

Frasers Property Limited

*Incorporated in Singapore
Company Registration No. 196300440G*

DISPOSAL OF 100% INTEREST IN FRASERS HOSPITALITY INVESTMENT HOLDING (PHILIPPINES) PTE. LTD. AND ITS SUBSIDIARIES

1. INTRODUCTION

- 1.1** Pursuant to Rule 704(18)(c) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the board of directors of Frasers Property Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has, on 30 August 2019, sold 100,000 ordinary shares representing 100% of the issued and paid-up capital of Frasers Hospitality Investment Holding (Philippines) Pte. Ltd. ("**FHIH Philippines**") to Bond Capital Partners Pte. Ltd. (the "**Purchaser**") (the "**Transaction**").
- 1.2** FHIH Philippines, a company incorporated in Singapore, owns (through its subsidiaries) 69 strata-titled condominium units in Forbes Tower Manila, located in Salcedo Village, Makati, Philippines, which were operated as a serviced residence under the name "Fraser Place Manila" (the "**Property**") by the Group's hospitality division, Frasers Hospitality. Following the Transaction and except for transitional arrangements, the Property has ceased to be operated as "Fraser Place Manila" by Frasers Hospitality.
- 1.3** Based on the latest audited accounts of FHIH Philippines for the financial year ended 30 September 2018, the net tangible asset value ("**NTA**") of FHIH Philippines as at 30 September 2018 was approximately S\$17.6 million.
- 1.4** Following the Transaction, FHIH Philippines and its subsidiaries have ceased to be subsidiaries of the Company.

2. CONSIDERATION

- 2.1** The consideration for the Transaction is the Singapore Dollar equivalent of the aggregate of PHP 1,704,620,000 (approximately S\$45.3 million¹) (the "**Base Consideration**") and the net working capital amount of FHIH Philippines and its subsidiaries on a consolidated basis calculated as of 30 August 2019 (the "**Net Working Capital Amount**") estimated at approximately S\$5,938, subject to adjustments as agreed between the parties (the "**Consideration**"). The Base Consideration takes into account a shareholder's loan from the Company to FHIH Philippines in the amount of S\$23,541,269.48 (the "**Shareholder's Loan**"), that has been discharged on 30 August 2019.
- 2.2** The Consideration was fully satisfied in cash. The Consideration was arrived at after arm's length negotiations between the Purchaser and the Company on a willing-buyer and willing-seller basis, taking into consideration the NTA of FHIH Philippines as at 30 September 2018 and the Shareholder's Loan which has been discharged.
- 2.3** Adjustments will be made to the Consideration to account for any differences in the actual Net Working Capital Amount and the estimated Net Working Capital Amount paid by the Purchaser on 30 August 2019.

¹ Unless otherwise indicated, PHP amounts in this Announcement have been translated into Singapore Dollars, based on the exchange rate of S\$1.00 : PHP 37.6264 quoted by Bloomberg L.P. on the close of the market day preceding the date of this Announcement.

3. RATIONALE FOR THE TRANSACTION

The Group adopts an active portfolio management strategy. This disposal of a non-core asset is in line with the Group's strategy. Proceeds from the Group's active portfolio management initiatives can be redeployed for development and/or enhancement of assets to enhance the Group's portfolio as well as for general working capital purposes.

4. FINANCIAL EFFECTS OF THE TRANSACTION

The Transaction is in the ordinary course of the Group's business and 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.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors and controlling shareholders of the Company have any interests, direct or indirect, in the Transaction (other than through their shareholdings in the Company).

BY ORDER OF THE BOARD

Catherine Yeo
Company Secretary

30 August 2019