



(Constituted in the Republic of Singapore pursuant to  
A trust deed dated 19 October 2006)

## ANNOUNCEMENT

### ENTRY INTO FACILITY AGREEMENT AND DISCLOSURE PURSUANT TO RULE 704(31) OF THE LISTING MANUAL OF SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

Bowsprit Capital Corporation Limited, in its capacity as manager of First Real Estate Investment Trust (“**First REIT**”, and as manager of First REIT, the “**Manager**”) wishes to announce that HSBC Institutional Trust Services (Singapore) Limited, as trustee of First REIT (the “**Borrower**”), has today entered into a facility agreement (the “**Facility Agreement**”) with, among others, CIMB Bank Berhad, Singapore Branch (the “**Lender**”) in respect of a S\$31,500,000 revolving loan facility (the “**Facility**”).

Pursuant to Rule 704(31) of the listing manual of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Facility Agreement includes clauses making reference to certain restrictions on (i) PT Lippo Karawaci Tbk (“**PT Lippo**”) and/or its Affiliates<sup>1</sup> ceasing to hold or control, directly or indirectly, more than 50 per cent. in aggregate of the shares in, or the voting rights of the Manager, (ii) the Manager being replaced by a new manager of First REIT not controlled<sup>2</sup>, directly or indirectly, by PT Lippo and/or its subsidiaries and (iii) PT Lippo ceasing at any time to own, directly or indirectly, at least 25 per cent. of all the units in First REIT (“**Units**”), and the breach of these clauses (collectively, the “**Covenants**”) will result in a mandatory prepayment event under the Facility Agreement. Please refer to the **Appendix** for further details on the Covenants.

The aggregate level of facilities which may be affected by a breach of the Covenants is S\$473.5 million (excluding interest) as at the date of this announcement<sup>3</sup>.

As at the date of this announcement, there is no breach of the Covenants.

By Order of the Board

Dr Ronnie Tan Keh Poo  
Chief Executive Officer  
Bowsprit Capital Corporation Limited  
(as manager of First Real Estate Investment Trust)  
(Company registration no. 200607070D)

9 December 2015

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1 “**Affiliate**” means, in relation to any person, a subsidiary of that person or a holding company of that person or any other subsidiary of that holding company.

2 “**controlled**” means (1) the control of more than 50 per cent. of the voting rights of the issued share capital of such person or entity or (2) the right and/or ability (whether by virtue of share ownership, possession of voting rights, contract or others) to appoint and/or remove all or the majority of the members of the board of directors or other governing body of such person or entity.

3 Assuming that the Facility and the S\$18.5 million revolving loan facility from CIMB Bank Berhad, Singapore Branch pursuant to the facility agreement dated 25 May 2015 is drawn down in full.

**Important Notice**

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

This document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of First REIT is not necessarily indicative of the future performance of First REIT.

This document may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.

## Appendix

### Details of the Covenants

In general, the Facility contains the following Covenants:

- A mandatory prepayment event is triggered if a Change of Control Event occurs. A “**Change of Control Event**” means:
  - PT Lippo and/or its Affiliates cease to hold or control, directly or indirectly, more than 50 per cent. in aggregate of the shares in, or the voting rights of, the Manager;
  - the Manager is replaced by another person or entity which is not controlled directly or indirectly by PT Lippo and/or its subsidiaries and where “**controlled**” means (1) the control of more than 50 per cent. of the voting rights of the issued share capital of such person or entity or (2) the right and/or ability (whether by virtue of share ownership, possession of voting rights, contract or others) to appoint and/or remove all or the majority of the members of the board of directors or other governing body of such person or entity;
  - PT Lippo ceases at any time to own (directly or indirectly) at least 25 per cent. of the issued Units;
  - there is a direct or indirect sale, transfer, conveyance or other disposal, in one or a series of related transactions, of all or substantially all of the properties or assets of the Group, taken as a whole; or
  - a plan is adopted relating to the liquidation or dissolution of First REIT (other than in respect of a solvent liquidation or reorganisation on terms approved by the Lender (acting reasonably)).