relevant capital expenditures which are the subject of the request to the Offeror.

APPENDIX J - SPECIFIC OBLIGATIONS OF THE TRUSTEE-MANAGER

Notwithstanding the above, within 14 days of the date of the Implementation Agreement, the Trustee-Manager shall seek the approval of the Offeror for any proposed capital expenditure which will require any CRT Group Entity or CRT Associate Entity to make payments which are in excess of JPY10 million individually (excluding the Permitted Capital Expenditures) as agreed between the Parties on or prior to the date of the Implementation Agreement, and for the purposes of such discussions, the Trustee-Manager shall provide the Offeror with reasonable detail and the relevant available information of such proposed capital expenditure. Upon delivery of such reasonable detail and relevant available information, the Parties shall discuss in good faith such proposed capital expenditure and the Offeror's consent for such proposed capital expenditure shall not be unreasonably withheld or delayed.

APPENDIX K - OFFEROR'S WARRANTIES

All capitalised terms used and not defined in this Appendix shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the office of the Trustee-Manager in Singapore from the Joint Announcement Date up until the Effective Date.

The Offeror represents and warrants that:

1. Incorporation

The Offeror has been duly organised and is validly existing as a legal entity under the laws of the jurisdiction in which it is organised.

2. Consents

The Offeror shall obtain all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents from third parties) in order to:

- (a) enable the Offeror lawfully to enter into, exercise its rights and perform and comply with its obligations under the Implementation Agreement; and
- (b) ensure that those obligations are valid, legally binding and enforceable and have been taken, fulfilled and done.

3. Legal Matters

3.1 Litigation

3.1.1 As of the date of the Implementation Agreement, no litigation, arbitration or administrative proceeding is current or pending or, so far as the Offeror is aware, threatened, to restrain the entry into, exercise of the Offeror's rights under and/or performance or enforcement of or compliance with its obligations under the Implementation Agreement.

3.1.2 No litigation, arbitration or administrative proceeding is current or pending or, so far as the Offeror is aware, threatened, which has or could have a material adverse effect on the Offeror.

3.2 Insolvency

The Offeror is not insolvent nor has it been declared insolvent, and no action or request is pending or threatened to declare it insolvent, wind it up or to make it subject to any proceeding contemplated by any applicable insolvency law.

3.3 Power

The Offeror has the corporate power to enter into, deliver and perform its obligations under the Implementation Agreement and to carry out the transactions contemplated by the Implementation Agreement.

APPENDIX K - OFFEROR'S WARRANTIES

3.4 Authority

The Offeror has taken all necessary corporate action and obtained all necessary corporate approvals to authorise entry into the Implementation Agreement and the performance of the Implementation Agreement and to carry out the transactions contemplated by the Implementation Agreement.

3.5 Binding Obligation

The Offeror's obligations under the Implementation Agreement are valid, legally binding and enforceable in accordance with its terms.

4. No Breach

4.1 Neither the execution and delivery, nor performance by the Offeror of the Implementation Agreement nor any transaction contemplated under the Implementation Agreement will conflict with or constitute a default under:

4.1.1 any provision of its constitutive documents;

4.1.2 any order, writ, injunction or decree of any Governmental Authority applicable to the Offeror or its assets; or

4.1.3 any agreement or instrument to which the Offeror is a party or by which the Offeror or its assets are bound.

4.2 All authorisations from, and notices or filings with, any Governmental Authority or other authority that are necessary to enable the Offeror to execute, deliver and perform its obligations under the Implementation Agreement have been obtained or made (as the case may be) and are in full force and effect and all conditions of each such authorisation have been complied with.

5. Sufficiency of Financial Resources

The Offeror has sufficient financial resources to undertake and complete the Acquisition and implement the Scheme, and shall procure that a cash confirmation is furnished by an appropriate third party in compliance with the Code.

APPENDIX L - TRUSTEE-MANAGER'S WARRANTIES

All capitalised terms used and not defined in this Appendix shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the office of the Trustee-Manager in Singapore from the Joint Announcement Date up until the Effective Date.

The Trustee-Manager represents and warrants that:

1. The CRT Group Entities

1.1 Incorporation

1.1.1 CRT has been duly constituted and is validly existing as a business trust under the laws of Singapore.

1.1.2 Each of the CRT Group Entities (other than CRT) has and so far as the Trustee-Manager is aware, each of the CRT Associate Entities has, been duly organised and is validly existing as a legal entity under the laws of the jurisdiction in which it is organised.

1.1.3 The Trustee-Manager holds, directly or indirectly, and the Unitholders are the beneficial owners of, the equity interest of each of the CRT Group Entities (other than CRT and the 75 per cent. of the specified shares of each TMK which are owned by the respective ISH owner of such shares) and holds such equity interest free from any Encumbrances.

1.1.4 Other than the entities listed in Part A of Schedule 7 of the Implementation Agreement, no entities exist which would fall under the definition of the "CRT Group Entities" as set forth in the Implementation Agreement.

1.1.5 Other than the entities listed in Part B of Schedule 7 of the Implementation Agreement, no entities exist which would fall under the definition of "CRT Associate Entities" as set forth in the Implementation Agreement.

1.2 Structure

As of the date of the Implementation Agreement, the structure of the CRT Group as set out at Schedule 5 of the Implementation Agreement is true and accurate.

1.3 CRT Units

1.3.1 All the issued Units have been duly authorised and validly issued, are fully paid-up and rank *pari passu* in all respects with each other. As at the date of the Implementation Agreement, CRT has issued an aggregate of 769,732,510 Units.

1.3.2 Other than any issue of Units to the Trustee-Manager as payment of its fees in accordance with the provisions of the Trust Deed, no options, warrants or other rights to purchase, agreements or other obligations of CRT to issue, or rights to convert any obligations into or exchange any securities for, Units of or ownership interests in CRT are outstanding.

1.3.3 The Trustee-Manager will not declare or pay any distribution (in cash or in kind) to Unitholders, except for the Permitted Distributions.

APPENDIX L - TRUSTEE-MANAGER'S WARRANTIES

2. Full Disclosure

So far as the Trustee-Manager is aware, all information contained in the Disclosure Letter and the Data Room Information was, when given, true and accurate in all material respects as at the date of the Implementation Agreement and not misleading. So far as the Trustee-Manager is aware, there are no facts or matters or circumstances which renders any such information untrue or inaccurate in any material respect.

3. Accounts

3.1 Audited Financial Statements

3.1.1 The Audited Financial Statements have been properly drawn in accordance with the Business Trusts Act and the Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the CRT Group as at 30 June 2016, and of the financial performance, changes in Unitholders' fund and cash flows of the CRT Group for the year ended on that date.

3.1.2 The unaudited consolidated accounts of the CRT Group for each of the quarterly periods ended 30 September 2016, 31 December 2016 and 31 March 2017 were prepared using the same accounting policies and methods of computation with those applied in the Audited Financial Statements and are fair and not misleading and do not materially misstate the assets and liabilities of the CRT Group as at the relevant balance sheet date nor the profits and losses of the CRT Group for the periods then ended.

3.1.3 There is no change in the accounting policies and methods of computation compared with the Audited Financial Statements except for the adoption of new or revised FRS that are mandatory for the financial year beginning on 1 July 2016. The adoption of such FRS has no significant impact to the financial position or performance of CRT for the current financial period.

3.1.4 The financial information as set out in paragraphs 1(a), 1(b)(i), 1(c) and 1(d)(i) of the announcement dated 15 May 2017 in relation to the unaudited consolidated financial statements of the CRT Group as at 31 March 2017 has been extracted from the interim financial report, which has been reviewed in accordance with Singapore Standard on Review Engagement 2410, Review of Interim Financial Information, performed by the independent auditor of the CRT Group. Based on the review, nothing has come to the auditor's attention that causes the auditor to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with FRS 34.

3.1.5 The unconsolidated financial statements of the TMKs for the fiscal year ended 30 June 2016 and the six months ended 31 December 2016 were prepared in accordance with the CRT Group accounting policy for the purposes of the consolidation of the CRT Group results. The basis of preparation of the Audited Financial Statements and the unaudited consolidated accounts for the six months ended 31 December 2016 is as stated above.

APPENDIX L - TRUSTEE-MANAGER'S WARRANTIES

3.2 Changes since 30 June 2016

There have been no material adverse changes in the financial position of the CRT Group and so far as the Trustee-Manager is aware, the CRT Associate Entities, since 30 June 2016 up to the date of the Implementation Agreement when this Warranty in Paragraph 3.2 is made on the date of the Implementation Agreement, and up to the Record Date when this Warranty in Paragraph 3.2 is made on the Record Date, and since 30 June 2016:

3.2.1 the businesses of the CRT Group have and so far as the Trustee-Manager is aware, the businesses of the CRT Associate Entities have, been carried on solely in the ordinary and usual course, without any material interruption or alteration in its nature, scope or manner, and so as to maintain the same as a going concern, save for the internalisation of Trustee-Manager; and

3.2.2 save as set out in Paragraph 3.1.3 of this **Appendix L**, there has been no change in the accounting policies and principles adopted for the preparation of the Audited Financial Statements.

3.3 Absence of Undisclosed Liabilities

There are no material liabilities (including contingent liabilities) of any of the CRT Group Entities or so far as the Trustee-Manager is aware, the CRT Associate Entities which are outstanding on the part of each CRT Group Entity or CRT Associate Entity, other than (i) liabilities disclosed or provided for in the Audited Financial Statements; (ii) liabilities disclosed elsewhere in the Implementation Agreement; (iii) liabilities incurred after 30 June 2016 in the ordinary and usual course of business; or (iv) as disclosed in public announcements made by the Trustee-Manager on SGXNET up till the date of the Implementation Agreement.

3.4 Trade and Other Receivables

Save as disclosed in the Disclosure Letter and so far as the Trustee-Manager is aware, the trade and other receivables, including accrued revenue in the Audited Financial Statements, are stated at figures not exceeding the amounts which could, in the circumstances existing at the date of the Audited Financial Statements, reasonably be expected to be realised in the ordinary and usual course of business of the CRT Group. No new adverse events have occurred that would give doubt as to the ability to realise all current trade and other receivables in the ordinary and usual course of business after taking into account any provision for bad and doubtful debts made in the Audited Financial Statements.

4. Legal Matters

4.1 Compliance with Laws

Each CRT Group Entity has and so far as the Trustee-Manager is aware, each CRT Associate Entity has, carried on and is carrying on its business and operations in accordance with its constitutional documents and in accordance with all applicable law and regulations (including the Listing Manual) in relation to the jurisdiction which it operates, except as would not be material to such entity or the CRT Group (taken as a whole). No formal complaints in writing have been received from any third party with regard to any breach of such laws and regulations by any CRT Group Entity or CRT Associate Entity.

APPENDIX L - TRUSTEE-MANAGER'S WARRANTIES

4.2 Anti-bribery, Anticorruption, Money Laundering, and Sanctions Laws

- 4.2.1 None of the CRT Group Entities, so far as the Trustee-Manager is aware, the CRT Associate Entities, nor any director, officer, employee or, so far as the Trustee-Manager is aware, agent or other person acting on behalf of such CRT Group Entity or CRT Associate Entity is currently subject to any sanctions related to or administered by the United States (including any administered or enforced by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State or the Bureau of Industry and Security of the U.S. Department of Commerce), the United Nations Security Council, the European Union, a member state of the European Union (including sanctions administered or enforced by Her Majesty's Treasury of the United Kingdom), Singapore or other relevant sanctions authority.
- 4.2.2 None of the CRT Group Entities, so far as the Trustee-Manager is aware, the CRT Associate Entities, nor any director, officer, supervisor, manager, employee or, so far as the Trustee-Manager is aware, agent or other person acting on behalf of such CRT Group Entity or CRT Associate Entity is aware of or has taken any action, directly or indirectly, that could result in a violation or a sanction for violation by such persons of the Foreign Corrupt Practices Act of 1977 or the U.K. Bribery Act 2010 or the Prevention of Corruption Act, Chapter 241 of Singapore, each as may be amended, or similar law of any other relevant jurisdiction, or the rules or regulations thereunder (collectively, the "**Anti-Corruption Laws**"); and each CRT Group Entity, and so far as the Trustee-Manager is aware, each CRT Associate Entity has conducted its business in compliance with such laws, rules and regulations, and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.
- 4.2.3 None of the CRT Group Entities, so far as the Trustee-Manager is aware, the CRT Associate Entities, nor any director, officer, supervisor, manager, employee or, so far as the Trustee-Manager is aware, agent or other person acting on behalf of such CRT Group Entity or CRT Associate Entity has promised to make, will promise to make or will cause to be made, in connection with the proposed agreement contemplated in the Implementation Agreement, any payments (including bribes, improper rebates, payoffs, kickbacks or gifts of anything of value) to or for the use or benefit of any Government Official or any other person to secure some improper advantage in violation of applicable Anti-Corruption Laws.
- 4.2.4 CRT, the Trustee-Manager, the subsidiaries of the Trustee-Manager and so far as the Trustee-Manager is aware, the CRT Associate Entities are and have been in compliance with applicable money laundering statutes, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any applicable governmental or regulatory agency (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any Governmental Authority involving CRT, the Trustee-Manager, the subsidiaries of the Trustee-Manager and so far as the Trustee-Manager is aware, the CRT Associate Entities with respect to the Money Laundering Laws is pending or threatened.

APPENDIX L - TRUSTEE-MANAGER'S WARRANTIES

4.3 Licences and Consents

4.3.1 All statutory, municipal and other licences, consents, authorisations, orders, warrants, confirmations, permissions, certificates, approvals and authorities ("**CRT Licences**") necessary for the carrying on of the businesses and operations of each of the CRT Group Entities have and so far as the Trustee-Manager is aware, each of the CRT Associate Entities have, been obtained, are in full force and effect and all conditions applicable to any such CRT Licence have been and are being complied with in all material respects, unless the failure to obtain any such CRT Licence does not result in a Material Adverse Effect.

4.3.2 There is no investigation, enquiry or proceeding outstanding which is likely to result in the suspension, cancellation, modification or revocation of any of the CRT Licenses, nor has any CRT Group Entity received or so far as the Trustee-Manager is aware, any CRT Associate Entity received, any notice of such investigations, enquiries or proceedings as at the date of the Implementation Agreement. So far as the Trustee-Manager is aware, none of the CRT Licenses is likely to be suspended, cancelled, refused, modified or revoked (whether as a result of entering into the Implementation Agreement, consummating the Acquisition or otherwise).

4.4 Litigation

4.4.1 As of the date of the Implementation Agreement, no litigation, arbitration or administrative proceeding is current or pending or, so far as the Trustee-Manager is aware, threatened, to restrain the entry into, exercise of the Trustee-Manager's rights under and/or performance or enforcement of or compliance with its obligations under the Implementation Agreement.

4.4.2 No litigation, arbitration or administrative proceeding is current or pending or, so far as the Trustee-Manager is aware, threatened against any CRT Group Entity, which has or could result in a Material Adverse Effect.

4.4.3 As at the date of the Implementation Agreement, the Trustee-Manager has not received any notice of any investigation or enquiry by, any court, tribunal, arbitrator, Governmental Authority or regulatory body outstanding or anticipated against any CRT Group Entity which has or could result in a Material Adverse Effect.

4.5 Insolvency

None of the CRT Group Entities or CRT Associate Entities is insolvent or has been declared insolvent, and no order has been made or petition presented or resolution passed for the winding-up or administration or for the appointment of a provisional liquidator of any CRT Group Entity or CRT Associate Entity, nor, so far as the Trustee-Manager is aware, are there any reasonable grounds for any person to be entitled to have any CRT Group Entity or CRT Associate Entity wound-up or placed in administration, nor, so far as the Trustee-Manager is aware, has any person formally threatened in writing to present such a petition or convened or formally threatened in writing to convene a meeting of any CRT Group Entity or CRT Associate Entity to consider a resolution to wind-up such CRT Group Entity or CRT Associate Entity.

APPENDIX L - TRUSTEE-MANAGER'S WARRANTIES

4.6 Power

The Trustee-Manager has the corporate power to enter into, deliver and perform its obligations under the Implementation Agreement and to carry out the transactions contemplated by the Implementation Agreement.

4.7 Authority

The Trustee-Manager has all the necessary corporate power and authority to enter into and perform its obligations under the Implementation Agreement and to carry out the transactions contemplated by the Implementation Agreement.

4.8 Binding Obligation

The Trustee-Manager's obligations under the Implementation Agreement are valid, legally binding and enforceable in accordance with its terms.

5. No Breach

5.1 Save as disclosed in the Disclosure Letter, neither the execution and delivery, nor performance by the Trustee-Manager of the Implementation Agreement nor any transaction contemplated under the Implementation Agreement will:

5.1.1 conflict with or constitute a default under or result in a breach of any provision of the Trust Deed, the TM Trust Deed or the constitutive documents of the Trustee-Manager or any CRT Group Entity or CRT Associate Entity;

5.1.2 conflict with or constitute a default under or result in a breach of any order, writ, injunction or decree of any Governmental Authority applicable to the Trustee-Manager or any CRT Group Entity or CRT Associate Entity or their respective assets; or

5.1.3 conflict with or constitute a default under or result in a breach of any agreement or instrument to which the Trustee-Manager or any CRT Group Entity is a party or by which the Trustee-Manager or any CRT Group Entity or CRT Associate Entity or their respective assets are bound, or entitle such party to terminate or modify such contract, whether summarily or by notice.

5.2 All authorisations from, and notices or filings with, any Governmental Authority or other authority that are necessary to enable the Trustee-Manager and each CRT Group Entity to execute, deliver and perform its obligations or actions contemplated to be taken by such entity under the Implementation Agreement have been obtained or made (as the case may be) and are in full force and effect and all conditions of each such authorisation have been complied with.

APPENDIX L - TRUSTEE-MANAGER'S WARRANTIES

6. Contractual Arrangements

6.1 Debts, Contracts and Arrangements with Connected Persons etc.

Save as disclosed in the Audited Financial Statements and the Disclosure Letter, and as announced by the Trustee-Manager on SGXNET, there is no material interested person transaction (as defined in the Listing Manual) between any CRT Group Entity and an interested person (as defined in the Listing Manual) of CRT.

6.2 Contracts

6.2.1 Save for the Permitted Capital Expenditures and contracts with its professional advisers in relation to the Implementation Agreement or to the Scheme, no CRT Group Entity is or so far as the Trustee-Manager is aware, no CRT Associate Entity is, or has been, a party to any contract or transaction which (i) is outside the ordinary and usual course of business, (ii) is not on an arm's length basis, (iii) is of a loss-making nature that would result in a Material Adverse Effect or (iv) exceeds JPY10 million individually.

6.2.2 Save as disclosed in the Disclosure Letter, none of the CRT Group Entities or so far as the Trustee-Manager is aware, none of the CRT Associate Entities:

- (i) is, or has agreed to become a party to any agreement or arrangement which restricts its freedom to carry on its business in any part of the world in such manner as it thinks fit;
- (ii) is, or has agreed to become, a member of any joint venture, consortium, partnership or other unincorporated association; or
- (iii) is, or has agreed to become, a party to any agreement or arrangement for participating with others in any business, sharing commissions or other income.

6.2.3 All material contracts, leases, tenancies, licences, concessions and agreements and any amendments or waivers with respect thereto to which any of the CRT Group Entities or so far as the Trustee-Manager is aware, the TBI Trustees or the CRT Associate Entities, with respect to the Portfolio Properties, is a party ("**Material Contracts**") are valid, binding and enforceable obligations of the relevant CRT Group Entity, CRT Associate Entity or TBI Trustee and so far as the Trustee Manager is aware, all other parties thereto, and the terms thereof have been complied with in all material respects by the relevant CRT Group Entity or so far as the Trustee-Manager is aware, the TBI Trustee and, so far as the Trustee-Manager is aware, all other parties thereto. As of the date hereof, so far as the Trustee-Manager is aware, there are no circumstances that give rise to any breach of such Material Contracts and no notice of termination has been received in respect of any thereof.

6.2.4 Tenants:

- (i) The loss of any single tenant of any CRT Group Entity or CRT Associate Entity or so far as the Trustee-Manager is aware, TBI Trustee, other than a Major Tenant, would not result in a Material Adverse Effect.

APPENDIX L - TRUSTEE-MANAGER'S WARRANTIES

- (ii) Save as disclosed in the Disclosure Letter, there has been no communication in writing by any Major Tenant which would indicate that such Major Tenant intends to (a) seek a reduction in rent or other material concessions, (b) terminate its current lease or (c) vacate its leased premises at the expiration of its current lease, whether or not in connection with the execution or completion of the Implementation Agreement, and no agreement exists with a Major Tenant with respect to any of the foregoing.
- (iii) So far as the Trustee-Manager is aware, no Major Tenant is insolvent or has been declared insolvent, and no action or request is pending or threatened to declare it insolvent, wind it up or to make it subject to any proceeding contemplated by any applicable insolvency law.

For the purposes of the Implementation Agreement, a “**Major Tenant**” means a tenant that had contributed more than JPY200 million on a per lease basis to the total consolidated revenue of the CRT Group as disclosed and reflected in the Audited Financial Statements.

6.3 There are no Encumbrances over any assets, property, undertaking or business of any CRT Group Entity or CRT Associate Entity or TBI Trustee save for Encumbrances referred to or scheduled under the Existing Loan Documents.

7. Taxation Matters

7.1 Returns, Information and Clearances

7.1.1 Save as disclosed in the Disclosure Letter, all returns, computations, notices and information which are or have been required to be made, given or delivered by any CRT Group Entity or CRT Associate Entity for any Taxation purpose (i) have been made, given or delivered within the requisite periods or within permitted extensions of such periods; (ii) are up-to-date, complete and accurate in all material respects and made on a proper basis; and (iii) none of them is the subject of any dispute with the Taxation Authority.

7.1.2 All Taxes assessed or imposed by any Taxation Authority which have been assessed upon each CRT Group Entity or each CRT Associate Entity and which are due and payable on or before the Record Date have been paid and were paid on or before the relevant due date for payment or will be paid before the relevant due date for payment.

7.2 Tax Claims

7.2.1 Since 30 June 2016, no single Claim for Taxation exceeding S\$500,000 has been made:

- (i) in respect of or arising from any transaction effected or deemed to have been effected on or before the date of the Implementation Agreement when this Warranty in Paragraph 7.2.1(i) is made on the date of the Implementation Agreement, and up to the Record Date when this Warranty in Paragraph 7.2.1(i) is made on the Record Date; or

APPENDIX L - TRUSTEE-MANAGER'S WARRANTIES

- (ii) by reference to any income, profits or gains earned, accrued or received on or before the date of the Implementation Agreement when this Warranty in Paragraph 7.2.1(ii) is made on the date of the Implementation Agreement, and up to the Record Date when this Warranty in Paragraph 7.2.1(ii) is made on the Record Date,

except:

- (a) to the extent that Taxation was paid, provided for or accrued in respect thereof in the Audited Financial Statements or to the extent that Taxation was paid, provided for or accrued in respect thereof in any of the audited accounts or the publicly released consolidated unaudited financial statements of the CRT Group on or prior to the Record Date; and
- (b) to the extent that such Claim arises as a result only of any provision or reserve in respect thereof being insufficient by reason of any increase in rates of Taxation made after the date hereof with retrospective effect.

For the purposes of the Implementation Agreement, “**Claim**” means any notice, demand, assessment, letter or other document issued or action taken by the Taxation Authority or other statutory or governmental authority, body or official whosoever whereby a CRT Group Entity or CRT Associate Entity is placed under a liability to make a payment on any Taxation or deprived of any relief, allowance, credit or repayment otherwise available for Taxation purposes.

7.3 Tax Incentives

7.3.1 So far as the Trustee-Manager is aware, each CRT Group Entity and each CRT Associate Entity has complied with all the conditions subject to which tax incentives have been granted to such CRT Group Entity or such CRT Associate Entity.

7.3.2 So far as the Trustee-Manager is aware, no relief (whether by way of deduction, reduction, set-off, exemption, postponement, roll-over, repayment or allowance or otherwise) from, against or in respect of any Taxation has been claimed and/or given to any CRT Group Entity or any CRT Associate Entity which could be effectively withdrawn, postponed, restricted, clawed back or otherwise lost as a result of any act or omission by any CRT Group Entity or any CRT Associate Entity.

7.4 Tax Audits

7.4.1 There is no external investigation by any Taxation Authority in process or, so far as the Trustee-Manager is aware, pending with respect to any Tax returns of any CRT Group Entity or any CRT Associate Entity, other than queries raised by a Taxation Authority in its usual review of such Tax returns by a CRT Group Entity or a CRT Associate Entity.

7.4.2 There are no ongoing or, so far as the Trustee-Manager is aware, anticipated Taxation disputes involving or against any CRT Group Entity or any CRT Associate Entity.

APPENDIX L - TRUSTEE-MANAGER'S WARRANTIES

8. Assets (including Real Properties)

8.1 Ownership and Lease of Assets

8.1.1 All assets (including real properties) which are included in the latest publicly released consolidated unaudited financial statements of the CRT Group prior to the date of the Implementation Agreement are the absolute property of the relevant CRT Group Entity and all such assets and properties and all debts which have subsequently been acquired or arisen are the absolute property of the relevant CRT Group Entity, and so far as the Trustee-Manager is aware, the Portfolio Properties are the absolute property of the TBI Trustees.

8.1.2 Save as disclosed in the Disclosure Letter, each CRT Group Entity has good title to all owned assets (including real properties) free from Encumbrances and so far as the Trustee-Manager is aware, the TBI Trustees have good title to the Portfolio Properties free from Encumbrances, in each case, save for Encumbrances referred to or scheduled under the Existing Loan Documents.

8.1.3 All such assets (including the real properties) are, where capable of possession, in the possession of or under the control of the relevant CRT Group Entity or so far as the Trustee-Manager is aware, the relevant CRT Associate Entity or TBI Trustee, or the relevant CRT Group Entity or so far as the Trustee-Manager is aware, the relevant CRT Associate Entity or TBI Trustee, is entitled to take possession or control of such assets.

8.1.4 So far as the Trustee-Manager is aware, any real property which is held under lease by a CRT Group Entity, CRT Associate Entity or TBI Trustee, is held under a valid, subsisting and enforceable lease/tenancy agreement with such exceptions as do not materially interfere with the use or proposed use of such real properties. So far as the Trustee-Manager is aware, no default under or cause for termination of any such lease/tenancy agreement exists.

8.1.5 So far as the Trustee-Manager is aware, no default under or cause for termination of any Head Ground Lease exists.

8.1.6 Save as disclosed in the Disclosure Letter, the CRT Group Entities have not and so far as the Trustee-Manager is aware, the CRT Associate Entities (and with respect to the Portfolio Properties, the TBI Trustees) have not, entered into any commitments or contracts for the sale or other disposition of any of the TBIs or Portfolio Properties other than as disclosed in public announcements made by the Trustee-Manager on SGXNET up till the date of the Implementation Agreement.

8.1.7 Save as disclosed in the Disclosure Letter, the CRT Group Entities have not and so far as the Trustee-Manager is aware, the TBI Trustees have not, entered into any commitments or contracts for the acquisition of any interests in real property or trust beneficiary interests or similar indirect interests in real property other than as disclosed in public announcements made by the Trustee-Manager on SGXNET up till the date of the Implementation Agreement.

APPENDIX L - TRUSTEE-MANAGER'S WARRANTIES

8.2 Insurance

8.2.1 In respect of all insurance and indemnity policies in respect of which any of the CRT Group Entities has or so far as the Trustee-Manager is aware, the CRT Associate Entities or TBI Trustees has an interest (including any active historic policies which provide cover on a losses occurring basis but excluding insurances relating to the payment of hospital and other medical expenses) (the "**Policies**"), all premiums have been duly paid to date.

8.2.2 No material claims above JPY10 million individually have been made or are outstanding in respect of any of the Policies, and so far as the Trustee-Manager is aware, no fact or circumstance exists which might give rise to such claim under any of the Policies.

8.3 Each Portfolio Property is in reasonable repair and fit for the purposes for which each is presently used (fair wear and tear excepted having regard to its age and use).

9. Employment

9.1 There are not in existence, nor has any proposal been announced to establish, any retirement, death or disability benefit schemes for directors or employees, nor are there any obligations to or in respect of present or former directors or employees with regard to retirement, death or disability pursuant to which any CRT Group Entity is or may become liable to make payments of a material nature and no pension or retirement or sickness gratuity of a material nature is currently being paid or has been promised by any CRT Group Entity to or in respect of any former director or former employee.

9.2 There are no terms of employment, consultancy, appointment or contract for any employees of any CRT Group Entity which provide that a change in control of any CRT Group Entity (howsoever defined therein) shall entitle any employee to treat the change in control as amounting to a breach of the contract or entitling him to any payment or benefit or enhanced notice period whatsoever or entitling him to treat himself as redundant or dismissed or released from any obligation.

9.3 There is no collective bargaining agreement or arrangement affecting the employees of any CRT Group Entity.


Date of Issue | 4 August 2017




Valuation Certificate

Prepared on behalf of
Croesus Retail Asset Management Pte. Ltd.
(as trustee-manager of Croesus Retail Trust)

APPENDIX M - EXTRACTS OF VALUATION REPORTS





Cushman & Wakefield K.K.
Sanno Park Tower 13F
2-11-1 Nagatacho, Chiyoda-ku
Tokyo 100-6113, Japan

4 August 2017

Croesus Retail Asset Management Pte. Ltd.
(as trustee-manager of Croesus Retail Trust)
50 Raffles Place
#25-03 Singapore Land Tower
Singapore 048623

To Whom It May Concern,

VALUATION OF THE PORTFOLIO OF 9 PROPERTIES COMPRISING:

1. Luz Omori at 10-4, Omorikita 1-chome, Ota-ku, Tokyo
2. CROESUS TACHIKAWA at 363 and 3 other tracts, Akabonochō 2-chome, Tachikawa-shi, Tokyo
3. Mallage Shōbu at 6005-1 and another tract, Aza Iseura, Shōbūchōshōbu, Kuki-shi, Saitama-ken
4. Croesus Shinsaibashi at 46-1 and 3 other tracts, Soemoncho, Chuo-ku, Osaka-shi
5. AEDON TOWN SUZUKA at 3000 and another tract, Shonohayama 4-chome, Suzuka-shi, Mie-ken
6. AEDON TOWN MORIYA at 249-1 and 8 other tracts, Aza Mukaihara, Yurigaoka 3-chome, Moriya-shi, Ibaraki-ken
7. Feeeal Asahikawa at 108 and 5 other tracts, Ichijodori 8-chome, Asahikawa-shi, Hokkaido
8. Mallage Saga at 381-14 and 124 other tracts, Aza Ipponmatsu, Oaza Ushijima, Kosemachi, Saga-shi, Saga-ken
9. Fuji GRAND Natalia at 2533-7 and 9 other tracts, Ajina 3-chome, Hatsukaichi-shi, Hiroshima-ken

Cushman & Wakefield K.K. ("C&W") have appraised the properties as listed above ("the Properties") and provided comprehensive valuation reports (the "Reports") in accordance with the requirements in the agreement of instruction from Croesus Retail Asset Management Pte. Ltd. ("the Client"), as Trustee-Manager of Croesus Retail Trust, for whom our valuations were conducted.

We have been instructed to appraise the market value of the Properties as at the date of valuation, 30 June 2017, in accordance with the definition below:

"Market value refers to the probable value that would be formed for the marketable real estate in a market that satisfies conditions associated with a rational market under actual socio-economic circumstances. In this context, the market refers to a market that satisfied the conditions listed below:

1. Market participants with typical information, knowledge and management skills are acting on their own free will, and are able to enter or leave the market as they wish;
2. There are no special restrictions on transactions that restrict market participants nor any extraordinary incentives that induce participants to sell or buy the Subject Properties; and
3. The Subject Properties are made available for sale in the market for an appropriate period of time. "

For the purpose of inclusion in the scheme document (the "Scheme Document") to be issued in connection with the proposed acquisition by Cyrus BidCo Pte. Ltd. of all the issued units in Croesus Retail Trust by way of a trust scheme, we provide a summary of the Reports (the "Valuation Summary") with a brief description of the Properties together with the key factors that have been considered in determining the market values of the Properties. The value conclusions reflect all information known by the valuers of C&W who worked on the valuations in respect to the Properties, market conditions and available data.

Valuation Certificate

Page 1



RELIANCE ON THIS LETTER

This Valuation Summary summarises the full Reports that C&W have carried out and it does not contain all the necessary information and assumptions that are included in the Reports. Further reference may be made to these Reports, copies of which are held by the Client and are available for inspection at the registered office of the Trustee-Manager at 50 Raffles Place, #25-03 Singapore Land Tower, Singapore 048623.

The valuation contained in the Reports are not guarantees or predictions but are based on the information obtained from reliable and reputable agencies and sources, the Trustee-Manager and other related parties. Whilst C&W have endeavoured to obtain accurate information, it has not independently verified all the information provided by the Trustee-Manager or other reliable and reputable agencies.

Where applicable, information as to ownership, site area and zoning has been obtained through our research at the local governments. C&W have also relied to a considerable extent on the property data provided by the Trustee-Manager on matters such as site and floor areas, lease terms/tenancy details, site and building plans, dates of completion, technical due diligence or engineering reports and all other relevant matters.

Also, in the course of the valuation, we have assumed that all the leases are legally valid and enforceable and the Properties have proper legal titles that can be freely transferable, leased and sub-leased in the market without being subject to any land premium or any extra charges. C&W have no reason to doubt the truth and accuracy of the information provided to us by the Client which is relevant to the valuation.

No allowance has been made in the valuation for any charges, mortgages or amounts owing on the Properties. C&W have assumed that the Properties are free from encumbrances, restrictions or other outgoings of an onerous nature which would affect their market value, other than those which have been made known to C&W.

The methodologies used in valuing the Properties, namely, the Discounted Cash Flow Analysis and Direct Capitalization Approach, are based on our professional opinion and estimates of the future results and are not guarantees or predictions. These valuation methodologies are summarized in this letter. Each methodology is based on a set of assumptions as to the income and expenses taking into consideration the changes in economic conditions and other relevant factors affecting the Properties. The resultant value is, in our opinion, the best estimate but it is not to be construed as a forecast, guaranteed sale price or prediction and it is fully dependent upon the accuracy of the assumptions made. This Valuation Summary does not contain all the necessary support data and details included in our Reports. For further information on that, reference should be made to the Reports to understand the complexity of the methodologies and the variables involved in order to appreciate the context in which the values are arrived at.

We conducted our valuations principally based on physical inspection. We have inspected the exterior and, where possible, the interior of the Properties. No structural survey has been made, but in the course of our inspection, we did not note any serious defect to the completed buildings. We are not, however, able to report that the Properties are free from rot, infestation or any structural defect. No tests were carried out to any of the services.

We have also not carried out investigations on site in order to determine the suitability of ground conditions, nor have we undertaken archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory.

VALUATION RATIONALE

In arriving at our valuation, we have considered relevant general and economic factors and in particular have investigated recent sales transactions of comparable properties that have occurred in the vicinity or in similar standard localities. We have utilized the Discounted Cash Flow Analysis, the Direct Capitalization Method and the Cost Approach, where appropriate, in undertaking our assessment of the Properties.



INCOME APPROACH

Discounted Cash Flow Analysis

We have carried out a discounted cash flow analysis over a 10-year investment horizon in which we have assumed that the property is sold at the commencement of the eleventh year of the cash flow. This form of analysis allows an investor to make an assessment of the long term return that is likely to be derived from a property with a combination of both net income/rental and capital growth over an assumed investment horizon. In undertaking this analysis, a wide range of assumptions are made including a target or pre-selected discounted rate, rental growth, sale price of the property at the end of the investment horizon as well as costs associated with its disposal at the end of the investment period.

We have investigated the current market requirements for an investment return over a 10-year period from the relevant market sector in order to determine the appropriate discount rate for each property.

Our selected terminal capitalization rates, used to estimate the terminal sale price, takes into consideration perceived market conditions in the future, estimated tenancy and cash flow profile and the overall physical condition of the building in 10 years' time. The adopted terminal yield rate, additionally, has regard to the duration of the remaining tenure of properties at the end of the cash flow period.

Direct Capitalization Method

We have cross-checked the property interests using the direct capitalization method by taking into account estimated sustainable revenues of the property and by making adjustment to reflect anticipated operating expenses or outgoings. As a result, a net income has been derived which is then capitalized by an appropriate capitalization rate. The capitalization rate was obtained by comparing capitalization rates of similar properties in market transactions, where available.

COST APPROACH

We have cross-checked the property interests by deducting the accrued depreciation from the replacement cost. For assessment of replacement cost, the sales comparison approach has been applied for land, with sufficient reference to the benchmark price. As for the building, the replacement cost stated in the engineering report (building condition report) is used as a reference, and construction costs of similar buildings are taken into account to estimate the replacement cost.

SUMMARY OF VALUATION

Our opinion of the market value of each of the Properties is stated in the table below, subject to all existing and proposed tenancies and occupancy arrangements. The following summarizes some of the key valuation assumptions and market value for each property:

Property Name	Property Address	Market Value as at 30 June 2017
Luz Omori	10-4, Omorikita 1-chome, Ota-ku, Tokyo	JPY 4,160,000,000
CROESUS TACHIKAWA	363 and 3 other tracts, Akebonocho 2-chome, Tachikawa-shi, Tokyo	JPY 13,600,000,000
Mallage Shobu	6005-1 and another tract, Aza Iseura, Shobuchoshobu, Kuki-shi, Saitama-ken	JPY 28,700,000,000
Croesus Shinsaibashi	46-1 and 3 other tracts, Soemoncho, Chuo-ku, Osaka-shi	JPY 12,600,000,000
AEON TOWN SUZUKA	3000 and another tract, Shonohayama 4-chome, Suzuka-shi, Mie-ken	JPY 10,200,000,000
AEON TOWN MORIYA	249-1 and 8 other tracts, Aza Mukaihara, Yurigaoka 3-chome, Moriya-shi, Ibaraki-ken	JPY 15,400,000,000

APPENDIX M - EXTRACTS OF VALUATION REPORTS



Property Name	Property Address	Market Value as at 30 June 2017
Feeaal Asahikawa	108 and 5 other tracts, Ichijodori 8-chome, Asahikawa-shi, Hokkaido	JPY 2,760,000,000
Mallage Sega	381-14 and 124 other tracts, Aza Ipponmatsu, Oaza Ushijima, Kosemachi, Saga-shi, Saga-ken	JPY 4,600,000,000
Fuji GRAND Natalie	2533-7 and 9 other tracts, Ajina 3-chome, Hataukaichi-shi, Hiroshima-ken	JPY 3,590,000,000

The total aggregate value for all the 9 properties is JPY 95,810,000,000 only.
More property details for each of the Properties are found in the Valuation Certificates attached to this letter.

DISCLAIMER

We have prepared this Valuation Summary for inclusion in the Scheme Document and specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the Scheme Document, other than in respect of the information provided within the Reports and the Valuation Summary. We do not make any warranty or representation as to the accuracy of the information in any part of the Scheme Document other than as expressly made or given in this Valuation Summary.

All information provided to us by the Client is treated as correct and true and we accept no responsibility for subsequent changes in information and reserve the right to change our valuation if any information provided were to materially change. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions.

We have no present or prospective interest in the Properties and are not a related corporation of nor do we have a relationship with the property owner(s) or other party/parties whom the Client is contracting with.

The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

We hereby certify that the valuers undertaking the valuation are authorized to practice as valuers and have the necessary experience in valuing similar types of properties.

Yours faithfully
For and on behalf of
CUSHMAN & WAKEFIELD K.K.

Naomi Rice, MAI, MRICS
Associate Director
Valuation & Advisory
Real Estate Appraiser License No. 7679
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81 3 3596 7096 Office Direct

APPENDIX M - EXTRACTS OF VALUATION REPORTS



1 Luz Omori

Date of Valuation:	30-Jun-17
Property:	Luz Omori
Legal Description:	10-4, Omorikita 1-chome, Ota-ku, Tokyo
Interest Valued:	Tenant-occupied Building with Leasehold Land (Land: Leasehold, Building: Beneficiary Right)
Registered Owner/Trustee:	Land Ota-ku Building Mizuho Trust & Banking Co.,Ltd. (Trustee)
Beneficiary:	Perimmon TMK
Brief Description of Property:	The subject property is a 8-story rental retail building (Luz Omori) with 2 basements, located to the south of "Omori" Station on the JR Keihin Tohoku Line. Land lease contract is 50-year term from July 1, 2009 to June 30, 2059.
Land Area:	2,559.17 square meters (Lease contract area)
Gross Floor Area (GFA):	13,295.46 square meters (Registered document)
Lettable Area (NLA):	7,857.63 square meters (Rent Contract)
Tenancy Details:	Ota-ku, the owner of the land leases the subject property to its lessee Mitsubishi Trust & Banking Co., Ltd based on the standard fixed term land leasehold agreement set force in Article 22 of the Act on Land and Building Leases. The subject building is master-leased by a lessor, Mizuho Trust & Banking Co.,Ltd., which owns the subject building, to a tenant, Marubeni Community Co., Ltd., which further subleases the subject to end-tenants.
Town Planning:	Town Planning: City planning area Planning Classification: Urbanization Promotion Area Zoning: Commercial Area (80%/500%)
Basis of Valuation:	Market value
Methods of Valuation:	Discounted Cash Flow, Capitalization Method (based on fixed-term capitalization method) and Cost Method
Capitalization Rate:	4.5%
Terminal Yield:	3.0%
Discount Rate:	4.7%
Market Value:	JPY 4,160,000,000
Value psqm of NLA:	JPY 529,000 per sq m of rentable area
Date of Site Inspection:	25 May 2017
Report Prepared by:	Cushman & Wakefield K.K.
Report Number	17V172002

APPENDIX M - EXTRACTS OF VALUATION REPORTS



2 CROESUS TACHIKAWA

Date of Valuation:	30-Jun-17
Property:	CROESUS TACHIKAWA
Legal Description:	363 and 3 other tracts, Akebonocho 2-chome, Tachikawa-shi, Tokyo
Interest Valued:	Tenant-occupied Building and its Site (Land: Beneficiary Right and partially Leasehold, Building: Beneficiary Right)
Registered Owner/Trustee:	Land Shinsei Trust & Banking Co., Ltd. (Trustee) and individuals (Leasehold) Building Shinsei Trust & Banking Co., Ltd. (Trustee)
Beneficiary:	Persimmon TMK
Brief Description of Property:	The subject property is a 8-story rental retail building (CROESUS TACHIKAWA) with 3 basements, located to the northwest of "Tachikawa" Station on the JR Chuo Line.
Land Area:	1,239.61 square meters Owned Land: 682.40 square meters (Registered document) Leased Land: 557.21 square meters (Registered document)
Gross Floor Area (GFA):	10,533.96 square meters (Registered document)
Lettable Area (NLA):	7,091.92 square meters (Rent Contract)
Tenancy Details:	The subject property is master-leased by a lessor, Shinsei Trust & Banking Co., Ltd., which owns the subject land and building, to a tenant, GK CRT Tachikawa, which further subleases the subject to end-tenants. Meanwhile, a 60-year land lease agreement is signed for tract No.365 (557.21 sq. m.) with an aim of possessing a solid building.
Town Planning:	Town Planning: City planning area Planning Classification: Urbanization Promotion Area Zoning: Commercial Area (80%/800%)
Basis of Valuation:	Market value
Methods of Valuation:	Discounted Cash Flow, Capitalization Method and Cost Method
Capitalization Rate:	4.3%
Terminal Yield:	4.4%
Discount Rate:	4.1%
Market Value:	JPY 13,600,000,000
Value psqm of NLA:	JPY 1,920,000 per sq m of rentable area
Date of Site Inspection:	26 May 2017
Report Prepared by:	Cushman & Wakefield K.K.
Report Number	17V172001



3 Mallage Shobu

Date of Valuation:	30-Jun-17
Property:	Mallage Shobu
Legal Description:	6005-1 and another tract, Aza Iseura, Shobuchoshobu, Kuki-shi, Saitama-ken
Interest Valued:	Tenant-occupied Building and its Site (Beneficiary Right)
Registered Owner/Trustee:	Sumitomo Mitsui Trust Bank, Limited (Trustee)
Beneficiary:	Mengosteel TMK
Brief Description of Property:	The subject property is a 7-story rental commercial facility (Mallage Shobu), located to the northwest of "Kuki" Station on the JR Tohoku Main Line.
Land Area:	115,760.50 square meters (The Certificate of Inspection)
Gross Floor Area (GFA):	137,445.40 square meters (Registered document)
Lettable Area (NLA):	68,074.63 square meters (Rent Contract)
Tenancy Details:	The subject property is master-leased by a lessor, Sumitomo Mitsui Trust Bank, Limited (Trustee), which owns the subject land and building, to a tenant, GK CRT Shobu, which further subleases the subject to end-tenants. Sites for off-site parking are leased from multiple lessors to Sojitsu Commercial Development Corporation, which further subleases the sites to Sumitomo Mitsui Trust Bank, Limited.
Town Planning:	Town Planning: City planning area Planning Classification: Urbanization Promotion Area Zoning: Quasi Industrial Area (60%/200%)
Basis of Valuation:	Market value
Methods of Valuation:	Discounted Cash flow, Capitalization Method and Cost Method
Capitalization Rate:	5.6%
Terminal Yield:	5.7%
Discount Rate:	5.4%
Market Value:	JPY 28,700,000,000
Value psqm of NLA:	JPY 422,000 per sq m of rentable area
Date of Site Inspection:	22 May 2017
Report Prepared by:	Cushman & Wakefield K.K.
Report Number:	17V171004



4 Croesus Shinsaibashi

Date of Valuation:	30-Jun-17
Property:	Croesus Shinsaibashi
Legal Description:	46-1 and 3 other tracts, Soemoncho, Chuo-ku, Osaka-shi
Interest Valued:	Tenant-occupied Building and its Site (Beneficiary Right)
Registered Owner/Trustee:	Sumitomo Mitsui Trust Bank, Limited (Trustee)
Beneficiary:	Mangosteen TMK
Brief Description of Property:	The subject property is a 7-story rental retail building (Croesus Shinsaibashi) with 1 basement, located to the northeast of "Namba" Station on the Osaka City Subway Midosuji Line.
Land Area:	497.66 square meters (Registered document)
Gross Floor Area (GFA):	2,501.10 square meters (Registered document)
Lettable Area (NLA):	2,342.39 square meters (Rent Contract)
Tenancy Details:	The subject property is master-leased by a lessor, Sumitomo Mitsui Trust Bank, Limited, which owns the subject land and building, to a tenant, Marubeni Real Estate Management K.K., which further subleases the subject to end-tenants.
Town Planning:	Town Planning: City planning area Planning Classification: Urbanization Promotion Area Zoning: Commercial Area (80%/500%)
Basis of Valuation:	Market value
Methods of Valuation:	Discounted Cash Flow, Capitalization Method and Cost Method
Capitalization Rate:	3.5%
Terminal Yield:	3.6%
Discount Rate:	3.3%
Market Value:	JPY 12,800,000,000
Value psqm of NLA:	JPY 5,380,000 per sq m of rentable area
Date of Site Inspection:	23 May 2017
Report Prepared by:	Cushman & Wakefield K.K.
Report Number:	17V171003



5 AEON TOWN SUZUKA

Date of Valuation:	30-Jun-17
Property:	AEON TOWN SUZUKA
Legal Description:	3000 and another tract, Shonohayama 4-chome, Suzuka-shi, Mie-ken
Interest Valued:	Tenant-occupied Building and Its Site (Beneficiary Right)
Registered Owner/Trustee:	Mitsubishi UFJ Trust and Banking Corporation (Trustee)
Beneficiary:	Mangosteem TMK
Brief Description of Property:	The subject property is a 2-story rental large-scale commercial facility (AEON TOWN SUZUKA), located to the southwest of "Hiratacho" Station on the Kintetsu Suzuka Line.
Land Area:	88,339.74 square meters (Registered document)
Gross Floor Area (GFA):	41,596.90 square meters (Registered document)
Lettable Area (NLA):	43,500.73 square meters (Rent Contract)
Tenancy Details:	The subject property is master-leased by a lessor, Mitsubishi UFJ Trust and Banking Corporation, which owns the subject land and building, to a tenant, AEON TOWN Co., Ltd., which further subleases the subject to end-tenants.
Town Planning:	Town Planning: City planning area Planning Classification: Urbanization Promotion Area Zoning: Neighborhood Commercial Area (80%/200%)
Basis of Valuation:	Market value
Methods of Valuation:	Discounted Cash Flow, Capitalization Method and Cost Method
Capitalization Rate:	5.7%
Terminal Yield:	5.8%
Discount Rate:	5.5%
Market Value:	JPY 10,200,000,000
Value psqm of NLA:	JPY 234,000 per sq m of rentable area
Date of Site Inspection:	24 May 2017
Report Prepared by:	Cushman & Wakefield K.K.
Report Number:	17V171002

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6 AEON TOWN MORIYA

Date of Valuation:	30-Jun-17
Property:	AEON TOWN MORIYA
Legal Description:	249-1 and 8 other tracts, Aza Mukaihara, Yurigaoka 3-chome, Moriya-shi, Ibaraki-ken
Interest Valued:	Tenant-occupied Building and Its Site (Beneficiary Right)
Registered Owner/Trustee:	Mitsubishi UFJ Trust and Banking Corporation (Trustee)
Beneficiary:	Mangosteen TMK
Brief Description of Property:	The subject property is a 4-story rental commercial facility (AEON TOWN MORIYA), located to the southwest of "Moriya" Station on the Tsukuba Express.
Land Area:	70,878.67 square meters (Certificate of Inspection)
Gross Floor Area (GFA):	65,503.79 square meters (Registered document)
Lettable Area (NLA):	68,046.75 square meters (Rent Contract)
Tenancy Details:	The subject property is master-leased by a lessor, Mitsubishi UFJ Trust and Banking Corporation, which owns the subject land and building, to a tenant, AEON TOWN Co., Ltd., which further subleases the subject to end-tenants.
Town Planning:	Town Planning: City planning area Planning Classification: Urbanization Promotion Area Zoning: Quasi Industrial Area (60%/200%)
Basis of Valuation:	Market value
Methods of Valuation:	Discounted Cash Flow, Capitalization Method and Cost Method
Capitalization Rate:	5.2%
Terminal Yield:	5.3%
Discount Rate:	5.0%
Market Value:	JPY 15,400,000,000
Value psqm of NLA:	JPY 226,000 per sq m of rentable area
Date of Site Inspection:	25 May 2017
Report Prepared by:	Cushman & Wakefield K.K.
Report Number:	17V171001



7 Feeeal Asahikawa

Date of Valuation:	30-Jun-17
Property:	Feeeal Asahikawa
Legal Description:	10B and 5 other tracts, Kijodori 8-chome, Asahikawa-shi, Hokkaido
Interest Valued:	Tenant-occupied Building and its Site (Beneficiary Right)
Registered Owner/Trustee:	Mitsubishi UFJ Trust and Banking Corporation (Trustee)
Beneficiary:	Orange TMK
Brief Description of Property:	The subject property is a 9-story rental retail building (Feeeal Asahikawa) with 2 basements, located to the north of "Asahikawa" Station on the JR Hakodate Line.
Land Area:	4,149.23 square meters (Registered document)
Gross Floor Area (GFA):	36,479.27 square meters (Registered document)
Lettable Area (NLA):	20,450.90 square meters (Rent Contract)
Tenancy Details:	The subject property is master-leased by a lessor, Mitsubishi UFJ Trust and Banking Corporation, which owns the subject land and building, to a tenant, GK CRT Asahikawa, which further subleases the subject to end-tenants.
Town Planning:	Town Planning: City planning area Planning Classification: Urbanization Promotion Area Zoning: Commercial Area (80%/600%)
Basis of Valuation:	Market value
Methods of Valuation:	Discounted Cash Flow, Capitalization Method and Cost Method
Capitalization Rate:	6.2%
Terminal Yield:	5.9%
Discount Rate:	5.6%
Market Value:	JPY 2,760,000,000
Value psqm of NLA:	JPY 135,000 per sq m of rentable area
Date of Site Inspection:	25 May 2017
Report Prepared by:	Cushman & Wakefield K.K.
Report Number	17V170003

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8 Mallage Saga

Date of Valuation:	30-Jun-17
Property:	Mallage Saga
Legal Description:	381-14 and 124 other tracts, Aza Ipponmatsu, Oaza Ushijima, Kosemachi, Saga-shi, Saga-ken
Interest Valued:	Tenant-occupied Building with Leasehold Land (Land: Leasehold and partially Beneficiary Right, Building: Beneficiary Right) *Some of the buildings are strata-titled buildings. However, since all of the exclusive areas are owned by the same owner, they are handled as one building in the appraisal.
Registered Owner/Trustee:	Land Mitsubishi UFJ Trust and Banking Corporation (Trustee) and individuals (Leasehold) Building Mitsubishi UFJ Trust and Banking Corporation (Trustee)
Beneficiary:	Orange TMK
Brief Description of Property:	The subject property is a 3-story rental commercial building (Mallage Saga), located to the southeast of "Saga" Station on the JR Nagasaki Main Line.
Land Area:	82,436.39 square meters (Registered document) Owned Land: 11,604.69 square meters (Registered document) Leased Land: 70,831.70 square meters (Registered document)
Gross Floor Area (GFA):	75,395.93 square meters (Registered document)
Lettable Area (NLA):	46,617.59 square meters (Rent Contract)
Tenancy Details:	The subject property is master-leased by a lessor, Mitsubishi UFJ Trust and Banking Corporation (Trustee), which owns the subject land and building, to a tenant, GK CRT Saga, which further subleases the subject to end-tenants. For part of the subject land, a fixed-term land leasehold agreement for a business purpose is in place between each owner of leased land as lessors and Sojitz Commerce Development Corporation as the lessee. In addition, a fixed-term land subleasehold agreement for a business purpose is in place between Sojitz Commerce Development Corporation as a sublessor and Mitsubishi UFJ Trust and Banking Corporation (trustee) as a sublessee.
Town Planning:	Town Planning: City planning area Planning Classification: Urbanization Promotion Area Zoning: Quasi Industrial Area (60%/200%)
Basis of Valuation:	Market value
Methods of Valuation:	Discounted Cash Flow, Capitalization Method and Cost Method
Capitalization Rate:	7.0%
Terminal Yield:	7.1%
Discount Rate:	6.8%
Market Value:	JPY 4,600,000,000
Value psm of NLA:	JPY 98,700 per sq m of rentable area
Date of Site Inspection:	25 May 2017
Report Prepared by:	Cushman & Wakefield K.K.
Report Number:	17V170003



9 Fuji GRAND Natalie

Date of Valuation:	30-Jun-17
Property:	Fuji GRAND Natalie
Legal Description:	2533-7 and 9 other tracts, Ajina 3-chome, Hatsuoka-cho, Hiroshima-ken
Interest Valued:	Tenant-occupied Building and its Site (Beneficiary Right)
Registered Owner/Trustee:	Sumitomo Mitsui Trust Bank, Limited (Trustee)
Beneficiary:	Orange TMX
Brief Description of Property:	The subject property is a 2-story rental commercial facility (Fuji GRAND Natalie), located to the southeast of "Ajina" Station on the JR Sanyo Line.
Land Area:	21,083.66 square meters (Registered document)
Gross Floor Area (GFA):	29,434.41 square meters (Registered document)
Lettable Area (NLA):	31,064.61 square meters (Rent Contract)
Tenancy Details:	The subject property is master-leased by a lessor, Sumitomo Mitsui Trust Bank, Limited (Trustee), which owns the subject land and building, to a tenant, FUJI CO., LTD., which further subleases the subject to end-tenants.
Town Planning:	Town Planning: City planning area Planning Classification: Urbanization Promotion Area Zoning: Neighborhood Commercial Area (80%/200%)
Basis of Valuation:	Market value
Methods of Valuation:	Discounted Cash Flow, Capitalization Method and Cost Method
Capitalization Rate:	5.7%
Terminal Yield:	5.8%
Discount Rate:	5.5%
Market Value:	JPY 3,590,000,000
Value psqm of NLA:	JPY 116,000 per sq m of rentable area
Date of Site Inspection:	06 June 2017
Report Prepared by:	Cushman & Wakefield K.K.
Report Number:	17V170001



INDEPENDENT PROPERTY VALUATION SUMMARY REPORT

August 4, 2017

Prepared for:
Croesus Retail Asset Management Pte. Ltd.
(as trustee-manager of Croesus Retail Trust)
50 Raffles Place
#25-03
Singapore 048623

Prepared by:
CBRE K.K.
Valuation & Advisory Services
2-1-1 Marunouchi, Chiyoda-ku, Tokyo



Real Estate Appraisal Registration by the Minister
of Land, Infrastructure, Transport and Tourism (2)
No. 261

Dear Sirs:

1.0 INTRODUCTION

1.1 Client Brief

We have appraised the property as listed below (the "Subject Property") and provided comprehensive valuation reports in Japanese language (the "Japanese Full Reports") in accordance with the requirements in the agreement of instruction from Croesus Retail Asset Management Pte. Ltd., as Trustee-Manager of Croesus Retail Trust (the "Trustee-Manager"), for whom our valuations were conducted.

1.2 Purpose of Valuation

This summary report (the "Summary Report") has been prepared for the purpose of inclusion in the scheme document (the "Scheme Document") to be issued in connection with the proposed acquisition by Cyrus BidCo Pte. Ltd. of all the issued units in Croesus Retail Trust by way of a trust scheme. We have been instructed to appraise the Market Value (as defined in paragraph 2.2 below) of the Subject Property.



2.0 BASIS OF VALUATION

2.1 Scope of Subject Property

The Subject Property has been appraised as fully operational property based on both their historical financial results and our opinion as to the future performance and likely level of turnover. The valuation figures include all the improvements as well as equipment and other building contents employed in their operation.

2.2 Concept of Market Value

The appraised value reflects the Market Value of the Subject Property as at the date of valuation, 30 June 2017. Market Value means the probable value that would be formed for marketable real estate in a market that satisfies conditions associated with a rational market under actual social and economic circumstances. In this context, the market refers to a market that satisfies the conditions listed below:

2.2.1 Market participants with typical information, knowledge and management skills are acting on their own free will, and are able to enter or leave the market as they wish;

2.2.2 There are no special restrictions on transactions that restrict market participants nor any extraordinary incentives that induce participants to sell or buy the Subject Property; and

2.2.3 The Subject Property are made available for sale in the market for an appropriate period of time.

2.3 Valuation Procedure

2.3.1 Inspection and investigations

We confirm that we have inspected the Subject Property and conducted appropriate investigations as we considered necessary for the purpose of providing our opinion of the Market Values of the Subject Property.

2.3.2 Data reliability

The data as to ownership title, land and building areas, and other legal descriptions were obtained from searches conducted at the appropriate local government and real estate registry offices. We will give no assurance, explicit or implicit, with regard to the above mentioned data or legal descriptions. We have also relied on the data and information provided by the Trustee-Manager such as rentable/ gross floor area, tenancy details, leasing contracts, and so on. All data and information provided by the Trustee-Manager was treated as true, correct and complete and we accept no responsibility for any untruthfulness, incorrectness or incompleteness or subsequent changes thereof and reserve the right to change our value opinion if any data provided were materially amended or changed. Thus, we take no responsibility for inaccurate or incomplete data provided by the Trustee-Manager and subsequent



conclusions derived from such data.

2.3.3 Appraisal methods applied

The methods used in the valuation process are both Cost Approach and Income Approach.

The Cost Approach first determines the replacement cost of the Subject Property on the date of valuation. Then, an estimation of accrued depreciation must be deducted from the replacement cost. For assessment of replacement cost, the sales comparison approach has been applied for land with sufficient reference to the benchmark price. As for the building, the replacement cost stated in the engineering reports provided by the Trustee-Manager is used as a reference, and construction costs of similar buildings are taken into account to estimate the replacement cost.

The Income Approach mainly focuses on profitability. In the analysis, both the Direct Capitalization and Discounted Cash Flow Approach are used to estimate value. The Income Approach is in turn categorized into the Direct Capitalization and Discounted Cash Flow Approach, both of which are based on assumptions as to income and expenses, and future changes in the economic and social conditions.

Since the Subject Property are income-producing property, considerable emphasis was placed on the value indicated by the income capitalization approach as this approach most effectively reflects the economic value of the subject property.

The resultant market value is, in our opinion, the best estimate, but it is not to be construed as any guarantee, warranty or prediction and it fully depends on the accuracy of the valuation assumptions made and data provided.

3.0 DISCLAIMER

3.1 The Japanese Full Reports have been prepared by our licensed real estate appraisers based on professional knowledge and expertise. We duly comply with the Real Estate Appraisal Act of 1963 (Law No. 152). A translation of the Japanese Full Reports is also available (the "English Reports", and together with the Japanese Full Reports, the "Full Reports").

3.2 The Summary Report summarizes our Full Reports and does not contain all the necessary data and assumptions therein. It is suggested that investors refer to the Full Reports, copies of which are available for inspection at the registered office of the Trustee-Manager at 50 Raffles Place #25-03, Singapore 048623. We set out below the principal assumptions and conditions that our valuations are based on:

3.3.1 Title or ownership of each Subject Property is referenced to the public registration record with the real estate register maintained by the regional Legal Affairs Bureau or to the materials provided by the Trustee-Manager. We assume that such evidence of title or ownership of each Subject Property is

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true and is free from and clear of all liens, encumbrances, easements, and restrictions, unless otherwise noted.

3.3.2 We assume no responsibility to any legal matter.

3.3.3 We conducted our valuations principally based on physical visual inspection. Unless otherwise stated, we have carried out our valuations based on the assumption that there were no defects relating to the sites of the Subject Property or their improvements. We accept no responsibility for any subsequent discovery of materials hazardous to human bodies or defects in the improvements, if any.

3.3.4 With regards to environmental risks, in the course of our work, we have, based only on information and the engineering reports provided by the Trustee-Manager, inspected the existence of hazardous materials or conditions to the Subject Property, such as asbestos, polychlorinated biphenyl (PCBs), and soil contamination. However, as appraisers, we do not have expertise relating to the detection of environmental risks. We accept no responsibility for any possible value deviation from the appraised value caused by environmental risks, which have not been identified in the course of our work, or which may emerge in respect of the Subject Property in the future.

3.3.5 As appraisers, we do not have expertise relating to mechanical, electrical, structural and other engineering matters. In the course of our work, we have checked the legal compliance of the subject improvements based on information and the engineering reports provided by the Trustee-Manager. We accept no responsibility for any possible value deviation from the appraised value caused by any non-compliance with building or other regulations which have not been identified in the course of our work, or which may emerge in respect of the Subject Property in the future.

3.3.6 The appraised values reflect the Market Value of the Subject Property as at the date of valuation. It is not a forecast or guaranteed sale price of the Subject Property in the future. In other words, the Subject Property is assumed to have been offered on the market for a reasonable time period prior to the hypothetical consummation of a sale on the date of valuation.

3.4 We have prepared this Summary Report for inclusion in the Scheme Document and specially disclaim liability to any person in the event of any omission from, or false or misleading statements included in the Scheme Document, other than in terms of the information provided within the Full Reports and this Summary Report. We do not make any warranty or representation as to the accuracy of the information in any part of the Scheme Document other than as expressly made or given in this Summary Report.

APPENDIX M - EXTRACTS OF VALUATION REPORTS

CBRE

3.5 We have no present nor prospective interest in the Subject Property and are not a related corporation of nor do we have a relationship with the Trustee-Manager. Our compensation is not contingent upon the attainment of a stipulated result, or the occurrence of a subsequent event.

4.0 PROPERTY TO BE VALUED AND SUMMARY OF CONCLUSION

A summary of the valuation report for Subject Property is given in the following pages. The valuation certificates of the individual Subject Property appear after this summary.

Sincerely,

CBRE K.K.



Shigeko Mizutani
Executive Director- Head of Valuation
Valuation & Advisory Services

APPENDIX M - EXTRACTS OF VALUATION REPORTS



Property Portfolio

No.	Name of Property	Location	Site Area (Sq m)	NRA (Sq m)	Value (JPY)	Direct Cap Rate	Discount Rate	Terminal Cap Rate
1	One's Mall	330-50, Naganuma-cho, Inage-ku, Chiba City, Chiba, Japan	41,329.55	52,844.61	JPY13,100,000,000-	4.8%	4.7%	5.0%
2	Torius	1111, Oaza Yamada Hisayama-machi, Kasuya-gun, Fukuoka-ken	224,144.43	76,870.41	JPY8,830,000,000-	6.2%	5.9%	6.2%

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VALUATION CERTIFICATE

Property:	One's Mall 330-50, Nagaruma-cho, Inage-ku, Chiba City, Chiba, Japan	
Client:	Croesus Retail Asset Management Pte. Ltd. (as Trustee-Manager of Croesus Retail Trust)	
Purpose:	Valuation during the holding period for the TMK	
Interest Valued:	Leased fee	
Basis of Valuation:	Market Value subject to existing tenancies and occupational status	
Registered Owner:	Land and Building: Mizuho Trust & Banking Co., Ltd. (Trustee)	
Land Area:	Total 41,329.55 sq m	
Town Planning:	City Planning Area, Urbanization Area, Industrial Area, BCR: 70%, FAR: 200%	
Brief Description:	The subject property is a shopping center (One's Mall) located along an arterial road, national route 16, in Inage-ku, Chiba City; therefore, car access is good The population in the market area (Inage-ku) has been increasing, and family generations in Inage-ku are more than the nationwide average. Many large stores with power attracting customer, such as Toys'R'Us, Sports Depot, Nitori, etc., are located in the subject property.	
Tenancy Profile:	Based on the provided current rent roll dated March 31, 2017, the occupancy rate for the rental units was approximately 99.1%. The main tenants include AEON, Central Wellness Club (a sport club), Sport Depo (a sport shop), Nitori (a home center) and Toys'R'Us.	
NRA:	52,844.61 sq m	
GFA:	89,684.89 sq m	
Valuation Approaches:	Cost Approach Method, Income Approach Method (Direct Capitalization Method / Discounted Cash Flow Method)	
Date of Site Inspection:	May 9, 2017	
Date of Valuation:	June 30, 2017	
Capitalization Rate:	4.8%	
Discount Rate:	4.7%	
Terminal Capitalization Rate:	5.0%	
Appraised Value:	JPY 13,100,000,000- (Japanese Yen Thirteen Billion and One Hundred Million)	
Value per sq m (NRA):	JPY 247,897-	
Prepared by:	CBRE K.K.	

大空 拓

Taku Ozora
Director
Appraiser's License, No. 7570
Licensed Real Estate Appraiser

永川 隆夫

Takao Nagai
Associate Director
Appraiser's License, No. 7562
Licensed Real Estate Appraiser

APPENDIX M - EXTRACTS OF VALUATION REPORTS

CBRE

Property:	Torius 1111, Oaza Yamada, Hisayama-cho, Kasuya-gun, Fukuoka, Japan	
Client:	Croesus Retail Asset Management Pte. Ltd. (as Trustee-Manager of Croesus Retail Trust)	
Purpose:	Valuation during the holding period for the TMK	
Interest Valued:	Leased fee	
Basis of Valuation:	Market Value subject to existing tenancies and occupational status	
Registered Owner:	Land: Individuals, etc. Building: Sumitomo Mitsui Trust Bank, Limited (Trustee)	
Land Area:	Total 224,144.43 sq m	
Town Planning:	Urbanization Control Area, BCR: 60%, FAR: 200%	
Brief Description:	Although the area is located within an urbanization control area, it has been developed under the development permit, obtaining agreements with Fukuoka Prefecture. The subject property is a shopping center (Torius), located approximately 17 kilometers northeast from central Fukuoka. The population in the market area has been gradually increasing. The main tenant Costco has the only store in the subject property in the surrounding area of Fukuoka City. Therefore, it attracts customers from a wide area.	
Tenancy Profile:	Based on the provided current rent roll dated March 31, 2017, the occupancy rate for the rental units was approximately 92.5%. The main tenants include Costco and NAFCO, a home improvement and furniture store. A cinema complex is operated by UNITED CINEMAS, and other supermarket chains, restaurants and bars, karaoke, wedding venue, and pet supply store, etc. occupy the buildings.	
NRA:	76,870.41 sq m	
GFA:	92,184.25 sq m	
Valuation Approaches:	Cost Approach Method, Income Approach Method (Direct Capitalization Method / Discounted Cash Flow Method)	
Date of Site Inspection:	May 17, 2017	
Date of Valuation:	June 30, 2017	
Capitalization Rate:	6.2%	
Discount Rate:	5.9%	
Terminal Capitalization Rate:	6.2%	
Appraised Value:	JPY 8,830,000,000- (Japanese Yen Eight Billion Eight Hundred and Thirty Million)	
Value per sq m (NRA):	JPY 114,869-	
Prepared by:	CBRE K.K.	

大空 拓

Taku Ozora
Director
Appraiser's License, No. 7570
Licensed Real Estate Appraiser

荻輪 博子

Hiroko Minowa
Associate Director
Appraiser's License, No. 7503
Licensed Real Estate Appraiser

APPENDIX N - MANNER OF CONVENING SCHEME MEETING

The manner of convening the Scheme Meeting as ordered by the Court under the Scheme Meeting Court Order is set out below:

1. The Trustee-Manager shall convene the Scheme Meeting at a date, time and venue in Singapore to be determined by the board of directors of the Trustee-Manager, which Scheme Meeting shall be held on a date falling within three months of the Scheme Meeting Court Order.
2. The notice convening the Scheme Meeting, together with a copy of the Scheme Document, be provided to Unitholders at least 21 days before the date of the Scheme Meeting in the following manner:
 - (a) in the case of Unitholders whose units are not credited into a Securities Account, by post to or left at the Unitholder's address as appearing in the Register of Unitholders or in the case of joint Unitholders, to the joint Unitholder whose name stands first in the Register of Unitholders; and
 - (b) in the case of Unitholders whose units are credited into a Securities Account, by post to or left at the Unitholder's address on record with CDP, or in the case of joint Depositors, to the joint Depositor whose name stands first in the record of the Depository Register,

save that, where there are potential restrictions on sending the notice convening the Scheme Meeting and/or the Scheme Document (collectively, the "**Documents**") to any overseas jurisdiction, the Trustee-Manager need not send the Documents to the Unitholders in such overseas jurisdiction.

3. The notice convening the Scheme Meeting shall be advertised in one issue of "The Straits Times" or "The Business Times" in Singapore, stating the place at which and the manner in which the Scheme Document may be obtained, at least 21 days before the date of the Scheme Meeting.
4. Further and/or in addition to paragraphs 2 to 3 above, an electronic copy of the Documents shall be made available at the website of the SGX-ST at least 21 days before the date of the Scheme Meeting. A Unitholder in an overseas jurisdiction may also write in to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at its registered office to request for the Documents to be sent to an address in Singapore by ordinary post at such Unitholder's own risk, up to three Market Days prior to the date of the Scheme Meeting.
5. Any accidental omission to give any Unitholder notice of the Scheme Meeting or the non-receipt of such notice by any Unitholder shall not invalidate the proceedings at the Scheme Meeting, unless ordered by the Court.
6. Each Unitholder entitled to attend and vote at the Scheme Meeting either in person or by proxy is, unless the Court orders otherwise:
 - (a) entitled to appoint only one proxy to attend and vote at the Scheme Meeting; and

APPENDIX N - MANNER OF CONVENING SCHEME MEETING

- (b) may only cast all the votes it uses at the Scheme Meeting in one way, namely, either for or against each of the Scheme Resolutions.
7. Proxy forms must be completed, signed and deposited with the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at its registered office not less than 72 hours before the time fixed for the Scheme Meeting.
 8. Mr David Lim Teck Leong, a director and chairman of the board of directors of the Trustee-Manager, or failing him, any other director of the Trustee-Manager, be appointed Chairman of the Scheme Meeting and be directed to report the results thereof to the Court.

APPENDIX O - THE SCHEME

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

HC/OS 787/2017

IN THE MATTER of Order 80 of the Rules of Court (Cap. 322, Rule 5)

And

IN THE MATTER of the registered business trust known as Croesus Retail Trust constituted by a Deed of Trust dated 7 May 2012 as amended and supplemented by the amending and restating deeds dated 29 June 2012, 7 November 2012, 24 April 2013, 30 April 2013 and 27 October 2016

CROESUS RETAIL ASSET MANAGEMENT PTE. LTD.

(Singapore UEN No. 201205175K)

(Trustee-Manager of the registered business trust known as Croesus Retail Trust constituted by a Deed of Trust dated 7 May 2012 as amended and supplemented by the amending and restating deeds dated 29 June 2012, 7 November 2012, 24 April 2013, 30 April 2013 and 27 October 2016)

...Applicant

TRUST SCHEME

Between

Croesus Retail Asset Management Pte. Ltd., as Trustee-Manager of Croesus Retail Trust

And

Unitholders (as defined herein)

And

Cyrus BidCo Pte. Ltd.

APPENDIX O - THE SCHEME

PRELIMINARY

In this Trust Scheme, except to the extent that the context requires otherwise, the following expressions shall bear the following respective meanings:

“Books Closure Date”	:	The date and time to be announced (before the Effective Date) by the Trustee-Manager on which the Transfer Books and the Register of Unitholders will be closed in order to determine the entitlements of Unitholders in respect of the Scheme
“Business Day”	:	A day (other than Saturday, Sunday or a public holiday) on which commercial banks are open for business in Singapore
“Business Trusts Act”	:	Business Trusts Act, Chapter 31A of Singapore
“CDP”	:	The Central Depository (Pte) Limited
“Companies Act”	:	Companies Act, Chapter 50 of Singapore
“Court”	:	The High Court of the Republic of Singapore, or where applicable on appeal, the Court of Appeal of the Republic of Singapore
“CRT”	:	Croesus Retail Trust
“Effective Date”	:	Has the meaning ascribed to it in Clause 9 of this Scheme
“Encumbrances”	:	Any charge, mortgage, lien, hypothecation, judgment, encumbrance, easement, security, title retention, preferential right, trust arrangement, pledge, rights of pre-emption or other rights or interests conferring similar rights in favour of a third party
“Entitled Unitholders”	:	Unitholders as at 5.00 p.m. on the Books Closure Date
“Implementation Agreement”	:	The implementation agreement dated 28 June 2017 entered into between the Trustee-Manager and the Offeror setting out the terms and conditions on which the Trustee-Manager and the Offeror will implement the Scheme
“Latest Practicable Date”	:	17 August 2017, being the latest practicable date prior to the printing of the Scheme Document
“Long Stop Date”	:	31 December 2017, or such other date as the Parties may agree in writing

APPENDIX O - THE SCHEME

“Offeror”	:	Cyrus BidCo Pte. Ltd.
“Permitted Distributions”	:	(a) If the Effective Date falls on or before 31 October 2017, up to S\$31,332,340 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 S\$31,332,340 for the period from 1 January 2017 to 31 October 2017; and (II) up to 90 per cent. of CRT’s distributable income for the period from 1 November 2017 to the Effective Date
“Register of Unitholders”	:	The register of unitholders of CRT
“Scheme”	:	This trust scheme in its present form or with or subject to any modification thereof or amendment or addition thereto in accordance with its terms or condition(s) approved or imposed by the Court
“Scheme Consideration”	:	The consideration of S\$1.17 in cash for each Unit to be paid by the Offeror to each Entitled Unitholder in accordance with the terms of this Scheme
“Scheme Document”	:	The document dated 22 August 2017 and any other document(s) which may be issued by or on behalf of the Trustee-Manager to amend, revise, supplement or update the document(s) from time to time
“Securities Account”	:	The relevant securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SFA”	:	Securities and Futures Act, Chapter 289 of Singapore
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Unit Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd., the unit registrar of CRT
“Unitholders”	:	Persons who are registered as holders of the Units in the Register of Unitholders and Depositors who have Units entered against their names in the Depository Register
“S\$” or “SGD”	:	Singapore dollars, being the lawful currency of Singapore
“Transfer Books”	:	The transfer books of CRT

APPENDIX O - THE SCHEME

“Trust Deed”	:	The trust deed dated 7 May 2012 constituting CRT, as amended and supplemented by the amending and restating deeds dated 29 June 2012, 7 November 2012, 24 April 2013, 30 April 2013 and 27 October 2016
“Trustee-Manager”	:	Croesus Retail Asset Management Pte. Ltd.
“Units”	:	Units in CRT

The expressions “**Depositor**” and “**Depository Register**” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

The expressions “**subsidiary**” and “**related corporations**” shall have the same meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

The term “**Unitholder**”, in relation to any Unit, includes a person entitled to that Unit by transmission.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words indicating a specific gender shall, where applicable, include the other genders (male, female or neuter). References to persons shall, where applicable, include corporations.

A reference to an enactment or statutory provision shall include a reference to any subordinate legislation and any regulation made under the relevant enactment or statutory provision and is a reference to that enactment, statutory provision, subordinate legislation or regulation as from time to time amended, consolidated, modified, re-enacted or replaced, whether before or after the date of this Scheme.

Any reference to a time of day and date shall be a reference to Singapore time and date respectively, unless otherwise specified.

RECITALS

- (A) CRT is a business trust constituted under the Trust Deed on 7 May 2012. CRT was registered under the Business Trusts Act on 2 May 2013 and was listed on the Main Board of the SGX-ST on 10 May 2013. As at the Latest Practicable Date, CRT has 769,732,510 Units in issue.
- (B) The Trustee-Manager was incorporated in Singapore on 1 March 2012. CRT is managed by the Trustee-Manager.
- (C) The primary purpose of this Scheme is the acquisition by the Offeror of all the Units.
- (D) The Trustee-Manager, on behalf of CRT, and the Offeror have entered into the Implementation Agreement to set out their respective rights and obligations with respect to this Scheme.
- (E) The Offeror has agreed to appear by legal counsel at the hearing of the Originating Summons to sanction this Scheme, and to consent thereto, and to undertake to the Court to be bound thereby and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

APPENDIX O - THE SCHEME

PART I

CONDITIONS PRECEDENT

1. This Scheme is conditional upon each condition precedent set out in Clause 3.1 of the Implementation Agreement (as reproduced in **Appendix H** to the Scheme Document) being satisfied or, subject to the terms of the Implementation Agreement, being waived.

PART II

TRANSFER OF THE UNITS

2. With effect from the Effective Date, all of the Units held by the Entitled Unitholders as at the Books Closure Date will be transferred to the Offeror fully paid, free from all Encumbrances and together with all rights, benefits and entitlements attaching thereto as at the date of the Implementation Agreement and thereafter attaching thereto (including the right to receive and retain all rights and distributions (if any) declared, paid or made by the Trustee-Manager on or after the date of the Implementation Agreement), except for the Permitted Distributions. For the avoidance of doubt, the Trustee-Manager shall be entitled to announce, declare, make or pay the Permitted Distributions and the Unitholders shall have the right to receive and retain the Permitted Distributions.
3. For the purpose of giving effect to the transfer of the Units provided for in **Clause 2** of this Scheme:
 - (a) in the case of the Entitled Unitholders (not being Depositors), the Trustee-Manager shall authorise any person to execute or effect on behalf of all such Entitled Unitholders an instrument or instruction of transfer of all the Units held by such Entitled Unitholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Unitholder; and
 - (b) in the case of the Entitled Unitholders (being Depositors), the Trustee-Manager shall instruct CDP, for and on behalf of such Entitled Unitholders, to debit, not later than seven (7) Business Days after the Effective Date, all the Units standing to the credit of the Securities Account of such Entitled Unitholders and against payment of the Scheme Consideration as set out in **Clause 5(b)**, credit all of such Units to the Securities Account of the Offeror or such Securities Account(s) as directed by the Offeror.

PART III

PAYMENT OF SCHEME CONSIDERATION

4. In consideration for the transfer of the Units to the Offeror under **Clause 2** of this Scheme and subject to **Clause 1** of this Scheme, the Offeror shall pay or procure that there shall be paid to each Entitled Unitholder the Scheme Consideration for each Unit transferred by the Entitled Unitholder.

APPENDIX O - THE SCHEME

5. Not later than seven (7) Business Days after the Effective Date, and against the transfer of the Units set out in **Clause 2** of this Scheme, the Offeror shall pay cash to the Entitled Unitholders who are entitled to receive the Scheme Consideration for all of their Units as follows:

(a) **Entitled Unitholders whose Units are not deposited with CDP**

the Offeror shall pay each Entitled Unitholder (not being a Depositor) by sending a cheque for the Scheme Consideration payable to and made out in favour of such Entitled Unitholder by ordinary post to his address as appearing in the Register of Unitholders at the close of business on the Books Closure Date, at the sole risk of such Entitled Unitholder, or in the case of joint Entitled Unitholders, to the first named Entitled Unitholder made out in favour of such Entitled Unitholder by ordinary post to his address as appearing in the Register of Unitholders at the close of business on the Books Closure Date, at the sole risk of such joint Entitled Unitholders; and

(b) **Entitled Unitholders whose Units are deposited with CDP**

the Offeror shall pay each Entitled Unitholder (being a Depositor) by making payment of the Scheme Consideration payable to such Entitled Unitholder to CDP. CDP shall:

(I) in the case of an Entitled Unitholder (being a Depositor) who has registered for CDP's direct crediting service, credit the Scheme Consideration payable to such Entitled Unitholder, to the designated bank account of such Entitled Unitholder; and

(II) in the case of an Entitled Unitholder (being a Depositor) who has not registered for CDP's direct crediting service, send to such Entitled Unitholder, by ordinary post to his address as appearing in the Depository Register at the close of business on the Books Closure Date regardless of whether such Entitled Unitholder holds the Units as custodian or nominee and at the sole risk of such Entitled Unitholder, or in the case of joint Entitled Unitholders, to the first named Entitled Unitholder by ordinary post to his address as appearing in the Depository Register at the close of business on the Books Closure Date, at the sole risk of such joint Entitled Unitholders, a cheque for the payment of such Scheme Consideration made out in favour of such Entitled Unitholder.

6. The despatch of payment by the Offeror to each Entitled Unitholder's address and/or CDP (as the case may be) in accordance with **Clause 5** of this Scheme shall be deemed as a good discharge to the Offeror, CRT, the Trustee-Manager and CDP for the moneys represented thereby.

7. (a) On and after the day being six (6) calendar months after the posting of such cheques relating to the Scheme Consideration, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed (or has been returned uncashed) and shall place all such moneys in a bank account in the Trustee-Manager's name with a licensed bank in Singapore selected by the Trustee-Manager.

APPENDIX O - THE SCHEME

- (b) The Trustee-Manager or its successor entity shall hold such moneys until the expiration of six (6) years from the Effective Date and shall prior to such date make payments therefrom of the sums payable pursuant to **Clause 5** of this Scheme to persons who satisfy the Trustee-Manager or its successor entity that they are respectively entitled thereto and that the cheques referred to in **Clause 5** of this Scheme for which they are payees have not been cashed. Any such determination shall be conclusive and binding upon all persons claiming an interest in the relevant moneys, and any payments made by the Trustee-Manager hereunder shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to **Clause 4** of this Scheme.
- (c) On the expiry of six (6) years from the Effective Date, each of CRT, the Trustee-Manager and the Offeror shall be released from any further obligation to make any payments of the Scheme Consideration under this Scheme and the Trustee-Manager or its successor entity shall transfer to the Offeror the balance (if any) of the sums then standing to the credit of the bank account referred to in **Clause 7(a)** of this Scheme including accrued interest, subject, if applicable, to the deduction of interest, tax or any withholding tax or any other deduction required by law and subject to the deduction of any expenses.
- (d) **Clause 7(c)** of this Scheme shall take effect subject to any prohibition or condition imposed by law.
8. From the Effective Date, each existing confirmation note representing a former holding of Units by Entitled Unitholders (not being Depositors) will cease to be evidence of title of the Units represented thereby. The Entitled Unitholders (not being Depositors) shall be required to forward their existing confirmation notes relating to their Units to the Unit Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation.

PART IV

EFFECTIVE DATE

9. Subject to the satisfaction of the conditions precedent set out in **Clause 1** of this Scheme, this Scheme shall become effective and binding on the date falling 7 Business Days after the last of the conditions precedent set out in Clauses 3.1.1, 3.1.2, 3.1.3 and 3.1.4 of the Implementation Agreement (as reproduced in **Appendix H** to the Scheme Document) has been satisfied or, as the case may be, waived in accordance with the Implementation Agreement (the "**Effective Date**").
10. Unless this Scheme shall have become effective and binding as aforesaid on or before the Long Stop Date (or such other date as the Court on the application of the Trustee-Manager or the Offeror may allow), this Scheme shall lapse.
11. The Trustee-Manager and the Offeror may jointly consent, for and on behalf of all concerned, to any modification of, or amendment to, this Scheme or to any condition which the Court may think fit to approve or impose.

APPENDIX O - THE SCHEME

12. In the event that this Scheme does not become effective and binding for any reason, the costs and expenses incurred by the Trustee-Manager in connection with this Scheme will be borne by the Trustee-Manager.
13. This Scheme shall be governed by, and construed in accordance with, the laws of Singapore, and CRT, the Trustee-Manager, the Offeror and the Unitholders submit to the non-exclusive jurisdiction of the courts of Singapore. A person who is not a party to this Scheme has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term or provision of this Scheme.

Dated this 22nd day of August 2017

APPENDIX P - NOTICE OF SCHEME MEETING

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

HC/OS 787/2017

IN THE MATTER of Order 80 of the Rules of Court (Cap. 322, Rule 5)

And

IN THE MATTER of the registered business trust known as Croesus Retail Trust constituted by a Deed of Trust dated 7 May 2012 as amended and supplemented by the amending and restating deeds dated 29 June 2012, 7 November 2012, 24 April 2013, 30 April 2013 and 27 October 2016

CROESUS RETAIL ASSET MANAGEMENT PTE. LTD.
(Singapore UEN No. 201205175K)

(Trustee-Manager of the registered business trust known as Croesus Retail Trust constituted by a Deed of Trust dated 7 May 2012 as amended and supplemented by the amending and restating deeds dated 29 June 2012, 7 November 2012, 24 April 2013, 30 April 2013 and 27 October 2016)

...Applicant

TRUST SCHEME

Between

Croesus Retail Asset Management Pte. Ltd., as Trustee-Manager of Croesus Retail Trust

And

Unitholders (as defined herein)

And

Cyrus BidCo Pte. Ltd.

APPENDIX P - NOTICE OF SCHEME MEETING

CROESUS RETAIL TRUST

(a business trust constituted on 7 May 2012 under the laws of the Republic of Singapore)

Managed by Croesus Retail Asset Management Pte. Ltd.

(Registration Number 201205175K)

NOTICE OF SCHEME MEETING

NOTICE IS HEREBY GIVEN that by an Order of Court made in the above matter, the High Court of the Republic of Singapore (the “**Court**”) has directed a meeting (the “**Scheme Meeting**”) of unitholders of Croesus Retail Trust (“**CRT**”) to be convened and such Scheme Meeting shall be held at **The Ballroom, Lower Lobby, The Fullerton Hotel Singapore, One Fullerton Square, Singapore 049178** on **13 September 2017** at **10:00 a.m.**, for the purpose of considering and, if thought fit, approving (with or without modification) the resolutions as set out below. All capitalised terms used in this Notice which are not defined herein shall have the meanings ascribed to them in the Scheme Document dated 22 August 2017.

RESOLUTION 1: THE PROPOSED TRUST DEED AMENDMENT

RESOLVED THAT:

- (a) in accordance with Section 31 of the Business Trusts Act, Chapter 31A of Singapore, the Trust Deed be amended in the manner described in **Paragraph 1.2** of the Letter to Unitholders and as set out in **Appendix D** to the Scheme Document; and
- (b) the Trustee-Manager be and is hereby authorised to complete and do all such acts and things (including executing all such documents) as the Trustee-Manager may consider expedient or necessary or in the interests of CRT to give effect to the Trust Deed Amendment.

RESOLUTION 2: THE PROPOSED SCHEME

RESOLVED THAT:

- (a) subject to and contingent upon the passing of Resolution 1 above, the trust scheme (the “**Scheme**”) dated 22 August 2017 proposed to be made in accordance with the Trust Deed (as amended pursuant to Resolution 1) and in compliance with the Code and subject to the terms and conditions of the Implementation Agreement, between (i) the Trustee-Manager, (ii) Unitholders and (iii) Cyrus BidCo Pte. Ltd., a copy of which has been circulated with the Notice convening this Scheme Meeting, be and is hereby approved; and
- (b) the Trustee-Manager be and is hereby authorised to complete and do all such acts and things (including executing all such documents) as the Trustee-Manager may consider expedient or necessary or in the interests of CRT to give effect to the Scheme.

Notes:

- (a) A copy of the said Scheme is incorporated in the Scheme Document of which this Notice forms part.
- (b) Unitholders (including Overseas Unitholders) may obtain copies of the Scheme Document and any related documents during normal business hours and up to the date of the Scheme Meeting from the Unit Registrar,

APPENDIX P - NOTICE OF SCHEME MEETING

Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623. Alternatively, an Overseas Unitholder may write in to the Unit Registrar at the same address to request for the Scheme Document and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to three (3) Market Days prior to the date of the Scheme Meeting.

- (c) A Proxy Form is enclosed with the Scheme Document of which this Notice forms part.
- (d) Each Proxy Form must be signed by the appointor or his attorney duly authorised in writing. Where a Proxy Form is executed by a corporation, it must be either executed under its common seal or signed by its officer or attorney so authorised.
- (e) A corporation, being a Unitholder, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the Scheme Meeting and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
- (f) A Unitholder voting by proxy shall be included in the count of Unitholders present and voting at the Scheme Meeting as if that Unitholder was voting in person, such that the votes of a proxy who has been appointed to represent more than one Unitholder at the Scheme Meeting shall be counted as the votes of the number of appointing Unitholders.
- (g) The Proxy Form and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited with the Unit Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than 72 hours before the time appointed for the Scheme Meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. A person appointed to act as a proxy need not be a Unitholder but must attend the Scheme Meeting in person to represent the appointor.
- (h) A Unitholder may appoint one (and not more than one) proxy to attend and vote at the Scheme Meeting, PROVIDED THAT if the Unitholder is a Depositor, the Trustee-Manager shall be entitled and bound:
 - (i) to reject any Proxy Form lodged if the Depositor is not shown to have any Units entered against his name in the Depository Register as at 72 hours before the time of the Scheme Meeting as certified by the Depository to the Trustee-Manager; and
 - (ii) to accept as the maximum number of votes which in aggregate the proxy appointed by the Depositor is or are able to cast on a poll a number which is the number of Units entered against the name of that Depositor in the Depository Register as at 72 hours before the time of the Scheme Meeting as certified by the Depository to the Trustee-Manager, whether that number is greater or smaller than the number specified in any Proxy Form executed by or on behalf of that Depositor.
- (i) In the case of joint Unitholders, any one of such persons may vote, but if more than one of such persons be present at the Scheme Meeting, the person whose name stands first in the Register of Unitholders of CRT or, as the case may be, the Depository Register shall alone be entitled to vote.
- (j) A Unitholder may only cast all the votes it uses at the Scheme Meeting in one way, namely, either for or against each of the resolutions to be proposed at the Scheme Meeting.
- (k) By the said Order of Court, the Court has appointed Mr Lim Teck Leong David, or failing him, any director of the Trustee-Manager, to act as Chairman of the Scheme Meeting and has directed the Chairman to report the results thereof to the Court.
- (l) The said Scheme will be subject to, *inter alia*, the subsequent approval of the Court.

APPENDIX P - NOTICE OF SCHEME MEETING

Personal Data Privacy:

By submitting an instrument appointing a proxy and/or representative to attend, speak and vote at the Scheme Meeting and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Trustee-Manager (or its agents) for the purpose of the processing and administration of proxies and representatives appointed for the Scheme Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Scheme Meeting (including any adjournment thereof), and in order for the Trustee-Manager (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy and/or representative to the Trustee-Manager (or its agents), the Unitholder has obtained the prior consent of such proxy and/or representative for the collection, use and disclosure by the Trustee-Manager (or its agents) of the personal data of such proxy and/or representative for the Purposes, and (iii) agrees that the Unitholder will indemnify the Trustee-Manager in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

Dated this 22nd day of August 2017

By Order of the Court

Croesus Retail Asset Management Pte. Ltd.
(as trustee-manager of Croesus Retail Trust)
50 Raffles Place
#25-03 Singapore Land Tower
Singapore 048623

PROXY FORM FOR SCHEME MEETING

IMPORTANT

1. For investors who have used their SRS moneys to buy the Units, this Scheme Document is forwarded to them at the request of their SRS approved nominees and is sent solely FOR THEIR INFORMATION ONLY.
2. This Proxy Form is not valid for use by SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. SRS Investors who wish to attend the Scheme Meeting as OBSERVERS have to submit their requests through their respective SRS Agent Banks so that their SRS Agent Banks may register with the Unit Registrar (Please see Note No. 12).

Personal data privacy

By submitting an instrument appointing a proxy and/or representative, the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of Scheme Meeting dated 22 August 2017.

CROESUS RETAIL TRUST

(a business trust constituted on 7 May 2012 under the laws of the Republic of Singapore)

Managed by Croesus Retail Asset Management Pte. Ltd.

(Registration Number 201205175K)

PROXY FORM FOR USE AT THE SCHEME MEETING (OR ANY ADJOURNMENT THEREOF) OF THE UNITHOLDERS

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

HC/OS 787/2017

IN THE MATTER of Order 80 of the Rules of Court (Cap. 322, Rule 5)

And

IN THE MATTER of the registered business trust known as Croesus Retail Trust constituted by a Deed of Trust dated 7 May 2012 as amended and supplemented by the amending and restating deeds dated 29 June 2012, 7 November 2012, 24 April 2013, 30 April 2013 and 27 October 2016

CROESUS RETAIL ASSET MANAGEMENT PTE. LTD.

(Singapore UEN No. 201205175K)

(Trustee-Manager of the registered business trust known as Croesus Retail Trust constituted by a Deed of Trust dated 7 May 2012 as amended and supplemented by the amending and restating deeds dated 29 June 2012, 7 November 2012, 24 April 2013, 30 April 2013 and 27 October 2016)

...Applicant

TRUST SCHEME

Between

Croesus Retail Asset Management Pte. Ltd., as Trustee-Manager of Croesus Retail Trust

And

Unitholders (as defined herein)

And

Cyrus BidCo Pte. Ltd.

PROXY FORM FOR SCHEME MEETING

*I/We _____ (Name(s)) _____ (NRIC/Passport/UEN)

of _____ (Address)

being a unitholder/unitholders of Croesus Retail Trust ("CRT"), hereby appoint:

Name	Address	NRIC/Passport Number

or failing *him/her, the Chairman of the Scheme Meeting as *my/our proxy to attend and to vote for *me/us and on *my/our behalf at the Scheme Meeting to be held at **The Ballroom, Lower Lobby, The Fullerton Hotel Singapore, One Fullerton Square, Singapore 049178**, on **13 September 2017 at 10:00 a.m.** and at any adjournment thereof.

*I/We direct *my/our proxy to vote for or against the resolutions to be proposed at the Scheme Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy will vote or abstain from voting at *his/her discretion, as *he/she will on any other matter arising at the Scheme Meeting (or any adjournment thereof). If no person is named in the above boxes, the Chairman of the Scheme Meeting shall be *my/our proxy to vote, for or against the resolutions to be proposed at the Scheme Meeting, for *me/us and on *my/our behalf at the Scheme Meeting and at any adjournment thereof.

If you wish to vote "FOR" the resolutions to be proposed at the Scheme Meeting, please indicate with a tick (✓) in the box marked "FOR" as set out below. If you wish to vote "AGAINST" the resolutions to be proposed at the Scheme Meeting, please indicate with a tick (✓) in the box marked "AGAINST" as set out below. DO NOT TICK BOTH BOXES FOR EACH RESOLUTION.

	Resolutions	For	Against
1	To approve the proposed Trust Deed Amendment		
2	To approve the proposed Scheme (conditional upon Resolution 1 being passed)		

* Delete accordingly

Dated this _____ day of _____ 2017

Total number of Units held

Signature(s) of Unitholder(s)/
Common Seal of Corporate Unitholder

IMPORTANT: PLEASE READ NOTES ON NEXT PAGE

PROXY FORM FOR SCHEME MEETING

Notes:

- 1 Please insert the total number of units in CRT (“Units”) held by you. If you have Units entered against your name in the Depository Register maintained by CDP, you should insert that number of Units. If you have Units registered in your name in the Register of Unitholders of CRT, you should insert that number of Units. If you have Units entered against your name in the Depository Register and Units registered in your name in the Register of Unitholders of CRT, you should insert the aggregate number of Units entered against your name in the Depository Register and registered in your name in the Register of Unitholders of CRT. If no number is inserted, the Proxy Form shall be deemed to relate to all the Units held by you.
- 2 The Proxy Form and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited with the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623 not less than 72 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the Proxy Form proposes to vote and in default the Proxy Form shall not be treated as valid. No Proxy Form shall be valid after the expiration of 12 months from the date named in it as the date of its execution. A person appointed to act as a proxy need not be a Unitholder but must attend the Scheme Meeting in person to represent the appointor.
- 3 A Unitholder may only cast all the votes it uses at the Scheme Meeting in one way, namely, either for or against each of the resolutions to be proposed at the Scheme Meeting.
- 4 A Unitholder may appoint one (and not more than one) proxy to attend and vote at the Scheme Meeting, PROVIDED THAT if the Unitholder is a Depositor, the Trustee-Manager shall be entitled and bound:
 - (i) to reject any Proxy Form lodged if the Depositor is not shown to have any Units entered against his name in the Depository Register as at 72 hours before the time of the Scheme Meeting as certified by the Depository to the Trustee-Manager; and
 - (ii) to accept as the maximum number of votes which the proxy appointed by the Depositor is able to cast on a poll a number which is the number of Units entered against the name of that Depositor in the Depository Register as at 72 hours before the time of the Scheme Meeting as certified by the Depository to the Trustee-Manager, whether that number is greater or smaller than the number specified in any Proxy Form executed by or on behalf of that Depositor.
- 5 Completion and return of this Proxy Form shall not preclude a Unitholder from attending and voting at the Scheme Meeting. Any appointment of a proxy shall be deemed to be revoked if a Unitholder attends the Scheme Meeting in person, and in such event, the Trustee-Manager reserves the right to refuse to admit any person appointed under the Proxy Form to the Scheme Meeting.
- 6 The Proxy Form must be executed under the hand of the appointor or his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
- 7 A corporation, being a Unitholder, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the Scheme Meeting and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
- 8 A Unitholder voting by proxy shall be included in the count of Unitholders present and voting at the Scheme Meeting as if that Unitholder was voting in person, such that the votes of a proxy who has been appointed to represent more than one Unitholder at the Scheme Meeting shall be counted as the votes of the number of appointing Unitholders.
- 9 In the case of joint Unitholders, any one of such persons may vote, but if more than one of such persons be present at the Scheme Meeting, the person whose name stands first in the Register of Unitholders of CRT or, as the case may be, the Depository Register shall alone be entitled to vote.
- 10 Any alteration made to this Proxy Form should be initialled by the person who signs it.
- 11 The Trustee-Manager shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form.
- 12 SRS Agent Banks acting on the request of the SRS Investors who wish to attend the Scheme Meeting as observers are requested to submit in writing, a list with details of the investors’ names, NRIC/Passport numbers, addresses and number of Units held. The list, signed by an authorised signatory of the SRS Agent Bank, should reach the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623, at least 72 hours before the time appointed for holding the Scheme Meeting.