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## FORTUNE REAL ESTATE INVESTMENT TRUST

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

*(constituted in the Republic of Singapore pursuant to a trust deed dated 4 July 2003 (as amended) and authorised as a collective investment scheme under section 286 of the Securities and Futures Act, Chapter 289 of Singapore)*

**(Stock Code: Hong Kong: 778 and Singapore: F25U)**

Managed by



**ARA Asset Management (Fortune) Limited**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting ("**AGM**") of the unitholders ("**Unitholders**") of Fortune Real Estate Investment Trust ("**Fortune REIT**") will be held at Level 5, Hutchison House, 10 Harcourt Road, Central, Hong Kong on Friday, 27 April 2018 at 2:30 p.m. or any adjournment thereof. Any Unitholder or depositor or proxy who wishes to take part in the AGM from Singapore, may attend via video conference which shall be held at Crescent 2, Level 2 Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593. The persons attending the said video conference will be able to pose questions to the management and to comment on matters to be transacted at the AGM. Please be punctual to avoid disrupting the AGM which will commence at 2:30 p.m. sharp on Friday, 27 April 2018 for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions as ordinary resolutions:

#### **AS ORDINARY BUSINESS**

1. To receive and adopt the Report of HSBC Institutional Trust Services (Singapore) Limited, as trustee of Fortune REIT (the "**Trustee**"), the Statement by ARA Asset Management (Fortune) Limited, as manager of Fortune REIT (the "**Manager**") and the Audited Financial Statements of Fortune REIT for the year ended 31 December 2017 together with the auditors' report thereon.

**(Ordinary Resolution 1)**

2. To re-appoint Deloitte & Touche LLP and Deloitte Touche Tohmatsu as the Auditors of Fortune REIT and to hold office until the conclusion of the next annual general meeting of Fortune REIT and to authorise the Manager to fix their remuneration.

**(Ordinary Resolution 2)**

3. To endorse the appointment of each of the following persons who is a director of the Manager (the “**Director**”, together the “**Directors**”), pursuant to the Deed of Undertaking (“**Undertaking**”) entered into between ARA Asset Management Limited and the Trustee:

- (a) Dr. Chiu Kwok Hung, Justin; **(Ordinary Resolution 3)**
- (b) Mr. Lim Hwee Chiang; **(Ordinary Resolution 4)**
- (c) Mr. Ma Lai Chee, Gerald; and **(Ordinary Resolution 5)**
- (d) Ms. Koh Poh Wah. **(Ordinary Resolution 6)**

***[See Explanatory Note 1]***

#### **AS SPECIAL BUSINESS**

4. (a) To exercise all the powers of the Manager to repurchase issued units in Fortune REIT (“**Units**”) for and on behalf of Fortune REIT not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Manager from time to time up to the Maximum Price (as hereafter defined) by way of on-market repurchase(s) on the main boards of The Stock Exchange of Hong Kong Limited (“**SEHK**”) and/or Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and/or, as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted as may be determined or formulated by the Manager as it considers fit in accordance with the trust deed constituting Fortune REIT dated 4 July 2003 (as amended) (the “**Trust Deed**”), and otherwise in accordance with all applicable laws and regulations, including of such stock exchange for the time being on which the Units may be listed and quoted (the “**Unit Buy-back Mandate**”);
- (b) To exercise the authority conferred on the Manager pursuant to the Unit Buy-back Mandate at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
- (i) the date on which the next AGM of Fortune REIT is held (unless by ordinary resolution passed at that meeting the Unit Buy-back Mandate is renewed, either unconditionally or subject to conditions) or required by applicable law and regulation or the Trust Deed or the Code on Real Estate Investment Trusts published by the Securities and Futures Commission of Hong Kong to be held;
  - (ii) the date on which the authority conferred by the Unit Buy-back Mandate is revoked or varied by Unitholders by way of ordinary resolution in a general meeting; and
  - (iii) the date on which repurchase of Units pursuant to the Unit Buy-back Mandate is carried out to the full extent mandated,

where in this Resolution:

**“Average Closing Price”** means the average of the closing market prices of a Unit over the last five Market Days, on which transactions in the Units were recorded, immediately preceding the date of the on-market repurchase and deemed to be adjusted for any corporate action that occurs after the relevant five Market Days;

**“Market Day”** means any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and/or Hong Kong (as the case may be) and the SEHK and/or the SGX-ST (as the case may be) are open for trading;

**“Maximum Limit”** means that number of Units representing 10% of the total number of issued Units as at the date of the passing of this Resolution; and

**“Maximum Price”** in relation to a Unit to be repurchased on-market, means the repurchase price (excluding brokerage, commission, stamp duty, applicable goods and services tax and other related expenses) which shall not exceed 105% of the Average Closing Price of the Units.

- (c) the Manager and Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager and/or the Trustee may consider expedient or necessary or in the interest of Fortune REIT to give effect to the transactions contemplated and/or authorised by this Resolution.

***[See Explanatory Note 2]***

**(Ordinary Resolution 7)**

## **AS OTHER BUSINESS**

5. To transact such other business as may be transacted at the AGM.

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*

21 March 2018

## **Explanatory Notes:**

### **1. Ordinary Resolutions 3 to 6 to be passed:**

- (a) *The Undertaking which is entered into between ARA Asset Management Limited and the Trustee will give the Unitholders the right to endorse the appointment of Dr. Chiu Kwok Hung, Justin, Mr. Lim Hwee Chiang, Mr. Ma Lai Chee, Gerald and Ms. Koh Poh Wah in the annual general meeting of Unitholders to be held in 2018. Details of the Undertaking are set out in section 4 and Appendix B to the Circular.*
- (b) *Detailed information on Dr. Chiu Kwok Hung, Justin, Mr. Lim Hwee Chiang, Mr. Ma Lai Chee, Gerald and Ms. Koh Poh Wah (including their current directorships in other listed companies and details of other principal commitments) can be found in Appendix B to the Circular.*
- (c) *In addition to the Directors who are not subject to endorsement by Unitholders at the coming AGM, upon endorsement, Dr. Chiu Kwok Hung, Justin, Mr. Lim Hwee Chiang, Mr. Ma Lai Chee, Gerald and Ms. Koh Poh Wah will continue to serve on the board of directors of the Manager. Dr. Chiu Kwok Hung, Justin, Mr. Lim Hwee Chiang and Mr. Ma Lai Chee, Gerald will continue to serve as Non-Executive Directors; Ms. Koh Poh Wah will continue to serve as an INED.*

### **2. Ordinary Resolution 7 to be passed:**

*Ordinary Resolution 7 above, if passed, will empower the Manager, from the date of this AGM until the earliest of the following dates: (i) the date on which the next AGM of Fortune REIT is held (unless by ordinary resolution passed at that meeting the Unit Buy-back Mandate is renewed, either unconditionally or subject to conditions) or required by applicable law and regulation, the Trust Deed or the REIT Code to be held, or (ii) the date on which such authority is revoked or varied by the Unitholders by way of ordinary resolution in a general meeting, (iii) the date on which repurchase of Units pursuant to the Unit Buy-back Mandate is carried out to the full extent mandated, to exercise all the powers to repurchase issued Units for and on behalf of Fortune REIT not exceeding in aggregate 10% of the total number of Units as at the date of the passing of Ordinary Resolution 7 by way of on-market repurchase(s) on the terms of the Unit Buy-back Mandate set out in the Circular.*

*The Manager intends to use internal sources of funds of Fortune REIT or its external borrowings or a combination of both to finance the repurchases of the Units. The impact on the financial position of Fortune REIT cannot be ascertained as at the date of this notice of AGM as these will depend on, inter alia, the aggregate number of Units repurchased, and the consideration paid at the relevant time.*

#### Notes:

1. The Register of Unitholders of Fortune REIT will be closed from Friday, 20 April 2018 to Friday, 27 April 2018, both days inclusive, to determine which Unitholders will qualify to attend and vote at AGM during which period no transfers of Units will be effected. For those Unitholders who are not already on the Register of Unitholders, in order to qualify to attend and vote at the AGM, all Unit certificates accompanied by the duly completed transfer forms must be lodged with the Hong Kong Unit Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for Hong Kong Unitholders) or to the Singapore Unit Registrar, Boardroom Corporate & Advisory Services Pte. Limited, at 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623 (for Singapore Unitholders) not later than 4:30 p.m. on Thursday, 19 April 2018. You can vote at the AGM if you are a Unitholder as at the close of business on Thursday, 19 April 2018.
2. A Unitholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint not more than two proxies to attend and, on a poll, vote in his/her stead. The person appointed to act as a proxy need not to be a Unitholder.
3. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the registered office of: (a) the Hong Kong Unit Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for Hong Kong Unitholders); and (b) the Singapore Unit Registrar, Boardroom Corporate & Advisory Services Pte. Limited, at 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623 (for Singapore unitholders), not less than forty-eight (48) hours before the time fixed for holding the meeting or any adjournment thereof. Completion and return of proxy will not preclude you from attending and voting in person should you so wish. In the event that you attend the meeting or adjourned meeting (as the case may be) after having lodged a form of proxy, the form of proxy will be deemed to have been revoked.
4. Where there are joint registered Unitholders of a Unit, any one of such Unitholders may vote at the meeting either personally or by proxy in respect of such Unit as if he/she were solely entitled thereto, but if more than one of such Unitholders is present at the meeting personally or by proxy, that one of such Unitholders so present whose name stands first on the Register of Unitholders of Fortune REIT in respect of such Unit shall alone be entitled to vote in respect thereof.

5. Personal data privacy: By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the purpose of the processing and administration by the Manager and the Trustee (or their agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

*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 Phing, Ms. Yeo Annie (alias Yeo May Ann) and Ms. Koh Poh Wah as Independent Non-executive Directors.*