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## Fortune Real Estate Investment Trust

(a collective investment scheme authorized under section 104  
of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))

(Stock Code: 778)

Managed by  
ARA Asset Management (Fortune) Limited

### (1) COMPLETION OF ACQUISITION OF RETAIL SHOPS AND PUBLIC CAR PARK LOTS AT STARS OF KOVAN, SINGAPORE (2) PROPERTY MANAGEMENT SERVICES

The Board is pleased to announce the completion of the acquisition of the Target Property (together with the Plant and Equipment), which forms part of the development known as “Stars of Kovan” located at 988 Upper Serangoon Road, Singapore 534733, pursuant to the terms of the Sale and Purchase Agreement took place on 30 September 2022.

Reference is made to the announcement of Fortune Real Estate Investment Trust (“**Fortune REIT**”) dated 5 August 2022 (the “**Announcement**”) in relation to, among other things, the acquisition of the Target Property, which forms part of the development known as “Stars of Kovan” located at 988 Upper Serangoon Road, Singapore 534733. Unless otherwise specified, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

#### (1) Completion of the Acquisition

The Board is pleased to announce that, the Purchaser and the Vendor having complied with each of their obligations pursuant to the terms of the Sale and Purchase Agreement, completion of the acquisition of the Target Property took place on 30 September 2022. Upon Completion, Fortune REIT (through its SPVs) has become the sole owner of the Target Property.

The Board also announces that on Completion, a total amount of SGD93 million was drawn down from the loan facilities to pay the Consideration and the one-time fees and expenses in relation to the Acquisition (including the Acquisition Fee paid to the Manager in cash).

## (2) Property Management Services

The Purchaser has engaged APM Property Management Pte Ltd (“**APM**”), a professional property manager which is a company incorporated under the laws of Singapore (being an indirect wholly-owned subsidiary of ESR Group Limited, therefore an associate of the Manager and hence a connected person of Fortune REIT) to provide customary property management services including lease management and marketing services in relation to the Target Property.

The Manager has reviewed and conducted appropriate due diligence on APM and is satisfied that APM has the necessary skills, resources, competencies and capabilities to fulfil its role with respect to the Target Property.

The property management agreement has been entered into on an arm’s length basis and in the ordinary and usual course of business of Fortune REIT and on normal commercial terms and at the prevailing market level, and its terms are fair and reasonable and in the interests of Fortune REIT and the Unitholders as a whole.

Under the terms of its engagement, APM is required to act on the directions of the Manager, and will not have the authority to execute documents on behalf of Fortune REIT or to bind Fortune REIT to any contractual obligation, other than where delegated from time to time, and must prepare periodic reports and such other reports and information as may be requested by the Manager. The Manager is therefore satisfied that it will have sufficient oversight of APM.

## (3) Regulatory implications

The transactions contemplated under the property management agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules. As all of the applicable percentage ratios (other than the profits ratio) (as calculated pursuant to Rule 14.07 of the Listing Rules) are below 5% and the aggregate consideration payable to APM will be less than HK\$3,000,000 per annum, such transactions constitute de minimis transactions pursuant to Rule 14A.76(1) of the Listing Rules (as modified by the REIT Code) and are fully exempted from unitholders’ approval, annual review and such other requirements under Chapter 8 of the REIT Code and Chapter 14A of the Listing Rules.

This announcement is made pursuant to paragraphs 10.3, 10.4(ga) and 10.5A of the REIT Code.

By order of the board of directors of  
**ARA Asset Management (Fortune) Limited**  
(in its capacity as manager of Fortune Real Estate Investment Trust)  
**Chiu Yu, Justina**  
*Chief Executive Officer*

Hong Kong, 30 September 2022

*The Directors of the Manager as at the date of this announcement are Mr. Chui Sing Loi (alias Tsui Sing Loi) as Chairman and Independent Non-executive Director; Dr. Chiu Kwok Hung, Justin, Mr. Lim Hwee Chiang, Ms. Yeung, Eirene and Mr. Ma Lai Chee, Gerald as Non-executive Directors; Ms. Chiu Yu, Justina as Executive Director; Ms. Cheng Ai Ping, Ms. Yeo Annie (alias Yeo May Ann) and Ms. Koh Poh Wah as Independent Non-executive Directors.*