

## Fraser's Property Limited

*Incorporated in Singapore*

*Company Registration No. 196300440G*

### DIVESTMENT OF REVERSIONARY INTEREST IN SOFITEL SYDNEY WENTWORTH

#### 1. INTRODUCTION

The board of directors of Fraser's Property Limited (the "**Company**" or "**FPL**") wishes to announce that the Company,

- (i) through its indirect wholly-owned subsidiary, Fraser's Sydney Wentworth Pty Ltd (the "**Reversionary Interest Seller**"), entered into a put and call option agreement (the "**PCOA**")<sup>1</sup> with The Trust Company (PTAL) Limited, acting as trustee of FHT Sydney Trust 3<sup>2</sup> ("**FHT-ST**"), a wholly-owned sub-trust of Fraser's Hospitality Real Estate Investment Trust ("**FH-REIT**")<sup>3</sup>, for the sale (the "**Reversionary Interest Divestment**") of the freehold reversionary interest of the property known as Sofitel Sydney Wentworth, located at 61-101 Phillip Street, Sydney, NSW 2000, Australia (the "**Property**" or "**Hotel**"), and the freehold reversionary interest, the "**Reversionary Interest**"; and
- (ii) through its indirect wholly-owned subsidiary, Fraser's Hospitality Australia Pty Ltd (the "**Ananke Seller**"), entered into a share sale agreement with an unrelated third-party acquirer (the "**Ananke Acquirer**") for the sale of Ananke Holdings Pty Ltd ("**Ananke Holdings**"), and the sale, the "**Ananke Sale**")<sup>4</sup>.

Further to the Ananke Sale, the Company will also be entering into a deed of termination and release with FHT-ST under which the parties agree to terminate the corporate guarantee dated 11 May 2015 granted by the Company to FHT-ST to guarantee the obligations of Ananke Holdings as master lessee of the Property.

The Reversionary Interest Divestment and the Ananke Sale shall collectively be referred to as the "**Transaction**".

As the Hotel Acquirer<sup>5</sup> wishes to acquire a freehold interest in the Hotel, upon completion of the Reversionary Interest Divestment, the Reversionary Interest will be amalgamated with the leasehold interest<sup>6</sup> in the Property currently held by FHT-ST (the "**Amalgamation**") for the

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<sup>1</sup> The PCOA grants the Reversionary Interest Seller an option to require FHT-ST to purchase the Reversionary Interest from it (the "**Put Option**"), and the FHT-ST an option to require the Reversionary Interest Seller to sell the Reversionary Interest to it (the "**Call Option**"), and together with the Put Option, the "**Options**"), on the terms set out in a sale and purchase agreement the form of which is attached to the PCOA (the "**PCOA SPA**").

<sup>2</sup> FH-REIT had, in connection with the listing of Fraser's Hospitality Trust ("**FHT**") on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), established FHT Australia Trust, a managed investment scheme in Australia which qualified as a managed investment trust ("**MIT Australia**") for the purposes of the Australian Taxation Administration Act 1953. FHT Sydney Trust 3 had been established on 8 May 2015 as a new sub-trust under MIT Australia.

<sup>3</sup> FH-REIT is part of FHT, a stapled group comprising FH-REIT and Fraser's Hospitality Business Trust ("**FH-BT**"). FHT is listed on the Main Board of the SGX-ST.

<sup>4</sup> Ananke Holdings is the master lessee and operating company of the Property.

<sup>5</sup> "**Hotel Acquirer**" means the unrelated third-party acquirer pursuant to the Divestment (as defined below) which is owned by the same group of partners as the Ananke Acquirer.

<sup>6</sup> FHT-ST currently holds the leasehold interest in the Property of a remaining term of 69 years.

purpose of the sale of the amalgamated freehold interest of the Hotel by FHT-ST to the Hotel Acquirer (the “**Divestment**”)<sup>7</sup>. As part of the Divestment, the Acquirers<sup>8</sup> are also pursuing the Ananke Sale as they are seeking to acquire the operations of the Hotel. Accordingly, it is a condition of the Divestment and the Ananke Sale that they both complete contemporaneously with each other.

## **2. SALIENT TERMS OF THE TRANSACTION**

### **2.1. Certain Terms and Conditions of the PCOA (and the PCOA SPA)**

Pursuant to the PCOA, the grant of the Options is subject to, among others, the following conditions precedent being satisfied or waived:

- (i) the necessary consents and deeds for the Divestment and the Ananke Sale have been obtained and entered into;
- (ii) the necessary approvals pursuant to the Foreign Acquisitions and Takeovers Act 1975 (Cth) of Australia have been obtained in respect of the Divestment and the Ananke Sale; and
- (iii) certain ancillary documents related to the Transaction being entered into.

The PCOA may be terminated by either party by notice if the conditions precedent in the PCOA are not satisfied or waived by 31 July 2022 or such other date as agreed in writing between the parties. The Call Option may be exercised within 30 business days following the satisfaction and/or waiver of the conditions precedent in the PCOA (“**Call Option Exercise Period**”), and the Put Option may be exercised within 30 business days following the expiration of the Call Option Exercise Period.

The PCOA SPA contains customary provisions relating to the Reversionary Interest Divestment.

### **2.2. Certain Terms and Conditions of the Share Sale Agreement**

The Share Sale Agreement contains customary provisions relating to the Ananke Sale, and the completion of the Ananke Sale is subject to the following conditions precedent being satisfied or waived:

- (i) the completion of the Ananke Sale occurring contemporaneously with the completion of the Divestment;
- (ii) the necessary consents and deeds for the Divestment and the Ananke Sale have been obtained and entered into;
- (iii) the necessary approvals under the Foreign Acquisitions and Takeovers Act 1975 (Cth)

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<sup>7</sup> Please refer to the announcement issued by Frasers Hospitality Trust dated 29 October 2021, titled “Divestment of Sofitel Sydney Wentworth” for further details.

<sup>8</sup> “**Acquirers**” refers to the Ananke Acquirer and the Hotel Acquirer which are owned by the same group of partners.

of Australia have been obtained in respect of the Divestment and the Ananke Sale;

- (iv) the Reversionary Interest Divestment and the Amalgamation have occurred; and
- (v) the conditions precedent in the sale and purchase agreement relating to the Divestment have been satisfied.

### **2.3. Consideration for the Reversionary Interest Divestment**

The sale consideration for the Reversionary Interest Divestment is A\$10.55 million (approximately S\$10.4 million<sup>9</sup>) (the “**Reversionary Interest Consideration**”) and was negotiated on a willing-buyer and willing-seller basis, which takes into account the carrying value of the Reversionary Interest of approximately A\$9.0 million (approximately S\$8.8 million). The Reversionary Interest Consideration will be paid by FHT-ST in cash.

### **2.4. Consideration for the Ananke Sale**

The sale consideration (the “**Ananke Consideration**”) payable under the Share Sale Agreement is based on the net asset value of Ananke Holdings as at completion of the Ananke Sale, which is estimated to be approximately A\$5.0 million (approximately S\$4.9 million) and is subject to further post-completion adjustments. The Ananke Consideration will be paid by the Ananke Acquirer in cash.

## **3. RATIONALE**

The Transaction is part of the Company's ongoing active portfolio management initiatives.

## **4. FINANCIAL EFFECTS OF THE TRANSACTION**

Each of the Reversionary Interest Divestment and the Ananke Sale is in the ordinary course of FPL's business and the Transaction is not expected to have any material effect on the net tangible assets per share and the earnings per share of the Group for the current financial year. Based on the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual of the SGX-ST (the “**Listing Manual**”), the Transaction is a non-discloseable transaction.

## **5. RELATED PARTY TRANSACTION**

As at the date of this announcement, TCC Group Investments Limited (“**TCCGI**”)<sup>10</sup> owns approximately 36.72% of FHT. TCCGI is an entity wholly-owned by Mr Panote Sirivadhanabhakdi and his siblings. FHT, and thus FH-REIT, is therefore considered to be an associate (as defined in the Listing Manual) of Mr Panote Sirivadhanabhakdi, who is a Director and the Chief Executive Officer of FPL, and constitutes an Interested Person<sup>11</sup> of FPL.

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<sup>9</sup> Except where the exchange rate between the Australian dollar and the Singapore dollar is expressly stated otherwise, the Australian dollar amounts in this announcement have been translated into Singapore dollars based on the exchange rate of S\$1 to A\$1.0190 as at 30 September 2021.

<sup>10</sup> TCCGI is a British Virgin Islands company and is 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.

<sup>11</sup> **Interested Person** has the meaning ascribed to it in the Listing Manual.

Therefore, the Reversionary Interest Divestment would constitute an “Interested Person Transaction” under Chapter 9 of the Listing Manual. Mr Panote Sirivadhanabhakdi is also 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. He is the son of Mr Charoen Sirivadhanabhakdi, the Chairman and Non-Executive and Non-Independent Director of FPL, and Khunying Wanna Sirivadhanabhakdi, the Vice-Chairman and Non-Executive and Non-Independent Director of FPL, and brother-in-law of Mr Chotiphat Bijananda, a Non-Executive and Non-Independent Director of FPL.

Based on the audited consolidated financial statements of FPL and its subsidiaries (the “**FPL Group**”) for the financial year ended 30 September 2020 (“**FY2020**”), the audited consolidated net tangible assets (“**NTA**”) of the FPL Group as at 30 September 2020 (the “**Latest NTA**”) was approximately S\$6.8 billion.

The value of the Reversionary Interest Consideration is A\$10.55 million (approximately S\$10.4 million) (being approximately 0.15% of the Latest NTA), therefore, the entry into of the Reversionary Interest Divestment is not subject to the requirement of approval of the shareholders of FPL nor the requirements under Rule 905 of the Listing Manual.

Save as described above, there were no interested person transactions (excluding transactions less than S\$100,000 and transactions conducted pursuant to the general mandate for interested person transactions) entered into with FHT for the current financial year.

## **6. DOCUMENTS FOR INSPECTION**

A copy each of the (1) PCOA, (2) PCOA SPA and (3) the Share Sale Agreement is available for inspection at the registered office of the Company<sup>12</sup> at 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958 during normal business hours for three (3) months from the date of this announcement.

### **BY ORDER OF THE BOARD**

Catherine Yeo  
Company Secretary  
29 October 2021

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<sup>12</sup> Prior appointment with the Company will be appreciated.