



ACCORDIA GOLF TRUST
(Business Trust Registration No. 2014002)
(Constituted under the laws of the Republic of Singapore and
Managed by Accordia Golf Trust Management Pte. Ltd.)

Divestment of Village Higashi Karuizawa Golf Club

1. INTRODUCTION

The board of directors of Accordia Golf Trust Management Pte. Ltd., as trustee-manager of Accordia Golf Trust (“**AGT**”, and the trustee-manager of AGT, the “**Trustee-Manager**”), wishes to announce that AGT (through Accordia Golf Asset Godo Kaisha (“**GK**”)) has on 15 April 2019 entered into a sale and purchase agreement with an unrelated third party (the “**Purchaser**”), for the divestment of Village Higashi Karuizawa Golf Club (the “**Golf Course**”) through the divestment of the Subsidiary (as defined below) (the “**Divestment**”).

2. INFORMATION ON THE GOLF COURSE

Located at 1417 Matsuida-machi Sakamoto, Annaka City, Gunma Prefecture, Japan, the Golf Course opened in 1978 and houses an 18-hole golf course. The valuation of the Golf Course as at 31 December 2018 conducted by CBRE, the independent valuer commissioned by the Trustee-Manager as part of its annual valuation of its golf courses, using the income capitalisation approach (which applies the direct capitalisation method and the discounted cash flow method), is JPY 27,500,000 (approximately S\$332,166¹) (the “**Valuation**”).

3. RATIONALE FOR THE DIVESTMENT

Based on the historical performance and future outlook of the Golf Course, the divestment of the Golf Course would be beneficial to AGT and be in line with AGT’s overall portfolio management strategy.

4. INFORMATION ABOUT THE DIVESTMENT

Pursuant to the terms of the Divestment, on the completion date, GK will transfer the business relating to the Golf Course to its newly incorporated subsidiary (the “**Subsidiary**”) by way of a corporate split under the Companies Act of Japan before immediately selling its shares in such subsidiary to the Purchaser. The Divestment is expected to be completed on 3 June 2019.

¹ Based on an exchange rate of S\$1= JPY82.79 as at 14 April 2019

5. CONSIDERATION FOR THE DIVESTMENT

The consideration of the Divestment is JPY 200,000,000 (approximately S\$2,415,751²). The consideration was arrived at after negotiation with the Purchaser on a willing-buyer and willing-seller basis and was based on the financial position of the Subsidiary (after taking into consideration the Valuation) and such consideration will be paid to GK in cash. The net tangible asset value of the Subsidiary (based on a book value of the Golf Course at Valuation) required to be disclosed pursuant to Rules 704(18) and 1010(5) of the Listing Manual issued by Singapore Exchange Securities Limited is expected to be approximately zero.

6. NET PROCEEDS AND FINANCIAL EFFECTS

6.1 Net Proceeds

The net proceeds from the Divestment may be used for funding potential acquisition opportunities, reducing existing debt and/or other general corporate purposes.

6.2 Financial Effects

The Divestment is not expected to have any material impact on the net asset value per unit and the distribution per unit of AGT for the financial year ending 31 March 2020.

7. INTERESTS OF DIRECTORS AND CONTROLLING UNITHOLDERS

As at the date of this announcement and based on information available to the Trustee-Manager, save for the unitholding interest in AGT held by the controlling unitholders of AGT, none of the directors of the Trustee-Manager or controlling unitholders of AGT has any interest, direct or indirect, in the Divestment.

By Order of the Board of
Accordia Golf Trust Management Pte. Ltd.
as Trustee-Manager of
Accordia Golf Trust

Lai Kuan Loong, Victor
Company Secretary
15th April 2019

² Based on an exchange rate of S\$1= JPY82.79 as at 14 April 2019

IMPORTANT NOTICE

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in AG Trust (the “**Units**”).

The value of the Units and the income derived from them may rise or fall. The Units are not obligations of, deposits in, or guaranteed by, the Trustee-Manager, or any of its affiliates. Investors have no right to request the Trustee-Manager to redeem their Units while the Units are listed. It is intended that unitholders of AG Trust may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of AG Trust or the Trustee-Manager is not necessarily indicative of the future performance of AG Trust or the Trustee-Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

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

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