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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

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

<p>The Board wishes to announce that Ms. Koh Poh Wah has been appointed as an Independent Non-Executive Director of the Manager with effect from 1 August 2017.</p>

The Board of Directors (the “**Board**”) of ARA Asset Management (Fortune) Limited (the “**Manager**”), as the manager of Fortune Real Estate Investment Trust (“**Fortune REIT**”) wishes to announce that Ms. Koh Poh Wah has been appointed as an Independent Non-Executive Director of the Manager with effect from 1 August 2017.

Ms. Koh Poh Wah (“Ms. Koh”)

Ms. Koh, aged 61, has more than 30 years of working experience in the areas of operations management, technology, financial and business re-engineering areas. Ms. Koh was previously the Regional Accountant (Alpha Asia Pacific) of Alpha International, a non-profit organization, from 2012 to 2015, where she took full responsibility for the finance functions for Alpha Asia Pacific region, Alpha Singapore and AAP Publishing Pte Ltd. Prior to Alpha International, she was a Director with Future Positive Pte. Ltd and Minds@Work Ventures working extensively on Information Technology/Business Re-engineering consultancy areas. Ms. Koh also spent 15 years in American International Assurance Co. Ltd from 1986 to 2000, with her last position as Vice President - Quality Support & Operations Management. Prior to this role, Ms. Koh held various executive positions in Singapore Bus Service Co. Ltd, Singapore Computer Systems Co. Ltd and Malvern & Co. Chartered Accountants (UK).

Ms. Koh holds a Master of Science in Management Science and Operational Research, a Bachelor of Arts Degree (Honours) in Accounting and a Diploma from Institute for the Management of Information Systems (previously known as Institute of Data Processing Management, UK). Ms. Koh is also a Fellow of Life Management Institute and an Associate of Customer Service for the Life Management Organization, USA.

Ms. Koh has not held any other directorships in the three years preceding the date of this announcement in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the date of this announcement, Ms. Koh is not interested in any units of Fortune REIT within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Ms Koh does not have any relationship with any directors or senior management of the Manager, or significant or controlling unitholders of Fortune REIT. Ms. Koh has confirmed to the Manager that she satisfies the independence criteria contained in the Compliance Manual and she is also independent for the purpose of the Code on Corporate Governance 2005 of Singapore.

Ms. Koh has entered into a service agreement with the Manager. Her tenure as an Independent Non-Executive director is subject to retirement and re-election at annual general meetings of the Manager in accordance with the articles of association of the Manager and the relevant laws and regulations. All emoluments payable to Ms. Koh will be paid and borne by the Manager out of its own resources.

Save as disclosed above, there is no other information which is required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules (as if such provisions were applicable to real estate investment trusts). The Board considers Ms. Koh to be independent and there is no other matters that need to be brought to the attention of the unitholders of Fortune REIT in connection with Ms. Koh's appointment.

Changes in Board Composition

Following the aforesaid change, the composition of the Board and Board Committees of the Manager will be as follows on 1 August 2017:

Board

- Mr. Chui Sing Loi (alias Tsui Sing Loi) (Chairman and Independent Non-Executive Director)
- Dr. Chiu Kwok Hung, Justin (Non-Executive Director)
- Mr. Lim Hwee Chiang (Non-Executive Director)
- Ms. Eirene Yeung (Non-Executive Director)
- Mr. Ma Lai Chee, Gerald (Non-Executive Director)
- Ms. Chiu Yu, Justina (Chief Executive Officer and Executive Director)
- Ms. Cheng Ai Phing (Independent Non-Executive Director)
- Ms. Yeo Annie (alias Yeo May Ann) (Independent Non-Executive Director)
- Ms. Koh Poh Wah (Independent Non-Executive Director)

Audit Committee

- Ms. Cheng Ai Phing (Chairman)
- Mr. Chui Sing Loi (alias Tsui Sing Loi)
- Ms. Yeo Annie (alias Yeo May Ann)

Disclosures Committee

- Ms. Chiu Yu, Justina (Chairman)
- Ms. Eirene Yeung
- Ms. Cheng Ai Phing

Designated Committee

- Ms. Chiu Yu, Justina (Chairman)
- Mr. Ma Lai Chee, Gerald
- Ms. Cheng Ai Phing

The Board confirms that the composition of the Board and the Board Committees will remain in compliance with the Manager's corporate governance policy following the aforesaid change.

The Board would like to take this opportunity to welcome Ms. Koh to join the Board.

This announcement is made pursuant to paragraph 10.3 of the Hong Kong Code on Real Estate Investment Trusts.

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, 31 July 2017

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 and Ms. Yeo Annie (alias Yeo May Ann) as Independent Non-Executive Directors.