

LETTER TO SHAREHOLDERS

FRASERS PROPERTY LIMITED

(Incorporated in Singapore)
Company Registration No. 196300440G

Directors:

Mr Charoen Sirivadhanabhakdi
(Non-executive and non-independent Chairman)
Khunying Wanna Sirivadhanabhakdi
(Non-executive and non-independent Vice-Chairman)
Mr Chin Yoke Choong
(Non-executive and lead independent Director)
Mr Pramoad Phornprapha (Non-executive and independent Director)
Mrs Siripen Sitasuwan (Non-executive and independent Director)
Mr Tan Pheng Hock (Non-executive and independent Director)
Mr Wee Joo Yeow (Non-executive and independent Director)
Mr Chan Heng Wing (Non-executive and non-independent Director)
Mr Philip Eng Heng Nee (Non-executive and non-independent Director)
Mr Charles Mak Ming Ying (Non-executive and non-independent Director)
Mr Weerawong Chittmittrapap (Non-executive and non-independent Director)
Mr Chotiphat Bijananda (Non-executive and non-independent Director)
Mr Panote Sirivadhanabhakdi
(Group Chief Executive Officer and executive Director)
Mr Sithichai Chaikriangkrai (Non-executive and non-independent Director)

Registered Office:

438 Alexandra Road
#21-00 Alexandra Point
Singapore 119958

23 December 2022

To: The Shareholders of Frasers Property Limited (the “**Company**”)

Dear Sir/Madam

1. INTRODUCTION

1.1 **Background.** We refer to:

- (a) the Notice of the 59th Annual General Meeting (“**AGM**”) of the Company dated 23 December 2022 (the “**Notice**”), accompanying the Annual Report for the financial year ended 30 September 2022, convening the 59th AGM of the Company to be held on 18 January 2023 (the “**2023 AGM**”);
- (b) Ordinary Resolution No. (7) relating to the proposed renewal of the IPT Mandate (as defined in paragraph 2.1 below), as proposed in the Notice; and
- (c) Ordinary Resolution No. (8) relating to the proposed renewal of the Share Purchase Mandate (as defined in paragraph 3.1 below), as proposed in the Notice.

1.2 **Letter to Shareholders.** The purpose of this Letter is to provide shareholders of the Company (“**Shareholders**”) with information relating to Ordinary Resolution Nos. (7) and (8) proposed in the Notice (collectively, the “**Proposals**”).

1.3 **SGX-ST.** The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Letter.

- 1.4 **Legal Adviser.** Allen & Gledhill LLP is the legal adviser to the Company in relation to the proposed renewal of the Share Purchase Mandate.
- 1.5 **Advice to Shareholders.** Shareholders who are in any doubt as to the course of action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

2. THE PROPOSED RENEWAL OF THE IPT MANDATE

- 2.1 **IPT Mandate.** At the 58th AGM of the Company held on 21 January 2022 (the “**2022 AGM**”), Shareholders approved the renewal of a mandate (the “**IPT Mandate**”) to enable the Company, its subsidiaries and associated companies that are considered to be “entities at risk” under Chapter 9 of the Listing Manual of the SGX-ST (the “**Listing Manual**”), or any of them, to enter into certain interested person transactions with specified classes of interested persons, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions. Particulars of the IPT Mandate are set out in Appendix 1 to the Letter to Shareholders dated 23 December 2021.
- 2.2 **Proposed Renewal of IPT Mandate.** The IPT Mandate was expressed to take effect until the conclusion of the next AGM of the Company, being the 2023 AGM which is scheduled to be held on 18 January 2023. Accordingly, the directors of the Company (the “**Directors**”) propose that the IPT Mandate be renewed at the 2023 AGM, to take effect until the 60th AGM of the Company.
- 2.3 **Particulars of IPT Mandate.** The nature of the interested person transactions and the classes of interested persons in respect of which the IPT Mandate is sought to be renewed remains unchanged. As at 5 December 2022 (the “**Latest Practicable Date**”), each of Thai Beverage Public Company Limited (“**ThaiBev**”), TCC Assets Limited (“**TCCA**”), Fraser and Neave, Limited (“**F&N**”), Frasers Hospitality Trust (“**FHT**”) (which comprises Frasers Hospitality Real Estate Investment Trust (“**FH-REIT**”) and Frasers Hospitality Business Trust (“**FH-BT**”)), the Directors and their respective associates (but excluding the Company and its subsidiaries), are regarded as “interested persons” of the Company for the purposes of Chapter 9 of the Listing Manual.

Particulars of the IPT Mandate, including the rationale for the IPT Mandate, the benefits to be derived by the Company, as well as the review procedures for determining transaction prices with the specified classes of interested persons (including the persons who shall abstain from participating in the review and approval process of the Audit Committee of the Company (“**Audit Committee**”) in relation to the interested person transactions¹), are set out in Appendix 1 to this Letter.

General information on the listing rules relating to interested person transactions, including the meanings of terms such as “associate”, “entity at risk”, “interested person”, “same interested person” and “interested person transaction” used in Chapter 9 of the Listing Manual, is set out in Appendix 2 to this Letter.

- 2.4 **Audit Committee Confirmation.** The Audit Committee, comprising Mr Chin Yoke Choong, Mrs Siripen Sitasuwan, Mr Wee Joo Yeow and Mr Sithichai Chaikriangkrai as at the Latest Practicable Date, confirms (with Mr Sithichai Chaikriangkrai abstaining) that:
- (a) the methods or procedures for determining the transaction prices under the IPT Mandate have not changed since the 2022 AGM; and
 - (b) the methods or procedures referred to in sub-paragraph (a) above are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

¹ In particular, if a member of the Audit Committee has an interest in a transaction or is a nominee for the time being of an interested person (as described in paragraph 4 of Appendix 1 to this Letter), he shall abstain from participating in the review and approval process of the Audit Committee in relation to that transaction.

- 2.5 **Rationale.** The IPT Mandate and its subsequent renewal on an annual basis would eliminate the need to convene separate general meetings from time to time to seek Shareholders' approval as and when potential interested person transactions with a specific class of Mandated Interested Persons (as defined in paragraph 4 of Appendix 1 to this Letter) arise, thereby reducing substantially administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Group (as defined in paragraph 3 of Appendix 1 to this Letter). The IPT Mandate is intended to facilitate transactions in the normal course of the Group's business which are transacted from time to time with the specified classes of Mandated Interested Persons, provided that they are carried out on normal commercial terms and are not prejudicial to the Company and its minority Shareholders.
- 2.6 **Additional Information.** As part of the review and approval procedures under the IPT Mandate, transactions equal to or exceeding S\$100,000 but below the Financial Limit (as defined in paragraph 6(b) of Appendix 1 to this Letter) each in value are to be reviewed and approved by the Chief Executive Officer for the time being of the Company or such other senior executive(s) of the Company designated by the Audit Committee from time to time for such purpose, and tabled for review by the Audit Committee on a quarterly basis. As Mr Panote Sirivadhanabhakdi, who is a Mandated Interested Person (as defined in paragraph 4 of Appendix 1 to this Letter), is the Group Chief Executive Officer, the Audit Committee has designated Mr Loo Choo Leong, the Group Chief Financial Officer, as the senior executive who will review and approve such transactions.

3. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

- 3.1 **Share Purchase Mandate.** At the 2022 AGM, Shareholders approved the renewal of a mandate (the "**Share Purchase Mandate**") to enable the Company to purchase or otherwise acquire issued ordinary shares of the Company ("**Shares**"). The rationale for, the authority and limitations on, and the financial effects of, the Share Purchase Mandate were set out in the Company's Letter to Shareholders dated 23 December 2021 and Ordinary Resolution No. (9) set out in the Notice of the 2022 AGM.

The Share Purchase Mandate was expressed to take effect on the date of the passing of Ordinary Resolution No. (9) at the 2022 AGM and will expire on the date of the forthcoming 2023 AGM which is scheduled to be held on 18 January 2023. Accordingly, Shareholders' approval is being sought for the renewal of the Share Purchase Mandate at the 2023 AGM.

- 3.2 **Rationale.** The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:
- (a) In managing the business of the Company and its subsidiaries (the "**Group**"), management will strive to increase Shareholders' value by improving, *inter alia*, the return on equity ("**ROE**") of the Company. In addition to growth and expansion of the business, share purchases may be considered as one of the ways through which the ROE of the Company may be enhanced.
 - (b) In line with international practice, the Share Purchase Mandate will provide the Company with greater flexibility in managing its capital and maximising returns to its Shareholders.

To the extent that the Company has capital and surplus funds which are in excess of its financial needs, taking into account its growth and expansion plans, the Share Purchase Mandate will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner.

- (c) The Share Purchase Mandate will provide the Company the flexibility to undertake share repurchases at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

The purchase or acquisition of Shares will only be undertaken if it can benefit the Company and Shareholders. Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full limit as authorised. No purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the financial condition of the Group as a whole and/or affect the listing status of the Company on the SGX-ST.

3.3 **Authority and Limits.** The authority and limitations placed on the Share Purchase Mandate, if renewed at the 2023 AGM, are substantially the same as previously approved by Shareholders at the 2022 AGM. These are summarised below:

3.3.1 **Maximum Number of Shares**

The total number of Shares which may be purchased or acquired by the Company is limited to that number of Shares representing not more than 2% of the issued Shares as at the date of the 2023 AGM at which the renewal of the Share Purchase Mandate is approved. Treasury shares and subsidiary holdings (as defined in the Listing Manual)² will be disregarded for purposes of computing the 2% limit.

As at the Latest Practicable Date, the Company had no treasury shares and no subsidiary holdings.

Purely for illustrative purposes, on the basis of 3,926,041,573 Shares in issue as at the Latest Practicable Date and assuming that on or prior to the 2023 AGM:

- (a) no further Shares are issued;
- (b) no Shares are purchased or acquired by the Company;
- (c) no Shares are held by the Company as treasury shares; and
- (d) no Shares are held as subsidiary holdings,

the purchase or acquisition by the Company of up to the maximum limit of 2% of its issued Shares will result in the purchase or acquisition of 78,520,831 Shares.

However, as stated in paragraph 3.2 above and paragraph 3.8 below, purchases or acquisitions pursuant to the Share Purchase Mandate need not be carried out to the full extent mandated, and, in any case, would not be carried out to such an extent that would result in the Company being delisted from the SGX-ST. Thus, notwithstanding that the Share Purchase Mandate may enable purchases or acquisitions of up to 2% of the issued Shares (excluding treasury shares and subsidiary holdings) to be carried out, it should be noted that in order to maintain the listing status of the Shares on the SGX-ST, the Company must ensure (pursuant to Rule 723 of the Listing Manual) that there is at all times a public float of not less than 10% of the issued Shares (excluding treasury shares). Accordingly, assuming solely for illustrative purposes that 444,860,933 Shares (or approximately 11% of the issued Shares) are held in public hands as at the Latest Practicable Date, in order to preserve the listing status of the Shares on the SGX-ST by maintaining a public float of not less than 10% in the issued Shares (excluding treasury shares), the Company would not purchase or acquire more than 39,260,415 Shares (or 1% of the issued Shares as at that date) pursuant to the Share Purchase Mandate as at the Latest Practicable Date. The public float in respect of the issued Shares as at the Latest Practicable Date is disclosed in paragraph 3.8 below.

² "Subsidiary holdings" is defined in the Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act 1967.

Notwithstanding the above, the Company anticipates that the public float percentage of the issued Shares will change from time to time consequent upon the dynamic changing profile of public shareholders of the Company. For this reason, the Company is therefore seeking Shareholders' approval to enable the Company to purchase or acquire Shares up to a maximum of 2% of the issued Shares (excluding treasury shares and subsidiary holdings) for flexibility to prospectively cater to any future increase in the number of issued Shares held in public hands of up to 12%. If this occurs, the Company will be able to purchase or acquire in excess of 1% of its issued Shares (excluding treasury shares and subsidiary holdings) up to a maximum of 2%.

3.3.2 *Duration of Authority*

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the 2023 AGM, at which the renewal of the Share Purchase Mandate is approved, up to:

- (a) the date on which the next AGM of the Company is held or required by law to be held;
- (b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied; or
- (c) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated,

whichever is the earliest.

3.3.3 *Manner of Purchases or Acquisitions of Shares*

Purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchases ("**Market Purchases**"), transacted through the trading system of the SGX-ST or on any other securities exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose; and/or
- (b) off-market purchases ("**Off-Market Purchases**"), otherwise than on a securities exchange, in accordance with an equal access scheme.

The Directors may impose such terms and conditions as they consider fit in the interests of the Company and which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act 1967 (the "**Companies Act**") in connection with or in relation to any equal access scheme or schemes. An equal access scheme must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers are the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements, and (2) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (I) the terms and conditions of the offer;
- (II) the period and procedures for acceptances; and
- (III) the information required under Rules 883(2), (3), (4), (5) and (6) of the Listing Manual.

3.3.4 **Purchase Price**

The purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for a Share will be determined by the Directors. The purchase price to be paid for the Shares as determined by the Directors pursuant to the Share Purchase Mandate (both Market Purchases and Off-Market Purchases) must not exceed 105% of the Average Closing Price of the Shares, excluding related expenses of the purchase or acquisition (the “**Maximum Price**”).

For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of a Share over the five consecutive market days on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action that occurs during the relevant five-day period and the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase; and

“**date of the making of the offer**” means the date on which the Company makes an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

3.4 **Status of Purchased Shares.** A Share purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a treasury share. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company, which are cancelled and are not held as treasury shares.

3.5 **Treasury Shares.** Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

3.5.1 **Maximum Holdings**

The number of Shares held as treasury shares³ cannot at any time exceed 10% of the total number of issued Shares.

3.5.2 **Voting and Other Rights**

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

³ For these purposes, “treasury shares” shall be read as including shares held by a subsidiary under Sections 21(4B) or 21(6C) of the Companies Act 1967.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury share is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

3.5.3 **Disposal and Cancellation**

Where Shares are held as treasury shares, the Company may at any time (but subject always to the Singapore Code on Take-overs and Mergers (the "**Take-over Code**")):

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

In addition, under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed before and after such sale, transfer, cancellation and/or use and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

- 3.6 **Source of Funds.** The Companies Act permits the Company to purchase or acquire its own Shares out of capital, as well as from its distributable profits.

The Company will use internal resources or external borrowings or a combination of both to fund purchases of Shares pursuant to the Share Purchase Mandate. In purchasing or acquiring Shares pursuant to the Share Purchase Mandate, the Directors will, principally, consider the availability of internal resources. In addition, the Directors will also consider the availability of external financing.

- 3.7 **Financial Effects.** The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 30 September 2022, are based on the assumptions set out below.

3.7.1 **Purchase or Acquisition out of Capital and/or Profits**

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

3.7.2 **Number of Shares Purchased or Acquired/Maximum Price**

As at the Latest Practicable Date, the Company has 3,926,041,573 Shares in issue and has granted awards under the FPL Restricted Share Plan and the FPL Performance Share Plan.

(I) **Scenario I: Purchase or acquisition of 1% of the issued Shares by the Company**

Purely for illustrative purposes, on the basis of 3,926,041,573 Shares in issue and a public float of approximately 11% as at the Latest Practicable Date and assuming that on or prior to the 2023 AGM:

- (a) no further Shares are issued;
- (b) no Shares are purchased or acquired by the Company;
- (c) no Shares are held by the Company as treasury shares; and
- (d) no Shares are held as subsidiary holdings,

the exercise of the Share Purchase Mandate, on the Latest Practicable Date, up to an extent that would not affect adversely the listing status of the Shares on the SGX-ST, may result in the purchase or acquisition by the Company of 39,260,415 Shares representing 1% of such issued Shares (instead of a purchase or acquisition of 78,520,831 Shares representing 2% of such issued Shares).

Assuming that the Company purchases or acquires the 39,260,415 Shares at the Maximum Price of S\$0.99 for one Share (being the price equivalent to 5% above the average of the closing market prices of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 39,260,415 Shares is approximately S\$38,867,811.

(II) **Scenario II: Purchase or acquisition of 2% of the issued Shares by the Company**

The illustrative financial effects below are prepared assuming a prospective hypothetical scenario after the Latest Practicable Date whereby future circumstances permit up to 2% of the issued Shares (excluding treasury shares and subsidiary holdings) to be purchased or acquired by the Company without resulting in the listing status of the Shares on the SGX-ST being adversely affected.

Purely for illustrative purposes, on the basis of 3,926,041,573 Shares in issue and a public float of approximately 11% as at the Latest Practicable Date and assuming that on or prior to the 2023 AGM:

- (a) no further Shares are issued;
- (b) no Shares are purchased or acquired by the Company;
- (c) no Shares are held by the Company as treasury shares; and
- (d) no Shares are held as subsidiary holdings,

the exercise of the Share Purchase Mandate, on the Latest Practicable Date, up to an extent that would not affect adversely the listing status of the Shares on the SGX-ST, may result in the purchase or acquisition by the Company of 78,520,831 Shares representing 2% of such issued Shares.

Assuming that the Company purchases or acquires the 78,520,831 Shares at the Maximum Price of S\$0.99 for one Share (being the price equivalent to 5% above the average of the closing market prices of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 78,520,831 Shares is approximately S\$77,735,623.

For the avoidance of doubt, the Company would not purchase or acquire more than 39,260,415 Shares (or 1% of the issued Shares as at the Latest Practicable Date), unless the Company can ensure that there is at all times a public float of not less than 10% of the issued Shares (excluding treasury shares), pursuant to Rule 723 of the Listing Manual.

3.7.3 **Illustrative Financial Effects**

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, and the consideration paid at the relevant time and whether the Shares purchased or acquired are cancelled or held as treasury shares.

For illustrative purposes only and on the basis of the assumptions set out in paragraph 3.7.2 above, the financial effects of:

- (a) the acquisition of 39,260,415 Shares representing 1% of the issued Shares by the Company pursuant to the Share Purchase Mandate by way of purchases made entirely out of capital and held as treasury shares;
- (b) the acquisition of 39,260,415 Shares representing 1% of the issued Shares by the Company pursuant to the Share Purchase Mandate by way of purchases made entirely out of profits and cancelled;
- (c) the acquisition of 39,260,415 Shares representing 1% of the issued Shares by the Company pursuant to the Share Purchase Mandate by way of purchases made entirely out of capital and cancelled;
- (d) the acquisition of 78,520,831 Shares representing 2% of the issued Shares by the Company pursuant to the Share Purchase Mandate by way of purchases made entirely out of capital and held as treasury shares;
- (e) the acquisition of 78,520,831 Shares representing 2% of the issued Shares by the Company pursuant to the Share Purchase Mandate by way of purchases made entirely out of profits and cancelled; and
- (f) the acquisition of 78,520,831 Shares representing 2% of the issued Shares by the Company pursuant to the Share Purchase Mandate by way of purchases made entirely out of capital and cancelled,

on the audited financial statements of the Group and the Company for the financial year ended 30 September 2022 are set out below:

Scenario I

(a) Acquisition of 39,260,415 Shares representing 1% of the issued Shares made entirely out of capital and held as treasury shares⁽¹⁾

	Group		Company	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
As at 30 September 2022				
Total Shareholders' Equity, before treasury shares	10,345,881	10,344,832	6,286,149	6,285,100
Treasury Shares	–	(38,868)	–	(38,868)
Total Shareholders' Equity	10,345,881	10,305,964	6,286,149	6,246,232
Non-controlling interests				
- Perpetual securities	1,244,172	1,244,172	–	–
- Others	7,788,489	7,788,489	–	–
Total Equity	19,378,542	19,338,625	6,286,149	6,246,232
Net Assets	10,345,881	10,305,964	6,286,149	6,246,232
Current Assets	8,616,887	8,616,887	676,947	676,947
Current Liabilities	(6,259,969)	(6,261,018)	(452,855)	(453,904)
Total Borrowings	(15,889,336)	(15,928,204)	–	(38,868)
Bank deposits	2,676	2,676	–	–
Cash and Cash Equivalents	3,319,719	3,319,719	514,996	514,996
(Net Debt)/Cash	(12,566,941)	(12,605,809)	514,996	476,128
Number of Shares ('000) (excluding treasury shares)	3,926,042	3,886,782	3,926,042	3,886,782
Financial Ratios				
Net Asset Value per Share (S\$)	2.64	2.65	1.60	1.61
Gross Debt Gearing (%) ⁽²⁾	82.0	82.4	–	0.6
Net Debt Gearing (%) ⁽²⁾	64.8	65.2	–	–
Current Ratio (times)	1.38	1.38	1.49	1.49
Basic EPS (cents) before fair value change and exceptional items	8.7	8.8	2.9	2.9
after fair value change and exceptional items	22.2	22.4	1.5	1.5

Notes:

⁽¹⁾ 39,260,415 Shares to be held as treasury shares is computed based on 3,926,041,573 Shares in issue as at the Latest Practicable Date.

⁽²⁾ Gross and Net Debt measured against Total Equity.

(b) *Acquisition of 39,260,415 Shares representing 1% of the issued Shares made entirely out of profits and cancelled⁽¹⁾*

	Group		Company	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
As at 30 September 2022				
Total Shareholders' Equity	10,345,881	10,305,964	6,286,149	6,246,232
Non-controlling interests				
- Perpetual securities	1,244,172	1,244,172	-	-
- Others	7,788,489	7,788,489	-	-
Total Equity	19,378,542	19,338,625	6,286,149	6,246,232
Net Assets	10,345,881	10,305,964	6,286,149	6,246,232
Current Assets	8,616,887	8,616,887	676,947	676,947
Current Liabilities	(6,259,969)	(6,261,018)	(452,855)	(453,904)
Total Borrowings	(15,889,336)	(15,928,204)	-	(38,868)
Bank deposits	2,676	2,676	-	-
Cash and Cash Equivalents	3,319,719	3,319,719	514,996	514,996
(Net Debt)/Cash	(12,566,941)	(12,605,809)	514,996	476,128
Number of Shares ('000) (excluding treasury shares)	3,926,042	3,886,782	3,926,042	3,886,782
Financial Ratios				
Net Asset Value per Share (S\$)	2.64	2.65	1.60	1.61
Gross Debt Gearing (%) ⁽²⁾	82.0	82.4	-	0.6
Net Debt Gearing (%) ⁽²⁾	64.8	65.2	-	-
Current Ratio (times)	1.38	1.38	1.49	1.49
Basic EPS (cents) before fair value change and exceptional items	8.7	8.8	2.9	2.9
after fair value change and exceptional items	22.2	22.4	1.5	1.5

Notes:

⁽¹⁾ 39,260,415 Shares to be cancelled is computed based on 3,926,041,573 Shares in issue as at the Latest Practicable Date.

⁽²⁾ Gross and Net Debt measured against Total Equity.

(c) *Acquisition of 39,260,415 Shares representing 1% of the issued Shares made entirely out of capital and cancelled⁽¹⁾*

	Group		Company	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
As at 30 September 2022				
Total Shareholders' Equity	10,345,881	10,305,964	6,286,149	6,246,232
Non-controlling interests				
- Perpetual securities	1,244,172	1,244,172	-	-
- Others	7,788,489	7,788,489	-	-
Total Equity	19,378,542	19,338,625	6,286,149	6,246,232
Net Assets	10,345,881	10,305,964	6,286,149	6,246,232
Current Assets	8,616,887	8,616,887	676,947	676,947
Current Liabilities	(6,259,969)	(6,261,018)	(452,855)	(453,904)
Total Borrowings	(15,889,336)	(15,928,204)	-	(38,868)
Bank deposits	2,676	2,676	-	-
Cash and Cash Equivalents	3,319,719	3,319,719	514,996	514,996
(Net Debt)/Cash	(12,566,941)	(12,605,809)	514,996	476,128
Number of Shares ('000) (excluding treasury shares)	3,926,042	3,886,782	3,926,042	3,886,782
Financial Ratios				
Net Asset Value per Share (S\$)	2.64	2.65	1.60	1.61
Gross Debt Gearing (%) ⁽²⁾	82.0	82.4	-	0.6
Net Debt Gearing (%) ⁽²⁾	64.8	65.2	-	-
Current Ratio (times)	1.38	1.38	1.49	1.49
Basic EPS (cents) before fair value change and exceptional items	8.7	8.8	2.9	2.9
after fair value change and exceptional items	22.2	22.4	1.5	1.5

Notes:

⁽¹⁾ 39,260,415 Shares to be cancelled is computed based on 3,926,041,573 Shares in issue as at the Latest Practicable Date.

⁽²⁾ Gross and Net Debt measured against Total Equity.

Scenario II

(d) *Acquisition of 78,520,831 Shares representing 2% of the issued Shares made entirely out of capital and held as treasury shares⁽¹⁾*

	Group		Company	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
As at 30 September 2022				
Total Shareholders' Equity, before treasury shares	10,345,881	10,343,782	6,286,149	6,284,050
Treasury Shares	–	(77,736)	–	(77,736)
Total Shareholders' Equity	10,345,881	10,266,046	6,286,149	6,206,314
Non-controlling interests				
- Perpetual securities	1,244,172	1,244,172	–	–
- Others	7,788,489	7,788,489	–	–
Total Equity	19,378,542	19,298,707	6,286,149	6,206,314
Net Assets	10,345,881	10,266,046	6,286,149	6,206,314
Current Assets	8,616,887	8,616,887	676,947	676,947
Current Liabilities	(6,259,969)	(6,262,068)	(452,855)	(454,954)
Total Borrowings	(15,889,336)	(15,967,072)	–	(77,736)
Bank deposits	2,676	2,676	–	–
Cash and Cash Equivalents	3,319,719	3,319,719	514,996	514,996
(Net Debt)/Cash	(12,566,941)	(12,644,677)	514,996	437,260
Number of Shares ('000) (excluding treasury shares)	3,926,042	3,847,521	3,926,042	3,847,521
Financial Ratios				
Net Asset Value per Share (S\$)	2.64	2.67	1.60	1.61
Gross Debt Gearing (%) ⁽²⁾	82.0	82.7	–	1.3
Net Debt Gearing (%) ⁽²⁾	64.8	65.5	–	–
Current Ratio (times)	1.38	1.38	1.49	1.49
Basic EPS (cents) before fair value change and exceptional items	8.7	8.8	2.9	2.9
after fair value change and exceptional items	22.2	22.6	1.5	1.5

Notes:

⁽¹⁾ 78,520,831 Shares to be held as treasury shares is computed based on 3,926,041,573 Shares in issue as at the Latest Practicable Date.

⁽²⁾ Gross and Net Debt measured against Total Equity.

(e) *Acquisition of 78,520,831 Shares representing 2% of the issued Shares made entirely out of profits and cancelled⁽¹⁾*

	Group		Company	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
As at 30 September 2022				
Total Shareholders' Equity	10,345,881	10,266,047	6,286,149	6,206,315
Non-controlling interests				
- Perpetual securities	1,244,172	1,244,172	-	-
- Others	7,788,489	7,788,489	-	-
Total Equity	19,378,542	19,298,708	6,286,149	6,206,315
Net Assets	10,345,881	10,266,047	6,286,149	6,206,315
Current Assets	8,616,887	8,616,887	676,947	676,947
Current Liabilities	(6,259,969)	(6,262,068)	(452,855)	(454,954)
Total Borrowings	(15,889,336)	(15,967,072)	-	(77,736)
Bank deposits	2,676	2,676	-	-
Cash and Cash Equivalents	3,319,719	3,319,719	514,996	514,996
(Net Debt)/Cash	(12,566,941)	(12,644,677)	514,996	437,260
Number of Shares ('000) (excluding treasury shares)	3,926,042	3,847,521	3,926,042	3,847,521
Financial Ratios				
Net Asset Value per Share (S\$)	2.64	2.67	1.60	1.61
Gross Debt Gearing (%) ⁽²⁾	82.0	82.7	-	1.3
Net Debt Gearing (%) ⁽²⁾	64.8	65.5	-	-
Current Ratio (times)	1.38	1.38	1.49	1.49
Basic EPS (cents) before fair value change and exceptional items	8.7	8.8	2.9	2.9
after fair value change and exceptional items	22.2	22.6	1.5	1.5

Notes:

⁽¹⁾ 78,520,831 Shares to be cancelled is computed based on 3,926,041,573 Shares in issue as at the Latest Practicable Date.

⁽²⁾ Gross and Net Debt measured against Total Equity.

- (f) *Acquisition of 78,520,831 Shares representing 2% of the issued Shares made entirely out of capital and cancelled⁽¹⁾*

	Group		Company	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
As at 30 September 2022				
Total Shareholders' Equity	10,345,881	10,266,047	6,286,149	6,206,315
Non-controlling interests				
- Perpetual securities	1,244,172	1,244,172	-	-
- Others	7,788,489	7,788,489	-	-
Total Equity	19,378,542	19,298,708	6,286,149	6,206,315
Net Assets	10,345,881	10,266,047	6,286,149	6,206,315
Current Assets	8,616,887	8,616,887	676,947	676,947
Current Liabilities	(6,259,969)	(6,262,068)	(452,855)	(454,954)
Total Borrowings	(15,889,336)	(15,967,072)	-	(77,736)
Bank deposits	2,676	2,676	-	-
Cash and Cash Equivalents	3,319,719	3,319,719	514,996	514,996
(Net Debt)/Cash	(12,566,941)	(12,644,677)	514,996	437,260
Number of Shares ('000) (excluding treasury shares)	3,926,042	3,847,521	3,926,042	3,847,521
Financial Ratios				
Net Asset Value per Share (S\$)	2.64	2.67	1.60	1.61
Gross Debt Gearing (%) ⁽²⁾	82.0	82.7	-	1.3
Net Debt Gearing (%) ⁽²⁾	64.8	65.5	-	-
Current Ratio (times)	1.38	1.38	1.49	1.49
Basic EPS (cents) before fair value change and exceptional items	8.7	8.8	2.9	2.9
after fair value change and exceptional items	22.2	22.6	1.5	1.5

Notes:

⁽¹⁾ 78,520,831 Shares to be cancelled is computed based on 3,926,041,573 Shares in issue as at the Latest Practicable Date.

⁽²⁾ Gross and Net Debt measured against Total Equity.

The financial effects of the two alternative scenarios whereby share purchases up to a maximum of 1% and 2% of the issued Shares are implemented by the Company, as set out above, are for illustrative purposes only. Although the Share Purchase Mandate would enable the Company to potentially purchase or acquire up to 2% of the issued Shares (excluding treasury shares and subsidiary holdings), based on a public float of approximately 11% as at the Latest Practicable Date, the Company is at present, only permitted to purchase or acquire up to 1% of the issued Shares (excluding treasury shares and subsidiary holdings) being an extent that would not affect adversely the listing status of the Shares on the SGX-ST as at the Latest Practicable Date. Even so, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 1% or, as the case may be, (if and when future circumstances permit) the entire 2% of the issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

- 3.8 **Listing Rules.** The Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the market day following the day of purchase or acquisition of any of its shares, and (b) in the case of an Off-Market Purchase on an equal access scheme, on the second market day after the close of acceptances of the offer. Such announcement (which must be in the form of Appendix 8.3.1 to the Listing Manual) must include, *inter alia*, details of the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares excluding treasury shares and subsidiary holdings after the purchase, the number of treasury shares held after the purchase and the number of subsidiary holdings after the purchase.

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Purchase Mandate at any time after a price or trade sensitive development has occurred or has been the subject of a decision until the price or trade sensitive information has been publicly announced. In particular, in line with the best practices guide on securities dealings issued by the SGX-ST, the Company would not purchase or acquire any Shares through Market Purchases during the period of one month immediately preceding the announcement of the Company’s half-year and full-year financial statements. The Company would also not purchase or acquire any Shares through Market Purchases during the period of two weeks immediately preceding the announcement of the Company’s voluntary business updates for the first and third quarters of each financial year.

The Listing Manual requires a listed company to ensure that at least 10% of the total number of issued shares (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is at all times held by the public. As at the Latest Practicable Date, approximately 11% of the issued Shares are held by public Shareholders. Accordingly, the Company is of the view that as of that date, there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to potentially undertake purchases of its Shares through Market Purchases pursuant to the Share Purchase Mandate provided that the purchases (if carried out) are not made to such an extent as would affect adversely the listing status of the Shares on the SGX-ST. The Company will consider investor interests when maintaining a liquid market in its securities, and will ensure that there is sufficient float for an orderly market in its securities when purchasing its Shares.

- 3.9 **Take-over Implications.** Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

3.9.1 ***Obligation to Make a Take-over Offer***

If, as a result of any purchase or acquisition by the Company of its Shares, a Shareholder’s proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in a change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

3.9.2 **Persons Acting in Concert**

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights; and
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

The circumstances under which Shareholders (including Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

3.9.3 **Effect of Rule 14 and Appendix 2**

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or, if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the Ordinary Resolution authorising the Share Purchase Mandate.

Based solely on the interests of substantial Shareholders as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date, none of the substantial Shareholders would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Company of 1% of its issued Shares as at the Latest Practicable Date.

Shareholders are advised to consult their professional advisers and/or the Securities Industry Council at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any share purchases by the Company.

3.10 **No Previous Purchases.** As at the Latest Practicable Date, the Company has not undertaken any purchase or acquisition of its issued Shares pursuant to the Share Purchase Mandate approved by Shareholders at the 2022 AGM.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

4.1 **Interests of Directors.** The non-executive Chairman, Mr Charoen Sirivadhanabhakdi, is the chairman of several public listed and private entities within the “**TCC Group**”, that is, the companies and entities in the Thai Charoen Corporation Group which are controlled by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi. Mr Charoen Sirivadhanabhakdi is married to Khunying Wanna Sirivadhanabhakdi.

The non-executive Vice-Chairman, Khunying Wanna Sirivadhanabhakdi, is the vice-chairman of several public listed and private entities within the TCC Group.

Mr Panote Sirivadhanabhakdi, the Group Chief Executive Officer, is a director of certain entities within the TCC Group and is a director of Frasers Hospitality Asset Management Pte. Ltd. (the manager of FH-REIT) and Frasers Hospitality Trust Management Pte. Ltd. (the trustee-manager of FH-BT). Mr Panote Sirivadhanabhakdi is the son of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi. Mr Panote Sirivadhanabhakdi also holds 20% of the issued share capital of TCC Group Investments Limited (“**TCCGI**”)⁴, and is therefore deemed interested in TCCGI’s 36.72% direct interest in the stapled securities of FHT.

Mr Chotiphat Bijananda, a non-executive and non-independent Director, is a director of TCCA, TCC Technology Co., Ltd and F&N within the TCC Group. Mr Chotiphat Bijananda is the son-in-law of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi. As Mr Chotiphat Bijananda’s spouse holds 20% of the issued share capital of TCCGI, Mr Chotiphat Bijananda is deemed interested in TCCGI’s 36.72% direct interest in the stapled securities of FHT.

Mr Sithichai Chaikriangkrai, a member of the Company’s Audit Committee, is a director, senior executive vice president and chief financial officer of ThaiBev and a director of F&N and certain other companies which are associates of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi.

⁴ TCCGI is a BVI company owned equally by Atinant Bijananda, Thapana Sirivadhanabhakdi, Wallapa Traisorat, Thapanee Techajareonvikul and Panote Sirivadhanabhakdi (being the five children of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi) in equal proportions.

The interests of the Directors in the Shares as recorded in the Register of Directors' Shareholdings as at the Latest Practicable Date are set out below:

Name of Director	Direct Interest		Deemed Interest	
	No. of Shares held	% ⁽¹⁾	No. of Shares held	% ⁽¹⁾
Mr Charoen Sirivadhanabhakdi	–	–	3,411,180,640 ⁽²⁾	86.89
Khunying Wanna Sirivadhanabhakdi	–	–	3,411,180,640 ⁽²⁾	86.89
Mr Panote Sirivadhanabhakdi	–	–	70,000,000 ⁽³⁾	1.78
Mr Chin Yoke Choong	–	–	–	–
Mrs Siripen Sitasuwan	–	–	–	–
Mr Pramoad Phornprapha	–	–	–	–
Mr Charles Mak Ming Ying	–	–	–	–
Mr Chan Heng Wing	–	–	–	–
Mr Philip Eng Heng Nee	–	–	–	–
Mr Tan Pheng Hock	–	–	–	–
Mr Wee Joo Yeow	–	–	–	–
Mr Weerawong Chittmitrapap	–	–	–	–
Mr Chotiphat Bijananda	–	–	70,000,000 ⁽⁴⁾	1.78
Mr Sithichai Chaikriangkrai	–	–	–	–

Notes:

⁽¹⁾ The figures are based on 3,926,041,573 Shares in issue as at the Latest Practicable Date.

⁽²⁾ TCCA has a direct interest in 2,281,139,368 Shares. Each of Mr Charoen Sirivadhanabhakdi and his spouse, Khunying Wanna Sirivadhanabhakdi, owns 50% of the issued share capital of TCCA, and is therefore deemed to be interested in the 2,281,139,368 Shares in which TCCA has a direct interest.

InterBev Investment Limited (“**IBIL**”) has a direct interest in 1,130,041,272 Shares. Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi jointly hold a 51% direct interest in Siriwana Co., Ltd. (“**Siriwana**”), which in turn holds a direct interest of approximately 45.25% and (through its wholly-owned subsidiary, Siriwana Co., Ltd (“**Siriwanan**”)) an indirect interest of approximately 8.76% in ThaiBev. The remaining 49% interest in Siriwana is held directly by Shiny Treasure Holdings Limited (“**Shiny Treasure**”), which is in turn wholly-owned by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi. ThaiBev holds a 100% direct interest in International Beverage Holdings Limited (“**IBHL**”), which in turn holds a 100% direct interest in IBIL. Each of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi is therefore deemed to be interested in the 1,130,041,272 Shares in which IBIL has a direct interest.

⁽³⁾ TCCGI has a direct interest in 70,000,000 Shares. Mr Panote Sirivadhanabhakdi holds 20% of the issued share capital of TCCGI, and is therefore deemed to be interested in the 70,000,000 Shares in which TCCGI has a direct interest.

⁽⁴⁾ TCCGI has a direct interest in 70,000,000 Shares. Ms Atinant Bijananda holds 20% of the issued share capital of TCCGI, and is therefore deemed to be interested in the 70,000,000 Shares in which TCCGI has a direct interest. As Ms Atinant Bijananda is the spouse of Mr Chotiphat Bijananda, Mr Chotiphat Bijananda is also deemed to be interested in the 70,000,000 Shares in which TCCGI has a direct interest.

4.2 **Interests of Substantial Shareholders.** The interests of the substantial Shareholders in the Shares as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date are set out below:

Name of Substantial Shareholder	Direct Interest		Deemed Interest	
	No. of Shares held	% ⁽¹⁾	No. of Shares held	% ⁽¹⁾
Mr Charoen Sirivadhanabhakdi	–	–	3,411,180,640 ⁽²⁾	86.89
Khunying Wanna Sirivadhanabhakdi	–	–	3,411,180,640 ⁽²⁾	86.89
InterBev Investment Limited	1,130,041,272	28.78	–	–
International Beverage Holdings Limited	–	–	1,130,041,272 ⁽³⁾	28.78
Thai Beverage Public Company Limited	–	–	1,130,041,272 ⁽⁴⁾	28.78
TCC Assets Limited	2,281,139,368	58.10	–	–
Shiny Treasure Holdings Limited	–	–	1,130,041,272 ⁽⁵⁾	28.78
Siriwana Co., Ltd.	–	–	1,130,041,272 ⁽⁵⁾	28.78

Notes:

- (1) The figures are based on 3,926,041,573 Shares in issue as at the Latest Practicable Date.
- (2) TCCA has a direct interest in 2,281,139,368 Shares. Each of Mr Charoen Sirivadhanabhakdi and his spouse, Khunying Wanna Sirivadhanabhakdi, owns 50% of the issued share capital of TCCA, and is therefore deemed to be interested in the 2,281,139,368 Shares in which TCCA has a direct interest.
- IBIL has a direct interest in 1,130,041,272 Shares. Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi jointly hold a 51% direct interest in Siriwana, which in turn holds a direct interest of approximately 45.25% and (through its wholly-owned subsidiary, Siriwanan) an indirect interest of approximately 8.76% in ThaiBev. The remaining 49% interest in Siriwana is held directly by Shiny Treasure, which is in turn wholly-owned by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi. ThaiBev holds a 100% direct interest in IBHL, which in turn holds a 100% direct interest in IBIL. Each of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi is therefore deemed to be interested in the 1,130,041,272 Shares in which IBIL has a direct interest.
- (3) IBHL holds a 100% direct interest in IBIL and is therefore deemed to be interested in the 1,130,041,272 Shares in which IBIL has a direct interest.
- (4) ThaiBev holds a 100% direct interest in IBHL, which in turn holds a 100% direct interest in IBIL. ThaiBev is therefore deemed to be interested in the 1,130,041,272 Shares in which IBIL has a direct interest.
- (5) Shiny Treasure holds a 49% direct interest in Siriwana, which in turn holds a direct interest of approximately 45.25% and (through its wholly-owned subsidiary, Siriwanan) an indirect interest of approximately 8.76% in ThaiBev. ThaiBev holds a 100% direct interest in IBHL, which in turn holds a 100% direct interest in IBIL. Each of Shiny Treasure and Siriwana is therefore deemed to be interested in the 1,130,041,272 Shares in which IBIL has a direct interest.

5. DIRECTORS' RECOMMENDATIONS

5.1 **Proposed Renewal of IPT Mandate.** Notwithstanding that all the Directors are Mandated Interested Persons (as defined in paragraph 4 of Appendix 1 to this Letter), it is anticipated that none of Mr Chin Yoke Choong, Mr Pramoad Phornprapha, Mrs Siripen Sitasuwan, Mr Tan Pheng Hock, Mr Wee Joo Yeow, Mr Chan Heng Wing, Mr Philip Eng Heng Nee, Mr Charles Mak Ming Ying and Mr Weerawong Chittmittrapap (the “**Independent Directors**”) (or their respective associates) will enter into any Mandated Transaction (as defined in paragraph 5 of Appendix 1 to this Letter) with the Group (as defined in paragraph 3 of Appendix 1 to this Letter). Accordingly, the Independent Directors are considered independent for the purposes of the proposed renewal of the IPT Mandate. Having considered the terms of the IPT Mandate, the Independent Directors are of the opinion that the entry by the Group (as defined in paragraph 3 of Appendix 1 to this Letter) into the Mandated Transactions (as defined in paragraph 5 of Appendix 1 to this Letter) with the Mandated Interested Persons (as defined in paragraph 4 of Appendix 1 to this Letter) in the ordinary course of business will enhance the efficiency of the Group (as defined in paragraph 3 of Appendix 1 to this Letter), and is in the interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution No. (7), being the Ordinary Resolution relating to the renewal of the IPT Mandate to be proposed at the 2023 AGM.

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

- 5.2 **Proposed Renewal of Share Purchase Mandate.** The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company. They accordingly recommend that Shareholders vote in favour of Ordinary Resolution No. (8), being the Ordinary Resolution relating to the renewal of the Share Purchase Mandate to be proposed at the 2023 AGM.

6. ABSTENTIONS FROM VOTING

ThaiBev, TCCA and each of the Directors have undertaken that they will abstain and will procure that their associates will abstain, from voting on Ordinary Resolution No. (7), being the Ordinary Resolution relating to the renewal of the IPT Mandate to be proposed at the 2023 AGM. The Company will disregard any votes cast by ThaiBev, TCCA and each of the Directors, and their respective associates, in respect of their holdings of Shares (if any) on Ordinary Resolution No. (7). Each of the Directors will also decline to accept appointment as proxy for any other Shareholder to vote in respect of Ordinary Resolution No. (7), unless the Shareholder concerned shall have given specific instructions in a validly completed and submitted Proxy Form as to voting, or abstentions from voting, in respect of Ordinary Resolution No. (7).

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the Proposals, and the Company and its subsidiaries which are relevant to the Proposals, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter has been extracted 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 Letter in its proper form and context.

8. INSPECTION OF DOCUMENTS

The following documents may be accessed at <https://investor.frasersproperty.com/publications.html>:

- (a) the Annual Report for the financial year ended 30 September 2022; and
- (b) the Letter to Shareholders dated 23 December 2021.

Yours faithfully
for and on behalf of
the Board of Directors of
FRASERS PROPERTY LIMITED

Catherine Yeo
Company Secretary

APPENDIX 1

THE IPT MANDATE

1. Introduction

Frasers Property Limited anticipates that the Group (as defined herein) would, in the ordinary course of business, continue to enter into certain transactions with its interested persons (as such term is defined in the Listing Manual), including but not limited to those categories of transactions described below. In view of the time-sensitive and recurrent nature of commercial transactions, it would be advantageous for the Company to obtain a Shareholders' general mandate (an "**IPT Mandate**") to enable companies in the Group to enter into certain interested person transactions in the normal course of business, provided that all such transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

Chapter 9 of the Listing Manual allows a listed company to obtain a mandate from its shareholders for recurrent interested person transactions which are of a revenue or trading nature or for those necessary for its day-to-day operations. These transactions may not include the purchase or sale of assets, undertakings or businesses which are not part of the day-to-day operations.

The IPT Mandate will take effect from the passing of the Ordinary Resolution relating thereto, and will continue in force until the conclusion of the next AGM of the Company (unless sooner revoked or varied by the Company in general meeting). Approval from shareholders will be sought for the renewal of the IPT Mandate at the next AGM and at each subsequent AGM of the Company, subject to satisfactory review by the Audit Committee of its continued application to the Mandated Transactions.

2. Rationale for and Benefits of the IPT Mandate

The IPT Mandate and its subsequent renewal on an annual basis would eliminate the need to convene separate general meetings from time to time to seek Shareholders' approval as and when potential interested person transactions with a specific class of Mandated Interested Persons arise, thereby reducing substantially administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Group.

The IPT Mandate is intended to facilitate transactions in the normal course of the Group's business which are transacted from time to time with the specified classes of Mandated Interested Persons, provided that they are carried out on normal commercial terms and are not prejudicial to the Company and its minority Shareholders.

3. The Group

For the purposes of the IPT Mandate, an "**entity at risk**" means:

- (a) the Company;
- (b) a subsidiary of the Company that is not listed on the SGX-ST or an approved exchange; or
- (c) an associated company of the Company that is not listed on the SGX-ST or an approved exchange, provided that the Company and its interested person(s), have control over the associated company,

(collectively, the "**Group**").

4. Classes of Mandated Interested Persons

The IPT Mandate will apply to the transactions that are carried out with ThaiBev, TCCA, F&N, the directors of the Company and their respective associates (the "**Mandated Interested Persons**").

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5. Categories of Mandated Transactions

The types of transactions to which the IPT Mandate will apply (the “**Mandated Transactions**”), and the benefits to be derived therefrom, are set out below.

This category relates to general transactions (“**General Transactions**”) in connection with the provision to, or the obtaining from, Mandated Interested Persons of products and services in the normal course of business of the Group or which are necessary for the day-to-day operations of the Group comprising the following:

- (a) the provision or obtaining of leases or subleases of office space, warehouses, passenger cars and land;
- (b) the obtaining of insurance and insurance-related services;
- (c) purchases of beer, spirits, water, soda and other products;
- (d) the provision or obtaining of office and storage supplies;
- (e) the provision or obtaining of property-linked services (such as property marketing, property and rental valuation services, building maintenance services and security services);
- (f) the provision of property development and project management services;
- (g) the provision of asset management strategies, such as advising on repositioning, asset enhancement or leasing matters;
- (h) the provision of operation, maintenance, management and marketing services for properties;
- (i) the provision or obtaining of information technology, legal, compliance and trade mark management, corporate secretarial, human resource, tax, treasury and internal audit services; and
- (j) the provision or obtaining of such other products and/or services which are incidental to or in connection with the provision or obtaining of products and/or services in sub-paragraphs (a) to (i) above.

The Group will benefit from having access to competitive quotes from the Mandated Interested Persons in addition to obtaining quotes from, or transacting with, non-Interested Persons.

Vacaron Company Sdn. Bhd. (“**Vacaron**”) is a joint venture between Frasers Property Holdings (Malaysia) Pte. Ltd. (“**FPH Malaysia**”) and Fraser & Neave Holdings Bhd (“**F&NHB**”) each holding 50% of the issued share capital in Vacaron. Transactions undertaken pursuant to this joint venture (the “**Vacaron Joint Venture Transactions**”) comprise the following transactions for the provision of financial resources by the Group to Vacaron:

- (i) the capitalisation of loans extended to Vacaron;
- (ii) the extension of loans to Vacaron;
- (iii) the subscription of securities in Vacaron; and
- (iv) the provision of guarantees or letters of comfort to entities including banks and financial institutions that provide loans to Vacaron.

The value of financial resources provided to Vacaron by FPH Malaysia and F&NHB pursuant to the transactions described in sub-paragraphs (i) to (iv) above shall be in such amounts as are in proportion to FPH Malaysia and F&NHB’s respective equity interest in Vacaron and will be made on identical terms and conditions (including terms relating to repayments and set-offs).

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Financial resources provided to, or obtained by, Vacaron from FPH Malaysia and F&NHB may be used for various purposes, including, for working capital, for investment in marketing and promotion, for investment in equipment and for financing its acquisition activities. Due to the potentially time-sensitive nature of these activities, it is often critical that Vacaron obtain funds in the shortest possible time.

6. Review procedures for Mandated Interested Person Transactions with Mandated Interested Persons

The Company will have an internal control system in place to ensure that Mandated Transactions with the Mandated Interested Persons are made on normal commercial terms, supported by independent valuation where appropriate, and consistent with the Group's usual policies and practices.

- (a) In general, there are procedures established by the Group to ensure that General Transactions with Mandated Interested Persons are undertaken on an arm's length basis and on normal commercial terms consistent with the Group's usual business practices and policies, which are generally no more favourable to the Mandated Interested Persons than those extended to unrelated third parties.

In particular, the following review procedures have been put in place.

(i) *Provision of Services or Sale of Products to Mandated Interested Persons*

The review procedures are:

- a) all contracts entered into or transactions with Mandated Interested Persons are to be carried out at the prevailing market rates or prices of the service or product providers, on terms which are no more favourable to the Mandated Interested Persons than the usual commercial terms extended to unrelated third parties (including, where applicable, preferential rates/prices/discounts accorded to corporate customers or for bulk purchases) or otherwise in accordance with applicable industry norms; and
- b) where the prevailing market rates or prices are not available due to the nature of service to be provided or the product to be sold, the Group's pricing for such services to be provided or products to be sold to Mandated Interested Persons is determined in accordance with the Group's usual business practices and pricing policies, consistent with the usual margin to be obtained by the Group for the same or substantially similar type of contract or transaction with unrelated third parties. In determining the transaction price payable by the Mandated Interested Persons for such services or products, factors such as, but not limited to, quantity, volume, consumption, customer requirements, specifications, duration of contract and strategic purposes of the transaction will be taken into account.

(ii) *Obtaining of Services or Purchasing of Products from Mandated Interested Persons*

The review procedures are:

- a) all contracts entered into or transactions with Mandated Interested Persons are to be carried out by obtaining quotations at the prevailing market rates or prices of the service or product providers, on terms which are no less favourable than those extended by the Mandated Interested Person to third parties. Further, quotations shall be obtained (wherever possible or available) from at least two other unrelated third party suppliers for similar quantities and/or quality of services or products, prior to the entry into the contract or transaction with the Mandated Interested Person, as a basis for comparison to determine whether the price and terms offered by the Mandated Interested Person are fair and

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reasonable and comparable to those offered by other unrelated third parties for the same or substantially similar type of services or products. In determining whether the price and terms offered by the Mandated Interested Person are fair and reasonable, factors such as, but not limited to, delivery schedules, specification compliance, track record, experience and expertise, and where applicable, preferential rates, rebates or discounts accorded for bulk purchases, will also be taken into account; and

- b) in the event that such competitive quotations cannot be obtained (for instance, if there are no unrelated third party vendors of similar products or services, or if the product is a proprietary item), the senior management staff of the relevant entity in the Group (with no interest, direct or indirect in the transaction), will determine whether the price and terms offered by the Mandated Interested Person are fair and reasonable, having regard to the costs and benefits of entering into the transactions.

As part of the review procedure established by the Group in respect of the Vacaron Joint Venture Transactions, all Vacaron Joint Venture Transactions shall be conditional upon FPH Malaysia providing financial resources to Vacaron in an amount which is proportionate to its equity interest in Vacaron and will be made on identical terms and conditions (including terms to repayments and set-offs) to those entered into by the Group.

- (b) In addition to the above review procedures, the following review and approval procedures will apply to the Mandated Transactions:
 - (i) Transactions equal to or exceeding S\$100,000 but below the Financial Limit (as defined below) each in value, will be reviewed and approved by the Chief Executive Officer (the “CEO”) for the time being of the Company or such other senior executive(s) of the Company designated by the Audit Committee from time to time for such purpose, and tabled for review by the Audit Committee on a quarterly basis.
 - (ii) Transactions equal to or exceeding the Financial Limit each in value will be reviewed and approved by the Audit Committee.
 - (iii) Where the value of a transaction, when aggregated with previous transactions of the same kind in any particular financial year, is equal to or exceeds the Financial Limit, such transaction, and all future transactions of the same kind in that particular financial year will be reviewed and approved by the Audit Committee.
 - (iv) The CEO or other senior executive(s) of the Company designated by the Audit Committee from time to time for such purpose, and the Audit Committee, may, as he/it deems fit, request for additional information pertaining to the transaction under review from independent sources or advisers, including the obtaining of valuations from independent professional valuers.

For the purposes of sub-paragraphs (i), (ii) and (iii) above, the Financial Limit shall be the amount equivalent to 5.0% of the Company’s audited consolidated net tangible assets for the time being, as determined by reference to the Company’s latest announced audited consolidated financial statements.

- (c) The following will apply to the review and approval process for all categories of Mandated Transactions:
 - (i) If the CEO has an interest in the transaction or is a nominee for the time being of the Mandated Interested Person, the review and approval process shall be undertaken by such other senior executive of the Company designated by the Audit Committee from time to time for such purpose.

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- (ii) If the CEO and such other senior executive have an interest in the transaction or are nominees for the time being of the Mandated Interested Person, the review and approval process shall be undertaken by the Chairman of the Audit Committee or another member of the Audit Committee (who is not a nominee of the Mandated Interested Person and has no interest in the transaction) designated by the Chairman of the Audit Committee from time to time for such purpose.
 - (iii) If a member of the Audit Committee has an interest in a transaction or is a nominee for the time being of the Mandated Interested Person, he shall abstain from participating in the review and approval process of the Audit Committee in relation to that transaction.
 - (iv) If a member of the Audit Committee (who is not a nominee of the Mandated Interested Person and has no interest in the transaction) also serves as an independent non-executive director on the board of directors or (as the case may be) an audit or other board committee of the Mandated Interested Person, and he participates in the review and approval process of the Audit Committee in relation to a transaction with that Mandated Interested Person, he will abstain from participating on any decision before the board or committee of that Mandated Interested Person with respect to such transaction.
- (d) The Company will maintain a register of Mandated Transactions carried out with Mandated Interested Persons (recording the basis, including the quotations obtained to support such basis, on which they are entered into), and the Company's annual internal audit plan will incorporate a review of all Mandated Transactions entered into in the relevant financial year pursuant to the IPT Mandate.

The Audit Committee will review the internal audit reports on Mandated Transactions to ascertain that the guidelines and review procedures for Mandated Transactions have been complied with.

If during any of the reviews by the Audit Committee, the Audit Committee is of the view that the guidelines and review procedures for Mandated Transactions have become inappropriate or insufficient in the event of changes to the nature of, or manner in which, the business activities of the Group or the Mandated Interested Persons are conducted, the Company will revert to Shareholders for a fresh general mandate based on new guidelines and review procedures so that Mandated Transactions will be carried out at arm's length, on commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

7. Disclosures

In accordance with the requirements of Chapter 9 of the Listing Manual, the Company will (a) disclose in the Company's annual report the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the IPT Mandate during the financial year (as well as in the annual reports for subsequent financial years that the IPT Mandate continues in force); and (b) announce the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the IPT Mandate for the financial periods that it is required to report on pursuant to Rule 705 of the Listing Manual within the time required for the announcement of such report.

APPENDIX 2

GENERAL INFORMATION RELATING TO CHAPTER 9 OF THE LISTING MANUAL

1. Chapter 9 of the Listing Manual

Chapter 9 of the Listing Manual governs transactions between a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be “at risk”, with the listed company’s interested persons.

2. General Requirements

Except for any transaction which is below S\$100,000 in value⁵ and certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested persons and hence are excluded from the ambit of Chapter 9, when this Chapter applies to a transaction with an interested person and the value of the transaction alone or in aggregation with other transactions conducted with the same interested person during the financial year reaches or exceeds certain materiality thresholds (which are based on the latest audited consolidated net tangible assets (“NTA”)), the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders’ approval for the transaction. In particular, shareholders’ approval is required for an interested person transaction of a value equal to, or exceeding:

- (a) 5.0% of the listed company’s latest audited NTA; or
- (b) 5.0% of the listed company’s latest audited NTA, when aggregated with the values of all other transactions entered into with the same interested person (as such term is construed under Chapter 9 of the Listing Manual) during the same financial year.

3. Mandate from Shareholders

Chapter 9 of the Listing Manual, however, allows a listed company to seek a mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not for the purchase or sale of assets, undertakings or businesses) which may be carried out with the listed company’s interested persons. A general mandate is subject to annual renewal.

4. Terminology

For the purposes of Chapter 9 of the Listing Manual:

- an “**entity at risk**” means:
 - (i) the listed company;
 - (ii) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
 - (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the “**listed group**”), or the listed group and its interested person(s), has control over the associated company;

⁵ While transactions below S\$100,000 are not normally aggregated under Rules 905 and 906 of Chapter 9 of the Listing Manual, the SGX-ST may aggregate any such transaction entered into during the same financial year and treat them as if they were one transaction in accordance with Rule 902.

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- an “**interested person**” means a director, chief executive officer or controlling shareholder of the listed company or an associate of such director, chief executive officer or controlling shareholder. The SGX-ST may also deem any person or entity to be an interested person if the person or entity has entered into, or proposes to enter into (i) a transaction with an entity at risk, and (ii) an agreement or arrangement with an interested person in connection with that transaction;
- an “**associate**” in relation to an interested person who is a director, chief executive officer or controlling shareholder, includes an immediate family member (that is, the spouse, child, adopted child, step-child, sibling or parent) of such director, chief executive officer or controlling shareholder, the trustees of any trust of which the director/his immediate family, the chief executive officer/his immediate family or the controlling shareholder/his immediate family is a beneficiary, or in the case of a discretionary trust, is a discretionary object, and any company in which the director/his immediate family, the chief executive officer/his immediate family or the controlling shareholder/his immediate family has or have an aggregate interest (directly or indirectly) of 30% or more, and, where a controlling shareholder is a corporation, its subsidiary or holding company or fellow subsidiary or a company in which it and/or they have (directly or indirectly) an interest of 30% or more;
- an “**approved exchange**” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles as Chapter 9;
- an “**interested person transaction**” means a transaction between an entity at risk and an interested person;
- a “**transaction**” includes the provision or receipt of financial assistance; the acquisition, disposal or leasing of assets; the provision or receipt of services; the issuance or subscription of securities; the granting of or being granted options; and the establishment of joint ventures or joint investments, whether or not entered into in the ordinary course of business, and whether entered into directly or indirectly; and
- in interpreting the term “**same interested person**” for the purpose of aggregation of the values of all transactions entered into with the same interested person during the same financial year under Rules 905 and 906 of Chapter 9 of the Listing Manual, the following applies:
 - (i) transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person; and
 - (ii) if an interested person (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors are different and are not accustomed to act on the instructions of the other interested persons and their associates and have audit committees whose members are completely different.