

REPL::Extraordinary/ Special General Meeting::Voluntary

Issuer & Securities

Issuer/ Manager	ARA ASSET MANAGEMENT (FORTUNE) LIMITED
Security	FORTUNE REAL ESTATE INV TRUST - SG1O33912138 - F25U

Announcement Details

Announcement Title	Extraordinary/ Special General Meeting
Date & Time of Broadcast	27-Apr-2018 19:32:50
Status	Replacement
Announcement Reference	SG180320XMETBD2J
Submitted By (Co./ Ind. Name)	Justina Chiu
Designation	Chief Executive Officer and Executive Director
Financial Year End	31/12/2017

Event Narrative

Narrative Type	Narrative Text
Additional Text	Poll Results of the Extraordinary General Meeting held on 27 April 2018. Please see attached.

Event Dates

Meeting Date and Time	27/04/2018 14:30:00
Response Deadline Date	25/04/2018 14:30:00

Event Venue(s)

Place	
Venue(s) Venue details	
Meeting Venue	LEVEL 5, HUTCHISON HOUSE, 10 HARCOURT ROAD, CENTRAL, HONG KONG (ANY UNITHOLDER OR DEPOSITOR OR PROXY WHO WISHES TO TAKE PART IN THE EGM 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.)

Attachments	E_Fortune REIT - Announcement Poll Results.pdf Total size =81K
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Related Announcements	20/03/2018 18:51:48
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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))*

*(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

POLL RESULTS OF (1) THE ANNUAL GENERAL MEETING AND (2) THE EXTRAORDINARY GENERAL MEETING HELD ON 27 APRIL 2018

The Manager wishes to announce that at the AGM held today, 27 April 2018, all of the resolutions were duly passed as Ordinary Resolutions by way of poll.

Further, the Manager wishes to announce that at the EGM held today, EGM Resolution no. 1 was duly passed as Ordinary Resolution by way of poll; and EGM Resolutions nos. 2, 3 and 4 were duly passed as Extraordinary Resolutions by way of poll.

Reference is made to the circular dated 21 March 2018 (the “**Circular**”) issued by ARA Asset Management (Fortune) Limited, as the Manager of Fortune REIT, to the Unitholders. Unless the context otherwise requires, terms used in this announcement shall have the same meanings as defined in the Circular.

POLL RESULTS OF THE 2018 ANNUAL GENERAL MEETING HELD ON 27 APRIL 2018

At the AGM, all the resolutions as set out in the AGM Notice were proposed and decided on by way of poll as Ordinary Resolutions including, (a) the resolution to receive and adopt the Trustee’s Report, Statement by the Manager, Audited Financial Statements of Fortune REIT for the year ended 31 December 2017 and the auditor’s report thereon; (b) the resolution to re-appoint Deloitte & Touche LLP and Deloitte Touche Tohmatsu as auditors of Fortune REIT (“**Auditors**”) and authorise ARA Asset Management (Fortune) Limited, as the Manager, to fix the Auditors’ remuneration; (c) the resolutions to endorse the appointment of the directors of the Manager, namely Dr. Chiu Kwok Hung, Justin, Mr. Lim Hwee Chiang, Mr. Ma Lai Chee, Gerald and Ms. Koh Poh Wah; and (d) the resolution to approve the grant of the Unit Buy-back Mandate (collectively, the “**AGM Resolutions**”).

As at the date of the AGM, the number of Units in issue was 1,917,295,034, which was the total number of Units entitling the Unitholders to attend and vote for or against all the resolutions proposed at the AGM. To the best of the Manager's knowledge, information and belief, after having made reasonable enquiries, no Unitholder is required to abstain from voting at the AGM in respect of the AGM Resolutions.

The poll at the AGM was scrutinised by the Hong Kong Unit Registrar of Fortune REIT, Computershare Hong Kong Investor Services Limited. As more than 50% of the votes were cast in favour of each of the AGM Resolutions, each of the AGM Resolutions was duly passed as an Ordinary Resolution based on the voting details set out below.

No.	AGM Resolutions	Number of votes (% of the total Units present and voted at the AGM) (%)	
		For	Against
ORDINARY BUSINESS			
1.	To receive and adopt the Trustee's Report, Statement by the Manager, Audited Financial Statements of Fortune REIT for the year ended 31 December 2017 and the auditors' report thereon.	1,149,761,402 (100%)	16,000 (0%)
2.	To re-appoint Deloitte & Touche LLP and Deloitte Touche Tohmatsu as Auditors of Fortune REIT and authorise the Manager to fix the Auditors' remuneration.	1,145,505,514 (99.59%)	4,685,264 (0.41%)
3.	To endorse the appointment of Dr. Chiu Kwok Hung, Justin as director.	1,122,471,852 (97.41%)	29,857,550 (2.59%)
4.	To endorse the appointment of Mr. Lim Hwee Chiang as director.	1,122,406,852 (97.40%)	29,921,550 (2.60%)
5.	To endorse the appointment of Mr. Ma Lai Chee, Gerald as director.	1,086,792,541 (94.31%)	65,535,861 (5.69%)
6.	To endorse the appointment of Ms. Koh Poh Wah as director.	1,150,185,702 (99.97%)	341,000 (0.03%)
SPECIAL BUSINESS			
7.	To approve the grant of the Unit Buy-back Mandate as set out in the notice of AGM dated 21 March 2018.	1,113,005,840 (96.64%)	38,641,000 (3.36%)

POLL RESULTS OF THE EXTRAORDINARY GENERAL MEETING HELD ON 27 APRIL 2018

At the EGM, all the resolutions as set out in the EGM Notice, including: (1) the resolution to approve the Waiver Extension (including the proposed New Annual Caps); (2) the resolution to approve the Expanded Investment Scope regarding Geographical Scope together with Geographical Scope Amendments; (3) the resolution to approve the Expanded Investment Scope regarding Property Development and Related Activities together with Property Development Amendments; and (4) the resolution to approve the Expanded Investment Scope regarding Relevant Investments together with Relevant Investments Amendments (collectively the "EGM Resolutions"), were proposed and decided on by way of poll, in which EGM Resolution no. 1 was proposed as Ordinary Resolution and EGM Resolutions nos. 2, 3 and 4 were proposed as Extraordinary Resolutions.

With respect to EGM Resolution no. 1 approving the Waiver Extension (including the proposed New Annual Caps) as set out in the EGM Notice, Focus Eagle has abstained, and procured that each member of the CK Asset Connected Persons Group and its associates abstained from voting on EGM Resolution no. 1; and the Manager has abstained and procured that each member of the Manager Group and its associates abstained from voting on EGM Resolution no. 1. On this basis, as at the date of the EGM, the total number of Units in issue which were ineligible to vote for or against EGM Resolution no. 1 was 531,677,422.

As at the date of the EGM, to the best of the Manager's knowledge, information and belief, after having made reasonable enquiries, save as disclosed above, no other Unitholder is required to abstain from voting at the EGM in respect of the EGM Resolutions.

Accordingly, the total number of Units entitling the Independent Unitholders to vote for or against EGM Resolution no. 1 was 1,385,617,612 (representing approximately 72.27% of the 1,917,295,034 Units in issue).

As at the date of the EGM, the number of Units in issue was 1,917,295,034. As there was no restriction on Unitholders in exercising their votes on EGM Resolutions nos. 2, 3 and 4 at the EGM, the total number of Units entitling Unitholders to attend and vote for or against each of the EGM Resolutions nos. 2, 3 and 4 was 1,917,295,034.

The poll at the EGM was scrutinised by the Hong Kong Unit Registrar of Fortune REIT, Computershare Hong Kong Investor Services Limited. The voting details are set out below.

No.	EGM Resolutions	Number of votes (% of the total Units present and voted at the EGM) (%)	
		For	Against
	Ordinary Resolution		
1.	To approve the Waiver Extension (including the proposed New Annual Caps)	619,162,645 (100%)	0 (0%)
	Extraordinary Resolutions		
2.	To approve the Expanded Investment Scope regarding Geographical Scope together with Geographical Scope Amendments	1,028,514,092 (89.36%)	122,457,886 (10.64%)
3.	To approve the Expanded Investment Scope regarding Property Development and Related Activities together with Property Development Amendments	1,150,310,416 (99.94%)	661,562 (0.06%)
4.	To approve the Expanded Investment Scope regarding Relevant Investments together with Relevant Investments Amendments	905,934,899 (78.71%)	245,037,079 (21.29%)

As more than 50% of the votes were cast in favour of the EGM Resolution no. 1, the EGM Resolution no. 1 was duly passed as Ordinary Resolution.

As more than 75% of the votes were cast in favour of each of the EGM Resolutions nos. 2, 3 and 4, the EGM Resolutions nos. 2, 3 and 4 were duly passed as Extraordinary Resolutions.

EXTENSION OF WAIVER IN RESPECT OF CERTAIN CONTINUING CONNECTED PARTY TRANSACTIONS

In connection with EGM Resolution no. 1, the Manager has applied to the SFC for an extension of the 2015 Waiver from strict compliance with the disclosure and Unitholders' approvals requirements under Chapter 8 of the REIT Code in respect of the Continuing Connected Party Transactions. The SFC has, on 27 April 2018, granted the 2018 Extended Waiver, subject to the following waiver conditions:

(a) Due approval by Independent Unitholders

The due approval by Independent Unitholders and adoption of the relevant EGM resolution as set out in the EGM Notice dated 21 March 2018, without material amendments thereto.

(b) Waiver Period

The 2018 Extended Waiver will commence from 1 January 2019 and continue until 31 December 2021.

(c) Modification or Extension

The 2018 Extended Waiver may be extended beyond 31 December 2021, and/or the terms and conditions of the 2018 Extended Waiver may be modified from time to time, provided that:

- (i) Independent Unitholders' approval – the due approval of Unitholders other than those who have a material interest in the relevant transactions, within the meaning of 8.11 of the REIT Code is obtained by way of an Ordinary Resolution passed in a general meeting of Unitholders;
- (ii) Disclosure – disclosure of details of the proposed extension and/or amendment (as the case may be) shall be made by way of an announcement by the Manager of such proposal, and a circular and notice shall be issued to Unitholders in accordance with Chapter 10 of the REIT Code; and
- (iii) Extension period – any extension of the period of the 2018 Extended Waiver shall, on each occasion of such extension, be for a period which shall expire not later than the third full financial year-end date of Fortune REIT after the date on which the approval referred to in (i) above is obtained.

For the avoidance of doubt, any material change to the transactions covered under the 2018 Extended Waiver (including without limitation the scope or nature of the transactions) as set out in the Circular based on which the waiver is sought and granted must be approved by the Independent Unitholders as referred to in (i) above and details of the proposed changes shall be disclosed in the manner as referred to in (ii) above.

(d) Annual caps

The annual value of the Continuing Connected Party Transactions shall not exceed the respective annual monetary limits set out below:

Categories of Continuing Connected Party Transactions	For the year ending 31 December 2019	For the year ending 31 December 2020	For the year ending 31 December 2021
(a) Revenue transactions – Leasing/licensing transactions with the CK Asset Connected Persons Group	HK\$972,000,000	HK\$972,000,000	HK\$972,000,000
(b) Revenue transactions – Leasing/licensing transactions with the Manager Group	HK\$15,200,000	HK\$15,200,000	HK\$15,200,000
(c) Expenditure transactions – Property management arrangements, third party services and other operational transactions with the CK Asset Connected Persons Group	HK\$502,000,000	HK\$527,000,000	HK\$553,000,000

In respect of leasing/licensing transactions, an independent valuation shall be conducted for each of such leasing/licensing transactions except where they are conducted on standard or published rates.

(e) Disclosure in Interim and Annual Reports

Details of the Continuing Connected Party Transactions shall be disclosed in Fortune REIT's interim and annual reports, as required under 8.14 of the REIT Code.

(f) Auditors' Review Procedures

In respect of each relevant financial year, the Manager shall engage and agree with the auditors of Fortune REIT to perform certain review procedures on the Continuing Connected Party Transactions. The auditors shall then report to the Manager on the factual findings based on the work performed by them (and a copy of such report shall be provided to the SFC), confirming whether all such Continuing Connected Party Transactions:

- (i) have received the approval of the board of directors of the Manager (including its independent non-executive directors);
- (ii) are in accordance with the pricing policies of Fortune REIT;
- (iii) have been entered into in accordance with the terms of the agreements (if any) governing the transactions; and
- (iv) the total value in respect of which has not exceeded the respective annual cap amount (where applicable).

(g) Review by the independent non-executive Directors of the Manager

The independent non-executive Directors of the Manager shall review the Continuing Connected Party Transactions annually, and confirm in Fortune REIT's annual report for the relevant financial year that such transactions have been entered into:

- (i) in the ordinary and usual course of business of Fortune REIT;

- (ii) on normal commercial terms (to the extent that there are comparable transactions) or, where there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to Fortune REIT than terms available to or from (as appropriate) independent third parties; and
- (iii) in accordance with the relevant agreement and the Manager's internal procedures governing them, if any, on terms that are fair and reasonable and in the interests of the Independent Unitholders, as well as the Unitholders as a whole.

(h) Auditors' Access to Books and Records

The Manager shall allow, and shall procure the counterparty to the relevant continuing connected party transactions to allow, the auditors of Fortune REIT sufficient access to their records for the purpose of reporting on the transactions.

(i) Notification to the SFC

The Manager shall promptly notify the SFC and publish an announcement if it knows or has reason to believe that the auditors and/or the independent non-executive Directors will not be able to confirm the matters set out in paragraphs (f) and (g) above.

(j) Subsequent Increases in Annual Caps with Independent Unitholders' Approval

If necessary, for example, where there are further asset acquisitions by Fortune REIT thereby increasing the scale of its operations generally, or where there are changes in market or operating conditions, the Manager may, from time to time in the future, seek to increase one or more of the annual limits set out in the above, provided that:

- (i) Independent Unitholders' approval – the approval of Independent Unitholders is obtained by way of an Ordinary Resolution passed in a general meeting of Unitholders;
- (ii) Disclosure – disclosure of details of the proposal to increase the relevant annual cap amounts shall be made by way of an announcement by the Manager of such proposal, and a circular and notice shall be issued to Unitholders in accordance with Chapter 10 of the REIT Code; and
- (iii) Other compliance requirements – all the waiver terms and conditions described above shall continue to apply to the relevant transactions, save that the relevant increased annual cap amounts shall apply.

(k) 8.14 of the REIT Code

The Manager shall comply with all requirements under 8.14 of the REIT Code where there is any material change to the terms of the relevant connected party transactions or where there is any subsequent change to the REIT Code which may impose stricter requirements in respect of disclosure and/or Unitholders' approval.

AMENDMENTS TO THE TRUST DEED

HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Fortune REIT and the Manager intend to enter into an amending and restating trust deed to effect the amendments to the Trust Deed as referred to in the Circular. Further announcement will be made by the Manager as and when the amending and restating trust deed has been executed.

The Manager wishes to announce that with effect from the later of, the expiry of 30 days from the date hereof, or the date of execution of the amending and restating trust deed, (i) the investment policy of Fortune REIT will no longer be geographically restricted to Hong Kong and Fortune REIT may invest in Real Estate in any part of the world (including but not limited to stand-alone assets and comprehensive mixed-use developments); and (ii) Fortune REIT may also invest in Property Development and Related Activities and Relevant Investments.

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, 27 April 2018

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.