

## LETTER TO UNITHOLDERS DATED 7 JULY 2017

**THIS LETTER TO UNITHOLDERS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

This Letter to Unitholders (“**Letter**”) is circulated to Unitholders of Accordia Golf Trust together with Accordia Golf Trust’s Annual Report 2017. Its purpose is to provide Unitholders with information on, and to explain the rationale for the proposed renewal of the Unit Buy-Back Mandate and the proposed change of external auditors to be tabled at the Annual General Meeting of Unitholders to be held at 1 Marina Boulevard, Level 8 Room 801, NTUC Centre, Singapore 018989 on 26 July 2017 at 10.00 a.m.

**If you are in any doubt about its contents or as to the action that you should take, you should consult your legal, financial, tax or other professional adviser.**

The Notice of Annual General Meeting and Proxy Form are enclosed with the Annual Report 2017.

**If you have sold or transferred all your units in Accordia Golf Trust, you should forward the Annual Report 2017 and this Letter together with the Notice of Annual General Meeting and the attached Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale for onward transmission to the purchaser or transferee.**

The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) assumes no responsibility for the contents of this Letter, including the correctness of any of the statements or opinions made or reports contained in this Letter.



ACCORDIA GOLF  
TRUST

### ACCORDIA GOLF TRUST

(Business Trust Registration No. 2014002)

(Constituted under the laws of the Republic of Singapore and  
managed by Accordia Golf Trust Management Pte. Ltd.)

#### LETTER TO UNITHOLDERS

##### IN RELATION TO:

- (1) THE PROPOSED RENEWAL OF THE UNIT BUY-BACK MANDATE; AND
- (2) THE PROPOSED CHANGE OF EXTERNAL AUDITORS FROM DELOITTE & TOUCHE LLP TO PRICEWATERHOUSECOOPERS LLP

#### IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	24 July 2017 at 10:00 a.m.
Date and time of Annual General Meeting	:	26 July 2017 at 10:00 a.m.
Place of Annual General Meeting	:	1 Marina Boulevard Level 8 Room 801 NTUC Centre Singapore 018989



---

## TABLE OF CONTENTS

---

	PAGE
<b>DEFINITIONS</b> .....	2
<b>LETTER TO UNITHOLDERS</b> .....	7
1. INTRODUCTION .....	7
2. THE PROPOSED RENEWAL OF THE UNIT BUY-BACK MANDATE .....	7
3. THE PROPOSED CHANGE OF EXTERNAL AUDITORS .....	22
4. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS .....	25
5. ABSTENTION FROM VOTING AND DIRECTORS' RECOMMENDATIONS .....	27
6. ANNUAL GENERAL MEETING .....	27
7. ACTIONS TO BE TAKEN BY THE UNITHOLDERS .....	27
8. DIRECTORS' RESPONSIBILITY STATEMENT .....	28
9. DOCUMENTS AVAILABLE FOR INSPECTION .....	28

---

## DEFINITIONS

---

In this Letter, the following definitions shall apply throughout unless the context otherwise requires:

- “Accordia Group”** : The Trustee-Manager, the Sponsor, K. K. MBKP Resort, Accordia Finance Company DAC, Green Leisure Lux Sarl, Green Leisure Ltd, MBK Partners JC, L.P., MBK Partners Fund III, L.P., MBK Partners GP III, L.P., MBK GP III, Inc., Michael ByungJu Kim, MBK Partners JC, GP L.P., MBK Partners JC GP, Inc., Teck Chien Kong, CPP Investment Board Private Holdings (3) Inc. and Canada Pension Plan Investment Board
- “AGM”** : The forthcoming annual general meeting of Unitholders, to be convened and held on 26 July 2017
- “Annual Report 2017”** : Accordia Golf Trust’s annual report for the financial year ended 31 March 2017
- “Average Closing Price”** : The average of the closing market prices of a Unit over the last five (5) Market Days, on which transactions in the Units were recorded, immediately preceding the date of the Market Purchase by the Trustee-Manager or the Date of the Making of the Offer pursuant to the Off-Market Purchase, as the case may be, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five (5) day period
- “Board” or “Board of Directors”** : The board of directors of the Trustee-Manager for the time being
- “Business Trusts Act”** : The Business Trusts Act, Chapter 31A, of Singapore, as amended, modified or supplemented from time to time
- “CDP”** : The Central Depository (Pte) Limited
- “Companies Act”** : The Companies Act, Chapter 50, of Singapore, as amended, modified or supplemented from time to time
- “Daiwa Securities Group”** : Daiwa Securities Group Inc. and its subsidiaries
- “Date of the Making of the Offer”** : The day on which the Trustee-Manager announces its intention to make an offer for the purchase of Units from Unitholders, stating the purchase price (which shall not be more than the Maximum Price) for each Unit and the relevant terms of the equal access scheme for effecting the Off-Market Purchase
- “Director”** : A director of the Trustee-Manager

---

## DEFINITIONS

---

<b>“DPU”</b>	:	Distribution per Unit
<b>“FY”</b>	:	Financial year ended or ending 31 March, as the case may be
<b>“JPY”</b>	:	The lawful currency of Japan
<b>“Latest Practicable Date”</b>	:	14 June 2017, being the latest practicable date prior to the submission of this Letter
<b>“Letter”</b>	:	This letter to Unitholders dated 7 July 2017
<b>“Listing Manual”</b>	:	The listing manual of SGX-ST, as amended, modified or supplemented from time to time
<b>“Mandate Duration”</b>	:	The period commencing from the date on which the AGM is held and the proposed renewal of the Unit Buy-Back Mandate is approved and expiring on the earliest of the following dates: <ul style="list-style-type: none"><li>(i) the date on which the next annual general meeting of Unitholders is held;</li><li>(ii) the date by which the next annual general meeting is required by law or the provisions of the Trust Deed to be held;</li><li>(iii) the date on which the purchases of Units by the Trustee-Manager pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated; or</li><li>(iv) the date on which the authority conferred by the Unit Buy-Back Mandate is revoked or varied by the Unitholders in a general meeting.</li></ul>
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading in securities
<b>“Market Purchase”</b>	:	On-market purchases transacted on SGX-ST through the ready market through one or more duly licensed dealers appointed by the Trustee-Manager for the purchases of Units in accordance with all applicable laws and regulations, including but not limited to the provisions of the Trust Deed and the rules of the Listing Manual
<b>“Maximum Price”</b>	:	The maximum purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid by the Trustee-Manager for the Units as determined by the Directors which must not exceed: <ul style="list-style-type: none"><li>(a) in the case of a Market Purchase, 105% of the Average Closing Price; and</li><li>(b) in the case of an Off-Market Purchase, 115% of the Average Closing Price</li></ul>

---

## DEFINITIONS

---

<b>“Notice of AGM”</b>	:	The notice of the AGM dated 7 July 2017
<b>“Off-Market Purchases”</b>	:	Off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Trustee-Manager as it may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Trust Deed and the rules of the Listing Manual
<b>“Proposed Change of External Auditors”</b>	:	The proposed appointment of PricewaterhouseCoopers LLP as the external auditors of Accordia Golf Trust, in place of the retiring external auditors of Accordia Golf Trust, Deloitte & Touche LLP
<b>“Register of Unitholders”</b>	:	Register of unitholders of Accordia Golf Trust
<b>“Securities Accounts”</b>	:	Securities account or sub-account maintained by a Depositor with CDP
<b>“Securities and Futures Act”</b>	:	Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time
<b>“SGX-ST”</b>	:	The Singapore Exchange Securities Trading Limited
<b>“SIC”</b>	:	Securities Industry Council
<b>“Sponsor”</b>	:	Accordia Golf Co., Ltd
<b>“Substantial Unitholder”</b>	:	A Unitholder with an interest in one or more Units constituting not less than 5% of all Units in issue
<b>“Take-over Code”</b>	:	The Singapore Code on Take-overs and Mergers
<b>“TM Partner”</b>	:	Daiwa Real Estate Asset Management Co. Ltd.
<b>“Trust Deed”</b>	:	The trust deed dated 16 June 2014 constituting Accordia Golf Trust (as amended and restated by the amending and restating deed dated 21 July 2014)
<b>“Trust Property”</b>	:	All property and rights of any kind whatsoever that are held on trust for the Unitholders, in accordance with the terms of the Trust Deed, including: <ul style="list-style-type: none"><li>(a) contributions of money or any other assets to Accordia Golf Trust;</li><li>(b) property that forms part of the assets of Accordia Golf Trust under the provisions of the Business Trusts Act;</li></ul>

---

## DEFINITIONS

---

- (c) property arising in relation to any contract, agreement, or arrangement entered into by or on behalf of the Trustee-Manager;
- (d) property arising in relation to any claims or rights held by or on behalf of the Trustee-Manager;
- (e) proceeds from money borrowed or raised by the Trustee-Manager for the purposes of Accordia Golf Trust;
- (f) property acquired, directly or indirectly, with the contributions or money referred to in paragraphs (a), (b), (c), (d) or (e) or with the proceeds thereof; and
- (g) profits, incomes and property derived, directly or indirectly, from contributions, money or property referred to in paragraphs (a), (b), (c), (d) or (e).

<b>“Trustee-Manager”</b>	:	Accordia Golf Trust Management Pte. Ltd., as the trustee-manager of Accordia Golf Trust
<b>“Unit”</b>	:	An undivided interest in Accordia Golf Trust
<b>“Unitholder”</b>	:	The registered holder for the time being of a Unit including persons so registered as joint holders, except that where the registered holder is CDP, the term <b>“Unitholder”</b> shall, in relation to Units registered in the name of CDP, mean, where the context requires, the Depositor whose Securities Accounts with CDP is credited with Units
<b>“Unit Buy-Back Mandate”</b>	:	The mandate given to the Trustee-Manager for the purchase by the Trustee-Manager of the issued Units in Accordia Golf Trust
<b>“S\$” and “cents”</b>	:	The lawful currency of the Republic of Singapore
<b>“%” or “percent”</b>	:	Percentage or per centum

The terms **“Depositor”** and **“Depository Register”** shall have the same meanings ascribed to them in Section 81SF of the Securities and Futures Act.

The term **“subsidiary”** has the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations where applicable.

Any reference in this Letter to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Business Trusts Act, Companies Act, the Securities and Futures Act or the Listing Manual or any statutory or regulatory modification thereof and used in this Letter shall, where applicable, have the meaning assigned to it under the Business Trusts Act, Companies Act, the Securities and Futures Act or the Listing Manual or such statutory or regulatory modification thereof, as the case may be, unless otherwise provided.

---

## **DEFINITIONS**

---

Any reference to a date and/or time of day in this Letter shall be a reference to Singapore time unless otherwise stated.

All discrepancies in the figures included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Letter may not be an arithmetic aggregation of the figures that precede them.

The headings in this Letter are inserted for convenience only and shall be ignored in construing this Letter.

---

## LETTER TO UNITHOLDERS

---

### ACCORDIA GOLF TRUST

(Business Trust Registration No. 2014002)  
(Constituted under the laws of the Republic of Singapore and  
managed by Accordia Golf Trust Management Pte. Ltd.)

#### Board of Directors

Mr Khoo Kee Cheok *(Chairman and Independent Director)*  
Mr Yoshihiko Machida *(Executive Director and Chief Executive Officer)*  
Mr Toshikatsu Makishima *(Executive Director and Chief Operating Officer)*  
Mr Chong Teck Sin *(Independent Director)*  
Mr Hitoshi Kumagai *(Independent Director)*

#### Registered Office:

6 Shenton Way #25-09  
OUE Downtown 2  
Singapore 068809

7 JULY 2017

To: **Unitholders of Accordia Golf Trust**

Dear Sir/Madam

- (1) **THE PROPOSED RENEWAL OF THE UNIT BUY-BACK MANDATE; AND**  
(2) **THE PROPOSED CHANGE OF EXTERNAL AUDITORS FROM DELOITTE & TOUCHE  
LLP TO PRICEWATERHOUSECOOPERS LLP**

#### 1. INTRODUCTION

1.1 The Board of Directors refers to Resolutions 2 and 4 in items 2 and 4 of the Notice of Annual General Meeting of Unitholders ("**AGM**"), which is to be tabled at the AGM to be held on 26 July 2017 to seek Unitholders' approval for:

- (i) the proposed renewal of the Unit Buy-Back Mandate; and
- (ii) the Proposed Change of External Auditors.

1.2 The purpose of this Letter is to provide Unitholders with information relating to the proposed renewal of the Unit Buy-Back Mandate and the Proposed Change of External Auditors.

1.3 The Singapore Exchange Securities Trading Limited ("**SGX-ST**") takes no responsibility for the accuracy of any statements or opinions made in this Letter.

#### 2. THE PROPOSED RENEWAL OF THE UNIT BUY-BACK MANDATE

##### 2.1 Background

2.1.1 Any purchase of Units by the Trustee-Manager has to be made in accordance with, and in the manner prescribed by the Trust Deed, the Business Trusts Act, the Listing Manual and such other laws and regulations as may for the time being be applicable.

2.1.2 The Trust Deed provides that for as long as Accordia Golf Trust is listed, the Trustee-Manager may repurchase Units if it has obtained the prior approval of Unitholders to do so at a general meeting.

---

## LETTER TO UNITHOLDERS

---

- 2.1.3 At an Extraordinary General Meeting held on 28 July 2016, Unitholders had approved, *inter alia*, the grant of the Unit Buy-Back Mandate to the Trustee-Manager for the purchase by the Trustee-Manager of the issued Units in Accordia Golf Trust. The authority conferred through the existing Unit Buy-Back Mandate will expire on 26 July 2017, being the date of the forthcoming AGM. In this regard, Unitholders' approval is being sought at the AGM for the proposed renewal of the Unit Buy-Back Mandate by way of an ordinary resolution.
- 2.1.4 Notwithstanding the approval of the proposed renewal of the Unit Buy-Back Mandate at the forthcoming AGM, the prior approval of Unitholders by way of an ordinary resolution will be required for each annual renewal of the Unit Buy-Back Mandate.
- 2.1.5 **Unitholders should note that by voting in favour of the resolution relating to the proposed renewal of the Unit Buy-Back Mandate, they will be authorising the Trustee-Manager to procure the purchase of Units on the terms and conditions set out in paragraph 2 of this Letter and in accordance with all applicable laws and regulations, including but not limited to the provisions of the Trust Deed, the Business Trusts Act and the Listing Manual.**

### 2.2 Rationale for the proposed renewal of the Unit Buy-Back Mandate

- 2.2.1 The approval of the proposed renewal of the Unit Buy-Back Mandate authorising the Trustee-Manager to purchase Units would give the Trustee-Manager the flexibility to undertake Unit buy-backs up to the limit described in paragraph 2.3 below at any time, subject to market conditions, during the period when the Unit Buy-Back Mandate is in force.
- 2.2.2 The rationale for the Trustee-Manager to undertake a purchase of its Units is as follows:
- (a) the Trustee-Manager constantly seeks to increase Unitholders' value and the Unit Buy-Back Mandate is a flexible and cost-effective tool of capital management by which to improve return on equity for Unitholders and/or the net asset value per Unit. By obtaining a Unit Buy-Back Mandate, the Trustee-Manager will have the flexibility to undertake purchases of Units at any time, subject to market conditions, during the period when the Unit Buy-Back Mandate is in force;
  - (b) the Unit Buy-Back Mandate will also facilitate the return to the Unitholders by the Trustee-Manager of surplus cash (if any) which is in excess of Accordia Golf Trust's financial needs in an expedient and cost-effective manner;
  - (c) the Unit Buy-Back Mandate will help to mitigate short-term market volatility in the price of the Units, off-set the effects of short-term speculative trading of the Units and provide the Trustee-Manager the opportunity to purchase or acquire Units when such Units are under-valued; and
  - (d) the Unit buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the DPU.

---

## LETTER TO UNITHOLDERS

---

- 2.2.3 While the Unit Buy-Back Mandate would authorise Unit buy-backs of up to the said 10% limit during the Mandate Duration, Unitholders should note that Unit buy-backs may not necessarily be carried out to the full 10% limit as authorised and the Unit buy-backs will be made only when the Trustee-Manager considers it to be in the best interests of Accordia Golf Trust and/or Unitholders and in circumstances which the Trustee-Manager believes will not result in any material adverse effect on the financial position of Accordia Golf Trust, or result in Accordia Golf Trust being delisted from the SGX-ST.
- 2.2.4 The Trustee-Manager will use its best efforts to ensure that after a purchase of Units pursuant to the Unit Buy-Back Mandate, the number of Units remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of Units on the SGX-ST.
- 2.2.5 If and when circumstances permit, the Trustee-Manager will decide whether to effect the Units buy-back via Market Purchases and/or Off-Market Purchases, after taking into account the relevant factors such as the financial resources available, the prevailing market conditions, and the cost and timing involved.

### **2.3 Authority and Limits of the Unit Buy-Back Mandate**

The authority and limitations placed on the purchases of Units by the Trustee-Manager under the Unit Buy-Back Mandate, if approved at the AGM, are summarised below:

#### **2.3.1 Maximum Number of Units**

- (a) Under the Trust Deed, the total number of Units which may be purchased by the Trustee-Manager pursuant to any unit buy-back mandate is limited to that number of Units representing not more than 10% of the total number of issued Units as at the date of the general meeting when such unit buy-back mandate is approved by the Unitholders. As such, the Unit Buy-Back Mandate is limited to that number of Units representing not more than 10% of the total number of issued Units as at the date on which the resolution authorising the Unit Buy-Back Mandate is passed.
- (b) Solely for illustrative purposes, based on 1,099,122,000 Units in issue as at the Latest Practicable Date, and assuming that no further Units are issued on or prior to the AGM, not more than 109,912,200 Units (representing 10% of the Units in issue as at that date) may be purchased or acquired by the Trustee-Manager pursuant to the Unit Buy-Back Mandate.

#### **2.3.2 Duration of Authority**

- (a) Purchases of Units may be made, at any time and from time to time, by the Trustee-Manager on and from the date of the AGM at which the proposed renewal of the Unit Buy-Back Mandate is approved, up to the earliest of:
- (i) the date on which the next annual general meeting of Unitholders is held;
  - (ii) the date by which the next annual general meeting is required by law or the provisions of the Trust Deed to be held;

---

## LETTER TO UNITHOLDERS

---

- (iii) the date on which the purchases of Units by the Trustee-Manager pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated; or
  - (iv) the date on which the authority conferred by the Unit Buy-Back Mandate is revoked or varied by the Unitholders in a general meeting.
- (b) Under the Trust Deed and the prevailing laws and regulations of Singapore, Accordia Golf Trust is required to convene annual general meetings once in every calendar year and not more than fifteen (15) months after the holding of the last preceding annual general meeting. Depending on the manner in which Accordia Golf Trust is able to fully carry out the Unit Buy-Back Mandate, the Mandate Duration may therefore be more than one (1) calendar or financial year.
- (c) The Unit Buy-Back Mandate may be renewed at subsequent annual general meetings or other general meetings of Unitholders. When seeking the approval of Unitholders for any subsequent unit buy-back mandate, the Trustee-Manager shall disclose details of each Unit buy-back made during the Mandate Duration in respect of the Unit Buy-Back Mandate immediately preceding such Unit Buy-Back Mandate being sought, including the total number of Units purchased, the purchase price per Unit or the highest and lowest prices paid for such purchases of Units, where relevant, and the total consideration paid for such purchases.

### 2.3.3 Manner of purchases of Units

Purchases of Units may be effected by the Trustee-Manager by way of:

- (a) On-Market Purchases; and/or
- (b) Off-Market Purchases.

In an Off-Market Purchase, the Trustee-Manager may impose such terms and conditions which are not inconsistent with the Unit Buy-Back Mandate, the Trust Deed, the Listing Manual and the Business Trusts Act and other applicable laws and regulations, as it considers fit in the interests of Accordia Golf Trust in connection with or in relation to any equal access scheme or schemes. An equal access scheme must, however, satisfy all the following conditions:

- (aa) offers for the purchase of Units shall be made to every person who holds Units to purchase the same percentage of their Units;
- (bb) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (cc) the terms of all the offers are the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Units with different accrued distribution entitlements, (2) differences in consideration attributable to the fact that the offers may relate to Units with different amounts remaining unpaid and (3) differences in the offers introduced solely to ensure that each Unitholder is left with a whole number of Units.

---

## LETTER TO UNITHOLDERS

---

Under Rule 885 of the Listing Manual, if the Trustee-Manager wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (I) the terms and conditions of the offer;
- (II) the period and procedures for acceptances;
- (III) the reasons for the proposed purchase of Units;
- (IV) the consequences, if any, of the purchase of Units that will arise under the Take-over Code or other applicable take-over rules;
- (V) whether the purchase of Units, if made, could affect the listing of the Units on the SGX-ST; and
- (VI) details of any Unit purchase made by the Trustee-Manager in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Units purchased, the purchase price per Unit or the highest and lowest prices paid for the purchases of Units, where relevant, and the total consideration paid for the purchases.

### 2.3.4 Maximum purchase price

The purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid by the Trustee-Manager for the Units as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price; and
- (b) in the case of an Off-Market Purchase, 115% of the Average Closing Price.

## 2.4 **Status of Purchased Units**

Pursuant to the Trust Deed, a Unit purchased by the Trustee-Manager by way of a unit buy-back shall be cancelled immediately on purchase and shall not thereafter be reissued or dealt with in any manner, and all rights and privileges attached to that Unit shall expire on such cancellation.

## 2.5 **Source of Funds**

- 2.5.1 The Trustee-Manager may only apply funds for the purchase of Units as provided in the Trust Deed and in accordance with the applicable laws and regulations in Singapore. The Trustee-Manager may not purchase Units of Accordia Golf Trust for a consideration other than in cash.
- 2.5.2 The Trustee-Manager intends to use Accordia Golf Trust's internal sources of funds or external borrowings or a combination of both to finance the Trustee-Manager's purchase of Units on behalf of Accordia Golf Trust pursuant to the Unit Buy-Back Mandate, subject always to all applicable laws, regulations and guidelines in Singapore that apply to Accordia Golf Trust.

---

## LETTER TO UNITHOLDERS

---

- 2.5.3 Pursuant to the Trust Deed, the Trustee-Manager may purchase Units out of the assets of Accordia Golf Trust by paying a sum sufficient to satisfy the purchase price of the Units, provided that the Board of Directors makes a written statement, in accordance with a resolution of the Board of Directors and signed by not less than two Directors, that the Board of Directors is satisfied on reasonable grounds that, immediately after the purchase of Units, the Trustee-Manager will be able to fulfill from the Trust Property, the liabilities of Accordia Golf Trust as these liabilities fall due, in accordance with the requirements of all applicable laws, regulations and guidelines in Singapore that apply to Accordia Golf Trust.
- 2.5.4 In purchasing of Units pursuant to the Unit Buy-Back Mandate, the Trustee-Manager will, principally consider the availability of internal resources. The Trustee-Manager will only make purchases of Units pursuant to the Unit Buy-Back Mandate in circumstances when the Trustee-Manager considers it to be in the best interests of Accordia Golf Trust and/or Unitholders and which they believe will not result in any material adverse effect to the financial position and/or the gearing level of Accordia Golf Trust.

### 2.6 Financial Effects

- 2.6.1 It is not possible for the Trustee-Manager to calculate realistically or quantify the impact of purchases of Units that may be made pursuant to the Unit Buy-Back Mandate on the net asset value per Unit and DPU as the resultant effect would depend on, *inter alia*, the aggregate number of Units purchased, whether the purchase is made out of capital or profits, the purchase prices paid for such Units and the amount (if any) borrowed to fund the purchases.
- 2.6.2 Accordia Golf Trust's total number of issued Units will be diminished by the total number of Units purchased by way of a Unit buy-back as such Units will be cancelled.
- 2.6.3 As with companies governed by the Companies Act, purchases of Units by the Trustee-Manager may be made out of Accordia Golf Trust's capital or profits so long as Accordia Golf Trust is solvent. Where the consideration paid by Accordia Golf Trust for the purchase by way of a Unit buy-back is made out of profits, such consideration (excluding related expenses) will correspondingly reduce the amount available for distribution by Accordia Golf Trust.
- 2.6.4 The Trustee-Manager does not propose to exercise the Unit Buy-Back Mandate to such an extent that it would have a material adverse effect on the working capital requirements of Accordia Golf Trust. The purchase of Units will only be effected after considering relevant factors such as the working capital requirements, availability of financial resources, gearing level and the expansion and investment plans of Accordia Golf Trust, as well as non-financial factors such as prevailing market conditions and trading performance of the Units in assessing the impact on Accordia Golf Trust of such Unit buy-backs. The Unit Buy-Back Mandate will be exercised with a view to enhance the DPU and/or the net asset value per Unit and will only be effected if the Trustee-Manager is satisfied on reasonable grounds that, for the purposes of any purchases of Units, the Trustee-Manager will be able to fulfil from the Trust Property, the liabilities of Accordia Golf Trust as these liabilities fall due.

---

## LETTER TO UNITHOLDERS

---

- 2.6.5 **For illustrative purposes only:** the financial effects of the Unit Buy-Back Mandate on Accordia Golf Trust are based on the audited financial statements of Accordia Golf Trust for the financial year ended 31 March 2017 (“**FY2017 Accounts**”) and on the assumptions set out below:
- (a) based on 1,099,122,000 Units in issue as at the Latest Practicable Date and assuming no further Units are issued on or prior to the AGM at which the proposed renewal of the Unit Buy-Back Mandate is approved and before the expiry of the Mandate Duration, not more than 109,912,200 Units (representing 10% of the issued Units as at the Latest Practicable Date) may be purchased by the Trustee-Manager pursuant to the Unit Buy-Back Mandate;
  - (b) that purchases of Units are made to the extent as aforesaid;
  - (c) the Unit Buy-Back Mandate had been effective on 1 April 2016;
  - (d) the distribution for the year ended 31 March 2017 was S\$0.0604 per Unit;
  - (e) the Trustee-Manager had purchased the Units on the last day of the financial year with cash retained for the year (after distribution of the minimum guaranteed amount);
  - (f) Units purchased on the last day of the financial year are included in computing the pro forma financial effects of the financial year; and
  - (g) incentive fees, where applicable, are waived.
- 2.6.6 Assuming that the Trustee-Manager purchases 109,912,200 Units at the Maximum Price, the maximum amount of funds required is approximately:
- (i) in the case of Market Purchases, S\$81,335,028, based on S\$0.74 for each Unit (being 105% of the Average Closing Price of a Unit immediately preceding the Latest Practicable Date); and
  - (ii) in the case of an Off-Market Purchase, S\$89,028,882, based on S\$0.81 for each Unit (being 115% of the Average Closing Price of a Unit immediately preceding the Latest Practicable Date).
- 2.6.7 Based on the FY2017 Accounts, after the payment of distribution for the year ended 31 March 2017, the cash resources available for the Trustee-Manager to undertake Unit buy-backs is approximately JPY7,097 million, being net of available cash of JPY10,252 million and distribution of JPY3,155 million which was paid out in June 2017. Accordingly, the Trustee-Manager will be able to purchase, for the duration of the Unit Buy-Back Mandate, approximately up to:
- (i) 109,912,200 Units, in the case of Market Purchases, representing approximately 10% of the total number of issued Units as at the Latest Practicable Date; and
  - (ii) 109,912,200 Units, in the case of Off-Market Purchases, representing approximately 10% of the total number of issued Units as at the Latest Practicable Date.

## LETTER TO UNITHOLDERS

2.6.8 On the basis of the above, the financial effects of the purchase of such Units by the Trustee-Manager on the FY2017 Accounts (assuming the exercise in full of the Unit Buy-Back Mandate) would be as set out as follows:

<b>As at 31 March 2017</b>	<b>Before Unit Buy-Back JPY (million)</b>	<b>After Unit Buy-Back assuming Market Purchase JPY (million)</b>	<b>After Unit Buy-Back assuming Off-Market Purchase JPY (million)</b>
<b>Capital and Reserves</b>			
Unitholders' fund	81,086	74,604	73,991
Accumulated loss	(605)	(605)	(605)
Cashflow hedging reserve	(201)	(201)	(201)
<b>Net assets attributable to Unitholders</b>	<b>80,280</b>	<b>73,798</b>	<b>73,185</b>
Non-controlling interest	316	316	316
<b>Total Equity</b>	<b>80,596</b>	<b>74,114</b>	<b>73,501</b>
<b>Net assets</b>	<b>80,596</b>	<b>74,114</b>	<b>73,501</b>
<b>Total assets</b>	<b>178,372</b>	<b>171,890</b>	<b>171,277</b>
<b>Current assets</b>	<b>14,121</b>	<b>7,639</b>	<b>7,026</b>
<b>Current liabilities</b>	<b>37,602</b>	<b>37,602</b>	<b>37,602</b>
<b>Total borrowings</b>	<b>43,629</b>	<b>43,629</b>	<b>43,629</b>
<b>Cash and cash equivalents</b>	<b>10,252</b>	<b>3,770</b>	<b>3,157</b>
<b>Number of issued Units ('000)</b>	<b>1,099,122</b>	<b>989,210</b>	<b>989,210</b>
<b>Financial ratios</b>			
Basic earnings per Unit (JPY)	3.64	4.04	4.04
Basic earnings per Unit (cents)	4.65	5.08	5.08
Net asset value per Unit (JPY)	73.04	74.92	74.30
Net asset value per Unit (cents)	0.91	0.94	0.93
Current ratio	0.38	0.20	0.19
Gearing ratio <sup>(1)</sup>	0.54	0.59	0.59
Distribution per Unit (JPY)	4.71	5.23	5.23
Distribution per Unit (cents)	6.04	6.57	6.57

**Note:**

(1) "Gearing ratio" is calculated using the ratio of total borrowings to total equity.

---

## LETTER TO UNITHOLDERS

---

- 2.6.9 Unitholders should also note that the financial effects set out above are for illustration purposes only (based on the aforementioned assumptions). The actual impact will depend on, *inter alia*, the number and price of the Units purchased (if any). In particular, Unitholders should note that the above analysis is based on the audited financial statements of Accordia Golf Trust for FY2017 and is not necessarily representative of future financial performance.
- 2.6.10 Although the Unit Buy-Back Mandate would authorise the Trustee-Manager to purchase up to 10% of the total number of issued Units, the Trustee-Manager may not necessarily purchase or be able to purchase the entire 10% of the total number of issued Units at any time while the Unit Buy-Back Mandate is valid. In particular, the maximum number of Units that the Trustee-Manager may purchase under the Unit Buy-Back Mandate is limited to the extent that Accordia Golf Trust will remain solvent. The Trustee-Manager does not intend to exercise the Unit Buy-Back Mandate up to the maximum limit if such exercise would materially and adversely affect the financial position of Accordia Golf Trust.

### 2.7 Reporting Requirements

- 2.7.1 The Listing Manual specifies that an issuer shall notify the SGX-ST of all purchases of its units not later than 9.00 a.m. (a) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer.
- 2.7.2 The notification of any such purchases of Units to the SGX-ST (in the form of an announcement on the SGXNET) shall be in such form and shall include such details as the SGX-ST may prescribe.
- 2.7.3 The Trustee-Manager shall make arrangements with the appointed stockbrokers and/or custodians to ensure that they provide the Trustee-Manager in a timely fashion the necessary information which will enable the Trustee-Manager to make the notifications to the SGX-ST.

### 2.8 Listing Rules

#### 2.8.1 Suspension of Buy-Back of Units

While the Listing Manual does not expressly prohibit any purchase of units by a trustee-manager during any particular time or times, because a trustee-manager would be regarded as an “insider” in relation to any proposed purchase of its issued units, the Trustee-Manager, in line with the best practices guide on securities dealings issued by SGX-ST, will not undertake any purchase of Units pursuant to the Unit Buy-Back Mandate in any of the following circumstances:

- (a) at any time after any matter or development of a price-sensitive nature has occurred or has been the subject of a decision of the Board of Directors until the price-sensitive information has been publicly announced; and
- (b) during the period commencing one month immediately preceding the announcement of Accordia Golf Trust’s full-year results and the period of two weeks before the announcement of Accordia Golf Trust’s first quarter, second quarter and third quarter results.

---

## LETTER TO UNITHOLDERS

---

2.8.2 The Listing Manual requires a listed business trust to ensure that at least 10% of its units must be held by Public Unitholders. As at the Latest Practicable Date, approximately 41.08% of the issued Units are held by Public Unitholders. Assuming that the Trustee-Manager undertakes purchases of its Units up to the full 10% limit permitted under the Unit Buy-Back Mandate, approximately 34.54% of the issued Units will be held by Public Unitholders. Accordingly, the Trustee-Manager is of the view that there is a sufficient number of the Units in issue held by Public Unitholders which would permit the Trustee-Manager to undertake purchases of its Units through Market Purchases up to the full 10% limit pursuant to the Unit Buy-Back Mandate without affecting the listing status of the Units on the SGX-ST, and that the number of Units remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

### 2.9 Take-over Implications

2.9.1 The circumstances under which Unitholders and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase of Units by the Trustee-Manager are set out in Appendix 2 of the Take-over Code. The take-over implications which may arise from any purchase by the Manager of Units by way of a Unit buy-back are set out below.

(a) *Obligation to make a Take-over Offer*

If, as a result of any purchase by the Trustee-Manager of the Units, the proportionate interest in the voting rights of a Unitholder and persons acting in concert with him/her increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in a change of effective control, or, as a result of such increase, a Unitholder or group of Unitholders acting in concert obtains or consolidates effective control of Accordia Golf Trust, such Unitholder or group of Unitholders acting in concert could become obliged to make a take-over offer under Rule 14 of the Take-over Code.

(b) *Persons Acting in Concert*

Applying the Take-over Code to Accordia Golf Trust, to the extent possible, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of Units (or otherwise), to obtain or consolidate effective control of Accordia Golf Trust.

Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert:

- (i) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the foregoing companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights;
- (ii) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- (iii) a company with any of its pension funds and employee share schemes;

---

## LETTER TO UNITHOLDERS

---

- (iv) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (v) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all those funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- (vi) directors of a company, together with their close relatives, related trusts and companies controlled by any of the foregoing, which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
- (vii) partners; and
- (viii) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the foregoing persons and entities, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons and entities for the purchase of voting rights.

For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company.

The circumstances under which Unitholders and/or persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase of Units by the Trustee-Manager are set out in Appendix 2 of the Take-over Code.

(c) *Effect of Rule 14 and Appendix 2 of the Take-over Code*

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Unitholders and/or persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Trustee-Manager purchasing Units by way of a Unit buy-back, the voting rights of such Unitholders and/or their concert parties would increase to 30% or more, or if the voting rights of such Unitholders and/or their concert parties fall between 30% and 50% of the voting rights in Accordia Golf Trust, the voting rights of such Unitholders and/or their concert parties would increase by more than 1% in any period of six (6) months.

Under Appendix 2 of the Take-over Code, a Unitholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Trustee-Manager purchasing Units by way of a Unit buy-back, the voting rights of such Unitholder would increase to 30% or more, or, if such Unitholder holds between 30% and 50% of the voting rights in Accordia Golf Trust, the voting rights of such Unitholder would increase by more than 1% in any period of six (6) months. Such Unitholder need not abstain from voting in respect of the ordinary resolution authorising the proposed renewal of the Unit Buy-Back Mandate.

---

## LETTER TO UNITHOLDERS

---

### 2.10 Exemption from requirement to make an offer under Rule 14 of the Take-over Code

#### Interests of Mr Yoshihiko Machida, Mr Toshikatsu Makishima, Accordia Group and Daiwa Securities Group

- 2.10.1 As at the Latest Practicable Date, each of the Accordia Group (save for the Trustee-Manager) and the Daiwa Securities Group has an aggregate interest (direct and deemed) in 317,097,000 and 65,922,900 Units in Accordia Golf Trust respectively, representing approximately 28.85% and 6.00% respectively of the issued Units of Accordia Golf Trust. The Trustee-Manager is a joint venture company incorporated in Singapore, with 51% of its shareholding held by the TM Partner, which is a wholly-owned subsidiary of Daiwa Securities Group Inc., and 49% of its shareholding held by the Sponsor. By reason of the joint venture between the TM Partner and the Sponsor in respect of the Trustee-Manager, the TM Partner and the Sponsor will be presumed under the Take-over Code to be acting in concert with each other in relation to Accordia Golf Trust and accordingly the Accordia Group and the Daiwa Securities Group will also be regarded under the Take-over Code to be acting in concert with each other in respect of Accordia Golf Trust. Further, pursuant to a shareholders' agreement entered into between the Sponsor and the TM Partner in connection with their shareholdings in the Trustee-Manager (the "**Shareholders' Agreement**"), each of the Sponsor and the TM Partner had nominated Mr Yoshihiko Machida and Mr Toshikatsu Makishima to the Board respectively. Accordingly, the Accordia Group, the Daiwa Securities Group, Mr Yoshihiko Machida and Mr Toshikatsu Makishima are presumed to be parties acting in concert with one another.
- 2.10.2 Based on the 1,099,122,000 Units in issue as at the Latest Practicable Date, the exercise in full of the Unit Buy-Back Mandate ("**Full Buy-Back**") would result in the purchase of 109,912,200 Units. Assuming a Full Buy-Back is made, the unitholding interest of the Accordia Group, the Daiwa Securities Group, Mr Yoshihiko Machida and Mr Toshikatsu Makishima will increase from approximately 34.85% to approximately 38.72% of the issued Units of Accordia Golf Trust. In such a situation, if the aggregate voting rights of the Accordia Group, the Daiwa Securities Group, Mr Yoshihiko Machida and Mr Toshikatsu Makishima increases by more than 1% in any period of 6 months, the Accordia Group, the Daiwa Securities Group, Mr Yoshihiko Machida and Mr Toshikatsu Makishima would be required to make a general offer under Rule 14.1(b) of the Take-over Code for Accordia Golf Trust.
- 2.10.3 Other than the foregoing, the Trustee-Manager is not aware of any Director or Substantial Unitholder holding between 30% and 50% of the voting rights of Accordia Golf Trust or such number of Units which voting rights could increase to 30% or more of Accordia Golf Trust's voting rights as the result of purchases of Units by the Trustee-Manager pursuant to the Unit Buy-Back Mandate. In addition, the Trustee-Manager is not aware of any fact(s) or factor(s) which suggest or imply that any particular person(s) and/or Unitholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in the voting rights in Accordia Golf Trust should or ought to be consolidated, and consequences under the Take-over Code would ensue, as a result of a purchase of Units by the Trustee-Manager pursuant to the Unit Buy-Back Mandate.

---

## LETTER TO UNITHOLDERS

---

2.10.4 Under Appendix 2 of the Take-over Code, each of the Accordia Group, the Daiwa Securities Group, Mr Yoshihiko Machida and Mr Toshikatsu Makishima and parties acting in concert with them (collectively hereinafter referred to as “**Accordia/Daiwa Concert Parties**” and each a “**Accordia/Daiwa Concert Party**”) will be exempted from the requirement to make an offer under Rule 14 of the Take-over Code if the following conditions are satisfied:

- (a) this Letter contains advice to the effect that, by voting in favour of the resolution approving the adoption of the Unit Buy-Back Mandate (the “**Buy-Back Resolution**”), Unitholders are waiving their right to a general offer at the required price from directors and parties acting in concert with them who, as a result of the Trustee-Manager buying back the Units, would increase their voting rights to 30% or more, or, if they together hold between 30% and 50% of Accordia Golf Trust’s voting rights, would increase their voting rights by more than 1% in any period of 6 months; and the names and voting rights of such directors and persons acting in concert with them as of the Latest Practicable Date prior to the printing of this Letter and after a Full Buy-Back is disclosed in this Letter;
- (b) the Buy-Back Resolution is approved by a majority of the Unitholders who are present and voting at the AGM on a poll who could not be obliged to make a general offer for Accordia Golf Trust as a result of the buy-back of Units by the Trustee-Manager pursuant to the Unit Buy-Back Mandate;
- (c) each of the Accordia/Daiwa Concert Parties abstains from exercising any voting rights that he/it may have in respect of the Buy-Back Resolution and each of Mr Yoshihiko Machida and Mr Toshikatsu Makishima abstains from making a recommendation to Unitholders to vote in favour of the Buy-Back Resolution; and
- (d) within seven (7) days after the passing of the Buy-Back Resolution, each of Mr Yoshihiko Machida and Mr Toshikatsu Makishima to submit to the SIC a duly signed form as prescribed by the SIC; and
- (e) none of the Accordia/Daiwa Concert Parties has acquired and will acquire any Units between the date on which he/it knows that the announcement of the proposal for the Unit Buy-Back Mandate is imminent and the earlier of:
  - (i) the date on which the authority for the Unit Buy-Back Mandate expires; and
  - (ii) the date on which the Trustee-Manager announces that it has (a) bought back such number of Units as authorised by Unitholders at the AGM or (b) decided to cease buying back the Units, as the case may be,

if any such acquisition, taken together with the buy-back, would cause the aggregate holding of the Accordia/Daiwa Concert Parties to increase by more than 1% in any period of 6 months.

---

## LETTER TO UNITHOLDERS

---

- 2.10.5 If the Trustee-Manager has bought back such number of Units as authorised by the Unitholders at the latest general meeting or has ceased to buy back Units and the aggregate voting rights held by the Accordia/Daiwa Concert Parties at such time have increased by 1% or more in any period of 6 months as a result of the Trustee-Manager's Unit buy-back, the Accordia/Daiwa Concert Parties will incur a general offer obligation for the Units of Accordia Golf Trust if they acquire additional voting rights in Accordia Golf Trust (other than as a result of the Trustee-Manager's Unit buy-back) before the date of Accordia Golf Trust's next annual general meeting is or is required to be held.
- 2.10.6 If the Trustee-Manager has ceased to buy back Units and the increase in the voting rights held by the Accordia/Daiwa Concert Parties as a result of the Trustee-Manager purchasing Units at such time is less than 1% in any period of 6 months, the Accordia/Daiwa Concert Parties may acquire further voting rights in Accordia Golf Trust. However, any increase in the Accordia/Daiwa Concert Parties' percentage voting rights as a result of the Trustee-Manager's Unit buy-back will be taken into account together with any voting rights acquired by the Accordia/Daiwa Concert Parties (by whatever means) in determining whether the Accordia/Daiwa Concert Parties have increased their aggregate voting rights in Accordia Golf Trust by more than 1% in any period of 6 months.
- 2.10.7 **Advice to Unitholders**

**Unitholders are advised that by voting in favour of the ordinary resolution relating to the proposed renewal of the Unit Buy-Back Mandate, they will be waiving their rights to a take-over offer at the required price from the Accordia/Daiwa Concert Parties who, as a result of the purchase of Units by the Trustee-Manager pursuant to the Unit Buy-Back Mandate, would increase their aggregate interest in the Units by more than 1% in any period of 6 months.**

- 2.10.8 **Voting rights of the Accordia/Daiwa Concert Parties before and after Unit Buy-Back and assuming the Full Buy-Back**

Based on the issued Units of Accordia Golf Trust as at the Latest Practicable Date, and assuming that:

- (a) there is no change in the issued Units of Accordia Golf Trust between the Latest Practicable Date and the date of the AGM;
- (b) none of the Accordia Group and the Daiwa Securities Group otherwise sells or disposes of its holdings of Units;
- (c) the Trustee-Manager purchases 109,912,200 Units being the maximum 10% of the issued Units as at the Latest Practicable Date under the Unit Buy-Back Mandate; and
- (d) there is no change in the number of Units held or deemed to be held by the Accordia Group, the Daiwa Securities Group, Mr Yoshihiko Machida and Mr Toshikatsu Makishima,

## LETTER TO UNITHOLDERS

the aggregate interest (direct and deemed) in Units of the Accordia Group, the Daiwa Securities Group, Mr Yoshihiko Machida and Mr Toshikatsu Makishima as at the date of the AGM and after the purchase by the Trustee-Manager of 10% of the issued Units pursuant to the Unit Buy-Back Mandate are as follows:

	Direct Interest		Deemed Interest		% Interests Before Unit Buy-Back	% Interests After Unit Buy-Back
	No. of Units	(%) <sup>(1)</sup>	No. of Units	(%) <sup>(1)</sup>		
Accordia Group (save for the Trustee-Manager)	317,097,000	28.85	–	–	28.85	32.06
Daiwa Securities Group	–	–	65,922,900 <sup>(2)</sup>	6.00	6.00	6.66
Trustee-Manager	–	–	–	–	–	–
Yoshihiko Machida	–	–	–	–	–	–
Toshikatsu Makishima	–	–	–	–	–	–

**Notes:**

- (1) Based on 1,099,122,000 issued Units as at the Latest Practicable Date.
- (2) Daiwa Securities Group Inc.'s subsidiaries Daiwa PI Partners Co. Ltd. and Daiwa Securities Co. Ltd. hold the units.

**2.10.9 The statements in this Letter do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Unitholders are advised to consult their professional advisers, the SIC or other relevant authorities at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any purchase of Units by the Trustee-Manager.**

**2.11 Tax implications arising from Unit Purchases**

**Unitholders who are in doubt as to their respective tax positions or tax implications of Unit purchases by the Trustee-Manager, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.**

**2.12 Units Purchased by the Trustee-Manager**

The Trustee-Manager has not made any Unit buy-backs in the 12 months preceding the date of this Letter.

**2.13 Unitholders' Approval**

In view of the foregoing, the Trustee-Manager is seeking Unitholders' approval under Resolution 4 in item 4 of the Notice of AGM to authorise the Trustee-Manager to procure the purchase of Units on the terms and conditions set out in Paragraph 2 of this Letter and in accordance with all applicable laws and regulations, including but not limited to the provisions of the Trust Deed and the Listing Manual.

---

## LETTER TO UNITHOLDERS

---

### 3. THE PROPOSED CHANGE OF EXTERNAL AUDITORS

#### 3.1 Background

Accordia Golf Trust's existing external auditors, Deloitte & Touche LLP ("**Deloitte**"), have been external auditors of Accordia Golf Trust since its constitution as a trust, pursuant to a trust deed dated 21 July 2014, prior to its commencement as a listed entity on the SGX-ST on 1 August 2014. Deloitte was last re-appointed as external auditors of Accordia Golf Trust at the previous annual general meeting of Accordia Golf Trust held on 28 July 2016 to hold office until the conclusion of the forthcoming AGM.

#### 3.2 Information on PricewaterhouseCoopers LLP

- 3.2.1 With more than 2,500 staff, including over 100 partners, PricewaterhouseCoopers LLP ("**PwC**") Singapore team is a leading professional services firm in Singapore. PwC provides a wide range of services to help organisations solve business issues, identify and maximise opportunities. Globally, PwC has a network of firms in 157 countries with more than 223,000 people. Their highly qualified and experienced professionals, in Singapore and throughout the globe, allow them to provide the support their clients need wherever they may be located.
- 3.2.2 The PwC Singapore team will be led by Mr Yeow Chee Keong who has more than 23 years of experience in assurance assignments. Mr Yeow is the Leader of the Real Estate and Hospitality Practice of PwC Singapore and has been involved in the audits of various REITs in Singapore. He has also worked in Melbourne, New York and Shanghai on key regional and global PwC client engagements. Mr Yeow is a practising member of the Institute of Singapore Chartered Accountants and is a public accountant registered with the Accounting and Corporate Regulatory Authority of Singapore.
- 3.2.3 Mr Yeow will be assisted by a team of audit professionals in performing the audit. The audit team includes a quality review partner, who is an experienced partner to ensure that the engagement team provides independent and objective viewpoints on the audit. The audit team also consists of an engagement manager, as well as senior and graduate associates.
- 3.2.4 For more information on PwC, please visit [www.pwc.com/sg](http://www.pwc.com/sg).

#### 3.3 Rationale

- 3.3.1 The Board of Directors received a letter of nomination from the Sponsor nominating PwC as external auditors of Accordia Golf Trust in place of the retiring external auditors at the forthcoming AGM ("**Letter of Nomination**"). The Sponsor will not be reappointing the retiring external auditors, Deloitte, as the Sponsor's external auditors and will instead be appointing PwC as the Sponsor's external auditors for the financial year ending 31 March 2018. Accordingly, the Sponsor had nominated PwC as external auditors of Accordia Golf Trust in order to better align the financial reporting process of the Sponsor and Accordia Golf Trust.
- 3.3.2 The Audit and Risk Committee (the "**ARC**") of the Trustee-Manager reviews the independence and objectivity of the external auditors of Accordia Golf Trust annually. Deloitte have been the external auditors for Accordia Golf Trust since July 2014. Deloitte have provided Accordia Golf Trust with sound professional audit services since their appointment and the ARC notes that Deloitte has met the audit quality indicators

---

## LETTER TO UNITHOLDERS

---

introduced by the Accounting and Corporate Regulatory Authority of Singapore. Nevertheless, in view of the Letter of Nomination, the ARC considered the request and is of the view that a change in external auditors at this point would be timely. The ARC is of the view that it would be prudent to remain aligned with the Sponsor by appointing PwC as the external auditors of Accordia Golf Trust. The ARC is also of the view that a change in external auditors would enable Accordia Golf Trust to benefit from a fresh perspective and the views of another professional firm. In addition, the ARC had considered such audit quality indicators introduced by the Accounting and Corporate Regulatory Authority of Singapore when evaluating and selecting the new external auditors. In consideration of the abovementioned factors, the ARC, accordingly, recommended to the Board the appointment of PwC. The Board has accepted the ARC's recommendation subject to the approval of the Unitholders at the forthcoming AGM.

- 3.3.3 The scope of audit to be provided by PwC will be comparable to the scope of audit currently provided by Deloitte.
- 3.3.4 Following the above, PwC had given their written consent to be appointed as external auditors of Accordia Golf Trust, subject to approval of the Unitholders at the forthcoming AGM. The appointment of PwC would be effective upon obtaining the approval of Unitholders at the forthcoming AGM for the Proposed Change of External Auditors. If approved, PwC will hold office until the conclusion of the next Annual General Meeting of Accordia Golf Trust.
- 3.3.5 In view of the above, Deloitte will retire and not seek re-appointment as external auditors of Accordia Golf Trust at the forthcoming AGM, being the end of their current term. Accordia Golf Trust had received an email from Deloitte giving notice that they would not be seeking re-appointment as external auditors of Accordia Golf Trust at the forthcoming AGM. The Board wishes to express its appreciation for the past services rendered by Deloitte.

### **3.4. Listing Rules**

- 3.4.1 Rule 712 of the Listing Manual provides that an issuer must appoint a suitable auditing firm to meet its audit obligations, having regard to the adequacy of the resources and experience of the auditing firm and the audit engagement partner assigned to the audit, the firm's other audit engagements, the size and complexity of the listed group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit. In addition, the auditing firm appointed by the issuer must meet either of the following requirements:
- (i) be registered with the Accounting and Corporate Regulatory Authority of Singapore;
  - (ii) be registered with and/or regulated by an independent audit oversight body acceptable to the SGX-ST; or
  - (iii) be any other auditing firm acceptable by the SGX-ST.
- 3.4.2 Furthermore, a change of auditing firm must be specifically approved by shareholders in a general meeting. In this regard, PwC is registered with the Accounting and Corporate Regulatory Authority of Singapore. Additional details on PwC (including the engagement partner, the supervisory and professional staff assigned to the audit of Accordia Golf Trust) are set out in Paragraph 3.2 above.

---

## LETTER TO UNITHOLDERS

---

3.4.3 Rule 715 of the Listing Manual provides that an issuer must engage the same auditing firm based in Singapore to audit its accounts, and its Singapore-incorporated subsidiaries and significant associated companies. In addition, an issuer must engage a suitable auditing firm for its significant foreign-incorporated subsidiaries and associated companies. Accordia Golf Trust does not have any Singapore-incorporated subsidiary, significant foreign-incorporated subsidiary or significant associated company.

### 3.5 Confirmations

In accordance with the requirements of Rule 1203(5) of the Listing Manual:

- (a) the outgoing external auditors, Deloitte, have confirmed that they are not aware of any professional reasons why the new external auditors, PwC, should not accept appointment as external auditors of Accordia Golf Trust;
- (b) the Trustee-Manager confirms that there were no disagreements with the retiring external auditors, Deloitte, on accounting treatments within the last 12 months;
- (c) the Trustee-Manager confirms that it is not aware of any circumstances connected with the Proposed Change of External Auditors that should be brought to the attention of Unitholders which has not been disclosed in this Letter;
- (d) the specific reasons for the Proposed Change of External Auditors are disclosed in Paragraph 3.3 above; and
- (e) the Trustee-Manager confirms that Rule 712 and Rule 715 read with Rule 716 of the Listing Manual are complied with in relation to the appointment of PwC as the external auditors of Accordia Golf Trust.

### 3.6 Opinion of the Audit and Risk Committee

The ARC has reviewed and deliberated, and after taking into consideration the suitability of PwC and compliance with the Listing Manual, is satisfied that the appointment of PwC as the external auditors of Accordia Golf Trust would not compromise the standard and effectiveness of the audit of Accordia Golf Trust, and recommends the appointment of PwC as the external auditors of Accordia Golf Trust in place of the retiring external auditors, Deloitte, to hold office until the conclusion of the next Annual General Meeting of Accordia Golf Trust.

### 3.7 Opinion of the Directors

The Directors have taken into account the ARC's recommendation and considered the following factors:

- (a) the adequacy of the resources and experience of PwC;
- (b) the persons assigned to the audit;
- (c) PwC's other audit engagements;
- (d) the size and complexity of Accordia Golf Trust; and

## LETTER TO UNITHOLDERS

- (e) the number and experience of supervisory and professional staff to be assigned to the audit.

The Directors are satisfied that PwC will be able to meet the audit requirements of Accordia Golf Trust and based on the foregoing and the bases as set out in Paragraph 3.4 above, Rules 712 and 715 of the Listing Manual have been complied with. Accordingly, the Directors have recommended the Proposed Change of External Auditors.

### 3.8 Consents

Each of Deloitte and PwC has given and has not withdrawn its written consent to the issue of this Letter with the inclusion of their name and all references thereto, in the form and context in which they appear in this Letter.

## 4. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

- 4.1 Based on the register of Director's unitholdings as at the Latest Practicable Date, and as at the date of the AGM (on the assumption that their voting rights will not change between the Latest Practicable Date and the date of the AGM), the Directors do not hold any direct or deemed interests and voting rights in Accordia Golf Trust.

- 4.2 Based on the register of Substantial Unitholders, as at the Latest Practicable Date, and as at the date of the AGM (on the assumption that their voting rights will not change between the Latest Practicable Date and the date of the AGM), the direct and deemed interests and voting rights of the Substantial Unitholders are as follows:

	Direct Interest		Deemed Interest	
	No. of Units	(%)	No. of Units	(%)
Accordia Golf Co., Ltd ("AGCL")	317,097,000	28.85	–	–
K. K. MBKP Resort	–	–	317,097,000 <sup>(1)</sup>	28.85
Accordia Finance Company DAC	–	–	317,097,000 <sup>(1)</sup>	28.85
Green Leisure Lux Sarl	–	–	317,097,000 <sup>(1)</sup>	28.85
Green Leisure Ltd	–	–	317,097,000 <sup>(1)</sup>	28.85
MBK Partners JC, L.P.	–	–	317,097,000 <sup>(2)</sup>	28.85
MBK Partners Fund III, L.P.	–	–	317,097,000 <sup>(3)</sup>	28.85
MBK Partners GP III, L.P.	–	–	317,097,000 <sup>(3)</sup>	28.85
MBK GP III, Inc.	–	–	317,097,000 <sup>(3)</sup>	28.85
Michael ByungJu Kim	–	–	317,097,000 <sup>(3)</sup>	28.85
MBK Partners JC, GP L.P.	–	–	317,097,000 <sup>(4)</sup>	28.85
MBK Partners JC GP, Inc.	–	–	317,097,000 <sup>(4)</sup>	28.85
Teck Chien Kong	–	–	317,097,000 <sup>(4)</sup>	28.85
CPP Investment Board Private Holdings (3) Inc.	–	–	317,097,000 <sup>(5)</sup>	28.85

## LETTER TO UNITHOLDERS

	Direct Interest		Deemed Interest	
	No. of Units	(%)	No. of Units	(%)
Canada Pension Plan Investment Board	–	–	317,156,000 <sup>(5)</sup>	28.86
Daiwa PI Partners Co. Ltd. (“DPPCL”)	58,858,000	5.36	–	–
Daiwa Investment Management Inc (“DIMI”)	–	–	58,858,000 <sup>(6)</sup>	5.36
Daiwa Securities Group Inc. (“DSGI”)	–	–	65,922,900 <sup>(7)</sup>	6.00
Global Long Short Master Ireland Limited (“GLSM Ireland”)	120,923,600 <sup>(8)</sup>	11.00	–	–
The Goldman Sachs Group, Inc (“GSG”)	–	–	164,140,968 <sup>(9)</sup>	14.93
Morgan Stanley & Co. LLC	–	–	80,529,831 <sup>(10)</sup>	7.33
Morgan Stanley Domestic Holdings, Inc.	–	–	80,529,831 <sup>(10)</sup>	7.33
Morgan Stanley Capital Management, LLC	–	–	80,529,831 <sup>(10)</sup>	7.33
Morgan Stanley	–	–	100,425,054 <sup>(10)</sup>	9.14
Mitsubishi UFJ Financial Group Inc (“Mitsubishi UFJ”)	–	–	100,425,054 <sup>(11)</sup>	9.14

**Notes:**

- (1) Green Leisure Ltd is the sole shareholder of Green Leisure Lux Sarl. Green Leisure Lux Sarl is the sole shareholder of Accordia Finance Company DAC, which in turn is the sole shareholder of K.K. MBKP Resort. K.K. MBKP Resort holds a controlling interest in AGCL.  
Green Leisure Ltd, Green Leisure Lux Sarl, Accordia Finance Company DAC and K. K. MBKP Resort are therefore each deemed to be interested in Units held by AGCL.
- (2) MBK Partners JC, L.P. is a controlling shareholder of Green Leisure Ltd.
- (3) Michael ByungJu Kim is a controlling shareholder of MBK GP III, Inc. MBK GP III, Inc. is the sole general partner of MBK Partners GP III, L.P. MBK Partners GP III, L.P. is in turn the sole general partner of MBK Partners Fund III, L.P. MBK Partners Fund III, L.P. holds all the voting rights of MBK Partners JC, L.P. Michael ByungJu Kim, MBK GP III, Inc., MBK Partners GP III, L.P., and MBK Partners Fund III, L.P. are therefore each deemed to be interested in Units held by MBK Partners JC, L.P.
- (4) Teck Chien Kong is a controlling shareholder of MBK Partners JC GP, Inc. MBK Partners JC GP, Inc. is the sole general partner of MBK Partners JC, GP L.P. MBK Partners JC, GP L.P. is in turn the sole general partner of MBK Partners JC, L.P. Teck Chien Kong, MBK Partners JC GP, Inc. and MBK Partners JC, GP L.P. are therefore each deemed to be interested in Units held by MBK Partners JC, L.P.
- (5) Canada Pension Plan Investment Board is the sole shareholder of CPP Investment Board Private Holdings (3) Inc. CPP Investment Board Private Holdings (3) Inc. holds more than 20% of the voting shares of Green Leisure Ltd. Canada Pension Plan Investment Board and CPP Investment Board Private Holdings (3) Inc. are therefore each deemed to be interested in Units held by Green Leisure Ltd. Additionally, Canada Pension Plan Investment Board has a deemed interest in 59,000 Units held through an omnibus account maintained with its sub-custodian nominee bank.
- (6) DIMI is the intermediate holding company of DPPCL and is deemed to be interested in Units held by DPPCL.
- (7) DSGI is the ultimate holding company of DPPCL and Daiwa Securities Co. Ltd. and is therefore deemed to be interested in Units held by both DPPCL and Daiwa Securities Co. Ltd.
- (8) GLSM Ireland is a subsidiary of GSG.
- (9) GSG is deemed to have an interest in Units held through its subsidiaries GLSM Ireland, Goldman Sachs Credit Partners (Japan), Ltd. and Goldman Sachs International.
- (10) Morgan Stanley is deemed to have an interest in Units held through its subsidiaries Morgan Stanley & Co. LLC, Morgan Stanley Domestic Holdings, Inc., and Morgan Stanley Capital Management, LLC.
- (11) Morgan Stanley is deemed to have an interest in Units held through its subsidiaries Morgan Stanley & Co. LLC, Morgan Stanley Domestic Holdings, Inc., and Morgan Stanley Capital Management, LLC.

---

## LETTER TO UNITHOLDERS

---

- (11) Mitsubishi UFJ holds more than 20% interest in shares of Morgan Stanley and is therefore deemed to be interested in Units held by Morgan Stanley.

### 4.3 Interests in the Unit Buy-Back Mandate

Save for Mr Yoshihiko Machida, Mr Toshikatsu Makishima, the Accordia Group and the Daiwa Securities Group, whose interests have been disclosed in paragraph 2.10 of this Letter, none of the Directors or Substantial Unitholders of Accordia Golf Trust has any other interest, direct or indirect, in the Unit Buy-Back Mandate (other than through their unitholdings (if any) in Accordia Golf Trust).

## 5. ABSTENTION FROM VOTING AND DIRECTORS' RECOMMENDATIONS

- 5.1 Each of the Accordia/Daiwa Concert Parties will abstain from exercising any voting rights that he/it may have in respect of the resolution authorising the proposed renewal of the Unit Buy-Back Mandate.
- 5.2 After having considered, amongst other things, the terms and rationale of the proposed renewal of the Unit Buy-Back Mandate, the Directors are of the view that the proposed renewal of the Unit Buy-Back Mandate is in the best interests of Accordia Golf Trust and the Unitholders. Accordingly, the Directors (excluding Mr Yoshihiko Machida and Mr Toshikatsu Makishima who abstain pursuant to Appendix 2 of the Take-over Code) recommend that the Unitholders vote in favour of the proposed renewal of the Unit Buy-Back Mandate.
- 5.3 After having considered, amongst other things, the ARC's recommendations, the terms and rationale of the Proposed Change of External Auditors and the factors set out in Paragraph 3.7 of this Letter, the Directors are of the view that the Proposed Change of External Auditors is in the best interests of Accordia Golf Trust and the Unitholders. Accordingly, the Directors recommend that the Unitholders vote in favour of the Proposed Change of External Auditors.

## 6. ANNUAL GENERAL MEETING

The AGM, notice of which is set out on pages 123 to 127 of the Annual Report 2017, will be held on 26 July 2017, at 10.00 a.m. at 1 Marina Boulevard, Level 8, Room 801, NTUC Centre, Singapore 018989, for the purpose of considering, and if thought fit, passing with or without any modifications, the ordinary resolutions set out in the aforementioned Notice of AGM.

## 7. ACTIONS TO BE TAKEN BY UNITHOLDERS

Unitholders who are unable to attend the AGM and who wish to appoint a proxy to attend and vote at the AGM on their behalf should complete, sign and return the Proxy Form attached to the Annual Report 2017 in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Trustee-Manager not less than 48 hours before the time fixed for the AGM. The sending of a Proxy Form by a Unitholder does not preclude him from attending and voting in person at the AGM if he finds that he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.

---

## LETTER TO UNITHOLDERS

---

A Depositor shall not be regarded as a Unitholder entitled to attend the AGM and to speak and vote thereat unless he is shown to have Units entered against his name in the Depository Register, as certified by The CDP at least 72 hours before the time fixed for the AGM.

### **8. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the proposed renewal of the Unit Buy-Back Mandate, the Proposed Change of External Auditors and Accordia Golf Trust, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in the Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Letter in its proper form and context.

### **9. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Trustee-Manager at 6 Shenton Way, #25-09 OUE Downtown 2, Singapore 068809 during normal office hours from the date hereof up to and including the date of the AGM:

- (a) the Trust Deed;
- (b) the Annual Report 2017;
- (c) the email from Deloitte, giving notice that they would not be seeking re-appointment as external auditors of Accordia Golf Trust at the forthcoming AGM;
- (d) the letter from PwC, giving their consent to act as external auditors of Accordia Golf Trust, subject to the approval of Unitholders at the forthcoming AGM; and
- (e) the Letter of Nomination.

By Order of the Board of Accordia Golf Trust Management Pte. Ltd.  
(as Trustee-Manager of Accordia Golf Trust)

Khoo Kee Cheok  
Chairman  
Singapore, 7 July 2017



