

Asset Acquisitions and Disposals::Proposed Acquisition of Changi City Point and Launch of Private Placement of 88 million New Units

Issuer & Securities

Issuer/ Manager	FRASERS CENTREPOINT ASSET MANAGEMENT LTD.
Securities	FRASERS CENTREPOINT TRUST - SG1T60930966 - J69U

Announcement Details

Announcement Title	Asset Acquisitions and Disposals
Date & Time of Broadcast	29-May-2014 23:30:52
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Announcement Sub Title	Proposed Acquisition of Changi City Point and Launch of Private Placement of 88 million New Units
Announcement Reference	SG140529OTHRGP5K
Submitted By (Co./ Ind. Name)	Anthony Cheong Fook Seng/Piya Treruanchachada
Designation	Company Secretaries
Description (Please provide a detailed description of the event in the box below)	<p>Reference is made to the announcement dated 8 April 2014 in relation to the proposed acquisition of Changi City Point (a copy of which is attached).</p> <p>Attached is an announcement on the launch of private placement of 88 million New Units, in connection with the proposed acquisition of Changi City Point.</p>
Attachments	<p>CCP-8Apr14-Pt1.pdf</p> <p>CCP-8Apr14-Pt2.pdf</p> <p>Launch-Pte-Placement29May14.pdf</p> <p>Total size =6033K</p>

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*This announcement is for information only and is not an offer for sale of the securities in the United States. Neither this announcement nor any copy hereof may be taken into or distributed in the United States. The New Units (as defined below) have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. Any public offering of securities to be made in the United States would be made by means of a prospectus that may be obtained from an issuer and would contain detailed information about such issuer and its management, as well as financial statements. There will be no public offering of the New Units in the United States.*



(Constituted in the Republic of Singapore pursuant to a trust deed dated 5 June 2006 (as amended))

LAUNCH OF PRIVATE PLACEMENT OF 88 MILLION NEW UNITS IN FRASERS CENTREPOINT TRUST ("FCT")

1. Introduction

Further to the announcement dated 8 April 2014 and the approvals granted at the extraordinary general meeting held on 29 May 2014 in relation to, among others, the acquisition of Changi City Point¹ and the private placement to part finance the acquisition of Changi City Point, the board of directors of Frasers Centrepoint Asset Management Ltd., as manager of FCT (the "**Manager**"), wishes to announce the launch of a private placement (the "**Private Placement**") of 88 million new Units ("**New Units**") at an issue price of between S\$1.790 and S\$1.835 per New Unit (both figures inclusive) (the "**Issue Price Range**").

Based on an illustrative issue price per New Unit of S\$1.835, which is the higher end of the Issue Price Range (the "**Maximum Issue Price**"), the gross proceeds from the Private Placement will amount to approximately S\$161.5 million and the net proceeds will amount to approximately S\$158.7 million, after deducting (i) the financial advisory commission and related expenses payable to DBS Bank Ltd. as the sole financial adviser in relation to the Private Placement, (ii) the underwriting and selling commission and related expenses payable to the Joint Lead Managers and Underwriters (as defined below) in relation to the Private Placement, and (iii) professional and other fees and expenses to be incurred by FCT in connection with the Private Placement.

1 "**Changi City Point**" refers to the property known as Changi City Point, located at 5 Changi Business Park Central 1, Changi City Point, Singapore 486038, being the whole of Strata Lot U49285C together with Accessory Lots A101C, A102M, A103W and A104V, all of Mukim 27 together with the Building comprised thereon.

2. Details of the Private Placement

The Manager has appointed Citigroup Global Markets Singapore Pte. Ltd. and DBS Bank Ltd. as the joint lead managers and underwriters (the **"Joint Lead Managers and Underwriters"**) in relation to the Private Placement.

The Manager has today entered into a placement agreement with the Joint Lead Managers and Underwriters (the **"Placement Agreement"**), pursuant to which the Joint Lead Managers and Underwriters have been appointed to procure subscribers for the Underwritten Units (as defined below) at an issue price per New Unit (the **"Issue Price"**) to be determined within the Issue Price Range, on the terms and subject to the conditions of the Placement Agreement. The New Units less the FCL New Units (as defined below) (the **"Underwritten Units"**), are fully underwritten by the Joint Lead Managers and Underwriters on the terms and subject to the conditions of the Placement Agreement.

In order to show its support for FCT, FCL Trust Holdings Pte. Ltd., a wholly-owned subsidiary of Frasers Centrepoint Limited, has also today provided an irrevocable undertaking (the **"Undertaking"**) to the Joint Lead Managers and Underwriters and the Manager, pursuant to which FCL Trust Holdings Pte. Ltd. has agreed to subscribe for 36,171,000 New Units (the **"FCL New Units"**) at the Issue Price under the Private Placement.

The Issue Price Range of between S\$1.790 and S\$1.835 per New Unit (both figures inclusive) represents a discount of between:

- (i) 3.6% and 6.0% to the volume weighted average price of S\$1.9045 per unit in FCT (**"Unit"**), for trades done on the full market day on 29 May 2014; and
- (ii) 2.5% and 4.9% to the adjusted volume weighted average price² of S\$1.8816 per Unit for trades done on the full market day on 29 May 2014.

The Issue Price will be determined by the Manager and the Joint Lead Managers and Underwriters following a book-building process. The Manager will make an announcement via SGXNET³ once the Issue Price has been determined.

The Private Placement shall be subject to certain conditions precedent, more particularly set out in the Placement Agreement, including the approval in-principle of the SGX-ST for the listing of and quotation for the New Units on the Main Board of the SGX-ST.

3. Rationale for the Private Placement

The acquisition of Changi City Point will be financed by a combination of debt and equity in order to maintain a prudent aggregate leverage for FCT. Given the current market conditions, the Manager believes that the Private Placement is an efficient and overall beneficial method of raising funds to finance the acquisition of Changi

2 The adjusted volume weighted average price is computed based on the volume weighted average price of all trades in the Units on Singapore Exchange Securities Trading Limited (the **"SGX-ST"**) for the full Market Day on 29 May 2014, and subtracting the Advanced Distribution (as defined herein).

3 An internet-based corporate announcement submission system maintained by the SGX-ST.

City Point.

4. Eligibility to participate in the Private Placement

The offer of New Units under the Private Placement will be made to institutional and other investors.

The New Units have not been and will not be registered under the Securities Act or the securities laws of any state or jurisdiction of the United States and may not be offered or sold within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The New Units are being offered and sold in offshore transactions as defined in and in reliance on Regulation S under the Securities Act.

The Manager, along with the Joint Lead Managers and Underwriters, reserves the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

5. Use of Proceeds

Subject to relevant laws and regulations, the Manager intends to allocate the gross proceeds of approximately S\$161.5 million (based on the Maximum Issue Price) from the Private Placement to part finance the total acquisition cost of approximately S\$312.5 million for the acquisition of Changi City Point, comprising (i) the purchase consideration, (ii) the acquisition fee payable to the Manager pursuant to the Trust Deed⁴, and (iii) the estimated professional and other fees and expenses incurred by FCT in connection with the acquisition, comprising (a) underwriting and financial advisory fees in respect of the Private Placement, (b) debt facility fees and (c) transaction costs.

Notwithstanding its current intentions, the Manager may, at its discretion and subject to applicable laws and regulations, use the net proceeds from the Private Placement for other purposes.

The Manager will make periodic announcements on the utilisation of the net proceeds from the Private Placement via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

Pending the deployment of the net proceeds from the Private Placement, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions or used for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

⁴ The acquisition fee payable to the Manager will be in the form of Units.

6. Authority to Issue New Units

The Private Placement is being carried out pursuant to approval granted by an Ordinary Resolution at an extraordinary general meeting of unitholders of FCT ("**Unitholders**") held on 29 May 2014.

7. Advanced Distribution

FCT's policy is to distribute its distributable income on a quarterly basis to Unitholders.

In connection with the Private Placement, however, the Manager intends to declare in respect of the Units in issue immediately prior to the issue of the New Units ("**Existing Units**"), a distribution of the distributable income for the period from 1 April 2014 to 9 June 2014, the day immediately preceding the date on which the New Units will be issued under the Private Placement (the "**Advanced Distribution**").

The next distribution following the Advanced Distribution will comprise FCT's distributable income for the period from 10 June 2014 to 30 June 2014. Quarterly distributions will resume thereafter.

The Advanced Distribution is intended to ensure that the distributable income accrued by FCT before the issue of the New Units (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to holders of the Existing Units.

The current expectation of the Manager is that the quantum of the distribution per Unit ("**DPU**") under the Advanced Distribution will be approximately 2.288 cents per Unit⁵. The actual quantum of the DPU under the Advanced Distribution will be announced on a later date after the management accounts of FCT for the relevant period have been finalised.

For the avoidance of doubt, holders of the New Units will not be entitled to participate in the distribution of any distributable income accrued by FCT prior to the date of issue of the New Units.

(Please see the announcement dated 29 May 2014 issued by the Manager in relation to the notification of the time and date on which the transfer books and register of Unitholders will be closed to determine Unitholders' entitlement to the Advanced Distribution.)

5 The estimated distribution for the period from 1 April 2014 to the day immediately prior to the date on which the New Units will be issued pursuant to the Private Placement is based on the Manager's pro-rated estimate of FCT's revenue and expenses for the relevant period excluding distribution from an associate which the Manager expects to receive on or around mid-June 2014. This amount is only an estimate based on information currently available to the Manager, and the actual Advanced Distribution may differ.

8. Status of the New Units

Other than the Advanced Distribution to which the New Units will not be entitled, the New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to any distributable income from 10 June 2014 to 30 June 2014 as well as all distributions thereafter, other than in respect of the Advanced Distribution.

9. Application to the SGX-ST for Approval in-Principle

The Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

The Private Placement is subject to, *inter alia*, the approval in-principle of the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST.

Frasers Centrepont Asset Management Ltd.
(Company registration no. 200601347G)
(as Manager of Frasers Centrepont Trust)

Anthony Cheong Fook Seng / Piya Treruanchachada
Company Secretaries
29 May 2014

IMPORTANT NOTICE

This announcement 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, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

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

The value of Units and the income derived from them, if any, may fall or rise. 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 should note that they 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 announcement is for information only and does not constitute or form part of any invitation or offer to sell or issue, or any solicitation of any offer to subscribe for or acquire, Units in any jurisdiction in which such an offer or solicitation is unlawful. The past performance of FCT and the Manager is not necessarily indicative of the future performance of FCT and the Manager.